

Cadre Tactical Opportunities Portfolio

As of 31/10/2023



Model Strategy

Cadre Tactical Opportunities investment returns were flat during the September quarter, slightly better than the ASX Small Ordinaries Index which was down 3%.

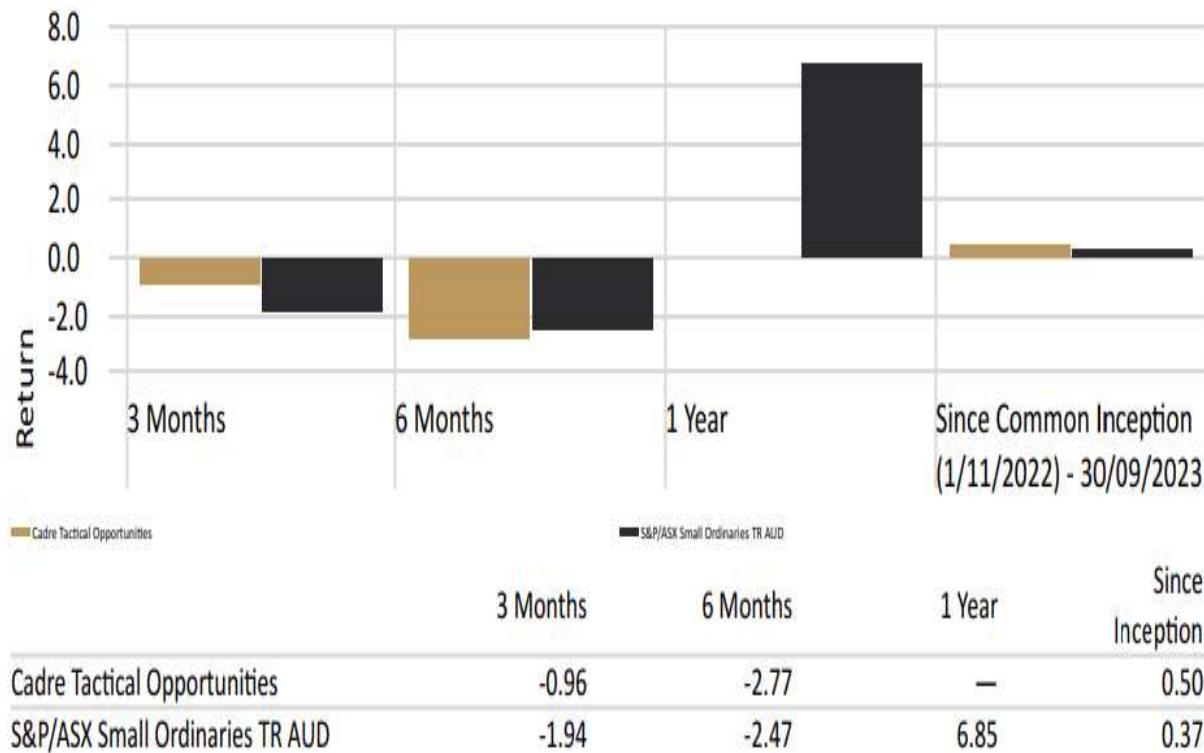
There is a strong tilt in the portfolio to two emerging gold producers (Bellevue Gold and De Grey Mining) which have very attractive projects in Western Australia.

Also large holdings in two Listed Investment Companies trading at a discount to net asset backing where corporate activity is possible (Magellan Global Fund and VGI Partners Global Fund).

Cash levels are at 5% but will soon move up to 20% when a large capital return is received from Sunland.

Returns

As of Date: 30/09/2023



Target Holdings

Portfolio Date: 30/09/2023



	%
● VGI Partners Global Investments Limited	16.0
● Sunland Group Ltd	14.4
● Magellan Global	11.3
● RBA Bank accepted Bills 90 Days	11.0
● Commonwealth Bank of Australia Pref Share	7.3
● Bellevue Gold Ltd	7.2
● De Grey Mining Ltd	5.2
● Mitchell Services Ltd	4.9
● Tribeca Global Natural Resources Limited	3.9
● Hillgrove Resources Ltd	3.2
● Other	15.5
Total	100.0

FUND CHARACTERISTICS:

Index unaware, absolute return focus.

Base management fee – Nil.

Performance fee – 20% of excess returns above 5% per annum with high water mark. The 5% threshold for investment performance fees is pre-tax. The clients will get the franking credits as a bonus, and these do not count towards performance fees.

Other administrative fees – circa 70bps at current fund size approximately \$5 million.

Structure – Unregistered Managed Investment Scheme, wholesale only, minimum investment \$100k.

Fund Strategy: The Fund management style can best be described as Contrarian and small/Mircrocap Value based. The fund will have a bias to search for investments that most fund managers ignore. The reasons other funds might neglect certain stocks include:

- Market cap is too small (we are capping our AUMs at a very small amount).
- Illiquid (our low AUMs and patient client base will help us take a long term view).
- Unfashionable (we have always been contrarian investors, we don't need to promote exciting stocks because growing AUMs is not our focus).
- Unusual (if it happens to be a hybrid security, complicated merger, scrip takeover, we are happy to put in the time and effort to understand it).
- Under researched (we prefer to research stocks that have no broker coverage).
- Not focusing on after tax returns (traditional funds may focus on pre tax returns which are promoted, we have significant skin in the game and therefore conscious of after tax outcomes).
- Hidden value - (we are not interested in trying to be experts on all constituents of the ASX200, we do however thoroughly search the accounts across a more concentrated watchlist for hidden value in smaller companies).
- Flexibility - Whilst we usually find our "edge" in smaller stocks, we retain flexibility across our portfolio that some fund managers don't have the luxury of. Larger cap and more liquid stocks will also present opportunities from time to time.

FOR FURTHER INFORMATION VISIT THE FOLLOWING:

AFSL holder / product provider refer to cadrecapital.com.au

Authorized representative and investment team with longer term track records refer to assurancecapitalfund.com