

MONTHLY REPORT

Sandon Capital Activist Fund (SCAF)

Entry Price
(Lead Units)
\$1.8215

Exit Price
(Lead Units)
\$1.8107

AUGUST 2023

PERFORMANCE RESULTS

	1 month	1 year	3 years (p.a.)	5 years (p.a.)	Annualised since fund inception	Total Return since Fund inception
SCAF	0.2%	-2.9%	4.9%	4.6%	9.6%	262.6%
S&P/ASX 200 Accum.	-0.7%	9.6%	10.7%	7.0%	8.1%	197.0%
Small Ordinaries Accum.	-1.3%	-1.1%	3.0%	2.4%	4.3%	79.9%
Cash	0.3%	3.2%	1.1%	1.1%	2.3%	38.3%

Note: Inception date is Sep 2009. Entry/Exit prices are for Lead Series Units. SCAF returns are net of all fees and expenses and are calculated for Lead Series units. Investors should refer to their personalized statements for performance of their investment.

FUND COMMENTARY

The Fund return for August 2023 was 0.2%, bringing total returns (net of all fees and expenses) since inception to the equivalent of 9.6% per annum. Cash levels ended the month at approximately 2%.

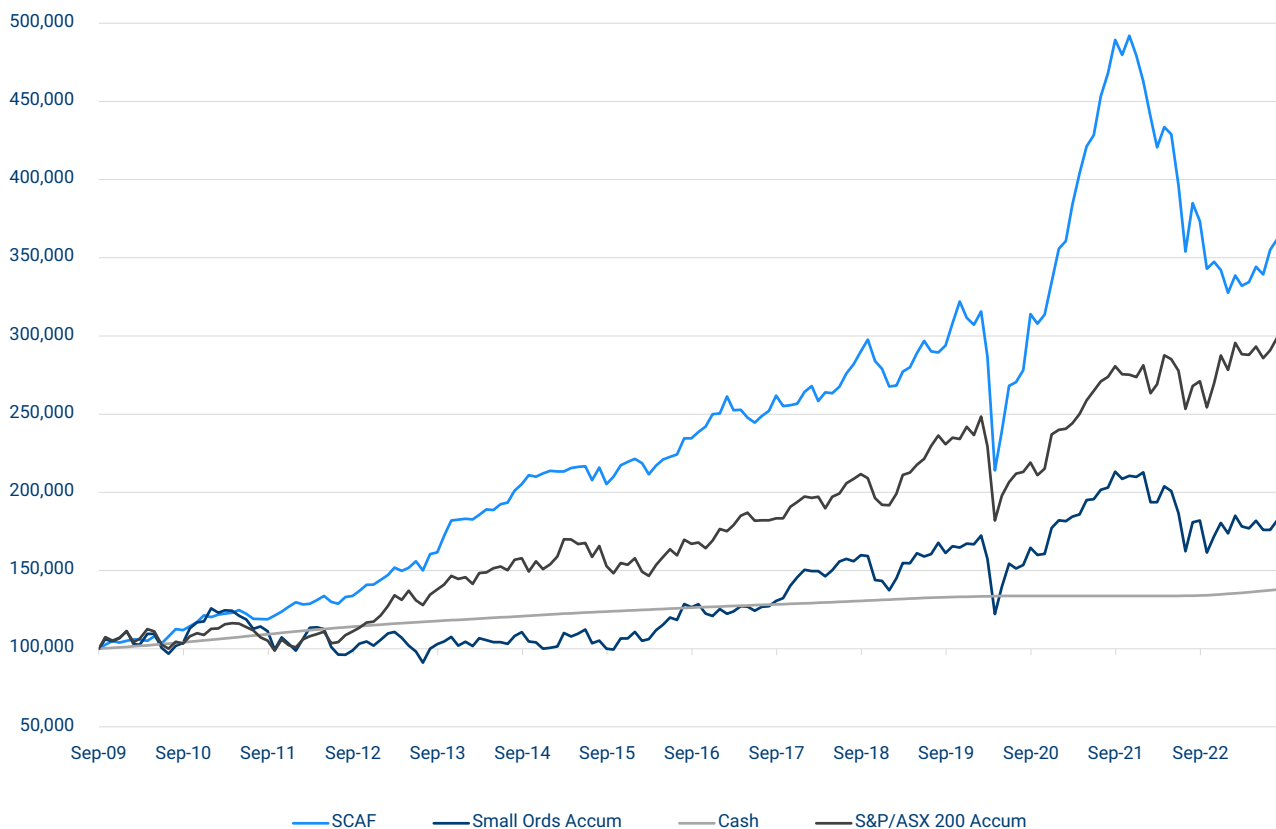
The largest contributors to performance were Coventry Group Ltd (CYG) (+0.9%), BCI Minerals Ltd (BCI) (+0.5%) and Global Data Centre Group (GDC) (+0.4%). These were partially offset by A2B Australia Ltd (A2B) (-0.6%), Midway Ltd (MWY) (-0.3%) and Fleetwood Ltd (FWD) (-0.3%).

August is the most important month of the year as the majority of our portfolio companies release their full year accounts. These provide us an opportunity to analyse the operational and financial performance of our investments and allows the market to focus on fundamentals rather than speculating on possibilities, which is what typically occurs in between reporting periods. In some instances, companies will provide an update on their capital management plans as well as any changes in strategic direction. An update on early trading in the new fiscal year as well as a short-term outlook is generally also provided, although this is less consequential to our investment process.

Overall, the operational and financial results reported by our companies were within our expectations and an improvement on the previous year. Those companies that had demonstrated consistent earnings growth over the previous years continued on that trajectory. Encouragingly, a number of companies that have been dealing with legacy issues have put those behind them, and look set to reward us with improved operating and financial performance going forward. We continue to uncover a number of interesting opportunities in the market with which to deploy our existing cash as well as the dividends we expect to receive over the next two months.

Before the next monthly newsletter, we intend to send a letter to our investors that will discuss in more detail the recent reported results of our largest investments.

GROWTH OF INVESTMENT SINCE INCEPTION



PORTFOLIO EXPOSURES

Net Exposure 98%

Net Cash 2%

Long Positions 23

Short Positions 3

TOP 5 POSITIONS

COG Financial Services 18%

Fleetwood 18%

A2B 11%

Global Data Centre Group 9%

Coventry Group 9%

FUND DESCRIPTION

The objective of the Fund is to deliver returns to investors through a combination of capital growth and distributions. The Fund aims to achieve this objective by seeking to invest in opportunities that are considered by Sandon Capital to be trading below their intrinsic value and that offer the potential of being positively influenced by investors taking an active role in proposing changes in the areas of corporate governance, capital management, strategic and operational issues, management arrangements and other related activities. Neither returns nor capital are guaranteed.

FUND DETAILS

Structure	Wholesale unit trust
Trustee	One Fund Services Ltd
Custodian	One Investment Group
Fund Auditor	Crowe
Investment Manager	Sandon Capital Pty Ltd
Inception	4 Sep 2009
Minimum Investment	\$250,000 (or as agreed with trustee)
Trustee/Admin Fees	0.21%
Management Fees	1.33%
Performance Fees	15.375% of returns above cash
High water Mark	Yes
Buy/Sell Spread	±0.30%
Applications/Withdrawals	Monthly /Quarterly

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