

SANDON CAPITAL

Sandon Capital Investments Limited
ABN 31 107 772 467

Appendix 4D – HALF YEAR REPORT **For the half year ended 31 December 2021**

Results For Announcement to the Market
All comparisons to the half year ended 31 December 2020

	\$	Movement Up/(down)	Movement Up/(down) %
Revenue from ordinary activities	7,343,716	Down	(72%)
Profit from operating activities before tax attributable to members	4,316,699	Down	(81%)
Profit from operating activities after tax attributable to members	4,665,451	Down	(75%)
Total comprehensive income attributable to members	4,665,451	Down	(75%)

Interim Dividend	Cents per share	Franked amount per share	Tax rate of franking
2022 Interim dividend	2.75	2.75	25.0%
Ex-dividend date			16 May 2022
Record date			17 May 2022
Payment date			1 June 2022

Dividend Reinvestment Plan

The Dividend Reinvestment Plan (DRP) will apply to this fully franked dividend. No discount will be offered.

Dividends paid during the period	Cents per share	Franked amount per share	Tax rate for franking
2021 Final dividend paid 5 November 2021	2.75	2.75	25%
Special dividend paid 20 December 2021	1.00	1.00	25%

Net tangible Assets Per Share	31 December 2021 Cents	31 December 2020 Cents
Net tangible assets per share (before tax)	110.31	92.67
Net tangible assets per share (after tax)	104.17	90.34

Dividends of 3.75 cents per share were paid during the half year to 31 December 2021

This report is based on the Half Year Financial Report attached which has been subjected to independent review by the auditors, Grant Thornton Pty Limited. All documents comprise the information required by Listing Rule 4.2A.
This information should be read in conjunction with the 30 June 2021 Annual Financial Report.

Sandon Capital Investments Limited
ABN 31 107 772 467

Interim Financial Report
For the half year ended 31 December 2021

Sandon Capital Investments Limited
ABN 31 107 772 467

Interim Financial Report
For the half year ended 31 December 2021

Table of Contents

Directors' Report to shareholders	2
Auditor's Independence Declaration	4
Statement of Profit or Loss and Other Comprehensive Income	5
Statement of Financial Position	6
Statement of Changes in Equity	7
Statement of Cash Flows	8
Notes to the Interim Financial Report	9
Directors' Declaration	15
Independent Review Report to the Members of Sandon Capital Investments Limited	16

Company Particulars

Registered Office

Level 5, 139 Macquarie Street
Sydney NSW 2000
Telephone 02 8014 1188

Stock exchange listing

Sandon Capital Investments Limited shares are listed on the Australian Securities Exchange
(ASX code: SNC)

Directors

Gabriel Radzyminski – Chairman
Peter Velez – Independent Non-Executive Director
Melinda Snowden – Independent Non-Executive Director
Jacqueline Sullivan – Independent Non-Executive Director (appointed 20 December 2021)

Company Secretary

Mark Licciardo
Mertons Corporate Service Pty Ltd
Level 7, 330 Collins Street
Melbourne VIC 3000

Auditor

Grant Thornton Audit Pty Ltd
Level 17, 383 Kent Street
Sydney NSW 2000

Share Register

Link Market Services Limited
Level 12, 680 George Street, Sydney, NSW 2000
Telephone 1300 554 474
www.linkmarketservices.com.au

Sandon Capital Investments Limited
ABN 31 107 772 467

Directors' Report to shareholders
For the half year ended 31 December 2021

The Directors of Sandon Capital Investments Limited ("the Company") present their report together with the interim financial statements of the Company for the half year ended 31 December 2021.

Sandon Capital Investments Limited is a company limited by shares and is incorporated in Australia.

Directors

The following persons were Directors of the Company during the half year and up to the date of this report:

Gabriel Radzynski – Chairman

Peter Velez – Independent Non-Executive Director

Melinda Snowden – Independent Non-Executive Director

Jacqueline Sullivan – Independent Non-Executive Director (appointed 20 December 2021)

Company secretary

Mark Licciardo

Auditors

Grant Thornton Pty Limited.

Principal activities

The Company's principal activity is investing for profit. It is a listed investment company whose assets are managed by an external investment manager, Sandon Capital Pty Ltd (**the Manager**).

Sandon Capital is an activist value manager. It seeks to buy investments at prices the Manager considers are below the intrinsic value of those investments. It looks for investments with high levels of tangible assets, marketable securities or cash, although investments may not always have these characteristics. The Manager deploys a range of activist strategies aimed at realising or improving the intrinsic value of those investments. The Manager may also take advantage of other market opportunities where it considers there are reasonable prospects for a satisfactory return.

