

10 SEPTEMBER 2025

SB2 Investment Report & NTA Update

NTA PRE TAX	NTA POST TAX	TOTAL DIVIDENDS
\$1.060	\$1.068	\$0.04

NET TANGIBLE ASSET VALUE PER SHARE AS AT 31ST AUGUST 2025

SB2[#] Portfolio Performance to 31st Aug 2025[†]

1 Month	3 Months	1 Year	3 Year (p.a.)	Since Inception (p.a.) [^]	Since Inception [^]
-0.07%	1.46%	5.53%	1.27%	3.26%	14.61%

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

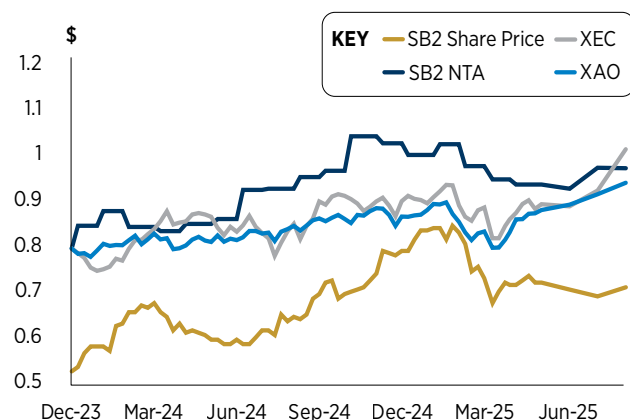
[†] Portfolio performance is calculated net of Management fees but before taxes, other fees, and expenses. Performance has not been grossed up for franking credits received by shareholders.

[^] Inception date is 27 May 2021.

Fund Summary

ASX Code	SB2
Net Tangible Assets	\$90.75m
SB2 Market Capitalisation	\$60.7m
Share Price	\$0.715
Discount to NTA	-33.05%
Companies Held	28
Weighted Average Market Cap of Portfolio	\$218m
Annualised Dividend Per Share	4c
Annualised Dividend Yield %	5.60%

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

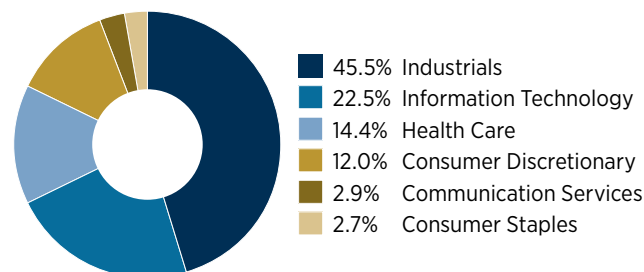
The portfolio maintained recent strong performance and achieved a neutral return of -0.07%. This takes the performance over the last 3 months to +1.46%.

During August, the majority of the portfolio's listed investments released their end-of-financial-year results, providing valuable data points that reinforced their investment theses. These updates have enhanced the performance outlook and strengthened conviction across the portfolio.

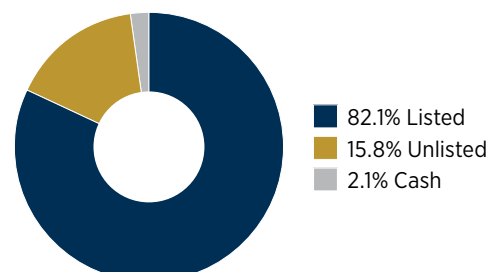
SB2 announced a consistent 85% franked final dividend for FY25 of 2 cents per share, bringing the full year dividend to 4 cents, representing a 5.6% yield.

A copy of the Salter brothers external research report is available at www.salterbrothers.com.au/ratings-awards

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 31st August 2025.

Feature Stocks



SYL Group Ltd (ASX:SYL)

Symal is a civil construction and equipment hire business. The manager's conviction in the holding has increased following a strong trading update and outlook in August.

