



## 1. Company details

Name of entity:	Salter Brothers Emerging Companies Limited
ABN:	96 646 715 111
Reporting period:	Half-year ended 31 December 2024
Previous period:	Half-year ended 31 December 2023

## 2. Results for announcement to the market

			\$'000
Revenues from ordinary activities	up	491.8% to	16,428
Profit from ordinary activities after tax attributable to the shareholders of Salter Brothers Emerging Companies Limited	up	701.3% to	10,489
Profit for the half-year attributable to the shareholders of Salter Brothers Emerging Companies Limited	up	701.3% to	10,489
		Reporting period \$'000	Previous period \$'000
Revenues from ordinary activities		16,428	2,776
Profit from ordinary activities before tax attributable to shareholders		14,950	1,761
Profit from ordinary activities after tax attributable to shareholders		10,489	1,309

### Comments

The profit for the Company after providing for income tax amounted to \$10,489,000 (31 December 2023: \$1,309,000).

### Financial Performance

During the half year ended 31 December 2024, investment income included net gain on financial instruments at fair value through profit or loss of \$16,246,000 (31 December 2023: \$2,419,000) and dividend income of \$182,000 (31 December 2023: \$357,000).

Total expenses excluding income tax increased to \$1,517,000, an increase of \$478,000 from the corresponding period (31 December 2023: \$1,039,000), was due to performance fee accrued and an increase in management fees this period.

Net operating cash inflow was \$3,045,000 compared to an outflow of \$3,077,000 for the corresponding period. The main driver for the favourable movement was the proceeds from sales of investments were greater than the payments for investments.

### Financial Position

The net assets increased by \$6,992,000 in this period to \$96,409,000 (30 June 2024: 89,238,000). This is attributable to an increase in portfolio value, partly offset by share buy backs and operating expenses.

## 3. Net tangible assets

	31 December 2024 \$	30 June 2024 \$
Pre tax NTA	1.131	0.946
Post tax, pre unrealised gains tax, NTA	1.132	0.969
Post tax NTA	1.123	0.986

## Salter Brothers Emerging Companies Limited

### Appendix 4D

#### Half-year report

##### Notes:

- NTA per share, as required by ASX Listing Rule 4.12, is calculated in accordance with the definition of “net tangible asset backing” contained in Chapter 19 of the ASX Listing Rules. NTA calculations presented are non-IFRS information which is information presented that is not in accordance with Australian accounting standards. The information presented is unaudited.
- Refer to the attached Annual Report for the basis of calculation of Pre-tax NTA, Post tax, pre unrealized gains tax, NTA and Post tax NTA.

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#### 4. Dividends

##### *Current period*

On 28 February 2025, the directors declared a fully franked interim dividend of \$0.02 per share to the holders of fully paid ordinary shares in respect of the half-year ended 31 December 2024, to be paid to shareholders on 24 April 2025. This dividend has not been included as a liability in these financial statements. The total estimated dividend to be paid is \$1.7 million.

Ex-dividend date is 27 March 2025

Record date is 28 March 2025

Payment date is 24 April 2025

##### *Previous period*

There were no dividends paid, recommended or declared during the previous financial period.

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#### 5. Audit qualification or review

##### *Details of audit/review dispute or qualification (if any):*

The financial statements were subject to a review by the auditors and the review report is attached as part of the Half-year Financial Report.

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#### 6. Attachments

##### *Details of attachments (if any):*

The Half-year Financial Report of Salter Brothers Emerging Companies Limited for the half-year ended 31 December 2024 is attached.

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#### 7. Signed

Signed  \_\_\_\_\_

John Vatovec  
Non-Executive Director and Chairperson

Date: 28 February 2025

**Salter Brothers Emerging Companies Limited**

**ABN 96 646 715 111**

**Half-year Financial Report - 31 December 2024**

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**Salter Brothers Emerging Companies Limited**  
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**31 December 2024**

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**Salter Brothers Emerging Companies Limited**  
**Directors' report**  
**31 December 2024**

The Directors submit their report on Salter Brothers Emerging Companies Limited ("the Company") for the half-year ended 31 December 2024.

