

Investment Update and Net Tangible Assets

Net Tangible Assets (NTA) per share

NTA before tax*	\$1.1181
NTA after tax	\$1.0761

* After the provision of the \$0.5M tax liability payable with GVF's FY2020 tax return
 \$ denotes Australian dollar.

November review

November was about as good as it gets for asset markets. A clear (if unaccepted) outcome in the US presidential race and, more importantly, announcements from both Pfizer and Moderna that their Covid-19 vaccines were highly effective, wiped away in just a few short weeks the main anxieties that had been building in markets all year.

The effect that these announcements had on asset prices was extreme. In US\$ terms, global share markets⁴ jumped 12.3%, the biggest one month gain in over twenty years. What was interesting about this move, is that the largest gains were seen in the companies and sectors that have lagged in recent years. Value outperformed growth, Europe and Japan outperformed the US, and just about everything outperformed technology.

Commodities and commodity currencies also participated in the strong rally in growth sensitive asset classes. Oil and iron ore prices rose by 27% and 11% respectively, while the Australian dollar rallied by 4.5%. In Australian dollar terms, global share markets rose by 7.5% while global credit markets⁵ fell by 1.6%, with the strong A\$ more than offsetting the modest gains seen in lower risk asset classes like credit.

The largest contributor to GVF's performance during the month was our holding in an Australian LIC, Contrarian Value Fund (CVF). CVF's shares rallied almost 25% in November as the company announced proposals to liquidate and return cash to shareholders. Many of you will have read about the events at CVF this month, including an activist campaign we are pursuing to secure a much fairer outcome for shareholders. A copy of our recent public message on CVF can be found [here](#).

Unlike many of CVF's retail shareholders, GVF is in the fortunate position of knowing that our investment will be a great success, regardless of how events unfold from here. GVF accumulated its stake in the company this year at a deep discount to asset backing, and we expect to exit around net asset value within a few months. As at the end of November, we had generated a 65% annualised return on our investment and still expect a further uplift from here. In addition to this, we expect to pick up c.\$500k in franking credits for GVF shareholders.

As the largest shareholder in the company however, and in keeping with our own moral compass, we have been compelled to stand-up to what we believe is a deeply unfair termination fee the CVF board is seeking to pay to its manager. Pleasingly, our efforts here have already borne fruit. In the face of a significant shareholder backlash, the CVF board recently announced a \$240,000 cut in the managers termination fee, and also 'found' a further \$70,000 in liquidation cost savings. While we welcome these cost reductions, we continue to believe the CVF board lacks the independence that is needed to deliver a fair outcome for its shareholders. We have nominated our own directors to replace them at the company's AGM on Tuesday 15 December, and our view is that these nominees will oversee a far better and much fairer liquidation of the company.

Global Value Fund Limited

ASX Code	GVF
Listed	July 2014
Shares on issue	148M
Share price	\$1.05
Market cap	\$156M
Total dividends declared ¹	44 cents
Profits Reserve ²	15.3 cents
Fully franked yield ³	7.9%

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 regular dividends so long as the Company is in a position to do so.

Investment Manager

The portfolio management team is based in London and has 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 Management

Miles StauDe, CFA
 Fund Manager, Global Value Fund

Board of Directors

Jonathan Trollip

Chairman

Chris Cuffe

Non-executive Director

Geoff Wilson

Non-executive Director

Miles StauDe, CFA

Non-executive Director

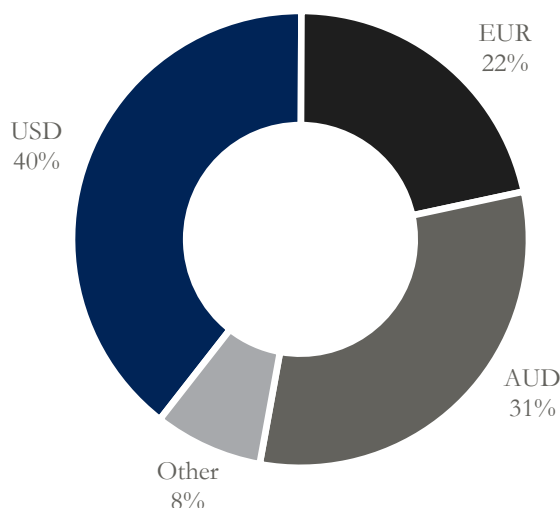
Investment Update and Net Tangible Assets. As at 30th November 2020

Away from CVF, there was positive news this month for GVF's large investment in the US Masters Residential 2021 bonds (URFHCs). Previously trading at a discount to par and paying a large coupon, these bonds had offered us >12% yield to maturity, despite being very well covered by a portfolio of US residential property. While this yield to maturity was appealing, our belief was that the bonds were going to be repaid early, which would allow GVF to receive a near-term uplift from redeeming at par. Pleasingly, this has turned out to be the case. In November, the company announced a large debt refinancing package, which will see it repay \$80M of the outstanding \$90M loan at the end of this year, with the balance to be repaid in 2021.