The Company may invest in cash, term deposits, unlisted and listed securities and debt instruments. During the period, the value of the Company's investment portfolio increased from \$158,336,495 in June 2021 to \$178,855,917 at half year end.

Operating Results

The Company recorded gross investment returns of \$7,343,716, comprising realised and unrealised capital gains of \$5,514,801, fully franked dividends of \$1,828,915 and some interest. This led to the Company recording a net profit before tax of \$4,316,699 (December 2020: \$22,216,958).

The Company's net profit after tax was \$4,665,451 (December 2020: \$18,628,985), 75% lower than the prior comparable period.

During the reporting period, the Company's cash holdings increased from \$2,182,981 as at 30 June 2021 to \$3,013,960 as at 31 December 2021. This reflected the net effect of inflows from the Entitlement Offer (see below), sales of investments, receipts of dividends and interest and outflows from purchases of investments, payment of company expenses and the payment of a total of 3.75 cents per share dividends during the period.

The return to shareholders for the 6-month period (measured as the change in the Net Tangible Assets/share plus dividends paid and imputation credits) was 3%.

During the period, the Company completed a 1-for-4 non-renounceable Entitlement Offer. The Offer, including the Entitlement, Top-Up and Shortfall Facilities raised \$22,397,604 and issued 22,175,846 new SNC shares.

During the period, the Company also issued 1,448,127 shares in respect of the Dividend Reinvestment Plan (DRP).

As at 31 December 2021 there were 134,512,848 SNC shares on issue.

Sandon Capital Investments Limited
ABN 31 107 772 467

Directors' Report to shareholders
For the half year ended 31 December 2021

Director's Report (continued)

On 20 December 2021, Jacqueline Sullivan was appointed as an independent non-executive director. The Company has also been advised by Melinda Snowden of her intention to retire in early 2022.

Dividends

Subsequent to 31 December 2021, the Board has determined to pay an interim fully franked dividend of 2.75 cents per share. This represents a 10% increase on the previous interim dividend of 2.50 cents per share. This fully franked interim dividend will be paid to shareholders on 1 June 2022. The Dividend Reinvestment Plan (DRP) will apply to this dividend. There will be no discount on the DRP.

A fully franked final dividend of 2.75 cents per share for the financial year ending 30 June 2021 was paid on 05 November 2021. The DRP applied to this dividend. In addition, a special fully franked final dividend of 1.0 cent per share was paid on 20 December 2021. The DRP also applied to this dividend. The total of dividends paid to shareholders during the 6-month period was \$5,000,359.

Rounding of amounts to the nearest dollar

In accordance with the *ASIC (rounding in Financial/Directors' Reports) Instruments 2016/191*, the amounts in the Directors' Report and in the financial report have been rounded to the nearest dollar (where indicated).

Events occurring after the reporting period

The Board has determined to pay an interim fully franked dividend of 2.75 cents per share, payable on 1 June 2022. The DRP will apply to this dividend. There will be no discount.

Apart from the above, no other events have occurred subsequent to the balance sheet date that would require adjustment to, or disclosure in, the financial report.

Auditor's independence declaration

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 4.

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the *Corporations Act 2001*.

On behalf of the Directors,



Gabriel Radzynski
Chairman

Sydney
21 February 2022

Auditor's Independence Declaration

To the Directors of Sandon Capital Investments Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of Sandon Capital Investments Limited for the half-year ended 31 December 2021, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b no contraventions of any applicable code of professional conduct in relation to the review.



Grant Thornton Audit Pty Ltd
Chartered Accountants



A J Sheridan
Partner – Audit & Assurance

Sydney, 21 February 2022

Sandon Capital Investments Limited
ABN 31 107 772 467

Statement of Profit or Loss and Other Comprehensive Income
For the half year ended 31 December 2021