**Directors**

The names of the Company's Directors in office during the financial period and until the date of this report are set out below. Directors were in office for this entire period unless otherwise stated:

John Vatovec (Non-Executive Director and Chairperson)

Marcos Marcou (Non-Executive Director)

Robert Salter (Non-Executive Director)

**Dividends**

On 28 February 2025, the directors declared a fully franked interim dividend of \$0.02 per share to the holders of fully paid ordinary shares in respect of the half-year ended 31 December 2024, to be paid to shareholders on 24 April 2025. This dividend has not been included as a liability in these financial statements. The total estimated dividend to be paid is \$1.7 million.

**Review of operations**

During the half year, the Company continued to operate within the terms of its investment mandate under the management of Salter Brothers Funds Management Pty Ltd ("the Manager").

The most appropriate measure of the Company's financial performance is profit after income tax expense. The profit after income tax expense for the half-year ended 31 December 2024 amounted to \$10,489,000 (31 December 2023: \$1,309,000). The Company's profit before tax for the half-year was \$14,950,000 (31 December 2023: \$1,761,000). Basic and diluted earnings per share after income tax was 11.80 cents for the half-year (31 December 2023: 1.42 cents).

**Net Tangible Asset Backing (NTA) per share (non-IFRS)**

NTA details presented are considered a key metric in assessing the performance of the Company, consistent with information presented by comparable companies. Details have been prepared on a consistent basis with details included in 'Investment Report and NTA Update' reports submitted monthly to the ASX as required by ASX Listing Rule 4.12.

	31 December 2024 \$	30 June 2024 \$
Pre tax NTA	1.131	0.946
Post tax, pre unrealised gains tax, NTA	1.132	0.969
Post tax NTA	1.123	0.986

**Notes:**

- NTA per share, as required by ASX Listing Rule 4.12, is calculated in accordance with the definition of "net tangible asset backing" contained in Chapter 19 of the ASX Listing Rules. NTA calculations presented are non-IFRS information which is information presented that is not in accordance with Australian accounting standards. The information presented is unaudited.
- NTA details reported in the Investment Report and NTA update published on 10 January 2025 (relating to period up to 31 December 2024) included Pre Tax NTA \$1.128, Post Tax, Pre Unrealised Gains Tax NTA \$1.129, and Post Tax NTA \$1.121. Details in the published report did not include impact of any change in valuation of unlisted investments, as final Director's valuations relating to the main unlisted investments had not yet been completed at the date of publication.
- Pre tax NTA: includes provision for tax on realised gains/losses and other earnings, but excluding provision for tax on unrealised gains/losses and any deferred tax assets relating to capitalised issue costs and income tax losses.
- Post tax NTA: includes provision for tax on unrealised gains/losses and other earnings, and includes deferred tax assets relating to capitalised issue costs and income tax losses.

**Significant changes in the state of affairs**

There were no significant changes in the state of affairs of the Company during the financial half-year.

**Significant events after the reporting period**

Apart from the dividend declared as discussed above, no other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

**Salter Brothers Emerging Companies Limited**

**Directors' report**

**31 December 2024**

**Rounding**

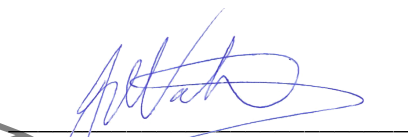
The financial report is presented in Australian dollars and all values are rounded to the nearest thousand (\$'000), except when otherwise indicated under the option available to the Company under ASIC Corporations Instrument 2016/191 (Rounding in Financial/Directors' Reports). The Company is an entity to which this legislative instrument applies.

**Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this Directors' report.

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the *Corporations Act 2001*.

