

## Total Returns

As at: 30 April 2021	1 mth	3 mths	6 mths	1 yr	3 yrs (p.a.)	5 ys (p.a.)	Since Incept (p.a.)	Since Incept (cum)	Volatility
<b>Cyan C3G Fund</b>	2.2%	1.6%	17.3%	46.7%	6.9%	10.8%	16.1%	174.2%	16.7%
<b>S&amp;P/ASX All Ords Accum</b>	3.9%	7.3%	20.7%	33.9%	10.2%	10.7%	8.3%	71.7%	14.5%
<b>S&amp;P/ASX Small Ind Accum</b>	3.9%	7.2%	19.7%	37.9%	10.1%	10.4%	9.9%	89.0%	17.0%

## April 2021

The Fund posted a positive result of 2.2% in April, behind the All Ords for the month but well ahead over one year.

The Australian market enjoyed continued strength as positive consumer confidence and low interest rates drove investments into asset classes outside of bonds and cash. However in an environment where macro factors and sentiment can change so quickly, some of that optimism began to shrink in the wake of India's concerning Covid outbreak.

We continued to see heightened levels of corporate activity and, as a result, we participated in both primary and secondary market capital raisings in companies including **Raiz (RZI)**, **Aldicion (ALC)** and **Maggie Beer (MBH)**.

## Month in Review

There was significant dispersion in individual Fund stock returns over April which mirrored much of the broader market.

We were rewarded by double digit gains in five positions: **Aldicion (ALC)**, **Kelly Group (KPG)**, **City Chic (CCX)**, **Mighty Craft (MCL)** and **Universal Biosensors (UBI)**.

At the same time performance was held back by double digit declines in: **Playside (PLY)**, **Readcloud (RCL)**, **Singular Health (SHG)**, **New Zealand Coastal (NZS)** and **Zebit (ZBL)**. Of course, outside of returns, Fund weightings are of critical importance to overall performance and thus our larger holdings did better than the less significant positions which accounted for the overall positive monthly return.

Without exception, the positions in our Fund that declined in the month did not report any specific negative news about their operations or outlooks. As such we would be correct to believe that there has

been larger fund rotation out of some of these less liquid names (and hence why we have smaller Fund position sizes) driving the prices lower in the short-term. Indeed there have been some stocks that we own that have reported material large shareholder changes.

We feel like we mention **Aldicion (ALC +31%)** most months but that's because the company's news-flow is regular, positive and material. This month ALC [announced the acquisition of Extramed](#), a UK based patient tracking software provider and concurrently raised \$18m in new shareholder capital, to which the Fund subscribed. Added to this was the announcement of a potential \$21m Department of Defence contract, hence it is easy to see why the stock price continues to track so strongly.

**Universal Biosensors (UBI +41%)** continued to trade up strongly. The recent performance was fueled by the announcement of an international license and supply agreement with US-based Lubris BioPharma to use UBI's technology to screen for cancer. To recap what we wrote last month:

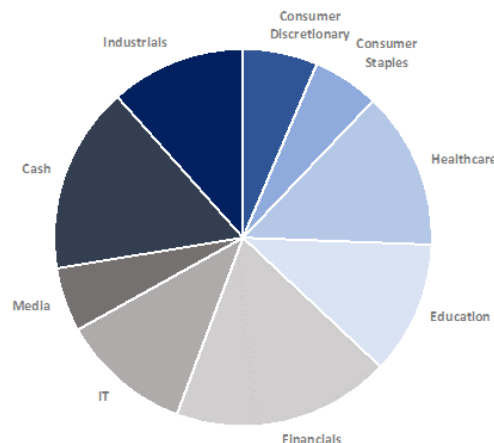
*"We took our initial position in UBI in August last year. The company focuses on the development, manufacture and commercialisation of point-of-use devices for measuring chemicals. After years of R&D and a couple of onerous old contracts, new management has reinvigorated the business and secured new contract agreements in the wine industry, vet industry and in early cancer detection. John Sharman of Medical Developments (MVP) is now at the helm and appears to be steering the company towards a very exciting future."*

## Outlook

The markets, both in Australia and the US, are wrestling with the growth versus value puzzle. This has resulted in volatility and weakness in some specific sectors that had performed particularly strongly throughout a Covid-impacted 2020 - most notably technology and consumer discretionary companies. For example, **Kogan (KGN)**, **Afterpay (APT)**, **Adore Beauty (ABY)** and **Appen (APX)** have all fallen somewhere between 30% and 75% from their previous share price highs.

This illustrates just how quickly the current investment environment can change and the critical ongoing need for portfolio diversification. As such, we continue to own growth-focused investments, but with exposure to a wide-range of discreet industries that comprise businesses at varying points of their lifecycle. The Fund is presently invested across 26 companies with a market cap range of \$15m to \$1bn.

The chart below shows our current portfolio composition by industry sector.



At we stated last month:

*"In the coming months we expect some good news from our already-committed pipeline of IPO and pre-IPO positions in companies such as the Afterpay-backed venture capital company AP Ventures and influencer marketing platform Tribe"*.

We also look forward to some announcement-driven catalysts in our portfolio of existing listed companies in the form of new contract wins and strong earnings performances.

As always, we thank our investors for their ongoing support and look forward to communicating our performance over the coming months.

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To invest: [cyanim.com.au/how-to-invest](http://cyanim.com.au/how-to-invest)

Past performance is not a reliable indicator of future performance. The Total Returns of the Cyan C3G Fund over specified periods are shown above. This document contains information regarding Total Returns to 30 April 2021. Total Returns are calculated after taking into account performance fees. A performance fee of 20.5% is payable quarterly on any excess performance (after deducting the Management fee) above the quarterly benchmark of 2.5%. A performance fee is only payable where the Fund has exceeded both the benchmark and high water mark

The Total Return performance figures quoted are historical, calculated using end of month mid prices and do not allow the effects of income tax or inflation. Total Returns assume the reinvestment of all distributions. The performance is quoted net of all fees and expenses. The Indices do not incur these costs. This information is provided for general comparative purposes. Positive returns, which the Fund is designed to provide, are different regarding risk and investment profile to index returns. This document is for general information purposes only and does not take into account the specific investment objectives, financial situation or particular needs of any specific recipient. As such, before acting on any information contained in this document, recipients should consider the appropriateness of the information to their needs. This may involve seeking advice from a qualified financial adviser. Cyan Investment Management Pty Ltd (AFSL 453209) is the issuer of the Cyan C3G Fund. A current IM is available from Cyan Investment Management Pty Ltd, located at 17/31 Queen Street, Melbourne VIC 3000. A person should consider the IM before deciding whether to acquire or continue to hold an interest in the Cyan C3G Fund. Any opinions or recommendation contained in this document are subject to change without notice and Cyan Investment Management Pty Ltd is under no obligation to update or keep any information contained in this document current. Cyan Investment Management Pty Ltd holds AFSL 453209.