

## INVESTMENT UPDATE

OCTOBER 2021

Cadence Capital Limited returned a negative performance of 2.7% in October, compared to the All Ordinaries Accumulation Index which was up 0.1% for the month. Financial year to date the fund is up 15.4% outperforming the All Ordinaries Accumulation Index by 13.2%. The largest detractors from performance during October were TMC The Metals Co, Whitehaven Coal, Resimac and New Hope. The top contributors to performance were Life360, DigitalOcean and Asana.

On the 29th October 2021 the Company paid its 3.0 cents fully franked final dividend, equating to an annualized yield of 5.6% fully franked (gross yield 8%). As the Company's shares are trading at a discount to the underlying NTA per share of the Company, the dividend re-investment plan (DRP) was not in operation for this final dividend. Cadence shareholders do have the opportunity to re-invest the dividend they receive by buying CDM shares on market at the prevailing discount to NTA. Directors Karl Siegling, Wayne Davies and Jenelle Webster have been re-investing their final dividends by purchasing CDM shares on-market at a discount to NTA.

### CDO ASX Listing

For those that participated in the Priority Offer in the Cadence Opportunities Fund IPO, CDO will list and start trading on the ASX on Friday 19th November 2021. The issue price was \$2.7716, which was the NTA mid-point as at 31 October 2021. Boardroom registries will be posting out investor statements to all investors following the allotment of shares which is due to happen on 12th November 2021.

### Fund NTA

Net Tangible Assets as at 31st October 2021	Amount (\$)
Pre Tax NTA *	\$1.205
Post Tax NTA *	\$1.274
Share Price (ASX Code: CDM)*	\$1.065

\*After the 3.0c fully franked final dividend paid on 29 October 2021

### Fund Gross Performance

Gross Performance* to 31st October 2021	CDM	All Ords Accum	Outperformance
1 Month	-2.7%	0.1%	-2.8%
YTD	15.4%	2.2%	+13.2%
1 Year	42.7%	29.0%	+13.7%
3 Years (per annum)	12.3%	12.9%	-0.6%
5 Years (per annum)	10.2%	11.4%	-1.2%
8 Years (per annum)	7.6%	8.7%	-1.1%
10 Years (per annum)	9.4%	10.2%	-0.8%
Since Inception (16.1 years) (per annum)	13.6%	7.6%	+6.0%
Since Inception (16.1 years) (total return)	682.2%	222.4%	+459.8%

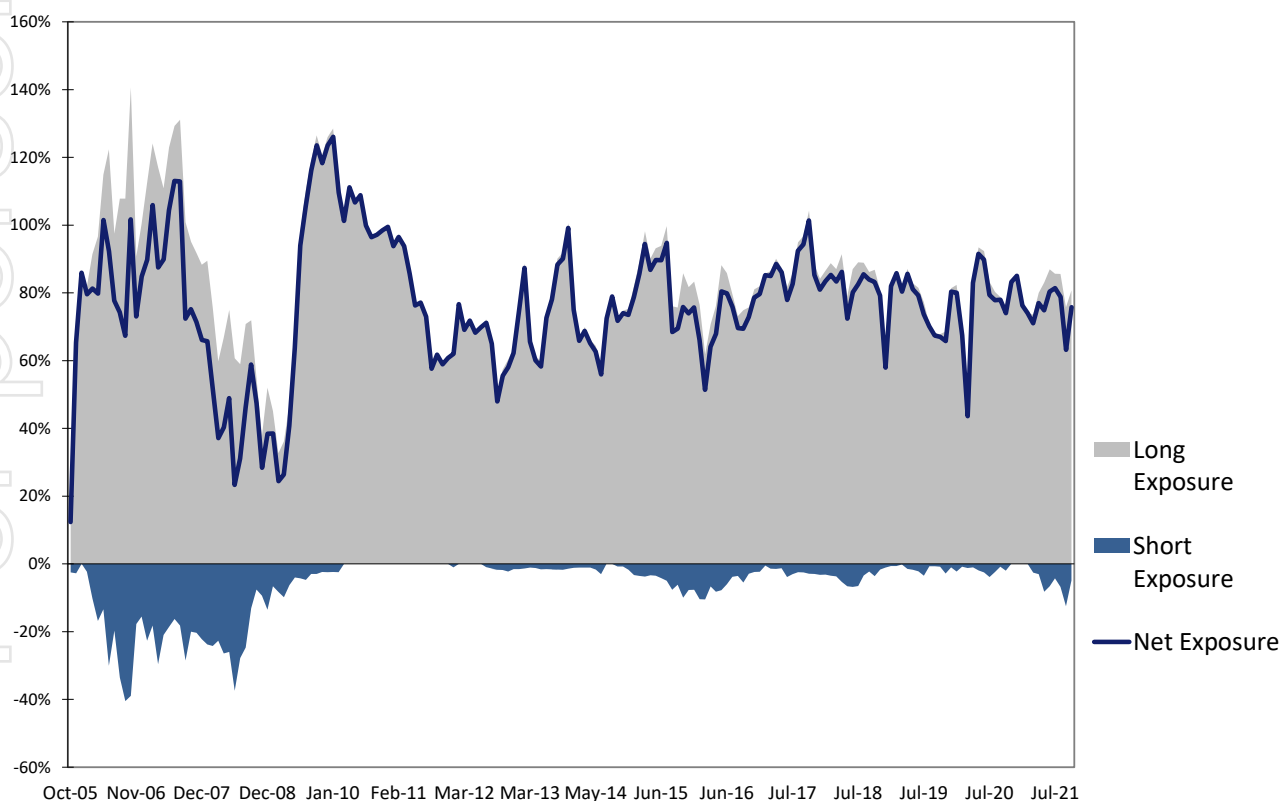
\* Gross Performance: before Management and Performance Fees