The GVF investment portfolio increased in value by 5.5% during November. Given the strength of markets during the month, unsurprisingly our underlying market exposures contributed the most to GVF returns, adding 5.2%. However, it was once again a very strong month for our discount capture strategy, which added 3.9% to returns. In any other month, this would have stood out as a tremendous result. Offsetting these gains was the large appreciation of the Australian dollar during November, and the Company's operating costs.

Authorised for release by Miles Staude, Portfolio Manager and Director.

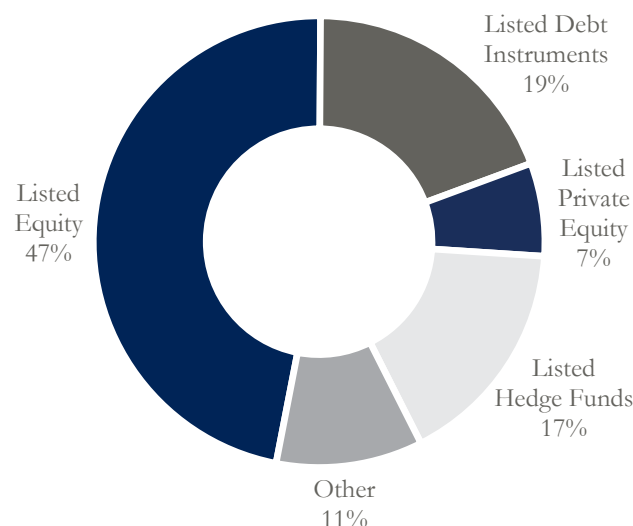
Underlying Currency Exposures



The above chart reflects the manager's estimate of the currency exposures arising from the portfolio's underlying investments and cash balances as at 30th November.

Including emerging market currencies that are chiefly pegged to the US\$, the fund's US\$ exposure is approximately 41%.

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 30th November.

Exposure to cash represents both cash balances held by the Company and the underlying cash holdings of the fund's portfolio of investments.

Top Five Holdings

Holding	% NTA	Summary
Ellerston Global Investments	9.3%	Australian listed investment company (LIC) that holds a portfolio of global equities. Having traded below Net Asset Value (NAV) for some time, the board implemented a restructuring of the LIC and converted the company into an open-ended trust.
Third Point Investors	8.0%	London-listed closed-end fund (CEF) that acts as a feeder fund into a global event-driven, value-oriented hedge fund. The CEF currently trades on a 17.1% discount to its NAV and, under pressure from shareholders, the Board has enacted several positive initiatives designed to lower this discount, including a \$200M share buy-back program.
Highbridge Tactical Credit Fund	8.0%	London-listed CEF which acts as a feeder-fund into a market-neutral credit hedge fund run by Highbridge Capital Management, a leading global hedge fund firm based in New York. Calendar



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		year-to-date the fund has returned 15.0%. The fund has a discontinuation vote on 18 December 2020 at which point shareholders have the right to put the fund into a managed wind-down. Given the current discount, a managed wind-down would represent an exit approximately 9% above the current share price.
Contrarian Value Fund	6.8%	Australian LIC that holds a portfolio of global equities, alongside a large cash balance. The board recently concluded a strategic review and recommended the fund be wound down and the proceeds, less costs, be returned to shareholders.
Monash Absolute Investment	5.6%	Australian LIC that holds a portfolio of Australian small-cap equities. Having persistently traded below Net Asset Value (NAV), the board took the decision to restructure the LIC into an exchange traded managed fund (ETMF). This process is expected to be completed early in 2021.

¹ Grossed up dividends of 43.52c declared from IPO at \$1 through to 9th November 2020, the FY2020 final dividend payment date.

² The profits reserve sits at 15.3c as of 30th November 2020.

³ Based on the end of month share price of 1.05 and the FY2020 full year dividend of 5.8 cents per share, fully franked.

⁴ All references to global shares markets refer to the total return (price and dividends) of the MSCI All Country World Equity Index.

⁵ All references to global credit markets refer to the Bloomberg Barclays Global Credit Total Return Index.

Unless otherwise stated, source for all data is Bloomberg LP and data as of 30th November 2020.

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