GLOBAL VALUE FUND LIMITED

ABN 90 168 653 521

Appendix 4D
Interim Financial Report
for the half-year ended 31 December 2021

Half-year report

This half-year ended report for Global Value Fund Limited (the "Company" or "GVF") is for the reporting period from 1 July 2021 to 31 December 2021.

Results for announcement to the market	31 December 2021	31 December 2020	Movement up/down	% mv't
	$	$	$	
Income from ordinary activities	27,695,546	30,339,839	(2,644,293)	(8.72)
Profit before tax for the period	21,769,310	24,218,584	(2,449,274)	(10.11)
Profit from ordinary activities after tax attributable to members	15,201,583	17,089,278	(1,887,695)	(11.05)

All comparisons are to the half-year ended 31 December 2020.

Dividends

The Company declared a fully-franked final dividend for FY2021 of 3.30 cents per share, which was paid on 8 November 2021. The record date for entitlement to the FY2021 final dividend was 1 October 2021.

Since the end of the half-year, the Company has declared a fully-franked interim dividend for FY2022 of 3.30 cents per share to be paid on 13 May 2022. The record date for entitlement to the interim dividend is 1 April 2022.

Dividend reinvestment plan

The Company's dividend reinvestment plan ("DRP") will be in effect for the FY2022 fully-franked interim dividend payment of 3.30 cents per share.

The DRP has been designed so that participants will always receive the lowest reinvestment price possible, without their reinvestment diluting the post-tax Net Tangible Asset ("NTA") of those shareholders who choose not to participate in the plan. When the Company's share price is greater than or equal to its NTA per share, dividends are paid as newly issued shares in the Company. If the share price for GVF is above the Company's NTA per share on the dividend ex-date, participating shareholders will be issued new shares at the greater of a 2.5% discount to the volume weighted average share price over the three trading days from the ex-date, or the NTA value per share of the Company on this day. If the share price for GVF is less than its NTA per share on the ex-date, cash available for distribution as dividends on shares subject to the DRP will be used to acquire the Company's shares on market in accordance with the terms set out in the plan. Details of the DRP are available on the Company's website, click here.

Shareholders who would like to participate in the DRP can enrol at www.investorserve.com.au, or alternatively contact the Company's share registrar, Boardroom, on 1300 737 760. The enrolment deadline for participation in the DRP for the FY2022 interim dividend is 5.00 pm (AEDT) Monday 4 April 2022.

Net tangible assets per Share	31 December 2021	31 December 2020
	$	$
Net tangible asset backing (per share) before tax	1.28	1.12
Net tangible asset backing (per share) after tax	1.20	1.08

December 2021 half-year review by the Portfolio Manager

"I used to think that if there was reincarnation, I wanted to come back as the President or the Pope, or as a .400 baseball hitter. But now I would like to come back as the bond market. You can intimidate everybody." - James Carville

Before writing these periodic reviews for shareholders, I always start by reading the market commentaries we penned in our monthly updates throughout the period. A reading of these from July to December 2021 comes across like something from the plotline of a cheap paperback thriller. The half-year begins following one of the most profitable investing periods in modern history. Virtually every asset class is enjoying extraordinary gains, the bulls are in ascendance in most market debates, for investors life couldn't be better. As you watch the six months unfold, however, the spectre of a terrifying villain starts to appear on the pages. At first the inflation prints markets are compelled to pay attention to seem almost quaint, a throwback to another era when rising inflation was something investors actually needed to worry about. Slowly, however, the inflation prints start to build. As the months go by, markets rise and fall as a new debate rages – are these increasingly disturbing inflation numbers going to be a temporary phenomenon or, heaven forfend, a new permanent feature of the landscape?

Like any good thriller, the plotline weaves in unexcepted twists. Just as the inflation numbers start to really scare us, the arrival of a new Covid variant, Omicron, placates market fears briefly. Surely more bad news on Covid means more government stimulus, and more central bank market support? While it might have seemed like a perverse logic, these are the two currents that have carried everything higher over the past 18-months. And for a brief window it seems this logic prevails. By late December though, the market narrative on inflation, and thus the risk of rising interest rates, finally capitulates. Looking at the US, year-on-year monthly inflation prints increased from 1.4% in January 2021, to a whopping 7% by December. The villain had become very real, and he was menacing the serene existence investors had become accustomed to.

In August of last year, markets were pricing in the first interest rate rise from the US Federal reserve in April 2023. Four months later, this had moved forward to March 2022, with a further two or three rate rises expected to follow this in quick succession. For markets that had been conditioned to think about money as essentially costless, such a quick repricing of interest rates presented significant risks, most notably for the high-growth technology companies whose market valuations have benefited the most as interest rates have fallen.

As it transpired, markets managed to limp through to January before recording a significant fallout from the shifting paradigm on inflation and interest rate risks. And while January saw a significant market correction, one that affected high-growth FANG stocks the most, over the December half-year we are reviewing, most asset classes still enjoyed a period of healthy gains.

In US$ terms, global share markets[1] rose by 5.6%[2] over the half-year, with a noticeable divergence between the fortunes of share markets in the developed world[3], and those in emerging markets[4]. The former rose by 7.8% over the period, while the latter fell 9.3%. For comparison, the Australian local share market rose by 3.8%.

In contrast to the gains seen in most developed share markets, debt investors had a more challenging time. Both the investment grade[5] and high-yield bond[6] markets were 1.3% lower over the period, while leveraged loans (floating rate debt) rose by 1.9%[7].

