

**GLOBAL VALUE FUND LIMITED**

**ABN 90 168 653 521**

**Appendix 4D  
Interim Financial Report  
for the half-year ended 31 December 2022**

## 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 2022 to 31 December 2022.

Results for announcement to the market	31 December 2022	31 December 2021	Movement up/down	% mv't
	\$	\$	\$	
Income from ordinary activities	21,163,626	27,695,546	(6,531,920)	(23.58)
Profit before tax for the period	15,811,727	21,769,310	(5,957,583)	(27.37)
Profit from ordinary activities after tax attributable to members	11,159,324	15,201,583	(4,042,259)	(26.59)

*All comparisons are to the half-year ended 31 December 2021.*

## Dividends

The Company declared a fully-franked final dividend for FY2022 of 3.30 cents per share, which was paid on 8 November 2022. The record date for entitlement to the FY2022 final dividend was 3 October 2022.

Since the end of the half-year, the Company has declared a fully-franked interim dividend for FY2023 of 3.30 cents per share to be paid on 15 May 2023. The record date for entitlement to the interim dividend is 3 April 2023.

## Dividend reinvestment plan

The Company's dividend reinvestment plan (“DRP”) will be in effect for the FY2023 fully-franked interim dividend payment of 3.30 cents per share.

The Company updated its DRP Rules from 26 July 2022. The key change to the updated DRP Rules has been a move from defining Net Tangible Asset (“NTA”) as “post-tax” to “pre-tax” NTA.

The DRP has been designed so that participants will always receive the lowest reinvestment price possible, without their reinvestment diluting the pre-tax 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 pre-tax 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 pre-tax NTA per share on the dividend 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](http://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 FY2023 interim dividend is 5.00 pm (AEDT) Tuesday 4 April 2023.

Net tangible assets per Share	31 December 2022	31 December 2021
	\$	\$
Net tangible asset backing (per share) before tax	1.16	1.28
Net tangible asset backing (per share) after tax	1.14	1.20

## **December 2022 half-year review by the Portfolio Manager**

The driving force across financial markets for the past 18-months, has been the reappearance of worryingly high levels of inflation throughout developed world economies. Having spent the decade between the global financial crisis and the pandemic dealing with inflation that was too low, central bankers have, with very little warning, been presented with the opposite problem. At stake in confronting this is not just the mundane sounding problem of 'maintaining price stability', but the hard-won inflation fighting credibility of central banks themselves.

Having initially been too slow to respond during the latter part of 2021, policy makers spent most of 2022 trying to get out ahead of the problem. The result was one of the fastest policy tightening cycles on record. From a financial markets' perspective, most of the pain from this was felt during the first half of calendar 2022. From the end of December 2021 to the end of June 2022, global equity<sup>1</sup> and bond<sup>2</sup> markets fell considerably - in US\$ terms, by 20.2% and 15.6% respectively. What was striking about these falls was both their magnitude, and the fact that both asset classes recorded such steep falls at the same time. Conventional asset management theory typically seeks to create portfolios that combine both asset classes, under the assumption that they rarely move in the same direction at the same time. Sadly, holding bonds and shares together during the first half of 2022 greatly amplified investment risk instead of ameliorating it.

Turning to the December half of 2022, and the 6-month period of our review, what is noteworthy is that, by and large, market forces had normalised. That might seem an odd thing to say with inflation rates near double digits in many countries, central banks continuing to tighten policy, and a lot of hyperbole around this from market commentators. However, by the middle of 2022, most of the painful adjustments that central banks needed to deliver were done, both in terms of the actual tightening of monetary policy, and in terms of setting the markets expectations around the relatively modest amounts of tightening that was still to come. It is true that the investment landscape we are confronted with today looks very different to the one we have been used to for many years: in the US, short term interest rates have rarely been much above zero for the past 14 years, yet today they sit at 4.5%. Nevertheless, for the forward-looking market, by July 2022 the necessary adjustment to this 'new normal' was largely complete.

Over the December half-year period, financial markets were largely range-bound, a feature of the fact that while we don't know exactly when the current tightening cycle will end, the finish line is now clearly in sight. The arguments today are whether the US Fed is going to raise interest rates by a final 0.25% or 0.5%, not whether there is a further 2% or 4% of tightening to come. In US\$ terms, global share markets eked out a 2.3% gain during the December half, while global bond markets fell 1.6%. Most major currencies were also little changed against the US\$ over the period, as were key commodities such as Oil, Gold, and Copper (a notable exception to this was Iron Ore, which rose by 15.7% over the period). Indeed, given the volatility of asset classes like Oil and global share markets, what is most striking is how little prices moved over a 6-month window.

