

PURE MICROCAP

VALUE FUND



MONTHLY PERFORMANCE AS AT 30/11/2020

latest unit price \$1.2213	return since inception (Oct 2017) 23.13%	return 1 month 10.67%
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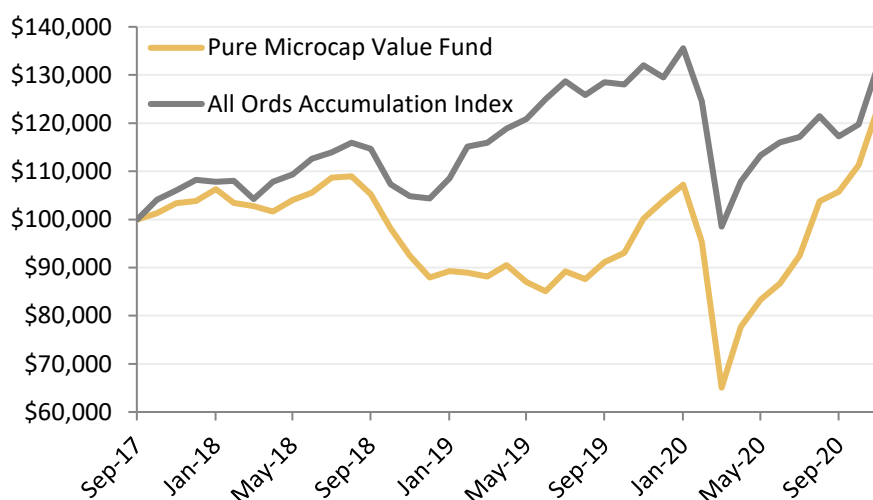
FUND OUTLINE

Fund Manager:

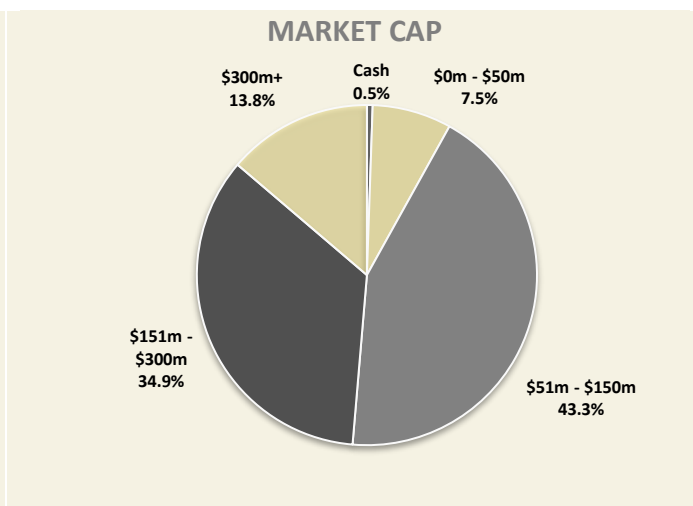
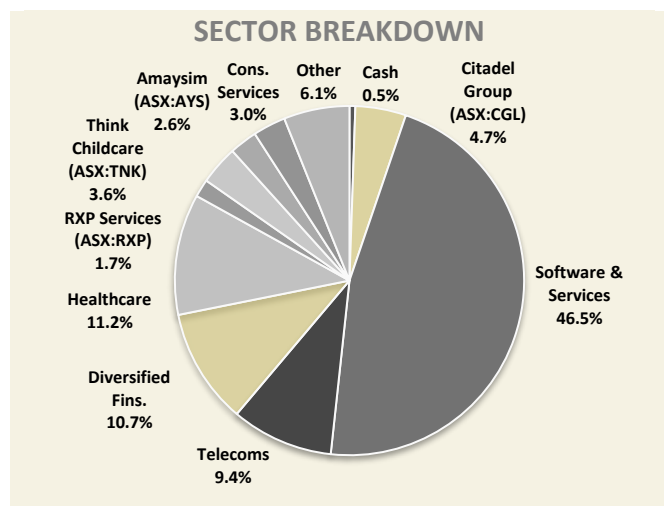
Carlos Gil (CIO)

The Pure Microcap Value Fund is a wholesale fund investing in a portfolio of undervalued, profitable and growing ASX microcap companies.

VALUE OF \$100,000 INVESTED AT INCEPTION > **\$123,130**



	Compound p.a. since inception	Total since inception	3 Year	2 Year	1 Year	6 Month	1 Month
PMVF	6.79%	23.13%	6.02%	15.39%	22.90%	47.77%	10.67%



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MARKET UPDATE AND COMMENTARY

World equity markets rallied strongly during the month as clinical Phase III trials for three different experimental vaccines delivered high efficacy results with low side effects. The vaccine clinical trials results mark a likely turning point in the evolution of the pandemic. The US FDA has scheduled a meeting on the 10th of December to discuss emergency use authorisation (EUA) request for Pfizer and BioNTech's COVID-19 vaccine. It is likely that the FDA will provide authorisation. Across Europe there are reports that the UK's Medicines and Healthcare Products Regulatory Agency which has the power to override the European Medicines Agency, will provide approval within days. Vaccination rollout across the UK will begin within hours of the authorisation. Germany has begun plans to conduct and begin mass vaccination beginning in December. Investors and equity markets have begun to price in a different 2021 economic scenario as the world economy emerges from the distortive effects of its Covid induced restrictions.

Microequities Pure Microcap Value Fund returned 10.67% in November; this brings the total return net of fees to 23.13% for the Fund since inception in October 2017.

The Fund exited one small holding in a professional services business. M&A activity was again the highlight of the month with three of our holdings in the Fund subject to corporate activity:

1. **Amaysim (ASX:AYS)** a mobile virtual network operator received an offer for its mobile subscriber business from Optus. The unusually structured offer means shareholders will receive between 67c and 73c per share along with some franking credits. The offer price at the mid-point was only a 4% premium to the previous closing price. We think this is potentially just the first offer and a rival such as TPG Telecom or Telstra will come in with a higher offer. Amaysim was 2.6% of the Fund assets at month end.
2. **RXP Services (ASX:RXP)**, an IT services business received a 55c cash offer from Capgemini, representing 62% premium to the previous closing price. RXP was 1.7% of the Fund assets at month end.
3. **Think Childcare (ASX:TNK)**, a premium childcare provider received two non-binding indicative offers; \$1.35 from Alceon and \$1.75 from Busy Bees a week later. The latest offer represented a 40% premium to the previous closing price. TNK was 3.6% of the Fund assets at month end.

Projected EPS Growth	
1 Year Forward (on a weighted basis)	+21.4%
Projected EPS Growth	
2 Years Forward (on a weighted basis)	+20.7%

Number of companies	34
Top 5 Holdings % of NAV	40.7%
Top 10 Holdings % of NAV	63.3%
Top 20 Holdings % of NAV	85.8%
Cash Position % of NAV	0.5%

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.