

INVESTMENT UPDATE

April 2021

Cadence Opportunities Fund returned a gross positive performance of 9.0% in April, compared to the All Ordinaries Accumulation Index which was up 3.9% over the same period. Year to date the fund has generated a strong return of 90.3%, outperforming the index by 65.7%. The top contributors to performance for the month were Podium Minerals, Betmakers Technology, Zip Co, and Cettire. The largest detractors from performance were Lynas Corp and Bed Bath & Beyond.

As at 30th April 2021, the fund was 81.9% invested.

Earlier this month the Company released its [March 2021 Quarterly Webcast](#). In this webcast, Karl Siegling firstly provides an update on the Company's performance and portfolio positioning. Jackson Aldridge and Charlie Gray then discuss some of the Company's long and short positions. Karl finishes with the outlook for 2021.

Fund NTA

| Net Tangible Assets as at 30th April 2021 | Amount (\$) |
|---|-------------|
| Pre Tax NTA* | \$2.525 |
| Post Tax NTA* | \$2.389 |

* NTA's **do not include** the accretion of the DeepGreen Metals transaction

Fund Performance

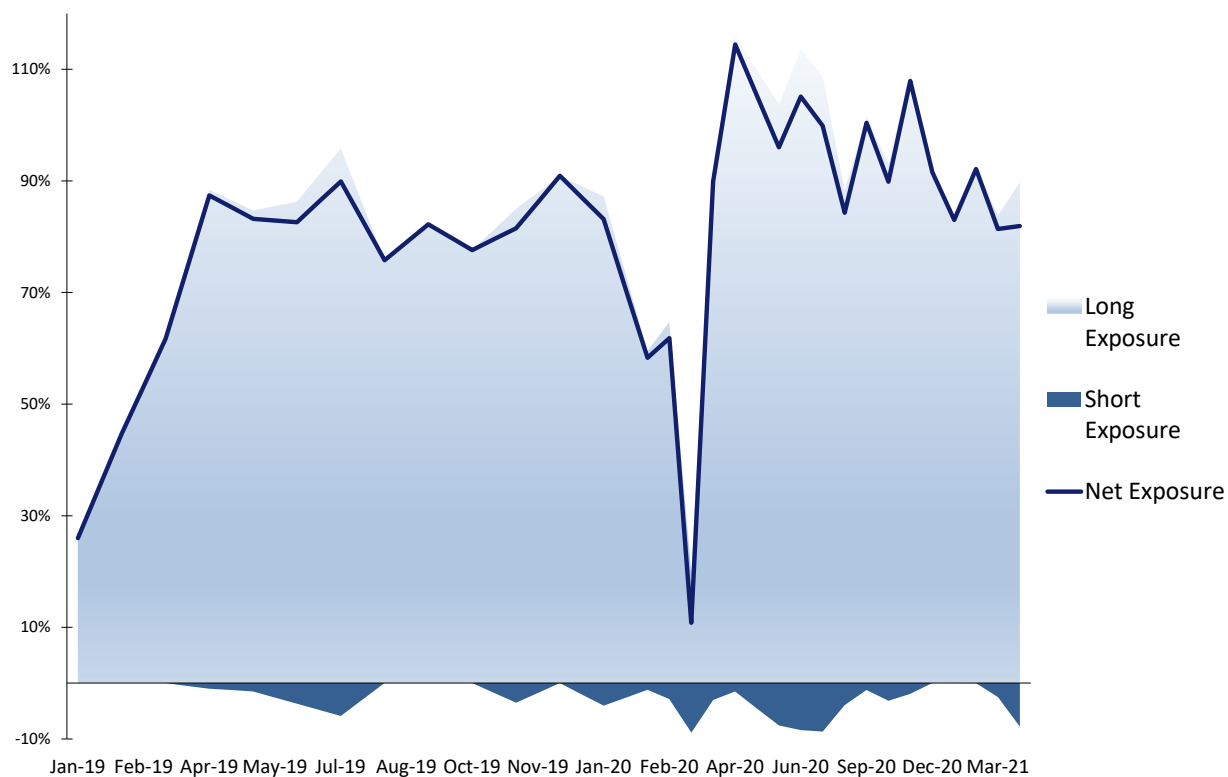
| Performance* to 30th April 2021 | CDO |
|--|--------|
| 1 Month | 9.0% |
| YTD | 90.3% |
| 1 Year | 130.0% |
| Since Inception (per annum) | 60.3% |
| Since Inception (2.3 years) (total return) | 200.5% |

