

ANTIPODES GLOBAL  
INVESTMENT COMPANY LIMITED  
ACN 612 843 517

# ANNUAL REPORT 2019

### **Annual General Meeting**

The 2019 Annual General Meeting will be held at 10.50am on 6 November 2019 at Gold Melting Room, The Mint, 10 Macquarie 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/apl> under the Company section.



**ANTIPODES GLOBAL INVESTMENT  
COMPANY LIMITED ('THE COMPANY') OFFERS  
INVESTORS ACCESS TO A LONG-SHORT  
GLOBAL SECURITIES INVESTMENT  
PORTFOLIO WITH A CURRENCY OVERLAY.**



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## 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 Performance	the performance of the Company based on NTA before all income taxes, adjusted for dividends paid and the dilutionary effect of options granted to shareholders upon the Company's initial listing. This measure incorporates portfolio performance after fees, less administration costs of the Company.
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.
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.

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CHAIRMAN'S



LETTER

## DEAR FELLOW SHAREHOLDERS,

On behalf of your Board, I am pleased to present the results of the Company for the year ended 30 June 2019.

The Company was established to provide shareholders with exposure to a portfolio of global investments, primarily comprised of long and short positions in international shares. The portfolio return is driven by the investment performance delivered by the Company's appointed investment manager, Antipodes Partners Limited (the Manager).

For the 2019 financial year, the Company achieved a net profit after tax of \$7.7 million and net assets have grown from \$459 million to \$630 million. This growth in net assets has been achieved via a combination of inflows from the exercise of options, of which 183.6 million were exercised during the year prior to their expiry in October 2018, and investment portfolio returns.

The Company paid an initial dividend of 5.0 cents per share, franked as to 50%, in October 2018. This was followed by a 2019 interim dividend of 2.0 cents per share, franked as to 50%, which was paid in March 2019.

The Company is pleased to announce the payment of a 2019 final dividend of 2.5 cents per share, franked as to 50%, payable on 14 October 2019 with a record date of 9 September 2019. The dividend reinvestment plan will be available for this dividend. The Company's intention is to pay a dividend to shareholders at least annually, subject to available profits, cash flow and franking credits.

## PERFORMANCE

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 and performance fees paid to it and other direct costs of managing the portfolio) compared to a 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 based on NTA before all income taxes, adjusted for dividends paid and the dilutionary effect of options granted to shareholders upon the Company's initial listing, which we refer to as **Company Performance**. This measure incorporates underlying portfolio performance after fees as mentioned above, less administration costs of the Company; and
- (3) Finally, to show the **Total Shareholder Return or TSR Performance**, which is a measure of the change in the share price adjusted for 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.

The results of each of these measures for the year ended 30 June 2019 are provided below:

<b>Manager Performance</b>	+2.8%	(Performance net of management fees and direct costs of managing the portfolio. No performance fees were paid during the period)
Portfolio Benchmark	+11.3%	
Manager Outperformance	-8.5%	
<b>Company Performance</b>	+2.7%	
<b>TSR Performance</b>	-16.0%	

Although the Company's investment portfolio had a positive return during the year ended 30 June 2019, it was nonetheless a challenging year as evidenced by the comparative performance to Benchmark. Further details regarding the performance of the Company's investment portfolio and the conditions that impacted it during the year are provided in the Investment Manager's Report that follows this letter.

## ON-MARKET SHARE BUY-BACK

The TSR Performance illustrated above has been impacted by the Company's shares trading at a discount to NTA at year end. As a proactive measure to address this discount, on 19 July 2019 the Company announced it would undertake an on-market share buy-back of up to 37,569,837 shares over the period 1 August 2019 to 31 July 2020. The buy-back reflects the Board's view that the Company's shares are attractively valued relative to the NTA. As at 22 August 2019, 3,018,021 shares have been purchased under the buy-back, for total consideration of \$2,971,292.

## ANNUAL GENERAL MEETING

The Annual General Meeting will be held at 10.50am on 6 November 2019 at Gold Melting Room, The Mint, 10 Macquarie Street in Sydney. The Directors encourage you to attend the meeting.

Thank you for your continued support of the Company.

Yours sincerely



Jonathan Trollip  
Chairman  
Sydney  
23 August 2019

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INVESTMENT  
MANAGER'S



REPORT

Antipodes Global Investment Company Limited (the Company) has appointed Antipodes Partners Limited (the Manager or Antipodes) 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 (\$9bn+ 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 firm's performance culture is underpinned by sensible incentives, a focused offering and the outsourcing of non-investment functions to minority partner Pinnacle Investment Management Limited.

## 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 identify investments that offer a high margin of safety and build portfolios with a capital preservation focus.

## INVESTMENT STRATEGY

The Manager's investment strategy 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.

# Manager's Commentary

## FY2019 REVIEW

At Antipodes we aim to build portfolios with a capital preservation focus. We have a flexible investment mandate and can invest both long and short as well as actively manage the portfolio's exposure to foreign currencies.

The 2019 financial year was characterised by uncertainty around trade, monetary and fiscal policy, and high levels of public and corporate debt. It was a volatile 12 months, with global share markets led by highly defensive sectors and growth stocks where valuations are at extreme levels.

Against this backdrop the Company's portfolio appreciated by 2.8% over the year, underperforming the MSCI All Country World Index which rose 11.3%. Putting this in a longer-term context, since inception in October 2016 to 30 June 2019 the Company's portfolio has appreciated by 30.2% versus the Benchmark's return of 43.6% over the same period.

As a pragmatic value manager, our long positions faced significant headwinds in a market favouring yield, quality and "structural" growth – often at any price. The ongoing underperformance of value stocks relative to growth stocks is unprecedented in terms of both the duration and degree of the movement.

Our short positions – and the portfolio's low net exposure to the market – also detracted from performance over the year. The portfolio is short businesses that we believe are vulnerable to competition and in many cases have highly geared balance sheets. The market, however, is overly optimistic about the near-term growth projections for these businesses and is prepared to pay a significant premium. Short positions protect the portfolio in down market periods such as late 2018, but they can also act as a headwind in strong upward moving markets as experienced in the second half of the financial year.

## ATTRIBUTION SUMMARY FY2019

	Portfolio*	Benchmark	Difference
Long positions	6.5%	11.3%	(4.8%)
Short positions	(3.1%)	-	(3.1%)
Currency	0.5%	-	0.5%
<b>Total</b>	<b>3.9%</b>	<b>11.3%</b>	<b>(7.4%)</b>

*\*For the purposes of calculating attribution, portfolio returns are gross of fees. As a result, the portfolio performance figures in this table will not reconcile with Manager Performance values, which are net of fees. Source: FactSet, Antipodes.*

## KEY CONTRIBUTORS / DETRACTORS FROM PERFORMANCE FY2019

Top five	Bottom five
Qualcomm	Baidu
Ping An Insurance	Range Resources
Cisco Systems	Tapestry Inc.
Facebook	CNX Resources
Barrick Gold Corp	Short position (Industrials)

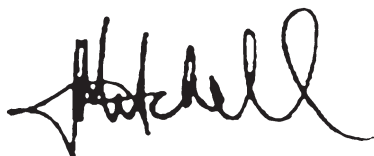
## PORTFOLIO POSITIONING AND MARKET OUTLOOK

Looking forward we believe the biggest risks in the market are overvalued growth stocks and a slowing domestic US economy. We see the domestic facing part of the US market particularly vulnerable as the tailwind of stimulus fades and competition, facilitated by low interest rates, continues to heat up. We do own many great US businesses, like Microsoft, Merck and Facebook, to name a few, but what all these have in common is they are global businesses, not dependent upon the domestic economy to grow.

We are managing these risks by looking for growth and quality in the less obvious parts of the market. We're also being selective by avoiding US businesses that have been a direct beneficiary of stimulus. We're also wary of owning cheap stocks that risk being permanently impaired by competition and wary of owning disruptors that won't stand the test of time. And finally, around the edges, we look for cheap insurance to protect the portfolio against rare events.

