

# SANDON CAPITAL

Sandon Capital Investments Limited  
ABN 31 107 772 467

## Appendix 4D – HALF YEAR REPORT For the half year ended 31 December 2020

Results For Announcement to the Market  
All comparisons to the half year ended 31 December 2019

	\$	Movement Up/(down)	Movement Up/(down) %
Revenue from ordinary activities	26,066,578	Up	145%
Profit from operating activities before tax attributable to members	22,216,958	Up	180%
Profit from operating activities after tax attributable to members	18,628,985	Up	153%
Total comprehensive income attributable to members	18,628,985	Up	153%

Interim Dividend	Cents per share	Franked amount per share	Tax rate of franking
2021 Interim dividend	2.5	2.5	26.0%
Ex-dividend date			17 May 2021
Record date			18 May 2021
Payment date			03 June 2021

### 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
2020 Final dividend paid 12 November 2020	2.5	2.5	26%

Net tangible Assets Per Share	31 December 2020 Cents	31 December 2019 Cents
Net tangible assets per share (before tax)	92.67	95.63
Net tangible assets per share (after tax)	90.34	94.69

Dividends of 3.5 cents per share were paid during the half year to 30 June 2020

Dividends of 2.5 cents per share were paid during the half year to 31 December 2020

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 2020 Annual Financial Report.

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**Sandon Capital Investments Limited**  
**ABN 31 107 772 467**

**Interim Financial Report**  
**For the half year ended 31 December 2020**

**Sandon Capital Investments Limited**  
ABN 31 107 772 467

Interim Financial Report  
For the half year ended 31 December 2020

**Table of Contents**

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

**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 Radzynski – Chairman  
Peter Velez – Independent Non-Executive Director  
Melinda Snowden – Independent Non-Executive Director

**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](http://www.linkmarketservices.com.au)

**Sandon Capital Investments Limited**  
**ABN 31 107 772 467**

**Directors' Report to shareholders**  
**For the half year ended 31 December 2020**

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 2020.

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 Radzyminski – Chairman

Peter Velez – Independent Non-Executive Director

Melinda Snowden – Independent Non-Executive Director

**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 (**Sandon Capital or 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 \$98,447,979 in June 2020 to \$124,280,884 at half year end.

**Operating Results**

The company recorded a net profit before tax of \$22,216,958 (December 2019: \$7,924,426) which was the result of an increase in the market value of investments as at 31 December 2020.

The Company's net profit after tax was \$18,628,985 (December 2019: \$7,350,921). This result was 153% higher than the prior comparable period.

During the reporting period, the Company's cash holdings reduced from \$2,102,650 as at 30 June 2020 to \$708,989 as at 31 December 2020. This reflected the net effect of inflows from sales of investments, returns of capital, receipts of dividends and interest and outflows from purchases of investments and the payment of the 2.5 cents per share final dividend.

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 29.9%.

During the period, the Company issued 1,315,585 shares in respect of the Dividend Reinvestment Plan (DRP). As at 31 December 2020 there were 109,939,843 SNC shares on issue.

**Dividends**

Subsequent to 31 December 2020, the Board has determined to pay an interim fully franked dividend of 2.5 cents per share. This dividend will be paid to shareholders on 03 June 2021. The Dividend Reinvestment Plan (DRP) will apply to this dividend. There will be no discount.

A fully franked final dividend of 2.5 cents per share for the financial year ending 30 June 2020 was paid on 12 November 2020. The DRP applied to this dividend. The total dividend paid to shareholders during the 6-month period was \$2,715,613.

**Sandon Capital Investments Limited**  
ABN 31 107 772 467

**Directors' Report to shareholders**  
**For the half year ended 31 December 2020**

**Director's Report (continued)**

**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 2.5 cents per share, payable on 03 June 2021. 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  
24 February 2021

## 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 2020, 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, 24 February 2021

**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 2020**

	Notes	December 2020 \$	December 2019 \$
Net realised and unrealised gains on financial assets		25,361,038	10,375,038
Other revenue from operating activities	2	705,540	250,468
<b>Net investment income</b>		<b>26,066,578</b>	<b>10,625,506</b>
Management fees		(733,548)	(582,322)
Performance fees		(2,589,234)	(1,376,493)
Directors' fees		(30,926)	(64,066)
Brokerage expense		(157,887)	(24,225)
Company secretarial fees		(20,895)	(30,148)
Custody fees		(14,627)	(10,824)
ASX listing and CHESS fees		(38,413)	(113,869)
Share registry fees		(43,246)	(72,664)
Legal fees		(41,154)	(173,338)
Accounting fees		(24,009)	(30,570)
Audit fees		(40,227)	(28,347)
Taxation fees		(84,128)	(142,722)
Other operating expenses		(31,326)	(51,492)
<b>Total expenses</b>		<b>(3,849,620)</b>	<b>(2,701,080)</b>
<b>Profit before income tax</b>		<b>22,216,958</b>	<b>7,924,426</b>
Income tax expense		(3,587,973)	(573,505)
<b>Profit attributable to members of the Company</b>	6	<b>18,628,985</b>	<b>7,350,921</b>
<b>Other comprehensive income for the period</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive Income for the period</b>		<b>18,628,985</b>	<b>7,350,921</b>
<b>Basic Weighted Average Earnings per share (cents per share)</b>		<b>17.09</b>	<b>8.48</b>
<b>Diluted Weighted Average Earnings per share (cents per share)</b>		<b>17.09</b>	<b>8.48</b>

