

SANDON CAPITAL

Sandon Capital Investments Limited
ABN 31 107 772 467

Appendix 4E – PRELIMINARY FINAL REPORT For the full year ended 30 June 2025

Results For Announcement to the Market *All comparisons to the full year ended 30 June 2024*

	\$	Movement Up/Down	Movement %
Revenue from ordinary activities	37,084,319	Up	79%
Profit from operating activities before tax attributable to members	30,530,583	Up	99%
Profit from operating activities after tax attributable to members	24,651,546	Up	72%
Net profit for the period attributable to members	24,651,546	Up	72%

	Cents per Share	Franked amount per share	Tax Rate of franking
September 2025 Quarterly Dividend			
Dividend	1.4	1.4	25%
Ex-dividend date			19 August 2025
Record date			20 August 2025
DRP election date			21 August 2025
Payment date			5 September 2025

Dividend Reinvestment Plan

The Dividend Reinvestment Plan (DRP) with no discount will apply to this fully franked dividend.

	Cents per share	Franked amount per share	Tax rate for franking
Dividends paid during the period			
30 June 2024 final dividend paid 7 November 2024	2.75	2.75	25%
31 December 2024 quarterly dividend paid 7 March 2025	1.4	1.4	25%
31 March 2025 quarterly dividend paid 6 June 2025	1.4	1.4	25%

	30 June 2025 Cents	30 June 2024 Cents
Net Tangible Assets Per Share		
Net tangible assets per share (before tax)	95.98	80.67
Net tangible assets per share (after tax)	91.97	80.55

Dividends of 5.55 cents per share were paid during the period.

Sandon Capital Investments Limited advises that its Annual General Meeting will be held on Tuesday, 18 November 2025. The time and other details relating to the meeting will be advised in the Notice of Meeting to be sent to all shareholders and released to ASX immediately after dispatch. In accordance with the ASX Listing Rules, valid nominations for the position of director are required to be lodged at the registered office of the Company by 5:00pm (AEST) 3 October 2025.

This report is based on the Annual Financial Report that has been audited by Pitcher Partners Sydney. All documents comprise the information required by Listing Rule 4.3A. The audit report is included with the Company's Annual Report which accompanies this Appendix 4E.

Sandon Capital Investments Limited
ABN 31 107 772 467

Annual Report
For the year ended 30 June 2025

Sandon Capital Investments Limited
ABN 31 107 772 467

Annual Report
For the year ended 30 June 2025

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Sandon Capital Investments Limited
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Company Particulars

Registered office and principal place of business

Level 5, 139 Macquarie Street
Sydney NSW 2000
Telephone: 02 8014 1188

Website

www.sandoncapital.com.au

Email

info@сандонкапитал.ком.ау

Stock exchange listing

Sandon Capital Investments Limited ordinary shares
(ASX code: SNC)

Sandon Capital Investments Limited 4.8% p.a Unsecured Notes maturing 10 July 2026
(ASX code: SNCHA)

Directors

Gabriel Radzynski – Non-Executive Chairman
Peter Velez – Independent Non-Executive Director
Jacqueline Sullivan – Independent Non-Executive Director

Company Secretary

Mark Licciardo
Acclime Australia
Level 7, 330 Collins Street
Melbourne VIC 3000

Auditor

Pitcher Partners Sydney
Level 16, Tower 2, Darling Park
201 Sussex Street
Sydney NSW 2000

Share Registry

MUFG Corporate Markets (AU) Limited
Level 12, 680 George Street, Sydney, NSW 2000
Telephone 1300 554 474
www.mpms.mufg.com

Sandon Capital Investments Limited
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Portfolio Composition
As at 30 June 2025

Australian Listed Investments	Total Value
	\$
Fleetwood Ltd	21,524,086
COG Financial Services Ltd	20,352,999
BCI Minerals Ltd	10,432,707
Karoon Energy Ltd	9,664,898
Southern Cross Media Group Ltd	7,725,937
Wellard Ltd	7,566,217
Coventry Group Ltd	6,499,926
Joyce Corporation Ltd	5,623,649
Magellan Financial Group Ltd	5,369,072
IDT Australia Ltd	4,297,198
Nuix Ltd	3,389,719
Santos Ltd	3,165,533
QPM Energy Ltd	3,150,128
Light & Wonder Inc.	2,382,749
Ignite Ltd	1,822,039
Dawney & Co Ltd	1,821,328
Fitzroy River Corporation Ltd	1,802,822
Sietel Ltd	1,416,006
Alkane Resources Ltd	1,303,051
Earlypay Ltd	846,774
Australian Silica Quartz Group Ltd	709,888
FAR Ltd	557,203
City Chic Collective Ltd	285,712
Burgundy Diamond Mines Ltd	180,000
Desane Group Holdings Ltd	141,596
Total Australian listed investments	122,031,237
Listed International Investments	
Spectra Systems Corp (UK)	18,974,273
Worsley Investors Limited (UK)	1,565,302
Hydro Hotel Eastbourne PLC (UK)	1,153,106
Total Listed International Investments	21,692,681
Unlisted Investments	
Carbon Conscious Investments Ltd	15,305,906
Yellow Brick Road Holdings Ltd	7,070,352
Foundation Life (NZ) Ltd	5,504,959
Richfield International Pty Ltd	1,820,923
Ask Funding Pty Ltd	1,767,662
Alterra Ltd	1,211,133
Alterra Ltd Convertible Notes	527,200
Pacific Equity Partners Fund IV - Core	439,721
Global Data Centre Group	411,103
Pacific Equity Partners Fund IV - Supplemental	170,643
Scantech Ltd	95,753
DMX Corporation Ltd	4,800
Total unlisted investments	34,330,155
Total short position	(2,181,435)
Total Cash and cash equivalents	641,110
Total Portfolio	176,513,749

Sandon Capital Investments Limited
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Chairman's Letter
For the year ended 30 June 2025

Chairman's Letter

Dear Fellow Shareholders,

The Directors of Sandon Capital Investments Ltd (ASX:SNC) ("**SNC**" or "**the Company**") present the Company's Annual Report for the year ended 30 June 2025.

The return to shareholders (the change in the NTA before tax per share plus dividends paid and imputation credits) was a positive return of 28.2% for the year.

SNC's gross portfolio return was 32.2% before all fees, expenses and taxes. The performance of the investment portfolio is discussed in greater detail later in this letter.

These return figures compare favourably with general share market returns, as shown in the section entitled Investment Performance. The performance of the investment portfolio is discussed in greater detail later in this letter.

Financial Highlights

Revenue from ordinary activities, which reflects investment performance, including realised and unrealised gains and losses and dividends, for the financial year ended 30 June 2025 was \$37,084,319 (2024: \$20,717,228) and the Company reported a net profit after tax of \$24,651,546 (2024: \$14,358,767).

Dividends commence quarterly payments

On 12 December 2024, the Directors announced on the ASX they intended to increase the annualised dividend from 5.5 cents per share (fully franked) to 5.6 cents per share (fully franked) and to commence paying dividends on a quarterly basis. The inaugural quarterly dividend was paid on 7 March 2025.

Dividend Announcements

On 28 July 2025, the Directors announced their intention to pay a September 2025 quarterly fully franked ordinary dividend of 1.4 cents per share. The dividend reinvestment plan ("**DRP**") will apply to this dividend. No discount will apply.

The key dates for this dividend are:

Ex date	19 August 2025
Record Date	20 August 2025
DRP Election Date	21 August 2025
Payment Date	5 September 2025

As at 31 July 2025, SNC had profit reserves 40.78 cents per share and 7.50 cents per share in franking credits. These franking credits could support the payment of up to 22.51 cents per share of fully franked dividends over time, should the Board decide to do so having regard for circumstances in the future.

Investment Objectives

SNC's objectives are to preserve shareholder capital, deliver a positive absolute return over the medium term and to provide shareholders with a growing stream of fully franked dividends.

SNC is a value investor seeking to purchase investments below its assessment of their intrinsic value. As an activist investor, SNC takes value investing one step further by aiming to influence and encourage changes that can preserve or enhance the value of its investments.

Sandon Capital Investments Limited
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Chairman's Letter
For the year ended 30 June 2025

Chairman's Letter (continued)

Investment Performance

The Directors and the Investment Manager are satisfied with the performance of the SNC Portfolio in 2025, both in absolute and relative terms.

The table below illustrates the investment performance of the portfolio as measured by gross investment income, including net realised and unrealised gains, dividends and other investment income.

	SNC Gross Return	Small Ordinaries Accumulation Index	All Ordinaries Accumulation Index
Full year to 30 June 2025	32.2%	12.3%	13.2%

All figures for SNC are before management fees, corporate expenses, interest, taxes. Sources; SNC, Bloomberg

The largest contributors to performance this year were Fleetwood Ltd, COG Financial Services Ltd, Wellard Ltd, Carbon Conscious Investments Ltd (unlisted) and BCI Minerals Ltd. The largest detractor was Coventry Group Ltd.

The 2025 financial year saw substantial improvements in both the operating and financial performance of some of our portfolio companies, translating to strongly rising share prices. As we have long stated, we cannot typically pick and choose the timing of catalysts that might drive share price performance nor when other investors might also come to see value, hence the importance of patience and a permanent capital base.

At the time of writing, we do not have full year results for most of our investments, so any outlook comments will be limited. We will report on results, where we consider them relevant or meaningful, in future monthly reports. We discuss the past performance of some select contributors below.

COG Financial Services Ltd (COG)

COG is an investment that has required patience as operational achievements failed for some time to translate into share price appreciation. In late 2024, COG undertook board renewal which saw the appointment of new directors with a strong market following and experience in building out financial services platforms like COG. Under the new Board, non-core investments have been sold, raising cash that can be deployed into acquisitions that should build on the strong foundation established over the last decade.

The COG share price increased from \$1.11 at the beginning of the year to end the year at \$1.72. An additional 7.4 cents per share in fully franked dividends were collected along the way. We remain confident in the outlook for COG and look forward to the acceleration of the streamlined growth strategy.

Wellard Ltd (WLD)

WLD sold its last remaining vessel, the M/V Ocean Drover, in late 2024 for US\$50 million, representing nearly three times the prevailing book value. This was an outstanding achievement for assets that the market had long undervalued. Shareholders voted earlier this year to return the majority of the company's capital to shareholders. We anticipate receiving these proceeds towards the end of August 2025.

BCI Minerals Ltd (BCI)

The construction and development of the flagship Mardie salt project has continued apace over the past 12 months, consigning to history the delays and cost overruns seen in prior years. The project is now more than two-thirds complete with first salt on ship (FSOS) and revenue expected in late 2026. The nature of the project means it will have a strong capacity to generate free cash flows once production has ramped up. We remain committed shareholders of BCI for the foreseeable future and look forward to first production.

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Chairman's Letter
For the year ended 30 June 2025

Chairman's Letter (continued)

Investment Performance (continued)

Carbon Conscious Investments Ltd (CCIL)

Grant Thornton completed an independent valuation on CCIL during the year. The majority of the ~15% increase in value can be attributed to cost reductions that have been implemented since SNC and its associates gained full control. CCIL has also managed to demonstrate that the Australian Carbon Credit Units (ACCUs) that it generates from its environmental planting (EP) projects are well regarded in the carbon market. It recently sold approximately 10,000 ACCUs at \$54 per ACCU, compared to a generic spot price of approximately \$35 per ACCU. We are pleased with our first full year of owning CCIL and look forward to reporting its full-year results later this year, post close of its 30 September financial year end.

