

ASX Announcement

26 August 2021

## SNC announces record investment returns and Net Profit

- **Record gross investment returns of \$56.5 million, an increase of 837% on the pcg**
- **Net Profit of \$37.3 million, an increase of 531% on the pcg**
- **Gross investment returns of 68.3%, beating the All Ords Accum. Index by more than 38%**
- **Fully franked final dividend of 2.75 cents per share, an increase of 10%**
- **Fully franked special dividend of 1.00 cent per share**

The Directors of Sandon Capital Investments Ltd (SNC or the Company) are pleased to announce the release of the 2021 results and Annual Report. SNC reported record gross investment returns of \$56.5 million, which delivered a record net profit after tax of \$37.3 million. Gross investment performance was 68.3%, representing significant outperformance above the All Ordinaries Accumulation Index return of 30.2%.

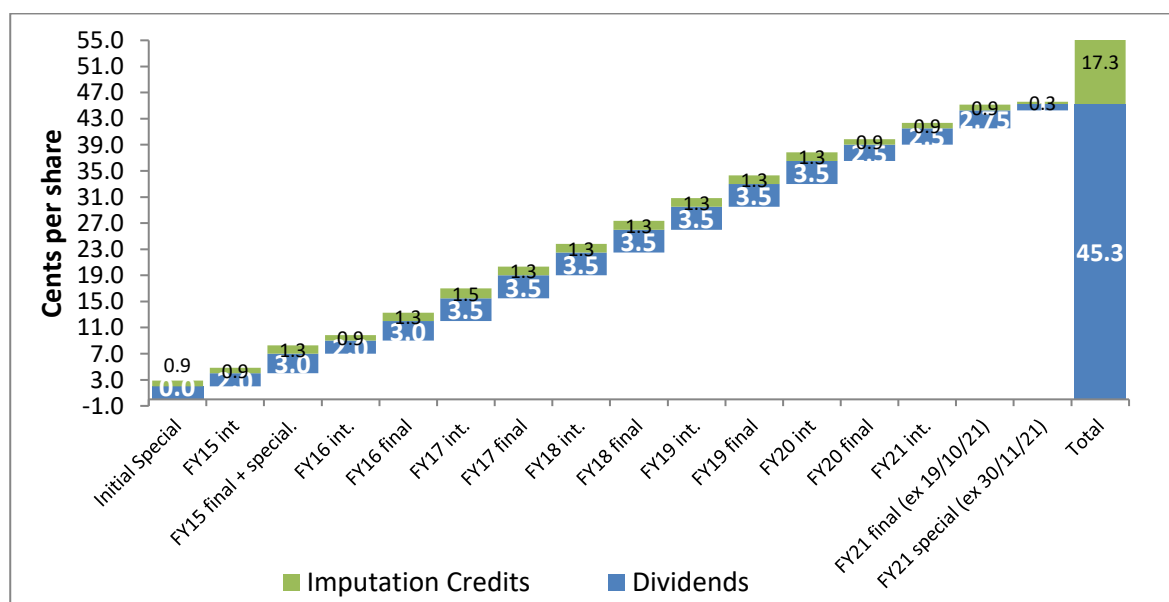
These results have underpinned the previously announced increase in ordinary fully franked final dividend of 2.75 cents per share (a 10% increase) as well as the recently announced fully franked special dividend of 1.00 cent per share.

## Fully franked dividends of 3.75 cents per share to be paid before 31 December 2021

SNC will pay fully franked dividends totalling 3.75 cents per share before 31 December 2021, comprising the final dividend of 2.75 cents per share and the special dividend of 1.00 cent per share. The Board anticipates paying a fully franked interim dividend of 2.75 cents per share in respect of the half year ending 31 December 2021, provided the Company has sufficient profit reserves, franking credits and it is within prudent business practice.

These and any future dividends are underpinned by 32.1 cents per share in profits reserves and more than 9 cents per share in franking credits.

## SNC's Dividend History



## Investment Performance Summary

SNC's investment performance for the 2021 financial year was exceptional. The gross investment return of 68.3%<sup>1</sup> for the 2021 financial year significantly outperformed Australian equity indices.

| Gross Performance to 30 June 2021 <sup>1</sup> | 1 yr          | 2 yrs (p.a.)  | 3 yrs (p.a.) | Since inception (p.a.) |
|------------------------------------------------|---------------|---------------|--------------|------------------------|
| <b>SNC</b>                                     | <b>68.3%</b>  | <b>21.8%</b>  | <b>15.8%</b> | <b>12.5%</b>           |
| All Ordinaries Accumulation Index              | 30.2%         | 9.9%          | 10.3%        | 9.7%                   |
| <b>outperformance</b>                          | <b>+38.1%</b> | <b>+11.9%</b> | <b>+5.5%</b> | <b>+2.8%</b>           |

The Chairman's Report discusses the year's performance as well as the portfolio's five largest positions.

### SNC offers an attractive fully franked dividend yield of ~5.3% at an 8.7% discount to pre-tax NTA<sup>2</sup>

SNC shares are currently trading at a highly attractive annualised yield of 5.3% (which grosses up to 7.1% when including the value of franking credits at SNC's corporate tax rate of 25%).<sup>2</sup> This compares to the current yield of the All Ordinaries Index of approximately 3.8%.<sup>3</sup>

## Timetable for Indicative Dividends

The table below shows the indicative timetable and may be subject to change.

|                   | Special Dividend        | Final Dividend         |
|-------------------|-------------------------|------------------------|
| <b>Ex date</b>    | <b>30 November 2021</b> | <b>19 October 2021</b> |
| Record Date       | 1 December 2021         | 20 October 2021        |
| DRP Election Date | 2 December 2021         | 21 October 2021        |
| Payment Date      | 20 December 2021        | 5 November 2021        |

This Announcement has been authorised by the Board.

### Further information:

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<sup>1</sup> Gross performance is after investment management fees but before performance fees, corporate expenses and taxes. Performance figures are unaudited.

<sup>2</sup> Calculated assuming an annualised dividend of 5.5 (2.75 + 2.75) cents per share, the pre-tax NTA at 31 July 2021 and the closing market price on 25 August 2021 of \$1.04 per SNC share.

<sup>3</sup> Source: Bloomberg estimate as at 26 August 2021. This is not a forecast and past performance is not a reliable indicator of future performance.