

14 APRIL 2025

SB2 Investment Report & NTA Update

NTA PRE TAX	NTA POST TAX	TOTAL DIVIDENDS
\$1.073	\$1.088	\$0.02

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

SB2* Portfolio Performance to 31st March 2025†

1 Month	3 Months	1 Year	3 Year (p.a.)	Since Inception (p.a.) [^]	Since Inception [^]
-3.00%	-2.05%	17.98%	2.59%	3.95%	16.02%

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

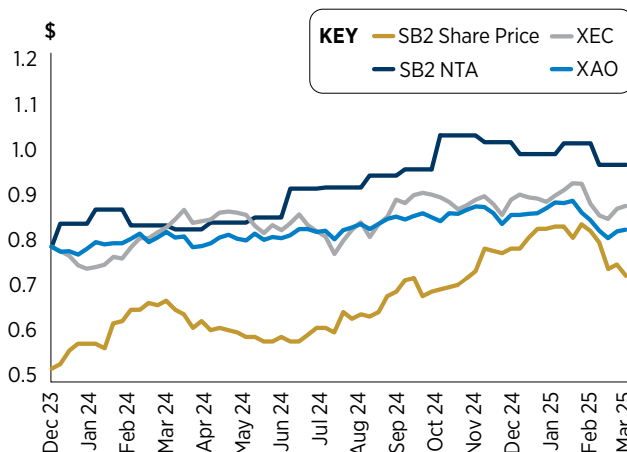
† Portfolio performance is calculated net of Management fees but before taxes, other fees, and expenses. Performance has not been grossed up for franking credits received by shareholders.

^ Inception date is 27 May 2021.

Fund Summary

ASX Code	SB2
Net Tangible Assets	\$92.8m
SB2 Market Capitalisation	\$62.7m
Share Price	\$0.735
Discount to NTA	-32.44%
Companies Held	32
Weighted average market cap of portfolio	\$182m
Annualised Interim Dividend Per Share	4c
Annualised Interim Dividend Yield %	5.4%

Performance



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

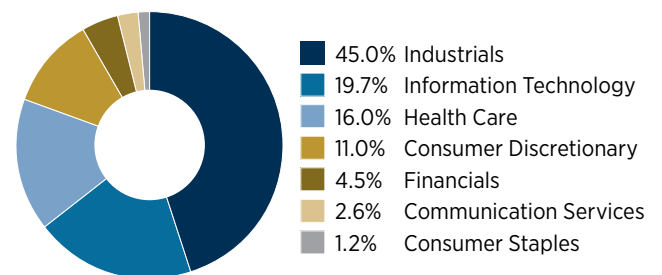
Portfolio Commentary

In March, the portfolio posted a negative return of -3.00% broadly in line with the Australian Emerging companies Index (ASX:XEC), which declined -2.08%. The March quarter experienced significant volatility for the small cap market and included the key half yearly reporting season. The Portfolio outperformed the market by 1.51% during this period.

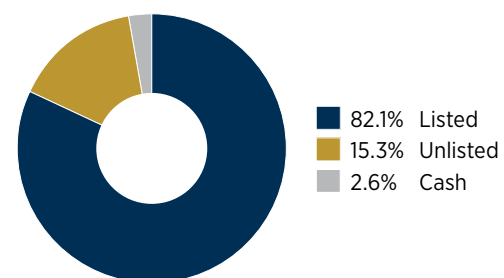
The equity markets fell in March largely driven by the US. During March the Nasdaq dropped > 2% five times, the highest for a single month since the bear market of June 2022. This was driven by concerns surrounding US Tariffs, the release of stagflationary economic data and higher bond prices. Australian equity markets were similarly impacted with uncertainty surrounding US Tariffs and broader contagion. Utilities and Resources were the best performers across the ASX whilst Information and Technology was the worst performing sector.