The accompanying notes form part of these financial statements.

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**Sandon Capital Investments Limited**  
**ABN 31 107 772 467**

**Statement of Financial Position**  
**As at 31 December 2020**

	Notes	December 2020	June 2020
		\$	\$
<b>Assets</b>			
Cash and cash equivalents	7	708,989	2,102,650
Trade and other receivables	8	2,658,397	46,201
Prepayments		10,888	33,148
Financial assets at fair value through profit/loss	10	123,571,895	96,345,329
Deferred tax assets		806,369	2,203,520
<b>Total Assets</b>		<b>127,756,538</b>	<b>100,730,848</b>
<b>Liabilities</b>			
Trade and other payables	9	24,804,371	16,889,268
Financial liabilities at fair value through profit/loss	10	-	1,110,305
Deferred tax liabilities		3,372,723	4,596
<b>Total Liabilities</b>		<b>28,177,094</b>	<b>18,004,169</b>
<b>Net Assets</b>		<b>99,579,444</b>	<b>82,726,679</b>
<b>Equity</b>			
Issued capital	4	103,659,525	102,720,132
Profits reserve	5	15,546,762	1,229,225
Accumulated losses	6	(19,626,843)	(21,222,677)
<b>Total Equity</b>		<b>99,579,444</b>	<b>82,726,679</b>

The accompanying notes form part of these financial statements.

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**Sandon Capital Investments Limited**  
**ABN 31 107 772 467**

**Statement of Changes in Equity**  
**For the half year ended 31 December 2020**

	Note s	Issued Capital \$	Accumulated losses \$	Profits Reserve \$	Total Equity \$
<b>Balance at 1 July 2019</b>		57,034,812	(5,207,913)	1,334,797	53,161,696
Profit for the year attributable to the owners of the Company		-	7,350,921	-	7,350,921
Transfer to profits reserve	5	-	(7,350,920)	7,350,920	-
Shares issued via scrip consideration for acquisition		44,229,638	-	-	44,229,638
Shares issued via dividend reinvestment plan		317,092	-	-	317,092
Dividends provided or paid	3	-	-	(3,723,452)	(3,723,452)
<b>Balance at 31 December 2019</b>		<b>101,581,542</b>	<b>(5,207,912)</b>	<b>4,962,265</b>	<b>101,335,895</b>
<b>Balance at 1 July 2020</b>		102,720,132	(21,222,677)	1,229,225	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)
<b>Balance at 31 December 2020</b>		<b>103,659,525</b>	<b>(19,626,843)</b>	<b>15,546,762</b>	<b>99,579,444</b>

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 2020**

	Notes	December 2020 \$	December 2019 \$
<b>Cash flows from operating activities</b>			
Proceeds from sale of investments		6,047,316	6,762,371
Payments for investments		(11,166,508)	(8,023,312)
Dividends and capital return received		693,018	194,590
Interest received		1,323	6,043
Other income received		27,914	18,808
Income tax payments		-	(9,751)
Management fees (GST inclusive)		(846,238)	(515,558)
Performance fee (GST inclusive)		-	(424,224)
Brokerage expense (GST inclusive)		(157,887)	(24,225)
Payment of other operating expenses		(244,379)	(827,423)
<b>Net cash outflow from operating activities</b>		<b>(5,645,441)</b>	<b>(2,842,681)</b>
<b>Cash flows from financing activities</b>			
Dividends paid net of re-investment		(1,776,220)	(3,406,359)
Funding from Subsidiary		6,028,000	7,350,000
<b>Net cash inflow by financing activities</b>		<b>4,251,780</b>	<b>3,943,641</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(1,393,661)</b>	<b>1,100,960</b>
Cash and cash equivalents at 1 July 2020		2,102,650	701,885
<b>Cash and cash equivalents at end of the period</b>		<b>708,989</b>	<b>1,802,845</b>
<b>Non-cash transactions:</b>			
Shares issued via scrip consideration for acquisition		-	44,229,638

The accompanying notes form part of these financial statements.

