

WEBINAR

SALTER BROTHERS
EMERGING COMPANIES LIMITED
(ASX CODE: SB2)



EMERGING COMPANIES LIMITED

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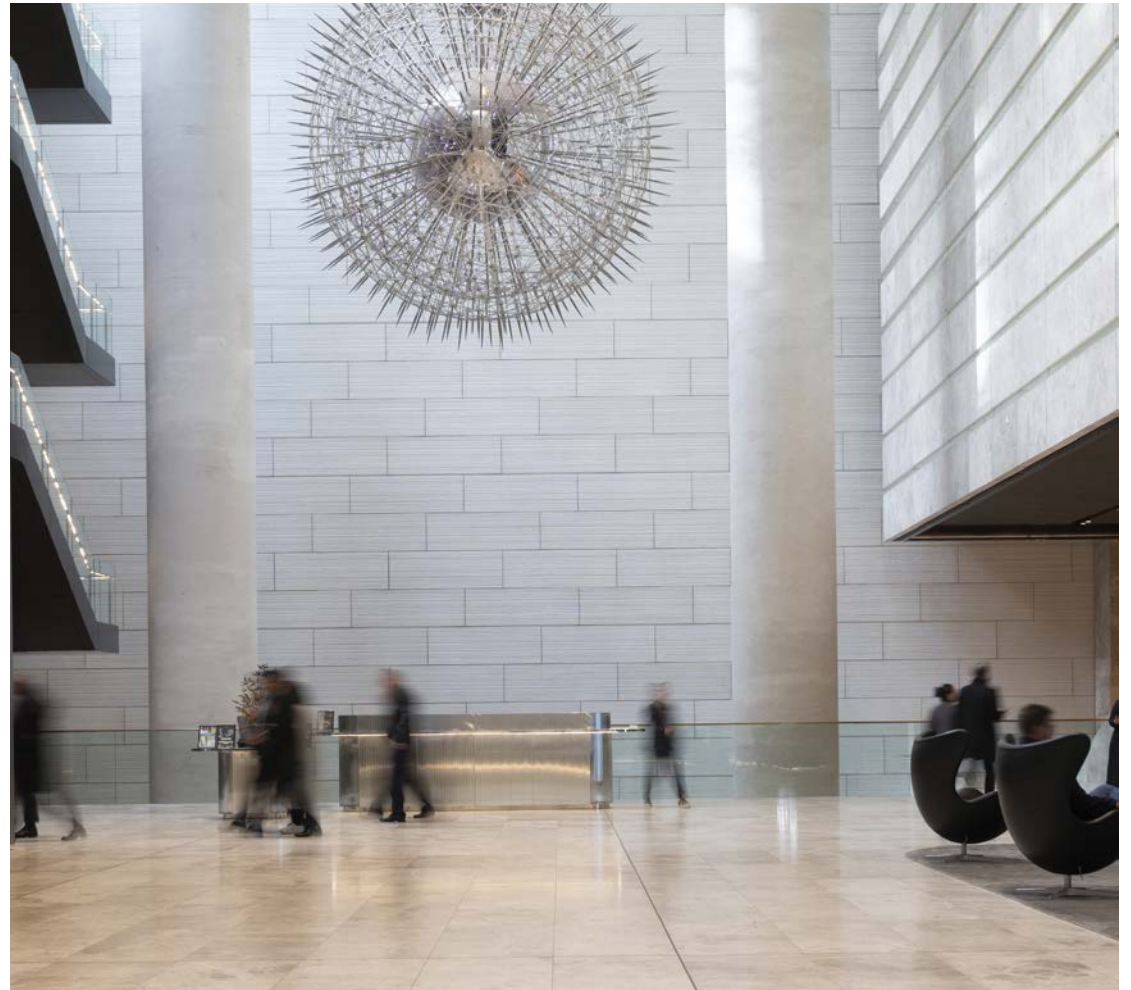
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1. EXECUTIVE SUMMARY

