Spheria Emerging Companies Limited (Company)
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23 September 2026

By Electronic Lodgement

Market Announcements Office
ASX Limited
39 Martin Place
Sydney NSW 2000

Dear Sir/Madam

Spheria Emerging Companies Limited (ASX:SEC) – Monthly Investment Update

Please find attached a copy of the investment update for the month ending 31 August 2026.

For further information, please contact 1300 010 311.

Authorised by:

Terence Kwong
Company Secretary

SPHERIA EMERGING COMPANIES LIMITED

Spheria Emerging Companies Limited ASX: SEC

Investment Update 31 August 2026

Overall Commentary

During the month ended 31 August 2026, the Company returned 2.8% (after fees), underperforming the S&P/ASX Small Ordinaries Accumulation Index by 2.4%.

Company Facts

Investment Manager	**Spheria Asset Management Pty Limited**
ASX Code	SEC
Share Price	$2.350
Inception Date	30 November 2017
Listing Date	5 December 2017
Benchmark	S&P/ASX Small Ordinaries Accumulation Index
Dividends Paid	Monthly
Management Fee	1.00% (plus GST) per annum[1]
Performance Fee	20% (plus GST) of the Portfolio's outperformance[2]
Market Capitalisation	$140.9m

[1]Calculated daily and paid at the end of each month in arrears.
[2]Against the Benchmark over each 6-month period to a high-water mark mechanism

Performance as at 31 August 2026

	1 Month	3 Months	1 Year	3 Years p.a.	5 Years p.a.	7 Years p.a.	Inception p.a[3]
Company[1]	2.8%	3.9%	-7.2%	8.9%	2.8%	7.8%	6.9%
Benchmark[2]	5.2%	-0.2%	-1.2%	9.8%	2.2%	5.7%	5.7%
Difference	-2.4%	4.1%	-6.0%	-0.9%	0.6%	2.1%	1.2%

[1]Calculated as the Company's investment portfolio performance after fees excluding tax on realised and unrealised gains/losses and other earnings and after company expenses
[2]Benchmark is the S&P/ASX Small Ordinaries Accumulation Index.
[3]Inception date is 30 November 2017. Past performance is not a reliable indicator of future performance. All p.a returns are annualised.

NTA Tangible Assets (NTA)[1]

Pre-Tax NTA[2]

2.301

Post-Tax NTA[3]

2.272

[1]NTA calculations exclude Deferred Tax Assets relating to capitalised issue related balance and income tax losses.

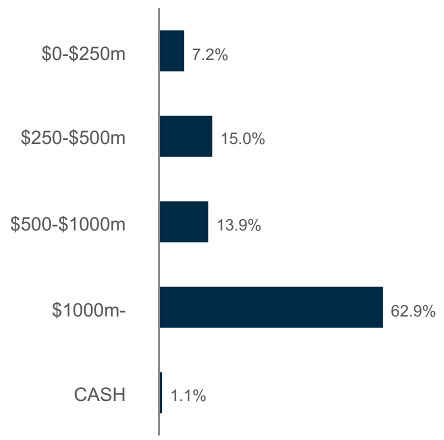
[2]Pre-tax NTA includes tax on realised gains/losses and other earnings, but excludes any provisions for tax on unrealised gains/losses.

[3]Post-tax NTA includes tax on realised and unrealised gains/losses and other earnings.

Top 10 Holdings

Company Name	**% Portfolio**
Supply Network Limited	5.5
Perpetual Limited	4.8
Bapcor Limited	4.3
Orora Limited	3.9
Sims Limited	3.8
New Hope Corporation Limited	3.7
Imdex Limited	3.7
Universal Store Holdings Limited	3.7
IRESS Limited	3.5
Deterra Royalties Limited	3.5
Top 10	**40.2**

