

# Antipodes Global Investment Company Limited (ASX:APL)

ACN 612 843 517

## COMPANY UPDATE AS AT 31 DECEMBER 2017

Antipodes Partners	<ul style="list-style-type: none"> <li>Global pragmatic value manager, long only and long-short</li> <li>Structured to reinforce alignment between investors and the investment team</li> <li>We take advantage of the market's tendency for <i>irrational extrapolation</i>, identify investments that offer a high <i>margin of safety</i> and build portfolios with a <i>capital preservation</i> focus</li> </ul>
Company features	<ul style="list-style-type: none"> <li>Objective to achieve absolute returns in excess of the benchmark over the investment cycle (typically 3-5 years)</li> <li>In the absence of finding individual securities that meet minimum risk-return criteria, cash may be held</li> <li>Equity shorts and currency positions used to take advantage of attractive risk-return opportunities, offset specific long portfolio risks and provide some protection from negative tail risk. Derivatives may also be used to amplify high conviction ideas</li> <li>Typical net equity exposure of 50% to 100%; maximum allowable gross exposure limit of 150% of NAV</li> </ul>

### COMPANY FACTS

Investment manager	Antipodes Partners
ASX code   share price	APL   \$1.255
ASX code   option price	APLO   \$0.160
Inception (listing) date	11 October 2016 (18 October 2016)
Benchmark	MSCI All Country World Net Index in AUD
Management fee	1.10% p.a. <sup>1</sup>
Performance fee	15% <sup>1</sup> of net return in excess of benchmark
Market capitalisation	\$417m
Options outstanding	237,389,021
Options exercise price	\$1.10
Options expire	15 October 2018

<sup>1</sup> Inclusive of the net impact of GST and RITC

### NET TANGIBLE ASSETS (NTA)<sup>2</sup>

Pre-tax NTA <sup>3</sup>	\$1.261
Post-tax NTA <sup>4</sup>	\$1.211

<sup>2</sup> NTA calculations exclude Deferred Tax Assets relating to capitalised cost deductions and carried forward tax losses of \$0.006 per share

<sup>3</sup> Pre-tax NTA includes tax on realised gains and other earnings, but excludes any provision for tax on unrealised gains

<sup>4</sup> Post-tax NTA includes tax on realised and unrealised gains and other earnings

### SECTOR CONTRIBUTION<sup>8,11</sup> (%)

Top 5	1 month
Staples	0.48
Industrial Services	0.41
Retail	0.40
Energy	0.26
REITS/Development	0.14

### NET PERFORMANCE (%)

	Company <sup>5</sup>	Portfolio <sup>6</sup>	Benchmark <sup>7</sup>
1 month	-0.7	-1.0	-1.4
3 months	2.7	4.2	6.1
YTD	11.0	13.2	14.8
1 year	11.0	13.2	14.8
Inception	18.2	21.8	22.3
Inception p.a.	15.8	17.6	18.0
Up-market capture	-	90	-
Down-market capture	-	60	-

Past performance is not a reliable indicator of future performance.

<sup>5</sup> Movement in Company's pre-tax NTA (excluding Deferred Tax Assets relating to capitalised cost deductions and carried forward tax losses)

<sup>6</sup> Quoted in AUD net of portfolio related fees, costs and taxes

<sup>7</sup> MSCI All Country World Net Index in AUD

### PERFORMANCE CONTRIBUTION<sup>8</sup> (%)

	1 month
Long	-1.02
Short	0.08
Currency/Liquidity	-0.04

<sup>8</sup> Based on gross portfolio returns in AUD

Bottom 5	1 month
Infrastructure	-0.22
Healthcare	-0.13
Software	-0.13
Banks	-0.12
Hardware	-0.11

### USD TOTAL RETURNS

	MSCI USA	MSCI Europe	MSCI Japan	MSCI AC Asia ex JP	MSCI China A+B+H	MSCI EM ex Asia	Brent Crude (\$/bbl)	Gold (\$/ozt)	BofAML Global Govt.	BofAML Global HY.	AUD	EUR	JPY	CNY
1M	1.0%	1.5%	0.7%	2.7%	1.8%	5.8%	6.8%	0.8%	0.1%	0.3%	3.0%	0.7%	(0.7%)	1.5%
1Y	21.2%	25.5%	24.0%	41.7%	22.2%	24.2%	17.7%	12.7%	6.5%	10.2%	8.0%	13.8%	3.5%	6.7%

