

10 JULY 2025

# SB2 Investment Report & NTA Update

NTA PRE TAX	NTA POST TAX	TOTAL DIVIDENDS
<b>\$0.990</b>	<b>\$1.019</b>	<b>\$0.02</b>

NET TANGIBLE ASSET VALUE PER SHARE AS AT 30TH JUNE 2025

## SB2\* Portfolio Performance to 30th June 2025†

1 Month	3 Months	1 Year	3 Year (p.a.)	Since Inception (p.a.)^	Since Inception^
-5.13%	-8.72%	6.34%	3.88%	1.94%	8.16%

# Salter Brothers Emerging Companies Limited ACN 646 715 111 (ASX:SB2)

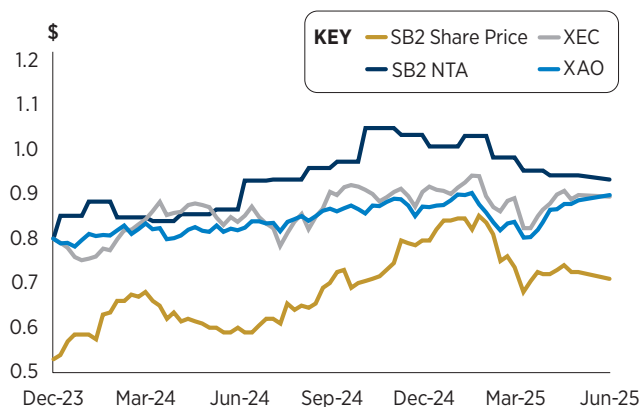
† Portfolio performance is calculated net of Management fees but before taxes, other fees, and expenses. Performance has not been grossed up for franking credits received by shareholders.

^ Inception date is 27 May 2021.

## Fund Summary

ASX Code	SB2
Net Tangible Assets	\$86.8m
SB2 Market Capitalisation	\$60.5m
Share Price	\$0.71
Discount to NTA	-30.32%
Companies Held	30
Weighted average market cap of portfolio	\$192m
Annualised Interim Dividend Per Share	4c
Annualised Interim Dividend Yield %	5.6%

## Performance



Pre-Tax NTA, Emerging companies index (ASX:XEC) and All ordinaries (ASX:XAO) have all been rebased to 0.80. Source Iress.

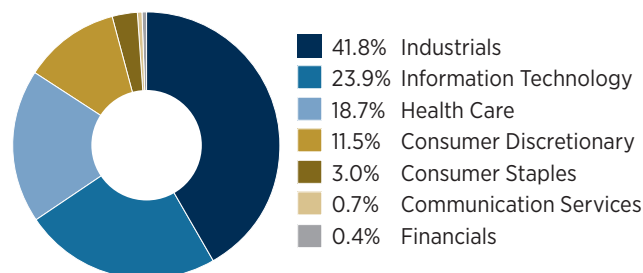
## Portfolio Commentary

In June, the portfolio posted a negative return of -5.13% below the Australian Emerging Companies Index (ASX:XEC), which declined 0.49%.

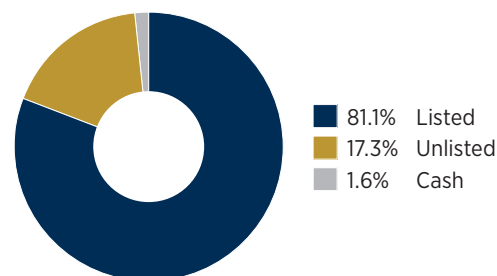
Global markets demonstrated resilience throughout June, particularly in the face of ongoing geopolitical tensions and persistent tariff concerns. The period also saw notable tax-loss selling, across underperforming stocks.

The manager remains confident in the portfolio as we enter a period of high news flow, with fourth quarter results in July and full year accounts in August.

## Listed Portfolio Sector Weights



## Portfolio Composition



The portfolio's investment strategy was compliant with the emerging companies' investment requirements of the Australian Significant Investor Visa regime for the period ending 30th June 2025.

## Feature Stocks



### Symal Group Ltd (ASX:SYL)

Symal listed on the ASX in November 2024 raising over \$130m, with a post offer market Capitalisation of \$437m. The company was recently added to the portfolio.

Symal is an Australian founder-led business which provides construction contracting, equipment hires, material sales, recycling and remediation services to the civil construction industry in Australia. The company has a strong track record of organic growth and effective risk management through their vertically integrated operating model.

