

## INVESTMENT UPDATE

April 2019

Cadence Capital Limited returned a positive gross performance of 3.5% in April, outperforming the All Ordinaries Accumulation Index by 1.0%. For the month, the largest contributors to the Company's performance were DeepGreen Metals, Qualcomm, Seven Group, Stanmore Coal and Treasury Wine Estates. The largest detractors from performance were ARQ Group and Macmahon Holdings.

At 30th April 2019, the Company was 85.6% invested (14.4% cash).

In February 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 was the 29<sup>th</sup> April 2019 and the payment date is the 13<sup>th</sup> May 2019. The DRP was not operational for this Dividend as CDM shares are currently trading at a discount to NTA and the Board did not wish to issue shares at a discount to NTA. Instead of participating in the DRP, shareholders have the option to use their dividends to buy shares at a discount to NTA if they wish to do so.

## Fund NTA

Net Tangible Assets as at 30 April 2019	Amount (\$)
Pre Tax NTA*	\$0.958
Post Tax NTA*	\$1.087
Share price (ASX Code: CDM)*	\$0.845

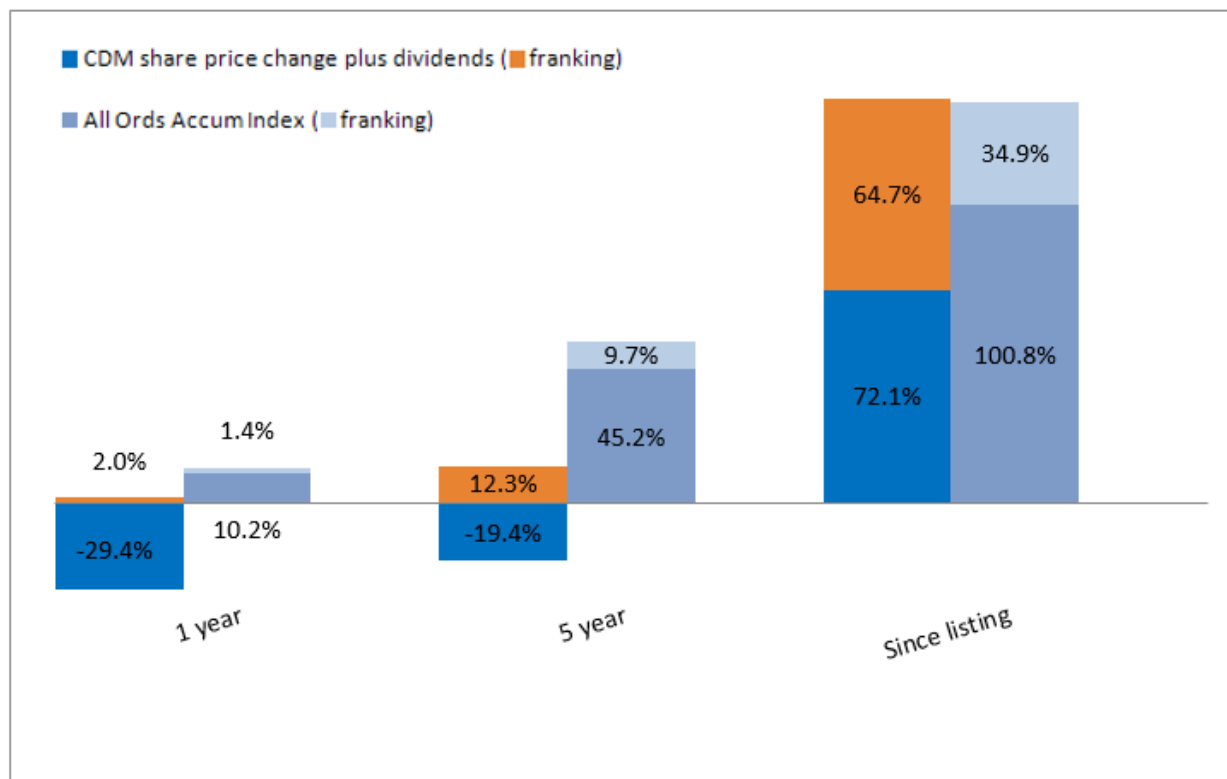
\*These figures are after a 3.0 cent fully franked interim dividend being paid on 13th May 2019

## Fund Gross Performance

Gross Performance* to 30th April 2019	CDM	All Ords Accum	Outperformance
1 Month	3.5%	2.5%	1.0%
YTD	-15.7%	5.6%	-21.3%
1 Year	-13.4%	10.2%	-23.6%
3 Years (per annum)	4.6%	11.0%	-6.4%
5 Years (per annum)	3.2%	7.7%	-4.5%
8 Years (per annum)	8.2%	8.0%	+0.2%
10 Years (per annum)	15.0%	10.1%	+4.9%
Since Inception (13.6 years) (per annum)	13.0%	6.9%	+6.1%
Since Inception (13.6 years) (total return)	428.2%	148.2%	+280.0%

