

Antipodes Asia Fund

ARSN 096 451 393 APIR IOF0203AU

FUND UPDATE AS AT 31 MAY 2018

Antipodes Partners	<ul style="list-style-type: none"> Global pragmatic value manager, long only and long-short Structured to reinforce alignment between investors and the investment team 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
Fund features	<ul style="list-style-type: none"> Objective to achieve absolute returns in excess of the benchmark over the investment cycle (typically 3-5 years) The fund may invest in companies that are listed: <ul style="list-style-type: none"> On Asian share markets On global share markets and which derive >65% of their revenues from Asia In Japan (maximum 30% net exposure) In Oceania and non-Asian emerging markets (maximum 15% net exposure) In the absence of finding securities that meet minimum risk-return criteria, cash may be held 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 Typical net equity exposure of 50% to 100%; maximum gross exposure of 150% of NAV

FUND FACTS

Investment manager	Antipodes Partners
Inception ¹ date	1 July 2015
Benchmark	MSCI All Country Asia ex Japan Net Index in AUD
Management fee	1.20% p.a.
Performance fee	15% of net return in excess of benchmark
Buy/Sell spread	±0.30%
Minimum investment	AUD \$25,000
Distribution	Annual, 30 June
Net Asset Value (NAV)	\$81m
Unit redemption price	\$1.3990
Changes to key service providers	Nil
Risk profile	High (refer to PDS)

¹Investment strategy adopted 1 July 2015

NET PERFORMANCE (%)

	Fund	Benchmark	Difference
1 month	-2.0	-1.6	-0.5
3 months	-1.3	0.8	-2.1
YTD	0.5	3.4	-2.9
1 year	10.3	15.4	-5.1
2 year p.a.	17.1	19.9	-2.9
Inception ¹	35.1	30.8	4.3
Inception ¹ p.a.	10.9	9.6	1.2
Up-market capture	74	-	-
Down-market capture	23	-	-

Past performance is not a reliable indicator of future performance
 Returns are quoted in AUD and net of applicable fees, costs and taxes

PERFORMANCE CONTRIBUTION² (%)

	1 month
Long	-1.73
Short	-0.37
Currency/Liquidity	0.18

²Based on gross returns in AUD

SECTOR CONTRIBUTION^{2,5} (%)

Top 5	1 month
Staples	1.06
Transport	0.25
Software	0.20
Housing & Construction	0.09
Process Industries	0.06

Bottom 5	1 month
Banks	-1.10
Durables	-0.73
Hardware	-0.35
Communications	-0.34
Industrial	-0.31

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	2.4%	(3.3%)	(1.0%)	(1.3%)	(1.6%)	(9.6%)	3.8%	(0.6%)	(0.8%)	(1.2%)	0.2%	(3.4%)	0.7%	(0.0%)
1Y	13.8%	4.8%	14.6%	17.3%	9.5%	4.8%	52.8%	3.1%	1.8%	2.5%	1.6%	3.8%	1.8%	6.6%

ASSET ALLOCATION

	Long		Short	
	Equities	Other ³	Equities	Other ³
Weight (% NAV)	88.9	0.6	-16.3	-4.8
Count	49	1	17	2
Avg. weight	1.8	0.6	-1.0	-2.4
Top 10 (% NAV)	32.1	-	-11.3	-
Top 30 (% NAV)	70.3	-	-16.3	-

³ Index futures and other non-single stock derivatives

TOP 10 EQUITY LONGS (%)

Name	Country	Weight
Samsung Electronics	Korea	4.3
Baidu	China/HK	4.2
KT Corporation	Korea	3.5
KB Financial	Korea	3.2
Ping An Insurance	China/HK	3.0
China Construction Bank	China/HK	2.9
INPEX	Japan	2.9
China Mobile	China/HK	2.7
Jiangsu Yanghe Brewery	China/HK	2.7
ICICI Bank	India	2.6

CURRENCY EXPOSURE⁴ (%)

ISO	Cash equity	Currency	Difference
USD	0.0	20.1	20.1
JPY	8.5	20.5	12.0
AUD	2.9	6.1	3.2
TWD	2.0	2.2	0.3
MXN	1.1	1.2	0.2
INR	4.2	4.3	0.1
EUR	0.4	0.4	0.0
BRL	1.3	1.3	0.0
THB	1.7	1.6	-0.2
HKD	2.7	1.4	-1.3
KRW	20.8	17.2	-3.5
SGD	0.0	-4.0	-4.0
CNY	35.2	27.6	-7.6

⁴ Where possible, regions, countries and currencies classified on a look through basis

FURTHER INFORMATION

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SECTOR EXPOSURE⁵ (%)

Sector	Long	Short	Net
Banks	12.7	-2.8	9.9
Staples	11.0	-1.0	10.0
Communications	9.9	-1.4	8.5
Internet	7.8	0.0	7.8
Hardware	7.7	-1.3	6.4
Durables	7.3	-0.7	6.5
Insurance	5.9	0.0	5.9
Energy	4.6	0.0	4.6
Retail	4.4	-1.3	3.1
Other	18.3	-12.5	5.8

⁵ Antipodes Partners classification

REGIONAL EXPOSURE^{4,5} (%)

Region	Long	Short	Net
Developed Asia	35.1	-9.6	25.5
<i>Korea/Taiwan</i>	22.7	-2.7	20.0
<i>Japan</i>	12.3	-6.9	5.5
Developing Asia	48.6	-3.2	45.4
<i>China/Hong Kong</i>	42.6	-1.7	40.9
<i>India</i>	4.2	-1.5	2.8
<i>Rest EM Asia</i>	1.7	0.0	1.7
Australia	2.9	-8.3	-5.4
Rest of World	2.4	0.0	2.4
Total Equities	88.9	-21.1	67.8
Other	0.6	0.0	0.6
Cash	10.5	-	-
Totals	100.0	-21.1	68.5

MARKET CAP EXPOSURE (%)

Band	Long	Short	Net
Mega (>\$100b)	13.6	-4.8	8.8
Large (>\$25 <\$100b)	25.4	-6.2	19.2
Medium (>\$5 <\$25b)	30.4	-6.2	24.2
Small (<\$5b)	20.0	-3.9	16.2

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