

INVESTMENT UPDATE

September 2025

Cadence Capital Limited returned a positive gross performance of 6.2% in September, outperforming the All Ordinaries Accumulation Index by 6.7% for the month. The Company has had a strong start to the year being up 8.7% for the first quarter, outperforming the All Ordinaries Accumulation Index by 3.4%. The top contributors to performance during September were Pantoro, Endeavor Mining, Kingsgate Consolidated, Equinox Gold, New Gold, Robex Resources, Clarity Pharmaceuticals and Samsung Electronics. The largest detractors from performance were Myer Holdings and Block.

The two-year gold price uptrend continued in September, and our top six contributors listed above are all gold mining companies. In multiple past webcasts we have discussed that because gold mining companies are leveraged to the gold price their share prices should outperform gold price movements. We saw this occur in September with the Australian dollar gold price up by 11%, while our top six performing gold mining companies rose between 15% and 34%.

Pantoro Gold and Kingsgate Consolidated both performed particularly well in September with share price rises of 31% and 34% respectively. During September, Pantoro conducted a North American roadshow where it reiterated its medium-term growth strategy to increase production from 85,000 ounces in 2025 to over 200,000 ounces per year. Kingsgate continues to ramp up production at its Chatree gold mine, achieving over 20,000 ounces per quarter for the last two quarters, and targeting 85,000 to 95,000 ounces for FY26.

Year-End Dividend

In August 2025, the Company announced a 3.0 cents per share final dividend, partially franked at 50%, bringing the full year dividend to 6.0 cents per share. This full year dividend equated to an 8.8% yield or a 10.7% gross yield (grossed up for franking credits) based on the share price of \$0.68 per share on the day of the announcement. Importantly this equated to a 7.5% dividend yield or a 9% gross yield (grossed up for franking credits) based on the pre-tax NTA of \$0.805 on the day of the announcement, due to the Company shares trading at a discount to NTA.

The Ex-Date for the dividend is 15 October 2025. The payment date for the dividend is 31 October 2025. After paying this dividend the Company still has around 8.3 cents per share of profits reserves to pay future dividends.

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 CDM share price is trading at a discount to the Pre-Tax NTA.

If you are not registered for the DRP and you would like to participate, please contact Boardroom on 1300737760.

Discount to NTA

CDM is trading at a pre-tax NTA discount of around 20% whilst holding some cash balances. CDM is currently trading at its third highest discount in 20 years, only trading at larger discounts during the GFC (41% discount) and COVID-19 (43% discount) market moves. The current portfolio can be purchased for 80 cents on the dollar. CDM shares purchased before 15 October 2025 (i.e. the ex-date) will be entitled to receive the year-end dividend.

The Company has been buying back its own stock at a discount to NTA in the CDM on-market buy-back program. Directors have also been adding to their CDM shareholdings at a discount to NTA by participating in the DRP and by buying shares on-market.

Year-end Webcast

Please [click here](#) to watch the recently released CDM Year-End Webcast. In this year-end webcast, Karl Siegling firstly provides an update on the Company's full year results, the 3.0c final dividend, the current composition of the portfolio and the Company's discount to NTA. He then discusses price earnings expansion before looking into the company's investments in the gold sector. He then discusses the following three investments in some detail, Endeavor Mining (EDV CN), Amplitude Energy (AEL AU) and Samsung (005930 KS) before closing with the outlook for the rest of the year.

Fund NTA

Net Tangible Assets as at 30th September 2025	Amount (\$)
Pre Tax NTA*	\$0.866
Post Tax NTA*	\$1.034
Share Price (ASX Code: CDM)*	\$0.730