Fleetwood Ltd (FWD)

Last year we wrote of the improvements in FWD's Building Solutions business and the potential for increased earnings and cashflow from the Searipple accommodation village. Whilst our patience had long been tested, the company has now started to deliver on its potential, generating strong profit growth and cash flows. This was acknowledged by the market with the share price rising from \$1.49 to \$2.46, with an additional 14 cents per share in fully franked dividends paid. The Board, led by John Klepec, and the management team, led by Bruce Nicholson and Cate Chandler, deserve congratulations for the successful turnaround that has been implemented. Going forward, we look forward to them building upon the solid foundations that have been put in place.

Coventry Group Ltd (CYG)

CYG was the worst performer in our portfolio with its share price falling almost 40%. A key operational development at CYG during the year was the successful implementation of its new enterprise resource planning (ERP) software, which was expected to deliver procurement and cost efficiencies. This project, although largely delivered on time and on budget, caused significant disruption in the business which has weighed on profitability and cashflow. The Konnect Australia distribution business performed well but this was offset by underperformance by the Konnect New Zealand and Fluid Systems units. The CEO tendered his resignation in March 2025. There were also board changes. Now that the ERP has been implemented, there are no excuses for CYG and we are expecting a significant improvement in profitability and cash flows going forward.

Outlook

Last year we wrote of the effects rising interest rates and inflation were expected to have on our economy. Some were concerned for the prospects of a recession. We cautioned that our economy is nuanced and that some sectors would remain strong. We also wrote about uncertainty and volatility in geopolitics. The performance (and composition) of the portfolio continues to reflect these views.

Today, with a third cut in official interest rates, the interest rate and inflation concerns of last year appear well and truly in the rear-view mirror.

Falling official interest rates provide some tailwinds, both in economic terms and valuation terms. Once again, we remind shareholders of the inverse relationship between price and yield. In other words, when interest rates go down (up), asset values rise (fall), all other things being equal. This simple heuristic (or mental shortcut) can be very useful. However, these shortcuts can also lead investors astray, if used too simplistically.

Risks remain heightened at the geopolitical level and the last year has reinforced the need to make decision based on facts and not merely on public pronouncements and speculation. The spectre of US tariffs is a good example – many investors who reacted to "Liberation Day" announcements found themselves left out in the cold once it became clear that tariff negotiations would take months and that final tariff levels might be far better (or worse) than first proposed.

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Chairman's Letter
For the year ended 30 June 2025

Chairman's Letter (continued)

Outlook (continued)

We see this uncertainty and volatility as creating opportunity. We will continue to apply our investment approach diligently and consistently. We will continue to sceptically consider heuristic indications. This approach is expected to continue to uncover attractive investment opportunities. While returns from the investments we make are unlikely to occur in a smooth, linear fashion, we believe our approach is well placed to deliver sound medium- to long-term returns.

In the meantime, SNC has built solid reserves of profits and franking, allowing directors, should Directors consider it prudent, to continue for some time to pay fully franked dividends of at least 5.6 cents per share per annum.

On behalf of the Board, I would like to thank fellow shareholders for their continued support throughout the 2025 financial year. We look forward to reporting to you on our progress in 2026.

Yours sincerely,



Gabriel Radzynski
Chairman

19 August 2025

Sandon Capital Investments Limited
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Directors' Report
For the year ended 30 June 2025

The Directors of Sandon Capital Investments Limited ("**Company**") present their report together with the financial statements of the Company for the year ended 30 June 2025. Sandon Capital Investments Limited is a company limited by shares and is incorporated in Australia.

Directors

The Directors of the Company during the year and up to the date of this report were:

Gabriel Radzynski – Non-Executive Chairman (Non-independent)
Peter Velez – Independent Non-Executive Director
Jacqueline Sullivan – Independent Non-Executive Director

Company secretary

Mark Licciardo

Auditors

Pitcher Partners Sydney

Principal activities

The Company's principal activity is investing for profit. It is a listed investment company whose assets are managed by an external investment manager, Sandon Capital Pty Ltd ("**Sandon Capital**" or "**the Manager**").

Sandon Capital is an activist value manager. It seeks to buy investments at prices the Manager considers are below their intrinsic value. It looks for investments with high levels of tangible assets, marketable securities or cash, although investments may not always have these characteristics. The Manager deploys a range of activist strategies aimed at realising the intrinsic value of those investments. The Manager may also take advantage of other market opportunities where it considers there are reasonable prospects for a satisfactory return.

The Company may invest in cash, term deposits, unlisted and listed securities and debt instruments.

During the period, the Company's net assets have increased from \$115,168,655 as at 30 June 2024 to \$133,963,695 as at 30 June 2025.

Operating Results and Financial Position

Net profit before tax was \$30,530,583 (2024: \$15,311,120 excluding losses or gains attributed to the Corporate Simplification which have been outlined in Note 3). The Company had net realised gains of \$2,907,367 (2024: Loss \$19,635,586) and unrealised gains in the value of the investment portfolio of \$19,055,618 (2024: \$1,975,042). Other revenue, including dividends, interest and distributions, was \$15,121,334 (2024: \$38,377,772). Together these represented a total income of \$37,084,319 (2024: \$20,717,228). Please refer to the Chairman's letter for more details on the investment performance of the Company's portfolio and Corporate Simplification.

The Company's net profit after tax for the year was \$24,651,546 (2024: \$14,358,767).

The Company paid fully franked dividends totalling 5.55 cents per share during the year.

Cash and cash equivalent holdings decreased from \$8,106,628 to \$641,110 at year end.

Net Tangible Assets ("**NTA**") before tax as at 30 June 2025 was \$0.9598 per share (2024: \$0.8067). The NTA after tax was \$0.9197 per share (2024: \$0.8055). These figures are after the payment of fully franked dividends of 5.55 cents per share during the period.

The return to shareholders (the change in the NTA before tax per share plus dividends paid and franking credits) was a positive return of 28.2% (2024: 17.1%) for the year.

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Directors' Report
For the year ended 30 June 2025

Directors' Report (continued)

Carbon Conscious Investments Ltd

On 12 April 2024, the Company announced its intention to make a conditional off-market takeover for Carbon Conscious Investments Limited ("**CCIL**") to acquire all issued and outstanding ordinary shares of CCIL not owned by the Company and Sandon Capital Activist Fund ("**SCAF**") (another fund managed by Sandon Capital Pty Ltd) for \$0.067 in cash for every CCIL share held.

On 8 July 2024, SNC and SCAF announced that their voting power in CCIL was 91.48% and that SNC intended to acquire the remaining CCIL shares in accordance with the compulsory acquisition provisions of the *Corporations Act 2001*.

On 23 July 2024, SNC commenced the compulsory acquisition of CCIL and subsequently on 4 September 2024, SNC completed its compulsory acquisition. SNC owns 93% of CCIL's shares and SCAF owns 7%.

Corporate Simplification

For the financial year ending 30 June 2024, the operating results reflect the corporate simplification undertaken by the Company, which involved various transactions between the Company and its subsidiaries (the "**Corporate Simplification**"). These included repayments of intercompany loans, returns of capital and dividends. The net effect of these transactions, and the impact on Net Tangible Assets, is immaterial.

Since acquiring MVT in 2019, the Company had borne increasing costs associated with compliance, notably audit expenses. The Company's financial reports were also perceived as complex. The restructuring of the MVT Notes, outlined above, allowed the Company to move to a more streamlined and simple corporate structure, with the aim of reducing organisational complexity and compliance costs.

As part of the process, MVT sold its domestic and international listed and unlisted securities to SNC. Other wholly owned subsidiaries, Ask Funding Pty Ltd ("**AKF**") and Richfield International Pty Ltd ("**RIL**") were transferred from MVT to SNC.

Dividends

Dividends paid during the financial year were as follows:

	2025	2024
	\$	\$
Final dividend for the year ended 30 June 2024 (2023: 30 June 2023) of 2.75 cents (2024: 2.75 cents) per ordinary share.	3,922,143	3,826,199
Quarterly dividend for the period ending 31 December 2024 of 1.4 cents per ordinary share paid 7 March 2025.	2,018,656	-
Quarterly dividend for the period ending 31 March 2025 of 1.4 cents per ordinary share paid 6 June 2025.	2,025,995	-
Interim dividend for the year ended 30 June 2025 (2024: 30 June 2024) of 2.75 cents (2024: 2.75 cents) per ordinary share.	-	3,876,595
	7,966,794	7,702,794

The Dividend Reinvestment Plan ("**DRP**") applied to all dividends.

The Company's dividend policy is to pay a regular and growing stream of fully franked dividends to shareholders, provided that the company has sufficient profit reserves, franking credits and it is within prudent business practice. The Company's ability to generate franking credits is dependent upon the receipt of franked dividends from investments and the payment of tax on realised gains.

Dividends are paid on a quarterly basis commencing 31 December 2024.

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Directors' Report
For the year ended 30 June 2025

Directors' Report (continued)

New Shares issued

The Company issued 2,619,305 new shares pursuant to the DRP.

Events occurring after the reporting period

On 27 July 2025, the Directors announced their intention to pay a quarterly fully franked dividend of 1.4 cents per share payable on 5 September 2025. The DRP will apply to this dividend with no discounts.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Future Developments, Prospects and Business Strategies

The Company will continue to selectively invest in cash, term deposits, unlisted and listed securities and debt instruments that the Manager considers offer the prospect for attractive risk-adjusted returns. Refer to the Chairman's Letter for further information.

Environmental regulations

The operations of the Company are not subject to any environmental regulations under a Commonwealth, State or Territory law of Australia.

Information on Directors

Gabriel Radzyninski BA (Hons), MCom (Non-Executive Chairman)

Experience

Gabriel is the founder and Managing Director of Sandon Capital Pty Ltd, a boutique investment management firm. He is the chief investment officer of funds managed by Sandon Capital Pty Ltd. Gabriel has been involved in the financial services sector for more than 26 years. Gabriel holds a Bachelor of Arts (Hons) and a Master of Commerce from the University of New South Wales.

Gabriel Radzyninski has been the Chairman of the Company since October 2013.

Other current listed company directorships

Gabriel Radzyninski is a Director of Future Generation Australia Limited (ASX: FGX) (appointed October 2013).

Former directorships in the last 3 years

Gabriel Radzyninski has not resigned as a Director from any other listed companies in the last three years.

Special responsibilities

Chairman of the Board.

Interests in shares of the Company

Details of Gabriel Radzyninski's interests in shares of the Company are included later in this report.

Interests in contracts

Details of Gabriel Radzyninski's interests in contracts of the Company are included later in this report.

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Directors' Report
For the year ended 30 June 2025

Directors' Report (continued)
Information on Directors (continued)

Peter Velez LLB MA MSc (Independent Non-Executive Director)

Experience

Until 2023, Peter was a corporate lawyer specialising in equity capital markets, mergers and acquisitions and funds management. Peter also advised extensively on activist corporate activity, ASX compliance and corporate governance. Peter has been a practising lawyer since 1989 having worked at the national firm Freehill Hollingdale and Page, Sydney boutique corporate firm Watson Mangioni from 1995 to 2016 and with OB Law from 2016 to 2022. He played a key role in the development of externally-managed listed investment companies (LIC) having been involved in the IPO of over 25 LICs.

Peter Velez has been a Director of the Company since May 2017.

Other current listed company directorships

Peter Velez does not hold any other directorships.

Former directorships in the last 3 years

Peter Velez has not resigned as a Director from any other listed companies in the last three years.

Special responsibilities

Peter is a member of the Audit and Risk Committee.

Interests in shares of the Company

Details of Peter Velez's interests in shares of the Company are included later in this report.

Interests in contracts

Peter Velez has no interests in contracts of the Company.

Jacqueline Sullivan BSc, MBA, Grad Dip (App Fin), GAICD (Independent Non-Executive Director)

Experience

Jacqueline is an experienced funds management executive, having gained experience in senior executive roles at AMP Capital, both in Australia and overseas. Her executive experience culminated with 7 years as Managing Director, Global Distribution for AMP Capital. Since then, Jacqueline has engaged in advisory work.

