

A decorative graphic on the left side of the page, consisting of a series of overlapping, horizontally-oriented ellipses. The ellipses are colored in a gradient from light blue at the top to dark blue, then green, and finally yellow and orange at the bottom. They are arranged in a way that creates a sense of depth and movement.

Antipodes Global Investment
Company Limited

ASX:APL

ANNUAL REPORT 2017

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Annual general meeting

The 2017 Annual General Meeting will be held at 11.00am on 2 November 2017 at The Barnet Long Room, Customs House, 31 Alfred Street, Sydney NSW 2000.

Notice of the Annual General Meeting will be forwarded to all shareholders separately.

Corporate governance

The Company's corporate governance statement is available on the Company's website at <http://antipodespartners.com/antipodes-lic/> under the Company section.

Glossary

| Term | Meaning |
|--|---|
| Administrator | Pinnacle as the provider of various administration support services to the Company. |
| Annual General Meeting | the annual general meeting of the Company. |
| ASX | Australian Securities Exchange. |
| Benchmark | MSCI All Country World Net Index in AUD. |
| Board | board of Directors. |
| Company | Antipodes Global Investment Company Limited (ACN 612 843 517). |
| Company Secretary | company secretary of the Company. |
| Corporations Act | the <i>Corporations Act 2001</i> (Cth). |
| Director | director of the Company. |
| GST | has the meaning given in the <i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth). |
| Investment Management Agreement | the investment management agreement dated 19 July 2016 between the Company and the Manager. |
| Manager | Antipodes Partners Limited (ACN 602 042 035). |
| NTA | net tangible assets. |

| Term | Meaning |
|---------------------------|--|
| NTA Performance | the performance of the Company inclusive of portfolio performance after fees, taking 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). |
| Pinnacle | Pinnacle Investment Management Limited (ACN 109 659 109). |
| Services Agreement | the services agreement dated 19 July 2016 between the Company and Pinnacle. |
| TSR Performance | a measure of the change in the share price and dividends paid during the period, excluding the value of any franking credits which are paid to shareholders and any positive impact shareholders received from owning options issued as part of the IPO. |

Chairman's letter

Dear fellow shareholders,

On behalf of your Board, I am pleased to present the results of the Company for the period 11 October 2016 (**inception**) to 30 June 2017.

The Company was established to provide shareholders with exposure to a portfolio of global investments, predominantly comprised of long and short positions in international listed securities. The Company's investment objectives are to provide capital growth and income and to achieve returns in excess of a relevant benchmark. The portfolio return is driven by the investment performance delivered by the Company's appointed investment manager, Antipodes Partners Limited. The Manager seeks to take advantage of the market's tendency for irrational extrapolation, identify investments that offer a high margin of safety and build portfolios with a capital preservation focus. The portfolio typically has between 20 and 60 holdings.

We consider that it is useful to report performance from three different perspectives:

- 1 Firstly, to show how the Manager has performed after deducting management fees and performance fees (if applicable) paid to it compared to the relevant benchmark. We refer to this as the **Manager Performance**. The relevant benchmark used is the MSCI All Country World Net Index in AUD; this is commonly used to measure international shares' performance and is also used in calculating any Manager performance fees;
- 2 Secondly, to show how the Company has performed, which, in addition to portfolio performance after fees mentioned above, also 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). We refer to this as the **Net Tangible Assets or NTA Performance**; and
- 3 Finally, to show the **Total Shareholder Return or TSR Performance**, which is a measure of the change in the share price and dividends paid during the period. The TSR Performance does not include the value of any franking credits when they are paid to shareholders, nor does it include any positive impact shareholders have received from owning options issued as part of the IPO. The TSR Performance can be an important measure as often the share market can trade at a premium or discount to the NTA.

I am pleased to report the results of each of these measures for the period from inception to 30 June 2017:

| | |
|----------------------------|--------|
| Manager Performance | 13.2% |
| Portfolio Benchmark | 12.2% |
| Manager Out-Performance | + 1.0% |

| | |
|------------------------|---|
| NTA Performance | 12.2% (from \$1.067 to \$1.197 – note that this result does not include any dilutionary impact from the future exercise of options) |
|------------------------|---|

| | |
|------------------------|--|
| TSR Performance | 13.2% (the share price increased from \$1.10 to \$1.245; no dividends have been paid to date). For those shareholders that have held options since the IPO, the TSR on shares and options combined is 25.9%. |
|------------------------|--|

Dividends

The Company intends to pay a dividend to shareholders at least annually, subject to available profits, cash flow and franking credits. The Company has established a dividend reinvestment plan for shareholders.

The Directors regularly evaluate the Company's ability to pay dividends and the Directors will communicate their intentions as soon as they consider that the Company has built up sufficient reserves to declare and pay a sustainable dividend.

Options

A number of shareholders have already exercised their options at the date of this report. Each option is exercisable into one fully paid ordinary share at \$1.10 until 5.00pm Sydney time on 15 October 2018. Shares that are allotted following exercise of options rank equally with existing ordinary shares for future dividends. The Directors are pleased that the current share price of the Company is materially above the option exercise price.

Annual General Meeting

The inaugural Annual General Meeting will be held at 11.00am on 2 November 2017 at The Barnet Long Room, Customs House. The Directors encourage you to attend the meeting.

Thank you for your continued support and we look forward to sharing the Company plans, including dividend intentions, with you as they are further developed in the coming months.

Yours sincerely

A handwritten signature in dark ink, appearing to read 'Jonathan Trollip', is written over a light blue horizontal line.

Jonathan Trollip

Chairman

Sydney

25 August 2017

Investment Management

Antipodes Global Investment Company Limited has appointed the Manager as the investment manager of the Company's portfolio.

Manager

The Manager is a global asset manager offering a pragmatic value approach across long only and long-short strategies (+A\$4bn assets under management as at the date of this report).

The Manager is majority owned by its seasoned investment team with over 100 years of combined global experience. The Manager's performance culture is underpinned by sensible incentives, a focused offering and the outsourcing of non-investment functions to minority partner Pinnacle.

Investment Philosophy

The Manager aspires to grow client wealth over the long-term by generating absolute returns in excess of the benchmark, at below market levels of risk. The Manager seeks to take advantage of the market's tendency for irrational extrapolation, identify investments that offer a high margin of safety and build portfolios with a capital preservation focus.

Investment Strategy

The Company's portfolio is constructed in accordance with the Manager's investment strategy, which is to invest in a select number of companies listed on global share markets that the Manager considers to be attractively valued and which represent clusters of uncorrelated sources of return. The portfolio typically has net equity exposure of 50% to 100% of the portfolio's net asset value with a maximum allowable gross exposure limit of 150% of the portfolio's net asset value. The Company may also be invested in currencies, derivatives and other financial instruments (including cash) to achieve the investment objective and to reduce risk or manage the portfolio more efficiently.

Long positions focus on holdings with an attractive starting valuation ("margin of safety") combined with sustainable business resilience borne out of any combination of competitive dynamics, product cycle, regulatory, management / financial or macro / style factors ("multiple ways of winning"). The opposite logic is applied for short positions.

The investment process seeks to add value through stock selection achieved by qualitative fundamental analysis married within a quantitative framework.

Directors' report

The Directors present their report together with the financial statements of the Company for the period 6 June 2016 (date of incorporation) to 30 June 2017.

The Company is a company limited by shares and is incorporated in Australia.

Directors

The following persons held office as directors during the period or since the end of the period and up to the date of this report, unless otherwise stated:

Jonathan Trollip, Independent and non-executive chairman

- Director since 13 July 2016

Lorraine Berends, Independent non-executive director

- Director since 13 July 2016

Chris Cuffe, Independent non-executive director

- Director since 13 July 2016

Alex Ihlenfeldt, Non-independent director

- Director since 6 June 2016

Andrew Findlay, Non-independent director

- Director appointed on 6 June 2016 and resigned on 17 October 2016. Re-appointed as Director on 25 October 2016.

Ian Harrison, Non-independent director

- Director for the period 6 June 2016 to 13 July 2016.

Principal activities

The principal activity of the Company is to provide shareholders with exposure to a high conviction portfolio of global investments, predominantly comprised of long and short positions in international listed securities. There have been no significant changes in the nature of this activity during the period.

Review of operations

The Company was incorporated on 6 June 2016 and was listed on the ASX on 18 October 2016. During the period under review, the Company raised capital of \$313,316,250.50 by issuing 284,832,955 shares at a price of \$1.10 per share. In addition, the Company issued 284,832,954 options exercisable at \$1.10 at any time between the issue date and 15 October 2018.

The Company offers investors access to a long-short global securities investment portfolio with a currency overlay. The Company's portfolio is constructed in accordance with the investment approach of the Manager which aspires to grow wealth over the long-term by generating positive returns in excess of the benchmark at below market levels of risk.

Investment activities over the period ended 30 June 2017 resulted in an operating profit before tax of \$38.3 million and an operating profit after tax of \$26.8 million.

Dividend Declared

No dividend has been declared for the period.

Options

12,900,876 ordinary shares in the Company were issued during the period following the exercise of the same number of options at an exercise price of \$1.10 per option. As at 1 August 2017, the Company has 263,528,315 unissued ordinary shares under option. Shareholders are reminded that the options are exercisable at \$1.10 and have until 15 October 2018 to exercise them.

Matters subsequent to the end of the financial period

No matter or circumstance has occurred subsequent to year end that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years.

Likely developments and expected results of operations

The Company will continue to pursue its investment objectives for the long term benefit of shareholders.

Environmental regulation

The Company is not affected by any significant environmental regulation in respect of its operations.

To the extent that any environmental regulations may have an incidental impact on the Company's operations, the Directors are not aware of any breach by the Company of those regulations.

Information on directors

Jonathan Trollip, Chairman and Independent Director

Experience and expertise

Jonathan Trollip has over 30 years of legal and commercial experience in the international financial sector. He is currently a principal and director of Sydney-based finance group Meridian International Capital Limited with whom he has worked for the past 23 years. Jonathan has a Bachelor of Arts degree in Economics from the University of Cape Town, post graduate degrees in Economics and Law from the University of Cape Town and the University of London (London School of Economics) and is a Fellow of the Australian Institute of Company Directors.