On behalf of the Directors



John Vatovec

Non-Executive Director and Chairperson

28 February 2025

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28 February 2025

The Board of Directors  
Salter Brothers Emerging Companies Limited  
Level 9, 477 Collins Street  
Melbourne VIC 3001  
Australia

Dear Directors,

## Auditor's Independence Declaration to Salter Brothers Emerging Companies Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Salter Brothers Emerging Companies Limited.


As lead audit partner for the review of the half year financial report of Salter Brothers Emerging Companies Limited for the year half year ended 31 December 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- Any applicable code of professional conduct in relation to the review.

Yours faithfully



DELOITTE TOUCHE TOHMATSU



Paul Schneider  
Partner  
Chartered Accountants  
Melbourne, 28 February 2025

**Salter Brothers Emerging Companies Limited**  
**Condensed statement of profit or loss and other comprehensive income**  
**For the half-year ended 31 December 2024**

		<b>Half-year ended 31 December 2024 \$'000</b>	<b>Half-year ended 31 December 2023 \$'000</b>
	<b>Note</b>		
<b>Investment income</b>			
Dividend income		182	357
Net gains on financial instruments at fair value through profit or loss	4	<u>16,246</u>	<u>2,419</u>
		16,428	2,776
 Interest income		 29	 24
Sundry Income		10	-
 <b>Expenses</b>			
Management fees		(710)	(582)
Performance fees		(380)	-
Directors' fees		(62)	(62)
Professional fees		(39)	(34)
Other expenses		<u>(326)</u>	<u>(361)</u>
 <b>Profit before income tax expense</b>		 14,950	 1,761
Income tax expense		<u>(4,461)</u>	<u>(452)</u>
 <b>Profit after income tax expense for the half-year attributable to the shareholders of Salter Brothers Emerging Companies Limited</b>		 10,489	 1,309
Other comprehensive income for the half-year, net of tax		<u>-</u>	<u>-</u>
 <b>Total comprehensive income for the half-year attributable to the shareholders of Salter Brothers Emerging Companies Limited</b>		 <u><u>10,489</u></u>	 <u><u>1,309</u></u>
		<b>Cents</b>	<b>Cents</b>
 <b>Earnings per share for profit attributable to the shareholders of Salter Brothers Emerging Companies Limited</b>			
Basic earnings per share	5	11.80	1.42
Diluted earnings per share	5	11.80	1.42

*The above condensed statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*



**Salter Brothers Emerging Companies Limited**  
**Condensed statement of financial position**  
**As at 31 December 2024**

	<b>Note</b>	<b>31 December 2024 \$'000</b>	<b>30 June 2024 \$'000</b>
<b>Assets</b>			
Cash and cash equivalents		1,634	1,907
Trade and other receivables		332	217
Other assets		110	213
Financial assets at fair value through profit or loss	6	95,740	83,740
Deferred tax assets		-	3,599
<b>Total assets</b>		<b>97,816</b>	<b>89,676</b>
<b>Liabilities</b>			
Trade and other payables	7	545	438
Income tax payable		117	-
Deferred tax liabilities		745	-
<b>Total liabilities</b>		<b>1,407</b>	<b>438</b>
<b>Net assets</b>		<b>96,409</b>	<b>89,238</b>
<b>Equity</b>			
Contributed equity	8	88,626	91,944
Retained earnings/(Accumulated losses)		7,783	(2,706)
<b>Total equity</b>		<b>96,409</b>	<b>89,238</b>

*The above condensed statement of financial position should be read in conjunction with the accompanying notes*

**Salter Brothers Emerging Companies Limited**  
**Condensed statement of changes in equity**  
**For the half-year ended 31 December 2024**

	<b>Contributed equity \$'000</b>	<b>Accumulated losses \$'000</b>	<b>Total equity \$'000</b>
Balance at 1 July 2023	93,039	(6,928)	86,111
Profit after income tax expense for the half-year	-	1,309	1,309
Other comprehensive income for the half-year, net of tax	-	-	-
Total comprehensive income for the half-year	-	1,309	1,309
<i>Transactions with shareholders in their capacity as shareholders:</i>			
Share buy-backs	(520)	-	(520)
Balance at 31 December 2023	<u>92,519</u>	<u>(5,619)</u>	<u>86,900</u>

