

## WAM Research delivers strong investment portfolio outperformance

19 February 2025  
ASX announcement  
and media release

### Highlights

## +21.3%

Investment portfolio performance in the six months to 31 December 2024\*

## +15.8%

Investment portfolio outperformance of the S&P/ASX Small Ordinaries Accumulation Index in the six months to 31 December 2024

## 8.2%

Annualised interim dividend yield<sup>^</sup>

## 10.3%

Grossed-up dividend yield<sup>#</sup>

## 217.4 cps

Dividends paid since inception, when including the value of franking credits

## 53.6 cps

Profits reserve at 31 January 2025, before the payment of the interim dividend of 5.0 cps

## \$1.19 per share

Pre-tax NTA at 31 January 2025

### Q&A Webinar

Thursday 6 March 2025 at 2:00pm (Sydney time)

Register to join the investment team for our WAM Capital, WAM Microcap, WAM Research and WAM Active FY2025 Interim Results Q&A webinar.

[Register now](#)

The WAM Research Limited (ASX: WAX) investment portfolio outperformed the S&P/ASX Small Ordinaries Accumulation Index by 15.8% and the S&P/ASX All Ordinaries Accumulation Index by 14.4%, increasing 21.3%\* in the six months to 31 December 2024. In the 2024 calendar year, the investment portfolio delivered record performance increasing 39.9%\*, outperforming the S&P/ASX Small Ordinaries Accumulation Index by 31.5% and the S&P/ASX All Ordinaries Accumulation Index by 28.5%.

The investment portfolio outperformance added to the profits reserve and contributed to a 76.7% increase in the operating profit before tax of \$36.7 million (HY2024: \$20.8 million) and a 75.0% increase in operating profit after tax of \$26.4 million (HY2024: \$15.1 million) in the Company's 2025 half-year results.

The WAM Research Board of Directors declared an interim dividend of 5.0 cents per share, partially franked at 60%, representing an annualised interim dividend yield of 8.2%<sup>^</sup> and a grossed-up dividend yield of 10.3%<sup>#</sup> when including the value of franking credits.

Chairman Geoff Wilson AO said: "A strong period of outperformance has added to the profit reserve, enabling the continued payment of a dividend yield well in excess of the yield on the S&P/ASX All Ordinaries Accumulation Index."

Lead Portfolio Manager Oscar Oberg said: "The team's stock selection during the period delivered strong outperformance, with Sigma Healthcare (ASX: SIG), Tuas (ASX: TUA) and Generation Development Group (ASX: GDG) emerging as standout performers, each rallying strongly.

"With expected interest rate cuts, small-cap companies will regain momentum. Looking ahead to the second half of the 2025 financial year, we anticipate a more favourable macroeconomic landscape which will drive an increase in corporate transaction activity, creating compelling opportunities aligned with our proven investment approach," he added.

Since inception, WAM Research has delivered nearly \$358 million in dividends and franking credits to shareholders. The Company has 5.4 years of dividend coverage, based on the profits reserve of 53.6 cents per share at 31 January 2025, before the payment of the interim dividend of 5.0 cents per share.

The interim dividend was made possible by the strong investment portfolio performance over the period, the listed investment company (LIC) structure and the profits reserve available. The Board's decision to maintain the interim dividend of 5.0 cents per share was made having consideration to the high annualised grossed-up dividend yield on the Company's pre-tax net tangible assets (NTA)\*\* of 11.1%<sup>#</sup> at 31 December 2024.

The level of franking in FY2025 and beyond is dependent on tax paid on realised profits. The Company also generates franking credits from the receipt of franked dividends from investee companies. Should the Company be able to maintain the final dividend of 5.0 cents per share, the WAM Research Board of Directors also expects it to be partially franked at 60%.

Over a five-year period, the investment portfolio has increased 14.8%\* per annum, outperforming the S&P/ASX All Ordinaries Accumulation Index by 6.5% per annum. Since the change in investment strategy in 2010, the investment portfolio has outperformed the S&P/ASX All Ordinaries Accumulation Index by 6.6% per annum.

\*Investment portfolio performance is before expenses, fees and taxes to compare to the relevant indexes which are also before expenses, fees and taxes.

