

APL Full Year Results FY2018

Highlights:

FY18 profit	Portfolio performance	Maiden dividend	Dividend yield*
\$34m	+12.3%	5.0c	4.37%

- FY18 operating profit after tax of \$34.0 million
- Maiden dividend of 5.0 cents per share (50% franked)
- APL options expire 15 October 2018
- Shareholder conference call on results and portfolio update

Summary of results

We are pleased to announce strong FY2018 results for Antipodes Global Investment Company Limited (ASX:APL or the Company), with the investment portfolio performance increasing by 12.3% for FY2018, and we are pleased to declare a maiden dividend of 5.0 cents per share (50% franked). Along with this increase in the investment portfolio performance, the Company achieved an operating profit after tax of \$34.0 million.

Maiden dividend

The Board has declared a final dividend of 5.0 cents per share (50% franked). This is the Company's maiden dividend since listing in October 2016. The dividend will be paid to all APL shareholders as at the record date. The dividend will have a record date of 22 October 2018 and a payment date of 31 October 2018. The Company's intention is to pay a dividend to shareholders at least annually, subject to available profits, cash flow and franking credits. The Company has suspended the dividend reinvestment plan and it will not operate for this dividend.

Options

The Company's options (ASX:APLO) will cease trading on 9 October 2018 and the last day to exercise them is 15 October 2018. We strongly encourage all APLO holders to make a decision on what to do with their options ahead of the expiry date. The options have an exercise price of \$1.10 per option. The 10 August 2018 pre-tax NTA on a fully diluted basis is \$1.208. As at 22 August 2018 the share price was \$1.145 and the options had a closing price of 4.3c per option.

All shares assigned upon exercise of the APLO options will qualify for the 5.0 cent maiden dividend.

In the interests of all shareholders, the Board has decided that the Company will not seek an underwriting for any unexercised APLO options.

Conference call on results and portfolio

The Board invites Company shareholders and option holders to join the upcoming Shareholder conference call on 30 August 2018 at 3:00pm. The call will provide an update on the Company's results by Director of the Company and Managing Director of the Manager (Antipodes Partners Limited), Andrew Findlay and on the portfolio from the CIO of the Manager, Jacob Mitchell. Dial in details are provided below.

Discount to NTA

APL shares are currently trading at a material discount to the 10 August 2018 undiluted pre-tax NTA (9.3% discount on the undiluted pre-tax NTA of \$1.263 per share) and the fully diluted* pre-tax NTA (5.2% discount on the fully diluted pre-tax NTA of \$1.208 per share).

The Board believes this uncertainty around the dilutionary impact of the exercising of options is weighing on the share price and should abate as the option expiry date approaches. The Board is hopeful that this, together with enhanced investor communication which the Company is in the process of implementing, will result in the current discount narrowing over the coming months.

*Fully diluted NTA assumes 100% of APL options outstanding are converted to APL shares

Calvin Kwok
 Company Secretary

23 August 2018

APL Dividend Timetable

Declaration date	Dividend ex-date	Record date	Payment date
23 August 2018	19 October 2018	22 October 2018	31 October 2018

Option (APLO) Timetable

Last date to trade	Last date to exercise (expiry date)
9 October 2018	15 October 2018

For more information on APLO, please visit:
<https://antipodespartners.com/antipodes-lic/>

Conference call details:

