



Cadence Opportunities Fund Limited

AGM and Investor Briefing
1 December 2021



Agenda

1. Welcome
2. Company Update
3. Portfolio Update
4. Questions
5. Formal part of the meeting



Successful IPO and Listing

- Successfully listed on ASX on 19th November 2021 after almost 3 years trading as an unlisted fund
- Listed with a market cap of \$45M and 832 shareholders.
- IPO shares were issued at \$2.7716 per share
- Opportunities going forward for CDO investors to grow their investment through the Dividend Reinvestment Plan and potential Share Purchase Plans
- 52% of investor base participated in the Dividend Reinvestment Plan for the 2021 Full Year Dividend



YTD Performance to 31 Oct 21

Gross Performance* to 31st October 2021	CDO
1 Month	2.8%
YTD	25.7%
1 Year	78.8%
2 Years (per annum)	73.8%
Since Inception (per annum)	62.2%
Since Inception (2.8 years) (total return)	293.9%

* Gross Performance: before Management and Performance Fees

Fund Attributes	
Pre Tax NTA	\$2.888
Post Tax NTA	\$2.656
Final Dividend (2021)	15 cents
Dividend Yield (2021)	5.6%
Gross Yield (2021)	8.1%
All Ords Accum. Index - since Inception	47.0%

- YTD Biggest contributors to performance:

- Upstart
- Life360
- Tuas
- TMC The Metals Company
- Asana
- DigitalOcean
- Bluebet
- Swoop
- Lovisa

- YTD Biggest detractors from performance:

- Bed Bath and Beyond
- Pinterest
- Maas Group



CDO Dividends

- 2021 dividend of 12.0c fully franked and special dividend of 3.0c fully franked
- Equating to an annualized yield of 5.6% fully franked (gross yield 8.1%) based off the October month end NTA
- CDO has a healthy profits reserves balance from which it can pay future dividends of around 60 cents per share
- Based off 2021 dividend this around 5 years of future dividends before earning any future profits
- CDO currently has 11 cents per share of franking which would enable it to fully frank 25 cents of futures dividends. The company will continue realising franking from both its tax payments on realised taxable income and franking on dividends received