Jacqueline Sullivan has been a Director of the Company since December 2021.

Other current listed company directorships

Jacqueline Sullivan is a director of WAM Microcap Ltd (ASX: WMI) (appointed May 2017).

Former directorships in the last 3 years

Jacqueline Sullivan has not resigned as a Director from any other listed companies in the last three years.

Special responsibilities

Jacqueline Sullivan is Chair of the Audit and Risk Committee.

Interests in shares of the Company

Jacqueline Sullivan has no interest in shares of the Company.

Interests in contracts

Jacqueline Sullivan has no interests in contracts of the Company.

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Directors' Report
For the year ended 30 June 2025

Directors' Report (continued)
Information on Directors (continued)

Mark Licciardo B Bus(Acc), GradDip CSP, FGIA, FCIS, FAICD (Company Secretary)

Mark is the founder of Mertons Corporate Services, now part of Acclime Australia and is responsible for Acclime Australia's Listed Services Division.

He is also an ASX-experienced director and chair of public and private companies, with expertise in the listed investment, infrastructure, bio-technology and digital sectors. He currently serves as a director on a number of Australian company boards as well as foreign controlled entities and private companies.

During his executive career, Mark held roles in banking and finance, funds management, investment and infrastructure development businesses, including being the Company Secretary for ASX100 companies Transurban Group and Australian Foundation Investment Company Limited.

Mark Licciardo holds a Bachelor of Business degree in accounting, a Graduate Diploma in Governance and is a Fellow of the Chartered Governance Institute, the Governance Institute of Australia and the Australian Institute of Company Directors.

Mark Licciardo has been secretary of the Company since October 2013.

Meetings of directors

The number of meetings of the Company's Board of Directors and of each Board committee held during the year ended 30 June 2025, and the number of meetings attended by each director were:

	Director's Meetings		Audit & Risk Committee Meetings	
	Number of Eligible to Attend	Number Attended	Number Eligible to Attend	Number Attended
Gabriel Radzynski	7	7	0	0*
Peter Velez	7	7	2	2
Jacqueline Sullivan	7	7	2	2
Total Meetings Held	7	7	2	2

* In attendance ex-officio

Remuneration Report (Audited)

The Company has no employees or key management personnel ("KMP"), other than the Chairman and the two Directors. The Company Secretary is remunerated under a service agreement with Acclime Australia.

Nature and amounts of remuneration

On 31 October 2019, Shareholders approved an increase to the maximum total remuneration of the Directors from \$85,000 per annum to \$125,000 per annum to be divided among the Directors, in such proportions as they agree having regard to their duties and responsibilities in their role as director. Additional remuneration may be paid in accordance with the Company's Constitution. The remuneration of the Directors is not linked to the performance of the Company. Please refer to *Other transaction within KMP* section of this *Remuneration Report* for further details.

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Directors' Report
For the year ended 30 June 2025

Directors' Report (continued)
Remuneration Report (Audited)

Where specialist services beyond the normal expectations of a Non-Executive Director are provided to the Company, payment will be made on a normal commercial basis.

The Company has not made any other guarantees or secured directly or indirectly any loans to key management personnel or their related entities during the year.

Names and positions held of key management personnel in office as at the end of the financial year are:

Key Management Person

Gabriel Radzyninski	Non-Executive Chairman (Non-independent)
Peter Velez	Independent Non-Executive Director
Jacqueline Sullivan	Independent Non-Executive Director

Details of the remuneration of the Directors and key management personnel of the Company (as defined in AASB 124 *Related Party Disclosures*) are set out in the following tables:

	Short term employee benefits cash salary and fees \$	Post-employment benefit superannuation \$	Total \$
June 2025			
Gabriel Radzyninski	9,132	1,050	10,182
Peter Velez	27,027	3,108	30,135
Jacqueline Sullivan	27,027	3,108	30,135
	63,186	7,266	70,452
June 2024			
Gabriel Radzyninski	9,132	1,005	10,137
Peter Velez	23,305	2,563	25,868
Jacqueline Sullivan	23,305	2,563	25,868
	55,742	6,131	61,873

The Company has no employees other than Non-Executive Directors and therefore does not have a remuneration policy for employees. The Directors are the only people considered to be key management personnel of the Company.

The number of shares held directly, indirectly, or beneficially by Directors, or by entities for period ending 30 June 2025, were:

	Balance at 1 July 2024 No.	Net acquisition No.	Balance at 30 June 2025* No.
Shares			
Gabriel Radzyninski	2,204,032	107,221	2,311,253 ^
Peter Velez	133,445	4,635	138,080
Jacqueline Sullivan	-	-	-
	2,337,477	111,856	2,449,333

* The balance of shareholding on 30 June 2025 remains the same as at the date of this report.

^includes indirect holdings.

Options

No options were held directly, indirectly, or beneficially by Directors.

Sandon Capital Investments Limited
ABN 31 107 772 467

Directors' Report
For the year ended 30 June 2025

Directors' Report (continued)
Remuneration report (Audited) (continued)

Other transactions with KMP

Directors' Interests

a) Investment management agreement

The Company and the Manager entered into a management agreement dated 13 December 2013. A Director of the Company, Gabriel Radzynski, is also a Director of the Manager. The Manager is permitted to undertake investments that fall within the Company's investment strategy on behalf of the Company and without the approval of the Company's Directors. Investments that are outside the Company's investment strategy will require Board approval. In circumstances where Board approval is required, the Manager will provide the Board with details of the relevant investment opportunity. The Board will review the information and will either give or withhold the approval required for the Company to make that investment. Assuming that the Board approves the investment, the manager will then execute the investment on behalf of the Company.

The initial term of the management agreement was 10 years and at the expiration of the initial term, the agreement was automatically extended for a further 5 years. Neither the Company, nor the Manager, may terminate the Management Agreement upon the occurrence of a change of control event in respect of either party.

b) Management and performance fees

The Manager is entitled to be paid a monthly management fee equal to 0.1042% (plus GST) of the gross value of the Portfolio calculated on the last business day of each month. The Management fee is 1.25% per annum (plus GST).

The Manager is also entitled to receive a performance fee calculated as a percentage of the increase in the value of the Portfolio for each performance period. The performance fee is equal to 20% (plus GST) of the amount (if any) of portfolio over-performance (amount by which the increase in the value of the portfolio exceeds the benchmark performance) during the performance calculation period, subject to a high-water mark.

The performance calculation period is the commencement date to the earlier of termination and 30 June of the next calendar year or the period from the first day after the preceding performance calculation period to 30 June of the next calendar year.

The benchmark performance is the value of the portfolio calculated on the last date of the performance calculation period in relation to which the Manager was last entitled to be paid a performance fee indexed by the average of each 1-month Bank Bill Swap Reference Rate published on the first day of each month across the month since the manager was last entitled to a performance fee.

	June 2025	June 2024
	\$	\$
Management fees (inclusive of GST) *	2,249,119	2,030,272
Performance fees (inclusive of GST) *	691,083	-
	<u>2,940,202</u>	<u>2,030,272</u>

* The difference between the amount disclosed above and the Statement of Profit and Loss and Other Comprehensive Income are the reduced input tax credits claimable.

At 30 June 2025, \$886,449 inclusive of GST remains payable by the Company to the Manager (2024: \$165,586 inclusive of GST).

Sandon Capital Investments Limited
ABN 31 107 772 467

Directors' Report
For the year ended 30 June 2025

Directors' Report (continued)
Remuneration report (Audited) (continued)

Directors' Interests (continued)

b) Accounting fee

The Manager also receives a monthly fee in return for providing accounting and administration services to the Company.

	June 2025 \$	June 2024 \$
Accounting fees (inclusive of GST) *	245,353	183,366
	<u>245,353</u>	<u>183,366</u>

This is the end of the Remuneration Report (Audited).

Options

There were no options granted over unissued fully paid shares in the Company during or since the end of the financial year.

Shares under option

No unissued shares or options of the Company were outstanding at the date of this report.

Shares issued on the exercise of options

No ordinary shares of the Company were issued during the year ended 30 June 2025 and up to the date of this report on the exercise of options

Indemnification and insurance of Officers, Directors and Auditors

During or since the end of the financial year, the Company has given an indemnity or entered into an agreement to indemnify or paid or agreed to pay insurance premiums.

The Company has paid premiums to insure each of the Directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director of the Company, other than conduct involving a wilful breach of duty in relation to the Company or the improper use by the Directors of their position.

The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

No indemnities have been given or insurance premiums paid during or since the end of the financial year, for any person who is or has been an auditor of the Company.

Non-Audit Services

The Board of Directors, in accordance with advice from the Audit & Risk Committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

Details of the amounts paid or payable to the auditor for audit services during the year are disclosed in Note 6 Remuneration of auditors.

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 group are important.

Sandon Capital Investments Limited
ABN 31 107 772 467

Directors' Report
For the year ended 30 June 2025

Directors' Report (continued)

Non-Audit Services (continued)

The Directors are satisfied that the services disclosed in Note 6 did not compromise the external auditor's independence for the following reasons:

- All non-audit services are reviewed and approved by the Audit and Risk Committee prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- The nature of the services provided do not compromise the general principles relating to auditor independence in accordance with the APES 110: *Code of Ethics for Professional Accountants (including Independence Standards)* set by the Accounting Profession and Ethical Standards Board.

Rounding of amounts

In accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, the amounts in the Directors' report and in the financial report have been rounded to the nearest dollar unless otherwise specified.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on page 16.

This report is made in accordance with a resolution of the Board of Directors.

On behalf of the Directors,



Gabriel Radzynski
Chairman
Sydney
19 August 2025

**Auditor's Independence Declaration
To the Directors of Sandon Capital Investments Limited
ABN 31 107 772 467**

In relation to the independent audit of Sandon Capital Investments Limited for the year ended 30 June 2025, I declare that to the best of my knowledge and belief there have been:

- (i) no contraventions of the auditor's independence requirements of the *Corporations Act 2001*; and
- (ii) no contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

**Richard King**
Partner**Pitcher Partners**
Sydney

19 August 2025

Sandon Capital Investments Limited
ABN 31 107 772 467

Statement of Profit and Loss and Other Comprehensive Income
For the year ended 30 June 2025

	Note	June 2025 \$	June 2024 \$
Net realised gain/(loss) on financial assets	3(a)	2,907,367	(19,635,586)
Net unrealised gain on financial assets	3(b)	19,055,618	1,975,042
Other revenue from operating activities	3(c)	15,121,334	38,377,772
Total investment income		37,084,319	20,717,228
Management fees		(2,095,770)	(1,891,844)
Performance fees		(643,964)	-
Directors' fees		(70,452)	(61,873)
Company secretarial fees		(44,258)	(44,434)
Finance costs	4	(2,293,070)	(1,825,094)
Brokerage expense		(105,163)	(95,626)
Custody fees		(61,667)	(87,359)
ASX listing and CHESS fees		(100,220)	(125,100)
Share registry fees		(133,305)	(55,488)
Accounting fees		(248,638)	(204,661)
Audit fees	6	(104,086)	(150,634)
Taxation fees		(295,719)	(375,062)
Legal fees		(45,517)	(126,212)
Other operating expenses		(311,907)	(362,721)
Total expenses		(6,553,736)	(5,406,108)
Profit before income tax		30,530,583	15,311,120
Income tax expense	5	(5,879,037)	(952,353)
Profit after income tax attributable to members of the Company		24,651,546	14,358,767
Other comprehensive income for the year		-	-
Total Comprehensive Income for the year		24,651,546	14,358,767
Basic Profit per share (cents per share)	8	17.14	10.22
Diluted Profit per share (cents per share)	8	17.14	10.22

The accompanying notes form part of these financial statements.

