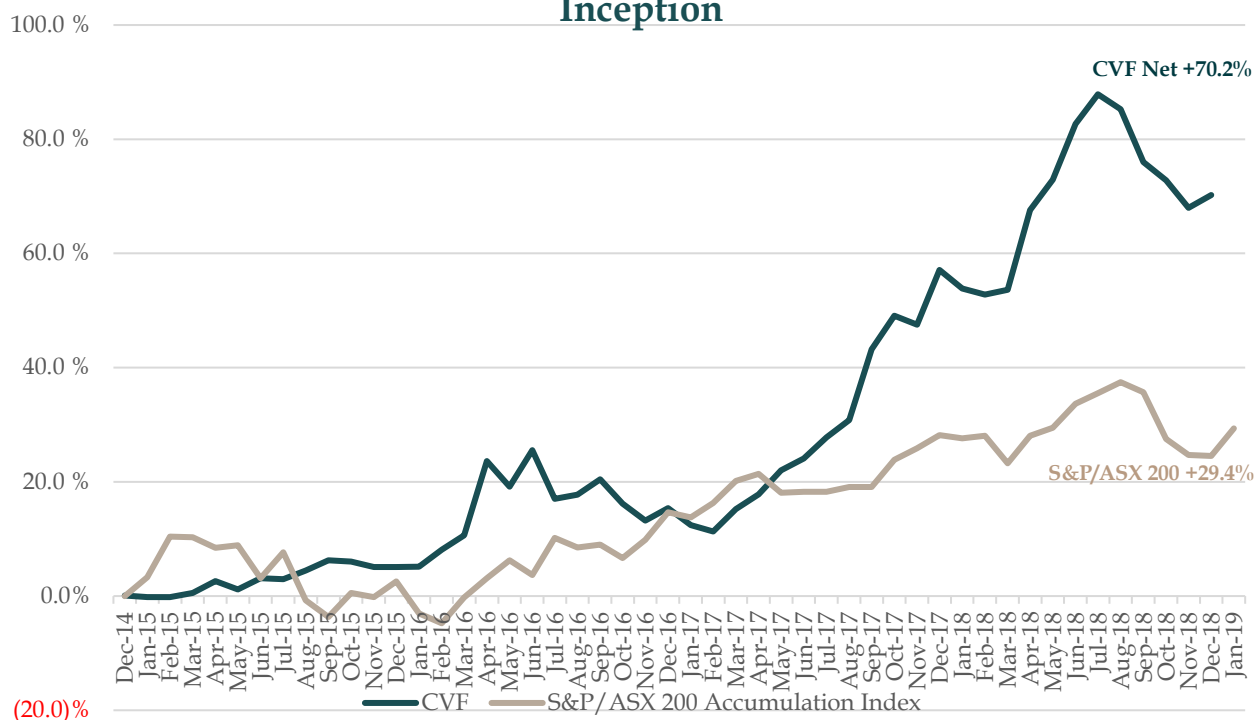


**Fund Performance**

**CVF Cumulative Net Performance vs Index - Since Inception**



(20.0)%

At 31 January 2019	1 mth	3 mths	1 yr	2 yr p.a	3 yr p.a	Since inception (5 Jan 2015)	
						Annualised	Cumulative
<b>Arowana CVF Gross performance</b>	1.4 %	(3.3)%	12.3 %	26.7 %	22.2 %	17.8 %	95.3 %
S&P/ASX200 Accumulation Index	3.9 %	1.5 %	1.4 %	6.6 %	10.1 %	6.5 %	29.4 %
Gross outperformance	(2.5)%	(4.8)%	10.9 %	20.1 %	12.1 %	11.3 %	65.9 %
<b>Arowana CVF Net performance*</b>	1.3 %	(3.3)%	8.3 %	21.5 %	17.4 %	13.9 %	70.2 %
S&P/ASX200 Accumulation Index	3.9 %	1.5 %	1.4 %	6.6 %	10.1 %	6.5 %	29.4 %
Net outperformance	(2.6)%	(4.8)%	6.9 %	14.9 %	7.3 %	7.4 %	40.8 %

\* Net of all fees and expenses, pre-tax

**Net Tangible Assets (NTA) per Share**

At 31 January 2019	\$
<b>NTA pre-tax on unrealised gains</b>	<b>1.21</b>
<b>NTA after tax on unrealised gains<sup>1</sup></b>	<b>1.19</b>

1. The Company is required to estimate the tax that may arise should the entire portfolio be disposed of on the above date and show the result per share after deducting this theoretical provision. Any such tax would generate franking credits, whose value would not be lost but rather transferred to shareholders on payment of franked dividends.

