


GLOBAL VALUE

MICROCAP FUND



MONTHLY PERFORMANCE AS AT 30/11/2021

latest unit price \$1.6253	return since inception 91.91%	return 1 month -1.29%	 monthly currency impact TAILWIND MODERATE (1-3%)
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FUND OUTLINE







Fund Manager:

Carlos Gil (CIO)

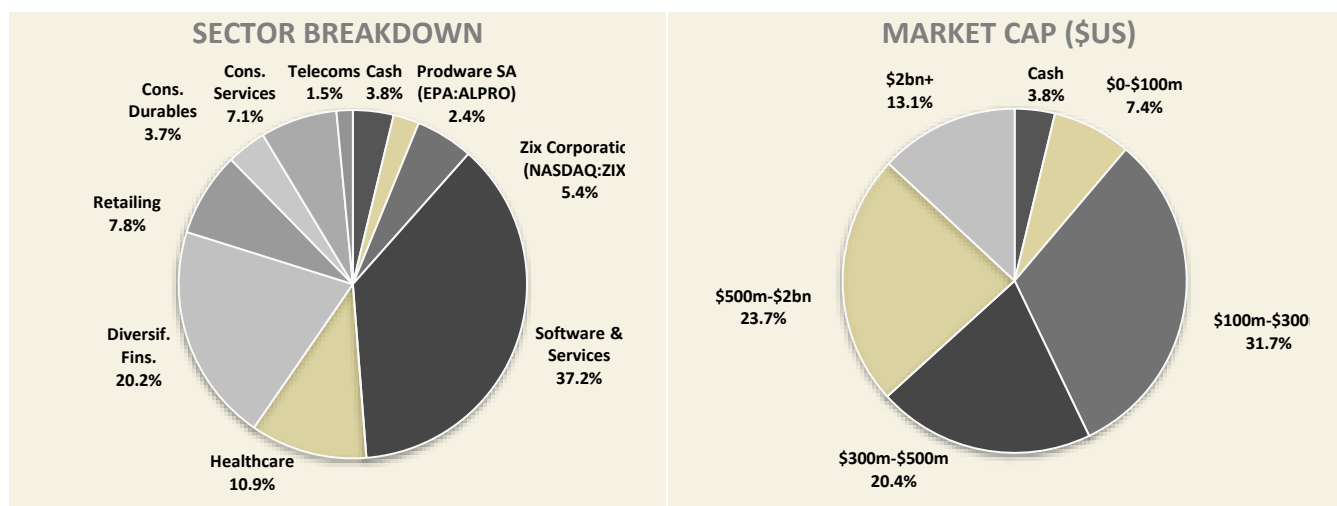
The Global Value Microcap Fund is a wholesale fund investing in a selection of undervalued, profitable and growing companies listed in predominantly advanced economies around the world.

COUNTRY BREAK UP

% of NAV

	United Kingdom	23.0%
	United States	17.8%
	Cont. Europe	45.8%
	Australia	4.5%
	Canada	0.9%
	New Zealand	4.2%
	Cash	3.8%
	Total	100.0%

	Total since inception	Compound p.a. since inception	5 Year	3 Year	2 Year	1 Year	1 Month
GVMF	91.91%	11.48%	12.61%	15.09%	17.99%	21.42%	-1.29%



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MARKET UPDATE AND COMMENTARY

The US employment numbers provided another tangible data point that the world's largest economy needs very little stimulus to continue its growth phase. The US economy added an impressive 531,000 jobs last month pointing towards accelerating economic growth. Average hourly earnings is now tracking at a growth rate of +4.9%, suggesting wage inflationary pressure. That figure will likely be closely watched over the coming months. For much of the past decade, despite solid economic growth, the average US hourly earnings failed to grow beyond rates of +2.5%. The current growth rate is the highest ever recorded since the US Bureau of Labour Statistics started tracking the measure back in March 2007. The inflationary risks which we have previously cited in our updates, appear to be increasing and increase the chances that the Federal Reserve may raise rates in 2022. In Australia trading conditions and consumer spending are likely to end the calendar year on a strong note as pent up demand during the lockdowns is unleashed, particularly in the services sector of the economy.

Microequities Global Value Microcap Fund returned -1.29% in November; this brings the total return net of fees to 91.91% for the Fund since inception in December 2015.

November was an intensive reporting period for the Global Value Microcap Fund with many of its constituent companies reporting quarterly or half yearly results. In the UK, **Adept Technology Group PLC (LON:ADT)** reported strong growth in revenue of +20.3% to 34.3m GBP in its 1H22 earnings driven by the acquisition of Datrix whilst EBITDA increased by +21.4% to 6.5m GBP. In Poland, our diagnostic imaging business **Voxel S.A (WSE:VOX)** produced a mixed result. Whilst overall revenue increased by +8.1% on pcp, EBIT declined 2.6m PLN to 13.7m PLN due to lower gross margins in laboratory testing (Covid testing experienced a sharp decline in sales which has a higher margin than other business units). Pleasingly, the core diagnostic imaging business (central to our investment thesis) continued to grow strongly with sales increasing +26.7% on pcp. Sales in this business unit make up circa 55% of total sales for the group. We view Voxel as a high quality, high growth business that has a long-term structural tailwinds and is a highly coveted potential acquisition target. Staying in Poland, online tyre retailer **Oponeo PL S.A (WSE:OPN)** published its 3Q21 financial results delivering strong revenue growth of +57.7% to 242.3m PLN against pcp, whilst delivering positive EBITDA in what is historically a seasonally weak quarter.

Projected EPS Growth 1 Year Forward (on a weighted basis)	+31.2%
Projected EPS Growth 2 Years Forward (on a weighted basis)	+14.2%

Number of companies	34
Top 5 Holdings % of NAV	42.3%
Top 10 Holdings % of NAV	62.6%
Top 20 Holdings % of NAV	84.3%
Cash Position % of NAV	3.8%

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.