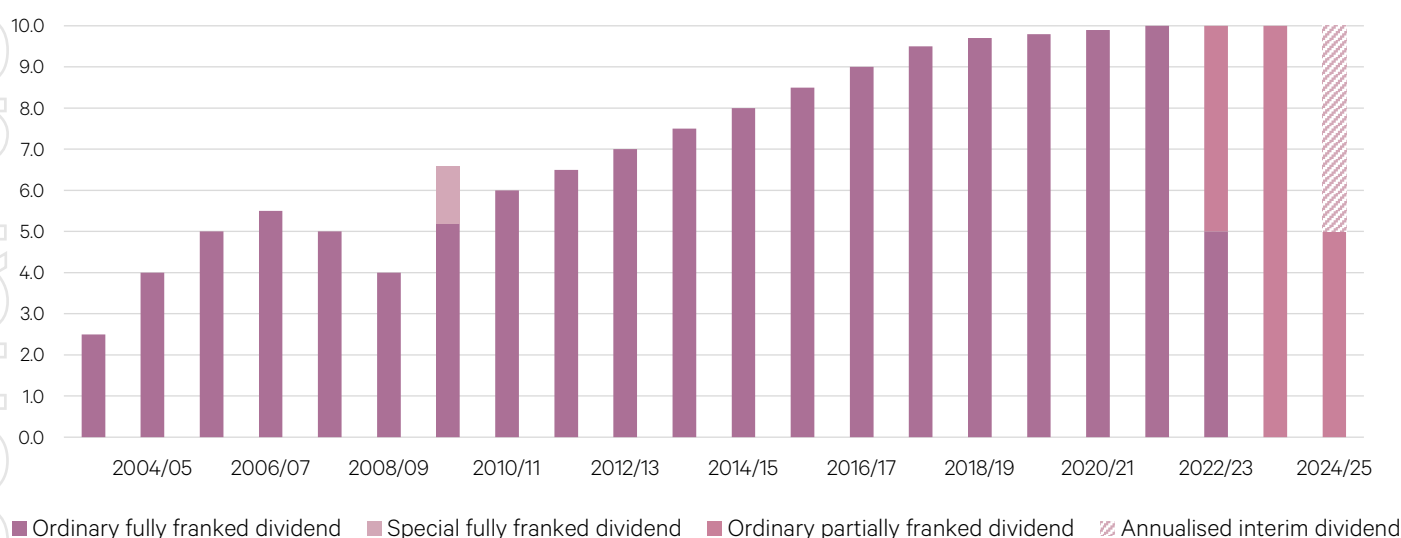
\*Based on the 18 February 2025 share price of \$1225 per share.

#Crossed-up yield includes the benefits of franking credits and is based on a tax rate of 30.0%.

\*Based on the 31 December 2024 pre-tax NTA of \$1.1371 per share.

### Dividends since inception

Cents per share



### Key dividend dates

Ex-dividend date	<b>15 April 2025</b>
Dividend record date (7:00pm Sydney time)	<b>16 April 2025</b>
Last election date for DRP	<b>22 April 2025</b>
Payment date	<b>30 April 2025</b>

The Dividend Reinvestment Plan (DRP) is in operation and the recommended partially franked interim dividend of 5.0 cents per share qualifies. Participating shareholders will be entitled to be allotted the number of shares (rounded to the nearest whole number) which the cash dividend would purchase at the relevant issue price. The relevant issue price will be calculated as the volume weighted average market price (VWAP) of shares sold on the ASX on the ex-date for the relevant dividend and the three trading days following that date. The DRP will operate without a discount for the partially franked interim dividend.

### Investment portfolio performance since change in investment strategy

Investment portfolio performance at 31 December 2024	Fin YTD	1 yr	3 yrs %pa	5 yrs %pa	10 yrs %pa	Since change in investment strategy %pa (Jul-10)
WAM Research Investment Portfolio	21.3%	39.9%	12.9%	14.8%	14.4%	15.7%
S&P/ASX All Ordinaries Accumulation Index	6.9%	11.4%	6.9%	8.3%	8.8%	9.1%
<b>Outperformance</b>	<b>+14.4%</b>	<b>+28.5%</b>	<b>+6.0%</b>	<b>+6.5%</b>	<b>+5.6%</b>	<b>+6.6%</b>
S&P/ASX Small Ordinaries Accumulation Index	5.5%	8.4%	-1.6%	4.0%	7.3%	5.2%
<b>Outperformance</b>	<b>+15.8%</b>	<b>+31.5%</b>	<b>+14.5%</b>	<b>+10.8%</b>	<b>+7.1%</b>	<b>+10.5%</b>

Investment portfolio performance is before expenses, fees and taxes to compare to the relevant indexes which are also before expenses, fees and taxes.

