

## MONTHLY REPORT

# Sandon Capital Activist Fund (SCAF)

Entry Price  
(ex-distribution)  
**\$2.1023**

Exit Price  
(ex-distribution)  
**\$2.0897**

JULY 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	5.6%	26.1%	10.7%	13.4%	10.9%	<b>422.2%</b>
S&P/ASX 200 Accumulation	2.4%	11.8%	12.3%	12.3%	8.7%	<b>279.8%</b>
Small Ordinaries Accumulation	2.8%	11.5%	7.1%	7.7%	5.1%	<b>122.2%</b>
Cash	0.3%	4.3%	3.8%	2.3%	2.6%	<b>49.9%</b>

*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 July 2025 was 5.6%, bringing total returns (net of all fees and expenses) since inception to the equivalent of 10.9% per annum. Cash levels ended the month at approximately 0%.

After a weak performance in June, the portfolio bounced back strongly in July. The largest positive contributors were COG Financial Services Ltd (COG) (+2.9%), Magellan Financial Group Ltd (MFG) (+1.6%), Southern Cross Media Group Ltd (SXL) (+0.8%) and Ignite Ltd (IGN) (+0.6%). The major detractor was Coventry Group Ltd (CYG) (-0.3%).

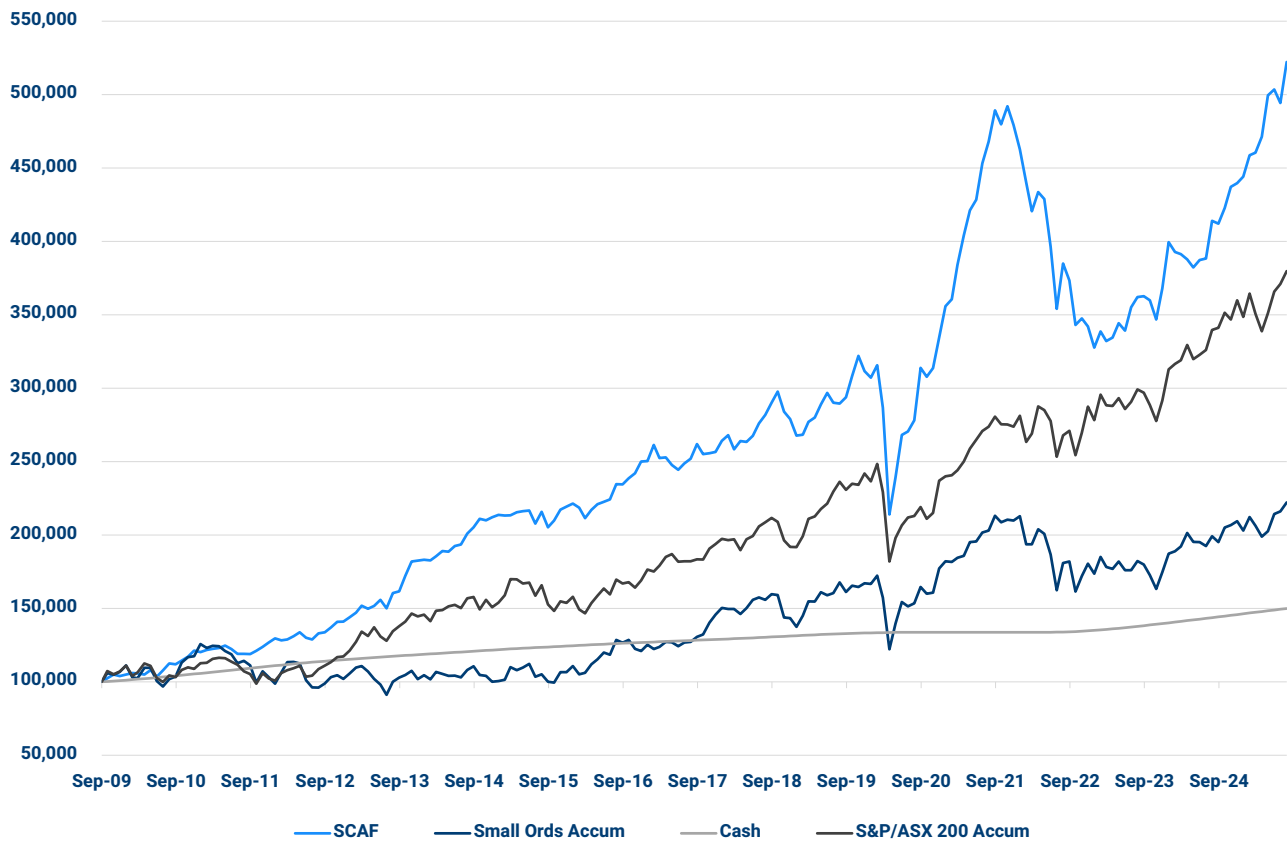
MFG announced another month of relatively stable Assets Under Management (AUM) with minor net outflows of \$200m more than offset by investment performance. The company also announced that they are entitled to \$11 million of performance fees for the fiscal year ended 30 June 2025. Going forward, MFG will transition from providing monthly AUM updates to quarterly. We are supportive of this change.

In response to a request from entities managed by Sandon Capital, the Takeovers Panel varied the previous orders that applied to SXL put in place in early 2024. As a result of those orders SXL's major shareholder, ARN Media Ltd (A1N), has been unable to vote ~7% of SXL shares, except in limited circumstances. As a result of the variation to the orders announced by the Panel, relevantly this restriction falls away over the next 12-18 months. This process has allowed us to clarify how these shares can and cannot be voted and when. We expect that this will be useful as our campaign progresses.

QPM announced very strong support for its previously announced Share Purchase Plan, upscaling it to \$7 million from the original \$2 million target. The additional funds will be used to accelerate workstreams associated with the Isaac Power Station (IPS). Encouragingly, the federal government's Northern Australia Infrastructure Facility (NAIF) has Board approval to proceed to the due diligence phase of providing finance for the construction of the IPS. QPM's management has done an excellent job over the past 12-18 months implementing a difficult turnaround and setting the company up to be a critical component of the energy transition in Queensland.

The month of August will encompass reporting season, when companies report their 2025 fiscal year accounts. We will provide updates on the results we consider most relevant to the Fund's prospects in the next newsletter.

GROWTH OF INVESTMENT SINCE INCEPTION (\$)



PORTFOLIO EXPOSURES

Net Exposure	100%
Net Cash	0%
Long Positions	23
Short Positions	1

TOP 5 POSITIONS

COG Financial Services	24%
Fleetwood	17%
BCI Minerals	8%
Southern Cross Media	8%
Magellan	8%

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	Barrenjoey Markets Pty Ltd
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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