

Cadence Opportunities Fund ended the financial year with the fund up 1.5%, outperforming the index by 9.0%. Over the past two years the fund is up 41.9% per annum, outperforming the All Ordinaries Accumulation Index by 32.1% per annum. The fund was down 13.2% in June, compared to the All Ordinaries Accumulation Index which was down 9.4% for the month. The top contributors to performance during the financial year were Whitehaven Coal, Upstart Holdings, TMC The Metals Company, Tuas, Terracom, DigitalOcean Holdings and Stanmore Coal. The largest detractors from performance were Nitro Software, Betmakers Technology, Bed Bath and Beyond, Sofi Technologies and Aussie Broadband.

Financial markets sold off through June as the potential for a global recession has become more apparent. Sectors that are highly sensitive to the economic cycle that had previously performed well such as energy and commodities were some of the worst performers over the month. To put this in context, Copper which is typically seen as a bell weather for global growth, fell 14% in June.

The funds exposure to energy, which has been a significant positive contributor to returns during the year, was the largest detractor in June. Both domestically and globally, governments have been weighing in on windfall profit taxes on both oil and coal, which negatively affected investor sentiment towards these industries. Nevertheless, many companies in the coal sector on the ASX continue to trade at approximately 1-1.5x cash flow with significant capital returns expected in the near term.

Cash levels increased to 71.2% by the end of the month as the fund scaled out of positions as they rolled over and added to short positions, specifically in cyclical sectors such as commodities and shipping.

### Year-end Audiocast

Over the next week or two we will be releasing our year end 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 coming year.

### Fund NTA

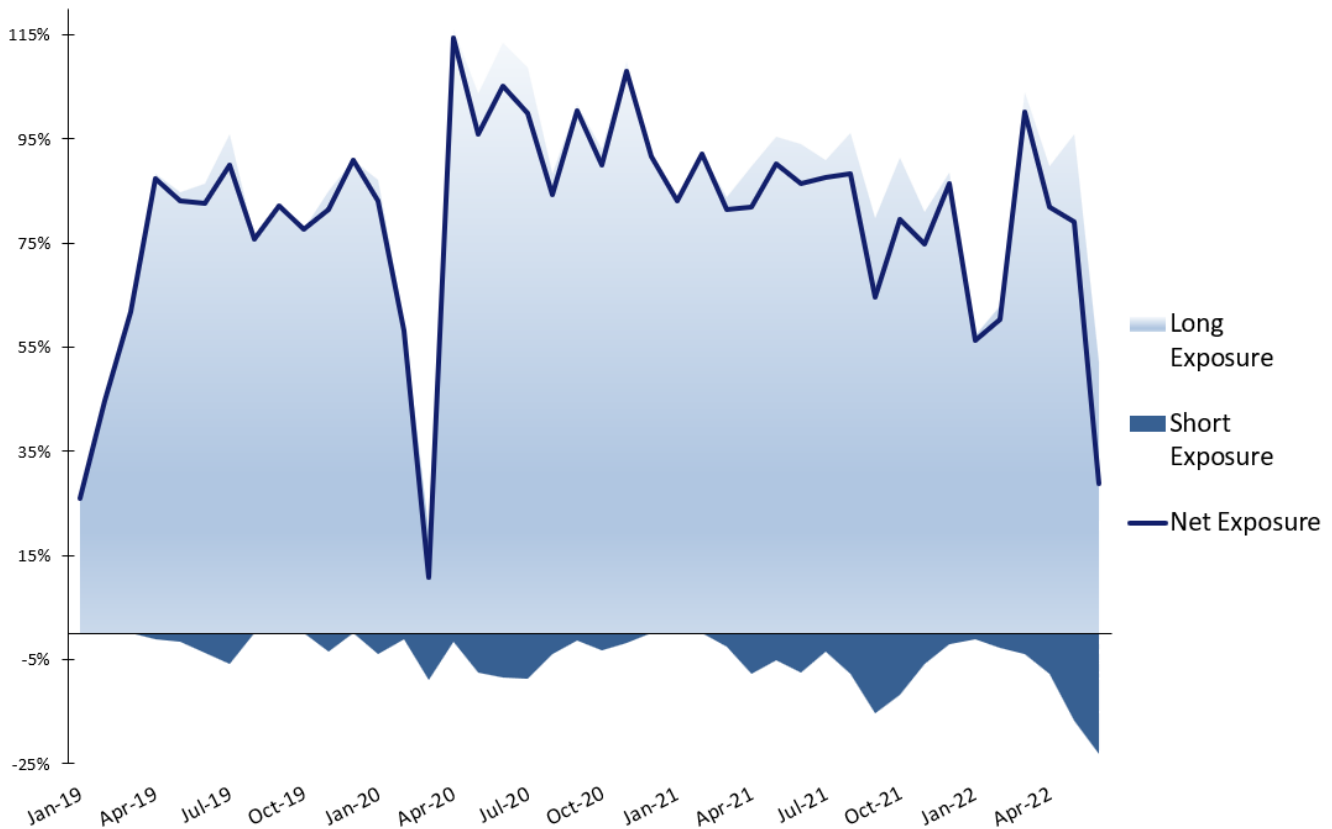
Net Tangible Assets as at 30th June 2022	Amount (\$)
Pre Tax NTA	\$2.272
Post Tax NTA	\$2.298
Share Price (ASX Code: CDO)	\$2.400

