

MONTHLY REPORT

Sandon Capital Activist Fund (SCAF)

Entry Price Exit Price
\$2.3013 \$2.2875

APRIL 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	6.0%	30.7%	5.2%	15.9%	10.8%	399.5%
S&P/ASX 200 Accumulation	3.6%	9.8%	7.2%	12.1%	8.3%	251.1%
Small Ordinaries Accumulation	1.8%	3.7%	0.3%	7.7%	4.6%	102.6%
Cash	0.3%	4.4%	3.5%	2.1%	2.6%	48.4%

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 April 2025 was 6.0%, bringing total returns (net of all fees and expenses) since inception to the equivalent of 10.8% per annum. Cash levels ended the month at approximately 0%. We anticipate cash balances being replenished in coming months with returns of capital from Global Data Centres and Wellard Ltd (together ~13% of the portfolio).

April saw increased volatility for global capital markets with most indices experiencing significant declines early in the month followed by a strong rebound. Against this backdrop, the strong performance of the portfolio was pleasing. The largest positive contributors were COG Financial Services Ltd (COG) (+4.3%), Fleetwood Ltd (FWD) (+2.5%), IDT Australia Ltd (IDT) (0.8%) and BCI Minerals Ltd (BCI) (+0.7%). These were partially offset by Karoon Energy Ltd (KAR) (-0.5%), and the previously undisclosed position, Southern Cross Media Group Ltd (SXL) (-0.5%).

COG announced strong unaudited trading results for 3QFY25 with underlying NPATA to shareholders increasing by 9.4% over the prior corresponding period (pcp). The Novated Leasing business was again the standout performer, growing by more than 50% against the pcp. This more than offset the softer performance from the Finance Broking & Aggregation business. Encouragingly, the Asset Management & Lending business is growing again following an extended period of margin compression.

Continuing the momentum in recent contract wins, IDT announced that it had secured a manufacturing contract with Nacuity Pharmaceuticals Pty Ltd for an investigational treatment for retinitis pigmentosa, a progressive degenerative eye disease. The contract term is for five years with an initial \$3.2 million statement of work that is expected to be completed by the end of FY26. IDT also provided a 3QFY25 update with revenue growing 30% against the pcp. Importantly, the outlook remains strong despite a volatile global trade environment. The company issued new client proposals worth a total of \$25.5 million in the quarter, taking the total value of open proposals to \$61.8 million.

