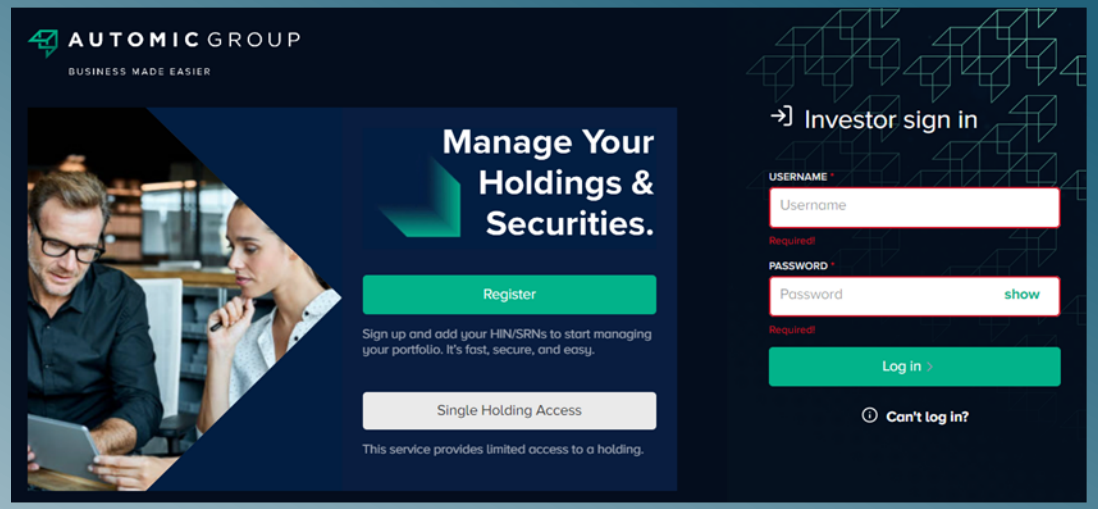
Spheria Emerging Companies Limited (ASX:SEC)

2026 Annual General Meeting

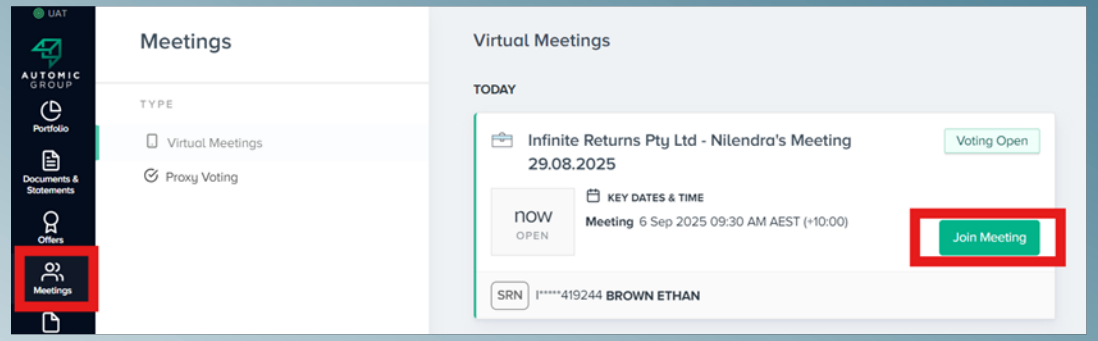
20 November 2026

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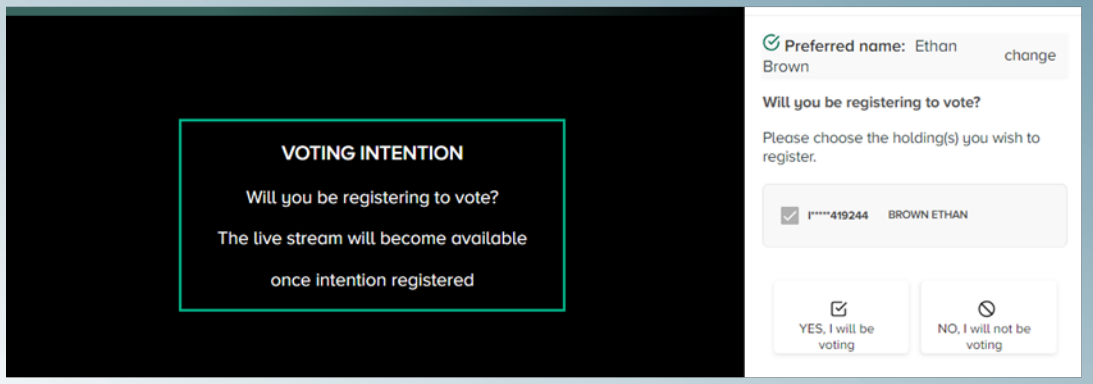
Login & Registration



