

Share Purchase Plan for WAM Leaders shareholders

6 March 2023
ASX Announcement

\$1.48 per share⁴

The SPP will be offered to existing shareholders at a fixed price

6.1%

Annualised fully franked dividend yield on SPP issue price

35.15 cps

Fully franked dividends paid since inception

43.9 cps⁵

Profits reserve available at 28 February 2023 before the issue of SPP and Placement shares

5.1%²

SPP price discount to current share price

Share Purchase Plan

The WAM Leaders (ASX: WLE) Board of Directors has announced a Share Purchase Plan (SPP) and Placement to existing shareholders¹. The SPP provides the opportunity to acquire up to \$30,000 of ordinary, fully paid shares in WAM Leaders without incurring any brokerage fees, and at a 5.1% discount² to the current share price. Shareholders who participate in the SPP and Placement will be entitled to receive the fully franked interim dividend³ of 4.5 cents per share.

The SPP will be offered to existing shareholders at the fixed price of \$1.48 per share⁴, equal to the Company's estimated net tangible asset backing⁵ per share as at 28 February 2023. This represents a discount of 5.1% to the 3 March 2023 share price².

Shareholders will have the opportunity to apply for the SPP via an [online acceptance facility](#) that will open tomorrow. Full details, including access to the dedicated website and application instructions are available in the [SPP booklet](#) which was announced earlier today.

Shareholders who participate in the SPP and Placement will be entitled to receive the fully franked interim dividend³ of 4.5 cents per share on New Shares issued under the offer. The fully franked interim dividend of 4.5 cents per share represents a 12.5% increase on the FY2022 fully franked interim dividend, an annualised fully franked dividend yield of 6.1% and a grossed-up dividend yield of 8.7%⁶ on the SPP price of \$1.48 per share.

Chairman Geoff Wilson AO said: "The WAM Leaders investment team has generated strong investment portfolio performance for shareholders since inception, in all market cycles. The SPP and Placement provides an equitable opportunity for shareholders to increase their exposure to the WAM Leaders investment portfolio which has outperformed over one, three and five years and since inception."

In the 12 months to 28 February 2023 the WAM Leaders investment portfolio increased 11.1%⁷, outperforming the S&P/ASX 200 Accumulation Index by 3.9%. Since inception in May 2016, the investment portfolio has increased 14.8%⁷ per annum, outperforming the Index by 6.0% per annum.

The Company had 43.9 cents per share⁵ in its profits reserve as at 28 February 2023, representing 4.9 years of dividend coverage, before the payment of the fully franked interim dividend of 4.5 cents per share and before the issue of new WAM Leaders shares under the SPP and Placement. The Board is committed to paying a stream of fully franked dividends to shareholders, provided the Company has sufficient profits reserves and franking credits and it is within prudent business practices. Since inception in May 2016, WAM Leaders has paid 35.15 cents per share in fully franked dividends to shareholders. The Company's ability to generate franking credits is dependent upon the receipt of franked dividends from investments and the payment of tax on profits.

The Placement is currently expected to occur in the last week of March 2023 to existing WAM Leaders professional and sophisticated investors⁸ at the same price and under the same terms as the SPP. Under ASX Listing Rules the Board can issue up to an additional 164.8 million shares or \$243.8 million can be raised through the Placement, utilising WAM Leaders' 15% Placement capacity under the ASX Listing Rules. The shares issued under the Placement will rank pari passu with existing shares. If you would like to participate, please call Hamish Nairn from Taylor Collison on (08) 8217 3908 or email hnairn@taylorcollison.com.au or Philip Lee from Morgans on (07) 3334 4864 or email philip.lee@morgans.com.au.

The total number of new WAM Leaders shares that can be issued under the SPP and Placement are 494.3 million, raising a maximum of \$731.5 million.

¹Shareholders on the WAM Leaders register as at 7:00pm (Sydney time) on 3 March 2023 with a registered address in Australia or New Zealand.

²Based on the 3 March 2023 share price of \$1.56 per share.

³Assumes shareholders continue to hold shares issued under the offer at the dividend record date on 22 May 2023.

⁴The issue price may be adjusted if required to comply with the requirements of ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547 and the ASX Listing Rules.

