

ASX ANNOUNCEMENT**17 November 2023****Chairperson's 2023 AGM Address**

Salter Brothers Emerging Companies Limited (**SB2** or the **Company**) provides the below Chairperson's address which will be provided to the 2023 AGM today.

Good morning fellow shareholders and welcome to our 2023 Annual General Meeting. I am John Vatovec the Chairperson of Salter Brothers Emerging Companies Limited, joining me for today's meeting are my fellow directors, Robert Salter and Marco Marcou. Also in attendance is our Company Secretary, Justin Mouchacca and a representative from Deloitte, the Company's auditor.

The Company continues its focus on providing investors with attractive risk adjusted returns with capital growth and income over the long term by investing in a portfolio of typically 20-35 investments in predominantly Australian listed and unlisted securities of emerging companies (defined as companies with a market capitalisation under \$500m at the time of initial investment). Furthermore, the investment strategy continues to be compliant with the investment requirements of the Australian Significant Visa Regime.

FY23 has been another challenging year for both the Australian and Global economy.

Interest rates continued to rise as central banks remained steadfast in their determination to bring down inflation rates and when combined with heightened global geopolitical fears really managed to dampen investor appetite for any risk assets.

The trading result for the past financial year for the Company was (-2.03%) across the portfolio, with the pre- tax net tangible assets (NTA) at 87.5C.

During the year SB2 made another two unlisted investments. The first being Verrency, which is a leading- edge financial technology platform and the second investment is in the Fintech business called IPSI (IP Payment Solutions International).

Unlisted investments now comprise 10% of the portfolio and remain a key element of differentiation for the fund going forward.

During the financial year, the Directors undertook a share buyback program with the aim of strengthening the share price and narrowing the NTA discount. This saw 1,930,000 shares bought back and cancelled at a total cost of \$1.344 million.

Looking forward, we believe that the relative under- performance of small caps versus large caps, which is near historical lows, will lessen as we near the end of the central bank interest hiking cycle.

We remain confident that our portfolio is well positioned for any small cap share price rebound.

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EMERGING COMPANIES LIMITED

On behalf of Directors and the Manager of SB2, I would like to thank all shareholders for their continued support and look forward to providing you with ongoing updates as the company continues to grow and assess further investment opportunities.

-ENDS-

This announcement has been authorised for release by the Board of Directors of Salter Brothers Emerging Companies Limited.

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About Salter Brothers Emerging Companies Limited (ASX: SB2)

Salter Brothers Emerging Companies Ltd (ASX: SB2) is a listed investment company with an investment portfolio focused on listed and unlisted securities, predominantly in Australia, of emerging companies with a market capitalisation under \$500 million at the time of initial investment. The Company's investment portfolio is managed by Salter Brothers Funds Management Pty Ltd, a corporate authorised representative of Salter Brothers Asset Management Pty Ltd (AFSL number 308971).

www.salterbrothersemergingcompanies.com.au

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