For Australian dollar investors like GVF, a 3.1% depreciation in the Australian dollar over the period correspondingly boosts all the returns above. For the December half, global shares markets rose by 9.0% and global debt markets by 1.9%, when both are measured in Australian dollars terms.

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1 Global share market returns refer to the MSCI All Country World Index.
2 All market returns quoted are total returns, including net dividends. Source: Bloomberg LLP.
3 As measured by the MSCI Developed World Index.
4 As measured by the MSCI Emerging Markets Index.
5 As measured by the Bloomberg Barclays Global Credit index.
6 As measured by the Bloomberg Barclays High-Yield index.
7 As measured by the S&P US and European Leveraged Loan indices.

Performance of the portfolio (continued)

For the half-year ended 31 December 2021, the Company's adjusted pre-tax NTA increased by 10.7%[8]. Pleasingly, GVF's investment returns for the period outperformed those of global equity markets, despite the fund running with a see-through equity market exposure of just 39%. For reference, our second largest exposure over the period was to debt securities (predominantly floating rate instruments), which comprised 22% of the portfolio on a see-through basis.

In terms of the attribution of our returns, the Company's discount capture strategy was the largest driver of performance, generating gross (pre-costs) returns of 9.2% over the half. As a reminder for investors, the returns we quote from our discount capture strategy essentially measure the amount of value we have unlocked from the underlying investments the Company has made around the world. As such, we believe it is the most relevant measure of any outperformance or underperformance from our approach. The 9.2% generated over the December half reflects another strong result from our core investment strategy. In addition to these returns, the fund also receives a second source of performance which comes from the underlying assets it has bought at a discount.

The most significant driver of returns during the period was a thematic we have discussed in depth in recent presentations and monthly reports – namely, a 'lag effect' in listed private equity funds. Put simply, we believed this 'lag effect' could see listed private equity funds trade at discounts to asset backing that are far larger than the official headline figures suggest. In effect it presented an opportunity to invest into global equity markets today at yesterday's (much cheaper) prices.

In early 2021, we identified several London-listed funds that we believed were trading at extremely large discounts to asset backing. These included Harbourvest Global Private Equity (HVPE), Pantheon International Participations (PIN) and NB Private Equity Partners (NBPE). Our thesis had been that the NTAs of these listed vehicles would eventually 'catch up' with earlier share market performance, making the true discounts clear.

Pleasingly, we saw this dynamic play out during the six-month period, with these funds enjoying very strong share price gains on the back of strong reported NTA growth, as well as a narrowing of the discounts to asset backing at which they trade. As such, HVPE was GVF's strongest contributor during the period, with PIN and NBPE also adding significantly to our returns. Another listed private equity fund also was a significant contributor, albeit for more idiosyncratic reasons. JPEL Private Equity Limited (JPEL), which is now several years into an orderly wind-down, reported a sale of its largest holding at a 19% premium to carrying value. This helped fund a redemption of approximately 50% of shares at asset backing, which represented a significant premium to the prevailing share price at the time.

Another significant contributor to half-year performance was Amedeo Air Four Plus (AA4) — an investment we discussed in the 2021 Annual Report, when it had been one of the few detractors from performance (albeit a modest one).

AA4 is a complicated and deeply discounted opportunity that we felt offered a compelling risk/reward opportunity due to: a large amount of surplus cash on the balance sheet; long-term Emirates leases that were paid in-full throughout the pandemic, which we believed on their own could fund an extremely attractive dividend yield; and, finally, potential upside from the eventual sale of assets above our conservative assumptions. Consistent with our growing conviction in the investment, GVF added to its holding during the period, most notably in July, when we took advantage of a large block transaction to purchase stock at a double-digit discount to the market price.

Towards the end of the period, the near-term positive catalysts we had been expecting played out as hoped. A key event was the signing of a restructured lease with Thai. While we had long since placed no value on the leases to Thai (which is currently emerging from a rehabilitation process) this restructuring was an important milestone which, we felt, would allow the board to reinstate a regular quarterly dividend. It also freed up some of the surplus cash that had been held back in case AA4 needed to repossess, maintain, and remarket these aircraft – surplus cash that could be returned to shareholders.

AA4 ended the calendar year announcing it would return £30M of capital, equivalent to 30% of the end-November market capitalisation, via a mandatory redemption. Through this redemption, GVF exited one-fifth of its investment approximately 50% above the pre-announcement share price, and c.65% above where it had acquired the block of stock in July.

[8] Adjusted NTA returns are net of all fees and expenses. NTA adjusted for tax payments and the effects of capital management. Source: Staude Capital Ltd.

Performance of the portfolio (continued)

GVF's remaining holding in AA4 also performed strongly as the company announced a reinstated dividend, the first instalment of which was paid in January 2022. While this dividend put the shares on an attractive high-teens yield, the board of AA4 has highlighted the possibility of increasing it in future, if prudent. We also believe there is the prospect of further distributions of surplus cash if and when international air travel normalises. As such, AA4 continues to remain a core holding in GVF, despite the share price performance over the December half.

Outlook

Looking ahead, the key driver of asset price returns over coming year will be how inflation, and thus interest rates, progresses from here. With current CPI prints of 7% and 5% in the US and Europe respectively, it is unsurprising to see some commentators beginning to make parallels to the 1970s, and the terrible toll runaway inflation took during that era. While such comparisons are attention grabbing, they seem to be poorly grounded arguments given what we know today. For one, it is clearly the case that much of the rapid rise in inflation we are seeing has come about from a base effect. Headline inflation prints are measures of inflation rates today versus this time a year ago, a time when the pandemic had greatly depressed economic activity. As prior year comparisons start to look more normal, it is highly likely that the prints we are seeing today will noticeably fall.