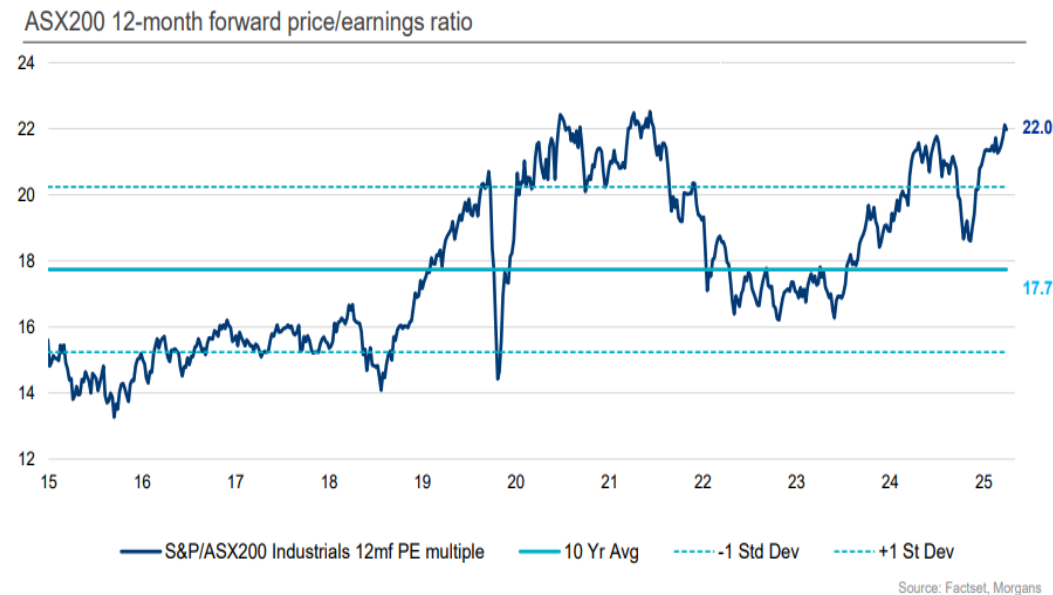


- Salter Brothers is a global diversified alternative investments manager with over A\$4.6 billion of group assets under management.
- Salter Brothers Emerging Companies Limited (**ASX-SB2**) is a professionally managed listed investment company (**LIC**), dedicated to investing in small cap Australian companies with a market capitalisation of under A\$500M.
- SB2 has a strong three-year track record of outperforming the small cap market, with the fund in August retaining the strong performance achieved in July.*
- As at 31st August 2025, the share price of SB2 traded at a -34% discount to the underlying post tax NTA value^

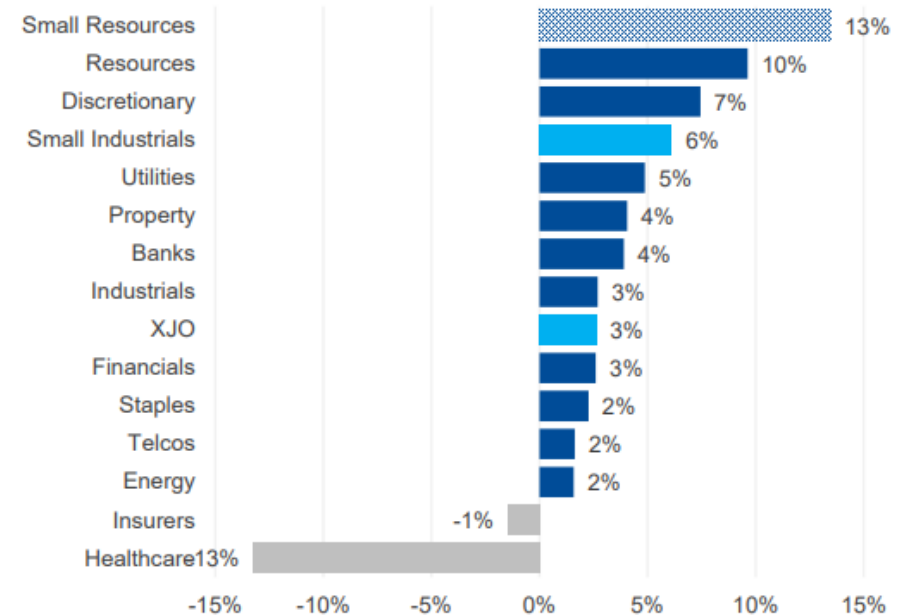
* Performance numbers calculated as at 31st August 2025. Investment portfolio performance is calculated net of management fees but before taxes, other fees, and expenses. Performance has not been grossed up for franking credits received by shareholders.

