

Cadence Capital Limited returned a positive gross performance of 2.4% in the month of October, compared to the All Ordinaries Accumulation Index which was up 2.1% over the same period. The fund has had a good start to the new financial year returning 15.8%, outperforming the All Ordinaries Accumulation Index by 12.6% during this period. The largest contributors to performance during October were Pinterest Inc, AP Eagers, Lynas Corp, ARB Corp, Tencent Holdings and Money3 Corp. The largest detractors from performance were Uniti Group and Resimac Group.

At 31st October 2020, the Company was 74.0% invested.

Earlier this month, the Company released its [September 2020 Quarterly Webcast](#). In this Webcast, Karl Siegling firstly provides an update on the Company's performance, upcoming dividend payment and CDM's discount to NTA. Portfolio managers, Jackson Aldridge and Charlie Gray, then discuss the portfolio's construction and some of the Company's current investment themes. Karl Siegling finishes with an update on the outlook for 2021.

On the 30th October 2020, the Company paid its 2.0 cents fully franked final dividend. This brought the 2020 fully franked full year dividend up to 4.0 cents per share, equating to a 5.7% annual fully franked yield, or an 8.1% gross yield based on the CDM share price of \$0.79 on the date that dividend was paid. The dividend re-investment plan (DRP) was not in operation for this final dividend as the Company's shares are trading at a large discount to the underlying NTA per share of the Company. The Company has implemented an on-market share buy-back which increases the NTA per share for all existing Cadence Capital Limited shareholders.

Cadence Opportunities Fund Shortfall Offer

Cadence's shorter-term trading fund, the Cadence Opportunities Fund, which is currently unlisted, recently announced a \$10 million rights issue. Any rights not taken up by Cadence Opportunities Fund shareholders are being placed to both Cadence Opportunities Fund shareholders and new investors. You are invited to participate in this shortfall offer. This offer closes on **30th November 2020**. This fund is unlisted, but the intention is to list it on the ASX at some point in the future. Currently, the fund has received commitments for **\$6.1M** of the \$10M offer.

For more detail on the Rights Issue and Shortfall Placement please watch the [Cadence Opportunities Fund Entitlement & Shortfall Offer Presentation](#). Please also refer to the [offer booklet](#). If you would like to apply for the shortfall offer please complete the shortfall application form (page 61) and the Investor Identification form (page 63) and send to corporateactions@boardroomlimited.com.au.

Fund NTA

Net Tangible Assets as at 31st October 2020	Amount (\$)
Pre Tax NTA*	\$0.898
Post Tax NTA*	\$1.053
Share price (ASX Code: CDM)*	\$0.785

*After the 2.0 c fully franked Final dividend paid on 30th October 2020

Fund Gross Performance

Gross Performance* to 31st October 2020	CDM	All Ords Accum	Outperformance
1 Month	2.4%	2.1%	+0.3%
YTD	15.8%	3.2%	+12.6%
1 Year	10.9%	-6.5%	+17.4%
3 Years (per annum)	-2.0%	4.8%	-6.8%
5 Years (per annum)	0.5%	7.2%	-6.7%
8 Years (per annum)	5.1%	8.2%	-3.1%
10 Years (per annum)	11.1%	7.0%	+4.1%
Since Inception (15.1 years) (per annum)	11.9%	6.3%	+5.6%
Since Inception (15.1 years) (total return)	448.0%	150.0%	+298.0%