Other current directorships

Jonathan Trollip is chairman and non-executive director of ASX-listed Global Value Fund Limited, Future Generation Investment Company Limited and Plato Income Maximiser Limited (listed investment companies) and a non-executive director of Kore Potash Limited. He holds a number of private company directorships in the commercial and not-for-profit sectors including BCAL Diagnostics Pty Limited, the Watarrka Foundation Limited, the University of Cape Town Alumni Trust and Science for Wildlife Limited.

Former directorships in last 3 years

Jonathan Trollip has not held any other directorships of listed companies within the last 3 years.

Special responsibilities

Chairman of the Board.

Interests in shares and options

Details of Jonathan Trollip's interests in shares of the Company are included in the Remuneration Report.

Interests in contracts

Jonathan Trollip has no interests in contracts of the Company.

Lorraine Berends, Independent Director**Experience and expertise**

Lorraine Berends has worked in the financial services industry for over 35 years and possesses extensive experience in both investment management and superannuation. Before moving to a non-executive career in 2014 she worked for 15 years with US based investment manager Marvin & Palmer Associates. Lorraine contributed extensively to industry associations throughout her executive career, serving on the boards of the Investment Management Consultants Association (**IMCA australia**) for 13 years (7 as Chair) and the Association of Superannuation Funds Australia (**ASFA**) for 12 years (3 as Chair). Lorraine has been awarded Life Membership of both IMCA australia and ASFA. Lorraine holds a BSc from Monash University, is a Fellow of the Actuaries Institute and a Fellow of ASFA.

Other current directorships

Lorraine Berends is an independent non-executive director of Plato Income Maximiser Limited (listed investment company), director of BT Funds Management Limited, BT Funds Management No. 2 Limited and Westpac Securities Administration Limited. She is a director of MDC Foundation Limited (a not for profit company).

Former directorships in last 3 years

Lorraine Berends has not held any other directorships of listed companies within the last 3 years.

Interests in shares and options

Details of Lorraine Berends interests in shares of the Company are included in the Remuneration Report.

Interests in contracts

Lorraine Berends has no interests in contracts of the Company.

Chris Cuffe AO, Independent Director**Experience and expertise**

Chris has many years of experience in building successful wealth management practices. Most notably he joined Colonial First State in 1988 and became its CEO 2 years later, leading the company from a start-up operation to Australia's largest investment manager.

In 2003 Chris became the CEO of Challenger Financial Services Group Limited and subsequently headed up Challenger's Wealth Management business. Chris is now involved in a portfolio of activities including a number of directorships, managing public and private investments and in various roles assisting the non-profit sector.

Chris holds a Bachelor of Commerce from the University of NSW and a Diploma from the Securities Institute of Australia. He is a Fellow of the Chartered Accountants Australia and New Zealand, a Fellow of the Institute of Company Directors and an Associate of the Financial Services Institute of Australasia. In October 2007 Chris was inducted into the Australian Fund Manager's RBS Hall of Fame for services to the investment industry. Chris is a joint founder of online weekly financial newsletter Cuffelinks.

Other current directorships

Chris Cuffe is Chairman of Ftz Pty Ltd (holding company of Atrium Investment Management and Fitzpatrick Private Wealth, a national advisory and wealth management firm), and a director of the listed investment companies Argo Investments Limited and Global Value Fund Limited. He is also Member of the UniSuper Investment Committee (the \$65 billion industry superannuation fund), Chairman of Australian Philanthropic Services (a non-profit organisation assisting philanthropists), and a director of Third Link Investment Managers (the manager of an Australian equities fund known as Third Link Growth Fund).

Former directorships in last 3 years

Chris Cuffe has not held any other directorships of listed companies within the last 3 years.

Interests in shares and options

Details of Chris Cuffe's interests in shares of the Company are included in the Remuneration Report.

Interests in contracts

Chris Cuffe has no interests in contracts of the Company.

Alex Ihlenfeldt, Non-executive Director

Experience and expertise

Alex Ihlenfeldt has over 25 years commercial experience in financial services in Australia and overseas and has proven expertise in the provision of the full suite of turn-key, institutional quality non-investment services for investment managers. He is experienced in operating across the full spectrum, from start-up boutiques to mature investment managers.

Alex is currently Chief Operating Officer and Chief Financial Officer of Pinnacle with whom he has been associated since inception in 2006. Prior to joining Pinnacle in 2011, he spent 10 years with the Wilson HTM Investment Group as Chief Operating Officer, Chief Financial Officer and Head of Wealth Management.

Alex has a Bachelor of Commerce (Hons) and is a member of the Institute of Chartered Accountants Australian and New Zealand as well as a Fellow of the Australian Institute of Company Directors.

Other current directorships

Alex Ihlenfeldt is a non-executive director of Plato Income Maximiser Limited; Plato Investment Management Limited; Solaris Investment Management Limited; Antipodes Partners Limited; Antipodes Partners Holdings Limited; Antipodes Partners Services Limited; Pinnacle Charitable Foundation Ltd and alternate director of Foray Enterprises Pty Limited and Resolution Capital Limited.

Alex is also an executive director of Pinnacle; Pinnacle Services Administration Pty Limited; Pinnacle Fund Services Limited and Pinnacle RE Services Limited.

Former directorships in last 3 years

Alex Ihlenfeldt has not held any other directorships of listed companies within the last 3 years.

Interests in shares and options

Details of Alex Ihlenfeldt's interests in shares of the Company are included in the Remuneration Report.

Interests in contracts

Details of Alex Ihlenfeldt's interests in contracts of the Company are included in the Remuneration Report.

Andrew Findlay, Non-executive Director**Experience and expertise**

Andrew has over 20 years financial services experience in Australia and overseas, with a focus on product development, marketing and distribution.

Andrew is currently a senior executive at Pinnacle which he joined in 2009. His primary responsibility is to assist the principals of each investment firm to establish, manage and grow their business.

In addition to his business development and client responsibilities, Andrew is a director of Antipodes Partners Limited and Pinnacle Fund Services Limited, which acts as responsible entity or trustee for various pooled funds managed by Pinnacle's affiliates.

Before joining Pinnacle, Andrew worked at Macquarie Bank for over 5 years and was based in both Sydney and Hong Kong. Whilst at Macquarie, Andrew led the establishment of the 'Macquarie Professional Series', a suite of partnerships with world-class, specialist investment managers. Prior to Macquarie Andrew worked in a variety of financial marketing roles with Deutsche Bank in Australia, and with UBS in Zurich and London.

Andrew has a Bachelor of Commerce from the University of New South Wales.

Other current directorships

Andrew Findlay is an executive director of Pinnacle ICAV and Pinnacle Fund Services Limited. Andrew Findlay is also a non-executive director of Antipodes Partners Limited; Antipodes Partners Holdings Limited and Antipodes Partners Services Limited.

Former directorships in last 3 years

Andrew Findlay has not held any other directorships of listed companies within the last 3 years.

Interests in shares and options

Details of Andrew Findlay's interests in shares of the Company are included in the Remuneration Report.

Interests in contracts

Details of Andrew Findlay's interests in contracts of the Company are included in the Remuneration Report.

Meetings of directors

The number of Board meetings held during the period ended 30 June 2017, and the number of meetings attended by each Director were:

| Director | Board meetings attended | Board meetings eligible to attend |
|------------------|-------------------------|-----------------------------------|
| Jonathan Trollip | 4 | 4 |
| Lorraine Berends | 4 | 4 |
| Chris Cuffe | 4 | 4 |
| Alex Ihlenfeldt | 5 | 5 |
| Andrew Findlay | 4 | 5 |
| Ian Harrison | 1 | 1 |

Company Secretary

During the 2017 financial year, the role of Company Secretary was performed by Ian Harrison until 30 June 2017. On and from 30 June 2017, the role of Company Secretary was performed by Calvin Kwok. Calvin Kwok is legal counsel and company secretary of Pinnacle Investment Management Group Limited and Plato Income Maximiser Limited and holds a Master of Applied Finance, a Bachelor of Laws and a Bachelor of Commerce.

Remuneration Report

This report details the nature and amount of remuneration for each director of Antipodes Global Investment Company Limited in accordance with the Corporations Act. The Company Secretary is remunerated under a service agreement with Pinnacle.

Details of remuneration

All Directors are non-executive directors. The Board from time to time determines the remuneration of Directors within the maximum amount approved by shareholders at the Annual General Meeting. Directors are not entitled to any other remuneration from the Company.

Fees and payments to Directors reflect the demands that are made on them and their responsibilities. The performance of directors is reviewed annually. The Board determines the remuneration levels and ensures they are competitively set to attract and retain appropriately qualified and experienced directors.

The maximum total pooled remuneration of the Directors has been set at \$250,000 per annum. Directors do not receive bonuses nor are they issued options on securities as part of their remuneration. Directors' fees cover all main Board activities.

Directors' remuneration is not directly linked to the Company's performance.

The following tables show details of the remuneration received by the Directors for the current financial year.

| | Short term employee benefits | Post employment benefits | |
|------------------------------------|---------------------------------|-----------------------------|-----------------|
| Director | Salary and fees | Superannuation | Total |
| Jonathan Trollip | \$33,201 | \$3,154 | \$36,355 |
| Lorraine Berends | \$24,901 | \$2,366 | \$27,267 |
| Chris Cuffe | \$27,267 | \$0 | \$27,267 |
| Alex Ihlenfeldt | \$0 | \$0 | \$0 |
| Don Hamson | \$0 | \$0 | \$0 |
| Ian Harrison | \$0 | \$0 | \$0 |
| Total director remuneration | \$85,369 | \$5,520 | \$90,889 |

The Company has no employees other than non-executive directors and therefore does not have a remuneration policy for employees.

The Directors are the only people considered to be key management personnel of the Company.

Director related entity remuneration

All transactions with related entities are made on normal commercial terms and conditions.