Sandon Capital Investments Limited
ABN 31 107 772 467

Statement of Financial Position
As at 30 June 2025

	Note	June 2025 \$	June 2024 \$
Assets			
Cash and cash equivalents	9	641,110	8,106,628
Trade and other receivables	10	563,033	543,960
Prepayments		68,796	92,477
Financial assets at fair value through profit or loss	14	178,054,074	137,190,847
Funding to subsidiary	11	790,000	200,000
Deferred tax assets	5	98,369	213,512
Total assets		180,215,382	146,347,424
Liabilities			
Trade and other payables	13	1,756,734	1,182,170
Financial liabilities at fair value through profit or loss	16	2,181,435	-
Current tax liability		301,187	121,882
Financial liabilities at amortised costs	15	7,790,068	1,881,978
Unsecured notes	17	28,306,442	27,606,926
Deferred tax liabilities	5	5,915,821	385,813
Total liabilities		46,251,687	31,178,769
Net assets		133,963,695	115,168,655
Equity			
Issued capital	12	136,756,233	134,645,945
Profit reserve		59,223,910	41,350,828
Accumulated losses		(62,016,448)	(60,828,118)
Total equity		133,963,695	115,168,655

The accompanying notes form part of these financial statements.

Sandon Capital Investments Limited
ABN 31 107 772 467

Statement of Changes in Equity
As at 30 June 2025

	Note	Issued capital \$	Accumulated losses \$	Profit reserve \$	Total equity \$
Balance at 1 July 2023		132,253,531	(59,504,900)	33,371,637	106,120,268
Profit after income tax attributable to members of the Company		-	14,358,767	-	14,358,767
Other comprehensive income for the year		-	-	-	-
Total comprehensive income for the year		-	14,358,767	-	14,358,767
Transfer to profit reserve		-	(15,681,985)	15,681,985	-
Transactions with owners:					
Shares issued via dividend reinvestment plan	12	2,392,414	-	-	2,392,414
Dividends provided or paid	7(a)	-	-	(7,702,794)	(7,702,794)
Balance at 30 June 2024		134,645,945	(60,828,118)	41,350,828	115,168,655
Balance at 1 July 2024		134,645,945	(60,828,118)	41,350,828	115,168,655
Profit after income tax attributable to members of the Company		-	24,651,546	-	24,651,546
Other comprehensive income for the year		-	-	-	-
Total comprehensive income for the year		-	24,651,546	-	24,651,546
Transfer to profit reserve		-	(25,839,876)	25,839,876	-
Transactions with owners:					
Shares issued via dividend reinvestment plan	12	2,110,288	-	-	2,110,288
Dividends provided or paid	7(a)	-	-	(7,966,794)	(7,966,794)
Balance at 30 June 2025		136,756,233	(62,016,448)	59,223,910	133,963,695

The accompanying notes form part of these financial statements.

Sandon Capital Investments Limited
ABN 31 107 772 467

Statement of Cash Flows
For the year ending 30 June 2025

	Notes	June 2025 \$	June 2024 \$
Cash flows from operating activities			
Proceeds from sale of investments		23,386,544	36,362,138
Payments for investments		(40,105,351)	(26,217,205)
Dividends and capital return received		14,706,906	8,222,918
Interest received		473,007	203,905
Other income received		-	49,126
Income tax payments		(105,260)	(105,468)
Management fees (inclusive of GST)		(2,219,339)	(2,027,977)
Brokerage expense (inclusive of GST)		(112,858)	(102,623)
Payment of other operating expenses (inclusive of GST)		(1,569,087)	(630,521)
Net cash (used in)/ provided by operating activities	21	(5,545,438)	15,754,293
Cash flows from financing activities			
Dividends paid net of re-investment		(5,856,510)	(5,310,385)
Interest payment on unsecured notes		(1,394,776)	(1,398,595)
Advance of loan to subsidiary		(590,000)	(407,372)
Net cash used in financing activities		(7,841,286)	(7,116,352)
Net (decrease)/increase in cash and cash equivalents		(13,386,724)	8,637,941
Cash and cash equivalents at the beginning of the year		6,237,766	(2,400,175)
Cash and cash equivalents at end of the year	9(a)	(7,148,958)	6,237,766
Non-cash investing and financing transactions			
Proceeds from intragroup shares transfer		-	28,834,388
Payments for intragroup shares transfer		-	(49,891,120)
Dividend from subsidiary		-	29,620,677
MVT Novated notes		-	27,180,427

The accompanying notes form part of these financial statements.

Sandon Capital Investments Limited
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Notes to the Financial Statements
For the year ended 30 June 2025

1. Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The Company is a listed public company, incorporated and domiciled in Australia.

Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB. Material accounting policies adopted in the preparation of this financial report form part of the notes and have been consistently applied, unless otherwise stated.

The financial report was approved for release by the Board of Directors on 19 August 2025.

Except for cashflow information, the financial report has been prepared on an accrual basis. All amounts are presented in Australian dollars.

It is considered that the information needs for a company of this type are better met by presenting the Statement of Financial Position on a liquidity basis. All balances are expected to be recovered or settled within 12 months, except for financial assets at fair value through profit or loss, financial liabilities at amortised costs, unsecured notes and the deferred tax balances. The Company manages financial assets at fair value through profit or loss based on the economic circumstances at any given point in time, as well as to meet liquidity requirements. As such, it is expected that a portion of the investment portfolio will be realised within 12 months, however, an estimate of that amount cannot be reliably determined as at reporting date.

Key judgements and accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates assume a reasonable expectation of future events and are based on current trends and economic data. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed within the notes below.

The Directors have determined that the Company meets the definition of an investment entity under *AASB 10 Consolidated Financial Statements* hence as an investment entity it shall not consolidate its subsidiary or apply *AASB 3* when it obtains control of another entity. Instead, an investment entity shall measure an investment in a subsidiary at fair value through profit and loss in accordance with *AASB 9*.

The interests in unconsolidated subsidiaries are presented below.

Name of subsidiary	Principal place of business	Country of incorporation	Percentage of share capital held	
			2025	2024
Ask Funding Pty Ltd ("ASK")	Australia	Australia	100%	100%
Richfield International Pty Ltd ("RIL")	Australia	Australia	100%	100%
Richfield Marine Agencies (S) Pte Ltd ("RMA")	Singapore	Singapore	100%	100%
Carbon Conscious Investments Ltd ("CCIL")	Australia	Australia	93%	10%

Sandon Capital Investments Limited
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Notes to the Financial Statements
For the year ended 30 June 2025

2. Material accounting policy information

(a) Financial instruments

Recognition, Classification and Measurement

Financial assets and liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are measured at fair value. Fair value is the price the Company would receive to realise an asset or would have to pay to transfer a liability in an orderly transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the Company uses closing quoted last prices as a basis of measuring the fair value of assets and liabilities that are listed. The fair values of assets and liabilities that are not traded in an active market are determined using valuation techniques that maximise the use of observable market data.

A range of valuation techniques are applied to determine the fair value for unlisted securities.

Transaction costs related to financial instruments are expensed in the Statement of Profit and Loss and Other Comprehensive Income when incurred.

The Company classifies its financial instruments into the following categories:

- Financial assets or liabilities through profit or loss
Financial assets or liabilities are classified at 'fair value through profit or loss' when they are held for trading. Realised and unrealised gains and losses arising from changes in fair value are included in the Statement of Profit and Loss in the period in which they arise.
- Financial assets or liabilities at amortised cost
Financial assets or liabilities at amortised cost are initially recognised at fair value. Financial assets are subsequently stated at amortised cost, less any provision for impairment.
Financial liabilities are subsequently measured applying effective interest rate.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expire, or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are discharged, cancelled, or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Impairment

The Company applies a simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for its trade receivables from initial recognition. All the trade receivables of the Company share the same credit risk characteristics. Indicators that there is no reasonable expectation of recovery include, amongst others, a failure to make contractual payments for a period of greater than 30 days past due date.

The Company recognises an allowance for expected credit losses for all other financial assets subject to impairment testing on the basis of:

- the lifetime expected credit losses of the financial assets, for those other receivables for which a significant increase in credit risk has been identified; and
- the 12 month expected credit losses of the financial assets, for those other receivables for which no significant increase in credit risk has been identified.

Sandon Capital Investments Limited
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Notes to the Financial Statements
For the year ended 30 June 2025

2. Material accounting policy information (continued)

Impairment (continued)

The Company considers a range of information when assessing whether the credit risk has increased significantly since initial recognition. These include factors such as adverse changes in financial performance or financial position of the counterparty and changes in external market indicators of credit risk.

Impairment losses on financial assets and trade receivable are presented as net impairment losses within the Statement of Profit and Loss and Other Comprehensive Income. As at 30 June 2025, there are no material expected credit losses recognised (2024: Nil).

(b) Goods and Services Tax ("GST") and other similar taxes

The Company claims reduced input tax credit (RITC) under the applicable GST regulations, which permits financial supply providers to claim a proportion (currently 75%) of input tax credits for specified GST acquisitions which relate to making financial supplies.

(c) New and amended accounting policies adopted

There are no new standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2024 that have a material impact on the Company.

(d) New accounting standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2025 and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Company.

(e) Rounding of amounts

In accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, the amounts in the Directors' Report and in the financial report have been rounded to the nearest dollar unless otherwise stated.

3. Total investment income

	June 2025 \$	June 2024 \$
(a) Net realised gains/(loss) on financial assets		
Net realised gains on other financial assets	2,907,367	6,621,820
Net realised loss on subsidiary (Corporate Simplification)	-	(26,257,406)
	<u>2,907,367</u>	<u>(19,635,586)</u>
(b) Net unrealised gains on financial assets		
Net unrealised gains on other financial assets	16,068,660	5,723,091
Net unrealised gains on subsidiaries	2,986,958	-
Net unrealised loss on subsidiaries (Corporate Simplification)	-	(3,748,049)
	<u>19,055,618</u>	<u>1,975,042</u>
(c) Other revenue from operating activities		
Dividend income	10,364,589	8,225,267
Dividend income from subsidiary	1,700,000	-
Dividend income from subsidiary (Corporate Simplification)	-	29,620,677
Trust distribution	2,603,651	-
Interest income	453,094	482,702
Other income	-	49,126
	<u>15,121,334</u>	<u>38,377,772</u>

Sandon Capital Investments Limited
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Notes to the Financial Statements
For the year ended 30 June 2025

4. Finance costs

Interest paid on Unsecured notes at 4.8%	1,394,774	1,398,596
Interest accrued on Unsecured notes at 4.8%	699,517	426,498
	2,094,291	1,825,094
Interest paid on Prime Broker facility	198,779	99,672
	2,293,070	1,924,766
Refer to Note 17 Unsecured notes for further information.		

5. Income tax

The income tax expense or benefit for the period represents the tax payable on the current period's taxable income based on the Australian corporate income tax rate (2025: 25%, 2024: 25%) adjusted for changes in deferred tax assets and liabilities attributable to the temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and unused tax losses.

Tax consolidation

Controlled entities within the relevant tax consolidated group continue to be responsible under the Company's tax funding agreement for funding their share of tax payments that are required to be made by the Company. These tax amounts are measured as if each entity within the tax consolidated group continues to be a stand-alone taxpayer in their own right.

Assets or liabilities arising under tax funding agreements are recognised as amounts receivable from or payable to other entities in the tax consolidated group. Any differences between the amounts assumed and amounts receivable or payable under the tax funding agreements are recognised as a contribution to (or distribution from) wholly-owned tax consolidated entities.

