

INVESTMENT UPDATE

AUGUST 2021

Cadence Capital Limited returned a gross performance of 6.8% in August, compared to the All Ordinaries Accumulation Index which was up 2.4% for the month. Financial year to date the fund is up 6.1% outperforming the All Ordinaries Accumulation Index by 2.4%. The top contributors to performance during August were Upstart Holdings, Uniti Group, Life360, Cettire and Whitehaven Coal. The largest detractors from performance were Strike Energy and Fiverr International.

In August the Company announced its [full year results](#) declaring a 3.0 cents fully franked final dividend. The Ex-Date for the dividend is the 18th October 2021 and the payment date is the 29th October 2021. The Dividend Re-Investment Plan (“DRP”) is in operation for this dividend. There will be no DRP discount applied.

Fund NTA

Net Tangible Assets as at 31st August 2021	Amount (\$)
Pre Tax NTA	\$1.162
Post Tax NTA	\$1.245
Share Price (ASX Code: CDM)	\$1.220

On the 10th September 2021, TMC listed on the NASDAQ. CDM’s initial investment of AUD\$6 million in TMC is currently valued at AUD\$98 million. Below are CDM’s current NTAs.

Estimated Net Tangible Assets Per Share as at 8.00am 14th Sept 2021	Amount (\$)
Pre Tax NTA	\$1.45
Post Tax NTA	\$1.45
CDM Share Price as at 13th Sept 2021	\$1.18

TMC has added significant outperformance for CDM in September, with the fund returning approximately 36% since the 1st July 2021. The company’s record profits from last financial year, combined with the profits from the TMC investment has resulted in significant profits reserves and the ability to pay fully franked dividends for several years to come.

Fund Gross Performance

Gross Performance* to 31st August 2021	CDM	All Ords Accum	Outperformance
1 Month	6.8%	2.4%	+4.4%
YTD	6.1%	3.7%	+2.4%
1 Year	33.9%	29.0%	+4.9%
3 Years (per annum)	5.6%	10.6%	-5.0%
5 Years (per annum)	8.3%	11.3%	-3.0%
8 Years (per annum)	7.5%	9.7%	-2.2%
10 Years (per annum)	8.6%	10.4%	-1.8%
Since Inception (15.9 years) (per annum)	13.2%	7.7%	+5.5%
Since Inception (15.9 years) (total return)	619.2%	227.1%	+392.1%

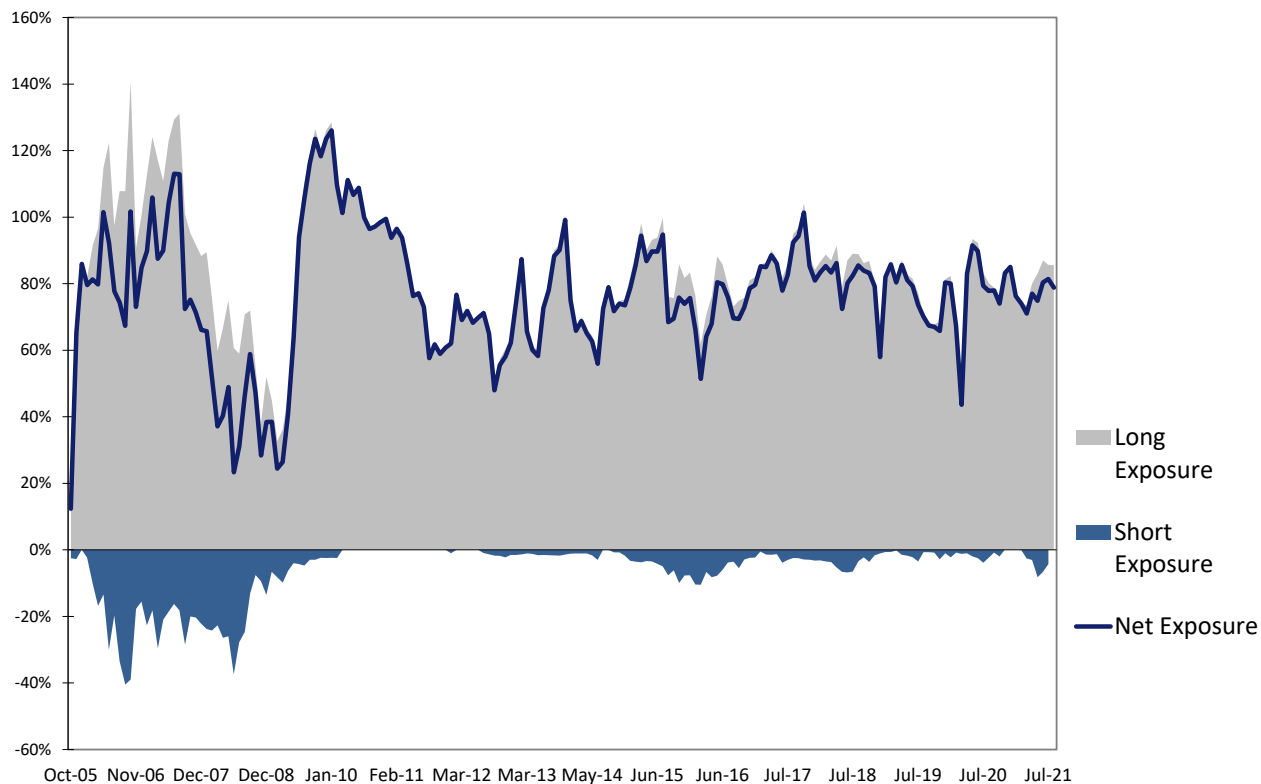
*Gross Performance: before Management and Performance Fees

