

MONTHLY REPORT

Sandon Capital Investments Limited (ASX:SNC)

NTA Before Tax
(ex-dividend)

\$0.8112

NTA After Tax
(ex-dividend)

\$0.8053

SEPTEMBER 2026

INVESTMENT PERFORMANCE

Gross Performance to 30 September 2026 ¹	1 month	1 year	Since inception (p.a.)
SNC	-0.3%	-17.3%	8.1%
All Ords Accumulation Index	-2.5%	1.4%	8.7%
Outperformance²	2.2%	-18.7%	-0.6%

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 SNC's gross investment performance.

2. Figures may not tally due to rounding.

SANDON CAPITAL INVESTMENTS LIMITED

ASX Code	SNC
Gross assets*	\$156.7m
Market capitalisation	\$114.2m
Share price	\$0.735
Annual fully franked dividend (paid monthly)	\$0.0564
Dividend yield (annualised)	7.7%
Profits reserve (per share)	46.3cps
Franking (per share)	7.0cps
Loan-to-assets (incl. SNCHA)	26%

*Includes the face value of 8.5% unsecured notes (ASX: SNCHA).

PORTFOLIO COMMENTARY

The portfolio was down 0.3% 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 2.5% for the All Ordinaries Accumulation Index.

The largest positive contributors were COG Financial Services Ltd (COG) (+3.3%) and BCI Minerals Ltd (BCI) (+2.9%). These were offset by Fleetwood Ltd (FWD) (-2.6%), Spectra Systems PLC (SPSY LN) (-1.3%), Karoon Energy Ltd (KAR) (-0.5%) and a long tail of other positions.

COG's share price increased 22% for the month. Despite there being no "news", we expect that quiet contemplation of the full year results announced in August has combined with management briefings to increase confidence in the company's outlook. We expect that same combination helped drive BCI's share price higher.

Near the end of the month, FWD announced the resignation of its chief financial officer. There was no other news from the company. The next likely catalysts for FWD are completion of the acquisition of the Red Dog village in Karratha at the end of the year, followed by accommodation contracts.

KAR announced a fault in the newly installed power cable for the downhole Electrical Submersible Pump (ESP) at its SPS-92 well in Bauna. The new ESP had been in operation for less than 3 months and is likely to take 6 months to repair. Whilst this problem appears to be related to faulty equipment, and therefore subject to equipment warranty and insurance recoveries, it continues a track record of disappointing production updates at KAR's operating assets.

SPSY's 1H26 result (revenue down 38%, EBITDA down 69%) reflected the completion of the \$40m sensor production contract with a major central bank. Whilst revenue and earnings from the contract are diminished, the cash from this contract continues to arrive as production milestones are achieved and sensors are delivered. SPSY's 1H result was also impacted by some timing issues in its security printing group related to orders and restructuring. We expect these benefits to now flow into the 2H. We were encouraged to read in the result that SPSY's Fusion polymer banknote substrate received full qualification from one of the central banks the company has been engaged with. Success in the polymer banknote substrate market has the potential to be transformative and SPSY's continued progress bodes well for the future.

In early October, [we made public a letter](#) we sent to the Board of Orora Ltd (ORA) detailing the rationale behind our voting intentions at the AGM in mid-October. ORA is our newest position and is a glass and aluminium packaging company operating across 17 sites in Australasia, North America, Europe and the UAE. Orora Cans is the leading producer of cans in Australia and New Zealand with six manufacturing plants. Saverglass produces premium glass bottles in France, Belgium, the UAE and Mexico at six manufacturing plants and four decoration sites. ORA represents approximately 5.5% of the portfolio. We will discuss our investment thesis for the company in due course.

We expect little news flow from our portfolio companies until annual general meetings commence, when most companies holding meetings are likely to provide an update on current trading conditions and the outlook.

DIVIDENDS

SNC has declared 71.59 cents per share (cps) of fully franked dividends since listing in December 2013. The profits reserve is 46.3cps and there are 7.0cps of franking credits. These franking credits support the payment of up to 20.9cps of fully franked dividends.

SNC's inaugural monthly dividend of 0.47cps was paid on 31 October 2025. The Board recently announced its intention to pay dividends of 0.47 cents per share per month for each of October, November and December 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	15%
Fleetwood	13%
BCI Minerals	11%
Carbon Conscious	9%
Spectra Systems plc	7%

INSTRUMENT EXPOSURE

Listed Australian Equities	75%
Listed International Equities	8%
Unlisted Investments	17%
Cash or Cash Equivalents	0%

Positions and exposure based on weights in the investment portfolio

Copyright © 2026 Sandon Capital Pty Ltd. All rights reserved.

This document has been prepared by Sandon Capital Pty Ltd (ACN 130 853 691) (AFS License 331663) (Sandon Capital). This document contains general information only. It is not intended to take the place of professional, legal, tax or financial advice. Sandon Capital has prepared this document in good faith in relation to the facts known to it at the time of preparation. In preparing this document, Sandon Capital did not consider the investment objectives, financial situation or particular needs of any recipient, and the recipient should not rely on the opinions, recommendations and other information contained in this document alone. Sandon Capital does not express any views about the accuracy or completeness of the information in this document and is not required to update the information in this document. Past performance is not a reliable indicator of future performance.

Lonsec Research Ratings and Logos: The rating issued 10/2025 is published by Lonsec Research Pty Ltd ABN 11 151 658 561 AFSL 421 445 (Lonsec). Ratings are general advice only, and have been prepared without taking account of your objectives, financial situation or needs. Consider your personal circumstances, read the product disclosure statement and seek independent financial advice before investing. The rating is not a recommendation to purchase, sell or hold any product. Past performance is not indicative of future performance. Ratings are subject to change without notice and Lonsec assumes no obligation to update. Lonsec uses objective criteria and received a fee from the Fund Manager. Visit lonsec.com.au for ratings information and to access the full report. © 2025 Lonsec. All rights reserved.

Want to change how you receive these emails? You can [update your preferences](#) or [unsubscribe from this list](#).

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 9.5% 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

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)