In Australian dollar terms, which is the base currency from which GVF invests internationally, global share markets rose 3.6% and global bond markets fell 0.3%. In comparison, GVF generated adjusted NTA returns<sup>3</sup> of 8.1% over the period, while shareholder total returns were 6.1%. For calendar year 2022, which includes the large market correction that took place in the first half of the year, GVF's adjusted NTA returns, and shareholder total returns were both +0.4%, which compares very favourably to global share and bond market returns of -13.0% and -11.5%, when measured in Australian dollar terms.

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<sup>1</sup> Global share markets refer to the total return (price and dividends) of the MSCI All Country World Equity Index

<sup>2</sup> Global bond markets refer to the Bloomberg Barclays Global Credit Total Return Index

<sup>3</sup> Adjusted NTA returns are net of all fees and expenses. NTA adjusted for dividend and tax payments and the effects of capital management initiatives. Source: Staude Capital Ltd

## December 2022 half-year review by the Portfolio Manager (continued)

Our recent investment performance hopefully demonstrates the value of holding GVF as part of a wider investment portfolio. While we are not immune to broader financial market conditions, we strive to generate healthy returns regardless of the prevailing market weather. In doing so, we hope to provide both an attractive investment return to our shareholders, *and* an important diversifying tool for investors to use in their portfolios. To that end, the GVF investment portfolio typically generates most of its returns from identifying compelling market opportunities around the world, or from constructively unlocking the value embedded within its portfolio holdings. Which is to say, we generate most of our returns from places that are unrelated to what broader markets are doing. True to form, the top three contributors to performance during the half were all investment stories that were largely agnostic to developments in financial markets. Those were our holdings Amedeo Air Four Plus (AA4), New Energy Solar (NEW) and Triam Investors 1 (T11). We have discussed our success at each of these holdings in our recently monthly reports, which can be found [here](#), [here](#), and [here](#) respectively. In aggregate, these three holdings contributed 3.7% to GVF's investment returns during the period. At this time, we will not list our three largest negative contributors to performance over the half-year. We are still actively adding to these holdings and each name is relatively thinly traded where competition for stock is high. What we can highlight, however, is the continuation of the considerable positive skew we typically see in our performance. By this we mean that our successful trades usually generate far more for us in positive performance than our detractors cost us in negative returns. As stated above, our three largest contributors to returns generated +3.7% collectively to performance over the half. By comparison, our three biggest detractors combined only contributed -1.1% in returns.

## Outlook

Looking ahead, to say that market forces have normalised again is not to say that there is any certainty about the outlook, or a consensus on where we end up. Rather, it just means that the daily arm-wrestle between the market optimists and pessimists is now more evenly balanced. Assessing what is known today, it is likely that rates of inflation have peaked, and thus we are drawing to the end of the current monetary policy tightening cycle in most rich-world countries. We also know that it is likely, but not certain, that key economies like the US and Europe will endure a recession sometime during 2023. Finally, there is the recent ending of China's "zero-covid" policy and its reopening to the world, a development that is likely to boost global demand and growth. The optimists see all those facts and divine a "soft landing" ahead, perhaps even the avoidance of a recession, while contending that falling rates of inflation and economic growth will provide policy makers scope to cut interest rates later this year, boosting asset prices once again. The pessimists fret that the market has not yet appreciated the depth to the falls in company earnings that lie ahead, while arguing that it is far too soon for central banks to turn around and start cutting interest rates once more. Finally, while a reopening of China will undoubtedly boost aggregate global demand, whether this is a good thing, or a bad thing, remains to be seen at time when policy makers are frantically trying to get inflation back under control. Indeed, given the precarious situation Europe faces in terms of its energy supplies, the reappearance of considerable Chinese natural gas demand should be a cause for concern.

There are thus two healthy and competing narratives about the direction of travel for the year ahead. As ever, we see little utility in trying to predict which will prevail in the near-term. That said, if we had to pick a camp, it does seem premature to us to assume the Fed will pivot to cutting interest rates again this year. Having initially been behind the curve, US policy makers have been at pains to highlight that they see more work to be done before inflation is back under control, and that they are likely to err on the side of caution until they have clearly won. Irrespective of which way the near-term plays out, however, we must confess to being more optimistic about the longer-term outlook than we have been for some time. Following a large sell-off in markets, and a large lift in interest rates, longer-term return expectations across most assets classes have improved considerably. At the end of December 2021, global share markets traded on a price to earnings (P/E) ratio of 19.2 times, while a ten-year US government bond yielded a paltry 1.5%. By the end of 2022, global share markets were trading on a P/E ratio of 15 times, while ten-year US bond yields had reached 3.9%. To our mind that represents a very healthy resetting in the market, and a much more constructive backdrop to be investing from.

