

Cadence Opportunities Fund returned a gross performance of 2.8% in August, compared to the All Ordinaries Accumulation Index which was up 1.3% for the month. The top contributors to performance during the month were Whitehaven Coal, Terracom, Bowen Coking Coal, Syrah Resources, New Hope and Appen. The largest detractors from performance were Funko Inc and Melbana Energy. As of 31st August 2022, the Company was 65% invested (35% cash).

The fund's exposure to energy and in particular thermal coal producers, again contributed meaningfully to portfolio returns as thermal coal prices continued to trend higher in advance of the northern hemisphere winter. This investment theme remains one of the few strong sector trends occurring in global markets currently. The recent reporting season on the ASX showed relative resilience from some of Australia's largest companies, while the results from smaller companies as usual were much more varied. Outlooks were in many cases guarded given headwinds from rising interest rates and the potential impacts to demand. Following meeting with a broad range of business executives and companies, we are continuing to find a larger number of investment opportunities meeting our criteria across the energy and resources sectors.

Fully Franked Year-End Dividend

During July the Company announced a 7.5 cents per share fully franked year-end dividend, bringing the full year dividend to 15.0 cents per share fully franked. This full year dividend of 15.0 cents per share fully franked equates to an 6.3% fully franked yield or an 8.9% gross yield (grossed up for franking credits) based on the share price of \$2.40 per share on the date of this announcement. After paying this dividend the Company still has 44 cents per share of profits reserves to pay future dividends.

The Ex-Date for the dividend is the 17th October 2022. The payment date for the dividend is the 28th October 2022. The Dividend Re-Investment Plan ("DRP") is in operation for the year-end dividend. The issue price will be at a 5% discount to the weighted average of the prevailing share price over the relevant DRP pricing period. If you are not registered for the DRP and you would like to participate, please contact Boardroom on 1300 737 760.

Register for upcoming Cadence roadshow

We would like to invite you to join the Cadence Investment team to discuss the Cadence funds, recent performance, portfolio positions and the investment outlook for the year ahead.

- Brisbane: Monday 10 October 2022, 10.30am – 11.30am
- Melbourne: Tuesday 18 October 2022, 10.30am – 11.30am
- Perth: Wednesday 26th October 2022, 10.30am – 11.30am
- Adelaide: Friday 28th October 2022, 10.30am – 11.30am
- Sydney – CDM AGM: Wednesday 16th November 2022, 2.00pm – 4.00pm

Please [click here to register](#) to attend.

Fund NTA

Net Tangible Assets as at 31st August 2022	Amount (\$)
Pre Tax NTA*	\$2.372
Post Tax NTA*	\$2.366
Share Price (ASX Code: CDO)*	\$2.400

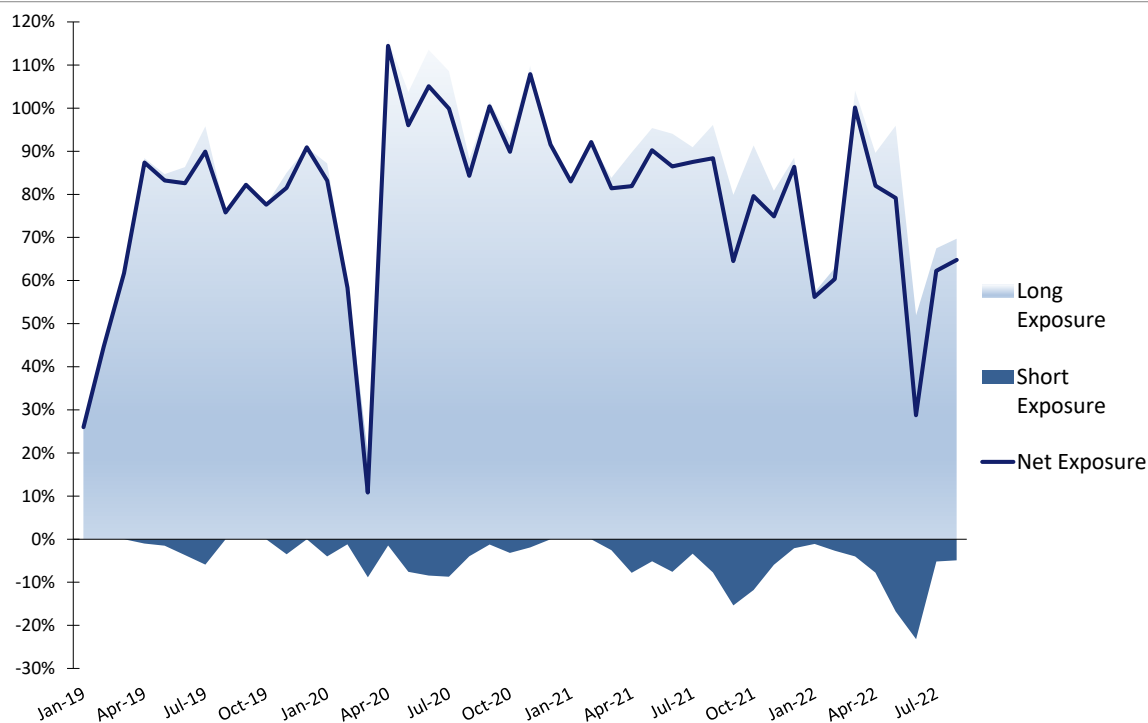
*Before the 7.5c fully franked final dividend (Ex-Date 17 Oct 2022)