	Notes	December 2021 \$	December 2020 \$
Net realised and unrealised gains on financial assets		5,514,801	25,361,038
Other revenue from operating activities	2	1,828,915	705,540
Net investment income		7,343,716	26,066,578
Management fees		(1,132,282)	(733,548)
Performance fees		(1,321,738)	(2,589,234)
Directors' fees		(33,414)	(30,926)
Brokerage expense		(57,480)	(157,887)
Company secretarial fees		(24,300)	(20,895)
Custody fees		(10,416)	(14,627)
ASX listing and CHESS fees		(60,272)	(38,413)
Share registry fees		(29,934)	(43,246)
Legal fees		(6,434)	(41,154)
Accounting fees		(39,182)	(24,009)
Audit fees		(56,983)	(40,227)
Taxation fees		(187,605)	(84,128)
Other operating expenses		(66,977)	(31,326)
Total expenses		(3,027,017)	(3,849,620)
Profit before income tax		4,316,699	22,216,958
Income tax benefit/(expense)		348,752	(3,587,973)
Profit attributable to members of the Company	6	4,665,451	18,628,985
Other comprehensive income for the period		-	-
Total comprehensive Income for the period		4,665,451	18,628,985
Basic Weighted Average Earnings per share (cents per share)		3.84	17.09
Diluted Weighted Average Earnings per share (cents per share)		3.84	17.09

The accompanying notes form part of these financial statements.

Sandon Capital Investments Limited
ABN 31 107 772 467

Statement of Financial Position
As at 31 December 2021

	Notes	December 2021	June 2021
		\$	\$
Assets			
Cash and cash equivalents	7	3,013,960	2,182,981
Trade and other receivables	8	2,057,129	680,111
Prepayments		54,041	90,211
Financial assets at fair value through profit/loss	10	175,841,957	156,153,514
Deferred tax assets	11	40,377	782,950
Total Assets		<u>181,007,464</u>	<u>159,889,767</u>
Liabilities			
Trade and other payables	9	32,208,606	35,216,483
Current tax liability		7,528	-
Deferred tax liabilities		8,296,818	7,682,358
Total Liabilities		<u>40,512,952</u>	<u>42,898,841</u>
Net Assets		<u>140,494,512</u>	<u>116,990,926</u>
Equity			
Issued capital	4	128,949,894	105,111,400
Profits reserve	5	39,638,339	31,136,296
Accumulated losses	6	(28,093,721)	(19,256,770)
Total Equity		<u>140,494,512</u>	<u>116,990,926</u>

The accompanying notes form part of these financial statements.

Sandon Capital Investments Limited
ABN 31 107 772 467

Statement of Changes in Equity
For the half year ended 31 December 2021

	Note s	Issued Capital \$	Accumulated losses \$	Profits Reserve \$	Total Equity \$
Balance at 1 July 2020		102,720,132	(21,222,677)	1,229,224	82,726,679
Profit for the year attributable to the owners of the Company		-	18,628,985	-	18,628,985
Transfer to profits reserve	5	-	(17,033,151)	17,033,151	-
Shares issued via dividend reinvestment plan		939,393	-	-	939,393
Dividends provided or paid	3	-	-	(2,715,613)	(2,715,613)
Balance at 31 December 2020		103,659,525	(19,626,843)	15,546,762	99,579,444
Balance at 1 July 2021		105,111,400	(19,256,770)	31,136,296	116,990,926
Profit for the year attributable to the owners of the Company		-	4,665,451	-	4,665,451
Transfer to profits reserve	5	-	(13,502,402)	13,502,402	-
Share issued via entitlement offer		22,397,604	-	-	22,397,604
Shares issued via dividend reinvestment plan		1,440,890	-	-	1,440,890
Dividends provided or paid	3	-	-	(5,000,359)	(5,000,359)
Balance at 31 December 2021		128,949,894	(28,093,721)	39,638,339	140,494,512

The accompanying notes form part of these financial statements.

Sandon Capital Investments Limited
ABN 31 107 772 467

Statement of Cash Flows
For the half year ended 31 December 2021

	Notes	December 2021 \$	December 2020 \$
Cash flows from operating activities			
Proceeds from sale of investments		9,038,194	6,047,316
Payments for investments		(23,164,367)	(11,166,508)
Dividends and capital return received		1,821,987	693,018
Interest received		5,781	1,323
Other income received		-	27,914
Income tax payments		(7,528)	-
Management fees (GST inclusive)		(1,169,832)	(846,238)
Performance fee (GST inclusive)		(9,349,596)	-
Brokerage expense (GST inclusive)		(57,480)	(157,887)
Payment of other operating expenses		(774,315)	(244,379)
Net cash outflow from operating activities		(23,657,156)	(5,645,441)
Cash flows from financing activities			
Proceeds from issue of new shares		22,397,604	-
Dividends paid net of re-investment		(3,559,469)	(1,776,220)
Funding from Subsidiary		5,650,000	6,028,000
Net cash inflow by financing activities		24,488,135	4,251,780
Net increase/(decrease) in cash and cash equivalents		830,979	(1,393,661)
Cash and cash equivalents at 1 July 2021		2,182,981	2,102,650
Cash and cash equivalents at end of the period		3,013,960	708,989

The accompanying notes form part of these financial statements.

