

CADENCE CAPITAL LIMITED
A.B.N. 17 112 870 096

APPENDIX 4E
PRELIMINARY FINAL REPORT
for the year ended 30 June 2025

RESULTS FOR ANNOUNCEMENT TO THE MARKET
All comparisons to the year ended 30 June 2024

	\$	up/down	% mvmt
Revenue from ordinary activities	15,327,379	down	58%
Profit from ordinary activities before tax attributable to members	6,239,511	down	77%
Profit from ordinary activities after tax attributable to members	6,265,774	down	71%
Dividend Information	Amt per share	Franking %	Tax rate for franking
2025 Final dividend per share (declared)	3.0c	50%	30%
2025 Interim dividend per share (paid)	3.0c	50%	30%
2024 Final dividend per share (paid)	3.0c	100%	30%
2024 Interim dividend per share (paid)	3.0c	100%	30%
Final dividend dates			
The Board has declared a 3.0 cent per share final dividend, partially franked at 50%, payable on 31 October 2025. The Ex-Date for the dividend is 15 October 2025 and the Record Date is 16 October 2025.			
The Dividend Re-Investment Plan ("DRP") is in operation for the final dividend of 3.0c per share. The relevant issue price will be calculated as the weighted average market price of shares sold on the ASX on the books closing date and the 3 trading days preceding that date. The closing date / last date for DRP election is the 20 October 2025.			
	30 June 2025	30 June 2024	
Net tangible asset backing after tax	\$0.98	\$1.02	
<i>This report is based on the 2025 Financial Report which is in the process of being audited. All the documents comprise the information required by Listing Rule 4.3A.</i>			

CADENCE CAPITAL LIMITED

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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 \$	2024 \$
INCOME			
Net realised and unrealised gain on investments		2,649,750	22,050,866
Dividends received		8,849,680	10,219,866
Interest received		3,820,449	4,259,297
Other income		7,500	114,972
Net revenue and income		15,327,379	36,645,001
EXPENSES			
Finance costs		(2,752,072)	(2,941,443)
Management fees		(2,357,221)	(2,467,947)
Assignment fees		(99,497)	(104,171)
Directors fees		(75,000)	(75,000)
Dividends on short positions		(2,544,744)	(1,921,621)
Stock loan fees		(16,507)	(96,998)
Brokerage expenses on share purchases		(724,634)	(818,550)
ASX fees		(102,795)	(99,090)
Registry fees		(102,308)	(99,891)
Custody fees		(92,262)	(92,854)
Audit and taxation fees		(82,001)	(86,273)
Other expenses from ordinary activities		(138,827)	(140,280)
Total expenses		(9,087,868)	(8,944,118)
Profit before income tax		6,239,511	27,700,883
Income tax benefit/ (expense)	2(a)	26,263	(6,134,261)
Profit attributable to members of the Company		6,265,774	21,566,622
Other comprehensive income			
Other comprehensive income for the period, net of tax		-	-
Total comprehensive income for the year		6,265,774	21,566,622
Basic earnings per share	11	2.1 cents	7.2 cents
Diluted earnings per share	11	2.1 cents	7.2 cents

The accompanying notes form part of these financial statements.

CADENCE CAPITAL LIMITED

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STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

	Note	2025 \$	2024 \$
ASSETS			
Cash and cash equivalents	4	83,135,392	65,701,589
Trade and other receivables	5	106,529	722,923
Financial assets at fair value through profit or loss	6	212,527,417	250,237,232
Deferred tax asset	2(b)	53,105,885	53,079,622
TOTAL ASSETS		348,875,223	369,741,366
LIABILITIES			
Bank overdrafts	4	49,020,964	50,848,833
Trade and other payables	7	1,976,345	11,166,041
Financial liabilities at fair value through profit or loss	8	5,547,198	3,580,511
Current tax liability	2(c)	-	11,247
TOTAL LIABILITIES		56,544,507	65,606,632
NET ASSETS		292,330,716	304,134,734
EQUITY			
Issued capital	9	413,496,849	413,678,883
Profits reserve	10	28,984,152	46,871,910
Accumulated losses		(150,150,285)	(156,416,059)
TOTAL EQUITY		292,330,716	304,134,734

The accompanying notes form part of these financial statements.