01 Go to https://investor.automic.com.au/#/home



02 Under Meetings menu, click on "Join Meeting"

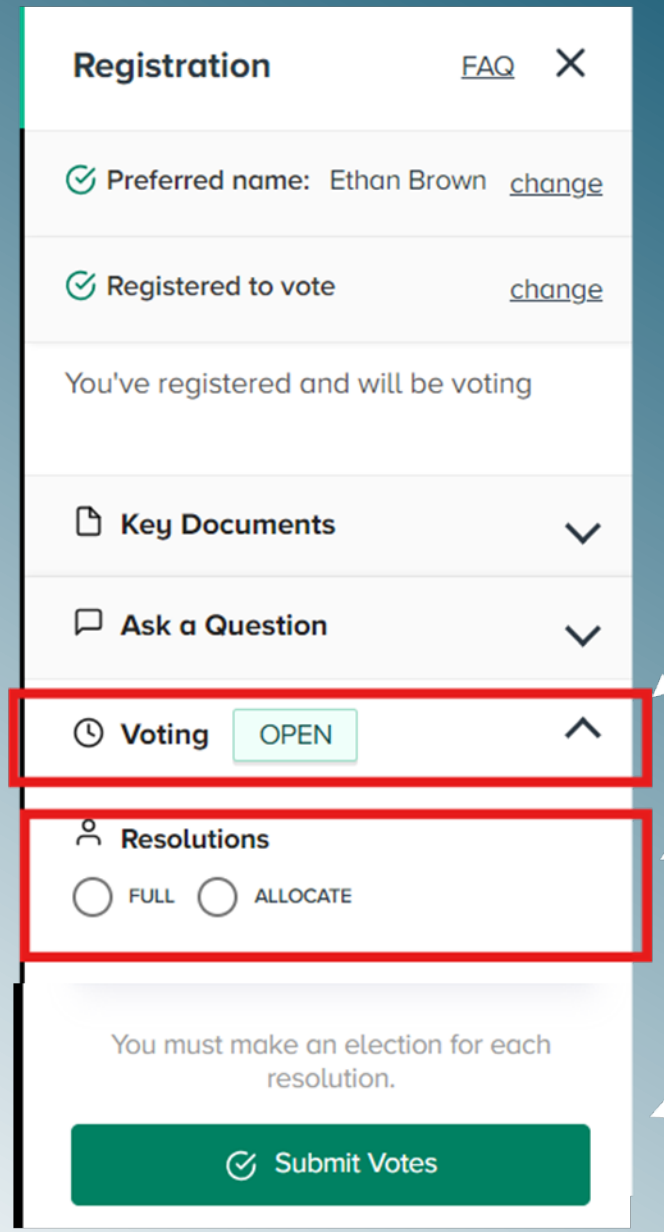


03 Follow the prompts to register your relevant holding(s)

For support call:

1300 816 159 (within Australia)
+61 2 8072 1479 (overseas)

Voting Instructions



01 Once registered and voting has opened, click on the "Voting" dropdown

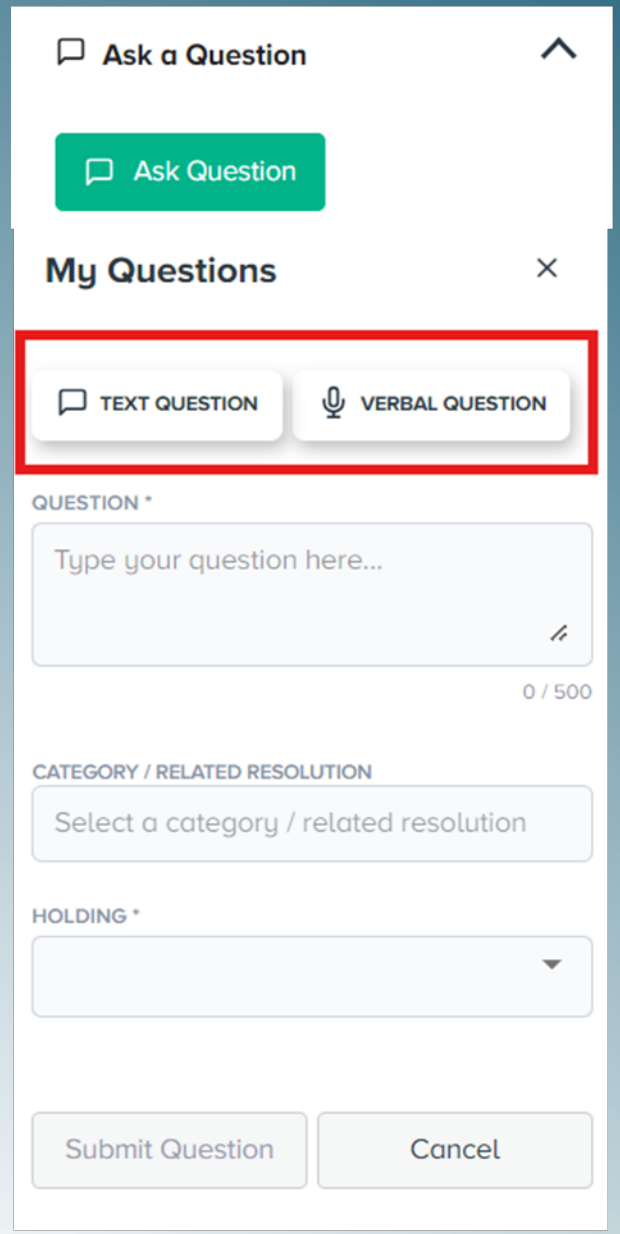
02 Select either the "Full" or "Allocate" and then your voting direction for each resolution

