

MONTHLY REPORT

Sandon Capital Investments Limited (ASX:SNC)

NTA Before Tax
(ex-dividend)

\$0.9096

NTA After Tax
(ex-dividend)

\$0.8811

JANUARY 2026

INVESTMENT PERFORMANCE

Gross Performance to 31 January 2026 ¹	1 month	1 year	Since inception (p.a.)
SNC	-5.1%	6.7%	9.0%
All Ords Accumulation Index	1.6%	7.6%	9.1%
Outperformance²	-6.7%	-1.1%	-0.1%

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*	\$162.8m
Market capitalization	\$131.0m
Share price	\$0.895
Annual fully franked dividend (paid monthly)	\$0.0564
Dividend yield (annualised)	6.3%
Profits reserve (per share)	44.8cps
Franking (per share)	7.5cps
Loan-to-assets (incl. SNCHA)	21%

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

PORTFOLIO COMMENTARY

The portfolio was down a disappointing 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 1.6% for the All-Ordinaries Accumulation Index.

There was little company specific news during January due to the Australian summer holidays. The largest positive contributors were Fleetwood Ltd (FWD) (+0.8%), BCI Minerals Ltd (BCI) (+0.7%) and Karoon Energy Ltd (KAR) (+0.6%). These were more than offset by COG Financial Services Ltd (COG) (-3.1%), Southern Cross Media Group Ltd (SXL) (-2.1%), Coventry Group Ltd (CYG) (-1.0%) and others.

There were no announcements from COG during the month that might explain its share price decline. On that basis, we remain sanguine about COG's prospects. We eagerly await their results in late February.

CYG announced a 1HFY26 trading update with sales up 2% on the prior corresponding period, though this did not flow through to earnings. EBITDA declined 68% on the pcp due to gross margin compression, investment in new branches and the one-off impact of relocating the Fluid's business's largest branch. More importantly, following unsolicited third-party approaches for individual business units, the company has commenced a strategic review and appointed advisers. We view this as a welcome and much-needed move.

QPM announced it has executed an agreement with Powerlink Queensland to connect the 112MW Isaac Power Station to Powerlink's Moranbah substation. This represents a major project milestone and a critical prerequisite for completion of the IPS project finance facility. QPM is progressing through the remaining steps to secure the debt/convertible funding required for construction and commissioning. We expect further announcements in coming months.

Geopolitics and uncertainty continue to foster greed and fear in financial markets, at times concurrently. Times like this can provide opportunities to acquire investments with sound medium- to long-term prospects at attractive prices. There has been a noticeable increase in investor risk appetite over the past 6 months. Too much investor attention has shifted to 'story stocks'—thematic investments with seductive narratives but negligible-to-no earnings history, nor proven track records. Some such investors may now regret their speculations.

We are much more comfortable with the valuation of our own portfolio, where many of the investments have idiosyncratic drivers of earnings and cash flows and remain undervalued. We look forward to receiving December half year updates in February from the majority of our portfolio positions.

DIVIDENDS

SNC has declared 69.24 cents per share (cps) of fully franked dividends since listing in December 2013. The profits reserve is 44.8cps and there are 7.5cps of franking credits. These franking credits support the payment of up to 22.9cps 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 January, February and March 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

Fleetwood	15%
COG Financial Services	14%
Carbon Conscious	9%
BCI Minerals	8%
Southern Cross Media Group	8%

INSTRUMENT EXPOSURE

Listed Australian Equities	73%
Listed International Equities	9%
Unlisted Investments	18%
Cash or Cash Equivalents	0%

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SANDON CAPITAL

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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 10.8% 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.