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

Full Year Results to 30 June 2026:

- **Record Profit** before tax of $7.99m
- **Record Profit** after tax of $5.66m
- Fund up **30.3%** in FY26
- Outperforming the index by **24.6%**
- **7.5c** FF final dividend, **2.0c** FF special dividend
- **7.4%** FF yield, **10.5%** gross yield (Incl. special dividend)
- 73cps Profits Reserve, **> 4 yrs** of dividends
- 16.2cps Franking Credits, **2.5 yrs** of FF dividends
- **CDO Share price** up **41.0%** over FY26 (Incl. Div.& franking)
- CDO shares trading at **5%** premium to Pre-tax NTA

Sydney, 21 August 2026: Cadence Opportunities Fund Limited today announced a record profit after tax of $5.7m. Karl Siegling, Chairman, said "Cadence Opportunities Fund ended the financial year with the fund being up 30.3%, outperforming the All Ordinaries Accumulation Index by 24.6%. CDO's share price for the year, including dividends and franking, was up 41.0%. Cadence Opportunities Fund is one of Australia's top-performing investment companies returning 22.1% per annum since its inception 7.6 years ago. The top contributors to performance for the financial year were Predictive Discovery/Robex Resources merger, EQ Resources, Samsung Electronics, Lindian Resources, Kingsgate, Endeavour Mining, Equinox Gold, New Gold, West African Resources and Metals X. The detractors from performance for the year were Boss Energy, Amplitude Energy, QPM Energy and 29 Metals."

Karl Siegling continued, "Some of CDO's largest contributors to performance were gold and precious metals related stocks. The gold price entered FY26 at US$3,300/oz, peaking in January at nearly US$5,600/oz, before retreating to end FY26 at US$4,000/oz. Positions such as Predictive Discovery, Robex Resources, Kingsgate, Endeavour Mining, Equinox Gold, New Gold and West African Resources benefitted from the gold price tailwind in the first half of the financial year to deliver strong performance."

"Over the second half of the year, the falling gold price and changing trends of the resource stocks led us to sell down more than 80% of our gold and resource stocks, leading to the elevated cash position as at 30 June 2026."

Karl Siegling added, "Opportunities have emerged more recently to invest in good businesses that have been heavily sold off by the market. Previously these 'market darling' businesses were on extreme valuations that did not meet the Cadence fundamental criteria. A few examples of these companies include CSL, Cochlear, Pro Medicus and A2 Milk. Despite temporary headwinds in each of these businesses leading to material share price corrections we still believe they are good businesses that can turn around and the share price trends are beginning to reverse. We have initiated positions in each of these companies and have added to several as their share prices have risen."

Fully Franked Final and Special Dividends

On 15 July 2026 the Board announced a 7.5 cents per share fully franked final dividend, bringing the full year dividend to 15.0 cents per share fully franked. This equated to a 6.5% fully franked yield or a 9.3% gross yield (grossed up for franking credits) based on the share price of $2.31 on the day of the announcement. The Ex-Date for the final dividend is 29 September 2026, and the payment date is 15 October 2026. CDO currently has a profit reserve of 73cps, equivalent to more than 4 years of dividends at the current final dividend rate. The company also holds 16.2cps of franking credits, sufficient to fully frank around 2.5 years of dividends at this level.

On 15 July 2026 the Board also announced a Special December quarter dividend of 2 cents per share fully franked. Including this Special Dividend, the fully franked yield is 7.4%, and the gross yield is 10.5%. The Ex-Date for the special dividend is 15 December 2026, and the payment date is 23 December 2026.

The dividend re-investment plan (DRP) will be in operation for the final dividend. The DRP will be priced at the weighted average share price over the relevant DRP pricing period.

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, “What we are seeing in global markets today is very reminiscent of the 1970s. The 1970s saw elevated inflation driven by oil and food shortages. Central banks to combat this were forced to aggressively raise interest rates. In addition, the geopolitical environment has become increasingly volatile with currency wars and resource nationalism, each of which are traits of the 1970s. All these characteristics are present in our markets today and we expect a similar path forward.”

Karl Siegling continued, “Many crowded trades in recent times have begun to unwind with extreme volatility around reporting dates. We continue to see opportunities in some of these higher quality businesses that quickly become unloved despite good underlying business models. This is a trend we expect to continue going forward with concentrated market positioning in a small number of stocks."

Karl Siegling added, “We continue to focus on implementing the Cadence process that has served us well through market cycles."

Karl Siegling
Chairman, Cadence Opportunities Fund Limited

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