

# Antipodes Global Investment Company Limited (ASX:APL)

ACN 612 843 517

## COMPANY UPDATE AS AT 28 FEBRUARY 2018

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   \$1.250
ASX code   option price	APLO   \$0.145
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	\$429m
Options outstanding	226,656,771
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>	\$1.288
Post-tax NTA <sup>4</sup>	\$1.238

<sup>2</sup> NTA calculations exclude Deferred Tax Assets relating to capitalised cost deductions and carried forward tax losses of \$0.005 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
Software	0.79
Energy	0.55
Retail	0.37
Durables	0.37
Staples	0.36

### NET PERFORMANCE (%)

	Company <sup>5</sup>	Portfolio <sup>6</sup>	Benchmark <sup>7</sup>
1 month	0.6	2.0	-0.5
3 months	1.4	2.7	0.2
YTD	2.2	3.8	1.6
1 year	15.9	21.3	17.2
Inception	20.7	26.4	24.3
Inception p.a.	14.6	18.5	17.0
Up-market capture	-	90	-
Down-market capture	-	32	-

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	1.40
Short	0.59
Currency/Liquidity	0.21

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

Bottom 5	1 month
Communications	-0.24
Commercial Services	-0.14
Precious Metals	-0.14
Insurance	-0.13
Industrial Services	-0.13

### 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	(3.7%)	(5.9%)	(1.5%)	(5.0%)	(7.0%)	(2.6%)	(6.0%)	(2.0%)	(0.4%)	(1.3%)	(3.8%)	(2.1%)	2.3%	(0.6%)
1Y	16.4%	20.5%	21.8%	31.9%	17.0%	24.2%	14.5%	5.0%	6.1%	7.0%	1.4%	14.8%	4.9%	8.5%

## ASSET ALLOCATION

	Long		Short	
	Equities	Other <sup>9</sup>	Equities	Other <sup>9</sup>
Weight (% NAV)	93.3	2.6	-24.7	-3.0
Count	60	4	41	3
Avg. weight	1.6	0.6	-0.6	-1.0
Top 10 (% NAV)	28.1	-	-9.8	-
Top 30 (% NAV)	64.5	-	-21.1	-

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

## TOP 10 EQUITY LONGS (%)

Name	Country	Weight
Cisco Systems	United States	3.3
Gilead Sciences	United States	3.2
Baidu	China/HK	3.0
UniCredit	Italy	2.7
Electricite de France	France	2.7
Hyundai Motor	Korea	2.7
Microsoft	United States	2.7
KB Financial	Korea	2.7
Ping An Insurance	China/HK	2.6
KT Corporation	Korea	2.5

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

ISO	Cash equity	Currency	Difference
USD	25.3	33.7	8.4
NOK	1.0	4.4	3.4
JPY	11.3	14.4	3.2
AUD	1.7	3.8	2.1
GBP	1.4	2.5	1.0
SEK	0.0	0.8	0.8
CAD	0.0	0.2	0.2
MXN	0.5	0.6	0.1
THB	0.7	0.7	0.0
BRL	0.8	0.8	0.0
EUR	18.8	18.5	-0.3
KRW	10.2	9.4	-0.8
HKD	0.0	-1.9	-1.9
SGD	0.0	-2.5	-2.5
CNY	18.4	14.9	-3.5

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

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

Sector	Long	Short	Net
Banks	13.1	-2.6	10.5
Software	9.4	-1.3	8.1
Energy	9.2	-2.0	7.3
Hardware	7.6	-3.8	3.8
Communications	7.1	-0.5	6.6
Staples	6.8	-0.6	6.2
Retail	5.9	-0.8	5.1
Durables	5.7	-1.8	3.9
Internet	5.7	-0.4	5.3
Other	25.5	-13.9	11.6

<sup>11</sup> Antipodes Partners classification

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

Region	Long	Short	Net
<b>North America</b>	<b>25.3</b>	<b>-13.8</b>	<b>11.5</b>
<b>Developed Asia</b>	<b>23.0</b>	<b>-3.8</b>	<b>19.2</b>
<i>Korea/Taiwan</i>	10.2	-1.3	9.0
<i>Japan</i>	12.8	-2.6	10.2
<b>Developing Asia</b>	<b>21.2</b>	<b>-3.6</b>	<b>17.6</b>
<i>China/Hong Kong</i>	20.6	-2.4	18.2
<i>India</i>	0.0	-1.2	-1.2
<i>Rest EM Asia</i>	0.7	0.0	0.7
<b>Western Europe</b>	<b>20.9</b>	<b>-4.2</b>	<b>16.7</b>
<i>Eurozone</i>	18.5	-2.3	16.1
<i>United Kingdom</i>	1.4	-0.3	1.1
<i>Rest Western Europe</i>	1.0	-1.5	-0.5
<b>Australia</b>	<b>1.7</b>	<b>-2.3</b>	<b>-0.7</b>
<b>Rest of World</b>	<b>1.3</b>	<b>0.0</b>	<b>1.3</b>
<b>Total Equities</b>	<b>93.3</b>	<b>-27.7</b>	<b>65.6</b>
<b>Other</b>	<b>2.6</b>	<b>0.0</b>	<b>2.6</b>
<b>Cash</b>	<b>4.1</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>100.0</b>	<b>-27.7</b>	<b>68.2</b>

## MARKET CAP EXPOSURE (%)

Band	Long	Short	Net
Mega (>\$100b)	20.5	-6.6	14.0
Large (>\$25 <\$100b)	29.0	-7.3	21.6
Medium (>\$5 <\$25b)	34.7	-10.7	24.0
Small (<\$5b)	-11.7	-3.1	8.7

## FURTHER INFORMATION

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