

25 January 2021

Company Announcements Office  
ASX Limited  
Exchange Centre  
Level 4, 20 Bridge Street  
SYDNEY NSW 2000

**Subject: Proposal to acquire shares in RAMcap Limited & Takeover Offer**

On 13 January 2021, the Directors of Contrarian Value Fund Limited (“CVF” or “The Company”) received a complex non-binding proposal (“Proposal”) from RAMcap Limited (“RAMcap”) in which, amongst other things, CVF would acquire the shares in RAMcap for the issue of shares and options in CVF.

The Directors of CVF are aware of a letter sent by RAMcap to CVF’s Top 200 Shareholders providing some details about the Proposal and inviting them to vote against the resolutions at the Extraordinary General Meeting (“EGM”) due to be held on 4 February 2021.

On 21 January 2021, the CVF Directors informed RAMcap that the Company would not be engaging in discussions on the Proposal as the CVF Directors viewed the Proposal as not being in the best interests of CVF Shareholders.

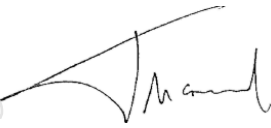
Furthermore, today (25 January 2021) the Directors of CVF were notified by RAMcap that it had withdrawn its Proposal and received a letter stating RAMcap’s intention to make a takeover offer (“Offer”) to purchase all the shares in CVF for cash consideration of \$0.01 a CVF share. The Offer is subject to several conditions being met, including a 50.1% acceptance condition. Please see the Appendix for the letter from RAMcap.

The Board will assess the Offer in the coming days. **Until the Board have concluded their deliberations, CVF Shareholders are urged TO TAKE NO ACTION regarding the Offer.**

The Board will consider adjourning the upcoming CVF Shareholder meeting on 4 February 2021 to consider the formal winding up related resolutions pending its review of the Offer being concluded. There is no certainty that a transaction involving the Offer will eventuate.

It naturally remains the intention of the Directors to extract the best value for CVF Shareholders in a timely manner. The Board will keep CVF Shareholders updated of all material information and expects to make another announcement by the end of this week.

On behalf of the Board of Contrarian Value Fund Limited,



**Tom McDonald**  
Company Secretary

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## CVF Takeover Offer

Monday 25<sup>th</sup> January 2021

Hedge fund company RAMcap Limited ABN 56 624 983 964 (**'RAMcap'**) announces its intention to make a takeover offer (**'the Offer'**) for all of the issued ordinary shares of Listed Investment Company (**'LIC'**) Contrarian Value Fund Limited (ASX:CVF)(**'CVF'**). The Offer is subject to the condition precedent that none of the 5 resolutions to be put to CVF shareholders at the Extraordinary General Meeting, scheduled for 4<sup>th</sup> February 2021 (**'EGM'**) are passed.

### OFFER CLOSING

The Offer will close on 31<sup>st</sup> March 2021. RAMcap reserves the right to extend the bid period of the Offer.

### BID CONSIDERATION

RAMcap will pay cash per CVF share of \$0.01 within 5 business days of receiving valid acceptances into the Offer.

### DEFEATING CONDITIONS

In addition to the above condition precedent the Offer is subject to the following defeating conditions:

That RAMcap obtains a relevant interest of 50.1% in the ordinary shares of CVF (**'the 50.1% threshold'**);

That upon reaching the 50.1% threshold the CVF board appoints three directors as nominated by RAMcap within 2 business days;

That CVF makes no allotment of CVF shares or securities which are convertible into CVF ordinary shares from the date of this announcement and up until the Offer is declared unconditional;

That no regulatory action is commenced or announced whose effect would be to impede the Offer;

That no prescribed occurrences occur.

### RATIONALE

RAMcap seeks to take its place in the LIC sector which has been hitherto plagued by ordinary investment returns, LICs that trade at a discount from NTA and which are managed by fund managers with no meaningful equity in their captive LIC and who are ensconced in long term contracts.

CVF directors have convened the EGM to approve the winding up of the company and its delisting from ASX. The quantum of funds available to be distributed to CVF shareholders in the winding-up and the timing of such distribution(s) is presently uncertain given that the liquidation process is governed by statute.

The Offer provides a certain outcome to CVF shareholders who wish to exit CVF at a price which is an improvement on the anticipated distributable winding-up proceeds of \$0.5million as advised by CVF. The bid consideration under the Offer represents a 38% premium to the CVF liquidation dividend which has been anticipated by CVF and as advised to RAMcap on 8 January 2021.

RAMcap Limited ACN 624 983 964  
Level 4, 65 Walker Street North Sydney NSW 2060 Tel: (02) 8324 1434  
info@ramcap.com.au | [www.ramcap.com.au](http://www.ramcap.com.au)



## CVF Takeover Offer (Continued)

### RAMcap's INTENTIONS

RAMcap intends to revive CVF as a hedge fund LIC. It intends to support capital raisings in the company which will include entitlement issues of CVF ordinary shares and options ('CVFO') to CVF shareholders. Upon obtaining the requisite AFSL status RAMcap will submit to CVF an investment management agreement for the management of CVF's funds for which the remuneration will comprise the traditional '2/20' structure. Accordingly, a management fee of 2%pa and a 20% outperformance fee (where the quarterly return exceeds the benchmark XSOA Index) will be proposed.

RAMcap also intends to expand its activities by seeking professional investment mandates and will offer equity in RAMcap to CVF upon its FUM from professional mandates reaching \$50m. The terms of such equity offer will be subject to approval by CVF shareholders in general meeting and will be the subject of an Independent Expert Report. It is intended that CVF shares and CVFO options will be re-quoted on ASX by December 2021.

### ABOUT RAMcap

RAMcap was founded by its CEO Richard Matthews in March 2018. It has today shareholder funds of \$7.25million and gross assets of \$19million being positions in listed securities, mainly on ASX, which are held through CFD\* accounts with 4 CFD providers. RAMcap adopts a buy and hold strategy in small cap and microcap stocks. Since inception the annual return, which includes twice early dividends, exceeds 50%. Richard's father Stephen Matthews is the Company Secretary. Together Richard and Stephen control over 90% of the RAMcap equity. They live every RAMcap investment decision as if the money so committed is their own... because it is their own!

\* A CFD is a contract with an AFSL licensed provider that enables us to open and maintain positions on margin. The position can be traded through use of an online platform which provides access to the major global securities exchanges including ASX. RAMcap capital is thereby leveraged according to the required margin in that security. The margin on some positions is as low as 20%. Financing charges are levied daily on the aggregate value of the positions and at an interest rate as low as 1.85% pa. The RAMcap investment committee has 20 years of combined and profitable experience in using CFDs.

Authorised for release on 25 January 2021 and by Order of the RAMcap Board of Directors.

A handwritten signature in black ink, appearing to read 'Richard Matthews', written over a horizontal line.

Richard Matthews

For more information contact:

RAMcap CEO & Founder Mr Richard Matthews on (02) 8324 1434 ; richard@ramcap.com.au

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