



As at: 30 November 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
Cyan C3G Fund	-2.2%	4.3%	8.5%	10.3%	10.4%	9.9%	15.5%	189.1%	16.2%
S&P/ASX All Ords Accum	-0.3%	-1.8%	4.5%	16.7%	13.6%	10.8%	8.6%	82.9%	13.9%
S&P/ASX Small Ind Accum	-1.4%	-3.3%	5.6%	14.1%	12.6%	10.8%	9.8%	98.4%	16.6%

November 2021

After five consecutive months of gains the Fund gave back 2.2% in November. All indices experienced declines in November as inflation concerns, weaker overseas markets and falling commodity prices impacted investor sentiment.

Whilst the broader re-opening of the Australian east coast has seen a dramatic pick-up in local activity, the recent experience of the market appearing to be almost totally disconnected from current underlying economic activity has remained. This has meant the market has been somewhat tricky (to say the least) to navigate on a short-term basis.

Maggie Beer (MBH +26%) was our best performer in the month. At the end of September, we wrote:

“Maggie Beer (MBH) can be expected to trade very strongly this quarter particular due to its recently acquired online hamper business [Hamper Emporium](#),”

Indeed the company’s [trading update on 9 November](#) noted Q122 sales growth of 24% (pro-forma) and online sales comprising of 44% of all sales which will likely re-rate the underlying results in the eyes of the market given the premium being attributed to online retail plays.

Online tutorial company **Kip McGrath (KME +17%)** was another positive performer, again on the back of a [positive AGM update](#) which noted a 21% increase in revenue thus far in FY22 and more than 100% growth in online lessons in FY21.

Playside Studios (PLY +7%) continued its solid performance through November, even after completing a \$25m capital raising during the month, a strong validation of the market support for this growing domestic technology business. Additionally, on 1 December, PLY announced a [further partnership and co-development gaming contract](#).

Zoom2U (Z2U -22%) dragged on the Fund's performance despite strong underlying customer growth and revenue of its courier service along with impressive expansion of its enterprise and SME delivery tracking software service, Locate2U. It's obviously exceedingly frustrating when stock prices appear to contradict underlying operating performance (but we are also not so naive as to not consider possible underlying issues). Given such, we met with MD Steve Orenstein in Sydney last week and remain confident the company's future is exceptionally bright with strong scalability and significant structural tailwinds. Z2U's [2021 AGM presentation can be found here](#).

The **Aldion (ALC -12%)** share price has been sliding of late on an apparent lack of news-flow. However, this month they have announced the win of their [long-awaited \\$23m+ government contract](#) along with, at the time of writing, a significant acquisition in the UK.

Touch Ventures (TVL -17%) continues to slide with the market not embracing (for the moment) our analysis of the underlying value of the investment portfolio and the company's significant relationship with **Afterpay (APT)**. We met with MD Hein Vogel last week and discussed at length the investment portfolio and the upcoming opportunities for the business. Additionally the company conducted an [investee company webinar](#) during the month which should improve investor understanding of the company's asset portfolio.

Media

Cyan featured in Ausbiz during the month - [all of our Ausbiz appearances are listed here](#).

All details are in the ['News'](#) section of our website.

Outlook

As discussed earlier, we're finding the market somewhat volatile and a little tricky, in that movements and sentiment do not always seem to reflect underlying company dynamics or performance.

This creates, in some pockets of the market, what we believe are some short-term challenges and longer-term opportunities. We've noted many times previously how important it is to have an appropriately diversified portfolio, across the spectrums of: 1. growth and value; 2. micro to mid-cap; and 3. economic sector (be they, for the Cyan C3G Fund, technology, consumer discretionary, services and staples, financials, health and telecommunications.)

Whilst corporate activity will now slow for the remainder of calendar 2021, we have two IPO's coming to market before the year's close, video technology company **Birddog** and consumer market and data platform, **XPON**.

At this point in December, we'd like to wish all our investors and readers a very happy Christmas filled with food, friends, freedom and family. 2021 has been quite a year.

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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.