



ANTIPODES GLOBAL INVESTMENT COMPANY LIMITED  
ACN 612 843 517

## Scheme Booklet

Scheme with the Antipodes Global Shares (Quoted Managed Fund) (ARSN 625 560 269)

**The Independent Directors unanimously  
recommend that you  
VOTE IN FAVOUR  
of the Scheme Resolution.**

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.  
YOU SHOULD READ THE DOCUMENT IN ITS ENTIRETY BEFORE YOU DECIDE WHETHER TO VOTE IN  
FAVOUR OF THE SCHEME. IF YOU ARE IN DOUBT AS TO WHAT YOU SHOULD DO, YOU SHOULD  
CONSULT YOUR LEGAL, FINANCIAL OR OTHER PROFESSIONAL ADVISER.**

If, after reading this Scheme Booklet, you have any questions about the Scheme or this Scheme Booklet, please call the Shareholder Information Line on 1300 010 311 (in Australia) +61 2 8970 7750 (International) Monday to Friday between 9.00am and 5.00pm (Sydney time), excluding public holidays, or visit the Scheme website at <https://antipodespartners.com/scheme>.

If you have recently sold all of your APL Shares, please disregard this document.

**Investment Manager:**



**Legal Adviser:**



**Responsible Entity for AGX1:**



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## OVERVIEW OF THE SCHEME

Antipodes Global Investment Company Limited (ACN 612 843 517) (**APL**), Antipodes Partners Limited (ACN 602 042 035) (**Manager or Antipodes**) and Pinnacle Fund Services Limited (ACN 082 494 362) (**Responsible Entity**) in its capacity as responsible entity of the Antipodes Global Shares (Quoted Managed Fund) (ARSN 625 560 269) (**AGX1**) have agreed to undertake a scheme of arrangement under Part 5.1 of the Corporations Act between APL and APL Shareholders (**Scheme**).

The Scheme, if Implemented, will involve the following on the Implementation Date:

- the Responsible Entity will acquire, by way of transfer, 100% of the Shares in APL;
- the Responsible Entity will issue New AGX1 Units to Scheme Shareholders in accordance with the terms of the Scheme (including the issue of Ineligible Units to the Nominee); and
- the APL Management Agreement will be terminated on the Implementation Date without APL incurring any termination fees.

See Section 3 for full details of the Scheme.

## WHAT ARE YOUR CHOICES?

As an APL Shareholder, you have four choices currently available to you as follows:

- (a) **Vote in favour of the Scheme:** APL's independent board committee (**IBC**) believes that the Scheme is in the best interests of APL Shareholders and unanimously recommends that you vote in favour of the Scheme. In addition, the Independent Expert has concluded that the Scheme is fair and reasonable and in the best interests of APL Shareholders. To follow the IBC's unanimous recommendation, you should vote in favour of the Scheme Resolution at the Scheme Meeting.
- For a summary of how to vote on the Scheme Resolution, please refer to Section 4.6 and the Notice of Scheme Meeting contained in ANNEXURE E of this Scheme Booklet.
- (b) **Vote against the Scheme:** Notwithstanding the recommendation of the Independent Directors and the Independent Expert's conclusion that the Scheme is fair and reasonable and in the best interests of APL Shareholders, you may not support the Scheme and vote against the Scheme Resolution at the Scheme Meeting.
- However, if the Scheme becomes Effective, the Scheme will bind all APL Shareholders, including those who voted against the Scheme Resolution at the Scheme Meeting and those who did not vote at all.
- (c) **Sell your APL Shares on the ASX:** You may sell some or all of your APL Shares on market for cash prior to the Effective Date.
- (d) **Do nothing:** APL Shareholders who elect not to vote at the Scheme Meeting and do not sell their APL Shares on market will:
- (i) if the Scheme is Implemented – have their APL Shares transferred to AGX1 by operation of the Scheme and receive the Scheme Consideration; or
  - (ii) if the Scheme is not Implemented – retain their APL Shares.

## WHAT YOU SHOULD DO NEXT?

1. **Read this Scheme Booklet**
2. **Ask questions** – If you have any questions in relation to the Scheme Meeting, including the number of APL Shares you hold or how to vote, you can contact the Registry (Boardroom) on 1300 721 637 (within Australia) or +61 2 8023 5428 (outside of Australia) between 9.00am to 5.00pm (Sydney time) Monday to Friday excluding public holidays. If you have any questions in relation to the terms of the Scheme or this Scheme Booklet, you can contact the Shareholder Information Line on 1300 010 311 (in Australia) or +61 2 8970 7750 (outside of Australia) between 9.00 am to 5.00 pm (Sydney time) Monday to Friday, excluding public holidays.  
  
If you are in any doubt about anything in this Scheme Booklet, please contact your legal, financial, accounting or other professional adviser.
3. **Vote on the Scheme Resolution** – Your vote is important. For the Scheme to proceed, the Scheme Resolution must be approved by the Requisite Majorities at the Scheme Meeting.

# IMPORTANT NOTICES

## Reading this Scheme Booklet

This Scheme Booklet is important. You should carefully read this Scheme Booklet in its entirety before making a decision as to how to vote on the Scheme Resolution to be considered at the Scheme Meeting. If you have any questions or require further information, please contact the Shareholder Information Line on 1300 010 311 (in Australia) +61 2 8970 7750 (International) on weekdays between 9.00am and 5.00pm (Sydney time). If you are in any doubt about anything in this Scheme Booklet, please contact your legal, financial, accounting or other professional adviser.

Capitalised terms used in this Scheme Booklet are defined in the Glossary of terms in Section 13.1. The Glossary of terms also sets out some rules of interpretation that apply to this Scheme Booklet in Section 13.2.

## Purpose of this Scheme Booklet

This Scheme Booklet sets out the effects of the Scheme, certain information required by law and all other information known to the Directors which in their opinion is material to your decision to vote in favour of, or against, the Scheme Resolution at the Scheme Meeting to effect the Scheme (other than information previously disclosed to APL Shareholders) and includes the explanatory statement for the Scheme for the purposes of section 412(1) of the Corporations Act.

This Scheme Booklet does not constitute or contain an offer to APL Shareholders, or a solicitation of an offer from APL Shareholders, in any jurisdiction. This Scheme Booklet is not a disclosure document or product disclosure statement.

ASIC Corporations (Compromises or Arrangements) Instrument 2015/358 provides that sections 1012B and 1012C of the Corporations Act do not have effect in relation to any offer of a financial product if it is made under a compromise or arrangement under Part 5.1 of the Corporations Act approved at a meeting held as a result of an order made by the Court in accordance with section 411(1) or (1A) of the Corporations Act.

## Responsibility for information

Other than as set out below, this Scheme Booklet has been prepared by APL and is the responsibility of APL.

The Manager has provided and is responsible for the Manager Information. APL and its directors, officers, employees and advisers do not assume any responsibility for the accuracy or completeness of the Manager Information.

The Responsible Entity has provided and is responsible for the Responsible Entity Information. APL and its directors, officers, employees and advisers do not assume any responsibility for the accuracy or completeness of the Responsible Entity Information.

Pitcher Partners has reviewed the information regarding the Australian taxation implications of the Scheme for APL Shareholders and takes responsibility for that information, contained in Section 10. Pitcher Partners does not assume any responsibility for the accuracy or completeness of the information contained in this Scheme Booklet other than the general Australian taxation information contained in Section 10.

Titan Partners Corporate Finance Pty Ltd has prepared the Independent Expert's Report which is contained in Annexure A to this Scheme Booklet. Titan Partners Corporate Finance Pty Ltd takes responsibility for that report. Titan Partners Corporate Finance Pty Ltd does not assume any responsibility for the accuracy or completeness of the information contained in this Scheme Booklet other than that contained in ANNEXURE A.

Boardroom Pty Limited has had no involvement in the preparation of any part of this Scheme Booklet other than being named as the Registry. The Registry has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of this Scheme Booklet.

## ASIC

A draft of this Scheme Booklet was provided to ASIC for the purpose of section 411(2) of the Corporations Act.

A copy of this Scheme Booklet was registered by ASIC pursuant to section 412(6) of the Corporations Act.

ASIC has been requested to provide a statement, in accordance with section 411(17)(b) of the Corporations Act, that ASIC has no objection to the Scheme. If ASIC provides the no objection statement, the statement will be produced to the Court at the time of the Second Court Date.

Neither ASIC nor any of its officers takes any responsibility for the contents of this Scheme Booklet.

## ASX

APL is listed on the ASX. APL Shares will continue to be quoted on the ASX if the Scheme does not become Effective.

A copy of this Scheme Booklet has been lodged with the ASX. Neither the ASX nor any of its officers takes any responsibility for the contents of this Scheme Booklet.

## Important notice associated with the Court order under subsection 411(1) of Corporations Act

A copy of this Scheme Booklet has been submitted to the Court to obtain an order of the Court approving the convening of the Scheme Meeting.

The fact that, under subsection 411(1) of the Corporations Act, the Court has ordered that a meeting be convened and has approved the Explanatory Statement required to accompany the notice of the meeting, does not mean that the Court:

- has formed any view as to the merits of the Scheme or as to how you should vote (on this matter, you must reach your own decision); or
- has prepared, or is responsible for the content of, the Explanatory Statement.

Notice regarding Second Court Hearing and if an APL Shareholder wishes to oppose the Scheme

The date of the Second Court Hearing to approve the Scheme is 7 December 2021. The hearing will be at the Federal Court of Australia at 184 Phillip St, Sydney NSW 2000.

Each APL Shareholder has the right to appear and be heard at the Second Court Hearing and may oppose the approval of the Scheme at the Second Court Hearing.

If you wish to oppose in this manner, you must file and serve on APL a notice of appearance, in the prescribed form, together with any affidavit on which you wish to rely at the hearing. The notice of appearance and affidavit must be served on APL at its address for service at least one day before the Second Court Hearing.

The address for service is:

Antipodes Global Investment Company Limited  
Level 35, 60 Margaret St Sydney  
NSW 2000  
Australia

### **Investment decisions**

This Scheme Booklet does not take into account your individual investment objectives, financial situation or needs. The information in this Scheme Booklet should not be relied on as the sole basis for any investment decision.

Please contact your independent legal, financial, accounting or other professional advisers before making any investment decision.

### **Forward-looking statements**

Certain statements in this Scheme Booklet are about the future. You should be aware that there are a number of risks (both known and unknown), uncertainties, assumptions and other important factors that could cause the actual conduct, results or performance of APL, or AGX1 following Implementation of the Scheme, to be materially different from the future conduct, results or performance expressed or implied by such statements or that could cause the future conduct to be materially different from historical conduct. Such risks, uncertainties, assumptions and other important factors include, among other things, the risks described in Section 8. Changes to future matters are both normal and to be expected.

None of APL or the Responsible Entity or their respective directors, officers and advisers nor any other person gives any assurance that the occurrence of the events expressed or implied in any forward-looking statements in this Scheme Booklet will actually occur.

The forward-looking statements in this Scheme Booklet reflect views held only as of the date of this Scheme Booklet. Subject to the Corporations Act and any other applicable laws or regulations, APL will not update these statements other than with respect to information that they become aware of prior to the Scheme Meeting which is material to the making of a decision regarding whether or not to vote in favour of the Scheme Resolution.

### **Privacy and personal information**

APL is required to collect personal information to Implement the Scheme. The personal information may include your name, contact details and details of your holding, together with contact details of individuals appointed as proxies, representatives of bodies corporate or attorneys at the Scheme Meeting. The collection of some of this information is required or authorised by the Corporations Act.

If you are an individual, you have certain rights to access the personal information collected about you. You may contact the Registry if you wish to exercise those rights.

The information may be disclosed to APL, the Manager, the Responsible Entity and each of their related bodies corporate and advisers, print and mail service providers, share registries, securities brokers and any other service provider to the extent necessary to effect the Scheme.

If the information outlined above is not collected, APL may be hindered in, or prevented from, conducting the Scheme Meeting or Implementing the Scheme effectively, or at all.

If you appoint an individual as your proxy, corporate representative or attorney to vote at the Scheme Meeting you should inform that individual of the matters outlined above.

### **Entitlement to inspect Share Register**

It is noted that all persons are entitled, under section 173 of the Corporations Act, to inspect and obtain a copy of the Share Register. This register contains personal information about you.

### **Notice to Ineligible Shareholders**

This Scheme Booklet has been prepared in compliance with the disclosure requirements of Australia which may be different to those in other jurisdictions.

This Scheme Booklet and the Scheme do not in any way constitute an offer of securities or a solicitation of an offer to purchase securities in any place in which, or to any person to whom, it would not be lawful to make such an offer or solicitation.

APL Shareholders whose address as shown in the Share Register is in a jurisdiction outside Australia (including its external territories), New Zealand or the U.S. should refer to Section 3.8 of this Scheme Booklet.

### **Restricted distribution**

The release, publication or distribution of this Scheme Booklet (electronically or otherwise) in jurisdictions other than Australia may be restricted by law or regulation in such other jurisdictions and persons outside Australia who come into possession of this Scheme Booklet should observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable laws or regulations.

Nominees, custodians and other APL Shareholders who hold APL Shares on behalf of a beneficial owner resident outside Australia (including its external territories), New Zealand and the U.S. may not forward this Scheme Booklet (or accompanying documents) to anyone outside those countries without the consent of APL.

### **Notice to APL Shareholders in New Zealand**

This Scheme Booklet is not a New Zealand disclosure document and has not been registered, filed with or approved by any New Zealand regulatory authority under or in accordance with the Financial Markets Conduct Act 2013 or any other New Zealand law.

The offer of New AGX1 Units under the Scheme is being made to existing shareholders of APL in New Zealand in reliance upon the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 and, accordingly, this Scheme Booklet may not contain all the information that a disclosure document is required to contain under New Zealand law.

### **Notice to APL Shareholders in the United States**

APL and the Responsible Entity intend to rely on an exemption from the registration requirements of the U.S. Securities Act provided by section 3(a)(10) thereof in connection with the consummation of the Scheme and the issuance of the New AGX1 Units. APL and the Responsible Entity will rely upon the approval of the Scheme by the Court for the purposes of qualifying for the section 3(a)(10) exemption.

U.S. shareholders of APL should note that the Scheme relates to the units of an Australian managed investment scheme in accordance with the laws of Australia and the AQUA Rules. The Scheme is subject to disclosure requirements of Australia that are different from those of the U.S.

It may be difficult for you to enforce your rights and any claim you may have arising under U.S. federal securities laws since APL's headquarters are located outside the U.S. and its officers and directors are not residents of the U.S. You may not be able to sue APL or its officers or directors in Australia for violations of the U.S. securities laws. It may be difficult to compel APL and its affiliates to subject themselves to a U.S. court's judgment.

This Scheme Booklet has not been filed with or reviewed by the U.S. Securities and Exchange Commission or any state securities authority and none of them has passed upon or endorsed the merits of the Scheme or the accuracy, adequacy or completeness of this Scheme Booklet.

The New AGX1 Units to be issued pursuant to the Scheme have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the U.S.

### **Date of this Scheme Booklet**

This Scheme Booklet is dated 22 October 2021.

## IMPORTANT DATES

Event	Indicative date
Date of this Scheme Booklet	22 October 2021
A worked example of the Scheme Consideration based on the latest published post-tax NTA and NAV is announced on ASX	16 November 2021
Proxy return date and time by which Proxy Forms must be received (including Proxy Forms lodged online)	11am (Sydney time) on 22 November 2021
<b>Voting entitlement time and date</b> for determining eligibility to vote at the Scheme Meeting and 2021 Annual General Meeting ( <b>2021 AGM</b> )	7.00pm (Sydney time) on 22 November 2021
Prior to the Scheme Meeting, an updated worked example of the Scheme Consideration based on the latest published post-tax NTA and NAV is announced on ASX	24 November 2021
<b>Scheme Meeting</b> APL Shareholders will be able to attend and participate in the Scheme Meeting via an online platform. Further details relating to the Scheme Meeting are set out in the Notice of Scheme Meeting set out at ANNEXURE E of this Scheme Booklet.	11am (Sydney time) on 24 November 2021
<b>2021 Annual General Meeting</b> APL Shareholders will be able to attend and participate in the 2021 AGM via an online platform. Further details relating to the 2021 AGM are set out in Section 12 and in the Notice of AGM set out at ANNEXURE F of this Scheme Booklet.	11am (Sydney time) on 24 November 2021  <i>The 2021 AGM will open at 11am and will be adjourned until completion of the Scheme Meeting</i>
If the Scheme Resolution is passed and all other conditions in connection with the Scheme are fulfilled or waived, the following key dates apply:	
Prior to the Second Court Date, an updated worked example of the Scheme Consideration based on the latest published post-tax NTA and NAV is announced on ASX	3 December 2021
<b>Second Court Date</b> for approval of the Scheme	7 December 2021
<b>Effective Date</b> Lodgement by APL with ASIC of the Court orders approving the Scheme An updated worked example of the Scheme Consideration based on the latest published post-tax NTA and NAV is announced on ASX	8 December 2021
<b>The last day to trade APL Shares on the ASX</b> APL Shares will be suspended from close of trading on this date	8 December 2021
<b>Record Date</b> and time for determining Scheme Shareholders	7pm (Sydney time), 10 December 2021
<b>Calculation Date</b> The post-tax NTA per APL Share and AGX1's NAV per AGX1 Unit on this date will be used for determining entitlements to Scheme Consideration	15 December 2021
The post-tax NTA per APL Share and AGX1's NAV per AGX1 Unit on the Calculation Date and number of AGX1 Units per APL Share to be issued as Scheme Consideration is announced on ASX	16 December 2021
<b>Implementation Date</b> Scheme Shareholders (and the Nominee, on behalf of Ineligible Shareholders) will receive the Scheme Consideration.  All Scheme Shares transferred to the Responsible Entity.	17 December 2021
<b>New AGX1 Units</b> commence trading on the ASX on a normal settlement basis.	23 December 2021

The dates and times set out above are indicative only and are subject to the Court approval process, ASIC approval and any other regulatory approvals required. Any changes to the above timetable will be announced to the ASX and available on its website, [www.asx.com.au](http://www.asx.com.au).

## INDEPENDENT CHAIRMAN'S LETTER



22 October 2021

Dear APL Shareholders,

On behalf of the Independent Directors of Antipodes Global Investment Company Limited (**APL**), I am pleased to present you with an opportunity to consider, and vote on, a proposal that allows you to exchange your current investment in APL Shares for units in Antipodes Global Shares (Quoted Managed Fund) (ARSN 625 560 269) (**AGX1**).

AGX1 is an existing open-ended, exchange traded managed fund (**Active ETF**), quoted on the ASX. Antipodes Partners Limited (ABN 29 602 042 035) (AFSL 481 580) (**Manager**) manages the investment portfolios of both APL and AGX1.

The proposed transaction is to be Implemented by way of a scheme of arrangement between APL and its shareholders (**Scheme**).

If the Scheme is approved and becomes Effective:

- APL Shareholders will exchange their shares for fully paid ordinary units in AGX1 (**New AGX1 Units**). The number of New AGX1 Units received for each APL Share will be based on APL's post-tax net tangible assets (after payment of all transaction related costs) (**post-tax NTA**) relative to AGX1's net asset value (**NAV**) on the Calculation Date (this number is not fixed and will not be calculated and announced until immediately before the Scheme is Implemented);
- APL will become wholly owned by AGX1 and will be delisted from the ASX. APL's investment portfolio will be transferred to AGX1 following the Implementation Date, and APL will be wound up at a later date;
- the current investment management agreement (**APL Management Agreement**) between APL and the Manager will terminate. The Manager will not be paid any termination fees despite the fixed term of the APL Management Agreement having approximately 5 years remaining; and
- 3 Business Days after Implementation (currently expected to be 23 December 2021), APL Shareholders, as New AGX1 Unitholders, will be able to trade their New AGX1 Units on the ASX.

### Scheme rationale

The APL Board has, over the past two plus years, been actively considering a range of options to address the APL Share price trading at a discount to its NTA. Initiatives undertaken have included an accelerated on-market buy-back program, enhanced shareholder communication and the Conditional Tender Offer approved by APL Shareholders in November 2020 (**CTO Proposal**). Nevertheless, the discount has persisted.

In August 2021 the Manager approached APL with a proposal to undertake the Scheme.

An Independent Board Committee (**IBC**), comprising myself (Jonathan Trollip), Christopher Cuffe and Lorraine Berends, was established to engage with the Manager in relation to the Scheme. Ultimately, both the Manager and the IBC agreed that the Scheme was the most appropriate solution for APL Shareholders to permanently address APL's Share price trading at a discount to its NTA.

APL's non-independent Directors, Andrew Findlay and Alex Ihlenfeldt, are not part of the IBC. Mr Findlay is the managing director and CEO of the Manager. Mr Ihlenfeldt is a director of the Responsible Entity and PIML. In light of their respective roles with the Manager and the Responsible Entity, Mr Ihlenfeldt and Mr Findlay do not make any recommendation on how APL Shareholders should vote in relation to the Scheme. See Section 3.4(b) for further details.

As New AGX1 Unitholders, APL Shareholders will be able to sell their New AGX1 Units on market at a price close to NAV (subject to the bid-ask spread).

The Scheme therefore provides APL Shareholders choice and flexibility as it facilitates exits at prices close to NAV but also enables APL Shareholders to maintain an ongoing exposure to the Manager's pragmatic value-style global equity strategy via AGX1, an ASX-listed vehicle with the same benchmark and similar fees and objectives to APL. The investment strategy of AGX1 does differ from APL: AGX1 is a long-only fund whereas APL holds both long and short positions.

The fact that AGX1 is an established quoted managed fund, and the Manager has agreed to not seek any termination fees in respect of the early termination of the APL Management Agreement, makes the Scheme a simple, timely and low-cost solution for APL Shareholders.

For APL Shareholders, exchanging their APL Shares into an existing ASX quoted managed fund will be a straightforward process. In particular, APL Shareholders will not be required to complete onerous documentation (such as 'Know Your Customer' identification checks).



APL will seek to minimise the costs to Implement the Scheme and these costs are currently estimated to be less than \$0.003 per APL Share.

A summary of the advantages and disadvantages of the Scheme is set out in Section 1 of this Scheme Booklet.

For further details regarding AGX1 and its investment strategy see Section 6 and 7 of this Scheme Booklet and the product disclosure statement issued by the Responsible Entity, which is ANNEXURE G to this Scheme Booklet (PDS).

### **Independent Expert**

The Independent Expert has concluded that the Scheme is fair and reasonable and in the best interests of APL Shareholders.

The Independent Expert's Report is included in ANNEXURE A. I encourage you to read it before voting on the Scheme.

### **Recommendation of the Independent Directors**

The IBC believes the Scheme is in the best interests of the APL Shareholders and unanimously recommends that you vote in favour of the Scheme.

### **Implementation of the Scheme - your vote is important**

The Scheme is subject to a number of conditions, including Court and APL Shareholder approval and certain other customary conditions, which are summarised in Section 3.3 and ANNEXURE B of this Scheme Booklet.

Your vote is important and, on behalf of the IBC, I encourage you to vote on the Scheme at the Scheme Meeting.

### **Scheme Meeting and 2021 Annual General Meeting**

The Scheme Meeting and the 2021 AGM will both be held at 11am on 24 November 2021, via an online platform (<https://web.lumiagm.com/367-380-709>). In order to facilitate the Scheme Meeting, the 2021 AGM will be adjourned upon opening and reconvened after the Scheme Meeting closes.

APL Shareholders can vote by returning a Proxy Form or by using the proxy voting platform <https://www.votingonline.com.au/apl2021> (for both the Scheme Meeting and the 2021 AGM). APL Shareholders who attend the Scheme Meeting and the 2021 AGM in person via the online platform will be able to cast their vote in real-time when the poll is called during the Meetings.

See the notice convening the Scheme Meeting (in ANNEXURE E ) and the notice of the AGM (in ANNEXURE F ) for further details regarding how to vote.

In considering your vote I urge you to read this Scheme Booklet (including the Independent Expert's Report) carefully in full and, if required, to seek your own professional advice.

If you have questions about the Scheme Meeting or the 2021 AGM, including how to vote or attend the meetings, please contact the Registry (Boardroom) on 1300 721 637 (within Australia) or +61 2 8023 5428 (outside of Australia) between 9.00 am to 5.00 pm (Sydney time) Monday to Friday, excluding public holidays.

### **Conclusion**

On behalf of the IBC, thank you for your support. We believe the Scheme is in your best interests and encourage you to vote in favour of it.

Yours sincerely,



**Jonathan Trollip**  
Chair of the Independent Board Committee

# 1. KEY CONSIDERATIONS RELEVANT TO YOUR VOTE ON THE SCHEME

## 1.1 INTRODUCTION

Set out below are some of the reasons why:

- the IBC unanimously recommends that you vote in favour of the Scheme; and
- you may decide to vote against the Scheme notwithstanding the IBC's unanimous recommendation.

You should read the entire Scheme Booklet before deciding whether to vote in favour of the Scheme. There are answers to questions you might have in Section 2 and the risks are set out in Section 8.

If you have any additional questions about this Scheme Booklet or the Scheme, please contact the Shareholder Information Line on 1300 010 311 (within Australia) or +61 2 8970 7750 (outside of Australia) between 9.00 am to 5.00 pm (Sydney time) Monday to Friday, excluding public holidays.

## 1.2 REASONS TO VOTE IN FAVOUR OF THE SCHEME

### (a) Scheme Shareholders as AGX1 Unitholders will be able to exit some or all of their investment at close to NAV

The APL Share price has been trading at a persistent discount to APL's NTA for over 2 years. The APL Board has actively pursued a range of NTA discount control mechanisms including implementing the largest on-market LIC share buy-back in ASX history. These initiatives to date have not had the desired effect of sustainably reducing the NTA discount.

Subject to Implementation of the Scheme, APL Shareholders, as New AGX1 Unitholders, will have the ability to sell their New AGX1 Units on the ASX via their share trading platform or stockbroker. APL Shareholders (as New AGX1 Unitholders) will not need to complete a withdrawal form and will receive the proceeds from the sale of their New AGX1 Units in the same way they would receive proceeds from the sale of listed securities via the ASX CHESS settlement service.

The exit price for AGX1 Units sold on market is the price at which each AGX1 Unit is sold.<sup>1</sup> Given AGX1 is an Active ETF, the AGX1 Units will trade close to AGX1's intraday NAV per AGX1 Unit (iNAV), subject to a bid-ask spread.

### (b) No termination or other fees to be paid to the Manager

The APL Management Agreement has an initial fixed term during which APL has minimal termination rights. There are approximately 5 years remaining on this fixed term.

If the Scheme becomes Effective, the APL Management Agreement will terminate on the Implementation Date.

Despite there being approximately 5 years remaining on the fixed term, the Manager has agreed that it will not be paid any fees in respect of the early termination of the APL Management Agreement in accordance with the Scheme.

The Manager's decision to relinquish the APL Management Agreement without claiming any termination fee or other financial benefit in respect of the Scheme simplifies the Scheme approval process and is one of the key reasons why the Scheme is capable of being Implemented on a very cost-efficient basis.

### (c) Superior to the CTO Proposal

Prior to the Scheme, the most recent solution proposed by the APL Board to address the APL Share price trading at a discount to NTA was the conditional tender offer proposal approved at the 2020 annual general meeting (CTO Proposal). That CTO Proposal was a conditional tender offer to be conducted by way of an equal access off-market buy-back of up to 25% of the issued share capital of APL.

The IBC considers the Scheme is superior to the CTO Proposal because:

- Under the Scheme, APL Shareholders will be able to realise 100% of their investment (through exchange of 100% of their APL Shares for New AGX1 Units) at close to NTA, whereas under the CTO Proposal they would only be certain of realising up to 25% of their APL Shares at NTA less 2%;
- The CTO Proposal has not yet had the desired effect of closing the APL Share discount to its NTA to an acceptable level; and
- The Scheme is expected to be Implemented on a similar timetable to the CTO Proposal, with the Implementation Date approximately one month later than that of the CTO Proposal.

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<sup>1</sup> If trading in the AGX1 Units on the ASX has been suspended for five consecutive Business Days, there may be an ability to withdraw off-market at a price close to NAV. Details of the off-market withdrawal process are in section 6 of the PDS and withdrawal risks are explained in section 5 of the PDS, which is at ANNEXURE G of this Scheme Booklet.

Because the IBC considers the Scheme superior, the CTO Proposal has been suspended pending APL Shareholders' consideration of the Scheme. If the Scheme becomes Effective, it will replace the CTO Proposal.

If the Scheme does not become Effective, the APL Board intends to renew its commitment to the CTO Proposal.

The APL Board's current intention, if the Scheme is not Implemented, is to seek APL Shareholder approval to undertake an off-market buy-back before 30 June 2022 of up to 25% of APL's issued capital on materially the same terms as the CTO Proposal.

(d) **Efficient timing and low transaction costs**

The Scheme is a low-cost solution that can be Implemented in a timely fashion.

APL is actively managing the transaction costs to Implement the Scheme and these costs are currently estimated to be less than \$0.003 per APL Share.

Key factors driving the timetable and the costs include that:

- AGX1 is an established quoted managed fund. This means that there are no establishment costs or time delays (in order to first register AGX1) which need to be factored into the Scheme; and
- the Manager has agreed to not seek any fees in respect of the early termination of the APL Management Agreement. If the Manager had sought early termination fees, the payment of those fees would have required APL Shareholder approval. The Scheme would have been conditional not only on the Scheme Resolution but also APL Shareholders approving the payment of the termination fees. The Manager agreeing to not seek any early termination fees therefore reduces not only the costs associated with the Scheme but the regulatory requirements of the Scheme.

(e) **Ability to remain invested with Antipodes Partners Limited**

For APL Shareholders who wish to remain invested with Antipodes Partners Limited and exposed to a long-only equity strategy, the Scheme provides this option.

APL Shareholders who participate in the Scheme and receive New AGX1 Units may retain those New AGX1 Units and thereby maintain their investment in a vehicle managed by Antipodes Partners Limited.

APL and AGX1 have very similar investment objectives, are both benchmarked against the MSCI All Country World Net Index in AUD and have the same management fee and performance fees subject to high water-marks set by reference to their respective performances (see Section 1.3(e) for further details).

AGX1's long-only strategy, while sharing substantially the same long positions as APL's long-short strategy, has delivered superior investment returns against the Benchmark since inception.

Please refer to Sections 6 and 7 of this Scheme Booklet for further information in relation to AGX1, including its governance and management structure, AGX1's investment strategy and performance, the rights attaching to AGX1 Units, how those rights differ from the rights attached to APL Shares and the risks associated with holding AGX1 Units.

(f) **Superior market liquidity at prices close to NAV**

Liquidity refers to the ability to purchase and sell an asset quickly. In the case of shares in a listed investment company, like APL, liquidity is driven by investors in the secondary market buying and selling APL Shares. In the last financial year, the average daily value of APL Shares traded on ASX was approximately \$500,000. APL Shares have traded at a discount to NTA of between 8% to 12% over the 6 months to 31 July 2021 (being the last full month prior to the announcement of the Scheme). See page 15 and section 8.4 of the Independent Expert's Report for details regarding the discount.

Liquidity of AGX1 Units is a combination of:

- primary liquidity provided by the Responsible Entity, via a third-party market making agent, acting as a buyer and seller of AGX1 Units;
- secondary liquidity provided by investors buying AGX1 Units from, and selling AGX1 Units to, other investors in the secondary market in the same way as other ASX quoted securities.

AGX1's open-ended structure means the supply of AGX1 Units can be adjusted to meet demand throughout each trading day. The Responsible Entity acts as the market maker for AGX1. In this role, the Responsible Entity (via its agent) provides liquidity support on ASX by acting as the buyer and seller of AGX1 Units on the ASX during the day, and by creating and cancelling (redeeming) AGX1 Units.

As market maker, the Responsible Entity will buy and sell AGX1 Units at prices which reflect the iNAV plus or minus the bid-ask spread. The Responsible Entity ability to buy and sell AGX1 Units as the market maker is driven by the liquidity of the AGX1 underlying portfolio (and the Responsible Entity's ability to adjust positions within the portfolio as required to meet the redemptions needs of investors).

See Section 6.3 for details of regarding how to sell AGX1 Units on market and exit an investment in AGX1.

(g) **Simple structure, single resolution with no onerous documentation**

The Scheme structure provides a simple solution for APL Shareholders.

Under the Scheme, APL Shareholders will exchange their APL Shares for New AGX1 Units. The Scheme does not require or incorporate any capital reduction or related party transactions that require separate APL Shareholder approval. The Scheme Resolution is the only resolution APL Shareholders must consider in respect of the Scheme.

As New AGX1 Units are quoted on the ASX, APL Shareholders will not be required to complete any onerous documentation to participate in the Scheme (or to trade in their New AGX1 Units following Implementation of the Scheme).

(h) **Lower operating costs expected**

APL Shareholders who become investors in AGX1 will not be subjected to the costs associated with the operation of a listed investment company. These include, among other costs and fees, ASX listing fees, Directors' fees and the costs associated with satisfying APL's periodic financial reporting obligations to the ASX.

The administration and investment fees and costs (excluding transaction costs) of AGX1 (**management costs**) are paid by the Manager out of its management fees. These costs include Responsible Entity fees, ASX fees, service fees in respect of the calculation and dissemination of the iNAV of AGX1 and audit and legal costs. As a result, the total management costs deducted from AGX1 will typically be comprised of the management fee and performance fee (if any).

(i) **The Independent Directors unanimously believe that the Scheme is in the best interests of APL Shareholders**

The IBC believes the Scheme is in the best interests of APL Shareholders and unanimously recommends that that you vote in favour of the Scheme.

The IBC's recommendation follows detailed consideration of factors including:

- the merits and strategic rationale of the Scheme;
- the Scheme terms, including the Scheme Conditions, and transaction related costs; and
- the merits and challenges of APL continuing to operate as a listed investment company.

The IBC considers that the reasons to vote in favour of the Scheme (including those summarised in this Section 1.2(a) to (h)) outweigh the potential reasons to vote against the Scheme (including those summarised in Section 1.3).

Each Independent Director intends to vote all the APL Shares that they hold or control in favour of the Scheme.

(j) **The Independent Expert has concluded that the Scheme is fair and reasonable and in the best interests of APL Shareholders**

The IBC has commissioned Titan Partners Corporate Finance Pty Ltd to prepare a report on the Scheme.

That report concludes that, in the view of the Independent Expert, the Scheme is fair and reasonable and is in the best interests of APL Shareholders.

The reasons for the Independent Expert's conclusion are set out in the Independent Expert's Report in ANNEXURE A. The IBC recommends that you read the Independent Expert's Report in full.

### 1.3 REASONS YOU MAY WANT TO VOTE AGAINST THE SCHEME

(a) **You may disagree with the IBC's recommendation or the Independent Expert's conclusion**

Notwithstanding the unanimous recommendation of the IBC and the determination of the Independent Expert, you may believe that the Scheme is not in your best interests.

There is no obligation to follow the recommendation of the IBC or to agree with the opinion of the Independent Expert.

(b) **You may prefer a company structure to a trust structure**

In respect of distributions, some APL Shareholders may prefer APL's corporate structure to AGX1's trust structure.

A corporate structure may allow for income (paid as dividends) to be smoothed over time, as opposed to a unit trust which generally distributes all income and net realised gains at the end of each financial year.

(c) **The tax consequence of the Scheme may not suit your financial position**

Implementation of the Scheme will trigger taxation consequence for APL Shareholders, as the exchange of APL Shares for New AGX1 Units is a capital gains tax event for which no rollover relief is available. A general guide to this, and the other taxation implications of the Scheme, is set out in Section 10.

This guide is expressed in general terms only and APL Shareholders should seek professional taxation advice regarding the tax consequences applicable to their own circumstances. You may consider the cost of obtaining such taxation advice a disadvantage and reason to vote against the Scheme.

(d) **AGX1's investment strategy or risk profile may not suit you**

APL and AGX1 have very similar investment objectives, are both benchmarked against MSCI All Country World Net Index in AUD (**Benchmark**), have the same management fees and pay performance fees on returns above the same Benchmark.

Although APL and AGX1 are both managed by the Manager, there are differences in APL and AGX1's investment strategies. AGX1 is managed in accordance with the Manager's long-only global shares strategy, as opposed to the long-short strategy of APL.

The APL Portfolio may become leveraged through the use of derivatives and short sales. The maximum gross exposure within the APL Portfolio (i.e. long positions plus short positions plus derivatives) is 150% of the APL Portfolio's net asset value. In contrast, AGX1's long-only strategy does not use short sales and cannot be leveraged.

You may want to remain invested in a vehicle which employs APL's combined long-short strategy using global equities.

There are risk factors associated with an investment in AGX1. The key risks are set out in Section 8.3 of this Scheme Booklet and section 5 of the PDS in ANNEXURE G. Although an investment in APL is subject to similar risks, because of the differences in investment strategy and entity structure, the risks are not identical. You may consider the risk profile of AGX1 inappropriate for you.

(e) **AGX1 Performance Fee**

An investment in AGX1 may result in the Manager receiving performance fees for out-performance in circumstances where similar out-performance in APL would not have generated any performance fee, or a lower performance fee, on account of the historical relative under-performance of APL against its benchmark.

APL and AGX1 have the same Benchmark and methodology for calculating the performance fees.

Both performance fees are subject to high-water marks which require all past underperformance against the Benchmark to be recouped before the Manager can become entitled to receive a performance fee.