In June the company updated their market guidance, with an expectation to deliver \$105m EBITDA above their prospectus guidance of \$102m. The company also noted significant work in hand at the end of May of \$1.4B.

**WRKR Ltd (ASX:WRK)** was the portfolio's top contributor in June rising 48.3% over the month. The rally followed the company's announcement of the successful completion of its pilot program with Rest Super, with integration of Rest's users onto the WRKR Employer Services platform now underway.

In addition, in the first week of July WRKR announced the expansion of their MUFG partnership to also include Australian Super with 3.5m users. The extension aligns with WRKR targeted average revenue per user (ARPU), with the transition expected over the current financial year before pay day super begins in July 2026.

The conclusion of the pilot and significant contract win are two major milestones in the execution of WRKR's growth journey and brings them much closer to their targeted 7m active users.

**Betr Entertainment Ltd (ASX:BBT)** was a significant detractor to the portfolio through June, with weakness likely driven by uncertainty surrounding their proposed acquisition of Pointsbet. (ASX:PBH)

The scheme meeting regarding Mixi proposed acquisition was held in June and did not pass. Mixi has since stated their intention to attempt an off-market acquisition.

Adding to the volatility, PBH downgraded its FY25 guidance, with revenue expected at the lower end of its forecast range (-\$260 million) and EBITDA projected at \$11 million.

The acquisition of PBH remains a significant opportunity for BBT, who already own 19.9%. If BBT is not successful with the acquisition of PBH, the company is well capitalised with alternate acquisition opportunities. In addition, the underlying BBT business continues to perform strongly and remains conservatively valued.

## Top 5 Holdings

1. Alfabs Australia Ltd (ASX:**AAL**)
2. BETR Entertainment Ltd (ASX:**BBT**)
3. Ai-Media Technologies Ltd (ASX:**AIM**)
4. Eroad Ltd (ASX:**ERD**)
5. Alcidion Group Ltd (ASX:**ALC**)

## Metrics of the Listed Portfolio\*\*

	FY24A	FY25F	FY26F
<b>Key Ratios</b>			
EV / EBITDA (x)	6.7x	5.2x	4.8x
EV / EBIT (x)	9.2x	7.2x	6.5x
P / E (x)	9.2x	8.8x	7.9x
<b>Portfolio Financials</b>			
Revenue Growth (%)	35%	17%	21%
EBITDA Margin (%)	10%	12%	16%
EBIT Margin (%)	-3%	2%	8%
NPAT Margin (%)	-7%	-1%	5%

\*\*All metrics reflect weighted averages of the combined portfolio based on SB2 forecasts, as at 30/06/2025, adjusted for abnormalities and key ratios earnings metrics exclude loss making entities.

## Key Listed Contributors & Detractors

### Key Contributors for June 2025

#	Company Name	Price Chg. (%) (Absolute)	Weighted Avg. Price Chg (%)
1	WRKR Ltd (ASX: <b>WRK</b> )	+48.3%	+1.69%
2	Alcidion Group Ltd (ASX: <b>ALC</b> )	+16.3%	+0.84%
3	Alfabs Australia Ltd (ASX: <b>AAL</b> )	+4.29%	+0.45%

### Key Detractors for June 2025

#	Company Name	Price Chg. (%) (Absolute)	Weighted Avg. Price Chg (%)
1	BETR Entertainment Ltd (ASX: <b>BBT</b> )	-22.9%	-2.19%
2	Close the Loop Ltd (ASX: <b>CLG</b> )	-53.3%	-1.12%
3	Ai-Media Technologies Ltd (ASX: <b>AIM</b> )	-11.2%	-0.97%

## About Salter Brothers Emerging Companies Limited

**ASX:SB2** is an actively managed Australian small caps investment fund that seeks to provide investors with attractive risk adjusted returns over the long term. Investing in listed and unlisted emerging companies (sub \$500m market cap) across a range of sectors.

## About Salter Brothers

Salter Brothers is an Australian-owned global alternatives investment manager, with offices and operations in Australia, Singapore, Japan and the United States of America. It is focused on property, equities and private credit, with group assets under management of over A\$4 billion.

To find out more about Salter Brothers visit [salterbrothers.com.au](http://salterbrothers.com.au)

## Investment Team



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