⁵The 28 February 2023 pre-tax NTA and profits reserve figures are estimates only, and are based solely on the investment portfolio performance for the month. The estimated pre-tax NTA and profits reserve figures are before the fully franked interim dividend to be paid on 31 May 2023. The February 2023 investment update, including the final pre and post-tax NTA and profits reserve figures, will be announced to the market on or before 14 March 2023. The profits reserve as at 28 February 2023 is before the payment of the fully franked interim dividend of 4.5 cents per share and before the issue of new WAM Leaders shares under the SPP and Placement.

⁶Grossed-up dividend yield includes the benefit of franking credits and is based on a tax rate of 30.0%.

⁷Investment portfolio performance is before expenses, fees, taxes and the impact of capital management initiatives to compare to the relevant index which is before expenses, fees and taxes.

⁸These terms are defined in the Corporations Act and refer to individuals with net assets greater than \$2.5 million, or those who earn gross income of \$250,000, or a Superannuation Fund with net assets of at least \$10 million.

Strong investment portfolio performance and fully franked dividends

35.15cps

Fully franked dividends paid since inception

9.0cps

Annualised fully franked interim dividend

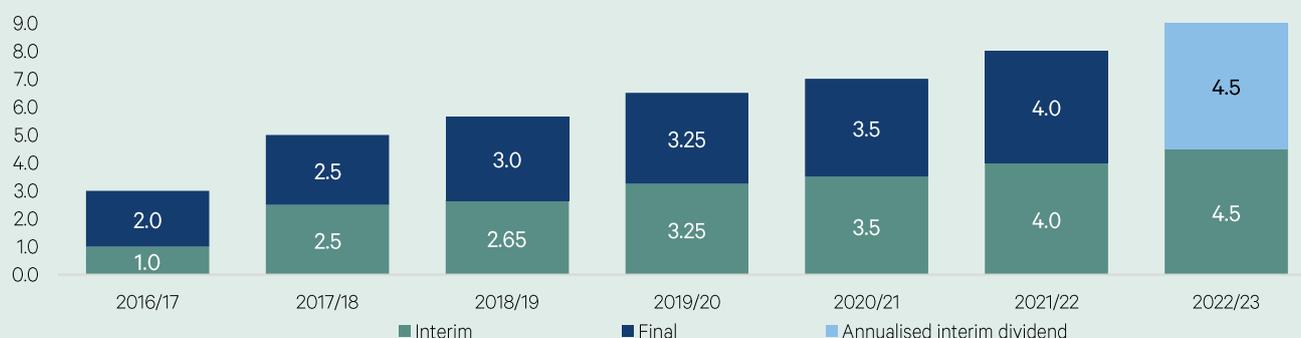
5.8%⁹

Annualised fully franked interim dividend yield

4.9 years¹⁰

Dividend coverage before the issue of SPP and Placement shares

Fully franked dividends (cents per share)



Investment portfolio performance since inception

as at 28 February 2023

	1 yr	3 yrs %pa	5 yrs %pa	Since inception %pa (May-16)
WAM Leaders Investment Portfolio ¹¹	11.1%	19.4%	15.1%	14.8%
S&P/ASX 200 Accumulation Index	7.2%	7.9%	7.9%	8.8%
Outperformance	+3.9%	+11.5%	+7.2%	+6.0%

Key dividend dates

Ex dividend date	19 May 2023
Dividend record date (7:00pm Sydney time)	22 May 2023
Last election date for DRP	24 May 2023
Fully franked interim dividend payment date	31 May 2023

⁹Based on the 3 March 2023 share price of \$156 per share.

¹⁰Dividend coverage is before the payment of the FY2023 fully franked interim dividend of 4.5 cents per share. It is based on an annualised fully franked interim dividend of 9.0 cents per share and before the issue of new WAM Leaders shares under the SPP and Placement.

¹¹Investment portfolio performance is before expenses, fees, taxes and the impact of capital management initiatives to compare to the relevant index which is before expenses, fees and taxes.

Share Purchase Plan

6 March 2023
ASX Announcement

WAM Leaders Limited (ASX: WLE) shareholders will have the opportunity to purchase a parcel of shares up to the value of A\$30,000 under a Share Purchase Plan.