Relative to AGX1, APL's historical performance has been weaker and APL's underperformance against the Benchmark is larger than AGX1's. Therefore, the amount that must be recouped in respect of the APL Portfolio before a performance fee is payable is far greater than the amount that must be recouped in respect of the AGX1 Portfolio.

If the Scheme becomes Effective, AGX1's lower high-water mark will apply to the Manager's performance fee. This may be considered a disadvantage to existing APL Shareholders under the Scheme.

## 1.4 OTHER RELEVANT CONSIDERATIONS

You should also take into account the following additional considerations in deciding whether to vote in favour of the Scheme.

(a) **Implications if Implementation of the Scheme does not occur**

If Implementation of the Scheme does not occur:

- APL Shareholders will retain their APL Shares and will not receive the Scheme Consideration;
- the APL Management Agreement will not terminate and the Manager will continue to have exclusive rights to manage APL for the remainder of the initial fixed term (which expires in approximately 5 years time) and upon any subsequent extension of that agreement in accordance with its terms;
- the APL Board would renew its commitment to the CTO Proposal. The APL Board's current intention, if the Scheme is not Implemented, is to seek APL Shareholder approval to undertake an off-market buy-back before 30 June 2022 of up to 25% of APL's issued capital on materially the same terms as the CTO Proposal approved by APL Shareholders at APL's 2020 annual general meeting; and
- certain transaction related costs will be incurred by APL irrespective of whether or not the Scheme is Implemented. Further details of the costs estimated to be incurred by APL in relation to the Scheme are set out in Section 5.9(b) of this Scheme Booklet.

A summary of the key implications and risks if the Scheme is not Implemented is set out in Sections 3.11 and 8.4(f) of this Scheme Booklet.

(b) **Distributions and franking balance**

APL Shareholders currently receive distributions semi-annually by way of franked dividends. In contrast, AGX1 declares an annual distribution at the end of each financial year. The reduced frequency of distributions may be a disadvantage to an existing APL Shareholder under the Scheme, if their investment preference is to receive cashflows more than once per year.

On 30 September 2021 APL paid a fully franked dividend of 4.0 cents per APL Share which reduced APL's franking credit balance to \$1,669,000 (see Section 5.9(a) for details). APL's franking credit balance will remain available for distribution to AGX1 Unitholders (including former APL Shareholders).

(c) **The Scheme may be Implemented even if you vote against the Scheme or you do not vote at all**

You should be aware that even if you do not vote, or vote against the Scheme, the Scheme may still be Implemented if it is approved by APL Shareholders and the Court. See Section 4 of this Scheme Booklet for details of votes required for APL Shareholders to approve the Scheme Resolution.

If this occurs, your APL Shares will be transferred to the Responsible Entity and you will receive the Scheme Consideration even though you did not vote on, or voted against, the Scheme.

(d) **Different security type, governance structure and ASX rules**

The governance structure of AGX1 is different to that of APL. The Responsible Entity's board consists of four directors, and the Responsible Entity also has a compliance committee consisting of one non-external member and three external members, as opposed to a board of directors like APL. Section 7.3 summarises the key differences between governance structures and the rights attaching to APL Shares and AGX1 Units.

The New AGX1 Units, like all other AGX1 Units, will be quoted under the AQUA Rules, not the ASX Listing Rules. The AQUA Rules are accessible at [www.asx.com.au](http://www.asx.com.au). The key differences between the ASX Listing Rules and the AQUA Rules are summarised in section 2 of the PDS, which is at ANNEXURE G of this Scheme Booklet.

## 2. OVERVIEW COMPARISON OF APL AND AGX1 AND QUESTIONS AND ANSWERS

Part 1 of this Section contains a comparison of APL and AGX1. Part 2 of this Section answers some questions that you may have about the Scheme. The information is a summary only and should only be read in conjunction with the entire Scheme Booklet.

### 2.1 PART 1: OVERVIEW COMPARISON OF APL AND AGX1

#### (a) Comparison of key details of APL and AGX1

	APL	AGX1
Fund Structure		
Vehicle	Listed Investment Company (LIC)	Active ETF (exchange traded managed fund)
Legal structure	Public company	Unit trust
Closed vs open ended	Close ended	Open-ended
Governing body	Majority independent board	Responsible entity; Pinnacle Fund Services Limited
Investment strategy		
Lead Portfolio Manager	Jacob Mitchell (Chief Investment Officer (CIO) of Antipodes) and team of 25+ analysts and portfolio managers	
Strategy	Long-short portfolio of global shares (consistent with Antipodes Global Fund)	Long only portfolio of global shares (consistent with Antipodes Global Fund - Long)
Investment objective	To provide shareholders with absolute returns in excess of the Benchmark while focusing on capital preservation and maintaining beneath market levels of risk over a full investment cycle (typically 3-5 years)	To outperform the Benchmark over the investment cycle (typically 3-5 years)
Benchmark	MSCI All Country World Net Index in AUD	
Portfolio composition	Typically a minimum of 30 global shares (same long positions as the long-only strategy), coupled with shorting and market hedges and including cash	Typically a minimum of 30 global shares and cash
Shorting	Yes	No
Leverage	Yes, via shorting and derivatives. Maximum gross exposure of 150% of NAV with typical net equity exposure of 50%-100% of NAV	No
Key facts		
ASX listing date	October 2016	November 2018
Strategy inception	July 2015	
Assets in fund as at 30 September 2021	\$585 million	\$28 million
Assets in strategy as at 30 September 2021	\$6,069 million	\$3,079 million
Management fee	1.10% p.a.	

	APL	AGX1
<b>Performance fee</b>	15% of net return in excess of the Benchmark subject to high-water mark	
<b>Distribution policy</b>	Semi-annual dividends	Annually as at 30 June
<b>DRP</b>	Yes – Must elect to participate. Shareholders who do not elect will receive cash dividends	Yes – Automatic participation. All distributions are reinvested via the distribution reinvestment plan unless investors elect otherwise.
<b>Market Related Information</b>		
<b>Liquidity</b>	No market maker and closed end structure means liquidity is driven only by secondary market volume (buyers and sellers of the LIC) and not portfolio liquidity	A combination of 1) primary liquidity provided by the agent market maker and 2) secondary liquidity provided by third party buyers and sellers
<b>Bid-ask spread<sup>1</sup></b>	Approx. \$0.01 total spread = approx. 0.9% (average on market spread)	Approx. 0.8% total spread (average on market spread)
<b>Market maker</b>	None	The Responsible Entity (via third party agent)
<b>Pricing</b>	Share price driven by willing buyer/seller	AGX1 Unit price trades close to iNAV +/- the bid-ask spread
<b>Portfolio disclosure</b>	Annually full portfolio via Annual Report	Quarterly full portfolio
<b>Net Performance</b>		
<b>1 Year<sup>2</sup></b>	21.5%	26.5%
<b>3 Year<sup>2</sup></b>	5.3%	7.9%
<b>5 Year<sup>2</sup></b>	9.2%	12.4%
<b>Upside capture<sup>3</sup></b>	71.2%	91.9%
<b>Downside capture<sup>3</sup></b>	59.4%	85.5%

**Note 1:** Source: IRESS, Bloomberg and ASX as at 30 September 2021.

**Note 2:** Source: The Manager. Data to 30 September 2021. Company performance for APL. Performance for underlying strategy or equivalent unlisted fund is used where track record of listed vehicle is shorter than time period provided

**Note 3:** Morningstar. Equivalent unlisted fund (net of fees) compared to the Benchmark from 1 July 2015 to 30 September 2021. Upside and downside capture indicates what percentage of the up-market or down-market (represented by the Benchmark) returns were captured by the Manager.

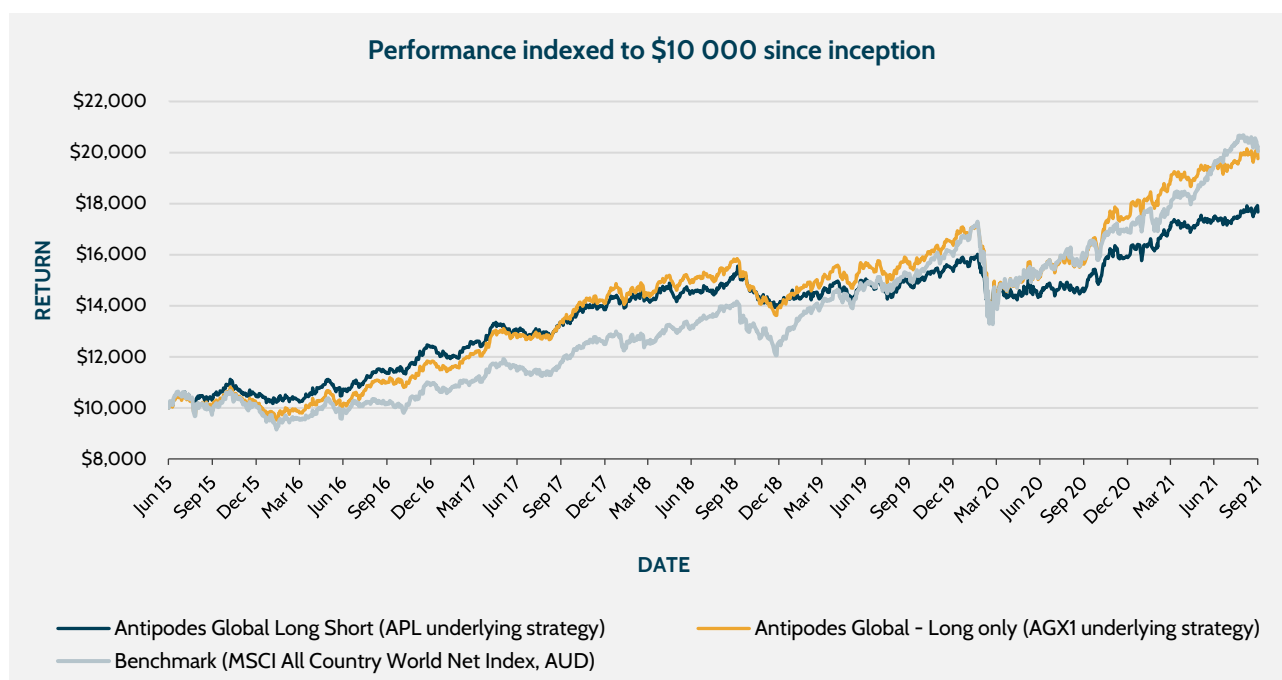
(b) **Comparison of performance between investment strategies for APL and AGX1**

The graph below conveys the accumulated investment return of \$10,000 invested in the Manager's long-short strategy (employed by APL) and the Manager's long-only strategy (employed by AGX1), in each case assuming funds were invested on 30 June 2015 until 30 September 2021 and all distributions have been reinvested.

The Benchmark return has been provided to assist in comparing what return may have been available had the initial \$10,000 been invested in the index on the same date. Past performance is not a reliable indicator of future performance.

The chart shows that AGX1's long only strategy has outperformed APL's long-short strategy since inception. While the short positions in APL's strategy have offered some downside protection in periods of equity market volatility, the higher net equity exposure of AGX1's strategy has been a tailwind during a generally upward moving equity market.





The above graph reflects the period commencing 30 June 2015 and ending 30 September 2021.

The long-short strategy performance history is represented by the Antipodes Global Fund (Class P, net of fees) until 10 October 2016 after which the Antipodes Global Investment Company Limited (net of fees, gross of tax) performance series is used. The long strategy performance history is represented by the Antipodes Global Fund – Long (Class I, net of fees) for the month of July 2015. From 1 August 2015 the Antipodes Global Fund – Long (Class P, net of fees) is shown until 2 November 2018 after which the Antipodes Global Shares (Quoted Managed Fund) (AGX1) performance series is used.

(c) **Top 10 holdings of APL and AGX1 as at 30 September 2021**

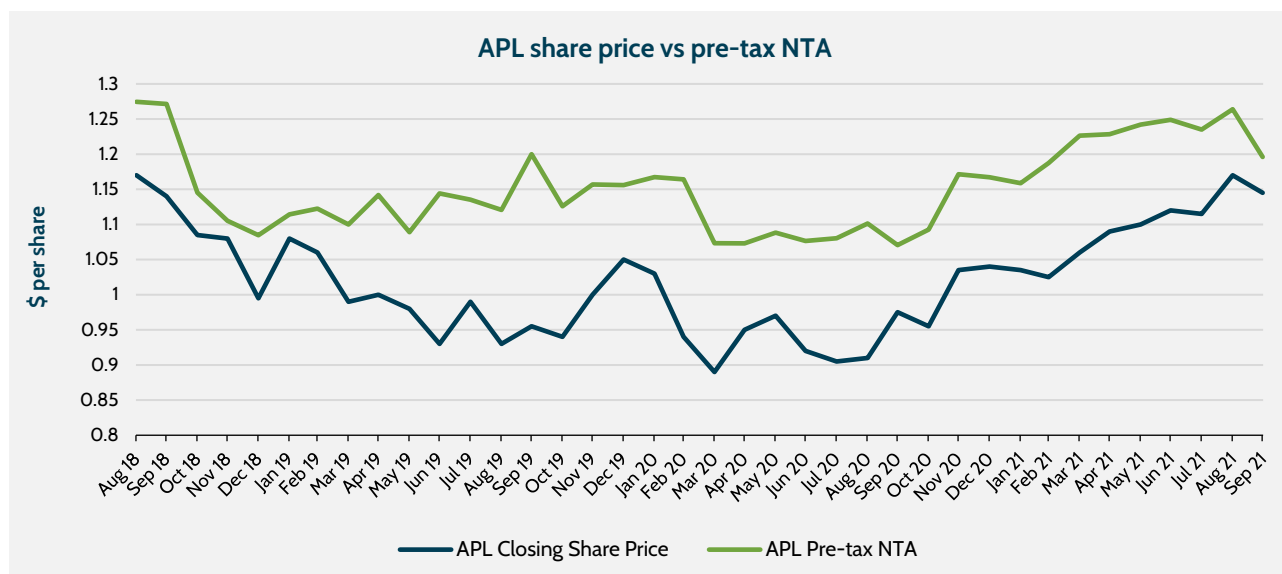
The below tables show the 10 largest long holdings within the APL Portfolio and the 10 largest holdings in the AGX1 Portfolio as at 30 September 2021.

The long holdings of APL and AGX1 are generated from the same investment team and research process and are therefore substantially the same. Subtle differences in position names and sizes arise from risk management considerations in the portfolio construction process.

Top 10 holdings - APL		Top 10 holdings - AGX1	
SECURITY NAME	Weight	SECURITY NAME	Weight
Facebook, Inc. Class A	3.8%	Facebook, Inc. Class A	3.8%
Siemens AG	3.6%	Siemens AG	3.6%
Tencent Holdings Ltd.	3.5%	Tencent Holdings Ltd.	3.5%
Microsoft Corporation	3.4%	Microsoft Corporation	3.4%
Teck Resources	2.9%	Sanofi	2.8%
Coterra Energy	2.8%	Frontier Communications Parent, Inc.	2.7%
Sanofi.	2.7%	UniCredit S.p.A	2.7%
Frontier Communications Parent, Inc	2.7%	Coterra Energy	2.6%
UniCredit S.p.A.	2.7%	Teck Resources	2.6%
Exxon Mobil	2.7%	Taiwan Semiconductor Manufacturing Co., Ltd.	2.5%

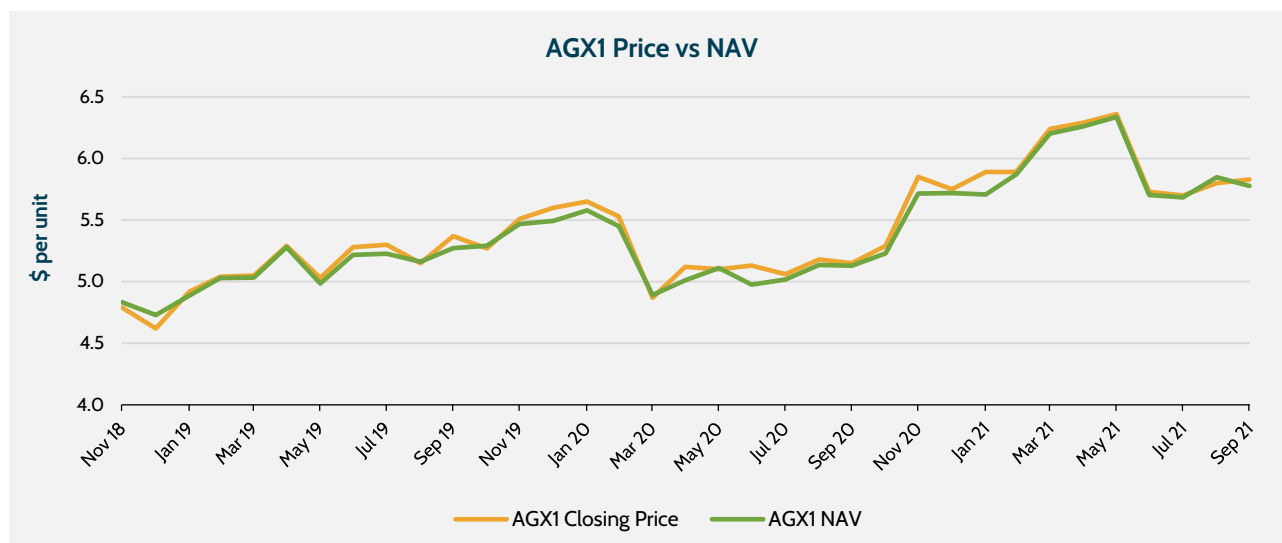
(d) **Trading price vs NTA and NAV**

The trading price for a closed-ended listed investment company is determined by the relative number of buyers versus sellers who each place orders in the market. Since inception, the APL Share price has traded at both a premium and a discount to its NTA.



Source: Antipodes, Factset  
Data to 30 September 2021

The trading price for an Active ETF is determined by the fund's market maker who places bid and offer orders at a spread on either side of the fund's iNAV. Therefore Active ETF's trade tightly around their NAV and do not exhibit persistent discounts or premiums.



Source: Antipodes, Factset  
Data to 30 September 2021

Question	Answer	More information
Questions about the Scheme		
Why have I received this Scheme Booklet?	<p>This Scheme Booklet has been sent to you because you are an APL Shareholder and APL Shareholders are being asked to vote on the Scheme Resolution at the Scheme Meeting. This Scheme Booklet is intended to help you consider and decide how to vote on the Scheme Resolution.</p> <p>This Scheme Booklet also contains important information regarding APL's 2021 AGM.</p> <p>Please disregard this Scheme Booklet if you have transferred or disposed of all of your APL Shares as you will not be entitled to vote at the Scheme Meeting or the 2021 AGM.</p>	
What is the Scheme?	<p>The Scheme is a "scheme of arrangement" between APL and the APL Shareholders.</p> <p>A scheme of arrangement is a statutory procedure in the Corporations Act that is used in corporate transactions in Australia that may result in a change of ownership or control of a company (typically known as the "target" company). In addition to requiring Court approval under the Corporations Act, a scheme of arrangement must be approved at a scheme meeting by the shareholders of the target company by passing a resolution to Implement the scheme of arrangement. The resolution must be passed by specific majorities of votes mandated under the Corporations Act, referred to in this Scheme Booklet as the "Requisite Majorities".</p> <p>On 9 August 2021 APL announced a scheme of arrangement that would allow APL Shareholders to exchange their current investment in APL Shares into New AGX1 Units in AGX1.</p> <p>AGX1 refers to the Antipodes Global Shares (Quoted Managed Fund), which is an established quoted managed fund with AGX1 Units issued and quoted on the ASX under the AQUA Rules.</p> <p>If the Scheme becomes Effective and Implementation occurs, APL Shareholders will exchange their ASX listed APL Shares for an issue of New AGX1 Units in AGX1, with the number of New AGX1 Units to be issued calculated in accordance with the Scheme.</p> <p>See below and Section 3.2 of this Scheme Booklet for more details on this calculation.</p>	Section 3
Who is entitled to participate in the Scheme?	<p>Only persons registered as holders of APL Shares on the Record Date may participate in, and will be bound by, the Scheme.</p> <p>It is expected that the Record Date will be 10 December 2021. This date may change. Any changes will be announced to the ASX and notified on the ASX announcements platform.</p>	Section 3.1
What will APL Shareholders receive if the Scheme is Implemented?	<p>If the Scheme is Implemented, Scheme Shareholders (other than Ineligible Shareholders) will be entitled to exchange their APL Shares for New AGX1 Units. AGX1 Units are units in an existing quoted managed fund, called AGX1, and the securities are admitted to quotation on the ASX under the AQUA Rules.</p> <p>How many New AGX1 Units a Scheme Shareholder (or Nominee in the case of Ineligible Shareholders) will receive is based on formula which uses a ratio of APL's post-tax NTA per APL Share (less the Retention Amount) to AGX1's NAV per AGX1 Unit. The formula uses the post-tax NTA per APL Share and the NAV per AGX1 Unit on the Calculation Date. The Calculation Date is the date that is 2 Business Days prior to the Implementation Date (expected to be 15 December 2021). <b>Accordingly, the number of New AGX1 Units to be issued for each APL Share will not be known until immediately before the Scheme is Implemented.</b></p>	Section 3.2

Question	Answer	More information
	<p>See Section 3.2 of this Scheme Booklet for more details on the method and basis of this calculation.</p> <p>Ineligible Shareholders' entitlements under the Scheme will be dealt with by the Nominee receiving and selling their New AGX1 Units and APL distributing the net cash proceeds in accordance with the process set out in Section 3.8 of this Scheme Booklet.</p>	
<b>Who are the Independent Directors?</b>	The Independent Directors are Jonathan Trollip, Christopher Cuffe and Lorraine Berends. These Directors comprise the Independent Board Committee or IBC.	Section 3.4(a)
<b>What does the Independent Board Committee recommend?</b>	<p>The IBC believes that the Scheme is in the best interests of APL Shareholders.</p> <p>The Independent Directors recommend that APL Shareholders vote in favour of the Scheme Resolution.</p>	<p>Section 1.2(i)</p> <p>Section 3.4(a)</p>
<b>How do the Independent Directors intend to vote in respect of their own APL Shares?</b>	<p>Each Independent Director intends to vote (or procure the voting of) all APL Shares held or controlled by them in favour of the Scheme Resolution at the Scheme Meeting.</p> <p>Refer to Section 11.1 of this Scheme Booklet for details of APL Shares held by or on behalf of the Independent Directors of APL.</p>	<p>Section 3.4(a)</p> <p>Section 11.1</p>
<b>How do the non-independent Directors intend to vote in respect of their own APL Shares?</b>	<p>Alex Ihlenfeldt and Andrew Findlay are each a non-independent Director of APL and as such are not members of the IBC.</p> <p>Whilst not making a recommendation, both Mr Ihlenfeldt and Mr Findlay intend to vote (or procure the voting of) all APL Shares they have a relevant interest in in favour of the Scheme Resolution at the Scheme Meeting.</p>	<p>Section 3.4(b)</p> <p>Section 11.1</p>
<b>What is the opinion of the Independent Expert?</b>	<p>The Independent Expert has considered the merits of the Scheme and has concluded that the Scheme is fair and reasonable and in the best interests of APL Shareholders.</p> <p>The Independent Expert's Report is set out in full in ANNEXURE A of this Scheme Booklet.</p>	<p>Section 1.2(j)</p> <p>ANNEXURE A</p>
<b>What is happening with the Conditional Tender Offer?</b>	<p>As announced to the market on 9 August 2021, the Conditional Tender Offer or CTO Proposal has been suspended pending APL Shareholders' consideration of the Scheme. Refer to Section 1.2(c) of this Scheme Booklet for the reasons the IBC considers the Scheme to be a better solution than the CTO Proposal in addressing the APL Share price trading at a discount to APL's NTA.</p> <p>If the Scheme is approved and becomes Effective, the Scheme will replace the CTO Proposal.</p> <p>If the Scheme does not become Effective, the APL Board intends to renew its commitment by seeking APL Shareholder approval to undertake and complete the CTO Proposal prior to 30 June 2022.</p>	Section 1.2(c)
<b>What will happen to APL?</b>	<p>If the Scheme becomes Effective, on the Implementation Date AGX1 will acquire 100% of the APL Shares on issue and APL will become wholly owned by AGX1.</p> <p>After Implementation:</p> <ul style="list-style-type: none"> <li>• legal title to the investments within the APL Portfolio will be transferred from APL to AGX1;</li> <li>• APL will be converted to a proprietary limited company and delisted from the ASX; and</li> <li>• APL will be wound up.</li> </ul> <p>Further details on how the Scheme will be Implemented and what will happen to APL are set out in Section 3.6 of this Scheme Booklet.</p>	<p>Section 3.6</p> <p>Section 9</p>

Question	Answer	More information
<b>What are the implications for APL's franking credit balance if the Scheme is Implemented?</b>	<p>Following payment of the fully franked dividend on 30 September 2021 APL's franking credit balance was reduced to \$1,669,000 (see Section 5.9(a) for details).</p> <p>APL's franking credit balance will remain available for distribution to AGX1 Unitholders (including former APL Shareholders).</p>	Section 5.9(a)
<b>How will the Scheme be Implemented?</b>	<p>The Scheme is subject to (amongst other things) the approval of APL Shareholders and the approval of the Court.</p> <p>APL Shareholders will be asked to consider and vote on the Scheme Resolution at the Scheme Meeting.</p> <p>If all the Scheme Conditions are satisfied or waived (in accordance with the Scheme Implementation Deed), the Scheme will constitute a binding arrangement between APL and each Scheme Shareholder.</p> <p>If this occurs, Scheme Shareholders (other than Ineligible Shareholders) will be entitled to receive the Scheme Consideration and APL will register the transfer of all Scheme Shares to the Responsible Entity and take other steps required on the Implementation Date.</p> <p>Scheme Consideration to which Ineligible Shareholders are entitled will be issued to the Nominee and then on-sold, with the net sale proceeds of the New AGX1 Units being provided to Ineligible Shareholders.</p> <p>Further details on how the Scheme will be Implemented are set out in Section 3.6 of this Scheme Booklet.</p>	Section 3.6
<b>When will the Scheme become Effective?</b>	<p>Subject to satisfaction or waiver (in accordance with the Scheme Implementation Deed) of the conditions to the Scheme, it is expected that the Scheme will become Effective on 8 December 2021.</p> <p>The New AGX1 Units will not be issued until the Implementation Date. It is expected that the Implementation Date will be 17 December 2021 (unless extended).</p> <p>Trading of the New AGX1 Units will commence 3 Business Days after Implementation (currently expected to be 23 December 2021).</p>	Section 3.6
<b>What happens if a Superior Competing Proposal for APL emerges?</b>	<p>No Competing Proposal has emerged as at the date of this Scheme Booklet.</p> <p>Under the Scheme Implementation Deed APL is subject to no-shop, no-talk and no due diligence restrictions during an exclusivity period which commenced on 9 August 2021 and ends on 31 March 2022, the Effective Date or when the Scheme Implementation Deed is terminated, whichever happens first. These restrictions are subject to a fiduciary exception that does not restrict APL or the IBC from taking or refusing to take any action with respect to a Superior Competing Proposal.</p> <p>If a Competing Proposal is received by APL and the IBC determines to take any action in reliance on the fiduciary exception, APL must, within two Business Days of receiving the relevant proposal, notify the Responsible Entity and the Manager of all material terms of that Competing Proposal by providing a Matching Right Notice. The Responsible Entity (with the Manager's prior written consent) may make an offer to APL to amend the terms of the Scheme, the Scheme Implementation Deed or make an alternative proposal to APL or the APL Shareholders with a view to providing an equivalent or a superior outcome for the APL Shareholders than that offered under the relevant Competing Proposal.</p> <p>The Responsible Entity or the Manager may terminate the Scheme Implementation Deed if any Independent Director makes a public announcement that they, or APL, support another transaction, such as a Superior Competing Proposal.</p>	

Question	Answer	More information
<b>Questions on the Scheme Meeting, 2021 AGM and voting details</b>		
<b>Who is entitled to vote at the Scheme Meeting and the 2021 AGM?</b>	To be entitled to vote at the Scheme Meeting and 2021 AGM, you will need to be registered as an APL Shareholder at 7.00pm (Sydney time) on 22 November 2021.	Section 4.5(a)
<b>How will the Scheme Meeting and 2021 AGM be held?</b>	In response to the global COVID-19 pandemic and government restrictions on physical gatherings, the Scheme Meeting and 2021 AGM will be held as a virtual (online only) meeting. There will be no physical Scheme Meeting or 2021 AGM where APL Shareholders and proxies can attend in person.	Section 4.4
<b>When will the Scheme Meeting be held?</b>	The Scheme Meeting is scheduled to be held virtually at 11am on 24 November 2021.  Further details are set out in Section 4.4 and ANNEXURE E (Notice of Scheme Meeting) for more details.	Section 4.4 ANNEXURE E
<b>When will the 2021 AGM be held?</b>	The 2021 AGM is scheduled to be held virtually at 11am on 24 November 2021.  The 2021 AGM will be opened at the same time as the Scheme Meeting. In order to facilitate the Scheme Meeting, the 2021 AGM will be adjourned upon opening and reconvened after the Scheme Meeting closes.  See Section 12 and ANNEXURE F (Notice of 2021 AGM) for more details.	Section 12 ANNEXURE F
<b>What am I being asked to vote on?</b>	You are being asked to vote on whether to approve the Scheme by voting on the Scheme Resolution.  The text of the Scheme Resolution is set out in ANNEXURE E (Notice of Scheme Meeting) of this Scheme Booklet.  You are also being asked to vote on whether to approve the resolutions to be put at the AGM ( <b>AGM Resolutions</b> ).  The text of the AGM Resolutions is set out in ANNEXURE F (Notice of 2021 AGM) of this Scheme Booklet.	ANNEXURE E ANNEXURE F
<b>How do I vote?</b>	<i>Vote by Proxy</i>  Accompanying this Scheme Booklet is a personalised Proxy Form for the Scheme Meeting and the 2021 AGM.  If you wish to vote but are not able to attend the Scheme Meeting, you should appoint a proxy by following the instructions on the Proxy Form.  If you wish to vote but are not able to attend the 2021 AGM, you should appoint a proxy by following the instructions on the Proxy Form.  You do not need to complete the Proxy Form if you intend to vote virtually in person, by attorney or by representative at the Scheme Meeting and the 2021 AGM.  In order to be valid, your proxy must be appointed by 11am (Sydney time) on 22 November 2021.  If you intend to appoint your proxy by returning the completed Proxy Form by mail or fax, your Proxy Form must be received by the Registry before 11am (Sydney time) on 22 November 2021.  <i>Voting at the Meetings</i>  Attending the Scheme Meeting and 2021 AGM virtually enables APL Shareholders to view, participate in and vote at the Scheme Meeting and 2021 AGM live.  APL Shareholders will be able to ask questions and cast votes in the real time poll, at the appropriate time. If APL Shareholders attend the Scheme Meeting or 2021 AGM ( <a href="https://web.lumiagm.com/367-380-709">https://web.lumiagm.com/367-380-709</a> ) online and vote on any resolution (for both the Scheme Meeting and 2021 AGM) at the time when the Chair calls a poll, any proxy vote previously lodged by the APL Shareholder in respect of that resolution will be withdrawn.  Refer to Section 4.6 and ANNEXURE E and ANNEXURE F of this Scheme Booklet for more details.	Section 4.6 ANNEXURE E ANNEXURE F

Question	Answer	More information
Is voting compulsory?	<p>No, voting is not compulsory. However, your vote is important.</p> <p>If you cannot attend the Scheme Meeting or the 2021 AGM, you should appoint a proxy.</p> <p>Further details regarding voting and proxy for the Scheme Meeting and 2021 AGM, see Section 4.6, ANNEXURE E and ANNEXURE F of this Scheme Booklet.</p>	<p>Section 4.6</p> <p>ANNEXURE E</p> <p>ANNEXURE F</p>
What happens if I vote against the Scheme Resolution at the Scheme Meeting?	If the Scheme becomes Effective it will bind all APL Shareholders, including those who voted against the Scheme Resolution and those who do not vote.	
Voting Considerations		
What are the reasons to vote in favour of the Scheme?	<p>If the Scheme becomes Effective Scheme Shareholders (other than Ineligible Shareholders) will receive New AGX1 Units as Scheme Consideration.</p> <p>The reasons to vote in favour of the Scheme are considered in Section 1.2 of this Scheme Booklet and include:</p> <ul style="list-style-type: none"> <li>• for APL Shareholders who desire liquidity at prices closer to NTA, Scheme Shareholders who become AGX1 Unitholders will have the ability (if they desire) to withdraw some or all of their AGX1 Unit investment by selling AGX1 Units on the ASX at close to NAV;</li> <li>• for APL Shareholders who wish to remain invested with Antipodes Partners Limited and exposed to a long-only equity strategy, Scheme Shareholders (other than Ineligible Shareholders) will be able to remain invested (as New AGX1 Unitholders) with the same manager, Antipodes Partners Limited, using a long-only global equities investment strategy;</li> <li>• the IBC considers that the Scheme is a superior solution to the CTO Proposal, as Scheme Shareholders will be able to realise 100% of their investment, whereas under the CTO Proposal they could only be certain of realising up to 25%;</li> <li>• the Scheme Consideration is the issue of New AGX1 Units, providing superior market liquidity at prices close to NAV. This is primarily as a result of the Responsible Entity, via a third-party market making agent, acting as a buyer and seller of AGX1 Units;</li> <li>• if the Scheme becomes Effective, the APL Management Agreement will terminate on the Implementation Date. Despite there being approximately 5 years remaining on the fixed term, the Manager has agreed that it will not be paid any fees in respect of the early termination of the APL Management Agreement in accordance with the Scheme;</li> <li>• the Scheme structure provides a simple solution for APL Shareholders and the Scheme Resolution is the only resolution APL Shareholders must consider in respect of the Scheme;</li> <li>• the Scheme provides a low-cost solution that can be Implemented in a timely fashion, without the additional costs and regulatory or shareholder approvals which would have been required if it were necessary to establish and register a new Active ETF or obtain APL Shareholder approval for any termination fee to the Manager;</li> <li>• the IBC unanimously believes that the Scheme is in the best interests of APL Shareholders; and</li> <li>• the Independent Expert has concluded that the Scheme is fair and reasonable and in the best interests of APL Shareholders.</li> </ul>	Section 1.2



Question	Answer	More information
What are the reasons you may want to vote against the Scheme?	<p>The reasons you may want to vote against the Scheme are considered in Section 1.3 of this Scheme Booklet and include:</p> <ul style="list-style-type: none"> <li>• you may disagree with the IBC's recommendation and the Independent Expert's conclusion, and believe that the Scheme is not in your best interests;</li> <li>• you may prefer a company structure to a trust structure;</li> <li>• the tax consequence of the Scheme may not suit your financial position;</li> <li>• AGX1's investment strategy or risk profile may not suit you; and</li> <li>• you may not want to pay the performance fees relevant to AGX1 out-performing in circumstances where similar out-performance of APL would have generated a lower or no performance fee (on account of the historical relative under-performance of APL against its Benchmark).</li> </ul>	Section 1.3
What are the risks of being a unitholder in the Antipodes Global Shares (Quoted Managed Fund) (ASX: AGX1)?	<p>See Section 8.3 of the Scheme Booklet for details on risks specific to AGX1.</p> <p>APL Shareholders who become New AGX1 Unitholders under the Scheme will become holders of New AGX1 Units. As holders of AGX1 Units, a holder will be subject to certain risks associated with the nature of the AGX1 Units as managed fund products quoted under the AQUA Rules and the investment management strategy of AGX1.</p> <p>AGX1 has a similar global equities focus to APL but only has a long-only investment strategy. The assets of AGX1 are managed by the Manager, so APL Shareholders who become AGX1 Unitholders will remain invested with the same Manager. Accordingly, AGX1 is exposed to a number of similar, but not identical, investment strategy risks to APL.</p> <p>The key risks of being a AGX1 Unitholder relate to holding a financial product in an exchange quoted managed fund, as AGX1 Units are a financial product subject to the quotation rules under the AQUA Rules, not the ASX Listing Rules. Some of these risks relate to the ability of the Responsible Entity to facilitate a liquid market for AGX1 Units on the ASX and the accuracy of the iNAV of AGX1 published throughout the day, as these factors may affect the price at which AGX1 Units are bought and sold.</p>	Section 8.3
What are the risks of the Scheme?	<p>See Section 8.4 of the Scheme Booklet for details on risks specific to the Scheme.</p> <p>The risks associated with the Scheme include but are not limited to:</p> <ul style="list-style-type: none"> <li>• the risk that the Scheme Resolution is not approved by APL Shareholders or, subsequently, the Court, in which case the Scheme cannot proceed and APL will have borne costs associated with a failed Scheme and the NTA discount issues identified by the Board would persist;</li> <li>• after Implementation of the Scheme, Scheme Shareholders will be exposed to various risk factors relating to AGX1; and</li> <li>• APL Shareholders are <b>not</b> offered a fixed number of New AGX1 Units per APL Share as the Scheme Consideration. APL Shareholders who participate in the Scheme will receive a number of New AGX1 Units based on a ratio of APL's post-tax NTA per APL Share (less the Retention Amount) to AGX1's NAV per AGX1 Unit on the Calculation Date. <b>The number of New AGX1 Units to be issued for each APL Share will not be known until immediately before the Scheme is Implemented.</b></li> </ul>	Section 8.4
What will be the effect of the Scheme on Scheme Shareholders?	<p>If Implementation of the Scheme occurs:</p> <ul style="list-style-type: none"> <li>• all APL Shares will be acquired by Pinnacle Fund Services Limited in its capacity as the Responsible Entity of AGX1 who will become the sole APL Shareholder;</li> <li>• APL Shareholders who participate in the Scheme will receive New AGX1 Units, being fully paid AGX1 Units, the number of which will be calculated based on a ratio of APL's post-tax NTA per APL Share to AGX1's NAV per</li> </ul>	Section 3.6