	<b>Contributed equity \$'000</b>	<b>Retained earnings \$'000</b>	<b>Total equity \$'000</b>
Balance at 1 July 2024	91,944	(2,706)	89,238
Profit after income tax expense for the half-year	-	10,489	10,489
Other comprehensive income for the half-year, net of tax	-	-	-
Total comprehensive income for the half-year	-	10,489	10,489
<i>Transactions with shareholders in their capacity as shareholders:</i>			
Share buy-backs	(3,318)	-	(3,318)
Balance at 31 December 2024	<u>88,626</u>	<u>7,783</u>	<u>96,409</u>

*The above condensed statement of changes in equity should be read in conjunction with the accompanying notes*

**Salter Brothers Emerging Companies Limited**  
**Condensed statement of cash flows**  
**For the half-year ended 31 December 2024**

	Half-year ended 31 December 2024 \$'000	Half-year ended 31 December 2023 \$'000
<b>Cash flows from operating activities</b>		
Proceeds from sale of investments	29,574	14,413
Payments for investments	(25,634)	(16,686)
Dividend and distributions received	92	295
Sundry income	10	-
Interest received	29	24
Management fees paid	(661)	(731)
Operating expenses paid	(365)	(392)
<b>Net cash from/(used in) operating activities</b>	<b>3,045</b>	<b>(3,077)</b>
<b>Net cash from investing activities</b>	<b>-</b>	<b>-</b>
<b>Cash flow from financing activities</b>		
Payments for share buy-backs	(3,318)	(520)
<b>Net cash (used in) financing activities</b>	<b>(3,318)</b>	<b>(520)</b>
Net decrease in cash and cash equivalents	(273)	(3,597)
Cash and cash equivalents at the beginning of the financial half-year	1,907	5,696
Cash and cash equivalents at the end of the financial half-year	1,634	2,099

*The above condensed statement of cash flows should be read in conjunction with the accompanying notes*

**Salter Brothers Emerging Companies Limited**  
**Notes to the condensed financial statements**  
**31 December 2024**

**Note 1. Corporate information**

The financial statements of Salter Brothers Emerging Companies Limited ("the Company") for the half-year ended 31 December 2024 were authorised for issue in accordance with a resolution of the Directors on 28 February 2025.

Salter Brothers Emerging Companies Limited is a listed public company (ASX code: SB2) limited by shares, incorporated and domiciled in Australia.

Salter Brothers Funds Management Pty Ltd, a corporate authorised representative of Salter Brothers Asset Management Pty Ltd, has been appointed to manage the Investment Portfolio for the Company.

The registered office and principal place of business of the Company is located at:

Level 9  
477 Collins Street  
Melbourne, VIC 3000

Further information on the nature of the operations, principal activity and other related party relationships of the Company is provided in the Directors' report.

**Note 2. Material Accounting Policy Information**

**2.1 Basis of Preparation**

These general purpose financial statements for the interim half-year reporting period ended 31 December 2024 have been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

The financial report is presented in Australian dollars and all values are rounded to the nearest thousand (\$'000), except when otherwise indicated under the option available to the Company under ASIC Corporations Instrument 2016/191 (Rounding in Financial/Directors' Reports). The Company is an entity to which this legislative instrument applies.

The interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by Salter Brothers Emerging Companies Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The statement of financial position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current. All balances are generally expected to be recovered or settled within twelve months, except for investments in financial assets where the amount expected to be recovered within twelve months after the end of the reporting period cannot be reliably determined.

The accounting policies adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company's 2024 annual financial report for the financial year ended 30 June 2024 except as discussed in Note 2.3 (a). The accounting policies are consistent with Australian Accounting Standards.

