

Cadence Capital Limited returned a negative gross performance of 0.3% in the month of September, compared to the All Ordinaries Accumulation Index which was down 3.4% over the same period. The fund has had a good start to the new financial year, returning 13.2% outperforming the All Ordinaries Accumulation Index by 12.1% during this period. The largest contributors to performance during September were Resimac Group, Webcentral Group, Pinterest Inc, Citadel Group and Shine Justice Ltd. The largest detractors from performance were EML Payments and Credit Corp Group.

The Company will be releasing its September webcast in the coming weeks. This webcast will give shareholders an update on the fund's performance, dividends, its current portfolio positioning, discount to NTA, current investment themes and market outlook.

In August 2020, the Company announced its [full year results and a 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 on the date of the announcement. The Ex-Date for the dividend is the 19th October 2020 and the payment date for the dividend is the 30th October 2020. The dividend re-investment plan (DRP) is not in operation for this final dividend as the Company's shares are currently 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.

At 30th September 2020, the Company was 78.0% invested.

Fund NTA

Net Tangible Assets as at 30th September 2020	Amount (\$)
Pre Tax NTA*	\$0.895
Post Tax NTA*	\$1.057
Share price (ASX Code: CDM)	\$0.740

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

Fund Gross Performance

Gross Performance* to 30th September 2020	CDM	All Ords Accum	Outperformance
1 Month	-0.3%	-3.4%	+3.1%
YTD	13.2%	1.1%	+12.1%
1 Year	7.2%	-8.8%	+16.0%
3 Years (per annum)	-0.9%	5.4%	-6.3%
5 Years (per annum)	1.1%	7.7%	-6.6%
8 Years (per annum)	5.2%	8.3%	-3.1%
10 Years (per annum)	11.0%	7.0%	+4.0%
Since Inception (15.0 years) (per annum)	11.8%	6.2%	+5.6%
Since Inception (15.0 years) (total return)	435.3%	144.9%	+290.4%

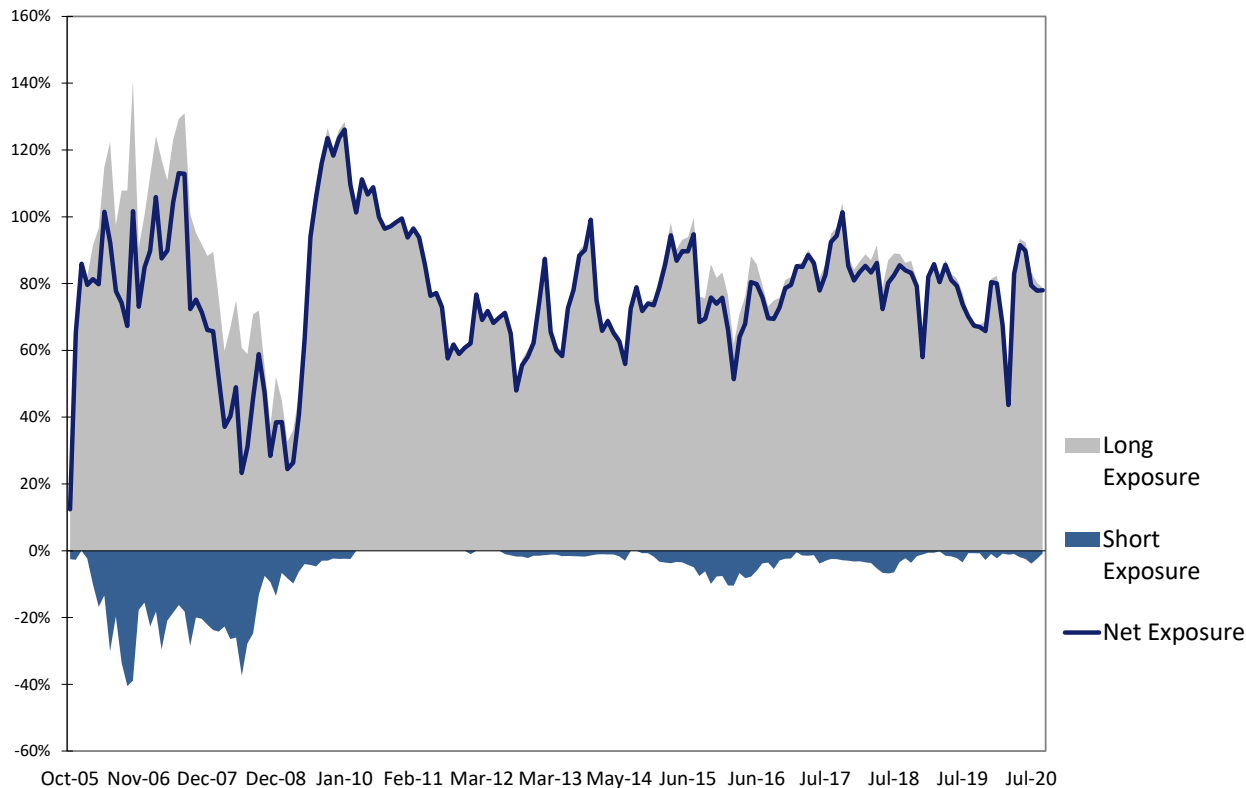
* Gross Performance: before Management and Performance Fees

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
Consumer, Cyclical	14.1%		14.1%
Communications	12.2%	-0.8%	11.4%
Consumer, Non-cyclical	12.1%		12.1%
Financial	11.2%		11.2%
Technology	8.7%		8.7%
Industrial	5.5%		5.5%
Energy	5.2%		5.2%
Basic Materials	5.0%		5.0%
Diversified Financials	2.6%		2.6%
Retailing	2.2%		2.2%
	78.8%	-0.8%	78.0%
Net Cash Holdings and Tax Asset			22.0%

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
CCX	City Chic Collective Ltd	AUD
CGC	Costa Group Holdings Ltd	AUD
CCP	Credit Corp Group Ltd	AUD
**	Deepgreen Metals	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
RBL	Redbubble Ltd	AUD
REH	Reece Ltd	AUD
RMC	Resimac Group Ltd	AUD
SHJ	Shine Corporate Ltd	AUD
UWL	Uniti Group Limited	AUD

* In Alphabetical Order

** A Pre-IPO investment in the Materials sector

Portfolio Market Capitalisation Analysis

Market Capitalisation	Long	Short	Net
> AUD 1 Billion	46.1%	-0.8%	45.3%
AUD 500 Mill - AUD 1 Billion	20.2%		20.2%
AUD 250 Mill - AUD 500 Mill	4.3%		4.3%
AUD 100 Mill - AUD 250 Mill	2.7%		2.7%
0 - AUD 100 Mill *	5.5%		5.5%
	78.8%	-0.8%	78.0%

Net Cash Holdings and Tax Asset **22.0%**

* Includes a pre-IPO investment in the Materials sector

News

In June this year the Company held its [June 2020 Investor Presentation](#) followed by a [Q&A Session](#) involving portfolio managers Karl Siegling, Charlie Gray and Jackson Aldridge. In this online investor presentation, Karl Siegling provided an update on the fund including its recent performance, current holdings and positioning, and the key investment themes emerging in the portfolio. He also discussed the Company's discount to NTA, tax asset, and capital management strategy.

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 Cadence investment process. To view all previous Cadence webcasts and press articles, please visit the [Media Section](#) of the website.

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