

INVESTMENT UPDATE

May 2020

Cadence Capital Limited returned a positive gross performance of 9.3% during the month of May 2020 outperforming the All Ordinaries Accumulation Index by 4.3%. Financial year-to-date Cadence Capital Limited is down 5.1% compared to the All Ordinaries Accumulation Index which is down 9.3%.

For the month of May, the largest contributors to performance were Resimac Group, Zip Co, Pointsbet Holdings, City Chic Collective, Qube Holdings, Lynas Corp, Appen and Credit Corp Group. The largest detractor from performance was Genworth Financial US. At the 31 May 2020 the Company was 91.5% invested.

On the 13 May 2020 the Company paid its 2.0 cents fully franked interim dividend. This interim dividend equated to a 7.4% annual fully franked yield, or a 10.5% gross yield (grossed up for franking credits) based on the CDM share price of \$0.54 on the date that the dividend was paid.

SAVE THE DATE: Cadence Capital Limited will be holding an online **Investor Presentation on Friday 26th June at 11.00am (AEST)**. Registration details for this event will be sent out over the coming week.

Fund NTA

Net Tangible Assets as at 31st May 2020	Amount (\$)
Pre Tax NTA*	\$0.803
Post Tax NTA*	\$0.979
Share price (ASX Code: CDM)*	\$0.595

*After the 2.0 c fully franked Interim dividend paid on 13th May 2020

Fund Gross Performance

Gross Performance* to 31st May 2020	CDM	All Ords Accum	Outperformance
1 Month	9.3%	5.0%	+4.3%
YTD	-5.1%	-9.3%	+4.2%
1 Year	-9.2%	-6.2%	-3.0%
3 Years (per annum)	-3.3%	4.7%	-8.0%
5 Years (per annum)	-3.3%	3.7%	-7.0%
8 Years (per annum)	5.0%	9.0%	-4.0%
10 Years (per annum)	10.7%	7.2%	+3.5%
Since Inception (14.7 years) (per annum)	11.2%	6.1%	+5.1%
Since Inception (14.7 years) (total return)	372.2%	136.7%	+235.5%

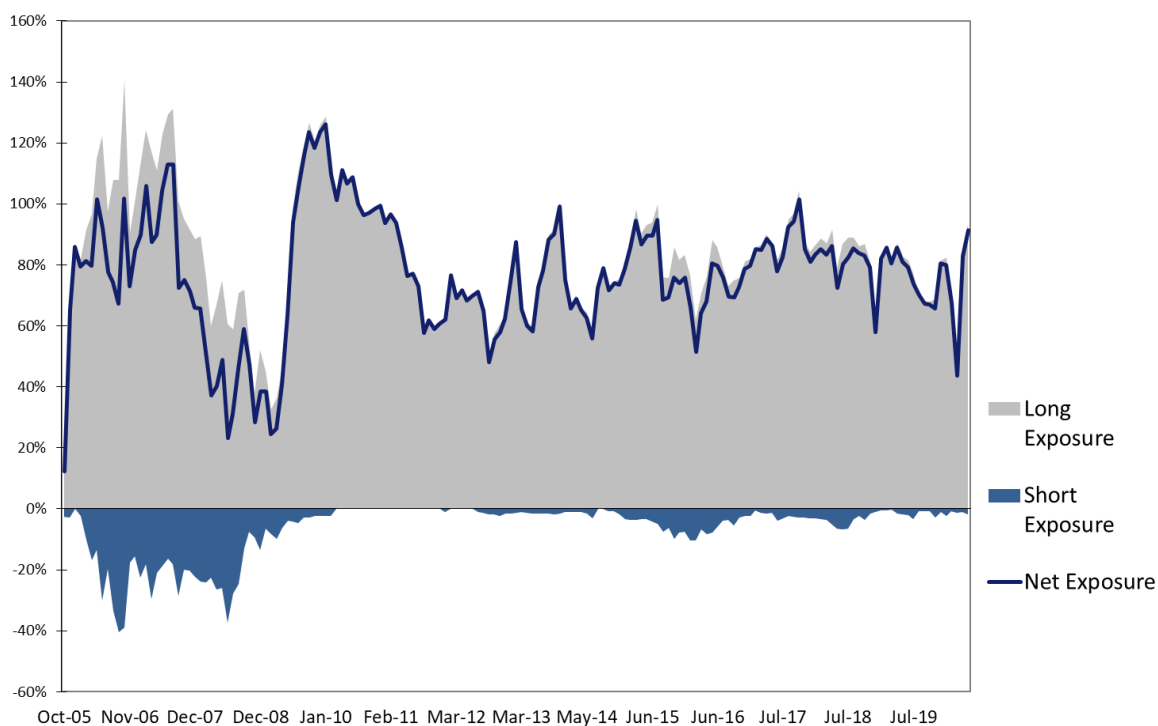
* Gross Performance: before Management and Performance Fees

