

ECP

ECP Emerging  
Growth Limited  
Annual Report  
2024



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# Welcome

## Financial Year End

30 June 2024

## FY24 Final Dividend

3.1 cents per share

## Shares Traded Ex Dividend

27 August 2024

## Dividend Books Close

28 August 2024

## Dividend Payment

11 September 2024

## Annual General Meeting

The Annual General Meeting of ECP Emerging Growth Limited

Will be held at:

The office of  
ECP Asset Management Pty Ltd  
Level 4, The Pavilion  
388 George St  
Sydney NSW 2000

Thursday 21 November 2024  
at 12.00pm (AEDT)

## Investing in ECP Emerging Growth Limited

Investors can purchase shares in ECP Emerging Growth Limited through the Australian Securities Exchange.

ASX code: ECP

ECP Emerging Growth Limited

ABN 30 167 689 821

Registered in Australia

23 January 2014 and listed  
on the ASX in August 2014

ECP Emerging Growth Limited Directors (from left to right):  
Jared Pohl, Murray d'Almeida, David Crombie AM

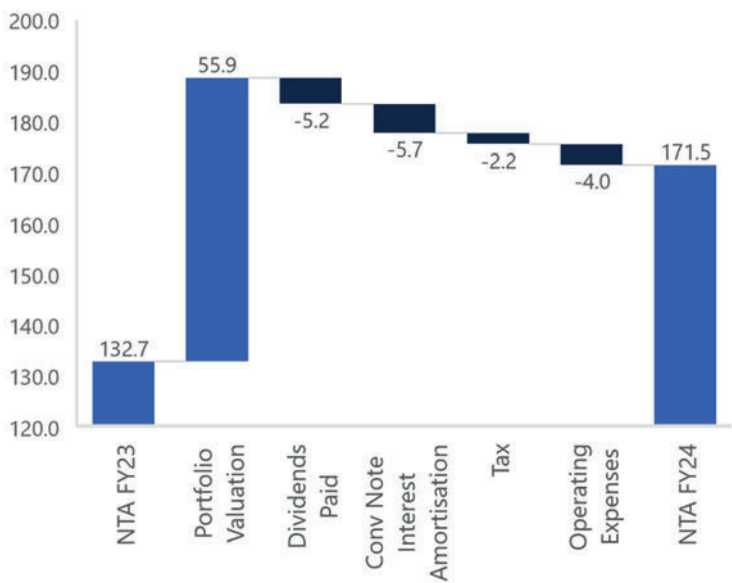


# Highlights for 2024

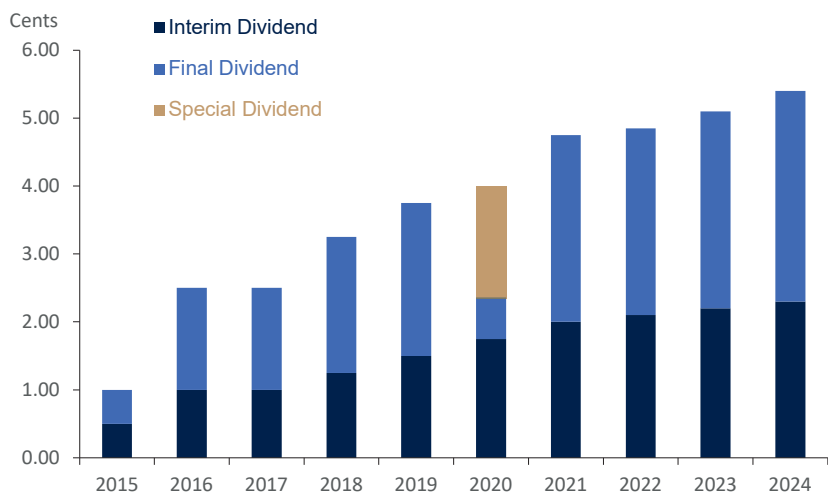
## Highlights for the year ending June 2024

- Portfolio performance was positive 32.2%, outperforming the ASX Small Ordinaries Index by 25.8 percentage points which increased by 6.4% over the twelve month period.
- The total dividend for the FY2024 year is 5.4 cents per share representing a 5.9% increase on the prior year.

## Waterfall: Net tangible assets before tax on unrealised gains (cents per share)



## Dividends per share



## Performance vs. The ASX Small Ordinaries Index

Year to	Portfolio Return Pre Fees	NTA (on Realised Gains only)	ASX Small Ordinaries Index
June-15	3.4%	-3.6%	-7.3%
June-16	24.8%	15.8%	10.4%
June-17	2.6%	-5.9%	3.7%
June-18	20.0%	12.3%	20.5%
June-19	17.3%	6.3%	-0.9%
June-20	22.7%	9.1%	-8.3%
June-21	50.5%	29.7%	30.2%
June-22	-28.1%	-34.8%	-21.6%
June-23	16.8%	14.6%	5.3%
June-24	32.2%	29.2%	6.4%

## Major Investments June 2024

Top 10 Investments	June 24	June 23
GQG Partners Inc	9.5%	9.0%
HUB24 Limited	8.3%	7.3%
IDP Education Limited	7.2%	7.7%
Lovisa Holdings Ltd	7.2%	4.6%
Domino Pizza Enterprises Ltd	6.7%	7.9%
Car Group Limited	5.7%	5.7%
Corporate Travel Management Ltd	5.6%	5.5%
Netwealth Group Limited	5.2%	5.1%
REA Group Ltd	5.0%	5.1%
Judo Capital Holdings	5.0%	6.5%
Total	65.4%	64.4%

# ECP Emerging Growth Limited

### Company Profile

ECP Emerging Growth Limited (the “Company”) listed on the Australian Securities Exchange (ASX) in August 2014 is a Listed Investment Company (LIC) providing investors with access to an expertly crafted quality portfolio of Australian small and mid-cap growth companies.

The portfolio is managed by ECP Asset Management Pty Ltd, which has a specialist, equities focused funds management investment team renowned for its stability, track record and sound investment process.

The Manager’s investment philosophy is built on the belief that the economics of business drives long-term investment returns. Investing in high quality businesses that have the ability to generate predictable, above average economic returns, will produce superior investment performance over the long-term.

### Mission

Creating Shareholder wealth through active management of a portfolio of ASX listed small and mid-cap quality growth companies.



## Objectives

The investment objectives of ECP Emerging Growth Limited are:

- To achieve medium to long-term capital growth and income through investing in a diversified portfolio of small and mid-cap Australian companies;
- To preserve and enhance the NTA backing per share; and
- To provide Company Shareholders with a fully franked dividend which, over time, will grow at a rate in excess of the rate of inflation.

### Investor Benefits

The benefits for investors in ECP Emerging Growth Limited are:

- Reduced share investment risk through a diversified investment portfolio;
- Professional and disciplined management of an investment portfolio;
- Fully franked dividend income and access to tax advantages of Listed Investment Company Capital Gains when available;
- Access to a Dividend Reinvestment Plan;
- No entry or exit charges made by the Company; and
- Easy access to information via the Company's head office or website:  
[www.ecpam.com/emerging](http://www.ecpam.com/emerging)

### Investment Manager

The management of the Company's investment portfolio is undertaken by ECP Asset Management Pty Ltd.

The Company's portfolio of investments comprises companies whose operations cover a wide spectrum of business activities and the portfolio is constructed from the perspective of a business owner, by investing in well managed companies and not simply by tracking the index weighting of various component stocks.

There is a management fee of 1% p.a. on the portfolio net asset value of the Company, payable monthly. In addition, the Manager receives a performance-based fee payable annually in arrears if the Company's investments outperform an absolute return of 8%. If the Company's net performance is less than 8%, no performance fee is payable ensuring the Manager is focused on absolute returns to Shareholders.

Mr Jared Pohl is a Director of ECP Asset Management Pty Ltd. ECP Asset Management Pty Ltd is an authorised representative of EC Pohl & Co Pty Ltd, which holds an AFSL.

Information on the Investment Manager is available from [www.ecpam.com](http://www.ecpam.com).

## Environment, Social, Governance

A business can only maintain a sustainable competitive advantage if it adequately respects all stakeholders in the business and environment in which it operates. Companies which are not engaged in sustainable practices, will not be able to generate above average economic returns throughout their lifecycle. To this end, the Manager's investment process scrutinises companies to see if they have appropriate, and sensible governance structures in place as well as incorporating sustainable practices into their day to day operations.

Companies that don't meet standards of respect and integrity with regard to compensation structures, internal controls, accounting treatment, rules, relationships, systems and process throughout the organisation, are not included in the portfolio.

In keeping with this philosophy, the Manager was named a Responsible Investment Leader by RIAA in 2022 and became a signatory to the United Nations-backed Principles for Responsible Investment Initiative in 2016. At the core of these principles is compliance with an investment approach that incorporates Environment, Social and Governance (ESG) factors into the investment decision making process and requires, where appropriate, engagement with investee Boards to uphold the best possible ESG outcomes.

Information on the ESG policies of the Investment Manager is available from:  
<https://www.ecpam.com/sustainability/>

# Chairman's Report

Dear Fellow Shareholders,

The ECP Emerging Growth portfolio performed very well during the financial year. Delivering a positive return of 32.2%, we outperformed the ASX Small Ordinaries Index by 25.8 percentage points.

## The Year In Review

Portfolio performance this year adds to the long-term outstanding performance which is now 14.6% since inception, compared to the ASX Small Ordinaries Index which has returned 2.9% per annum over the same period. The ECP portfolio contains quality growth companies that have a fundamental sustainable competitive advantage that allows them to thrive in challenging times compared to their peers. Given the economic back-drop of the current environment including a tight labour market, inflation driven cost pressures and sustained high interest rates it is these companies that are able to maintain earnings and profit margins to deliver superior investment performance.

