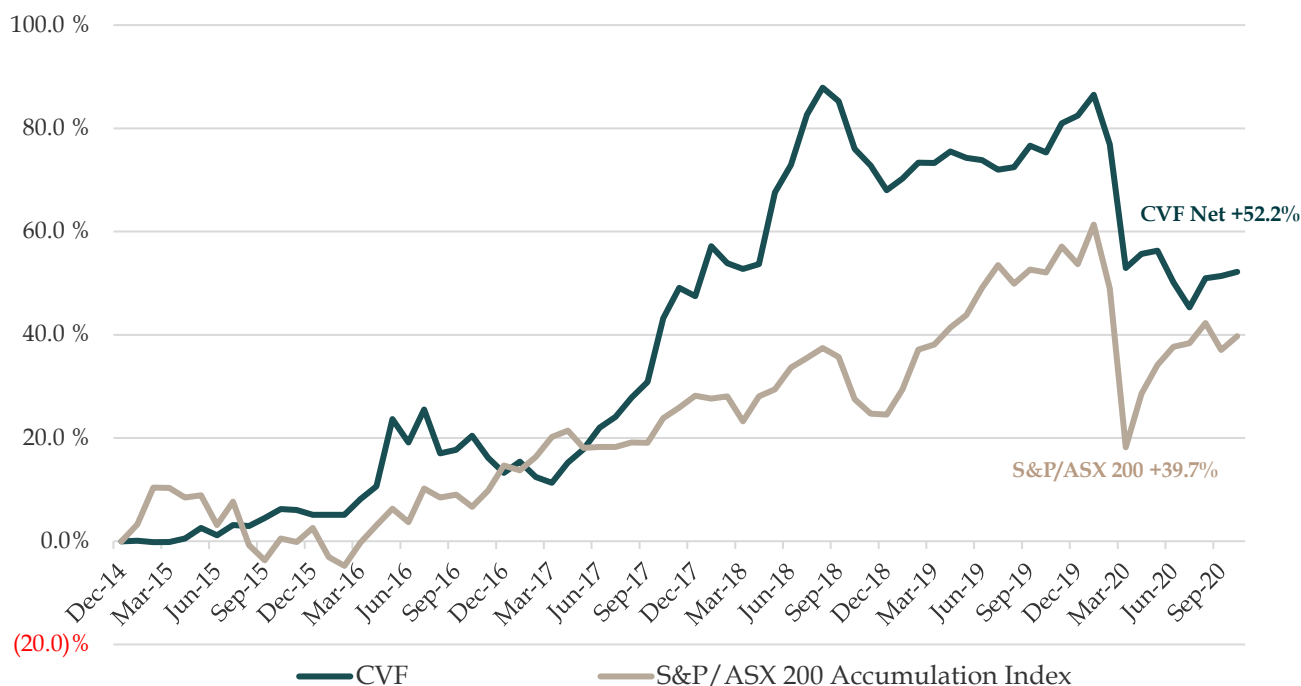


Fund Performance

CVF Cumulative Net Performance vs Index - Since Inception



Since IPO (5 Jan 2015)

At 31 October 2020	1 mth	6 mths	1 yr p.a	2 yr p.a	3 yr p.a	Annualised	Cumulative
Arowana CVF Gross performance	0.8 %	(0.8) %	(10.5) %	(5.1) %	5.9 %	10.8 %	81.8 %
S&P/ ASX200 Accumulation Index	1.9 %	8.7 %	(8.1) %	4.7 %	4.1 %	5.9 %	39.7 %
Gross outperformance	(1.1) %	(9.5) %	(2.4) %	(9.8) %	1.8 %	4.9 %	42.1 %
Arowana CVF Net performance*	0.5 %	(2.2) %	(13.2) %	(7.0) %	2.1 %	7.5 %	52.2 %
S&P/ ASX200 Accumulation Index	1.9 %	8.7 %	(8.1) %	4.7 %	4.1 %	5.9 %	39.7 %
Net outperformance	(1.4) %	(10.9) %	(5.1) %	(11.7) %	(2.0) %	1.6 %	12.5 %

