

MONTHLY REPORT

Sandon Capital Activist Fund (SCAF)

Entry Price Exit Price
\$2.1542 \$2.1414

DECEMBER 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	-0.2%	20.5%	17.8%	8.5%	10.8%	435.1%
S&P/ASX 200 Accumulation	1.3%	10.3%	11.4%	9.9%	8.6%	284.6%
Small Ordinaries Accumulation	1.4%	25.0%	13.4%	6.9%	5.9%	153.6%
Cash	0.3%	4.0%	4.0%	2.6%	2.6%	52.2%

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 December 2025 was -0.2%, 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%.

There was limited company specific news flow during the month due to the commencement of the Australian summer holiday period. The largest positive contributors were Coventry Group Ltd (CYG) (+0.6%) and Fleetwood Ltd (FWD) (+0.4%). These were offset by COG Financial Services Ltd (COG) (-0.7%) and QPM Energy Ltd (QPM) (-0.5%).

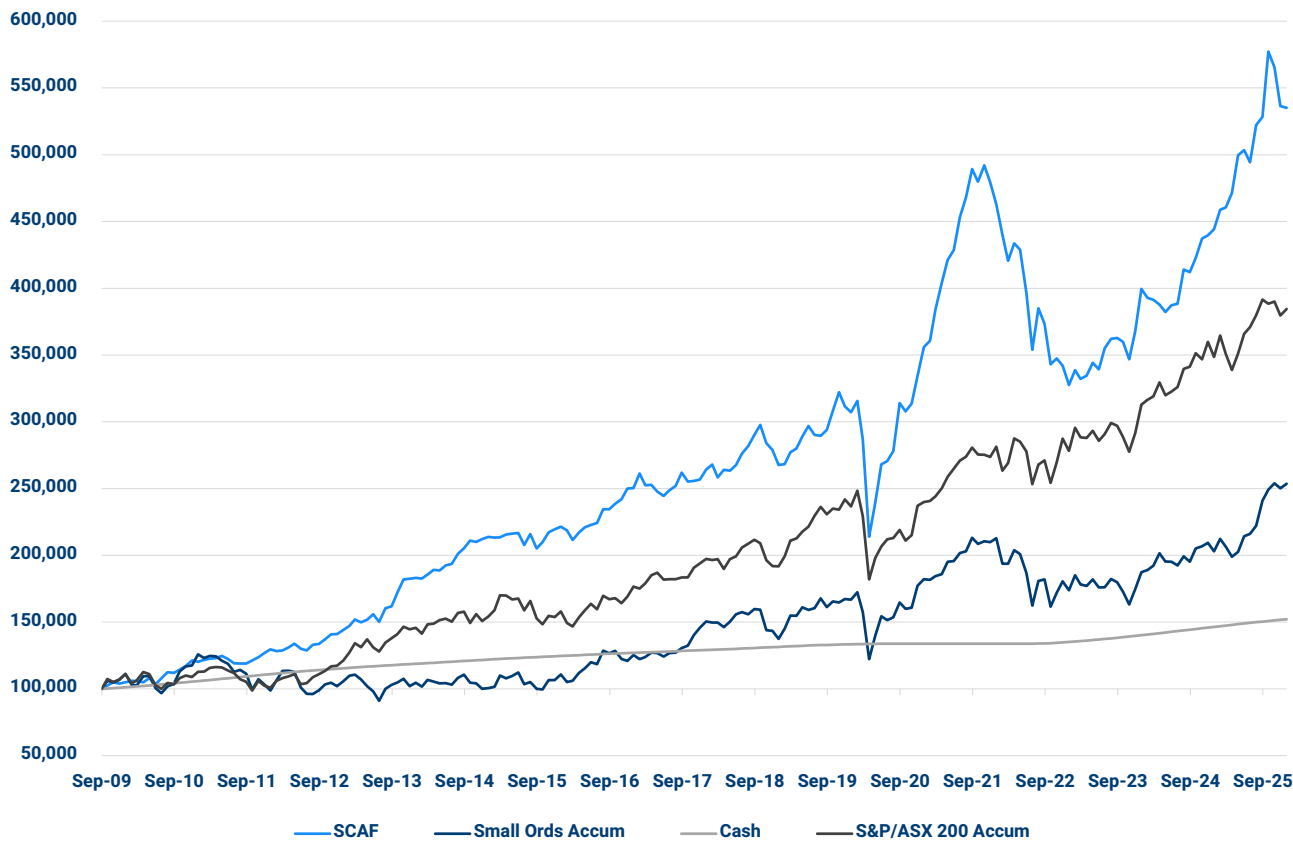
QPM announced the successful completion of an oversubscribed \$30 million placement and the signing of a \$40 million non-binding convertible note facility term sheet. Funds raised under the placement will allow the company to order critical long lead items with the Isaac Power Station (IPS) remaining on target for commissioning in mid-2027. Should the convertible note become binding and a \$180 million joint project finance facility between Macquarie and the Northern Australian Infrastructure Facility be provided, we expect that the development of IPS to be fully funded.

Seven West Media Ltd (SWM) shareholders approved the acquisition of SWM by Southern Cross Media Group Ltd (SXL) by way of Scheme of Arrangement (**Scheme**). The Scheme became legally effective on Christmas eve and is expected to be implemented on 7th January. Over the past few years, SXL had repaired its balance sheet, reduced costs and returned to profitability growth. As we have previously described, we view the acquisition of SWM as a “diworsification” of the SXL business.

BCI Minerals Ltd (BCI) announced that it had secured all primary approvals from the Federal and WA State governments to enable its optimised dredging method at the Cape Preston West Port, with dredging expected to commence in April 2026. The company also announced that Australian Super had converted its Series 1 Convertible Notes into ~50 million shares at a conversion price of \$0.5811 per share. The company remains on target for first salt on ship before the end of this calendar year.

We expect another quiet month for news flow in January with activity picking up when the December half reporting period kicks off in mid-February.

GROWTH OF INVESTMENT SINCE INCEPTION (\$)



PORTFOLIO EXPOSURES

Net Exposure	100%
Net Cash	0%
Long Positions	23
Short Positions	3

TOP 5 POSITIONS

COG Financial Services	24%
Fleetwood	17%
Southern Cross Media	11%
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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