

INVESTMENT UPDATE

February 2019

For the month of February 2019, Cadence Capital Limited returned a positive gross performance of 3.0% compared to an increase in the All Ordinaries Accumulation Index of 6.1%. For the month, the largest contributors to the Company's performance were ARQ Group Ltd, Macquarie Group, Money3 Corporation, Noni B, Seven Group and Stanmore Coal. The largest detractor from performance was Teva Pharmaceutical.

At 28 February 2019, the Company was 85.8% invested (14.2% cash).

On the 22nd February 2019, the Company announced a 3.0 cent fully franked interim dividend. This equated to a 6.8% annual fully franked yield (9.7% gross yield) based on the CDM share price at the time of the announcement. The Ex-Date for the dividend is the 29th April 2019 and the payment date is the 13th May 2019. The DRP is not operational for the Interim Dividend. For more information please view the [Media Release – Half Year Results and Interim Dividend](#).

Fund NTA

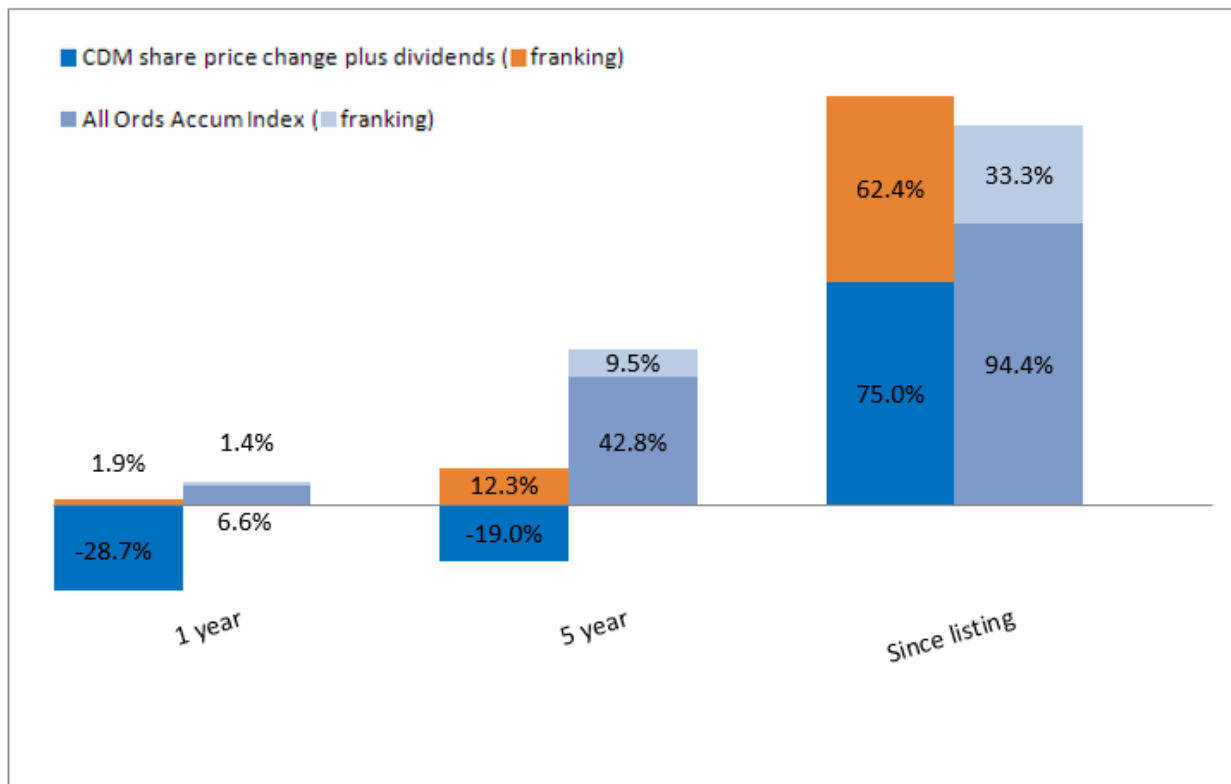
Net Tangible Assets as at 28 February 2019	Amount (\$)
Pre Tax NTA	\$0.973
Post Tax NTA	\$1.103
Share price (ASX Code: CDM)	\$0.890

Fund Gross Performance

Gross Performance* to 28th Feb 2019	CDM	All Ords Accum	Outperformance
1 Month	3.0%	6.1%	-3.1%
YTD	-17.0%	2.2%	-19.2%
1 Year	-13.7%	6.5%	-20.2%
3 Years (per annum)	3.9%	12.7%	-8.8%
5 Years (per annum)	2.8%	7.4%	-4.6%
8 Years (per annum)	8.3%	7.6%	+0.7%
10 Years (per annum)	15.4%	11.3%	+4.1%
Since Inception (13.4 years) (per annum)	13.1%	6.8%	+6.3%
Since Inception (13.4 years) (total return)	420.3%	140.4%	+279.9%

