

Investment Update and Net Tangible Assets

Net Tangible Assets (NTA) per share*

| | |
|----------------|----------|
| NTA before tax | \$1.1071 |
| NTA after tax | \$1.0702 |

* NTA figures are not adjusted for outstanding options. Adjusting for outstanding options the diluted NTA before tax would be A\$1.0535/shr

January review

January was a mixed month for asset class returns globally. The S&P500 index fell by 3% over the month while the Euro Stoxx index (a European equivalent) rose by 7.2%. Broadly though, global equity markets were weaker with the MSCI World Index falling by 1.8% in US dollar terms over the month.

The price of oil continued its recent steep declines, falling by another 9.4% during the month. The fall in the oil price over the past 12 months has been nothing short of staggering and it presents a significant and largely unexpected good news story for global growth expectations and consumer confidence. By way of an example, if petrol prices were to ultimately fall by as much as oil has now done, an average American family could save around \$2,000 a year, equivalent to a pay rise of approximately 4.5%.

In our view the positive impact of falling commodity prices in general, and oil in particular, will be one of the more important investment themes in the year ahead. It is a subject that does not yet seem to be acquiring the market attention it deserves.

The most important news item during the month was the announcement by the European Central Bank of a substantial expansion to its quantitative easing program, importantly including plans to buy government bonds for the first time. The announcement was largely anticipated by the market. Deflation remains by far the biggest risk to price stability in the Eurozone and presents an acute source of risk for the heavily indebted European economies.

Much has been written about the current state of the Eurozone and the recent reappearance of debt brinkmanship in Greece certainly adds to the weight of negative sentiment. As we search for attractive investment opportunities however, it is worth remembering that aggressive quantitative easing is ultimately an indiscriminately inflationary tool. As highlighted above the strongest major equity market during January was in fact Europe, which rose 7.2% during the month. Despite the negative sentiment and valid concerns surrounding the currency, the fund continues to hold several European investments which we remain excited by.

The fund's investment portfolio increased by 3.8% during January. Approximately half of this return is attributable to further weakness in the Australian dollar over the month. Pleasingly, on top of the continued weakness in the Australian dollar the fund's discount capture strategy had a particularly profitable month, accounting for roughly a third of the month's total returns. The balance of the portfolio return was attributable to a strong month for the fund's underlying investments despite the backdrop of generally weaker global equity markets.

Global Value Fund Limited

| | |
|-----------------------|------------|
| ASX Code | GVF |
| Listed | July 2014 |
| Shares on issue | 55M |
| Share price | \$1.05 |
| Market cap | \$57.7M |
| Options outstanding | 55M |
| Option exercise price | \$1.00 |
| Options expire | March 2016 |

Company overview

The Global Value Fund (ASX: GVF) is a listed investment company that provides shareholders with the opportunity to invest globally through a portfolio of securities purchased at a discount to their underlying asset value. By capturing this discount for its investors the manager aims to provide an alternative source of market outperformance compared to more common stock selection strategies.

It is the Board's intention to pay a regular fully-franked dividend once the Company is in a position to do so.

Investment Manager

Metage Capital is a London based investment manager with considerable experience in finding international assets trading at a discount to their intrinsic value and in identifying, or creating, catalysts to unlock this value.

Investment Team

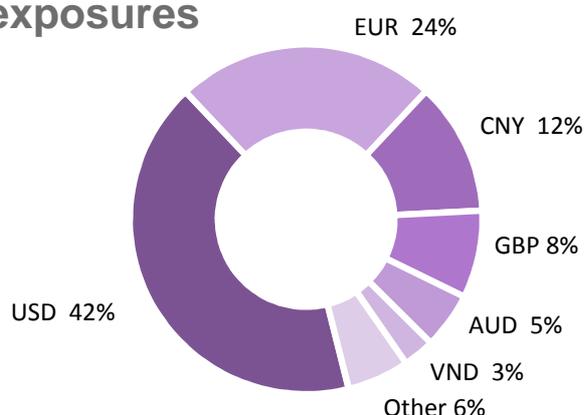
Miles Staude, CFA
Fund Manager, Global Value Fund
Richard Webb, CFA
Chief Executive Officer, Metage Capital
Jeremy Hurt
Investment Manager
Tom Sharp, CFA
Investment Manager

Board of Directors

Jonathan Trollip
Chairman
Chris Cuffe
Non-executive Director
Geoff Wilson
Non-executive Director
Miles Staude, CFA
Non-executive Director



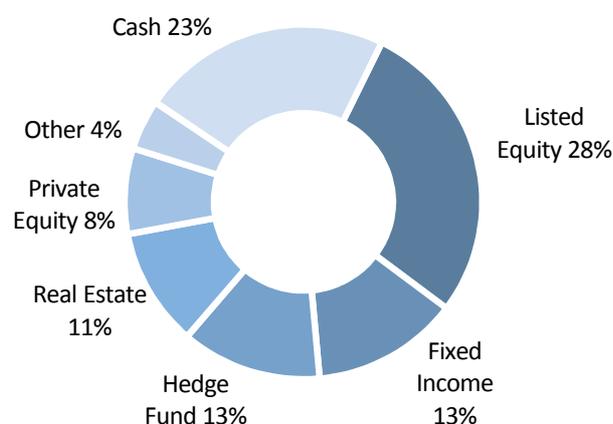
Underlying currency exposures



The above chart reflects the manager's estimate of the currency exposures arising from the portfolio's underlying investments and cash balances as at the 31st of January.

Including emerging market currencies that are chiefly pegged to the US\$ (such as CNY), the fund's US\$ exposure is approximately 59%.

Underlying asset classes



The above chart reflects the manager's estimate of the underlying asset classes held through the fund's portfolio of investments as at the 31st of January.

Top Five Holdings

| Holding | % NTA | Summary |
|--------------------------------------|-------|--|
| Pacific Alliance China Land | 6.9% | AIM-listed CEF investing in Chinese property-related assets and loans with a conservatively valued portfolio and significant structural downside protections built into its investment holdings. Recent move into realisation provides catalyst for elimination of discount. |
| Boussard & Gavaudan Holdings | 6.5% | Amsterdam-listed CEF that acts as a feeder fund into the BG Master Fund, a Europe-focused multi-strategy hedge fund. The BG Master Fund is the flagship fund for Boussard & Gavaudan, a French fund management firm with c. €1.7 billion of FUM. The position was acquired at a discount in excess of 21%. The manager is committed to an active share buyback program which along with other catalysts should serve to reduce the discount. |
| Vinaland Limited ZDP | 5.7% | A GBP zero-dividend preference share offering an attractive fixed return over the period to December 2016, heavily collateralised by the assets of an AIM-listed CEF. Various mechanisms exist to enhance the credit of the ZDP and there is additional upside from the likelihood of early repayment at an above market price. |
| Undisclosed | 4.7% | Asian listed CEF investing in a diversified portfolio of Asian equities. The position has been accumulated at an average discount to net asset value of wider than 20%. |
| Harbourvest Global Private Equity | 4.7% | LSE-listed fund which invests in a diversified private equity portfolio. It has underlying exposure to over 6,000 companies, two-thirds of which are based in the USA. The fund trades at a significant discount to its net asset value, which is expected to narrow as the result of improvements in corporate governance and continued good NAV performance as the older companies in its portfolio are realised. |