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
TOTAL	48.5c	49.2c	11.5c	109.2c	155.0c

* Off market equal access buy back

Historic Portfolio Exposure



Portfolio Sector Analysis

Sector	Long	Short	Net
Communications	19.2%		19.2%
Technology	16.6%	-0.9%	15.7%
Consumer, Cyclical	11.6%		11.6%
Financial	12.3%	-1.2%	11.1%
Energy	9.2%	-0.5%	8.8%
Industrial	5.0%	-0.5%	4.5%
Consumer, Non-cyclical	4.8%	-1.8%	3.0%
Materials	2.7%		2.7%
Capital Goods	1.6%		1.6%
Basic Materials	2.5%	-0.9%	1.5%
Utilities		-0.9%	-0.9%
	85.6%	-6.8%	78.8%

Net Cash Holdings and Tax Asset	21.2%
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Top 20 Portfolio Positions

Code	Position*	Direction	Currency Exposure
GOOGL US	Alphabet Inc	Long	AUD
ARB	ARB Corp Ltd	Long	AUD
ASAN US	Asana Inc	Long	AUD
BET	Betmakers Technology Group Ltd	Long	AUD
BSL	Bluescope Steel Limited	Long	AUD
CAR	Carsales.com Ltd	Long	AUD
CTT	Cettire Ltd	Long	AUD
CROX US	Crocs Inc	Long	AUD
**	Deepgreen Metals	Long	AUD
DOCN US	DigitalOcean Holdings Inc	Long	AUD
HUBS US	Hubspot Inc	Long	AUD
JLG	Johns Lyng Group	Long	AUD
360	Life360 Inc	Long	AUD
MNY	Money3 Corp Ltd	Long	AUD
NTO	Nitro Software Ltd	Long	AUD
RMC	Resimac Group Ltd	Long	AUD
SHOP US	Shopify Inc	Long	AUD
UWL	Uniti Group Limited	Long	AUD
UPST US	Upstart Holdings Inc	Long	AUD
WHC	Whitehaven Coal Ltd	Long	AUD

* In Alphabetical Order

** A Pre-IPO investment in the Materials sector

Portfolio Market Capitalisation Analysis

Market Capitalisation	Long	Short	Net
> AUD 1 Billion	66.8%	-6.8%	60.1%
AUD 500 Mill - AUD 1 Billion	13.6%		13.6%
AUD 250 Mill - AUD 500 Mill	1.4%		1.4%
AUD 100 Mill - AUD 250 Mill	0.5%		0.5%
0 - AUD 100 Mill *	3.2%		3.2%
	85.6%	-6.8%	78.8%

Net Cash Holdings and Tax Asset **21.2%**

* Includes a pre-IPO investment in the Materials sector

News

On the 17th August 2021 the company released its [June 2021 Year end Audiocast](#). In this audiocast, Karl Siegling firstly provides an update on the Company's record full year results, fully franked final dividend and the portfolio composition. Charlie Gray and Jackson Aldridge then discuss a few of the Company's investments. Karl Siegling finishes with an update on Deepgreen Metals and the outlook for 2021.

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