**Prior Year Comparatives**

Comparative information has been disclosed in respect of the previous period for amounts reported in the financial statements.

**2.2 Compliance with International Financial Reporting Standards (IFRS)**

Compliance with AASB 134 ensures compliance with International Financial Reporting Standards ("IFRS") IAS 34 *Interim Financial Reporting* as issued by the International Accounting Standards Board.

**2.3 Changes in Accounting Policies, Disclosures, Standards and Interpretations**

**(a) Amendments to Accounting Standards and new Interpretations that are mandatorily effective for the current reporting period**

A number of amended standards became applicable for the current reporting period. The Company did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amended standards.

**Note 2. Material Accounting Policy Information (continued)**

**(b) New and revised Australian Accounting Standards and Interpretations on issue but not yet effective**

The Company has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective. The Directors have assessed that the new or amended standards (to the extent relevant to the Company) and interpretations are not expected to have a material impact on the Company.

**Note 3. Segment information**

The Company only has one reportable segment and one industry. It operates in Australia and in the securities industry. It earns revenue from dividend income, interest income and other returns on its investment portfolio.

**Note 4. Net gains on financial instruments at fair value through profit or loss**

	Half-year ended 31 December 2024 \$'000	Half-year ended 31 December 2023 \$'000
Realised gains on financial instruments at fair value through profit or loss	8,403	624
Unrealised gains on financial instruments at fair value through profit or loss	7,843	1,795
	<b>16,246</b>	<b>2,419</b>

**Note 5. Earnings per share (EPS)**

Basic EPS is calculated by dividing the profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period. For the current period diluted EPS is the same as basic EPS.

	Half-year ended 31 December 2024 \$'000	Half-year ended 31 December 2023 \$'000
Profit after income tax attributable to the shareholders of Salter Brothers Emerging Companies Limited	<b>10,489</b>	<b>1,309</b>

The basic earnings per share for the reporting period were as follows:

	Cents	Cents
Basic earnings per share	11.80	1.42
Diluted earnings per share	11.80	1.42
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	88,891,079	92,315,204
Weighted average number of ordinary shares used in calculating diluted earnings per share	88,891,079	92,315,204

**Note 6. Financial assets at fair value through profit or loss**

**Salter Brothers Emerging Companies Limited**  
**Notes to the condensed financial statements**  
**31 December 2024**

**Note 6. Financial assets at fair value through profit or loss (continued)**

	<b>31 December 2024 \$'000</b>	<b>30 June 2024 \$'000</b>
Listed equity securities	81,652	70,948
Unlisted equity securities	14,088	12,792
	<b>95,740</b>	<b>83,740</b>

Refer to note 10 for further information on fair value measurement.

**Note 7. Trade and other payables**

	<b>31 December 2024 \$'000</b>	<b>30 June 2024 \$'000</b>
Outstanding settlements payable	-	288
Management fee accrual	136	105
Performance fee accrual	380	-
Other payable and accruals	29	45
	<b>545</b>	<b>438</b>

**Note 8. Contributed equity**

	<b>31 December 2024 Shares</b>	<b>30 June 2024 Shares</b>	<b>31 December 2024 \$'000</b>	<b>30 June 2024 \$'000</b>
Ordinary shares issued and fully paid	85,874,593	90,526,470	88,626	91,944

**Ordinary shares**

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote. Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

**Note 9. Dividends**

On 28 February 2025, the directors declared a fully franked interim dividend of \$0.02 per share to the holders of fully paid ordinary shares in respect of the half-year ended 31 December 2024, to be paid to shareholders on 24 April 2025. This dividend has not been included as a liability in these financial statements. The total estimated dividend to be paid is \$1.7 million.

**Note 10. Fair value measurement**

The following table presents the Company's financial assets and liabilities measured and recognised at fair value at the reporting date. The carrying amounts of all financial instruments are reasonable approximations of the respective instrument's fair value.