More relevantly, prior to the pandemic, the Gordian knot facing policy makers was the idea of 'secular stagnation'. Economic growth had consistently disappointed in the decade following the Global Financial Crisis (GFC), and with this, inflation had been running at levels that were far too low for central bankers' comfort. The drivers of secular stagnation are not completely understood, but they include powerful forces such as the ageing of rich-world societies, and technological innovations that are disrupting entire industries. Whether a global pandemic has suddenly wiped away the forces that have depressed inflation and growth for so long is a question that lands well above our paygrade. More important than the question itself, we believe, is how much uncertainty comes with any attempt to answer it. Today, the market is forecasting that inflation will fall back down almost as quickly as it has shot up. Yet it is still expected to settle roughly 0.5% to 1% higher than it was during the decade between the GFC and the Covid pandemic. If this turns out to be the case, then the gentle lift in interest rates that will follow may prove to be nothing more than a frustrating headwind that high-risk asset classes must work their way through. It should not spell disaster, rather, a more subdued level of future returns than investors have been accustomed to recently.

The more troubling alternative to this future path is one where inflation does not slow as quickly or as much as is currently priced in. This could readily become the case if the current very high inflation numbers we are seeing begin to get baked into future inflation expectations, notably through higher wage demands. Under this scenario the outlook becomes much more fraught. Historically, central banks attempt to curb such inflationary cycles tend to end in recessions. At the very least it would imply far higher interest rates than what are expected today, and with this a significant derating of valuations across many asset classes.

Fortunately, we believe GVF will be well placed to perform under either of these future scenarios. Our focus on generating returns from our discount capture strategy - and not broader market movements - means we are reasonably isolated from these bigger picture debates. Said more simply, our aim remains to generate reasonable investment returns for shareholders regardless of the prevailing market weather. Indeed, in recent years, our biggest challenge has been to keep pace with the extraordinarily high returns share markets have enjoyed in an ultra-low interest rate environment, given the lower risk underlying portfolio we run with. If future returns in high-risk asset classes are to become more subdued in the years ahead, a scenario that we think is most likely, then we believe GVF should offer a compelling alternative to the more traditional asset classes available to investors.

Global Value Fund Limited

ABN 90 168 653 521

Interim Financial Report
for the half-year ended 31 December 2021

Contents

Corporate Directory

Directors	Jonathan Trollip *Chairman & Independent Director* Chris Cuffe, AO *Independent Director* Geoffrey Wilson, AO *Director* Miles Staude *Director*
Company Secretary	Mark Licciardo Mertons Corporate Services Pty Ltd Level 7, 330 Collins Street Melbourne Victoria 3000
Investment Manager	Mirabella Financial Services LLP 130 Jermyn Street London SW1Y 4UR United Kingdom
Portfolio Manager	Miles Staude Staude Capital Limited[1] Beaumont City Tower 8th Floor, 40 Basinghall Street London EC2V 5DE United Kingdom Telephone: (44) 0203 874 2241
Administrator	Citco Fund Services (Australia) Pty Ltd Level 22, 45 Clarence Street Sydney NSW 2000
Auditors	Deloitte Touche Tohmatsu Level 9, 225 George Street Grosvenor Place Sydney NSW 2000 Telephone: (02) 9322 7000
Registered Office	Global Value Fund Limited C/- Mertons Corporate Services Pty Ltd Level 7, 330 Collins Street Melbourne Victoria 3000 Telephone: (03) 8689 9997
Share Registrar	Boardroom Pty Limited Level 12, 225 George Street Sydney NSW 2000 Telephone: (02) 9290 9600 Fax: (02) 9279 0664
Stock Exchange	Australian Securities Exchange (ASX) The home exchange is Sydney ASX code: GVF

[1] 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 Limited and has seconded the investment team at Staude Capital Limited to manage the Company's portfolio.

Directors' Report

The Directors of Global Value Fund Limited ("the Company") present their report together with the condensed interim financial report of the Company for the half-year ended 31 December 2021.

Global Value Fund Limited is a company limited by shares and is incorporated in Australia.

Directors

The following persons held office as Directors of the Company during the period:

Jonathan Trollip	Chairman & Independent Director
Chris Cuffe	Independent Director
Geoffrey Wilson	Director
Miles Staude	Director

Directors have been in office since the start of the period to the date of this report.

Principal Activity

The Company was established to provide investors with the opportunity to invest in global financial markets through a carefully constructed investment portfolio of financial assets trading at a discount to their underlying value.

To achieve its objective, the Company has appointed Mirabella Financial Services LLP ("Mirabella") to act as Investment Manager and Mirabella has seconded the investment team at Staude Capital Limited to manage the Company's portfolio. Staude Capital Limited is based in London and its investment team 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.

The portfolio held comprises mainly equities, bonds and closed ended funds that are listed on various international exchanges as well as cash deposits denominated in domestic and foreign currencies.

The Company's approach is designed to provide superior risk-adjusted returns compared to more traditional forms of international equity investing.

No change in this activity is anticipated in the future.

Review of Operations

For the half-year ended 31 December 2021, the Company's investment portfolio generated a 10.7% (2020: 16.6%) increase in adjusted pre-tax NTA, with the Company's discount capture strategy generating a 9.2% (gross) (2020: 16.1%) return over the period. Positive returns from this strategy represent outperformance (or alpha) over the underlying market and currency exposures of the Company's investment portfolio.

