

ASX Announcement

25 August 2023

SNC to pay 2.75 cents per share fully franked final dividend

- Fully franked final dividend of 2.75 cps
- SNC shares offer an attractive fully franked dividend yield of 8.9% (11.9% incl. franking)
- Future dividends underpinned by 27.1 cps in profits reserve and 7.5 cps in franking credits¹

The Directors of Sandon Capital Investments Limited (ASX:SNC) intend to pay a 2.75 cents per share fully franked final dividend, in line with last year's final dividend. The DRP will apply, with no discount. The Directors advise that they (or any entities they control) will participate in the DRP for all eligible SNC shares.

While the Directors and the Investment Manager are disappointed by the investment performance for the 2023 financial year, they are encouraged by the operational performance of many of the companies in the portfolio. Investment performance in the second half of the financial year was also materially better than the first half, as shown in the table below.

	SNC Gross Return	Small Ordinaries Accumulation Index	All Ordinaries Accumulation Index
Half year to 31 December 2022	-0.8%	7.0%	9.6%
Half year to 30 June 2023	5.6%	1.3%	4.7%
Full year to 30 June 2023	4.6%	8.4%	14.8%

All figures, including for SNC, are before fees, expenses and taxes. Figures do not tally due to rounding and compounding.

The Investment Manager remains confident of the medium-term outlook for the portfolio and is excited by the new opportunities the market conditions might provide.

The Investment Manager will provide an update on portfolio investments once reporting season concludes at the end of August. Investor presentations will also be scheduled.

Indicative Dividend Timetable

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

Ex date	20 October 2023
Record Date	23 October 2023
DRP Election Date	24 October 2022
Payment Date	8 November 2023

SNC offers an attractive fully franked dividend yield of ~ 8.9% at a 21.8% discount to pre-tax NTA²

SNC shares are currently trading at a highly attractive annualised yield of 8.9% (which grosses up to 11.9% when including the value of franking credits at SNC's corporate tax rate of 25%).²

The Company has significant profit reserves. As of 31 July 2023, SNC has profit reserves totalling 27.1 cents per share and a franking balance of 7.5 cents per share. Based on the current franking balance,

¹ These figures are as at 31 July 2023. Any future dividends are not guaranteed and will be paid at the directors' discretion, subject to availability of reserves, franking and being prudent to do so.

² Calculated assuming an annualised dividend of 5.5 cents per share, the pre-tax NTA at 31 July 2023 and the closing market price on 24 August 2023 of \$0.62 per SNC share.

SNC has the capacity to pay 22.5 cents per share in fully franked dividends. This equates to 4 years of dividends at the current rate of 5.5 cents per annum.¹

This Announcement has been authorised by the Board.

Further information:

Sandon Capital Investments Limited

Tel: 02 8014 1188

Fax: 02 8084 9918

Website: www.sandoncapital.com.au

Share registry:

Link Market Services

Tel: 1300 554 474 (toll free within Australia)

Email: registrars@linkmarketservices.com.au