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25 November 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 October 2026.

For further information, please contact 1300 010 311.

Authorised by:

Terence Kwong
Company Secretary

Spheria Emerging Companies Limited ASX: SEC

Investment Update 31 October 2026

Overall Commentary

In the month ended 31 October 2026, the Company returned -2.1% (after fees), outperforming the S&P/ASX Small Ordinaries Accumulation Index by 4.3%.

Company Facts

Investment Manager	Spheria Asset Management Pty Limited
ASX Code	SEC
Share Price	$2.360
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	$141.5m

[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 October 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]	-2.1%	-0.6%	-12.8%	12.1%	1.7%	6.5%	6.4%
Benchmark[2]	-6.4%	-3.9%	-14.4%	10.0%	0.6%	4.0%	4.6%
Difference	4.3%	3.3%	1.6%	2.1%	1.1%	2.4%	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
[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]
2.204
Post-Tax NTA[3]
2.204

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

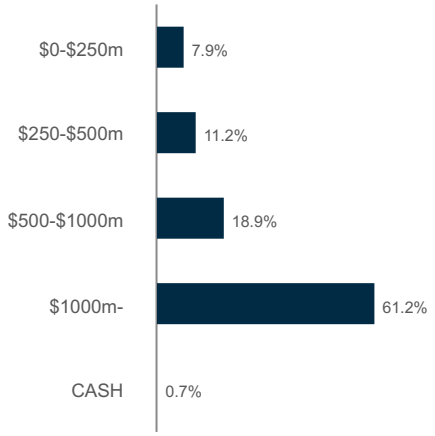
[2]Pre-tax NTA includes tax on realised gains/losses and other earnings, but excludes any provisions for tax on unrealised gains/losses.

[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
Bapcor Limited	5.2
Perpetual Limited	4.9
Orora Limited	4.3
New Hope Corporation Limited	3.8
IRESS Limited	3.6
Imdex Limited	3.6
Deterra Royalties Limited	3.5
Sims Limited	3.4
Karoon Energy Ltd	3.2
Top 10	**40.8**

Market Cap Bands

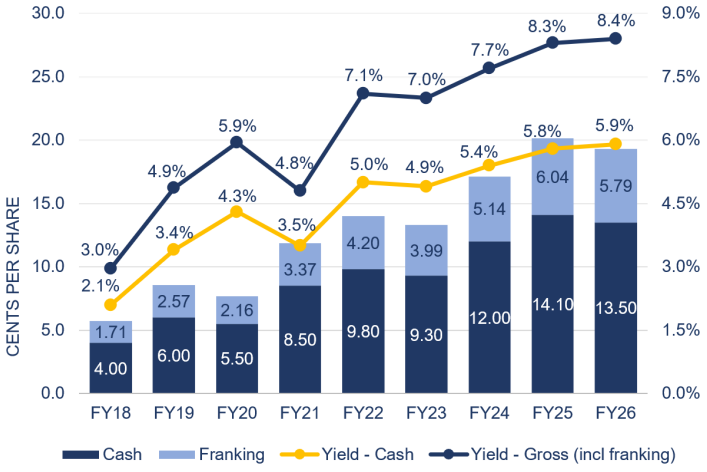


Source: Spheria Asset Management

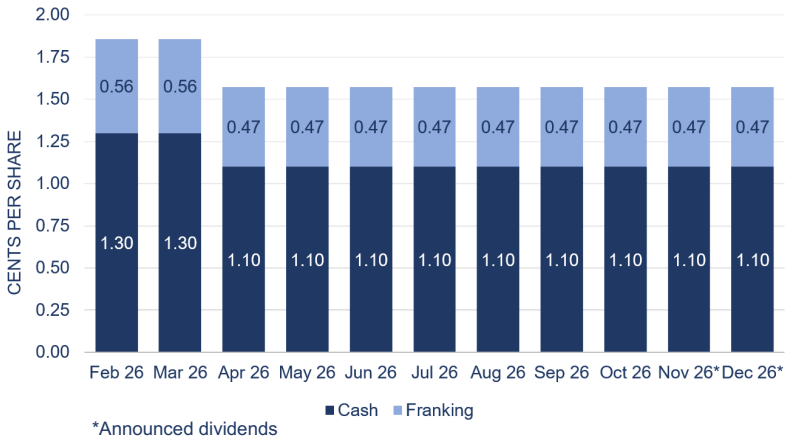
SEC Dividends

The Company transitioned from the payment of quarterly dividends to the payment of monthly dividends in February 2026. During the month of October, 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 October, November and December 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 trended lower during the month and despite the headline looking somewhat modest, with the S&P 500 down less than 1% in October, beneath the surface there was significant volatility. The NASDAQ was down 5% and the KOSPI – which has become a proxy for the AI/data centre thematic was down peak to trough 20% during the month before a modest recovery. The AI trade, which has driven a significant portion of global equity performance YTD came unstuck, as investor scrutiny of AI investment ROI intensified. Results from some of the biggest technology companies highlighted the sheer capital being invested into AI - with Google, Amazon and Meta spending US$51bn, US$77bn and US$35bn respectively on capex in the September quarter, pushing free cash flow negative at all three despite strong revenue growth. The long-awaited IPO documentation from Anthropic only added fuel to the fire, with the company disclosing around US$235bn of compute commitments through to 2033.

Australia was not immune, particularly at the small and micro-cap end of the market, which significantly underperformed the Top-50, which was surprisingly positive for the month despite the global noise. Resources were the weakest part of the market, with the Small-cap resources index down 14% for the month, driven in large part by a falling gold price. Part of the broader weakness was the sell-off in the AI-thematic trade globally, which also hit the local IPO market, with Nvidia-backed Firmus withdrawing what would have been the ASX's largest float in three decades after investors recoiled at an almost A$44 billion valuation. Confirmation of a further rate rise driven by hotter than expected inflation added to the pressure. Post month end the RBA raised rates for a 5th time this year, taking the cash rate to 4.85%, the highest it has been since 2008 (peaked at 4.75% in 2011 and 4.35% in 2024).

Despite absolute returns being weak, the Company had strong relative returns for the month, supported by an underweight to materials.

Over the month the largest contributors were owning Healius (HLS.ASX, +15%), an overweight position in Orora (ORA.ASX, +9%), and an overweight position in Karoon Energy (KAR.ASX, +10%). The largest detractors from performance included not owning Data#3 (DTL.ASX, +33%), not owning Pinnacle Investment Management Group (PNI.ASX, +16%), and not owning AUB Group (AUB.ASX, +11%).

Fund Ratings

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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