We favour quality consumer franchises in Asia and Europe; these are businesses that aren't trading on premium valuations and aren't under the threat of disruption. Examples include Ping An, Yum China and ING Bank.


In summary, we are confident that our investment approach will generate attractive long-term returns for the Company while minimising risk.



**Jacob Mitchell**  
Chief Investment Officer  
Antipodes Partners Limited  
23 August 2019



**“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.”**



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DIRECTORS'



REPORT

The Directors present their report together with the financial statements of the Company for the year ended 30 June 2019.

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

## **DIRECTORS**

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

**Jonathan Trollip, Chairman**

**Lorraine Berends**

**Chris Cuffe AO**

**Alex Ihlenfeldt**

**Andrew Findlay**

## **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 year.

## **REVIEW OF OPERATIONS**

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 year ended 30 June 2019 resulted in an operating profit before tax of \$9,350,000 and an operating profit after tax of \$7,708,000. This compares to an operating profit before tax of \$47,019,000 and an operating profit after tax of \$34,022,000 in the prior corresponding period.

## **DIVIDENDS**

During the year the Company paid the following dividends to shareholders:

- a final dividend for the financial year ended 30 June 2018 of 5.0 cents per share, franked as to 50%, paid on 31 October 2018; and
- an interim dividend for financial year ended 30 June 2019 of 2.0 cents per share, franked as to 50%, paid on 22 March 2019.

The Board has resolved to pay a final dividend for the financial year ended 30 June 2019 of 2.5 cents per share, franked as to 50%, payable on 14 October 2019 with a record date of 9 September 2019. The Company's dividend reinvestment plan will be operative for this dividend.

## **OPTIONS**

183,613,342 ordinary shares in the Company were issued during the year following the exercise of the same number of Antipodes Global Investment Company Limited options (ASX: APLO) at an exercise price of \$1.10 per option. The options expired 15 October 2018. Of the 284,832,954 APLO options that were issued by the Company during its IPO in October 2016, a total of 266,719,493 were exercised prior to their expiry. This represents an exercise rate of 93.6%.

## **MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR**

Apart from as disclosed in note 19 to the financial statements on page 50, 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 REGULATIONS**

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

**Experience and expertise:** Jonathan Trollip is a non-executive director with over 33 years of commercial, corporate, governance, legal and transaction experience. Prior to becoming a professional non-executive director, he worked as a principal of Meridian International Capital Limited for over 20 years, and before that he was a Partner with law firm Herbert Smith Freehills. In the philanthropy area he is chairman of Science for Wildlife Limited and a director of The Watarrka Foundation and the University of Cape Town Australia Alumni Trust.

Jonathan has a B.Arts, postgraduate degrees in Economics and Law and is a Fellow of the Australian Institute of Company Directors.

**Other current directorships:** Jonathan Trollip is non-executive chairman of ASX-listed Future Generation Investment Company Limited, Plato Income Maximiser Limited, Spheria Emerging Companies Limited and Global Value Fund Limited (listed investment companies). He is a non-executive director of ASX listed Propel Funeral Partners Limited and of Kore Potash PLC (ASX, AIM and JSE listed).

**Former directorships in last 3 years:** Jonathan Trollip was formerly non-executive chairman of Spicers Limited until 16 July 2019.

**Special responsibilities:** Chairman of the Board.

**Interests in shares and options:** Details of Jonathan Trollip's interests in shares and options of the Company are included in the Remuneration Report.

**Interests in contracts:** Jonathan Trollip has no interests in contracts of the Company.

### LORRAINE BERENDS

**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, now the CIMA Society of 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, Spheria Emerging Companies Limited and Hearts and Minds Investments Limited (listed investment companies), and an independent non-executive director of Pinnacle Investment Management Group Limited. She is a company-appointed director of Qantas Superannuation Limited and 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 and options 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

**Experience and expertise:** Chris Cuffe is well known in the wealth management and philanthropic sectors. He is a former CEO of Colonial First State, leading the company from a start-up operation to Australia's largest investment manager. He is also a former CEO of Challenger Financial Services Group Limited and former Chairman of UniSuper Ltd.

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.

**Other current directorships:** Chris Cuffe is non-executive chairman of Hearts and Minds Investments Limited and a non-executive director of Argo Investments Limited and Global Value Fund Limited (listed investment companies). He is also a non-executive director of Class Limited.

**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 and options of the Company are included in the Remuneration Report.

**Interests in contracts:** Chris Cuffe has no interests in contracts of the Company.

## ALEX IHLENFELDT

**Experience and expertise:** Alex Ihlenfeldt holds the position of Chief Operating Officer of Pinnacle and serves as a director on a number of Pinnacle Affiliate boards, listed investment companies and both Cayman and UCITS investment entities. He has over 25 years of financial services experience in both Australia and South Africa. Alex was intimately involved in the establishment of Pinnacle and each of its Affiliates. His responsibilities include the provision of the infrastructure services and support required by the Pinnacle Group.

Alex has a Bachelor of Commerce (Hons) and is a member of the Institute of Chartered Accountants Australia 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 and an alternate director of Spheria Emerging Companies Limited (listed investment companies), and is a director of 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, Pinnacle RE Services Limited and Pinnacle Investment Management (UK) 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 and options 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

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

Andrew is managing director of Antipodes Partners Limited, a position held since 3 April 2018. Prior to this Andrew was a senior executive at Pinnacle which he joined in 2009. His primary responsibility was to assist the principals of each investment firm to establish, manage and grow their business. In this role Andrew worked closely with Antipodes through the inception and subsequent growth of its business.

Before joining Pinnacle, Andrew worked at Macquarie Bank for over five 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 the managing 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 and options 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 year ended 30 June 2019, 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 AO	4	4
Alex Ihlenfeldt	4	4
Andrew Findlay	4	4

## COMPANY SECRETARY

During the 2019 financial year, the role of Company Secretary was performed by Calvin Kwok. Calvin Kwok is general counsel and company secretary of Pinnacle Investment Management Group Limited and company secretary of Plato Income Maximiser Limited and Spheria Emerging Companies Limited. He 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 and previous financial year:

	Short-term employee benefits		Post-employment benefits			
	Salary and fees		Superannuation		Total	
	2019	2018	2019	2018	2019	2018
Jonathan Trollip	\$36,530	\$36,530	\$3,470	\$3,470	\$40,000	\$40,000
Lorraine Berends	\$27,397	\$27,397	\$2,603	\$2,603	\$30,000	\$30,000
Chris Cuffe AO	\$27,397	\$29,349	\$2,603	\$651	\$30,000	\$30,000
Alex Ihlenfeldt	\$-	\$-	\$-	\$-	\$-	\$-
Andrew Findlay	\$-	\$-	\$-	\$-	\$-	\$-
<b>Total Director remuneration</b>	<b>\$91,324</b>	<b>\$93,276</b>	<b>\$8,676</b>	<b>\$6,724</b>	<b>\$100,000</b>	<b>\$100,000</b>

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 2019, the Manager was entitled to be paid a management fee of \$6,627,069 exclusive of GST (2017: \$4,615,174).

As at 30 June 2019, the remaining balance payable to the Manager was \$565,805 exclusive of GST (2018: \$430,857).

## 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 outperformance in excess of the Benchmark. Full details of the terms of the performance fee calculation are disclosed in note 16 to the financial statements.

For the year ended 30 June 2019, in its capacity as investment manager, the Manager did not earn any performance fees (2018: \$nil).

As at 30 June 2019, the balance of performance fees payable to the Manager was \$nil (2018: \$nil).

## 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 2019 the Administrator was paid a fee of \$79,568 exclusive of GST (2018: \$77,250).

As at 30 June 2019, the balance payable to the Administrator was \$19,892 exclusive of GST (2018: \$19,313).

