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31 August 2026

ASX Market Announcements
Australian Stock Exchange Limited

via ASX Online

2026 REVIEW

The Directors present the Annual Report of Ariadne Australia Limited ("Ariadne" or "the Group") for the period ended 30 June 2026.

Results for the period ($ millions)	**30 June 2026**	30 June 2025
Net profit attributable to members	**0.4**	4.3
Other comprehensive income attributable to members	**2.5**	(4.7)
Total comprehensive income attributable to members	**2.9**	(0.4)
Total comprehensive income per share (cents)	**1.47**	(0.18)
Net tangible assets per share (cents)	**83.55**	82.27
Net operating cash outflow	**(4.8)**	(7.3)

The result was impacted by three principal factors:

- unrealised mark-to-market decrease in the value of the holding in Webjet of $5.9 million to members ($9.7 million to the Group);
- unrealised translational foreign exchange losses largely arising from the substantial investment in Orams of $6.3 million to members ($8.1 million to the Group); and
- a markdown in the carrying value of the investment in FinClear of $2.1 million ($2.1 million to the Group).

Investments

The Investment division recorded a net loss before tax of $4.7 million (FY25: $9.4 million profit).

The result is derived from interest on cash reserves, share of profits and losses from the Group's investments in associates, and dividend and trading income from the trading portfolio.

The division's share of joint ventures and associates results for the period was a net profit of $1.6 million (FY25: $2.5 million).

Dividends received during the period were $1.2 million (FY25: $0.7 million).

The trading portfolio recorded a net loss for the period of $7.2 million (FY25: $5.0 million profit) including a loss in the investment in Webjet Group Limited ("Webjet") of $9.7 million and a portion of the strategic portfolio recorded a net loss of $0.8 million (FY25: $0.5 million profit) due to mark-to-market revaluations.

The balance of the strategic portfolio recorded a net gain of $9.0 million (FY25: $5.4 million loss) during the period due to mark-to-market revaluations mainly arising from holdings in Cover Genius Holdings Inc ("Cover Genius") and Kantra Copper Ltd ("Kantra Copper"), formerly Hillgrove Resources Limited, being $4.3 million and $3.5 million respectively. These movements are recorded through other comprehensive income and not included in the reported net profit.

Ariadne's 54% interest in Freshxtend International Pty Ltd contributed positively during the period.

Orams

The Group's investment in its associates, Orams Group Ltd ("OGL") and Orams Residential Ltd (together "Orams"), in which Ariadne holds an indirect equity interest of 61%, again contributed positively to the overall result.

The Group's profit associated with its investment in Orams for the period was $5.1 million (FY25: $2.0 million loss). The result comprised the Group's share of Orams' profit of $5.2 million (FY25: $2.0 million loss), partly offset by other financing and administration costs of $0.1 million (FY25: $0.7 million). The FY25 result included $0.7 million of interest income. The current year's result also included a $0.5 million revaluation gain, net of deferred tax, relating to the residential site at Orams (FY25: $1.2 million loss).

Orams Marine Services Ltd ("OMSL"), New Zealand's leading marine maintenance and refit services business, has continued its strong growth trajectory, reflecting its position as the superyacht hub of the South Pacific, with revenue increasing by 25% and EBITDA rising by 47% during the period compared to the prior period. With FY26 delivering OMSL's highest revenue on record, continuing improvement in operating procedures has continued to ensure a fit-for-purpose operation. The hiring of a skilled workforce, in particular, has continued along with the purchase of state-of-the-art equipment and associated training to ensure efficient workflow.

OGL's underlying EBITDA for the period was NZ$15.2 million (FY25: NZ$12.7 million).

Construction of the commercial buildings that will house the expanding operation remains on target for completion in December 2026, which will further assist in easing pressure on day-to-day work requirements as well as providing additional rental revenue.

Considerable preliminary design work has also progressed for the residential development. As previously announced, the proposed development has been accepted into the New Zealand's "Fast-Track" approvals scheme. This acceptance does not constitute development consent and no final investment decision or binding commitment has been made.

Significant Investments

- **Coast Entertainment Holdings Limited** ("Coast"). Coast again reported improved sales and attendance, with its Theme Park & Attractions business delivering a 19.4% increase in EBITDA, excluding Specific Items. This marks the third consecutive year of positive earnings and growth. Coast remains financially well positioned, with a debt-free balance sheet, cash of $33.9 million as at balance date, available tax losses of $139.4 million and surplus freehold land. Subsequent to balance date, Coast received Queensland Government approval for its development application over the group's 55-hectare landholding at Coomera. This approval provides long-sought certainty over the future permissible uses of the site and has contributed to a significant uplift in the value of Dreamworld's properties. Together with a material increase in the valuation of the company's SkyPoint asset and the deferred tax asset arising from carry-forward tax losses, Coast's intrinsic value is at a significant premium to its current market capitalisation.

