



BELVIEW

DECODING THE PATTERNS
OF SUCCESSFUL SCALING

From Microcap Promise to Large-Company Consistency

A benchmark report on financial
metrics that matter as ASX microcaps
scale from \$25 million to \$300 million
in market capitalisation

MAY 2026

Scaling a microcap company is one of the most powerful value-creation opportunities in equity markets – but the pathway from microcap promise to large-company consistency is rarely straightforward.

A microcap can re-rate dramatically, moving from risky, under-researched and illiquid, to profitable, scalable and institutionally investable. The valuation uplift comes from both earnings growth and multiple expansion, and can accelerate when passive index funds begin generating consistent, structural buy-side demand.

Microcap investing is a high-risk, high-reward endeavour, but at its core, microcap investors are looking for evidence of scalability. While every company's path is unique, there are identifiable patterns behind successful scaling.

This report decodes those patterns. It benchmarks the financial and operational metrics that matter at each stage of the microcap journey – from \$25m to \$300m in market cap – giving Boards and management teams a clear line of sight into how high-performing peers progress through each growth band.

Sharper messaging. Stronger investor engagement. Better capital markets outcomes

Bellevue's unique database of 200 microcap industrials companies:



The Bellevue database includes all microcap industrial companies with an annualised revenue >\$5m and with a market capitalisation between \$25m - \$300m, at 1 March 2026, and excludes companies in mining, energy, biotech, real estate development and investment companies. The data reflects the financial results reported in February 2026 and only includes companies with a June or December financial year end.

The Microcap Universe at a glance

Benchmarking starts with understanding the financial, operational and capital structure profile of the full dataset.

\$20B

Total market cap

\$14.3B

in Accumulated Losses

70%

had global operations

28%

paid dividends

43%

had no debt

26%

raised capital in past reporting period

Three benchmark insights into growth quality, valuation uplift and capital intensity.

1 Revenue growth is common. Profitable growth is rare.

- **75% had positive revenue growth, but only 18% combined revenue growth with positive and growing NPAT.**
- Many microcap companies can demonstrate top-line momentum, but far fewer show that growth is translating into earnings quality.
- The investor narrative needs to go beyond revenue growth and clearly explain revenue quality, margin trajectory and operating leverage.

2 The valuation uplift becomes more visible above \$100m market capitalisation.

- **Companies in the \$100m-\$200m band traded at a 46% market premium to book value, compared with a 19% premium in the \$25m-\$50m band.**
- 79% delivered positive revenue growth, 79% reported positive NPAT, 65% improved profitability.
- The market appears to place a higher value on microcaps once they move beyond early-stage promise and begin to demonstrate the characteristics that attract broader institutional investor interest.
- The key communication task is to explain the drivers of multiple expansion, including earnings quality, management depth, governance quality and scalability.

3 Smaller microcaps raise less capital, more often.

- **37% of companies in the \$25m-\$50m band raised capital in the last reporting period, with an average raise amount of \$5.5m, compared to 25% of companies in the \$200-\$300m band, with an average raise amount of \$16.6m.**
- Smaller microcaps are also less likely to be cash-flow positive, with only 55% of companies in the \$25-\$50m band generating positive operating cash flow, compared to 68% in the \$200m-\$300m band.
- This highlights the importance of disciplined cash management and clear communication around how capital raised will accelerate scale, extend runway or improve business quality.



As microcaps scale,
the financial metrics
that matter most
begin to change.

Financials

Revenue growth is common. Profitable growth is rare.

	Market Cap \$25-\$50m	Market Cap \$50-\$100m	Market Cap 100m-\$200m	Market Cap \$200-300m
Revenue growth	64%	79%	79%	82%
Positive NPAT	34%	52%	79%	50%
Improving profitability	51%	54%	65%	32%
Revenue growth AND positive, growing NPAT	7%	21%	30%	14%

The valuation uplift becomes more visible above \$100m market capitalisation.

	Market Cap \$25-\$50m	Market Cap \$50-\$100m	Market Cap 100m-\$200m	Market Cap \$200-300m
Total Market Capitalisation	\$2.5B	\$4.4B	\$6B	\$7B
Premium Over Book Value	19%	22%	46%	40%
Total Accumulated Losses	\$5.2B	\$2.2B	\$2.5B	\$4.4B
Ratio of Accumulated Losses to Market Cap	2.1	0.5	0.4	0.6

Financials

Smaller microcaps raise less capital, more often.

	Market Cap \$25-\$50m	Market Cap \$50-\$100m	Market Cap 100m-\$200m	Market Cap \$200-300m
Positive Operating Cash flow	55%	73%	77%	68%
Dividends	12%	32%	44%	29%
Debt on Balance Sheet	57%	56%	51%	68%
Average Debt (for companies with debt)	\$14.3m	\$26m	\$53m	\$107m
Capital Raised in past reporting period	37%	21%	19%	25%
Average Raise (for companies that raised)	\$5.5m	\$8.3m	\$17.1m	\$16.6m
Buyback	13%	13%	16%	21%

What else does the Belleview Microcaps Database capture?

This report highlights selected benchmark insights from the Belleview Microcaps Database. The full dataset captures a broader range of financial, operational, market and governance indicators that can be used to compare individual companies against relevant peer groups.

The database tracks the most recently reported financial results released in February 2026, together with descriptive categorisations such as share price trend, profitability trajectory, capital raising activity and operating cash flow profile.

The next iteration of the database, to be released in November 2026 following the release of financial results in August 2026, will include additional information on the shareholder base.

The benchmark universe includes microcap industrial companies with an annualised revenue >\$5m and with a market capitalisation between \$25m - \$300m, at 1 March 2026. It excludes mining, energy, biotech, real estate development and investment companies. The dataset reflects the financial results reported in February 2026 and includes companies with June or December financial year-ends.

The database includes:

- Market profile: market capitalisation, listing date, company description, headquarters location and global operations
- Financial performance: revenue, revenue growth, NPAT, profitability trend and accumulated losses
- Balance sheet strength: cash, debt, equity and capital structure
- Cash flow quality: operating cash flow and cash conversion indicators
- Capital markets activity: share price performance, capital raisings, dividends and buybacks
- Governance profile: board size, gender diversity and board composition



BELLEVIEW

The real value is in the questions the database can answer:

How does your company compare with peers at the same stage of scale – and what financial, operational or market signals could strengthen your investment narrative?

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