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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2025

	Note	Issued capital \$	Accumulated losses \$	Profits reserve \$	Total equity \$
Balance at 1 July 2023		413,342,122	(177,982,681)	64,753,818	300,113,259
Profit for the year		-	21,566,622	-	21,566,622
Other comprehensive income for the year		-	-	-	-
Transactions with owners:					
Shares issued via DRP	9	3,045,959	-	-	3,045,959
On-market share buy-back	9	(2,709,198)	-	-	(2,709,198)
Dividends paid	3(a)	-	-	(17,881,908)	(17,881,908)
Balance at 30 June 2024		413,678,883	(156,416,059)	46,871,910	304,134,734
Profit for the year		-	6,265,774	-	6,265,774
Other comprehensive income for the year		-	-	-	-
Transactions with owners:					
Shares issued via DRP	9	3,432,109	-	-	3,432,109
On-market share buy-back	9	(3,614,143)	-	-	(3,614,143)
Dividends paid	3(a)	-	-	(17,887,758)	(17,887,758)
Balance at 30 June 2025		413,496,849	(150,150,285)	28,984,152	292,330,716

The accompanying notes form part of these financial statements.

CADENCE CAPITAL LIMITED

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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 \$	2024 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from the sale of investments		533,950,099	606,854,382
Payments for the purchase of investments		(500,398,621)	(705,289,578)
Dividends received		8,818,915	10,219,866
Interest received		3,820,449	4,259,297
Other income received		7,500	114,972
Management fees paid		(2,359,937)	(2,454,235)
Brokerage expenses on share purchases		(724,634)	(818,550)
Finance costs paid		(2,752,072)	(2,941,443)
Dividends paid on shorts		(2,544,744)	(2,034,781)
Stock loan fees paid		(16,507)	(96,998)
Payments for administration expenses		(606,412)	(806,239)
Income tax paid		(11,247)	(6,741,938)
NET CASH GENERATED/ (USED) BY OPERATING ACTIVITIES		37,182,789	(99,735,245)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(14,306,974)	(14,835,949)
On-market share buy-back		(3,614,143)	(2,709,198)
NET CASH USED IN FINANCING ACTIVITIES		(17,921,117)	(17,545,147)
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS HELD		19,261,672	(117,280,392)
CASH AND CASH EQUIVALENTS AS AT BEGINNING OF THE FINANCIAL YEAR	4	14,852,756	132,133,148
CASH AND CASH EQUIVALENTS AS AT END OF THE FINANCIAL YEAR	4	34,114,428	14,852,756
NON-CASH TRANSACTIONS:			
Shares issued via dividend reinvestment plan		3,432,109	3,045,959

The accompanying notes form part of these financial statements.

CADENCE CAPITAL LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

1. STATEMENT OF MATERIAL ACCOUNTING POLICIES

Cadence Capital Limited ("the Company") is a listed public company, incorporated and domiciled in Australia.

Basis of Preparation

Balances included in the Company's financial statements are measured using the currency of the primary economic environment in which it operates (the "functional currency"). This is the Australian dollar, which reflects the currency of the economy in which the Fund competes for funds and is regulated. The Australian dollar is also the Company's presentation currency.

Amounts in the financial statements have been rounded to the nearest dollar, unless otherwise indicated.

The accounting policies are consistent with those applied in the 30 June 2024 Annual Report.

The Company has only one segment. The Company operates predominately in Australia and in one industry being the securities industry, deriving revenue from dividend income, interest income and from the sale of its financial assets at fair value through profit or loss. However, the Company has foreign exposures as it invests in companies which operate internationally.

This preliminary report was authorised by the Directors on 21 August 2025.