### Outlook (continued)

Importantly, regardless of how the big picture does unfold, GVF will continue to focus on building an investment portfolio that should perform well under most scenarios. Our aim is to generate the bulk of our returns from our discount capture strategy, and not broader market movements. That means that if the optimists are right in the near-term, our lower risk strategy will probably underperform the riskier parts of the market for a little while. However, over the long run, we believe our focus on risk management and less correlated investment returns will continue to serve shareholders very well.

### Adjusted NTA Returns<sup>1</sup>

Financial Year	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD <sup>2</sup>
FY2023	1.5%	2.3%	-0.5%	2.5%	1.0%	1.1%							8.1%
FY2022	2.8%	2.4%	0.5%	0.0%	2.7%	1.9%	-0.6%	-2.3%	-1.7%	1.3%	-1.7%	-2.2%	2.8%
FY2021	1.6%	1.4%	3.2%	2.7%	5.4%	1.4%	2.7%	0.7%	0.4%	2.9%	2.0%	1.8%	29.3%
FY2020	2.7%	0.2%	1.4%	-0.3%	2.4%	-0.5%	3.7%	-3.5%	-13.5%	2.4%	6.0%	0.8%	0.2%
FY2019	0.8%	2.3%	-0.5%	-1.2%	-2.1%	-1.6%	0.2%	3.2%	-0.4%	1.9%	-0.3%	0.9%	3.2%
FY2018	-0.9%	0.4%	1.3%	2.3%	1.7%	-0.9%	0.7%	0.8%	0.0%	1.6%	-0.5%	2.2%	9.1%
FY2017	2.0%	1.9%	-0.5%	0.7%	2.7%	3.1%	-2.1%	1.1%	1.8%	2.0%	2.1%	-1.0%	14.5%
FY2016	4.6%	-1.0%	-1.0%	2.3%	-1.9%	-0.4%	-1.0%	-0.4%	-1.7%	2.3%	4.0%	-3.0%	2.4%
FY2015	0.3%	-0.3%	4.3%	-1.0%	3.1%	2.6%	3.9%	1.3%	1.8%	-0.6%	5.6%	-1.0%	21.6%

<sup>1</sup> Adjusted NTA returns are after all fees and expenses and are adjusted for the payment of taxes, dividends, and the effects of capital management initiatives. Performance data is estimated and unaudited. Source: Staude Capital Ltd.

<sup>2</sup> Refers to the full year returns for a given Financial Year, or the year-to-date returns in the current Financial Year.

*This report is based on the half-year interim report which has been subject to an independent review by the Auditors, Deloitte. All the documents comprise the information required by Listing Rule 4.2A. This information should be read in conjunction with the 2022 Annual Financial Report.*

# **Global Value Fund Limited**

ABN 90 168 653 521

## **Interim Financial Report for the half-year ended 31 December 2022**

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**Corporate Directory**

**Directors**

Jonathan Trollip  
*Chairman & Independent Director*

Chris Cuffe, AO  
*Independent Director*

Geoffrey Wilson, AO  
*Director*

Miles Staude  
*Director*

**Company Secretary**

Mark Licciardo  
Acclime Australia  
Level 7, 330 Collins Street  
Melbourne Victoria 3000

**Investment Manager**

Mirabella Financial Services LLP  
11 Strand  
London WC2N 5HR  
United Kingdom

**Portfolio Manager**

Miles Staude  
Staude Capital Limited<sup>1</sup>  
City Tower  
8<sup>th</sup> Floor, 40 Basinghall Street  
London EC2V 5DE  
United Kingdom  
Telephone: +61 423 428 972

**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/- Acclime Australia  
Level 7, 330 Collins Street  
Melbourne Victoria 3000  
Telephone: (03) 8689 9997

**Share Registrar**

Boardroom Pty Limited  
Level 8, 210 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

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<sup>1</sup> 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 2022.

