

## MONTHLY REPORT

# Sandon Capital Activist Fund (SCAF)

Entry Price      Exit Price  
\$2.1267      \$2.1139

AUGUST 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	1.2%	28.2%	12.3%	11.0%	11.0%	<b>428.3%</b>
S&P/ASX 200 Accumulation	3.1%	14.7%	13.0%	12.3%	8.9%	<b>291.6%</b>
Small Ordinaries Accumulation	8.4%	23.4%	9.8%	7.9%	5.6%	<b>140.9%</b>
Cash	0.3%	4.2%	3.9%	2.4%	2.6%	<b>50.4%</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 August 2025 was 1.2%, bringing total returns (net of all fees and expenses) since inception to the equivalent of 11.0% per annum. Cash levels ended the month at approximately 0%.

The portfolio underperformed a very strong month for small caps in August despite the majority of our investments delivering pleasing results during reporting season. The largest positive contributors were Southern Cross Media Group Ltd (SXL) (+2.6%), Fleetwood Ltd (FWD) (+1.6%) and Alkane Resources Ltd (ALK) (+0.8%). These were partially offset by IDT Australia Ltd (IDT) (-1.6%), COG Financial Services Ltd (COG) (-1.5%), Karoon Energy Ltd (KAR) (-0.4%) and Coventry Group Ltd (CYG) (-0.4%).

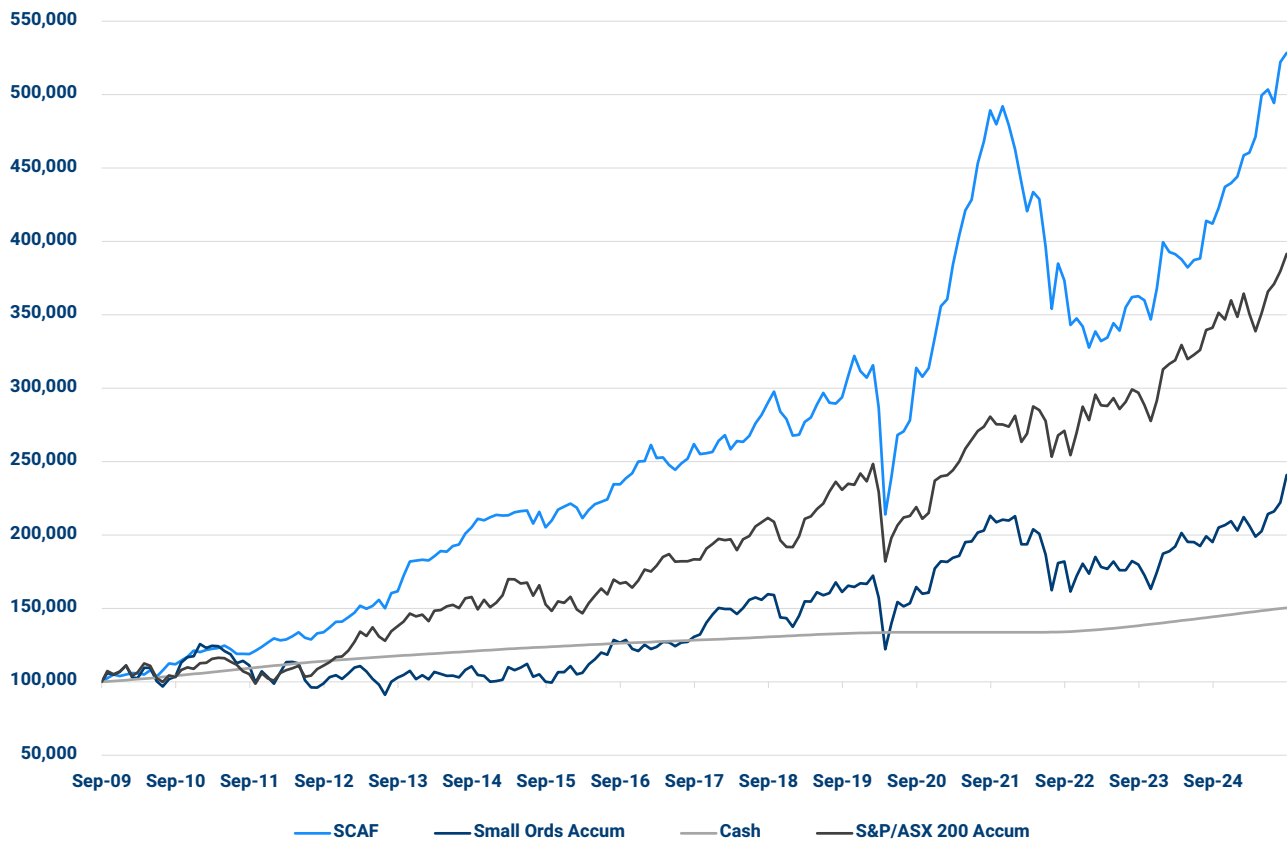
SXL delivered a solid FY25 result with net profit increasing 239% over the depressed FY24 result. The company is taking share in its key 25-54yo target market and the LiSTNR digital app continues to see strong growth, although this is starting to moderate. The recent divestment of the television assets has helped focus the business and improve the balance sheet. SXL expects another year of earnings growth and solid free cash flows in FY26. Whilst dividend payments have resumed, we would prefer to see further debt paydown before the company meaningfully returns its large bank of franking credits (\$183.8m, or 77 cents per share) to shareholders.

FWD built upon the strong result reported at the first half and is now starting to deliver on its long-heralded potential. The Searipple accommodation village is operating near capacity and Building Solutions focus on simplified systems and processes and winning repeatable work is delivering tangible benefits. We expect FWD to deliver continued earnings and cash flow growth into FY26 and deliver another year of very strong dividends.

IDT announced a very poor FY25 result with increased losses despite >40% revenue growth. It is clear that revenues were pursued with insufficient regard for costs. The CEO tendered his resignation in early August. We expect cost reductions and a focus on achieving profitability to be key objectives for the Board and management team.

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

GROWTH OF INVESTMENT SINCE INCEPTION (\$)



PORTFOLIO EXPOSURES

Net Exposure	100%
Net Cash	0%
Long Positions	24
Short Positions	1

TOP 5 POSITIONS

COG Financial Services	22%
Fleetwood	19%
Southern Cross Media	10%
BCI Minerals	8%
Magellan	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 Fund Services Ltd
Prime Broker	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	Daily /Quarterly

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