


GLOBAL VALUE

MICROCAP FUND



MONTHLY PERFORMANCE AS AT 30/04/2020

latest unit price \$1.0251	return since inception 15.14%	return 1 month 12.36%	 monthly currency impact HEADWIND STRONG (3%+)
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FUND OUTLINE







Fund Manager:

Carlos Gil (CIO)

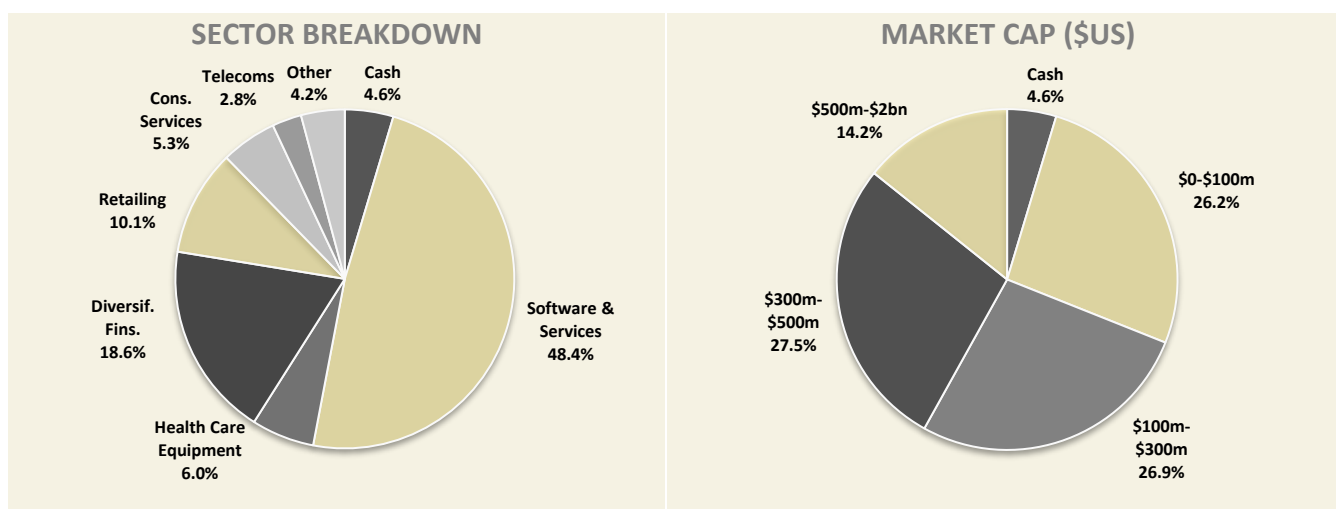
The Global Value Microcap Fund is a wholesale fund investing in a selection of undervalued, profitable and growing companies listed in predominantly advanced economies around the world.

COUNTRY BREAK UP

% of NAV

	United Kingdom	26.6%
	United States	14.7%
	Cont. Europe	44.3%
	Australia	4.7%
	Canada	1.4%
	New Zealand	3.7%
	Cash	4.6%
	Total	100.0%

	Total since inception	Compound p.a. since inception	3 Year	2 Year	1 Year	1 Month
GVMF	15.14%	3.24%	0.39%	-6.43%	-12.40%	12.36%



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MARKET UPDATE AND COMMENTARY

The historic market fall incurred in March was partially reversed during April as global equity markets, including Australia, rebounded strongly. The panic we saw in March has been replaced by economic realism as investors try to grasp the economic damage from Covid-19. There will be significant pain as unemployment will rise sharply and economic growth will go into the red. However, the month provided pillars of positive news as governments rolled out unprecedented fiscal stimuli. In Australia, the Federal government has instigated various economic stimulus packages which in aggregate represent over 10% of Australia's GDP. These stimulus packages are significant and will act as an important buffer to lessen the economic impact of Covid-19. The focus during the months ahead will turn to the pace and depth of loosening the societal and economic restrictions imposed by governments across the world and how consumption and economic activity recover from the crisis.

Microequities Global Value Microcap Fund returned 12.36% in April; this brings the total return net of fees to 15.14% for the Fund since inception in December 2015.

The Fund currently owns two businesses in the healthcare industry. One those companies, UK based **Caretech Holdings PLC (LON:CTH)** provided an earnings update during the month. The company confirmed that it was experiencing trading in line with expectations, with revenue and EBITDA margins stronger versus the previous corresponding period. The company also confirmed it would pay a final dividend of 7.9 pence.

Another one of our UK based businesses, **Proactis Holdings (LON:PHD)** reported its 1H20 financial results. The business has experienced a challenging operating environment which saw its revenue decline from 27.7m GBP to 24.5m GBP and EBITDA fall from 8.0m GBP to 5.6m GBP. Whilst the performance was disappointing, it had been well flagged previously and expected by the market. Positively, there has been a stabilisation of customer churn and annual recurring revenue (ARR), an important metric of quality of earnings. ARR has risen from 39.3m GBP to 40.7m GBP. Proactis' market value remains highly subdued and is currently one of our most undervalued businesses in the Fund

Livechat SA (WSE:LVC), our single largest investment in the Fund continued its impressive share price performance in April with its share price reaching an all time record high of 59.50 PLN following strong Q4 FY20 revenue growth of 16.5% in USD terms. The investment represents 13.9% of the total net asset value of the Fund.

Projected EPS Growth 1 Year Forward (on a weighted basis)	+3.5%
Projected EPS Growth 2 Years Forward (on a weighted basis)	+10.9%

Number of companies	32
Top 5 Holdings % of NAV	44.2%
Top 10 Holdings % of NAV	62.3%
Top 20 Holdings % of NAV	84.2%
Cash Position % of NAV	4.6%

Important information: This information is not intended to be financial advice. Past performance is not indicative of future performance. Microequities Asset Management Pty Ltd is a corporate authorised representative, number 462438, as appointed by Microequities Asset Management Group Limited holder of AFSL number 287526. Application for units in the Fund is limited to investors that are wholesale or sophisticated investors within the meaning of Section 761G(7) and 761GA(7) of the Corporations Act 2001.