Performance of the overall stock market was delivered via some specific market segments over the last twelve months, including Financials, Consumer Discretionary, Technology and Real Estate. While the Investment Manager does not take into consideration the sector weightings, the ECP portfolio had significant exposure to quality companies in these sectors (except real estate) and benefited commensurately.

On a macro level the focus remains on inflation and the response from central banks in setting interest rates. Halfway through the year, a December 2023 poll of economists revealed expectations that interest rates would be cut by September 2024. This became less and less likely as the year progressed with the Reserve Bank of Australia (RBA) seriously contemplating a rate increase at the June 2024 meeting. While the European Central Bank has already cut rates and the US Federal Reserve may start cutting later in the year the RBA remains hawkish given the stickiness of Australian inflation. The Australian economy has weakened; however the labour market remains tight, the housing market remains resilient and an expansionary federal budget aimed at wooing voters is essentially adding to demand pressure in the economy.



## Market Outlook

Heightened market volatility along with company specific fluctuations made for an interesting year for investors. This is expected to continue and provides an environment that is especially suited to active management. Mid and small cap companies are likely to have the most compelling risk-reward profile, however quality remains key. An investment process that accurately assesses the fundamentals of companies and can construct a portfolio in a considered way will be able to capitalise on short-term uncertainty to maximise long-term opportunities.

## Investment Manager

On this note the stable and experienced team at ECP Asset Management continue to deliver outstanding results for ECP Emerging Growth Shareholders. While the market broadly performed well (the ASX All Ordinaries Index achieved 8.3%), it was the active selection and management process of our Investment Manager that delivered a far superior result. An investment journey is not linear, there will always be over and under performance, what matters is the long-term average. Our continuing success could not have been achieved without the outstanding contribution of these committed individuals and on behalf of our shareholders I would like to congratulate them on another outstanding year.

## Dividend

Our portfolio of investments has performed very well over the last 12 months, allowing the board to increase the interim dividend by 4.5% to 2.3cps, and increasing the final dividend by 6.9% to 3.1cps. This makes the total FY24 dividend 5.4cps, a 5.9% increase on the prior year and a 4.2% yield on the closing share price at 30 June 2024.

The Final dividend will be fully franked and is fully attributable to LIC capital gains. The attributable component can be an enormous tax benefit to Shareholders, depending on their circumstances, and we will continue to pass this on as and when the LIC gains are available.

## The Board

I wish to record my appreciation for my fellow Board members for their support and input throughout the past year. The Board remains focused on delivering shareholder returns via the performance of the portfolio while acknowledging that the share price does not necessarily reflect the underlying value of ECP. The recurrent share price discount to net tangible assets is not uncommon for a listed investment company of our size, however for the benefit of shareholders we aim to narrow the gap by increasing awareness of our Company and encouraging investor interest.

Finally, the Board would like to thank all Shareholders and Noteholders for their continued support.

Yours sincerely,



**Murray H d'Almeida**  
Chairman



# Directors' Report

## Information on Directors

Your Directors present their report on ECP Emerging Growth Limited for the financial year ended 30 June 2024.

### 1. Directors

The following persons were Directors of ECP Emerging Growth Limited from the beginning of the financial year until the date of this report, unless otherwise stated:

Murray H d'Almeida, David C Crombie AM and Jared D Pohl.

S Barrett is Alternate Director to M d'Almeida and D Crombie.

### 2. Information on Directors



#### Murray H d'Almeida | FAICD

##### Experience and expertise

Director since the inception of the Company in 2014.

Over 38 years of diverse national and international business experience. Founded the Retail Food Group and developed a presence in seven overseas countries. Subsequently has maintained operating and board positions within a range of financial services, mining, commercial, academic, government and sporting businesses and organisations.

##### Listed company directorships

- Chairman Global Masters Fund Limited (GFL)

##### Other positions

- Deputy Chancellor Southern Cross University
- Member of Gold Coast Light Rail Business Advisory Board
- Chairman Zooz Pty Ltd

##### Former listed company directorships in last 3 years

- Director Triple Energy Limited (Nov 2022)

##### Interests in the Company

11,420 ordinary shares

3,497 convertible notes



**David C Crombie AM | B.Econ (UQ)**  
Non-Executive Director

**Experience and expertise**

Director since 2014.

Extensive business experience as founding partner in Palladium Group (formerly GRM International), with 1600 professional staff engaged on development projects in 26 countries across a range of sectors including health, education, agricultural services and capacity building for AusAid, DIFID and USAid plus multilateral and Government /private sector clients. Retired as Managing Director in 2000 and from the Board in 2019.

Currently managing agricultural and livestock projects across northern Australia.

Formerly President of the National Farmers Federation, Chairman of Meat and Livestock Australia and President of Australian Rugby Union.

**Listed company directorships**

— Director Alliance Aviation Services (AQZ)

**Other positions**

None

**Former listed company directorships in last 3 years**

None

**Interests in the Company**

139,693 ordinary shares

174,826 convertible notes

## Directors' Report

### Information on Directors



Jared D Pohl | B.Com, B.IT, MBA  
Executive Director

#### Experience and expertise

Director since 2017.

Jared has over 17 years investment experience. Prior to co-founding ECP Asset Management in 2012, Jared was a member of the Hyperion Asset Management investment team. Additionally, Jared was seconded to Wasatch Advisors in Salt Lake City where he worked alongside their Private Market team, looking for pre-IPO investment opportunities.

Prior to financial services, Jared consulted on a number of IT projects and has been involved extensively in the tech start-up space and regularly appears as a Judge/ Mentor at events and guest lectures to students on entrepreneurship.

#### Listed company directorships

None

#### Other positions

- Director of ECP Asset Management Pty Ltd
- Director of Sound Life Charity (Limited by Guarantee)

#### Former listed company directorships in last 3 years

None

#### Interests in the Company

15,000 ordinary shares

69,930 convertible notes



## Scott Barrett | B.Com, CA

Company Secretary

Alternate Director

Chief Financial Officer

### Experience and expertise

Mr Scott Barrett has been CFO for ECP Emerging Growth since October 2017. He was appointed Company Secretary on 1 July 2021 and was also appointed Alternate Director to Mr Murray d'Almeida and Mr David Crombie AM at this time.

Scott has 20 years' experience in business management and accounting, leading businesses across Australia and New Zealand and is CFO and Company Secretary for two other listed companies.

### Listed company directorships

- Alternate Director of Flagship Investments Limited (FSI)

### Other positions

None

### Former listed company directorships in last 3 years

None

### Interests in the Company

27,126 ordinary shares

34,966 convertible notes

# Directors' Report

## Continued

### 3. Principal Activities

The principal activity of the Company is investing in securities listed on the Australian Securities Exchange.

The mission is to create Shareholder wealth through active management of a portfolio of ASX Listed quality small to mid-cap growth companies.

### 4. Review of Operations

Portfolio performance during the financial year was positive 32.2% compared to the ASX Small Ordinaries Index which increased by 6.4%. The company's portfolio of quality growth stocks performed very well compared to the index. The investee companies have been well-positioned to continue growing earnings despite the challenges of a high interest rate environment, tight labour market and inflationary cost pressures. With the era of cheap money now in the past, it was the quality of growth embedded in the businesses that delivered investor returns.

Unlike the prior year, portfolio returns were recognised in both realised and unrealised gains as well as increasing dividend income. Year on year dividend income increased by 15.5%, unrealised fair value movement on financial assets increased by 15.0% and realised gains increased by 282.3% to positive \$2,677,714 from a loss in FY2023 of \$1,468,743. Realised gains were recognised broadly across the portfolio and were a direct reflection of the portfolio construction process. One notable exception was Altium Limited following a Board-approved acquisition offer from Renisas.

Due to the realised gains recognised this year, the company has moved into a tax paying position. Current tax payable is \$404,439 compared to a refund receivable last year of \$608,678 and deferred tax liability arising from tax provision on unrealised gains in the portfolio increased to \$1,285,605 from \$0 last year. The overall impact is that while Operating Profit increased by 5,080,186 (149.0%), Net Profit only increased by 2,778,458 (69.5%).

The Company's investment focus remains unchanged: selecting quality companies that have the ability to grow their earnings and dividends over three to five years. This should ensure continued growth in the future dividends declared and also capital appreciation potential within the portfolio.

### 5. Likely developments and expected results of operations

There are no planned changes to principal activities. Any general decline in equity markets may have an adverse effect on results in future years.



## 6. Dividends Paid

The dividends paid to Shareholders during the financial year were as follows:

Type	Cents Per Share	Total Amount \$'000s	Date of Payment
Final	2.90	532	Sep 2023
Interim	2.30	422	Mar 2024
<b>Total</b>	<b>5.20</b>	<b>954</b>	

Dividends paid by the Company during the preceding year were:

Type	Cents Per Share	Total Amount \$'000s	Date of Payment
Final	2.75	504	Sep 2022
Interim	2.20	403	Mar 2023
<b>Total</b>	<b>4.95</b>	<b>907</b>	

The final dividend paid in September 2023 and the interim dividend paid in March 2024, were fully franked.

In addition to the above dividends, since the end of the financial year the Directors have recommended the payment of a final dividend of 3.1 cents per share (\$568,512) to be paid on 11 September 2024. The dividends will be fully franked and will be fully attributable to LIC capital gains, refer to Note 15 (d).

## 7. Earnings per Share

	2024 Cents	2023 Cents
<b>Based on profit after income tax</b>		
Basic earnings per share	36.97	21.82
Diluted earnings per share	29.65	18.73
<b>Based on Comprehensive Income after tax</b>		
Basic earnings per share	36.97	21.82
Diluted earnings per share	29.65	18.73

See Note 16 of the Financial Report.

