



9 December 2019

By Electronic Lodgement

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

Dear Shareholders,

Shareholder update

This announcement is to update shareholders on the initiatives that the Board of Antipodes Global Investment Company Limited (**APL** or the **Company**) has considered and is implementing, including following feedback from shareholders at the Company's AGM on 6th November 2019.

Background

At the AGM some shareholders expressed disquiet regarding:

- the performance of the Manager, Antipodes Partners Limited; and
- the APL share price discount to NTA.

The Board undertook to consider these matters and report back to shareholders.

Manager performance

The Board acknowledges the disappointment of shareholders with regard to the Manager's investment performance to date, but noting, however, that the Manager's value investment style has been out of favour.

The Company's investment objectives as set out in its October 2016 listing Prospectus and reaffirmed thereafter in shareholder communications, are twofold:

- generate returns over each full investment cycle (which the Manager and the Company consider to be a period of typically 3 to 5 years) in excess of the MSCI All Country World Net Index, and
- preserve capital.

While the value of the Company's investment portfolio has increased materially since inception of the Company just over 3 years ago, it has significantly lagged the much stronger appreciation in global share indices over the same period. Calendar 2019 in particular has been an extraordinary year, with global shares (as measured by the MSCI All Country World Net Index) up 26.4% year-to-date. We note that this market environment in 2019 has been particularly difficult for the Manager's value investment style.

The Board's role is to ensure that the Manager invests within the parameters set out in the Prospectus and the IMA. The Board closely monitors the Manager's

T 1300 010 311 E invest@antipodespartners.com

Level 35, 60 Margaret Street, Sydney, NSW 2000 Australia
Antipodes Global Investment Company Limited ABN 38 612 843 517

www.antipodespartners.com

investment parameter compliance on an ongoing basis. Further, the Board encourages shareholders to evaluate the Manager's performance relative to its benchmark over a full investment cycle which is the basis for stating a period of typically 3 to 5 years. It should also be noted that the Board may only terminate the Manager for insolvency or material breach of an express term of the IMA, not for investment management performance.

NTA discount

The APL share price has traded at an NTA discount greater than 10% since the beginning of April 2019 (over the past 8 months, whilst the Company has been in operation for just over 3 years). The Board notes that this is a relatively short period, and that an NTA discount is not specific to APL, being common at present across the global equity LIC industry in Australia.

The Board is committed to ensure a narrower NTA discount than that which the Company has experienced in the last 8 months. To this end, the Board has and will be undertaking a series of actions detailed below.

Recent initiatives

The Company has recently implemented three initiatives, all aimed at narrowing the NTA discount:

- **Capital management.** More than doubled the daily volume of the on-market share buyback since 11th November 2019. As at 6th December 2019, the Company has purchased 13.1 million shares (\$12.67 million), equivalent to 2.4% of shares in issue. The Company will continue with an accelerated buyback whilst the NTA discount remains wide, within its current authority.
- **Transparency.** The Company moved to daily NTA on 15th November 2019. This additional transparency will enable shareholders and new investors to more accurately assess the APL share price against the current NTA with minimal time delay, reducing any confusion about the discount to NTA.
- **Communication.** The Company embarked on a phone-based outreach campaign to the largest individual shareholders starting in November 2019 and is committed to continue to improve regular:
 - Electronic informal communication on a monthly, quarterly, annual and ad hoc basis;
 - Written formal communication; and
 - Portfolio commentary by the Manager with a view to simplifying messages allowing shareholders to better understand the dynamics of the underlying portfolio.

Long-term initiatives

Since the 2019 AGM the Board has met to consider a range of additional initiatives. These initiatives were considered against the Company's objectives as well as the legal framework of the Prospectus and the Investment Management Agreement (**IMA**).

The Board considered a number of possible initiatives but deemed them either not viable from a legal perspective or not in the best interests of all shareholders at the current time, particularly given the objectives' time period outlined above. These initiatives included, but were not limited to, converting the Company to an

open-ended trust or seeking a material renegotiation of the commercial terms with the Manager.

Capital management policy

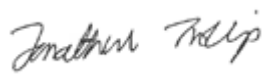
The Board has also met to consider further the capital management policy of the Company. The Board has now determined to implement a more significant, long-term commitment to use the Company's substantial capital resources to seek to ensure the Company's share price trades close to its NTA.

In order to implement this long-term capital management policy, the Board will seek shareholder authority to buy back up to 20% of the Company's shares on market. This is beyond the current authority to buy back up to 10% of the Company's shares in a 12 month period.

The Board will seek this authority at the 2020 AGM at the latest, but may approach shareholders earlier, depending upon how quickly the current 10% buy back authority is exhausted.

The Board is committed to continue to assess, on an ongoing basis, the initiatives considered during its recent review process, always in the context of the Company's objectives including the 3 to 5 year investment time horizon.

Yours faithfully,



Jonathan Trollip
Chairman