**Note 10. Fair value measurement (continued)**

**Fair value measurement hierarchy for assets as at 31 December 2024:**

Assets measured at fair value	Date of valuation	Fair value measurement using Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
		\$'000	\$'000	\$'000	\$'000
Financial assets at fair value through profit or loss	31 December 2024	80,032	1,620	14,088	95,740

**Fair value measurement hierarchy for assets as at 30 June 2024:**

Assets measured at fair value	Date of valuation	Fair value measurement using Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
		\$'000	\$'000	\$'000	\$'000
Financial assets at fair value through profit or loss	30 June 2024	69,328	1,620	12,792	83,740

There were no transfers between levels during the financial half-year.

**Level 1** instruments comprise securities quoted on the ASX where values are based on quoted market prices.

**Level 2** instruments comprise securities yet to be quoted on the ASX where values are determined based on significant observable inputs.

**Level 3** instruments include certain private equity type investments of which valuations are not based on market inputs or securities valued using models and internal data. Level 3 investments may be adjusted to reflect illiquidity.

Level 3 investments are valued by the Manager using a variety of valuation techniques, taking into consideration recent market transactions. These valuations are reassessed on a monthly basis by the Manager. Management considers the appropriateness of the valuation inputs, methods and techniques used in the valuations. Unobservable valuation inputs are determined based on the best information available, which might include the entity's own data, reflecting its assumptions as well as best practices carried out or undertaken by other market participants. These valuation techniques are used to the extent that observable inputs are not available. The price of some level 3 unlisted positions have been determined using unobservable inputs that were not developed internally by the Company, in this case, the price of a recent capital raising.

The following table presents the movement in level 3 instruments as at the reporting date by class of financial instrument.

	Opening balance \$'000	Purchases/ (sales) \$'000	Transfer in/ (out) of level 3 \$'000	Gains/(losses) recognised in profit or loss \$'000	Closing balance \$'000
Unlisted equity securities	12,792	1,000	-	296	14,088

**Note 10. Fair value measurement (continued)**

The unlisted equity securities investment includes a portfolio of ordinary and/or preference shares or other similar equity instrument investments in unlisted companies. A description of the significant unobservable inputs underpinning the valuation of unlisted equity securities investments, are included in this note.

**Description of significant unobservable inputs to valuation**

The following table summarises the quantitative information about the significant unobservable inputs used in Level 3 fair value measurements, together with a sensitivity analysis as at 31 December 2024 are shown below. Based on different characteristics of individual investment, valuation technique adopted by the Manager may include the capitalisation of earnings and comparable market transactions approach or, a blended average of both.

Valuation technique	Significant unobservable inputs	Sensitivity of the input to fair value
Capitalisation of earnings	EBITDA Multiples	In isolation, a 10% increase/(decrease) in EBITDA multiples for Pelican would result in an increase/(decrease) in fair value by \$427,000.
Comparable market transactions	Revenue Multiples	In isolation, a 10% increase/(decrease) in Revenue multiples for IPSI and Sphere would result in an increase/(decrease) in fair value by \$783,000.
Comparable market transactions	Value from most recent capital raise	In isolation, a 10% increase/(decrease) in comparable for Zero Latency and Salter Brothers Tech Fund would result in an increase/(decrease) in fair value by \$72,000.

Zero Latency and Salter Brothers Tech Fund have used the most recent capital raising transaction as the fair value.

**Note 11. Related party disclosures**

**Compensation of key management personnel of the Company**

	Half-year ended 31 December 2024 \$	Half-year ended 31 December 2023 \$
Short-term benefits	62,500	62,500
<b>Total compensation paid to key management personnel</b>	<b>62,500</b>	<b>62,500</b>

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel.