Andrew Findlay and Alex Ihlenfeldt, who are Directors, are also directors of the Manager. Alex Ihlenfeldt is also a director of Pinnacle, which provides various administration support services to the Company in accordance with the Services Agreement.

The fees payable to the Manager and the Administrator are listed below:

Management fee

In its capacity as investment manager, the Manager is entitled to be paid, and the Company must pay to the Manager, a management fee payable monthly in arrears equivalent to 1.10% per annum (exclusive of GST) of the value of the Company's portfolio calculated on the last business day of each month.

For the year ended 30 June 2017, the Manager was entitled to be paid a management fee of \$2,596,022 (exclusive of GST).

As at 30 June 2017, the remaining balance payable to the Manager was \$321,673 (exclusive of GST).

Performance fee

In further consideration for the performance of its duties as investment manager of the Company's portfolio, the Manager may be entitled to be paid a performance fee equal to 15% of any portfolio out performance in excess of the Benchmark. Full details of the terms of the performance fee calculation are disclosed in note 15 to the financial statements.

For the year ended 30 June 2017, in its capacity as investment manager, the Manager was paid performance fees of \$418,738 (exclusive of GST).

Service fee

The Company has entered into the Services Agreement with Pinnacle for the provision of the following administration support services:

- Middle office portfolio administration;
- Finance, tax and reporting and administration; and
- Legal counsel and company secretarial.

For the year ended 30 June 2017 the Administrator was paid a fee of \$52,664 (exclusive of GST).

As at 30 June 2017, the balance payable to the Administrator was nil.

Contracts

Other than as stated above, no Director has received or become entitled to receive, a benefit by reason of a contract made by the Company or a related company with the Director or with a firm of which they are a member or with a company in which they have substantial financial interest since the inception of the Company.

Equity instrument disclosures relating to directors

As at the date of this report, the Directors and their related parties held the following interests in the Company:

Ordinary shares held

| Director | Acquisitions | Disposals | Balance as at date of this report |
|---------------------------|----------------|----------------|-----------------------------------|
| Jonathan Trollip* | 200,000 | 0 | 200,000 |
| Lorraine Berends* | 50,000 | 0 | 50,000 |
| Chris Cuffe | 125,000 | 125,000 | 0 |
| Alex Ihlenfeldt* | 50,001 | 0 | 50,001 |
| Andrew Findlay* | 50,000 | 0 | 50,000 |
| Ian Harrison* | 0 | 0 | 0 |
| Total shares held* | 475,001 | 125,000 | 350,001 |

* Held through direct and indirect interests

Directors and their related parties acquired, and disposed of, shares in the Company on the same terms and conditions available to other shareholders.

Options held

| Director | Acquisitions | Disposals | Balance as at date of this report |
|----------------------------|----------------|----------------|-----------------------------------|
| Jonathan Trollip* | 200,000 | 0 | 200,000 |
| Lorraine Berends* | 50,000 | 0 | 50,000 |
| Chris Cuffe | 125,000 | 125,000 | 0 |
| Alex Ihlenfeldt* | 50,000 | 0 | 50,000 |
| Andrew Findlay* | 50,000 | 0 | 50,000 |
| Ian Harrison* | 0 | 0 | 0 |
| Total options held* | 475,000 | 125,000 | 350,000 |

* Held through direct and indirect interests

Directors and their related parties acquired, and disposed of, options over ordinary shares in the Company on the same terms and conditions available to other shareholders. All options held by Directors are vested and exercisable as at the date of this report.

The Directors have not been granted options over unissued shares or interests in shares of the Company as part of their remuneration during or since the end of the financial year.

End of Remuneration Report

Insurance and indemnification of officers and auditors

During or since the end of the financial year, the Company has given an indemnity or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums.

The Company has paid premiums to insure each of the Directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director, other than conduct involving a wilful breach of duty in relation to the Company or the improper use by the Directors of their position.

Details of the amount of the premium paid in respect of the insurance policies is not disclosed as the Company is prevented from doing so under the terms of its contract.

No indemnities have been given or insurance premiums paid during or since the end of the financial year, for any person who is or has been an auditor of the Company.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, or for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the Corporations Act.

Non-audit services

During the year Pitcher Partners, the Company's auditor, performed other services in addition to their statutory duties for the Company as disclosed in note 14 to the financial statements.

The Board is satisfied that the provision of other services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act. The Directors are satisfied that the services disclosed in note 14 did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the Board prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to the auditor independence in accordance with the APES 110 Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act is set out on page 16.

Rounding of amounts

In accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, the amounts in the directors' report and in the financial statements have been rounded to the nearest one thousand dollars, or in certain cases, to the nearest dollar (where indicated).

This report is made in accordance with a resolution of the directors.



Jonathan Trollip

Chairman

Sydney

25 August 2017

Auditor's Independence Declaration
To the Directors of Antipodes Global Investment Company Limited
A.B.N 38 612 843 517

In relation to the independent audit for the period ended 30 June 2017, I declare that to the best of my knowledge and belief there have been:

- (i) no contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) no contraventions of any applicable code of professional conduct.

This declaration is in respect of Antipodes Global Investment Company Limited.



S M WHIDDETT
Partner

PITCHER PARTNERS
Sydney

25 August 2017

Financial statements

Statement of profit or loss and other comprehensive income

For the period 6 June 2016 to 30 June 2017

| | Notes | 30 June 2017 \$'000 |
|---|-------|------------------------|
| Investment income | | |
| Interest income received | | 167 |
| Dividends received | | 2,703 |
| Net foreign exchange losses | | (3,407) |
| Gains on financial instruments held at fair value through profit and loss | | 42,259 |
| Total investment income | | 41,722 |
| Expenses | | |
| Management fees | | (2,596) |
| Performance fees | | (419) |
| ASX and share registry fees | | (138) |
| Professional fees | | (57) |
| Director fees | | (91) |
| Other expenses | | (85) |
| Profit before income tax | | 38,336 |
| Income tax expense | | (11,501) |
| Net profit after income tax for the period | | 26,835 |
| Other comprehensive income net of tax | | - |
| Total comprehensive loss for the period attributable to shareholders | | 26,835 |
| Earnings per share for profit attributable to ordinary equity holders of the Company | | Cents |
| Basic earnings per share | 17 | 9.4 |
| Diluted earnings per share | 17 | 9.0 |

The above statement of profit or loss and other comprehensive income should be read in conjunction with the notes to the financial statements.

Statement of financial position

As at 30 June 2017

| | Note | 30 June 2017 \$'000 |
|--|------|------------------------|
| Assets | | |
| Cash and cash equivalents | 5 | 41,739 |
| Trade and other receivables | 6 | 1,819 |
| Financial assets at fair value through profit or loss | 7 | 321,530 |
| Deferred tax assets | 8 | 2,509 |
| Total assets | | 367,597 |
| Liabilities | | |
| Trade and other payables | 9 | 6,683 |
| Financial liabilities at fair value through profit or loss | 7 | 1,936 |
| Current tax liabilities | | 197 |
| Deferred tax liabilities | 8 | 11,000 |
| Total liabilities | | 19,816 |
| Net assets | | 347,781 |
| Shareholders' equity | | |
| Issued capital | 10 | 320,946 |
| Profits reserve | 11 | 31,324 |
| Retained earnings | | (4,489) |
| Total equity | | 347,781 |

The above statement of financial position should be read in conjunction with the notes to the financial statements.

Statement of changes in equity

For the period 6 June 2016 to 30 June 2017

| | Note | Issued capital | Profits reserve | Retained earnings | Total |
|---|------|-------------------|--------------------|----------------------|----------------|
| | | \$'000 | \$'000 | \$'000 | \$'000 |
| Total comprehensive income | | | | | |
| Profit for the period | | - | - | 26,835 | 26,835 |
| Other comprehensive income | | - | - | - | - |
| Total comprehensive income | | - | - | 26,835 | 26,835 |
| Transfer between reserves | | | | | |
| Transfer to profit reserve | 11 | - | 31,324 | (31,324) | - |
| Total transfer between reserves | | - | 31,324 | (31,324) | - |
| Transactions with owners in their capacity as owners | | | | | |
| Costs of issued capital (net of tax) | 10 | (6,561) | - | - | (6,561) |
| Shares issued under IPO | 10 | 313,316 | - | - | 313,316 |
| Shares issued upon exercise of options | 10 | 14,191 | - | - | 14,191 |
| Total transactions with owners in their capacity as owners | | 320,946 | - | - | 320,946 |
| Balance as at 30 June 2017 | | 320,946 | 31,324 | (4,489) | 347,781 |

The above statement of changes in equity should be read in conjunction with the notes to the financial statements.

Statement of cash flows

For the period 6 June 2016 to 30 June 2017

| | Note | 30 June 2017 \$'000 |
|--|----------|------------------------|
| Cash flows from operating activities | | |
| Proceeds from sale of investments | | 152,298 |
| Payment for investments | | (427,286) |
| Interest received | | 167 |
| Dividends received | | 2,382 |
| Payments to suppliers | | (3,121) |
| Net cash provided by operating activities | | (275,560) |
| Cash flows from financing activities | | |
| Share issue transaction costs, gross of tax | | (9,374) |
| Proceeds from shares issued on initial public offering | | 313,316 |
| Proceeds from shares issued on exercise of options | | 14,191 |
| Net cash provided by financing activities | | 318,133 |
| Net increase in cash and cash equivalents | | 42,573 |
| Effect of exchange rate changes on cash and cash equivalents | | (834) |
| Cash assets at beginning of the financial period | | - |
| Cash assets at the end of the financial period | 5 | 41,739 |

The above statement of cash flows should be read in conjunction with the notes to the financial statements.

Notes to the Financial Statements

For the period ended 30 June 2017.

Note 1 Summary of significant accounting policies

The Company was incorporated on 6 June 2016. The Company allotted 284,832,954 shares at \$1.10 per share and 1 share at \$1.00 and issued 284,832,954 options which are exercisable at \$1.10 until 15 October 2018 (expiry date). Quotation of the Company's securities on the ASX commenced on 18 October 2016.