## 8. Company Secretary

**Scott Barrett B.Com, CA**

Scott commenced as Company Secretary on 1 July 2021. Scott is a Chartered Accountant and is the Chief Financial Officer for ECP Emerging Growth Limited. Scott has extensive governance, business management and accounting experience working in subsidiaries of multinational groups from the hospitality and property industries.

## 9. Meetings of Directors

The number of Directors' meetings attended by each of the Directors of the Company during the financial year are:

### Board Meetings

Director	Eligible to attend	Attend
M H d'Almeida	4	4
D C Crombie AM	4	4
J D Pohl	4	4



# Directors' Report

## Continued

### 10. Remuneration report (audited)

The remuneration report is set out under the following main headings:

- A. Principles used to determine the nature and amount of remuneration
- B. Details of remuneration
- C. Service agreements
- D. Share-based compensation
- E. Related Party Transactions
- F. Equity Instrument Disclosure relating to Key Management Personnel

### (A) Principles used to determine the nature and amount of remuneration

Fees and payments to Directors reflect the demands which are made on, and the responsibilities of, the Directors.

No remuneration consultants were engaged during the year.

The per annum remuneration of the Directors remained unchanged from the previous year:

— Chairman	\$45,000
— Other Directors	\$40,000

Remuneration of Directors is determined by the Board within the maximum amount of \$200,000 previously approved by the Shareholders.

There is no performance based remuneration for Directors.

### (B) Details of remuneration

Details of the remuneration of each Director of the Company are set out in the following table.

Director	Year	Short-term Benefits			Post-employment Super \$	Equity Shares \$	Total \$
		Fees \$	Performance Fees \$	Non-monetary Benefits \$			
M H d'Almeida* Non-executive Chairman	2024	46,125	-	-	-	-	46,125
	2023	46,125	-	-	-	-	46,125
D C Crombie AM* Non-executive Director	2024	41,000	-	-	-	-	41,000
	2023	41,000	-	-	-	-	41,000
J D Pohl* Executive Director	2024	41,000	-	-	-	-	41,000
	2023	41,000	-	-	-	-	41,000
Total Directors Remuneration	2024	128,125	-	-	-	-	128,125
	2023	128,125	-	-	-	-	128,125

\*Inclusive of non-claimable GST amount



### (C) Service agreements

As the Company does not employ any staff, there are no employment service agreements entered into by the Company. The Executive Director is employed by the Investment Manager – ECP Asset Management Pty Ltd.

### (D) Share-based compensation

No share-based compensation exists.

### (E) Related party transactions

The following transactions occurred with other related parties:

	2024 \$	2023 \$
Expenses paid or payable by the Company to:		
ECP Asset Management Pty Ltd for Performance Fee	488	-
ECP Asset Management Pty Ltd for Management Fee	391,852	348,005
ECP Asset Management Pty Ltd for Company Secretary Fee	36,900	36,900

- Fees payable to ECP Asset Management Pty Ltd are in accordance with the Management Services Agreement as detailed in Note 23.
- Mr J D Pohl has an interest in the transaction as during the year Mr J D Pohl was a Director of ECP Asset Management Pty Ltd as detailed in Note 22.
- All related party transactions are made on an arm's length basis using industry standard terms and conditions.

### (F) Equity instrument disclosure relating to Key Management Personnel

The number of ordinary shares and convertible notes of the Company held during the financial year by each Director of ECP Emerging Growth Limited, including their related parties is set out below. There were no shares granted during the year as compensation.

Ordinary Shares	Balance at the start of the	Acquired during the year	Other changes	Balance at the end of the
M H d'Almeida	10,945	475	-	11,420
D Crombie AM	133,901	5,792	-	139,693
J D Pohl	15,000	-	-	15,000
Convertible Notes	Balance at the start of the	Acquired during the year	Other changes	Balance at the end of the
M H d'Almeida	3,497	-	-	3,497
D Crombie AM	174,826	-	-	174,826
J D Pohl	69,930	-	-	69,930

End of remuneration report (audited).

# Directors' Report

## Continued

### 11. Significant changes in the state of affairs

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

### 12. Matters subsequent to the end of the financial year

Other than the dividend declared as per Item 6, no other matter or circumstance not otherwise dealt with in the Directors' Report or Financial Report, which has arisen since the end of the year that has significantly affected, or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

### 13. Environmental issues

The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

### 14. General transactions

In addition to Directors' remuneration, the Company has a management services agreement with ECP Asset Management Pty Ltd – refer Notes 22 and 23.

### 15. Loans

There are no loans issued to any of the Directors during or since the financial year (30 June 2023 – Nil).

### 16. Options

No Options have been issued during or since the financial year (30 June 2023 – Nil).

### 17. Insurance of officers and/or auditors

During the financial year, the Company insured the Directors and Officers against certain liabilities as permitted by the Corporations Act 2001. The insurance policy prohibits disclosure of the nature of the cover, the amount of the premium, the limit of liability and other terms.

The Company has entered into an agreement for the purpose of indemnifying Directors and Officers, to the extent permitted by law, against any liability (including the costs and expenses of defending actions for an actual or alleged liability) incurred in their capacity as a Director and Officer of the Company.

The Company has not during or since the financial year indemnified or paid any insurance premiums to indemnify the auditors.

### 18. Proceedings on behalf of the Company

No person has applied to the Court under Section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceeding to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under Section 237 of the Corporations Act 2001.

## 19. Non-audit services

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company are important.

There have been no amounts paid or payable to the auditors for non-audit services provided during the year.

The Directors have considered the position and are satisfied that the provision of any non-audit services (if necessary in future) is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Board is satisfied that the provision of any non-audit services by the auditor, would not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- All non-audit services would be reviewed by the Board to ensure they do not impact the impartiality and objectivity of the auditor; and
- None of the services undermine the general principles relating to auditor independence as set out in APES 110, including reviewing or auditing the auditor's own work, acting in a management or a decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risk and rewards.

A copy of the Auditor's Independence Declaration as required under section 307C of the Corporation Act 2001 is set out on page 46.



**Murray H d'Almeida**

Director

21 August 2024



# Corporate Governance Statement

For the year ended 30 June 2024

The Directors of ECP Emerging Growth Limited are committed to excellence in corporate governance. By adopting the ASX Corporate Governance Council's Corporate Governance Principles and incorporating industry best practice, the Company has built a framework that supports our business performance and enhances transparency and accountability which ultimately protects the interests of Shareholders.

Below is a list of the Company's Corporate Governance Framework documents set out against the relevant ASX Governance Principles and Recommendations, the details of which are available on the Company's Website. The full Corporate Governance Statement for the year ending 30 June 2024 is also available on the website, at [ecpam.com/emerging/](http://ecpam.com/emerging/)

## ASX Governance Principles

## Relevant Document/Information

**Principle 1:**  
Lay solid foundations for management and oversight

Board Charter  
Whistleblower

**Principle 2:**  
Structure the Board to be effective and add value

Board Charter

**Principle 3:**  
Instil a culture of acting lawfully, ethically and responsibly

Code of Conduct  
Share Trading  
Policy

**Principle 4:**  
Safeguard integrity in corporate reports

Board Charter  
Code of

**Principle 5:**  
Make timely and balanced disclosure

Disclosure Policy

**Principle 6:**  
Respect the rights of security-holders

Communications Policy  
Privacy Policy

**Principle 7:**  
Recognise and manage risk

Board Charter

**Principle 8:**  
Remunerate fairly and responsibly

Board Charter

The Corporate Governance Statement explains the extent to which the Company complies with the ASX Corporate Governance Principles and Recommendations including how the policies above support Corporate Governance in the Company. Under the "if not, why not" approach the Board provides explanations as to why a particular recommendation is not appropriate to its circumstances.

For clarity, the Board would like to highlight on the following page the recommendations that have not been fully adopted and the reasons behind the decision.



## ASX Governance Principles

## Compliance Statement

**Principle 1:** Lay solid foundations for management and oversight

**Recommendation 1.5:** Gender Diversity

Compliant except for 1.5: Non-Compliant. The Board seeks to develop a culture of diversity whereby a mix of skills and diverse backgrounds are employed, maximizing the benefits of a collection of view-points. At this point in time and through previous recruitment processes gender diversity has not been achieved, however there is complete commitment to creating further diversity at the next opportunity.

**Principle 2:** Structure the Board to be effective and add value

**Recommendation 2.1:** Establish a Nomination Committee

Compliant. Note 2.1: The Company has not established a formal Nomination Committee, as the Board considers that, due to the specific scope and nature of the Company's activities, the whole Board should undertake the responsibility.

**Principle 3:** Instil a culture of acting lawfully, ethically and responsibly

Compliant

**Principle 4:** Safeguard integrity in corporate reporting  
**Recommendation 4.1:** Establish an Audit Committee

Compliant. Note 4.1: The benefits of a separate committee were not being realised due to the composition of the committee and overlap with the Board. The Board has reviewed the Board Charter and its processes to ensure integrity of corporate reporting is maintained.

**Principle 5:** Make timely and balanced disclosure

Compliant

**Principle 6:** Respect the rights of security-holders

Compliant

**Principle 7:** Recognise and manage risk

**Recommendation 7.1:** Risk Committee

**Recommendation 7.3:** Internal audit function

Compliant. Note 7.1: The benefits of a separate committee were not being realised due to the composition of the committee and overlap with the Board. The Board has reviewed the Board Charter and its processes to ensure risks are appropriately managed.

7.3: The Company does not have an internal audit function given the size and nature of the Company. Instead, the Board liaises closely with the Company's external auditor to identify potential improvements to the financial risk management and internal control process. The Board also interrogates the internal compliance and external audit of the Manager.