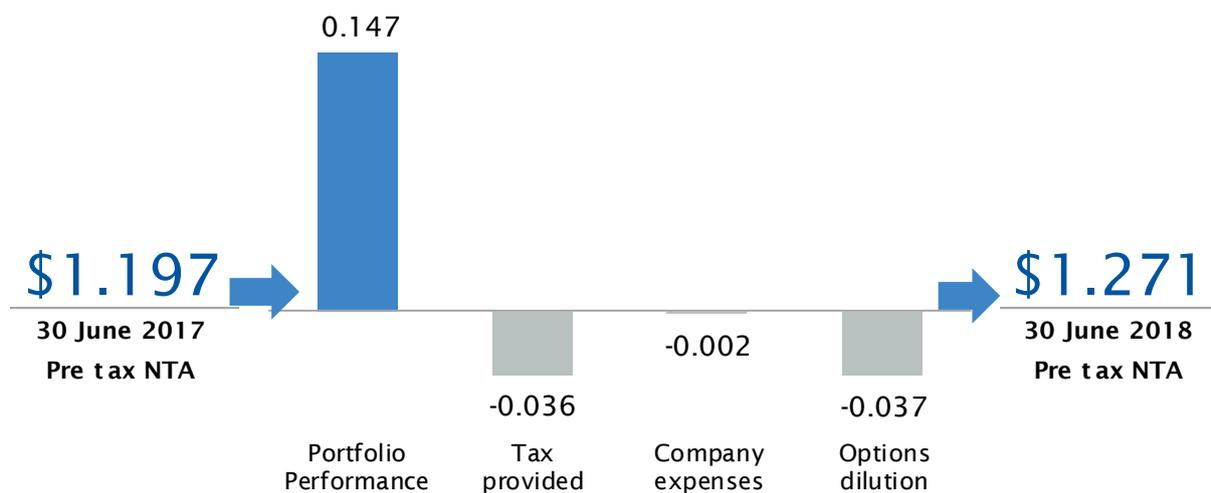
Please join us on 30 August at 3:00pm (Sydney time AEST) for a conference call to discuss an update on the Company's results by Director of the Company and Managing Director of the Manager (Antipodes Partners Limited), Andrew Findlay and on the portfolio from the CIO of the Manager, Jacob Mitchell.

Dial in details:

Within Australia: 1 300 254 398
 Outside Australia: +613 6218 0610

Additional shareholder information

NTA performance breakdown for FY2018



Portfolio performance as at 30 June 2018

	6 Months	1 Year	Since inception % p.a. (Oct-16)
Company*	0.8%	6.1%	10.7%
Portfolio**	5.0%	12.3%	14.8%
Benchmark***	5.4%	15.0%	16.0%
Portfolio Outperformance	(0.4)%	(2.7)%	(1.2)%

*Movement in Company's pre-tax NTA, which takes into account all other expenses paid and tax on earnings (including on realised gains but excluding any provision for tax on unrealised gains and capitalised share issue costs). The NTA has been affected by the exercise of options

**Shows how the portfolio, for which the Manager is responsible, has performed after deducting management fees, costs and taxes and performance fees (if applicable)

***MSCI All Country World Net Index in AUD (Manager's benchmark)

Portfolio performance

The investment portfolio returned 12.3% over the course of 2018, the first full financial year of investment by the Company. While underperforming the benchmark by 2.7%, the portfolio exhibited strong absolute performance through favourable conditions for broader equity markets despite “value” exposures notably lagging those in “structural growth” and “quality”. The most significant contributors to performance were Online Services exposures such as Baidu, TripAdvisor and Twitter. Additional drivers were Consumer Incumbent exposures such as Jiangsu Yanghe and Ping An Insurance with further contribution coming from Software Incumbent exposures such as Microsoft, Cisco and NetApp that delivered via new product success.

Market outlook

Recent history has seen equity markets characterised by a combination of central bank liquidity, low interest rates, fiscal stimulus and the easiest US financial conditions since the Global Financial Crisis. The Manager believes this unusually favourable goldilocks combination experienced in 2018 will not repeat. Instead, the normalisation of interest rate policy will likely upset the rhythm with more volatile and less forgiving markets. Put simply, the Manager sees two opposing scenarios, with the most recent weight of evidence supporting the second outcome:

1. Cyclical growth surprises to the upside driving greater urgency from central banks to normalise policy. To minimise disruption to short-term funding markets, tapering would likely focus on the long-end of the yield curve leading to a potentially self-reinforcing pro-growth steepening, resulting in a significant increase in bond volatility and headwinds for the crowded/expensive bond proxy and quality/growth equity exposures.
2. Cyclical growth disappoints due a US or Chinese policy error. In this scenario, credit volatility would spike triggering a major sell-off in credit sensitive equities. Conversely, the inevitable central bank reaction function would further amplify imbalances and support a continued melt-up in the quality/growth factor, led by the Internet and Software giants.

Given the divergent risks that the above two scenarios represent, investors should focus more than ever on uncovering sources of idiosyncratic alpha rather than relying on momentum or passive beta. In this sense, the Manager is encouraged by the high level of valuation dispersion within and across market regions, sectors and factors which is indicative of a broad opportunity set, both long and short.

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