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 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 2022, the Company's investment portfolio generated an 8.1% (2021: 10.7%) increase in adjusted pre-tax NTA, with the Company's discount capture strategy generating a 6.6% (gross) (2021: 9.2%) 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 2022 resulted in an operating profit before tax of \$15,811,727 (2021: \$21,769,310) and an operating profit after tax of \$11,159,324 (2021: \$15,201,583).

The net tangible asset backing for each ordinary share at 31 December 2022 after tax amounted to \$1.14 (2021: \$1.20). The net tangible asset backing for each ordinary share at 31 December 2022 before tax amounted to \$1.16 (2021: \$1.28).

### **Dividend**

The Company declared a fully-franked final dividend for FY2022 of 3.30 cents per share, which was paid on 8 November 2022. The record date for entitlement to the FY2022 final dividend was 3 October 2022.

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

The Company updated its DRP Rules from 26 July 2022. The key change to the updated DRP Rules has been a move from defining Net Tangible Asset ("NTA") as "post-tax" to "pre-tax" NTA.

**Events occurring after the reporting period**

Since the end of the half-year, the Company has declared a fully-franked interim dividend for FY2023 of 3.30 cents per share to be paid on 15 May 2023. The record date for entitlement to the interim dividend is 3 April 2023.

The Company's DRP will be in effect for the interim FY2023 dividend payment.

The DRP participation enrolment deadline for the interim dividend is 5.00 pm (AEDT) Tuesday 4 April 2023.

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  
27 February 2023

27 February 2023

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 2022, 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

**Global Value Fund Limited**  
**Condensed Statement of Profit or Loss and Other Comprehensive Income**  
**For the half-year ended 31 December 2022**

**Condensed Statement of Profit or Loss and Other Comprehensive Income**

	Notes	31 December 2022 \$	31 December 2021 \$
<b>Income</b>			
Net realised (losses)/ gains on disposal of investments		(2,429,770)	12,230,001
Net unrealised gains on market value movement of investments		16,781,364	10,498,278
Net realised gains/ (losses) on foreign exchange movement		1,088,857	(367,098)
Net unrealised (losses) on foreign exchange movement		(641,473)	(48,187)
Interest income		1,322,192	317,046
Dividend income		5,042,456	5,062,976
Other income		-	2,530
<b>Total income</b>		<b>21,163,626</b>	<b>27,695,546</b>
<b>Expenses</b>			
Management fees		(1,464,273)	(1,511,850)
Performance fees		(1,570,959)	(3,129,690)
Administration fees		(166,649)	(172,362)
Brokerage and clearing expenses		(423,089)	(335,651)
Accounting fees		(15,400)	(15,400)
Share registry fees		(48,697)	(33,000)
Dividends paid on borrowed stock		(422,768)	(129,147)
Interest expense		(907,960)	(329,221)
Tax fees		(21,026)	(27,845)
Directors' fees		(51,250)	(42,500)
Legal fees		(110,214)	(61,959)
Secretarial fees		(21,433)	(18,211)
ASX fees		(45,182)	(37,713)
Audit fees		(28,428)	(27,295)
Other expenses		(54,571)	(54,392)
<b>Total expenses</b>		<b>(5,351,899)</b>	<b>(5,926,236)</b>
<b>Profit before income tax</b>		<b>15,811,727</b>	<b>21,769,310</b>
Income tax (expense)		(4,652,403)	(6,567,727)
<b>Profit attributable to members of the Company</b>		<b>11,159,324</b>	<b>15,201,583</b>
Other comprehensive income for the period, net of tax		-	-
<b>Total comprehensive income for the period</b>		<b>11,159,324</b>	<b>15,201,583</b>
<b>Earnings per share for profit attributable to the ordinary equity holders of the Company:</b>		<b>Cents</b>	<b>Cents</b>
Basic and diluted earnings per share	10	6.40	8.78

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

**Global Value Fund Limited**  
**Condensed Statement of Financial Position**  
**As at 31 December 2022**

**Condensed Statement of Financial Position**

	Notes	31 December 2022 \$	30 June 2022 \$
<b>Assets</b>			
Cash and cash equivalents	4	21,705,412	5,739,307
Trade and other receivables	3	1,282,080	676,064
Financial assets at fair value through profit or loss	6	202,538,291	210,147,277
Current tax asset		634,038	-
Deferred tax asset		-	40,782
<b>Total assets</b>		<b>226,159,821</b>	<b>216,603,430</b>
<b>Liabilities</b>			
Trade and other payables	5	2,251,756	4,280,883
Financial liabilities at fair value through profit or loss	6	19,892,901	11,822,563
Deferred tax liability		4,813,722	-
Current tax liability		-	7,446,679
<b>Total liabilities</b>		<b>26,958,379</b>	<b>23,550,125</b>
<b>Net Assets</b>		<b>199,201,442</b>	<b>193,053,305</b>
<b>Equity</b>			
Issued capital	8	180,001,457	179,262,833
Profits reserve	9	44,332,364	38,922,851
Accumulated losses	9	(25,132,379)	(25,132,379)
<b>Total equity</b>		<b>199,201,442</b>	<b>193,053,305</b>