**Principle 8:** Remunerate fairly and responsibly

**Recommendation 8.1:** Remuneration Committee

**Recommendation 8.3:** Equity-based remuneration

Compliant. Note 8.1: The Company does not have a Remuneration Committee, instead the full Board develops the remuneration policy balancing the need to attract high quality Directors, establishing appropriate incentives and commercial control of expenses. The establishment of a committee would not provide further efficiency to the operation of the Board given the Board size.

Not-Applicable: 8.3: The Company does not have an equity-based remuneration scheme and does not intend to establish one.

# Financial Report

## Contents

22	Statement of Profit or Loss and Other Comprehensive Income
23	Statement of Financial Position
24	Statement of Changes in Equity
25	Statement of Cash Flows
26	Notes to the Financial Statements

This financial report covers ECP Emerging Growth Limited as an individual entity.

There are no controlled entities.

ECP Emerging Growth Limited is a company limited by shares, incorporated and domiciled in Australia. Its principal place of business is:

ECP Emerging Growth Limited  
Level 4 The Pavilion  
388 George Street  
Sydney NSW 2000

The financial report was authorised for issue by the Directors on 21 August 2024.

A description of the nature of the entity's operations and its principal activities is included in the Operating and Financial Review.

Through the use of the internet, we have ensured that our corporate reporting is timely, complete and available globally at minimum cost to the Company. All media releases, financial reports and other information are available from the Company at the above address or from our website: [ecpam.com/emerging](http://ecpam.com/emerging)



# Statement of Profit or Loss and Other Comprehensive Income

Financial report for the year ended 30 June 2024

	Notes	2024 \$	2023 \$
Other Income	5	769,774	630,193
Net cumulative gain/(loss) on sale of financial assets at fair value		2,677,714	(1,468,743)
Net unrealised gains on financial assets at fair value		6,829,905	5,937,231
Finance Expense	13	(1,043,647)	(995,272)
Expenses	6	(744,226)	(694,074)
<b>Profit/(loss) before income tax</b>		<b>8,489,520</b>	<b>3,409,335</b>
Income tax (expense)/credit	7	(1,710,151)	591,576
<b>Net Profit/(loss) after income tax</b>		<b>6,779,369</b>	<b>4,000,911</b>
<b>Other Comprehensive Income</b>			
Other Comprehensive Income for the year, net of tax		-	-
<b>Total Comprehensive Income/(loss) for the year</b>		<b>6,779,369</b>	<b>4,000,911</b>
			Cents
<b>Earnings per share</b>			
Basic earnings per share based on net profit/(loss)	16	36.97	21.82
Diluted earnings per share based on net profit/(loss)	16	29.65	18.73
<b>Comprehensive earnings/(loss) per share</b>	16	<b>36.97</b>	<b>21.82</b>

The accompanying Notes form part of these Financial Statements.



# Statement of Financial Position

Financial report for the year ended 30 June 2024

	Notes	2024 \$	2023 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	8	2,234,173	1,893,100
Trade receivables and other assets	9	97,403	253,369
Current Tax receivable	12	–	608,678
<b>Total current assets</b>		<b>2,331,576</b>	<b>2,755,147</b>
<b>Non-current assets</b>			
Financial assets at fair value through profit or loss	10	39,170,882	30,709,476
Deferred tax asset	12	–	67,783
<b>Total non-current assets</b>		<b>39,170,882</b>	<b>30,777,259</b>
<b>Total assets</b>		<b>41,502,458</b>	<b>33,532,406</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	11	103,018	51,266
Current tax liabilities	12	404,439	–
<b>Total current liabilities</b>		<b>507,457</b>	<b>51,266</b>
<b>Non-current liabilities</b>			
Deferred tax liability	12	1,237,929	–
Convertible Note	13	9,601,681	9,151,485
<b>Total non-current liabilities</b>		<b>10,839,610</b>	<b>9,151,485</b>
<b>Total liabilities</b>		<b>11,347,067</b>	<b>9,202,751</b>
<b>Net assets</b>		<b>30,155,391</b>	<b>24,329,655</b>
<b>Equity</b>			
Issued capital	14	17,978,916	17,978,916
Option premium on convertible notes	13	1,848,766	1,848,766
Retained earnings		10,327,709	4,501,973
<b>Total equity</b>		<b>30,155,391</b>	<b>24,329,655</b>

The accompanying Notes form part of these Financial Statements.

# Statement of Changes in Equity

Financial report for the year ended 30 June 2024

2023	Note	Ordinary Shares \$	Retained Earnings \$	Option premium on Convertible Notes \$	Total \$
Balance at 1 July 2022		17,978,916	1,408,847	1,848,766	21,236,529
Profit for the year		-	4,000,911	-	4,000,911
Other Comprehensive Income for the year		-	-	-	-
Total Comprehensive Income for the year		-	4,000,911	-	4,000,911
Transactions with owners in their capacity as owners					
Dividends paid or provided for	15	-	(907,785)	-	(907,785)
Balance at 30 June 2023		17,978,916	4,501,973	1,848,766	24,329,655

2024	Note	Ordinary Shares \$	Retained Earnings \$	Option premium on Convertible Notes \$	Total \$
Balance at 1 July 2023		17,978,916	4,501,973	1,848,766	24,329,655
Profit for the year		-	6,779,369	-	6,779,369
Other Comprehensive Income for the year		-	-	-	-
Total Comprehensive Income for the year		-	6,779,369	-	6,779,369
Transactions with owners in their capacity as owners					
Dividends paid or provided for	15	-	(953,633)	-	(953,633)
Balance at 30 June 2024		17,978,916	10,327,709	1,848,766	30,155,391

The accompanying Notes form part of these Financial Statements.

# Statement of Cash Flows

Financial report for the year ended 30 June 2024

	Notes	2024 \$	2023 \$
<b>Cash flows from operating activities</b>			
Dividends received		656,630	577,863
Interest received		107,961	57,167
Income tax (paid)/refunded		608,678	(1,108,611)
Interest paid on convertible notes		(593,451)	(594,965)
Other payments (inclusive of GST)		(733,772)	(672,546)
<b>Net cash provided by/ (used in) operating activities</b>	26	<b>46,046</b>	<b>(1,741,092)</b>
<b>Cash flows from investing activities</b>			
Proceeds from sale of investments		19,013,182	22,933,821
Payments for investments		(17,764,522)	(21,296,312)
<b>Net cash provided by/(used in) investing activities</b>		<b>1,248,660</b>	<b>1,637,509</b>
<b>Cash flows from financing activities</b>			
Dividends paid	15a	(953,633)	(907,785)
Share issue costs		-	-
<b>Net cash provided by/ (used in) financing activities</b>		<b>(953,633)</b>	<b>(907,785)</b>
Net decrease in cash and cash equivalents held		341,073	(1,011,368)
Cash and cash equivalents at the beginning of the year		1,893,100	2,904,468
<b>Cash and cash equivalents at end of year</b>	8	<b>2,234,173</b>	<b>1,893,100</b>

The accompanying Notes form part of these Financial Statements.

# Notes to the Financial Statements

Financial report for the year ended 30 June 2024

The functional and presentation currency of ECP Emerging Growth Limited is Australian dollars.

## 1. Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards and the Corporations Act 2001.

These financial statements and associated notes comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Material accounting policies adopted in the preparation of these financial statements are presented below. The change from 'significant' to 'material' policies is discussed below in 2(c). Policies are consistent with prior reporting periods unless otherwise stated.

## 2. Summary of material accounting policies

### (a) Income tax

The income tax expense recognised in the statement of profit or loss and other comprehensive income comprises current income tax expense plus deferred tax expense.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised.

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

### (b) Financial instruments

The company holds investments in listed equities as its principle business. These investments are classified as financial assets at fair value through profit or loss.

This measurement is on the basis of two primary criteria:

- The contractual cash flow characteristics of the financial asset; and
- The business model for managing financial assets

### Financial assets – recognition

The Company's investments are recognised on the date that the Company commits itself to the purchase of the asset (ie trade date accounting is adopted).

Investments are measured at fair value, which is determined by quoted prices in an active market.

### Financial assets – subsequent measurement

Securities held in the portfolio are revalued to market values at each reporting date. The realised and unrealised net gains or losses on the portfolio are recognised in the statement of profit or loss.

### Fair value estimation

The fair value of financial instruments traded in active markets (such as publicly traded derivatives and securities) is based on quoted market prices at the Statement of Financial Position date. The quoted market price used for financial assets held by the Company is the closing quoted price. The appropriate quoted market price for financial liabilities is the closing quoted price.

Convertible Notes

On the 12<sup>th</sup> of April 2022, the Company issued 7,569,534 Convertible Notes. These compound financial instruments are able to be converted to ordinary shares at the option of the noteholder in accordance with the Note Terms. The liability component is initially recognised as the difference between the compound financial instrument as a whole and the component associated with the conversion feature. The conversion option is measured at fair value using observable inputs including share price on the grant date, share price volatility and 5 year bond rate, and upon valuation is classified as equity. The attributable transaction costs are allocated to the liability and equity components in proportion to their carrying amounts.

After initial recognition, the liability component of the compound financial instrument is measured at amortised cost using the effective interest method until extinguished on conversion or maturity of the notes. The carrying amount of the equity component is not remeasured in subsequent periods.

(c) Accounting standards adopted

The Company adopted the following accounting standards and interpretations during the period.

Material Accounting Policy Information

The Company adopted *Disclosure of Accounting Policies (amendments to IAS 1 and IFRS Practice Statement 2)*. The amendments require the disclosure of ‘material’, rather than ‘significant’, accounting policies. The customised presentation allows users to focus on entity-specific accounting policies to understand the financial statements.

