

17 November 2020

## GVF announces a Share Purchase Plan

The Board of Directors of the Global Value Fund Limited (ASX: GVF) (**GVF** or the **Company**) is pleased to announce a Share Purchase Plan (**SPP**) to existing GVF shareholders. The SPP will be offered to existing shareholders at a price of \$1.06 per share, which is in line with the Company's Net Tangible Asset backing per share (**NTA**) before tax as at 31 October 2021<sup>1</sup>. The issue price may be adjusted if required to comply with LI 2019/547 and the ASX listing rules.

The current year has seen extraordinary volatility in financial markets. This volatility has created significant dislocations across the Company's investment universe, and an environment that is highly compelling for the investment manager's specialist strategy. Given this backdrop, and feedback received from the Company's shareholders during its recent virtual roadshow, the Board believes it is an appropriate time to offer shareholders the opportunity to add to their investment in the Company.

Reflecting the current investment environment, GVF's recent investment returns have been strong. Financial year-to-date, the portfolio has generated net investment returns of 9.1%<sup>2</sup>, while calendar year-to-date – a period that includes the February and March market crash - net investment returns have been 3.2%. Both figures represent substantial outperformance over equity and credit markets (see Figure 1 below).

Over the longer-term, since its IPO, GVF has generated net investment returns of 9.1% per annum, meaningfully outperforming the Company's reference index return of 6.4%<sup>3</sup> pa. Furthermore, over this time, the manager's discount capture strategy has provided the largest source of overall investment returns for the Company. Since IPO, the discount capture strategy has added 7.4%<sup>4</sup> pa (before fees) to investment performance. The returns from this strategy represent outperformance over the fund's underlying market exposures.

GVF is committed to ensuring shareholders directly participate in their Company's investment returns through its dividend policy. Having listed at \$1 per share, the Company has to date paid total dividends of 43.5 cents per share to shareholders (grossed up for franking credits). The Company's dividend profit reserve is currently 11.3 cents per share, which represents nearly two years' worth of future dividends at the current dividend payment rate.

The SPP offers existing shareholders the opportunity to invest up to \$30,000 to acquire ordinary shares in GVF without incurring any brokerage or other charges. Pursuant to the terms and conditions of the SPP, eligible shareholders will be offered the opportunity to acquire parcels of shares to the value of \$1,000, \$2,500, \$5,000, \$10,000, \$15,000, \$20,000, \$25,000 or \$30,000.

The Company will invest the proceeds of the SPP using its proven discount capture strategy, providing shareholders with exposure to a diversified portfolio of carefully selected global assets, all trading at significant discounts to their intrinsic value. The investment manager has considerable expertise in finding such investments and in identifying or creating catalysts that will be used to unlock this value for its investors.

The \$1.06 per share issue price represents a discount of 2.8% to the closing share price on 16 November 2020 (the last trading day before this announcement) of \$1.09, and a 0.1% discount to the 5-day volume weighted average price to that date of \$1.0611. The unaudited NTA of the Company as at 31 October 2020 was \$1.0612, and the unaudited after tax NTA was \$1.0362.

<sup>1</sup> GVF unaudited NTA before tax as at 31 October 2020 as announced to ASX on 13 November 2020 was \$1.0612.

<sup>2</sup> Net investment returns refers to the net portfolio performance figures for GVF. These figures are quoted after all fees and expenses, and adjusted for the payment of taxes, dividends and the impact of the company's options.

<sup>3</sup> The Company's reference index is calculated using a weighting of 50% to the MSCI All Country World Index in Australian dollar terms, and 50% to Australian cash interest rates. Australian cash interest rates are derived from monthly swap rates.

<sup>4</sup> Source: Staude Capital Ltd.

Shareholders on the GVF register as at 7.00pm (AEDT) on Monday, 16 November 2020 (being the record date for the SPP) with a registered address in Australia or New Zealand will be entitled to participate in the SPP. The SPP offer will close at 5.00pm (AEDT) on 10 December 2020.

