



**Spheria Emerging Companies Limited (Company)**  
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24 February 2025

*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 January 2025.

For further information, please contact 1300 010 311.

Authorised by:

Calvin Kwok  
Company Secretary

## Overall Commentary

The Company performance for the month of January was 4.6% (after fees), performing in line with the S&P/ASX Small Ordinaries Accumulation Index.

Equity markets started the new year strongly, propelled by an ongoing moderation in inflation. In the US and Australia CPI rose in December but came in below forecasts, increasing the chance of potential rate cuts. Moderating inflation and lower rates should be supportive for cyclically exposed companies, many of which have been out of favour by the market over the last few years.

An overweight position in Insignia (IFL.ASX, +25%), not owning Zip Co (ZIP.ASX, -18%) and owning Supply Network (SNL.ASX, +9%), were positive contributors for the month. The largest detractors from performance included owning both Ainsworth Game Technology (AGI.ASX, -19%) and Michael Hill International (MHJ.ASX, -14%), and not owning Genesis Minerals (GMD.ASX, +29%).

## Company Facts

Investment Manager	Spheria Asset Management Pty Limited
ASX Code	SEC
Share Price	\$2.310
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	\$138.1m

<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 31 January 2025

	1 Month	3 Months	1 Year	3 Years p.a.	5 Years p.a.	Inception p.a. <sup>3</sup>
Company <sup>1</sup>	4.6%	5.2%	13.7%	5.4%	8.2%	7.9%
Benchmark <sup>2</sup>	4.6%	2.7%	12.3%	3.1%	4.3%	5.4%
Difference	0.0%	2.5%	1.4%	2.3%	3.9%	2.5%

<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.

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

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

2.484

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

2.384

The NTA values shown above are after the dividend of 3.5 cents per share paid on 12 February 2025. The ex-date of the dividend was 21 January 2025.

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

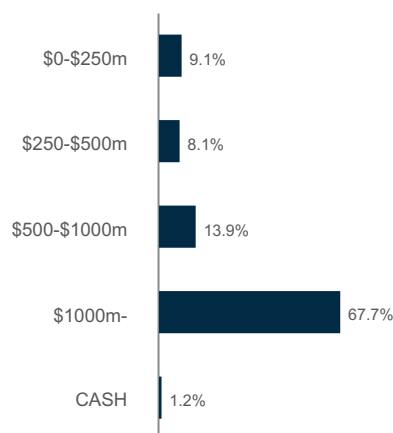
<sup>2</sup>Pre-tax NTA includes tax on realised gains/losses and other earnings, but excludes any provisions for tax on unrealised gains/losses.

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

## Top 10 Holdings

Company Name	% Portfolio
Supply Network Limited	6.2
Insignia Financial Limited	5.0
Deterra Royalties Limited	4.7
Healius Limited	4.6
Fletcher Building Limited	4.2
Sims Limited	3.9
IRESS Limited	3.8
Bega Cheese Limited	3.4
Technology One Limited	3.1
Universal Store Holdings Limited	3.1
<b>Top 10</b>	<b>41.7</b>

## Market Cap Bands



**Fund Ratings****Contact Us**

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