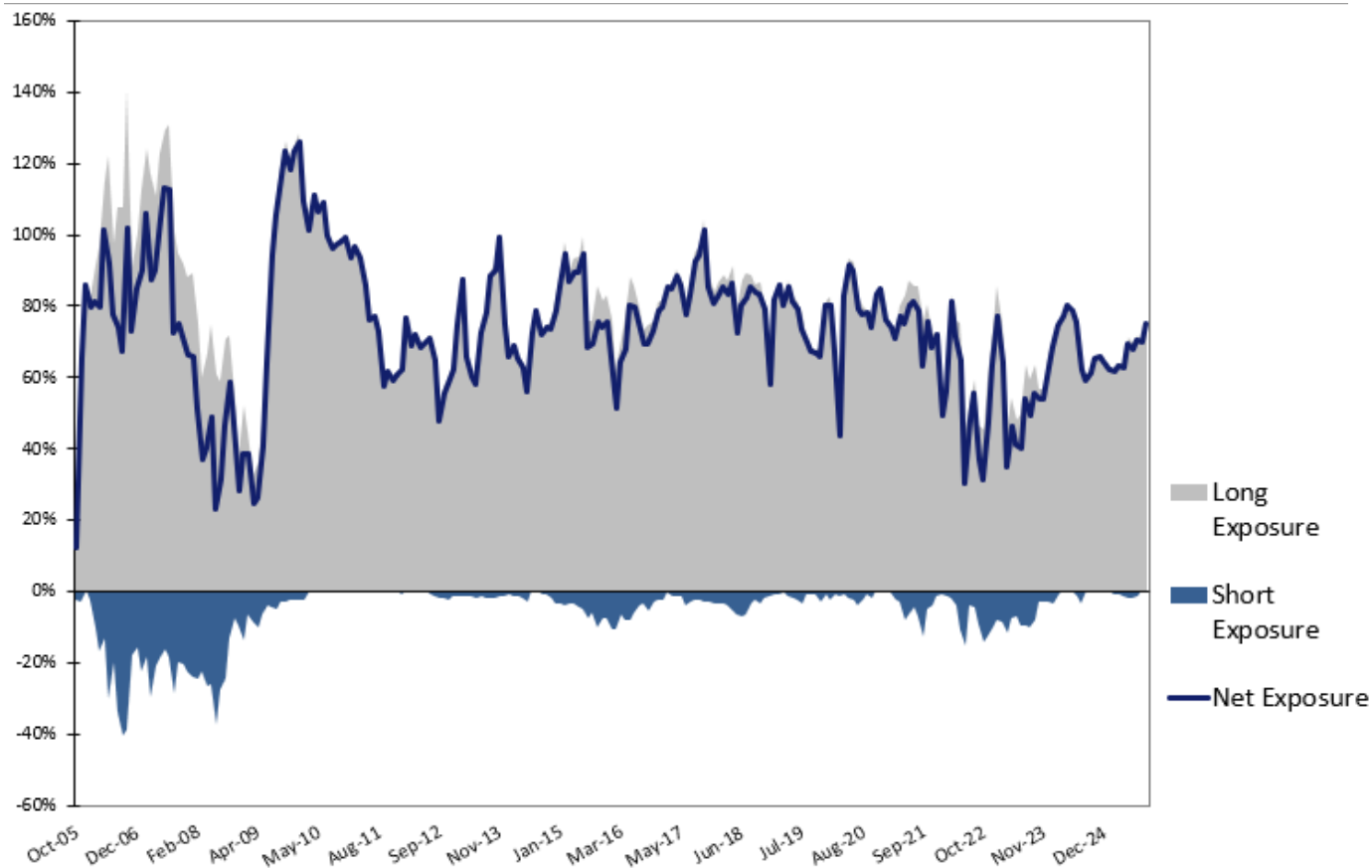
*Before the 3.0c final dividend - ex date on 15 October 2025

Fund Gross Performance

Gross Performance* to 30th September 2025	CDM	All Ords Accum	Outperformance
1 Month	6.2%	-0.5%	+6.7%
1 Year	14.0%	10.5%	+3.5%
5 Years (per annum)	7.8%	12.9%	-5.1%
Since Inception (20 years) (per annum)	10.8%	7.8%	+3.0%
Since Inception (20 years) (total return)	680.0%	349.3%	+330.7%

* Gross Performance: before Management and Performance Fees

Historic Portfolio Exposure



Portfolio Sector Analysis

Sector	Long	Short	Net
Basic Materials	47.6%		47.6%
Consumer, Non-cyclical	6.7%		6.7%
Insurance	6.2%		6.2%
Technology	4.5%		4.5%
Energy	3.1%		3.1%
Consumer, Cyclical	2.6%		2.6%
Utilities	1.8%		1.8%
Financial	1.3%		1.3%
Industrial	0.8%		0.8%
Communications	0.4%		0.4%
	75.0%	0.0%	75.0%

Net Cash Holdings and Tax Asset	25.0%
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Portfolio Market Capitalisation Analysis

Market Capitalisation	Long	Short	Net
> AUD 1 Billion	49.6%		49.6%
AUD 500 Mill - AUD 1 Billion	17.9%		17.9%
AUD 250 Mill - AUD 500 Mill	3.9%		3.9%
AUD 100 Mill - AUD 250 Mill	2.4%		2.4%
0 - AUD 100 Mill	1.1%		1.1%
	75.0%	0.0%	75.0%

Net Cash Holdings and Tax Asset	25.0%
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Franked Dividends Declared Since Listing

Calendar Year	Interim	Final	Special	Total	Gross (Inc. Franking)
2007	2.0c	2.0c	2.0c	6.0c	8.6c
2008	2.5c	2.2c*	-	4.7c	5.8c
2009	-	2.0c	-	2.0c	2.9c
2010	2.0c	2.0c	-	4.0c	5.7c
2011	3.0c	3.0c	3.0c	9.0c	12.9c
2012	4.0c	4.0c	4.5c	12.5c	17.8c
2013	5.0c	5.0c	1.0c	11.0c	15.7c
2014	5.0c	5.0c	-	10.0c	14.3c
2015	5.0c	5.0c	1.0c	11.0c	15.7c
2016	5.0c	4.0c	-	9.0c	12.9c
2017	4.0c	4.0c	-	8.0c	11.4c
2018	4.0c	4.0c	-	8.0c	11.4c
2019	3.0c	2.0c	-	5.0c	7.1c
2020	2.0c	2.0c	-	4.0c	5.7c
2021	2.0c	3.0c	-	5.0c	7.1c
2022	4.0c	4.0c	-	8.0c	11.4c
2023	4.0c	3.0c	-	7.0c	10c
2024	3.0c	3.0c	-	6.0c	8.6c
2025	3.0c	3.0c	-	6.0c	7.3c
TOTAL	62.5c	62.2c	11.5c	136.2c	192.3c

* Off market Equal access buy back

After paying the 3.0 cent final dividend the company has around 8.3 cents per share of profits reserves to pay future dividends.

News

To view all previous Cadence webcasts and interviews please visit the [Media Section](#) of the website.

We also encourage you to visit our [52 books you should read before buying your next stock](#) page on our website. We have compiled a list of books/ documentaries that have influenced our investment style or helped provide insight into the Cadence investment process.

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