The Investment team dedicated most of the month to meeting with management teams from both existing holdings and companies on the immediate watchlist.

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 31 March 2025.

Feature Stocks



WRKR Ltd (ASX:WRK)

WRKR experienced a 26% increase in their share price during March following the company's Roadshow. WRKR digitally solves the compliance moments from onboarding (ID, Credentials, Bank Account, Tax Details, Super Fund Choice & Stapling, Contract Terms and Pay requirements) to processing pay and Super contributions, all in a branded mobile application lifting user experience. The company is concluding their integration with Rest Super by July 2025, at which time Rest users will begin to transition onto the platform. A major catalyst for WRKR ARPU growth and the signing of additional super funds remains with Payday super due to ratify at the end of June 2026. This will require employers to pay super at the same time as the payment of salary and wages.

Bluebet Holdings LTD (ASX:BBT) has completed the successful migration of their highly accretive Topsport acquisition within just 55 days. The company has also successfully implemented significant new features targeting the start of Australian football and Rugby Seasons, with a focus on their target market through high margin products. It is worth noting, the Pointsbet Holdings (ASX:PBH) board has since recommended the Mixi proposed acquisition and indicated discussions with BBT have ceased, although the final decision will ultimately be made by shareholders of PBH. A PBH acquisition was a component of SB2's investment thesis although the investment team remains bullish on BBT outlook regardless of the PBH transaction.

Medadvisor (ASX:MDR) traded lower throughout March, before entering a trading halt on the 31st to announce a corporate update and a \$5 million capital raise. The raise was required due to the weaker than expected FY25 performance. However, management has now provided FY25 guidance, forecasting revenue of \$93-99 million and EBITDA of - \$5.5 million to -\$2.6 million. Furthermore, management expects 15% revenue growth in FY26, supported by a diversified pipeline as well as \$8.4m in additional cost savings from further efficiency initiatives, complementing the Transformation 360 program. MDR's strategic review remains ongoing, with strong interest from potential parties, the Manager views this process as a key catalyst.

Top 5 Holdings

1. Alfabs Australia Ltd (ASX:**AAL**)
2. Ai-Media Technologies Ltd (ASX:**AIM**)
3. Bluebet Holdings Ltd (ASX:**BBT**)
4. Acrow Formwork and Construction Services Ltd (ASX:**ACF**)
5. Alcidion Group Ltd (ASX:**ALC**)

Metrics of the Listed Portfolio**

	FY24A	FY25F	FY26F
Key Ratios			
EV / EBITDA (x)	8.7x	8.2x	9x
EV / EBIT (x)	13.2x	8.3x	9.6x
P / E (x)	6.7x	9.7x	7.3x
Portfolio Financials			
Revenue Growth (%)	15%	17%	18%
EBITDA Margin (%)	11%	14%	18%
EBIT Margin (%)	-2%	5%	11%
NPAT Margin (%)	-6%	0%	6%

**All metrics reflect weighted averages of the combined portfolio based on SB2 forecasts, as at 31/03/2025, adjusted for abnormalities and key ratios earnings metrics exclude loss making entities.

Key Listed Contributors & Detractors

Key Contributors for March 2025			
#	Company Name	Price Chg. (%) (Absolute)	Weighted Avg. Price Chg (%)
1	Bluebet Holdings Ltd (ASX: BBT)	+9.1%	+0.74%
2	WRKR Ltd (ASX: WRK)	+25.5%	+0.67%
3	Felix Group Holdings Ltd (ASX: FLX)	+12.8%	+0.42%

Key Detractors for March 2025			
#	Company Name	Price Chg. (%) (Absolute)	Weighted Avg. Price Chg (%)
1	Alfabs Australia Ltd (ASX: AAL)	-15.6%	-1.67%
2	Medadvisor Ltd (ASX: MDR)	-35.3%	-0.62%
3	Alcidion Group Ltd (ASX: ALC)	-8.9%	-0.45%

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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