Market Cap Bands

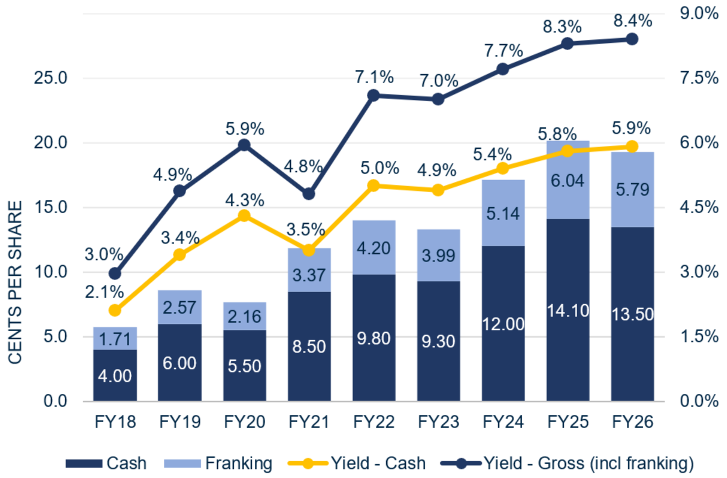


Source: Spheria Asset Management

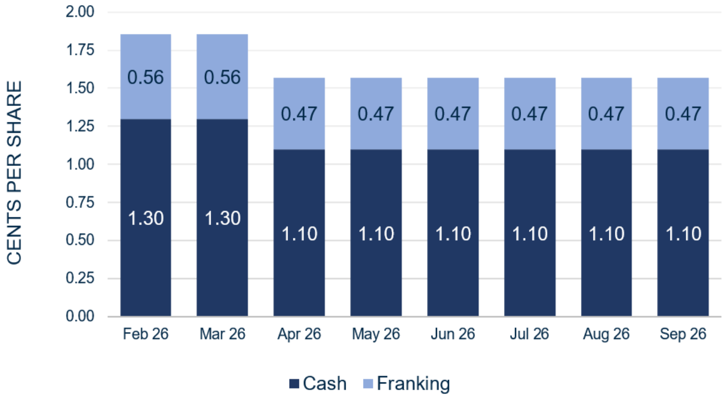
SEC Dividends

The Company transitioned from the payment of quarterly dividends to the payment of monthly dividends in February 2026. During the month of July, the Board of Spheria Emerging Companies Limited (ASX:SEC) resolved to pay three monthly fully-franked dividends of 1.1 cents per share payable in July, August and September 2026.

Dividends / Yield[1]



Monthly Dividends[2]



Source: Spheria Asset Management. The declaration of dividends by the company is at the full discretion of the board (unlike trusts where income must be fully distributed each financial year).

[1]Trailing dividend yield based on each financial year's dividends calculated on share price at each financial year end. Gross Yield is the trailing dividend yield plus franking calculated at the applicable corporate tax rate.
[2]Monthly dividends are calculated and announced on a quarterly basis at the rate of 1.5% of the post-tax NTA value per share at each quarter end, paid in three equal monthly instalments (rounded to the nearest 0.1 cents). While monthly income has been consistent since February 2026, this may change in the future.

Markets

Global equity markets continued to march higher in August due to government spending that is masking economic fragility for now. How and when this ends, nobody knows. A clear beneficiary of government indebtedness is the gold price which after pulling back aggressively since February, rebounded strongly in August from a low of ~US$4,000/oz to US$4,600/oz before easing post month.

Domestically, small-caps outperformed large caps by ~4.6%. The materials sector was the key outperformer, driven by the gold price rally, with the Small Resources Index +17% vs Small Industrials broadly flat - a headwind to relative performance given the mandate's underweight position in gold. Within this context, the portfolio performed reasonably well with key positions exceeding expectations in the August reporting season. This bodes well for future performance given how important results are for long term outperformance.

In general, reporting season for smaller companies, which tend to be more macro-sensitive, showed broad resilience in the face of rising interest rates, inflation (including much higher petrol prices) and pressure on housing following the May Budget's changes to negative gearing and capital gains tax. While conditions have clearly deteriorated, they were not as bad as many feared, with many consumer discretionary companies exhibiting LFL sales growth and resilient margins in 4QFY26 when conditions were at their worst.

Over the month the largest contributors were an overweight position in Bapcor (BAP.ASX, +55%), owning Capricorn Metals (CMM.ASX, +29%), and an overweight position in Bellevue Gold (BGL.ASX, +27%). The largest detractors from performance included an overweight position in IRESS (IRE.ASX, -15%), not owning Vault Minerals (VAU.ASX, +40%), and owning Mader Group (MAD.ASX, -11%).

Fund Ratings

Zenith RECOMMENDED

Recommended Lonsec Research

Contact Us

For more information, please contact Pinnacle Investment Management Limited on 1300 010 311 or email distribution@pinnacleinvestment.com

Disclaimer

Spheria Emerging Companies Limited (the Company, ASX: SEC) is a listed investment company (LIC) that provides investors with access to an actively managed, Australian and New Zealand small and micro companies portfolio, designed for investors seeking capital growth and portfolio diversification. It is a confined capacity investment strategy that identifies smaller companies where the present value of cash flows can be reasonably determined and they are assessed to be trading at a discount to their intrinsic value. The smaller companies universe is more volatile and higher risk. An experienced investment manager in the small company end of the market is paramount to success, for this reason there are only a small number of listed investment companies offering access to a diversified small companies investment portfolio. Spheria Asset Management Pty Ltd (the Manager, Spheria), is the appointed investment manager and is a specialist team with a track record of navigating the higher risk opportunities at the small end of the market.

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