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**Sandon Capital Investments Limited**  
**ABN 31 107 772 467**

**Notes to the Interim Financial Report**  
**For the half year ended 31 December 2020**

**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 24 February 2021 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 2020 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 Consolidation**

On 3 December 2019, the company formed a tax consolidated group with Mercantile Investment Company Ltd (**MVT** or **Mercantile**) and all its subsidiaries under the tax consolidated regime. The tax agreement is effective from 3 December 2019 for the income year ending 30 June 2020 and future years. The Australian Taxation Office has been notified of this decision. As a result of tax consolidation, adjustments were required for the reset of tax bases of assets of the subsidiaries.

Controlled entities within the relevant tax consolidated group continue to be responsible under the Company's tax funding agreement for funding their share of tax payments that are required to be made by the Company. These tax amounts are measured as if each entity within the tax consolidated group continues to be a stand-alone tax payer in their own right.

Assets or liabilities arising under tax funding agreements are recognised as amounts receivable from or payable to other entities in the tax consolidated group. Any differences between the amounts assumed and amounts receivable or payable under the tax funding agreements are recognised as a contribution to (or distribution from) wholly-owned tax consolidated entities.

**Sandon Capital Investments Limited**  
ABN 31 107 772 467

**Notes to the Interim Financial Report**  
For the half year ended 31 December 2020

**1. Summary of significant accounting policies (continued)**

**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).

**2. Other revenue**

	<b>December 2020</b>	<b>December 2019</b>
	\$	\$
Dividend income	676,303	225,617
Trust distributions	27,914	18,808
Interest income	1,323	6,043
	<u>705,540</u>	<u>250,468</u>

**3. Dividends**

**(a) Dividends paid during the year**

	<b>Amount per security (cents)</b>	<b>Franked amount per security (cents)</b>
The following dividends were paid or provided for during the half year:		
Final fully franked dividend for the year ended 30 June 2020 paid on 12 November 2020.	2.5	2.5

	<b>December 2020</b>	<b>December 2019</b>
	\$	\$
Final fully franked dividend of 2.5 cents per share paid on 12 November 2020 (2019: Final fully franked dividend of 3.5 cents per share paid on 12 November 2019).	2,715,613	3,723,452

**(b) Dividends not recognised at half year end**

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 2.5 cents per share fully franked dividend, which has not been recognised as a liability at half year end.

	<b>December 2020</b>	<b>December 2019</b>
	\$	\$
Interim fully franked dividend	2,748,496	3,733,034

**(c) Dividend franking account**

	<b>December 2020</b>	<b>June 2020</b>
	\$	\$
Balance at the beginning of the year	11,576,627	939,267
Franking credits on dividends received	284,534	93,724
Franking credits on dividends received by Subsidiary	195,451	162,582
Other Tax Payments	-	8,301
Other tax payments by Subsidiary	-	(5,390)
Franked dividends paid	(954,134)	(2,828,325)
Franking credits transferred from MVT on tax consolidation	-	13,206,468
	<u>11,102,478</u>	<u>11,576,627</u>
Franked dividend declared but not recognised as liability at 31 December 2020 franked at 26%	(965,688)	-
Balance available for subsequent reporting periods	<u>10,136,790</u>	<u>11,576,627</u>

Franking credits (cents per share)	9.22	10.66
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The total number of fully paid shares on issue as at 31 December 2020 is 109,939,843.

**Sandon Capital Investments Limited**  
ABN 31 107 772 467

**Notes to the Interim Financial Report**  
For the half year ended 31 December 2020

**4. Issued Capital**

	December 2020 \$	December 2020 Number	June 2020 \$	June 2020 Number
<b>(a) Share Capital</b>				
Fully paid ordinary shares	103,659,525	109,939,843	102,720,132	108,624,261
<b>(b) Movements in shares on issue:</b>				
Opening balance	102,720,132	108,624,261	57,034,812	59,259,401
Shares issued – options acquired (MVT)	-	-	-	601,457
Shares issued as scrip consideration for MVT	-	-	44,229,638	46,523,233
Shares issued under a dividend reinvestment plan	939,393	1,315,582	1,550,714	2,353,075
Share buy-back	-	-	(95,032)	(112,905)
Closing balance	<u>103,659,525</u>	<u>109,939,843</u>	<u>102,720,132</u>	<u>108,624,261</u>

**5. Profits reserve**

	December 2020 \$	June 2020 \$
<b>Movement in profits reserve</b>		
Balance as at beginning of the period	1,229,224	1,334,797
Transfer from retained earnings	17,033,151	7,350,920
Dividend paid	(2,715,613)	(7,456,493)
	<u>15,546,762</u>	<u>1,229,224</u>
Profits reserve (cents per share)	14.14	1.13

