

Cadence Opportunities Fund Limited (ASX: CDO) Full Year Results

Sydney, 21 August 2025: Cadence Opportunities Fund Limited today announced its full year results. Karl Siegling, Chairman, said “Cadence Opportunities Fund ended the financial year with the fund being up 7.9% and earning a profit after tax of \$1.5 million. The top contributors to performance during the financial year were Evolution Mining, Netflix, Echo IQ, Robex Resources, QBE Insurance, Boss Energy, New Gold, Turaco Gold and Guzman Y Gomez. The largest detractors from performance were Step One Clothing, Whitehaven Coal, Alcoa and Capstone Copper.”

“The fund performed strongly in the second half of the financial year being up +9.1% reversing some of the first half underperformance.”

Karl Siegling continued, “The All Ordinaries Accumulation Index performance in 2025 was driven by a small number of large capitalisation companies that did not meet Cadence’s investment criteria having low earnings growth and high price earnings (PE) multiples. Commonwealth Bank, Wesfarmers, Westpac, Telstra and Brambles are five such examples which were responsible for around half of the rise in the All Ordinaries Accumulation Index over the 2025 financial year.”

“In our 2024 webcasts we highlighted that the AUD gold price had been rising, and that because gold mining companies are leveraged to the gold price, their share prices should have outperformed gold price movements. At that point they had underperformed, and this continued for most of 2024. We have recently seen gold company share prices “catch

Full Year Results to 30 June 2025:

- Profit before tax of \$1.8m
- Profit after tax of \$1.5m
- Fund up 7.9% in FY25
- 7.0c fully franked final dividend
- Annualised yield of 7.8% fully franked (11.1% gross including franking)
- DRP will be operating for the final dividend
- On-market buy-back planned to buy back shares issued in DRP when shares are trading at a discount to NTA
- CDO shares trading at a 15% Discount to Pre-tax NTA

up” to the gold price. Our Evolution Mining investment has performed well for the fund with the share price up 123% over the past twelve months while the Australian Dollar gold price was up 44%. Robex Resources, New Gold and Turaco Gold have also performed well for the fund, particularly over the last 6 months.”

Karl Siegling added, “Market moves over the last six months created opportunities to add several new trading positions into the portfolio.”

Fully Franked Year-end Dividend

The Board is pleased to announce a 7.0 cents per share fully franked final dividend, an increase of 0.5 cents on the interim dividend, bringing the full year dividend to 13.5 cents per share fully franked. This full year dividend equates to a 7.8% fully franked yield or an 11.1% gross yield (grossed up for franking credits) based on the share price of \$1.73 per share on the day of this announcement.

Importantly this equates to a 6.7% yield or a 9.5% gross yield (grossed up for franking credits) based on the current pre-tax NTA of \$2.03, as the Company shares are trading at a discount to NTA. After paying this dividend the fund still has 14.5 cents per share of profits reserves to pay future dividends.

The Ex-Date for the dividend is the 15 October 2025. The payment date for the dividend is 31 October 2025.

The dividend re-investment plan (DRP) will be in operation for this final dividend. We would encourage shareholders to participate in the DRP as an efficient mechanism to add to existing holdings in the fund. The DRP will be priced at the weighted average share price over the relevant DRP pricing period. The Company will continue to buy-back the shares it issues under the DRP when the CDO share price is trading at a discount to the Pre-Tax NTA. CDO is trading at a pre-tax NTA discount of around 15%.

If you are not registered for the DRP and you would like to participate, please contact Boardroom on 1300 737 760.

Outlook

Karl Siegling said, "Global markets remain caught between slowing growth, political uncertainty, and central bank policy easing. US President Trump's tariffs have added further pressure to the global economy, prompting central banks worldwide to respond with interest rate cuts. Here in Australia, the RBA reduced rates by 25 basis points in August, while the US Federal Reserve is widely expected to follow suit in September."

Karl Siegling continued, "Despite short term rates falling, we do see upside risk to longer-term interest rates and inflation. Loosening monetary policy and growing fiscal deficits are laying the groundwork for inflationary pressures to re-emerge. These forces may dictate a race to the bottom in currencies and elevate the safe haven characteristics of gold, with gold equities remaining a core exposure within the fund on relatively inexpensive valuations."

Karl Siegling added, "Across the broader ex-resources market we continue to see evidence of PE expansion outpacing earnings growth, resulting in increasingly more expensive equities. Recent interest rate reductions may see this trend continue in the near term, with increased market volatility providing more trading opportunities. We continue to focus on implementing the Cadence process that has served us well through market cycles."

Karl Siegling
Chairman, Cadence Opportunities Fund Limited

Further information:
Cadence Opportunities Fund Limited
Telephone: +61 2 8298 2450
Email: info@cadencecapital.com.au
Web: www.cadencecapital.com.au