\* Gross Performance: before Management and Performance Fees

## CDM Share Price Return Plus Dividends & Franking

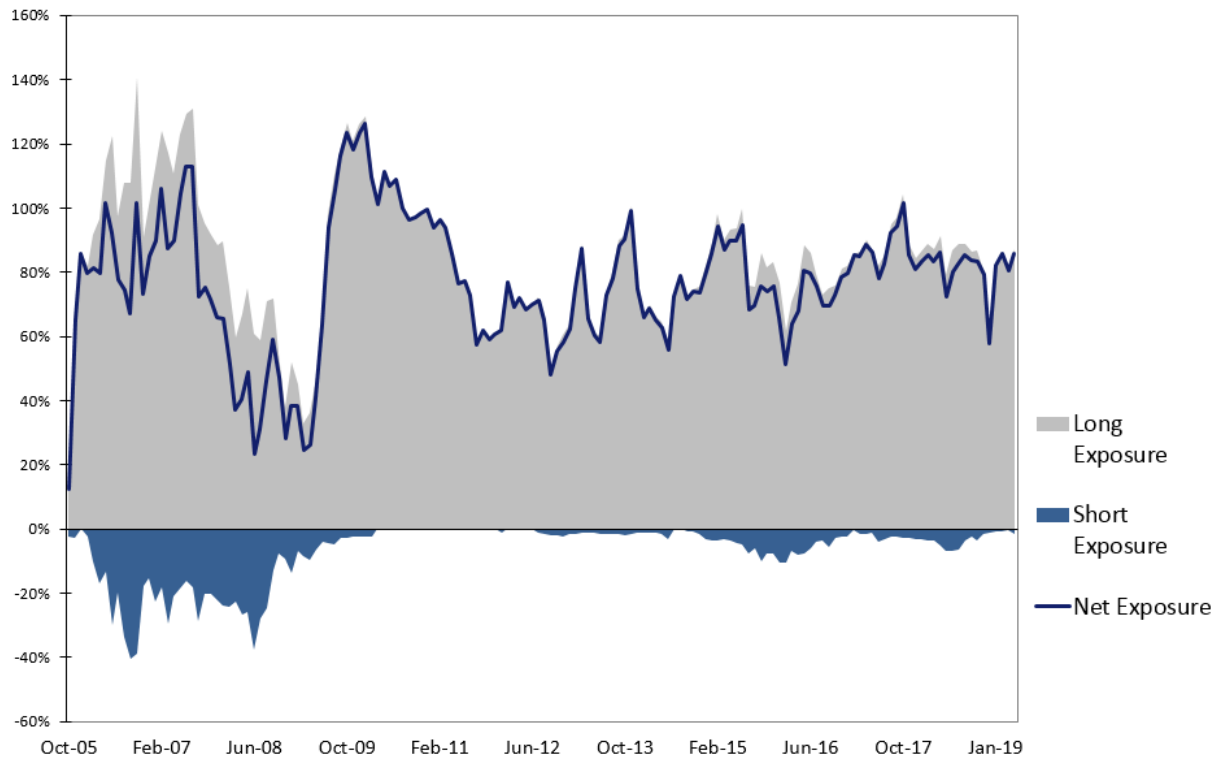


## Franked Dividends Declared Since Listing

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
<b>TOTAL</b>	<b>44.5c</b>	<b>42.2c</b>	<b>11.5c</b>	<b>98.2c</b>	<b>139.4c</b>

\* Off market equal access buy back

## Historic Portfolio Exposure



## Portfolio Sector Analysis

Sector	Long	Short	Net
Technology	16.0%	0.2%	15.8%
Energy	12.7%	0.5%	12.2%
Consumer, Non-cyclical	12.4%	0.6%	11.8%
Financial	10.8%		10.8%
Consumer, Cyclical	9.1%		9.1%
Industrial	7.5%		7.5%
Diversified Financials	5.6%		5.6%
Communications	5.0%		5.0%
Diversified	4.0%		4.0%
Basic Materials	3.3%		3.3%
Health Care Equipment & Services	0.4%		0.4%
Materials	0.1%		0.1%
Consumer Services	0.2%	0.2%	0.0%
<b>Exposure</b>	<b>87.1%</b>	<b>1.5%</b>	<b>85.6%</b>

<b>Cash Holdings</b>	<b>14.4%</b>
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## Top Portfolio Positions

Code	Position	Direction	Currency	Holding
ARQ	ARQ Group Ltd	Long	AUD	10.4%
MQG	Macquarie Group Ltd	Long	AUD	5.6%
MNY	Money3 Corp Ltd	Long	AUD	4.9%
STO	Santos Ltd	Long	AUD	4.7%
NBL	Noni B Ltd	Long	AUD	4.4%
QCOM	Qualcomm Inc	Long	AUD	4.1%
SVW	Seven Group Holdings Ltd	Long	AUD	4.0%
JD	JD.COM Inc	Long	AUD	2.8%
**	Deepgreen Metals	Long	AUD	2.7%
ALL	Aristocrat Leisure Ltd	Long	AUD	2.7%
SHJ	Shine Corporate Ltd	Long	AUD	2.6%
BIN	Bingo Industries Ltd	Long	AUD	2.5%
SMR	Stanmore Coal Ltd	Long	AUD	2.4%
RMC	Resimac Group Ltd	Long	AUD	2.4%
WOR	Worleyparsons Ltd	Long	AUD	2.3%
TWE	Treasury Wine Estates Ltd	Long	AUD	2.3%
GEM	G8 Education Ltd	Long	AUD	2.0%
MAH	Macmahon Holdings Ltd	Long	AUD	1.9%
1717	Ausnutria Dairy Corp Ltd	Long	AUD	1.8%
CIA	Champion Iron Ltd	Long	AUD	1.8%
<b>Top Portfolio Holdings Net Exposure</b>				<b>68.3%</b>

\*\* A Pre-IPO investment in the Materials sector

## News

The Company released its [March 2019 Quarterly Webcast](#) during the month of April. We recommend you watch this webcast in which Karl Siegling discusses the company's performance, reviews the portfolio's top holdings, discusses the discount to NTA of the Company's share price and gives an update on the market outlook.

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