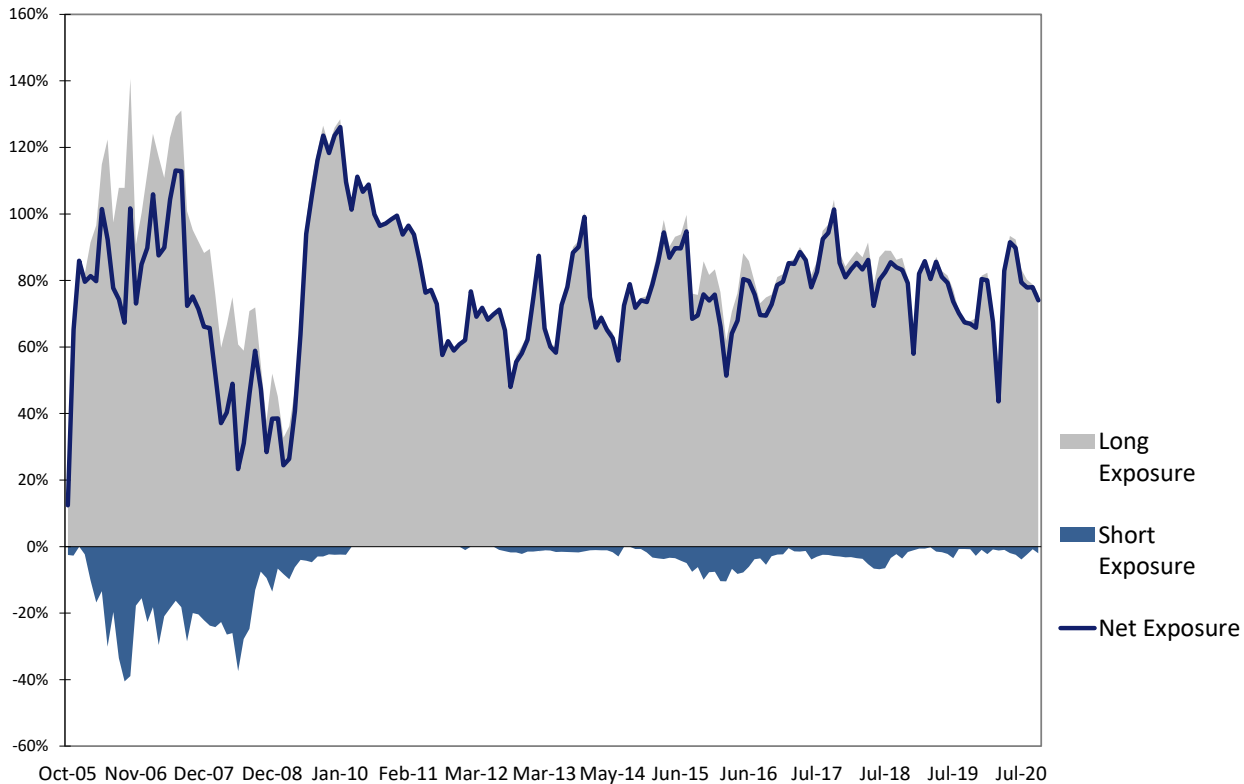
* Gross Performance: before Management and Performance Fees

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
TOTAL	46.5c	46.2c	11.5c	104.2c	147.9c

* Off market equal access buy back

Historic Portfolio Exposure



Portfolio Sector Analysis

Sector	Long	Short	Net
Communications	15.2%	-0.5%	14.7%
Consumer, Cyclical	13.4%		13.4%
Consumer, Non-cyclical	12.7%	-1.5%	11.2%
Financial	9.9%		9.9%
Technology	7.0%		7.0%
Energy	5.2%		5.2%
Industrial	5.1%		5.1%
Basic Materials	4.3%		4.3%
Diversified Financials	2.0%		2.0%
Retailing	1.3%		1.3%
	76.0%	-2.0%	74.0%
Net Cash Holdings and Tax Asset			26.0%

Top 20 Portfolio Positions

Code	Position*	Currency Exposure
9988 HK	Alibaba Group Holding Ltd	AUD
APE	AP Eagers Ltd	AUD
ARB	ARB Corp Ltd	AUD
CAR	Carsales.com Ltd	AUD
CGC	Costa Group Holdings Ltd	AUD
CCP	Credit Corp Group Ltd	AUD
**	Deepgreen Metals	AUD
EOS	Electro Optic Holdings Ltd	AUD
JLG	Johns Lyng Group	AUD
LYC	Lynas Corp Ltd	AUD
MQG	Macquarie Group Ltd	AUD
MNY	Money3 Corp Ltd	AUD
NVDA US	NVIDIA Corp	AUD
PINS US	Pinterest Inc	AUD
PBH	Pointsbet Holdings Ltd	AUD
QCOM US	Qualcomm Inc	AUD
REH	Reece Ltd	AUD
RMC	Resimac Group Ltd	AUD
SHJ	Shine Corporate Ltd	AUD
700 HK	Tencent Holdings 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	46.2%	-1.0%	45.2%
AUD 500 Mill - AUD 1 Billion	16.2%	-1.0%	15.1%
AUD 250 Mill - AUD 500 Mill	5.1%		5.1%
AUD 100 Mill - AUD 250 Mill	3.8%		3.8%
0 - AUD 100 Mill *	4.8%		4.8%
	76.0%	-2.0%	74.0%

Net Cash Holdings and Tax Asset

26.0%

* Includes a pre-IPO investment in the Materials sector

News

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