

## Overall Commentary

The Company performance for the month of November was 8.6% (after fees), outperforming the S&P/ASX Small Ordinaries Accumulation Index by 1.6%.

Equity markets rallied strongly in November as the market appeared significantly more comfortable that rates both globally and domestically may have peaked, with monthly CPI coming in below expectations.

Iress (IRE.ASX), City Chic Collective (CCX.ASX) and Bega Cheese (BGA.ASX) drove the relative outperformance. Vista Group International (VGL.ASX), not owning both Neuren Pharmaceuticals (NEU.ASX) and Pro Medicus (PME.ASX), were notable detractors.

## Company Facts

| Investment Manager    | Spheria Asset Management Pty Limited                          |
|-----------------------|---|
| ASX Code              | SEC   |
| Share Price           | \$1.795   |
| Inception Date        | 30 November 2017  |
| Listing Date          | 5 December 2017   |
| Benchmark             | S&P/ASX Small Ordinaries Accumulation Index                   |
| Dividends Paid        | Quarterly   |
| Management Fee        | 1.00% (plus GST) per annum <sup>1</sup>                       |
| Performance Fee       | 20% (plus GST) of the Portfolio's outperformance <sup>2</sup> |
| Market Capitalisation | \$107.4m  |

<sup>1</sup> Calculated daily and paid at the end of each month in arrears.

<sup>2</sup> Against the Benchmark over each 6-month period to a high-water mark mechanism

## Performance as at 30 November 2023

|                        | 1 Month | 3 Months | 1 Year | 3 Years p.a. | 5 Years p.a. | Inception p.a. <sup>3</sup> |
|------------------------|---------|----------|--------|--------------|--------------|-----------------------------|
| Company <sup>1</sup>   | 8.6%    | -3.8%    | -1.3%  | 3.4%         | 5.8%         | 5.0%                        |
| Benchmark <sup>2</sup> | 7.0%    | -2.9%    | -3.2%  | -0.5%        | 4.0%         | 3.1%                        |
| Difference             | 1.6%    | -0.9%    | 1.9%   | 3.9%         | 1.7%         | 1.9%                        |

<sup>1</sup> 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

<sup>2</sup> Benchmark is the S&P/ASX Small Ordinaries Accumulation Index.

<sup>3</sup> Inception date is 30 November 2017. Past performance is not a reliable indicator of future performance. All p.a returns are annualised.

## Net Tangible Assets (NTA)<sup>1</sup>

Pre-Tax NTA<sup>2</sup>

2.068

Post-Tax NTA<sup>3</sup>

2.119

<sup>1</sup> NTA calculations exclude Deferred Tax Assets relating to capitalised issue related balance and income tax losses.

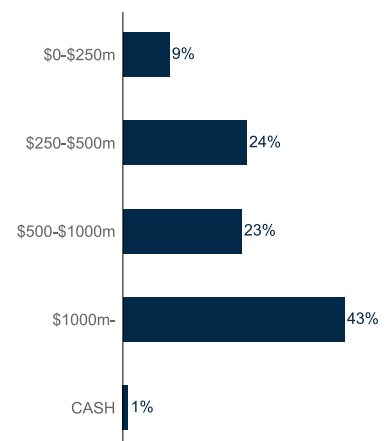
<sup>2</sup> Pre-tax NTA includes tax on realised gains/losses and other earnings, but excludes any provisions for tax on unrealised gains/losses.

<sup>3</sup> Post-tax NTA includes tax on realised and unrealised gains/losses and other earnings.

## Top 10 Holdings

| Company Name                         | % Portfolio |
|--------------------------------------|-------------|
| IRESS Limited                        | 6.3         |
| Bega Cheese Limited                  | 4.5         |
| Link Administration Holdings Limited | 4.1         |
| Supply Network Limited               | 4.0         |
| Adbri Limited                        | 3.8         |
| Deterra Royalties Limited            | 3.6         |
| Vista Group International Limited    | 3.3         |
| Bravura Solutions Limited            | 3.0         |
| Ainsworth Game Technology Limited    | 3.0         |
| Breville Group Limited               | 2.9         |
| <b>Top 10</b>                        | <b>38.3</b> |

## Market Cap Bands



Source: Spheria Asset Management

### Fund Ratings



### 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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