**6. Accumulated losses**

	December 2020 \$	June 2020 \$
Balance as at beginning of the period	(21,222,677)	(5,207,913)
Profit for the period	18,628,985	(8,663,844)
Transfer to profits reserve	(17,033,151)	(7,350,920)
	<u>(19,626,843)</u>	<u>(21,222,677)</u>

**7. Cash and cash equivalents**

	December 2020 \$	June 2020 \$
Cash at bank	219,697	801,916
Collateral on short trades	489,292	1,300,734
	<u>708,989</u>	<u>2,102,650</u>

**Sandon Capital Investments Limited**  
**ABN 31 107 772 467**

**Notes to the Interim Financial Report**  
**For the half year ended 31 December 2020**

**8. Trade and other receivables**

	<b>December 2020</b>	<b>June 2020</b>
	\$	\$
Outstanding settlements receivable	2,423,023	-
GST receivable	231,407	25,519
Other receivable	2,082	2,082
Dividend and New Zealand withholding tax receivable	1,885	18,600
	<b>2,658,397</b>	<b>46,201</b>

**9. Trade and other payables**

	<b>December 2020</b>	<b>June 2020</b>
	\$	\$
Management fee payable	144,906	112,690
Performance fee payable	2,778,691	-
Outstanding settlements payable	279,664	-
Other payables	96,877	123,040
Intercompany tax payable under tax funding agreement	146,233	1,323,538
Amounts payable to investee entity	21,358,000	15,330,000
	<b>24,804,371</b>	<b>16,889,268</b>

**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 2020, 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, 82.1% of MVT's investment portfolio comprises level 1 assets. The balance of the fair value hierarchy comprises level 2 assets (0.8% of MVT's portfolio) and level 3 assets (17.1% of MVT's portfolio). The portion of MVT's assets that are reported as investments was valued at \$54,065,362 as at 31 December 2020. 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 2020**

**10. Financial instruments measured at fair value (continued)**

**(a) Fair value hierarchy (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 2020, the Company had three unlisted investment classified as level 3.

The Company's investment in Carbon Conscious Investment Ltd (CCIL) valued at \$355,851 (June 2020: \$345,519) 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 \$280,982 (June 2020: \$281,350) 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 Nil (June: Nil) is based on its share of OMN's liquidation value. OMN delisted from the ASX on the 2<sup>nd</sup> of December 2019. The liquidators are yet to determine if there will be any final distributions.

The following table presents the Company's assets and liabilities measured and recognised at fair value at 31 December 2020.

<b>31 December 2020</b>	<b>Level 1</b> \$	<b>Level 2</b> \$	<b>Level 3</b> \$	<b>Total</b> \$
<b>Financial assets held for trading:</b>				
Listed investments	65,339,834	-	-	65,339,834
Unlisted investments	-	57,595,227	636,834	58,232,061
Financial liabilities	-	-	-	-
	<b>65,339,834</b>	<b>57,595,227</b>	<b>636,834</b>	<b>123,571,895</b>
<b>30 June 2020</b>	<b>Level 1</b> \$	<b>Level 2</b> \$	<b>Level 3</b> \$	<b>Total</b> \$
<b>Financial assets held for trading:</b>				
Listed investments	46,227,818	-	-	46,227,818
Unlisted investments	-	49,490,642	626,869	50,117,511
Financial liabilities	(1,110,305)	-	-	(1,110,305)
	<b>45,117,513</b>	<b>49,490,642</b>	<b>626,869</b>	<b>95,235,024</b>

**11. Contingencies and commitments**

There are no contingent assets or liabilities as at 31 December 2020 (June 2020: Nil). As at 31 December 2020, the Company had nil commitments (June 2020: Nil).

**12. 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.

**Sandon Capital Investments Limited**  
ABN 31 107 772 467

**Notes to the Interim Financial Report**  
**For the half year ended 31 December 2020**

**13. Events occurring after the reporting period**

The Board has declared a fully franked interim dividend of 2.5 cents per share, payable on 03 June 2021.

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.

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**Sandon Capital Investments Limited**  
ABN 31 107 772 467

**Directors' Declaration**  
**For the half year 31 December 2020**

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 2020 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  
24 February 2021

# Independent Auditor's 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 2020, 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, nothing has come to our attention that causes us to believe that the half year financial report of Sandon Capital Investments Limited does not give a true and fair view of the financial position of the Company as at 31 December 2020, and of its financial performance and its cash flows for the half year ended on that date, in accordance with the *Corporations Act 2001*, including complying with Accounting Standard AASB 134 *Interim Financial Reporting*.

## Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of Financial Report Performance 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. We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

## 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 2020 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*. As the auditor of Sandon Capital Investments Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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, 24 February 2021