CADENCE CAPITAL LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

2. TAXATION

(a) Current Income Tax (Benefit)/Expense

The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax (benefit)/ expense as follows:

	2025 \$	2024 \$
Prima facie tax expense on profit from ordinary activities before income tax at 30%	1,871,853	8,310,265
Imputation credit gross up	815,692	977,757
Franking credits on dividends received	(2,718,972)	(3,259,190)
Foreign tax gross up	4,948	19,091
Penalties	216	-
Foreign tax credits on dividends received	-	(63,637)
Other	-	149,975
	(26,263)	6,134,261
Effective tax rate	-0.42%	22.1%

The effective tax rate for FY2025 is -0.42% reflecting the benefit to the Company of franking credits received on dividend income during the year.

Total income tax expense/ (benefit) results in a:

Movement in deferred tax assets – net	(26,263)	(2,185,718)
Movement in current tax liability/ asset	-	8,319,979
	(26,263)	6,134,261

(b) Deferred Tax Assets

Provisions	13,327	14,193
Capitalised share issue costs	-	3,092
Fair value adjustments	(9,059,106)	(452,977)
Tax losses	62,151,664	53,515,314
	53,105,885	53,079,622

Movement in deferred tax assets

Balance at the beginning of the year	53,079,622	50,893,904
Credited to the profit or loss	26,263	2,185,718
	53,105,885	53,079,622

(c) Current Tax Liability/ (Asset)

Movement in current tax liability/ (asset)

Balance at the beginning of the year	11,247	(1,566,793)
Current year income tax on operating profit	-	8,319,978
Income tax paid	(11,247)	(6,741,938)
At reporting date	-	11,247

CADENCE CAPITAL LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

3. DIVIDENDS

(a) Dividends paid

	2025	2024
	\$	\$
Dividends paid by the Company	<u>17,887,758</u>	<u>17,881,908</u>

2025

Dividends paid by the Company for the year ended 30 June 2025	Cents Per Share	Date of payment	Tax Rate for franking Credit	% franked	Total Amount \$
Interim 2025 Ordinary	3.0	30 April 25	30%	50%	8,953,704
Final 2024 Ordinary	3.0	31 October 24	30%	100%	8,934,054
Total Amount					<u>17,887,758</u>

On 21 August 2025 the Board declared a 3.0 cent per share final dividend, partially franked at 50%, payable on 31 October 2025. The Ex-Date for the dividend is 15 October 2025.

2024

Dividends paid by the Company for the year ended 30 June 2024	Cents Per Share	Date of payment	Tax Rate for franking Credit	% franked	Total Amount \$
Interim 2024 Ordinary	3.0	30 April 24	30%	100%	8,948,454
Final 2023 Ordinary	3.0	31 October 23	30%	100%	8,933,454
Total Amount					<u>17,881,908</u>

(b) Dividend franking account

The balance of the franking account at year end is adjusted for franking credits and debits arising from receipts or payments of income tax and franking credits arising from dividends receivable.

<u>1,481,400</u>	<u>4,498,682</u>
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Subsequent to the reporting period, the franking account would be reduced by the proposed dividend disclosed in (a) and be increased by any taxation payments made. The Company's ability to continue to pay franked dividends is dependent upon the receipt of franked dividends from investments and the Company paying tax.

4. CASH FLOW INFORMATION

Cash and cash equivalents	83,135,392	65,701,589
Bank overdrafts	(49,020,964)	(50,848,833)
	<u>34,114,428</u>	<u>14,852,756</u>

5. TRADE AND OTHER RECEIVABLES

Trade debtors	-	648,773
Income receivable	30,764	-
Sundry debtors	75,765	74,150
	<u>106,529</u>	<u>722,923</u>

Trade debtors relate to outstanding settlements, are non-interest bearing and are secured by the Australian Securities Exchange - National Guarantee Fund. They are settled within 2 days of the purchase being executed. Income receivable relates to accrued income, it is non-interest bearing and is unsecured.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

