



**Antipodes Global Investment Company Limited (ASX:APL)**

12 December 2019

***By Electronic Lodgement***

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

Dear Shareholders,

**Explanatory note on share buyback**

In the 9 December 2019 update to shareholders, the Board of Antipodes Global Investment Company Limited (APL or the Company) informed shareholders that, as part of a decision 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:

- it will seek shareholder authority to buy back up to 20% of the Company's shares on market in the 12 month period the buyback authority relates to;
- 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.

In order to assist shareholders in best understanding the significance of this decision to increase the magnitude of the buyback, the Board provides the following additional information about the magnitude of the expected buyback.

**Conclusion**

The Board is committed to reduce the discount to NTA. The buyback is a critical component of that commitment. As outlined in this note, the Board has determined to buy back up to 20% of the Company's shares, in excess of 100 million shares in total since the buyback commenced and 2.8x the original buyback authority of 37.6 million shares announced on 19 July 2019. This is a substantial use of the Company's resources, utilising in excess of \$100 million of capital, and will take nearly a year to deploy<sup>1</sup>. While this is not the only initiative the Company has implemented and will continue to consider, the Board believes it is a significant move in seeking to ensure the current discount to NTA is reduced.

## **Explanatory detail**

### **Current buyback**

The buyback that is currently in place was announced on 19 July 2019 and commenced on 1 August 2019, with an authority to purchase up to 37.6 million shares. This authority was based on the Board's authority to buy up to 10% of the Company's shares without shareholder approval, based off the lowest share count of the Company in the 12 months prior to the commencement of the buyback (the 10/12 rule<sup>2</sup>). Thus far, 13.1 million shares have been repurchased under this authority, equivalent to 37% of this buyback authority and 2.6% of the current shares in issue of the Company. The remaining buyback allowance is 24.5 million shares, equivalent to 4.5% of the current shares in issue or of 52 days of daily traded volume if the Company buyback is 50% of the volume traded in the Company's shares. Shareholders should note that while the Company does not target a specific percentage of average daily value traded, this is the approximate pace at which the buyback is currently being conducted since increasing the volume from 10 December 2019.

### **Refreshed buyback**

The share count of the Company increased materially through the options conversion process that ended in October 2018. As a result of this, as of today the lowest share count of the Company in the prior 12 months has increased to 538.5 million. Applying the current 10% authority to this number results in a refreshed buyback authority of 53.8 million shares as outlined in our updated 3(D) announcement on the ASX. Given 13.1 million shares have been bought back to date under this authority, the remaining buyback allowance is 40.8 million shares, equivalent to 7.6% of the current shares in issue or 86 days of daily traded volume if the Company buyback is 50% of the volume traded in the Company's shares.

### **Increased buyback**

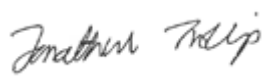
As announced on 9 December 2019 and reiterated in this explanatory note, the Board will seek shareholder approval to increase the buyback allowance from the current 10% of shares to 20% of the Company's shares.

As per the above, if the Company share buyback is 50% of the volume traded in the Company's shares, the refreshed buyback authority is likely to run out after 86 trading days (approximately 4 months). Assuming this eventuates, the Board reaffirms its intention to seek shareholder approval around that time to buy back an additional 10% of the Company's shares to take the authority up to 20%.

Subject to shareholder approval, this increased buyback will result in a buyback allowance of 103.6 million shares over the 12 month period since the buyback commenced (1 August 2019). Given 13.1 million shares have been bought back to date under this authority, the remaining buyback allowance (including the refreshed buyback and the increased buyback to 20%) would be 90.5 million shares, equivalent to 16.8% of the current shares in issue or 192 days (~9 months) of daily traded volume if the Company buyback is 50% of the volume traded in the Company's shares.

Please see the table of figures overleaf that captures all the information above.

Yours faithfully,



**Jonathan Trollip**  
Chairman

<sup>1</sup> This is based on an assumption that the Company buyback is 50% of the daily volume traded in the Company's shares. Shareholders should note that while the Company does not target a specific percentage of average daily value traded, this is the approximate pace at which the buyback is currently being conducted since increasing the volume from 10 December 2019

<sup>2</sup> **Section 257B(4) Corporations Act** : The 10/12 limit for a company proposing to make a buyback is 10% of the smallest number, at any time during the last 12 months, of votes attaching to voting shares

	<b>Current buyback</b>	<b>Refreshed buyback</b>	<b>Increased buyback</b>
Date buyback announced	19/07/2019	12/12/2019	9/12/2019
Shareholder approval required	No	No	Yes
Date buyback commenced	1/08/2019	12/12/2019	Earlier of 2020 AGM or when the refreshed buyback is exhausted
% Shares in issue	10%	10%	20%
Number of shares used to calculate the buyback authority*	375,698,370	538,472,070	497,705,241
Current shares in issue**	538,472,070	538,472,070	538,472,070
Buyback allowance (number of shares)	<b>37,569,837</b>	<b>53,847,207</b>	<b>103,617,731</b>
Number of shares bought back to date***	13,080,378	13,080,378	13,080,378
Number of shares bought back to date (as a % of buyback allowance)**	35%	24%	13%
Number of shares bought back to date (as a % of current shares in issue)**	2.4%		
Remaining buyback allowance (number of shares)	<b>24,489,459</b>	<b>40,766,829</b>	<b>90,537,353</b>
Remaining buyback allowance (% of current shares in issue)	4.5%	7.6%	16.8%
Average daily volume (ADV) number of shares ****	942,790	942,790	942,790
Remaining buyback allowance as a ratio of :			
Number of day's volume if buyback is 100% of ADV	26	43	96
Number of day's volume if buyback is 50% of ADV	52	86	192
Number of day's volume if buyback is 25% of ADV	104	173	384

\* Based on the lowest number of shares in issue over the 12 months prior to the buyback commencement. For the 'increased buyback' scenario, the lowest number for the 12 month period is assumed to be the current shares in issue less the remaining buyback allowance

\*\* As at 12/12/2019

\*\*\* as at 6/12/2019

\*\*\*\* 30 Day ADV to 11/12/2019