



GLOBAL MASTERS FUND LIMITED

ABN 84 109 047 618

APPENDIX 4D STATEMENT

FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

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APPENDIX 4D STATEMENT

Results for Announcement to the Market

Half-Year ended 31 December 2021

SUMMARY OF RESULTS

	2021	2020	Movement
	\$	\$	%
Operating revenue	244,077	153,201	59.3
Operating profit/(loss) after tax	467,689	328,028	42.6
Net Comprehensive Income	2,202,635	2,674,302	(17.6)
Earnings/(Loss) per share (cents)	4.36	3.06	42.5
Net Comprehensive income per share (cents)	20.54	24.94	(17.6)
Net Tangible Assets per share (cents) (before deferred tax on unrealised gains)	330.1	254.4	29.8
Weighted Number of shares	10,723,159	10,723,159	-

Previous Corresponding Period Data

The previous corresponding period refers to the period 1 July 2020 to 31 December 2020.

DIVIDEND

The Company has historically not paid dividends due to the major investment, Berkshire Hathaway, not yielding a dividend.

For the Half-year ending 31 December 2021 a dividend has not been declared (compared to Nil dividend at December 2020).

NET TANGIBLE ASSETS

The NTA per share (tax on realised gains only) at 31 December 2021 was 330.1 cents compared with 301.7 cents at 30 June 2021 an increase of 9.4%. Portfolio performance equating to 31.8 cents per share has contributed to the increase after subtracting 1.0 cents per share for the Convertible Note expenses and 1.9 cents per share for the operating costs of the business.

SUBSEQUENT EVENTS

Since 31 December 2021 equity markets have broadly experienced a decline in value. The MSCI Index declined by 5.3% between December 2021 and January 2022, over the same period the ASX All Ordinaries Index declined 6.6% and the FTSE increased by 1.1%. The Global Masters NTA increased by 0.9% during January 2022 due to the performance of Berkshire Hathaway through the month.

GLOBAL MASTERS FUND LIMITED

REVIEW OF OPERATIONS

On the 24 November 2021 Global Masters Fund Limited issued 3,225,806 unsecured, listed convertible notes (GFL Notes). The GFL Notes issued at \$3.10 raised \$10 million for GFL before costs, which has been deployed into the Vanguard MSCI Index International Shares ETF (VGS.ASX). The Vanguard ETF is considered a short-term investment, providing exposure to the global market until such time as an appropriate active strategy can be engaged. Capital raising via convertible note allows the Company to increase the overall size of the investment portfolio without immediately diluting existing GFL Shareholders. The first interest payment in relation to the notes was paid on 31 December 2021 with following payments to be made each quarter- 31 March, 30 June and 30 September.

Due to the issuance of the GFL Notes there are a number of new features in the financial report. Including one off partial recognition of costs \$40,677, the initial recognition of the convertible note debt (balance at 31 December 2021 \$8,135,551), and the initial recognition of a derivative liability associated with the convertible option intrinsic in the notes (balance at 31 December 2021 \$1,678,915). As part of the December reporting and an ongoing accounting requirement, the Convertible Note Debt will be amortised over the five-year term (amortised interest recognised in the Statement of Profit or Loss of \$88,905 compared to interest paid of \$55,753) and the derivative liability will be adjusted to fair value (credit to the Statement of Profit or Loss of \$19,918).

During the last six months, Global Masters Fund Limited recorded portfolio gains of 9.5% (see graph below). The value of the primary investment in Berkshire Hathaway increased by 11.1% with favourable movements in the underlying USD share price and the AUD/USD exchange rate. The actively managed UK portfolio performed well achieving gains in local currency of 12.5% in the six months to 31 December 2021 versus the FTSE which increased by 4.9%, the Australian dollar weakened marginally against the pound by 0.9%.

Portfolio Performance:

	6 mths to Dec 21	12 Mths to Dec 21	5 Years p.a.	10 Years p.a.	Since Inception p.a.
Global Masters Portfolio	9.5%	31.4%	12.8%	16.0%	9.0%
ASX All Ordinaries	2.6%	13.6%	6.4%	6.6%	2.6%
MSCI Index (AUD)	10.8%	27.5%	12.9%	14.4%	5.9%
MSCI Index (USD)	7.1%	20.1%	13.0%	10.6%	5.6%

OTHER DISCLOSURES

This report is based on financial statements for the half-year 1 July 2021 to 31 December 2021 which have been subject to independent review by the auditor, Connect National Audit Pty Ltd.

All the documents comprise the information required by ASX listing Rule 4.2A.3

This information should be read in conjunction with the Company's most recent Annual Financial Report.

Authorised for publication by the Board.

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