Investment operations over the half-year ended 31 December 2021 resulted in an operating profit before tax of $21,769,310 (2020: $24,218,584) and an operating profit after tax of $15,201,583 (2020: $17,089,278).

The net tangible asset backing for each ordinary share at 31 December 2021 after tax amounted to $1.20 (2020: $1.08). The net tangible asset backing for each ordinary share at 31 December 2021 before tax amounted to $1.28 (2020: $1.12).

Coronavirus ("Covid-19")

The Covid-19 pandemic remains a major global issue, and is likely to have ongoing impact on the market value of equity markets and future earnings from assets. The Investment Manager will continue to review the situation, and its impact on the Company's investment portfolio as new information emerges.

Dividend

The Company declared a fully-franked final dividend for FY2021 of 3.30 cents per share, which was paid on 8 November 2021. The record date for entitlement to the FY2021 final dividend was 1 October 2021.

The Company's dividend reinvestment plan ("DRP") was in effect for the payment of this dividend.

Events occurring after the reporting period

Since the end of the half-year, the Company has declared a fully-franked interim dividend for FY2022 of 3.30 cents per share to be paid on 13 May 2022. The record date for entitlement to the interim dividend is 1 April 2022.

The Company's DRP will be in effect for the interim FY2022 dividend payment.

The DRP participation enrolment deadline for the interim dividend is 5.00 pm (AEDT) Monday 4 April 2022.

During the month of February 2022, the Company changed its custodian from Credit Suisse AG, Dublin Branch to Goldman Sachs International.

Other than the above, no other matter or circumstance has occurred subsequent to period end that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial periods.

Rounding of amounts to the nearest dollar

The Company is of the kind referred to in ASIC Corporations (Rounding in Financials/ Directors' Reports) Instrument 2016/191, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the Directors' Report and the half-year financial report are rounded to the nearest dollar, unless otherwise indicated.

Auditor's independence declaration

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* in relation to the review for the half-year is set out on page 4 of this financial report.

Signed in accordance with a resolution of Directors made pursuant to S.306(3) of the *Corporations Act 2001.*

Jonathan Trollip
Chairman

Sydney
28 February 2022

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28 February 2022

The Board of Directors
Global Value Fund Limited
C/- Mertons Corporate Services Pty Ltd
Level 7, 330 Collins Street
Melbourne Victoria 3000

Dear Board Members,

Auditor's Independence Declaration to Global Value Fund Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Global Value Fund Limited (the "Company").

As lead audit partner for the review of the financial statements of Global Value Fund Limited for the half year ended 31 December 2021, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- any applicable code of professional conduct in relation to the review.

Yours sincerely

DELOITTE TOUCHE TOHMATSU

DELOITTE TOUCHE TOHMATSU

David Salmon

David Salmon
Partner
Chartered Accountants

Condensed Statement of Profit or Loss and Other Comprehensive Income

	Notes	31 December 2021 $	31 December 2020 $
Income			
Net realised gains on disposal of investments		12,230,001	9,315,710
Net unrealised gains on market value movement of investments		10,498,278	18,850,967
Net realised (losses)/ gains on foreign exchange movement		(367,098)	1,045,905
Net unrealised (losses) on foreign exchange movement		(48,187)	(4,112,679)
Interest income		317,046	424,060
Dividend income		5,062,976	4,813,352
Other income		2,530	2,524
Total income		**27,695,546**	30,339,839
Expenses			
Management fees		(1,511,850)	(1,139,983)
Performance fees		(3,129,690)	(3,696,575)
Administration fees		(172,362)	(137,506)
Brokerage and clearing expenses		(335,651)	(431,782)
Accounting fees		(15,400)	(14,000)
Share registry fees		(33,000)	(42,609)
Dividends paid on borrowed stock		(129,147)	(35,986)
Interest expense		(329,221)	(380,142)
Tax fees		(27,845)	(21,450)
Directors' fees		(42,500)	(42,500)
Legal fees		(61,959)	(77,022)
Secretarial fees		(18,211)	(16,656)
ASX fees		(37,713)	(23,333)
Audit fees		(27,295)	(21,000)
Other expenses		(54,392)	(40,711)
Total expenses		**(5,926,236)**	(6,121,255)
Profit before income tax		**21,769,310**	24,218,584
Income tax (expense)		(6,567,727)	(7,129,306)
Profit attributable to members of the Company		**15,201,583**	17,089,278
Other comprehensive income for the period, net of tax		-	-
Total comprehensive income for the period		**15,201,583**	17,089,278
		Cents	**Cents**
Earnings per share for profit attributable to the ordinary equity holders of the Company:			
Basic and diluted earnings per share	**10**	**8.78**	11.43

The above Condensed Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Condensed Statement of Financial Position

	Notes	31 December 2021 $	30 June 2021 $
Assets			
Cash and cash equivalents		-	-
Trade and other receivables	**3**	458,273	727,025
Financial assets at fair value through profit or loss	**6**	256,722,198	238,174,918
Total assets		**257,180,471**	238,901,943
Liabilities			
Bank overdraft	**4**	23,851,645	15,145,470
Trade and other payables	**5**	3,443,492	8,722,526
Financial liabilities at fair value through profit or loss	**6**	8,531,603	6,745,673
Current tax liability		3,215,219	3,547,931
Deferred tax liabilities		10,396,471	7,192,180
Total liabilities		**49,438,430**	41,353,780
Net Assets		**207,742,041**	197,548,163
Equity			
Issued capital	**8**	178,521,377	177,820,166
Profits reserve	**9**	44,195,799	34,705,755
Accumulated losses	**9**	(14,975,135)	(14,977,758)
Total equity		**207,742,041**	197,548,163

The above Condensed Statement of Financial Position should be read in conjunction with the accompanying notes.

