



GLOBAL
TRADE UNION

2019



Global Trade Union
annual report **2019**

Chairwoman's Statement

Summarizing the annual results, the Global Trade Union team successfully used all the incredible opportunities that the stock market offered investors in 2019. We set a new bar in investing in IPOs and managing funds.

The main points of growth in the report period:

- Analysis of company's operating efficiency and impact of its product or service on the market.
- Participation in IPOs of companies that offer the market the most innovative solutions.
- Keeping shares and trading activity in stocks of companies that already received investment.

Actually, we can't say that the year has been easy because we are not used to going along with the market—we strive to surpass it and get the best results! The Global Trade Union team worked hard in 2019 and yet again proved that it is the best in its field!



Michelle M. Simonson
President
4 February 2020

Strategic Report

The Strategic Report provides a review of the Company's business, the operating performance during the year to 31 December 2019 and its strategy going forward. It also considers the principal risks and uncertainties facing the Company.

Investment Objective and Policy

Global Trade Union objective is to follow a realisation strategy, which aims to crystallise value for shareholders, through balancing the timing of returning cash to shareholders with maximisation of value.

Strategy Implementation Risk

The Company is subject to the risk that implementation of its strategy and its level of performance fail to meet the expectations of its shareholders. The Board has undertaken a thorough review of the Company's investment strategy and policy and its structure, with the objective of maximising shareholder value. The Directors consider that clear alignment between executive incentives and shareholder value optimisation, with ongoing close oversight from the Non-Executive Board, is the optimal way to manage this.

Macroeconomic Risk

The performance of the Company's investment portfolio can be materially influenced by economic conditions. These may affect demand for products or services supplied by investee companies, foreign exchange rates, the price of commodities or other input costs, interest rates, debt and equity capital markets, and the number of active trade and financial buyers. All of these factors may have an impact on the Company's ability to realise a return from its investment portfolio and cannot be directly controlled by the Company. This risk has not materially changed in impact from the previous year, and the Board of Directors does not believe there will be a significant impact on the valuations or operations of its portfolio companies.

Valuation Risk

The valuation of investments in accordance with IFRS 13 and International Private Equity and Venture Capital Valuation ("IPEV") guidelines requires considerable judgement and is explained in the Notes. This risk has not materially changed in impact from the prior year.

Gearing Risk

Gearing is used across the Company's investment portfolio. One of the principal risks of gearing is that it can cause both gains and losses in the asset value of portfolio investments to be magnified. Another significant risk associated with gearing is the potentially severe impact on portfolio investments of any breaches of the lenders' banking covenants. Secondary risks relate to whether the cost of gearing is too high and whether the contracted terms of the gearing, including those relating to the terms of borrowings, are appropriate.

Performance report

During the 2019 reporting year, 8 investments were made in various companies conducting IPOs.

Ticker	Company	IPO date	Offering price	Current price	Price change	Share in portfolio
Financial result for existing positions					+182.6%	20.8%
BYND	Beyond Meat	May 2	\$25	\$75.6	+202.4%	15.7%
SILK	Silk Road Medical	April 4	\$20	\$40.4	+101.9%	5.3%
PINS	Pinterest	April 18	\$19	\$18.6	-1.9%	7.6%
ZM	Zoom Video Communications	April 18	\$36	\$68.0	+89.0%	9.8%
TPTX	Turning Point Therapeutics	April 17	\$18	\$62.3	+246.1%	13.2%
FSLY	Fastly	May 16	\$16	\$20.1	+25.4%	9.4%
CRWD	CrowdStrike	June 12	\$34	\$49.9	+46.7%	5.1%
KRTX	Karuna Therapeutics	June 27	\$16	\$75.3	+370.9%	13.1%
Financial result					+169.6%	100%

Beyond Meat (BYND)

+202.4%

Beyond Meat is a Los Angeles-based producer of plant-based meat substitutes founded in 2009 by Ethan Brown. The company's initial products were launched in the United States in 2012. The company has products designed to emulate beef, meatballs, ground meat, and pork sausage links and patties.

As of July 2019, Beyond Meat had a market value of US\$11.7 billion, following a value of \$3.8 billion on the day of its IPO on 2 May 2019. Beyond Meat trades on the United States NASDAQ exchange under the symbol BYND.

IPO date	May 2
Offering price	\$25
Current price	\$75.6

Silk Road Medical (SILK)

+101.9%

Silk Road Medical is a Sunnyvale, California-based healthcare company.