Sandon Capital Investments Limited
ABN 31 107 772 467

Notes to the Interim Financial Report
For the half year ended 31 December 2021

1. Summary of significant accounting policies

These financial statements and notes for the half year represent those of Sandon Capital Investments Limited ("the Company").

The condensed interim financial report was authorised for issue on 21 February 2022 by the Board of Directors.

Basis of preparation

The half year financial statements are interim financial statements that have been prepared in accordance with the requirements of the *Corporations Act 2001* and *Australian Accounting Standard AASB 134: Interim Financial Reporting*.

The half year report does not include full disclosures of the type normally included in an annual financial report. It is recommended that the half year financial report be read in conjunction with the Annual Financial Report for the year ended 30 June 2021 and any public announcements made by the Company during the half year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001*.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical cost with the exception of financial assets and certain other financial assets and liabilities which have been measured at fair value.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the policies stated below.

New and amended Accounting Standards and Interpretations adopted.

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period.

There were no new or amended Accounting Standards or Interpretations that were not yet mandatory and early adopted which are expected to have a significant impact on the Company's financial statements.

Investment Entity

The directors have determined that the Company meets the definition of an investment entity under AASB 10. Hence as an investment entity it shall not consolidate its subsidiary or apply AASB 3 when it obtains control of another entity. Instead, an investment entity shall measure an investment in a subsidiary at fair value through profit and loss in accordance with AASB 9.

Tax Governance

The Company considers that tax risk management is a fundamental part of its tax governance in order to maintain its efficient and effective operations and to ensure that the Company complies with all relevant tax obligations and pays the correct amount of tax. In order to ensure that the above intentions manifest in practice, the Company has a documented Tax Governance Framework which is designed to comply with Australian Tax Office requirements. Full details of the Company's Tax Governance philosophy will be included in the full year report.

Rounding of amounts to the nearest dollar

In accordance with the *ASIC (rounding in Financial/Directors' Reports) Instruments 2016/191*, the amounts in the Directors' report and in the financial report has been rounded to the nearest dollar (where indicated).

Sandon Capital Investments Limited
ABN 31 107 772 467

Notes to the Interim Financial Report
For the half year ended 31 December 2021

2. Other revenue	December 2021	December 2020
	\$	\$
Dividend income	1,818,113	676,303
Trust distributions	-	27,914
Interest income	10,802	1,323
	<u>1,828,915</u>	<u>705,540</u>

3. Dividends

(a) Dividends paid during the year

	Amount per security (cents)	Franked amount per security (cents)
The following dividends were paid or provided for during the half year:		
Final fully franked dividend for the year ended 30 June 2021 paid on 5 November 2021.	2.75	2.75
Special fully franked dividend for the year ended 30 June 2021 paid on 20 December 2021.	1.00	1.00

	December 2021	December 2020
	\$	\$
Final fully franked dividend of 2.75 cents per share paid on 5 November 2021 (2020: Final fully franked dividend of 2.5 cents per share paid on 12 November 2021).	3,659,280	2,715,613
Special fully franked dividend of 1.0 cents per share paid on 20 December 2021 (2020: Nil).	1,341,079	-

In addition to the dividends paid during the reporting period, since the end of the half year, the Directors have announced their intention to pay a 2.75 cents per share fully franked dividend, which has not been recognised as a liability at half year end.

	December 2021	December 2020
	\$	\$
Interim fully franked dividend	3,699,103	2,748,496

(c) Dividend franking account

	December 2021	June 2021
	\$	\$
Balance at the beginning of the year	10,671,633	11,576,627
Franking credits on dividends received	770,849	720,372
Franking credits on dividends received by Subsidiary	222,657	296,540
Other Tax Payments	-	(2,082)
Other tax payments by Subsidiary	(314,469)	-
Franked dividends paid	<u>(1,666,786)</u>	<u>(1,919,824)</u>
Franked dividend declared but not recognised as a liability at 31 December 2021 franked at 25%	9,683,884	10,671,633
Balance available for subsequent reporting periods	<u>8,450,850</u>	<u>10,671,633</u>

Franking credits (cents per share)	6.28	9.62
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The total number of fully paid shares on issue as at 31 December 2021 is 134,512,848.