## 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	Opening Balance	Acquisitions	Acquisition on exercise of options	Disposals	Closing Balance
Jonathan Trollip*	200,000	-	200,000	-	400,000
Lorraine Berends*	50,000	-	-	-	50,000
Chris Cuffe AO	-	-	-	-	-
Alex Ihlenfeldt*	50,001	54,054	50,000	-	154,055
Andrew Findlay*	50,000	-	50,000	-	100,000
Total shares held*	350,001	54,054	300,000	-	704,055

*\*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	Opening Balance	Acquisitions	Disposals	Exercised	Closing Balance
Jonathan Trollip*	200,000	-	-	(200,000)	-
Lorraine Berends*	50,000	-	(50,000)	-	-
Chris Cuffe AO	-	-	-	-	-
Alex Ihlenfeldt*	50,000	-	-	(50,000)	-
Andrew Findlay*	50,000	-	-	(50,000)	-
Total options held*	350,000	-	(50,000)	(300,000)	-

*\*Held through direct and indirect interests*

Options expired on 15 October 2018.

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.

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 and 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 15 to the financial statements on page 48.

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 15 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 23.

## **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  
23 August 2019



05

AUDITOR'S INDEPENDENCE



DECLARATION



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**Auditor's Independence Declaration  
To the Directors of Antipodes Global Investment Company Limited  
ABN 38 612 843 517**

In relation to the independent audit of Antipodes Global Investment Company Limited for the year ended 30 June 2019, 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.

S M WHIDDETT  
Partner

PITCHER PARTNERS  
Sydney

23 August 2019

Adelaide Brisbane Melbourne Newcastle Perth Sydney

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06

FINANCIAL



STATEMENTS

## Statement of profit or loss and other comprehensive income

### For the year ended 30 June 2019

	Notes	30 June 2019 \$'000	30 June 2018 \$'000
<b>Investment income</b>			
Interest income received		373	312
Dividends received		11,246	6,572
Net foreign exchange gains		4,003	876
Gains on financial instruments held at fair value through profit or loss	4	2,657	45,616
<b>Total investment income</b>		<b>18,279</b>	<b>53,376</b>
<b>Expenses</b>			
Management fees		(6,627)	(4,615)
Brokerage costs		(1,660)	(1,221)
ASX and share registry fees		(244)	(186)
Professional fees		(64)	(59)
Director fees		(100)	(100)
Other expenses		(234)	(176)
<b>Total expenses</b>		<b>(8,929)</b>	<b>(6,357)</b>
<b>Profit before income tax</b>		<b>9,350</b>	<b>47,019</b>
Income tax expense	5	(1,642)	(12,997)
<b>Net profit after income tax for the year</b>		<b>7,708</b>	<b>34,022</b>
Other comprehensive income net of tax		-	-
<b>Total comprehensive income for the year attributable to shareholders</b>		<b>7,708</b>	<b>34,022</b>
<b>Earnings per share for profit attributable to ordinary equity holders of the Company</b>		<b>Cents</b>	<b>Cents</b>
Basic earnings per share	18	1.5	10.3
Diluted earnings per share	18	1.5	9.6

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 2019

	Notes	30 June 2019 \$'000	30 June 2018 \$'000
<b>Assets</b>			
Cash and cash equivalents	6	83,545	52,460
Trade and other receivables	7	4,832	2,343
Financial assets at fair value through profit or loss	8	566,926	439,185
Deferred tax assets	9	1,142	1,696
<b>Total assets</b>		<b>656,445</b>	<b>495,684</b>
<b>Liabilities</b>			
Trade and other payables	10	6,209	6,906
Financial liabilities at fair value through profit or loss	8	15,759	6,368
Current tax liabilities		1,599	12,586
Deferred tax liabilities	9	2,775	10,796
<b>Total liabilities</b>		<b>26,342</b>	<b>36,656</b>
<b>Net assets</b>		<b>630,103</b>	<b>459,028</b>
<b>Shareholders' equity</b>			
Issued capital	11	600,146	398,171
Profits reserve	12	43,093	68,057
Accumulated losses		(13,136)	(7,200)
<b>Total equity</b>		<b>630,103</b>	<b>459,028</b>

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 year ended 30 June 2019

	Notes	Issued capital \$'000	Profits reserve \$'000	Accumulated losses \$'000	Total \$'000
<b>Year ended 30 June 2018</b>					
Balance as at 1 July 2017		320,946	31,324	(4,489)	347,781
<b>Total comprehensive income</b>					
Profit for the year		-	-	34,022	34,022
Other comprehensive income		-	-	-	-
<b>Total comprehensive income</b>		-	-	34,022	34,022
<b>Transfer between reserves</b>					
Transfer to profit reserve		-	36,733	(36,733)	-
<b>Total transfer between reserves</b>		-	36,733	(36,733)	-
<b>Transactions with owners in their capacity as owners</b>					
Shares issued upon exercise of options	11	77,225	-	-	77,225
<b>Total transactions with owners in their capacity as owners</b>		77,225	-	-	77,225
<b>Balance as at 30 June 2018</b>		<b>398,171</b>	<b>68,057</b>	<b>(7,200)</b>	<b>459,028</b>
<b>Year ended 30 June 2019</b>					
<b>Total comprehensive income</b>					
Profit for the year		-	-	7,708	7,708
Other comprehensive income		-	-	-	-
<b>Total comprehensive income</b>		-	-	7,708	7,708
<b>Transfer between reserves</b>					
Transfer to profit reserve		-	13,644	(13,644)	-
<b>Total transfer between reserves</b>		-	13,644	(13,644)	-
<b>Transactions with owners in their capacity as owners</b>					
Shares issued upon exercise of options	11	201,975	-	-	201,975
Dividends paid to shareholders	13	-	(38,608)	-	(38,608)
<b>Total transactions with owners in their capacity as owners</b>		201,975	(38,608)	-	163,367
<b>Balance as at 30 June 2019</b>		<b>600,146</b>	<b>43,093</b>	<b>(13,136)</b>	<b>630,103</b>

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 year ended 30 June 2019

	Notes	30 June 2019 \$'000	30 June 2018 \$'000
<b>Cash flows from operating activities</b>			
Proceeds from sale of investments		577,635	374,633
Payment for investments		(697,041)	(442,922)
Interest received		365	311
Dividends received		10,854	4,903
Payments to suppliers		(7,164)	(5,054)
Income taxes paid		(20,095)	-
<b>Net cash provided by operating activities</b>		<b>(135,446)</b>	<b>(68,129)</b>
<b>Cash flows from financing activities</b>			
Proceeds from shares issued on exercise of options		201,975	77,225
Dividends paid to shareholders	13	(38,608)	-
<b>Net cash provided by financing activities</b>		<b>163,367</b>	<b>77,225</b>
<b>Net increase in cash and cash equivalents</b>		<b>27,921</b>	<b>9,096</b>
Effect of exchange rate changes on cash and cash equivalents		3,164	1,625
Cash assets at beginning of the financial year		52,460	41,739
<b>Cash assets at the end of the financial year</b>	6	<b>83,545</b>	<b>52,460</b>

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



**“WE ARE CONFIDENT THAT OUR  
INVESTMENT APPROACH WILL GENERATE  
ATTRACTIVE LONG- TERM RETURNS FOR  
THE COMPANY WHILE MINIMISING RISK.”**



07

NOTES TO THE  
FINANCIAL STATEMENTS



FOR THE YEAR  
ENDED 30 JUNE 2019

# Note 1 Summary of significant accounting policies

The financial statements were authorised for issue on 23 August 2019 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. Other than the implementation of new accounting standards in note 1(O) below, the accounting policies adopted are consistent with the previous year, 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.

### (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 price, 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 three 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.

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 are measured at amortised cost and 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. Details regarding the accounting policy for the impairment of receivables is provided at note 1(O).