**Top 5 Holdings (% of Gross Portfolio Value)**

Ticker		%
EAF.US	GRAFTECH INTERNATIONAL LTD	7%
VRL	VILLAGE ROADSHOW LIMITED	6%
VOC	VOCUS GROUP LIMITED	4%
TSGL.CA	STARS GROUP INC	3%
BAL	BELLAMYS AUSTRALIA LIMITED	3%
<b>Top 5 as % of Gross Portfolio</b>		<b>23%</b>



## Monthly Newsletter

In January, the Fund recorded +1.3% performance, net of all costs and fees, versus the S&P/ASX 200 Accumulation Index return of +3.9%. NTA per share was \$1.21 as at 31 January 2019.

The main contributors to performance were *Graftech International* (EAF.US), *Afterpay Touch* (APT.AU) and *Bellamy's Australia* (BAL.AU). The main detractors were *Zooplus* (ZO1.GY) and *Elders Limited* (ELD.AU).

During the month, the S&P500 index recorded its strongest start to a calendar year for over 30 years, with other markets globally, including Australia also rising in sympathy. We took advantage of the rally to execute on action items resulting from our strategic review, announced on 17 September 2018 and completed in early January 2019. The key actions arising from the strategic review included the following:

- Sell or reduce positions that were not considered to be aligned with the fund's contrarian value strategy – this included selling out of positions such as Facebook and reducing exposure to growth stocks such as AfterPay. This was completed in September 2018.
- Adopt a defensive portfolio stance, given significant concerns about market valuations and macroeconomic risks – this involved significantly increasing the fund's cash weighting, which resulted in portfolio losses being contained during the bear market correction in the final quarter of calendar 2018. This was completed in October 2018.
- Review all positions in the portfolio to reduce correlation risk, as well as exposure to macroeconomic and geopolitical risks (for example trade wars) – this resulted in further pruning of certain positions in the portfolio and a further increase in cash weighting. This was completed in January 2019.

As a result of the above, we ended the month with cash representing 77.9% of the fund's net asset position and we are well positioned to deploy capital into contrarian value investment opportunities.

We did increase the fund's position in *Village Roadshow* (VRL.AU) during the month, given more evidence that our thesis is playing out. Industry data for both theme-parks and cinemas continues to be strong, whilst the company is on track to reinstate its dividend after successfully refinancing its debt. We were also pleasantly surprised to read reports of a major shareholder agitating management publicly to sell-off underperforming assets and allocate capital back into its high return assets (theme parks and cinemas). Whilst not core to our thesis, this could be a near term catalyst to unlock value.

Whilst we remain cautious, the investment team is now seeing more attractive opportunities that are of a contrarian value nature and is undertaking due diligence on several companies, with a view to deploying a significant percentage of the accumulated cash reserves of the fund in the coming months.