Classification of Liabilities as Current or Non-Current

The Company has chosen to early adopt *Classification of Liabilities as Current or Non-current – Amendments to IAS 1* which is effective from 1 January 2024 but not required until reporting period ending 30 June 2025. The amendments were introduced to deal with liability classification issues relating to the right to defer settlement that need not be unconditional and exist at the end of the reporting period, classification based on rights to defer (not intention), liabilities settled by transferring own equity instruments prior to maturity, and additional disclosures where right to defer settlement is subject to entity complying with covenants within 12 months after the reporting period.

The amendment to the Classification of Liabilities as Current or Non-Current will impact the presentation of the convertible note liability. Under the current standard the convertible note liability would now be presented as a current liability as the note-holders have the right to convert the notes to Ordinary Shares from 11 April 2024 onwards. Under the amendment, because the notes are only redeemable for ordinary shares, they remain a non-current liability until such time as the notes are redeemable for a cash payment. The Board has chosen to early adopt the amendment to consistently show the convertible note liability as a non-current liability which reflects the cash commitments of the Company.

(d) New Accounting Standards and Interpretations

The IASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The following table highlights the forthcoming requirements which have not been early adopted and are not expected to have significant impact on the Company’s financial statements.

Effective Date	New accounting standards or amendments
1 January 2024	Lease Liability in a Sale and Leaseback – Amendments to IFRS 16
	Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7
1 January 2025	Lack of Exchangeability – Amendments to IAS 21
	Sale of Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28



# Notes to the Financial Statements

Financial report for the year ended 30 June 2024

## 3. Critical accounting estimates and judgements

### (a) Key estimates

The option feature of the convertible notes was valued using the Black Scholes Method. Key inputs into the calculation include observable data such as dividend yield, share price and exercise price as well as assumptions of stock price volatility (32.5% based on the annualised standard deviation of daily market movement averaged between a three and five-year period) and the risk free rate of return (based off the five year bond rate at the date of measurement).

There are no other key assumptions or sources of estimation uncertainty that have a risk of causing material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period as investments are carried at their market value.

### (b) Key judgements

The preparation of financial reports in conformity with Australian Account Standards require the use of certain critical accounting estimates. This requires the Board to exercise their judgement in the process of applying the Company's accounting policies.

The carrying amount of certain assets and liabilities are often determined based on estimates and assumptions of future events. In accordance with AASB 112 Income Taxes, deferred tax liabilities are recognised for Capital Gains Tax (CGT) on the unrealised gains in the investment portfolio at current tax rates. Deferred tax assets are not recognised on net unrealised losses in the investment portfolio due to the unlikely realisation of the losses.

As the Directors do not intend to dispose of the portfolio, the tax liability/benefit may not be crystallised at the amount disclosed in Note: 12. In addition, the tax liability/benefit that arises on the disposal of these securities may be impacted by changes in tax legislation relating to treatment of capital gains and the rate of taxation applicable to such gains/losses at the time of disposal.

The Company has an investment process which is anticipated to deliver medium to long term capital growth, the minimum investment period is three to five years.

The Company does not hold any securities for short term trading purposes.

## 4. Operating segments

### Segment information

The Company operates in the investment industry. Its core business focuses on investing in Australian equities to achieve medium to long term capital growth and income.

Operating segments have been determined on the basis of reports reviewed by the Board. The full Board is considered to be the chief operating decision maker of the Company. The Board considers the business from both a product and geographic perspective and assesses performance and allocates resources on this basis. The Board considers the business to consist of just one reportable segment.



	Notes	2024 \$	2023 \$
<hr/>			
5. Other income	Interest revenue	107,961	57,167
	Dividend revenue	661,813	573,026
	<b>Total other income</b>	<b>769,774</b>	<b>630,193</b>
<hr/>			
6. Other expenses	ASX listing and other fees	37,459	37,535
	Audit fees 17	22,038	20,542
	Director fees	128,125	128,125
	Insurance	31,773	31,898
	Share registry	19,173	24,028
	Management fees	391,852	348,005
	Company Secretary fee	36,900	36,900
	Trustee Fee	51,250	51,250
	Other	25,656	15,791
	<b>Total other expenses</b>	<b>744,226</b>	<b>694,074</b>

# Notes to the Financial Statements

Financial report for the year ended 30 June 2024

	Notes	2024 \$	2023 \$
<b>7. Income tax expense</b>			
(a) Reconciliation of income tax to accounting profit			
Profit/(Loss) before income tax		8,489,520	3,409,335
Prima facie tax payable on profit from ordinary activities before income tax rate at 30% (2023 – 30%)		2,546,856	1,022,800
<b>Add:</b>			
Tax effect of:			
— Franking Credits		39,869	46,550
— Other		319,633	324,663
<b>Less:</b>			
Tax effect of:			
— Rebateable franked dividends		(132,898)	-
— Unrealised gains		(2,048,972)	(1,781,169)
— Carried forward losses		(115,762)	-
— Other		(204,287)	(204,420)
<b>Income tax expense/(credit)</b>		<b>404,439</b>	<b>(591,576)</b>
(b) The major components of tax (expense)/income comprise:			
Current tax (liability)/receivable		(404,439)	608,678
<b>Deferred income tax expense:</b>			
Decrease in deferred tax assets		(18,553)	(18,553)
Decrease/(increase) in deferred tax liabilities		(1,287,159)	1,451
<b>Income tax (expense)/credit from continuing operations</b>		<b>(1,710,151)</b>	<b>591,576</b>
(c) Amounts recognised directly in Other Comprehensive Income:		-	-



		Notes	2024 \$	2023 \$
8. Cash and cash equivalents	Cash at Bank		2,234,173	1,893,100
	<b>Reconciliation of cash</b>			
	Cash and equivalents Reported in the Statement of Cash Flows are reconciled to the equivalent items in the Statement of financial Position as follows:			
	Cash at bank		2,234,173	1,893,100
	<b>Balance as per Statement of Cash Flows</b>		2,234,173	1,893,100
9. Trade receivables and other assets	<b>Current</b>			
	GST receivable		19,963	17,460
	Dividends receivable		11,128	5,945
	Prepayments		66,312	67,678
	Other receivable		-	162,286
	<b>Total current trade and other receivables</b>		97,403	253,369
10. Financial assets	Financial assets designated as fair value through profit or loss	20	39,170,882	30,709,476
	<b>Total financial assets</b>		39,170,882	30,709,476

(a) Financial assets consist of investments in listed equity securities. Fair value is determined by reference to closing bid prices on the Australian Securities Exchange.

# Notes to the Financial Statements

Financial report for the year ended 30 June 2024

	Notes	2024 \$	2023 \$
11. Trade and other payables	Current		
	Accounts payable and accrued expenses	62,858	51,266
	Other creditors	40,160	-
	<b>Total current trade and other payables</b>	<b>103,018</b>	<b>51,266</b>
Contractual cash flows from trade and other payables approximate their carrying amount. Trade and other payables are all contractually due within six months of reporting date.			
12. Tax	Current tax receivable	-	608,678
	<b>Total tax receivable</b>	<b>-</b>	<b>608,678</b>
	Current tax payable	404,439	-
	<b>Total tax payable</b>	<b>404,439</b>	<b>-</b>
	Recognised deferred tax assets	51,014	69,567
	Recognised deferred tax liabilities	(1,288,943)	(1,784)
	<b>Net deferred tax asset/(liability)</b>	<b>(1,237,929)</b>	<b>67,783</b>
	(a) Deferred tax assets attributable to:		
	— Capital raising costs	51,014	69,567
		51,014	69,567
	(b) Deferred tax liabilities attributable to:		
	— Unfranked dividend and interest receivable	3,338	1,784
	— Unrealised gain on financial assets	1,285,605	-
		1,288,943	1,784

2024  
\$

2023  
\$

### 13. Convertible Notes

On the 12th of April 2022, the Company issued 7,569,534 listed, unsecured, redeemable, convertible notes (ASX: ECPGA) raising a total of \$10.8 million. The convertible notes carry a fixed interest entitlement of 5.5% per annum paid quarterly with a step-up to 6.5% per annum on the 12<sup>th</sup> April 2025 if the 2-year bank bill swap rate is above 2.5859%. At any time after the second anniversary of the issue date and before 10 days before maturity, the notes can be converted in to ordinary shares on a one for one basis, alternatively the note capital will be repaid on the maturity date - 11 April 2027.

Opening Balance	9,151,485	8,751,178
Finance Expense	1,043,647	995,272
Interest paid to note holders	(593,451)	(594,965)
Closing Convertible note liability	9,601,681	9,151,485

# Notes to the Financial Statements

Financial report for the year ended 30 June 2024

	2024 \$	2023 \$
<b>14. Issued Capital</b>		
<b>(a) Share capital</b>		
Ordinary shares fully paid 18,339,088 (2023: 18,339,088)	18,350,465	18,350,465
Capital raising costs	(371,549)	(371,549)
<b>Total</b>	<b>17,978,916</b>	<b>17,978,916</b>

## (b) Ordinary shares

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. At the Shareholder's meetings, each ordinary share is entitled to one vote when a poll is called.

## (c) Movements in ordinary share capital

Date	Details	Number of Shares	\$
30 June 2022	Balance	18,339,088	18,350,456
	Nil Movement*	-	-
30 June 2023	Balance	18,339,088	18,350,456
	Nil Movement*	-	-
30 June 2024	Balance	18,339,088	18,350,456

\*The Dividend Reinvestment Plan was facilitated through on-market purchase of shares. There were no shares issued during the period.