### (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.

### **(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) CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS**

The preparation of financial statements requires the use of estimates and judgments which affect the reported amounts of assets and liabilities of the Company. These estimates and judgments are constantly evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

*Income taxes:* The Company is subject to income taxes in Australia. Significant judgment is required in determining the provision for income taxes. The Company estimates its income taxes based on the Company's understanding of tax law. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax provisions in the period in which such determination is made. Further information regarding the Company's income tax expense/(benefit) is provided in note 5.

The Company can recognise deferred tax assets relating to deductible timing differences to the extent that it is considered probable that there will be future taxable profits relating to the same taxation authority against which the deductible timing differences will be utilised. Further information regarding the Company's deferred tax assets are provided at note 9.

## **(O) NEW AND REVISED ACCOUNTING REQUIREMENTS APPLICABLE TO THE CURRENT REPORTING PERIOD**

The Company has adopted AASB 9 *Financial Instruments* from 1 July 2018. Further information is detailed below.

A number of other new standards, including AASB 15 *Revenue from Contracts with Customers*, are effective from 1 July 2018 but they do not have a material effect on the Company's financial statements.

*AASB 9 Financial Instruments:* AASB 9 contains requirements in relation to the classification, measurement and derecognition of financial assets and liabilities, replacing the recognition and measurement requirements in AASB 139 *Financial Instruments Recognition and Measurement*. Under the new requirements four categories of financial assets are replaced with three measurement categories: fair value through profit or loss, fair value through other comprehensive income and amortised cost. The Company has not been impacted by the change in categories. The Company recognises its investment asset at fair value through profit and loss, and its trade and receivables are recognised at amortised cost.

A new impairment model, the expected credit loss model, applies to those financial assets recognised at amortised cost. The Company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure this trade and other receivables have been grouped based on due date. As the settlement period is short and the counterparties do not present any significant credit risk this change of impairment model does not have a material impact on the Company.

## **(P) NEW AND REVISED ACCOUNTING REQUIREMENTS NOT YET MANDATORY OR EARLY ADOPTED**

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2019 reporting periods and have not been early adopted by the Company. These include AASB16: *Leases* (effective from 1 July 2019), which will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. As the Company does not have any operating leases, this standard is not expected to have a material impact.

Other than as outlined above, it is not expected that these new standards and interpretations will have a material impact on the entity in future reporting periods.

## 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.

### (B) 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 by 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 2019, the overall market exposures were as follows:

	2019 \$'000	2018 \$'000
Financial assets at fair value through profit or loss	566,926	437,989
Financial liabilities at fair value through profit or loss	(15,759)	(6,129)
<b>Net overall exposure</b>	<b>551,167</b>	<b>431,860</b>

At 30 June 2019, 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 +/- \$57,859,000 (2018: \$45,345,000).

#### (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 the Australian dollar:

	Australian Dollars \$'000	US Dollars \$'000	Euro \$'000	Hong Kong Dollars \$'000	Japanese Yen \$'000	Other Currencies \$'000	Total \$'000
<b>30 June 2019</b>							
<b>Assets</b>							
Cash and cash equivalents	362	58,964	1,501	4,844	6,256	11,618	83,545
Financial assets at fair value through profit or loss:							
Australian and overseas listed equity securities	10,021	232,396	112,690	54,507	75,571	77,248	562,433
Financial assets held for trading:							
Derivative financial instruments	70	1,853	979	-	314	1,277	4,493
Trade and other receivables	1,120	303	35	438	183	2,753	4,832
<b>Total financial assets</b>	<b>11,573</b>	<b>293,516</b>	<b>115,205</b>	<b>59,789</b>	<b>82,324</b>	<b>92,896</b>	<b>655,303</b>
<b>Liabilities</b>							
Trade and other payables	667	1,406	-	-	3,203	933	6,209
Financial liabilities held for trading:							
Derivative financial instruments	-	9,956	2,406	537	629	2,231	15,759
<b>Total financial liabilities</b>	<b>667</b>	<b>11,362</b>	<b>2,406</b>	<b>537</b>	<b>3,832</b>	<b>3,164</b>	<b>21,968</b>
<b>Net financial assets</b>	<b>10,906</b>	<b>282,154</b>	<b>112,799</b>	<b>59,252</b>	<b>78,492</b>	<b>89,732</b>	<b>633,335</b>
<b>30 June 2018</b>							
<b>Assets</b>							
Cash and cash equivalents	15,721	23,282	1,853	3,088	866	7,650	52,460
Financial assets at fair value through profit or loss:							
Australian and overseas listed equity securities	8,193	184,260	82,383	64,444	56,099	40,734	436,113
Financial assets held for trading:							
Derivative financial instruments	19	2,705	96	55	185	12	3,072
Trade and other receivables	314	564	-	902	-	563	2,343
<b>Total financial assets</b>	<b>24,247</b>	<b>210,811</b>	<b>84,332</b>	<b>68,489</b>	<b>57,150</b>	<b>48,959</b>	<b>493,988</b>
<b>Liabilities</b>							
Trade and other payables	585	3,274	834	239	248	1,726	6,906
Financial liabilities held for trading:							
Derivative financial instruments	420	3,102	367	-	941	1,538	6,368
<b>Total financial liabilities</b>	<b>1,005</b>	<b>6,376</b>	<b>1,201</b>	<b>239</b>	<b>1,189</b>	<b>3,264</b>	<b>13,274</b>
<b>Net financial assets</b>	<b>23,242</b>	<b>204,435</b>	<b>83,131</b>	<b>68,250</b>	<b>55,961</b>	<b>45,695</b>	<b>480,714</b>

## Note 2 Financial risk management (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:

Currency	AUD equivalent in exposure by currency \$'000	Change in currency rate +/- %	Effect on net profit attributable to shareholders +/- \$'000
<b>30 June 2019</b>			
US Dollars	282,154	15%/-15%	(28,430)/27,976
Euro	112,799	15%/-15%	(10,826)/10,467
Hong Kong Dollars	59,252	15%/-15%	(4,340)/3,676
Japanese Yen	78,492	15%/-15%	(10,489)/11,282
Other Currencies	89,732	15%/-15%	(10,236)/10,557
<b>30 June 2018</b>			
US Dollars	204,435	15%/-15%	(22,009)/22,243
Euro	83,131	15%/-15%	(9,600)/9,909
Hong Kong Dollars	68,250	15%/-15%	(6,255)/5,933
Japanese Yen	55,961	15%/-15%	(6,835)/7,160
Other Currencies	45,695	15%/-15%	(3,932)/3,634

### (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 12 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 were no material concentrations of credit risk at 30 June 2019 or 30 June 2018.

### (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.

*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:

	Less than 1 month \$'000	1 month to 1 year \$'000	More than 1 year \$'000	Total
<b>30 June 2019</b>				
Trade creditors	17	-	-	17
Accruals	645	-	-	645
Due to brokers	5,541	-	-	5,541
Other payables	6	-	-	6
Financial liabilities held at fair value through profit or loss	13,814	1,135	810	15,759
<b>Total financial liabilities</b>	<b>20,023</b>	<b>1,135</b>	<b>810</b>	<b>21,968</b>
<b>30 June 2018</b>				
Trade creditors	535	-	-	535
Accruals	33	-	-	33
Due to brokers	6,332	-	-	6,332
Other payables	6	-	-	6
Financial liabilities held at fair value through profit or loss	6,129	239	-	6,368
<b>Total financial liabilities</b>	<b>13,035</b>	<b>239</b>	<b>-</b>	<b>13,274</b>

