



## MONTHLY REPORT

# Sandon Capital Investments Limited (ASX:SNC)

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

\$0.7672

\$0.7755

MARCH 2026

## INVESTMENT PERFORMANCE

Gross Performance to 31 March 2026 <sup>1</sup>	1 month	1 year	Since inception (p.a.)
SNC	-5.1%	-8.4%	7.5%
All Ords Accumulation Index	-7.3%	11.3%	8.6%
<b>Outperformance<sup>2</sup></b>	<b>+2.2%</b>	<b>-19.7%</b>	<b>-1.1%</b>

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*	\$140.0m
Market capitalisation	\$116.7m
Share price	\$0.795
Annual fully franked dividend (paid monthly)	\$0.0564
Dividend yield (annualised)	7.1%
Profits reserve (per share)	43.8cps
Franking (per share)	7.7cps
Loan-to-assets (incl. SNCHA)	24%

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

## 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 a decrease of 7.3% for the All Ordinaries Accumulation Index.

Whilst there were some positive developments across the portfolio during the month, these were overshadowed by the market reaction to the outbreak of hostilities in Iran and the Persian Gulf. The largest positive contributors were Karoon Energy Ltd (KAR) (+2.2%), Spectra Systems plc (SPSY LN) (+1.1%) and Magellan Financial Group Ltd (MFG) (+0.8%). These were more than offset by detractors including Fleetwood Ltd (FWD) (-3.1%), COG Financial Services Ltd (COG) (-2.1%) and Southern Cross Media Group Ltd (SXL) (-1.3%).

QPM announced two important developments during the month. Firstly, the company received a Development Permit and an Environmental Authority from the Queensland Government for the construction and operation of the Isaac Power Station (IPS). Secondly, the reserves and resources at the Moranbah Gas Project were significantly upgraded. QPM believes there are now sufficient gas reserves to justify the Queensland government's plans for a gas pipeline from the Bowen Basin south to the coast. This provides an additional pathway for the company to monetise its significant and valuable gas reserves. Subsequent to month end, QPM announced that the Australian Government's Northern Australia Infrastructure Facility (NAIF) had approved a loan facility of up to \$72 million to be used to fund the construction of IPS. Following NAIF approval, we expect the financing for the IPS to be completed quickly, thereby allowing construction of the project to proceed.

MFG announced an agreement to merge with its 36.4% owned subsidiary, Barrenjoey Capital Partners (Barrenjoey). While the transaction has merit, we are disappointed by the terms agreed by the MFG Board. Under the merger, MFG will issue shares to Barrenjoey shareholders at \$8.45 per share. This implies a valuation for the MFG funds management business of less than two times profit after tax. We have long pressed for more proactive capital management at MFG. The Board's failure to address excess capital left the company strategically exposed and directly enabled this outcome. Shareholders have also been disadvantaged by poor disclosure. Material financial information, including a previously undisclosed \$45 million fully franked special dividend payable to Barrenjoey shareholders prior to completion, was released only after media scrutiny and after voting deadlines had passed for some shareholders. Despite this, MFG remains a profitable investment, and we remain positive on its prospects.

SPSY LN announced a very strong CY25 result with a 30% increase in revenues translating to a 100% increase in adjusted earnings per share. The strong result was driven by the execution of the sensor contract with SPSY's largest and most important customer. Pleasingly, the company announced a material increase in the dividend from US\$0.116 per share to US\$0.136 per share. When paid, this will bring total dividends over the past decade to US\$0.958 per share, a very attractive income stream on top of the sixfold increase in the share price.

Whilst a number of developments at SPSY are taking longer than expected to come to fruition, these are part and parcel of the sales cycle with government customers. A number of attractive short-term and long-term opportunities remain on foot and we expect to hear more on these over the course of 2026, including the commercialisation of the company's exciting Fusion substrate for polymer banknotes.

## DIVIDENDS

SNC has declared 70.18 cents per share (cps) of fully franked dividends since listing in December 2013. The profits reserve is 43.8cps and there are 7.7cps of franking credits. These franking credits support the payment of up to 23.1cps 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 April, May and June 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%
Carbon Conscious	10%
Fleetwood	10%
BCI Minerals	9%
Spectra Systems plc	8%

## INSTRUMENT EXPOSURE

Listed Australian Equities	70%
Listed International Equities	10%
Unlisted Investments	20%
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 9.1% 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.