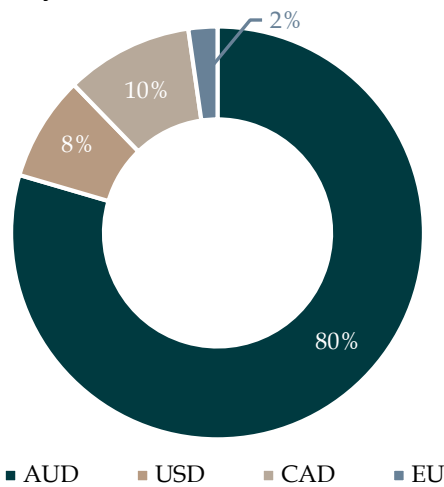


## Fund Information

ASX ticker	CVF	INVESTMENT PERFORMANCE (Pre-tax, net of all costs)					
Net Month's performance	1.3%	2015	2016	2017	2018	2019	
Last price (at 31 January 2019)	\$1.00	<b>Jan</b>	0.1%	0.0%	1.9%	6.5%	1.3%
Pre-tax NTA	1.21	<b>Feb</b>	(0.3)%	0.0%	(2.6)%	(2.1)%	
Premium/(Discount) to pre-tax NTA	(17.4)%	<b>Mar</b>	0.0%	2.9%	(1.0)%	(0.7)%	
Fund AUM	A\$87.5m	<b>Apr</b>	0.7%	2.3%	3.5%	0.6%	
Market capitalisation	A\$70.4m	<b>May</b>	2.1%	11.8%	2.2%	9.1%	
Shares on issue	70,413,825	<b>Jun</b>	(1.4)%	(3.6)%	3.5%	3.2%	
Current franked dividend yield	12.1%	<b>Jul</b>	2.0%	5.3%	1.7%	5.6%	
Gross/Net equities exposure	45.6% / 22.1%	<b>Aug</b>	(0.2)%	(6.8)%	3.0%	2.9%	
Cash weighting	77.9%	<b>Sep</b>	1.5%	0.6%	2.4%	(1.4)%	
Geographic mandate (Equities)	Global (45% ex Aust)	<b>Oct</b>	1.7%	2.3%	9.5%	(5.0)%	
Fund Inception	5-Jan-15	<b>Nov</b>	(0.2)%	(3.5)%	4.1%	(2.0)%	
		<b>Dec</b>	(0.9)%	(2.5)%	(1.1)%	(2.8)%	
		<b>Total</b>	<b>5.1%</b>	<b>7.7%</b>	<b>30.3%</b>	<b>13.9%</b>	<b>1.3%</b>