## 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:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- 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
- 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:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>30 June 2019</b>				
<b>Assets</b>				
<i>Financial assets at fair value through profit or loss</i>				
Australian and overseas listed equity securities	562,433	-	-	562,433
<i>Financial assets held for trading</i>				
Derivative financial instruments – Equity options	531	-	-	531
Derivative financial instruments – Equity swaps	1,884	-	-	1,884
Derivative financial instruments – Futures	1,064	-	-	1,064
Derivative financial instruments – Forward exchange contracts	-	1,014	-	1,014
<b>Total financial assets</b>	<b>565,912</b>	<b>1,014</b>	<b>-</b>	<b>566,926</b>
<b>Liabilities</b>				
<i>Financial liabilities held for trading</i>				
Derivative financial instruments – Equity swaps	13,501	-	-	13,501
Derivative financial instruments – Futures	564	-	-	564
Derivative financial instruments – Other swaps	-	810	-	810
Derivative financial instruments – Forward exchange contracts	-	884	-	884
<b>Total financial liabilities</b>	<b>14,065</b>	<b>1,694</b>	<b>-</b>	<b>15,759</b>
<b>30 June 2018</b>				
<b>Assets</b>				
<i>Financial assets at fair value through profit or loss</i>				
Australian and overseas listed equity securities	436,113	-	-	436,113
<i>Financial assets held for trading</i>				
Derivative financial instruments – Equity swaps	1,755	-	-	1,755
Derivative financial instruments – Futures	120	-	-	120
Derivative financial instruments – Forward exchange contracts	-	1,197	-	1,197
<b>Total financial assets</b>	<b>437,988</b>	<b>1,197</b>	<b>-</b>	<b>439,185</b>
<b>Liabilities</b>				
<i>Financial liabilities held for trading</i>				
Derivative financial instruments – Equity swaps	6,129	-	-	6,129
Derivative financial instruments – Forward exchange contracts	-	239	-	239
<b>Total financial liabilities</b>	<b>6,129</b>	<b>239</b>	<b>-</b>	<b>6,368</b>

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 period, 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 Gains on financial instruments held at fair value through profit or loss

	2019 \$'000	2018 \$'000
Gains on financial instruments held at fair value through profit or loss comprise:		
Realised gains on financial instruments	32,509	48,567
Unrealised (losses) on financial instruments	(29,852)	(2,951)
<b>Gains on financial instruments held at fair value through profit or loss</b>	<b>2,657</b>	<b>45,616</b>

## Note 5 Income tax expense

	2019 \$'000	2018 \$'000
<b>(a) Income tax expense</b>		
Current tax expense	9,672	12,951
Deferred tax (benefit) / expense	(8,030)	46
<b>Total income tax expense in profit or loss</b>	<b>1,642</b>	<b>12,997</b>
Deferred income tax (benefit) / expense included in income tax expense comprises:		
Decrease in deferred tax assets	554	813
(Decrease) in deferred tax liabilities	(8,021)	(204)
(Decrease) in amounts recognised in equity	(563)	(563)
	<b>(8,030)</b>	<b>46</b>
<b>(b) Reconciliation of income tax expense to prima facie tax payable</b>		
Profit before income tax expense	9,350	47,020
<b>Tax at the Australian tax rate of 30%</b>	<b>2,805</b>	<b>14,106</b>
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Tax credits	(1,163)	(912)
	<b>1,642</b>	<b>13,194</b>
Prior period adjustments	-	(197)
<b>Income tax expense</b>	<b>1,642</b>	<b>12,997</b>

## Note 6 Cash and cash equivalents

	30 June 2019 \$'000	30 June 2018 \$'000
Cash at bank – investment portfolio	83,342	50,323
Cash at bank – operating account	203	2,137
<b>Total cash and cash equivalents</b>	<b>83,545</b>	<b>52,460</b>

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 7 Trade and other receivables

	30 June 2019 \$'000	30 June 2018 \$'000
Dividends receivable	2,376	2,027
GST receivable	184	216
Receivable from broker	2,236	90
Other receivables	36	10
	<b>4,832</b>	<b>2,343</b>

Collectibility of trade receivables is reviewed on an ongoing basis in accordance with the expected credit loss (ECL) model (refer note 1(O)). The ECL assessment at 30 June 2019 has resulted in no credit loss and no impairment allowance being recognised by the Company. Further information regarding credit risk of the Company is provided at note 2(C).

## Note 8 Financial instruments at fair value through profit or loss

	30 June 2019 \$'000	30 June 2018 \$'000
<b>(a) Financial assets at fair value through profit or loss</b>		
Financial assets at fair value through profit or loss:		
Australian and overseas listed equity securities	562,433	436,113
<b>Financial assets at fair value through profit or loss</b>	<b>562,433</b>	<b>436,113</b>
Financial assets held for trading:		
Derivative financial instruments – Equity options	531	-
Derivative financial instruments – Equity swaps	1,884	1,755
Derivative financial instruments – Futures	1,064	120
Derivative financial instruments – Forward exchange contracts	1,014	1,197
<b>Financial assets held for trading</b>	<b>4,493</b>	<b>3,072</b>
<b>Total financial assets at fair value through profit or loss</b>	<b>566,926</b>	<b>439,185</b>
<b>(b) Financial liabilities at fair value through profit or loss</b>		
Financial liabilities held for trading:		
Derivative financial instruments – Equity swaps	13,501	6,129
Derivative financial instruments – Futures	564	-
Derivative financial instruments – Other swaps	810	-
Derivative financial instruments – Forward exchange contracts	884	239
<b>Financial liabilities held for trading</b>	<b>15,759</b>	<b>6,368</b>
<b>Total financial liabilities at fair value through profit or loss</b>	<b>15,759</b>	<b>6,368</b>

## Note 9 Deferred tax assets/liabilities

	30 June 2019 \$'000	30 June 2018 \$'000
<b>(a) Deferred tax assets</b>		
<b>The deferred tax assets balance comprises temporary differences attributable to:</b>		
<i>Amounts recognised in profit or loss</i>		
Accruals	18	9
Unrealised foreign exchange losses	-	-
<i>Amounts recognised in equity</i>		
Share issue costs	1,124	1,687
<b>Deferred tax assets</b>	<b>1,142</b>	<b>1,696</b>
<b>The overall movement in deferred tax asset accounts is as follows:</b>		
Opening balance	1,696	2,509
Credited / (charged) directly to profit or loss	9	(250)
(Charged) to equity	(563)	(563)
<b>Closing balance</b>	<b>1,142</b>	<b>1,696</b>
<b>The movement in deferred tax assets for each temporary difference during the year is as follows:</b>		
<b>(i) Accruals</b>		
Opening balance	9	10
Credited / (charged) directly to profit or loss	9	(1)
<b>Closing balance</b>	<b>18</b>	<b>9</b>
<b>(ii) Unrealised foreign exchange losses</b>		
Opening balance	-	249
(Charged) directly to profit or loss	-	(249)
<b>Closing balance</b>	<b>-</b>	<b>-</b>
<b>(iii) Share issue costs</b>		
Opening balance	1,687	2,250
(Charged) directly to equity	(563)	(563)
<b>Closing balance</b>	<b>1,124</b>	<b>1,687</b>
<b>(b) Deferred tax liabilities</b>		
<b>The deferred tax liabilities balance comprises temporary differences attributable to:</b>		
<i>Amounts recognised in profit or loss</i>		
Unrealised gains on financial instruments at fair value through profit or loss	840	9,923
Dividends receivable	713	611
Unrealised foreign exchange gains	1,222	262
<b>Deferred tax liabilities</b>	<b>2,775</b>	<b>10,796</b>

	30 June 2019 \$'000	30 June 2018 \$'000
Gross movements:		
The overall movement in deferred tax liability accounts is as follows:		
Opening balance	10,796	11,000
(Credited) directly to profit or loss	(8,021)	(204)
<b>Closing balance</b>	<b>2,775</b>	<b>10,796</b>
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	9,923	10,906
(Credited) directly to profit or loss	(9,083)	(983)
<b>Closing balance</b>	<b>840</b>	<b>9,923</b>
(ii) Dividends receivable		
Opening balance	611	94
Charged directly to profit or loss	102	517
<b>Closing balance</b>	<b>713</b>	<b>611</b>
(iii) Unrealised foreign exchange gains		
Opening balance	262	-
Charged directly to profit or loss	960	262
<b>Closing balance</b>	<b>1,222</b>	<b>262</b>
<b>Net deferred tax liabilities adjusted for deferred tax assets</b>	<b>1,633</b>	<b>9,100</b>