The financial statements were authorised for issue on 25 August 2017 by the Board.

Basis of preparation

These general purpose financial statements have been prepared in accordance with the Corporations Act, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board. The Company is a 'for-profit' entity for financial reporting purposes under Australian Accounting Standards.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected financial assets and financial liabilities.

The financial statements of the Company also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

In accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, the amounts in the directors' report and in the financial statements have been rounded to the nearest one thousand dollars, or in certain cases, to the nearest dollar (where indicated).

Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise:

(a) Investments

(1) Classification

The category of financial assets and financial liabilities comprises:

Financial instruments held for trading:

These include derivative financial instruments such as futures, forward contracts, options and interest rate swaps. Derivative financial instruments entered into by the Company do not meet the hedge accounting requirements as defined by the accounting standards. Consequently, hedge accounting is not applied by the Company.

Financial instruments designated at fair value through profit or loss upon initial recognition:

These include financial assets and liabilities that are not held for trading purposes and which may be sold, such as listed equity securities. The fair value through profit or loss classification is available for the majority of the financial assets held by the Company.

Note 1 Summary of significant accounting policies (continued)

(a) Investments (continued)

(2) Recognition / Derecognition

Financial assets and liabilities are recognised initially on the trade date at which the Company becomes party to the contractual provisions of the instrument. Other financial assets and liabilities are recognised on the date they originated.

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial assets expire or it transfers the financial asset and the transfer qualifies for derecognition.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

(3) Measurement

Financial instruments designated at fair value through profit or loss

Financial assets and liabilities held at fair value through profit or loss are measured initially at fair value, with transaction costs that are directly attributable to its acquisition recognised in the statement of profit or loss. Subsequent to initial recognition, all instruments held at fair value through profit or loss are measured at fair value with changes in their fair value recognised in the statement of profit or loss.

Fair value in an active market

Shares that are listed or traded on an exchange are fair valued using last sale prices, as at the close of business on the day the shares are being valued.

Fair value in an inactive or unquoted market

If a quoted market price is not available on a recognised stock exchange, the fair value of the instruments are estimated using valuation techniques, which include the use of recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same, discounted cash flow techniques, option pricing models or any other valuation techniques that provide a reliable estimate of prices obtained in actual market transactions.

(b) Fair value measurement

When a financial asset is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date and assumes that the transaction will take place either in the principal market, or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset, assuming they act in their economic best interests. Valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets measured on a recurring basis at fair value are classified into 3 levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

Further information regarding fair value measurements is provided in note 3.

Note 1 Summary of significant accounting policies (continued)

(c) Income and expenditure

Net gains/(losses) on financial instruments held at fair value through profit or loss arising on a change in fair value are calculated as the difference between the fair value at year end and the fair value at the previous valuation point. Net gains/(losses) do not include interest or dividend income.

Dividend income relating to exchange-traded equity instruments is recognised in the statement of profit or loss on the ex-dividend date.

Interest income and expenses, including interest income and expenses from non-derivative financial assets, are recognised in the statement of profit or loss as they accrue, using the effective interest method of the instrument calculated at the acquisition date. Interest income includes the amortisation of any discount or premium, transaction costs or other differences between the initial carrying amount of an interest-bearing instrument and its amount at maturity calculated on an effective interest rate basis. Interest income is recognised on a gross basis, including any withholding tax, if any.

All other expenses, including performance fees and investment management fees, are recognised in the statement of profit or loss on an accruals basis.

(d) Foreign Currency Translation

Functional and presentation currency

Items included in the Company's financial statements are measured using the currency of the primary economic environment in which it operates (the "functional currency"). This is the Australian dollar, which reflects the currency of the economy in which the Company competes for funds and is regulated. The Australian dollar is also the Company's presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when fair value was determined. Translation differences on assets and liabilities carried at fair value are reported in the statement of profit or loss on a net basis within net gains/(losses) on financial instruments held at fair value through profit or loss.

(e) Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

The Company may incur withholding tax imposed by certain countries on investment income. Such income will be recorded net of withholding tax in profit or loss.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted for each jurisdiction.

Note 1 Summary of significant accounting policies (continued)

(e) Income tax (continued)

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date.

Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

(f) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of GST, unless GST incurred is not recoverable from the Australian Taxation Office. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

(g) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(h) Trade receivables

Trade and other receivables relate to outstanding settlements as well as accrued income in relation to interest and dividends receivable. Trade receivables are generally due for settlement within 30 days.

(i) Trade and other payables

These amounts represent liabilities for outstanding settlements as well as services provided to the Company prior to the end of the financial year and which are unpaid. Due to their short-term nature, they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

(j) Share capital

Ordinary shares are classified as equity. Costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

(k) Profits reserve

A profits reserve has been created representing an amount allocated from retained earnings that is preserved for future dividend payments.

(l) Earnings per share

(1) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial period adjusted for bonus elements in ordinary shares issued during the period and excluding treasury shares.

Note 1 Summary of significant accounting policies (continued)

(l) Earnings per share (continued)

(2) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares (eg. options on issue and in the money).

(m) Operating segments

The Company's investment activities are its only reportable segment. The Company operates from one geographic location, being Australia.

(n) New and revised accounting requirements applicable to the current year reporting period

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2017 reporting periods and have not been early adopted by the Company. The directors' assessment of the impact of these new standards (to the extent relevant to the Company) and interpretations is set out below:

AASB 9 Financial Instruments (effective from 1 January 2018)

AASB 9 Financial Instruments addresses the classification, measurement and derecognition of financial assets and financial liabilities. It has now also introduced revised rules around hedge accounting and impairment. The standard is not applicable until 1 January 2018 but is available for early adoption.

The directors do not expect this to have a significant impact on the recognition and measurement of the Company's financial instruments as they are carried at fair value through profit or loss.

The derecognition rules have not been changed from the previous requirements, and the Company does not apply hedge accounting. AASB 9 introduces a new impairment model. However, as the Company's investments are all held at fair value through profit or loss, the change in impairment rules will not impact the Company.

The Company will adopt AASB 9 from 1 July 2018.

Note 2 Financial risk management

(a) Objectives, strategies, policies and processes

The Company's activities expose it to a variety of financial risks: market risk (including price risk, foreign exchange risk and interest rate risk), credit risk and liquidity risk.

The Board has implemented a risk management framework to mitigate these risks. This includes consideration of compliance and risk management reporting on a quarterly basis to monitor compliance and evaluate risk, and regular reporting from the Manager to ensure ongoing compliance with the investment strategy and investment guidelines.

The Company uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of price risks.

Note 2 Financial risk management (continued)

(a) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks: price risk, foreign currency risk and interest rate risk. Market risk is managed and monitored using sensitivity analysis, and minimised through ensuring that all investment activities are undertaken in accordance with established mandates and investment strategies.

The market risk disclosures are prepared on the basis of the Company's direct investments and not on a look-through basis for investments held in the Company.

The sensitivity of the Company's net assets attributable to shareholders (and net operating profit/(loss)) to price risk and interest rate risk is measured by the reasonably possible movements approach. This approach has regard to a number of factors, including the historical correlation of the Company's investments with the relevant benchmarks and market volatility. However, actual movements in the risk variables may be greater or less than anticipated due to a number of factors, including unusually large market shocks resulting from changes in the performance of the economies, markets and securities in which the Company invests. As a result, historic variations in the risk variables are not a definitive indicator of future variations in the risk variables.

(i) Price risk

Equity price risk is the risk that the fair value of equities will fluctuate because of changes in market prices, whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

Equity price risk exposure arises from the Company's investment portfolio. The investments are classified on the statement of financial position as at fair value through profit or loss. All securities investments present a risk of loss of capital. The maximum risk resulting from financial instruments is determined by the fair value of the financial instruments.

The Manager manages price risk through diversification and a careful selection of securities and other financial instruments within specified limits set by the Board.

The Company's overall market positions are monitored on a daily basis by the Manager and are considered at least quarterly by the Board.

At 30 June 2017, the overall market exposures were as follows:

| | 2017 |
|--|----------------|
| | \$'000 |
| Financial assets at fair value through profit or loss | 319,265 |
| Financial liabilities at fair value through profit or loss | (138) |
| Net overall exposure | 319,127 |

At 30 June 2017, if the equity prices had increased by +/- 15% with all other variables held constant, the movement in net assets attributable to shareholders (and net operating profit/(loss)) would be approximately +/- \$33,508,000.

Note 2 Financial risk management (continued)

(b) Market risk (continued)

(ii) Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company holds assets denominated in currencies other than the Australian dollar, the functional currency. It is therefore exposed to foreign exchange risk, as the value of the securities denominated in other currencies will fluctuate due to changes in exchange rates.

Where the Manager believes there is a strong likelihood of a decline in the underlying currency, currency derivatives, both over-the-counter and exchange traded, may be used to hedge the exposure.