Silk Road Medical produces and distributes surgical equipment. The Company develops and manufactures less-invasive medical devices intended to improve the treatment of carotid artery disease through proprietary transcarotid therapies. Silk Road Medical serves the medical sector in the United States.

IPO date	April 4
Offering price	\$20
Current price	\$40.4

Pinterest (PINS)

-1.9%

Pinterest, Inc. is a company, based in San Francisco. It operates Pinterest - image sharing and social media service designed to enable saving and discovery of information (specifically "ideas") on the internet using images and, on a smaller scale, animated GIFs and videos, in the form of pinboards. The site was created by Ben Silbermann, Paul Sciarra, and Evan Sharp in 2010.

IPO date	April 18
Offering price	\$19
Current price	\$18.6

Zoom Video Communications (ZM)

+89.0%

Zoom Video Communications, Inc. is an American communications technology company headquartered in San Jose, California. It provides video telephony and online chat services through a cloud-based peer-to-peer software platform and is used for teleconferencing, telecommuting, distance education, and social relations.

Eric Yuan, a former Cisco engineer and executive, founded Zoom in 2011, and launched its software in 2013.

IPO date	April 18
Offering price	\$36
Current price	\$68

Turning Point Therapeutics (TPTX)

+246.1%

Turning Point Therapeutics, Inc. operates as a biopharmaceutical company. The Company designs and develops novel small molecule to treat cancer related diseases. Turning Point Therapeutics serves medical sector in the United States.

Based on preliminary clinical results in TKI-naïve and pre-treated patients, a registrational study of repotrectinib was initiated in the second half of 2019.

IPO date	April 17
Offering price	\$18
Current price	\$62.3

Fastly (FSLY)

+25.4%

Fastly is an American cloud computing services provider. Fastly was founded in 2011 by Artur Bergman, previously chief technical officer at Wikia.

Fastly describes their network as an edge cloud platform, which is designed to help developers extend their core cloud infrastructure to the edge of the network, closer to users. The Fastly edge cloud platform includes their content delivery network, image optimization, video and streaming, cloud security, and load balancing services.

IPO date	May 16
Offering price	\$16
Current price	\$20.1

CrowdStrike (CRWD)

+46.7%

CrowdStrike Holdings, Inc. is an American cybersecurity technology company based in Sunnyvale, California. It provides endpoint security, threat intelligence, and cyberattack response services. The company has been involved in investigations of several high-profile cyberattacks, including the 2014 Sony Pictures hack, the 2015–16 cyber attacks on the Democratic National Committee (DNC), and the 2016 email leak involving the DNC.

CrowdStrike was co-founded by George Kurtz (CEO), Dmitri Alperovitch (CTO), and Gregg Marston (CFO, retired) in 2011.

IPO date	June 12
Offering price	\$34
Current price	\$49.9

Karuna Therapeutics (KRTX)

+370.9%

Karuna Therapeutics is a Massachusetts-based innovative clinical-stage biopharmaceutical company committed to developing novel therapies with the potential to transform the lives of people with disabling and potentially fatal neuropsychiatric disorders and pain, today announced next steps in the clinical program evaluating KarXT for the treatment of acute psychosis in patients with schizophrenia following the completion of a successful End-of-Phase 2 meeting with the U.S. Food & Drug Administration (FDA). Karuna Therapeutics was founded by Andrew Miller in 2009.

IPO date	June 27
Offering price	\$16
Current price	\$75.3

Summary on GTU performance in 2019

In 2019, the profit of Global Trade Union was **169.6%**. IPO investment proved to be an efficient way to boost funds in terms of revenue and exposure. A fully transparent and regulated legal environment allows getting complete information about the financial status of a company undertaking an IPO. Using the economic and legal expertise and accumulated investment experience, Global Trade Union chooses the most undervalued companies that possess the highest potential and can get a growth accrual effect from going public.

Companies reviewed in the previous section were accurately picked and analyzed using patented software. It helps to identify hidden growth factors, such as the innovative activity of the company, customer satisfaction rate, corporate culture quality, etc. It allows picking and taking part in the most successful IPOs on the market, as well as assessing the company's further growth potential based on the results of their offering. Besides participating in new offerings, Global Trade Union aims for long-term results and increases revenue by keeping its position and trading activity in assets of companies that have already received investment.