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

**Condensed Statement of Changes in Equity**

	Notes	Issued capital \$	Profits reserve \$	Accumulated losses \$	Total equity \$
<b>Balance at 1 July 2021</b>		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	<b>9</b>	-	15,198,960	(15,198,960)	-
<u>Transactions with owners:-</u>					
Shares issued on dividends reinvested	<b>8</b>	701,211	-	-	701,211
Dividends paid	<b>2</b>	-	(5,708,916)	-	(5,708,916)
<b>Balance at 31 December 2021</b>		<u>178,521,377</u>	<u>44,195,799</u>	<u>(14,975,135)</u>	<u>207,742,041</u>
 <b>Balance at 1 July 2022</b>		 179,262,833	 38,922,851	 (25,132,379)	 193,053,305
Profit for the period		-	-	11,159,324	11,159,324
Transfer of profits during the period	<b>9</b>	-	11,159,324	(11,159,324)	-
<u>Transactions with owners:-</u>					
Shares issued on dividends reinvested	<b>8</b>	738,624	-	-	738,624
Dividends paid	<b>2</b>	-	(5,749,811)	-	(5,749,811)
<b>Balance at 31 December 2022</b>		<u>180,001,457</u>	<u>44,332,364</u>	<u>(25,132,379)</u>	<u>199,201,442</u>

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

**Condensed Statement of Cash Flows**

	<b>31 December 2022 \$</b>	<b>31 December 2021 \$</b>
<b>Cash flows from operating activities</b>		
Proceeds from sale of investments	138,879,976	133,661,602
Payment for investments	(131,364,289)	(138,779,915)
Proceeds from return of capital on investments	18,301,137	9,744,876
Realised foreign exchange (losses)/ gains	1,088,857	(367,098)
Dividends received	5,089,946	4,921,823
Interest received	1,157,335	317,046
Other income received	-	2,530
Interest paid	(909,643)	(340,529)
Management fees paid	(1,463,803)	(1,508,594)
Performance fees paid	-	(6,712,790)
Dividends paid on borrowed stock	(333,613)	(129,119)
Income tax paid	(7,878,617)	(3,696,148)
Payments for other expenses	(948,521)	(763,967)
<b>Net cash provided by/ (used in) operating activities</b>	<b><u>21,618,765</u></b>	<b><u>(3,650,283)</u></b>
<b>Cash flows from financing activities</b>		
Dividends paid	(5,011,187)	(5,007,705)
<b>Net cash (used in) financing activities</b>	<b><u>(5,011,187)</u></b>	<b><u>(5,007,705)</u></b>
<b>Net increase/ (decrease) in cash and cash equivalents held</b>	<b>16,607,578</b>	<b>(8,657,988)</b>
Cash and cash equivalents at the beginning of the financial period	5,739,307	(15,145,470)
Effects of foreign currency exchange rate changes on cash and cash equivalents	(641,473)	(48,187)
<b>Cash and cash equivalents at end of period</b>	<b><u>21,705,412</u></b>	<b><u>(23,851,645)</u></b>
<b>Non cash financing activities</b>		
Dividends reinvested	<b><u>738,624</u></b>	<b><u>701,211</u></b>

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 27 February 2023 by the Board of Directors.

#### **Basis of preparation**

These condensed interim financial statements for the half-year reporting period ended 31 December 2022 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 2022 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 2022, 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**

	<b>2022</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>
3.30 cents per share declared on 30 August 2021 and paid on 8 November 2021	-	5,708,916
3.30 cents per share declared on 24 August 2022 and paid on 8 November 2022	5,749,811	-
	<u><b>5,749,811</b></u>	<u><b>5,708,916</b></u>

#### **(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 2023 and a record date of 3 April 2023, expected to be paid on 15 May 2023 out of the profits reserve at 31 December 2022, but not recognised as a liability at period end, is:

<u><b>5,771,126</b></u>	<u><b>5,728,910</b></u>
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#### **(c) Dividend reinvestment plan**

The Company's dividend reinvestment plan ("DRP") will be in effect for the FY2023 fully-franked interim dividend payment of 3.30 cents per share.