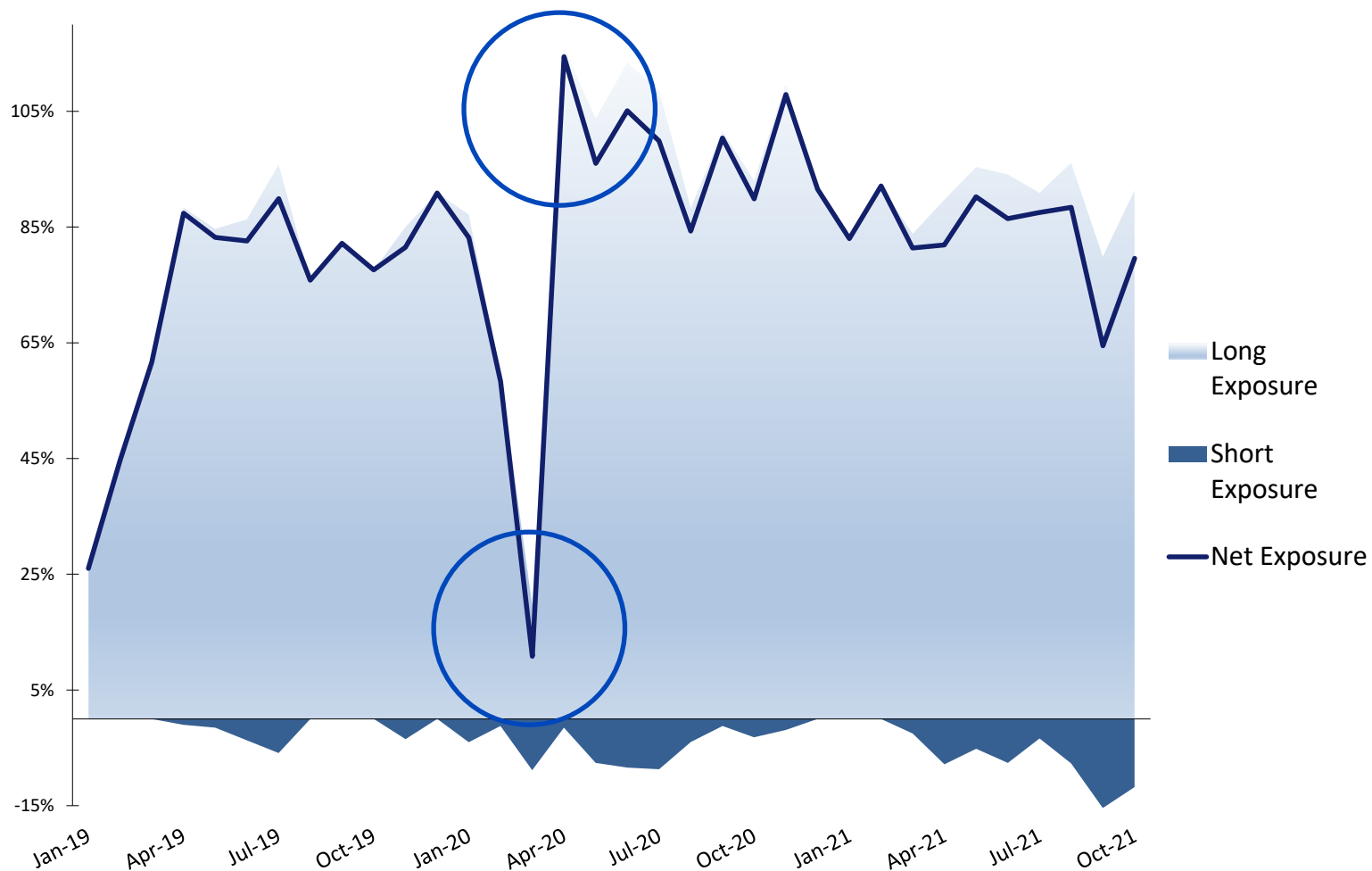
CDO Holdings as at 30 Oct 2021

Stock Code	Position	Direction	Exposure
A2M	A2 Milk Co Ltd	Long	AUD
AX1	Accent Group Ltd	Long	AUD
AGL	AGL Energy Ltd	Short	AUD
ABNB US	Airbnb Inc	Long	AUD
APX	Appen Ltd	Short	AUD
ASAN US	Asana Inc	Long	AUD
AMS	Atomos Ltd	Long	AUD
ABB	Aussie Broadband Pty Ltd	Long	AUD
BOQ	Bank of Queensland Ltd	Short	AUD
BEN	Bendigo & Adelaide Bank Ltd	Short	AUD
BET	Betmakers Technology Group Ltd	Long	AUD
BILL US	Bill.com Holdings Inc	Long	AUD
CTT	Cettire Ltd	Long	AUD
COIN US	Coinbase Global Inc Class A	Long	AUD
DTL	Data#3 Ltd	Long	AUD
DOCN US	DigitalOcean Holdings Inc	Long	AUD
ECX	Eclix Group Ltd	Long	AUD
FICO US	Fair Isaac Corp	Short	AUD

Stock Code	Position	Direction	Exposure
FTNT US	Fortinet Inc	Long	AUD
GDC	Global Data Centre Group	Long	AUD
360	Life360 Inc	Long	AUD
LOV	Lovisa Holdings Ltd	Long	AUD
MGH	Maas Group Holdings Ltd	Long	AUD
MFG	Magellan Financial Group Ltd	Short	AUD
MIN	Mineral Resources Ltd	Short	AUD
MDB US	MongoDB Inc	Long	AUD
MGX	Mount Gibson Iron Ltd	Short	AUD
NTO	Nitro Software Ltd	Long	AUD
SOFI US	SoFi Technologies Inc	Long	AUD
SPSC US	SPS Commerce Inc	Long	AUD
SBM	St Barbara Ltd	Short	AUD
SWP	Swoop Holdings Ltd	Long	AUD
TUA	Tuas Ltd	Long	AUD
UWL	Uniti Group Limited	Long	AUD
UNI	Universal Store Holdings Ltd	Long	AUD
UPST US	Upstart Holdings Inc	Long	AUD



Portfolio Exposure





Trading Statistics

Fund Trading Statistics	FY20	FY21	FY22 (Oct 31st)
Portfolio return	44.4%	98.4%	25.7%
Total Positions	219	268	119
Winners	115	148	47
Losers	104	120	72
Win Rate	52.5%	55.2%	39.5%
Win Loss \$ Ratio	2.45	3.16	5.06
Turnover	7.8x	9.1x	3.3x
Largest position size (Approx)	6.5%	6.8%	8.2%
Average Gross Exposure	87%	98%	89%
Average Net Exposure	81%	91%	82%

Statistics show

- Fund adding to winning positions and cutting losing positions
- High turnover and high win/loss \$ ratio is driving returns
- Low concentration risk
- Holding on average 10 - 20% net cash



Current Fund Positions





Current Fund Positions

STEP ONE™

Data#3

FORTINET®





2021/22 Outlook

- Stocks, and valuations, continue to grind higher despite investor concerns over rising bond yields, interest rates and inflation
- Earnings recovery has been strong but will slow as earnings 'normalise' to pre Covid
- The consumer remains in good shape overall with households still having excess savings
- 'Stay at home' spending has moved to 'getting out & about' and 'back to business' spending
- Wage and input cost inflation and supply chain issues are likely to be an ongoing feature for many businesses
- Good management and pricing power is key
- Interest rates are the big 'X' factor, has the 30-year trend of falling interest rates ended...
- There is likely to be volatility as stimulus is gradually removed – Trading opportunity
- Liquidity levels across the portfolio are high, illiquidity could be risky at points of inflection
- Overall environment is mixed with post covid returns a 'gift' not likely to be repeated in the short term



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