Tax expense composition

	June 2025	June 2024
	\$	\$
Tax expense comprises:		
(Decrease)/increase in deferred tax assets	(40,867)	172,872
Increase in deferred tax liabilities	(5,767,853)	(1,606,944)
Current tax movement	11,869,897	2,459,751
Under provision in prior year	(182,140)	(73,326)
	5,879,037	952,353

(a) Reconciliation of profit to income tax expense prima facie

	June 2025	June 2024
	\$	\$
Profit from continuing operations before income tax expense	30,530,583	15,311,120
Prima facie tax expense on profit from ordinary activities at 25% (2024: 25%)	7,632,646	3,827,780
Imputation credit gross up	612,239	776,409
Franking credit offset	(2,448,956)	(3,105,636)
Other deductible items	772,748	(472,874)
Other non-assessable income	(507,500)	-
Over provision in prior year	(182,140)	(73,326)
	5,879,037	952,353
Effective tax rate	19.26%	6.22%

Sandon Capital Investments Limited
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Notes to the Financial Statements
For the year ended 30 June 2025

5. Income tax (continued)

(b) Deferred tax

No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or settled. Deferred tax is credited in the Statement of Profit and Loss and Other Comprehensive Income except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Current tax assets and liabilities are offset when a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax asset and liabilities are only offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

	Opening balance July 2024	Under/(over) provision	Charged to profit or loss	Closing balance June 2025
	\$	\$	\$	\$
Deferred tax asset				
Accrued expense movements	70,501	(5,001)	321	65,821
Tax losses recognised	-	13,200	(13,200)	-
Capitalised costs	142,017	(81,481)	(27,988)	32,548
Unrealised forex loss	994	(994)	-	-
Balance	213,512	(74,276)	(40,867)	98,369

Deferred tax liability

Accrued income movements	82,466	(2,463)	(10,963)	69,040
Prepayments	20,656	2,463	(5,920)	17,199
Unrealised forex loss	-	-	481	481
Fair value adjustment	282,691	(237,845)	5,784,255	5,829,101
Balance	385,813	(237,845)	5,767,853	5,915,821

	Opening balance July 2023	Under/(over) Provision	Reclass- ification	Charged to profit or loss	Closing balance June 2024
	\$	\$	\$	\$	\$
Deferred tax asset					
Accrued expense movements	7,980	(5,000)	30,372	37,149	70,501
Tax losses recognised	-	5,757	-	(5,757)	-
Capitalised costs	2,961	(1,430)	-	140,486	142,017
Unrealised forex loss	1,938	(2,144)	206	994	994
Fair value adjustment	1,241,140	10,569	(1,251,709)	-	-
Balance	1,254,019	7,752	(1,221,131)	172,872	213,512

Sandon Capital Investments Limited
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Notes to the Financial Statements
For the year ended 30 June 2025

5. Income tax (continued)
(b) Deferred tax (continued)

Deferred tax liability	Opening balance July 2023 \$	Under/(over) Provision \$	Reclass- ification \$	Charged to profit or loss \$	Closing balance June 2024 \$
Accrued income movements	-	-	9,716	72,750	82,466
Prepayments	-	-	20,656	-	20,656
Unrealised forex loss	-	-	206	(206)	-
Fair value adjustment	-	-	(1,251,709)	1,534,400	282,691
Balance	-	-	(1,221,131)	1,606,944	385,813

The effective tax rate reflects the benefit to the Company of franking credits received on dividend income.

6. Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditor and its related practices:

	June 2025 \$	June 2024 \$
Audit and review of financial reports (Pitcher Partners Sydney)	104,086	128,704
Other assurances services (Grant Thornton)	-	21,930
	104,086	150,634

7. Dividend

(a) Dividends paid during the year

(b)

The following dividends were paid or provided for during the year:

	Amount per security (cents)	Franked amount per security (cents)
Final fully franked dividend for the year ended 30 June 2024 paid on 7 November 2024.	2.75	2.75
Quarter fully franked dividend for the period ended 31 December 2024 paid on 7 March 2025.	1.40	1.40
Quarter fully franked dividend for the period ended 31 March 2025 paid on 6 June 2025.	1.40	1.40
	June 2025 \$	June 2024 \$
Final fully franked dividend of 2.75 cents per share paid 7 November 2024 (2023: Final fully franked dividend of 2.75 cents per share paid on 8 November 2023).	3,922,143	3,826,199
Quarter fully franked dividend of 1.4 cents per share for the period ending 31 December 2024 paid 7 March 2025	2,018,656	-
Quarter fully franked dividend of 1.4 cents per share for the period ending 31 March 2025 paid on 6 June 2025	2,025,995	-
Interim fully franked dividend of 2.75 cents per share paid 3 June 2024.	-	3,876,595
	7,966,794	7,702,794

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7. Dividends (continued)

(c) Dividend franking account	June 2025 \$	June 2024 \$
Franking credits available for use in subsequent reporting periods	10,899,694	11,111,549
Franking credits (cents per share)*	7.50	7.79

**excludes any franking credits that will arise from tax payable for the current financial year which will be settled post year end.*

The above amounts are calculated from the balance of the franking account as at the end of the reporting period, adjusted for franking credits and debits that will arise from the settlement of liabilities or receivables for income tax and dividends after the end of the year.

The franking balance of 7.50 cents per share supports the payment of a fully franked dividends of 22.51 cents per share at the 25% corporate tax rate, should there be sufficient profit reserves available.

8. Earnings per share

	June 2025 \$	June 2024 \$
Profit (after income tax used in the calculation of basic and diluted earnings per share)	24,651,546	14,358,767
	No. shares	No. shares
Weighted average number of ordinary shares outstanding during the period used in calculating basic EPS	143,831,776	140,433,357
Basic and diluted earnings per share (cents per share)	17.14	10.22

There are no outstanding securities that are potentially dilutive in nature for the Company.

9. Cash and cash equivalents

Cash and cash equivalents include cash on hand, at call deposits with banks or financial institutions and term deposits maturing within three months or less. This is also inclusive of any cash or overdraft drawn with the Company's Prime Broker. Refer to Note 15(b) for further details.

	June 2025 \$	June 2024 \$
Cash at bank	641,110	8,106,628
	641,110	8,106,628
(a) Reconciliation to the statement of cash flows	June 2025 \$	June 2024 \$
Cash at bank	641,110	8,106,628
Overdraft drawn under Prime Broker facility	(7,790,068)	(1,868,862)
	(7,148,958)	6,237,766

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10. Trade and other receivables

Dividend income is recognised on the ex-dividend date with any related foreign withholding tax recorded as an expense.

Outstanding settlements are on the terms operating in the securities industry. These do not incur interest and require settlement within two days from the date of transaction. All other receivables are due within 12 months after reporting period.

Management have considered the recoverability of trade and other receivables under the provisioning methodology of expected credit losses (ECL). Given the nature of trade and other receivables management have determined the ECL should be nil (2024: Nil).

	June 2025 \$	June 2024 \$
GST receivable	91,929	34,589
Interest receivable	276,161	296,074
Dividend and withholding tax receivable	91,729	128,447
Intercompany tax receivable under tax funding agreement	103,214	54,483
Other receivable	-	30,367
	563,033	543,960

11. Funding to subsidiary

During the period, the Company provided a further \$590,000 loan to ASK for working capital purposes bringing the total loan to \$790,000. The loan is non-interest-bearing and the loan must be repaid in cash unless otherwise agreed by both parties. The loan is expected to be repaid within the next 12 months.

Management has considered the recoverability of this loan under the methodology of the ECL by assessing any adverse changes in financial performance or financial position of the subsidiary and changes in external market indicators of credit risk. The Company has determined the ECL should be nil (2024: Nil).

	June 2025 \$	June 2024 \$
Funding to subsidiary	790,000	200,000
	790,000	200,000

12. Contributed equity and movements in total equity

Capital management

The Company's objectives with respect to managing its capital are to provide shareholders with capital growth over the medium term, balanced with the payment of a growing stream of fully franked dividends.

There have been no changes in the strategy adopted by the Board in managing the capital of the Company since the prior year. The Company is not subject to any externally imposed capital requirements.

	June 2025		June 2024	
Share Capital	\$	No.	\$	No.
Fully paid ordinary shares	136,756,233	145,242,704	134,645,945	142,623,399
Movements in shares on issue:				
Opening balance	134,645,945	142,623,399	132,253,531	139,134,520
Shares issued – dividend reinvested	2,110,288	2,619,305	2,392,414	3,488,879
Closing balance	136,756,233	145,242,704	134,645,945	142,623,399

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**Notes to the Financial Statements
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12. Contributed equity and movements in total equity (continued)

Terms and conditions of contributed equity:

Ordinary shares have the right to receive dividends as declared. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

13. Trade and other payables

Trade and other payables are non-derivative financial liabilities and are stated at amortised cost. Outstanding settlements are on the terms operating in the securities industry. These do not incur interest and require settlement within two days from the date of transaction. Trade and payables are due within 12 months of reporting date.

	June 2025 \$	June 2024 \$
Management fee payable	195,366	165,586
Performance fee payable	691,083	-
Outstanding settlements payable	527,960	711,481
Other payables	342,325	305,103
Total trade and other payables	1,756,734	1,182,170

14. Financial assets at fair value through profit or loss

The fair value of individual investment held at the end of the reporting period are disclosed on page 2 of this annual report.

	June 2025 \$	June 2024 \$
Financial assets at fair value through profit or loss comprise of:		
Listed investments	140,468,585	115,671,431
Unlisted investments	37,567,489	21,519,416
	178,036,074	137,190,847

15. Financial liabilities at amortised cost

During the year, the Company used the services of a Prime Broker to facilitate the lending to buy and sell securities. The balance of the facility is initially recognised at fair value, net of any transaction costs incurred. The balance is subsequently measured at amortised cost.

	June 2025 \$	June 2024 \$
Funding from subsidiary	-	13,116
Overdraft drawn under Prime Broker facility	7,790,068	1,868,862
	7,790,068	1,881,978

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15. Financial liabilities at amortised cost (continued)

(a) Funding from subsidiary

The following table summarises the movement in the wholly owned subsidiary loan for the period.

	June 2025	June 2024
	\$	\$
Opening balance	13,116	34,815,147
Repayment of loan to subsidiary	-	(207,372)
Non-cash return of capital from subsidiary	-	(28,834,389)
Non-cash off-market transfer of shares from MVT to SNC at market value	-	49,891,120
Non-cash dividend from subsidiary	-	(29,620,677)
Non-cash MVT novated notes transfer at fair value	-	(27,180,427)
Other intercompany transfer	(13,116)	(82,034)
Intercompany tax movement	-	1,231,748
	<u>-</u>	<u>13,116</u>

(b) Prime Broker facility

The Company can employ leverage, either by borrowing cash or shares, which can then be sold short. The Board has imposed a limit to such leverage of not more than 50% of total assets (that is 150% gross exposure). Leverage can not only magnify gains but also losses.

During the period, the Company used the services of a prime broker, a service through which the Company can borrow cash or shares, which are then secured against assets held in the prime broker's custody. The Company maintains a prime brokerage facility with Barrenjoey Markets Pty Ltd ("**Barrenjoey**", "**the Prime Broker**", "**the PB**", "**PB Custody**" and together "**the PB Facility**").

The PB Facility is secured by a first charge over the financial assets that the Company transfers, from time to time, to the PB Facility. This charge covers all of the Company's right, title and interest in the assets transferred to the PB Facility. This includes those that may be transferred to custodians and sub-custodians (by the Prime Broker) in accordance with the Prime Brokerage Agreement, and any right which arises after the date of the charges to receive cash or return of property from the parties under the Prime Brokerage Agreement, as security for payments and performance by the Company of all of its obligations to the Prime Broker under the Prime Brokerage Agreement.

Any amount drawn from the PB Facility counts, along with the Unsecured Notes, as leverage. The PB Facility interest rate is determined daily using the Bank Bill Swap Rate plus a spread. Refer to Note 16 for further details for the Unsecured Notes.