^ SB2 discount to NTA calculated as at 31st August 2025. For more information, refer to the Investment Report and NTA Update dated 10th September 2025 as published on the SB2 website (salterbrothers.com.au/funds-management/emerging-companies/asx announcements).

2. REPORTING SEASON REVIEW



August - ASX200 sector performance



Source: Factset, Morgans

- ASX200 Industrial forward price to earnings ratio trading at the upper bound of historical levels.
- Resources led asx performance through August particularly in small caps with small resources rising 13.5%.
- Outperformance of small industrials compared to ASX200 industrials highlights early signs of a reversal in small cap underperformance.
- Valuation differential between large cap and small cap equities remains at extreme highs.

3. INVESTMENT CASE - SYL

Share Price
\$1.90*

Market Cap
\$450m*

Summary

- 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.
- Salter Brothers has built a meaningful position in Symal primarily in the 4th Quarter of FY25, as at 31/8/2025 it is a top 5 holding.
- Symal's civil construction segment is involved in civil and private infrastructure, energy, renewables, complex engineering and design support. Maintaining a targeted 50-50 split between cost plus subcontractor works and higher margin head contractor projects. In FY25 this division accounted for \$714m revenue and \$58m normalised EBITDA.
- Their plant and equipment hire business primarily provides heavy machinery used in large scale landscaping and construction jobs. The group operates with 50% of the equipment hired to externally and 50% internally at a desired level equal to 50% of Symal groups internal demand, providing flexibility and optionality supporting robust utilisation rates during soft markets. In FY25 this division accounted for \$184m in revenue and \$44m in normalised EBITDA.
- SYCLE is a new segment working on the processing and recycling of construction materials. Although still scaling to size, SYCLE is forecasted to provide further valuable vertical integration.
- Symal is well positioned to outperform with good execution of strong contracted work, growing pipeline and light balance sheet all whilst trading at an attractive valuation relative to peers.



* As at 31st August 2025 (ASX:SYL)