	2024 \$	2023 \$
15. Dividends	(a) Dividends and distributions paid	
The following dividends were declared and paid:		
Final fully franked ordinary dividend of 2.9 cents per share paid on 12 September 2023 (2023: 2.75 cents per share paid on 14 September 2022)	531,834	504,325
Interim fully franked ordinary dividend of 2.3 cents per share paid on 15 March 2024 (2023: 2.2 cents per share paid on 9 March 2023)	421,799	403,460
Total	953,633	907,785
Dividends paid in cash or satisfied by the issue of shares under the dividend reinvestment plan were as follows:		
Paid in cash	953,633	907,785
Satisfied by issue of shares	-	-
Total	953,633	907,785
(b) Proposed Dividends		
Proposed Final 2024 fully franked ordinary dividend of 3.1 cents per share (2023: 2.9 cents per share) to be paid on 11 September 2024.	568,512	531,834
Total Proposed Dividend	568,512	531,834
The proposed final dividend for 2024 was declared after the end of the reporting period and therefore has not been provided for in the financial statements. There are no income tax consequences arising from this dividend at 30 June 2024.		

# Notes to the Financial Statements

Financial report for the year ended 30 June 2024

	2024 \$	2023 \$
<b>15. Dividends</b> (continued)		
<b>(c) Franked dividends</b>		
The franking credits available for subsequent financial years at a tax rate of 30%	2,836,823	3,763,821
The dividend franking account is calculated on a cash basis. It does not take into account:		
(a) Franking credits that will arise from the payment of the current tax liabilities;		
(b) Franking debits that will arise from the payment of dividends recognised as a liability at the year-end;		
(c) Franking credits that will arise from the receipt of dividends recognised as receivables at the end of the year.		
The impact on the franking credit of the dividends proposed after the end of the reporting period is to reduce it by \$243,648 (2023: \$227,929).		
The ability to use the franking credits is dependent upon the Company's future ability to declare dividends.		
<b>(d) Listed Investment Company capital gain account</b>		
Balance of the Listed Investment Company (LIC) capital gain account (before tax)	9,311,653	9,325,856
Balance of the Listed Investment Company (LIC) capital gain account (after tax)	6,518,157	6,528,099
Distributed capital gains may entitle certain Shareholders to a special deduction in their Tax Return as set out in the dividend statement.		
LIC capital gains available for distribution are dependent on:		
(i) the disposal of investment portfolio holdings which qualify for LIC capital gains; or		
(ii) the receipt of LIC distribution from LIC securities held in the portfolio.		

	2024 \$	2023 \$
16. Earnings per share		
(a) Earnings used in the calculation of basic and diluted earnings per share.		
(i) Profit/(loss) from continuing operations attributable to the owners of the Company	6,779,369	4,000,911
Adjustment: items relating to Convertible notes	901,487	852,657
(ii) Diluted profit from continuing operations	7,680,856	4,853,568
(iii) Total Comprehensive Income/(loss)	6,779,369	4,000,911
(b) Basic and diluted earnings per share	Cents	Cents
(i) Profit/(loss) from continuing operations attributable to the owners of the Company	36.97	21.82
(ii) Diluted Profit/(loss) from continuing operations	29.65	18.73
(iii) Total Comprehensive Income	36.97	21.82
(c) Weighted average number of ordinary shares used in the calculation of earnings per share	18,339,088	18,339,088
Weighted number of all shares, including dilutive convertible securities used in the calculation of diluted earnings per share.	25,908,622	25,908,622
17. Auditor's remuneration		
Remuneration of the Auditor of the Company for:		
Audit or reviewing the financial statements	22,038	20,542
Total remuneration of Auditor	22,038	20,542

# Notes to the Financial Statements

Financial report for the year ended 30 June 2024

## 18. Financial risk management

The Company is exposed to a variety of financial risks through its use of financial instruments.

The Company's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The Company does not speculate in financial assets.

The Company's overall risk management program focuses on the volatility of the financial markets and seeks to minimise potential adverse effects on the financial performance of the Company. Risk governance is managed through the Board which provides direct oversight on the Company's risk management framework and overall risk management performance.

The Board provides written principles for risk management covering investment portfolio composition. Risk is managed by the professional, disciplined management of the investment portfolio by ECP Asset Management Pty Ltd (the Manager).

The Company held the following financial instruments:

	Note	2024 \$	2023 \$
<b>Financial Assets</b>			
Cash and cash equivalents	8	2,234,173	1,893,100
Receivables	9	97,403	253,369
Financial Assets at fair value	10	39,170,882	30,709,476
<b>Total Financial Assets</b>		<b>41,502,458</b>	<b>32,855,945</b>
<b>Financial Liabilities</b>			
Trade and Other Payables	11	103,018	51,266
Convertible notes	13	9,601,681	9,151,485
<b>Total Financial Liabilities</b>		<b>9,704,699</b>	<b>9,202,751</b>

### (a) Market risk

#### Foreign exchange risk

The Company operates entirely within Australia and is not exposed to material foreign exchange risk.

#### Equity market risk

The Company is exposed to risk of market price movement through its investments in Australian listed equity securities. Equity investments held by the Company are classified on the Statement of Financial Position as Financial Assets at fair value through Profit or Loss and any movement in the listed equity securities is reflected in the Statement of Profit or Loss.

The risk to Shareholders is that adverse equity securities market movements have the potential to cause losses in Company earnings or the value of its holdings of financial instruments. The Manager's investment strategy centres on the view that investing in proven high-quality businesses with growth opportunities arising from their sustainable competitive advantage will outperform over the longer-term. Consistent with this approach, the Manager has an established risk management framework that includes procedures, policies and functions to ensure constant monitoring of the quality of the investee companies. The objective of the risk management framework is to manage and control risk exposures within acceptable parameters while optimising returns.

Equity market risk is measured as a percentage change in the value of equity instruments held in the portfolio, as compared to the total market index for the same period.

The Company's exposure to equity market risk over the Manager's investment horizon at the end of the reporting period is:

	2024	2023
Portfolio return since inception	14.6%	12.7%
ASX Small Ordinaries Index	2.9%	-0.5%



### (b) Sensitivity analysis

Increases/decreases in an equity security's price, affect the Company's asset retained earnings for the year. The analysis is based on the assumption that the Financial Assets at fair value through Profit or Loss had increased/decreased by 5% (2023: 5%) with all other variables held constant.

Impact on Profit or Loss for the year:

2024 +/- \$1,958,544

2023 +/- \$1,535,474

### (c) Cash flow interest rate risk

The Company is exposed to cash flow interest rate risk from holding cash and cash equivalents at variable rates. The Company does not enter into financing activities which would expose it to interest rate fluctuations on borrowed capital. Interest on convertible notes is fixed at 5.5% for 3 years in accordance with the note terms with a single step up at 11 April 2025 if the 2-year bank bill swap rate is above 2.5859%. At 30 June 2024 the 2-year bank bill swap rate is 4.3177%.

Revenue from interest forms a very minor portion of the Company's income and therefore exposure to interest rate risk is not significant.

As at the reporting date, the Company had the following cash and cash equivalents:

#### 30 June 2024:

Balance \$2,234,173

Weighted average interest rate 5.23%

#### 30 June 2023:

Balance \$1,893,100

Weighted average interest rate 2.38%

### (d) Relative performance risk

The Manager aims to outperform the risk-free cash rate over the long-term. However, as the portfolio consists of equity investments these will tend to be more volatile than cash, so there will likely be periods of relative under and over performance compared to the benchmark risk free rate.

Over the long-term the Manager is confident that the portfolio can achieve outperformance through an investment selection process that invests in companies that have a sound business model, display a sustainable competitive advantage and have proven quality management.

### (e) Credit risk

Credit risk is the risk of a counterparty defaulting on their financial obligations resulting in a loss to the Company.

The objective of the Company is to minimise credit risk exposure. Credit risk arises from cash and cash equivalents and Financial Assets at fair value Profit or Loss. Credit risk is managed by the Manager.

Credit risk arising from cash and cash equivalents is managed by only transacting with counterparties independently rated with a minimum rating of A. The providers of financial services to the Company are rated as AA by Standard and Poor's. Credit risk on cash and cash equivalents is deemed to be low.

Credit risk arising from Financial Assets at fair value Profit or Loss relates to the risk of counterparties on the ASX defaulting on their financial obligations on transactions for Australian listed equity securities. The credit risk for these transactions is deemed to be low.

The maximum credit risk exposure of the Company at year end is the carrying value of the assets in the Statement of Financial Position.

There is no concentration of credit risk with respect to financial assets in the Statement of Financial Position.

### (f) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

The objective of the Company is to ensure as far as possible that it will always have sufficient liquidity to meet its liabilities when due, under both normal and distressed conditions.

Prudent liquidity risk management implies maintaining sufficient cash and marketable Australian listed equity securities.

The Manager controls liquidity risk by continuously monitoring the balance between equity securities and cash or cash equivalents and the maturity profiles of assets and liabilities to ensure this risk is minimal.

# Notes to the Financial Statements

Financial report for the year ended 30 June 2024

## 19. Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The capital structure of the Company consists of equity attributable to members of the Company. The Board monitors the return on capital, which is defined as net operating income divided by total Shareholders' Equity. The Board also monitors the level of dividends to Shareholders.

The capital of the Company is invested by the Investment Manager in accordance with the investment policy established by the Board. The Company has no borrowings beyond the convertible notes issued last year. It is not subject to any externally imposed capital requirements.

There were no changes in the Company's approach to capital management during the year.

## 20. Fair value measurements

The Company measures the following assets and liabilities at fair value on a recurring basis after initial recognition:

- Financial Assets at Fair Value through Profit or Loss (FVTPL).

### Fair value hierarchy

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a level in the fair value hierarchy as follows:

**Level 1** – Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

**Level 2** – Inputs other than quoted prices included with level 1 that are observable for the asset or liability, either directly or indirectly.

**Level 3** – Unobservable inputs for the asset or liability.

The table below shows the assigned level for each asset and liability held at fair value by the Company:

### Recurring fair value measurements

30 June 2024	Financial Assets FVTPL – Listed Equity
Level 1	39,170,882
Level 2	-
Level 3	-
<b>Total</b>	<b>39,170,882</b>
30 June 2023	Financial Assets FVTPL – Listed Equity
Level 1	30,709,476
Level 2	-
Level 3	-
<b>Total</b>	<b>30,709,476</b>

### Transfers between levels of hierarchy

There were no transfers between levels of the fair value hierarchy.