03 Follow the prompts and "Submit Votes" before voting closes

For support call:

1300 816 159 (within Australia)
+61 2 8072 1479 (overseas)

Ask a Question



01 Click on the "Ask a Question" dropdown, then "Ask Question"

02 Choose Text Question or Verbal Question

03 Type your question then select the relevant resolution and holding. Once done click "Submit Question".

For support call:

1300 816 159 (within Australia)
+61 2 8072 1479 (overseas)

Agenda

1. Chairman's Address
2. Formal Business
3. Investment Update
4. Questions

Chairman's Address

Chairman's Address

Investment Objectives

The Company's investment objectives are to:

- outperform the benchmark, the S&P/ASX Small Ordinaries Accumulation Index, over each full investment cycle (which the Manager considers to be a period of typically 3 to 5 years); and
- provide capital growth (over each investment cycle) and income.

The Company aims to generate total Shareholder return via a combination of capital growth and income to regularly pay fully franked dividends to Shareholders.

Chairman's Address

Objective 1: Outperform the benchmark

Company Performance[1]

- 1.0% annualised outperformance from inception to 30 June 2026 (+6.6% p.a. compared to benchmark 5.6% p.a.)
- 1.8% annualised outperformance from inception to 31 October 2026:

Performance - 31 October 2026	6 months	1 year	3 years p.a.	Inception p.a.
Company	1.3%	-12.8%	12.1%	6.4%
Benchmark[2]	-6.9%	-14.4%	10.0%	4.6%
Difference	**+8.2%**	**+1.6%**	**+2.1%**	**+1.8%**

[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. Inception date 30 November 2017. Past performance is not a reliable indicator of future performance.

[2] S&P/ASX Small Ordinaries Accumulation Index.

Chairman's Address

Objective 2: Provide Capital Growth and Income

1. Company Performance and TSR Performance

Performance	30 June 2026	31 October 2026
Company Performance[1] (since inception)	6.6% p.a.	6.4% p.a.
TSR Performance[2] (since listing date)	6.4% p.a.	6.7% p.a.

2. TSR Performance Breakdown

- Share price of $2.36[3] compared to an IPO issue price of $2.00
- Dividends of $0.871 paid by the Company since inception, equivalent to 4.7% per annum

As at 31 October 2026	1 year	3 years p.a.	Inception p.a.
TSR Performance	-6.7%	16.2%	6.7%
- Capital Return	-12.5%	10.3%	2.0%
- Income Return	5.8%	5.9%	4.7%

[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. Inception date 30 November 2017.

