

MONTHLY REPORT

Sandon Capital Activist Fund (SCAF)

 Entry Price
\$1.8985

 Exit Price
\$1.8871
AUGUST 2024

PERFORMANCE RESULTS

	1 month	1 year	3 years (p.a.)	5 years (p.a.)	Annualised since Fund inception	Total Return since Fund inception
SCAF	-0.5%	13.6%	-5.6%	7.0%	9.9%	312.1%
S&P/ASX 200 Accumulation	0.5%	14.9%	6.7%	8.1%	8.5%	241.2%
Small Ordinaries Accumulation	-2.0%	8.5%	-2.9%	3.9%	4.6%	95.2%
Cash	0.4%	4.3%	2.5%	1.7%	2.5%	44.3%

Note: Inception date is Sep 2009. Entry/Exit prices are for CUM entitlement Lead Series Units. SCAF returns are net of all fees and expenses and are calculated for Lead Series units. Index and cash returns sourced from Bloomberg. Investors should refer to their personalised statements for the performance of their investment.

FUND COMMENTARY

The Fund return for August 2024 was -0.5%, bringing total returns (net of all fees and expenses) since inception to the equivalent of 9.9% per annum. Cash levels ended the month at approximately 2%.

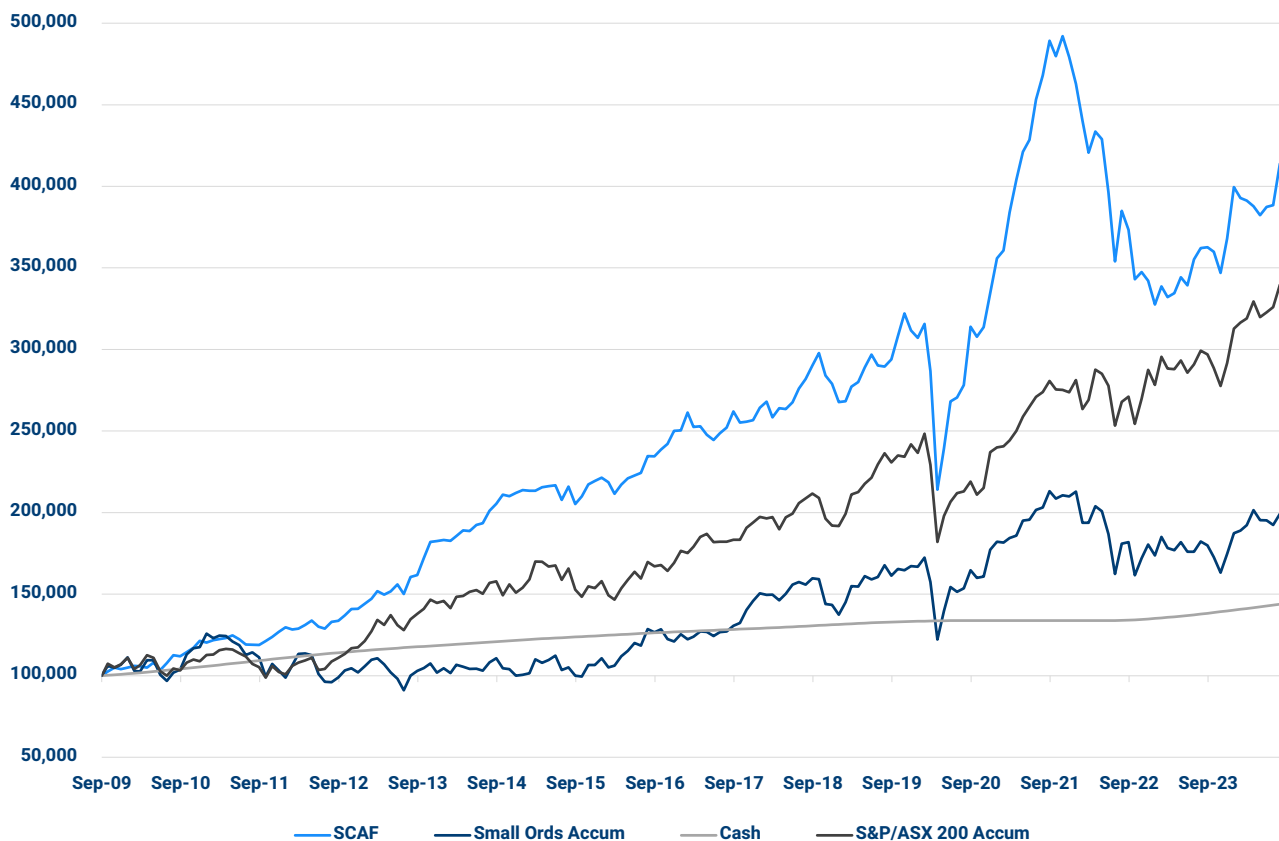
The largest positive contributors were Midway Ltd (MWY) (+1.2%) and Nuix Ltd (NXL) (+0.8%). These were offset by COG Financial Services Ltd (COG) (-1.7%) and IDT Australia Ltd (IDT) (-0.6%).

From an analytical perspective, August is the most important month of the year with the majority of our portfolio companies releasing their full year financial 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.

Whilst it wasn't necessarily reflected in share prices, the reporting season just gone saw some very encouraging operational and financial results delivered by our portfolio companies. Those companies that had demonstrated consistent earnings growth over the previous years continued on that trajectory. Encouragingly, those companies that had been dealing with legacy operating issues have put those behind them, and look set to reward us with improved operating and financial performance going forward. Importantly, those companies in the portfolio with excess cash are starting to undertake capital management initiatives, through buybacks and dividends or both. With much of the portfolio trading well below our estimates of intrinsic value, we continue to expect our companies to use their bullet proof balance sheets as a way to create shareholder value.

We will discuss the results of our key holdings in the next monthly report.

GROWTH OF INVESTMENT SINCE INCEPTION (\$)



PORTFOLIO EXPOSURES

Net Exposure	98%
Net Cash	2%
Long Positions	21
Short Positions	0

TOP 5 POSITIONS

Global Data Centre Group	16%
Fleetwood	14%
COG Financial Services	12%
Coventry Group	12%
Magellan Financial Group Ltd	7%

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 Managed Investment Funds Limited
Fund Auditor	Crowe Australasia
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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