## **2 Dividends (continued)**

### **(c) Dividend reinvestment plan (continued)**

The Company updated its DRP Rules from 26 July 2022. The key change to the updated DRP Rules has been a move from defining Net Tangible Asset ("NTA") as "post-tax" to "pre-tax" NTA.

The DRP has been designed so that participants will always receive the lowest reinvestment price possible, without their reinvestment diluting the pre-tax 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 pre-tax 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 pre-tax NTA per share on the dividend 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.

	<b>31 December 2022 \$</b>	<b>30 June 2022 \$</b>
<b>3 Trade and other receivables</b>		
Unsettled trades	522,417	-
Dividends receivable	289,704	337,193
Interest receivable	167,959	3,101
GST receivable	85,620	73,426
Withholding tax recoverable	119,660	119,660
Other receivable	<u>96,720</u>	<u>142,684</u>
	<b><u>1,282,080</u></b>	<b><u>676,064</u></b>

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

### **4 Cash at bank/ (bank overdraft)**

Australian Dollar	40,938,687	26,377,334
United States Dollar	22,543,478	15,326,391
Pound Sterling	(50,248,194)	(39,308,137)
Euro	9,134,704	6,352,281
Canadian Dollar	(691,490)	(3,028,534)
Hong Kong Dollar	<u>28,227</u>	<u>19,972</u>
	<b><u>21,705,412</u></b>	<b><u>5,739,307</u></b>

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 2022.

### **5 Trade and other payables**

Management fees payable	61,731	61,261
Performance fees payable	1,570,959	-
Unsettled trades	335,799	4,027,476
Dividends payable	91,813	2,658
Interest payable	932	2,614
Administration services payable	60,562	29,016
Audit fees payable	31,263	43,260
Other accruals and payables	<u>98,697</u>	<u>114,598</u>
	<b><u>2,251,756</u></b>	<b><u>4,280,883</u></b>

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 2022.

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>At 31 December 2022</b>				
<b>Financial assets at FVTPL</b>				
Australian and overseas listed equity securities	182,525,952	-	16,084,187	198,610,139
Derivative financial instruments <sup>1</sup>	-	-	-	-
Convertible corporate bonds	-	-	3,928,152	3,928,152
<b>Total financial assets</b>	<b>182,525,952</b>	<b>-</b>	<b>20,012,339</b>	<b>202,538,291</b>
<b>Financial liabilities at FVTPL</b>				
Australian and overseas listed equity securities sold short <sup>*</sup> (19,881,469)	-	-	-	(19,881,469)
Derivative financial instruments <sup>1</sup>	-	(11,432)	-	(11,432)
<b>Total financial liabilities</b>	<b>(19,881,469)</b>	<b>(11,432)</b>	<b>-</b>	<b>(19,892,901)</b>

<sup>1</sup> The fair value of derivatives included in Level 2 of the fair value hierarchy is (\$11,432). The notional value of these derivatives is (\$378,133).

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>At 30 June 2022</b>				
<b>Financial assets at FVTPL</b>				
Australian and overseas equity securities	177,313,281	-	15,335,502	192,648,783
Derivative financial instruments	-	-	-	-
Convertible corporate bonds	13,702,144	-	3,796,350	17,498,494
<b>Total financial assets</b>	<b>191,015,425</b>	<b>-</b>	<b>19,131,852</b>	<b>210,147,277</b>
<b>Financial liabilities at FVTPL</b>				
Australian and overseas listed equity securities sold short <sup>*</sup> (11,771,836)	-	-	-	(11,771,836)
Derivative financial instruments <sup>2</sup>	-	(50,727)	-	(50,727)
<b>Total financial liabilities</b>	<b>(11,771,836)</b>	<b>(50,727)</b>	<b>-</b>	<b>(11,822,563)</b>

<sup>2</sup> The fair value of derivatives included in Level 2 of the fair value hierarchy is (\$50,727). The notional values of these derivatives is \$(4,525,997).

<sup>\*</sup> Any securities sold short by the Company are for hedging purposes only.