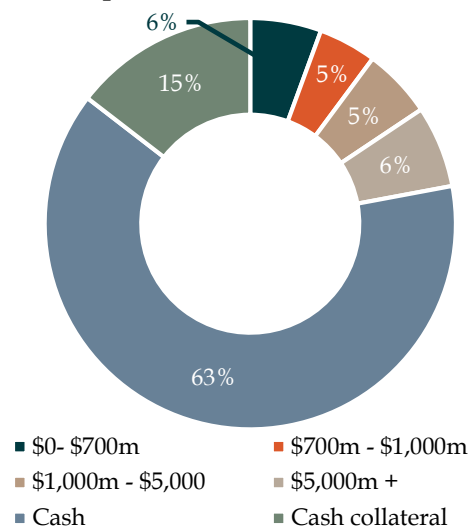
## Portfolio Information

### Currency Mix\*

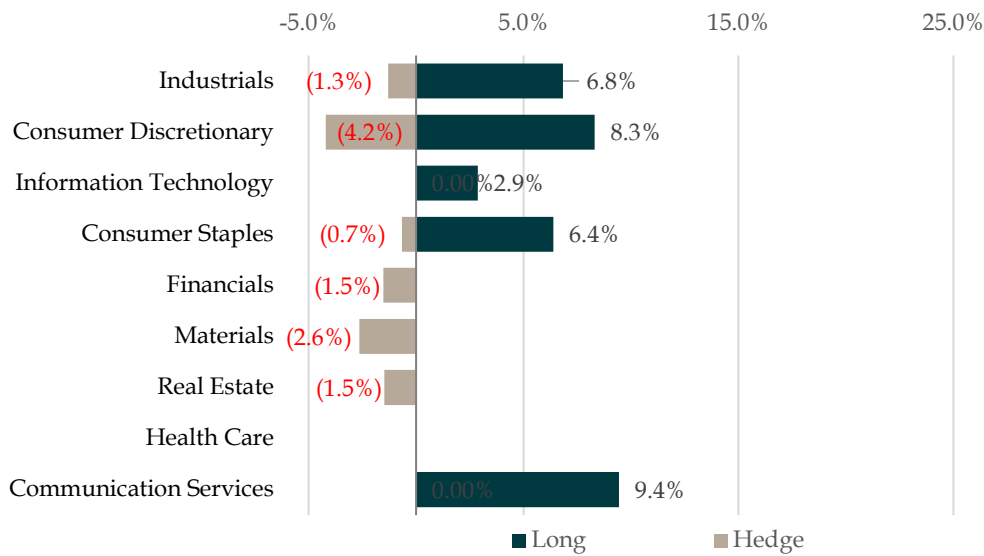


\*Currency mix includes cash and equities

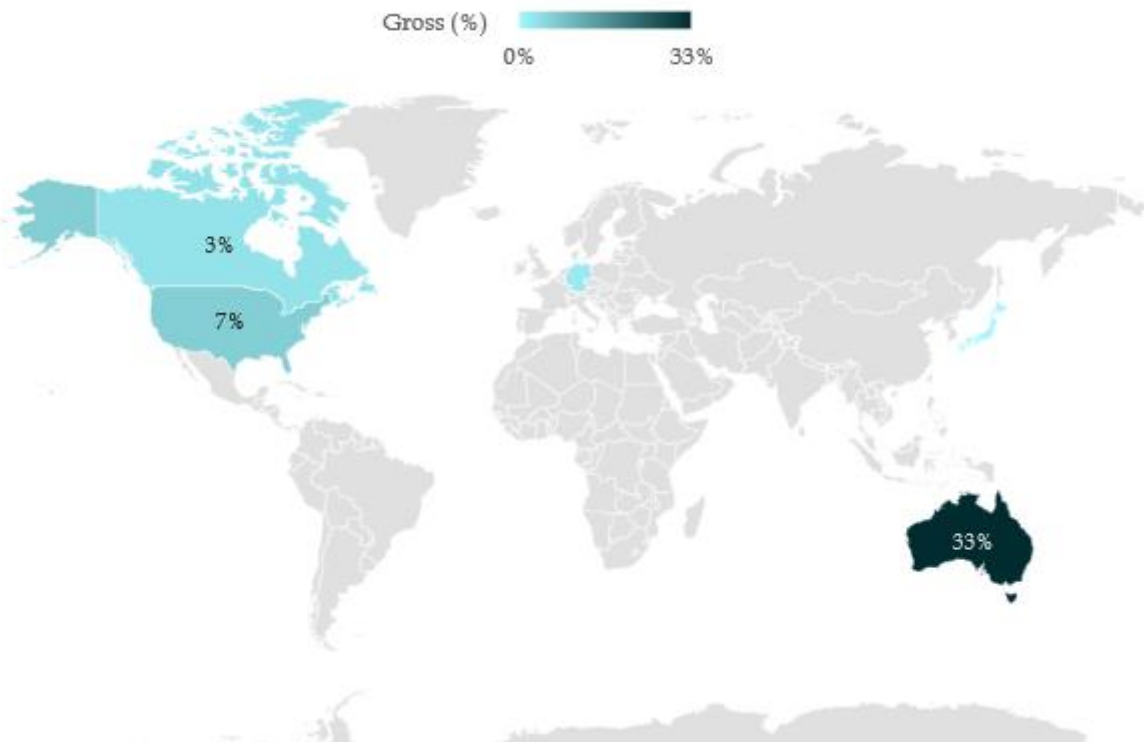
### Market Cap Mix



**Exposure by Sector**



**Equities Exposure by Country**

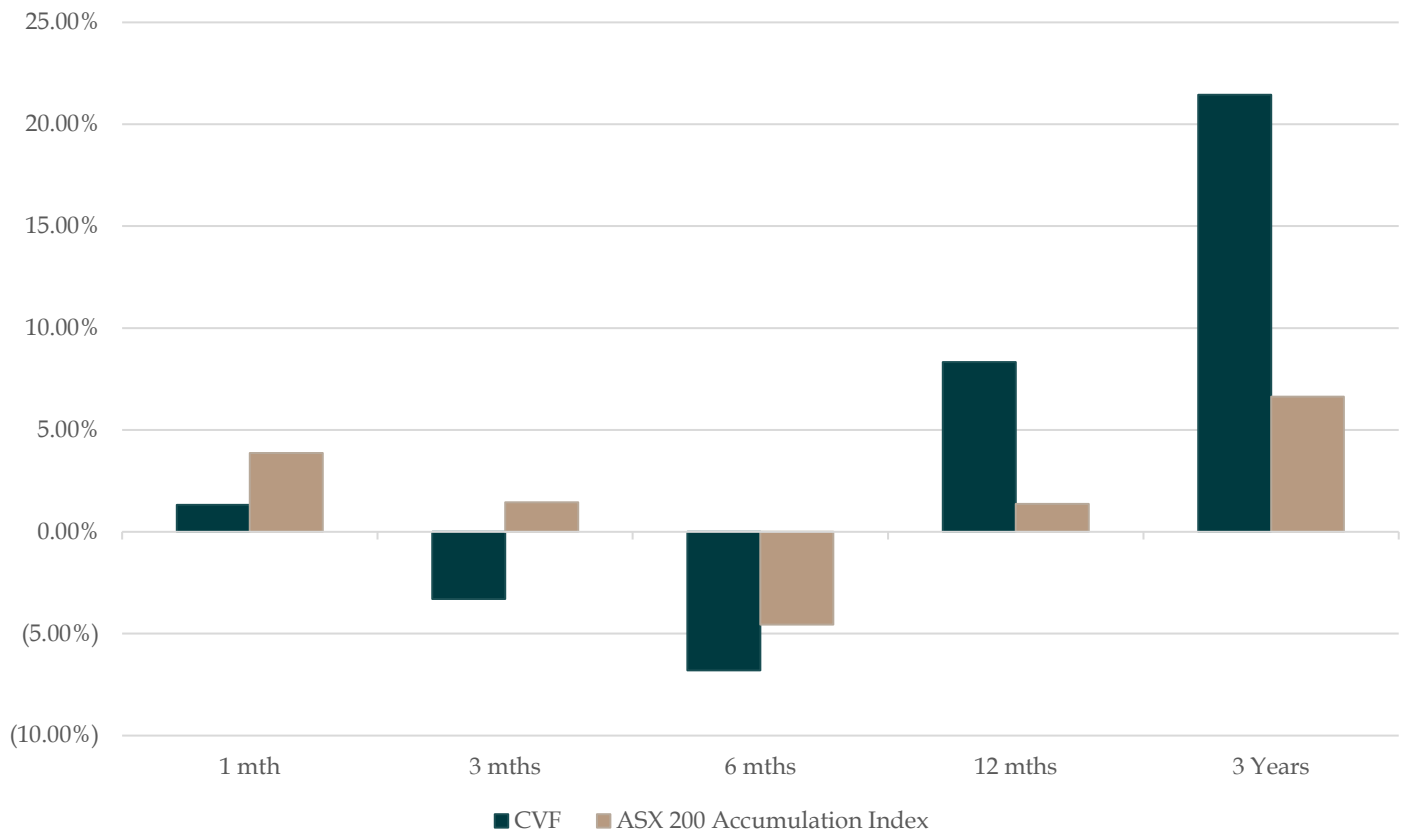