## 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
<b>TOTAL</b>	<b>48.5c</b>	<b>49.2c</b>	<b>11.5c</b>	<b>109.2c</b>	<b>155.0c</b>

\* Off market equal access buy back

## Historic Portfolio Exposure



## Portfolio Sector Analysis

Sector	Long	Short	Net
Communications	19.1%		19.1%
Technology	20.4%	-2.0%	18.4%
Financial	9.7%	-1.1%	8.6%
Consumer, Cyclical	7.0%		7.0%
Industrial	6.0%		6.0%
Consumer, Non-cyclical	5.6%		5.6%
Energy	5.2%		5.2%
Diversified	3.9%		3.9%
Capital Goods	2.6%		2.6%
Materials	1.2%		1.2%
Utilities		-1.1%	-1.1%
Basic Materials		-0.4%	-0.4%
Banks		-0.3%	-0.3%
	<b>80.7%</b>	<b>-4.9%</b>	<b>75.8%</b>

<b>Net Cash Holdings and Tax Asset</b>	<b>24.2%</b>
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## Top 20 Portfolio Positions

Code	Position*	Direction	Currency Exposure
GOOGL US	Alphabet Inc	Long	AUD
ALQ	ALS Limited	Long	AUD
ASAN US	Asana Inc	Long	AUD
BET	Betmakers Technology Group Ltd	Long	AUD
CAR	Carsales.com Ltd	Long	AUD
CTT	Cettire Ltd	Long	AUD
CCP	Credit Corp Group Ltd	Long	AUD
DOCN US	DigitalOcean Holdings Inc	Long	AUD
JLG	Johns Lyng Group	Long	AUD
ABNB US	Airbnb Inc	Long	AUD
360	Life360 Inc	Long	AUD
MGH	Maas Group Holdings Ltd	Long	AUD
MINY	Money3 Corp Ltd	Long	AUD
NHC	New Hope Corporation Ltd	Long	AUD
NTO	Nitro Software Ltd	Long	AUD
RMC	Resimac Group Ltd	Long	AUD
SPSC US	SPS Commerce Inc	Long	AUD
WHC	Whitehaven Coal Ltd	Long	AUD
TMC US	TMC The Metal Company Inc	Long	AUD
UWL	Uniti Group Limited	Long	AUD

\* In Alphabetical Order

## Portfolio Market Capitalisation Analysis

Market Capitalisation	Long	Short	Net
> AUD 1 Billion	60.0%	-4.9%	55.1%
AUD 500 Mill - AUD 1 Billion	17.4%		17.4%
AUD 250 Mill - AUD 500 Mill	2.8%		2.8%
AUD 100 Mill - AUD 250 Mill	0.2%		0.2%
0 - AUD 100 Mill	0.3%		0.3%
	<b>80.7%</b>	<b>-4.9%</b>	<b>75.8%</b>
Net Cash Holdings and Tax Asset			<b>24.2%</b>

## News

CDM was one of the 26 LIC's that appeared in the form guide for the Affluence LIC Cup that came out around the Melbourne Cup. Daryl Wilson, CEO/Portfolio Manager of Affluence Funds Management mentioned CDM as "Another runner that has hit good form this year, though has come off the boil slightly in recent times. Like many horses we rate, the jockey is a part-owner, which always adds extra incentive to win. A big momentum runner, and if it hits top speed, can be an absolute flyer. Another one to watch."

Listen to Karl Siegling being interviewed by [Henry Jennings from Marcus Today](#) on his show "On The Couch" where they discuss Cadence Capital Limited (ASX Code: CDM)

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