## Note 10 Trade and other payables

	30 June 2019 \$'000	30 June 2018 \$'000
Trade creditors	17	535
Accrued expenses	645	33
Due to broker	5,541	6,332
Other payables	6	6
	<b>6,209</b>	<b>6,906</b>

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

## Note 11 Issued capital

### (A) SHARE CAPITAL

	2019 Number	2019 \$'000	2018 Number	2018 \$'000
Fully paid ordinary shares	551,552,448	600,146	367,939,106	398,171
<b>Total share capital</b>	<b>551,552,448</b>	<b>600,146</b>	<b>367,939,106</b>	<b>398,171</b>

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
1 July 2017	Opening Balance	297,733,831		320,946
July 2017 - June 2018	Options exercised for \$1.10 per share	70,205,275	\$1.10	77,225
<b>30 June 2018</b>	<b>Closing balance</b>	<b>367,939,106</b>		<b>398,171</b>
July 2018 - Oct 2018	Options exercised for \$1.10 per share	183,613,342	\$1.10	201,975
<b>30 June 2019</b>	<b>Closing balance</b>	<b>551,552,448</b>		<b>600,146</b>

### (C) ORDINARY SHARES

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a general meeting in person or by proxy is entitled to one vote and upon a poll each share is entitled to one vote.

### (D) OPTIONS

183,613,342 ordinary shares in the Company were issued during the year following the exercise of the same number of options at an exercise price of \$1.10 per option. The options expired 15 October 2018.

The options gave the shareholders the right but not the obligation to subscribe for ordinary shares in the Company at \$1.10 per share. The options could be exercised in full or in part.

No options over ordinary shares are on issue at 30 June 2019.

### (E) CAPITAL MANAGEMENT

The Company's objective in managing its capital is to satisfy its aim to provide shareholders with returns in excess of the Benchmark over each full investment cycle. The Company considers its capital to be its issued capital, reserves and accumulated retained earnings.

The Company's capital will fluctuate with market conditions. The Company can manage its capital through the level of dividends paid to shareholders, the issue of shares or the use of share buy-backs.

The Company is an ASX-listed investment company and is subject to ASX Listing Rule requirements.

## Note 12 Reserves

	30 June 2019 \$'000	30 June 2018 \$'000
Opening balance – Profits reserve	68,057	31,324
Transfer of profits from profit and loss	13,644	36,733
Dividends paid	(38,608)	-
<b>Closing balance – Profits reserve</b>	<b>43,093</b>	<b>68,057</b>

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

## Note 13 Dividends

### (A) DIVIDENDS PAID

During the year ended 30 June 2019 the Company paid the following dividends:

	2019 \$'000	2018 \$'000
Final dividend for financial year ended 30 June 2018 of \$0.05 per fully paid ordinary share, paid on 31 October 2018 – franked as to 50% (2018: \$nil)	27,577	-
Interim dividend for financial year ended 30 June 2019 of \$0.02 per fully paid ordinary share, paid on 22 March 2019 – franked as to 50% (2018: \$nil)	11,031	-
<b>Total dividends paid</b>	<b>38,608</b>	<b>-</b>

### (B) DIVIDENDS NOT RECOGNISED AT THE END OF THE PERIOD

Since the end of the year the Board has resolved to pay a final dividend for the financial year ended 30 June 2019 of 2.5 cents per share, franked as to 50%, payable on 14 October 2019 with a record date of 9 September 2019 (2018: 5.0 cents per share franked as to 50% payable on 31 October 2018). The Company's dividend reinvestment plan will be operative for this dividend.

Based on the number of issued shares at 30 June 2019, the aggregate amount of dividend payable but not recognised as a liability at year end, is \$13,789,000 (2018: \$18,397,000).

### (C) DIVIDEND FRANKING ACCOUNT

The balance of the Company's dividend franking account at 30 June 2019 was \$11,821,000 (2018: \$nil). The balance of the franking account available for dividends paid in subsequent financial years, when adjusted for franking credits that will arise upon payment of the amount of provision for income tax, is \$13,420,000 (2018: \$12,586,000).

The franking debit that will arise from the payment of the dividend not recognised at the end of the reporting period, based on the number of issued shares at 30 June 2019, is \$2,955,000 (2018: \$3,942,000).

## Note 14 Key management personnel disclosures

### (A) KEY MANAGEMENT PERSONNEL COMPENSATION

	2019 \$	2018 \$
Short-term employment benefits	91,324	93,276
Post-employment benefits	8,676	6,724
<b>Total remuneration</b>	<b>100,000</b>	<b>100,000</b>

Detailed remuneration disclosures are provided in the Remuneration Report on pages 18 to 19.

### (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	Year	Opening Balance	Acquisitions	Acquired on exercise of options	Disposals	Closing Balance
Jonathan Trollip*	2019	200,000	-	200,000	-	400,000
	2018	200,000	-	-	-	200,000
Lorraine Berends*	2019	50,000	-	-	-	50,000
	2018	50,000	-	-	-	50,000
Chris Cuffe AO	2019	-	-	-	-	-
	2018	-	-	-	-	-
Alex Ihlenfeldt*	2019	50,001	54,054	50,000	-	154,055
	2018	50,001	-	-	-	50,001
Andrew Findlay*	2019	50,000	-	50,000	-	100,000
	2018	50,000	-	-	-	50,000
<b>Total shares held*</b>	<b>2019</b>	<b>350,001</b>	<b>54,054</b>	<b>300,000</b>	<b>-</b>	<b>704,055</b>
	<b>2018</b>	<b>350,001</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>350,001</b>

\*Held through direct and indirect interests

Directors and their related parties acquire and dispose of shares in the Company on the same terms and conditions available to other shareholders.

## (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	Year	Opening Balance	Acquisitions	Disposals	Exercised	Closing Balance
Jonathan Trollip*	2019	200,000	-	-	(200,000)	-
	2018	200,000	-	-	-	200,000
Lorraine Berends*	2019	50,000	-	(50,000)	-	-
	2018	50,000	-	-	-	50,000
Chris Cuffe AO	2019	-	-	-	-	-
	2018	-	-	-	-	-
Alex Ihlenfeldt*	2019	50,000	-	-	(50,000)	-
	2018	50,000	-	-	-	50,000
Andrew Findlay*	2019	50,000	-	-	(50,000)	-
	2018	50,000	-	-	-	50,000
Total options held*	2019	350,000	-	(50,000)	(300,000)	-
	2018	350,000	-	-	-	350,000

\*Held through direct and indirect interests

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

## Note 15 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

	2019 \$	2018 \$
<b>Audit services – Pitcher Partners</b>		
Audit of financial statements	49,065	40,500
<b>Total remuneration for audit and other assurance services</b>	<b>49,065</b>	<b>40,500</b>

### (B) NON-AUDIT SERVICES

	2019 \$	2018 \$
<b>Taxation services – Pitcher Partners</b>		
Tax compliance services	15,315	9,600
<b>Total remuneration for tax compliance services</b>	<b>15,315</b>	<b>9,600</b>
<b>Total remuneration paid to auditors of the Company</b>	<b>64,380</b>	<b>50,100</b>

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 16 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.

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 with 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 2019, the Manager was entitled to be paid a management fee of \$6,627,069 exclusive of GST (2018: \$4,615,174).

As at 30 June 2019, the remaining balance payable to the Manager was \$565,805 exclusive of GST (2018: \$430,857).

## 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 six-month period ending on 30 June or 31 December) is calculated subject to the recoupment of prior underperformance.

For the year ended 30 June 2019, in its capacity as investment manager, the Manager did not earn any performance fees (2018: \$nil).

As at 30 June 2019, the balance of performance fees payable to the Manager was \$nil (2018: \$nil).