	2025	2024
	\$	\$
6. FINANCIAL ASSETS		
Long positions - held for trading financial assets:		
Listed investments at fair value	212,497,737	248,944,455
Swap positions at fair value	29,680	1,292,777
	<u>212,527,417</u>	<u>250,237,232</u>

7. TRADE AND OTHER PAYABLES

Trade creditors	1,332,000	10,755,547
Sundry creditors - related parties	122,905	125,621
Sundry creditors - other	521,440	284,873
	<u>1,976,345</u>	<u>11,166,041</u>

Trade creditors relate to outstanding settlements. They are non-interest bearing and are secured by the Australian Securities Exchange - National Guarantee Fund. They are settled within 2 days of the purchase being executed.

Sundry creditors - other, are settled within the terms of payment offered, which is usually within 30 days.

Sundry creditors - related parties, includes fees payable of \$122,905 (inclusive of GST) (2024: \$125,621) to the manager, Cadence Asset Management Pty Limited.

8. FINANCIAL LIABILITIES

Short positions - held for trading financial liabilities:

Listed investments at fair value	<u>5,547,198</u>	<u>3,580,511</u>
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The Company's Financial Assets and Cash are used as collateral for its Financial Liabilities.

9. ISSUED CAPITAL

(a) Paid-up Capital

Ordinary shares fully paid	416,393,278	416,575,312
Capitalised share issue costs	(4,137,756)	(4,137,756)
Deferred tax asset on capitalised share issue costs	1,241,327	1,241,327
	<u>413,496,849</u>	<u>413,678,883</u>

CADENCE CAPITAL LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

9. ISSUED CAPITAL (Continued)

(a) Paid-up Capital (Continued)

2025 Date	Details	Share Price \$	No. of Shares	Value \$
Balance at beginning of the year			298,182,101	416,575,312
July 2024	On-market share buy-back	\$0.71689	(247,142)	(177,173)
August 2024	On-market share buy-back	\$0.71543	(118,158)	(84,534)
September 2024	On-market share buy-back	\$0.72740	(15,000)	(10,911)
October 2024	On-market share buy-back	\$0.69967	(278,340)	(194,746)
October 2024	Shares issued via DRP	\$0.71582	2,399,735	1,717,788
November 2024	On-market share buy-back	\$0.69476	(238,612)	(165,777)
December 2024	On-market share buy-back	\$0.68518	(321,558)	(220,325)
January 2025	On-market share buy-back	\$0.68224	(81,225)	(55,415)
February 2025	On-market share buy-back	\$0.68051	(415,000)	(282,412)
March 2025	On-market share buy-back	\$0.64600	(410,000)	(264,859)
April 2025	On-market share buy-back	\$0.60802	(641,002)	(389,742)
April 2025	Shares issued via DRP	\$0.61495	2,787,726	1,714,321
May 2025	On-market share buy-back	\$0.62287	(1,793,158)	(1,116,900)
June 2025	On-market share buy-back	\$0.63326	(1,028,566)	(651,349)
Balance at end of year			297,781,801	416,393,278

2024 Date	Details	Share Price \$	No. of Shares	Value \$
Balance at beginning of year			297,781,801	416,238,551
October 2023	Shares issued via DRP	\$0.72330	1,891,265	1,367,957
October 2023	On-market share buy-back	\$0.68158	(60,000)	(40,895)
November 2023	On-market share buy-back	\$0.69956	(406,265)	(284,206)
December 2023	On-market share buy-back	\$0.69573	(325,000)	(226,113)
January 2024	On-market share buy-back	\$0.71302	(339,426)	(242,017)
February 2024	On-market share buy-back	\$0.76242	(260,574)	(198,667)
April 2024	On-market share buy-back	\$0.73489	(500,000)	(367,446)
April 2024	Shares issued via DRP	\$0.74561	2,250,519	1,678,002
May 2024	On-market share buy-back	\$0.73518	(1,095,219)	(805,187)
June 2024	On-market share buy-back	\$0.72141	(755,000)	(544,667)
Balance at end of year			298,182,101	416,575,312

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholder meetings. In the event of the winding up of the Company, ordinary shareholders rank after creditors and share in any proceeds on winding up in proportion to the number of shares held.

