

## **Cadence Capital Limited (ASX: CDM) Half Year Results & Interim Dividend**

Sydney, 19<sup>th</sup> February 2019: Cadence Capital Limited (ASX: CDM) today announced a half year profit before tax of \$5.8m and a profit after tax of \$4.8m. Karl Siegling, Chairman, said “Our portfolio returned 2.3% during the first 6 months of the year compared to the All Ordinaries Accumulation Index which returned 3.6%.”

“During the first half of the year stocks that performed well for the Company were Resimac Group, Shine Corporate, Strike Energy, Macquarie Group, Alibaba Group and Money3 Corporation. Stocks that contributed negatively were ARQ Group, Ausnutria Dairy and Champion Iron. These stocks as well as other holdings will be discussed in the upcoming half year webcast and investor presentations.”

Karl Siegling continued, “The half year webcast will give shareholders a detailed update on the fund’s performance, the initiatives being undertaken to close CDM’s discount to NTA, and the current top positions of the Company. We will also be holding investor presentations in major cities around Australia. We will be sending investors the details of these presentations as soon as the dates of these presentations are finalised.”

### **Fully Franked Interim Dividend**

The Board is pleased to announce a 2.0 cents per share fully franked interim dividend. This equates to a 5.5% annual fully franked yield, or a 7.9% gross yield (grossed up for franking credits) based on the CDM share price today of \$0.725. The Ex-Date for the

### **Half Year Results to 31 December 2019:**

- Profit before tax of \$5.8m
- Profit after tax of \$4.8m
- Fund gross performance of 2.3%
- 2.0c fully franked Interim Dividend payable on the 13<sup>th</sup> May 2020
- Yield of 5.5% fully franked (7.9% gross including franking)
- The Company will be presenting in major cities around Australia over the coming months
- CDM trading at a discount to NTA
- Ongoing on-market share buy-back for up to 10% of CDM shares

dividend is the 29<sup>th</sup> April 2020. The payment date for the dividend is the 13<sup>th</sup> May 2020. The dividend re-investment plan (DRP) will not be in operation for the interim dividend as the Company's shares are currently trading at a large discount to the underlying NTA per share of the Company.

## **Outlook**

Karl Siegling noted, "The All Ordinaries has recovered from the correction in late 2018 to hit new all-time highs in late 2019. Lower interest rates and a recovery in investor sentiment have been the main drivers of returns, with earnings growth remaining relatively low.

In this environment we continue to look for investments which fit the Cadence process. One theme which continues to emerge in the portfolio is the non-bank sector taking share from the big banks. Another is the resource sector which in some cases is generating strong cash flows.

We are also pleased that over the past year the liquidity and concentration of the Company's portfolio has improved significantly. We believe this has reduced risk and will deliver better risk-adjusted returns for our shareholders."

**Karl Siegling**  
**Chairman, Cadence Capital Limited**

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