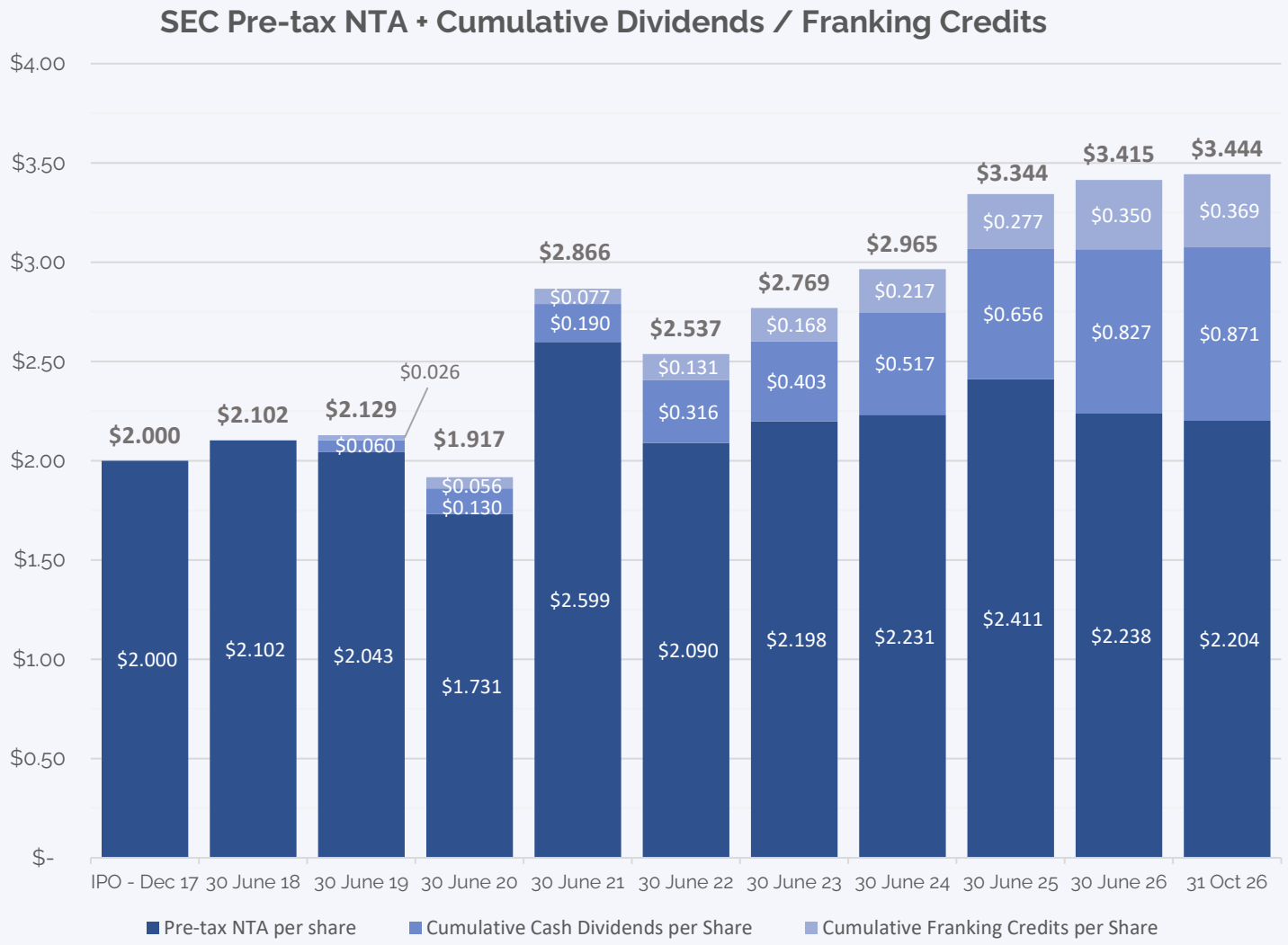
[2] Measured as movement in share price adjusted for dividends paid during the period. Listing date 5 December 2017.

[3] As at 31 October 2026.

Chairman's Address

Objective 2: Provide Capital Growth and Income

- Looking back since the IPO of the Company until 31 October 2026:
  - Pre-tax NTA is higher than the $2.00 IPO price, assisted by portfolio outperformance;
  - Distributed dividends (and franking credits) have been a strong additional driver of shareholder returns over the period and have increased significantly since the Company increased its dividend payout over recent years to its current targeted level of 6% of post-tax NTA per share.



1 Pre-tax NTA per share values are shown as at the dates noted. Dividend and franking credit values represent the cumulative amount of dividends paid by the Company during the period from IPO through to each period end date .

2 A 26% corporate tax rate applied to franking credits for dividends paid during year ended 30 June 2021. A 30% corporate tax rate applied to franking credits for other years.

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Chairman's Address

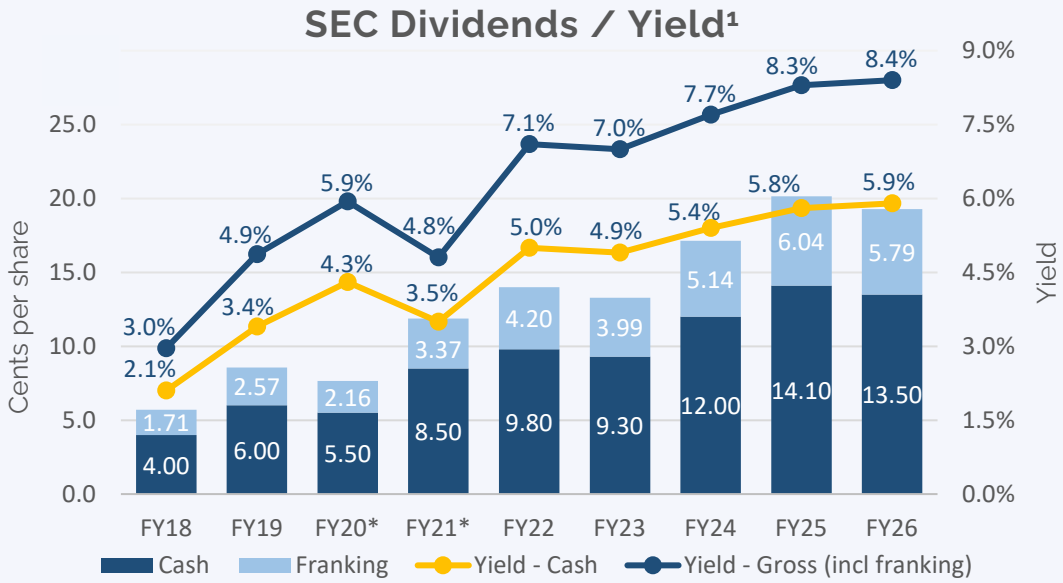
Increases in targeted dividend yield and dividend frequency