Condensed Statement of Changes in Equity

	Notes	Contributed equity $	Profits reserve $	Accumulated losses $	Total equity $
Balance at 1 July 2021		177,820,166	34,705,755	(14,977,758)	197,548,163
Profit for the period		-	-	15,201,583	15,201,583
Transfer of profits during the period	**9**	-	15,198,960	(15,198,960)	-
Transactions with owners:-					
Shares issued on dividends reinvested	**8**	701,211	-	-	701,211
Dividends paid	**2**	-	(5,708,916)	-	(5,708,916)
Balance at 31 December 2021		**178,521,377**	**44,195,799**	**(14,975,135)**	**207,742,041**
Balance at 1 July 2020		151,350,505	11,687,506	(14,977,758)	148,060,253
Profit for the period		-	-	17,089,278	17,089,278
Transfer of profits during the period		-	17,089,278	(17,089,278)	-
Transactions with owners:-					
Shares issued on dividends reinvested		448,192	-	-	448,192
Shares issued on share purchase plan and shortfall placement		25,638,395	-	-	25,638,395
Share purchase plan costs		(159,928)	-	-	(159,928)
Dividends paid	**2**	-	(4,287,030)	-	(4,287,030)
Balance at 31 December 2020		177,277,164	24,489,754	(14,977,758)	186,789,160

The above Condensed Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Condensed Statement of Cash Flows

	31 December 2021 $	31 December 2020 $
Cash flows from operating activities		
Proceeds from sale of investments	133,661,602	135,247,452
Payment for investments	(138,779,915)	(136,207,007)
Proceeds from return of capital on investments	9,744,876	-
Realised foreign exchange (losses)/ gains	(367,098)	1,045,905
Dividends received	4,921,823	4,899,833
Interest received	317,046	463,260
Other income received	2,530	2,524
Interest paid	(340,529)	(359,033)
Management fees paid	(1,508,594)	(1,090,123)
Performance fees paid	(6,712,790)	-
Dividends paid on borrowed stock	(129,119)	(48,935)
Income tax paid	(3,696,148)	(641,513)
Payments for other expenses	(763,967)	(862,814)
Net cash (used in)/ provided by operating activities	**(3,650,283)**	2,449,549
Cash flows from financing activities		
Shares issued on share purchase plan and shortfall placement, net of costs	-	25,478,467
Dividends paid	(5,007,705)	(3,838,837)
Net cash (used in)/ provided by financing activities	**(5,007,705)**	21,639,630
Net (decrease)/ increase in cash and cash equivalents held	**(8,657,988)**	24,089,179
Cash and cash equivalents at the beginning of the financial period	**(15,145,470)**	(2,040,146)
Effects of foreign currency exchange rate changes on cash and cash equivalents	(48,187)	(4,112,679)
Cash and cash equivalents at end of period	**(23,851,645)**	17,936,354
Non cash financing activities		
Dividends reinvested	**701,211**	448,192

The above Condensed Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to the financial statements

1 Significant accounting policies

These condensed interim financial statements and notes for the half-year represent those of Global Value Fund Limited ("the Company").

The interim financial statements were authorised for issue on 28 February 2022 by the Board of Directors.

Basis of preparation

These condensed interim financial statements for the half-year reporting period ended 31 December 2021 have been prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standard AASB 134 *Interim Financial Reporting.*

These interim financial statements do not include full disclosures of the type normally included in an annual financial report. Accordingly, it is recommended that this report be read in conjunction with the Annual Financial Report of the Company for the year ended 30 June 2021 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements arising under the *Corporations Act 2001*.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected financial assets and financial liabilities.

In accordance with ASIC Corporations (rounding in Directors' Reports) Instrument 2016/191, the amounts in the Directors' Report and the half-year financial report have been rounded to the nearest dollar, unless otherwise stated.

(a) Comparatives

Where required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(b) New and amended accounting standards adopted

The Company has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current half-year.

(c) New and amended accounting standards not adopted

No other new accounting standards and interpretations that are available for early adoption but not yet adopted at 31 December 2021, will result in any material change in relation to the financial statements of the Company.

2 Dividends

(a) Fully franked dividends declared during the period

	2021 $	2020 $
3.30 cents per share declared on 30 August 2021 and paid on 8 November 2021	5,708,916	-
2.90 cents per share declared on 21 August 2020 and paid on 9 November 2020	-	4,287,030
	5,708,916	4,287,030

(b) Dividends not recognised at the end of the financial period

Since period end, the Directors have declared a fully-franked interim dividend of 3.30 cents per fully paid ordinary share. The aggregate amount of the dividend with an ex-date of 31 March 2022 and a record date of 1 April 2022, expected to be paid on 13 May 2022 out of the profits reserve at 31 December 2021, but not recognised as a liability at period end, is:	**5,728,910**	5,173,700

(c) Dividend reinvestment plan

The Company's dividend reinvestment plan ("DRP") will be in effect for the FY2022 fully-franked interim dividend payment of 3.30 cents per share.

2 Dividends (continued)

(c) Dividend reinvestment plan (continued)

The DRP has been designed so that participants will always receive the lowest reinvestment price possible, without their reinvestment diluting the post-tax Net Tangible Asset ("NTA") of those shareholders who choose not to participate in the plan. When the Company's share price is greater than or equal to its NTA per share, dividends are paid as newly issued shares in the Company. If the share price for GVF is above the Company's NTA per share on the dividend ex-date, participating shareholders will be issued new shares at the greater of a 2.5% discount to the volume weighted average share price over the three trading days from the ex-date, or the NTA value per share of the Company on this day. If the share price for GVF is less than its NTA per share on the ex-date, cash available for distribution as dividends on shares subject to the DRP will be used to acquire the Company's shares on market in accordance with the terms set out in the plan.