* Gross Performance: before Management and Performance Fees

CDM Share Price Return Plus Dividends & Franking

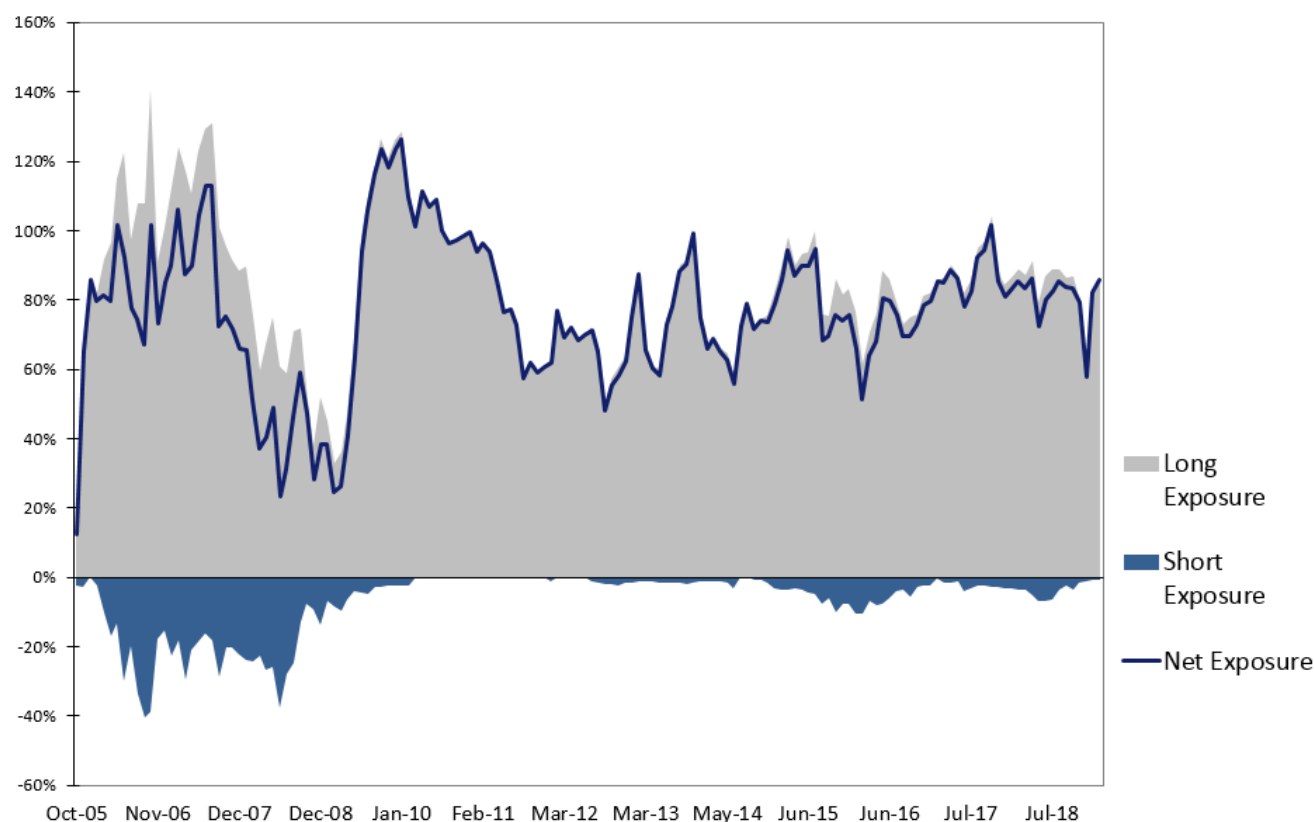


Franked Dividends Declared Since Listing

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	-	-	3.0c	4.3c
TOTAL	44.5c	42.2c	11.5c	98.2c	139.4c

* Off market equal access buy back

Historic Portfolio Exposure



Portfolio Sector Analysis

Sector	Long	Short	Net
Energy	14.7%		14.7%
Consumer, Non-cyclical	14.2%		14.2%
Technology	13.1%		13.1%
Industrial	10.8%		10.8%
Financial	9.8%		9.8%
Consumer, Cyclical	9.5%	0.6%	8.9%
Diversified Financials	5.3%		5.3%
Diversified	4.0%		4.0%
Basic Materials	2.3%		2.3%
Communications	1.7%		1.7%
Materials	0.9%		0.9%
Health Care Equipment & Services	0.4%		0.4%
Exposure	86.4%	0.6%	85.8%
Cash Holdings			14.2%

Top Portfolio Positions

Code	Position	Direction	Currency	Holding
ARQ	ARQ Group Ltd	Long	AUD	11.7%
MQG	Macquarie Group Ltd	Long	AUD	5.3%
MNY	Money3 Corp Ltd	Long	AUD	5.3%
STO	Santos Ltd	Long	AUD	5.1%
NBL	Noni B Ltd	Long	AUD	4.7%
SVW	Seven Group Holdings Ltd	Long	AUD	4.0%
WOR	Worleyparsons Ltd	Long	AUD	3.8%
ALL	Aristocrat Leisure Ltd	Long	AUD	3.5%
EHL	Emeco Holdings Ltd	Long	AUD	3.3%
WPL	Woodside Petroleum Ltd	Long	AUD	2.6%
BIN	Bingo Industries Ltd	Long	AUD	2.5%
MAH	Macmahon Holdings Ltd	Long	AUD	2.3%
GEM	G8 Education Ltd	Long	AUD	2.2%
SHJ	Shine Corporate Ltd	Long	AUD	2.2%
SMR	Stanmore Coal Ltd	Long	AUD	2.2%
RMC	Resimac Group Ltd	Long	AUD	2.1%
TEVA US	Teva Pharmaceutical-SP	Long	AUD	2.0%
TWE	Treasury Wine Estates Ltd	Long	AUD	1.9%
HLO	Helloworld Travel Ltd	Long	AUD	1.4%
JD US	JD.COM Inc	Long	AUD	1.2%
Top Portfolio Holdings Net Exposure				69.2%

News

The Company released its [Half Year webcast](#) on 23rd January 2019. We recommend you watch this webcast where Karl Siegling firstly provides an update on the company's performance, then discusses in detail our holdings in ARQ Group, Macquarie Group, Money3 Corporation and Noni B Ltd and concludes with the outlook for 2019.

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