**Other transactions with related parties or entities related to them**

Transactions between the Company and related parties for the half-year ended 2024 were as follows:

	Half-year ended 31 December 2024 \$	Half-year ended 31 December 2023 \$
Management fee paid/payable to Salter Brothers Funds Management Pty Ltd	709,907	581,673
Performance fee paid/payable to Salter Brothers Funds Management Pty Ltd	379,878	-
Shared services fees paid/payable to Salter Brothers Funds Management Pty Ltd	180,000	180,000
<b>Total</b>	<b>1,269,785</b>	<b>761,673</b>

All transactions with related entities are entered into on normal commercial terms and conditions and at market rates as applicable.



**Note 11. Related party disclosures (continued)**

***Management agreement***

The Company and the Manager have entered into the Management Agreement whereby, subject to the provisions set out below, the Company has exclusively appointed the Manager to invest and manage all of the assets of the Company (including any controlled entity of the Company) from time to time, for and on behalf of the Company (considered to be the provision of key management personnel services). An initial term of 10 years was entered into on 27 April 2021, which will be automatically extended for successive five year periods unless terminated earlier in accordance with the Management Agreement.

***Management fees***

In its capacity as Investment Manager, the Manager is entitled to be paid a management fee equal to 1.50% (plus GST) per annum of the value of the portfolio calculated on the last business day of each month and payable within 10 business days of the end of each month. Management fees remained payable (exclusive of GST) as at 31 December 2024 is \$135,928 (30 June 2024: \$105,000).

***Performance fees***

In addition, the Manager is entitled to be paid by the Company a fee equal to 20.00% (plus GST) of the Portfolio's outperformance, if any, over each performance calculation period, subject to a high watermark mechanism. Performance fees are calculated on the last business day of each Performance Period, and payable within 10 business days after the end of the relevant Performance Calculation Period. Performance fees remained payable (exclusive of GST) as at 31 December 2024 is \$379,878 (30 June 2024: \$Nil).

***Shared services fees***

Under the terms of the Management Agreement, the Manager must provide or procure the provision of reasonable administrative support services reasonably required by the Company to conduct its business. The Manager may delegate the provision of such administrative support services. The Manager has entered into the Shared Services Agreement, under which Salter Brothers Asset Management Pty Ltd has agreed to provide to the Company the administrative support services. The Shared Services Fee will be paid to Salter Brothers Asset Management by the Manager, and the Company reimburses the Manager for the Shared Services Fee pursuant to the terms of the Management Agreement. Shared services fees remained payable (exclusive of GST) as at 31 December 2024 is \$Nil (30 June 2024: \$Nil).

**Note 12. Commitments and Contingencies**

**(a) Commitments**

There are no commitments as at the reporting period which would have a material effect on the Company's financial statements as at 31 December 2024.

**(b) Contingencies**

There are no contingent assets or contingent liabilities as at the reporting period which would have a material effect on the Company's financial statement as at 31 December 2024.

**Note 13. Events after the reporting period**

Apart from the dividend declared as disclosed in note 9, no other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

**Salter Brothers Emerging Companies Limited**  
**Directors' declaration**  
**31 December 2024**

In the Directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, Australian Accounting Standard AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Company's financial position as at 31 December 2024 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the *Corporations Act 2001*.

On behalf of the Directors

  
\_\_\_\_\_  
John Vatovec  
Non-Executive Director and Chairperson

28 February 2025

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## Independent Auditor's Review Report to the Members of Salter Brothers Emerging Companies Limited

### Report on the Half-Year Financial Report

#### Conclusion

We have reviewed the half-year financial report of Salter Brothers Emerging Companies Limited (the "Company"), which comprises the condensed statement of financial position as at 31 December 2024 and condensed statement of profit or loss and other comprehensive income, the condensed statement of cash flows and the condensed statement of changes in equity for the half-year ended on that date, notes to the financial statements, including material accounting policy information and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Company does not comply with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Company's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Half-year Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) ("the Code") that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

#### Directors' Responsibilities for the Half-year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibilities for the Review of the Half-year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



DELOITTE TOUCHE TOHMATSU



Paul Schneider  
Partner  
Chartered Accountants  
Melbourne, 28 February 2025