* Net of all fees and expenses, pre-tax

Net Tangible Assets (NTA) per Share

At 31 October 2020

\$

NTA pre-tax on unrealised gains	0.97
NTA after tax on unrealised gains¹	0.99

1. The Company is required to estimate the tax that may arise should the entire portfolio be disposed of on the above date and show the result per share after deducting this theoretical provision. Generally, any such tax would generate franking credits, whose value would not be lost but rather transferred to shareholders on payment of franked dividends. At the current time, this would not be the case as the fund has unrealised net losses on its holdings and these would offset tax liabilities.

Top 5 Holdings (% of Gross Portfolio Value)

Ticker		%
PSH.NA	PERSHING SQUARE HOLDINGS	7%
AENA.SA	AENA SME SA	6%
VRL	VILLAGE ROADSHOW LIMITED	5%
NEC	NINE ENTERTAINMENT CO HOLDINGS	4%
JHG.US	JANUS HENDERSON GROUP PLC	4%
Top 5 as % of Gross Portfolio		26%



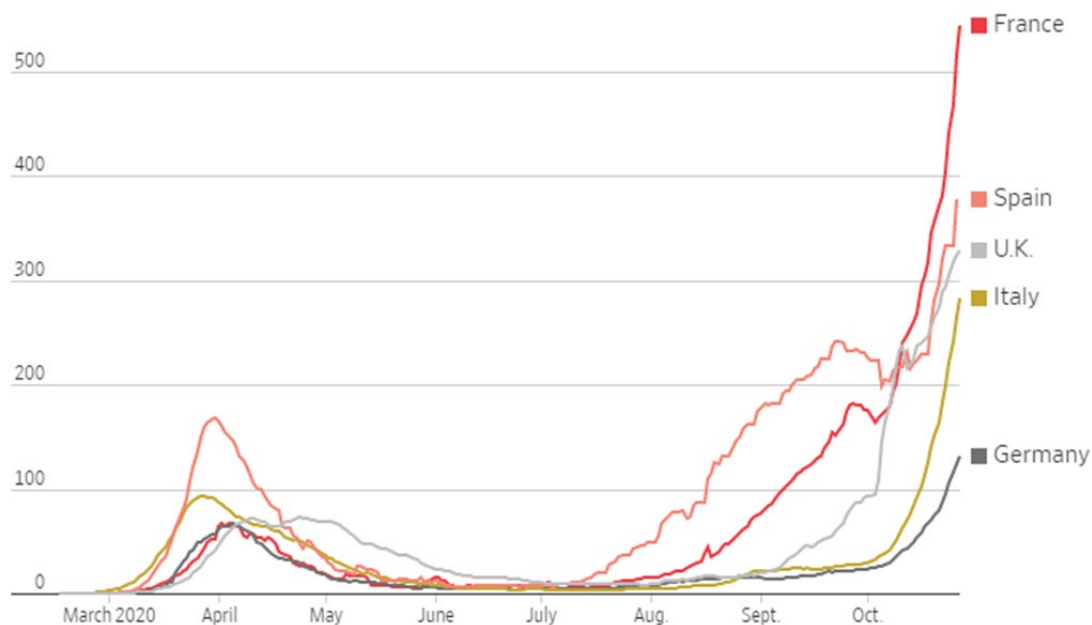
Newsletter

October saw CVF post a return of 0.5% net of all costs and fees while the S&P/ASX200 Accumulation Index rose by 1.9%. Pre-tax NTA per share stood at \$0.97 as of 31 October 2020. In addition, the current franked dividend yield stands at 9.4%.