Question	Answer	More information
	<p>AGX1 Unit (on the Calculation Date) and the number of APL Shares (held on the Record Date) – no cash payment is required to be made for the issue of these New AGX1 Units;</p> <ul style="list-style-type: none"> <li>• Ineligible Shareholders will receive the net sale proceeds of New AGX1 Units sold by the Nominee. (This is explained in greater detail at Section 3.8 of this Scheme Booklet);</li> <li>• the current investment management agreement between APL and Antipodes Partners Limited will be terminated with effect from the Implementation Date and Antipodes Partners Limited in its capacity as investment manager of APL will not be paid any early termination fees under the APL Management Agreement;</li> <li>• APL Shareholders who participate in the Scheme may either retain or sell all or some of their New AGX1 Units on the ASX. Trading in New AGX1 Units will commence 3 Business Days after Implementation (currently expected to be 23 December 2021). AGX1 Units are subject to the risks asset out in Section 8.3(b) of this Scheme Booklet. .</li> </ul>	
<b>What are the options for APL Shareholders?</b>	<p>APL Shareholders may:</p> <ul style="list-style-type: none"> <li>• vote in favour of the Scheme Resolution at the Scheme Meeting;</li> <li>• vote against the Scheme Resolution at the Scheme Meeting;</li> <li>• sell their APL Shares before trading is suspended at close of trading on the Effective Date (expected to be 8 December 2021) (where the Scheme Resolution is passed and the Scheme becomes Effective); or</li> <li>• do nothing.</li> </ul> <p>If an APL Shareholder sells their APL Shares before the Record Date they will not be able to participate in the Scheme.</p>	
<b>What approvals are required at the Scheme Meeting?</b>	<p>Votes in favour of the Scheme Resolution must be received from APL Shareholders in the following 'Requisite Majorities':</p> <ul style="list-style-type: none"> <li>• <b>(headcount test)</b> unless the Court orders otherwise, a majority in number (i.e. more than 50%) of APL Shareholders present and voting at the Scheme Meeting (either in person, or by proxy, by attorney or, in the case of corporate APL Shareholders, by corporate representative); and</li> <li>• <b>(voting test)</b> at least 75% of the total number of votes cast on the Scheme Resolution by APL Shareholders present and voting at the Scheme Meeting (either in person, or by proxy, by attorney or in the case of corporate APL Shareholders, by corporate representative).</li> </ul> <p>The Court has the power to waive the requirement for the headcount test to be passed.</p>	Section 3.6
<b>What are the key conditions to be satisfied before the Scheme can proceed?</b>	<p>The key conditions that must be satisfied in order for the Scheme to proceed (<b>Scheme Conditions</b>) are:</p> <ul style="list-style-type: none"> <li>• APL Shareholders approving the Scheme Resolution at the Scheme Meeting; and</li> <li>• the Court approving the Scheme.</li> </ul> <p>These are not the only Scheme Conditions. The remaining Scheme Conditions, and their status of fulfilment, are summarised in Section 3.3 of this Scheme Booklet.</p> <p>The Scheme conditions are also set out in full under paragraph 1 in ANNEXURE B of this Scheme Booklet.</p>	Section 3.3
<b>Can the Scheme Implementation Deed be terminated?</b>	<p>The Scheme Implementation Deed may be terminated in certain circumstances. These are summarised in Section 3.10 and set out in full in paragraph 9 of ANNEXURE B to this Scheme Booklet.</p>	Section 3.10

Question	Answer	More information
<b>What happens if Implementation of the Scheme does not occur?</b>	<p>If Implementation of the Scheme does not occur:</p> <ul style="list-style-type: none"> <li>• you will not receive the Scheme Consideration;</li> <li>• you will retain your APL Shares and continue to have exposure to the benefits and risks associated with an investment in APL;</li> <li>• the APL Board will renew its commitment to the CTO Proposal. The APL Board's current intention, if the Scheme is not Implemented, is to seek APL Shareholder approval to undertake an off-market buy-back before 30 June 2022 of up to 25% of APL's issued capital on materially the same terms as those approved at APL's 2020 annual general meeting;</li> <li>• APL will continue to be managed by the Manager under the APL Management Agreement and remain listed on the ASX; and</li> <li>• the price of APL Shares traded on the ASX may fall, to the extent that the market price for APL Shares reflects an assumption that the Scheme will be Implemented (although this is difficult to predict with any degree of certainty).</li> </ul>	Section 3.11
<b>Is there a break fee?</b>	No. There is no break fee payable by APL to the Responsible Entity under the Scheme Implementation Deed.	
<b>Questions about AGX1</b>		
<b>What is AGX1?</b>	<p>Antipodes Global Shares (Quoted Managed Fund) (ARSN 625 560 269) (<b>AGX1</b>) is a registered managed investment scheme, established as an open-ended trust domiciled in Australia and constituted on 26 April 2018. It was listed as an exchange traded fund on the ASX under the AQUA Rules on 7 November 2018.</p> <p>Further information about AGX1 is set out in Sections 6 and 7 and in the PDS at ANNEXURE G of this Scheme Booklet.</p>	<p>Section 6</p> <p>Section 7</p> <p>ANNEXURE G</p>
<b>Who is the Responsible Entity of AGX1?</b>	<p>Pinnacle Fund Services Limited (ACN 082 494 371).</p> <p>The directors of the Responsible Entity are Ian Macoun, Alex Ihlenfeldt, Calvin Kwok and Adrian Whittingham.</p>	Section 6.2(a)
<b>Who is the manager of AGX1 and what is the investment strategy of AGX1?</b>	<p>The investment manager for AGX1 is the Manager, Antipodes Partners Limited, which is the same investment manager entity as for APL. The lead portfolio manager of the Manager is Jacob Mitchell.</p> <p>The Manager uses a long/short global equities investment strategy to manage the portfolio of APL. In contrast, the Manager pursues a long-only global equities investment strategy to manage the portfolio of AGX1.</p> <p>AGX1 aims to outperform the MSCI All Country World Net Index in AUD (<b>Benchmark</b>) over the investment cycle (typically 3-5 years). AGX1 typically invests in a select number of what it believes are attractively valued companies listed on global share markets (usually a minimum of 30 holdings). AGX1 may use exchange traded derivatives to achieve the equity exposure. In the absence of finding individual securities that meet Antipodes' investment criteria, cash may be held. AGX1 intends to provide capital growth and income distributions over the long-term.</p> <p>For details, see Section 6 of this Scheme Booklet and section 5 of the PDS which is ANNEXURE G to this Scheme Booklet.</p>	Section 6

Question	Answer	More information
When, and how, can I exit AGX1?	<p>As unitholders in AGX1, APL Shareholders will be able to withdraw some or all of their investment by selling AGX1 Units on the ASX via their share trading platform or stockbroker.</p> <p>Trading in New AGX1 Units will commence 3 Business Days after Implementation (currently to be 23 December 2021).</p> <p>AGX1 Unitholders do not need to complete a withdrawal form and they will receive the proceeds from the sale of their AGX1 Units in the same way they would receive proceeds from the sale of listed securities via the ASX CHESS settlement service.</p> <p>See Section 6.3 for details of regarding how to sell AGX1 Units on market and exit an investment in AGX1.</p>	Section 6.3
Questions about Implementation of the Scheme		
Will I be required to pay broker fees or stamp duty?	You will not have to pay either brokerage or stamp duty if the Scheme is Implemented.	
Is KYC information required to receive the New AGX1 Units?	<p>No. As New AGX1 Units are quoted on the ASX, APL Shareholders will not be required to complete any onerous documentation to participate in the Scheme (or to trade in their New AGX1 Units following Implementation).</p> <p>As AGX1 is quoted on the ASX, the Responsible Entity is not required to collect certain 'Know Your Client' (KYC) information to identify and verify customers or investors under the <i>Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth)</i>.</p>	
How many AGX1 Units will I receive?	<p>APL Shareholders are <b>not</b> offered a fixed number of New AGX1 Units per APL Share as the Scheme Consideration.</p> <p>APL Shareholders who participate in the Scheme will receive a number of New AGX1 Units based on a ratio of APL's post-tax NTA per APL Share (less the Retention Amount) to AGX1's NAV per AGX1 Unit on the Calculation Date. <b>The number of New AGX1 Units to be issued for each APL Share will not be known until immediately before the Scheme is Implemented.</b></p> <p>The final Scheme Consideration will be announced on the Business Day before the Implementation Date (currently expected to be 16 December 2021).</p> <p>A worked example of the Scheme Consideration, based on APL's post-tax NTA per APL Share and AGX1's NAV per AGX1 Unit on 30 September 2021, is provided in Section 3.2(c). APL Shareholders will also be provided with updated worked examples of the Scheme Consideration (based on the latest published post-tax NTA and NAV available at the time of each announcement) via the ASX announcement platform before and after the Scheme Meeting. See the Important Dates at the front of this Scheme Booklet for further details.</p> <p>Until the Scheme Consideration is calculated, the latest published post-tax NTA of APL and NAV of AGX1 will be available (updated daily) at <a href="https://antipodespartners.com/scheme">https://antipodespartners.com/scheme</a>.</p> <p>Worked examples provided by APL demonstrate how the Scheme Consideration will be calculated. They are not to be taken as indicative of the final Scheme Consideration.</p>	Section 3.2
When will I receive my New AGX1 Units?	<p>Scheme Shareholders (and the Nominee on behalf of Ineligible Shareholders) will be issued with New AGX1 Units as the Scheme Consideration on the Implementation Date (currently expected to occur on 17 December 2021).</p> <p>Scheme Shareholders will be able to start trading New AGX1 Units 3 Business Days after Implementation (currently expected to be on 23 December 2021).</p> <p>These dates may change. Any change will be announced to the ASX and notified on the ASX announcements platform.</p>	Section 3.6

Question	Answer	More information
<b>What is happening to the APL Shares?</b>	If the Scheme proceeds and is Implemented, all Scheme Shares will be transferred to and acquired by AGX1, such that Pinnacle Fund Services Limited in its capacity as Responsible Entity of AGX1 will become the sole shareholder of APL.	Section 3.6
<b>Will I be giving warranties in respect of my APL Shares?</b>	<p>Yes. Each Scheme Shareholder will be deemed to have warranted to APL and the Responsible Entity that all of their APL Shares will, at the Record Date, be fully paid and free from all mortgages, charges, liens, encumbrances, pledges, security interests and interests of third parties of any kind, and restrictions on transfer of any kind, and that they have no existing right to be issued any APL Shares, any securities convertible into APL Shares, any convertible notes issued by APL, and/or any other APL securities.</p> <p>Please see Section 3.7 of this Scheme Booklet for further information regarding these warranties.</p>	Section 3.7
<b>Who is an Ineligible Shareholder for the purposes of the Scheme?</b>	<p>An Ineligible Shareholder is either an Ineligible Foreign Shareholder or an Exiting Unmarketable Parcel Shareholder.</p> <p>An Ineligible Foreign Shareholder is a Scheme Shareholder whose address as shown in the Share Register is a place outside Australia (including its external territories), New Zealand or the U.S. unless APL and the Responsible Entity agree in writing that it is lawful and not unduly onerous or impracticable to issue that Scheme Shareholder with the New AGX1 Units when the Scheme becomes Effective.</p> <p>A Scheme Shareholder (other than an Ineligible Foreign Shareholder) who, based on their holding of Scheme Shares on the Record Date, holds less than a "marketable parcel" (which, as at the date of this Scheme Booklet, means AUD\$500 worth) of APL Shares (assessed by reference to the closing price of APL Shares on ASX on the trading day on the Effective Date) will be an Unmarketable Parcel Shareholder.</p> <p>An Exiting Unmarketable Parcel Shareholder is an Unmarketable Parcel Shareholder who does not provide an Opt-in Notice. See below and Section 3.8 of this Scheme Booklet.</p>	Section 3.8
<b>What do I do if I am an Unmarketable Parcel Shareholder for the purposes of the Scheme?</b>	<p>If your holding of Scheme Shares on the Record Date is an unmarketable parcel, worth AUD\$500 or less (calculated by reference to the closing price of APL Shares on ASX on the Effective Date), then as an Unmarketable Parcel Shareholder you have the option to either:</p> <ul style="list-style-type: none"> <li>opt-in to participate in the Scheme and receive New AGX1 Units. To do this you must provide the Registry, Boardroom, with a duly completed Opt-in Notice before 5.00 pm (Sydney time) on the Business Day before the Calculation Date (currently expected to be 14 December 2021); or</li> <li>not opt-in to participate in the Scheme and receive New AGX1 Units. An Unmarketable Parcel Shareholder who does not provide the Registry with a duly completed Opt-in Notice before 5.00 pm (Sydney time) on the Business Day before the Calculation Date (currently expected to be 14 December 2021) is an Exiting Unmarketable Parcel Shareholder. An Exiting Unmarketable Parcel Shareholder will be treated as an Ineligible Shareholder (who will receive the net proceeds of the sale of the New AGX1 Units that would otherwise have been issued to them).</li> </ul> <p>For further information refer to Section 3.8(b) of this Scheme Booklet.</p>	Section 3.8(b)
<b>What if I am an Ineligible Shareholder?</b>	<p>You will receive cash proceeds from the sale of New AGX1 Units.</p> <p>Ineligible Shareholders will not receive New AGX1 Units under the Scheme. Instead, if the Scheme becomes Effective, New AGX1 Units that would have been issued to that Ineligible Shareholder will instead be issued to the Nominee on the Implementation Date.</p> <p>APL will then procure that the Nominee as soon as reasonably practicable and in any event no more than 10 Business Days (on which the New AGX1 Units are capable of being traded on the ASX) following the Implementation Date, sells on the ASX all of the New AGX1 Units issued to the Nominee. The Nominee will then remit to APL the net total cash proceeds of sale within 10 Business Days. Promptly</p>	Section 3.8

Question	Answer	More information
	<p>after APL's receipt of the net total cash proceeds of sale, APL will pay or procure the payment to each Ineligible Shareholder their relevant pro rata proportion.</p> <p>For further information on the treatment of Ineligible Shareholders, please refer to Section 3.8 of this Scheme Booklet.</p>	
<b>What are the tax implications of the Scheme for Scheme Shareholders?</b>	<p>The taxation implications of the Scheme will differ depending on the individual circumstances of each Scheme Shareholder.</p> <p>General information on the taxation effect of the Scheme who are residents of Australia for tax purposes is set out in Section 10. The information is expressed in general terms and does not constitute taxation advice in respect of the particular circumstances of any Scheme Shareholder.</p> <p>You should consult with your tax adviser regarding the tax consequences of disposing of your APL Shares in accordance with the Scheme in light of current tax laws that apply to you and your particular circumstances.</p> <p>Your decision on how to vote on the Scheme should be made only after consultation with your legal, financial, accounting or other professional advisers based on your own investment objectives, financial situation, taxation position and particular needs.</p>	Section 10
<b>Other information</b>		
<b>What other information is available?</b>	<p>This Scheme Booklet provides detailed information in relation to the Scheme that all APL Shareholders should read.</p> <p>If you have any questions or require further information on the Scheme or the Scheme Booklet, you can call the Shareholder Information Line on 1300 010 311 (in Australia) or +61 2 8970 7750 (International) between 9.00am and 5.00pm Monday to Friday (Sydney time), excluding public holidays.</p> <p>If you have any questions or require further information relating to the Scheme Meeting or the 2021 AGM, including how to vote, you can call the Registry on 1300 721 637 (in Australia) or +61 2 8023 5428 (International) between 9.00am and 5.00pm Monday to Friday (Sydney time), excluding public holidays.</p>	

### 3. SUMMARY OF THE SCHEME

#### 3.1 THE SCHEME

On 9 August 2021, APL announced that it had entered into a Scheme Implementation Deed with the Responsible Entity and the Manager, under which it is proposed that AGX1 will acquire all of the issued shares in APL pursuant to a scheme of arrangement under Part 5.1 of the Corporations Act.

A summary of the Scheme Implementation Deed is contained in ANNEXURE B of this Scheme Booklet and a full copy of the Scheme Implementation Deed (which includes the Scheme and Deed Poll) can also be obtained from the ASX website ([www.asx.com.au](http://www.asx.com.au)).

A full copy of the Scheme is also contained in ANNEXURE C of this Scheme Booklet. The Responsible Entity has executed a Deed Poll in favour of all Scheme Shareholders under which, subject to the Scheme becoming Effective, the Responsible Entity undertakes to provide the Scheme Consideration in accordance with the Scheme (a copy of the Deed Poll is set out in ANNEXURE D).

If Implementation of the Scheme occurs, the Responsible Entity will acquire all of the APL Shares held by APL Shareholders and APL will become a wholly-owned subsidiary of AGX1.

Subject to the Scheme becoming Effective, APL will request that the ASX remove APL from the official list of the ASX on the Business Day after the Implementation Date.

The Scheme is subject to various conditions precedent (**Scheme Conditions**), including (among other things) APL Shareholder approval at the Scheme Meeting and approval by the Court pursuant to section 411(4)(b) of the Corporations Act on the Second Court Date. For further details of the Scheme Conditions, please see Section 3.3 and paragraph 1 of ANNEXURE B of this Scheme Booklet.

If the Scheme becomes Effective, the Scheme will apply to, and bind, all persons registered as APL Shareholders as at the Record Date (currently proposed to be 7.00pm on 10 December 2021). These persons are referred to in the Scheme and in this Scheme Booklet as Scheme Shareholders.

Subject to the Scheme being Effective, the Responsible Entity will issue the Scheme Consideration to Scheme Shareholders (or, in the case of Ineligible Shareholders, to the Nominee) on the Implementation Date.

#### 3.2 SCHEME CONSIDERATION

##### (a) Calculation of Scheme Consideration

If the Scheme is implemented, Scheme Shareholders will receive New AGX1 Units as the Scheme Consideration from the Responsible Entity on the Implementation Date. APL Shareholders are **not** offered a fixed number of New AGX1 Units per APL Share as the Scheme Consideration.

The number of New AGX1 Units that Scheme Shareholders will be entitled to receive will be determined using the following formula:

$$CU = (A/B) * D$$

where:

CU = the number of New AGX1 Units to be issued to each Scheme Shareholder as Scheme Consideration.

A = the post-tax NTA per APL Share less the Retention Amount (if any) at the Calculation Date.

B = the NAV per AGX1 Unit on the Calculation Date.

D = the number of APL Shares held on the Record Date.

The Calculation Date is expected to be 15 December 2021, being the date that is 2 Business Days prior to the Implementation Date. **Accordingly, the number of New AGX1 Units to be issued for each APL Share will not be known until immediately before the Scheme is Implemented.**

A worked example of the formula, based on APL's post-tax NTA per APL Share and AGX1's NAV per AGX1 Unit on 30 September 2021, is provided in Section 3.2(c). This is an example only and is not to be taken as indicative of the final Scheme Consideration. APL will announce the final Scheme Consideration on the Business Day before the Implementation Date (currently expected to be 16 December 2021).

The Retention Amount is the cash that will be retained by APL post Implementation to cover APL expenses associated with the Scheme that, as at the Calculation Date, are not yet liabilities of APL or otherwise accounted for in APL's post-tax NTA. It is estimated to be \$300,000.

Scheme Shareholders will not, and are not entitled to, receive the Scheme Consideration in the form of cash. Any New AGX1 Units to which Ineligible Shareholders would otherwise be entitled will be dealt with in accordance with the procedures set out in Section 3.8 of this Scheme Booklet.

In the case of any Scheme Shares held in joint names, any Scheme Consideration will be issued to, and registered in, the names of the joint holders.

All New AGX1 Units issued to Scheme Shareholders under the Scheme will rank equally in all respects with all existing AGX1 Units on issue as at the Implementation Date. Information on the AGX1 Units is provided in Section 7 of this Scheme Booklet and the PDS in ANNEXURE G of this Scheme Booklet.

(b) **Fractional entitlements**

Where the calculation of the total number of New AGX1 Units to be issued to (or in respect of) a particular Scheme Shareholder as Scheme Consideration would result in an entitlement to a fraction of the New AGX1 Unit, such fractional entitlement of:

- 0.5 of a New AGX1 Unit or more will be rounded up to the nearest whole number; and
- less than 0.5 of a New AGX1 Unit will be rounded down to the nearest whole number.

(c) **Worked example of Scheme Consideration**

**The number of AGX1 Units to be issued as the Scheme Consideration is not fixed. The number of New AGX1 Units to be issued in consideration for each APL Share will not be known until immediately before the Scheme is Implemented.**

The following is a worked example for a Scheme Shareholder (that is not an Ineligible Shareholder) holding 1000 Scheme Shares ("D").

The worked example assumes the Calculation Date was 30 September 2021, that transaction related costs of \$0.0023 per APL Share had been incurred by APL by that date and that the Retention Amount is \$0.0006 per APL Share. **This is a worked example only.** The exact number of New AGX1 Units to be issued for each Scheme Share will be a function of the Retention Amount and APL's post-tax NTA per APL Share and AGX1's NAV per AGX1 Unit on the Calculation Date and will be announced on the Business Day before the Implementation Date (currently expected to be 16 December 2021).

In the formula below, "A" is the post-tax NTA per APL Share less the Retention Amount (if any) at the Calculation Date.

The post-tax NTA per APL Share on 30 September (being \$1.184) must be adjusted to account for the assumed transaction related costs. The adjusted post-tax NTA at the Calculation Date is \$1.1817.

The adjusted post-tax NTA per APL Share less the Retention Amount of \$0.0006 is therefore \$1.1811 ("A").

The NAV per AGX1 Unit on 30 September 2021 was \$5.7776 ("B").

The number of New AGX1 Units ("CU") is calculated as follows:

$$CU = (A/B) * D$$

$$CU = (1.1811/5.7776) * 1000$$

$$CU = 0.20448 * 1000$$

$$CU = 204.48$$

As CU is not a whole number, it must be rounded down to the nearest whole number. See above Section 3.2(b) for the treatment of fractional entitlements.

Accordingly, in this worked example, the Scheme Shareholder would be entitled to receive 204 New AGX1 Units under the Scheme as Scheme Consideration.

The final Scheme Consideration will be announced on the Business Day before the Implementation Date (currently expected to be 16 December 2021).

APL Shareholders will be provided with updated worked examples of the Scheme Consideration (based on the latest published post-tax NTA and NAV available at the time of each announcement) via the ASX announcement platform before and after the Scheme Meeting. See the Important Dates at the front of this Scheme Booklet for further details.

Until the Scheme Consideration is calculated, the latest published post-tax NTA of APL and NAV of AGX1 will be available (updated daily) at <https://antipodespartners.com/scheme>.



(d) **Provision of Scheme Consideration**

If all necessary approvals and Scheme Conditions are satisfied or waived (as applicable), it is proposed that the Scheme will be Implemented on the Implementation Date (currently proposed to be 17 December 2021).

The Responsible Entity must:

- on the Implementation Date, issue to:
  - each Scheme Shareholder that is not an Ineligible Shareholder, such number of New AGX1 Units as that Scheme Shareholder is entitled to and procure that the name and address of each Scheme Shareholder is entered in the AGX1 Register in respect of those New AGX1 Units; and
  - the Nominee, such number of New AGX1 Units as each Ineligible Shareholder would otherwise be entitled to and procure that the Nominee will deal with those New AGX1 Units in accordance with the procedure set out at Section 3.8(c) of this Scheme Booklet; and
- procure that on, or as soon as reasonably practicable after, the Implementation Date, a holding statement (or other evidence of ownership) is sent to the registered address of each Scheme Shareholder (other than Ineligible Shareholders) representing the number of New AGX1 Units issued to the Scheme Shareholder pursuant to the Scheme.

For more information about the provision of the relevant consideration to Ineligible Shareholders see Section 3.8 of this Scheme Booklet.

### 3.3 SCHEME CONDITIONS AND STATUS

Implementation of the Scheme is subject to the satisfaction or waiver of a number of conditions precedents, referred to as Scheme Conditions. The Scheme Conditions include:

- **Scheme Meeting approval:** APL Shareholders approve the Scheme at the Scheme Meeting by the Requisite Majorities under the Corporations Act;
- **Court approval:** the Court approves the Scheme in accordance with sections 411(4)(b) of the Corporations Act;
- **Restraints:** no temporary restraining order, preliminary or permanent injunction or other order issued by any court of competent jurisdiction or Government Agency or other material legal restraint or prohibition preventing the Scheme from being Implemented is in effect at 8.00am on the Second Court Date; and
- **No breach of warranty:** none of the warranties given by APL or the Responsible Entity is or has become false, misleading or incorrect in a material respect on or before 8.00am on the Second Court Date.

The complete list of the Scheme Conditions is provided under the heading 'Scheme Conditions' in the summary of the Scheme Implementation Deed in ANNEXURE B.

If the Scheme Resolution is approved by APL Shareholders at the Scheme Meeting, the Scheme may still not be Implemented if all the Scheme Conditions are not satisfied or waived in accordance with the Scheme Implementation Deed.

As at the date of this Scheme Booklet, APL, the Manager and the Responsible Entity are not aware of any circumstances which would cause the Scheme Conditions to not be satisfied or (if applicable) waived. An update of the status of the Scheme Conditions will be provided at the Scheme Meeting.

### 3.4 DIRECTORS' RECOMMENDATION AND VOTING INTENTIONS

(a) **Unanimous recommendation and voting intentions of Independent Directors**

The IBC comprises Jonathan Trollip, Christopher Cuffe and Lorraine Berends<sup>2</sup>, being the Directors of APL that are considered independent (per the ASX Corporate Governance Council's Principles and Recommendations criteria for independence).

After considering the information available to them, the IBC unanimously recommends that you vote in favour of the Scheme.

Each Independent Director intends to vote all APL Shares they own or control in favour of the Scheme at the Scheme

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<sup>2</sup> For completeness, it is noted that in addition to being a director of APL, Lorraine Berends is an independent non-executive director of Pinnacle Investment Management Group Ltd (ACN 100 325 184) (PNI), the entity that owns 100% of the Responsible Entity and indirectly owns 23.57% of the Manager. The Board formed the view that Mrs Berends' role as a non-executive director of PNI does not impact Mrs Berends' independence on the basis that: (1) APL's contribution to PNI's net profit after tax falls below the materiality threshold prescribed by the Australian Accounting Standards Board 1031; (2) in her role as a PNI director, Mrs Berends has no involvement in the day-to-day operations of the Responsible Entity nor has she been involved in any decisions regarding the Responsible Entity's role in this Scheme.



Meeting.

In forming this view, the IBC had regard to the merits and strategic rationale of the Scheme, the Scheme terms, including the Scheme Conditions, the transaction related costs and the merits and challenges of APL continuing to operate as a listed investment company.

The IBC considers the Scheme is in the best interests of APL Shareholders and that the reasons to vote in favour of the Scheme (including those summarised in Section 1.2) outweigh the potential reasons to vote against the Scheme (including those summarised in Section 1.3).

#### (b) **Intention of the non-independent Directors**

Mr Andrew Findlay and Mr Alex Ihlenfeldt are the non-independent directors of APL and as such are not members of the IBC.

Mr Findlay is the managing director and CEO of the Manager. Mr Ihlenfeldt is a director of the Responsible Entity and PIML (an entity that holds 23.57% of the Manager and provides services to APL)..

In light of their respective roles with the Manager and the Responsible Entity, Mr Ihlenfeldt and Mr Findlay do not make any recommendation on how APL Shareholders should vote in relation to the Scheme.

Whilst not making a recommendation, both Mr Ihlenfeldt and Mr Findlay intend to vote (or procure the voting of) all APL Shares they have a relevant interest in in favour of the Scheme at the Scheme Meeting.

### **3.5 INDEPENDENT EXPERT'S REPORT**

APL has engaged Titan Partners Corporate Finance Pty Ltd as the Independent Expert to provide an Independent Expert's Report assessing the merits of the Scheme for APL Shareholders.

In the opinion of the Independent Expert, the Scheme is fair and reasonable and in the best interests of APL Shareholders.

The Independent Expert's Report is included in this Scheme Booklet at ANNEXURE A .

### **3.6 KEY STEPS TO IMPLEMENT THE SCHEME**

The key steps to Implement the Scheme and relevant information concerning these steps are set out below. All dates following the Scheme Meeting are indicative only and may be subject to change. APL will announce to the ASX any change to the dates in the timetable set out in the "Important Dates" Section of this Scheme Booklet.

#### **Step 1. Scheme Meeting and APL Shareholder approval**

At the First Court Hearing, the Court made the requisite orders that the Scheme Meeting should be convened and that this Scheme Booklet (containing the explanatory statement for the Scheme for the purposes of section 412(1) of the Corporations Act and the Notice of Scheme Meeting) be despatched to APL Shareholders.

The Scheme Meeting is scheduled to occur at 11am on 24 November 2021 to be held via an online platform.

The Notice of Scheme Meeting (which contains the Scheme Resolution) is set out in ANNEXURE E of this Scheme Booklet. Further details about how the Scheme Meeting will take place are set out in Section 4.

At the Scheme Meeting, APL Shareholders will be asked to approve the Scheme by voting on the Scheme Resolution.

The Requisite Majorities of APL Shareholders required to approve the Scheme Resolution are:

- **(headcount test)** unless the Court orders otherwise, a majority in number (i.e. more than 50%) of APL Shareholders present and voting at the Scheme Meeting (either in person, or by proxy, attorney or, in the case of corporate APL Shareholders, by corporate representative); and
- **(voting test)** at least 75% of the total number of votes cast on the Scheme Resolution by APL Shareholders present and voting at the Scheme Meeting (either in person, or by proxy, attorney or, in the case of corporate APL Shareholders, by corporate representative).

Voting on the Scheme Resolution will be conducted by way of a poll. APL Shareholders (who are present in person or online, or by proxy, attorney or corporate representative) will have one vote for each APL Share that they hold.

The Court has the power to waive the requirement for the headcount test to be passed.

Guidance on eligibility for voting and instructions on how to participate in and vote at the Scheme Meeting are set out in Section 4 and the Notice of Scheme Meeting in ANNEXURE E of this Scheme Booklet.

Voting is not compulsory, however your vote is important and the IBC encourages you to vote by attending the Scheme Meeting online or alternatively by appointing a proxy, attorney or corporate representative in accordance with the instructions summarised in Section 4.6 and detailed in full in ANNEXURE E of this Scheme Booklet.

The results of the Scheme Meeting will be available as soon as possible after the conclusion of the Scheme Meeting and

announced to the ASX ([www.asx.com.au](http://www.asx.com.au)).

APL Shareholders are reminded that the 2021 AGM will be convened on the same day as the Scheme Meeting at 11am (Sydney time). See Section 12 and ANNEXURE F (**Notice of 2021 AGM**) for more details.

## **Step 2. Second Court Hearing and Court approval of the Scheme**

APL will apply to the Court for an order approving the Scheme if:

- the Scheme Resolution is approved by the Requisite Majorities at the Scheme Meeting (including where the requirement to pass the headcount test is waived by the Court); and
- all of the other Scheme Conditions that are capable of satisfaction or waiver (where permitted) by the Second Court Date have been satisfied or waived by that time.

## **Step 3. Effective Date and Suspension of Trading in APL Shares**

If the Court approves the Scheme at the Second Court Hearing, APL will lodge an office copy of the Court's orders with ASIC. Once lodged, the Scheme will become Effective and binding on APL and each Scheme Shareholder (the date of lodgement of the Court's orders with ASIC is referred to in this Scheme Booklet as the Effective Date).

If this occurs, APL Shares will be suspended from trading from close of trading on the Effective Date. The Effective Date is expected to be 8 December 2021.

Once the Scheme becomes Effective, each Scheme Shareholder, without the need for any further act, irrevocably appoints APL and each of its directors and officers (jointly and each of them severally) as its attorney and agent for the purposes of enforcing the Deed Poll against the Responsible Entity and executing any document or doing any other act necessary, expedient or incidental to give full effect to the Scheme and the transactions contemplated by it. This includes executing a proper instrument of transfer in respect of a Scheme Shareholder's Scheme Shares.

## **Step 4. Record Date and entitlement to Scheme Consideration**

Only those APL Shareholders on the APL Register on the Record Date (currently expected to be 7.00pm (Sydney time) on the 10 December 2021), will be entitled to receive the Scheme Consideration in respect of the APL Shares they hold at that time.

### *Dealings in APL Shares on or prior to the Record Date*

For the purposes of determining who is a Scheme Shareholder (i.e. an APL Shareholder on the Record Date), dealings in APL Shares will only be recognised if:

- in the case of dealings of the type to be effected by CHESS, the transferee is registered in the Share Register as the holder of the relevant APL Shares on the Record Date; and
- in all other cases, registrable transfer or transmission applications or valid requests in respect of other alterations in respect of those dealings are received on or before the Record Date at the Registry.

### *Dealings in APL Shares after the Record Date*

If the Scheme becomes Effective, each Scheme Shareholder (and any person claiming through any Scheme Shareholder) must not dispose of, or transfer, or purport or agree to dispose of or transfer any Scheme Share or any interest in a Scheme Share after the Record Date, other than pursuant to the Scheme, and any attempt to do so will have no legal effect and will be disregarded by APL.

For the purposes of determining entitlements to the Scheme Consideration, APL will maintain the APL Register in its form as at the Record Date until the Scheme Consideration has been issued to the Scheme Shareholders and the Responsible Entity has been entered into the APL Register as the holder of the Scheme Shares. The APL Register in this form will solely determine entitlements to the Scheme Consideration.

After the Record Date:

- all statements of holding for Scheme Shares will cease to have any effect as documents relating to title in respect of those shares; and
- each entry on the APL Register will cease to have effect, other than as evidence of entitlement to the Scheme Consideration in respect of the Scheme Shares relating to that entry.

### *Calculation of the Scheme Consideration*

If the Scheme becomes Effective, APL will calculate the post-tax NTA per APL Share (after deducting the Retention Amount) as at the Calculation Date (expected to be 15 December 2021). The ratio will be announced by APL on 16 December 2021.

The post-tax NTA will be unaudited and calculated in accordance with the ASX Listing Rules. The post-tax NTA on the Calculation Date will be impacted by the performance of the APL Portfolio, the accrual of tax, payment of transaction related costs, the Retention Amount and ordinary operating expenses incurred prior to the Calculation Date. Details of the transaction related costs, including the Retention Amount and operating expenses are included in Section 5.9(b) of the Scheme Booklet.

Worked examples of the ratio and Scheme Consideration (based on the latest published post-tax NTA and NAV available at the time of each announcement) will be released via the ASX announcement platform before and after the Scheme Meeting. See the Important Dates at the front of this Scheme Booklet for further details.

Until the Scheme Consideration is calculated, the latest published post-tax NTA of APL and NAV of AGX1 will be available (updated daily) at <https://antipodespartners.com/scheme>.

## Step 5. Implementation

The Implementation Date for the Scheme is the date which is five Business Days after the Record Date (or such other date as ordered by the Court or agreed in writing between APL and the Responsible Entity).

On the Implementation Date, the Responsible Entity must issue to:

- each Scheme Shareholder, other than an Ineligible Shareholder, such number of New AGX1 Units as that Scheme Shareholder is entitled to and procure that the name and address of each Scheme Shareholder is entered into the AGX1 Register maintained by the Unit Registry in respect of those New AGX1 Units; and
- the Nominee such number of New AGX1 Units as each Ineligible Shareholder would otherwise be entitled to and procure that the Nominee will deal with those New AGX1 Units in accordance with the procedure set out in Section 3.8 of this Scheme Booklet.

Subject to provision of the Scheme Consideration by the Responsible Entity in the manner contemplated above, on the Implementation Date APL will transfer all of the Scheme Shares to the Responsible Entity by:

- delivering to the Responsible Entity a transfer form to transfer the Scheme Shares to the Responsible Entity (referred to in this Scheme Booklet as the '**Scheme Transfer Form**'), duly executed by APL (or any of its directors and officers) as attorney and agent of each Scheme Shareholder; and
- the Responsible Entity duly completing and executing the Scheme Transfer Form as transferee and delivering it to APL for registration.

Immediately following receipt of the duly completed and executed Scheme Transfer Form, APL will attend to registration of the Scheme Transfer Form and enter or procure the entry of the name and address of the Responsible Entity in the APL Register as the holder of all the Scheme Shares.

After the APL Shares have been transferred to the Responsible Entity, APL will immediately transfer the legal title to the investments within the APL Portfolio to the Responsible Entity.

## Step 6. Post Implementation steps

Trading in New AGX1 Units on the ASX will commence 3 Business Days after Implementation (currently expected to be 23 December 2021).

On or as soon as practicable after the Implementation Date, APL will procure that the Responsible Entity sends to each Scheme Shareholder or the Nominee holding statements for the New AGX1 Units issued as Scheme Consideration by prepaid post to their registered address at the Record Date, or as otherwise directed by the relevant Scheme Shareholder or the Nominee (as applicable).

It is the responsibility of each Scheme Shareholder to confirm their holding before trading the New AGX1 Units issued as Scheme Consideration. Scheme Shareholders who sell New AGX1 Units before they receive an initial statement of holding do so at their own risk.

On a date after the Implementation Date:

- APL will convert to a proprietary limited company and, conditional on that conversion, apply to have itself removed from the official list of the ASX;
- the Independent Directors of APL will retire, replaced by nominees of the Responsible Entity; and
- APL will be wound up.