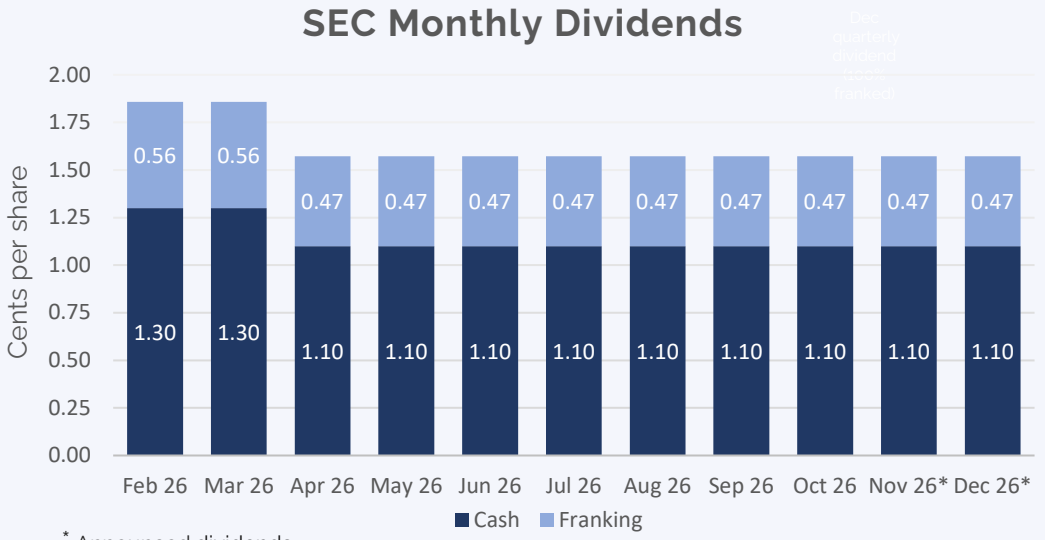
In FY22, the Company moved to quarterly dividends at an annual targeted rate of 4% of post-tax NTA per share.

This was increased to an annual targeted rate of 5% in the June quarter 2023 and 6% in the June quarter 2024.

The frequency of dividends changed from semi-annual to quarterly in FY22 and now monthly since February 2026.

In October the Company resolved to pay three monthly dividends of 1.1 cents per share[2], the first was paid on 30 October with the second and third payable on 30 November and 31 December 2026.





* Announced dividends

Source: Spheria Emerging Companies

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. 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).