## ASSET ALLOCATION

	Long		Short	
	Equities	Other <sup>9</sup>	Equities	Other <sup>9</sup>
Weight (% NAV)	93.3	3.1	-23.6	-5.2
Count	62	4	36	5
Avg. weight	1.5	0.8	-0.7	-1.0
Top 10 (% NAV)	27.7	-	-10.8	-
Top 30 (% NAV)	63.7	-	-21.7	-

<sup>9</sup> Index futures and other non-single stock derivatives

## TOP 10 EQUITY LONGS (%)

Name	Country	Weight
Cisco Systems	United States	3.3
Ping An Insurance	China/HK	2.8
INPEX	Japan	2.8
KT Corporation	Korea	2.8
Microsoft	United States	2.7
Baidu	China/HK	2.7
Gilead Sciences	United States	2.7
KB Financial	Korea	2.7
Hyundai Motor	Korea	2.6
Electricite de France	France	2.6

## CURRENCY EXPOSURE<sup>10</sup> (%)

ISO	Cash equity	Currency	Difference
NOK	1.0	7.6	6.6
AUD	1.9	7.4	5.4
GBP	1.6	3.5	2.0
CNY	18.3	19.6	1.3
SEK	0.0	0.9	0.9
USD	25.9	26.7	0.8
MXN	0.5	0.6	0.1
BRL	0.6	0.6	0.0
JPY	14.0	13.3	-0.7
KRW	10.2	9.3	-0.9
EUR	17.3	15.4	-2.0
HKD	0.0	-2.0	-2.0
SGD	0.0	-2.8	-2.8

<sup>10</sup> Where possible, regions, countries and currencies classified on a look through basis

## FURTHER INFORMATION

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## SECTOR EXPOSURE<sup>11</sup> (%)

Sector	Long	Short	Net
Banks	11.9	-2.4	9.5
Software	9.9	-1.4	8.6
Energy	8.6	-1.3	7.3
Retail	7.7	-0.7	7.0
Communications	7.2	-0.3	6.8
Staples	6.8	-0.5	6.3
Hardware	6.0	-2.6	3.3
Insurance	5.9	0.0	5.9
Internet	5.6	-0.8	4.8
Other	26.9	-18.8	8.1

<sup>11</sup> Antipodes Partners classification

## REGIONAL EXPOSURE<sup>10,11</sup> (%)

Region	Long	Short	Net
<b>North America</b>	<b>25.9</b>	<b>-16.4</b>	<b>9.5</b>
<b>Developed Asia</b>	<b>24.2</b>	<b>-2.9</b>	<b>21.3</b>
<i>Korea</i>	10.2	0.0	10.2
<i>Japan</i>	14.0	-1.9	12.1
<b>Developing Asia</b>	<b>20.7</b>	<b>-2.7</b>	<b>17.9</b>
<i>China/Hong Kong</i>	20.7	-1.7	18.9
<i>India</i>	0.0	-1.0	-1.0
<b>Western Europe</b>	<b>19.5</b>	<b>-4.2</b>	<b>15.3</b>
<i>Eurozone</i>	16.9	-2.3	14.6
<i>United Kingdom</i>	1.6	0.0	1.6
<i>Rest Western Europe</i>	1.0	-1.9	-0.9
<b>Australia</b>	<b>1.9</b>	<b>-2.6</b>	<b>-0.6</b>
<b>Rest of World</b>	<b>1.1</b>	<b>0.0</b>	<b>1.1</b>
<b>Total Equities</b>	<b>93.3</b>	<b>-28.8</b>	<b>64.5</b>
<b>Other</b>	<b>3.1</b>	<b>0.0</b>	<b>3.1</b>
<b>Cash</b>	<b>3.6</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>100.0</b>	<b>-28.8</b>	<b>67.6</b>

## MARKET CAP EXPOSURE (%)

Band	Long	Short	Net
Mega (>\$100b)	16.9	-7.4	9.4
Large (>\$25 <\$100b)	30.5	-8.2	22.3
Medium (>\$5 <\$25b)	36.8	-10.6	26.2
Small (<\$5b)	12.3	-2.6	9.7

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