

## INVESTMENT UPDATE

April 2022

Cadence Opportunities Fund was up 0.1% in April, compared to the All Ordinaries Accumulation Index which was down 0.8% for the month. For the 10 months ended 30 April 2022 the fund is up 19.4% outperforming the All Ordinaries Accumulation Index by 14.0%. For April the top contributors to performance were Whitehaven Coal, Stanmore Coal, Coronado Global Resources and Terracom. The largest detractors from performance were Journey Energy and Melbana Energy.

Financial markets remained volatile through April, with Australia again materially outperforming its international peers. For example, the S&P 500 and NASDAQ were down 8.8% and 13.0% in April respectively. Cash levels in the fund increased towards the end of the month as positions were exited that broke trend and as shorts were added to. This activity has continued in early May as markets have continued to fall with the portfolio currently holding around 40% cash. The fund's ability to move into high levels of cash in markets that are trending down is an important tool in preserving our capital and maintaining buying power to scale into new investment opportunities that meet our criteria.

### Fully Franked Half Year Dividend

The Company's 7.5 cents fully franked half year dividend was paid out on the 14 April 2022. This interim dividend equates to a 5.1% annualised fully franked yield or a 7.3% gross yield (grossed up for franking credits) on the share price on the date of the announcement of \$2.94 per share. After paying this dividend the Company still has more than 50 cents per share of profits reserves to pay future dividends

### Quarterly Audiocast

In the coming weeks we will be releasing our quarterly audiocast which will give an update on the Company's performance, the portfolio's composition, its current investment themes and holdings, and the outlook for the rest of the year.

### Fund NTA

Net Tangible Assets as at 30th April 2022	Amount (\$)
Pre Tax NTA*	\$2.557
Post Tax NTA*	\$2.527
Share Price (ASX Code: CDO)*	\$2.690

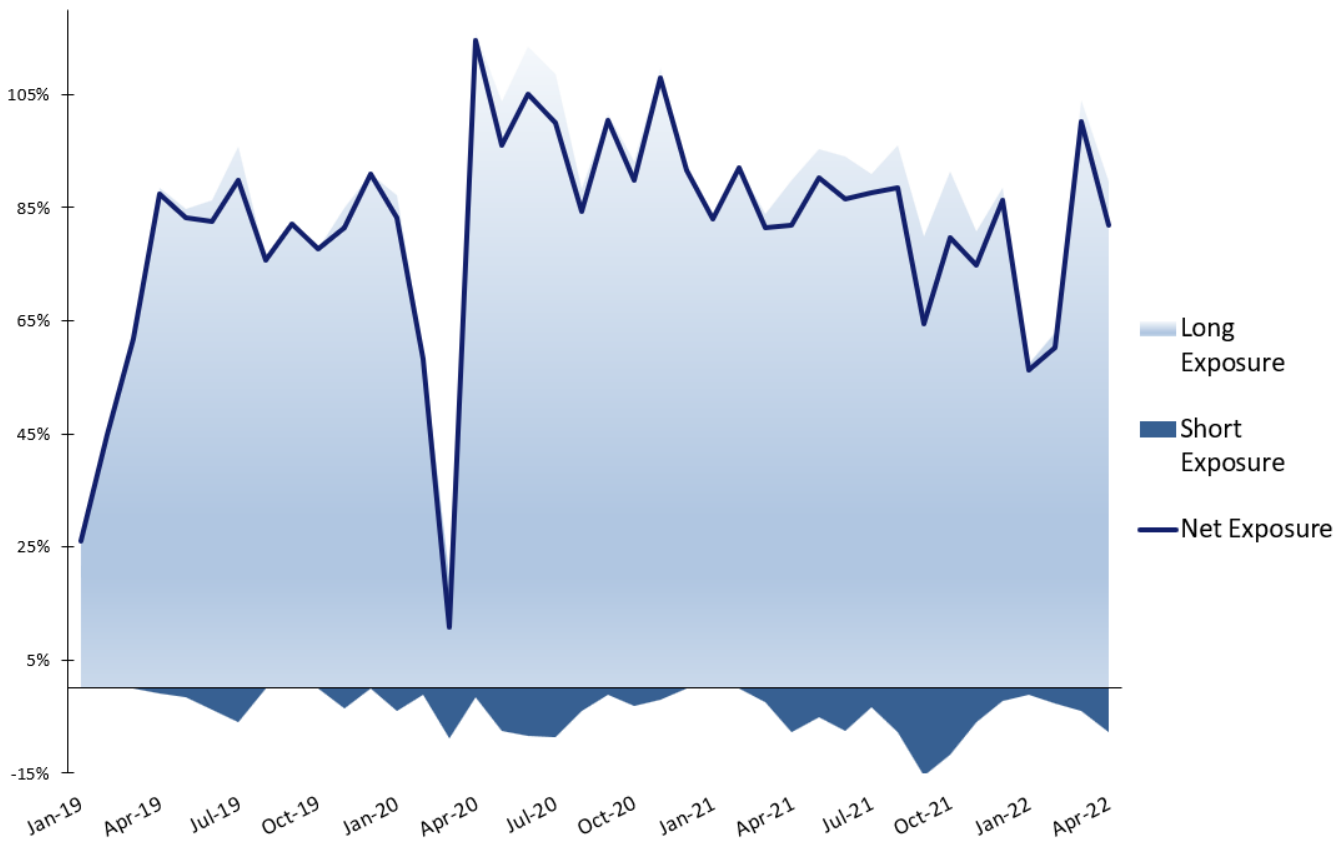
\*After the 7.5c fully franked dividend being paid on 14 April 2022