SPHERIA EMERGING COMPANIES

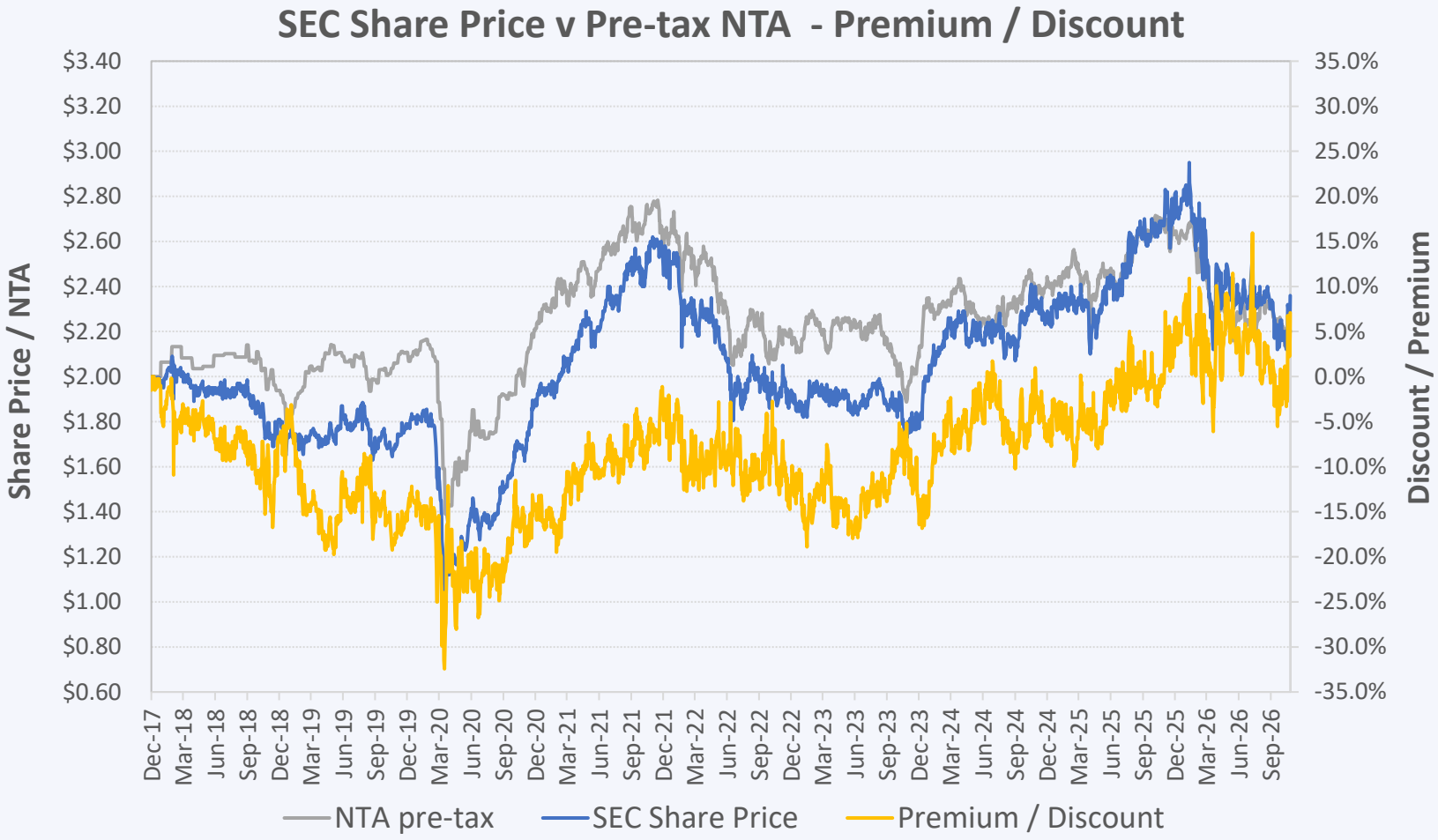
Chairman's Address

Pro-active measures assist to move from discount to premium

Measures have included:
- the publication of daily NTA per share,
- on-market share buybacks, and
- two conditional proposals between October 2024 and March 2026.

Spheria, as Manager, continues to outperform its benchmark since inception; and

Increases in targeted dividend yield and frequency



Source: Spheria Emerging Companies.

Data to 31 October 2026

SPHERIA EMERGING COMPANIES

SPHERIA
EMERGING COMPANIES

Formal Business

Formal Business – Financial statements and reports

Consideration of financial statements and reports

Formal Business – Resolution 2

Adoption of the Remuneration Report

To consider and, if thought fit, to pass the following advisory, non-binding resolution as an ordinary resolution:

"To adopt the Remuneration Report for the financial year ended 30 June 2026 for the purposes of section 250R(2) of the Corporations Act and for all other purposes."

Formal Business – Resolution 2 - Proxies

Shares voted

For	1,220,208	87.83%
Open	44,849	3.23%
Against	124,249	8.94%
Abstain	107,851	

Formal Business – Resolution 3

Re-election of Lorraine Berends as a director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

- *"That Ms Lorraine Berends, who retires by rotation in accordance with rule 6.7 of the Company's constitution and, being eligible, offers herself for re-election, be re-elected as a director of the Company."*

Formal Business – Resolution 3 - Proxies

Shares voted

For	**1,872,061**	**96.68%**
Open	**47,825**	**2.47%**
Against	**16,378**	**0.85%**
Abstain	**50,000**	

Formal Business – Resolution 4

Approval of additional 10% placement capacity

To consider and, if thought fit, to pass the following resolution as a special resolution:

- *"That the Company have the additional capacity to issue Equity Securities provided for in ASX Listing Rule 7.1A."*

Formal Business – Resolution 4 - Proxies

Shares voted

For	**1,706,274**	**87.99%**
Open	**49,748**	**2.57%**
Against	**183,091**	**9.44%**
Abstain	**47,151**	