See Section 9 for details of APL post-implementation.

### 3.7 SCHEME SHAREHOLDERS WARRANTIES AND INSTRUCTIONS

#### (a) Warranties by Scheme Shareholders

Each Scheme Shareholder is deemed to have warranted to APL and the Responsible Entity that:

- they agree and acknowledge that the Scheme binds APL and all Scheme Shareholders (including those who do not attend the Scheme Meeting or those who do not vote, or vote against this Scheme, at the Scheme Meeting);
- all their Scheme Shares (including any rights and entitlements attaching to those shares) will, at the Record Date, be fully paid and free from all mortgages, charges, liens, encumbrances, pledges, security interests (including any 'security interests' within the meaning of section 12 of the Personal Property Securities Act 2009 (Cth)) and interests of third parties of any kind, whether legal, equitable or otherwise and restrictions on transfer of any kind, whether legal, equitable or otherwise; and
- they have no existing right to be issued any APL Shares, any securities convertible into APL Shares (or which carry a right to be issued or transferred any APL Shares), any convertible notes issued by APL and/or any other APL securities.

#### (b) Shareholder instructions, notifications and elections

To the extent permitted by law, all instructions, notifications or elections made by each Scheme Shareholder to APL (binding or deemed to be binding between the Scheme Shareholder and APL) relating to APL or its securities (except for tax file numbers), including instructions, notifications or elections relating to payment instructions, notices or other communications from APL, shall be deemed from the Implementation Date to be a binding instruction, notification or election (as applicable) made by the Scheme Shareholder to the Responsible Entity in respect of any New AGX1 Units provided to the Scheme Shareholder, until and unless that deemed instruction, notification or election is revoked or amended by the Scheme Shareholder giving written notice to AGX1 Unit Registry.

All distributions will be reinvested in AGX1 through the distribution reinvestment plan unless a Scheme Shareholder elects otherwise. A copy of the AGX1 distribution reinvestment plan is available on [the](#) Unit Registry's website at [www.automicgroup.com.au](http://www.automicgroup.com.au). The Unit Registry can be contacted on 1300 902 587 (within Australia) or +61 2 7208 4521 (International) and via email at [hello@automic.com.au](mailto:hello@automic.com.au). See section 6F of the PDS in ANNEXURE G for further details.

### 3.8 INELIGIBLE SHAREHOLDERS

Ineligible Shareholders will not receive New AGX1 Units under the Scheme.

Instead, the New AGX1 Units that would otherwise have been issued to them will be issued by the Responsible Entity to the Nominee on the Implementation Date (**Ineligible Units**).

#### (a) Ineligible Foreign Shareholders

Restrictions in certain foreign countries may make it impractical or unlawful for New AGX1 Units to be offered, or issued, under the Scheme to Scheme Shareholders in those countries.

APL Shareholders whose addresses are shown in the Share Register on the Record Date as being in Australia (including its external territories), New Zealand or the U.S. are entitled to receive New AGX1 Units under the Scheme.

APL Shareholders whose address as shown in the Share Register on the Record Date is a place outside of Australia (including its external territories), New Zealand or the U.S. (unless the Responsible Entity and APL determines otherwise) will be Ineligible Shareholders for the purposes of the Scheme and this Scheme Booklet should be read accordingly.

The Responsible Entity is not obliged to issue, and will not issue, any New AGX1 Units to Ineligible Shareholders, unless it determines (in its sole and absolute discretion) that it is lawful and not unduly onerous or impracticable to issue to that Scheme Shareholder New AGX1 Units when the Scheme becomes Effective.

#### (b) Unmarketable Parcel Shareholders

A Scheme Shareholder (other than an Ineligible Foreign Shareholder) who, based on their holding of Scheme Shares on the Record Date, holds less than a "marketable parcel" (which, as at the date of this Scheme Booklet, means AUD\$500 worth) of APL Shares (assessed by reference to the closing price of APL Shares on the ASX on the Effective Date) will be an Unmarketable Parcel Shareholder.

An Unmarketable Parcel Shareholder who does not provide the Registry with a duly completed Opt-in Notice before 5.00 pm (Sydney time) on the business day before the Calculation Date (currently expected to be 14 December 2021) is an **Exiting Unmarketable Parcel Shareholder**.

The Responsible Entity is under no obligation to issue, and will not issue, any New AGX1 Units to any Exiting Unmarketable Parcel Shareholder, and instead the Responsible Entity will issue the New AGX1 Units that each Exiting Unmarketable Parcel Shareholder would otherwise be entitled to receive as Scheme Consideration to the Nominee, to be dealt with in accordance with the procedure set out in Section 3.8(c) of this Scheme Booklet.

For an Opt-in Notice to be effective, it must be duly completed and returned to the Registry by email to [corporateactions@boardroomlimited.com.au](mailto:corporateactions@boardroomlimited.com.au), or by mail in accordance with the instructions on the Opt-in Notice, prior to 5.00pm (Sydney time) on 14 December 2021 (being the Business Day prior to the Calculation Date).

An Opt-in Notice has been made available to each APL Shareholder, either physically, by email or through the APL's website at <https://antipodespartners.com/scheme>.

### (c) Provision of Scheme Consideration to Ineligible Shareholders

If a Scheme Shareholder is an Ineligible Shareholder, and the Scheme becomes Effective, the New AGX1 Units that would have been issued to that Ineligible Shareholder will instead be issued to the Nominee on the Implementation Date (this will occur before the Scheme Shares held by Ineligible Shareholders are transferred to the Responsible Entity on that date).

APL will then procure that the Nominee:

- as soon as reasonably practicable and in any event no more than 10 Business Days on which the New AGX1 Units are capable of being traded on the ASX following the Implementation Date (noting trading in New AGX1 Units will commence 3 Business Days after Implementation which is expected to be 23 December 2021), sells all of the New AGX1 Units issued to the Nominee in relation to that Ineligible Shareholder in such manner, at such prices and on such other terms as the Nominee reasonably determines in good faith (and at the risk of the Ineligible Shareholder); and
- as soon as reasonably practicable and in any event no more than 10 Business Days after all New AGX1 Units are sold by the Nominee, remits to APL the total proceeds of that sale (after deducting any applicable fees, reasonable brokerage or other selling costs, taxes and charges) (**Total Cash Proceeds**).

Promptly after receiving the Total Cash Proceeds in respect of the sale of all of the New AGX1 Units from the Nominee, APL must pay, or procure the payment, to each Ineligible Shareholder, the proportion of the Total Cash Proceeds that each Ineligible Shareholder is entitled under the Scheme (**Ineligible Shareholder Cash Proceeds**) calculated using the following formula:

$$A = (B \div C) \times D$$

where:

A = the Ineligible Shareholder Cash Proceeds;

B = the number of New AGX1 Units that the Ineligible Shareholder would have been entitled to had it not been an Ineligible Shareholder and which were issued to the Nominee;

C = the total number of New AGX1 Units which would otherwise have been issued to all Ineligible Shareholders and which were issued to the Nominee as described above; and

D = the Total Cash Proceeds (as defined above).

APL will pay an amount equal to the Ineligible Shareholder Cash Proceeds attributed to each Ineligible Shareholder by either:

- electronic funds transfer to a bank account as noted on the Share Register on the Record Date; or
- a cheque drawn on an Australian bank and sent by pre-paid ordinary post (or if each Ineligible Shareholder's registered address is outside Australia, by pre-paid airmail post).

Full details of this process are contained in the Scheme at ANNEXURE C.

APL, the Responsible Entity and the Nominee give no assurance as to the price to be received for the sale of the Ineligible Units. The sale of the Ineligible Units by the Nominee will be at the risk of the Ineligible Shareholders.

Overseas bank charges including fees and costs in respect of processing cheques drawn on an Australian bank or currency conversion, will be charged to the Ineligible Shareholder and deducted from the relevant Ineligible Shareholder Cash Proceeds.

## 3.9 U.S. FEDERAL SECURITIES LAW MATTERS

The New AGX1 Units to be issued in the Scheme to Scheme Shareholders (other than Ineligible Shareholders) have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the U.S.

If the Court approves the Scheme, its approval will constitute the basis for the New AGX1 Units to be issued without registration under the U.S. Securities Act in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by section 3(a)(10) of the U.S. Securities Act. Limitations on resale in the United States apply to any holder of APL Shares who may be deemed an "affiliate" of AGX1 following completion of the Scheme for the purposes of Rule 144 under the U.S. Securities Act. An affiliate is any person that directly or indirectly controls or is controlled by the issuer, which is generally interpreted to include the directors and officers of the issuer.

In the event that the New AGX1 Units are held by affiliates of AGX1, those holders may resell the New AGX1 Units (i) in accordance with the provisions of Rule 144 under the U.S. Securities Act; or (ii) as otherwise permitted under the U.S.

Securities Act. Rule 144 generally provides that affiliates of AGX1 may not sell securities of AGX1 received in the Scheme in the United States unless the sale is effected in compliance with the volume, current public information, manner of sale and timing limitations set forth in such rule.

These limitations generally permit sales made by an affiliate in any three-month period that do not exceed the greater of 1 percent of the outstanding New AGX1 Units or the average weekly reported trading volume in such securities over the four calendar weeks preceding the placement of the sale order, provided that the sales are made in unsolicited, open market “brokers’ transactions” (within the meaning of section 4(a)(4) of the U.S. Securities Act) and that current public information on AGX1 has been available for at least 90 days.

### 3.10 END DATE AND TERMINATION OF THE SCHEME

#### *End date*

If the Scheme has not become Effective on or before 31 March 2022 or such later date as APL, the Manager and the Responsible Entity may agree in writing, the Scheme will lapse and be of no further force and effect.

APL is subject to no-shop, no-talk and no due diligence restrictions during an exclusivity period which commenced on 9 August 2021 and ends on 31 March 2022, unless the Scheme Implementation Deed is terminated earlier. These restrictions, set out in full in paragraph 8 in ANNEXURE B, are subject to a fiduciary exception that does not restrict APL or the IBC from taking or refusing to take any action with respect to a Superior Competing Proposal.

#### *Termination rights*

The Scheme Implementation Deed can be terminated in certain circumstances. By way of summary, the Scheme Implementation Deed can be terminated by either APL, the Responsible Entity or the Manager by giving written notice to the other parties at any time prior to the Effective Date, if:

- one of the other parties is in material breach of the Scheme Implementation Deed which is incapable of being remedied, or if the material breach can be remedied it continues for more than 10 Business Days;
- a Court or Government Agency has issued a final order or ruling or has taken any other action which permanently restrains or prohibits the Scheme; or
- a Scheme Condition has not been satisfied or waived as required by the Scheme Implementation Deed or the Scheme does not become Effective by the End Date.

The Responsible Entity or the Manager may also terminate the Scheme Implementation Deed if the IBC publicly supports another transaction, such as a Superior Competing Proposal, or despite the IBC’s announcement that the CTO Proposal has been suspended, the APL Board resolves prior to 30 November 2021 to implement the buy-back approved by APL Shareholders at the 2020 annual general meeting.

The termination rights are set out in full in paragraph 9 of the summary of the Scheme Implementation Deed in ANNEXURE B.

#### *Status of termination rights*

As at the date of this Scheme Booklet APL, the Manager and the Responsible Entity are not aware of any reason that the Scheme Implementation Deed would be terminated.

### 3.11 IMPLICATIONS IF THE SCHEME IS NOT IMPLEMENTED

If the Scheme is not Implemented:

- the benefits of the Scheme will not be realised and APL will remain an ASX listed investment company;
- APL Shareholders will not receive the Scheme Consideration and, unless APL Shareholders choose to sell their APL Shares on the ASX, APL Shareholders will continue to hold their APL Shares and will be exposed to general risks as well as risks specific to APL, including those set out in Section 8 of this Scheme Booklet;
- the APL Management Agreement will not terminate and the Manager will continue to have exclusive rights to manage APL for the remainder of the initial fixed term (which expires in approximately 5 years time) and any subsequent extension of that agreement in accordance with its terms;
- the APL Board will renew its commitment to the CTO Proposal. The APL Board’s current intention, if the Scheme is not Implemented, is to seek APL Shareholder approval to undertake an off-market buy-back before 30 June 2022 of up to 25% of APL’s issued capital on materially the same terms as the CTO Proposal approved by APL Shareholders at the 2020 annual general meeting;

- transaction-related costs will be incurred by APL even if the Scheme does not become Effective. Further details of the estimated fees and expenses in relation to the Scheme are set out in Section 5.9(b) of this Scheme Booklet; and
- the price of APL Shares traded on the ASX may fall to the extent that the market price of APL Shares reflected an assumption that the Scheme would be Implemented.

Further information about the risks to APL Shareholders if the Scheme does not become Effective is set out in Section 8.4(f) of this Scheme Booklet.

The IBC recommends all APL Shareholders vote in favour of the Scheme at the Scheme Meeting and each Independent Director intends to vote (or procure the voting) of all their APL Shares held or controlled by them in favour of the Scheme Resolution.

The Independent Expert has concluded that the Scheme is fair and reasonable and in the best interests of APL Shareholders.

### 3.12 QUESTIONS

If you have questions about the Scheme or this Scheme Booklet, please contact the Shareholder Information Line on 1300 010 311 (within Australia) or +61 2 8970 7750 (outside of Australia) between 9.00am to 5.00 pm (Sydney time) Monday to Friday, excluding public holidays.



## 4. SCHEME MEETING AND HOW TO VOTE

### 4.1 INTRODUCTION

This Section provides you with information on the Scheme Meeting and how to vote at the Scheme Meeting. Additional information about voting by proxy is set out in the Proxy Form accompanying this Scheme Booklet.

Shareholders are reminded that the 2021 AGM is scheduled to be held on the same day as the Scheme Meeting at 11am (Sydney time) on 24 November 2021. In order to facilitate the Scheme Meeting, the 2021 AGM will be adjourned upon opening and reconvened after the Scheme Meeting closes.

For more information on the 2021 AGM and the AGM Resolutions, please refer to Section 12. The notice convening the 2021 AGM is contained in ANNEXURE F to this Scheme Booklet. The personalised Proxy Form accompanying this Scheme Booklet will also be used for the purposes of the 2021 AGM.

### 4.2 SCHEME MEETING

The notice convening the Scheme Meeting is contained in ANNEXURE E to this Scheme Booklet. A personalised Proxy Form accompanies this Scheme Booklet.

The Scheme Meeting is scheduled to be held at 11am on 24 November 2021.

In order for the Scheme to be Implemented, the Scheme Resolution must be approved by the Requisite Majorities of APL Shareholders at the Scheme Meeting. This means votes in favour of the Scheme Resolution must be received from:

- **(headcount test)** unless the Court orders otherwise, a majority in number (i.e. more than 50%) of APL Shareholders present and voting at the Scheme Meeting (either in person, by proxy, by attorney or, in the case of corporate APL Shareholders by corporate representative); and
- **(voting test)** at least 75% of the total number of votes cast on the Scheme Resolution by APL Shareholders present and voting at the Scheme Meeting (either in person, by proxy, by attorney or, in the case of corporate APL Shareholders, by corporate representative).

The purpose and effect of the Scheme are as summarised earlier and are more particularly described in Sections 1 to 3 and elsewhere in this Scheme Booklet.

### 4.3 YOUR VOTE IS IMPORTANT

The Scheme affects your Shareholding and your votes at the Scheme Meeting are important in determining whether the Scheme proceeds.

For the reasons details in Section 1 and elsewhere in this Scheme Booklet, the IBC unanimously recommends that you vote in favour of the Scheme Resolution.

Further information on how to vote is provided in this Section 4 and ANNEXURE E of this Scheme Booklet.

### 4.4 DETAILS OF THE SCHEME MEETING

In response to the global COVID-19 pandemic and government restrictions on physical gatherings, the Scheme Meeting will be held as a virtual (online only) meeting. There will be no physical Scheme Meeting where APL Shareholders and proxies can attend in person.

The details of the Scheme Meeting are as follows:

<b>Location</b>	Attend and participate in the virtual Scheme Meeting by logging in online at: Link: <a href="https://web.lumiagm.com/367-380-709">https://web.lumiagm.com/367-380-709</a> Meeting ID: 367-380-709
<b>Date</b>	24 November 2021
<b>Time</b>	11am (Sydney time)



## 4.5 WHO IS ENTITLED TO ATTEND VOTE?

### (a) Voting entitlement

Each person that is registered on the Share Register at 7.00pm (Sydney time) on 22 November 2021 is entitled to attend the Scheme Meeting virtually via the online platform and vote at the Scheme Meeting, either in person, by proxy or attorney.

In the case of APL Shares held by joint holders, only one of the joint APL Shareholders is entitled to vote. If more than one APL Shareholder votes in relation to jointly held APL Shares, only the vote of the APL Shareholder whose name appears first in the Share Register will be counted.

If you are a corporate APL Shareholder, then you can appoint a corporate representative to attend the Scheme Meeting virtually via the online platform and vote at the Scheme Meeting. See Section 4.6(c) of this Scheme Booklet.

### (b) No voting restrictions

No voting restrictions apply in respect of the Scheme Meeting.

As noted in Section 11.2 of this Scheme Booklet, APL has determined that the votes cast in favour of the Scheme by the Manager, PIML and their associates will be 'tagged' for the purposes of identification at the Scheme Meeting. If the Scheme is approved by the Requisite Majorities at the Scheme Meeting, the 'tagged' votes in favour of the Scheme Resolution will be drawn to the Court's attention at the Second Court Hearing.

## 4.6 HOW TO VOTE ON THE SCHEME MEETING

Voting on the Scheme Resolution will be conducted by way of poll.

You can vote:

- **in person:** by attending the Scheme Meeting virtually via the online platform;
- **by proxy:** by appointing one or two proxies to attend the Scheme Meeting virtually via the online platform and vote on your behalf, such appointment to be made either:
  - **online:** by visiting <https://web.lumiagm.com/367-380-709> and following the instructions in your Proxy Form to submit your voting intentions by 11am (Sydney time) on 22 November 2021.
  - **hard copy:** by completing and returning the accompanying Proxy Form, either via mail or delivered in person, so that it is received before 11am (Sydney time) on 22 November 2021 at:  
  
Antipodes Global Investment Company Limited  
C/- Boardroom Pty Limited  
GPO Box 3993  
Sydney NSW 2001
- **by attorney:** by appointing an attorney to attend the Scheme Meeting virtually via the online platform and vote on your behalf, using a duly executed power of attorney; or
- **by a corporate representative:** in the case of a body corporate, appointing a corporate representative to attend the Scheme Meeting virtually via the online platform and vote on your behalf, using a duly executed certificate of appointment of body corporate representative.

### (a) Voting in person at the Virtual Meeting

Attending the Scheme Meeting virtually enables APL Shareholders to view, participate in and vote at the Scheme Meeting live.

APL Shareholders will be able to attend the Scheme Meeting by using their web browser or internet enabled device.

APL Shareholders can attend the Scheme Meeting virtually by following the steps contained in the Notice of Scheme Meeting attached as ANNEXURE E to this Scheme Booklet.

APL Shareholders are also able to ask questions and cast votes in the real time poll, at the appropriate time during the Scheme Meeting.

If APL Shareholders attend the Scheme Meeting in person (online) and vote on the Scheme Resolution when the Chair calls a poll, any proxy vote previously lodged by the APL Shareholder in respect of that resolution will be withdrawn.

(b) **Voting by attorney**

APL Shareholders wishing to vote by attorney at the Scheme Meeting must, if they have not already presented an appropriate power of attorney to APL for notation, deliver to APL the original instrument appointing the attorney by no later than 11am (Sydney time) on 22 November 2021 (or, if the Scheme Meeting is adjourned, at least 48 hours before the resumption of the Scheme Meeting in relation to the resumed part of the Scheme Meeting).

Unless the contrary is evident from the express terms of attorney, any power of attorney granted by an APL Shareholder will, as between APL and that APL Shareholder, continue in force and may be acted on, unless express notice in writing of its revocation or the death of the relevant APL Shareholder is lodged with APL.

(c) **Voting by corporate representative**

To vote by corporate representative at the Scheme Meeting, a corporate APL Shareholder or proxy should obtain an appointment of corporate representative form from APL and complete and sign the form in accordance with the instructions on it.

The appointment of corporate representative form must then be lodged prior to the Scheme Meeting with the Registry and by 11am (Sydney time) on 22 November 2021.

The appointment of a representative may set out restrictions on the representative's powers.

The original form of appointment of a representative or a certificate of the body corporate evidencing the appointment of a representative is evidence of a representative having been appointed.

#### **4.7 UNDIRECTED PROXIES**

The Chair of the Scheme Meeting will act as your proxy if the Proxy Form is returned to the Registry without naming a proxy or proxies.

Proxy appointments in favour of the Chair of the Scheme Meeting, the company secretary of APL or any Director which do not contain a direction as to how to vote will be voted in support of the Scheme Resolution at the Scheme Meeting.

#### **4.8 FURTHER INFORMATION**

If you have any questions in relation to the Scheme Meeting or the 2021 AGM, including the number of APL Shares you hold or how to vote, you can contact the Registry (Boardroom) on 1300 721 637 (within Australia) or +61 2 8023 5428 (outside of Australia) between 9.00am to 5.00pm (Sydney time) Monday to Friday, excluding public holidays.

If you are in any doubt about anything in this Scheme Booklet, please contact your legal, financial, accounting or other professional adviser.

## 5. INFORMATION ON APL

### 5.1 INTRODUCTION

APL is a public company, incorporated on 6 June 2016 and admitted to the official list of the ASX on 17 October 2016.

APL'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, with reduced levels of risk,
- in each case, over a full investment cycle (which the Manager and APL consider to be a period of typically 3 to 5 years).

### 5.2 APL'S INVESTMENT STRATEGY

APL'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.

APL may also be invested in currencies, derivatives and other financial instruments (including cash) to achieve the investment objective and to reduce risk or manage the portfolio more efficiently. Long positions focus on holdings with an attractive starting valuation ("margin of safety") combined with sustainable business resilience borne out of any combination of competitive dynamics, product cycle, regulatory, management/financial or macro/style factors ("multiple ways of winning"). The opposite logic is applied for short positions.

The APL 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.

### 5.3 APL PORTFOLIO

#### (a) As at 30 September 2021

The top 10 long positions within the APL Portfolio are detailed below.

Top 10 holdings - Antipodes Global Investment Company (APL)	
SECURITY NAME	Weight
Facebook, Inc. Class A	3.8%
Siemens AG	3.6%
Tencent Holdings Ltd.	3.5%
Microsoft Corporation	3.4%
Teck Resources	2.9%
Coterra Energy	2.8%
Sanofi	2.7%
Frontier Communications Parent, Inc.	2.7%
UniCredit S.p.A.	2.7%
Exxon Mobil	2.7%

Source: The Manager

For further details regarding the APL Portfolio and its composition see the APL's website.

(b) **If the Scheme becomes Effective**

AGX1 is managed in accordance with the Manager's long-only global shares strategy, as opposed to the long-short strategy of APL. If the Scheme becomes Effective, APL will exit the short positions within the APL Portfolio so that before the Calculation Date (in respect of the Scheme Consideration) and on the Implementation Date, APL holds only long positions and cash.

## 5.4 APL BOARD AND THE MANAGER

(a) **Directors**

The directors of APL as at the date of this Scheme Booklet are set out below:

- Jonathan Trollip (Independent non-executive Director & Chairman);
- Lorraine Berends (Independent non-executive Director);
- Christopher Cuffe (Independent non-executive Director);
- Alex Ihlenfeldt (Non-independent Director); and
- Andrew Findlay (Non-independent Director).

Profiles of each member of the APL Board can be found in APL's 2021 Annual Report which is available on ASX's website or APL's website. The interests of the Directors in the Scheme are disclosed at Section 11.1 of this Scheme Booklet.

See Section 3.4(b) for details of why Mr Andrew Findlay and Mr Alex Ihlenfeldt are considered non-independent Directors of APL.

(b) **Overview of the Manager**

The Manager holds an Australian Financial Services Licence No. 481580.

The Manager is a global asset manager offering a pragmatic value approach across long-only and long-short strategies with assets under management in excess of \$8 billion (as at 31 August 2021). In addition to APL and AGX1, the Manager is the investment manager of the Antipodes Global Fund, the Antipodes Global Fund – Long and the Antipodes Asia Fund.

The Manager is majority owned by its investment team with a performance culture underpinned by sensible incentives, a focused offering and the outsourcing of non-investment functions to minority partner PIML.

The Manager's investment philosophy is to grow client wealth over the long-term by generating absolute returns 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.

The lead portfolio manager, with ultimate responsibility for investment decisions, is Jacob Mitchell (CIO of Antipodes). Mr Mitchell is supported by a team of 25+ analysts and portfolio managers.

## 5.5 APL MANAGEMENT AGREEMENT

APL entered into the APL Management Agreement with the Manager on 19 July 2016 pursuant to which APL appointed the Manager to manage the APL Portfolio and supervise APL's investments.

### *Powers of the Manager*

Subject to the obligation to liquidate the APL Portfolio to meet APL's operating costs, dividend payments, capital returns, buy-backs or other distributions and to comply at all times with the approved investment strategy, the Manager has absolute and unfettered discretion to manage the APL Portfolio and to do all things considered necessary or desirable in relation to the management of the APL Portfolio.

The Manager is permitted to undertake investments on behalf of APL without APL Board approval. However, if the proposed investment is not in accordance with the approved investment strategy, APL Board approval for the investment is required.

### *Valuations*

APL must arrange for calculation of the value of the APL Portfolio at least monthly or at such more frequent times as may be agreed between the Manager and APL. All costs incurred in arranging this calculation are paid by APL. APL has entered into a separate agreement with PIML pursuant to which PIML provides administrative support services, including valuation reconciliation services.

### *Management Fee*

In return for the performance of its duties as Manager of the APL Portfolio, the Manager is entitled to be paid a management fee equal to 1.10% p.a. (plus GST) of the Value of the APL Portfolio (calculated on the last business day of each month and paid at the end of each month in arrears) (**Management Fee**).

For the year ended 30 June 2021, the Manager was entitled to be paid a Management Fee of \$6,119,919 exclusive of GST (2020: \$6,521,836).

### *Performance Fee*

In addition to the Management Fee, the Manager may be entitled to be paid a performance fee equal to 15% (plus GST) of the APL Portfolio's outperformance relative to the Benchmark over each 6 month period ending on 30 June or 31 December (**Performance Fee**).

The Performance Fee for each performance calculation period is calculated subject to the recoupment of prior underperformance.

For the years ended 30 June 2019, 2020, and 2021, the Manager did not earn any Performance Fees. As at 30 June 2021 the prior underperformance recoupment amount (high-water mark) was \$118.9 million.

### *Term of the APL Management Agreement*

The APL Management Agreement has an initial fixed term of 10 years, which will be automatically extended on a rolling basis for successive five year periods unless it is terminated earlier in accordance with its terms.

The initial fixed term commenced on 18 October 2016 (being the date APL issued shares and options under its 2016 initial public offer). As at the date of this Scheme Booklet there is approximately 5 years remaining on the initial fixed term of the APL Management Agreement.

### *Termination rights*

After the initial fixed term, APL can terminate the APL Management Agreement on three months' notice if APL Shareholders pass an ordinary resolution to remove the Manager as manager of the APL Portfolio and terminate the Manager's appointment.

Until the expiry of the initial fixed term, APL can only terminate the APL Management Agreement for cause (i.e. if the Manager becomes insolvent or breaches its obligations under the APL Management Agreement in a material respect and such breach cannot be rectified or is not remedied within 30 days after receiving notice of that breach). If APL terminates the APL Management Agreement in accordance with any of these rights, no termination fee is payable to the Manager.

### *Licence fees and termination fees payable if shareholders remove the Manager*

If APL terminates the APL Management Agreement after the initial fixed term, where the APL Shareholders pass a resolution to remove the Manager, it must pay to the Manager a termination fee equal to the sum of:

- all Management Fees that accrued in the 12 month period up to the date of termination; and
- all Performance Fees that accrued in the 12 month period up to termination capped at an amount equal to 2 times the amount of Management Fees over that period.

This fee must be paid by APL to the Manager in addition to any accrued but unpaid Management and Performance Fees as at the termination date.

If the APL Management Agreement is terminated by APL (for any reason), the APL Management Agreement requires APL to call a general meeting to change APL's name by removing "Antipodes". Ordinarily, if APL does not comply with this obligation, it would be required to pay an annual licence fee to the Manager (in advance) equal to 0.2% of the Value of the APL Portfolio (calculated on the date of termination and each subsequent anniversary of that date if it failed to comply this obligation).

If the APL Management Agreement is terminated as a result of the Scheme becoming Effective, the Manager has agreed that APL will not be required to change its name and has waived any right to receive licence fees. APL Shareholders are reminded that under the APL Management Agreement, APL has no ability to remove the Manager (without cause) until the fixed term has expired. Despite this, the Manager has agreed that, subject to the Scheme becoming Effective:

- the APL Management Agreement will terminate on the Implementation Date; and
- it will not be paid any termination fees or licence fees despite the initial fixed term of the APL Management Agreement having approximately 5 years remaining.

### Liability and indemnity

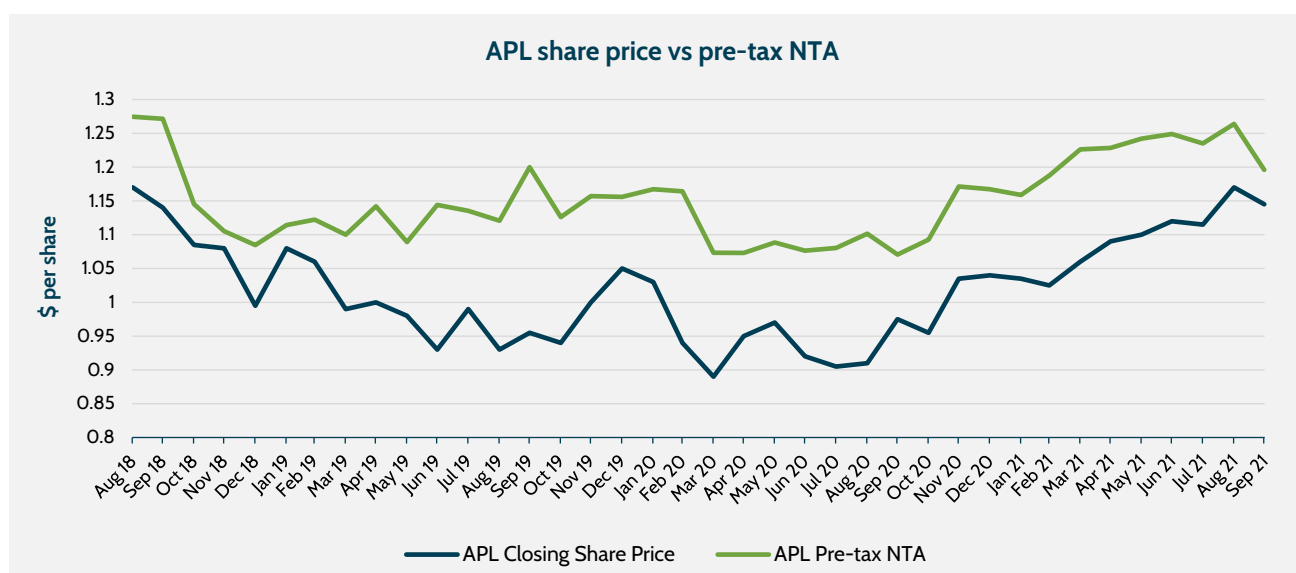
In the absence of negligence, default, fraud or dishonesty, the Manager will not be responsible for any loss, costs, damages or inconvenience that may result from the exercise or failure to exercise its powers, authorities and discretions under the APL Management Agreement. The Manager must indemnify APL against any losses or liabilities incurred in connection with any negligence, default, fraud or dishonesty of the Manager or its officers. This obligation continues after termination of the APL Management Agreement.

APL must indemnify the Manager against any losses or liabilities reasonably incurred by the Manager arising out of, or in connection with, and any costs, charges and expenses (including legal expenses) incurred in connection with, the Manager or any of its officers, employees or agents acting under the APL Management Agreement or on account of any bona fide investment decision made by the Manager or its officers or agents except insofar as any loss, liability, cost, charge or expense is caused by the negligence, default, fraud or dishonesty of the Manager or its officers or employees. This obligation continues after termination of the APL Management Agreement.

## 5.6 APL'S RECENT SHARE PRICE PERFORMANCE

APL Shares are listed on the ASX under the ASX Code 'APL'.

APL Share price performance relative to APL's pre-tax NTA per Share since inception in October 2016 up to 30 September 2021 is shown below:



For further details regarding the APL Share price and trading volume history, including the Independent Expert's assessment of APL Share liquidity and its review of NTA to share price, see pages 31 and 35 of the Independent's Expert Report.

## 5.7 APL CAPITAL STRUCTURE AND OWNERSHIP

### (a) Issued capital

As at the date of this Scheme Booklet, there are 477,221,507 APL Shares on issue.

APL has no other securities on issue.

### (b) Substantial holders

As at the Last Practicable Date, APL had received notifications from the following substantial shareholders in accordance with section 671B of the Corporations Act.

Name	% of holding
HSBC Custody Nominees (Australia) Limited	9.02%
The Manager and PIML	6.06% <sup>1</sup>

**Note 1:** % holding as disclosed in most recent substantial shareholder notice.

## 5.8 FINANCIAL OVERVIEW OF APL

### (a) APL's historical financial information and dividend history

The following table comprises APL performance, dividend history and non-executive Directors' remuneration:

	FY2021	FY2020	FY2019	FY2018	FY2017
Operating profit/(loss) after tax	\$75,116,000	\$(11,937,000)	\$7,708,000	\$34,022,000	\$26,835,000
Dividends paid (cents per APL Share)	4.5	4.5	4.5	5.0	-
Pre-tax NTA <sup>2</sup> (\$ per APL Share)	\$1.249	\$1.076	\$1.144	\$1.271	\$1.197
Total Directors' remuneration	\$115,000	\$115,000	\$100,000	\$100,000	\$90,889
Total Shareholder's Equity	\$576,750,000	\$533,355,000	\$630,103,000	\$459,028,000	\$347,781,000

#### Notes:

- The above information has been drawn from the audited financial statements for APL and associated disclosures included in APL's Annual Financial Reports for the years ended 30 June 2017, 30 June 2018, 30 June 2019, 30 June 2020 and 30 June 2021.
- Pre-tax NTA is APL's pre-tax net tangible assets per APL Share as at 30 June on each of the financial years identified in the above table. The pre-tax NTA does not include any deferred or current tax asset or liability.

### (b) Statement of financial position

The historical financial position of APL since 1 July 2019 is set out below:

	At 30 June 2021 (\$)	At 30 June 2020 (\$)
<b>ASSETS</b>		
Cash and cash equivalents	60,993,000	88,813,000
Trade and other receivables	10,643,000	1,414,000
Financial assets at fair value through profit or loss	541,027,000	454,347,000
Current tax assets	650,000	5,053,000
Deferred tax assets	14,000	6,519,000
<b>Total assets</b>	<b>613,327,000</b>	<b>556,146,000</b>
<b>LIABILITIES</b>		
Trade and other payables	4,227,000	3,600,000
Financial liabilities at fair value through profit or loss	13,122,000	18,918,000
Deferred tax liabilities	19,228,000	273,000
<b>Total liabilities</b>	<b>36,577,000</b>	<b>22,791,000</b>
<b>Net assets</b>	<b>576,750,000</b>	<b>533,355,000</b>
<b>EQUITY</b>		
Issued capital	529,205,000	539,452,000
Profits reserve	89,248,000	35,606,000
Accumulated losses	(41,703,000)	(41,703,000)
<b>Total Equity</b>	<b>576,750,000</b>	<b>533,355,000</b>

**Source:** The above information has been drawn from the audited financial statements for APL and associated disclosures included in APL's Annual Financial Reports for the years ended 30 June 2020 and 30 June 2021.

(c) **Statement of financial performance**

The historical financial performance of APL since 1 July 2019 is summarised below:

	Year ended	
	2021 (\$)	2020 (\$)
<b>Investment income from ordinary activities</b>		
Net gains/(losses) on financial instruments at fair value through profit and loss	107,546,000	(18,924,000)
Dividends	10,677,000	10,300,000
Interest	46,000	522,000
Net foreign exchange gains (losses)	(4,492,000)	(2,112,000)
	<b>113,777,000</b>	<b>(10,214,000)</b>
<b>Expenses</b>		
Management fees	6,120,000	6,522,000
Custody fees	143,000	112,000
Transaction costs	1,121,000	1,422,000
ASX and share registry fees	180,000	231,000
Professional fees	144,000	92,000
Directors' fees	115,000	115,000
Other expenses	221,000	246,000
	<b>8,044,000</b>	<b>8,740,000</b>

	Year ended	
	2021 (\$)	2020 (\$)
Profit/(Loss) before income tax	105,733,000	(18,954,000)
Income tax (expense) / benefit	(30,617,000)	7,017,000
Profit/(Loss) for the year	75,116,000	(11,937,000)
Other comprehensive income for the year, net of tax	-	-
Total comprehensive profit/(loss) for the year	75,116,000	(11,937,000)

Earnings/(loss) per share for profit/(loss) attributable to the ordinary equity holders of the Company:	Year ended	
	2021	2020
Basic earnings/(loss) per APL Share	15.7	(2.3)
Diluted earnings/(loss) per APL Share	15.7	(2.3)

**Source:** The above information has been drawn from the audited financial statements for APL and associated disclosures included in APL's Annual Financial Reports for the years ended 30 June 2021 and 30 June 2020.