The table below summarises the Company's assets and liabilities, monetary and non monetary, which are denominated in a currency other than Australian dollar.

| 30 June 2017 | Australian Dollars \$'000 | US Dollars \$'000 | Euro \$'000 | Hong Kong Dollars \$'000 | Japanese Yen \$'000 | Other Currencies \$'000 | Total \$'000 |
|---|---------------------------------|-------------------------|----------------|-----------------------------------|---------------------------|-------------------------------|-----------------|
| Assets | | | | | | | |
| Cash and cash equivalents | 16,754 | 7,518 | 4,484 | 360 | 504 | 12,119 | 41,739 |
| Financial assets at fair value through profit or loss: | | | | | | | |
| Australian and overseas listed equity securities | 4,026 | 149,517 | 72,479 | 40,482 | 37,345 | 15,148 | 318,997 |
| Financial assets held for trading: | | | | | | | |
| Derivative financial instruments | 714 | 537 | 433 | - | - | 849 | 2,533 |
| Trade and other receivables | 164 | 147 | 708 | 229 | (7) | 578 | 1,819 |
| Deferred tax assets | 2,509 | - | - | - | - | - | 2,509 |
| Total assets | 24,167 | 157,719 | 78,104 | 41,071 | 37,842 | 28,694 | 367,597 |
| Liabilities | | | | | | | |
| Trade and other payables | 520 | 3,591 | - | 1,148 | 774 | 650 | 6,683 |
| Financial liabilities held for trading: | | | | | | | |
| Derivative financial instruments | - | 1,843 | - | 18 | 45 | 30 | 1,936 |
| Current tax liabilities | 197 | - | - | - | - | - | 197 |
| Deferred tax liabilities | 11,000 | - | - | - | - | - | 11,000 |
| Total liabilities | 11,717 | 5,434 | - | 1,166 | 819 | 680 | 19,816 |
| Net assets | 12,450 | 152,285 | 78,104 | 39,905 | 37,023 | 28,014 | 347,781 |

Note 2 Financial risk management (continued)

(b) Market risk (continued)

(ii) Foreign Exchange Risk (continued)

The effect on the net assets attributable to shareholders and profit or loss due to a reasonably possible movement of the currency rate against the Australian dollar with all other variables held constant is indicated in the table below:

| 30 June 2017 | AUD equivalent in exposure by currency | Change in currency rate | Effect on net profit attributable to shareholders |
|-------------------|---|----------------------------|---|
| Currency | \$'000 | +/- % | +/- \$'000 |
| US Dollars | 152,285 | 15%/-15% | (17,808)/18,401 |
| Euro | 78,104 | 15%/-15% | (8,155)/8,155 |
| Hong Kong Dollars | 39,905 | 15%/-15% | (3,181)/2,825 |
| Japanese Yen | 37,023 | 15%/-15% | (3,908)/3,914 |
| Other Currencies | 28,014 | 15%/-15% | (1,628)/1,194 |

(iii) Cash flow and fair value interest rate risk

The majority of the Company's financial assets and liabilities are non interest-bearing. Any interest-bearing financial assets and interest-bearing financial liabilities either mature or reprice in the short-term, no longer than twelve months. As a result, the Company is subject to limited exposure to fair value interest rate risk due to fluctuations in the prevailing levels of market interest rates.

(c) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Company holds no collateral as security or any other credit enhancements. The maximum exposure to credit risk at the end of each reporting period is the carrying amount of the financial assets. None of these assets are impaired nor past due but not impaired.

There are no material concentrations of credit risk at 30 June 2017.

(d) Liquidity risk

Liquidity risk is the risk that the Company may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous. This risk is controlled through the Company's investment in financial instruments, which under normal market conditions are readily convertible to cash, as the majority are listed on global exchanges. In addition, the Company maintains sufficient cash and cash equivalents to meet normal operating requirements.

The Manager and Administrator monitor the Company's liquidity position on a daily basis.

Note 2 Financial risk management (continued)

(d) Liquidity risk (continued)

Maturity analysis for financial liabilities

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

| At 30 June 2017 | Less than 1 month \$'000 | 1 month to 1 year \$'000 | More than 1 year \$'000 | Total |
|---|---|---|--|--------------|
| Trade creditors | 356 | - | - | 356 |
| Accruals | 44 | - | - | 44 |
| Due to brokers | 6,277 | - | - | 6,277 |
| Other payables | 6 | - | - | 6 |
| Financial liabilities held at fair value through profit or loss | 1,936 | - | - | 1,936 |
| Total financial liabilities | 8,619 | - | - | 8,619 |

Note 3 Fair value measurements

The Company measures and recognises its financial assets at fair value through profit or loss (FVTPL) on a recurring basis.

Fair value hierarchy

AASB 13: Fair Value Measurement requires the disclosure of fair value information using a fair value hierarchy reflecting the significance of the inputs in making the measurements. The fair value hierarchy consists of the following levels:

- (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- (b) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (Level 2); and
- (c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

Note 3 Fair value measurements (continued)

Recognised fair value measurements

The following table presents the Company's assets and liabilities measured and recognised at fair value at 30 June 2017.

| | Level 1 | Level 2 | Level 3 | Total |
|---|----------------|---------------|---------------|----------------|
| Financial Assets | \$'000 | \$'000 | \$'000 | \$'000 |
| <i>Financial assets at fair value through profit and loss</i> | | | | |
| Australian and overseas listed equity securities | 318,997 | - | - | 318,997 |
| <i>Financial asset held for trading</i> | | | | |
| Derivative financial instruments – Futures | 268 | - | - | 268 |
| Derivative financial instruments – Forward exchange contracts | - | 2,265 | - | 2,265 |
| Total assets | 319,265 | 2,265 | - | 321,530 |

Financial Liabilities

Financial liabilities held for trading

| | | | | |
|---|--------------|----------------|----------|----------------|
| Derivative financial instruments – Futures | (137) | - | - | (137) |
| Derivative financial instruments – Forward exchange contracts | - | (1,799) | - | (1,799) |
| Total financial liabilities | (137) | (1,799) | - | (1,936) |

Included within Level 1 of the hierarchy are listed investments and futures. The fair value of these financial assets and financial liabilities has been based on the closing quoted last prices at the end of the reporting year, excluding transaction costs.

Included within Level 2 of the hierarchy are forward exchange contracts. The fair value of these financial assets and financial liabilities has been determined using forward exchange market rates at the end of the reporting period.

There were no transfers between levels for recurring fair value measurements during the year.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting year.

The carrying amounts of all financial instruments other than those measured at fair value on a recurring basis are considered to represent a reasonable approximation of their fair values.

Note 4 Income tax expense

| | 2017 \$'000 |
|---|----------------|
| (a) Income tax expense | |
| Current tax expense | 760 |
| Deferred tax expense | 10,741 |
| Total income tax expense in profit or loss | 11,501 |
| Deferred income tax (benefit) / expense included in income tax expense comprises: | |
| Increase in deferred tax assets | (2,509) |
| Increase in deferred tax liabilities | 11,000 |
| Increase in amounts recognised in equity | 2,250 |
| | 10,741 |
| (b) Reconciliation of income tax expense to prima facie tax payable | |
| Profit before income tax expense | 38,336 |
| Tax at the Australian tax rate of 30% | 11,501 |
| Tax effect of amounts which are not deductible (taxable) in calculating taxable income: | |
| Other | - |
| Income tax expense / (benefit) | 11,501 |
| (c) Amounts recognised in equity | |
| Income tax benefit relating to share issue costs | 2,812 |
| | 2,812 |

Note 5 Cash and cash equivalents

| | 30 June 2017 \$'000 |
|--|------------------------|
| Cash at bank – investment portfolio | 41,147 |
| Cash at bank – operating account | 592 |
| Total cash and cash equivalents | 41,739 |

The Company makes use of swap contracts with its prime broker to invest some of its investment portfolio and such contracts result in much of the notional investment value, being the value at risk, remaining on the Company's balance sheet as cash.

Note 6 Trade and other receivables

| | 30 June 2017 \$'000 |
|------------------------|------------------------|
| Dividends receivable | 311 |
| GST receivable | 129 |
| Receivable from broker | 1,354 |
| Other receivables | 25 |
| | 1,819 |

Note 7 Financial instruments at fair value through profit or loss

30 June 2017

\$'000

(a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss:

| | |
|--|---------|
| Australian and overseas listed equity securities | 318,997 |
|--|---------|

| | |
|--|----------------|
| Financial assets at fair value through profit or loss | 318,997 |
|--|----------------|

Financial assets held for trading:

| | |
|--|-----|
| Derivative financial instruments – Futures | 268 |
|--|-----|

| | |
|---|-------|
| Derivative financial instruments – Forward exchange contracts | 2,265 |
|---|-------|

| | |
|--|--------------|
| Financial assets held for trading | 2,533 |
|--|--------------|

| | |
|--|----------------|
| Total financial assets at fair value through profit or loss | 321,530 |
|--|----------------|

(b) Financial liabilities at fair value through profit or loss

Financial assets held for trading:

| | |
|--|-----|
| Derivative financial instruments – Futures | 137 |
|--|-----|

| | |
|---|-------|
| Derivative financial instruments – Forward exchange contracts | 1,799 |
|---|-------|

| | |
|---|--------------|
| Financial liabilities held for trading | 1,936 |
|---|--------------|

| | |
|---|--------------|
| Total financial liabilities at fair value through profit or loss | 1,936 |
|---|--------------|

Note 8 Deferred tax assets / liabilities

| | | |
|------------|----------------------------|--------------------------------|
| (a) | Deferred tax assets | 30 June 2017 \$'000 |
|------------|----------------------------|--------------------------------|

The deferred tax assets balance comprises temporary differences attributable to:

Amounts recognised in profit or loss

| | |
|-----------------------------------|-----|
| Accruals | 10 |
| Unrealised foreign exchange gains | 249 |

Amounts recognised in equity

| | |
|-------------------|-------|
| Share issue costs | 2,250 |
|-------------------|-------|

| | |
|----------------------------|--------------|
| Deferred tax assets | 2,509 |
|----------------------------|--------------|

The overall movement in deferred tax asset accounts is as follows:

| | |
|-------------------------------------|--------------|
| Opening balance | - |
| Credited directly to profit or loss | 259 |
| Credited to equity | 2,250 |
| Closing balance | 2,509 |

The movement in deferred tax assets for each temporary difference during the year is as follows:

(i) Accruals

| | |
|-------------------------------------|-----------|
| Opening balance | - |
| Credited directly to profit or loss | 10 |
| Closing Balance | 10 |

(ii) Unrealised foreign exchange gains

| | |
|-------------------------------------|------------|
| Opening balance | - |
| Credited directly to profit or loss | 259 |
| Closing Balance | 259 |

(iii) Share issue costs

| | |
|-----------------------------|--------------|
| Opening balance | - |
| Credited directly to equity | 2,250 |
| Closing Balance | 2,250 |

Note 8 Deferred tax assets / liabilities (continued)

(b) Deferred tax liabilities

The deferred tax liabilities balance comprises temporary differences attributable to:

Amounts recognised in profit or loss

| | |
|--|---------------|
| Dividends receivable | 94 |
| Unrealised gains on financial instruments at fair value through profit or loss | 10,906 |
| Deferred tax liabilities | 11,000 |

Gross movements:

The overall movement in deferred tax liability account is as follows:

| | |
|------------------------------------|---------------|
| Opening balance | - |
| Charged directly to profit or loss | 11,000 |
| Closing balance | 11,000 |

The movement in deferred tax liability for each temporary difference during the year is as follows:

(i) Unrealised gain on financial instruments at fair value through profit or loss

| | |
|------------------------------------|---------------|
| Opening balance | - |
| Charged directly to profit or loss | 10,906 |
| Closing Balance | 10,906 |

(ii) Dividends receivable

| | |
|------------------------------------|-----------|
| Opening balance | - |
| Charged directly to profit or loss | 94 |
| Closing Balance | 94 |

| | |
|--|--------------|
| (c) Net deferred tax liabilities adjusted for deferred tax assets | 8,491 |
|--|--------------|

Note 9 Trade and other payables

| | 30 June 2017 \$'000 |
|------------------|------------------------|
| Trade creditors | 356 |
| Accrued expenses | 44 |
| Due to broker | 6,277 |
| Other payables | 6 |
| | 6,683 |

Trade and other payables primarily relate to outstanding settlements and are usually paid within 30 days of recognition.

