

MONTHLY REPORT

Sandon Capital Investments Limited (ASX:SNC)

OCTOBER 2025

NTA Before Tax
(ex-dividend)

\$1.0045

NTA After Tax
(ex-dividend)

\$0.9538

INVESTMENT PERFORMANCE

Gross Performance to 31 October 2025 ¹	1 month	1 year	Since inception (p.a.)
SNC	-3.9%	14.5%	10.1%
All Ords Accumulation Index	0.5%	12.5%	9.3%
Outperformance²	-4.4%	1.9%	0.8%

1. The SNC gross returns are after investment management fees and brokerage expenses but before performance fees and corporate expenses. Index returns are before all fees and expenses and before any taxes. Dividends paid during the period are included when calculating SIN's gross investment performance.

2. Figures may not tally due to rounding.

SANDON CAPITAL INVESTMENTS LIMITED

ASX Code	SNC
Gross assets*	\$178.5m
Market capitalisation	\$137.1m
Share price	\$0.940
Annual fully franked dividend (paid monthly)	\$0.0564
Dividend yield (annualised)	6.0%
Profits reserve (per share)	46.4cps
Franking (per share)	8.0cps
Loan-to-assets (incl. SNCHA)	16%

*Includes the face value of 4.8% unsecured notes (ASX: SNCHA)

IMPORTANT UPDATE ON DIVIDENDS

We have been made aware that various providers of financial market information are reporting incorrect information about SNC's current dividends and therefore dividend yields. We confirm that the annualised fully franked dividend is expected to be 5.64 cents per share, which at a price of \$0.94 per share equates to 6% (8% grossed up for imputation credits).

The next monthly dividend will be paid on 28 November.

PORTFOLIO COMMENTARY

The portfolio was down 3.9% for the month, on a gross basis, after investment management fees and brokerage but before performance fees and corporate expenses, compared to an increase of 0.5% for the All Ordinaries Accumulation Index.

The largest positive contributors were COG Financial Services Ltd (COG) (+1.3%) and QPM Energy Ltd (QPM) (+0.3%). These were more than offset by Fleetwood Ltd (FWD) (-1.0%), Spectra Systems, Inc. (-0.9%), Ignite Ltd (IGN) (-0.6%), Southern Cross Media Group Ltd (SXL) (-0.7%), BCI Minerals Ltd (BCI) (-0.6%) and a few others whose contributions were less than 0.5%.

COG announced the acquisition of an additional 14.1% in Fleet Network Pty Ltd (Fleet Network) for consideration of \$23.9 million, representing an FY25 multiple of ~6.1x. Fleet Network is an existing subsidiary under the Paywise salary packaging and novated leasing platform, with COG now owning 92.4% and Fleet Network management the remaining 7.6%. Coinciding with the acquisition, COG announced a \$20 million capital raising via a placement at \$2 per share. We view the acquisition and associated capital raising as a sensible, low risk way for COG to grow its business inorganically.

FWD provided a solid update at its Annual General Meeting (AGM). The contracted occupancy for FY26 at the Searipple accommodation village is currently 86% – up from 84% announced at the results in August – and there are opportunities for this to improve as the year progresses. Building Solutions has grown its order book to \$150 million and has a further \$200 million in tenders and submissions pending award. In addition to the order book, Building Solutions generates >65% of its revenue from long term panel agreements across education, housing and commercial, positioning it to grow in FY26. The small RV Solutions business continues to operate in a challenging environment and after a strategic review has decided to close local manufacturing, consolidate sites and rationalise product lines. We expect this business to return to profitability in FY26.

QPM announced that it had secured a \$114 million master lease agreement with Macquarie Bank to fund the acquisition of two gas turbines from GE Vernova. This locks in the delivery of the 112MW Isaac Power Station (IPS) and underpins the mid-2027 commissioning target. QPM continues to progress the financing package for the balance of the IPS development costs. We expect a further update some time over the next few months.

We continued to criticise the proposed merger of SXL with Seven West Media Ltd (SWM) without a shareholder vote. Recent AGM updates from SWM and its competitor, Nine Entertainment Company Holdings Ltd (NEC) did nothing to change our opposition to the merger. Both companies outlined the continued difficult operating environment and structural decline in the television market. They highlighted that the TV advertising market had dropped off a cliff in October leading to further revenue declines in 1H26. These updates give further credence to our description of the merger as “diworsification” from an SXL shareholder perspective.

We encourage all SXL shareholders to express their dissatisfaction by voting FOR the removal of all the non-executive directors at the upcoming AGM.

We also encourage SXL shareholders to vote FOR the amendment to the constitution such that the company cannot issue >25% of its shares without prior shareholder approval. Voting for this change should, if passed, then allow an SXL shareholder vote on the merger.

During the month, SNC banked approximately \$2.2 million, being the first tranche of capital returns from

the investment in Foundation Life. The remainder of this investment is expected to be returned as cash in 2026.

DIVIDENDS

SNC has declared 67.36 cents per share (cps) of fully franked dividends since listing in December 2013. The profits reserve is 46.4cps and there are 8.0cps of franking credits. These franking credits support the payment of up to 24cps of fully franked dividends.

SNC’s inaugural monthly dividend of 0.47cps was paid on 31 October 2025. The Board recently resolved to increase the annualised rate of dividends to 5.64cps and to pay monthly dividends, commencing in October 2025.

A full list of SNC dividends announced since the IPO in December 2013 can be found [here](#).

TOP 5 POSITIONS

COG Financial Services	17%
Fleetwood	14%
Southern Cross Media	9%
Carbon Conscious	8%
BCI Minerals	7%

INSTRUMENT EXPOSURE

Listed Australian Equities	81%
Listed International Equities	8%
Unlisted Investments	11%
Cash or Cash Equivalents	0%

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COMPANY OVERVIEW

Sandon Capital Investments Limited is a specialist ‘Activist’ listed investment company, managed by Sandon Capital. Sandon Capital devises and implements activist shareholder strategies that seek to unlock value inherent in securities held in our investment portfolios.

SNC provides investors with exposure to a portfolio of Australian companies that are typically not available to traditional investors. Through active engagement with the target company, Sandon Capital seeks to release the embedded value for shareholders. Target companies are likely to be in the small- to mid-cap market segment.

Sandon Capital has successfully employed its Activist investment strategy since September 2009. The wholesale Sandon Capital Activist Fund’s investment performance since inception is 11.3% p.a. (after all fees and expenses).

Investment Objectives

- To provide absolute positive investment performance over the medium to long term, ensuring capital preservation, while providing capital growth.
- To provide an investment strategy that few investors have the capacity to implement themselves.
- To provide shareholders with a growing stream of fully franked dividends.

SANDON CAPITAL

For enquiries about the company or its investments:

Sandon Capital Investments Limited
+61 2 8014 1188
info@sandoncapital.com.au

For enquiries about your shareholding:

MUFG Corporate Markets (AU) Limited
1300 554 474 (Toll free within Australia)