The Company paid net interest of \$198,779 (2024: \$98,264) and other fees of \$42,752 (2024: \$58,561) to the Prime Broker during the reporting period.

16. Financial liabilities at fair value through profit or loss

The fair value of individual investment held at the end of the reporting period are disclosed on page 2 of this annual report.

	June 2025	June 2024
	\$	\$
Financial liabilities at fair value through profit or loss comprise of:		
Listed investments	2,181,435	-
	<u>2,181,435</u>	<u>-</u>

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17. Unsecured Notes

The Unsecured Notes ("the Notes") carry an interest entitlement of 4.8% per annum, payable at the end of December and June each year and mature on 10 July 2026. The Notes form part of the leverage employed by the Company.

SNC recorded the Notes at fair value on recognition and subsequently accounted for the Notes at amortised cost. The Notes are included when calculating leverage. Refer to Note 15(b) for more details on leverage.

	June 2025	June 2024
	\$	\$
Unsecured Notes at amortised cost	27,023,754	27,023,754
Interest on Unsecured Notes at effective interest rate	1,282,688	583,172
Unsecured Notes at amortised cost	<u>28,306,442</u>	<u>27,606,926</u>

18. Financial risk management

The Company's financial instruments consist of cash and cash equivalents, listed and unlisted investments, trade receivables, unsecured notes, funding to a subsidiary, financial liabilities and trade payables. The risks to which the Company is exposed through these financial instruments are discussed below and include liquidity risk, counterparty risk and market risk consisting of other price risk, foreign exchange risk, and interest rate risk.

Under delegation from the Board, the Manager has the responsibility for assessing and monitoring the financial market risk of the Company. The Manager monitors these risks on a regular basis.

	June 2025	June 2024
	\$	\$
Financial Assets		
Cash and cash equivalents	641,110	8,106,628
Trade and other receivables	563,033	543,960
Funding to a subsidiary	790,000	200,000
	<u>1,994,143</u>	<u>8,850,588</u>
<i>Financial assets at fair value through profit or loss:</i>		
Listed investments	140,486,585	115,671,431
Unlisted investments	37,567,489	21,519,416
	<u>178,054,074</u>	<u>137,190,847</u>
Total Financial Assets	<u>180,048,217</u>	<u>146,041,435</u>
Financial liabilities		
Trade and other payables	1,756,734	1,182,170
Unsecured notes	28,306,442	27,606,926
Financial liabilities at amortised costs	7,790,068	1,881,978
	<u>37,853,244</u>	<u>30,671,074</u>
<i>Financial liabilities at fair value through profit or loss:</i>		
Listed investments	2,181,435	-
Total Financial Liabilities	<u>40,034,679</u>	<u>30,671,074</u>

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Notes to the Financial Statements
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18. Financial risk management (continued)

(a) Fair value hierarchy

AASB 13 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy (consistent with the hierarchy applied to financial assets and financial liabilities):

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices)

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

Included in Level 1 of the hierarchy are listed investments. The fair value of these financial assets is the last traded price. Where the last traded price is higher than the bid and offer spread, the offer price is used at the end of the reporting period. Where the last traded price is lower than the bid and offer spread, the bid price is used at the end of reporting period. Both last traded and offer prices exclude transactions costs.

Included in Level 2 of the hierarchy are unlisted investment companies. The fair value of an investment has been based on its net asset backing, being the underlying value of its cash, cash equivalents and investment portfolio values at the end of the reporting period.

The Company has a policy to review transfers between levels at the end of each reporting period, unless there is a specific event or circumstance that warrants a transfer being undertaken prior to the end of the reporting period. During the year, there were no transfer of assets from Level 1 to Level 2 (June 2024: 2 investments with a market value of \$2,828,133).

The Company will transfer the financial assets from level 1 to level 2 if the stock is thinly traded and there is a lack of liquidity.

The Company will transfer financial assets from level 1 or 2 to level 3 in the fair value hierarchy should those assets be privatised. The valuation techniques that might be used include comparisons to similar investments for which market observable inputs are available, latest available net tangible assets per share, the adjusted last sale price or the fair value of the expected redemption value in the notes have been adopted.

As at 30 June 2025, the Company has four investments classified as Level 2. Two of the investments are AKF and RIL which are unlisted wholly owned subsidiaries. ASK and RIL have been valued at their underlying post-tax net asset backing at the end of the reporting period.

The other two investments are Dawney & Co Ltd and Sietel Limited are thinly traded securities, therefore they are classified as Level 2.

Included in Level 3 of the hierarchy are unlisted securities such as shares in private companies, trusts and unlisted foreign notes. To determine the fair value of these investments, valuation techniques such as comparisons to similar investments for which market observable inputs are available, latest available net tangible assets per share, the adjusted last sale price or the fair value of the expected redemption value in the notes have been adopted.

The Company had nine unlisted investments classified as Level 3, representing a total of \$30,741,569 as at the end of this reporting period.

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Notes to the Financial Statements
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18. Financial risk management (continued)

(a) Fair value hierarchy (continued)

The table below details the valuation method used for the level 3 investments for the period ending 30 June 2025:

Company Name	Market Value (\$)		Valuation method
	2025	2024	
Carbon Conscious Ltd ("CCIL")	15,305,906	1,434,429	Independent 3 rd party valuation report
Yellow Brick Road Holdings Ltd ("YBR")	7,070,352	6,691,583	Utilising valuation in the form of financial statement or from 3 rd party fund manager
Foundation Life Notes ("FL")	5,504,959	6,767,155	
Alterra Limited ("1AG")	1,211,133	963,553	
Pacific Equity Partners Fund IV Core and Supplementary ("PEP")	610,364	660,042	
Global Data Centre ("GDC")	411,103	7,353,386	
DMX Corporation Limited ("DMX")	4,800	4,800	ASX quoted price but thinly traded
Scantech Limited ("SCD")	95,753	87,374	
Alterra Limited Convertible Notes	527,200	-	
Total	30,741,569	23,962,322	Issue price at \$100 per note

The following table presents the Company's assets and liabilities measured and recognised at fair value at 30 June 2025.

Financial assets and liabilities at fair value through profit or loss:

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
June 2025				
Listed investments	140,468,585	-	-	140,468,585
Unlisted investments	-	6,825,920	30,741,569	37,567,489
Financial liabilities	(2,181,435)	-	-	(2,181,435)
	138,305,150	6,825,920	30,741,569	175,872,639

Financial assets and liabilities at fair value through profit or loss:

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
June 2024				
Listed investments	112,608,317	-	-	112,608,317
Unlisted investments	-	8,997,147	15,585,383	24,582,530
	112,608,317	8,997,147	15,585,383	137,190,847

The following table presents the movement in level 3 instruments for the period ended 30 June 2024:

Unlisted Investments	June 2025 \$	June 2024 \$
Opening Balance	15,585,382	675,124
Transferred into level 3	5,913,425	-
Purchases	13,404,299	11,430,498
Sales	(5,545,706)	(568,725)
Unrealised gain	1,270,278	4,191,057
Foreign exchange gain/(loss)	113,891	(142,572)
Closing Balance	30,741,569	15,585,382

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18. Financial risk management (continued)

(b) Objectives, strategies, policies and processes

This note presents information about the Company's exposure to each of the risks identified below and the Company's policies and processes for measuring and managing risks.

The Manager invests the Company's capital in accordance with the Company's investment objectives and terms and conditions as set out in the Investment Management Agreement.

(c) Market risk

Market risk is the risk of changes in market environment, such as changes in inflation expectations (drives a change in interest rates) or the return of an asset class (Australian/International equities measured by an appropriate index).

By its nature, as a listed investment company that invests in Australian and International securities, the Company will always be subject to market risk. The market risk is inherent and can be partially managed by the skill of the manager. Further, the Manager tends to invest in a concentrated portfolio of securities, this offers some diversification benefits but may not be as diverse as a broad market exposure.

The Company monitors its gross and net exposures to the market on a daily basis.

(d) Other price risk

The Company is exposed to share price risk through its investments in securities on both domestic and international securities exchanges.

Price risk is the risk that the fair value of equities will fluctuate because of changes in market prices, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

As the Company's investments are recorded at fair value, any fair value changes are recognised in the Statement of Profit and Loss and Other Comprehensive Income, any change in market conditions will likely directly affect net investment income.

The Manager mitigates this price risk through its disciplined stock selection and portfolio construction process and adherence to the Company's investment guidelines. The Company's investments are monitored on a regular basis by the Manager.

The Company's exposure to price risk on classes of financial assets and liabilities is as follows:

	June 2025 \$	June 2024 \$
Financial assets and liabilities – at fair value through profit or loss		
Listed investments	140,468,585	115,671,431
Unlisted investments	37,567,489	21,519,416
Financial liabilities	(2,181,435)	-
	175,872,639	137,190,847
Price risk sensitivity analysis		
Change in Profit before tax		
– Increase in portfolio prices by 5%	8,793,632	6,859,542
– Decrease in portfolio prices by 5%	(8,793,632)	(6,859,542)

Financial assets and liabilities at fair value through profit or loss are actively managed on a short-term basis and are fair valued through the Statement of Profit and Loss and Other Comprehensive Income. Any movement in the portfolio price will be recorded in the Statement of Profit and Loss and Other Comprehensive Income.

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Notes to the Financial Statements
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18. Financial risk management (continued)

(d) Other price risk (continued)

• **Foreign exchange risk**

The majority of the Company's investments are listed on the Australian Securities Exchange and are quoted in Australian dollars.

The Company has one unlisted investment in New Zealand valued at \$5,504,959 and three investments on the London Stock Exchange valued at \$21,692,681 with a total direct translation exposure at 30 June 2025 of \$27,197,641.

The Company has the ability to hedge foreign exchange exposure. During the financial year the foreign exchange exposure was not hedged.

The following table summarises the financial impact of a hypothetical 5% increase and decrease in foreign exchange.

Foreign exchange sensitivity analysis	June 2025	June 2024
	\$	\$
Changes in Profit before tax		
Increase in foreign exchange rates by 5%	1,849,929	1,321,122
Decrease in foreign exchange rates by 5%	(1,849,929)	(1,321,122)

• **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's interest-bearing financial assets expose it to risks associated with the effects of fluctuations in the prevailing level of market interest rates on its financial position and cash flows. The Company, however, is not materially exposed to interest rate risk as the majority of its cash and term deposits mature within three months. The following sensitivity analysis only comprises the Company's direct exposure to changes in interest rate risk.

Interest rate sensitivity analysis	June 2025	June 2024
	\$	\$
Changes in Profit before tax		
Increase in interest rates by 1.5%	9,617	121,599
Decrease in interest rates by 1.5%	(9,617)	(121,599)

The Company's direct exposure to interest rate risk and the effective weighted interest rates on classes of financial assets and liabilities are as follows:

	Weighted average effective interest	Floating interest rate	Fixed rate interest	Non- interest bearing	Total
2025		\$	\$	\$	\$
Financial assets	0.94%	641,110	-	-	641,110
Cash and cash equivalents	-	-	-	-	-
Trade and other receivables	-	-	-	563,033	563,033
Funding to subsidiary	-	-	-	790,000	790,000
Convertible note	12%	-	527,200	-	527,200
Total financial asset exposure		641,110	527,200	1,353,033	2,521,343
Financial liability					
Trade and other payables	-	-	-	1,756,734	1,756,734
Financial liabilities at amortised costs	3.12%	7,790,068	-	-	7,790,068
Unsecured notes	4.8%	-	28,306,442	-	28,306,442
Total financial liability exposure		7,790,068	28,306,442	1,756,734	37,853,244

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18. Financial risk management (continued)

(d) Other price risk (continued)

• **Interest rate risk (continued)**

	Weighted average effective interest	Floating interest rate \$	Fixed rate interest \$	Non- interest bearing \$	Total \$
2024					
Financial assets					
Cash and cash equivalents	0.02%	8,106,628	-	-	8,106,628
Trade and other receivables	-	-	-	543,960	543,960
Funding to subsidiary	-	-	-	200,000	200,000
		8,106,628	-	743,960	8,850,588
Financial liability					
Trade and other payables	-	-	-	1,182,171	1,182,171
Unsecured notes	4.8%	-	27,606,926	-	27,606,926
Total financial liability exposure		-	27,606,926	1,182,171	28,789,097

(e) Counter party risk

Counter party risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Company takes on exposure to credit risk, which is the risk that a counterparty (Prime Broker, custodian, sub-custodian, and broker) will be unable to pay amounts in full when due. The maximum exposure to counterparty risk on financial assets is the carrying amount net of any expected credit loss of those assets as presented in the statement of financial position.