Sandon Capital Investments Limited
ABN 31 107 772 467

Notes to the Interim Financial Report
For the half year ended 31 December 2021

4. Issued Capital

	December 2021 \$	December 2021 Number	June 2021 \$	June 2021 Number
(a) Share Capital				
Fully paid ordinary shares	128,949,894	134,512,848	105,111,400	110,888,889
(b) Movements in shares on issue:				
Opening balance	105,111,400	110,888,889	102,720,132	108,624,261
Shares issued – options acquired (MVT)	-	-	571,805	-
Shares issued under the entitlement offer	22,397,604	22,175,846	-	-
Shares issued under a dividend reinvestment plan	1,440,890	1,448,113	1,819,463	2,264,628
Closing balance	<u>128,949,894</u>	<u>134,512,848</u>	<u>105,111,400</u>	<u>110,888,889</u>

5. Profits reserve

	December 2021 \$	June 2021 \$
Movement in profits reserve		
Balance as at beginning of the period	31,136,296	1,229,224
Transfer from retained earnings	13,502,402	35,371,185
Dividend paid	(5,000,359)	(5,464,113)
	<u>39,638,339</u>	<u>31,136,296</u>
Profits reserve (cents per share)	29.47	28.08

6. Accumulated losses

	December 2021 \$	June 2021 \$
Balance as at beginning of the period	(19,256,770)	(21,222,677)
Profit for the period	4,665,451	37,337,092
Transfer to profits reserve	(13,502,402)	(35,371,185)
	<u>(28,093,721)</u>	<u>(19,256,770)</u>

7. Cash and cash equivalents

	December 2021 \$	June 2021 \$
Cash at bank	<u>3,013,960</u>	<u>2,182,981</u>
	<u>3,013,960</u>	<u>2,182,981</u>

Sandon Capital Investments Limited
ABN 31 107 772 467

Notes to the Interim Financial Report
For the half year ended 31 December 2021

8. Trade and other receivables

	December 2021	June 2021
	\$	\$
GST receivable	158,081	676,237
Interest receivable	5,021	-
Other receivable	13,681	-
Dividend and New Zealand withholding tax receivable	-	3,874
Amounts receivable from investment manager	348,237	-
Intercompany tax receivable under tax funding agreement	1,532,109	-
	2,057,129	680,111

9. Trade and other payables

	December 2021	June 2021
	\$	\$
Management fee payable	144,906	182,456
Performance fee payable	1,418,445	9,349,596
Outstanding settlements payable	47,468	606,171
Other payables	180,320	129,589
Intercompany tax payable under tax funding agreement	-	181,204
Amounts payable to wholly owned subsidiary	30,417,467	24,767,467
	32,208,606	35,216,483

10. Financial instruments measured at fair value

(a) Fair value hierarchy

AASB 13 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy (consistent with the hierarchy applied to financial assets and financial liabilities):

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices)

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

Included in Level 1 of the hierarchy are listed investments. The fair value of these financial assets have been based on the closing quoted last prices at the end of the year, excluding transaction costs.

Included in level 2 of the hierarchy are unlisted investment companies. The fair value of an investment has been based on its net asset backing, being the underlying value of its cash, cash equivalents and investment portfolio values at the end of the reporting period.

As at 31 December 2021, the Company has one unlisted investment classified as level 2. This investment is MVT.

The investment in MVT is an unlisted wholly owned subsidiary, which has been valued at its underlying post-tax net asset backing at the end of the reporting period. Although MVT itself is unlisted, and hence is reported as a level 2 asset, 83.88% of MVT's investment portfolio comprises level 1 assets. The balance of the fair value hierarchy comprises level 2 assets (1.28% of MVT's portfolio) and level 3 assets (14.84% of MVT's portfolio). The portion of MVT's assets that are reported as investments was valued at \$60,685,310 as at 31 December 2021. Other assets, such as the investment in ASK Funding Ltd and Richfield Maritime Agencies are reported as loans and cash.

Sandon Capital Investments Limited
ABN 31 107 772 467

Notes to the Interim Financial Report
For the half year ended 31 December 2021

10. Financial Instruments measure at fair value (continued)

Included with level 3 of the hierarchy are unlisted securities such as shares in private companies, trusts and unlisted foreign notes. In order to determine the fair value of these investments, valuation techniques such as comparisons to similar investments for which market observable inputs are available, latest available net tangible assets per share, the adjusted last sale price or the fair value of the expected redemption value in the notes have been adopted.

As at 31 December 2021, the Company had three unlisted investments classified as level 3.