There are no costs to participate in the plan and shareholders can discontinue their participation in the plan at any time.

	31 December 2021 $	30 June 2021 $
3 Trade and other receivables		
Unsettled trades	-	388,452
Dividends receivable	191,018	49,865
GST receivable	61,084	47,861
Withholding tax recoverable	119,660	119,660
Other receivable	86,511	121,187
	458,273	727,025

Receivables are non-interest bearing, unsecured and expected to be recovered within 12 months.

4 Bank overdraft

Australian Dollar	(13,379,866)	(14,834,814)
United States Dollar	(14,887,378)	(23,321,555)
Pound Sterling	59,385,741	59,101,118
Euro	(6,715,128)	(3,664,239)
Hong Kong Dollar	(551,724)	(2,135,040)
	23,851,645	15,145,470

The Company operates a multi-currency bank account and thus enters into transactions that are denominated in currencies other than its functional currency (AUD). As disclosed in the table above, the Company has an exposure to USD, EUR, GBP and other currencies, through this multi-currency bank account. On the Statement of Financial Position, total cash and cash equivalents/bank overdraft includes the net AUD equivalent of the underlying currencies as at 31 December 2021.

5 Trade and other payables

Management fees payable	64,027	60,772
Performance fees payable	3,129,690	6,712,790
Unsettled trades	31,471	1,760,290
Dividends payable	2,807	2,779
Interest payable	44,086	55,395
Administration services payable	31,735	33,814
Audit fees payable	21,630	33,990
Other accruals and payables	118,046	62,696
	3,443,492	8,722,526

Trade and other payables are non-derivative financial liabilities. Management fees payable to the Portfolio Manager are usually paid within 30 days of recognition. Performance fees are accrued monthly and paid out annually. All other trade and payables are due within 12 months of the reporting date.

6 Fair value measurements

The Company measures and recognises its financial assets and financial liabilities at fair value through profit or loss ("FVTPL") on a recurring basis.

(a) Fair value hierarchy

AASB 13: Fair Value Measurement requires the disclosure of fair value information using a fair value hierarchy reflecting the significance of the inputs in making the measurements. The fair value hierarchy consists of the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

6 Fair value measurements

(i) Recognised fair value measurements

The following table presents the Company's assets and liabilities measured and recognised at fair value at 31 December 2021.

At 31 December 2021	Level 1 $	Level 2 $	Level 3 $	Total $
Financial assets at FVTPL				
Australian and overseas listed equity securities	243,723,926	-	9,066,284	252,790,210
Derivative financial instruments [1]	-	18,855	-	18,855
Convertible corporate bonds	-	-	3,913,133	3,913,133
Total financial assets	**243,723,926**	**18,855**	**12,979,417**	**256,722,198**
Financial liabilities at FVTPL				
Australian and overseas listed equity securities sold short *	(8,531,421)	-	-	(8,531,421)
Derivative financial instruments [1]	-	(182)	-	(182)
Total financial liabilities	**(8,531,421)**	**(182)**	**-**	**(8,531,603)**

[1] The fair value of derivatives included in Level 2 of the fair value hierarchy are $18,855 and ($182) respectively. The notional values of these derivatives are ($5,446,239) and $1,043 respectively.

At 30 June 2021	Level 1 $	Level 2 $	Level 3 $	Total $
Financial assets at FVTPL				
Australian and overseas listed equity securities	220,558,320	-	10,695,239	231,253,559
Derivative financial instruments [2]	-	44,037	-	44,037
Convertible corporate bonds	2,924,129	-	3,953,193	6,877,322
Total financial assets	223,482,449	44,037	14,648,432	238,174,918
Financial liabilities at FVTPL				
Australian and overseas listed equity securities sold short *	(6,745,493)	-	-	(6,745,493)
Derivative financial instruments [2]	-	(180)	-	(180)
Total financial liabilities	(6,745,493)	(180)	-	(6,745,673)

[2] The fair value of derivatives included in Level 2 of the fair value hierarchy are $44,037 and ($180) respectively. The notional values of these derivatives are ($2,929,857) and $1,032 respectively.

* Any securities sold short by the Company are for hedging purposes only.

(a) Movements in asset classes categorised as Level 3:

	31 December 2021 $	30 June 2021 $
Opening balance	14,648,432	10,624,018
Transfers during the period/ year	-	3,033,352
Disposals and movement in market value during the period/ year	(1,693,701)	(2,868,504)
Acquisitions during the period/ year	24,686	3,859,566
Closing balance	**12,979,417**	14,648,432

6 Fair value measurements

(i) Recognised fair value measurements (continued)

(b) Valuation techniques and inputs for Level 3 Fair Values:

Name of Investments	Fair value at 31 December 2021 $	Fair value at 30 June 2021 $	Valuation Technique	Description of valuation technique and inputs used in respect of underlying asset
Boussard & Gavaudan Eire Fund Class A EUR	7,037,514	6,439,303	Discount to Net asset value ("NAV")	In October 2019, GVF elected to convert its holding in a listed closed end fund into an unlisted fund called Boussard & Gavaudan Eire Fund Class A EUR. Redemptions of this fund are limited to 4% per month from 2022. To value the security, the Portfolio Manager uses a straight-line tightening of the discount to NAV, starting with the last trade price before delisting and ending at parity in 2024, when GVF expects to have redeemed its entire position. The discount used in December 2021 is 13.2% (June 2021: 15.44%).
Ceiba Investment 10% CB Mar 2026	3,913,133	3,953,193	Par Value	This is a debt instrument issued on 31st March 2021 at an issue price of EUR 1. It pays quarterly coupons at 10% p.a. The debt will be held to maturity and only impaired if there are reasonable grounds to do so.
Highbridge Multi Strategy Fund	520,943	590,648	Discount to Net asset value ("NAV")	The liquidation pool of an investment trust that has returned 93% of capital since September 2019. To value the security the Portfolio Manager applies a 10% discount to NAV for the remaining assets.
Monash Absolute Investment Company	387,004	1,320,847	Discount to Net asset value ("NAV")	To value the security, the Portfolio Manager estimates a net asset value for the fund based on the last published information and market valuation of its underlying holdings and then applies a 16% discount to reflect the expected realisable value of those holdings.
East Capital Eastern Europe Small Cap Fund	315,444	366,985	Discount to Net asset value ("NAV")	Eastern Europe Small Cap Fund, previously named East Capital Deep Value Fund, invests in small and medium sized companies with lower liquidity and performance potential. Eastern Europe Small Cap Fund began liquidating its positions late in 2019 and returning capital to investors. A monthly NAV continues to be published monthly where the Portfolio Manager models the change in price and currency, since the last published NAV, on the underlying holdings, to obtain a NAV estimate. Given the lack of liquidity in the investment (and the underlying holdings of Eastern Europe Small Cap Fund), the Company has applied an estimated liquidity discount of 23% which is based on the discount applied to the last traded parcel and reflects the low liquidity of the underlying holdings.
Henderson Alternative Strategies Trust	290,597	1,375,833	Discount to Net asset value ("NAV")	To value the security, the Portfolio Manager estimates a net asset value for the fund based on the last published information and market valuation of its underlying holdings and then applies a 20% discount to reflect the expected realisable value of those holdings.

6 Fair value measurements (continued)

(i) Recognised fair value measurements (continued)

(b) Valuation techniques and inputs for Level 3 Fair Values (continued):

Name of Investments	Fair value at 31 December 2021 $	Fair value at 30 June 2021 $	Valuation Technique	Description of valuation technique and inputs used in respect of underlying asset
Chenavari Capital Solutions	111,787	113,439	Discount to Net asset value ("NAV")	To value the security, the Portfolio Manager takes the available published net asset value and applies a 44.6% discount. The discount equates to the average discount on which it traded prior to delisting.
Blue Capital Alternative Income Fund	88,845	195,593	Discount to Net asset value ("NAV")	An investment trust in liquidation that owns a portfolio of global catastrophe reinsurance contracts. The Portfolio Manager values the investment at the last traded discount prior to delisting relative to an estimate of NAV. The last traded discount to NAV was 10.2%. Since delisting in July 2018, the trust announces a new quarterly NAV mid-way through the first month of the following quarter. The Portfolio Manager estimates the NAV by considering industry loss estimates, portfolio exposures and comparable vehicle performance.
Others	314,150	292,591	Discount to Net asset value ("NAV")	These are funds in late stages of liquidation with few remaining assets. They are marked at discounts to the available asset values to reflect the uncertainty around realisation.
TOTAL	**12,979,417**	14,648,432		

6 Fair value measurements (continued)

(c) Valuation sensitivity:

The following summarises the financial impacts of a hypothetical 5% increase and decrease in the estimated discount to NAV of the Level 3 investments:

A 5% increase/ decrease in the estimated discount to NAV of Boussard & Gavaudan Eire Fund Class A EUR would increase/ decrease the estimated fair value by $405,387 (2021: $380,753).

A 5% increase/ decrease in the par value of Ceiba Investment would increase/ decrease the estimated fair value by $195,657 (2021: $197,660).

A 5% increase/ decrease in the estimated discount to NAV of Highbridge Multi Strategy Fund would increase/ decrease the estimated fair value by $28,941 (2021: $32,814).

A 5% increase/ decrease in the estimated discount to NAV of Monash Absolute Investment Company would increase/ decrease the estimated fair value by $23,036 (2021: $78,622).

A 5% increase/ decrease in the estimated discount to NAV of East Capital Eastern Europe Small Cap Fund would increase/ decrease the estimated fair value by $20,483 (2021: $23,830).

A 5% increase/ decrease in the estimated discount to NAV of Henderson Alternative Strategies Trust would increase/ decrease the estimated fair value by $18,162 (2021: $85,990).

A 5% increase/ (decrease) in the estimated discount to NAV of Chenavari Capital Solutions would increase/ (decrease) the estimated fair value by $10,089 (2021: $10,238).

A 5% increase/ (decrease) in the estimated discount to NAV of Blue Capital Alternative Income Fund would increase/ (decrease) the estimated fair value by $4,947 (2021: $10,890).

There were no transfers of financial assets from Level 1 to Level 3 (30 June 2021: $3,033,352) and no transfers of financial assets from Level 2 to Level 3 of the fair value hierarchy during the period (30 June 2021: $nil).

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Cash and cash equivalents and trade and other receivables are short-term assets whose carrying amounts are equivalent to their fair values.

7 Segment information

The Company has only one reportable segment. The Company is engaged solely in investment activities, deriving revenue from dividend income, interest income and from the sale of its investments.

The Company continues to have foreign exposure as it invests in companies that operate internationally.