(b) Capital Management

Management controls the capital of the Company in order to maintain a good debt to equity ratio, provide the shareholders with adequate returns and ensure that the Company can fund its operations and continue as a going concern. The Company's debt and capital includes ordinary share capital and financial liabilities, supported by financial assets.

Management effectively manages the Company's capital by assessing the Company's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues. There has been no change in the strategy adopted by the Board to control the capital of the Company since the prior year. The Company is not subject to any externally imposed capital requirements.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

9. ISSUED CAPITAL (Continued) (b) Capital Management (Continued)

On 3 October 2024, the Company announced the approval of an on-market share buy-back of up to 10.0 million of its ordinary shares. This share buy-back period commenced on 21 October 2024 and is due to finish on 17 October 2025. Prior to this on the 6 October 2023 the Company announced the approval of an on-market share buy-back of up to 10.0 million of its ordinary shares. This share buy-back period commenced on 20 October 2023 and finished on 18 October 2024.

10. PROFITS RESERVE

	2025 \$	2024 \$
Profits Reserve	<u>28,984,152</u>	<u>46,871,910</u>
Movement in Profits Reserve:		
Opening balance	46,871,910	64,753,818
Dividends paid (Note 3)	<u>(17,887,758)</u>	<u>(17,881,908)</u>
	<u>28,984,152</u>	<u>46,871,910</u>

The Profit Reserve is made up of amounts transferred from current and retained earnings that are preserved for future dividend payments.

11. EARNINGS PER SHARE

	2025 Cents per share	2024 Cents per share
Basic earnings per share	2.1	7.2
Diluted earnings per share	2.1	7.2
	2025 \$	2024 \$
Profit after income tax used in the calculation of earnings per share	<u>6,265,774</u>	<u>21,566,622</u>
	No.	No.
Weighted average number of ordinary shares outstanding during the year used in calculation of basic earnings per share	<u>298,727,515</u>	<u>298,490,678</u>
Weighted average number of ordinary shares during the year used in calculation of diluted earnings per share	<u>298,727,515</u>	<u>298,490,678</u>
<u>Reconciliation of weighted average number of shares:</u>		
Weighted average number of ordinary shares used in calculation of basic earnings per share	<u>298,727,515</u>	<u>298,490,678</u>
Add:		
Weighted average number of potential ordinary shares used in the calculation of diluted earnings per share	<u>-</u>	<u>-</u>
Weighted average number of shares used in the calculation of diluted earnings per share	<u>298,727,515</u>	<u>298,490,678</u>

As at the end of the year, there are no outstanding securities that are potentially dilutive in nature for the Company.

CADENCE CAPITAL LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

12. EVENTS AFTER THE REPORTING PERIOD

On 21 August 2025, the Board declared a 3.0 cent per share final dividend, partially franked at 50%, payable on 31 October 2025. The Ex-Date for the dividend is 15 October 2025.

Other than the above there has not arisen in the interval between the end of the financial year and the date of this report any other item, transaction or event of material and unusual nature likely, in the opinion of the Company, to significantly affect the operations of the entity, the results of those operations, or the state of affairs of the entity, in future financial years.

13. CONTINGENT LIABILITIES

There were no contingencies as at 30 June 2025 (2024: nil).

14. CAPITAL COMMITMENTS

There were no capital commitments as at 30 June 2025 (2024: nil).

15. SEGMENT REPORTING

The Company has only one segment. The Company operates predominately in Australia and in one industry being the securities industry, deriving revenue from dividend income, interest income and from the sale of its financial assets at fair value through profit or loss, however the Company has foreign exposures as it invests in companies which operate internationally.