As of writing, global equity markets have rallied on the news that Pfizer's Covid-19 vaccine has shown to be 90%+ effective on a limited sample of test subjects and they expect to apply for emergency FDA approval before the end of the month. As a result, we have seen our travel and leisure stocks rebound strongly as a return to normalcy may be on the horizon. There is still however much to be learned about the Pfizer trial data and we must remember that they are using a technology that has never been used in mass human vaccinations before. Realistically, even if Pfizer were to get quick FDA approval, they have said that they would only be able to produce enough vaccines to inoculate 650 million people by the end of 2021; falling far short of the global need. Fortunately, there are currently 11 vaccines in Phase 3 clinical trials globally and another 18 in Phase 2 trials. In addition, Pfizer's initial results could bode well for Moderna, whose vaccine employs a similar technology. As a result, some have speculated that a vaccine(s) could be widely available by next spring or summer. We remain hopeful.

Whilst Australian equity markets rebounded, European and US markets did not fare nearly as well. As both the US and Europe saw coronavirus cases rise throughout the month of October to pandemic highs, most equity markets weakened considerably with renewed lockdowns looming on the horizon. Europe, with new case levels far surpassing the previous pandemic highs, suffered the most as the MSCI Europe Index declined by 5.1%. US equity markets meanwhile were in the midst of a rebound when the wheels fell off in the final week of October as the S&P 500 dipped over 5% to end the month down nearly 2.8%. Perhaps more troubling than the rising case numbers are the dramatic rise in hospitalizations. In the US, during the final weeks of October, hospitalizations climbed 36% after months of decline but conditions in Europe are more concerning as their hospital systems face capacity strains. ¹ The seven-day average of new hospital admissions in France rose by more than 60% recently and in the Paris region, over two thirds of intensive care beds are occupied by Covid-19 patients. ² We are hopeful that rising cases and hospitalizations will not lead to as dramatic a rise in mortalities this time around given our experience in treating the virus.

Daily confirmed Covid-19 cases per million people, seven-day rolling average



Note: As of Oct. 27.

Source: European Center for Disease Prevention and Control



Given the rise in cases and hospitalizations it is no surprise that much of Europe has enacted another round of lockdowns. However, it appears that Europe, cognizant of the economic pain inflicted by large scale shutdowns, is taking a more targeted approach in this present surge. In Italy, schools will remain largely open and the country will be divided into zones based on infection rates, with the highest infected zones enacting more stringent measures while those least infected allowing more freedom of movement. In France, there will be a national curfew however citizens will be allowed to travel to and from work if they cannot work from home whilst schools will remain open. Lastly, in Germany, shops and schools will remain open but cinemas, pools and gyms will close while restaurants will remain open for takeaway only. Allowing schools to remain open and most non-essential businesses to continue to operate is critical to mitigating the impact on the economy.

Amidst rising coronavirus cases and looming lockdowns, as one would suspect, our travel related names were negatively impacted during the month. Carnival (CCL) was our largest detractor from performance, suffering a decline of over 13% for a negative contribution of 62 bps. Investors largely ignored several positive signs from their Q3 earnings release a month earlier. In it they revealed that advanced bookings for cruises in H2-21 are at the higher end of their historical range. Further, approximately 60 percent of bookings taken during the three weeks ended 20 September, were new bookings as opposed to future cruise credit re-bookings, despite minimal advertising or marketing having been done. This clearly demonstrates that pent up demand exists well beyond that of regular cruise-goers even during the throes of a pandemic.

Corporate Travel (CTD) was the source of our second largest drag on returns with a similar 13% decline which impacted returns by 40 bps. Investors appeared largely unimpressed with CTD's acquisition of one of its largest competitors, US based Travel and Transport (T&T). This acquisition will make CTD the 5th largest player in the mid-market corporate travel sector globally. This opportunistic acquisition was done at an attractive multiple of 6.7x EV/EBITDA pre-synergies. It provides CTD a more diverse client base with a complementary footprint in the US and materially enhances their scale in the NY market. The acquisition will make N. America CTD's largest business segment contributing nearly half of total EBITDA whilst providing an opportunity to enhance T&T's margins via the implementation of CTD's technology platform.