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	2.9c
TOTAL	46.5c	44.2c	11.5c	102.2c	145.1c

* Off market equal access buy back

Historic Portfolio Exposure



Portfolio Sector Analysis

Sector	Long	Short	Net
Consumer, Non-cyclical	21.0%	-0.9%	20.1%
Communications	13.3%	-0.6%	12.7%
Financial	11.6%		11.6%
Energy	11.2%		11.2%
Technology	9.6%	-0.5%	9.2%
Consumer, Cyclical	8.1%		8.1%
Industrial	7.4%		7.4%
Basic Materials	3.6%		3.6%
Diversified Financials	3.1%		3.1%
Retailing	2.0%		2.0%
Banks	1.5%		1.5%
Consumer Services	1.0%		1.0%
	93.4%	-1.9%	91.5%
Net Cash Holdings and Tax Asset			8.5%

Top 20 Portfolio Positions

Code	Position*	Currency Exposure
AAPL US	Apple Inc	AUD
APE	AP Eagers Ltd	AUD
APX	Appen Ltd	AUD
ARB	ARB Corp Ltd	AUD
BPT	Beach Energy Ltd	AUD
CCP	Credit Corp Group Ltd	AUD
CCX	City Chic Collective Ltd	AUD
**	Deepgreen Metals	AUD
EML	EML Payments Ltd	AUD
FB US	Facebook Inc	AUD
LYC	Lynas Corp Ltd	AUD
MNY	Money3 Corp Ltd	AUD
MQG	Macquarie Group Ltd	AUD
PBH	Poinsbet Holdings Ltd	AUD
QUB	Qube Holdings Ltd	AUD
RMC	Resimac Group Ltd	AUD
SHJ	Shine Corporate Ltd	AUD
STO	Santos Ltd	AUD
TEVA US	Teva Pharmaceutical	AUD
UWL	Uniti Group Ltd	AUD

* In Alphabetical Order

** A Pre-IPO investment in the Materials sector

Portfolio Market Capitalisation Analysis

Market Capitalisation	Long	Short	Net
> AUD 1 Billion	56.2%	-1.3%	54.8%
AUD 500 Mill - AUD 1 Billion	14.7%	-0.6%	14.1%
AUD 250 Mill - AUD 500 Mill	11.5%		11.5%
AUD 100 Mill - AUD 250 Mill	6.1%		6.1%
0 - AUD 100 Mill *	4.9%		4.9%
Exposure	93.4%	-1.9%	91.5%
Net Cash Holdings and Tax Asset			8.5%

* Includes a pre-IPO investment in the Materials sector

News

On the 23rd March the Company released its [March 2020 Quarterly Audiocast](#). In this Audiocast, Karl Siegling provided an update on recent market movements, the Company's performance, exposure levels and its cash holdings. He then discussed the upcoming dividend and the CDM's discount to NTA. He closed by discussing the current outlook for the market and the Company.

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