Fund Performance

Gross Performance* to 31st August 2022	CDO
1 Month	2.8%
YTD	4.8%
1 Year	-3.4%
2 Years (per annum)	26.4%
Since Inception (per annum)	38.9%
Since Inception (3.7 years) (total return)	233.4%

* Gross Performance: before Management and Performance Fees

Historic Portfolio Exposure



Portfolio Sector Analysis

Sector	Long	Short	Net
Basic Materials	13.3%		13.3%
Communications	3.8%		3.8%
Consumer, Cyclical	4.8%		4.8%
Consumer, Non-cyclical	4.2%	-2.0%	2.2%
Energy	1.0%		1.0%
Financial	30.4%		30.4%
Industrial	5.2%	-0.5%	4.7%
Materials	4.0%	-0.8%	3.2%
Technology	1.4%	-1.7%	-0.3%
Utilities	1.6%		1.6%
	69.7%	-4.9%	64.8%

Net Cash Holdings **35.2%**

Portfolio Positions

Stock Code	Position	Direction	Exposure	Stock Code	Position	Direction	Exposure
AGL	AGL Energy Ltd	Long	AUD	NWL	Netwealth Group Ltd	Short	AUD
ALL	Aristocrat Leisure Ltd	Long	AUD	PBH	Pointsbet Holdings Ltd	Long	AUD
AMP	AMP Ltd	Long	AUD	PNI	Pinnacle Investment Management	Long	AUD
AX1	Accent Group Ltd	Long	AUD	PYPL US	Paypal Holdings Inc	Long	AUD
BCB	Bowen Coking Coal Ltd	Long	AUD	QAN	Qantas Airways Ltd	Long	AUD
BHP	BHP Group Ltd	Long	AUD	RMD	Resimac Group Inc	Long	AUD
BOE	Boss Energy Ltd	Long	AUD	RWC	Reliance Worldwide Corp Ltd	Long	AUD
CELH US	Celsius Holdings Inc	Long	AUD	S32	South32 Ltd	Long	AUD
CRN	Coronado Global Resources	Long	AUD	SGM	Sims Ltd	Long	AUD
DAC US	Danoas Corp	Short	AUD	SMR	Stanmore Resources Ltd	Long	AUD
DHG	Domain Holdings Australia Ltd	Long	AUD	SYR	Syrah Resources Ltd	Long	AUD
FLT	Flight Centre Travel Group	Long	AUD	TER	Terracom	Long	AUD
GNC	GrainCorp Ltd	Short	AUD	TGH US	Textainer Group Holdings Ltd	Short	AUD
GOOGL US	Alphabet Inc	Long	AUD	TIE	Tietto Minerals Ltd	Long	AUD
GTLB US	Gitlab Inc Class A	Long	AUD	TMC US	TMC The Metal Company Inc	Long	AUD
KAR	Karoon Energy Ltd	Long	AUD	TSM US	Taiwan Semiconductor Manufacturing	Short	AUD
MAY	Melbana Energy Ltd	Long	AUD	VET US	Vermilion Energy Inc	Long	AUD
MNY	Money3 Corp Ltd	Long	AUD	WDS	Woodside Energy Group Ltd	Long	AUD
NHC	New Hope Corp Ltd	Long	AUD	WEB	Webjet Ltd	Long	AUD
NVDA US	NVIDIA Corp	Short	AUD	WHC	Whitehaven Coal Ltd	Long	AUD

News

Last month the Company released its [June 2022 Year end Audiocast](#). In this year-end audiocast, Karl Siegling firstly provides an update on the Company's performance, the 7.5c fully franked year-end dividend, the current portfolio composition and the increasing interest rate trend. Karl Siegling, Charlie Gray and Jackson Aldridge then discuss some of the funds core investments (WHC, NHC, PYPL US, AMP) and some of the funds trading positions (SMR, BCB, TIE, DHG, PNI, NAN and CCX). Karl Siegling then finishes with an update on the outlook for 2023.

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