

Total Returns

As at: 31 July 2021	1 mth	3 mths	1 yr	3 yrs (p.a.)	5 ys (p.a.)	Since Incept (p.a.)	Since Incept (cum)	Volatility
Cyan C3G Fund	1.8%	0.4%	22.1%	5.1%	8.5%	15.5%	175.2%	16.5%
S&P/ASX All Ords Accum	1.1%	5.7%	30.4%	10.2%	10.4%	8.9%	81.5%	14.2%
S&P/ASX Small Ind Accum	-0.9%	2.3%	31.9%	9.3%	8.9%	9.8%	93.4%	16.8%

July 2021

The Fund posted a positive result of +1.8% in April, ahead of both the All Ords and the Small Ords for the month.

The Australian market gradually crept higher over the month as investors continue to enjoy a low interest rate environment. Fears over near-term inflation and associated central bank activity abated slightly as the Covid Delta variant took hold, denting confidence around an accelerated economic recovery.

The debate around growth versus value and defensive versus cyclical continues. Most recently the growth and tech sectors have received support on the back of the announcement that Afterpay will be acquired by Square Inc for \$39bn. This illustrates that fast-growing fintech businesses such as Square Inc are willing to buy aggressively to improve strategic position as they continue to disrupt traditional industry incumbents.

Sentiment continues to shift from sector to sector in the

current fluid environment but we continue to focus on growth and believe we will find ourselves in a market conducive to this style of investment.

Month in Review

We enjoyed a solid performance from most companies across our portfolio. At the smaller end of the market, July can present an opportunity to evaluate the financial performance of the businesses that release their 4Cs (quarterly cashflow statements). This is a good precursor to the August reporting season and pleasingly our cohort of investee companies delivered good results.

We were rewarded by strong share price gains in some of our core long-term holdings including:

Playside Studios (PLY +40%) - This Melbourne based game developer, which listed in December last year, delivered solid cashflow performance and proved that its business model, which combines work for hire and original IP games development, is performing outstandingly. The company has an exciting 12 months ahead with the upcoming

release of several new games including titles based on blockbuster movies Legally Blonde and The Godfather which should contribute to a material uplift in revenues in FY22. We would encourage readers to view [Playside's Q4FY21 business update presentation](#).

Raiz (RZI +10%) - Raiz's fintech micro-investing platform continues to deliver exceptional growth. It is comfortably on track to exceed FUM of \$1bn by the close of 2021, representing a doubling in size over 12 months. It remains one of our most high-conviction positions as we find the company's consumer product offering very compelling. (www.raizinvest.com.au)

Maggie Beer (MBH +6%) - Post the Hampers and Gifts Australia acquisition that was completed in May, the market now appears to be realising the benefits, synergies and strengthened business model of the combined group. Particularly considering the extended periods of domestic lockdown, the online element of their hamper business (www.thehamperemporium.com.au) is looking increasingly attractive.

Other strong performers over the month included **Kelly Partners (KPG +14%)**, **Swift Media (SW1 +50%)** and **Vita Group (VTG +6%)**. In respect to Vita Group, we eagerly await an outcome regarding the potential acquisition of its portfolio of Telstra stores, which should provide a materially positive catalyst.

Companies detracting from our positive performance included **Alcidion (ALC -5%)**, **Corum Group (COO -13%)** and **Universal Biosensors (UBI -6%)**. We remain fully committed and optimistic about the medium-term outlook of these three businesses and, in the case of Corum Group, have increased our position.

Media

Cyan featured in Ausbiz, The Motley Fool and Stockhead over the month as detailed in the ['News' section](#) of our website.

Outlook

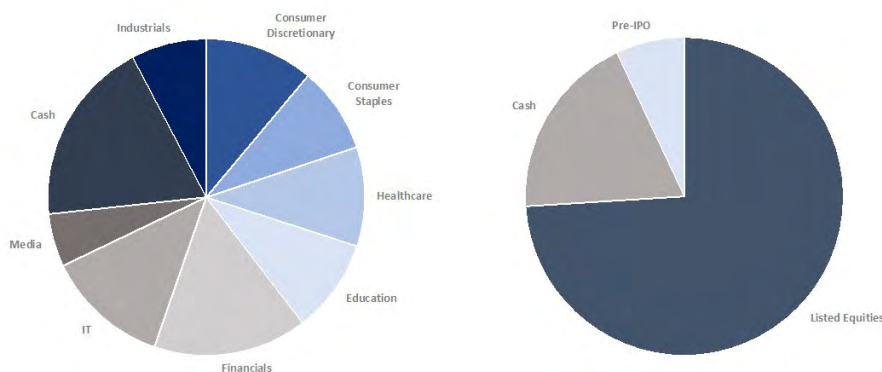
We believe it to be vitally important to have a well-diversified portfolio in the current market conditions where very distinct pockets within the overall market materially outperform or underperform on short-term shifts in sentiment. We are confident in the outlook for the overall equities market over the next one to two years, but mindful there may be periods of increased volatility.

We are invested in growth companies at various stages of their lifecycle and within varying industries. We also currently hold around 19% of our capital in cash to be able to move quickly on opportunities, both in the primary and secondary markets which have remained incredibly active. We also have a small allocation in pre-IPO investments which, in all cases, we are confident about material valuation uplifts on listing in the coming months.

The charts below show our current portfolio composition by industry sector and investment type:

As always, we welcome investors to contact us directly with any queries.

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To invest: 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 31 July 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.