



6 November 2019

By Electronic Lodgement

The Manager
Company Announcements Office
ASX Ltd
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam,

2019 Antipodes Global Investment Company Limited (ASX: APL) Annual General Meeting – Chairman's Address

Please find attached a copy of the Chairman's address which will be delivered at the Company's Annual General Meeting today.

Yours faithfully,

Calvin Kwok
Company Secretary

2019 Annual General Meeting – Chairman’s Address

[Slide 4 – Overview]

Antipodes Global Investment Company Limited, APL, was established to provide Shareholders with access to a long-short global securities investment portfolio with a currency overlay.

The Company’s investment portfolio is managed by Antipodes Partners Limited. As Jacob will speak to later today in the investment presentation, the Manager aims to build portfolios with a capital preservation focus, seeking to purchase securities in what it considers to be great businesses that are not valued as such.

[Slide 5 – Investment Objectives]

The Company’s investment objectives are to:

- provide capital growth and income through investing in a concentrated portfolio, predominantly comprised of long and short positions in international listed securities, that will be actively managed with a focus on capital preservation; and
- achieve returns in excess of the benchmark, the MSCI All Country World Net Index in AUD, with reduced levels of risk,

in each case over a full investment cycle (which the Manager and the Company consider to be a period of typically 3 to 5 years). We acknowledge that to date the excess return objective has not yet been achieved; the investment manager presentation will cover the investment manager’s view on why this is the case and why the investment manager believes this situation can be turned around.

[Slide 6 – Company Details]

As I introduced earlier, our Board of Directors comprises the members who are seated next to me. The table highlights the shares on issue and the NTA as at 25 October 2019.

[Slide 7 – Dividend]

The Company intends to pay a dividend at least annually, subject to available profits, cash flow and franking credits. As at 30 September 2019, the Company’s profits reserve had a closing balance of approximately 8.3 cents, and together with its franking account balance, has sufficient reserves to pay dividends at the current rate over the next 18 months to two years.

In line with this, the Directors are pleased to note that the Company paid a final dividend of 2.5 cents per share, franked as to 50% on 14 October 2019, taking the full year dividend to 4.5 cents per share when including the interim dividend of 2 cents per share paid in March 2019.

[Slide 8 – Company Performance]

The annualised Company NTA Performance for the period from inception to 30 September 2019 was 9.2%. This measures the change in NTA before

all income taxes, adjusted for dividends paid and the dilutionary effect of options granted to shareholders upon the Company's initial listing.

The Company's annualised total Shareholder return or TSR Performance, which measures the change in share price adjusted for any dividends paid, for the same period was -1.7%. The Company's share price was \$0.955 compared to an issue price of \$1.10, with dividends of 9.5 cents paid during the period.

Based on the 30 September 2019 share price, APL shares are trading at a 14.7% discount to pre-tax NTA.

Given the Company has an absolute return focus, we acknowledge the 9.2% annualised return since inception and the defensiveness of the portfolio in down markets. We are, however, cognisant that one of the long term objectives of the Company is to outperform the benchmark and, whilst the Company had a great start in 2017, the investment portfolio's performance has lagged a strongly rising market in the last year. We will hear more about that from Jacob, the CIO of Antipodes, in a short while.

[Slide 9 – Initiatives to close the discount to NTA]

As I mentioned, APL shares are trading at a roughly 15% discount to NTA. The Board acknowledges this unsatisfactory position and remains committed to addressing this. It is noted that APL is not in a unique position and the majority of LICs are currently trading at a material discount. But in spite of the general LIC market conditions we need to do what we can, and accordingly the Company has implemented several initiatives. These include moving from monthly to weekly NTAs and increasing Shareholder communication and investor roadshows. In addition in August 2019 we instituted an on-market share buy-back after conducting significant research into their effectiveness and after taking account of feedback from Shareholders, The buy-back as announced was for a period of 12 months and so far approximately \$8.7m or 1.5% of shares on issue have been bought back. We are actively monitoring the effects and outcomes of the buy-back, but it is premature to assess its overall effectiveness.

[Slide 10 – Shareholder Engagement]

In line with our ongoing commitment to Shareholders, the Company continues to increase its communication and transparency with investors and the broader market. We send out investment videos and insights, dividend updates, weekly NTA announcements, half and full year financial results and media commentary. We also present at industry investor conferences regularly. We encourage Shareholders to provide their email address via Boardroom to ensure they are receiving our latest updates and invitations.