Note 10 Issued capital

(a) Share capital

| | 2017 Number | 2017 \$'000 |
|----------------------------|--------------------|----------------|
| Fully paid ordinary shares | 297,733,831 | 320,946 |
| Total share capital | 297,733,831 | 320,946 |

The Company does not have an authorised capital value or par value in respect of its issued shares.

(b) Movements in ordinary share capital

| Date | Details | Number of shares | Price | Total \$'000 |
|---------------------|---|---------------------|--------|-----------------|
| June 2016 | Initial issue | 1 | \$1.00 | - |
| October 2016 | Shares issued under IPO | 284,832,954 | \$1.10 | 313,316 |
| April-June 2017 | Options exercised for \$1.10 per share | 12,900,876 | \$1.10 | 14,191 |
| October 2016 | Cost of issued capital (net of tax) | - | - | (6,561) |
| 30 June 2017 | Balance | 297,733,831 | | 320,946 |

Note 10 Issued capital

(c) Ordinary shares

On 12 October 2016, the Company issued 284,832,954 fully paid ordinary shares under the initial public offering at an application price of \$1.10 per share.

(d) Options

On 12 October 2016, as part of the initial public offering of the Company, 284,832,954 options were issued to acquire ordinary shares in the Company at an exercise price of \$1.10. The options can be exercised at any time on or before 15 October 2018. The options give the shareholders the right but not the obligation to subscribe for ordinary shares in the Company at \$1.10 per share. The options can be exercised in full or in part. The options are currently trading on the ASX under the code APLO. 271,932,078 options were unexercised at 30 June 2017.

Note 11 Reserves

| | 30 June 2017 |
|-----------------|---------------------|
| | \$'000 |
| Profits Reserve | 31,324 |

A profits reserve has been created representing an amount allocated from retained earnings that is preserved for future dividend payments.

Note 12 Dividends

(a) Dividend paid

No dividend was paid during the year ended 30 June 2017.

(b) Dividends not recognised at the end of the period

No dividend has been declared since the period end.

(c) Dividend franking account

The balance of the Company's dividend franking account at 30 June 2017 was nil.

Note 13 Key management personnel disclosures

(a) Key management personnel compensation

| | 2017 |
|--------------------------------|---------------|
| | \$ |
| Short-term employment benefits | 85,369 |
| Post-employment benefits | 5,520 |
| Total remuneration | 90,889 |

Detailed remuneration disclosures are provided in the remuneration report on pages 11 to 14.

Note 13 Key management personnel disclosures (continued)

(b) Equity instrument disclosures relating to key management personnel

(1) Shareholdings

The numbers of shares in the Company held during the financial year by each Director, including their related parties, are set out below. There were no shares granted during the financial year as compensation.

Ordinary shares held

| Director | Acquisitions | Disposals | Balance as at date of this report |
|---------------------------|---------------------|------------------|--|
| Jonathan Trollip* | 200,000 | 0 | 200,000 |
| Lorraine Berends* | 50,000 | 0 | 50,000 |
| Chris Cuffe* | 125,000 | 125,000 | 0 |
| Alex Ihlenfeldt* | 50,001 | 0 | 50,001 |
| Andrew Findlay* | 50,000 | 0 | 50,000 |
| Ian Harrison* | 0 | 0 | 0 |
| Total shares held* | 475,001 | 125,000 | 350,001 |

* Held through direct and indirect interests

(2) Option holdings

The numbers of options over ordinary shares in the Company held during the financial year by each Director, including their related parties, are set out below.

Options held

| Director | Acquisitions | Disposals | Balance as at date of this report |
|----------------------------|---------------------|------------------|--|
| Jonathan Trollip* | 200,000 | 0 | 200,000 |
| Lorraine Berends* | 50,000 | 0 | 50,000 |
| Chris Cuffe* | 125,000 | 125,000 | 0 |
| Alex Ihlenfeldt* | 50,000 | 0 | 50,000 |
| Andrew Findlay* | 50,000 | 0 | 50,000 |
| Ian Harrison* | 0 | 0 | 0 |
| Total options held* | 475,000 | 125,000 | 350,000 |

* Held through direct and indirect interests

Directors and their related parties acquired options over ordinary shares in the Company on the same terms and conditions available to other shareholders.

Note 14 Remuneration of auditors

During the year the following fees were paid or payable for services provided by the auditor, its related practices and non-related audit firms:

(a) Audit and other assurance services

| | 2017 \$ |
|--|---------------|
| <hr/> | |
| Audit services – Pitcher Partners | |
| Audit of financial statements | 41,128 |
| Other assurance services | 35,336 |
| Total remuneration for audit and other assurance services | 76,464 |

Other assurance services include the preparation of the investigating accountants report for the initial public offering of the Company.

(b) Non-audit services

| | 2017 \$ |
|---|---------------|
| <hr/> | |
| Taxation services – Pitcher Partners | |
| Tax compliance services | 14,555 |
| Total remuneration for tax compliance services | 14,555 |
| Total remuneration paid to auditors of the Company | 91,019 |

The Board oversees the relationship with the Company's external auditors. The Board reviews the scope of the audit and the proposed fee. It also reviews the cost and scope of other audit-related tax compliance services provided by the audit firm, to ensure that they do not compromise independence.

Note 15 Related party transactions

All transactions with related parties were made on normal commercial terms and conditions and at market rates.

(a) Investment Management Agreement

Alex Ihlenfeldt and Andrew Findlay, who are Directors, are also directors of the Manager.

The Company appointed the Manager to act as investment manager of the Company's portfolio under the Investment Management Agreement.

Under the Investment Management Agreement, the Manager must:

- (1) invest money constituted in or available to the Company's portfolio, including money received as a consequence of disposal of investments or any dividend or other distribution received;
- (2) retain investments; and
- (3) realise or dispose of investments.

Note 15 Related party transactions (continued)

The initial term of the Investment Management Agreement is 10 years, which will be automatically extended for successive five year periods up to 25 years from the commencement date when it will terminate, unless terminated earlier in accordance its terms. The Company may remove the Manager and terminate the agreement after the expiration of the initial term if the shareholders resolve by ordinary resolution that the Manager should be removed as investment manager of the Company's portfolio, on delivery of three months' prior written notice.

The associated fees payable to the Manager are listed below:

Management fee

In its capacity as investment manager, the Manager is entitled to receive a management fee of 1.10% per annum (exclusive of GST) of the value of the Company's portfolio calculated daily and paid at the end of each month in arrears.

For the year ended 30 June 2017 the Manager was entitled to be paid a management fee of \$2,596,022 (exclusive of GST).

As at 30 June 2017, the remaining balance payable to the Manager was \$321,673 (exclusive of GST).

Performance fee

In return for the performance of its duties as investment manager of the Company's portfolio, the Manager is entitled to be paid by the Company a fee equal to 15% (plus GST) of the portfolio's outperformance relative to the Benchmark. The performance fee for each performance calculation period (initially, the period commencing on the date of allotment of shares under the IPO to 31 December 2016, and thereafter each 6 month period ending on 30 June or 31 December) is calculated subject to the recoupment of prior underperformance.

For the period ended 30 June 2017, in its capacity as investment manager, the Manager was paid a performance fee of \$418,738. As at 30 June 2017, the balance of performance fees payable to the Manager was nil.

(b) Services Agreement

Alex Ihlenfeldt is a director of Pinnacle Investment Management Limited.

The Company has entered into a Services Agreement with Pinnacle Investment Management Limited for the provision of the following administration support services:

- Middle office portfolio administration;
- Finance, tax and reporting and administration; and
- Legal counsel and company secretarial.

The Company is required to pay Pinnacle a service fee quarterly in arrears for the provision of the services calculated as follows:

- (a) in respect of the first financial year to 30 June 2017 – \$75,000 (ex GST) (**Base Retainer**); and
- (b) in respect of each subsequent financial year – the Base Retainer calculated for the immediately preceding financial year indexed by 3%.

For the period ended 30 June 2017, Pinnacle was paid a fee of \$52,664 pro rated for the period during which Pinnacle provided services to the Company. As at 30 June 2017, the balance payable was nil.

