

MONTHLY REPORT

Sandon Capital Activist Fund (SCAF)

Entry Price Exit Price
\$2.1713 \$2.1583

MARCH 2025

PERFORMANCE RESULTS

	1 month	1 year	3 years (p.a.)	5 years (p.a.)	Annualised since Fund inception	Total Return since Fund inception
SCAF	2.4%	21.6%	2.8%	17.1%	10.5%	371.3%
S&P/ASX 200 Accumulation	-3.4%	2.8%	5.6%	13.2%	8.1%	238.8%
Small Ordinaries Accumulation	-3.6%	-1.3%	-0.8%	10.2%	4.5%	98.9%
Cash	0.3%	4.4%	3.4%	2.1%	2.5%	47.9%

Note: Inception date is Sep 2009. SCAF returns are net of all fees and expenses. 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 March 2025 was 2.4%, bringing total returns (net of all fees and expenses) since inception to the equivalent of 10.5% per annum. Cash levels ended the month at approximately 6%.

March saw another volatile month for global capital markets with most indices experiencing significant declines. Against this backdrop, the positive performance of the portfolio was again pleasing, in absolute terms, and even more so in relative terms. The largest positive contributors were COG Financial Services Ltd (COG) (+2.6%), Fleetwood Ltd (FWD) (+1.8%) and Wellard Ltd (WLD) (+0.7%). These were partially offset by Coventry Group Ltd (CYG) (-1.5%) and an undisclosed position (-0.8%).

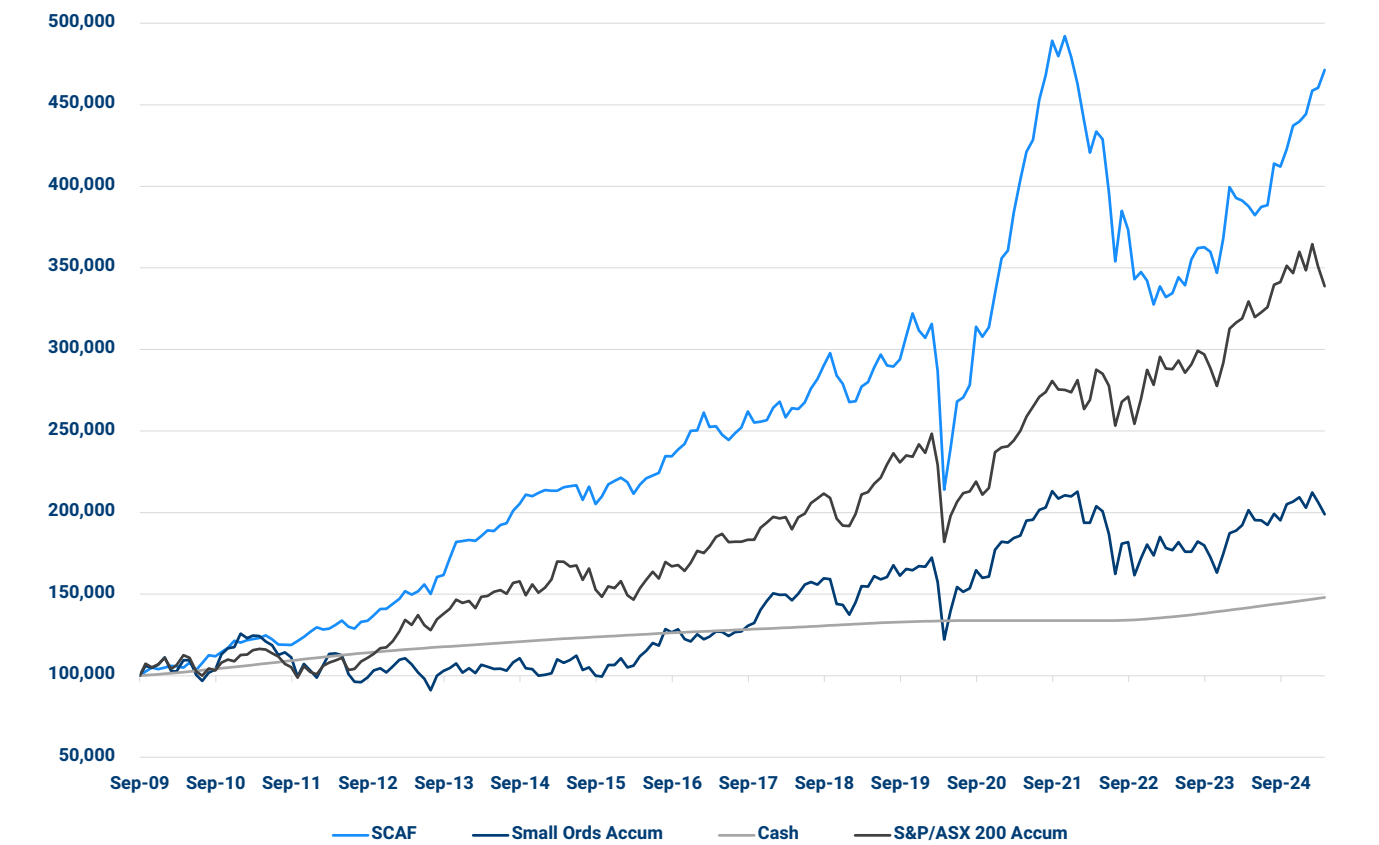
COG announced significant changes at Board level with Patrick Tuttle, Stephen White and Mark Crain resigning as directors and Cameron McCullagh moving from an executive to a non-executive director role. Joining the Board will be John Dwyer and Tony Robinson, who both have a long and successful history in the insurance broking market in Australia, most recently at PSC Insurance which was acquired for \$2.3 billion in October 2024. The Board at COG has steered the growth of the company from being a small equipment lease book to Australia's largest small-to-medium enterprise (SME) broker in less than a decade. This has resulted in a capital light company that generates tremendous cash and returns on equity. They deserve to be congratulated on their accomplishments, and we look forward to the leadership of the refreshed Board.

CYG announced that MD & CEO, Robert Bulluss, has tendered his resignation and will leave the company no later than 20 September 2025. Robert has done an outstanding job in the ~8 years since he was appointed CEO. When he took over, the company was loss making and haemorrhaging cash. Today, after renewing the senior leadership team, rejuvenating the culture, acquiring tangential businesses and implementing a company wide ERP system, CYG is in good shape to grow profitably and generate strong free cash flows. The board has decided to appoint heads to each of the two businesses, Trade Distribution and Fluid Systems rather than immediately appointing a new group CEO.

WLD released the Notice of Meeting (NoM) with resolutions to approve the sale of the M/V Ocean Drover and subsequent return of capital of 15cps. Included in the NoM was a proforma balance sheet that showed WLD will have remaining cash of ~4cps of cash should both of these transactions be approved and executed. These amounts (15cps return of capital plus 4cps of proforma cash) compared favourably to the prevailing share price of 15cps at the beginning of March.

Volatility in global capital markets remains high and this is presenting interesting investment opportunities. During April, we expect to receive a number of 3QFY25 trading updates from our portfolio companies. We will report on any material updates in our next newsletter.

GROWTH OF INVESTMENT SINCE INCEPTION (\$)



PORTFOLIO EXPOSURES

Net Exposure	94%
Net Cash	6%
Long Positions	24
Short Positions	2

TOP 5 POSITIONS

Fleetwood	16%
COG Financial Services	16%
Coventry Group	8%
Global Data Centre Group	7%
Wellard	6%

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 & Custodian	One Fund Services Ltd
Prime Broker	Barrenjoey Markets Pty 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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