

MONTHLY REPORT

Sandon Capital Investments Limited (ASX:SNC)

NTA Before Tax
(ex-dividend)NTA After Tax
(ex-dividend)

\$0.7205

\$0.7372

JUNE 2026

INVESTMENT PERFORMANCE

Gross Performance to 30 June 2026 ¹	1 month	1 year	Since inception (p.a.)
SNC	-5.1%	-19.1%	7.0%
All Ords Accumulation Index	0.4%	5.7%	8.8%
Outperformance²	-5.5%	-24.8%	-1.8%

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*	\$147.1m
Market capitalization	\$114.6m
Share price	\$0.74
Annual fully franked dividend (paid monthly)	\$0.0564
Dividend yield (annualised)	7.6%
Profits reserve (per share)	40.1cps
Franking (per share)	7.0cps
Loan-to-assets (incl. SNCHA)	17%

*Includes the face value of 4.8% unsecured notes (ASX: SNCHA). These figures will change on 10 July 2026.

PORTFOLIO COMMENTARY

The portfolio was down 5.1% 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 0.4% for the All Ordinaries Accumulation Index.

The largest positive contributors were Spectra Systems PLC (SPSY LN) (+1.2%), BCI Minerals Ltd (BCI) (+1.2%) and Magellan Financial Group Ltd (MFG) (+0.7%). These were more than offset by QPM Energy Ltd (QPM) (-2.0%), Southern Cross Media Group Ltd (SXL) (-1.8%), Karoon Energy Ltd (KAR) (-1.5%) and COG Financial Services Ltd (COG) (-1.4%).

After month end, QPM announced the disappointing news that its directors had placed the company into administration. As at 30 June 2026, QPM comprised 2.1% of the portfolio. At this stage, we expect to write this position down to nil. We will provide further commentary as more information becomes available.

MFG received ACCC approval for its merger with Barrenjoey Capital Partners (Barrenjoey) with the merger completing on 1 July.

SXL announced a trading update with FY26 revenue expected to be \$1,860-1,870 million (-2.6% vs previous guidance) and FY26 underlying EBITDA expected to be \$185-190 million (-10.7% vs previous guidance). In conjunction with the trading update, SXL announced an expanded cost reduction program which is expected to deliver annual run rate benefits of \$145-150 million.

FWD is streamlining its business, announcing its intention to exit its RV Solutions business and optimise its Building Solutions manufacturing footprint by closing its Smithfield facility in NSW, which in contrast to other states, has struggled for some time. The net cash cost of these decisions is expected to be minimal.

We support these decisions as they set FWD up to be a more simplified and profitable business over the long term. The company also announced its 30 June net cash balance was \$61.5 million indicating exceptionally strong free cash flow in 2HFY26.

As a result of the delayed reinstatement of production at Who Dat, KAR downgraded CY26 production guidance to 7.2-8.2 MMboe (from 8.1-9.2 MMboe). The company also announced the restoration of production from the Bauna SPS-92 well following a successful intervention program, albeit at higher capital expenditure than expected.

CORPORATE UPDATE – SNC NOTES

Noteholders approved the Restructure Proposal at a meeting on 19 June 2026. On 1 July 2026 67,775 new Notes were issued following a reduction in the amount raised in the conditional placement. A total of 29,814 Notes will be redeemed on 10 July 2026, significantly less than anticipated. Following the redemption, there will be 328,539 Notes on issue.

DIVIDENDS

SNC has declared 71.59 cents per share (cps) of fully franked dividends since listing in December 2013. The profits reserve is 4.01cps and there are 7.0cps of franking credits. These franking credits support the payment of up to 21cps of fully franked dividends.

SNC's inaugural monthly dividend of 0.47cps was paid on 31 October 2025. The Board recently announced their intention to pay dividends of 0.47 cents per share per month for each of July, August and September 2026. These monthly dividends represent an annualised fully franked dividend rate of 5.64 cents per share.

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

TOP 5 POSITIONS

COG Financial Services	12%
Spectra Systems plc	11%
Fleetwood	10%
Carbon Conscious	9%
BCI Minerals	8%

INSTRUMENT EXPOSURE

Listed Australian Equities	69%
Listed International Equities	13%
Unlisted Investments	18%
Cash or Cash Equivalents	0%

Positions and exposure based on weights in the investment portfolio

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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 8.5% 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

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