

Investment Update and Net Tangible Assets

Net Tangible Assets (NTA) per share

NTA before tax*	\$1.1601
NTA after tax	\$1.1084

* There were no substantive tax payments made during April.
 \$ denotes Australian dollar.

April review

According to Moody's credit agency, households around the world have stockpiled US\$5.4 trillion in additional savings since the coronavirus pandemic began, equivalent to 6% of global GDP. With global consumer confidence booming and pandemic restrictions beginning to be wound back, it is easy to see a scenario where significant pent-up demand, and a large savings glut, combine to power global economic growth this year and next. On Moody's estimates, if consumers spent just one third of the excess savings they have accumulated through the pandemic - hardly an ambitious forecast - it would boost global output by 2% both this year and next.

This backdrop of accelerating global growth and an end of the pandemic lock downs continued to power financial markets higher in April, with global share markets⁴ recording a new all-time high, rising by 4.4% during the month in US\$ terms. Evidence that an acceleration in global growth is underway can be seen perhaps most clearly in commodity markets. Very strong price gains were recorded across the board during April, with a 14% increase in the price of iron ore the most notable of these moves from an Australian perspective.

In Australia, the local share market rose by 3.5% during the month, while in Australian dollar terms, global share markets rose 2.8% and global credit markets⁵ fell 0.2%.

Whilst the 're-opening' narrative that has been propelling markets higher recently is clearly compelling, at this point it is worth observing that this is scarcely 'new news'. The last few months have seen substantial upward revisions to investors growth expectations, expectations that now form the base of market pricing going forward. Having rallied nearly 10% in the past three months, global share markets will need to start seeing evidence that these new expectations are being delivered on to hold their recent gains and continue to push higher.

April was a particularly successful month for GVF and our discount capture strategy. The largest contributor to this performance was our investment in a London-listed student accommodation REIT, Empiric Student Property (ESP) – an investment we discussed in detail in our [FY2020 Annual Report](#). Despite the disruption caused by Covid-19, which saw student occupancy fall to c.65% for the 20/21 academic year, we have remained confident in the underlying fundamentals behind student accommodation as an investment class, and in ESP's ability to weather a prolonged period of disruption. After extensive 'stress testing' of the financials, we added to our investment throughout the pandemic, viewing the shares' large discount to asset backing as unsustainable over the medium term.

With a successful rollout of the vaccine in the UK and pandemic restrictions being lifted across the country, the prospects for a more normal 21/22 academic year have improved greatly, re-rating student accommodation names in the process. ESP's shares rose by 11% in April, after rising by 7% in March. While ESP no longer trades

Global Value Fund Limited

ASX Code	GVF
Listed	July 2014
Shares on issue	173M
Share price	\$1.11
Market cap	\$191M
Total dividends declared ¹	48 cents
Profits Reserve ²	22.7 cents
Fully franked yield ³	7.7%

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

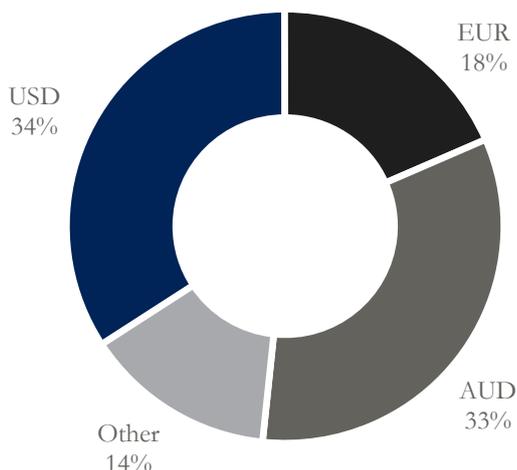
Miles StauDe, CFA
 Non-executive Director

on the deep discount it did, we still view ESP's discount as wide given the improved outlook and see several catalysts ahead to unlock this value.

The GVF investment portfolio increased in value by 3.0% during April. The fund's discount capture strategy contributed 2.4% to returns during the month, while underlying market movements added a further 1.8%. The remaining attribution of returns during April are explained by unfavourable currency movements and the company's operating costs.

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

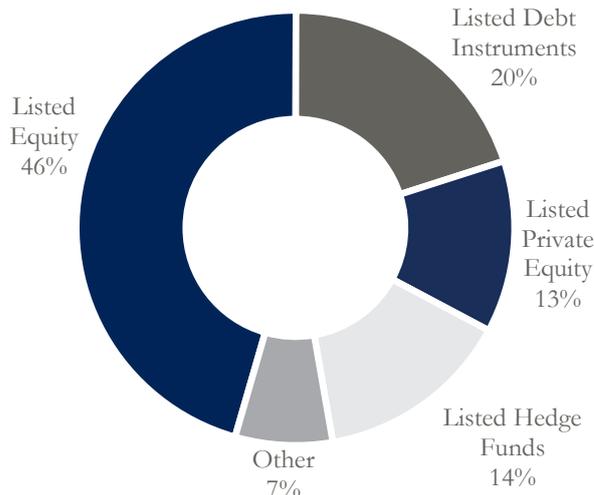
Underlying Currency Exposures



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 April.

Including emerging market currencies that are chiefly pegged to the US\$, the fund's US\$ exposure is approximately 38%.

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 April.

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

Significant Holdings⁶

Holding	% NTA	Summary
Ellerston Global Investments	8.3%	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.
Highbridge Tactical Credit Fund	7.9%	London-listed closed-end fund (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. The fund has now entered into a managed wind-down and will return capital to shareholders over the next year. Given the current discount, the managed wind-down represents an exit approximately 5.7% above the current share price.
VPC Specialty Lending Investments	5.9%	London-listed CEF, managed by a US investment manager, that predominantly lends to middle market financial companies mainly in the US. The company currently pays a yield of c.9.3% pa based on the current share price, and trades on a discount of 15.5% to NAV. In conjunction with continuation vote in 2020, and following pressure from shareholders (including GVF), the company put in place an opportunity for shareholders to realise some or all of their investment at NAV in 2023, if discount or performance targets are not achieved.
Harbourvest Global Private Equity	5.3%	London-listed CEF with a diversified portfolio of private equity funds investments. The fund trades on a wide discount to its reported asset backing, but owing to the lag with which private equity funds report their performance, the embedded value is even greater than this.



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Third Point Investors	5.1%	London-listed CEF that acts as a feeder fund into a global event-driven, value-oriented hedge fund. The CEF currently trades on a 14.8% discount to its NAV. Under pressure from shareholders, the Board recently completed a strategic review into the fund's discount problem, putting in place several initiatives to try and improve the situation. Notwithstanding this, we believe there is shareholder support for additional measures to be taken.
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¹ Grossed up dividends of 47.81c declared from IPO at \$1 through to 13th May 2021, the HY2021 interim dividend payment date.

² The profits reserve sits at 22.68c as of 30th April 2021.

³ Based on the end of month share price of 1.11 and the FY2021 dividend guidance of 6.0 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.

⁶ In order to protect the interests of GVF shareholders, certain large holdings may not always be publicly disclosed.

Unless otherwise stated, source for all data is Bloomberg LP and data as of 30th April 2021.

Staude Capital Limited is an appointed representative of Mirabella Advisers LLP, which is authorised and regulated by the Financial Conduct Authority. Mirabella Financial Services LLP is the Investment Manager of the Global Value Fund and has seconded the investment team at Staude Capital to manage the Global Value Fund. This information is not an offer to buy or sell, or solicitation of an offer to buy or sell, any security or investment. Investors should read the Fund prospectus before making a decision to invest.

Past performance is not an indicator of future returns. This document is not suitable for distribution into the EEA.