## Fund Performance

Gross Performance* to 30th April 2022	CDO
1 Month	0.1%
YTD	19.4%
1 Year	24.5%
2 Years (per annum)	69.2%
Since Inception (per annum)	48.6%
Since Inception (3.3 years) (total return)	274.3%

\* Gross Performance: before Management and Performance Fees

## Historic Portfolio Exposure



## Portfolio Sector Analysis

Sector	Long	Short	Net
Energy	38.2%		38.2%
Basic Materials	30.1%		30.1%
Communications	10.9%		10.9%
Consumer, Non-cyclical	4.5%	-0.6%	3.9%
Consumer, Cyclical	4.2%	-3.9%	0.3%
Financial	1.7%	-3.2%	-1.6%
	<b>89.6%</b>	<b>-7.7%</b>	<b>82.0%</b>
<b>Net Cash and Tax Liabilities</b>			<b>18.0%</b>

## Portfolio Positions

Stock Code	Position	Direction	Exposure	Stock Code	Position	Direction	Exposure
AKE	Allkem Ltd	Long	AUD	MAY	Melbana Energy Ltd	Long	AUD
AMP	AMP Ltd	Long	AUD	MOS US	Mosaic Co	Long	AUD
ABB	Aussie Broadband Pty Ltd	Long	AUD	NHC	New Hope Corp Ltd	Long	AUD
BHP	BHP Group Ltd	Long	AUD	PDN	Paladin Energy Ltd	Long	AUD
BOE	Boss Energy Ltd	Long	AUD	PIPR US	Piper Sandler Cos	Short	AUD
BCB	Bowen Coking Coal Ltd	Long	AUD	POD	Podium Minerals Ltd	Long	AUD
CXL	Calix Ltd	Long	AUD	RED	Red 5 Ltd	Long	AUD
CWH US	Camping World Holdings Inc	Short	AUD	STO	Santos Ltd	Long	AUD
CF US	CF Industries Holdings Inc	Long	AUD	SLB US	Schlumberger Ltd	Long	AUD
CIA	Champion Iron Ltd	Long	AUD	SHV	Select Harvests Ltd	Long	AUD
CRN	Coronado Global Resources	Long	AUD	SWM	Seven West Media Ltd	Long	AUD
DAR US	Darling Ingredients Inc	Long	AUD	SHL	Sonic Healthcare Ltd	Long	AUD
FSLR US	First Solar Inc	Long	AUD	SMR	Stanmore Resources Ltd	Long	AUD
FLT	Flight Centre Travel Group Ltd	Long	AUD	TER	Terracom Ltd	Long	AUD
GT1	Green Technology Metals Ltd	Long	AUD	TGH	Textainer Group Holdings Ltd	Short	AUD
HAL US	Halliburton Co	Long	AUD	TIE	Tietto Minerals Ltd	Long	AUD
JRV	Jervois Mining Ltd	Long	AUD	TUA	Tuas Ltd	Long	AUD
JOY CN	Journey Energy Inc	Long	AUD	WEB	Webjet Ltd	Long	AUD
KAR	Karoon Energy Ltd	Long	AUD	WBC	Westpac Banking Corp	Short	AUD
LIC	Lifestyle Communities Ltd	Short	AUD	WHR US	Whirlpool Corp	Short	AUD
LM8	Lunnon Metals Ltd	Long	AUD	WHC	Whitehaven Coal Ltd	Long	AUD
MFG	Magellan Financial Group Ltd	Short	AUD	WPL	Woodside Petroleum Ltd	Long	AUD

## News

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We recommend that you watch the [December 2021 half year Audiocast](#) where Karl Siegling firstly provides an update on the Company's half year results, fully franked interim dividend and the portfolio's composition. Charlie Gray and Jackson Aldridge then discuss the Company's trading statistics, some investment themes and positions held. Karl Siegling finishes with an update on the outlook for 2022.

We encourage you to visit our [52 books you should read before buying your next stock](#) page on our website. We have compiled a list of books/ documentaries that have influenced our investment style or helped provide insight into the investment process. To view all previous Cadence webcasts and press articles, please visit the [Media Section](#) of the website.

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