There are risks involved in dealing with custodians or Prime Brokers who settle trades. Under certain circumstances, including certain transactions where the Company's assets are held at a Prime Broker, custodian, or sub-custodian, the securities and assets deposited with the Prime Broker/custodian may be exposed to credit risk with regards to such parties. In addition, there may be practical, or timing problems associated with enforcing the Company's rights to its assets in the case of insolvency of any such party.

The Company maintains a PB Facility, including cash and securities lending, and custody facilities with its Prime Broker and custody facilities with One Investment Group. There is no guarantee that these or any sub-custodian that Barrenjoey or One Investment Group may use or any other Prime Broker or custodian that the Company may use from time to time will not become insolvent. In the event of an insolvency or liquidation of a Prime Broker or custodian that is being used by the Company, there is no certainty that the Company would not incur losses due to its assets being unavailable for a period or ultimately less than full recovery of its assets, or both. As substantially all the Company's assets may be held by a Prime Broker, custodian or sub-custodian and in some cases a major Australian bank, such losses could be significant and materially impair the ability of the Company to achieve its investment objective.

The Manager is responsible for ensuring there is appropriate diversification across counterparties and that counterparties are of a sufficient quality rating. The costs of establishing and maintaining Prime Broking and custody arrangements are not insignificant. It is not feasible nor economic for the Company to maintain more than two such arrangements. Indeed, most listed investment companies would only have one such arrangement. The Manager is satisfied that the counterparties are sufficiently diverse to mitigate the general counterparty risk.

All transactions in listed securities are settled / paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on purchase once the securities have been received by the broker. The trade will fail if either party fails to meet their obligation. The majority of cash and term deposits held by the Company are invested with major Australian financial institutions.

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18. Financial risk management (continued)

(e) Counter party risk (continued)

Any cash held by Barrenjoey is not treated as client money. Barrenjoey is exempt from requirements under *Subdivision A (Money to which Subdivision applies) of Division 2 (Dealing with clients' money) of Part 7.8 of the Corporations Act 2001*. Cash credited to and held in, the Account will be subject to security interests and, any cash received or held in the Account, will constitute a debt due from the Prime Broker to the Client. The Prime Broker will not be required to place the Fund's money in a segregated client account, hold any cash on trust or in custody and the Company will therefore rank equally with Barrenjoey's other account holders in relation thereto.

None of the assets exposed to counterparty risk are overdue or considered to be impaired.

(f) Concentrations of risk

Concentrations of risk arise when a number of financial instruments are entered into with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic conditions. These similarities would cause the counterparties' liabilities to meet the contractual obligations to be similarly affected by certain changes in the risk variables.

As the Manager tends to invest in a concentrated portfolio of securities, this offers some diversification benefits but may not be as diverse as a broad market exposure.

The concentrations of risk are monitored by the Manager to ensure they are within acceptable limits by reducing the exposures to ensure appropriate diversification or by other means as deemed appropriate.

The Company's industry sector weighting of financial assets as at 30 June 2025 is as below:

Industry sector	June 2025 %	June 2024 %
Industrials	26.3	22.6
Financials	25.4	27.8
Information Technology	12.8	22.8
Materials	8.9	10.0
Energy	8.5	6.7
Consumer Discretionary	5.3	4.4
Consumer Staples	5.2	1.2
Communication Services	4.3	-
Health Care	2.4	3.5
Real Estate	0.9	1.0
Total	100	100

(g) Liquidity risk

The Company monitors its cashflow requirements daily by reference to known transactions to be paid or received. The Company may hold a portion of its portfolio in cash and short-term fixed interest securities sufficient to ensure that it has cash available to meet all payments.

Liquidity risk represents the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

In normal market conditions, the Company has a high level of liquidity. The high liquidity is a function of the level of cash or cash equivalents held and that its other financial assets are listed on recognised security exchange and there is a quoted market for those assets.

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18. Financial risk management (continued)

(g) Concentrations of risk (continued)

The liquidity of the investment portfolio is monitored and managed by the investment manager. The manager takes into account the size of the investment position and the average daily turnover of the investee company on the exchange.

The Manager monitors the Company's cash-flow requirements regularly by reference to known sales and purchases of securities, dividends and interest to be paid or received and other expenses and liabilities. The Company typically holds a portion of its portfolio in cash sufficient to ensure that it has cash readily available to meet all payments and to take advantage of the price of investment opportunities. The Company can increase its level of sales of the readily tradeable securities it holds to increase cash, or it can use its lending facility with its Prime Broker.

(h) Maturity of financial liabilities

The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. All the trade payables and financial liabilities at amortised cost are deemed current.

	Less than 12 months	Greater than 12 months	Total
	\$	\$	\$
2025			
Trade and other payable	1,756,734	-	1,756,734
Financial liability at amortised cost	7,790,068	-	7,790,068
Financial liabilities at fair value through profit or loss	2,181,435	-	2,181,435
Current tax liability	301,187	-	301,187
Unsecured notes	-	28,306,442	28,306,442
Total	12,029,424	28,306,442	40,335,866
	\$	\$	\$
2024			
Trade and other payables	1,182,170	-	1,182,170
Financial liability at amortised cost	1,881,978	-	1,881,978
Current tax liability	121,882	-	121,882
Unsecured notes	-	27,606,926	27,606,926
Total	3,186,030	27,606,926	30,792,956

19. Directors' remuneration and holdings

(a) Names and positions held of key management personnel in office as at the end of the financial year are:

Key Management Person

Gabriel Radzynski
Peter Velez
Jacqueline Sullivan

Non-Executive Chairman
Independent Non-Executive Director
Independent Non-Executive Director

	Short term benefits	Post- employment benefit superannuation	Total
	\$	\$	\$
Year Ended 30 June 2025	63,186	7,266	70,452
Year Ended 30 June 2024	55,742	6,131	61,873

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Notes to the Financial Statements
For the year ended 30 June 2025

19. Directors' remuneration and holdings (continued)

(b) Aggregate compensation made to Key Management Personnel

The remuneration of the Directors is not linked to the performance of the Company. The Manager is a director-related entity which received a management fee of \$2,249,119 GST inclusive (2024: \$2,030,272) and accounting and administration fees totalling \$245,353 (2024: \$183,366). During the period, the Manager received a performance fee of \$691,083 GST inclusive (2024: \$nil).

(c) Other transactions with key management personnel or entities related to them

No Director has entered into a material contract with the Company since the last reporting date and there were no material contracts involving Directors' interests subsisting at the reporting date other than as disclosed in this section.

(d) Director shareholders

	Balance 1 July 2024	Net acquisition	Balance 30 June 2025
	No.	No.	No.
2025 Shares			
Gabriel Radzyninski	2,204,032	107,221	2,311,253 [^]
Peter Velez	133,445	4,635	138,080
Jacqueline Sullivan	-	-	-
	2,337,477	111,856	2,449,333

[^]includes indirect holdings

	Balance 1 July 2023	Net acquisition	Balance 30 June 2024
	No.	No.	No.
2024 Shares			
Gabriel Radzyninski	2,061,115	142,917	2,204,032 [^]
Peter Velez	123,352	10,093	133,445
Jacqueline Sullivan	-	-	-
	2,184,467	153,010	2,337,477

[^]includes indirect holdings

20. Related Party Transactions

(a) Investment management agreement

The Company and the Manager entered into a management agreement dated 13 December 2013. A Director of the Company, Gabriel Radzyninski, is also a Director of the Manager. The Manager is permitted to undertake investments that fall within the Company's investment strategy on behalf of the Company and without the approval of the Company's Directors. Investments that are outside the Company's investment strategy will require Board approval. In circumstances where Board approval is required, the Manager will provide the Board with details of the relevant investment opportunity. The Board will review the information and will either give or withhold the approval required for the Company to make that investment. Assuming that the Board approves the investment, the Manager will then execute the investment on behalf of the Company.

The initial term of the management agreement is 10 years and at the expiration of the initial term, the agreement was automatically extended for a further 5 years. Neither the Company, nor the Manager, may terminate the Management Agreement upon the occurrence of a change of control event in respect of either party.

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Notes to the Financial Statements
For the year ended 30 June 2025

20. Related Party Transactions (continued)

(b) Management and performance fees

The Manager is entitled to be paid a monthly management fee equal to 0.1042% plus GST of the gross value of the portfolio calculated on the last business day of each month. The Management fee is 1.25% per annum plus GST.

The Manager is also entitled to receive a performance fee calculated as a percentage of the increase in the value of the portfolio for each performance period. The performance fee is equal to 20% plus GST of the amount (if any) of portfolio over-performance (amount by which the increase in the value of the portfolio exceeds the benchmark performance) during the performance calculation period, subject to a high-water mark adjusted for dividends.

	June 2025 \$	June 2024 \$
Management fees (GST inclusive) *	2,249,119	2,030,272
Performance fees (GST inclusive) *	691,083	-
	<u>2,940,202</u>	<u>2,030,272</u>

** The differences between the amount disclosed above and the Statement of Profit and Loss and Other Comprehensive Income are the reduced input tax credits claimable.*

At 30 June 2025, \$886,449 inclusive of GST remains payable by the Company to the Manager (2024: \$165,586 inclusive of GST).

(c) Accounting fee

The Manager also receives a monthly fee in return for providing accounting and administration services to the Company.

	June 2025 \$	June 2024 \$
Accounting fees to the Manager (GST inclusive) *	245,353	183,366
	<u>245,353</u>	<u>183,366</u>

** The differences between the amount disclosed above and the Statement of Profit and Loss and Other Comprehensive Income are the reduced input tax credits claimable.*

(d) Receivables/payables to subsidiaries and other related parties.

Refer to Notes 11 and 15 for balance as well as transactions during the period and the associated terms and conditions.

21. Cash flow information

Reconciliation of Cash Flow from operating activities with profit after income tax

	30 June 2025 \$	30 June 2024 \$
Profit from operations after income tax	24,651,548	14,358,771
Net movement in financial assets held for trading	(38,681,792)	6,748,745
Changes in assets and liabilities:		
Decrease/ (increase) in receivables	29,665	(280,916)
Decrease/ (increase) in prepayments	23,681	(9,855)
Decrease in deferred tax assets	115,143	1,040,507
Increase/ (decrease) in payables	2,786,309	(6,488,773)
Increase in deferred tax liabilities	5,530,008	385,813
Net cash used in operating activities	<u>(5,545,438)</u>	<u>15,754,292</u>

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Notes to the Financial Statements
For the year ended 30 June 2025

22. Investment transactions

The total number of contract notes that were issued for transactions in securities during the financial year was 292 (2024:155). Each contract note could involve multiple transactions. The total brokerage paid on these contract notes was \$105,163 (2024: \$95,626).