(d) **Statement of cash flows**

APL's historical cash flow in respect of the period from 1 July 2019 is summarised below:

	Year ended	
	2021 (\$)	2020 (\$)
<b>Cash flows from operating activities</b>		
Purchase of investments	(564,258,000)	(575,307,000)
Proceeds from sale of financial assets	565,718,000	670,817,000
Interest received	8,000	501,000
Dividends received	10,549,000	11,498,000
Income taxes paid	(812,000)	(7,514,000)
Payments for other expenses	(9,006,000)	(7,853,000)
<b>Net cash inflow from operating activities</b>	<b>2,199,000</b>	<b>92,142,000</b>
<b>Cash flows from financing activities</b>		
Dividends paid to company's shareholders	(21,473,000)	(24,117,000)
Payments for shares bought back	(10,247,000)	(60,266,000)
<b>Net cash outflow from financing activities</b>	<b>(31,720,000)</b>	<b>(84,383,000)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(29,521,000)</b>	<b>7,759,000</b>
Cash and cash equivalents at the beginning of the year	88,813,000	83,545,000
Effect of exchange rate changes on cash and cash equivalents	1,701,000	(2,491,000)
<b>Cash and cash equivalents at end of year</b>	<b>60,993,000</b>	<b>88,813,000</b>

**Source:** The above information has been drawn from the audited financial statements for APL and associated disclosures included in APL's Annual Financial Reports for the years ended 30 June 2021 and 30 June 2020.

## 5.9 SUBSEQUENT MATERIAL CHANGES IN THE FINANCIAL POSITION

(a) **Profit reserve and franking credits**

As at 30 June 2021, APL's profits reserve held was \$89,248,000. The 4.0 cents per share fully franked dividend paid on 30 September 2021 reduced this reserve by \$19,088,860 to \$70,159,140.

The franking credits available for subsequent reporting years based on a tax rate of 30% and taking into account adjustments for tax refundable in respect to year ended 30 June 2021 was \$9,850,000 as at 30 June 2021, which when adjusted for the 4.0 cents per share fully franked dividend paid on 30 September 2021 was reduced to \$1,669,000.

(b) **Transaction related costs**

Costs of approximately \$1,400,000 (excluding GST) are expected to be paid by APL if the Scheme becomes Effective.

Of this total, \$1,100,000 is expected to be incurred prior to, and deducted in, the calculation of the post-tax NTA at the Calculation Date. These costs include financial advisory, legal, accounting, Independent Expert, tax and administration fees, Scheme Booklet design, distribution, Registry and other expenses.

The Chair of the IBC, Jonathan Trollip, will be paid a service fee of \$60,000 and each other Independent Director will be paid a service fee of \$35,000 in recognition of the additional work and services rendered in relation to the Scheme. These fees are included in the transaction related costs and will be paid in addition to other director fees the Independent Directors are entitled to.

APL has engaged PIML to provide administrative support services in relation to the Scheme. PIML, the Responsible Entity's holding company, has provided APL with administrative support since APL's initial public offer. Fees payable to PIML in relation to the Scheme (of \$200,000) have been included in the transaction costs.

The total includes an estimated Retention Amount of \$300,000. The Retention Amount will be retained by APL post Implementation to cover APL expenses associated with the Scheme that, on the Calculation Date, are not yet liabilities of APL or otherwise accounted for in APL's post-tax NTA, to satisfy liabilities incurred post Implementation. These will include run-off insurance, accounting, legal and tax and costs associated with the winding up of APL.

To calculate entitlements to the Scheme Consideration, the Retention Amount will be deducted from APL's post-tax NTA at the Calculation Date. See Sections 3.2(a) and 3.2(c) for details.

## **5.10 FURTHER INFORMATION**

APL is subject to regular reporting and disclosure obligations under the ASX Listing Rules and as a "disclosing entity" under the Corporations Act. These require APL to announce information that would have a material effect on the price of APL Shares as soon as it becomes aware of that information, subject to exceptions for certain confidential information.

APL's recent announcements are available from the ASX website [www.asx.com.au](http://www.asx.com.au). APL will continue to make public announcements as required on these websites after the date of this Scheme Booklet.

APL is required to prepare and lodge with ASIC and the ASX both annual and half year financial statements accompanied by a statement and report from the Directors and an audit or review report. APL also lodges quarterly activity reports with the ASX.

Copies of these and other documents lodged with ASIC and the ASX may be obtained from or inspected at an ASIC office and are accessible from the ASX's website at [www.asx.com.au](http://www.asx.com.au). Copies of these documents will also be made available free of charge on a request in writing at any time before the Scheme Meeting to APL's Registry.

## 6. INFORMATION ON AGX1

### 6.1 INTRODUCTION

This Section provides an overview of AGX1, summarising the information set out in full in the PDS at ANNEXURE G to this Scheme Booklet.

This Section should be read subject to, and in conjunction with, the PDS and the remainder of this Scheme Booklet.

The PDS refers throughout to the 'Manager', the 'Fund' and 'buy-sell spread'. Those references are to Antipodes Partners Limited acting in its capacity as the investment manager of AGX1, AGX1 itself and the buy-sell spread respectively.

### 6.2 AGX1 OVERVIEW

#### (a) Structure and management

Pinnacle Fund Services Limited (ABN 29 082 494 362, AFSL 238371) is the responsible entity of AGX1. The Responsible Entity is a wholly-owned subsidiary of PIML. PIML supports the development of selected investment management businesses and is the distributor of AGX1 and a 23.57% shareholder of the Manager.

As at the end of financial year 2021, Pinnacle Fund Services Limited acted as trustee or responsible entity in respect of over 40 managed investment schemes managing over A\$18 billion in funds under management.

The directors of the Responsible Entity are Ian Macoun, Alex Ihlenfeldt, Calvin Kwok and Adrian Whittingham.

The Responsible Entity has appointed the Manager to manage the AGX1 Portfolio. See Section 5.4(b) for information regarding the Manager.

#### (b) Ownership

The top 20 AGX1 Unitholders collectively owned 74.53% of the AGX1 Units on issue as at 30 June 2021. The Manager is the largest AGX1 Unitholder, holding 49.19% of AGX1 issued units. Pinnacle Services Administration Pty Ltd is the second largest AGX1 Unitholder, holding 12.09% of the issued units. See Section 6.2 of the Independent Expert's Report for further details.

#### (c) ASX trading status

AGX1 is an exchange quoted managed fund admitted to trading status on the ASX (also known as an Active ETF) in November 2018.

Subject to liquidity, units in AGX1 can be traded on the ASX in a similar fashion to other securities traded on the ASX.

#### (d) ASX liquidity

The Responsible Entity, via a market making agent, provides liquidity support, buying and selling AGX1 Units at iNAV +/- the bid-ask spread.

The bid-ask spread is the difference between the price at which the Responsible Entity is willing to buy AGX1 Units and sell AGX1 Units at any time. AGX1's monthly average bid-ask spread is reported in the ASX Investment Products Monthly Update, which can be viewed on the ASX's website at [www.asx.com.au](http://www.asx.com.au).

Liquidity in AGX1 Units is a combination of:

- Primary liquidity provided by the Responsible Entity (via its agent) as market maker; and
- Secondary liquidity provided by third party investors (excluding the market maker) buying and selling AGX1 Units on market.

A function of the primary liquidity provided by the Responsible Entity as market maker is that, generally speaking, the AGX1 Units will trade close to AGX1's prevailing iNAV (+/- the bid-ask spread).

This is not guaranteed and the price at which AGX1 Units trade on the ASX may not reflect either the NAV per AGX1 Unit or the iNAV. See the "Price risk" in section 5 of the PDS, which is at ANNEXURE G of this Scheme Booklet.

#### (e) NAV and iNAV

The NAV of AGX1 will normally be calculated on each Business Day and the last available NAV per AGX1 Unit will be published daily on Antipodes' website at [www.antipodespartners.com](http://www.antipodespartners.com).

The iNAV of AGX1, an indicative intra-day NAV per AGX1 Unit which reflects the Responsible Entity's view of prevailing NAV per AGX1 Unit, is calculated and published on Antipodes' website at [www.antipodespartners.com](http://www.antipodespartners.com) throughout each ASX Trading Day.

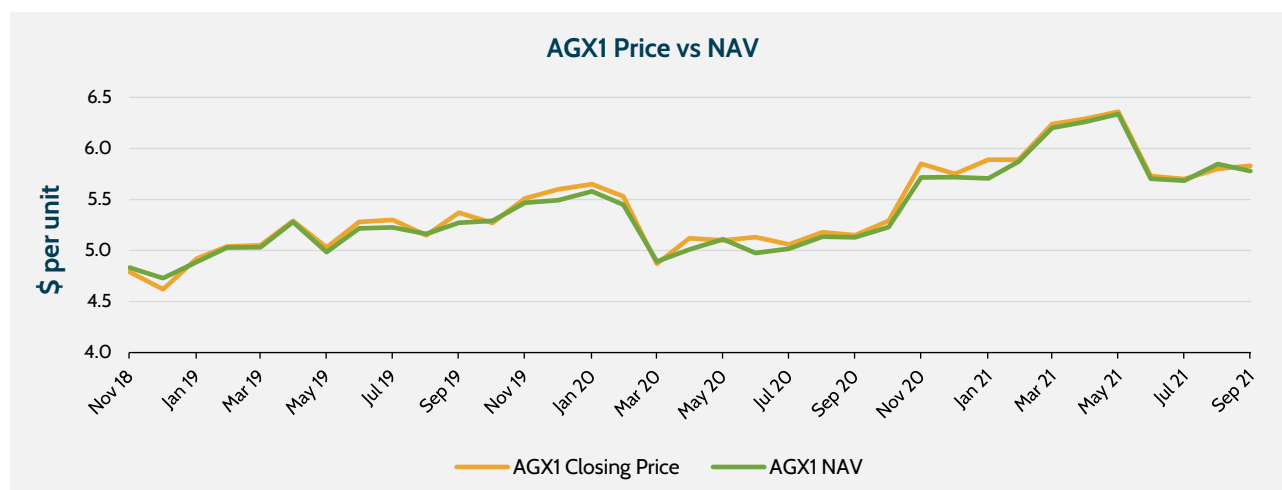
The iNAV is updated during each ASX Trading Day having regard to movements in the AGX1 Portfolio and to take account for foreign exchange movements (to the extent that the impact is not offset by the hedging of AGX1's foreign currency exposure).

No assurance can be given that the iNAV will be published continuously or that it will be up to date or free from error. To the extent permitted by law, neither the Responsible Entity nor its appointed agent shall be liable to any person who relies on the iNAV.

(f) **Recent sale prices for AGX1 Units relative to NAV**

The trading price for an Active ETF is determined by the fund's market maker who places bid and offer orders at a spread on either side of the fund's iNAV. Therefore Active ETF's trade tightly around their NAV and do not exhibit persistent discounts or premiums.

The AGX1 Unit price performance relative to NAV since inception up to 30 September 2021 is shown below:



**Notes:**

1. The AGX1 Unit closing prices are based on trading data prepared by Factset. Factset has not consented to the use of this data in this Scheme Booklet.
2. Further to the above, the closing price on the Last Practicable Date was \$5.80 per AGX1 Unit. The highest closing price of AGX1 Units in the three months ending on the Last Practicable Date period was \$ 5.90 per AGX1 Unit was recorded on 8 September 2021. The lowest closing price in that 3 month period of \$5.65 per AGX1 Unit was recorded on 4 August 2021 (the last closing price before the Scheme was announced).

## 6.3 EXITING YOUR INVESTMENT IN AGX1

### *Selling on market to exit*

As unitholders in AGX1, APL Shareholders will be able to withdraw some or all of their investment by selling AGX1 Units on the ASX via their share trading platform or stockbroker.

Trading in New AGX1 Units will commence 3 Business Days after Implementation (currently expected to be 23 December 2021).

AGX1 Unitholders do not need to complete a withdrawal form and they will receive the proceeds from the sale of their AGX1 Units in the same way they would receive proceeds from the sale of listed securities via the ASX CHESS settlement service.

There is no minimum number of AGX1 Units that can be sold on the ASX. The exit price will be the price at which AGX1 Units are sold on the ASX.

### *Off-market withdrawals available in limited circumstances*

If trading in AGX1 Units on the ASX is suspended for five consecutive Business Days, AGX1 Unitholders may be able to apply to withdraw their AGX1 Units off-market.

The off-market withdrawal process, including the calculation of the NAV per AGX1 Unit, applies only when AGX1 is liquid (within the meaning given to that term in the Corporations Act). If AGX1 ceases to be liquid, AGX1 Units may only be withdrawn pursuant to a withdrawal offer made to all investors in AGX1 in accordance with the AGX1 Constitution and the Corporations Act. The Responsible Entity is not obliged to make such offers.

There may be other circumstances where off-market withdrawals from AGX1 are suspended and AGX1 Unitholders may have to wait a period of time before they can make a withdrawal. See section 6D of the PDS at ANNEXURE G for details.

## 6.4 OVERVIEW OF AGX1 INVESTMENT STRATEGY

AGX1's investment objective	<p>AGX1 aims to outperform the Benchmark over the investment cycle (typically 3-5 years).</p> <p>The investment objective is expressed before the deduction of management fees, expense recoveries and taxation, i.e. performance is measured relative to the Benchmark before fees and costs and taxes are deducted. See section 7 of the PDS for details on fees and costs and section 9 of the PDS for details on taxation.</p> <p>The investment objective is not intended to be a forecast. It is only an indication of what the investment strategy aims to achieve over the medium to long term, assuming financial markets remain relatively stable during that time. AGX1 may not achieve its investment objective. Returns are not guaranteed.</p>
Investment philosophy	<p>The investment philosophy and investment approach deployed by the Manager is set out in section 4 of the PDS.</p>
AGX1's investments	<p>AGX1 typically invests in a select number of what the Manager believes are attractively valued companies listed on global share markets (usually a minimum of 30 holdings). In the absence of finding individual securities that meet AGX1's investment criteria, cash may be held.</p> <p>AGX1 is also permitted to utilise exchange traded derivatives for risk management purposes and to achieve equity exposure. Derivative use is subject to the specific restrictions that such instruments cannot be used to gear portfolio exposure and that the underlying effective face value is limited to 10% of the net asset value of AGX1 (unless used to manage currency risk).</p> <p>AGX1 will only use derivatives in the following three scenarios:</p> <ul style="list-style-type: none"> <li>• for the dominant purpose of managing foreign exchange or interest rate risk;</li> <li>• for the dominant purpose of more efficiently gaining an economic exposure, through the use of exchange-traded derivatives, to the underlying reference assets of those derivatives, but only on a temporary basis (i.e. for a period of less than 28 days, which cannot be extended by rolling over or replacing the derivative); or</li> <li>• use of exchange-traded derivatives, provided the notional derivatives exposure of AGX1 does not exceed 10% of its net asset value (unless the exposure is attributable to circumstances that were not reasonably foreseeable by the Responsible Entity, such as unforeseen market movements or large redemption requests, and the exposure is for a period of no more than three consecutive Business Days).</li> </ul> <p>These three exceptions operate independently of each other. For example, where AGX1 uses exchange-traded derivatives for the dominant purpose of managing foreign exchange or interest rate risk, this does not count towards the 10% notional derivatives exposure limit for exchange-traded derivatives in accordance with ASIC Regulatory Guide 240.</p> <p>Currency exposure will generally reflect the currency of the underlying securities. However, 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 AGX1 Portfolio's currency exposure. Currency hedging is subject to the specific restriction that such derivatives cannot be used to gear portfolio exposure.</p> <p>AGX1 will not engage in short selling.</p>
Minimum suggested investment timeframe	<p>5 years</p>
AGX1's income distribution	<p>Distributions will generally be made annually at 30 June. The Responsible Entity also has the discretion to make interim distributions during the financial year.</p> <p>Distributions will be reinvested in AGX1 through the distribution reinvestment plan unless an AGX1 Unitholder elects otherwise. A copy of the AGX1 distribution reinvestment plan is available on Unit Registry's website at <a href="http://www.automicgroup.com.au">www.automicgroup.com.au</a>. The Unit Registry can be contacted on 1300 902 587 (within Australia) or +61 2 7208 4521 (International) and via email at <a href="mailto:hello@automic.com.au">hello@automic.com.au</a>.</p> <p>See section 6F of the PDS in ANNEXURE G for further details.</p>
Risks associated with AGX1	<p>There are a number of general and specific risks associated with an investment in AGX1. These risks are summarised in Section 8.3 of this Scheme Booklet 8.3 and section 5 of the PDS in ANNEXURE G.</p>

## 6.5 AGX1 INVESTMENT PORTFOLIO

### (a) Snapshot

Set out below is a snapshot of the portfolio of AGX1 as at 30 September 2021.

Top 10 holdings - Antipodes Global Shares Fund (AGX1)	
SECURITY NAME	Weight
Facebook, Inc. Class A	3.8%
Siemens AG	3.6%
Tencent Holdings Ltd.	3.5%
Microsoft Corporation	3.4%
Sanofi	2.8%
Frontier Communications Parent, Inc.	2.7%
UniCredit S.p.A	2.7%
Coterra Energy	2.6%
Teck Resources	2.6%
Taiwan Semiconductor Manufacturing Co., Ltd.	2.5%

Source : Antipodes

The long holdings of AGX1 are generated from the same investment team and research process as APL and are therefore substantially the same (see Section 5.3(a) of this Scheme Booklet). Subtle differences in position names and sizes arise from risk management considerations in the portfolio construction process.

### (b) Post Implementation

If the Scheme is Implemented, APL will become wholly owned by AGX1.

Following Implementation, legal title to the investments within the APL Portfolio will be transferred to AGX1 and will form part of its then expanded AGX1 Portfolio. See Section 9.2 for further details.

## 6.6 FEES AND COSTS

### (a) Summary of fees and costs

This Section summarises fees and other costs that AGX1 Unitholders may be charged. These fees and costs may be deducted from investor accounts, from the returns on investment or from the AGX1 Portfolio as a whole. See section 7 of the PDS in ANNEXURE G for full details.

Taxes are separate to costs and are addressed in Section 9 of this Scheme Booklet and section 9 of the PDS in ANNEXURE G. You should read all of the information about fees and costs because it is important to understand their impact on an investment in AGX1.

Type of fee or cost	Amount	How and When Paid
Fees when your money moves in or out of AGX1		
<b>Establishment fee</b> The fee to open your investment in AGX1	Nil	Not applicable
<b>Contribution fee</b> The fee on each amount contributed to your investment in AGX1	Nil	Not applicable

<b>Withdrawal fee</b> The fee on each amount you take out of your investment in AGX1	Nil	Not applicable
<b>Exit fee</b> The fee to close your investment in AGX1	Nil	Not applicable
<b>Management costs<sup>1, 2, 3</sup></b>		
The fees and costs for managing your investment	<b>Management fee</b> 1.10% p.a.  <b>Performance fee</b> 15% of the difference in AGX1's return (net of management fees) relative to the return of the Benchmark multiplied by the NAV.  <b>Indirect costs</b> 0.00% p.a.	<b>Management fee</b> - A management fee is payable to the Manager for managing the investments of AGX1. The management fee is calculated daily based on the net asset value of AGX1, reflected in the AGX1 Unit price and deducted from AGX1 quarterly in arrears.  <b>Performance fee</b> - The performance fee is calculated and accrued each Business Day and is reflected in the daily AGX1 Unit price. <sup>4</sup>  The performance fee is payable by AGX1 six-monthly, as at 30 June and 31 December, if applicable.  The Manager will only be paid the performance fee if AGX1's total daily performance fee accrual is positive. That is, any previous negative performance fee accruals generated when AGX1 underperformed the Benchmark must have been recovered.

**Notes:**

1. All fees are inclusive of GST and the net effect of any applicable reduced input tax credits ('RITC').
2. Fees and costs may be negotiated with wholesale clients. See 'Differential fees' in 'Additional explanation of fees and costs' in section 7 of the PDS in ANNEXURE G.
3. When money moves in or out of AGX1, an AGX1 Unitholder may incur a buy/sell spread. See 'Total transactional and operational costs' in 'Additional explanation of fee and costs' in section 7 of the PDS in ANNEXURE G.
4. If the performance fee is positive, the amount is incorporated in the AGX1 Unit price. If the performance fee is negative, there is no impact on the AGX1 Unit price and the negative amount will be carried forward.
5. Indirect costs refer to the costs of obtaining exposures through over-the-counter derivatives (excluding over-the-counter derivatives used for hedging or risk management purposes) incurred by AGX1.

The Responsible Entity has the right to increase the fees or to charge fees not currently levied up to the maximum limits set out in the AGX1 Constitution without AGX1 Unitholder consent. If the Responsible Entity chooses to exercise this right, it will provide AGX1 Unitholders with 30 days prior written notice.

**(b) Additional comments on fees**

*Management costs*

The management costs are generally the administration and investment fees and costs (excluding transaction costs) of AGX1. These costs include Responsible Entity fees, ASX fees, service fees in respect of the calculation and dissemination of the iNAV of AGX1 and audit and legal costs.

The Manager pays management costs out of the management fees it receives. Therefore, the total management costs deducted from AGX1 will typically be comprised of the management fee and performance fee (if any).

*Sell costs for off-market withdrawals*

In the limited circumstances in which off-market withdrawals are available to AGX1 Unitholders, the price at which an investor can withdraw their investment in AGX1 will include sell costs of 0.30%. This cost can be varied without prior notice.

*Market making agent costs*

The Responsible Entity has appointed a market participant as its agent to execute its market making activities in order to provide liquidity in the AGX1 Units on the ASX under the AQUA Rules and to facilitate settlement. The agent will earn a fee as a result of these activities. To the extent that the fee payable to the market participant is not calculated by reference to the value of the AGX1 Units purchased and sold by the agent on behalf of AGX1 (e.g. a fixed monthly minimum cost), such fee will be borne by the Manager and will not be recovered from AGX1.

To the extent that the fee is calculated based on the value of AGX1 Units purchased and sold by the agent on behalf of AGX1, this fee will be recovered from the bid-ask spread applicable to purchases and sales of AGX1 Units via the ASX and borne by AGX1 Unitholders who trade via the ASX. AGX1 Unitholders may also incur funding charges in respect of the market making activities.

#### *Stockbroker fees for investors*

No brokerage fees will be payable in respect of the AGX1 Units issued to Scheme Shareholders at implementation. However, ordinarily, AGX1 Unitholders will incur customary brokerage fees and commissions when buying and selling the AGX1 Units on the ASX.

### **6.7 NO OTHER MATERIAL INFORMATION**

Except as disclosed elsewhere in this Scheme Booklet or the PDS, there is no other information that is material to the making of a decision in relation to the Scheme that is within the knowledge of the Responsible Entity, as at the date of this Scheme Booklet, which has not previously been disclosed to APL Shareholders.



## 7. INFORMATION ABOUT AGX1 UNITS

### 7.1 INTRODUCTION

This Section provides you with information about the New AGX1 Units that will be issued as Scheme Consideration if the Scheme becomes Effective.

### 7.2 COMPARISON BETWEEN NEW AGX1 UNITS AND EXISTING AGX1 UNITS

#### (a) AGX1 issued capital

As at the date of this Scheme Booklet, there is only one class of units on issue in AGX1.

As 30 September 2021, there were 4,751,367 AGX1 Units on issue.

However, as an open-ended fund, the issued capital of AGX1 may change daily. That is, the number of AGX1 Units on issue may increase or decrease daily depending on investor demand. See section 6 of the PDS in ANNEXURE G of the Scheme Booklet for details.

#### (b) Issued capital post-implementation

If the Scheme is approved and Implemented, the Responsible Entity intends to issue (off-market) the New AGX1 Units to Scheme Shareholders in accordance with the terms of the Scheme. New AGX1 Units issued as Scheme Consideration will be in the same class as existing AGX1 Units, which are AQUA Products.

The total number of New AGX1 Units on issue immediately following Implementation will be a function of APL's post-tax NTA and AGX1's NAV on the Calculation Date. Following Implementation, APL Shareholders, in their capacity as AGX1 Unitholders, will be able to sell their New AGX1 Units on market. Trading in New AGX1 Units will commence 3 Business Days after Implementation (currently expected to be 23 December 2021).

Providing an exit at close to the NAV may encourage some Scheme Shareholders to realise their New AGX1 Units. The total number of AGX1 Units on issue will decrease at the end of any ASX Trading Day in which the Responsible Entity (via its third party market making agent) buys more AGX1 Units than its sells on the ASX.

### 7.3 COMPARISON OF RIGHTS ATTACHING TO APL SHARES AND AGX1 UNITS

Below is a comparison, by way of summary, of rights and liabilities of New AGX1 Unitholders and APL Shareholders. These rights are found under the Corporations Act, ASX Listing Rules, ASX Settlement Operating Rules, the AQUA Rules and AGX1 Constitution (in the case of New AGX1 Unitholders) and the APL Constitution (in the case of APL Shareholders).

The table also highlights differences in legal and governance structures applicable to APL and AGX1. This comparison does not purport to be exhaustive or constitute a definitive statement of all the differences between, or the rights and liabilities attaching to, AGX1 Units and APL Shares.

APL Shares		AGX1 Units
ASX Ticker	APL	AGX1
Legal Structure	APL is established as a public company limited by shares, that is a closed-ended structure and which is admitted to the ASX as a listed investment company and which shares trade on the ASX market.	AGX1 is established as an open-ended unit trust that is a registered managed investment scheme and is an exchange quoted managed fund that is an Active ETF, admitted to trading status on the ASX under the AQUA Rules.
Applicable ASX rules	APL is subject to the ASX Listing Rules	AGX1 is subject to the AQUA Rules.
	Section 2 of the PDS sets out the key differences between the Listing Rules (which apply to APL) and the AQUA Rules (which apply to AGX1).	
Source of rights	APL Shareholder rights are found under the APL Constitution and the Corporations Act. The APL Constitution is also subject to the ASX Listing Rules and the ASX Settlement Operating Rules.	AGX1 Unitholder rights are found under the AGX1 Constitution and the Corporations Act. The AGX1 Constitution is also subject to the operation of the AQUA Rules and CHESS whilst AGX1 is admitted to trading status on the ASX and AGX1 Units are CHESS approved securities.

	APL Shares	AGX1 Units
ASX Ticker	APL	AGX1
<b>Dividend / Distributions</b>	<p>The Directors may determine, declare or procure the payment of a dividend as and when permitted by the Corporations Act.</p> <p>Dividends will be paid pro-rata to the number of APL Shares held, subject to any rights or restrictions attached to any APL Shares.</p> <p>The Directors may implement a dividend reinvestment plan on the terms they think fit.</p>	<p>The Responsible Entity may elect to distribute any amount (capital or income in nature) to investors.</p> <p>Distributions may be regular or irregular depending on the income AGX1 receives from underlying assets.</p> <p>Distributions will be paid pro-rata to the number of AGX1 Units held.</p> <p>The Responsible Entity may offer a distribution reinvestment plan on the terms that it thinks fit (subject to the Corporations Act).</p> <p>The AGX1 Constitution permits the Responsible Entity to require that some or all of any distributions be reinvested as additional AGX1 Units in AGX1.</p>
<b>Re-investment plan</b>	<p>APL has adopted a dividend reinvestment plan.</p> <p>Participation in that plan must be actively elected. That is, unless APL Shareholders elect to participate in the plan, dividends will be paid in cash.</p>	<p>The Responsible Entity has adopted a reinvestment plan.</p> <p>Participation in that plan is the default position. That is, unless an election is made to the contrary, distributions will be re-invested in additional AGX1 Units, subject to the terms and conditions of the reinvestment plan.</p>
<b>General Meetings</b>	<p>Each APL Shareholder is entitled to receive notice of, and to attend and vote at, general meetings of APL.</p> <p>APL must give at least 28 days' written notice of a general meeting.</p> <p>The Corporations Act requires that APL hold an annual general meeting at least once in a calendar year and within five months after the end of its financial year.</p>	<p>Each AGX1 Unitholder is entitled to receive notice of, and to attend and vote at, general meetings of AGX1 Unitholders.</p> <p>The Responsible Entity must give at least 21 days' written notice of a general meeting.</p> <p>There is no requirement under the Corporations Act or the AGX1 Constitution to hold annual general meetings.</p>
<b>Voting rights</b>	<p>Resolutions are decided by a show of hands unless a poll is demanded.</p> <p>At a general meeting, every APL Shareholder has one vote on a show of hands. On a poll, every APL Shareholder has one vote for each APL Share held (subject to the Share being fully paid).</p> <p>An APL Shareholder may vote in person, by proxy or by attorney and, in the case of a corporation, by representative.</p>	<p>Resolutions are decided on a show of hands, unless a poll is demanded.</p> <p>A poll may be demanded by at least 5 AGX1 Unitholders entitled to vote on the resolution, AGX1 Unitholders with at least 5% of the votes that may be cast on the resolution on a poll or by the chairman.</p> <p>At a general meeting, each AGX1 Unitholder is entitled to one vote on a show of hands and, on a poll, one vote per one dollar of the value of the AGX1 Units held by the AGX1 Unitholder.</p> <p>An AGX1 Unitholder may vote in person or by proxy and in the case of a body corporate, by authorised representative.</p>
<b>Issue of further securities</b>	<p>Subject to the Corporations Act and the ASX Listing Rules, the Directors may issue or allot further APL Shares or any other form of security in APL or grant options over unissued shares in APL, on such terms and conditions as they think fit.</p>	<p>Subject to Corporations Act, the Responsible Entity may issue AGX1 Units, create different classes of AGX1 Units or issue options to subscribe for AGX1 Units.</p> <p>AGX1 Units are held subject to the AGX1 Constitution and the rights, liabilities, obligations and restrictions attaching to that AGX1 Unit.</p>

	APL Shares	AGX1 Units
ASX Ticker	APL	AGX1
<b>Transfers of securities</b>	<p>APL Shareholders may transfer APL Shares by a proper transfer effected in accordance with the ASX Listing Rules and the ASX Settlement Operating Rules or as otherwise permitted by the Corporations Act, or as the Directors may otherwise approve.</p> <p>In the limited circumstances permitted under the ASX Listing Rules, APL may require a holding lock to be applied to specified CHESS approved securities or decline to register a transfer of APL Shares when the transfer is not in registrable form.</p>	<p>While AGX1 is quoted, AGX1 Units can be transferred on market and transfers are subject to the operation of the Corporations Act, CHESS and the AQUA Rules (as applicable).</p> <p>In specified circumstances permitted under the AGX1 Constitution and subject to the AQUA Rules, the Responsible Entity may require a holding lock to be applied to AGX1 Units.</p> <p>The Responsible Entity may refuse to record any transfer of AGX1 Units or options to acquire AGX1 Units without giving reason for the refusal.</p>
<b>Winding up</b>	<p>In the event of being wound up, APL Shareholders will be entitled in a winding up to share in any surplus assets of APL in proportion to the APL Shares held by them.</p>	<p>The Responsible Entity may, in accordance with the provisions of the AGX1 Constitution, terminate AGX1 in circumstances contemplated by the Corporations Act and AQUA Rules.</p> <p>On termination, the Responsible Entity will realise all AGX1 property, pay all liabilities of AGX1 and distribute any remaining assets or the net proceeds to AGX1 Unitholders pro rata to the number of AGX1 Units held on the termination date.</p>
<b>Nature of Governing Body</b>	<p>The APL Board is the governing body of APL. The Directors are subject to duties of good faith, care and diligence which are set out in Part 2D.1 of the Corporations Act.</p>	<p>The Responsible Entity must, in accordance with the Corporations Act, be a public company that holds an Australian Financial Services Licence authorising it to operate a managed investment scheme. The Responsible Entity must act in accordance with the AGX1 Constitution and Part 5C.2 of the Corporations Act.</p> <p>Whilst AGX1 is also admitted as an exchange quoted managed fund that is an Active ETF on the ASX, the Responsible Entity must also comply with the AQUA Rules.</p>
<b>Directors</b>	<p>The minimum number of Directors of APL is three and the maximum is to be fixed by the Directors but may not be more than 10 unless APL Shareholders pass a resolution in general meeting varying that number.</p> <p>The APL Constitution and the ASX Listing Rules provide for periodic compulsory retirement of Directors.</p> <p>Subject to the requirements of the Corporations Act, retiring Directors are eligible for re-election.</p>	<p>The Responsible Entity may be replaced as responsible entity of AGX1 by an Extraordinary Resolution of AGX1 Unitholders, including AGX1 Unitholders who receive New AGX1 Units as Scheme Consideration, in accordance with section 601FM of the Corporations Act.</p> <p>AGX1 Unitholders have no power to appoint or vote on the appointment of directors of the Responsible Entity.</p>
<b>Indemnity</b>	<p>APL, to the extent permitted by law, indemnifies each Director or other officer of APL (and any person who has previously served in any such capacity) against any liabilities for costs and charges and expenses incurred by the person as an officer of APL or a related body corporate of APL.</p> <p>The indemnity includes, to the extent permitted by law, liability for legal costs incurred in defending proceedings in which judgment is given in favour of the director or officer of APL or in which the director or officer of APL is acquitted on a full indemnity basis.</p>	<p>The Responsible Entity is entitled to be indemnified out of AGX1 property for any liability or losses arising out of or incurred by it in properly performing its duties or exercising any of its powers in the proper performance of its duties. The Responsible Entity is not required to do anything for which it does not have a full right of indemnity out of AGX1 property available for that purpose. The AGX1 Constitution limits the Responsible Entity's liability in contract, tort or otherwise to AGX1 Unitholders for any loss suffered in any way relating to AGX1 except to the extent that the Corporations Act imposes such liability.</p>

	APL Shares	AGX1 Units
ASX Ticker	APL	AGX1
<b>Amendment</b>	<p>The APL Constitution can only be amended by a special resolution passed by at least three quarters of the eligible votes cast by APL Shareholders present and voting at a general meeting of APL. At least 28 days' written notice specifying the intention to amend the APL Constitution by special resolution must be given.</p>	<p>Subject to section 601GC of the Corporations Act, the Responsible Entity may by supplemental deed, make any amendment to the AGX1 Constitution if the Responsible Entity reasonably considers the change will not adversely affect member rights.</p> <p>The Corporations Act provides that the Responsible Entity must seek AGX1 Unitholders' approval, by special resolution (which requires at least 75% of the votes cast by AGX1 Unitholders entitled to vote), if a proposed amendment would adversely affect AGX1 Unitholders' rights.</p>

## 8. RISK FACTORS

### 8.1 INTRODUCTION

This Section 8 describes (1) the risks to which you are currently exposed as an APL Shareholder (see Section 8.2), (2) the risks to which you will be exposed as an AGX1 Unitholder if the Scheme is Implemented (see Section 8.3) and (3) the risks associated with the Scheme (see Section 8.4).

You should note that this Section is not an exhaustive list of the risks associated with APL, AGX1 or the Scheme and it should be considered in conjunction with all other information disclosed in this Scheme Booklet, including in respect of AGX1, the PDS.

You should carefully consider these risks in light of your personal circumstances and seek professional advice from your independent legal, financial, accounting or other professional advisers before deciding how to vote.

### 8.2 RISK FACTORS FACED BY APL

The risks specific to APL that are set out below, as well as others described elsewhere in this Scheme Booklet, should be carefully considered in evaluating the Scheme.

If the Scheme does not proceed, APL will continue to be subject to the risks in this Section 8.2 and may also become subject to risks identified in Section 8.4.

#### (a) Portfolio management risk

The success and profitability of APL in part depends upon the retention of the Manager as investment manager of APL and the retention of key personnel within the Manager with responsibility for managing the APL Portfolio.

APL's performance depends on the expertise and investment decisions of the Manager. Its opinion about the intrinsic worth of a company or security may be incorrect, APL's investment objective may not be achieved and the market may continue to undervalue the securities held by APL.

The Manager's performance is largely dependent on the skills and efforts of its investment team. The Manager's ability to perform effectively is dependent on its ability to retain and motivate its investment team. There can be no guarantee that the Manager will be able to retain its investment team or that the Manager will be able to attract and retain management personnel of sufficient experience and expertise to manage the APL Portfolio.

If the Scheme does not become Effective, the APL Management Agreement will not be terminated and the Manager will continue to manage the APL Portfolio using APL's long/short global equities investment strategy.

Should the Manager become unable to perform investment management services for APL or should there be significant key personnel changes at the Manager, APL's investment activities may be disrupted and its performance negatively impacted. Even if the APL Portfolio does not perform well, the APL Management Agreement may not be terminated, and the Manager may not be removed, unless specific termination rights under the agreement are triggered.

#### (b) Investment strategy risk

The success and profitability of APL will largely depend upon the ability of the Manager to invest in a portfolio which generates an acceptable return for APL. There are risks inherent in the global long/short investment strategy that the Manager employs for APL.

##### *Equity investment risks*

These risks include risks associated with investments in listed securities, including:

- **Equity risk:** Long positions falling in value and short positions rising in value (separately or concurrently), could result in a reduction in the value of investments in the APL Portfolio and have a negative impact, either directly or indirectly, on investment returns.  
  
Security markets tend to move in cycles, and individual share prices may fluctuate and underperform other asset classes over extended periods of time. APL Shareholders are exposed to this risk directly in respect of their APL Shares as well as indirectly through the APL Portfolio.  
  