Apply online at: www.wamleadersspp.com.au

Closing date: 27 March 2023

Not for distribution or release in the United States.

Share Purchase Plan fact sheet

The Share Purchase Plan (SPP) offers shareholders¹ the opportunity to acquire up to \$30,000 of ordinary, fully paid shares in WAM Leaders without incurring any brokerage fees, and at a discount² to the current share price.

Purpose of the SPP

To equitably and efficiently grow the Company's assets, increase its relevance in the market and provide access to market opportunities.

Who is entitled to the SPP?

The SPP is available to existing WAM Leaders shareholders who were on the WAM Leaders register as at 7:00pm (Sydney time) on the record date of 3 March 2023 with a registered address in Australia or New Zealand.

Benefits to shareholders



The SPP will deliver benefits to shareholders beyond the opportunity for participants to purchase shares at a 5.1% discount to the current share price² without incurring brokerage fees.

The WAM Leaders share price closed at \$1.56 per share on 3 March 2023 and WAM Leaders' estimated pre-tax NTA as at 28 February 2023 was \$1.48 per share. Shareholders who participate in the SPP will be entitled to receive the fully franked interim dividend³ of 4.5 cents per share. The fully franked interim dividend of 4.5 cents per share represents a 12.5% increase on the FY2022 fully franked interim dividend, an annualised fully franked dividend yield of 6.1% and a grossed-up dividend yield of 8.7%⁴ on the SPP price of \$1.48 per share.

The primary purpose of the capital raising is to equitably and efficiently grow the Company's assets, increase its relevance in the market, improve the prospect of broker and research coverage, garner additional interest from financial planners and provide access to market opportunities. The Company's larger capital base increases the liquidity of the shares and its relevance in the market by improving the prospect of broker and research coverage, increasing interest from financial planners and gaining additional access to market opportunities. The increased size is also expected to reduce the fixed expense ratio of the Company to the benefit of all shareholders.

Use of the additional capital



The proceeds of the additional capital will be invested in accordance with WAM Leaders' disciplined and proven investment process. WAM Leaders' investment process, which focuses on a detailed fundamental analysis, a comprehensive macroeconomic analysis and positioning analysis has led to strong investment portfolio performance throughout the Company's history. Since inception in May 2016, the WAM Leaders investment portfolio has returned 14.8%⁵ per annum as at 28 February 2023, outperforming the S&P/ASX 200 Accumulation Index by 6.0% per annum.

WAM Leaders' gross assets as at 28 February 2023 were \$1,628.8 million, 96.8% of which were allocated to equities, with the remaining 3.2% held in cash.

Placement



The Placement is currently expected to occur the last week of March 2023 to existing WAM Leaders professional and sophisticated investors⁶ at the same price and under the same terms as the SPP. The Board can issue additional shares provided it complies with the relevant ASX Listing Rules. Up to an additional 164.8 million shares or 15% can be raised through the Placement. The shares issued under the Placement will rank pari passu with existing shares. If you would like to participate, please call Hamish Nairn from Taylor Collison on (08) 8217 3908 or email hnairn@taylorcollison.com.au or Philip Lee from Morgans on (07) 3334 4864 or email philip.lee@morgans.com.au.

The total number of new WAM Leaders shares that can be issued under the SPP and Placement are 494.3 million, raising a maximum of \$731.5 million.

¹Shareholders on the WAM Leaders register as at 7:00pm (Sydney time) on 3 March 2023 with a registered address in Australia or New Zealand.

²Based on the closing share price of \$1.56 per share on 3 March 2023.

³Assumes shareholders continue to hold shares issued under the offer at the dividend record date on 22 May 2023.

⁴Grossed-up dividend yield includes the benefit of franking credits and is based on a tax rate of 30.0%.

⁵Investment portfolio performance is before expenses, fees, taxes and the impact of capital management initiatives to compare to the relevant index which is before expenses, fees and taxes.

⁶These terms are defined in the Corporations Act and refer to individuals with net assets greater than \$25 million, or those who earn gross income of \$250,000, or a Superannuation Fund with net assets of at least \$10 million.