Note 16 Reconciliation of profit after income tax to net cash inflow from operating activities

| | 2017 \$'000 |
|---|------------------|
| Profit for the period | 26,835 |
| Unrealised foreign exchange losses | 3,407 |
| Unrealised losses on market value movement | (42,259) |
| Changes in operating assets / liabilities | |
| Increase in trade and other receivables | (1,803) |
| Increase in investments | (273,645) |
| Increase in deferred tax assets | (2,259) |
| Increase in deferred tax recognised in equity | 2,812 |
| Increase in trade and other payables | 404 |
| Increase in provision for income taxes payable | 42 |
| Increase in deferred tax liabilities | 10,906 |
| Net cash outflow from operating activities | (275,560) |

Note 17 Earnings per share

| | 2017 \$'000 |
|--|--------------------|
| (a) Earnings used in the calculation of basic and diluted earnings per share | |
| Profit from continuing operations attributable to the owners of the Company | 26,835 |
| (b) Basic earnings per share | Cents |
| Profit from continuing operations attributable to the owners of the Company | 9.4 |
| (c) Diluted earnings per share | Cents |
| Profit from continuing operations attributable to the owners of the Company | 9.0 |
| (d) Weighted average number of ordinary shares used in the calculation of earnings per share | Number |
| Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share | 286,755,085 |
| Adjustments for calculation of diluted earnings per share – weighted average number of options | 10,332,630 |
| Weighted average number of ordinary shares used as the denominator in calculating diluted earnings per share | 297,087,715 |

Note 18 Subsequent events

No events have arisen, subsequent to balance date that would require amendment of, or disclosure of, in the financial statements.

Note 19 Contingencies and commitments

The Company has no known contingent assets or liabilities.

Note 20 Investment Portfolio

The Company's investment portfolio at balance date was as follows (investments are listed equities unless otherwise shown):

| Denominated Currency / Security | 2017 Quantity Number | 2017 AUD Fair Value \$ |
|--|-------------------------------------|---------------------------------------|
| Australia | | |
| Newcrest Mining Limited | 199,685 | 4,025,650 |
| Europe | | |
| Alpha Bank AE | 675,341 | 2,168,995 |
| Deutsche Lufthansa AG | 96,857 | 2,869,532 |
| Electricite de France SA | 564,252 | 7,955,268 |
| Eni S.p.A. | 178,201 | 3,486,967 |
| Erste Group Bank AG | 92,038 | 4,587,940 |
| ING Groep NV | 403,095 | 9,050,366 |
| Leonardo - Finmeccanica S.p.A | 214,806 | 4,647,198 |
| Lyxor UCITS ETF | 32,385 | 1,799,969 |
| Mediobanca S.p.A. | 532,438 | 6,840,133 |
| Nokia Oyj | 621,119 | 4,945,567 |
| RWE AG | 185,177 | 4,803,301 |
| Telecom Italia S.p.A. | 7,142,965 | 8,581,667 |
| UniCredit S.p.A. | 300,110 | 7,295,919 |
| Uniper SE | 141,014 | 3,445,988 |
| DAX (EUR) Sept 17 (Index Future) | (8) | 114,540 |

Note 20 Investment Portfolio (continued)

| Denominated Currency / Security | 2017 Quantity Number | 2017 AUD Fair Value \$ |
|--|----------------------------|------------------------------|
| Great Britain | | |
| Burberry Group plc | 123,971 | 3,487,082 |
| China / Hong Kong | | |
| Belle International Holdings Limited | 4,170,304 | 4,290,137 |
| China Lesso Group Holdings Limited | 1,301,820 | 1,304,442 |
| China Mobile Limited | 561,603 | 7,770,423 |
| CNOOC Limited | 2,422,741 | 3,459,361 |
| Esprit Holdings Limited | 2,681,997 | 1,863,264 |
| Hengan International Group Co., Ltd. | 459,758 | 4,422,568 |
| Li Ning Co. Ltd. | 2,169,413 | 2,152,045 |
| PICC Property & Casualty Co. Ltd. Class H | 3,075,906 | 6,698,436 |
| Ping An Insurance (Group) Company of China, Ltd. Class H | 482,816 | 4,148,487 |
| Tingyi (Cayman Islands) Holding Corp. | 2,827,388 | 4,372,393 |
| Japan | | |
| BANDAI NAMCO Holdings Inc. | 76,665 | 3,406,909 |
| Inpex Corporation | 749,069 | 9,395,332 |
| Japan Steel Works, Ltd. | 166,306 | 3,392,278 |
| Konica Minolta, Inc. | 329,781 | 3,566,204 |
| LINE Corp. | 108,089 | 4,859,793 |
| NEXT Co., Ltd. | 245,222 | 2,802,594 |
| Nippon Electric Glass Co., Ltd. | 59,917 | 2,839,924 |
| Panasonic Corporation | 400,489 | 7,081,743 |
| Nikkei 225 (SIM) Sep 17 (Index Future) | (39) | (29,335) |

Note 20 Investment Portfolio (continued)

| Denominated Currency / Security | 2017 Quantity Number | 2017 AUD Fair Value \$ |
|---|----------------------------|------------------------------|
| Korea | | |
| KB Financial Group Inc. | 45,741 | 3,007,287 |
| Samsung SDI Co., Ltd | 28,213 | 5,513,238 |
| Mexico | | |
| Grupo LALA SAB de CV Class B | 1,311,561 | 3,140,171 |
| United States | | |
| Alliance Resource Partners, L.P. | 26,678 | 657,342 |
| Amaya Inc. | 233,109 | 5,439,868 |
| Baidu, Inc. Sponsored ADR Class A | 48,238 | 11,248,092 |
| Barrick Gold Corporation | 150,436 | 3,120,314 |
| BRF SA Sponsored ADR | 288,400 | 4,432,874 |
| Capital One Financial Corporation | 46,336 | 4,990,914 |
| Central Fund of Canada Limited Class A | 151,375 | 2,433,288 |
| Cisco Systems, Inc. | 210,130 | 8,574,498 |
| Citigroup Inc. | 3,496 | 304,820 |
| CONSOL Energy Inc. | 305,117 | 5,942,830 |
| Dynegy Inc. | 167,509 | 1,806,009 |
| Gilead Sciences, Inc. | 112,169 | 10,350,462 |
| Hyundai Motor Company Sponsored GDR | 158,347 | 14,388,613 |
| ICICI Bank Limited Sponsored ADR | 505,521 | 5,911,640 |
| JD.com, Inc. Sponsored ADR Class A | 120,295 | 6,150,798 |
| Jiangsu Yanghe Brewery Joint-Stock Co., Ltd. Class A (P Note) | 426,705 | 7,123,217 |
| KB Financial Group Inc. Sponsored ADR | 108,111 | 7,116,256 |

Note 20 Investment Portfolio (continued)

| Denominated Currency / Security | 2017 Quantity Number | 2017 AUD Fair Value \$ |
|--|----------------------------|------------------------------|
| United States (continued) | | |
| Michael Kors Holdings Ltd | 91,457 | 4,322,164 |
| Microsoft Corporation | 99,932 | 8,980,266 |
| NetApp, Inc. | 98,581 | 5,147,212 |
| Office Depot, Inc. | 1,171,959 | 8,617,233 |
| QUALCOMM Incorporated | 46,821 | 3,370,648 |
| Samsung Electronics Co., Ltd. GDR RegS | 6,761 | 9,122,789 |
| Twitter, Inc. | 234,080 | 5,453,373 |
| Western Union Company | 181,694 | 4,512,445 |
| eMini NASDAQ 100 (CME) Sep 17 NQU7 (Index Future) | (48) | 48,943 |
| Mini Russell 2000 (IFUS) Sept 17 RTAU7 (Index Future) | (95) | 56,433 |
| Natural Gas (NYM \$/mmbtu) Apr 18 NGJ18 (Index Future) | (110) | (108,262) |
| Natural Gas (NYM \$/mmbtu) Oct 18 NGV18 (Index Future) | (98) | 32,467 |
| Natural Gas (NYM \$/mmbtu) Oct 19 NGV19 (Index Future) | (53) | 16,124 |
| Total Value – Equities and Futures | | 319,127,445 |
| Reconciliation to Total Investment Portfolio: | | |
| | | \$'000 |
| Equities and Futures | | 319,127 |
| Cash deposits (note 5) | | 41,147 |
| Net forward exchange contracts (note 3) | | 466 |
| Dividends receivable (note 6) | | 311 |
| Receivable from broker (note 6) | | 1,354 |
| Due to broker (note 9) | | (6,277) |
| Total Investment Portfolio | | 356,128 |

The total number of securities transactions entered into during the reporting period was 1,280.

The total brokerage paid during the reporting period was \$935,000.

Directors' Declaration

The Directors declare that:

- (a) the financial statements and notes as set out on pages 17 to 45 are in accordance with the Corporations Act, including:
 - (1) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (2) giving a true and fair view of the Company's financial position as at 30 June 2017 and of its performance for the period ended on that date.
- (b) in the directors' opinion there are reasonable grounds to believe that Antipodes Global Investment Company Limited will be able to pay its debts as and when they become due and payable.
- (c) note 1(a) confirms that the financial statements also comply with International Financial Reporting standards as issued by the International Accounting Standards Board; and

The directors have been given the declarations required by section 295A of the Corporations Act.

This declaration is made in accordance with a resolution of the Directors.

A handwritten signature in dark ink, appearing to read 'Jonathan Trollip', is written in a cursive style.

Jonathan Trollip

Chairman

Sydney

25 August 2017

**Independent Auditor's Report
to the Members of Antipodes Global Investment Company Limited
A.B.N. 38 612 843 517**

REPORT ON THE FINANCIAL REPORT

We have audited the accompanying financial report of Antipodes Global Investment Company Limited (the Company), which comprises the statement of financial position as at 30 June 2017, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the period from incorporation to 30 June 2017, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Opinion

In our opinion

- a) the financial report of Antipodes Global Investment Company Limited is in accordance with the *Corporations Act 2001*, including:
 - i. giving a true and fair view of the Company's financial position as at 30 June 2017 and of its performance for the period ended on that date; and
 - ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.
- b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1 Basis of preparation.