In respect of the equity risk within the APL Portfolio, APL aims to minimise this risk through the Manager's analysis of each security APL invests in and the construction of a diversified portfolio.
- **Liquidity risk:** APL is exposed to liquidity risk in relation to the investments within the APL Portfolio. If a security cannot be bought or sold quickly enough to minimise potential loss APL may have difficulty satisfying commitments associated with financial instruments.
- **COVID-19 risk:** The global economic outlook is facing uncertainty due to the current COVID-19 pandemic which has had, and is likely to continue to have, a significant impact on global capital markets. The long-term impacts

from the COVID-19 pandemic on general economic conditions are uncertain and may adversely impact the financial performance of APL. The continually changing situation is bringing unprecedented challenges to global financial markets and the global economy, with significant volatility and movements seen in equities prices and valuations.

- **Counter-party risk:** A loss may occur if the other party to a contract, including derivatives contracts or lending arrangements (cash or stocks), defaults on their obligations under the contract. APL outsources key operational functions including investment management, custody, execution, administration and valuation to a number of third party service providers. There is a risk that one or more of these counterparties may intentionally or unintentionally breach their obligations to APL causing loss to APL.
- **Market risk:** The APL Portfolio is exposed to market risks. Broad market risks include movements in domestic and international securities markets, movements in foreign exchange rates and interest rates. Certain events may have a negative effect on the price of all types of investments within a particular market. These events may include changes in economic, social, technological or political conditions, government regulations, local and international political events, pandemic outbreaks, environmental and technological issues as well as market sentiment.

The Manager seeks to minimise market and economic risks but cannot eliminate them entirely. The value of the APL Portfolio may be impacted by such factors.

Limiting exposure to market exposures via short selling, may result in underperformance against market indices during periods when the market is performing strongly. As a result, no guarantee can be given in respect of the future earnings of APL or the earnings and capital appreciation of APL's investments.

- **Regulatory risk:** APL is subject to a range of regulatory controls imposed by government (federal and state) and regulatory authorities (for example, ASIC). The relevant regulatory regimes are complex and are subject to change over time depending on changes in the laws and the policies of the governments and regulatory authorities. There is a risk that a change in laws and regulations governing a security, sector or financial market could have an adverse impact on APL's investments. A change in laws or regulations can increase the costs of operating a business and/or change the competitive landscape.
- **Derivatives risk:** Derivative values can fluctuate significantly and in certain circumstances a derivative can be more volatile than the underlying asset or index.

The value of a derivative contract may fall as a result of an adverse movement in the underlying asset or index. Losses can be magnified where a greater exposure is created through the derivative position than is backed by available assets. Derivatives may also be subject to liquidity risk and/or counter-party risk. Depending on market conditions, derivative positions can be costly and/or difficult to reverse.

- **Leverage risk (derivatives):** While the Manager does not use debt to increase the scale of the APL Portfolio, the use of derivatives may have an effect similar to leverage in that it can magnify the gains and losses achieved in the APL Portfolio in a manner similar to a debt leveraged portfolio. These risks give rise to the possibility that positions may have to be liquidated at a loss and not at a time of the Manager's choosing.
- **Performance Fee risk:** The Manager will receive compensation based on APL's performance. Performance Fee arrangements may create an incentive for the Manager to make more speculative or higher risk investments than might otherwise be the case.

#### *International investment risk*

APL's investment objective and strategy are focused on international securities. APL's Portfolio is also exposed to risks associated with the global nature of APL's investment strategy. These include:

- **Currency risk:** Investing in assets denominated in a currency other than the Australian dollar may cause losses resulting from exchange rate fluctuations. For example, if the Australian dollar rises, the value of international investments expressed in Australian dollars can fall. The Manager may, from time to time, seek to actively manage APL's currency exposure using derivatives (for example, foreign exchange forwards swaps, "non-deliverable" forwards, and currency options) and cash foreign exchange trades.
- **Foreign investments:** Investments in foreign companies may be exposed to a higher degree of sovereign, political, economic, market and corporate governance risks than domestic investments. Investments in foreign companies may decline in value because of sovereign, political, economic or market instability; the absence of accurate information about the companies; and risks of unfavourable government actions such as expropriation and nationalisation. Other countries may have different legal systems, taxation regimes and auditing and accounting standards with less governmental regulation and transparency. These risks may be higher when investing in emerging markets.

APL aims to minimise this risk through the Manager's careful analysis of each security APL invests in and the Manager's strategy of constructing a diversified portfolio.

- **Interest rate risk:** Changes in interest rates may have a negative impact, either directly or indirectly, on investment returns. Interest rate movements may adversely affect the value of APL through their effect on the price of APL Shares and/or a security held in the APL Portfolio. APL is exposed to movements in Australian interest rates as well

as movements to interest rates in other jurisdictions. The Manager's careful analysis of macroeconomic issues and detailed research in combination with diversified holdings aims to minimise this risk.

#### *Risks specific to APL's investment strategy*

APL is also exposed to risks associated with short selling employed in its investment strategy. Short selling typically involves taking a position with the expectation that the price of the relevant asset will fall. To effect a short sale, APL will borrow a security from a securities lender and sell it with the intention of repurchasing the security when the price of the security falls. If the price of the security rises, a loss is incurred which can be much greater than the price of the security at which it was sold. Accordingly, there is a higher risk in creating a short position than creating a long position in relation to a security.

There is also the risk that the securities lender may recall a security that APL has borrowed at any time which means that APL may have to buy the security at an unfavourable price to meet its obligations.

Short selling can be seen as a form of leverage and may magnify the gains and losses achieved in the APL Portfolio. Risks associated with short selling include:

- While short selling may be used to manage certain risk exposures in the APL Portfolio and increase returns, it may also have a significantly increased adverse impact on its returns;
- Short selling exposes the APL Portfolio to the risk that investment flexibility could be restrained by the need to provide collateral to the securities lender and that positions may have to be liquidated at a loss and not at a time of the Manager's choosing; and
- Short selling, when used to manage market exposures, may result in underperformance against market indices during periods when the market is performing strongly.

#### (c) **Risks associated with APL's structure**

APL is exposed to certain other risks specific to its structure as a listed investment company (LIC). These include:

- **Discount to NTA:** All listed investment companies are exposed to the risk that their shares do not trade in line with the underlying value of their assets.

The APL Share price has been trading at a persistent discount to APL's NTA for over 2 years. The APL Board has actively pursued a range of NTA discount control mechanisms including implementing the largest on-market LIC share buy-back in ASX history. These initiatives to date have not had the desired effect of sustainably reducing the NTA discount.

NTA discounts are influenced by many factors including market sentiment, investment manager performance and market capitalisation. There is a risk that APL Shares will continue to trade at a discount to NTA (notwithstanding any buy-back pursuant to the CTO Proposal or other discount control mechanisms that the APL Board may seek to implement, see Section 8.4(g) for further details).

- **Liquidity risks:** APL Shares are also exposed to liquidity risk. The ability of an APL Shareholder to sell their APL Shares on the ASX will depend on the turnover or liquidity of the APL Shares at the time of sale. Therefore, APL Shareholders may not be able to sell their APL Shares at the time, in the volumes or at the price they desire. This may result in a loss if the holder of the security needs to sell it within a particular timeframe, or if the holder is unable to sell APL Shares at all.
- **Tax risks:** Tax laws are in a continual state of change and reform which may affect APL and APL Shareholders. Tax liabilities are the responsibility of each individual APL Shareholder. There may be tax implications arising from ownership of the APL Shares, the receipt of franked and unfranked dividends (if any) from APL, receiving returns of capital and the disposal of APL Shares.

Changes to tax laws may adversely affect APL's financial performance and/or the returns achieved by APL Shareholders. Dividends paid by APL to certain APL Shareholders may not be recognised as frankable by the Australian Taxation Office.

APL is not responsible for either taxation or penalties incurred by APL Shareholders. You should carefully consider these tax implications and obtain advice from an accountant or other professional tax adviser in relation to the application of the tax legislation to your investment in APL.

### **8.3 RISK FACTORS FACED BY AGX1**

Subject to the Scheme being approved and implemented, APL Shareholders participating in the Scheme will become unitholders (or investors) in AGX1. This Section 8.3 sets out the risks to which you will be exposed as an AGX1 Unitholder.

This Section 8.3 is a summary only, does not present the risks in any order of importance, and does not purport to list every risk that may be associated with an investment in AGX1. APL Shareholders should also be aware that these risk factors do not take into account the individual investment objectives, financial situation, position or particular needs of APL Shareholders.



(a) **Investment strategy risks**

AGX1 is exposed to a number of similar, but not identical, risks to APL.

Subject to the below qualifications, AGX1 is exposed to:

- many of the same risks associated with equity investments as APL (see equity, liquidity, COVID-19, counter-party, market and regulatory risks in Section 8.2(b) above); and
- the same risks associated with international investments as APL (see currency, foreign investments and interests rate risks in Section 8.2(b) above).

Differences in the risk profile arise due to the differences between APL's and AGX1's investment strategies. These key differences are:

- **No short selling:** AGX1 does not engage in short selling, and therefore is not exposed to the short selling and associated leverage risks that APL is exposed to;
- **Limited gearing and derivative exposure:** AGX1's derivative use is subject to specific restrictions that such instruments cannot be used to gear portfolio exposure and that the underlying effective face value is limited to 10% of the net asset value of AGX1 (unless used to manage currency risk); and
- **Concentration:** The AGX1 Portfolio is concentrated in a smaller number of securities than the broader market index, therefore the AGX1 Unit price may be more volatile than the return of the Benchmark. AGX1 has security limits relative to the market index which aims to manage this risk by ensuring satisfactory diversification.

(b) **Risks associated with AGX1's structure**

AGX1 is exposed to certain other risks specific to its structure as an exchange traded managed fund. These include:

- **ASX Market liquidity risk:** The liquidity of trading in AGX1 Units on the ASX under the AQUA Rules may be limited. This may affect an investor's ability to buy or sell AGX1 Units. Further AGX1 Unitholders will not be able to purchase or sell AGX1 Units on the ASX during any period that the ASX suspends trading of AGX1 Units.

Further, where trading in the AGX1 Units on the ASX has been suspended for five consecutive Business Days, the availability of AGX1's off-market redemption facility will be subject to the provisions of the AGX1 Constitution.

- **Price risk:** The price at which AGX1 Units trade on the ASX may not reflect either the NAV per AGX1 Unit or the iNAV. The trading price of AGX1 Units is dependent on a number of factors including the demand for and supply of AGX1 Units, investor confidence, the availability of market maker services during the course of the trading day, and the buy-sell spread applied to AGX1 Units.
- **iNAV risk:** The iNAV provides an estimate of the intraday indicative value of AGX1 per AGX1 Unit based on the market values of its underlying net assets. The iNAV published by AGX1 is indicative only and might not be up to date or might not accurately reflect the underlying value of the assets of AGX1. There may be situations where the iNAV, when calculated on its usual basis, is no longer an accurate estimate of the value of AGX1 Units if there is a material change in the AGX1 Portfolio holdings during the day or there is a major market event.
- **Market Making risk:** The Responsible Entity is responsible for making a market in the AGX1 Units, which it manages through the appointment of a market making agent. AGX1 bears the risk of these market making activities undertaken by the Responsible Entity. These risks, which are considered low, include:
  - There is a risk that AGX1 could suffer a material cost as a result of these market making activities which may adversely affect the NAV. Such a cost could be caused by either an error in the execution of market making activities or in the price at which AGX1 Units are transacted on the ASX. In order to mitigate this risk, the Responsible Entity has the discretion to increase the spread at which it makes a market and also has the right to cease making a market subject to its obligations under the AQUA Rules and ASX Operating Rules. The Responsible Entity considers that such risk would only arise in instances of extreme market volatility.If the market becomes unstable, the Responsible Entity reserves the right to cease market making activities.
- As the market making agent performs its role as agent on behalf of AGX1, any profit or loss which occurs as a result of the market making agent's actions is incurred by AGX1. There is a risk that the market making agent could make an error in executing the market making activities. Additionally, the Responsible Entity may enter into transactions to acquire or to liquidate assets in anticipation of the market making agent fulfilling its settlement processing obligations in a correct and timely manner. If the market making agent does not fulfil its settlement processing obligations in a correct and timely manner, AGX1 could suffer a loss.



- **Withdrawal risk:** AGX1 Unitholders can apply to the Responsible Entity to withdrawal of their AGX1 Units if trading in AGX1 Units on the ASX is suspended for five consecutive Business Days. There are circumstances in which such off-market withdrawal may be restricted. The Responsible Entity can suspend withdrawals if it determines that this is in the best interests of all AGX1 Unitholders (see section 6D of the PDS in ANNEXURE G for further details).

If AGX1 ceases to be liquid (within the meaning given to that term in the Corporations Act), an AGX1 Unitholder can only withdraw if the Responsible Entity makes a withdrawal offer all AGX1 Unitholders in AGX1 in accordance with the AGX1 Constitution and Part 5C.6 of the Corporations Act. The Responsible Entity is not obliged to make such offers. The Responsible Entity may suspend withdrawals if it determines that this is in the best interests of all AGX1 Unitholders.

- **Structure risk:** There is a risk AGX1 may be removed from quotation by the ASX or terminated. The ASX imposes certain requirements for the continued quotation of securities, such as the Units, on the ASX under the AQUA Rules. AGX1 Unitholders cannot be assured that AGX1 will continue to meet the requirements necessary to maintain quotation on the ASX. In addition, the ASX may change the quotation requirements.
- **Fund risk:** The Responsible Entity may elect, in accordance with the AGX1 Constitution and Corporations Act, to terminate AGX1 for any reason including if AGX1 Units cease to be quoted on the ASX. Information about the AQUA Rules applicable to quotation of AGX1 Units in AGX1 on the ASX is set out in the 'About AQUA Rules' and 'About CHESS' section 2 of the PDS in ANNEXURE G.

## 8.4 RISK FACTORS SPECIFIC TO THE SCHEME

This Section 8.4 is a summary only, does not present the risks in any order of importance, and does not purport to list every risk that may be associated with the Scheme.

### (a) Scheme Consideration is not a fixed number

APL Shareholders are not offered a fixed number of New AGX1 Units per APL Share as the Scheme Consideration.

APL Shareholders who participate in the Scheme will receive a number of New AGX1 Units based on a ratio of APL's post-tax NTA per APL Share (less the Retention Amount) to AGX1's NAV per AGX1 Unit on the Calculation Date. The number of New AGX1 Units to be issued for each APL Share will not be known until immediately before the Scheme is Implemented.

The final Scheme Consideration will be announced on the Business Day before the Implementation Date (currently expected to be 16 December 2021).

A worked example of the Scheme Consideration, based on APL's post-tax NTA per APL Share and AGX1's NAV per AGX1 Unit on 30 September 2021, is provided in Section 3.2(c). APL Shareholders will also be provided with updated worked examples of the Scheme Consideration (based on the latest published post-tax NTA and NAV available at the time of each announcement) via the ASX announcement platform before and after the Scheme Meeting. See the Important Dates at the front of this Scheme Booklet for further details.

Until the Scheme Consideration is calculated, the latest published post-tax NTA of APL and NAV of AGX1 will be available (updated daily) at <https://antipodespartners.com/scheme>.

Worked examples provided by APL demonstrate how the Scheme Consideration will be calculated. They are not to be taken as indicative of the final Scheme Consideration.

### (b) Scheme Consideration is subject to market risk

If the Scheme becomes Effective, on the Implementation Date APL Shareholders (other than Ineligible Shareholders) will receive New AGX1 Units for the APL Shares held on the Record Date as the Scheme Consideration.

Generally speaking, as securities in an exchange quoted managed fund, the AGX1 Units will trade close to the iNAV. However, the price at which AGX1 Units trade on the ASX may not always reflect either the NAV per AGX1 Unit or the iNAV (see "Price risk" above and in the risk section (section 5) of the PDS, which is at ANNEXURE G of this Scheme Booklet).

### (c) Risks to Ineligible Shareholders

In relation to Ineligible Shareholders, the Nominee will be issued the New AGX1 Units to which Ineligible Shareholders would otherwise have been entitled and will be seeking to sell those securities on the ASX as soon as reasonably practicable and in any event, within 10 Business Days of the Implementation Date.

There is no guarantee regarding the price that will be realised by the Nominee (or the proceeds of sale that are ultimately delivered to Ineligible Shareholders after deducting any reasonable brokerage or other selling costs, taxes and charges).

In providing services to APL and the Responsible Entity in connection with the sale of the Ineligible Units, the Nominee is not acting as agent or sub agent of any Ineligible Shareholder.

(d) **CGT Event**

If the Scheme becomes Effective, the disposal of APL Shares by APL Shareholders should constitute a Capital Gains Tax (CGT) event. See Section 10.2(a) for an overview of the Australian income tax consequences if the Scheme proceeds.

The application of the taxation legislation may vary according to your individual circumstances. As such, you are advised to obtain professional taxation advice that takes into account your specific circumstances.

(e) **Court approval and delays**

There is a risk that the Court may not approve the Scheme, or that the approval of the Court may be delayed (including because of COVID-19). In particular, if there is a material change in circumstances between the Scheme Meeting and the Second Court Date, then the Court will have regard to that change in deciding whether to approve the Scheme. If such changes are so important that they materially alter the Scheme, there is a risk that the Court may not approve the Scheme on the Second Court Date.

If the Court refuses to make any orders or confirmations for the purposes of approving the Scheme, APL may appeal the Court's decision if legal advice is received from a sufficiently qualified barrister that, in their view, an appeal has prospects of success.

(f) **Scheme Conditions not met**

The Scheme is subject to a number of Scheme Conditions which are summarised in Section 3.3 and listed in full in paragraph 1 in ANNEXURE B of this Scheme Booklet.

At the date of this Scheme Booklet, APL is not aware of any circumstances which would cause the Scheme Conditions to not be satisfied or (if applicable) waived. However, there is a possibility that one or more of the Scheme Conditions will not be met or waived and the Scheme may not proceed as a result.

(g) **Risks if the Scheme does not proceed**

*Risks associated with CTO Proposal*

If the Scheme does not become Effective, the APL Board intends to renew its commitment to the CTO Proposal. The APL Board's current intention, if the Scheme is not Implemented, is to seek APL Shareholder approval to undertake an off-market buy-back before 30 June 2022 of up to 25% of APL's issued capital on materially the same terms as the CTO Proposal approved by APL Shareholders at the 2020 annual general meeting (**Renewed CTO proposal**).

There is no guarantee that the new APL Shareholder approval for the Renewed CTO proposal would be obtained. Nor is there any guarantee that the Renewed CTO proposal would effectively close the NTA discount to an acceptable level.

*Transaction costs*

Certain transaction related costs will be incurred by APL irrespective of whether or not the Scheme is Implemented. These costs include director service fees, financial advisory, legal, accounting, Independent Expert, tax and administration fees, Scheme Booklet design and distribution, Registry and other expenses. See Section 5.9(b) of this Scheme Booklet for more information.

## **9. INTENTIONS IF THE SCHEME IS IMPLEMENTED**

### **9.1 INTRODUCTION**

This Section sets out the intentions of the IBC and the Responsible Entity if the Scheme is Implemented.

### **9.2 APL ASSETS TO BE MANAGED IN ACCORDANCE WITH AGX1 PORTFOLIO**

APL's only material assets are investments of the APL Portfolio. APL has no fixed assets.

If the Scheme is Implemented, from the Implementation Date APL's investments will be managed alongside AGX1's current and future investments, in accordance with the investment strategy which is detailed in Section 6.4 of this Scheme Booklet.

Following Implementation, legal title to the investments within the APL Portfolio will be transferred to AGX1 through a combination of buy-backs, dividends and capital returns (at nil cost to AGX1). Following this transfer, the Retention Amount will be APL's only material asset. The Retention Amount will be used by APL to pay expenses associated with the Scheme that, as at the Calculation Date, are not yet liabilities of APL or otherwise accounted for in APL's NTA.

### **9.3 APL WILL BE DELISTED**

If the Scheme becomes Effective, APL will become a wholly-owned subsidiary of AGX1 on the Implementation Date. Following Implementation APL will be converted to a proprietary limited company and removed from the official list of the ASX.

### **9.4 NO EMPLOYEES**

APL has no employees, meaning that Implementation of the Scheme has no impact on APL's employment arrangements.

### **9.5 INDEPENDENT DIRECTORS TO RESIGN**

If the Scheme becomes Effective, following the Implementation Date the Independent Directors will resign and be replaced by nominees of the Responsible Entity, noting that consistent with the Corporations Act, APL is required as a public company to have not less than three directors.

The Independent Directors will be paid the pro rata amount of their annual non-executive director fees due and payable by APL until the date of their resignation in accordance with their respective terms of appointment. Separately, the Independent Directors are entitled to service fees in consideration for the additional work and services provided in relation to the Scheme. See Section 5.9(b) for details.

## 10. AUSTRALIAN TAXATION CONSIDERATIONS

### 10.1 INTRODUCTION

This Section 10 provides a general overview of the Australian income tax consequences for you if the Scheme proceeds. It provides a summary of some of the Australian income tax implications of the Scheme applicable to APL Shareholders who are Australian residents for income tax purposes that hold their APL Shares on capital account and will hold their New AGX1 Units in AGX1 on capital account for Australian income tax purposes.

This Section therefore does not consider APL Shareholders who are not Australian residents for income tax purposes, who either hold their APL Shares (or will hold their New AGX1 Units) as trading stock or on revenue account, are not subject to Australian income tax or are subject to the "Taxation of Financial Arrangements" rules under the Australian income tax law.

The overview is not intended to take into account your specific circumstances and is not intended to be exhaustive, or a substitute for, or to constitute, specific taxation advice.

This Section is based on Australian income tax legislation, public taxation rulings, determinations and administrative practice as at the date of this Scheme Booklet. This summary does not take into account the tax law of countries other than Australia.

The application of the taxation legislation may vary according to your individual circumstances. As such, you are advised to obtain professional taxation advice that takes into account your specific circumstances.

If you are a non-Australian tax resident, you should seek your own independent tax advice as to the tax implications of exchanging your APL shares for AGX1 units in your country of residence. In particular, if you are a U.S. tax resident, you must rely upon your own assessment as to whether, and the consequences if, AGX1 is a "passive foreign investment company" (as defined in Section 1297 of the U.S. Internal Revenue Code of 1986, as amended) for U.S. federal income tax purposes.

### 10.2 EXPECTED TAX CONSEQUENCES FOR AUSTRALIAN RESIDENTS

#### (a) Disposal of APL Shares

The disposal of APL Shares by APL Shareholders should constitute a Capital Gains Tax (CGT) event. CGT rollover relief is not available to APL Shareholders, as this relief does not apply to transactions where shares in a company are exchanged for units in a trust (as opposed to a share for share exchange).

APL Shareholders should be required to calculate a capital gain or capital loss as a result. The amount of the capital gain or capital loss will be dependent on each APL Shareholder's cost base (in the case of a capital gain) or reduced cost base (in the case of a capital loss). A capital gain should arise where the capital proceeds received by an APL Shareholder for an APL Share exceeds their cost base for that APL Share. A capital loss should arise where the reduced cost base for an APL Share exceeds the capital proceeds received for that APL Share.

Generally, the cost base or reduced cost base for an APL Share will be the amount that you paid to acquire the APL Share together with certain incidental costs of acquisition, for example brokerage.

The capital proceeds received by each APL Shareholder will be taken to be the market value of the New AGX1 Units (on the Implementation Date) they receive as Scheme Consideration under the Scheme.

A net capital gain (if any) will be included in the APL Shareholder's assessable income. Capital losses may be carried forward and offset against future taxable capital gains, although the utilisation of capital losses by certain entities is subject to the satisfaction of loss utilisation rules. A capital loss can only be offset against capital gains.

The timing of the CGT event should be the Implementation Date. Eligible APL Shareholders who have held their APL Shares for 12 months or more on the Implementation Date may be entitled to the CGT discount in calculating their net capital gain or loss for the income year in which CGT event occurs. The CGT discount may reduce capital gains by 50% for individuals and certain trusts or 33 1/3% for complying superannuation funds. No CGT discount will apply to capital gains for corporate shareholders.

#### (b) Acquisition of New AGX1 Units

If the Scheme is implemented, APL Shareholders will acquire New AGX1 Units. Investors' cost base or reduced cost base for an AGX1 Unit acquired under the Scheme should include the market value of any property given in respect of acquiring the New AGX1 Unit (i.e. APL Shares).

#### (c) AGX1 Units Disposal and Distributions

Please refer to the PDS at Annexure G to this Scheme Booklet for further details on the taxation of investors in AGX1.

## 11. ADDITIONAL INFORMATION

This Section 11 provides you with additional information required for the purposes of section 412(1) of the Corporations Act.

### 11.1 INTERESTS OF DIRECTORS

#### (a) Relevant interests in APL Shares

The table below sets out the Shares held by or on behalf of the Directors as at the date of this Scheme Booklet:

Director	Position	APL Shares	Voting Power
Jonathan Trollip	Independent Chair	400,000	0.08%
Lorraine Berends	Independent non-executive Director	100,000	0.02%
Christopher Cuffe	Independent non-executive Director	Nil	Nil
Alex Ihlenfeldt	Non-independent non-executive Director	483,835	0.10%
Andrew Findlay	Non-independent non-executive Director	168,905	0.04%

As noted in Section 3.4(a), each Independent Director intends to vote all APL Shares they hold or control in favour of the Scheme.

The non-independent Directors have informed the IBC that they intend to vote all APL Shares held or controlled by them in favour of the Scheme. See Section 3.4(b) for details.

#### (b) Interests in AGX1

As at the date of this Scheme Booklet, no Director held a relevant interest in AGX1 Units.

#### (c) Directors' Interests in agreements or arrangements with APL, the Manager, the Responsible Entity or AGX1

Except as disclosed below, no Director or any of its associates has entered into, or otherwise has any interest in, any contract entered into by APL, the Manager or the Responsible Entity or any of their respective associates.

Lorraine Berends, an Independent Director of APL, is a non-executive director of PNI<sup>3</sup>. Andrew Findlay, a non-independent Director of APL, is the managing director and CEO of the Manager. Alex Ihlenfeldt a non-independent Director of APL, is a director of the Responsible Entity and PIML, an entity that provides services to APL and owns 23.57% of the Manager. Mrs Berends, Mr Ihlenfeldt and Mr Findlay are also shareholders of PNI.

As a result of the above, Mr Ihlenfeldt, Mr Findlay and Mrs Berends each have an indirect interest in contracts entered into by APL, the Manager and the Responsible Entity.

The Manager has investment management agreements with both APL and AGX1. The key terms of the APL Management Agreement are summarised at Section 5.5. This summary includes the Management and Performance Fees payable by APL to the Manager under the APL Management Agreement. Details of fees payable to the Manager in respect of AGX1 are summarised in Section 6.6 of this Scheme Booklet and detailed in full in section 7 of the PDS in ANNEXURE G of this Scheme Booklet.

The Responsible Entity is entitled to fees in respect of AGX1, however these fees are paid by the Manager, out of its management fees (see Section 6.6 of this Scheme Booklet and detailed in full in section 7 of the PDS in ANNEXURE G of this Scheme Booklet for details).

The Scheme does not increase any benefit currently afforded to these Directors as:

- the basis on which management and performance fees are payable to the Manager by AGX1 are materially the same as those payable by APL (noting however that prior underperformance which must be recouped pursuant to AGX1's high-water mark before AGX1 is required to pay performance fees is materially lower than the APL equivalent);
- AGX1 is an open-ended vehicle which, unlike APL, enables AGX1 Unitholders to redeem their AGX1 Units and reduce the amount of funds managed by the Manager (on which the management fees would be payable);
- the Responsible Entity's fees in respect of AGX1 are paid by the Manager (out of its management fees); and
- any director fees paid by the Responsible Entity, the Manager, PNI and PIML (respectively) will continue regardless of the outcome of the Scheme.

<sup>3</sup> PNI owns 100% of the Responsible Entity and indirectly owns 23.57% of the Manager.

(d) **Directors' interests in agreements connected with or conditional on the Scheme**

Other than as disclosed in this Scheme Booklet, no Director or any of his or her associates has entered into, or otherwise has any interest in, any contract, agreement or arrangement with another person connected with or conditional on the outcome of the Scheme.

APL Shareholders should also note that as the Directors (other than Christopher Cuffe) have direct and indirect interests in APL Shares (refer to Section 11.1 above) they will receive the Scheme Consideration for APL Shares which they hold on the Record Date, like other Scheme Shareholders.

(e) **No retirement benefits to Directors**

No payment or other benefit is proposed to be made or given in connection with the Scheme to any Director, secretary or other officer of APL, or of any related body corporate of APL, as compensation for loss of, or as consideration for, or in connection with, his or her retirement from office in APL or in any related body corporate of APL.

Under their director protection deeds the Independent Directors are entitled to certain indemnities from APL and to the benefit of directors and officers insurance policy for a period of 7 years after ceasing to be directors. APL and each Independent Director have agreed that if the Scheme is Implemented the period APL is required to maintain this policy will be reduced to 3 years.

APL does not have any executive officers or other employees.

## 11.2 THE RESPONSIBLE ENTITY'S AND THE MANAGER'S INTERESTS AND VOTING

(a) **Responsible Entity interests in APL Shares**

As at the Last Practicable Date, Pinnacle Fund Services Limited as responsible entity of AGX1 did not hold any APL Shares.

However, at the Last Practicable Date, PIML, Pinnacle Services Administration Pty Ltd and Pinnacle Charitable Foundation, entities associated with the Responsible Entity, held a total of 7,841,698 APL Shares. Two directors of the Responsible Entity held a relevant interest in APL Shares at the Last Practicable Date, being Alex Ihlenfeldt (see Section 11.1(a)) and Ian Macoun (see Section 11.2(b)).

(b) **The Manager's interests in APL Shares**

At the Last Practicable Date the Manager held a relevant interest in 5,897,670 APL Shares (1.23%).

Three of the Manager's directors held a relevant interest in APL Shares at the Last Practicable Date, being Ian Macoun (6,135,805 APL Shares), Jacob Mitchell (3,605,062 APL Shares) and Andrew Findlay (see Section 11.1(a)).

(c) **Voting Power and intentions of Interested Parties**

At the Last Practicable Date, the persons and entities identified in Sections 11.2(a) and 11.2(b) above (together the **Interested Parties**) hold in aggregate 14,132,975 APL Shares (representing voting power of 5.06%).

The Interested Parties are entitled to vote their APL Shares at the Scheme Meeting (as part of the same class as all other APL Shareholders) and each intend to vote all of those APL Shares in favour of the Scheme.

APL has determined that the votes cast in favour of the Scheme by the Interested Parties will be 'tagged' for the purposes of identification at the Scheme Meeting. If the Scheme is approved by the Requisite Majorities at the Scheme Meeting, the 'tagged' votes in favour of the Scheme Resolution will be drawn to the Court's attention at the Second Court Hearing.

(d) **No trading in APL shares in the last four months**

Neither the Responsible Entity nor any associate has acquired or disposed of a relevant interest in any APL Shares in the four month period ended at the Last Practicable Date.

(e) **No collateral benefits**

Neither the Responsible Entity or an associate of the Responsible Entity has given, offered to give or agreed to give any APL Shareholder or an associate of any APL Shareholder in the four month period ended at the Last Practicable Date any benefit likely to induce them to vote in favour of the Scheme or dispose of APL Shares and the benefit has not been offered to all APL Shareholders.

### 11.3 MATERIAL CHANGES TO THE FINANCIAL POSITION OF APL

To the knowledge of the Directors, the financial position of APL has not materially changed since 30 June 2021, as reported in APL's annual report for the year ended 30 June 2021 released on the ASX on 30 August 2021, other than:

- the accumulation of profits in the ordinary course of trading; or
- as disclosed in this Scheme Booklet (Section 5.9).

A copy of the APL annual report for the financial year ending 30 June 2021 is available at <https://antipodespartners.com/apl/> and on the ASX.

### 11.4 MATERIAL AGREEMENTS FOR APL

See Section 5.5 for a summary of the APL Management Agreement.

The Scheme Implementation Deed is summarised in ANNEXURE B, and ANNEXURE C and ANNEXURE D contain copies of the Scheme and Deed Poll respectively.

### 11.5 CONSENTS AND DISCLAIMERS OF ADVISERS

Each of the parties named in this Section 11 as consenting parties:

- has given and has not, before lodgement of this Scheme Booklet with ASIC, withdrawn its written consent to be named in this Scheme Booklet in the form and context in which it is named;
- has given and has not, before the lodgement of this Scheme Booklet with ASIC, withdrawn its written consent to the inclusion of their respective statements and reports (where applicable) noted next to their names in this Section 11.5, and the references to those statements and reports in the form and context in which they are included in this Scheme Booklet;
- has not authorised or caused the issue of this Scheme Booklet;
- does not make, or purport to make, any statement in this Scheme Booklet other than those statements referred to in this Section 11.5 in respect of that person's name (and as consented to by that person); and
- to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation regarding and takes no responsibility for any statements in or omissions from this Scheme Booklet, other than a reference to its names and the statements (if any) included in this Scheme Booklet with the consent of that party as specified in this Section 11.

Role	Consenting Party	Statements
Acquiring entity	Pinnacle Fund Services Limited as responsible entity of AGX1	Responsible Entity Information
Manager	Antipodes Partners Limited	Manager Information
Registry	Boardroom Pty Limited	N/A
Australian legal adviser	Mont Lawyers Pty Limited	N/A
Australian taxation adviser	Pitcher Partners	Australian taxation considerations in Section 10
Independent Expert	Titan Partners Corporate Finance Pty Ltd	Independent Expert's Report in ANNEXURE A and to the references to the Independent Expert's Report in this Scheme Booklet.

### 11.6 DISCLOSURE OF FEES AND BENEFITS RECEIVED BY CERTAIN PERSONS

No amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given for services provided by any person referred to in Section 11.5 in connection with the promotion of APL or the offer of the New AGX1 Units under the Scheme.

The persons named in this Scheme Booklet as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Scheme Booklet are those persons listed in Section 11.5.



## 11.7 DOCUMENTS AVAILABLE

An electronic version of this Scheme Booklet including the Independent Expert's Report and the Scheme Implementation Deed can be viewed and downloaded online on ASX's website at [www.asx.com.au](http://www.asx.com.au). Further information about AGX1 is available at [www.antipodespartners.com/listed-funds/antipodes-global-shares-quoted-managed-fund-asx-agx1](http://www.antipodespartners.com/listed-funds/antipodes-global-shares-quoted-managed-fund-asx-agx1).

## 11.8 NO UNACCEPTABLE CIRCUMSTANCES

The Directors believe that the Scheme does not involve any circumstances in relation to the affairs of APL that could reasonably be characterised as constituting "unacceptable circumstances" for the purposes of section 657A of the Corporations Act.

## 11.9 NO LITIGATION

At the date of this Scheme Booklet, neither APL nor the Responsible Entity is involved in any legal disputes and is not party to any litigation.

## 11.10 OTHER MATERIAL INFORMATION

As at the date of this Scheme Booklet, APL does not have any related body corporates.

Except as set out in this Scheme Booklet, there is no other information material to the making of a decision in relation to the Scheme being information that is within the knowledge of any of the Directors, or any director of any related body corporate of APL, which has not previously been disclosed to APL Shareholders.

## 11.11 SUPPLEMENTARY INFORMATION

APL will issue a supplementary document to this Scheme Booklet if it becomes aware of any of the following between the date of lodgement of this Scheme Booklet for registration with ASIC and the Effective Date:

- a material statement in this Scheme Booklet is or becomes false or misleading;
- a material omission from this Scheme Booklet;
- a significant change affecting a matter included in this Scheme Booklet; or
- a significant new matter has arisen and it would have been required to be included in this Scheme Booklet if it had arisen before the date of lodgement of this Scheme Booklet for registration by ASIC.

Depending on the nature and timing of the changed circumstances and subject to obtaining any relevant approvals, APL may circulate and publish any supplementary document by:

- making an announcement to the ASX;
- placing an advertisement in a prominently published newspaper which is circulated generally throughout Australia;
- posting the supplementary document to APL Shareholders at their address shown on the Share Register; or
- posting the supplementary document on APL's website,

as APL, in its absolute discretion, considers appropriate.

## 11.12 DIRECTORS' STATEMENT

The issue of this Scheme Booklet has been authorised by the APL Board, and this Scheme Booklet has been signed by or on behalf of the Directors. The APL Board has given (and not withdrawn) its consent to lodgement of this Scheme Booklet with ASIC.



**Jonathan Trollip**  
Non-executive Chairman  
Antipodes Global Investment Company Limited

## 12. 2021 AGM EXPLANATORY MEMORANDUM

This Section 12 provides APL Shareholders with important information in relation to items of business to be considered by APL Shareholders at the 2021 AGM. The items of business are set out in full in ANNEXURE F (Notice of 2021 AGM).

### 12.1 AGM RESOLUTIONS

#### (a) Financial statements and reports (Not voted on)

APL's financial statements, together with the Directors' Report and the Auditor's Report for the financial year ended 30 June 2021 (**Reports**) will be laid before the AGM as required by section 317 of the Corporations Act. The Corporations Act does not require a vote of APL Shareholders on the Reports.

During this item of business, APL Shareholders will be given reasonable opportunity to ask questions and make comments in relation to the Reports, and the business and management of APL. APL Shareholders will also be given reasonable opportunity to ask a representative of the APL's auditor, Pitcher Partners, questions relevant to the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by APL in the preparation of the financial statements or the independence of the auditor in relation to the conduct of the audit.