- **Kantra Copper**. Kantra Copper has finally begun to demonstrate that Kanmantoo can operate as a reliable underground copper mine, and the company is in the strongest financial position in its history. The June 2026 quarter delivered 3,170 tonnes of copper, a fifth consecutive quarterly increase, with the mining rate lifting to an annualised 1.8 million tonnes during June. For the half-year to 30 June 2026, Kantra Copper reported net revenue of $115.1 million, up 44%, with copper revenue of $96.5 million and gold and silver by-product revenue of $20.4 million. EBITDA of $34.8 million was nearly triple the prior corresponding half, and net profit after tax rose to $19.5 million from $0.9 million. Nugent was completed for $21 million, on budget and ahead of schedule, with Emily Star providing additional optionality. Kantra Copper's shares recovered from 3.5 cents at 30 June 2025 to 5.3 cents at 30 June 2026, and Ariadne recorded a mark-to-market gain of $3.5 million. Kantra Copper is generating free cash flow, and our investment has significant upside to a further tightening of the copper market.

- **Webjet**. During the year, Ariadne continued to advocate for improved governance and greater shareholder accountability at Webjet. These efforts contributed to board and management changes, including Ariadne obtaining board representation in May. Last month, Nicole Sheffield was appointed Managing Director and Chief Executive Officer. She brings extensive experience in digital platforms, customer strategy and consumer marketplaces. Webjet's FY26 results reflected more challenging trading conditions and continued strategic investment. Underlying EBITDA was $28.1 million, down from $35.0 million in the prior year. Despite this, the company retains a strong balance sheet, with net cash of approximately $93.9 million and no borrowings. It also declared total dividends exceeding 100% of underlying NPAT and commenced an on-market share buy-back of up to $25 million. Near-term trading conditions remain challenging, with elevated airfares, softer consumer demand, changes to airline commercial arrangements and the removal of credit card surcharges presenting headwinds. Our investment thesis continues to rest on the company's potential for improved operational execution and capital management under refreshed leadership, the material value gap relative to earlier indicative takeover proposals, and the cash backing of the business. Ariadne has recently increased its shareholding to 6.25%.

- **FinClear Holdings Limited** ("FinClear"). FinClear provides technology and infrastructure for Australian listed and private financial markets (execution, clearing and settlement, private-market liquidity via FCX, and cash solutions via Transact1). It administers approximately $145 billion in funds under administration and supports a material share of retail equity transaction activity. During the period it announced further platform partnerships, including with Netwealth for individual HIN data and trading capabilities. The business continues to deepen its role in Australia's wealth-management and private-markets infrastructure.

- **Cover Genius**. Cover Genius, the global embedded protection platform, continued to scale during the financial year, including approximately 50% year-on-year revenue growth, cumulative gross written sales exceeding US$3 billion and protection of more than 70 million customers across over 240 million policies via partners such as Klarna, Revolut, Booking.com and Uber. Subsequent to 30 June 2026 it completed a US$100 million capital raise backed by Vista Credit Partners at a valuation of US$1.9 billion. Last month the company also acquired Berlin-based Friendsurance to strengthen its European bancassurance offering. These developments support the ongoing growth of the business, and the value of Ariadne's investment increased from $11.6 million to $16.0 million following the latest capital raising.

- **Future Group Australia Holdings Pty Ltd** ("Future Group"). Future Group continues to rank among Australia's significant superannuation platforms, supporting more than 400,000 members with $14.1 billion in funds under management. The company operates five brands – Future Super, smartMonday, Child Care Super, GuildSuper and Verve Super – and has grown through a combination of strategic acquisitions, differentiated product offerings and member acquisition. Future Group delivered its strongest year on record, with revenue of $104.1 million (up 19%) and underlying EBITDA of $39.5 million (up 36%). Acquisitions during the period included the superannuation trustee business of Willis Towers Watson, following the earlier integration of the Zurich Master Superannuation Fund. During the period, Ariadne made a further investment of $4.3 million as part of a secondary transaction at the same valuation as the Series C round in 2023, which we consider to represent outstanding value given the substantial earnings expansion achieved since this time.

- **Good Drinks Australia Limited** ("Good Drinks"). Good Drinks has further entrenched its position as one of Australia's largest independent brewers and a leading growth story in the sector, with a diverse national portfolio that includes owned brands such as Gage Roads and Matso's, alongside international partner brands including Miller, Coors, Magners, San Miguel and Rekorderlig. The company sold more than 30 million litres during the year, representing approximately 9% volume growth. This continued outperformance occurred against a softer overall Australian beer market. Growth was broad-based across classic beer, craft, cider and ready-to-drink offerings, with particular strength in Gage Roads and Matso's and accelerating national distribution, especially on the East Coast. The company has also maintained a strong presence in hospitality through flagship venues such as Gage Roads Freo (Fremantle, WA) and Matso's Sunshine Coast (QLD). The investment thesis remains centred on ongoing brand investment, market-share expansion and operational scale, positioning Good Drinks for long-term value creation.