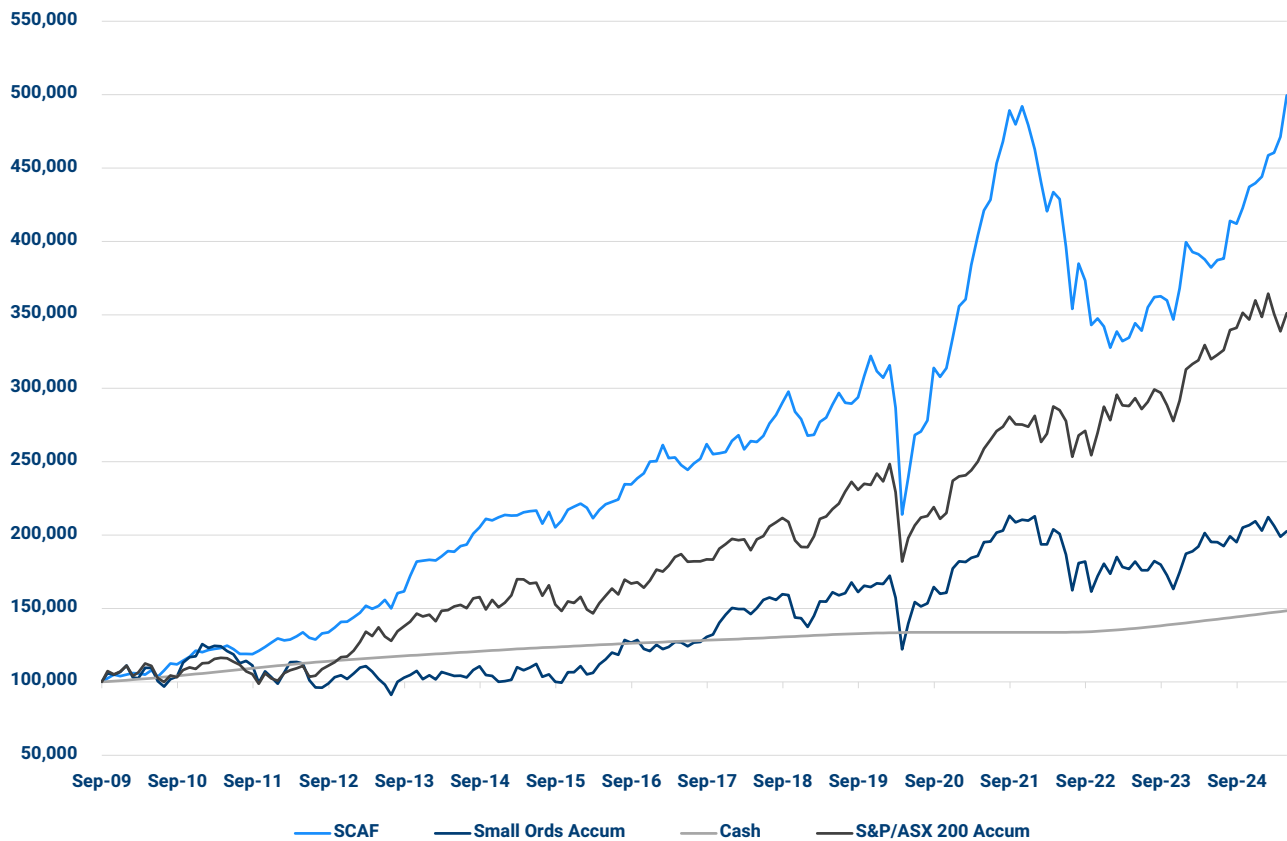
After a long and protracted process, BCI announced that it had received approval from the Commonwealth Department of Climate Change, Energy, the Environment and Water (DCCEEW) for its Groundwater Monitoring and Management Plan. This final approval enables BCI to commence filling the remaining operational ponds (Ponds 4 through 9) and begin commissioning the crystallisers at the Mardie Project. In its quarterly update released later in the month, BCI noted that the construction of the salt first phase of the Mardie Project had progressed to 61% complete, with total construction expenditure to 31 March 2025 totalling \$824 million.

KAR's shares were negatively impacted by a falling oil price, which declined almost 9% as a result of the volatility in global trade and speculation around OPEC's decision to increase oil production (which was subsequently confirmed in early May). Despite the volatility in oil markets, KAR's quarterly production report highlighted that the company's renewed focus on its existing assets is starting to bear fruit. The flotel supported maintenance campaign at Bauna was successfully completed and the SPS-88 well has resumed production. The previously announced acquisition of the Bauna Floating Production, Storage and Offloading vessel (FPSO) was completed after month's end giving Karoon greater operational control. We look forward to updated production guidance in the next few months.

During the month, funds managed by Sandon Capital disclosed a 5.1% holding in SXL. We have now launched the public phase of this campaign. We will provide further updates as appropriate.

Much of April was overshadowed by the Australian federal election campaign, which tends to inject a certain degree of uncertainty. The end of the campaign augurs well for some stability despite uncertainty on the global stage. We believe the portfolio is well positioned in the current environment, with a focus on the domestic industrial economy. As far as we can tell now, few, if any, of our portfolio companies are directly exposed to any US tariffs. Indirect effects, by way of our trading partners, are difficult to predict. The portfolio companies are largely exposed to growing markets for their goods and services. We will, as always, continue to apply our well-honed and patient approach to investment.

GROWTH OF INVESTMENT SINCE INCEPTION (\$)



PORTFOLIO EXPOSURES

Net Exposure	100%
Net Cash	0%
Long Positions	24
Short Positions	2

TOP 5 POSITIONS

COG Financial Services	19%
Fleetwood	19%
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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