

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

Sydney, 30 August 2023: Cadence Opportunities Fund Limited today announced its full year results. Karl Siegling, Chairman, said “Cadence Opportunities Fund ended the financial year with the fund down 5.8%. Over the past three years the fund is up 23.8% per annum. The top contributors to performance during the financial year were Whitehaven Coal, Patriot Battery Metals, New Hope, Terracom, Meta Platforms, BHP and Stanmore Coal. The largest detractors from performance were City Chic Collective, Alibaba Group, Nvidia, Australian Pacific Coal, Life360, Lynas Rare Earths and Textainer Group.”

### Full Year Results to 30 June 2023:

- Fund down 5.8% in FY23
- Past 3 years fund up 23.8% p.a.
- 6.5c 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
- Statutory loss after tax of \$1.3m

Karl Siegling continued, “Core investments across the energy and resources sectors were again the major driver of returns for the fund over the past financial year, continuing the theme witnessed over the previous year. Karl Siegling added, “Conversely, the fund has been conservatively positioned over the past year with high cash levels in the portfolio (on average above 40%) which has dragged on its returns. Another detractor to the company’s performance was investing in potential turnaround situations too early.”

### Fully Franked Year-end Dividend

The Board is pleased to announce a 6.5 cents per share fully franked year-end dividend bringing the full year dividend to 14.0 cents per share fully franked. This full year dividend equates to an 7.8% fully franked yield or a 11.1% gross yield (grossed up for franking credits) based on the share price of \$1.795 per share on the day of the announcement.

Importantly this equates to an 7.3% dividend yield based on the current pre-tax NTA of \$1.92, as the Company shares are trading at a discount to NTA. After paying this dividend the fund still has 29 cents per share of profits reserves to pay future dividends.

The Ex-Date for the dividend is the 16th October 2023. The payment date for the dividend is the 31st October 2023.

The dividend re-investment plan (DRP) will be in operation for this final dividend. The DRP will be priced at the weighted average share price over the relevant DRP pricing period. The Company intends to implement an on-market buy-back to buy-back the shares it issues under the DRP. This buy-back will operate when the CDO share price is trading at a discount to the Pre-Tax NTA.

Karl Siegling said, "Cadence Opportunities Fund Limited is looking to support its DRP registered shareholders to re-invest their dividends at a discount to NTA, instead of leaving them to manage market orders to re-invest their dividends."

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, "The post Covid recovery in markets ended in mid 2021. For the past two years markets have continued to be volatile, with no clear trend emerging. Cash levels remain high as we preserve our capital for future opportunities."

"Prior to 2020 we had a decades long downtrend in interest rates. The downtrend has ended, and interest rates have now been rising for three years. This will be one of the most important trends to monitor in determining the direction of future asset prices."

Karl Siegling continued, "The fund has started 2024 in a strong position with high cash and liquidity levels. 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:**

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