* Gross Performance: before Management and Performance Fees

Portfolio Sector Analysis

| Sector | Long | Short | Net |
|-------------------------------------|--------------|--------------|--------------|
| Basic Materials | 13.3% | -1.2% | 12.1% |
| Communications | 18.3% | -3.2% | 15.1% |
| Consumer, Cyclical | 14.6% | -1.2% | 13.3% |
| Consumer, Non-cyclical | 12.1% | -0.2% | 12.0% |
| Energy | 3.5% | -0.1% | 3.4% |
| Financial | 8.8% | | 8.8% |
| Industrial | 8.3% | | 8.3% |
| Technology | 10.9% | -2.0% | 9.0% |
| | 89.7% | -7.8% | 81.9% |
| Net Cash and Tax Liabilities | | | 18.1% |

Historic Portfolio Exposure



Portfolio Positions

| Stock Code | Position | Direction | Exposure | Stock Code | Position | Direction | Exposure |
|------------|-------------------------------|-----------|----------|------------|-----------------------------|-----------|----------|
| A2M | A2 Milk Co Ltd | Short | AUD | MGH | Maas Group Holdings Ltd | Long | AUD |
| BABA US | Alibaba Group Holding | Long | AUD | MGNI US | Magnite Inc | Long | AUD |
| APX | Appen Ltd | Short | AUD | MP1 | Megaport Ltd | Long | AUD |
| ASAN US | Asana Inc | Long | AUD | NTO | Nitro Software Ltd | Long | AUD |
| AML LN | Ason Martin Lagonda Global | Long | AUD | NST | Northern Star Resources Ltd | Short | AUD |
| AMS | Atomos Ltd | Long | AUD | NXL | Nuix Ltd | Short | AUD |
| BBN | Baby Bunting Group Ltd | Long | AUD | PDN | Paladin Energy Ltd | Long | AUD |
| BBBY US | Bed Bath & Beyond Inc | Long | AUD | 5GG | Pentanet Ltd | Long | AUD |
| BET | Betmakers Technology Group Lt | Long | AUD | PLS | Pilbara Minerals Ltd | Long | AUD |
| CTT | Cettire Ltd | Long | AUD | PINS US | Pinterest Inc | Long | AUD |
| CHN | Chalice Gold Mines Ltd | Long | AUD | POD | Podium Minerals Ltd | Long | AUD |
| CCP | Credit Corp Group Ltd | Long | AUD | PBH | Pointsbet Holdings Ltd | Long | AUD |
| DEG | De Grey Mining Ltd | Long | AUD | PUBM US | Pubmatic Inc | Long | AUD |
| ** | DeepGreen Metals Inc. | Long | AUD | RBL | Redbubble Ltd | Short | AUD |
| DRR | Deterra Royalties Ltd | Long | AUD | RDFN US | Redfin Corp | Long | AUD |
| DKNG US | Draftkings Inc | Long | AUD | SLB US | Schlumberger Ltd | Short | AUD |
| ECX | Eclixp Group Ltd | Long | AUD | SZL | Sezzle Inc | Long | AUD |
| EOS | Electro Optic Systems Holding | Long | AUD | SONO US | Sonos Inc | Long | AUD |
| EML | EML Payments Ltd | Long | AUD | STX | Strike Energy Ltd | Long | AUD |
| FTCH US | Farfetch Ltd | Short | AUD | TME US | Tencent Music Entertainment | Long | AUD |
| FCX US | Freeport-Mcmoran Inc | Long | AUD | THL NZ | Tourism Holdings Ltd | Long | AUD |
| HVN | Harvey Norman Holdings Ltd | Short | AUD | TWLO US | Twilio Inc | Long | AUD |
| KGN | Kogan.com Ltd | Short | AUD | TYR | Tyro Payment Ltd | Long | AUD |
| KHC US | Kraft Heinz Co/The | Long | AUD | UBER US | Uber Technologies Inc | Long | AUD |
| 360 | Life360 Inc | Long | AUD | UWL | Uniti Group Limited | Long | AUD |
| LYC | Lynas Corp Ltd | Short | AUD | | | | |

** A Pre-IPO investment in the Materials sector

News

On the 5 March 2021, DeepGreen Metals Inc. announced its intention to list through a merger with Sustainable Opportunities Acquisition Corporation (NYSE Code: SOAC). The combined company will be renamed The Metals Company Inc. and is expected to begin trading under the NYSE ticker code TMC.

The Company's investment in DeepGreen Metals is approximately 0.9% of the portfolio, and is valued at the weighted average cost of purchases. The proposed listing is at a valuation substantially higher than our current valuation. The transaction reflects a pro forma equity value for The Metals Company Inc, (TMC) of approximately US\$2.9 billion and enterprise value of US\$2.4 billion. The recent raising of US\$ 330 million was completed at a price of US\$10 per share. Our investment is currently valued in the portfolio at US\$1.38 per share. Upon listing this would equate to a substantial uplift in pre and post-tax



NTA for the Company's shares. This transaction is subject to shareholder and court approvals. Once the TMC shares are listed and trading freely the Company will value this investment at market price.

NTA's disclosed in monthly newsletters and webcasts **will not include** the full value accretion of the DeepGreen Metal Inc. transaction until the proposed TMC listing.

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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