


GLOBAL VALUE

MICROCAP FUND



MONTHLY PERFORMANCE AS AT 31/01/2025

latest unit price \$1.6525	return since inception 136.54%	return 1 month 3.22%	 monthly currency impact HEADWIND LOW (0-1%)
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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.

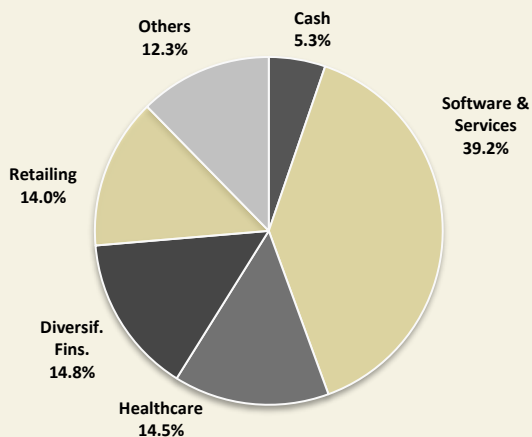
COUNTRY BREAK UP

% of NAV

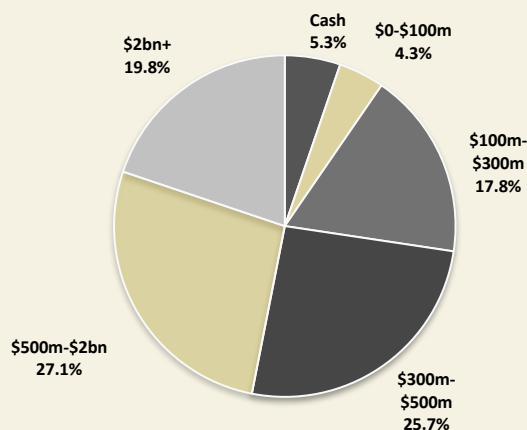
	United Kingdom	21.9%
	United States	30.2%
	Cont. Europe	37.3%
	Australia	1.8%
	Canada	1.1%
	New Zealand	2.4%
	Cash	5.3%
	Total	100.0%

	Total since inception	Compound p.a. since inception	9 Year Compound Annual	7 Year Compound Annual	5 Year Compound Annual	3 Year Compound Annual	1 Year	1 Month
GVMF	136.54%	9.85%	10.30%	9.49%	10.19%	9.19%	16.82%	3.22%

SECTOR BREAKDOWN



MARKET CAP (\$US)



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MARKET UPDATE AND COMMENTARY

Whilst world equity markets, particularly the US, attempted to understand and price the long-term consequences of effective Chinese AI competition, the development has little consequence in our technology assets which are not directly in the business of engineering generative AI and large language models. Our interests in technology are in specific niche B2B industry verticals and cybersecurity software. The future developments of AI will however transform society and all industries in what is a fascinating field and the mother of all revolutions. In Europe, the ECB cut rates for the fifth time to 2.75%, recognising that monetary policy remains restrictive in face of economic headwinds and weakening inflationary pressures. The ECB is likely to cut rates by another 100 basis points over the course of 2025. On rate cuts, Australia's RBA remains one of the very few remaining central banks yet to cut. However, that may change given a much-improved CPI print during the month which saw headline inflation fall to 2.4% whilst core inflation fell from 3.5% to 3.2%, bolstering the chances of a rate cut at next month's RBA meeting.

Microequities Global Value Microcap Fund returned 3.22% in January; this brings the total return net of fees to 136.54% for the Fund since inception in December 2015.

The positive momentum in earnings of several constituents in the Global Value Microcap Fund continued into January as the earnings season in the US and Europe kicked off. Two of the seven cybersecurity software companies in our portfolio reported their quarterly results late in December. **Check Point Software Technologies Ltd (NSDQ:CHKP)**, a provider of network, cloud, and endpoint security solutions, released its Q4 FY24 and full-year FY24 results late in the month. Full-year revenues increased by 6%, with security subscription revenues growing by 13%, while non-GAAP EPS rose by 9%.

Swedish based, global digital forensic technology company **Micro Systemation AB (STO:MSAB)** reported its Q424 and FY24 year end accounts. The 4Q24 saw a strong return to profit with an EBIT of 27.5m SEK versus -4.9m loss in the previous corresponding period (PCP). Cash flow from operating activities was 24.4m SEK versus a net outflow of 27.4m in the pcp. The company has restructured the management team and will be launching new product during 2025. We are pleased with the beginning of the new leadership team, the company remains a lowly weighted assets in the portfolio given the breadth of other investment opportunities, however we continue to actively track the progress of this undervalued asset.

Projected EPS Growth 1 Year Forward (on a weighted basis)	+17.8%
Projected EPS Growth 2 Years Forward (on a weighted basis)	+13.9%

Number of companies	34
Top 5 Holdings % of NAV	41.6%
Top 10 Holdings % of NAV	60.4%
Top 20 Holdings % of NAV	82.0%
Cash Position % of NAV	5.3%

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.