In FY25 Symal modestly outperformed their prospectus guidance by 3.7%, achieving an EBITDA of \$106.1m. A particularly strong result given the broadly soft civil construction industry with widespread delays in projects.

Symal provided guidance in August of \$115-125m EBITDA for FY26 and displayed strong contract wins with Work in Hand increasing to \$1.76bn, up 35% on PCP.

The manager has high conviction in SYL which trades at an attractive valuation relative to peers. This view is supported by a strong pipeline and potential for additional acquisitions supported by Symal's strong balance sheet.

Alfabs Australia Ltd (ASX:AAL)

Alfabs share price experienced a notable uplift both ahead of and following its full year results, reversing a period of drift due to limited news flow.

The company reported a positive update in August growing their EBITDA by 39% to \$27.6m from \$19.8m in PCP. Alfabs earnings outlook remains strong with a full year contribution of Malabar assets to be recognised in FY26 and a promising growing engineering pipeline. The company continues to invest growth capital in their hire fleet to capture further inbound opportunities.

Alongside the full year results Alfabs increased their second half fully franked dividend to 1.7 cents from 1.5 cents in the first half of 2025.

Unlisted Holdings

The SB2 portfolio currently holds ~15% of the portfolio in unlisted companies. The Manager has previously spoken about a potential favorable exit in one or more of these unlisted portfolio holdings in the FY26 period.

At least three of the unlisted holdings in the portfolio are in a formal exit process with appointed advisors and engaged suitors.

There is no guarantee that a transaction will result from these processes, though it is possible that if an exit transaction was agreed this would be at a premium to the current holding valuation in the portfolio. This has the potential to be a positive driver of performance over coming months. The Manager will keep the market updated as the processes continue.

Top 5 Holdings

1. Alfabs Australia Ltd (ASX:**AAL**)
2. BETR Entertainment Ltd (ASX:**BBT**)
3. Ai-Media Technologies Ltd (ASX:**AIM**)
4. WRKR Ltd (ASX:**WRK**)
5. Symal Group Limited (ASX:**SYL**)

Metrics of the Listed Portfolio**

	FY24A	FY25F	FY26F
Key Ratios			
EV / EBITDA (x)	8.8x	7.6x	6.0x
EV / EBIT (x)	9.0x	9.8x	8.5x
P / E (x)	11.9x	10.5x	9.1x
Portfolio Financials			
Revenue Growth (%)	17%	26%	19%
EBITDA Margin (%)	10%	12%	14%
EBIT Margin (%)	2%	6%	8%
NPAT Margin (%)	-1%	3%	5%

**All metrics reflect weighted averages of the combined portfolio based on SB2 forecasts, as at 31/08/2025, adjusted for abnormalities and key ratios earnings metrics exclude loss making entities.

Key Listed Contributors & Detractors

Key Contributors for August 2025

#	Company Name	Price Chg. (%) (Absolute)	Weighted Avg. Price Chg (%)
1	Eroad Ltd (ASX: ERD)	+56.3%	+2.6%
2	Alfabs Australia Ltd (ASX: AAL)	+16.3%	+1.6%
3	Symal Group Ltd (ASX: SYL)	+12.1%	+0.7%

Key Detractors for August 2025

#	Company Name	Price Chg. (%) (Absolute)	Weighted Avg. Price Chg (%)
1	Top Shelf International Holdings Ltd (ASX: TSI)	-100.0%	-2.2%
2	Alcidion Group Ltd (ASX: ALC)	-17.4%	-1.1%
3	Ai-Media Technologies Ltd (ASX: AIM)	-10.9%	-0.9%

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

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This information contained in this document has been prepared by Salter Brothers Funds Management Pty Ltd ACN 608 295 683 (**Manager**), a corporate authorised representative of Salter Brothers Asset Management Pty Ltd ACN 119 833 760 (AFSL 308 971) (**SBAM**) and Salter Brothers Emerging Companies Limited ACN 646 715 111 (**SB2**) (the Manager and SB2 are collectively known as the **Disclosers**).

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