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EMERGING COMPANIES

Investment Manager Update

Fundamental investing shines through

Product Background

SEC is a listed version of the **Spheria Australian Smaller Companies Fund**

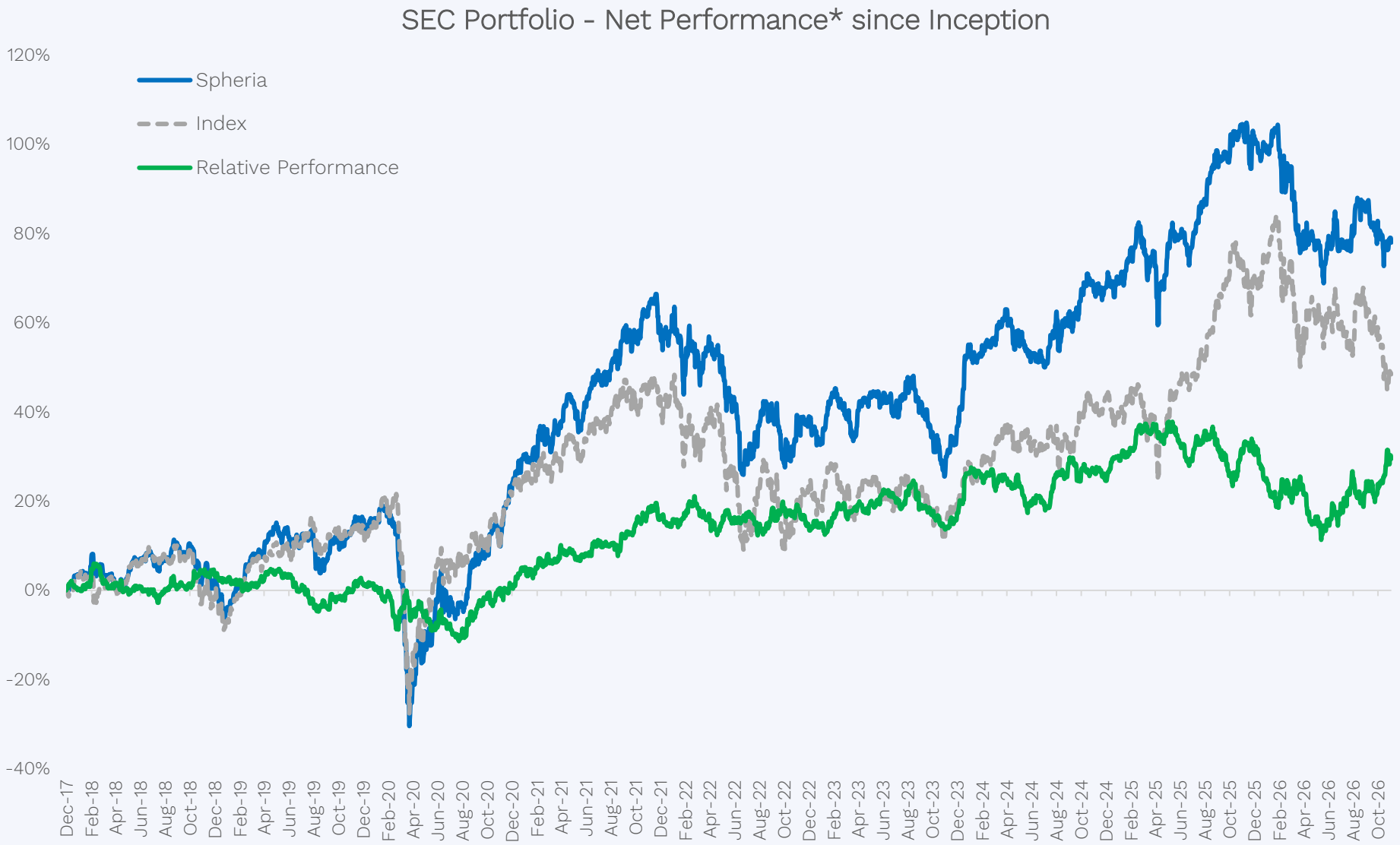
Designed to give investors exposure to:

- **cash generative**
- **lowly geared** smaller companies
- with **supportive valuations**

SEC will typically have **20-65 stocks** (currently 50) with a max. active weight of ~5%

Has consistently paid dividends every 6 months and is now paying monthly

Performance – Graphical Illustration

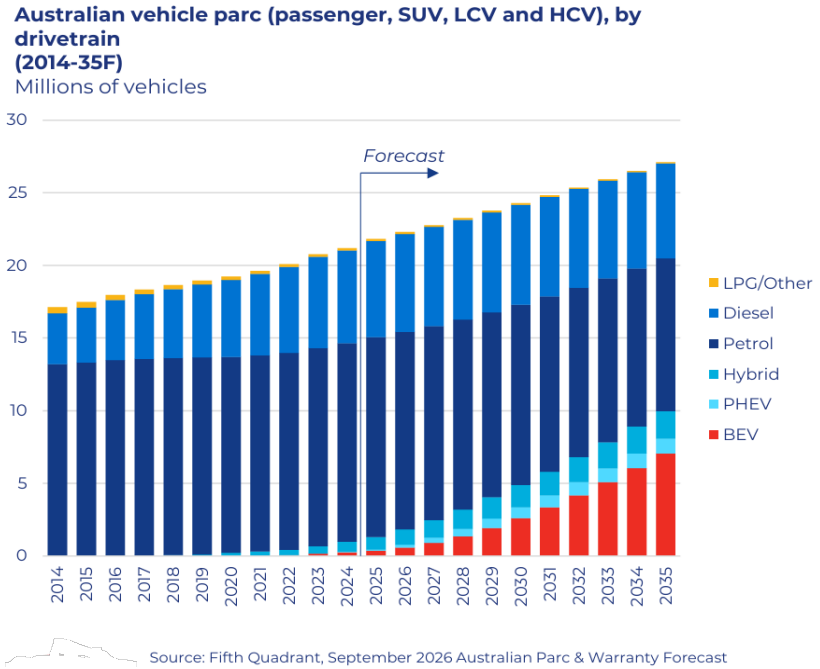


Source: IRESS, Spheria to 31st October 2026.
Past performance is not a reliable indicator of future performance.