Country	Long	Hedge	Gross	Net
Australia	21.3%	(11.8%)	33.1%	9.5%
United States of America	6.8%	-	6.8%	6.8%
Canada	3.4%	-	3.4%	3.4%
Germany	2.3%	-	2.3%	2.3%
<b>Total</b>	<b>33.8%</b>	<b>(11.8%)</b>	<b>45.6%</b>	<b>22.1%</b>

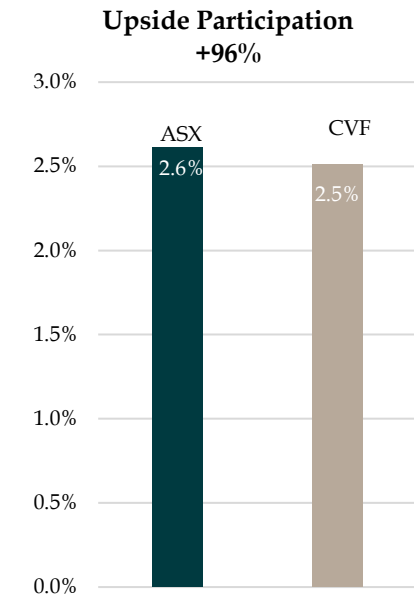
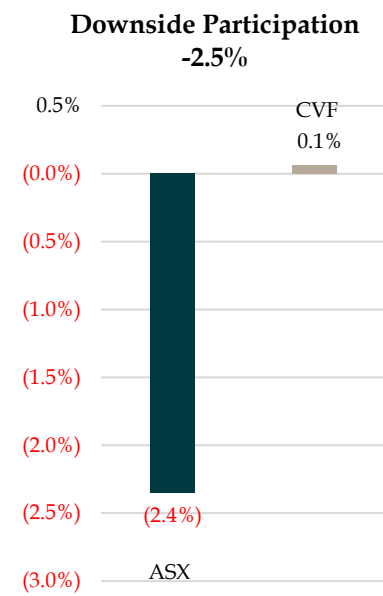
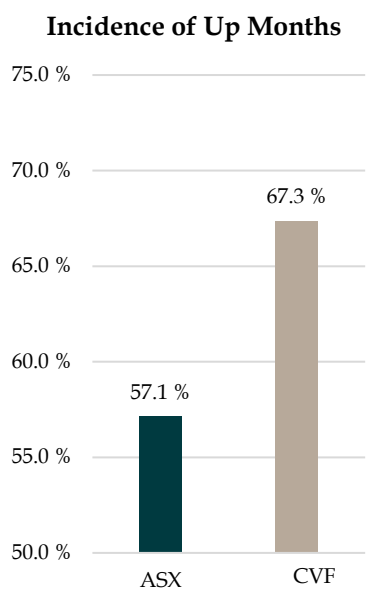


