

12 JUNE 2026

# SB2 Investment Report & NTA Update

NTA PRE TAX <sup>1</sup>	NTA POST TAX <sup>2</sup>	TOTAL DIVIDENDS
<b>\$0.813</b>	<b>\$0.895</b>	<b>\$0.06</b>

NET TANGIBLE ASSET VALUE PER SHARE AS AT 31ST MAY 2026

## SB2# Portfolio Performance to 31st May 2026<sup>†</sup>

1 Month	3 Months	1 Year	3 Year (p.a.)	Since Inception (p.a.) <sup>^</sup>	Since Inception <sup>^</sup>
-7.28%	-17.78%	-16.48%	0.20%	-0.71%	-3.51%

<sup>#</sup> Salter Brothers Emerging Companies Limited ACN 646 715 111 (ASX:SB2)

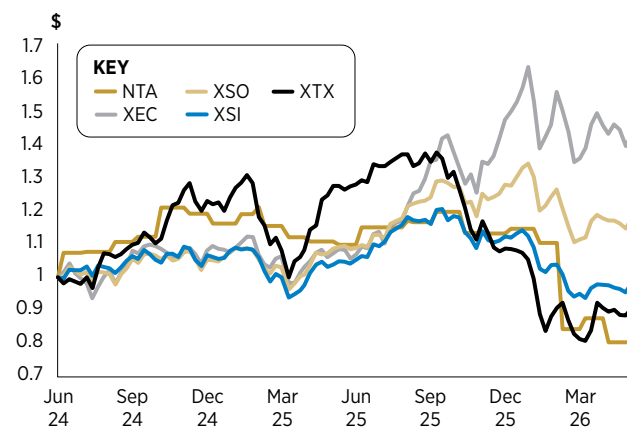
<sup>†</sup> Portfolio performance is calculated net of Management fees but before taxes, other fees, and expenses. Performance has not been grossed up for franking credits received by shareholders.

<sup>^</sup> Inception date is 27 May 2021.

## Summary

ASX Code	SB2
Net Tangible Assets	\$75.26m
SB2 Market Capitalisation	\$48.77m
Share Price	\$0.58
Discount to NTA	-35.20%
Companies Held	39
Weighted Average Market Cap of Portfolio	\$271m
Annualised Dividend Per Share	4c
Annualised Dividend Yield %	6.90%

## 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

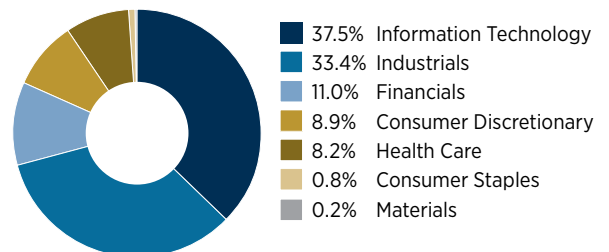
The portfolio experienced a difficult month during May, declining 7.28%. May was a month of high volatility, especially in the microcap industrials sector, with tax loss selling adding to an already skittish market with limited liquidity. The share price moves experienced over the month were more liquidity driven than fundamental driven. Broader mid-large cap equity markets were flat to slightly positive for the month.

During the month, the RBA again increased the cash rate by a further 25bps, marking the third consecutive hike. The Federal government also released their FY27 budget, which included significant proposed changes to capital gains tax. This created further headwinds for growth assets.

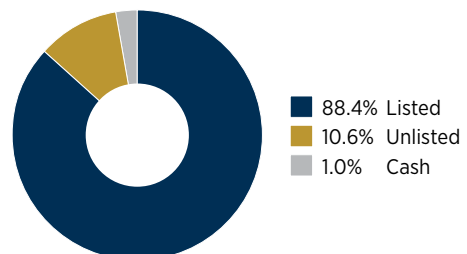
The portfolio remains well positioned for a fundamental driven recovery in the microcap industrial sector.

A copy of the Salter Brothers external ratings report is available at [www.salterbrothers.com.au/ratings-awards](http://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 May 2026.

1. NTA Pre Tax: includes provision for tax on realised gains/losses and other earnings, but excluding provision for tax on unrealised gains / losses, and any deferred tax assets relating to capitalised issue costs, income tax losses, and other earnings (where the fund is in an overall loss position).