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

	31 December 2022 \$	30 June 2022 \$
Opening balance	19,131,852	14,648,432
Transfers during the period/ year	-	1,702,837
Disposals and movement in market value during the period/ year	(6,574,791)	(6,017,501)
Acquisitions during the period/ year	7,455,278	8,798,084
Closing balance	<b>20,012,339</b>	<b>19,131,852</b>

**6 Fair value measurements**

**(i) Recognised fair value measurements (continued)**

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

<b>Name of Investments</b>	<b>Fair value at 31 December 2022 \$</b>	<b>Fair value at 30 June 2022 \$</b>	<b>Valuation Technique</b>	<b>Description of valuation technique and inputs used in respect of underlying asset</b>
Boussard & Gavaudan Eire Fund Class A EUR	7,058,444	6,789,883	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 2022 is 8.8% (30 June 2022: 11%).
Third Point Offshore Fund – Class N2	5,587,091	5,786,022	Net asset value ("NAV")	This is a direct investment in an open-end fund with standard liquidity. To value the security, the Portfolio Manager uses the NAV.
Ceiba Investment 10% CB Mar 2026	3,928,152	3,796,350	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.
US Masters Residential Property Fund Convertible Step-Up Preference Units	2,486,281	-	Price of Ordinary Shares	This investment was delisted on 22 December 2022 and will convert into ordinary shares at the beginning of January 2023. To value the security, the Portfolio Manager applies the price of the ordinary shares multiplied by the number of ordinary shares each preferred share will convert into.
Fundsmith Emerging Equities Trust	231,066	-	Discount to Net asset value ("NAV")	This is a fund of a fund in liquidation. To value the security, the Portfolio Manager applies a 4.9% discount to NAV.
Highbridge Multi Strategy Fund	209,802	330,900	Discount to Net asset value ("NAV")	An investment trust in liquidation that delisted in September 2019 and returned 75% of capital in October 2019. The balance of capital is expected shortly. To value the security, the Portfolio Manager applies a 10% (30 June 2022: 10%) discount to NAV for the remaining assets.

**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 2022 \$	Fair value at 30 June 2022 \$	Valuation Technique	Description of valuation technique and inputs used in respect of underlying asset
East Capital Eastern Europe Small Cap Fund	141,994	123,094	Discount to Net asset value ("NAV")	<p>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.</p> <p>Eastern Europe Small Cap Fund began liquidating its positions from 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.</p> <p>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% (30 June 2022: 23%) which is based on discount applied to the last traded parcel and reflects the low liquidity of the underlying holdings.</p>
Jupiter Emerging and Frontier Income Trust	83,072	1,681,882	Discount to Net asset value ("NAV")	This is a delisted, liquidating fund of emerging and frontier market securities. To value the security, the Portfolio Manager takes the latest available published net asset value and applies a 7.9% (30 June 2022: 8%) discount.
Chenavari Capital Solutions	70,603	77,658	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% (30 June 2022: 44.6%) discount. The discount equates to the average discount on which it traded prior to delisting.
Monash Absolute Investment Company	47,268	374,596	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% (30 June 2022: 16%) discount to reflect the expected realisable value of those holdings.
Henderson Alternative Strategies Trust	15,700	15,614	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% (30 June 2022: 20%) discount to reflect the expected realisable value of those holdings.
Others	152,866	155,853	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.
<b>TOTAL</b>	<b>20,012,339</b>	<b>19,131,852</b>		

**6 Fair value measurements (continued)**

**(c) Valuation sensitivity:**

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

<b>Name of Investments</b>	<b>Increase/ Decrease to Fair value at 31 December 2022 \$</b>	<b>Increase/ Decrease to Fair value at 30 June 2022 \$</b>
Boussard & Gavaudan Eire Fund Class A EUR	352,922	381,454
Third Point Offshore Fund – Class N2	279,354	289,301
Ceiba Investment	196,408	189,818
US Masters Residential Property Fund Convertible Step-Up Preference Units	124,314	N/A
Fundsmith Emerging Equities Trust	11,553	N/A
Highbridge Multi Strategy Fund	10,490	18,383
East Capital Eastern Europe Small Cap Fund	7,100	7,993
Jupiter Emerging and Frontier Income Trust	4,154	91,407
Chenavari Capital Solutions	3,530	7,009
Monash Absolute Investment Company	2,363	22,297
Henderson Alternative Strategies Trust	785	976

There were no transfers of financial assets from Level 1 to Level 3 (30 June 2022: \$1,702,837) and no transfers of financial assets from Level 2 to Level 3 of the fair value hierarchy during the period (30 June 2022: \$nil). Total realised gain on sale of Level 3 investments included in “net realised gains on disposal of investments” in the Statement of Profit or Loss and Other Comprehensive Income is as follows:

	<b>\$</b>
Candover Investments	92,443
Alcentra European Floating Rate Income Fund	<u>(38,322)</u>
	<b><u>54,121</u></b>

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**

	31 December 2022		30 June 2022	
	No of shares	\$	No of shares	\$
<b>(a) Share capital</b>				
Ordinary shares	<u>174,882,603</u>	<u>180,001,457</u>	<u>174,236,699</u>	<u>179,262,833</u>
<b>(b) Movements in ordinary share capital</b>				
	<b>Number of shares</b>	<b>Issue price</b>		<b>\$</b>
<b>31 December 2022</b>				
Opening balance at 1 July 2022	174,236,699			179,262,833
Shares issued to participants in the dividend reinvestment plan <sup>1</sup>	<u>645,904</u>	<u>\$1.14</u>		<u>738,624</u>
<b>Closing balance</b>	<u><b>174,882,603</b></u>			<u><b>180,001,457</b></u>
<b>30 June 2022</b>				
Opening balance at 1 July 2021	172,997,441			177,820,166
Shares issued to participants in the dividend reinvestment plan	<u>605,904</u>	<u>\$1.16</u>		<u>701,211</u>
Shares issued to participants in the dividend reinvestment plan	<u>633,354</u>	<u>\$1.17</u>		<u>741,456</u>
<b>Closing balance</b>	<u><b>174,236,699</b></u>			<u><b>179,262,833</b></u>

<sup>1</sup> Under the terms of the Dividend Reinvestment Plan ('DRP'), 645,904 shares were issued at \$1.1436 per share on 8 November 2022.

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.

**Global Value Fund Limited**  
**Notes to the Financial Statements**  
**For the half-year ended 31 December 2022 (continued)**

	<b>31 December 2022 \$</b>	<b>30 June 2022 \$</b>
<b>9 Profits reserve and accumulated losses</b>		
<b>(a) Profits reserve</b>		
Profits reserve	<u><b>44,332,364</b></u>	<u><b>38,922,851</b></u>
<b>Movements:</b>		
Opening balance	38,922,851	34,705,755
Transfer of profits during the period/ year	11,159,324	15,654,925
Dividends paid	<u>(5,749,811)</u>	<u>(11,437,829)</u>
Balance as at the end of the period/ year	<u><b>44,332,364</b></u>	<u><b>38,922,851</b></u>
<b>(b) Accumulated losses</b>		
Accumulated losses	<u><b>(25,132,379)</b></u>	<u><b>(25,132,379)</b></u>
<b>Movements:</b>		
Opening balance	(25,132,379)	(14,977,758)
Net profit for the period/ year	11,159,324	5,500,304
Transfer of profits during the period/ year	<u>(11,159,324)</u>	<u>(15,654,925)</u>
Balance as at the end of the period/ year	<u><b>(25,132,379)</b></u>	<u><b>(25,132,379)</b></u>
	<b>31 December 2022 \$</b>	<b>31 December 2021 \$</b>
<b>10 Earnings per share</b>		
Profit after income tax used in the calculation of basic and diluted earnings per share	<u><b>11,159,324</b></u>	<u><b>15,201,583</b></u>
	<b>Cents</b>	<b>Cents</b>
<b>(a) Basic and diluted earnings per share</b>		
Basic and diluted earnings per share attributable to the ordinary equity holders of the Company	<u><b>6.40</b></u>	<u><b>8.78</b></u>
<b>(c) Weighted average number of shares used as denominator</b>	<b>No. of shares</b>	<b>No. of shares</b>
Weighted average number of ordinary shares outstanding during the period used in calculating basic and diluted earnings per share	<u><b>174,422,747</b></u>	<u><b>173,168,610</b></u>
As at the end of the period, there are no outstanding securities that are potentially dilutive in nature for the Company.		
<b>11 Contingencies and commitments</b>		
The Company had no material contingent liabilities or commitments as at 31 December 2022 (30 June 2022: nil).		
<b>12 Events occurring after the reporting period</b>		
Since the end of the half-year, the Company has declared a fully-franked interim dividend for FY2023 of 3.30 cents per share to be paid on 15 May 2023. The record date for entitlement to the interim dividend is 3 April 2023.		
The Company's DRP will be in effect for the interim FY2023 dividend payment.		
The DRP participation enrolment deadline for the interim dividend is 5.00 pm (AEDT) Tuesday 4 April 2023.		
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 2022 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  
27 February 2023



## 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 2022, 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.

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 2022 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.

## *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 2022 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, 27 February 2023