## (B) SERVICES AGREEMENT

Alex Ihlenfeldt, who is a Director, is also a director of the Administrator.

The Company has entered into a 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.

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

(1) in respect of the first financial year to 30 June 2017 – \$75,000 (exclusive of GST) (Base Retainer); and

(2) in respect of each subsequent financial year – the Base Retainer calculated for the immediately preceding financial year indexed by 3%.

For the year ended 30 June 2019 the Administrator was paid a fee of \$79,568 exclusive of GST (2018: \$77,250).

As at 30 June 2019, the balance payable to the Administrator was \$19,892 exclusive of GST (2018: \$19,313).

## Note 17 Reconciliation of profit after income tax to net cash outflow from operating activities

	2019 \$'000	2018 \$'000
Profit for the period	7,708	34,023
Unrealised foreign exchange (gains)	(994)	(734)
Unrealised losses on market value movement	29,852	3,278
Changes in operating assets / liabilities		
Increase in trade and other receivables	(2,581)	(460)
Increase in investments	(151,072)	(117,402)
Decrease in deferred tax assets	571	813
Increase in trade and other payables	94	168
(Decrease) / increase in provision for income taxes payable	(11,045)	12,389
(Decrease) in deferred tax liabilities	(7,979)	(204)
Net cash outflow from operating activities	(135,446)	(68,129)

## Note 18 Earnings per share

	2019	2018
(a) Earnings used in the calculation of basic and diluted earnings per share	\$'000	\$'000
Profit from continuing operations attributable to the owners of the Company	7,708	34,022
(b) Basic earnings per share	Cents	Cents
Profit from continuing operations attributable to the owners of the Company	1.5	10.3
(c) Diluted earnings per share	Cents	Cents
Profit from continuing operations attributable to the owners of the Company	1.5	9.6
(d) Weighted average number of ordinary shares used in the calculation of earnings per share	Number	Number
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	507,258,680	331,291,332
Adjustments for calculation of diluted earnings per share – weighted average number of options	-	24,912,244
Weighted average number of ordinary shares used as the denominator in calculating diluted earnings per share	507,250,680	356,203,576

## Note 19 Subsequent events

On 19 July 2019 the Company announced an on-market share buy-back under which the Company will purchase up to 37,569,837 of the Company's shares during the 12-month period commencing 1 August 2019 and ending 31 July 2020 at the prevailing share price. As at 22 August 2019, 3,018,021 shares had been purchased under the buy-back for consideration of \$2,971,292.

Apart from the above, 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.

## Note 20 Contingencies and commitments

The Company has no known contingent assets or liabilities.

## Note 21 Investment portfolio

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

Denominated Currency / Security	2019 Quantity Number	2019 AUD Fair Value \$
<b>Australia</b>		
Newcrest Mining Limited NCM-AU	201,157	6,426,966
Independence Group NL IGO-AU	761,408	3,593,846
<b>Europe</b>		
Electricite de France SA EDF-FR	637,723	11,471,832
Eni S.p.A. ENI-IT	443,281	10,506,920
Erste Group Bank AG EBS-AT	45,818	2,426,897
Nokia Oyj NOKIA-FI	348,521	2,469,322
UniCredit S.p.A. UCG-IT	758,472	13,325,164
ING Groep NV INGA-NL	823,126	13,619,499
Saipem S.p.A. SPM-IT	336,887	2,391,813
Siemens AG SIE-DE	99,753	16,932,561
Continental AG CON-DE	44,118	9,179,871
SAP SE SAP-DE	76,505	14,992,633
SES SA FDR (Class A) SESG-FR	299,146	6,674,994
STMicroelectronics NV STM-FR	197,140	4,990,733
Valeo SA FR-FR	79,884	3,707,583
<b>China / Hong Kong</b>		
Li Ning Co. Ltd. 2331-HK	960,739	3,227,919
Tingyi (Cayman Islands) Holding Corp. 322-HK	1,819,370	4,327,391
China Construction Bank Corporation Class H 939-HK	6,037,524	7,411,421
China Telecom Corp. Ltd. Class H 728-HK	11,121,222	7,972,098
Ping An Insurance (Group) Company of China Ltd. Class H 2318-HK	1,059,744	18,131,401
AIA Group Limited 1299-HK	244,063	3,750,588
China Unicom (Hong Kong) Limited 762-HK	6,196,542	9,686,297
Jiangsu Yanghe Brewery Joint-Stock Co. Ltd. Class A Connect 002304-C2	171,732	4,301,291
Wuliangye Yibin Co. Ltd. Class A 000858-C2	180,218	4,385,958
<b>India</b>		
ICICI Bank Limited 532174-IN	1,312,649	11,848,786
<b>Japan</b>		
Inpex Corporation 1605-JP	541,298	6,953,932
LINE Corp. 3938-JP	102,318	4,080,186
Honda Motor Co. Ltd. 7267-JP	365,637	13,468,398
Japan Steel Works Ltd. 5631-JP	180,688	4,299,333
JGC Corp. 1963-JP	391,168	7,646,776
Yamato Holdings Co. Ltd. 9064-JP	131,526	3,811,488

## Note 21 Investment portfolio (continued)

Denominated Currency / Security	2019 Quantity Number	2019 AUD Fair Value \$
Komatsu Ltd. 6301-JP	310,006	10,660,659
Kyocera Corporation 6971-JP	72,858	6,779,255
Shin-Etsu Chemical Co Ltd 4063-JP	24,348	3,231,627
Sony Corporation 6758-JP	195,963	14,638,931
<b>Korea</b>		
KB Financial Group Inc. 105560-KR	278,579	15,763,583
Samsung Electronics Co. 005930-KR	276,505	16,038,659
<b>Mexico</b>		
Grupo LALA SAB de CV Class B LALAB-MX	1,446,049	2,530,253
<b>Switzerland</b>		
Alcon Inc. (Switzerland) ALC-CH	37,323	3,288,234
Novartis AG NOVN-CH	58,630	7,643,596
Roche Holding Ltd Genusssch. ROG-SWX	28,521	11,448,730
<b>United States</b>		
Capital One Financial Corporation COF-US	69,241	8,953,229
Microsoft Corporation MSFT-US	91,775	17,519,315
Qualcomm Incorporated QCOM-US	142,192	15,413,674
Baidu Inc. Sponsored ADR Class A BIDU-US	29,898	5,000,113
Cisco Systems Inc. CSCO-US	195,076	15,214,121
Expedia Group Inc. EXPE-US	62,162	11,783,984
Facebook Inc. Class A FB-US	70,373	19,354,455
FMC Technologies Inc. FTI-US	265,125	9,800,274
General Electric Company GE-US	1,052,084	15,741,905
Gilead Sciences Inc. GILD-US	132,190	12,726,407
KT Corporation Sponsored ADR KT-US	839,125	14,791,559
Tapestry Inc. TPR-US	313,719	14,184,972
Alibaba Group Holding Ltd. Sponsored ADR BABA-US	34,160	8,248,539
Barrick Gold Corporation GOLD-US	485,615	10,912,930
Equifax Inc. EFX-US	49,132	9,468,631
FedEx Corporation FDX-US	37,175	8,697,917
Medtronic Plc MDT-US	13,423	1,862,866
Merck & Co. Inc. MRK-US	101,859	12,170,826
Owens Corning OC-US	45,480	3,771,907
Tiffany & Co. TIF-US	28,990	3,868,363
Yum China Holdings Inc. YUMC-US	196,095	12,909,995
<b>Total Value – Equities</b>		<b>562,433,405</b>
<b>Total Value – Futures, Options and Swaps</b>		<b>(11,396,756)</b>
<b>Total Equities, Futures, Options and Swaps</b>		<b>551,036,649</b>

Reconciliation to Total Investment Portfolio:	\$'000
Total Equities, Futures, Options and Swaps	551,037
Cash deposits (note 6)	83,342
Net forward exchange contracts (note 3)	130
Dividends receivable (note 7)	2,376
Receivable from broker (note 7)	2,236
Due to broker (note 10)	(5,541)
<b>Total Investment Portfolio</b>	<b>633,580</b>

The total number of securities transactions entered into during the reporting period was 4,449 (2018: 2,489). The total brokerage paid during the reporting period was \$1,660,000 (2018: \$1,221,000).