Participating in the Share Purchase Plan

The WAM Leaders' share registry, Boardroom Pty Limited, will email application forms and a summary of the Offer to eligible shareholders who have email addresses on the share register.

This email will come from companies@boardroom.com.au.

Printed copies will be mailed only to those shareholders who do not have email addresses on the share register. If you would like to receive an email application form earlier, please contact Boardroom directly on:

T 1300 420 372

E wilsonam@boardroomlimited.com.au.

Shareholders will also have the opportunity to apply for the SPP via an online acceptance facility at www.wamleadersspp.com.au. The online acceptance facility will open tomorrow Tuesday 7 March 2023.

Eligible shareholders should read the Share Purchase Plan booklet and related documentation in full before deciding whether to subscribe for New Shares.

Key dates

SPP Record Date (7:00pm Sydney time)	3 March 2023
Announcement and issue of SPP Terms and Conditions	6 March 2023
SPP opens	7 March 2023
SPP closes	27 March 2023
SPP results announced	30 March 2023
Issue of SPP Shares	3 April 2023
SPP Shares expected to commence trading on ASX	4 April 2023
Dividend ex date	19 May 2023
Dividend record date	22 May 2023
Dividend payment date	31 May 2023

Key terms

Eligibility

The Share Purchase Plan will be open to existing shareholders of the Company (Eligible Shareholders) who own shares in the Company as at 7:00pm (Sydney time) on the Record Date of 3 March 2023 and have a registered address in Australia or New Zealand.

Issue date

The date on which SPP Shares are issued (expected to be 3 April 2023).

Issue price

The WAM Leaders' estimated pre-tax NTA as at 28 February 2023 was \$1.48 per share.

Placement

The placement of Shares announced on 6 March 2023 to existing professional and sophisticated investors. Professional and sophisticated investors are defined in the Corporations Act and refer to individuals with net assets greater than \$2.5 million, or those who earn gross income of \$250,000, or a Superannuation Fund with net assets of at least \$10 million.

Register

The register of shareholders maintained by the Registrar.

Share Purchase Plan

A type of capital raising allowing companies to offer shares to retail investors.

SPP Record Date

7:00pm (Sydney time) on 3 March 2023.

SPP Share

A new share offered under the SPP, the terms and conditions of which are set out in the SPP booklet.

About WAM Leaders

WAM Leaders Limited is a listed investment company (LIC) managed by Wilson Asset Management. Listed in May 2016, WAM Leaders provides investors with exposure to an active investment process focused on identifying large-cap companies with compelling fundamentals, a robust macroeconomic thematic and a catalyst.

All major platforms provide access to WAM Leaders, including Asgard eWRAP Investment, BT Panorama, BT Wrap, Colonial First State FirstWrap, Hub24, IOOF Pursuit Select Investment Service, Macquarie Investment Manager / Consolidator, MLC Wrap IDPS and SMS, Netwealth Wrap and North Investment. WAM Leaders receives coverage from the following independent investment research providers:



This announcement has been authorised by the Board of WAM Leaders Limited.

**6 Years
Listed**



About Wilson Asset Management



Wilson Asset Management has a track record of making a difference for shareholders and the community for 25 years. As the investment manager for eight LICs – WAM Capital (ASX: WAM), WAM Leaders (ASX: WLE), WAM Global (ASX: WGB), WAM Microcap (ASX: WMI), WAM Alternative Assets (ASX: WMA), WAM Strategic Value (ASX: WAR), WAM Research (ASX: WAX) and WAM Active (ASX: WAA) – Wilson Asset Management invests over \$5 billion on behalf of over 130,000 retail investors.

Wilson Asset Management created and is the lead supporter of the first LICs to deliver both investment and social returns: Future Generation Australia (ASX: FGX) and Future Generation Global (ASX: FGG). Wilson Asset Management advocates and acts for retail investors, is a member of the global philanthropic Pledge 1% movement, is a significant funder of many Australian charities and provides all team members with \$10,000 each year to donate to charities of their choice. All philanthropic investments are made by the Investment Manager.

For more information visit www.wilsonassetmanagement.com.au or contact:

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