### Highest and best use

The current use of each asset measured at fair value is considered to be its highest and best use.

## 21. Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2024 (30 June 2023: None).

## 22. Related party transactions

### Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

### The following transactions occurred with other related parties:

J D Pohl has an interest in the transactions as during the year J D Pohl was a Director and employee of ECP Asset Management Pty Ltd, the Manager. Fees are payable in accordance with the Management Services Agreement detailed in Note 23.

	2024 \$	2023 \$
Performance Fee payable	488	-
Management Fee paid or payable.	391,852	348,005
Company Secretary fee paid or payable	36,900	36,900

## 23. Management services agreement

In accordance with the Management Services Agreement, the Company agreed to engage the Manager to provide primary, secondary and tertiary management services, including:

- 1) managing the investment of the Company's portfolio, including keeping it under review;
- 2) ensuring investments by the Company are only made in authorised investments;
- 3) complying with the investment policy of the Company;
- 4) identifying, evaluating and implementing the acquisition and disposal of authorised investments;
- 5) provide the Company with quarterly investment performance reporting;
- 6) promoting investment in the Company by the general investment community;
- 7) providing investor relationship services;

- 8) provision of office services, corporate support and information technology services support; and
- 9) Provision of company secretarial services.

The agreement may be terminated if:

- a) either party ceases to carry on business, or
- b) either party enters into liquidation voluntarily or otherwise, or
- c) either party passes any resolution for voluntary winding-up, or
- d) a receiver of the property of either party, or any part thereof, is appointed, or
- e) the Shareholders of the Company at a general meeting called for that purpose, resolve by ordinary resolution to terminate this agreement, or
- f) if the Company provides written notice to the Manager in the event of any material and substantial breach of the agreement by the Manager or if the Manager fails to remedy a breach of this agreement within 14 days following written notice of the breach.
- g) if the Manager provides 3 months written notice to the Company in the event of any material and substantial breach of the agreement by the Company or if the Company fails to remedy a breach of this agreement within 14 days following written notice of the breach.

Under the agreement the Manager will receive a management fee of 1% per annum on the portfolio net asset value of the Company. In addition, a performance fee, payable annually in arrears, equal to 20% of the amount by which the Company's net performance before tax (that is, after all costs and outlays but before the calculation of the performance fee) exceeds the Benchmark of 8% subject to a high-water mark. If the Company's net performance in the year is less than the Benchmark, then no performance fee will be payable.

As at 30 June 2023 the highwater mark was (\$1,661,093). Due to the portfolio performance during the year to 30 June 2024 the Manager met the highwater mark, earning a performance fee of \$488 for FY2024. The highwater mark is reset to \$0 for FY2025.

# Notes to the Financial Statements

Financial report for the year ended 30 June 2024

## 24. Key management personnel disclosures

The Company has no staff and therefore has no Key Management Personnel other than the Directors.

No member of Key Management Personnel held options over shares in the Company during the year.

There have been no other transactions with Key Management Personnel or their related entities other than those disclosed in Note 22.

	2024 \$	2023 \$
<b>The total remuneration paid to the Directors of ECP Emerging Growth Limited during the year were as follows:</b>		
Directors Fees	128,125	128,125

Detailed remuneration disclosures are provided in sections (A) – (F) of the remuneration report on pages 14 and 15.

## 25. Events occurring after the reporting date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

Subsequent to year-end on 22 August 2024, the Directors declared a final 2024 fully franked ordinary share dividend of 2.9 cents per share.

## 26. Cash flow information

Reconciliation of net income for the year to net cash provided by operating activities:

	2024 \$	2023 \$
<b>Profit/(loss) for the year</b>	<b>6,779,369</b>	<b>4,000,911</b>
<b>Cash flows included in profit attributable to investing activities</b>		
Net (gain)/loss on sale of financial assets	(2,677,714)	1,468,743
<b>Non-cash flows in profit</b>		
Interest expense on convertible notes	450,196	400,307
Net unrealised (gain)/loss on financial assets at fair value	(6,829,905)	(5,937,231)
<b>Changes in assets and liabilities</b>		
(increase)/decrease in trade and other	(6,320)	25,731
Increase in trade and other payables	11,591	634
increase/(decrease) in current tax payable	404,439	(1,108,611)
(increase)/decrease in current tax receivable	608,678	(608,678)
increase/(decrease) in net deferred tax liabilities	1,237,929	-
decrease in net deferred tax assets	67,783	17,102
<b>Cash flow from operations</b>	<b>46,046</b>	<b>(1,741,092)</b>

# Consolidated Entity Disclosure Statement

Financial report for the year ended 30 June 2024

ECP Emerging Growth Limited is not required by Australian Accounting Standards (AAS) to prepare consolidated financial statements as it does not have any subsidiaries and as a result subsection 295(3A)(a) of the Corporations Act 2001 to prepare a Consolidated Entity Disclosure Statement does not apply to the Company.



# Directors' Declaration

The Directors of the Company declare that:

- a) the Financial Statements and Notes set out on pages 22 to 42 are in accordance with the Corporations Act 2001, including:
  - (i) complying with Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards (IFRS); and
  - (ii) give a true and fair view of the financial position as at 30 June 2024 and of the performance for the year ended on that date; and

in the Directors' opinion,

- b) the Consolidated Entity Statement is true and correct;
- c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- d) the remuneration disclosures set out on pages 14 and 15 of the Directors' Report (as part of the audited remuneration report) for the year ended 30 June 2024 comply with section 300A of the Corporations Act 2001.

The Directors have been given the declaration by the Chief Financial Officer required by section 295A of the Corporations Act 2001.

This declaration is made in accordance with a resolution of the Directors and is signed for and on behalf of the Directors by:



**Murray H d'Almeida**

Director

21 August 2024



# Auditor's Independence Declaration



**ECP EMERGING GROWTH LIMITED**

**ABN 30 167 689 821**

**AUDITOR'S INDEPENDENCE DECLARATION UNDER  
SECTION 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF ECP EMERGING GROWTH LIMITED**

I declare that, to the best of my knowledge and belief during the year ended 30 June 2024, there have been:

- i. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

**Augmented Audit Co Pty Ltd**  
Authorised Audit Company No. 541764

A handwritten signature in black ink, appearing to read 'Jessica Johl'.

**Jessica Johl**  
Director  
21 August 2024

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# Independent Auditor's Report

**ECP EMERGING GROWTH LIMITED**  
**ABN 30 167 689 821**

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF ECP EMERGING GROWTH LIMITED**  
**(Page 1 of 4)**

## **Report on the Audit of the Financial Report**

### **Opinion**

We have audited the financial report of ECP Emerging Growth Limited (the Company), which comprises the statement of financial position as at 30 June 2024, the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of material accounting policies and other explanatory information, and the Directors' declaration.

In our opinion, the accompanying financial report of ECP Emerging Growth Limited is in accordance with the Corporations Act 2001, including:

- (a) giving a true and fair view of the Company's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards and the Corporations Regulations 2001.

### **Basis for Opinion**

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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 (the Code) that are relevant to our audit of the 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 report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the year ended 30 June 2024. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF ECP EMERGING GROWTH LIMITED**  
**(Page 2 of 4)**

KEY AUDIT MATTER	HOW THE KEY AUDIT MATTER WAS ADDRESSED IN OUR AUDIT
<p><b>Management fee</b>  Refer to Notes 22 and 23 to the financial statements</p> <p>For the year ended 30 June 2024 the Company's statement of profit or loss and other comprehensive income includes the management fee of \$391,852.</p> <p>In accordance with a management service agreement the Company pays a management fee to a related party to engage a manager to provide primary and secondary management services.</p> <p>This matter is considered a key audit matter due to the risk that if related party transactions are not conducted at arms length, it can significantly impact shareholders in the following ways:</p> <ul style="list-style-type: none"> <li>Reduced Profits: Unfair pricing can reduce the company's profitability, impacting dividends and stock prices</li> <li>Distorted Financial Statements: Misleading financial statements can affect investment decisions and market perceptions.</li> </ul>	<p>Our procedures included, inter alia:</p> <ul style="list-style-type: none"> <li>Reviewing the management service agreement.</li> <li>Review of the appropriateness of the Company's disclosures in the financial report in accordance with AASB 124.</li> <li>Verification that the fees are at arms length by performing a comparative analysis of industry standards.</li> </ul>
<p><b>Convertible Note-Host Debt Subsequent Valuation</b>  Refer to Notes 2(b) and 13 to the financial statements</p> <p>For the year ended 30 June 2024 the Company's statement of financial position includes the following in relation to convertible notes:</p> <ul style="list-style-type: none"> <li>Non-current liabilities: Convertible Note of \$9,601,681</li> <li>Equity: option premium on convertible notes of \$1,848,766</li> </ul> <p>On the 12/04/2022 the Company issued 7,569,534 Convertible Notes. These compound financial instruments are able to be converted to share capital at the option of the noteholder in accordance with the Note Terms. After initial recognition, the liability component of the compound financial instrument is measured at amortised cost using the effective interest method.</p> <p>This matter is considered a key audit matter for the following reasons:</p> <ul style="list-style-type: none"> <li>Complex Valuation: Valuing convertible notes requires significant judgment and estimation, particularly in determining the fair value of the liability and equity components.</li> <li>Financial Impact: Convertible notes can have a substantial impact on the financial position and performance of the company, influencing both liabilities and equity.</li> <li>Accounting Treatment: The accounting treatment of convertible notes involves complex considerations, including the allocation between debt and equity, which can affect the financial statements significantly.</li> </ul>	<p>Our procedures included, inter alia:</p> <ul style="list-style-type: none"> <li>Review the terms and conditions of the convertible notes to understand the conversion features, interest rates, maturity dates, and any other relevant terms.</li> <li>Verify the initial recognition of the liability component at fair value.</li> <li>Ensure the proper division of the liability and equity components.</li> <li>Ensure all calculations, classifications, and measurements comply with AASB 9 requirements.</li> <li>Review any changes in accounting policies or practices to ensure they are consistent with AASB 9.</li> <li>Evaluate the effectiveness of internal controls over the recognition, measurement, and disclosure of the liability component.</li> </ul>

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**ECP EMERGING GROWTH LIMITED  
ABN 30 167 689 821**

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF ECP EMERGING GROWTH LIMITED  
(Page 3 of 4)**

**Information Other Than the Financial Report and Auditor's Report Thereon**

The Directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2024 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Matters Relating to the Electronic Presentation of the Audited Financial Report**

This auditor's report relates to the financial report of ECP Emerging Growth Limited for the year ended 30 June 2024, intended to be included on the Company's or other websites. The Company's Directors are responsible for the integrity of the Company's or other websites. We have not been engaged to report on the integrity of the Company's website. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on websites.