2. NTA Post Tax: includes provision for tax on unrealised gains/losses and other earnings, and includes deferred tax assets relating to capitalised issue costs and income tax losses.

## Feature Stocks



### Symal Group Ltd (ASX:SYL)

Symal provided a detailed investor update in May. The company marginally upgraded the midpoint of their FY26 guidance to \$123m EBITDA. More materially the company provided greater insight around the size of their pipeline and their pipeline composition. Reporting \$1.4bn in active ECI tenders with an observed win rate of approximately 90%, alongside a broader \$7.1bn pipeline of tendered works converting at approximately 25%.

Management also reiterated its clear strategy to capitalise on substantial industry tailwinds across energy, defence and infrastructure.

## Feature Stocks

### Asset Vision Co Ltd (ASX:ASV)

With limited news flow and relatively low liquidity Asset Visions' share price has been volatile through the first half of 2026.

At the half year results ASV reported revenue growth of 38%, with positive momentum supported by a strong forward pipeline.

The investment team visited Asset Vision's operations during the month and observed a strong acceleration in product capability, materially enhancing the company's value proposition for asset owners.

Recent on-market purchases by the co-CEO and founder further reinforce confidence in the outlook.

### Environmental Group Ltd (ASX:EGL)

EGL provided a negative trading update during May, driven by issues relating to the implementation of a new ERP system and broader operational headwinds.

Management identified issues following the February ERP implementation in EGL Energy, particularly around job cost allocation and cost recoveries. These issues are expected to impact FY26 EBITDA by \$1.7m, in addition to a \$400k historical job balance clean-up and a negative impact of \$400k of higher diesel costs.

Further pressures emerged in EGL Baltec from shipping disruptions and slower Middle East tender awards, impacting FY26 EBITDA by \$1.5m.

While management emphasised the revised EBITDA guidance from \$13.1m to \$8.75m at the midpoint does not reflect weaker demand, the update raises concerns around operational execution and earnings quality.

## Top 5 Holdings

1. Symal Group Ltd (ASX:SYL)
2. WRKR Ltd (ASX:WRK)
3. BETR Entertainment Ltd (ASX:BBT)
4. Alfabs Australia Ltd (ASX:AAL)
5. Credit Clear Ltd (ASX:CCR)

## Metrics of the Listed Portfolio\*\*

	FY25A	FY26F	FY27F
<b>Key Ratios</b>			
EV / EBITDA (x)	8.4x	7.2x	5.7x
EV / EBIT (x)	9.3x	9.2x	8.1x
P / E (x)	13.0x	12.2x	10.4x
<b>Portfolio Financials</b>			
Revenue Growth (%)	17%	24%	17%
EBITDA Margin (%)	11%	9%	12%
EBIT Margin (%)	4%	3%	7%
NPAT Margin (%)	1%	-1%	4%

\*\*All metrics reflect weighted averages of the combined portfolio based on SB2 forecasts, as at 31/05/2026, adjusted for abnormalities and key ratios earnings metrics exclude loss making entities.

## Key Listed Contributors & Detractors

Key Contributors for April 2026			
#	Company Name	Price Chg. (%) (Absolute)	Weighted Avg. Price Chg (%)
1	Symal Group Ltd (ASX:SYL)	+18.3%	+1.73%
2	PYC Therapeutics Ltd (ASX:PYC)	+9.0%	+0.51%
3	Asset Vision Co Ltd (ASX:ASV)	+17.2%	+0.30%
Key Detractors for April 2026			
#	Company Name	Price Chg. (%) (Absolute)	Weighted Avg. Price Chg (%)
1	Environmental Group Ltd (ASX:EGL)	-55.5%	-2.82%
2	WRKR Ltd (ASX:WRK)	-21.7%	-2.19%
3	BikeExchange Ltd	-56.3%	-1.04%

## 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 a global alternatives asset manager with over 150 staff throughout its offices with operations in Australia, Singapore, Japan, Dubai and the USA.

The firm specialises in providing investment opportunities for high net worth and institutional clients across real estate, credit, equities and specialist decarbonisation strategies. The firm manages over A\$10.3 billion through its various business lines, including investment mandates of over A\$5.4 billion, trustee and administration services for over A\$4.0 billion in assets, and a multi-family office managing over A\$0.9 billion.

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

## Investment Team



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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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