GVF expects to complete dispatch of the SPP Offer Booklet along with a SPP Application Form to eligible shareholders by 20 November 2020.

Shareholders who wish to discuss the SPP, or who have any questions about the SPP process, can contact GVF's share registrar, Boardroom Pty Limited, between 8.30am and 5.00pm Monday to Friday on 1300 737 760 (within Australia) or +61 2 9290 9600 (outside Australia). Shareholders can also contact Portfolio Manager, Miles Staude, at miles.staude@globalvaluefund.com.au or 0423 428 972, and Head of Corporate Affairs, Emma Davidson, at emma.davidson@globalvaluefund.com.au or 0401 299 885.

Alternatively, shareholders should consult their financial or other professional advisor.

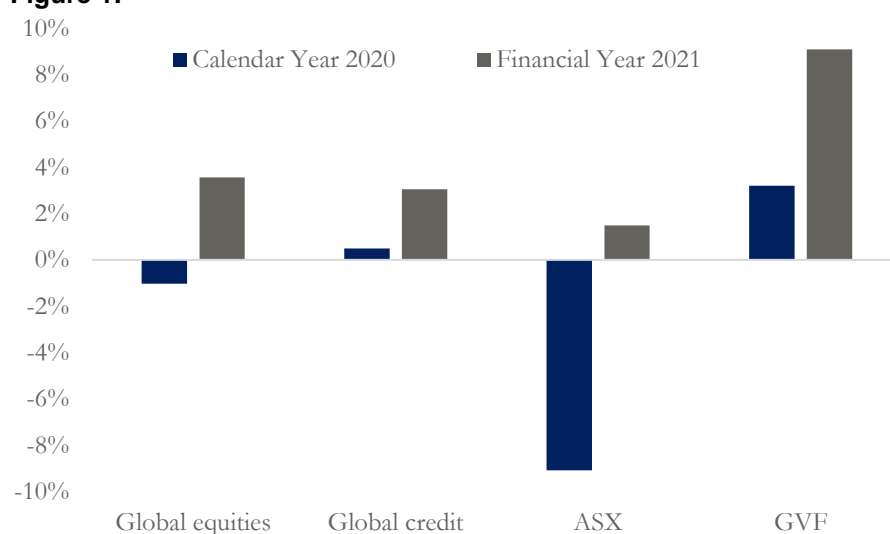
The Board has the ability to place additional shares to wholesale investors on the same terms as those being offered under the SPP, in accordance with the ASX Listing Rules.

#### SPP key dates\*


Event	Date
Record Date	7.00pm (Sydney time), 16 November 2020
Announcement of SPP	17 November 2020
SPP offer opens	10.00am (Sydney time), 19 November 2020
SPP offer closes	5.00pm (Sydney time), 10 December 2020
Issue date	16 December 2020
Expected quotation of new Shares on ASX	16 December 2020
Dispatch of holding statements	16 December 2020

\*These dates may be subject to change

Figure 1:



**Data source:** Bloomberg LP and Staude Capital. Global equities refer to the MSCI All Country World Index in A\$ terms. Global credit refers to the S&P Global Leverage Loan Index in A\$ terms. ASX refers to the S&P/ASX 200 Index. GVF refers to GVF net investment



returns. All returns are total returns, including price and dividends. Calendar Year 2020 refers to 31st December 2019 through to 31st October 2020. Financial Year 2021 refers to 30th June 2020 through to 31st October 2020.

## **About GVF**

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 shareholders, the manager aims to provide an alternative source of market outperformance compared to more common stock selection strategies.

The Manager is based in London and has considerable experience in finding international assets trading at a discount to their intrinsic worth, and in identifying or creating catalysts that will be used to unlock this value.

For more information, visit [www.globalvaluefund.com.au](http://www.globalvaluefund.com.au)

*This announcement was authorised for release by the Board of Global Value Fund Limited*

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.