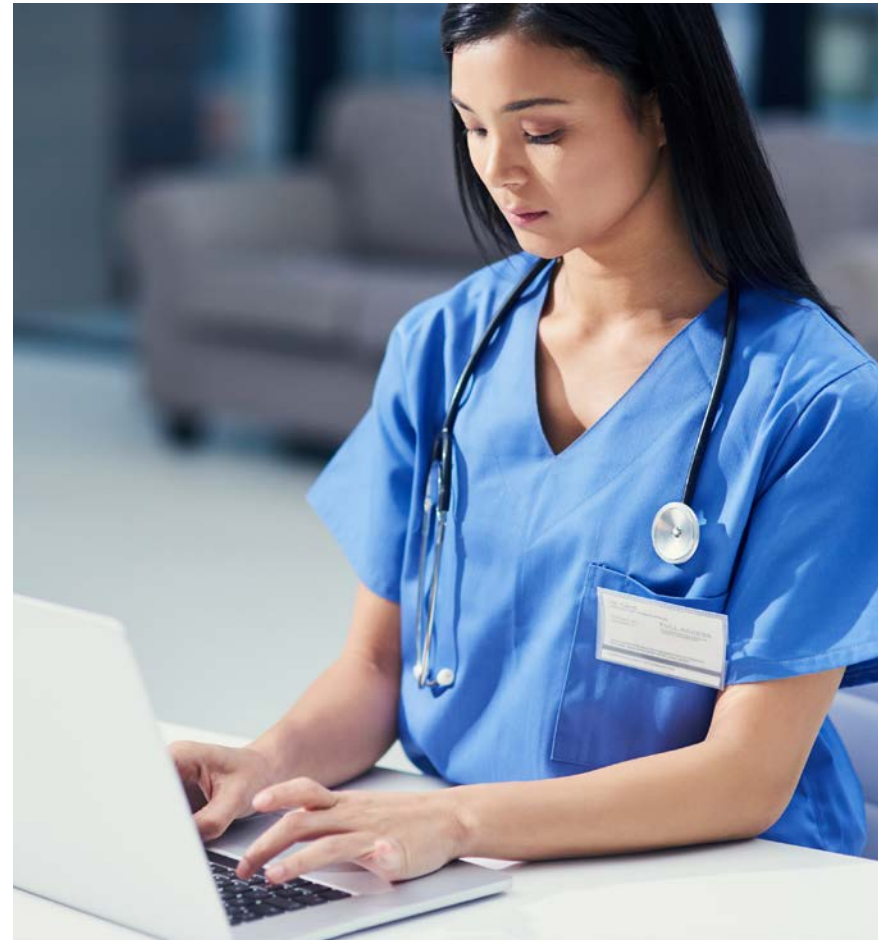
4. INVESTMENT CASE STUDY - ALC

Share Price
\$0.095*

Market Cap
\$128m*

Key Drivers

- › Alcidion delivers an enterprise health platform built around its flagship Miya Precision solution, which aggregates clinical data into centralised dashboards, supports interoperability across systems, and provides decision support at the point of care. The platform helps hospitals and health systems reduce emergency presentations, streamline clinical administration, and enable safer, faster discharge.
- › Salter Brothers initiated a position in November 2023 at an average entry price of \$0.055, and Alcidion went on to be the top contributing position in FY25 for the SB2 Fund.
- › FY25 marked a step change in execution, with record financial and operational results. Revenue rose 10% to \$40.8m, underlying EBITDA swung to a positive \$5.1m an improvement of \$8.5m vs FY24 and operating cash flow was \$5.8m. The company closed FY25 with a strong cash position of \$17.7m and no debt.
- › ALC enters FY26 with \$34.0m of contracted and renewal revenue already locked in, its strongest starting position to date. Historically, the business has added an average of \$10.6m of in period revenue each year over the past five years. Aligned with public sector procurement cycles, where budgets are typically committed to by March, Alcidion has a credible pathway for incremental wins to layer on top of the contracted base.
- › Strategically, Alcidion's dual positioning, either as a modular platform alongside incumbent vendors, or as a comprehensive enterprise solution, broadens its addressable market and accommodates varied customer budgets and digital maturity. With recurring revenue compounding, record contract momentum, new market expansion, and restored profitability, ALC is positioned for continued operating leverage and cash-generative growth through FY26.



* As at 31st August 2025 (ASX:ALC)

5. KEY UNLISTED HOLDINGS OVERVIEW

Unlisted Investments account for ~15% of the total SB2 portfolio* and provide a potential near term catalyst for portfolio performance.

1



IPSI is a prominent fintech firm specialising in a wide range of cloud-based payment solutions. IPSI's innovative product suit includes a scalable payments platform, Dynamic least cost routing, NPP capability and payment tokenisation.

2



PelicanCorp delivers specialised software and services to utilities, asset owners, and the One Call industry to safeguard underground assets. Their solutions are workflow and process-based tools delivering efficient enquiry and asset protection capabilities.

3



Sphere introduced a CO2 climate action product in early 2023. This product enables consumers and businesses to assess their carbon footprint using a certified proprietary calculator. It provides actionable insights and prompts for users to offset their CO2 emissions through a selection of highly accredited carbon offset projects.

4



Bike Exchange is a premier global marketplace for bicycles, offering over 1,500 brands, 1,600 sellers, and 900,000 products across five countries. Centralising the cycling community, it supports and empowers hundreds of retail bike stores and brands worldwide, connecting them with millions of cycling enthusiasts and prospective customers.

6. SB2 PORTFOLIO POSITIONING

Key Holdings	Market Cap	Sector	Company Description
1. Alfabs Australia Ltd (ASX: AAL)	\$135m	Engineering & Mining	Provides a design-to-delivery solution for its clients across heavy steel fabrication, construction and maintenance services, mining equipment, protective coatings, and transport. clinics.
2. Betr Entertainment Ltd (ASX: BBT)	\$300m	Casinos & Gaming	Bluebet under new Chairman Matt Tripp plans to aggressively pursue inorganic growth by leveraging their integration technology and consolidating the sub-scale wagering platforms
3. Ai-Media Technologies Ltd (ASX: AIM)	\$120m	Business Software	Provider of live and recorded captioning, transcription, subtitles, translation, and speech analytics using a proprietary, cloud-based technology platform.
4. WRKR Ltd (ASX: WRK)	\$200m	Business Software	Wrkr is a regulatory technology business for Australian employers helping to simplify and streamline workforce compliance from hire to retire.
5. Symal Group Ltd (ASX: SYL)	\$450m	Construction and Engineering	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.

