



# HUNTER HALL GLOBAL VALUE LIMITED

ACN 107 462 966

11 January 2017

Dear Shareholder

The Board of Hunter Hall Global Value Limited (ASX: HHV) is writing to advise you of the resignation of Mr. Peter Hall as Chief Investment Officer (CIO) and Chief Executive Officer (CEO) at Hunter Hall International Limited (ASX: HHL or "Hunter Hall") and of the interim appointments made by Hunter Hall to ensure continuity of their investment management strategy and the services provided by them to HHV.

Effective from 9 January, Mr. Hall stepped down as CEO and CIO of Hunter Hall. As of that date Mr. Hall has relinquished all executive responsibilities, however he will continue to work with the Hunter Hall management team to ensure a smooth transition when he leaves the business in June this year.

## **Hunter Hall Global Value Limited's relationship with Hunter Hall**

The relationship between HHV and Hunter Hall is governed by the Investment Management Agreement (IMA) between the companies. The HHV Board has established an Independent Board Committee consisting of Julian Constable (Chair) and Paul Jensen to deal with matters which may arise from the resignation of Mr. Hall in relation to the IMA.

Hunter Hall has provided its assurance that it has the capacity to perform its duties and obligations under the IMA and that the Hunter Hall investment strategy remains unchanged.

## **Hunter Hall Interim Chief Investment Officer**

Mr. James McDonald has been appointed Interim CIO for Hunter Hall.

Mr. McDonald has been the deputy CIO at Hunter Hall since 2011 and has been the Fund Manager responsible for the HHV investment portfolio since 2015. Importantly, having been a portfolio manager at Hunter Hall since 2003, Mr. McDonald has in depth knowledge of the Hunter Hall investment management methodology.

Mr. McDonald has assumed responsibility for the portion of the HHV investment portfolio that was being managed by Mr. Hall. In his role as the Fund Manager of the HHV investment portfolio, he continues to be supported by 4 additional portfolio managers who currently manage sub-portfolios of the HHV investment portfolio and by the wider members of the Hunter Hall investment management team.

Mr. McDonald has confirmed that the HHV portfolio will continue to be managed in line with the investment objectives and philosophy established by Mr. Hall.

## **Hunter Hall Interim Chief Executive Officer**

Ms. Paula Ferrao has been appointed as Interim CEO for Hunter Hall. Ms. Ferrao, who is also Hunter Hall's CFO, is responsible for the administrative and operational services provided by Hunter Hall to HHV.

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## Market Reaction

Since Mr. Hall's resignation was announced to the market on 30 December 2016, the HHV board is pleased to report that our share price has continued to trade in an orderly manner:

- The HHV share price has declined slightly from \$1.22 (30 December 2016) to \$1.19 (10 January 17)
- The average daily turnover of HHV shares traded on the ASX has increased from 263,658 per day (30 June 2016 to 31 December 2016) to 947,995 (1 to 9 January 2017)
- The pre-tax NTA per share at 6 January 2017 was \$1.2646 and HHV's share price discount to pre-tax Net Tangible Asset per share since the announcement of Mr Hall's resignation has widened to ~6%. By comparison, at 30 June 2016, the discount was 6.7% while the average discount over the prior 3 years has been 11.6%<sup>1</sup>.

## Sale of Mr. Hall's shares in HHL to Washington H Soul Pattinson Limited (ASX: SOL)

Mr. Hall announced on 30 December 2016 that he had sold part of his shareholding in HHL equivalent to 19.9% of the total issued share capital in HHL to Washington H Soul Pattinson Limited at \$1.00 per share and his intention to sell his remaining 24.05% stake in HHL to SOL at \$1.00 per share unless he receives a superior offer.

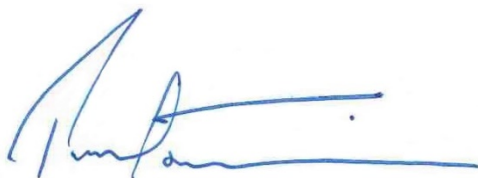
SOL has announced to the ASX its intention to make a formal take-over offer for all remaining HHL shares on issue at \$1.00 per share and this afternoon has lodged its Bidder's Statement for the take-over offer with ASIC and the ASX.

The take-over offer for HHL requires no action from HHV shareholders.

The HHV Board recognises that the control of HHL is of interest to HHV shareholders and we will keep shareholders informed of the progress of the SOL offer and relevant developments.

If you have any questions regarding the matters addressed in this letter, please do not hesitate to contact me at [invest@hunterhall.com.au](mailto:invest@hunterhall.com.au) or 1800 651 674.

Yours sincerely,



Paul Jensen  
Chairman  
Hunter Hall Global Value Limited

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<sup>1</sup> Bell Potter Listed Investment Companies Indicative NTA 21 November 2016.