On the positive side of the ledger, Nine Entertainment (NEC) provided our greatest return contribution with a 19% return for a 69 bps impact on performance. There was no substantive news for NEC during the month but perhaps the market was finally recognizing NEC's strong FY20 results. NEC saw a \$51 million improvement in Stan's EBITDA during FY20 along with 36% growth at 9Now where it has a 50% share of the broadcaster video on demand (BVOD) market. They have also grown digital EBITDA by 40% during a period where their Domain subsidiary saw a \$19 million decline in EBITDA. All this was accomplished amidst a \$225 million cost out program implemented during CY20.

Our next largest contributor to performance came from our USD cash holdings. As we have stated before, our thesis was, the US dollar, as the world's reserve currency, would continue to be viewed as a safe haven during times of global turmoil. This was borne out during the month as the dollar rose whilst US and European investors apparently became increasingly fearful of a resurgent virus and its attendant lockdowns.

As we survey our current holdings, we are quite excited by the upside potential of our portfolio. We own a collection of businesses across a variety of sectors that are well placed to thrive in a post-Covid recovery.

Through our stake in AENA, we own the world's largest airport operator whose main operations reside in Spain, the second most visited country in the world behind France. AENA's position as the lowest cost operator in Europe enables it to also provide the lowest passenger costs of any of its European peers. This is a distinct advantage in a period where travel budgets will be stretched tight. AENA also possesses one of the strongest capital structures in the sector. Moreover, they have substantial land holdings surrounding Barcelona and Madrid airports covering over 540 hectares that are actively in development. At the price we paid for AENA, we acquired these land holdings, in hard to replicate locations, effectively for free. Furthermore, we are partners in this business with the government of Spain. We were able to purchase our stake in AENA at a multiple more apropos to a low margin, cyclical business rather than that of a monopolistic, highly cash generative, toll operator for air travel. Even after a recent run up, we believe that AENA provides over 60% upside based on a reversion to its historical average valuation multiple and a return to normalized earnings by FY23.



In an era where content is king in the media sector, we own a prolific content creator with an extensive IP library. Discovery (DISC) is a global media company that produces 8,000 hours of content annually, operates 10-12 channels in every major market in the world and owns a 300,000 hour content library that is poised to travel well across borders. DISC has both an operational and a financial advantage over its global peers which was made evident during the pandemic. While most if not all of DISC's scripted content peers were faced with studio lockdowns recently, DISC did not miss a beat. During this pandemic DISC created over 1,000 hours of original programming, some of which has proven to be their most viewed ever. This was made possible by the unscripted, reality-style format of their content and some improvisation using handheld cams and phones operated by friends and family members of the show's stars. Their focus on unscripted content allows DISC to create content at a fraction of the cost of peers like Disney, Amazon and Netflix which enables them to generate EBITDA margins that are nearly double those of its scripted peers. In addition, a substantial portion of their most popular content in the US is still in the early stages of being introduced internationally which should provide a tailwind for growth over the next several years. Further, our managing partner in this business is one of the most successful cable and media operators in the world in John Malone. We were able to acquire shares most recently at a multiple that values DISC, on a normalized basis, below the level it fell to during the height of the GFC. We estimate that our upside potential from here is upwards of 90% based on a multiple of 10x EV/EBITDA on a normalized basis, a level well below where global media peers traded pre-Covid and where strategic acquirors of global media businesses have transacted in the past.