#### (b) Resolution 1: Adoption of Remuneration Report

Resolution 1 provides APL Shareholders the opportunity to vote on the APL's Remuneration Report. Under section 250R(2) of the Corporations Act, APL must put the adoption of its Remuneration Report to a vote at its AGM. The Remuneration Report forms part of the Directors' Report and is set out in APL's 2021 Annual Report. The vote is advisory only and does not bind the Directors or APL.

If 25% or more of the votes cast are against the adoption of the Remuneration Report, the next Directors' Report must include an explanation of the board's proposed action in response or, if the board does not propose any action, the board's reasons for inaction.

If 25% or more of the votes cast are against the adoption of the Remuneration Report at two consecutive AGMs, APL will be required to put to APL Shareholders at the second AGM a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director, if any) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

Section 250R(4) of the Corporations Act prohibits any votes being cast on Resolution 1 by or on behalf of a person who is disclosed in the Remuneration Report as a member of the key management personnel (**KMP**) of APL (including the Directors and the Chairman) or a closely related party of that KMP. Their closely related parties are defined in the Corporations Act and include certain family members, dependents and companies they control.

However, such a person may cast a vote on Resolution 1 as a proxy for a person who is permitted to vote if:

- the appointment of the proxy specifies the way in which the proxy is to vote on the resolution; or
- such a person is the Chairman of the meeting and the appointment of the proxy expressly authorises the Chairman of the meeting to exercise the undirected proxies even if the resolution is connected with the remuneration of a member of the KMP.

The Directors encourage all APL Shareholders to read the Remuneration Report and vote on this important resolution. The Chairman will vote all undirected proxies in favour of this Resolution 1. If you wish to vote 'against' or 'abstain', you should mark the relevant box in the attached Proxy Form.

#### *Recommendation*

Noting that each Director has a personal interest in their own remuneration, the Directors recommend that APL Shareholders vote in favour of Resolution 1.

#### (c) Resolution 2: Retirement and re-election of Lorraine Berends as Director

Rule 6.7 of the APL's Constitution requires that at every annual general meeting, one third, or the number nearest to one third (rounded up to the nearest whole number) of the APL's longest serving Directors since last being elected or re-elected, excluding any Director appointed by the remaining Directors to either fill a casual vacancy or as an addition to the existing Directors, must retire from office.

Each retiring Director is eligible for re-election in accordance with the Constitution.

As the longest serving Director, Lorraine Berends is retiring from office and offers herself for re-election.

A summary of Lorraine Berends' qualifications and experience is detailed below.

### **Lorraine Berends**

*Lorraine Berends has worked in the financial services industry for over 40 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 is currently an independent director of Plato Income Maximiser Limited, Spheria Emerging Companies Limited and Hearts and Minds Investments Limited (listed investment companies), an independent non-executive director of Pinnacle Investment Management Group Limited, a company appointed director of Qantas Superannuation Limited and an independent member of The Australian Commonwealth Games Foundation Investment Committee.*

#### ***Recommendation***

The Directors (other than the relevant Director in relation to her re-election) recommend that the APL Shareholders vote in favour of Resolution 2.

#### **(d) Resolution 3: Retirement and re-election of Andrew Findlay as Director**

As noted above, rule 6.7 of the APL Constitution requires one third of the retiring Directors to retire at every annual general meeting. Accordingly, a second Director other than Lorraine Berends must retire at this year's AGM.

The APL Board has agreed for Andrew Findlay to retire from office and to offer himself for re-election.

A summary of Andrew Findlay's qualifications and experience is detailed below.

### **Andrew Findlay**

*Andrew has over 20 years financial services experience in Australia and overseas, with a focus on business management, 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 Investment Management Group Limited which he joined in 2009.*

*While at PNI, his primary responsibility was to identify talented investment professionals and help them to establish, manage and grow their own boutique investment firms. In this role, Andrew worked closely with Antipodes through the inception and subsequent growth of its business. Before joining PNI, Andrew worked at Macquarie Bank for over 5 years and was based in both Sydney and Hong Kong. Whilst at Macquarie, Andrew led the establishment of the 'Macquarie Professional Series', a suite of partnerships with world-class, specialist investment managers. Prior to Macquarie, Andrew worked in a variety of financial marketing roles with Deutsche Bank in Australia, and with UBS in Zurich and London.*

#### ***Recommendation***

The Directors (other than the relevant Director in relation to his re-election) recommend that the APL Shareholders vote in favour of Resolution 3.

## 13. GLOSSARY OF TERMS

### 13.1 DEFINITIONS

In this Scheme Booklet (including the annexures), unless the context requires otherwise:

Term	Meaning
<b>2021 AGM</b>	means the 2021 annual general meeting of APL Shareholders to be held at 11am on 24 November 2021 (with that the business of the 2021 AGM considered after the Scheme Meeting has been closed).
<b>Active ETF</b>	means a managed fund admitted to trading status under the AQUA Rules and which is actively managed with an investment strategy which seeks to outperform the particular benchmark of the investment strategy
<b>AGM Resolutions</b>	means the resolutions that APL Shareholders are asked to vote on at the AGM, as set out in the notice contained in ANNEXURE F .
<b>AGX1</b>	means the Antipodes Global Shares (Quoted Managed Fund) (ARSN 625 560 269) (ASX: AGX1).
<b>AGX1 Constitution</b>	means the constitution of AGX1 .
<b>AGX1 Management Agreement</b>	means the investment management agreement between AGX1 and the Manager in its capacity as manager of AGX1 dated 16 March 2015, as amended by amending deed dated 16 April 2020.
<b>AGX1 Portfolio</b>	means AGX1's portfolio of investments.
<b>AGX1 Unit</b>	means a fully paid unit in the capital of AGX1.
<b>AGX1 Unitholder</b>	means a person who is registered in the Unit Register as the holder of an AGX1 Unit.
<b>APL</b>	means Antipodes Global Investment Company Limited (ACN 612 843 517).
<b>APL Board or Board</b>	means the board of APL.
<b>APL Constitution</b>	means the constitution of APL.
<b>APL Information</b>	means the information in relation to APL set out in Section 5 and elsewhere in this Scheme Booklet.
<b>APL Management Agreement</b>	means the investment management agreement between APL and the Manager dated 19 July 2016.
<b>APL Portfolio</b>	means APL's portfolio of investments.
<b>APL Share</b>	means a fully paid ordinary share in the capital of APL.
<b>APL Shareholder</b>	means a person who is registered in the Share Register as the holder of an APL Share.
<b>AQUA Product</b>	has the meaning given in the ASX Operating Rules and the ASX Operating Rules Procedures as amended from time to time.
<b>AQUA Rules</b>	means Schedules 10 and 10A of the ASX Operating Rules Procedures and such other rules that govern the quotation and transfer of AQUA Products, as amended from time to time and to the extent of any waivers or exemptions approved by the ASX.
<b>ASIC</b>	means the Australian Securities and Investments Commission.
<b>ASX</b>	means ASX Limited (ACN 008 624 691) or, as the context requires, the financial market operated by it.
<b>ASX Listing Rules</b>	means the listing rules of the ASX.
<b>ASX Settlement Operating Rules</b>	means the settlement operating rules of the ASX.

Term	Meaning
<b>ASX Trading Day</b>	has the meaning given to the term in the ASX Operating Rules.
<b>Australian Accounting Standards</b>	means the accounting standards promulgated by the Australian Accounting Standards Board.
<b>Benchmark</b>	means the MSCI All Country World Net Index in AUD.
<b>Business Day</b>	means a weekday on which trading banks are open for business in Sydney, Australia, excluding any Saturday, Sunday or public holiday.
<b>Calculation Date</b>	means the date on which the post-tax NTA per APL Share and the NAV per AGX1 Unit is struck for the purpose of calculating the ratio of Scheme Shares to New AGX1 Units as Scheme Consideration, being the date that is two Business Days prior to the Implementation Date or such later time and date as APL and the Responsible Entity agree in writing (expected to be 15 December 2021).
<b>Competing Proposal</b>	<p>means any proposal by a third party, other than APL, the Manager, the Responsible Entity or their Representatives, in relation to a transaction or arrangement under which if the transaction or arrangement is completed:</p> <ul style="list-style-type: none"> <li>• a person would acquire (whether directly or indirectly) or become the holder of, or otherwise have a right to acquire or have an economic interest in, all or substantially all of the business conducted by APL, or the assets of APL;</li> <li>• a person would acquire (whether directly or indirectly) Control of APL;</li> <li>• a person would acquire a relevant interest in, or voting power of, 20% or more of the APL Shares;</li> <li>• a person would otherwise acquire, or merge or amalgamate with, APL; or</li> <li>• APL would be required to abandon or otherwise fail to proceed with the Implementation.</li> </ul>
<b>Control</b>	has the meaning given in section 50AA of the Corporations Act.
<b>CHESS</b>	means the Clearing House Electronic Subregister System for the electronic transfer of securities and other financial products operated by ASX Settlement Pty Ltd (ACN 008 504 532).
<b>Corporations Act</b>	means the Corporations Act 2001 (Cth).
<b>Corporations Regulations</b>	means the Corporations Regulations 2001 (Cth).
<b>Court</b>	means the Federal Court of Australia or such other court of competent jurisdiction under the Corporations Act agreed to in writing by APL and the Responsible Entity.
<b>CTO Proposal</b>	means the proposal to seek APL Shareholder approval every three years to conduct a conditional off-market tender offer via an off-market buy-back of up to 25% of APL Shares, on materially the same terms and conditions contained in APL's 2020 notice of annual general meeting dated 29 October 2020.
<b>Deed Poll</b>	means the deed poll by the Responsible Entity in favour of the Scheme Shareholders, a copy of which is set out in ANNEXURE D to this Scheme Booklet.
<b>Directors</b>	means the directors of APL.
<b>Effective</b>	means, when used in relation to this Scheme, the coming into effect, under section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) in relation to the Scheme.
<b>Effective Date</b>	means the date on which the Scheme becomes Effective, expected to be 8 December 2021.
<b>End Date</b>	means 31 March 2022.
<b>Exiting Unmarketable Parcel Shareholder</b>	an Unmarketable Parcel Shareholder who has not provided the Registry with an Opt-In Notice before 5.00 pm (Sydney time) on the Business Day prior to the Calculation Date.
<b>Explanatory Statement</b>	means the statement pursuant to section 412 of the Corporations Act which has been, or will be, registered by ASIC in relation to this Scheme, being all Sections of this Scheme Booklet, other than ANNEXURE E and Section 12.

Term	Meaning
<b>Extraordinary Resolution</b>	means in relation to AGX1, a resolution: <ul style="list-style-type: none"> <li>• of which notice as set out in paragraph 252J(c) of the Corporations Act has been given; and</li> <li>• that has been passed by at least 50% of the total votes that may be cast by AGX1 Unitholders entitled to vote on the resolution (including members who are not present in person or by proxy).</li> </ul>
<b>Government Agency</b>	means any foreign or Australian government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity, or any minister of the Crown in right of the Commonwealth of Australia or any state.
<b>IBC or Independent Board Committee</b>	means a committee of the APL Board comprising all Directors other than Directors nominated by or associated with the Manager or the Responsible Entity, being as at the date of this Scheme Booklet each of the Independent Directors, Jonathan Trollip, Christopher Cuffe and Lorraine Berends.
<b>Implementation</b>	means the issuing of the Scheme Consideration to Scheme Shareholders and the transfer of all APL Shares to the Responsible Entity pursuant to the Scheme. A reference to Implement, Implemented, Implementing or Implementation of the Scheme has a corresponding meaning.
<b>Implementation Date</b>	means the fifth Business Day after the Record Date, and is expected to be 17 December 2021 or such other date as APL and the Responsible Entity agree in writing.
<b>Independent Directors</b>	means Jonathan Trollip, Christopher Cuffe and Lorraine Berends.
<b>Independent Expert</b>	means Titan Partners Corporate Finance Pty Limited.
<b>Independent Expert's Report</b>	means the report prepared by the Independent Expert, providing an opinion as to whether the Scheme is fair and reasonable and in the best interests of APL Shareholders, included in ANNEXURE A .
<b>Ineligible Foreign Shareholder</b>	means a Scheme Shareholder whose address as shown in the Share Register is a place outside Australia (including its external territories), New Zealand or the U.S. unless APL and the Responsible Entity agree in writing that it is lawful and not unduly onerous or impracticable to issue that Scheme Shareholder with the New AGX1 Units when the Scheme becomes Effective.
<b>Ineligible Shareholder</b>	means an Ineligible Foreign Shareholder or an Exiting Unmarketable Parcel Shareholder.
<b>Ineligible Units</b>	means the New AGX1 Units to which Ineligible Shareholders would have been entitled under the Scheme but for the operation of clause 5.6 of the Scheme.
<b>Investment Entity</b>	has the meaning given in the ASX Listing Rules.
<b>KMP</b>	means a member of the key management personnel of APL (including each Directors).
<b>Last Practicable Date</b>	5.00 pm (Sydney time) on 15 October 2021.
<b>LIC</b>	means listed investment company.
<b>Liquid</b>	has the meaning given in section 601KA(4) of the Corporations Act.
<b>Manager</b>	means Antipodes Partners Limited (ABN 29 602 042 035).
<b>Manager Information</b>	means information regarding APL and AGX1 (but excluding the Responsible Entity Information), the Manager and other entities managed by the Manager and its related bodies corporate, provided by the Manager for inclusion in the Scheme Booklet.
<b>Matching Right Notice</b>	means a notice setting out that APL has determined that a Competing Proposal is a Superior Competing Proposal; and all material details of such Competing Proposal, including details of price, conditions precedent, timetable, break fee and name of the bidder.
<b>NAV</b>	means the net asset value of AGX1 calculated in accordance with the AGX1 Constitution.
<b>Nominee</b>	means the agent appointed by APL in accordance with the Scheme Implementation Deed, to sell the New AGX1 Units that are attributable to Ineligible Shareholders under the terms of the Scheme.

Term	Meaning
<b>NTA</b>	means net tangible assets calculated in accordance with the Corporations Act, Australian Accounting Standards (including the Australian Accounting Interpretations), the Corporations Regulations and consistent with the requirements of the ASX Listing Rules for an Investment Entity.
<b>New AGX1 Unit</b>	means an AGX1 Unit to be issued under the Scheme.
<b>New AGX1 Unitholders</b>	means the Scheme Shareholders (who aren't Ineligible Shareholders) that are to be issued New AGX1 Units under the Scheme.
<b>Opt-in Notice</b>	means a notice by an Unmarketable Parcel Shareholder requesting to receive the Scheme Consideration as New AGX1 Units.
<b>PDS</b>	means the Product Disclosure Statement of AGX1 included as ANNEXURE G to this Scheme Booklet.
<b>PIML</b>	Pinnacle Investment Management Limited (ACN 109 659 109).
<b>PNI</b>	Pinnacle Investment Management Group Ltd (ACN 100 325 184).
<b>post-tax NTA</b>	means post-tax net tangible assets per APL Share calculated in accordance with the Corporations Act, Australian Accounting Standards (including the Australian Accounting Interpretations), the Corporations Regulations and consistent with the requirements of the ASX Listing Rules for an Investment Entity, rounded to the nearest one hundredth of a cent.
<b>Proxy Form</b>	means the personalised forms for appointing a proxy in respect of the Scheme Meeting and the 2021 AGM accompanying this Scheme Booklet.
<b>RE Custodian</b>	means a custodian determined and appointed by the Responsible Entity in respect of all or any of the assets of AGX1.
<b>Record Date</b>	means the second Business Day after the Effective Date, expected to be 10 December 2021.
<b>Registry</b>	means Boardroom Pty Limited (ACN 003 209 836).
<b>Relevant interest</b>	has the meaning given in section 608 of the Corporations Act.
<b>Representative</b>	means in respect of APL, the Manager, and the Responsible Entity, means each director, officer, employee, advisor, agent or representative of the Responsible Entity, but in respect of APL excludes the Manager or director, officer, employee, advisor, agent or representative of the Manager.
<b>Requisite Majorities</b>	mean approval of the Scheme Resolution by: <ul style="list-style-type: none"> <li>• <b>(headcount test)</b> unless the Court orders otherwise, a majority in number (i.e. more than 50%) of APL Shareholders present and voting at the Scheme Meeting (either in person, or by proxy, attorney or, in the case of corporate APL Shareholders, by corporate representative); and</li> <li>• <b>(voting test)</b> at least 75% of the total number of votes cast on the Scheme Resolution by APL Shareholders present and voting at the Scheme Meeting (either in person, or by proxy, attorney or, in the case of corporate APL Shareholders, by corporate representative).</li> </ul>
<b>Responsible Entity</b>	means Pinnacle Fund Services Limited (ABN 29 082 494 362, AFSL 238371) as responsible entity for AGX1.
<b>Responsible Entity Information</b>	means information about the Responsible Entity and AGX1 set out in the Important Notices Section, and Sections 6 and 7 of this Scheme Booklet, along with the PDS in ANNEXURE G .
<b>Retention Amount</b>	means the amount required to cover APL's expenses associated with the Scheme that, as at the Calculation Date, are not liabilities of APL or otherwise accounted for in APL's NTA, estimated to be \$300,000.
<b>Scheme</b>	means this scheme of arrangement under Part 5.1 of the Corporations Act between APL and the Scheme Shareholders on the terms set out in ANNEXURE C .
<b>Scheme Booklet</b>	means this document.
<b>Scheme Conditions</b>	means the conditions precedent as stated under clause 3.1 of the Scheme Implementation Deed and set out in full in paragraph 1 of Annexure B to this Scheme Booklet.

Term	Meaning
<b>Scheme Consideration</b>	means the number of New AGX1 Units determined in accordance with Schedule 1 of the Scheme, contained in ANNEXURE C .
<b>Scheme Implementation Deed</b>	means the Scheme Implementation Deed between APL, the Responsible Entity and the Manager dated 9 August 2021, a summary of which is contained in ANNEXURE B .
<b>Scheme Meeting</b>	means the meeting of APL Shareholders ordered by the Court to be convened under section 411(1) of the Corporations Act.
<b>Scheme Resolution</b>	means the resolution that APL Shareholders are asked to vote on at the Scheme Meeting, as set out in the notice contained in ANNEXURE E .
<b>Scheme Share</b>	means an APL Share held by a Scheme Shareholder as at 7pm (Sydney time) on the Record Date (currently expected to be 10 December 2021).
<b>Scheme Shareholder</b>	means each person who is registered in the Share Register as the holder of APL Shares as at the Record Date.
<b>Scheme Transfer Form</b>	means the share transfer form for the transfer of all of the Scheme Shares to the Responsible Entity pursuant to the Scheme.
<b>Second Court Date</b>	means the first day on which the application made to the Court for an order for the purposes of section 411(4)(b) of the Corporations Act approving the Scheme is heard.
<b>Share Register or APL Register</b>	means the register of members of APL.
<b>Superior Competing Proposal</b>	<p>means a bona fide unsolicited Competing Proposal received by APL after 9 August 2021, being the date of the Scheme Implementation Deed, which the IBC has determined, acting in good faith and in accordance with their fiduciary duties, and after consultation with and the receipt of written advice from the IBC's external legal advisor is:</p> <ul style="list-style-type: none"> <li>• reasonably capable of being completed, taking into account all aspects of the Competing Proposal and the person making it; and</li> <li>• more favourable to APL Shareholders (as a whole) than the Transaction, taking into account all the terms and conditions of the Competing Proposal.</li> </ul>
<b>Tax Act</b>	means the Income Tax Assessment Act 1936 (Cth) or the Income Tax Assessment Act 1997 (Cth), as the case may be, as amended.
<b>Unit Register</b>	means the register of members maintained by the Unit Registry in accordance with the Corporations Act.
<b>Unit Registry</b>	means Automic Pty Limited (ACN 152 260 814) trading as Automic.
<b>Unmarketable Parcel Shareholder</b>	means a Scheme Shareholder (other than an Ineligible Shareholder or an Ineligible Parcel Shareholder) who, on the Record Date hold less than a marketable parcel (as that term is defined in the ASX Listing Rules) of Scheme Shares (assessed using the price of APL Shares on the ASX at close of trade on the Effective Date).
<b>U.S.</b>	means the United States of America.
<b>U.S. Securities Act</b>	means the United States Securities Act of 1933.
<b>Value of the APL Portfolio</b>	is defined in the APL Management Agreement and is in summary the aggregate sum in \$ of the value of each investment on or about the relevant calculation date less any liability directly or indirectly attributable to the acquisition, maintenance or disposal of any investment or the management and administration of the APL Portfolio incurred or accrued on or before the date of the calculation (including but not limited to any unpaid purchase consideration accrued legal or other expenses, brokerage, stamp duty, borrowings or other liabilities).



## 13.2 INTERPRETATION

In this Scheme Booklet (including the annexures) unless the context otherwise requires:

- a number of figures, amounts, percentages, estimates, calculations of value and fractions in this Scheme Booklet are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this Scheme Booklet;
- except where otherwise stated, all references to times in this Scheme Booklet are references to Sydney time;
- all references to “\$”, “dollar” and “cent” are references to Australian currency, unless stated otherwise;
- words and phrases not otherwise defined in this Scheme Booklet (excluding the annexures) have the same meaning (if any) as is given to them by the Corporations Act;
- the singular includes the plural and vice versa. A reference to a person includes a reference to a corporation;
- headings are for ease of reference only and do not affect the interpretation of this Scheme Booklet; and
- a reference to a Section is to a section in this Scheme Booklet unless stated otherwise.



# **Antipodes Global Investment Company Limited**

(ASX: APL)

ACN 612 843 517

## **Independent Expert's Report**

Report to Shareholders on the Proposed Transaction to restructure the Company via a Scheme of Arrangement with Antipodes Partners Limited and Antipodes Global Shares (Quoted Managed Fund)

Report Issued: 17 September 2021

17 September 2021

The Directors  
Antipodes Global Investment Company Limited  
Level 35, 60 Margaret Street,  
Sydney NSW 2000

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Dear Directors,

## INDEPENDENT EXPERT'S REPORT – ANTIPODES GLOBAL INVESTMENT COMPANY LIMITED

### 1. Overview

#### 1.1 Introduction

Titan Partners Corporate Finance Pty Limited ("**Titan Partners Corporate Finance**", "**we**") was appointed by the directors on the Independent Board Committee ("**IBC**") of Antipodes Global Investment Company Limited ("**APL**" or the "**Company**") as an independent expert, to provide an opinion on a proposal to restructure the Company under a scheme of arrangement.

On 9 August 2021, APL announced to the Australian Securities Exchange Limited ("**ASX**") that the Company had entered into an agreement with Antipodes Partners Limited ("**Antipodes Partners**", the "**Manager**") to restructure the Company, by way of a scheme of arrangement with Antipodes Global Shares Fund ("**AGX1**", the "**Fund**") and Pinnacle Fund Services Limited ("**Pinnacle**", the "**Responsible Entity**") hereafter the "**Proposed Transaction**" or the "**Proposed Scheme**".

Key components of the Proposed Transaction are:

- AGX1 will issue new units in the Fund ("**New Units**");
- The existing APL shareholders will receive New Units in return for their current APL shares in a ratio based on AGX1's net asset value ("**NAV**") and APL's net tangible assets ("**NTA**") two business days prior to the implementation date of the Proposed Scheme (the "**Calculation Date**");
- APL shares will be acquired by the Responsible Entity for AGX1<sup>1</sup> and APL will be delisted and wound up following implementation of the Proposed Transaction;
- The investment management agreement between APL and the Manager will be terminated upon implementation of the Proposed Transaction;
- The Manager has agreed not to be paid any termination fee, despite the current management agreement between APL and the Manager having 5 years remaining. However, Antipodes Partners is also the investment manager of AGX1.

Further details of the Proposed Transaction are set out in the Scheme Booklet, which has been prepared by the Directors of the IBC for the shareholders of APL (the "**Shareholders**").

#### 1.2 Purpose

The Proposed Scheme is to be effected pursuant to Part 5.1 of the Corporations Act 2001 (Cth) (Corporations Act), which governs schemes of arrangement. Part 3 of Schedule 8 of the Corporations Regulations 2001 (Corporations Regulations) prescribes information to be sent to shareholders in relation to a member's scheme of arrangement pursuant to s411 of the Corporations Act.

Paragraph 8303 of Schedule 8 of the Corporations Regulations provides that, where the other party to the transaction holds not less than 30% of the voting shares in the company the subject of the scheme, or where a director of the

<sup>1</sup> Per Clause 5.4(b) of the Scheme Implementation Deed signed between APL, Pinnacle as Responsible Entity for AGX1 and the Manager.

other party to the transaction is also a director of the company the subject of the scheme, the explanatory statement must be accompanied by an Independent Expert's Report ("**Report**") assessing whether the proposed scheme is in the best interests of shareholders and state reasons for that opinion.

As AGX1 does not have a relevant interest in APL of more than 30% and does not have a representation on APL's board of directors, there is no regulatory requirement for an independent expert report on the Proposed Scheme. However, the Directors on the IBC of APL has requested Titan Partners Corporate Finance to prepare this Report for the benefit of APL's shareholders to assist them in making an informed decision on whether to approve the Proposed Transaction. Our Report will express an opinion as to whether or not the Proposed Transaction is fair and reasonable to Shareholders, and accordingly is in the best interests of the Shareholders.

The Directors on the IBC of APL have commissioned Titan Partners Corporate Finance with respect to opining on the Proposed Transaction. Our findings are presented in the Report herein.

Titan Partners Corporate Finance is independent of APL, Antipodes Partners, AGX1 and Pinnacle, with no interest or involvement in the outcome of the Proposed Transaction, other than the preparation of this Report.

### 1.3 Approach

In preparing the Report herein, we consider Regulatory Guide 111 *Content of expert reports* ("**RG111**") dated March 2011 issued by ASIC, which sets out requirements of expert reports. Specifically, RG111 requires an independent expert to consider a scheme of arrangement using the same approach as takeover bids under the concepts of "fairness" and "reasonableness".

#### ***Fairness***

In accordance with RG111.11, an offer is 'fair' if the value of the price or consideration offered is equal to or greater than the value of the securities subject to the offer. The comparison is required to be made:

- assuming a knowledgeable and willing, but not anxious, buyer and a knowledgeable and willing, but not anxious, seller acting at arm's length; and
- assuming 100% ownership of the 'target' and irrespective of whether the consideration is scrip or cash. The expert should not consider the percentage holding of the 'bidder' or its associates in the target when making this comparison.

In accordance with the requirements of RG111, we have compared the fair value of a share in APL on a controlling basis to the value of consideration offered (in AGX1 New Units on a minority interest basis).

#### ***Reasonableness***

The concept of reasonableness is set out in RG111.12. An offer is 'reasonable' if it is fair. An offer might also be 'reasonable' if, despite being 'not fair', the expert believes that there are sufficient reasons to accept the offer in the absence of any higher bid before close of the offer.

We therefore separately consider whether the Proposed Transaction is "fair" and "reasonable" from the perspective of the Shareholders. Based on our assessment of these concepts, we also conclude whether the Proposed Transaction is in the best interests of the Shareholders.

## 2. Summary of Opinion

### 2.1 Opinion

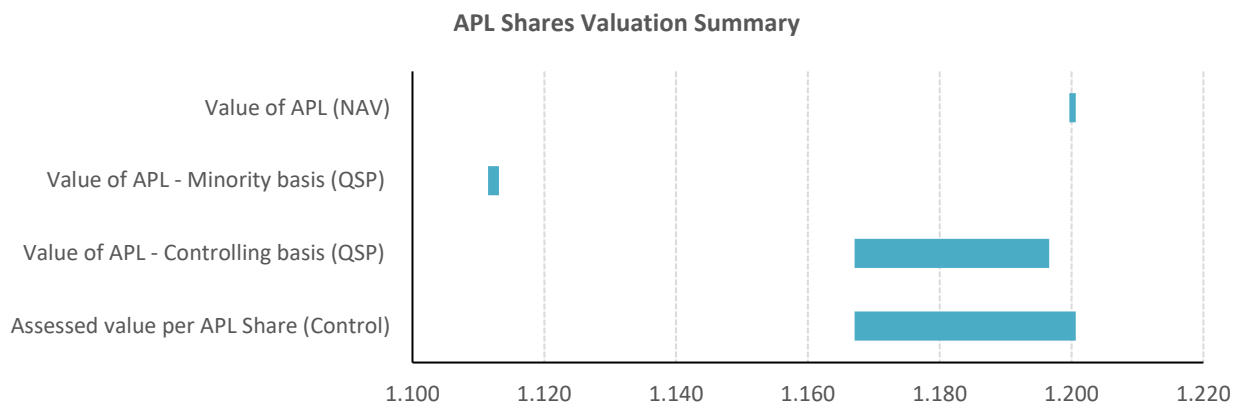
We conclude, based on the assessment outlined in the remainder of this Report, that the Proposed Transaction is considered to be **fair and reasonable** to the Shareholders, and as such, is in the best interests of Shareholders. The principal factors that we have considered in forming our opinion are summarised below. This summary should be read in

conjunction with the remainder of our Report herein, that sets out in full the purpose, scope, basis of evaluation, limitations, detailed analysis and our financial and qualitative findings.

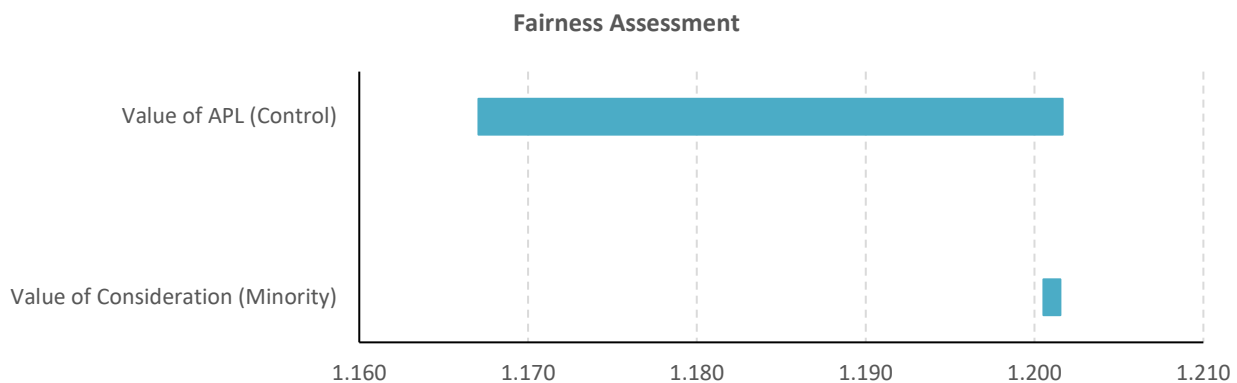
## 2.2 Assessment of Fairness

In determining whether the Proposed Transaction is fair to the Shareholders, we have compared the assessed fair value of a share in APL on a controlling basis to the value of consideration offered, being New Units of AGX1 per APL share based on an exchange ratio calculated with reference to the NTA of APL and NAV of AGX1 on the Calculation Date for the Proposed Scheme.

We first assessed the value per APL share, as summarised in the following diagram.



Our assessed value per APL share (on a controlling basis), is compared to the assessed value of consideration in AGX1 New Units, per our analysis set out in Sections 8 through 10, as summarised in the following diagram and table.



Antipodes Global Investment Company Limited Valuation Summary		
\$ per Share	Low	High
Value of APL per share on a Controlling Basis	1.167	1.201
Total Value of Consideration offered for every APL share	1.201	1.201

**Source:** Titan Partners Corporate Finance Analysis

In accordance with RG111, the above valuation analysis indicates that, in the absence of any other relevant information, the Proposed Transaction is deemed to be fair to Shareholders as the valuation of scheme consideration offered in AGX1 New Units on a minority basis, is within the assessed valuation range of APL shares on a controlling basis. Therefore, we must conclude the Proposed Transaction is fair.

## 2.3 Assessment of Reasonableness

As set out in Section 1.3 above, RG111 considers an offer to be reasonable if:

- The offer is fair; or
- Despite not being fair, but considering other significant factors, shareholders should accept the offer in the absence of any higher bid before the close of the offer.

We have considered the analysis set out in Section 10 of this Report, in terms of advantages and disadvantages of the Proposed Transaction. In forming our opinion, we have also considered the following relevant reasonableness factors:

### Advantages of the Proposed Transaction

- Improved liquidity available following the Proposed Transaction, as an agent market maker, who acts on behalf of AGX1 to provide liquidity in AGX1 units (including AGX1 New Units), to supplement trading volumes from potential buyer and sellers of AGX1 units in the secondary market. That liquidity is in turn driven by liquidity of the underlying investment holdings in the Fund, being global 'large cap' equities. Therefore APL Shareholders will have access to increased liquidity of their investment (held in AGX1 New Units post the Proposed Transaction), thus are able to dispose of holdings in AGX1 New Units on the ASX at any time as desired, and at a price based on prevailing indicative Net Asset Value.
- Ability to exit an investment in AGX1 New Units on the ASX at a price based on prevailing NAV (the indicative NAV), while APL shares have historically traded at a persistent discount to NTA.
- The Manager has agreed not to be paid any termination fee for early termination of the management agreement between APL and Antipodes Partners with approximately 5 years remaining.
- Reduction in costs with respect to administration and compliance as APL Shareholders will no longer incur expenses related to operating as an ASX-listed company, governed by a board of directors, while the remaining costs are reduced by removing or consolidating duplicated costs between APL and AGX1.
- As Antipodes Partners are the investment manager for both APL and AGX1, APL shareholder will retain access to an investment managed by Antipodes, with the same team of investment professionals led by the same Chief Investment Officer and their professional expertise.
- Both APL and AGX1 operates under the Antipodes Global Fund strategy, where specifically the current long equity strategy and the long equity exposure of the APL is consistent with that of the Fund (albeit that the Fund only operates as a long-only investment product). APL shareholders will continue to participate in any upside arise from the underlying investments related to the long equity strategy.
- No alternative or superior offers have been received.

### Disadvantages of the Proposed Transaction

- The current investment strategy employed in APL is a combined long-short strategy while AGX1 employs a long-only strategy without any short positions. Therefore, existing APL shareholders will no longer access the benefits that a short position strategy provide following the Proposed Transaction and will need to seek alternative investment vehicles should shareholders seek to retain such investment exposures.
- For both APL and AGX1, Antipodes Partners is entitled to be paid a performance fee from generating returns above benchmark. While the methodology to calculate performance above benchmark for the performance fee is consistent between APL and AGX1, the current high-water mark<sup>2</sup> of the performance fee in the Company is more difficult to achieve than that in the Fund, given the historic and relatively weaker performance of APL compared to AGX1 and the impact of that performance on the water mark. The Proposed Transaction will result in an effective reduction of the high-water mark relevant to current APL Shareholders, being the level previously required for APL, to that currently applicable in AGX1, for the Manager to become eligible for a performance fee in a future period.

<sup>2</sup> The performance fee payable to the Manager is structured such that any cumulative underperformance to the benchmark must be recouped in future years, before the Manager qualifies for a performance fee for outperforming the benchmark.

- APL shareholders currently receive distributions from the Company semi-annually by way of partially franked dividends. AGX1 declares annual distributions at the end of each financial year. The frequency of distributions to existing Shareholders would be reduced as a result of the Proposed Transaction.
- The Proposed Transaction may proceed with APL shares exchanged for AGX1 New Units, even though a shareholder votes not to approve the Proposed Scheme.
- Taxation implications may arise for individual APL Shareholders from the implementation of the Proposed Transaction. Shareholders should seek independent taxation advice if required.
- Deterrence of alternative offers from other parties.

In our opinion, as the Proposed Transaction is assessed as fair, it is also reasonable. Our assessment of the above advantages and disadvantages supports our opinion that the Proposed Transaction is reasonable to APL Shareholders.

## 2.4 Other Factors

The above summary of our opinion and conclusion should be read in conjunction with the remainder of this Report and Appendices as attached herein.

The Directors of APL have recommended Shareholders vote in favour of the Proposed Transaction in the absence of a superior proposal.

Titan Partners Corporate Finance has prepared a Financial Services Guide as required by *Corporations Act 2001* that is attached at Appendix 1. This Report is for general financial advice only and was prepared without taking into account the objectives and circumstances of individual Shareholders of the Company. Our Report herein should be read in conjunction with the Scheme of Arrangement which it accompanies.

Unless the context requires otherwise, references to “we”, “our” and similar terms refer to Titan Partners Corporate Finance.

Yours faithfully

**Titan Partners Corporate Finance Pty Limited**



**BRAD HIGGS**

Director

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### 3. Scope of Report

#### 3.1 Purpose of the Report

Titan Partners Corporate Finance has been engaged by the Directors on the IBC of APL to prepare an Independent Expert's Report with respect to the Proposed Transaction.

In the Scheme Implementation Deed signed between APL, Pinnacle (as Responsible Entity for AGX1) and Antipodes Partners with respect to the Proposed Transaction, the Company is required to commission an independent expert to opine on the Proposed Transaction as a condition precedent to completion. Further, Alex Ihlenfeldt ("**Mr Ihlenfeldt**") is a director of APL and of AGX1, both being parties to the Proposed Transaction. As there is a common director between parties of the proposed scheme of arrangement to be effected under Section 411 of the *Corporations Act 2001*, an independent expert's report is also specifically prescribed under Clause 8303, Part 3 of Schedule 8 to the *Corporations Regulations 2001* and RG60 issued by ASIC, to be attached to the Scheme Booklet sent to Shareholders in relation to the Proposed Transaction.