Key Features of the SB2 Portfolio

- › Taking a two-year view, the weighted average valuation upside of the listed holdings in the portfolio based on SB2 forecasts is greater than 70%.
- › The SB2 equity portfolio quantitatively reflects the investment philosophy of the Investment Team – that is focused on capital preservation and long-term capital.
- › Growth and income from its investments and generating attractive risk adjusted returns over the long term.
- › As such, the weighted average investment profile of our portfolio (as at 31/08/2025) features:
 - › Weighted average FY26-27F Revenue growth of c.22%
 - › Weighted average FY26-27F EBITDA margin of c.13%
 - › Weighted average FY26-27F NPAT margin of c.4%
 - › Weighted average FY26-27F P/E multiple of c.9.8x

Metrics of the Listed Portfolio**

	FY25A	FY26F	FY27F
Key Ratios			
EV / Revenue (x)	1.9.x	1.5x	1.3x
EV / EBITDA (x)	8.8.x	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%

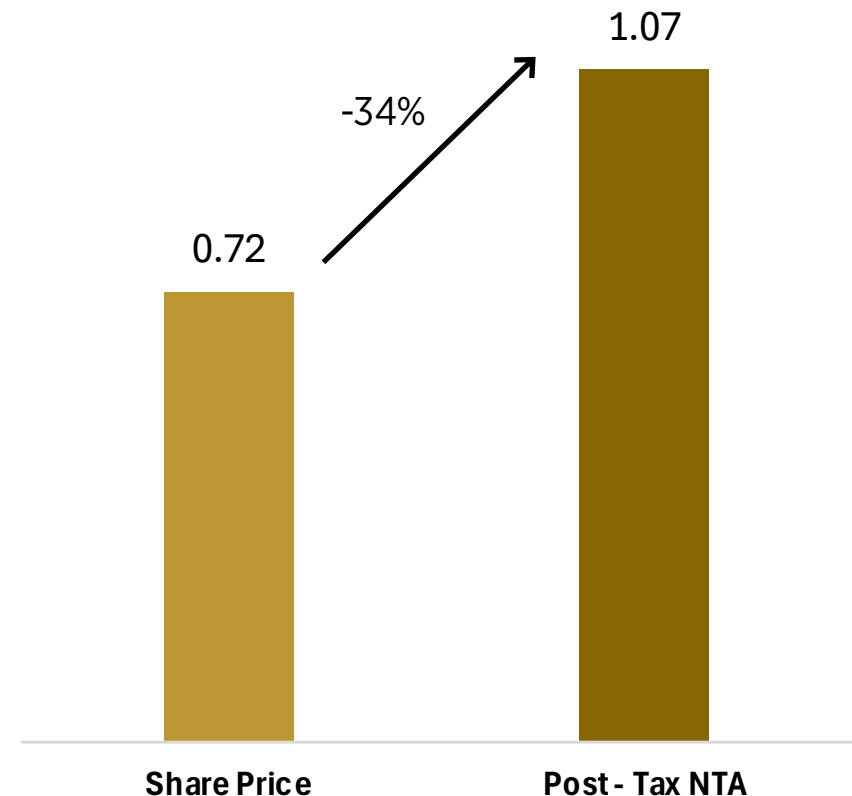
**All metrics reflect weighted averages of the combined portfolio based on SB2 forecasts, as at 31/08/2025, adjusted for abnormalities.

7. DISCOUNT OPPORTUNITY

Steps to Narrow the NTA and Share Price Gap:

- › SB2 is currently trading at a -34% discount to its Post-Tax NTA as at the 31st August.
- › SB2 maintains an ongoing commitment to on market share buy backs.
- › Salter Brothers has paid an 85% franked final dividend of 2 cents per share. Representing an annualised dividend yield of 5.6%.*
- › Reduction in Salter Brothers Trustee Ownership from 48% in February 2024 to 11.3% as at 31st July.
- › **Salter Brothers commissioned an independent rating process to accommodate wholesale investors.**
- › The investment team remains actively engaged in building awareness, through monthly investor webinars, LinkedIn, conference presentations and investor roadshows.

Discount Comparison



* Dividend yield assuming a constant dividend per share, calculated as at 31st August 2025.

8. SB2 INDEPENDENT REVIEW



Salter Brothers is pleased to announce that we have received a rating from SQM, one of Australia's Premier Research Houses.

The report can be accessed by wholesale investors and licensed financial advisors.

For a copy, please follow this [link](#) SB2 Rating.

Q&A

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