8 Issued capital

(a) Share capital

	31 December 2021 No of shares	31 December 2021 $	30 June 2021 No of shares	30 June 2021 $
Ordinary shares	**173,603,345**	**178,521,377**	172,997,441	177,820,166

(b) Movements in ordinary share capital

	Number of shares	Issue price	$
31 December 2021			
Opening balance at 1 July 2021	172,997,441		177,820,166
Shares issued to participants in the dividend reinvestment plan [1]	605,904	$1.16	701,211
Closing balance	**173,603,345**		**178,521,377**
30 June 2021			
Opening balance at 1 July 2020	147,828,607		151,350,505
Shares issued to participants in the dividend reinvestment plan	440,887	$1.02	448,192
Shares issued under the Share Purchase Plan and Placement	24,187,165	$1.06	25,638,395
Share Purchase Plan costs			(199,417)
Shares issued to participants in the dividend reinvestment plan	540,782	$1.08	582,491
Closing balance	172,997,441		177,820,166

[1] Under the terms of the Dividend Reinvestment Plan ('DRP'), 605,904 shares were issued at $1.1573 per share on 8 November 2021.

The DRP allows shareholders to acquire additional shares in the Company. Shareholders have the option of either enrolling all their shares in the plan or nominating a specific number of shares that will be subject to reinvestment.

The DRP has been designed so that DRP participants will always receive the lowest reinvestment price possible, without their reinvestment diluting the net tangible asset value per share of those shareholders who choose not to participate in the plan.

There are no costs to participate in the DRP and shareholders can discontinue their participation in it at any time.

	31 December 2021 $	30 June 2021 $
9 Profits reserve and accumulated losses		
(a) Profits reserve		
Profits reserve	**44,195,799**	34,705,755
Movements:		
Opening balance	34,705,755	11,687,506
Transfer of profits during the period/ year	15,198,960	32,478,975
Dividends paid	(5,708,916)	(9,460,726)
Balance as at the end of the period/ year	**44,195,799**	34,705,755
(b) Accumulated losses		
Accumulated losses	**(14,975,135)**	(14,977,758)
Movements:		
Opening balance	(14,977,758)	(14,977,758)
Net profit for the period/ year	15,201,583	32,478,975
Transfer of profits during the period/ year	(15,198,960)	(32,478,975)
Balance as at the end of the period/ year	**(14,975,135)**	(14,977,758)

	31 December 2021 $	31 December 2020 $
10 Earnings per share		
Profit after income tax used in the calculation of basic and diluted earnings/ (loss) per share	**15,201,583**	17,089,278
	Cents	**Cents**
(a) Basic and diluted earnings per share		
Basic and diluted earnings per share attributable to the ordinary equity holders of the Company	**8.78**	11.43
(c) Weighted average number of shares used as denominator	**No. of shares**	**No. of shares**
Weighted average number of ordinary shares outstanding during the period used in calculating basic and diluted earnings per share	**173,168,610**	149,563,094

As at the end of the period, there are no outstanding securities that are potentially dilutive in nature for the Company.

11 Contingencies and commitments

The Company had no material contingent liabilities or commitments as at 31 December 2021 (30 June 2021: nil).

12 Coronavirus ("Covid-19")

The Covid-19 pandemic remains a major global issue, and is likely to have ongoing impact on the market value of equity markets and future earnings from assets. The Investment Manager will continue to review the situation, and its impact on the Company's investment portfolio as new information emerges.

13 Events occurring after the reporting period

Since the end of the half-year, the Company has declared a fully-franked interim dividend for FY2022 of 3.30 cents per share to be paid on 13 May 2022. The record date for entitlement to the interim dividend is 1 April 2022.

The Company's DRP will be in effect for the interim FY2022 dividend payment.

The DRP participation enrolment deadline for the interim dividend is 5.00 pm (AEDT) Monday 4 April 2022.

During the month of February 2022, the Company changed its custodian from Credit Suisse AG, Dublin Branch to Goldman Sachs International.

Other than the above, no other matter or circumstance has occurred subsequent to period end that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial periods.

Directors' Declaration

In accordance with a resolution of the Directors of Global Value Fund Limited ("the Company"), the Directors of the Company declare that:

(a) the interim financial statements and notes, as set out on pages 5 to 16 are in accordance with the *Corporations Act 2001,* including:

(i) complying with Accounting Standard AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001* and any other mandatory professional reporting requirements; and

(ii) giving a true and fair view of the Company's financial position as at 31 December 2021 and of its performance as represented by the results of the operations and the cash flows, for the half-year ended on that date.

(b) At the date of this declaration, in the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to S.303(5) of the *Corporations Act 2001.*

Jonathan Trollip
Chairman

Sydney
28 February 2022

Deloitte.

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Independent Auditor's Review Report to the Board of Directors of Global Value Fund Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Global Value Fund Limited (the "Company"), which comprises the condensed statement of financial position as at 31 December 2021, and the condensed statement of profit or loss and other comprehensive income statement, the condensed statement of cash flows and the condensed statement of changes in equity for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration as set out on pages 5 to 17.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Company is not in accordance with the Corporations Act 2001, including:

- Giving a true and fair view of the Company's financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and
- Complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Half-year Financial Report section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Directors' Responsibilities for the Half-year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Deloitte.

Auditor's Responsibilities for the Review of the Half-year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the Company's financial position as at 31 December 2021 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

DELOITTE TOUCHE TOHMATSU

DELOITTE TOUCHE TOHMATSU

David Salmon

David Salmon
Partner
Chartered Accountants
Canberra, 28 February 2022