23. Events occurring after the reporting period

On 27 July 2025, the Directors announced their intention to pay a final fully franked dividend of 1.4 cents per share payable on 5 September 2025. The DRP will apply to this dividend with no discounts.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

24. Contingencies and commitments

There are no contingent assets or liabilities as at 30 June 2025 (2024: Nil). As at 30 June 2025, the Company had Nil commitments (2024: Nil).

25. Segment information

The Company currently engages in investing activities, including cash, term deposits, unlisted and listed securities, and debt instruments. It has one segment being investing activities and one geographic location in which the Company operates in Australia.

26. Major customers

The Company has no reliance on any major investment for its dividend.

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Consolidated Entity Disclosure Statement
As at 30 June 2025

Sandon Capital Investments Limited is not required to prepare consolidated financial statements by Australian Accounting Standards. Accordingly, in accordance with subsection 295(3A) of *Corporations Act 2001*, no further information is required to be disclosed in this consolidated entity disclosure statement.

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Directors' Declaration
For the year ended 30 June 2025

In accordance with a resolution of the Directors of Sandon Capital Investments Limited, the Directors of the Company declare that:

- a) the financial statements and notes comply with the *Corporations Act 2001*, including:
 - (i) complying with Australian Accounting Standards which is stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards (IFRS); and
 - (ii) giving a true and fair view of the Company's financial position as at 30 June 2025 and of its performance for the year ended on that date; and
- b) in the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- c) The Directors have been given the declarations from the Chief Executive Officer and the Chief Financial Officer of the Manager, Sandon Capital Pty Ltd, required by section 295A of the *Corporations Act 2001*
- d) the information disclosed in the attached consolidated entity disclosure statement required by subsection 295(3A) of the *Corporations Act 2001* is true and correct.

This declaration is made in accordance with a resolution of the Board of Directors.

On behalf of the Directors,



Gabriel Radzynski
Chairman

Sydney
19 August 2025

**Independent Auditor's Report
To the Members of Sandon Capital Investments Limited
ABN 31 107 772 467**

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Sandon Capital Investments Limited ("the Company"), which comprises the statement of financial position as at 30 June 2025, the statement of profit and loss and other comprehensive income, the statement of financial position, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the Directors' declaration.

In our opinion, the accompanying financial report of Sandon Capital Investments Limited is in accordance with the *Corporations Act 2001*, including:

- i. giving a true and fair view of the Company's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- ii. 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 on 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 of the current period. 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.

Key audit matter	How our audit addressed the matter
Existence and Valuation of Financial Assets	
Refer to Note 14: Financial Assets at Fair Value Through Profit Loss	
We focused our audit effort on the existence and valuation of the Company's financial assets as they represent the most significant driver of the Company's Net Tangible Assets and Profit. Investments consists of both listed and unlisted Australian and international securities. Investments are valued by multiplying the quantity held by the respective quoted market price, cost or estimated fair value per security for unlisted investments. Consequently, these investments are disclosed as either "Level 1" (i.e. where the valuation is based on quoted prices in active markets) or "Level 2" (i.e. where key inputs to valuation are based on other observable inputs) or "Level 3" (i.e. where key inputs to valuations are based on unobservable inputs) under Australian Accounting Standards.	Our procedures included, amongst others: ▪ Obtaining an understanding of and evaluating the design and implementation of the investment management processes and controls; ▪ Reviewing and evaluating the independent auditors' reports on the design and operating effectiveness of internal controls (ASAE 3402 Assurance Reports on Controls at a Service Organisation) for the Custodians; ▪ Making enquiries as to whether there have been any changes to these controls or their effectiveness from the periods to which the auditors' reports relate to and obtaining bridging letters; ▪ Obtaining confirmation of the investment holdings directly from the Custodians or alternatively directly with the investee; ▪ Assessing and recalculating the Company's valuation of individual Level 1 and Level 2 investment holdings using independent observable pricing sources and inputs where available; ▪ For material Level 3 investment holdings where there were limited or no observable inputs: ○ Obtaining management's assessment over the valuation process and other relevant information supporting the carrying value; ○ Where the Company engaged a valuation expert, assessed the scope, competence and objectivity of the valuation expert; and ○ Where the Company engaged a valuation expert, engaging our own internal valuation expert to assist us in assessing and reviewing the significant assumptions and judgements adopted. ▪ Assessing the adequacy of disclosures in the financial statements.

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Key Audit Matters (Continued)

Key audit matter	How our audit addressed the matter
Accuracy of Management and Performance Fees Refer to Note 13: Trade and other payables and Note 20: Related party transactions	
We focused our audit effort on the accuracy of management and performance fees as they are significant expenses of the Company and their calculation requires adjustments and key inputs. Adjustments include company dividends, tax payments, capital raisings, capital reductions and other relevant expenses. Key inputs include the value of the portfolio, the performance of the relevant comparable benchmark and application of the correct fee percentage in accordance with the Investment Management Agreement between the Company and the Investment Manager. In addition, to their quantum, as these transactions are made with related parties, there are additional inherent risks associated with these transactions, including the potential for these transactions to be made on terms and conditions more favourable than if they had been with an independent third-party.	Our procedures included, amongst others: ▪ Obtaining an understanding of and evaluating the design and implementation of the processes and controls for calculating the management and performance fees; ▪ Making enquiries with the Investment Manager and those charged with governance with respect to any significant events during the period and associated adjustments made as a result, in addition to reviewing ASX announcements and Board meeting minutes; ▪ Testing of adjustments such as company dividends, tax payments, capital raisings, capital reductions as well as any other relevant expenses used in the calculation of management and performance fees; ▪ Testing of key inputs including the value of the portfolio, the performance of the relevant comparable benchmark and application of the correct fee percentage in accordance with our understanding of the Investment Management Agreement; and ▪ Assessing the adequacy of disclosures made in the financial statements.

Other Information

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 2025, 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.

Responsibilities 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 *Corporations Act 2001*; and

for such internal controls as the Directors determine is necessary to enable the preparation of:

- (i) 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
- (ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing 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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of 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 than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, 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 the Directors.
- Conclude on the appropriateness of the Directors' 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 disclosures 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.

Auditor's Responsibilities for the Audit of the Financial Report (Continued)

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions 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 also 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 with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our 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 included in pages 11 to 14 of the Directors' Report for the year ended 30 June 2025. In our opinion, the Remuneration Report of Sandon Capital Investments Limited, for the year ended 30 June 2025, complies with section 300A 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 section 300A 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.



Richard King
Partner

19 August 2025



Pitcher Partners
Sydney

Sandon Capital Investments Limited
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Tax Governance
For the year ended 30 June 2025

The Company considers that tax risk management is a fundamental part of its tax governance in order to maintain its efficient and effective operations and to ensure that the Company complies with all relevant tax obligations and pays the correct amount of tax.

Specifically, the Company:

- Seeks to maintain the highest reputation and, therefore, obtain the highest level of trust with tax and revenue authorities, regulators, customers, suppliers, members and employees.
 - Is committed to complying with all tax laws, rules and regulations.
 - Is committed to maintaining strong compliance procedures so as to ensure that all tax returns are made accurately and that all payments are made in a timely manner.
 - Will endeavour to ensure that the tax laws, rules and regulations are applied appropriately.
 - Will endeavour to ensure that all transactions have a commercial rationale in line with the Company's overall business strategy.
 - Will not enter into artificial arrangements to evade or avoid tax.
 - Will not enter into a transaction which is likely to fall foul of the general and specific anti-avoidance rules.
 - Will not engage in aggressive tax planning.
 - Will take a principled and responsible approach to managing its tax affairs in line with its business and commercial objectives.
 - Will ensure that the law and administrative practice is applied correctly and consistently and that all of its positions are, at least, reasonably arguable and more likely than not to be settled in the Company's favour and to thereby prevent unnecessary disputes with tax authorities.
 - Will deal with all tax and revenue authorities on a transparent and proactive basis, with a view to maintaining constructive, collaborative and professional relationships.

In order to ensure that the above intentions manifest in practice, the Company:

- Has a documented Tax Governance Framework which is designed to comply with Australian Tax Office ("ATO") best practice recommendations.
- Allocates tax risk management roles and responsibilities to the board, each relevant employee (and employee groups) and service providers and specifies the method for identifying and managing tax risk and the escalation process.
- Defines authority levels which are required to be adhered to by the Company based on the amount of tax at risk.
- Employs diligent professional care and judgement in assessing tax risk and takes advice from its external tax specialists where appropriate.
- Escalates tax risks to the appropriate members of senior management and/or the board of directors for consideration, review and management.

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ASX Additional Information
For the year ended 30 June 2025

ASX Additional Information

Additional information required by the Australian Securities Exchange Limited Listing Rules and not disclosed elsewhere in this report.

Substantial ordinary shareholders shareholding as at 13 August 2025

The following have advised that they are a substantial shareholder of the Company. The holding of a relevant interest does not infer beneficial ownership. Where two or more parties have a relevant interest in the same shares, those shares have been included for each party.

Substantial ordinary shareholders	No. of shares	% of total
1. Siblow Pty Limited	34,972,595	24.12
2. Geoff Wilson	11,334,507	7.95
1. Notice received on 12 April 2022		
2. Notice received on 19 December 2019		

Distribution of shareholders (as at 13 August 2025)

Category	No. of shareholders
1-1,000	501
1,001- 5,000	638
5,001-,10,000	302
10,001-100,000	996
100,001 and over	181
	2,618

The number of shareholdings held in less than marketable parcels is 273

The names of the twenty largest shareholders - Ordinary shares (as at 13 August 2025) are listed below:

	Number of ordinary shares held	Percentage of issued capital held
Siblow Pty Limited	32,755,262	22.55
HSBC Custody Nominees (Australia) Limited	8,869,759	6.11
McNeil Nominees Pty Limited	3,809,477	2.62
EVJ Holdings Pty Ltd	3,537,799	2.44
Gold Tiger Equities Pty Ltd	3,250,000	2.24
Heathers Super Pty Ltd	2,428,043	1.67
Treasure Island Hire Boat Company Pty Ltd	2,050,693	1.41
GW Holdings Pty Limited	1,940,850	1.34
Boutique Investment Management Pty Ltd	1,510,000	1.04
Donwood Pty Ltd	1,200,000	0.83
Great D Pty Ltd	1,000,000	0.69
I&R Simpson Super Pty Ltd	1,000,000	0.69
Dynasty Peak Pty Ltd	1,000,000	0.69
BNP Paribas Nominees Pty Ltd	968,185	0.67
Thirty Four Pty Ltd	803,885	0.55
BNP Paribas Nominees Pty Ltd	773,441	0.53
Selwyn John Cushing & Bevan David Cushing	750,000	0.52
Kirkfare Pty Ltd	735,619	0.51
Glen Brae Capital Pty Ltd	687,108	0.47
RFTC No. 2 Pty Ltd	678,216	0.47
GNR Holdings Pty Ltd	660,147	0.45
Skramable Pty Ltd	655,886	0.45
	71,064,370	48.94

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ASX Additional Information
For the year ended 30 June 2025

Voting Rights

Shareholders are entitled to one vote for each share held. On a show of hands every shareholder present in person or by proxy shall have one vote and upon a poll, every shareholder so present shall have one vote for every share held.

Stock Exchange Listing

Quotation has been granted for all of the ordinary shares and unsecured notes (ASX code: SNC and SNCHA) of the Company on all Member Exchanges of the ASX Limited.

Corporate Governance Statement

The Board of Directors of the Company is responsible for corporate governance. The Board has chosen to prepare the Corporate Governance Statement ("CGS") in accordance with the fourth edition of the ASX Corporate Governance Council's Principles and Recommendations under which the CGS may be made available on a Company's website.

Accordingly, a copy of the Company's CGS is available on the Company's website at www.sandoncapital.com.au under the Listed Investment Company/Corporate Governance section.