**Responsibility of the Directors for the Financial Report**

- The Directors of the Company are responsible for the preparation of: a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001; and b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporation Act 2001.
- and for such internal control as the Directors determine is necessary to enable the preparation of: a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and b) the consolidated entity disclosure statement that is true and correct and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

**Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, omitting, misstating or obscuring them, could reasonably be expected to influence the decisions of primary users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher

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**ECP EMERGING GROWTH LIMITED  
ABN 30 167 689 821**

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF ECP EMERGING GROWTH LIMITED  
(Page 4 of 4)**

than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Directors and management.
- Conclude on the appropriateness of Directors and management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosure in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transaction and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We are also required to provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our audit report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on the Remuneration Report  
*Opinion on the Remuneration Report***

We have audited the remuneration report for the year ended 30 June 2024.

In our opinion the remuneration report of ECP Emerging Growth Limited for the year ended 30 June 2024 complies with s300A of the Corporations Act 2001.

**Responsibilities**

The Directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with s300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

**AUGMENTED AUDIT CO PTY LTD**  
Authorised Audit Company No. 541764



**JESSICA JOHL RCA**  
**DIRECTOR**  
21 August 2024

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# Shareholder Information

ECP Emerging Growth has only one class of equity security, being Fully Paid Ordinary Shares.

The Shareholder information set out below was applicable as at 8 August 2024.

## 1. Twenty largest shareholders

Shareholders	Ordinary Shares	%
CITICORP NOMINEES PTY LIMITED	5,563,053	30.33%
EVJ HOLDINGS PTY LTD <EDWINA A/C>	610,000	3.33%
CARMANT PTY LTD <CARMANT SUPER FUND A/C>	497,497	2.71%
JCHP INVESTMENTS PTY LTD <PAGE EMPLOYEES SF A/C>	384,769	2.10%
MR DAVID COOPER & MS ADRIENNE WITTEMAN <PRIVATE SUPER FUND A/C>	349,416	1.91%
THINK SQUARE PTY LTD	320,000	1.74%
GRAHAM NEWMAN PTY LTD	288,983	1.58%
POHL FOUNDATION PTY LTD <THE POHL FOUNDATION A/C>	233,000	1.27%
MERMON PTY LIMITED <MERMON A/C>	206,000	1.12%
RUFF SUPER PTY LTD <MARK RUFF SUPER FUND A/C>	200,000	1.09%
MR COLIN WEEKES	191,543	1.04%
MR GRANT DAVID NEWTON & MRS KATHYRN JANE CLARK	168,782	0.92%
CASTLE PARTNERS PTY LTD	159,050	0.87%
MR GUILLAUME JOHANNES SWIEGERS	154,073	0.84%
KAMILAROI INVESTMENTS PTY LTD	150,000	0.82%
FIRTHY PTY LTD <THE FIRTH SUPER FUND A/C>	150,000	0.82%
DE LEEUW HOLDINGS PTY LTD <DE LEEUW SUPER FUND A/C>	150,000	0.82%
MR PETER LEITH POLSON & MRS ROSEMARY ANNETTE POLSON <POLSON FAMILY SUPER A/C>	150,000	0.82%
MCCARRUMS SUPER PTY LTD <MCCARRUMS SUPER FUND A/C>	150,000	0.82%
MUTUAL TRUST PTY LTD	150,000	0.82%
<b>Total</b>	<b>10,226,166</b>	<b>55.76%</b>



## 2. Distribution of securities

Distributions	Number of Shareholde	% of shares
1 to 1,000	44	0.1%
1,001 to 5,000	73	1.1%
5,001 to 10,000	55	2.4%
10,001 to 100,000	179	33.2%
100,001 and over	31	63.2%
<b>Total</b>	<b>389</b>	<b>100%</b>

Holdings of less than a marketable	26	–
------------------------------------	----	---

## 3. Substantial shareholdings

The names of the Shareholders who have notified the Company of a substantial holding in accordance with section 671B of the Corporations Act 2001 are:

Substantial Shareholder	Number of Shares	% of Total
EC Pohl & Co Pty Ltd	5,562,573	30.3%

## 4. Voting rights

On a show of hands every Shareholder present in person or by proxy shall have one vote and upon a poll each share shall have one vote.

## 5. On-market buy back

There is no current on-market buy back.

# Investments

## 1. Holdings of securities as at 30 June 2024

Individual investments at 30 June 2024 are listed on the following page. The list should not, however, be used to evaluate portfolio performance or to determine the net asset backing per share at other dates. Individual holdings in the portfolio may change during the course of the year.

## 2. Transactions and brokerage

There were 302 (2023: 296) transactions in securities during the year on which brokerage of \$88,201 (2023: \$111,420) was paid.





ASX Code	Company	Shares	Market Value \$	%
Ordinary shares				
AD8	Audinate Group Limited	34,802	550,915.66	1.33
ARB	ARB Corporation Limited	21,046	791,960.98	1.91
C79	Chrysos Corporation Limited	143,105	814,267.45	1.97
CAR	CAR Group Limited	66,605	2,347,826.25	5.68
CTD	Corporate Travel Management Limited	175,768	2,330,683.68	5.63
DMP	Domino's Pizza Enterprises Limited	77,484	2,780,900.76	6.72
FCL	Fineos Corporation Holdings PLC	647,072	1,093,551.68	2.64
FPH	Fisher & Paykel Healthcare Corporation Limited	61,859	1,717,824.43	4.15
GQG	GQG Partners Inc.	1,391,563	3,938,123.29	9.52
GYG	Guzman Y Gomez Limited	27,906	765,182.52	1.85
HUB	HUB24 Limited	73,380	3,415,839.00	8.26
IEL	Idp Education Limited	196,524	2,977,338.60	7.20
JDO	Judo Capital Holdings Limited	1,634,329	2,059,254.54	4.98
LOV	Lovisa Holdings Limited	90,384	2,970,922.08	7.18
MP1	Megaport Limited	161,902	1,816,540.44	4.39
NAN	Nanosonics Limited	447,486	1,337,983.14	3.23
NWL	Netwealth Group Limited	96,983	2,150,113.11	5.20
NXL	Nuix Limited	510,969	1,573,784.52	3.81
PWH	Pwr Holdings Limited	151,055	1,658,583.90	4.01
REA	REA Group Ltd	10,573	2,079,286.18	5.04
			39,170,882.21	94.70
Cash				
	Cash (including dividends receivable and unsettled trades)		2,193,039.10	5.30
Total			41,363,921.31	100.00

# Corporate Directory

## ECP Emerging Growth Limited

ABN 30 167 689 821  
Registered in Queensland  
on 23 January 2014.

## Website address

[www.ecpam.com/emerging](http://www.ecpam.com/emerging)

## Follow us

 /ECPEG  /company/ecpeg

## Board of Directors

Murray H. d'Almeida  
Non-Executive Chairman

David C. Crombie AM  
Non-Executive Director

Jared D. Pohl  
Executive Director

## Company Secretary

Scott W. Barrett

## Registered office

Level 12  
Corporate Centre  
One 2 Corporate  
Court  
Bundall QLD 4217

Toll Free: 1800 352 474  
Fax: +61 (0) 2 8651 6899  
Email: [info@ecpam.com](mailto:info@ecpam.com)

## Postal address

PO Box 7536  
Gold Coast Mail Centre  
Bundall QLD 9726

## Auditors

Augmented Audit Co Pty Ltd  
21 Crombie Ave  
BUNDALL QLD 4217

## Solicitors

McCullough Robertson Lawyers  
Level 32  
MLC Centre  
19 Martin Place  
Sydney NSW 2000

## Investment Manager

ECP Asset Management Pty Ltd  
ACN 158 827 582

Level 4, The Pavilion  
388 George Street  
Sydney NSW 2000

Authorised Representative of  
EC Pohl & Co Pty Ltd  
ACN 154 399 916 AFSL 421704

Tel: +61 (0) 2 8651 6800  
Fax: +61 (0) 2 8651 6899  
Email: [info@ecpam.com](mailto:info@ecpam.com)

## Share Registry

Automic Pty Ltd

GPO Box 5193  
Sydney NSW 2001

Toll Free: 1300 288 664  
International: +61 (0) 2 9698 5414  
Email: [hello@automicgroup.com.au](mailto:hello@automicgroup.com.au)



# ECP

Emerging Growth Limited

ACN 167 689 821

Level 4, The Pavilion  
388 George Street  
Sydney NSW 2000

[www.ecpam.com/emerging](http://www.ecpam.com/emerging)