The Company's investment in Carbon Conscious Investment Ltd (CCIL) valued at \$364,715 (June 2021: \$354,245) is based on its share of CCIL's shareholder equity. This valuation was supported by discounted cashflow calculations and earnings capitalisation calculations performed by the Company on readily available information.

The Company's investment in Foundation Life valued at \$284,179 (June 2021: \$280,719) is based on its share of Foundation Life's shareholder equity and ownership of Foundation Life's notes. These figures are reported in Foundation Life's reviewed half yearly and audited full year accounts (in March and September respectively).

The Company's investment in OneMarket Limited (OMN) valued at \$101,244 (June 2021: \$101,244) is based on its share of OMN's liquidation value. OMN delisted from the ASX on the 2nd of December 2019. The liquidators are yet to determine if there will be any final distributions.

The Company's investment in Monash Absolute Investment Company Ltd (MA1) valued at \$170,497 (June 2021: \$476,871) is based on its share of the reported post tax NTA as at 30 June 2021.

The following table presents the Company's assets and liabilities measured and recognised at fair value at 31 December 2021.

31 December 2021	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial assets held for trading:				
Listed investments	108,833,471	-	-	108,833,471
Unlisted investments	-	66,087,852	920,634	67,008,486
	108,833,471	66,087,852	920,634	175,841,957

30 June 2021	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial assets held for trading:				
Listed investments	91,426,711	-	-	91,426,711
Unlisted investments	-	63,513,724	1,213,079	64,726,803
	91,426,711	63,513,724	1,213,079	156,153,514

There were no financial assets transferred from level 1 to level 2 or level 3 in the fair value hierarchy during the period (June 2021: the investment in MA1 was transferred from level 1 to level 3)

The following table presents the movement in level 3 instruments for the period ended 31 December 2021

Unlisted Investments	December 2021	June 2021
	\$	\$
Opening Balance	1,213,079	626,869
Transfer into from level 3	-	476,871
Purchases	183	496
Unrealised (loss)/gain	(295,905)	109,969
Foreign exchange gain/(loss)	3,277	(1,126)
Closing Balance	920,634	1,213,079

Sandon Capital Investments Limited
ABN 31 107 772 467

Notes to the Interim Financial Report
For the half year ended 31 December 2021

11. Deferred tax

In finalising the Income Tax Return for the period ended 30 June 2021 an election was made to crystallise certain deferred tax liabilities within the tax consolidated group. This has resulted in the transfer of deferred tax liabilities to current tax liabilities in the period. The group has utilised its tax losses carried forward to reduce this current tax liability. This resulted in a reduction of deferred tax assets in the period.

12. Contingencies and commitments

There are no contingent assets or liabilities as at 31 December 2021 (June 2021: Nil). As at 31 December 2021, the Company had nil commitments (June 2021: Nil).

13. Segment information

The Company currently engages in investing activities, including cash, term deposits, unlisted and listed securities and debt instruments. It has no reportable business or geographic segments.

14. Events occurring after the reporting period

The Board has declared a fully franked interim dividend of 2.75 cents per share, payable on 1 June 2022.

Apart from the above, no events have occurred subsequent to the balance sheet date that would require adjustment to, or disclosure in, the financial report.

Sandon Capital Investments Limited
ABN 31 107 772 467

Directors' Declaration
For the half year 31 December 2021

The Directors of Sandon Capital Investments Limited declare that:

1. The financial statements and notes, as set out on pages 5 to 14, are in accordance with the *Corporations Act 2001*, including:
 - a) Complying with Australian Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
 - b) Giving a true and fair view of the financial position of the Company as at 31 December 2021 and of its performance for the half year ended on that date.
2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors, pursuant to section 306(3)(a) of *the Corporations Act 2001*.

On behalf of the Directors,



Gabriel Radzynski
Chairman

Sydney
21 February 2022

Independent Auditor's Review Report

To the Members of Sandon Capital Investments Limited

Report on the review of the half-year financial report

Conclusion

We have reviewed the accompanying half-year financial report of Sandon Capital Investments Limited (the Company), which comprises the statement of financial position as at 31 December 2021, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half year ended on that date, a description of accounting policies, other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Sandon Capital Investments Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of Sandon Capital Investments Limited's financial position as at 31 December 2021 and of its performance for the half year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' responsibility for the half-year financial report

The Directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2021 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Grant Thornton Audit Pty Ltd
Chartered Accountants



A J Sheridan
Partner – Audit & Assurance

Sydney, 21 February 2022