- **King River Capital** ("King River"). Our investment in King River funds provides exposure to a portfolio of software and technology-enabled businesses globally. Over the past year the funds have delivered encouraging value creation, particularly among companies leveraging generative AI and automation. Recent investments in Relevance AI, Replit and Starboard have further strengthened the portfolio's exposure to attractive segments of the technology sector. We believe our investment remains well positioned to benefit from continued innovation in software and the structural shift towards AI-enabled automation, supporting long-term growth and value creation. At balance date, the aggregate carrying value of Ariadne's King River-related investments was $30.0 million, representing an overall unrealised gain of $17.4 million over cost.

- **Foundation Life NZ Limited** ("Foundation Life"). The Group received $3.7 million in cash as a partial loan repayment from Foundation Life during the period and a further $1.0 million after year end. A final repayment of $0.9 million is expected once all policyholder obligations are settled.

- **Clearview Wealth Limited** ("Clearview"). ClearView has been a deeply frustrating investment. It traded at a persistent and substantial discount to embedded value for many years, and in our view that discount was never properly closed. In February 2026 ClearView entered into a scheme implementation deed with Zurich Financial Services Australia at 65 cents per share, a 21.5% premium to the prior close, unanimously recommended by the board. The premium was struck against a depressed base and in our assessment did not adequately compensate shareholders for ClearView's embedded value or for the company's improved earnings trajectory. With a majority holder committed and a register that had patiently awaited a long time for a liquidity event, the outcome was never in doubt. We exited our investment on-market shortly after the announcement at a slight discount to the Scheme consideration, achieving a 1.4x multiple on invested capital.

Foreign Currency Impact

As at 30 June 2026, Ariadne held gross assets of $189.3 million, of which $106.9 million (56.5%) were denominated in foreign currencies including the New Zealand dollar ($63.8 million) and United States dollar ($40.9 million).

During the year, both currencies weakened against the Australian dollar, resulting in total unrealised translational foreign exchange losses of more than $8.1 million. These movements are recognised across multiple line items (Profit and Loss and OCI) and are therefore not presented as a single consolidated figure in the financial statements.

Shareholders should distinguish these translational currency impacts from the Group's underlying operational performance and asset values.

Simplified Balance Sheet

Ariadne is in a sound financial position as shown in the following presentation of the Group's assets and liabilities as at 30 June 2026.

Assets	**$M**	**$M**
Cash		20.3
Investments		
Orams	62.1	
Cover Genius	16.0	
Freshxtend	12.1	
Trading Portfolio	11.1	
King River	11.0	
Coast	10.2	
Kantra	9.0	
Webjet	9.0	
FinClear	8.8	
Future Group	6.0	
Other Strategic Assets	4.6	
Good Drinks	2.8	
WT Financial	2.8	
Lark Technologies	2.1	
Total Investments		167.6
Fixed Assets and Other Receivables		1.4
Total Assets		**189.3**

Liabilities	**$M**
Payables and Provisions	2.0
Debt	7.3
Other Payables	7.8
Minority Interests	12.8
Total Liabilities	**29.9**
Shareholders' Funds	**159.4**
Total Liabilities & Shareholders' Funds	**189.3**

Tax

Ariadne has substantial carry forward revenue and capital losses available to offset future taxable profits. At 30 June 2026, these are estimated to be $71.4 million (30 June 2025: $67.3 million) and $88.1 million (30 June 2025: $83.8 million) respectively. As at balance date, Ariadne had a deferred tax asset of $46.3 million which is not recognised in Ariadne's accounts.

Dividends and Capital Management

The Board is cognisant that Ariadne shares have for some time traded at a significant discount to net assets despite significant improvement in the performance and overall quality of the Group's underlying portfolio.

Ariadne is not alone among small listed investment companies where prices fail to reflect intrinsic value and trade at material discounts to underlying net assets.

To seek to address this issue, the Board's current intention is that, on the sale of significant investments, a material portion of the proceeds will be applied to buying back the Company's shares, subject to market conditions, regulatory requirements and the Group's overall liquidity position.

The directors have declared a partially franked final dividend of 0.50 cents per share, bringing the total dividends for FY26 to 1.00 cents per share (FY25: 1.00 cents per share).

During the period, 4,021,200 shares were acquired under the buyback at an average cost of 47.2 cents per share. On 3 March 2026, Ariadne announced the extension of its on-market share buy-back facility as part of ongoing capital management initiatives.

Passing of John Murphy

On 26 May, Ariadne director and colleague, John Murphy, sadly passed away. John had served as a director since 2006. Over his long tenure, he made a significant contribution to Ariadne and played an important role in helping shape the Group into the business it is today.

ENDS

Authorised for release by: The Board of Ariadne Australia Limited

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