Basis of Opinion

We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement. Our responsibilities under those standards are further described in the *Auditor's Responsibility* section of our report. We are independent of the Company in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current year. We have communicated the key audit matters to the Board of Directors, but they are not a comprehensive reflection of all matters that were identified by our audit and that were discussed with the Board of Directors. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Key audit matter | How our audit addressed the matter |
|---|--|
| Existence and valuation of Financial Instruments | |
| Refer to Note 7: Financial instruments at fair value through profit or loss | |
| <p>We focused our audit effort on the valuation, existence and completeness of the Company's financial assets and financial liabilities as they are one of its largest asset and liability and represent the most significant driver of the Company's net tangible assets and profits.</p> <p>The quantum of investments held inherently makes financial assets and financial liabilities a key audit matter, in addition however, there may be judgements involved in determining the fair value of the investments.</p> <p>In relation to investments, there can also be a risk that these are not owned by the Company.</p> <p>We therefore identified the valuation, existence and completeness of investments as an area of focus.</p> | <p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> ▪ We obtained an understanding of the investment management process and controls; ▪ We reviewed the independent audit report on internal controls (ASAE 3402 Assurance Reports on Controls at a Service Organisation) for the period 1 July 2016 to 31 October 2016 for the Custodian. ▪ For the period since the last internal controls audit we undertook additional procedures in order to satisfy ourselves of the ability to rely upon the internal controls of the Custodian and their reports; ▪ We agreed the investment holdings to the Custodian's report of investment holdings; ▪ We assessed the Company's valuation of individual investment holdings to independent sources where readily observable data was available. For investments where there was little or less observable market data, we obtained and assessed other relevant valuation data; ▪ We evaluated the appropriateness of the accounting treatment of revaluations of financial assets and financial liabilities for current/deferred tax and realised/unrealised gains or losses; ▪ We assessed the adequacy of disclosures in the financial statements. |

| Key audit matter | How our audit addressed the matter |
|---|--|
| <i>Accuracy and Completeness of Management and Performance Fees</i> <i>Refer to Note 9: Trade and other payables, Note 15: Related party transactions and Remuneration Report</i> | |
| <p>We focused our audit effort on the accuracy and completeness of management and performance fees as they are significant expenses of the Company and their calculation may require adjustments for events in accordance with the Investment Management Agreement between the Company and the Investment Manager.</p> <p>In addition to their quantum, as these transactions are made with related parties, there are additional inherent risks associated with these transactions, including the potential for these transactions to be made on terms and conditions more favorable than if they had been with an independent third-party.</p> <p>We therefore identified the accuracy and completeness of management and performance fees as an area of focus.</p> | <p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> ▪ Making enquiries with the Investment Manager and the Directors with respect to any significant events during the period and associated adjustments made as a result, in addition to having reviewed ASX announcements; ▪ In order to verify the Company's calculation, we recalculated management and performance fees in accordance with our understanding of the Investment Management Agreement; ▪ Considered the treatment of events that may be significant to the calculation of management and performance fees; ▪ Tested key inputs used in the calculation of the management and performance fees and performed a reasonableness test; ▪ Considered the appropriateness of the current methodology in relation to calculation of the management and performance fees; ▪ We also assessed the adequacy of disclosures made in the financial statements in relation to these related party transactions. |

Other information

The Directors are responsible for the other information. The other information comprises the information in the Company's annual report for the period ended 30 June 2017, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially consistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Directors' Responsibility for the Financial Report

The directors of Antipodes Global Investment Company Limited are responsible for the preparation and fair presentation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls as the directors determine are necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our responsibility is to express an opinion on the financial report based on our audit. Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial report. We are

responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 11 to 14 of the directors' report for the period ended 30 June 2017. In our opinion, the Remuneration Report of Antipodes Global Investment Company Limited for the period ended 30 June 2017, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of Antipodes Global Investment Company Limited are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



S M WHIDDETT
Partner



PITCHER PARTNERS
Sydney

24 August 2017

Shareholder information

The shareholder information set out below was applicable as at 24 August 2017.

Additional information required by the ASX Listing Rules and not disclosed elsewhere in this report, is listed below.

Distribution of equity securities and option holders

Analysis of numbers of equity security holders by size of holding:

| Holding | Number of shareholders | Shares | Percentage |
|---|------------------------|--------------------|----------------|
| 1 – 1,000 | 69 | 30,427 | 0.01% |
| 1,001 – 5,000 | 622 | 2,196,282 | 0.71% |
| 5,001 – 10,000 | 912 | 7,785,995 | 2.52% |
| 10,001 – 100,000 | 3,817 | 133,112,084 | 43.11% |
| 100,001 and over | 413 | 165,652,695 | 53.65% |
| Total | 5,833 | 308,777,483 | 100.00% |
| Holdings less than a marketable parcel (less than \$500) | 34 | 3,377 | 0.00% |

Analysis of numbers of option holders by size of holding:

| Holding | Number of option holders | Options | Percentage |
|---|--------------------------|--------------------|----------------|
| 1 – 1,000 | 2 | 6 | 0.00% |
| 1,001 – 5,000 | 489 | 1,717,806 | 0.66% |
| 5,001 – 10,000 | 640 | 5,635,581 | 2.16% |
| 10,001 – 100,000 | 2,769 | 101,173,728 | 38.78% |
| 100,001 and over | 359 | 152,361,305 | 58.40% |
| Total | 4,259 | 260,888,426 | 100.00% |
| Holdings less than a marketable parcel (less than \$500) | 497 | 1,747,920 | 0.67% |

Equity security holders

The Company's twenty largest quoted equity security holders are:

| Name | Number held | Percentage of shares issued |
|---|--------------------|-----------------------------|
| Navigator Australia Ltd | 22,156,457 | 7.176% |
| Nulis Nominees (Australia) Limited | 13,707,212 | 4.439% |
| IOOF Investment Management Limited | 6,315,751 | 2.045% |
| Citicorp Nominees Pty Limited | 6,222,800 | 2.015% |
| BNP Paribas Nominees Pty Ltd | 5,925,365 | 1.919% |
| HSBC Custody Nominees (Australia) Limited | 4,809,259 | 1.558% |
| Netwealth Investments Limited | 3,096,081 | 1.003% |
| FZIC Pty Ltd | 2,727,273 | 0.883% |
| Avanteos Investments Limited | 2,185,900 | 0.708% |
| Madal Holdings Pty Ltd | 1,820,000 | 0.589% |
| Xavier College Foundation Limited | 1,774,795 | 0.575% |
| IOOF Investment Management Limited | 1,738,619 | 0.563% |
| Australian Executor Trustees Limited | 1,511,725 | 0.490% |
| Netwealth Investments Limited | 1,313,362 | 0.425% |
| JBWere (NZ) Nominees Ltd | 1,099,000 | 0.356% |
| JBWere (NZ) Nominees Ltd | 1,084,880 | 0.351% |
| Citicorp Nominees Pty Limited | 1,069,345 | 0.346% |
| RTR Pty Limited | 1,000,000 | 0.324% |
| Mr William Blomfield | 1,000,000 | 0.324% |
| Austair Pilots Pty Ltd | 1,000,000 | 0.324% |
| Jin Pty Limited | 1,000,000 | 0.324% |
| Total | 82,557,824 | 26.737% |
| Total remaining holders balance | 226,219,653 | 73.263% |

Option holders

The Company's twenty largest quoted option holders are:

| Name | Number held | Percentage of options issued |
|---|--------------------|------------------------------|
| Navigator Australia Ltd | 21,623,783 | 8.289% |
| Nulis Nominees (Australia) Limited | 12,296,781 | 4.713% |
| IOOF Investment Management Limited | 4,838,589 | 1.855% |
| Netwealth Investments Limited | 4,379,889 | 1.679% |
| HSBC Custody Nominees (Australia) Limited | 3,721,094 | 1.426% |
| Citicorp Nominees Pty Limited | 3,403,700 | 1.305% |
| BNP Paribas Nominees Pty Ltd | 2,777,914 | 1.065% |
| FZIC Pty Ltd | 2,727,273 | 1.045% |
| Netwealth Investments Limited | 1,901,699 | 0.729% |
| IOOF Investment Management Limited | 1,239,721 | 0.475% |
| JBWere (NZ) Nominees Ltd | 1,084,880 | 0.416% |
| RTR Pty Limited | 1,000,000 | 0.383% |
| Mr William Blomfield | 1,000,000 | 0.383% |
| Cashelmore Pty Ltd | 1,000,000 | 0.383% |
| Second Chance Investments Pty Ltd | 1,000,000 | 0.383% |
| Austair Pilots Pty Ltd | 1,000,000 | 0.383% |
| Jin Pty Limited | 1,000,000 | 0.383% |
| Invia Custodian Pty Limited | 1,000,000 | 0.383% |
| Mr Michael David Row | 1,000,000 | 0.383% |
| Invia Custodian Pty Limited | 1,000,000 | 0.383% |
| Total | 68,995,323 | 26.446% |
| Total remaining holders balance | 191,893,103 | 73.554% |

Voting rights

Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

Stock exchange listing

Quotation has been granted for all of the ordinary shares and options of the Company on all member exchanges of the ASX.

Unquoted securities

There are no unquoted shares.

Securities subject to voluntary escrow

There are no securities subject to voluntary escrow.

On market buy-back

There is currently no on market buy-back.

Working Capital

In accordance with ASX Listing Rule 4.10.19, between the date of admission to the official list of ASX and 30 June 2017, the Company has used its working capital in a way consistent with its business objective.

Corporate directory

Board of Directors

Jonathan Trollip, Independent Chairman
Lorraine Berends, Independent Director
Chris Cuffe, Independent Director
Alex Ihlenfeldt, Non-Independent Director
Andrew Findlay, Non-Independent Director

Secretary

Calvin Kwok

Manager

Antipodes Partners Limited
ACN 602 042 035
Level 35
60 Margaret Street
SYDNEY NSW 2000
Fax: +61 (0) 2 8970 7799
Toll Free: 1300 010 311

ASX Code

APL Ordinary Shares
APLO Options \$1.10 exercisable until 15 October 2018

Lawyers

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Tel: +61 (0) 2 9146 5290
Fax: +61 (0) 2 9146 5299
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Auditors

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www.pitcher.com.au

Share Register

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Principal Place of Business

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Sydney NSW 2000
Tel: 1300 651 577

Website Address

<http://antipodespartners.com/antipodes-lic/>