Lastly, we turn to Janus Henderson (JHG). We believe the death of active management has been greatly exaggerated and our investment in Janus Henderson (JHG) reflects this long-held view. While JHG, like many active managers, has faced asset outflows over the last several years they have demonstrated consistently strong performance across their product offerings of late with 73% of their AUM outperforming their benchmarks on a 5-year basis. Moreover, they have been successful at maintaining relatively stable fee margins in the face of industry-wide fee compression. There are also early indications that the tide of outflows may have moderated as this past quarter witnessed the lowest level of net outflows since Q2-18. In addition, they have one of the strongest balance sheets in the sector with net cash equal to almost 20% of their market cap. JHG has also been quite shareholder friendly as in 2019 it returned almost 10% of its current market cap to shareholders in the form of stock buybacks and dividends and recently authorized another sizable stock buyback plan. Should JHG stem and reverse asset flows in the next 1-2 years we believe that they have the potential to deliver returns in excess of 50% even after a recent run-up. As we have noted here before, a noted activist has recently obtained a meaningful stake in JHG thus providing another potential catalyst for a substantial re-rating.

The above are a sampling of some of CVF's holdings that we believe provide substantial upside potential particularly in a global economic recovery and a return to normalcy.

Notes:

- 1) <https://www.bloomberg.com/news/articles/2020-10-28/virus-cases-are-spiking-just-when-they-could-hurt-trump-the-most?srnd=premium&sref=i9AaqAZq>
- 2) https://www.wsj.com/articles/france-emerges-as-covid-19-epicenter-as-cases-surge-across-europe-11603817793?mod=world_major_1_pos4

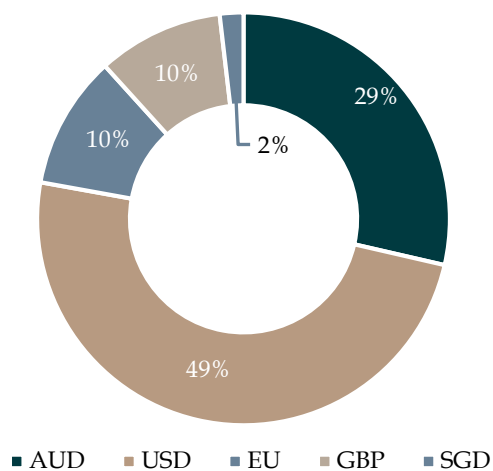


Fund Information

ASX ticker		CVF	INVESTMENT PERFORMANCE (Pre-tax, net of all costs)						
Month's net performance		0.5%		2015	2016	2017	2018	2019	2020
Last price (at 31 October 2020)		\$0.81	Jan	0.1%	0.0%	1.9%	6.5%	1.3%	2.2%
Pre-tax NTA		\$0.97	Feb	(0.3)%	0.0%	(2.6)%	(2.1)%	1.8%	(5.2)%
Premium/(Discount) to pre-tax NTA		(16.5)%	Mar	0.0%	2.9%	(1.0)%	(0.7)%	(0.1)%	(13.5)%
Fund AUM		A\$66.6m	Apr	0.7%	2.3%	3.5%	0.6%	1.3%	1.8%
Market capitalisation		A\$55.6m	May	2.1%	11.8%	2.2%	9.1%	(0.7)%	0.4%
Shares on issue		69,470,935	Jun	(1.4)%	(3.6)%	3.5%	3.2%	(0.2)%	(3.9)%
Current franked dividend yield		9.4%	Jul	2.0%	5.3%	1.7%	5.6%	(1.1)%	(3.3)%
Franking account balance		\$3.6m	Aug	(0.2)%	(6.8)%	3.0%	2.9%	0.3%	3.9%
Gross/Net equities exposure		55.2% / 55.2%	Sep	1.5%	0.6%	2.4%	(1.4)%	2.4%	0.3%
Cash weighting		44.8%	Oct	1.7%	2.3%	9.5%	(5.0)%	(0.7)%	0.5%
Geographic mandate (Equities)	Global (45% ex Aust.)		Nov	(0.2)%	(3.5)%	4.1%	(2.0)%	3.2%	
Fund Inception		5-Jan-15	Dec	(0.9)%	(2.5)%	(1.1)%	(2.8)%	0.8%	
			Total	5.1%	7.7%	30.3%	13.9%	8.6%	(16.6)%

