

22nd February, 2017

GVF outperforms, increases dividends and announces share purchase plan

Highlights

- Record operating profit before tax of \$10.8M
- Interim dividend of 3.15 cents per share declared, a 5% increase on FY2016
- Investment strategy generated 9.2% of outperformance, the best half-year period since IPO

Global Value Fund Limited (ASX: GVF) ("GVF" or the "Company") announces a record operating profit before tax of \$10.8 million and a record operating profit after tax of \$7.6 million for the half-year to 31 December 2016. The Company has declared an interim dividend of 3.15 cents per share, an increase of 5% compared to the previous corresponding period. The FY2017 interim dividend will be 50% franked.

For the half-year ended 31 December 2016, the Company's investment portfolio returned 10.3%¹ after all fees and expenses, significantly outperforming the Company's reference index return of 5.4%². Over this same period the ASX 200 accumulation total return index returned 10.6%³ while the MSCI All Country World Index measured in Australian dollar terms returned 10.0%. The greatest contributor to portfolio returns during the period was the Manager's discount capture strategy, which generated 9.2%¹ gross over the period. Returns from this strategy represent outperformance over the portfolio's underlying currency and asset class exposures, and the returns generated during the December half represent significant outperformance over a six-month period.

Company Chairman Jonathan Trollip said: "Financial markets in the second half of 2016 were dominated by the surprise election of Donald Trump to the US presidency and the continuing uncertainty generated by the British referendum vote to leave the European Union. Against this backdrop, it is pleasing to report the investment returns achieved during this period and to be able to lift the Company's dividend payout rate once again".

December 2016 half-year review and Company outlook

Portfolio Manager Miles Staude said: "The December half of 2016 proved to be the best half-year performance for the fund's discount capture strategy since the Company's IPO. The 9.2% gross return generated by our investment strategy represents substantial outperformance over a six-month measurement period, and is a result that the team is very proud of. In the final months of 2016 global equity markets rallied substantially, driven by a sharp upward revision to US growth expectations following the election of Donald Trump. Against the backdrop of strong general equity market returns, the fund's outperformance over this period runs the risk of being overshadowed somewhat. However, it is important to highlight that GVF generated the returns that it did during the December half running with an average underlying equity market exposure of just 36%. Looking ahead, the fund continues to run with low levels of general equity market risk, and as of recently, a reduction in its foreign currency risk. As equity markets continue to rally, our focus remains on generating the best risk-adjusted returns we can, while seeking to protect shareholder capital from any market correction."

¹ Source: Staude Capital Limited.

² The Company's reference index is calculated using a weighting of 50% to the MSCI All Country World Index in Australian dollar terms, and 50% to Australian cash interest rates. Australian cash interest rates are derived from monthly swap rates.

³ All returns quoted are total returns, including both price and dividends.



Increased Interim Dividend of 3.15 cents per share

The Board has resolved to pay an interim dividend of 3.15 cents per share, an increase of 5% compared to the previous corresponding period. The FY2017 interim dividend will be 50% franked. The Board has previously guided that it would be necessary to reduce the former 100% franking rate associated with the Company's dividend payments given the nature of its assets, and believes that a 50% franking rate is a sustainable level for the Company at this point in time. The record date for the FY2017 interim dividend is 10 April 2017 and the interim dividend will be paid on 10 May 2017. GVF shares will trade ex-dividend on 7 April 2017.

Dividend reinvestment plan

The Company's dividend reinvestment plan (DRP) will be in effect for the FY2017 interim dividend of 3.15 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 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, dividends are paid as newly issued shares in the Company. The Company's closing share price of \$1.15 on 21 February 2017 was above its current NTA. If this situation remains on 7 April 2017, 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 7 April 2017 NTA value of the Company. If the share price for GVF is less than the Company's NTA at this time, 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.

Shareholders who would like to participate in the DRP can enroll at www.investorserve.com.au, alternatively please contact the Company's share registrar, Boardroom, on 1300 737 760. The enrolment deadline for participation in the DRP for the FY2017 interim dividend is 5.00 pm (AEDT) Tuesday 11 April 2017. Details of the DRP are available on the Company's website at:

www.globalvaluefund.com.au/files/2016_GVF_Dividend_Reinvestment_Plan.pdf

FY2017 full year dividend guidance

The Board currently anticipates that the FY2017 full year dividend payment will be at least the same size as the declared FY2017 interim dividend, being a 3.15 cent per share dividend, 50% franked.

The above dividend guidance is not a formal declaration of the Company's full year FY2017 dividend. The size and payment of any final dividend for FY2017 will be subject to the Company having sufficient profit reserves and the dividend payment being within prudent business practices.

Share Purchase Plan

The Board has recently announced a Share Purchase Plan (SPP). Shareholders on the GVF register as at 7.00pm (AEDT) on Friday, 10 February 2017 (being the record date for the SPP) with a registered address in Australia or New Zealand will be entitled to participate in the SPP. The SPP offer will close on 10 March 2017.

The SPP is open to eligible shareholders at the fixed price of \$1.10 per share. Shareholders who participate in the SPP offer will be entitled to the 3.15 cent per share interim dividend (which will be paid on 10 May 2017) on shares issued under the SPP. Based on the SPP price of \$1.10, the interim dividend of 3.15 cents per share equates to an annualised yield of 5.7%, or 6.7% when grossed up to include franking credits.

The SPP offers eligible shareholders the opportunity to invest up to \$15,000 to acquire ordinary shares in GVF without incurring any brokerage or other charges. Pursuant to the terms and conditions of the SPP, eligible shareholders will be offered the opportunity to acquire parcels of shares to the value of \$1,000, \$2,500, \$5,000,



\$7,500, \$10,000, \$12,500 or \$15,000. The Board has the ability to place additional shares to wholesale investors on the same terms as those being offered under the SPP, in accordance with the ASX Listing Rules.

GVF dispatched a SPP Offer Booklet along with a SPP Application Form to eligible shareholders on 20 February 2017. Shareholders who wish to discuss the SPP, or who have any questions about the SPP process, can contact Miles Staude on 0423 428 972 or miles.staude@globalvaluefund.com.au. Alternatively, shareholders should consult their financial or other professional advisor.

SPP and FY2017 interim dividend key dates*

SPP record date (AEDT 7pm)	10 February 2017
Announcement of SPP	13 February 2017
SPP Offer opens	20 February 2017
Despatch of SPP booklet	20 February 2017
SPP Offer closes	10 March 2017
Issue date of new shares	22 March 2017
Ex-dividend date	7 April 2017
Dividend record date	10 April 2017
Last election date for DRP	11 April 2017
Dividend payment date	10 May 2017

*These dates may be subject to change

About GVF

The Global Value Fund (ASX: GVF) is a listed investment company that provides shareholders with the opportunity to invest globally through a portfolio of securities purchased at a discount to their underlying asset value. By capturing this discount for its shareholders, the Company aims to provide an alternative source of market outperformance compared to more common stock selection strategies.

Staude Capital 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 investment team at Staude Capital has been seconded into Mirabella Financial Services LLP to manage the Global Value Fund portfolio.

For more information, visit www.globalvaluefund.com.au

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 and has seconded the investment team at Staude Capital to manage the Global Value Fund. This information is not an offer to buy or sell, or solicitation of an offer to buy or sell, any security or investment. Investors should read the Company prospectus before making a decision to invest. Past performance is not an indicator of future returns.