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DIRECTORS'



DECLARATION

The Directors declare that:

- (a) the financial statements and notes as set out on pages 24 to 53 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 2019 and of its performance for the year 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.



**Jonathan Trollip**  
Chairman  
Sydney  
23 August 2019

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INDEPENDENT



AUDITOR'S REPORT



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**Independent Auditor's Report  
To the Members of Antipodes Global Investment Company Limited  
ABN 38 612 843 517**

**Report on the Audit of the Financial Report**

*Opinion*

We have audited the financial report of Antipodes Global Investment Company Limited (the Company), which comprises the statement of financial position as at 30 June 2019, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year ended 30 June 2019, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying 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 2019 and of its financial performance for the year then ended; and
- ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*

*Basis of Opinion*

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of 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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the Directors of the Company, would be in the same terms if given to the Directors as at the time of this auditor's report.

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. 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.

Adelaide Brisbane Melbourne Newcastle Perth Sydney

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<b>Key audit matter</b>	<b>How our audit addressed the matter</b>
<b>Valuation, Existence and Completeness of Financial Instruments</b> <b>Refer to Note 8: Financial instruments at fair value through profit or loss</b>	
<p>We focused our audit effort on the existence, completeness and valuation of the Company's financial instruments ("investments") as they represent the most significant driver of the Company's Net Tangible Assets (NTA) and profits.</p> <p>The majority of the Company's investments are considered to be non-complex in nature with fair value based on readily observable market data. Consequently, these investments are classified under Australian Accounting Standards as either "level 1" (i.e. where the valuation is based on quoted prices in active markets) or "level 2" (i.e. where key inputs to valuation are based on other observable inputs). All foreign investments are valued in presentation currency (Australian dollars) utilising the year end rates.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> <li>▪ Obtaining an understanding of the investment management process and controls;</li> <li>▪ Reviewing and evaluating the independent audit report on internal controls (ISAE 3402 Assurance Reports on Controls at a Service Organisation) for the Custodian;</li> <li>▪ Making enquiries as to whether there have been any changes to these controls or their effectiveness from the periods to which the audit reports relate and where necessary performing additional procedures;</li> <li>▪ Obtaining a confirmation of the investment holdings directly from the Custodian;</li> <li>▪ Assessing the Company's valuation of individual investment holdings to independent sources;</li> <li>▪ Evaluating the accounting treatment of revaluations of financial assets and financial liabilities for current/deferred tax and unrealised gains or losses; and</li> <li>▪ Assessing the adequacy of disclosures in the financial statements.</li> </ul>
<b>Accuracy and Completeness of Management and Performance Fees</b> <b>Refer to Note 10: Trade and other payables and Note 16: Related party transactions</b>	
<p>We focused our audit effort on the accuracy, completeness and existence of management and performance fees as they are significant expenses of the Company and their calculation requires adjustments for specified events as well as for key inputs. Specified events include company dividends, tax payments, capital raisings, capital reductions and other relevant expenses. Key inputs include the value of the portfolio, the performance of the relevant comparable benchmark and application of the correct fee percentage 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 favourable than if they had been with an independent third-party.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> <li>▪ Obtaining an understanding of and evaluating the processes and controls for calculating the management and performance fees;</li> <li>▪ Making enquiries with the Investment Manager and those charged with governance with respect to any significant events during the period and associated adjustments made as a result, in addition to reviewing ASX announcements and Board meeting minutes;</li> <li>▪ Testing of adjustments such as company dividends, tax payments, capital raisings, capital reductions as well as any other relevant expenses used in the calculation of management and performance fees;</li> <li>▪ Testing of key inputs including the value of the portfolio, the performance of the relevant comparable benchmark and application of the correct fee percentage in accordance with our understanding of the Investment Management Agreement; and</li> <li>▪ Assessing the adequacy of disclosures made in the financial statements.</li> </ul>

### *Other Information*

The Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report for the year ended 30 June 2019, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly 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 inconsistent 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.

### *Responsibilities of the Directors for the Financial Report*

The Directors of the Company are responsible for the preparation 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 control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the ability of the Company 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 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 the 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 the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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 control.
- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- 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.

- 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 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.

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 the 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 18 to 19 of the directors' report for the year ended 30 June 2019. In our opinion, the Remuneration Report of Antipodes Global Investment Company Limited for the year ended 30 June 2019, complies with section 300A of the *Corporations Act 2001*.

### **Responsibilities**

The Directors of the Company 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

23 August 2019



PITCHER PARTNERS  
Sydney



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SHAREHOLDER



INFORMATION

The shareholder information set out below was applicable as at 22 August 2019.

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:

<b>Holding</b>	<b>Number of shareholders</b>	<b>Shares</b>	<b>Percentage</b>
1 – 1,000	131	63,536	0.012
1,001 – 5,000	668	2,378,612	0.433
5,001 – 10,000	1,177	9,753,139	1.777
10,001 – 100,000	6,064	223,083,978	40.655
100,001 and over	830	313,438,821	57.122
<b>Total</b>	<b>8,870</b>	<b>548,718,086</b>	<b>100.00%</b>
<b>Holdings less than a marketable parcel (less than \$500)</b>	<b>71</b>	<b>13,413</b>	<b>0.002%</b>

There were no options over ordinary shares on issue by the Company at 30 June 2019.

## EQUITY SECURITY HOLDERS

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

Name	Number held	Percentage of shares issued
Navigator Australia Ltd	19,863,334	3.620%
Nulis Nominees (Australia) Limited	17,203,452	3.135%
Australian Executor Trustees Limited	15,972,606	2.911%
BNP Paribas Nominees Pty Ltd	15,521,577	2.829%
Netwealth Investments Limited	9,100,700	1.659%
HSBC Custody Nominees (Australia) Limited	8,518,694	1.552%
Citicorp Nominees Pty Limited	5,766,401	1.051%
Australian Executor Trustees Limited	5,363,414	0.977%
Australian Executor Trustees Limited	3,544,223	0.646%
FZIC Pty Ltd	2,727,273	0.497%
Michele Taylor Pty Ltd	2,500,000	0.456%
Sunndal Pty Ltd	2,258,804	0.412%
Antipodes Partners Limited	2,088,808	0.381%
Avanteos Investments Limited	2,028,910	0.370%
Netwealth Investments Limited	1,928,399	0.351%
Invia Custodian Pty Limited	1,818,200	0.331%
Spar Nominees Pty Ltd	1,805,000	0.329%
McCusker Foundation Ltd	1,800,000	0.328%
Xavier College Foundation Limited	1,774,795	0.323%
BNP Paribas Noms Pty Ltd	1,509,387	0.275%
<b>Total</b>	<b>123,093,977</b>	<b>22.433%</b>
<b>Total remaining holders balance</b>	<b>425,624,109</b>	<b>77.567%</b>

**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 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**

On 19 July 2019 the Company announced an on-market share buy-back under which the Company will purchase up to 37,569,837 of the Company's shares during the 12-month period commencing 1 August 2019 and ending 31 July 2020 at the prevailing share price. As at 22 August 2019, 3,018,021 shares had been purchased under the buy-back for consideration of \$2,971,292.

**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 2019, the Company has used its working capital in a way consistent with its business objective.

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CORPORATE



DIRECTORY

**BOARD OF DIRECTORS**

Jonathan Trollip, Chairman  
Lorraine Berends  
Chris Cuffe AO  
Alex Ihlenfeldt  
Andrew Findlay

**SECRETARY**

Calvin Kwok

**MANAGER**

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**ASX CODE**

APL - Ordinary Shares

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