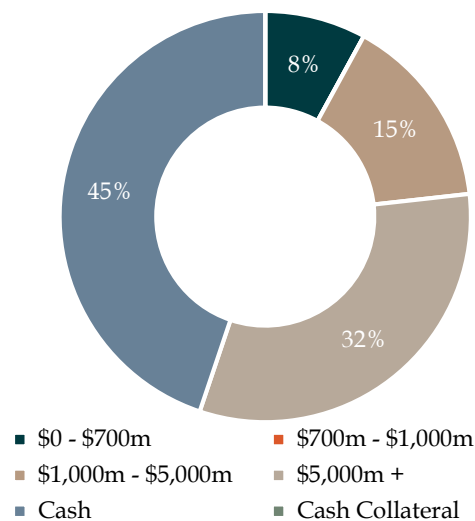
Portfolio Information

Currency Mix*

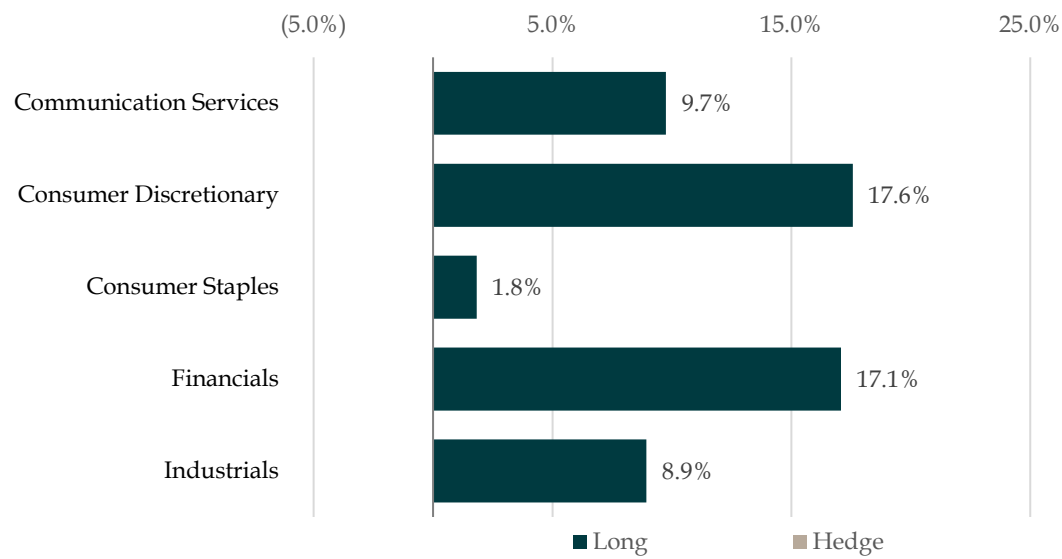


*Currency mix includes cash and equities

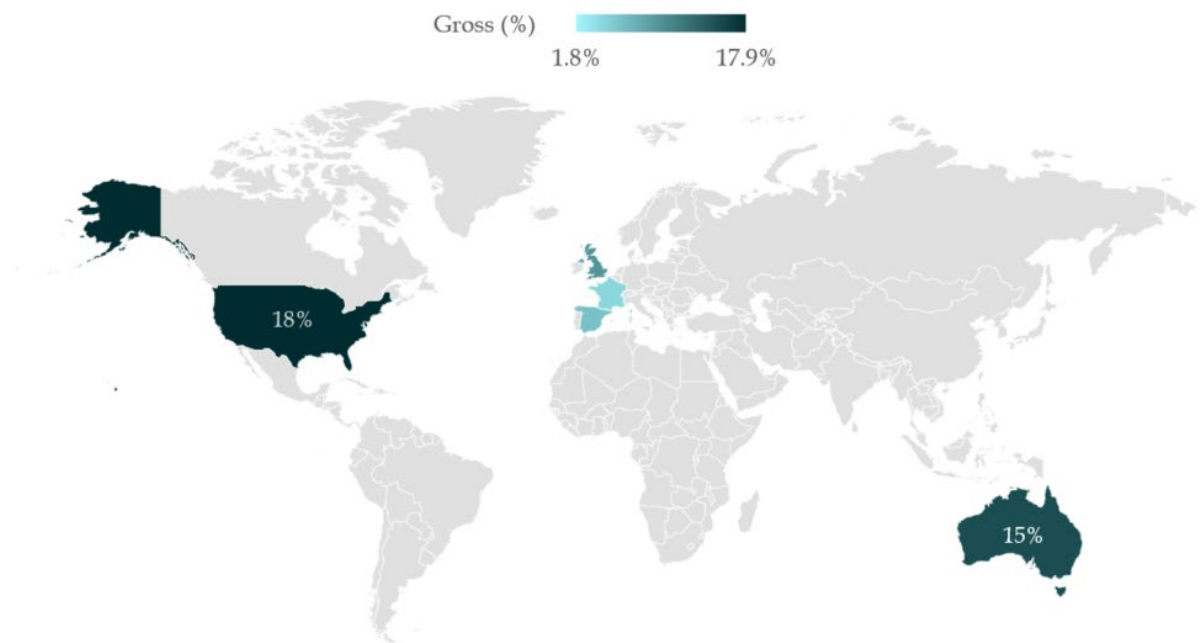
Market Cap Mix



Exposure by Sector



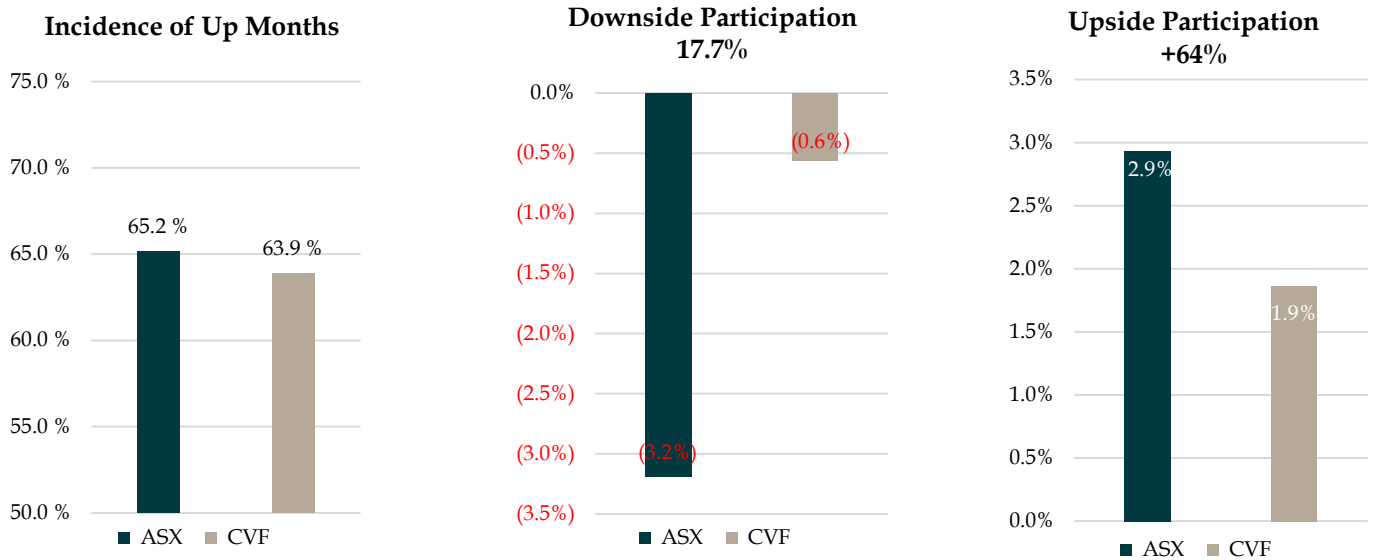
Equities Exposure by Country



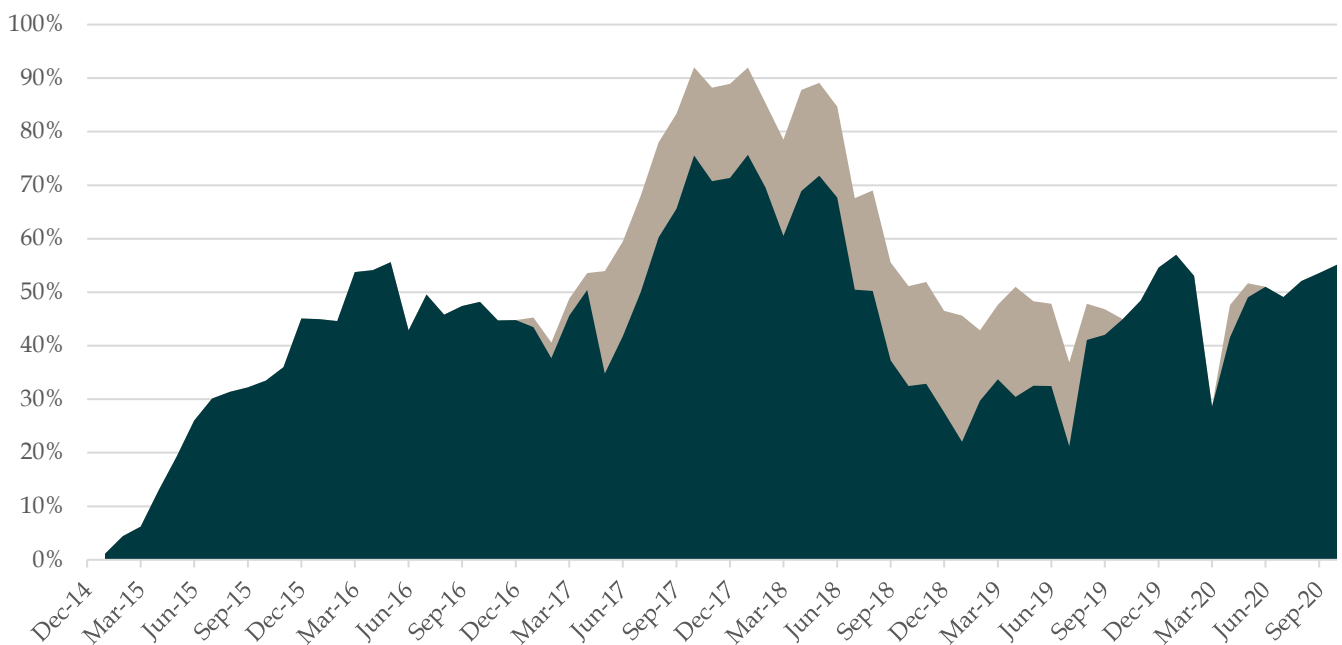
Country	Long	Hedge	Gross	Net
Australia	15.3%	-	15.3%	15.3%
United States of America	17.9%	-	17.9%	17.9%
Singapore	1.8%	-	1.8%	1.8%
United Kingdom	9.8%	-	9.8%	9.8%
France	4.4%	-	4.4%	4.4%
Spain	6.0%	-	6.0%	6.0%
Total	55.2%	-	55.2%	55.2%



Uncorrelated Returns: More positive months and negative correlation in months when market is down



Gross & Net Portfolio Exposures - Outperformance achieved with no portfolio leverage



On behalf of the Board of Contrarian Value Fund Limited,

Tom McDonald
Company Secretary



Important Information and Disclaimer

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Past performance is not indicative of future performance. Returns can be volatile. Potential investors should seek independent advice as to the suitability of a particular investment to their investment need.