CVF long term outperformance

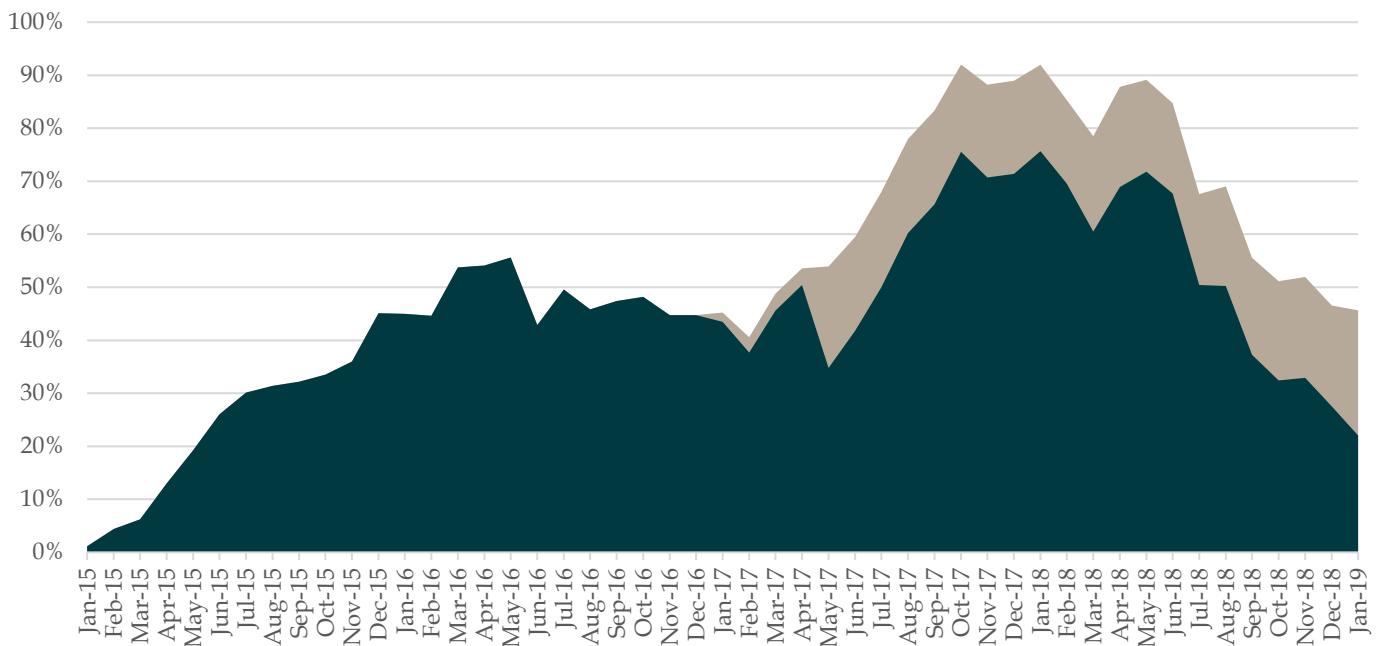
CVF Net Performance vs Index



Uncorrelated Returns: More positive months and negative correlation in months when market is down



Gross & Net Portfolio Exposures – Outperformance with no portfolio leverage



**Important Information and Disclaimer**

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Past performance is not indicative of future performance. Returns can be volatile. Potential investors should seek independent advice as to the suitability of a particular investment to their investment need.