## Fund Performance

Gross Performance* to 30th June 2022	CDO
1 Month	-13.2%
YTD	1.5%
1 Year	1.5%
2 Years (per annum)	41.9%
Since Inception (per annum)	39.2%
Since Inception (3.5 years) (total return)	218.1%

\* Gross Performance: before Management and Performance Fees

## Historic Portfolio Exposure



## Portfolio Sector Analysis

Sector	Long	Short	Net
Basic Materials	9.1%	-6.6%	2.5%
Communications	5.4%	-1.7%	3.7%
Consumer, Cyclical	1.6%	-1.2%	0.4%
Consumer, Non-cyclical	1.0%	-3.1%	-2.1%
Energy	24.5%	-1.5%	23.0%
Financial	2.3%	-1.4%	0.9%
Industrial	1.9%	-2.6%	-0.7%
Materials		-1.1%	-1.2%
Technology	1.0%	-4.0%	-3.0%
Utilities	5.2%		5.3%
	<b>52.0%</b>	<b>-23.2%</b>	<b>28.8%</b>

**Net Cash Holdings and Tax Asset** **71.2%**

## Portfolio Positions

Stock Code	Position	Direction	Exposure	Stock Code	Position	Direction	Exposure
3690 HK	Meituan-Class B	Long	AUD	MAY	Melbana Energy Ltd	Long	AUD
9988 HK	Alibaba Group Holding Ltd	Long	AUD	MEG CN	MEG Energy Corp	Long	AUD
AGL	AGL Energy Ltd	Long	AUD	MIN	Mineral Resources Ltd	Short	AUD
AMP	AMP Ltd	Long	AUD	NHC	New Hope Corp Ltd	Long	AUD
AMR US	Alpha Metallurgical Resources Inc	Short	AUD	NXT	NextDC Ltd	Short	AUD
APX	Appen Ltd	Short	AUD	ORG	Origin Energy Ltd	Long	AUD
BCB	Bowen Coking Coal Ltd	Long	AUD	OZL	OZ Minerals Ltd	Short	AUD
BHP	BHP Group Ltd	Long	AUD	POD	Podium Minerals Ltd	Long	AUD
BOE	Boss Energy Ltd	Long	AUD	PFSI US	Portsmouth Square Inc	Short	AUD
BTE CN	Baytex Energy Corp	Long	AUD	SFR	Sandfire Resources Ltd	Short	AUD
CRN	Coronado Global Resource	Long	AUD	SGM	Sims Ltd	Short	AUD
DAC US	Danaos Corp	Short	AUD	SHL	Sonic Healthcare Ltd	Long	AUD
DHG	Domain Holdings Australia Ltd	Long	AUD	SMR	Stanmore Resources Ltd	Long	AUD
DMP	Domino's Pizza Enterprises Ltd	Short	AUD	STO	Santos Ltd	Long	AUD
EDV	Endeavour Group Ltd	Short	AUD	TER	Terracom Ltd	Long	AUD
FLT	Flight Centre Travel Group Ltd	Long	AUD	TGH US	Textainer Group Holdings Ltd	Short	AUD
FMG	Fortescue Metals Group Ltd	Short	AUD	TIE	Tietto Minerals Ltd	Long	AUD
GFS US	GlobalFoundries Inc	Short	AUD	TSM US	Taiwan Semiconductor Manufacturing	Short	AUD
GT1	Green Technology Metals Ltd	Long	AUD	WDS	Woodside Energy Group Ltd	Long	AUD
GTLB US	Gitlab Inc Class A	Long	AUD	WEB	Webjet Ltd	Long	AUD
IGO	IGO Ltd	Short	AUD	WHC	Whitehaven Coal Ltd	Long	AUD
LYC	Lynas Corp Ltd	Long	AUD	YAL	Yancoal Australia Ltd	Long	AUD

## News

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As the portfolio has changed substantially over the past 6 months, we strongly recommend that you watch the [March 2022 Quarterly Audiocast](#) . In this audiocast Karl Siegling firstly provides an update on the Company's performance, fully franked interim dividend, portfolio composition and the funds current cash levels. Charlie Gray and Jackson Aldridge then discuss the company's trading statistics, investment themes and some of its current long and short holdings. Karl Siegling finishes with an update on the outlook for 2022.

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