**Top 20 holdings with portfolio weightings**  
at 31 December 2024

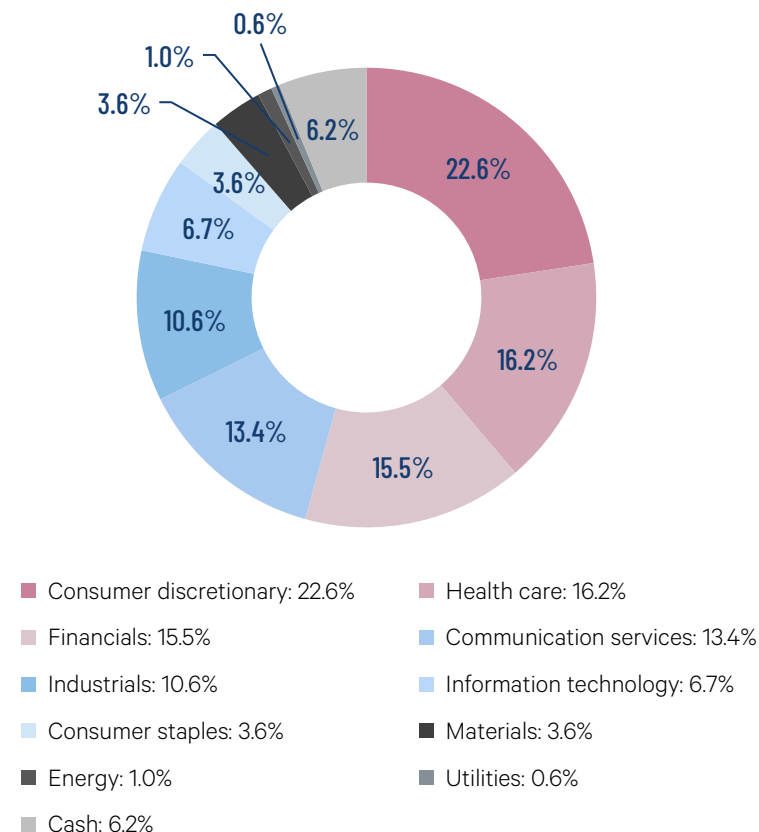
Code	Company name	%
TUA	Tuas Limited	8.5%
GEM	G8 Education Limited	5.8%
JDO	Judo Capital Holdings Limited	5.2%
SSM	Service Stream Limited	4.7%
MGH	Maas Group Holdings Limited	3.9%
GTK	Gentrack Group Limited	3.8%
SUM NZ	Summerset Group Holdings Limited	3.7%
GDG	Generation Development Group Limited	3.3%
REG	Regis Healthcare Limited	3.0%
SNL	Supply Network Limited	2.9%
SEK	SEEK Limited	2.7%
EMR	Emerald Resources NL	2.7%
PGC	Paragon Care Limited	2.6%
MYR	Myer Holdings Limited	2.6%
SIG	Sigma Healthcare Limited	2.5%
HMC	HMC Capital Limited	2.4%
IDX	Integral Diagnostics Limited	2.2%
EVT	EVT Limited	2.2%
ACL	Australian Clinical Labs Limited	2.2%
WEB	WEB Travel Group Limited	2.1%

**Portfolio composition by market capitalisation**  
at 31 December 2024

	WAM Research <sup>^</sup>	S&P/ASX All Ordinaries Index	S&P/ASX Small Ordinaries Index
ASX Top 20	0.0%	56.0%	0.0%
ASX 21-50	2.7%	16.0%	0.0%
ASX 51-100	2.4%	13.2%	0.0%
ASX 101-300	64.6%	12.1%	100.0%
Ex ASX 300	24.1%	2.7%	0.0%

<sup>^</sup>Investment portfolio held 6.2% in cash.

**Diversified investment portfolio by sector**  
at 31 December 2024



## About WAM Research

WAM Research Limited (ASX: WAX) provides investors with exposure to a diversified portfolio of undervalued growth companies, which are generally small-to-medium sized industrial companies listed on the ASX. WAM Research's investment objectives are to provide a stream of fully franked dividends and achieve a high real rate of return, comprising both income and capital growth, within acceptable risk parameters.

All major platforms provide access to WAM Research, 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.

Listed  
August 2003



WAM Research receives coverage from the following independent investment research providers:



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

## About Wilson Asset Management

Wilson Asset Management has a track record of making a difference for shareholders and the community for 27 years. As the investment manager for eight leading LICs: WAM Capital (ASX: WAM), WAM Leaders (ASX: WLE), WAM Global (ASX: WGB), WAM Microcap (ASX: WMI), WAM Alternative Assets (ASX: WMA), WAM Research (ASX: WAX), WAM Active (ASX: WAA) and WAM Strategic Value (ASX: WAR); and two unlisted funds: Wilson Asset Management Leaders Fund and Wilson Asset Management Founders Fund, Wilson Asset Management invests over \$5.9 billion on behalf of more than 130,000 retail and wholesale 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), as well as Future Generation Women. Wilson Asset Management advocates and acts on behalf of 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 Wilson Asset Management and not the LIC.

Wilson  
Asset Management

>\$5.9 billion  
in funds under management

>200 years  
combined investment experience

27 years  
making a difference for shareholders

11  
investment products

For more information visit [www.wilsonassetmanagement.com.au](http://www.wilsonassetmanagement.com.au) or contact:

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