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Bapcor (ASX:BAP)

Positive Turnaround Signs Emerging in Just 8 Months



Source: Fifth Quadrant, September 2026 Australian Parc & Warranty Forecast



Source: AI generated image

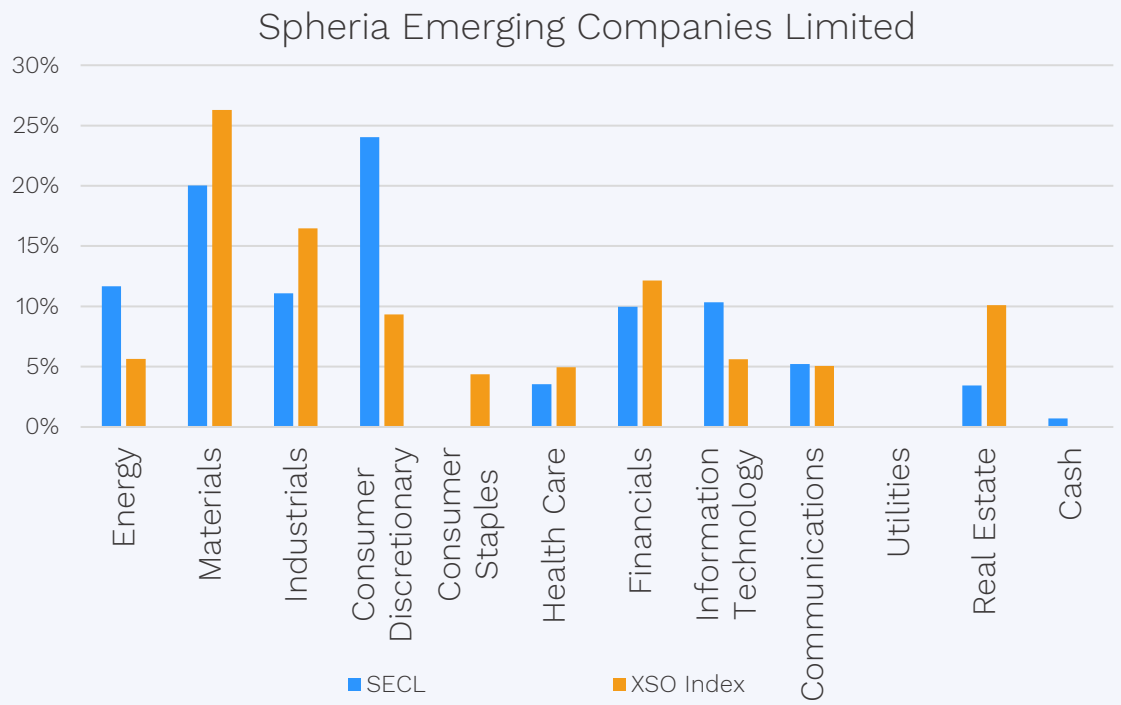
- Bapcor supplies vehicle parts, accessories, automotive equipment, and services across Australia, New Zealand, and Thailand.
- Burson is the key division (~40% of group revenue) – supplies independent mechanic shops with aftermarket parts.
- Clear #2 behind Repco with ~$800m in sales; peers generate minimum 10% EBIT margins.
- Business worth $800m–$1bn standalone; currently Bapcor group trading at an enterprise value of ~$670m.
- New CEO Mr Chris Wilesmith started January 2026 – ex-Supercheap Auto (MD for 7 years), highly experienced and respected in the auto parts market.
- Net debt reduced to $116m (at 30 September 2026) from ~$200m after capital raising in February – more benefits to flow from working capital optimisation.

Source Bapcor Company Presentation. Morningstar, IRESS, Spheria.

SPHERIA ASSET MANAGEMENT

Top 10 Company Holdings and Sector Exposure

Spheria Emerging Companies Limited		
Ticker	**Company Name**	**% Portfolio**
SNL	Supply Network	5.5
BAP	Bapcor Limited	5.2
PPT	Perpetual Limited	4.9
ORA	Orora Limited	4.3
NHC	New Hope Corporation	3.8
IRE	IRESS Limited	3.6
IMD	Imdex Limited	3.6
DRR	Deterra	3.5
SGM	Sims Limited	3.4
KAR	Karoon Energy Ltd	3.2
Top 10		**40.8**
As at		31/10/2026



Source: IRESS, Spheria to 31st October 2026

SPHERIA EMERGING COMPANIES

Outlook

- Spheria is a fundamental investor that believes valuation matters
- Our inherent bias is towards industrials – less so resources (as commodities are price takers)
- Small caps have seen an aggressive rotation into resources which SEC has been underweight.
- Resource exposure gained through some direct holdings and quality mining service names.
- Shorter term performance supported by a rebound in cyclicals and industrials that were heavily sold-off - We see further upside in the small-cap industrial universe.
- Passive funds are distorting the market but creating long term opportunities for valuation led managers

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EMERGING COMPANIES

Questions

Disclaimer

Note: Past performance is not a reliable indicator of future performance.

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SEC Shareholder Enquiries

For general information about your shareholding please contact the Share Registry, Automic.

T: 1300 288 664

E: hello@automic.com.au

For investment enquiries please contact Pinnacle

T: 1300 010 311

E: invest@spheria.com.au