



Spheria Emerging Companies Limited (Company)
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12 September 2023

By Electronic Lodgement

Market Announcements Office
ASX Limited
20 Bridge Street
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 2023.

For further information, please contact 1300 010 311.

Authorised by:

Calvin Kwok
Company Secretary

Overall Commentary

The Company returned -3.6% (after fees) during the month of August, underperforming the S&P/ASX Small Ordinaries Accumulation Index by 2.3%.

The Company's performance was influenced by the domestic FY23 reporting season, global equities abroad experienced a decline due to uncertainty regarding additional rate hikes in the US, despite signs of easing inflation and a weakening economic environment.

Positive contributors for the month were positions in Bravura Solutions (BVS.ASX), Johns Lyng Group (JLG.ASX) and Breville Group (BRG.ASX). Whilst positions in IRESS (IRE.ASX), Vista Group (VGL.ASX) and Appen (APX.ASX) were notable detractors.

Company Facts

Investment Manager	Spheria Asset Management Pty Limited
ASX Code	SEC
Share Price	\$1.885
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 ¹
Performance Fee	20% (plus GST) of the Portfolio's outperformance ²
Market Capitalisation	\$112.9

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 2023

	1 Month	3 Months	1 Year	3 Years p.a.	5 Years p.a.	Inception p.a. ³
Company ¹	-3.6%	-0.2%	-0.5%	9.6%	4.8%	5.9%
Benchmark ²	-1.3%	2.2%	-1.1%	3.0%	2.4%	3.7%
Difference	-2.3%	-2.5%	0.6%	6.6%	2.4%	2.2%

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.

Net Tangible Assets (NTA)¹

Pre-Tax NTA²

2.168

Post-Tax NTA³

2.203

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

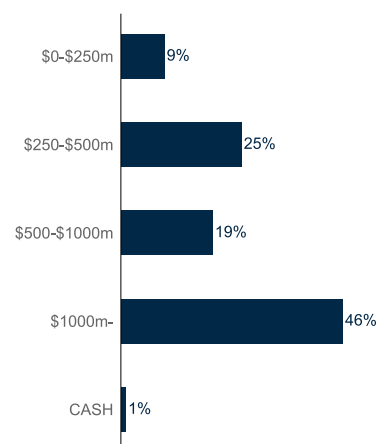
² Pre-tax NTA includes tax on realised gains/losses and other earnings, but excludes any provisions for tax on unrealised gains/losses.

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

Top 10 Holdings

Company Name	% Portfolio
IRESS Limited	5.5
Bega Cheese Limited	4.0
Adbri Limited	3.9
Breville Group Limited	3.9
Supply Network Limited	3.6
Vista Group International Limited	3.5
Bravura Solutions Limited	3.3
Insignia Financial Ltd.	3.3
Deterra Royalties Limited	3.1
A2B Australia Limited	2.9
Top 10	36.8

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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Contact Us

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