This Report has been prepared to assist Shareholders to consider, if appropriate, whether to approve Proposed Scheme with Antipodes Partners and Pinnacle (as Responsible Entity for AGX1), as summarised at Section 4 below. The Report herein sets out our approach, analysis and opinion as to whether the Proposed Transaction is fair and reasonable to APL shareholders, and accordingly is in the best interests of Shareholders.

Our Report is to be included in the Scheme Booklet to be issued to Shareholders in accordance with the *Corporations Act 2001* and has been prepared for the exclusive purpose of assisting the Shareholders in their consideration of the Proposed Transaction.

#### 3.2 Basis of Assessment

In preparing the Report herein, we consider RG111 which sets out requirements of expert reports.

RG111 indicates the principles and matters which it expects an expert person preparing an independent expert report to consider. The regulations in RG111 require an independent expert to consider a scheme of arrangement using the same approach as takeover bids under the concepts of "fairness" and "reasonableness".

##### ***Fairness***

In accordance with RG111.11, an offer is '**fair**' if the value of the price or consideration offered is equal to or greater than the value of the securities subject to the offer. The comparison is required to be made:

- assuming a knowledgeable and willing, but not anxious, buyer and a knowledgeable and willing, but not anxious, seller acting at arm's length; and
- assuming 100% ownership of the 'target' and irrespective of whether the consideration is scrip or cash. The expert should not consider the percentage holding of the 'bidder' or its associates in the target when making this comparison.

In accordance with the requirements of RG111, we have compared the fair value of a share in APL on a controlling basis to the value of consideration offered (in AGX1 New Units).

##### ***Reasonableness***

The concept of reasonableness is set out in RG111.12. An offer is '**reasonable**' if it is fair. An offer might also be 'reasonable' if, despite being 'not fair', the expert believes that there are sufficient reasons to accept the offer in the absence of any higher bid before close of the offer.

We therefore separately consider whether the Proposed Transaction is “fair” and “reasonable” from the perspective of the Shareholders. Based on our assessment of these concepts, we also conclude whether the Proposed Transaction is in the best interests of the Shareholders.

### **3.3 Sources of Information**

In forming our opinion on the Proposed Transaction and preparing the Report herein, we have considered, adopted and relied upon certain information prepared by Antipodes Partners, the management of APL, the management of AGX1, and external parties. Refer to Appendix 4 for a list of our sources of information.

### **3.4 Limitations and Reliance on Information**

Our opinions are based on economic, financial, operational and other conditions and expectations prevailing at the date of this Report. These conditions can change significantly over relatively short periods of time and, if such material change occurs, the opinions expressed in this Report could differ.

Titan Partners Corporate Finance has no obligation to, nor does it undertake to, advise any person of any change in circumstances that has come to its attention after the date of this Report or to review, revise or update this Report or the opinions contained herein. It is understood that the financial information provided to us was prepared in accordance with generally accepted accounting principles.

We have evaluated the information set out in Section 3.3 through analysis, enquiry and review, as appropriate for the purposes of preparing this Report and forming our opinion on the Proposed Transaction. Titan Partners Corporate Finance do not warrant that our evaluation has identified or verified all of the matters that an audit, extensive examination or due diligence investigation may disclose.

We have relied on certain representations and relevant information provided by the Directors of APL and AGX1. This information was evaluated through analysis, enquiry and review. However, such information is often not capable of external verification or validation and has therefore not been independently verified.

To the extent that there are any legal issues relating to assets, properties, or business interests or issues relating to compliance with applicable laws, regulations, and policies, Titan Partners Corporate Finance:

- assumes no responsibility and offers no legal opinion or interpretation on any issue;
- assumes the Proposed Scheme to be implemented, will be implemented in accordance with the stated terms and the legal mechanisms to implement the proposed scheme of arrangement are correct and effective, and will not materially change or be altered.; and
- has generally assumed that matters such as title, compliance with laws and regulations and contracts in place are in good standing and will remain so.

We have not undertaken any commercial, technical, financial, legal, taxation and due diligence activity in respect APL or AGX1. Titan don't provide assurance or an opinion in respect of these matters.

[this section is intentionally left blank]

## 4. The Proposed Transaction

### 4.1 Introduction

On 9 August 2021, APL announced to the ASX that it together with Antipodes Partners, Pinnacle and AGX1 has agreed to undertake a scheme of arrangement, conditional upon APL shareholder approval and court approval (“**9 August Announcement**”).

### 4.2 Key Terms

The 9 August Announcement outlines key terms of the Proposed Transaction and indicative timing as envisaged by the IBC for implementation of the Scheme of Arrangement. A Scheme Implementation Deed (“**Deed**”) has been entered into between APL, Antipodes Partners and Pinnacle (as Responsible Entity for AGX1) which further details the Proposed Transaction, of which the key terms relevant to the Shareholders are summarised in this Section below.

#### ***Scheme of Arrangement***

The Proposed Transaction to restructure APL will be effected by way of a Scheme of Arrangement pursuant to Section 411 of the Corporations Act and RG60 issued by ASIC. A scheme of arrangement is a binding, court-approved agreement that allow the reorganisation of the rights and liabilities of members and creditors of a company<sup>3</sup>.

Under the Proposed Transaction, Shareholders will exchange their existing APL shares for New Units in AGX1. The number of units received for each APL share will be based on APL’s NTA relative to AGX1’s NAV at the Calculation Date, being 2 business days prior to the date of implementation of the Proposed Scheme. The Responsible Entity of AGX1 (Pinnacle) will acquire all the shares of APL subject to the Scheme pursuant to Clause 5.4(b) of the deed, whereupon APL will be delisted from the ASX

The scheme must be approved by a court and at a meeting of Shareholders of APL, for which the Company has set out indicative timing in the 9 August Announcement and summarised below.

#### ***Indicative Timing***

As outlined in the 9 August Announcement, APL Management anticipates a Scheme Meeting of Shareholders to approve the Proposed Transaction will be held between the first and second court dates. APL anticipates scheme implementation to occur in December 2021. The key dates are as follows:

Antipodes Global Investment Company Limited Indicative Key Dates	
Date	Event
24 November 2021	Scheme Meeting and Annual General Meeting
8 December 2021	Second Court Date
8 December 2021	Effective Date
10 December 2021	Record Date
15 December 2021	Calculation Date
17 December 2021	Implementation Date
23 December 2021	AGX1 New Units commence trading on ASX

**Source:** APL Scheme Booklet.

<sup>3</sup>Per RG60 paragraph 60.1

### **Consideration**

Existing APL shareholders will be issued New Units in AGX1 for each APL share currently held. The New Units will rank equally in all respects with each existing unit in AGX1 as from the date of issuance of the New Unit.

Each eligible APL shareholders will receive units in AGX1 to the following formula:

$$CU = (A/B) * D$$

where:

- CU = the number AGX1 units to be issued to each eligible APL shareholder
- A = the post-tax NTA per APL share on the Calculation Date (less retention amount)
- B = the NAV per AGX1 unit on the Calculation Date
- D = the number of APL shares held on the record date of the Proposed Transaction

All eligible APL Shareholders will be issued with AGX1 New Units in exchange of APL shares held. APL Shareholders whose address is a place outside Australia, New Zealand and United States of America are considered as Ineligible Foreign Shareholders. Ineligible Foreign Shareholders cannot be issued with New Units, their entitlement for New Units under the Proposed Transaction will be held by an appointed Sale Nominee, where the entitlements will be sold no more than 10 business days after implementation date on their behalf and the sale proceeds paid to the Ineligible Foreign Shareholder.

Persons holding less than a marketable parcel of APL shares (defined in the ASX Listing Rules as \$500 market value) are classified as Unmarketable Parcel Shareholders. For those Unmarketable Parcel Shareholders who do not provide the APL registry with a duly completed Opt-In Notice, their respective APL entitlements under the Proposed Scheme will be sold on their behalf and sale proceeds paid to them in the same manner as Ineligible Foreign Shareholders. Such shareholders are classified Exiting Unmarketable Parcel Shareholders in the Proposed Scheme.

### **Features of the AGX1 New Units**

Under the terms agreed by the Company as set out in the Deed, the AGX1 New Units will have the following terms and features:

- AGX1 New Units rank equally in all aspects with the existing units in AGX1;
- As AGX1 is a quoted managed fund on the ASX, investors can acquire or dispose of their investment in the Fund via the investor's stockbroker; and
- Performance Fees will be calculated on the AGX1 New Units on the same basis as applicable for existing unitholders of AGX1 which is 15% net return in excess of benchmark (refer to Section 5.2 below) subject to high-water mark.

### **Termination Fee**

Following the Proposed Transaction, the services of Antipodes Partners will no longer be required by the Company as all of APL's investment assets and liabilities will be transferred to AGX1 under the Scheme of Arrangement. Despite the fixed term of the investment management agreement having 5 years remaining, Antipodes Partners agreed to not to seek any early termination fee as consequence of the Proposed Transaction. Further details of the management agreement between Antipodes Partners and the Company is set out in Section 5.2 below.

### **Costs**

As set out in the 9 August Announcement, APL will be responsible for the costs associated with the Proposed Transaction. The transaction costs associated with the Proposed Transaction are estimated to be less than \$0.003 per APL share as advised by APL Management and disclosed per the 9 August Announcement. These transaction costs, comprise legal costs, accounting expenses and other transaction related costs as advised by APL Management, where most costs are expected to be paid prior to the Calculation Date and the remainder paid from the Retention Amount.

### ***Terms and Conditions / Conditions Precedent***

The Proposed Transaction will be subject to a number of conditions as set out in the Deed attached to the 9 August Announcement by APL, including:

- Execution of a Scheme Implementation Deed between APL, Antipodes Partners, Pinnacle and AGX1 setting out the roles and responsibilities of each party under the Proposed Transaction;
- Approval from APL Shareholders of the Proposed Transaction;
- Approval from the Board of Directors of APL and Pinnacle of the Proposed Transaction and associated documents, including the issue of the Scheme Booklet to be distributed to the Shareholders;
- All other required regulatory and court approvals

### **4.3 Key Implications of Scheme**

If approved by the Shareholders, the Proposed Transaction would result in the following changes when completed, from the perspective of the APL Shareholders:

- **Structure** – APL shares will be transferred to the Responsible Entity, and APL will become wholly-owned by the Fund. APL will subsequently be delisted from the ASX, the APL investment portfolio will be transferred to AGX1, then will be wound up. APL Shareholders will hold AGX1 New Units which are also tradeable on the ASX as an exchange quoted managed fund;
- **Manager** – Antipodes Partners is the current investment manager for the Company and for the Fund. As such, there will be no change to the Manager of the Shareholders' investments.
- **Investment Strategy** – APL operates an investment strategy comprising a long-short portfolio of global listed equities, while AGX1 uses the Antipodes Partners long-only strategy which only holds a portfolio of global shares with no short positions. The investment strategy for the APL shareholders will change as they no longer will have short position exposure and resultant investment exposures following the Proposed Transaction.
- **Management Fees** – The standard management fee applied by Antipodes Partners of 1.1% of the Net Asset Value is consistent between APL and AGX1.
- **Performance Benchmark** – Antipodes Partners is entitled to a performance fee as part of its role as Manager of the Company. Performance fee also exists in the management agreement between Antipodes Partners and AGX1. It is calculated the same way as that in APL being 15% net return in excess of benchmark subject to high-water mark with the same performance benchmark<sup>4</sup>.

### **4.4 Profile of Antipodes Partners**

Antipodes Partners is an asset manager specialising in investing in global equities.

The Manager uses a value-based investment approach offered across both a "long-only" and "long-short" strategies, with the aim of growing invested funds under management over the long-term by generating absolute returns in excess of a nominated benchmark, whilst targeting below market levels of risk through the use of the short positions. Further details of the investment strategies employed by Antipodes Partners in APL is set out at Section 5.2 below.

Antipodes Partners was founded by Jacob Mitchell ("**Mr Mitchell**") in March 2015, whom serves as the Chief Investment Officer and Lead Portfolio Manager. The Manager is led by Andrew Findlay as Managing Director and Chief Executive Officer. Mr Mitchell is supported by a team of over 25 investment analysts and portfolio managers, whom collectively are majority owners of Antipodes Partners.

The Manger currently offers its investment strategies in both listed investment vehicles being APL and AGX1, as well as unlisted managed fund products including the Antipodes Global Fund – Long, Antipodes Global Fund, and Antipodes Asia Fund.

<sup>4</sup> MSCI All Country World Net Index in Australian Dollars.

## 5. Profile of APL

### 5.1 Background

#### *Overview*

APL is an ASX listed investment company (“**LIC**”) established in 2016 and under the management of Antipodes Partners. The Company aims to provide shareholders with exposure to an investment portfolio of global listed securities, predominantly comprised of long and short positions with hedged foreign currency risk. APL constructs its investment portfolio in accordance with the investment strategies of Antipodes Partners which aspires to grow wealth for its investors over long-term by generating returns in excess of the benchmark (being the MSCI All Country World Net Index in AUD) at below market levels of risk.

#### *Directors and Management*

The current board of directors and senior management of APL are:

- Jonathan Trollip (Chairman)
- Lorraine Berends
- Chris Cuffe AO
- Alex Ihlenfeldt
- Andrew Findlay

We note Andrew Findlay is also the Managing Director & Chief Executive Officer of Antipodes Partners.

Antipodes Partners has been engaged as the investment manager of APL since foundation of the Company under an investment management agreement (“**IMA**”) between the Company and the Manager. Further detail of the agreement with is discussed below in Section 5.2.

#### *Investment Strategy*

The investment strategy of APL involves a long-short<sup>5</sup> portfolio in a selected number of listed companies in the global share market. The companies selected for the ‘long’ portfolio by the Manager are considered to be trading below the fundamental value as assessed by Mr Mitchell and the Antipodes Partners team, with consideration of the competitive dynamics, product cycle, regulatory factors, and management and financial metrics. For the ‘short’ portfolio, companies trading above the value assessed by the Antipodes Partners team, and thus are expected to decline in value over the investment period, are selected with consideration of the same combination of factors.

The portfolio is typically comprised of a minimum 30 investments of business listed across international equities including in Asia, Europe and the United States. Typically, the long-short strategy of APL results in a net equity exposure or investment holdings of between 50% and 100% of the APL net asset value, with a maximum exposure of 150% of the net asset value due to offsetting exposures arising from any short investment positions in place<sup>6</sup>. Over the course of an investment cycle which Antipodes Partners considers to be typically 3 to 5 years, APL aims to provide shareholders with absolute returns from its underlying investments in excess of the benchmark (being the MSCI All Country World Net Index in AUD), while maintaining beneath market levels of risk.

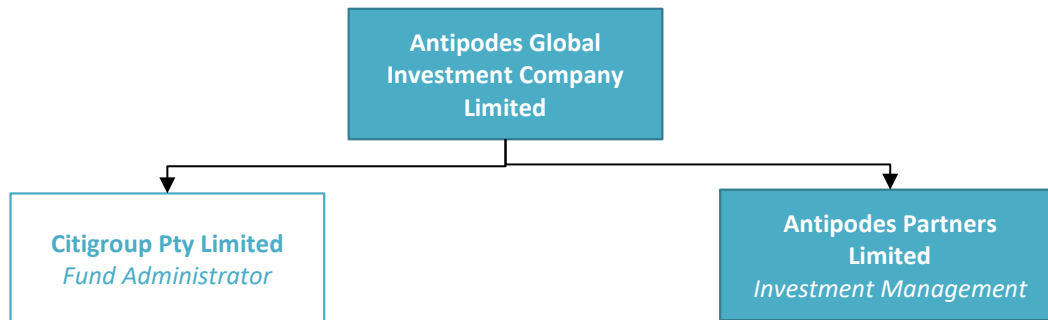
APL reported a net profit before tax of \$105 million in FY2021, recovering from the loss of \$19 million reported in FY2020 which arose primarily from the significant downturn in financial markets globally following the onset of the COVID-19 pandemic. The total return on the portfolio investments for the FY2021 is 22.7%, which comprised a 29.9% return contributed by long positions held and -6.5% (i.e. a loss) contributed by the short positions held (currency -0.7%) during the period. We discuss the performance of APL against its benchmark on the following page.

<sup>5</sup> A “long-short” investment strategy using listed securities comprises a portfolio of shares purchased and held over the investment period for capital gain, complemented by a portfolio of shares sold short on the expectation the prices of such shares will fall over the investment period.

<sup>6</sup> For example, as per the July 2021 investment update announced by APL, the equities in long position weigh 96.9%, and that in short position weigh -14.7% in the portfolio.

## Operating Structure

The current investment structure of APL is as follows:



Source: APL Management

## Current Performance

The APL portfolio performance below is extracted from the announcements by the Company to the ASX.

As shown in the following table, the Company has performed below its benchmark since inception and over the past 1, 3 and 5 year periods to 31 July 2021. During each of these periods, global equities markets have performed strongly with sustained increases in values measured by market capitalisation. The benchmark, MSCI All Country World Net Index, represents the performance of more than 2,900 constituents shares across 23 developed and 27 emerging markets.<sup>7</sup> Since the benchmark is based on the performance of share prices in the investable universe, the performance of the Company over the same period is effectively reduced by any short positions during periods of sustained growth in equities markets. In periods of rising equity markets, APL's portfolio performance is typically expected to generate returns below the benchmark (which is calculated based on share price movements of constituent equities), due to the impact of short positions held by APL which are likely to generate a negative return. In a sustained period of declining equity markets, those short positions would provide downside protection and limit some of the expected losses from the long portfolio positions held.

Antipodes Global Investment Company Limited Company Performance as at 31 July 2021		
	APL	Benchmark <sup>8</sup>
1 Year	20.1%	29.9%
3 Year (p.a.)	5.5%	14.1%
5 Year (p.a.)	9.7%	14.6%
Inception (p.a.)	9.5%	12.1%
Upside Capture Ratio (%) <sup>9</sup>	62.7%	100.0%
Downside Capture Ratio (%) <sup>10</sup>	50.7%	100.0%

Source: APL Announcement - Monthly Company Update July 2021

<sup>7</sup> As of June 2021, per MSCI (<https://www.msci.com/acwi>).

<sup>8</sup> MSCI All Country World Net Index in AUD

<sup>9</sup> Source: Morningstar direct. Fund or strategy vs MSCI ACWI, from 1/8/2015 to 30/6/2021. Indicates the percentage of the up-market returns was captured by the manager.

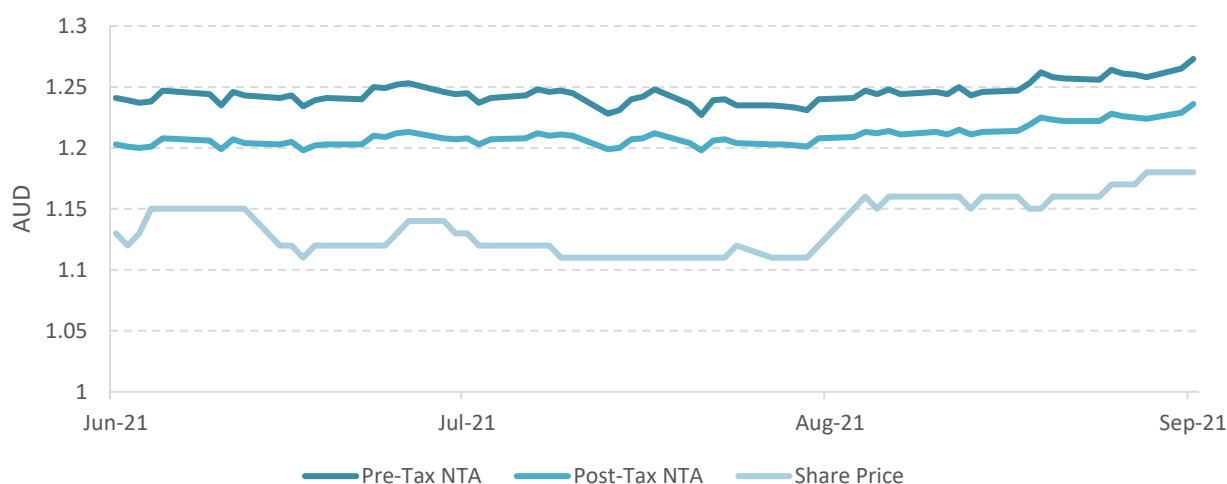
<sup>10</sup> Source: Morningstar direct. Fund or strategy vs MSCI ACWI, from 1/8/2015 to 30/6/2021. Indicates the percentage of the down-market returns was captured by the manager.

APL has filed daily the net tangible asset (“NTA”) backing of the Company to ASX. The below table summarises the NTA at the end of each of the past 3 months, while the chart illustrates the recent movement of Pre-tax NTA, Post-tax NTA and share price of APL for the period 7 June 2021 to 7 September 2021<sup>11</sup>:

Antipodes Global Investment Company Limited Net Tangible Asset Backing (Per Share)				
	30 June 2021	29 July 2021	31 August 2021	7 September 2021
Pre-Tax NTA <sup>12</sup>	\$1.250	\$1.239	\$1.257	\$1.273
Post-Tax NTA <sup>13</sup>	\$1.210	\$1.206	\$1.222	\$1.236

Source: APL Announcements

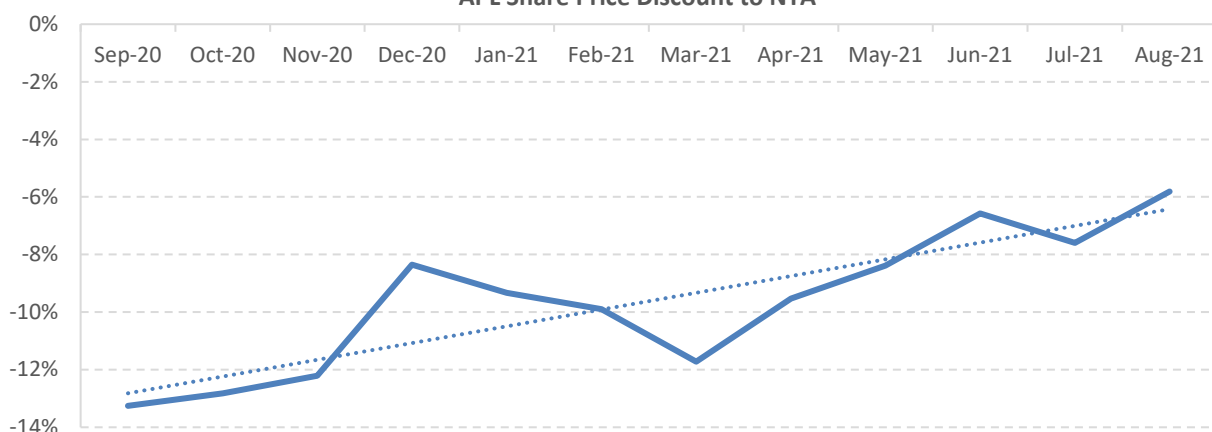
APL NTA and Share Price Movements



Source: APL Announcements, ASX, Titan Partners Analysis

As illustrated in the above chart, the share price of APL has consistently traded below both the pre-tax NTA and post-tax NTA. The following chart summarises the discount between the month-end closing share price of APL and the corresponding NTA, which has fluctuated between -6% and -13% over the past 12 months. While there has been a narrowing in that discount, we note a significant discrepancy between share price and NTA of APL remains.

APL Share Price Discount to NTA



Source: APL Announcements, ASX, Titan Partners Analysis

<sup>11</sup> On 30 August 2021, APL announced a final dividend of 4 cents per share to be paid on 30 September 2021. The ex-dividend date for the dividend was 8 September 2021, based on a record date of 9 September 2021.

<sup>12</sup> Pre-tax NTA includes provision for tax on realised gains/losses and other earnings, but excludes any provision for tax on unrealised gains/losses and any deferred tax assets relating to capitalised issue costs and income tax losses.

<sup>13</sup> Post-tax NTA includes provision for tax on both realised and unrealised gains/losses and other earnings, and includes deferred tax assets relating to capitalised issue costs and income tax losses.



Set out below are the top 10 investment portfolio holdings of APL as at 31 August 2021.

Antipodes Global Investment Company Limited Investment Weightings as at 31 August 2021	
\$'000s	%
<b>Top 10 Equity Investments</b>	
Facebook Inc-Class A	4.4%
Microsoft Corporation	3.6%
Tencent Holdings Ltd.	3.6%
Siemens AG	3.6%
Taiwan Semiconductor Manufacturing Co., Ltd.	2.7%
Frontier Communications Parent, Inc.	2.7%
Tesco PLC	2.4%
Electricite de France SA	2.3%
UniCredit S.p.A.	2.3%
ING Groep NV	2.2%
<b>Subtotal</b>	<b>29.7%</b>
Other Equity Investments	70.3%
<b>Total Value - Equity</b>	<b>100.0%</b>

*Source: APL Management Information August 2021, ASX Announcement*

## 5.2 Antipodes Management Agreement

Antipodes Partners have been appointed as the investment manager of APL's portfolio since the establishment of the Company. Based on the investment management agreement, the Manager is entitled to be paid the following by the Company:

- a management fee of 1.1% per annum of the value of the company's portfolio calculated daily and paid at the end of each month in arrears; and
- a performance fee of 15% of the portfolio's outperformance relative to the benchmark which is MSCI All Country World Net Index in Australian Dollars ("AUD"). The performance fee for each performance calculation period is calculated subject to the recoupment of prior underperformance.

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### 5.3 Ownership Structure

Major shareholders of APL as at the 26 August 2021 are summarised below.

Antipodes Global Investment Company Limited Current Ownership Structure		
Name	Units	%
<b>Major Shareholders</b>		
HSBC Custody Nominees (Australia) Limited	41,990,840	8.80%
BNP Paribas Nominees Pty Ltd Hub24 Custodial Serv Ltd	14,658,814	3.07%
Buttonwood Nominees Pty Ltd	12,962,369	2.72%
Nulis Nominees (Australia) Limited	12,604,099	2.64%
Netwealth Investments Limited	11,630,334	2.44%
Navigator Australia Ltd	9,312,739	1.95%
Australian Executor Trustees Limited	8,541,186	1.79%
J P Morgan Nominees Australia Pty Limited	7,579,919	1.59%
Citicorp Nominees Pty Limited	5,951,507	1.25%
Antipodes Partners Limited	5,699,263	1.19%
Macoun Generation Z Pty Ltd	5,000,000	1.05%
Pinnacle Services Administration Pty Ltd	2,826,440	0.59%
Michele Taylor Pty Ltd	2,723,000	0.57%
Sunndal Pty Ltd	2,511,660	0.53%
Netwealth Investments Limited	2,325,212	0.49%
National Nominees Limited	2,076,930	0.44%
Australian Executor Trustees Limited	2,050,537	0.43%
Invia Custodian Pty Limited	2,019,662	0.42%
Australian Executor Trustees Limited	1,837,496	0.39%
Spar Nominees Pty Ltd	1,805,000	0.38%
<b>Top 20 Shareholders</b>	<b>156,107,007</b>	<b>32.71%</b>
<b>Other Shareholders</b>	<b>321,114,500</b>	<b>67.29%</b>
<b>Total Shares Issued</b>	<b>477,221,507</b>	<b>100.00%</b>

*Source: APL Share Register as at 26 August 2021*

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## 5.4 Market Announcements

The following table sets out the recent announcements released by APL to the ASX. In addition to the announcement of the Proposed Transaction on 9 August 2021 and release of periodic financial reports (quarterly and full year), APL also reports its net tangible asset backing daily as required under ASX Listing Rules and daily performance estimate. The full list of announcements since 1 February 2021 by the Fund is set out at Appendix 5.

Antipodes Global Investment Company Limited Recent Company Announcements	
Announcement Date	Title
09/08/2021	Scheme to exchange APL shares for units in AGX1
30/07/2021	Quarterly Shareholder Update
20/07/2021	June 2021 Investment Update
15/06/2021	May 2021 Investment Update
17/05/2021	Update on Conditional Tender Offer
12/05/2021	April 2021 Investment Update

*Source: Australian Securities Exchange*

## 5.5 Industry Overview

APL operates in the Financial Asset Investing industry in Australia, as defined by IBISWorld Pty Limited ("IBISWorld"). The industry operators principally pool together investor funds and invest them across different asset classes of financial assets. Profits reported by industry participants typically consists of investment returns less management expenses which in most cases are calculated at a percentage of investment vehicles' assets. The management fees typically range from 0.7% to 2.5%. APL pays Antipodes Partners a management fee calculated at 1.1%, which is at the lower end of the industry average. Industry participants predominantly invest in various financial assets, including ASX and international listed companies, bonds and other assets. In line with other industry participants, APL is an ASX-listed investment company that provides shareholders with exposure to an actively managed, long-short portfolio of global shares with a currency overlay.

The two most recent financial years to June 2021 was volatile. Following a sharp downturn induced by the onset of the COVID-10 pandemic in late FY2020, positive sentiment returned to international markets driven by extraordinary fiscal stimulus across the world and rapid development of multiple COVID-19 vaccines. As confidence in the reopening and economic normalisation grew, investors preferred low multiple or low value equities through early calendar 2021. Given the outsized fiscal stimulus compared to the rest of the globe and the US led the industrialised world in vaccine rollout, US equities led the recovery in financial markets. The rotation into low multiple stocks reversed in the June 2021 quarter when the US 10-year Government Bond yield collapsed. Lower yields fed into equity markets, resulting in a strong rotation back into equity markets and resultant rise in share prices. Meanwhile, uncertainty with respect to Chinese domestic regulation added to global equities' volatility.

Prior to the outbreak of COVID-19, the Financial Asset Investing industry was anticipated to grow revenue in FY2020. However, the outbreak of COVID-19 in FY2020 has led to significant disruption in both local and global equity markets. Consequently, revenues generated by the Financial Asset Investing industry is expected to decline at an annualised 1.9% over the five years through FY2021 to \$9.9 billion. This trend represents anticipated growth of 3.9% in the current year as both domestic and global financial markets recover from the COVID-19 panic selloff. As projected by IBISWorld in August 2020, the industry is forecast to expand over the next five years, with revenue forecast to grow at an annualised 3.4% over the five years through FY2026 to \$11.7 billion. Following an anticipated recovery from the COVID-19 pandemic, greater stability in financial markets and renewed investor confidence are expected to support growth in the financial asset investing industry<sup>14</sup>.

<sup>14</sup> Sourced from Industry Research Reports published by IBISWorld report K6240 Financial Asset Investing in Australia.

## 5.6 Historical Financial Performance

The financial performance of APL for the three most recent financial years being FY2019, FY2020 and FY2021, and one month period to 31 July 2021 ("YTD Jul21") are summarised in the table below.

Antipodes Global Investment Company Limited									
Operating Results									
\$'000s	Notes	FY2019		FY2020		FY2021		YTD2021	
		Actual	%	Actual	%	Actual	%	Actual	%
<b>Revenue</b>									
Interest Income		373	2.0%	522	(5.1%)	46	0.0%	(2)	0.0%
Dividend and Distribution Income		11,246	61.5%	10,300	(100.8%)	10,677	9.4%	875	(19.6%)
Net gains on financial instrument	1	2,657	14.5%	(18,924)	185.3%	(4,492)	(3.9%)	(183,602)	4121.4%
Net gains on foreign exchange	2	4,003	21.9%	(2,112)	20.7%	107,546	94.5%	178,274	(4001.8%)
<b>Total Income</b>		<b>18,279</b>	<b>100.0%</b>	<b>(10,214)</b>	<b>100.0%</b>	<b>113,777</b>	<b>100.0%</b>	<b>(4,455)</b>	<b>100.0%</b>
<b>Expenses</b>									
Management fee	3	6,627	36.3%	6,522	(63.9%)	6,120	5.4%	559	(12.6%)
Custody fee		-	-	112	(1.1%)	143	0.1%	-	-
Transaction fee		1,660	9.1%	1,422	(13.9%)	1,121	1.0%	5	(0.1%)
ASX and registry fee		244	1.3%	231	(2.3%)	180	0.2%	-	-
Professional fee		64	0.4%	92	(0.9%)	144	0.1%	7	(0.2%)
Directors' fee		100	0.5%	115	(1.1%)	115	0.1%	9	(0.2%)
Other expense	4	234	1.3%	246	(2.4%)	221	0.2%	551	(12.4%)
<b>Total Expenses</b>		<b>8,929</b>	<b>48.8%</b>	<b>8,740</b>	<b>(85.6%)</b>	<b>8,044</b>	<b>7.1%</b>	<b>1,132</b>	<b>(25.4%)</b>
<b>Reported EBITDA</b>		<b>9,350</b>	<b>51.2%</b>	<b>(18,954)</b>	<b>185.6%</b>	<b>105,733</b>	<b>92.9%</b>	<b>(5,587)</b>	<b>125.4%</b>
Income tax expense		(1,642)	(9.0%)	7,017	(68.7%)	(30,617)	(26.9%)	4,803	(107.8%)
<b>Reported NPBT</b>		<b>7,708</b>	<b>42.2%</b>	<b>(11,937)</b>	<b>116.9%</b>	<b>75,116</b>	<b>66.0%</b>	<b>(784)</b>	<b>17.6%</b>

**Source:** Historical Financial Statements, Management Reports

We note the following with respect to the historical financial performance of APL:

1. Net gains on financial instrument include both realised and unrealised gains on equities, forwards, futures, options and interest rate swaps.
2. Net gains on foreign exchange include both realised and unrealised gains arising from the disposal or revaluation of investments in foreign currency.
3. Management fees are calculated at 1.1% of the net investment assets held, calculated daily according to the investment management agreement.
4. Other expenses are comprised bank fees, legal fees, subscription costs, insurance costs and other expenses.

## 5.7 Financial Position

The financial position of APL as at 30 June 2019, 30 June 2020 and 30 June 2021 is summarised below.

Antipodes Global Investment Company Limited					
Balance Sheet					
\$'000s	Notes	FY2019 Actual	FY2020 Actual	FY2021 Actual	YTD2021 Actual
<b>Assets</b>					
Cash		83,545	88,813	60,993	71,889
Trade and other receivables	1	4,832	1,414	10,643	6,221
Current tax assets		-	5,053	650	-
Financial assets	2	566,926	454,347	541,027	516,690
Deferred tax assets	3	1,142	6,519	14	(311)
<b>Total Assets</b>		<b>656,445</b>	<b>556,146</b>	<b>613,327</b>	<b>594,489</b>
<b>Liabilities</b>					
Trade and other payables	4	6,209	3,600	4,227	4,347
Financial liabilities	5	15,759	18,918	13,122	720
Current tax liabilities		1,599	-	-	-
Deferred tax liabilities	3	2,775	273	19,228	15,044
<b>Total Liabilities</b>		<b>26,342</b>	<b>22,791</b>	<b>36,577</b>	<b>20,111</b>
<b>Net Assets</b>	6	<b>630,103</b>	<b>533,355</b>	<b>576,750</b>	<b>574,378</b>

*Source: Historical Financial Statements, Management Financial Reports*

We note the following with respect to the financial position of APL and key material balance sheet items:

1. Trade and other receivables comprise the balance of dividends receivable, receivables from brokers, GST receivables and other receivables.
2. Financial assets include international and domestic listed equity securities and derivative financial instruments including options, forwards, swaps and forward exchange contracts. A breakdown of the top 10 investments as at 30 June 2021 is set out in Section 5.1.
3. Deferred tax assets and liabilities relate to temporary differences in tax liabilities and assets attributable to capitalised share issue costs, unrealised gains and losses, and accrued expenses.
4. Derivative financial instruments were futures held as at 30 June 2020. The notional value of futures was \$654,012 as at 30 June 2020.
5. Financial liabilities are derivative financial instruments including equity swap, future and forward exchange contracts.
6. The market value of Net Assets declined in FY2020 as total invested capital of the Company decreased (comprising reductions in Financial Assets, Financial Liabilities and Cash holdings). This was largely due to a reduction in share capital which resulted from the share buybacks undertaken by the Company. A total of 63,190,838 shares were bought back by the Company during FY2020 at a combined cost of \$60.694 million. APL continued to undertake an on-market share buy-back program in FY2021, with the total number of shares bought back of 11,140,103.
7. Subsequent to the balance sheet set out above, on 30 August 2021, APL announced a final dividend of 4 cents per share to be paid on 30 September 2021. The ex-dividend date for the dividend was 8 September 2021 based on a record date of 9 September 2021.

## 6. Profile of AGX1

### 6.1 Background

AGX1 (the Fund) is a registered management investment scheme established in April 2018, where units are quoted and traded on the ASX. Pinnacle, as Responsible Entity of the Fund, appointed Antipodes Partners as investment manager for AGX1, which adopts a 'long' investment strategy aiming to outperform its adopted benchmark over a 3-5-year investment cycle. Consistent with APL, AGX1 uses the MSCI All Country World Net Index as its performance benchmark.

The Fund typically utilises the Antipodes Partners global long portfolio strategy to invest companies listed on global share market considered by the Manager as having potential valuation upside during the investment period. The Fund uses derivatives to hedge risks from foreign currency exposure, being foreign exchange swaps and currency options.

#### *Investments Held*

Antipodes Global Shares (Quoted Managed Fund) Investment Weightings as at 31 August 2021	
\$'000s	%
<b>Top 10 Equity Investments</b>	
Facebook Inc-Class A	4.5%
Microsoft Corporation	3.5%
Tencent Holdings Ltd.	3.5%
Siemens AG	2.8%
Taiwan Semiconductor Manufacturing Co., Ltd.	2.7%
Sanofi	2.5%
Frontier Communications Parent, Inc.	2.5%
Tesco PLC	2.2%
Electricite de France SA	2.1%
UniCredit S.p.A.	2.2%
<b>Subtotal</b>	<b>29.7%</b>
Other Equity Investments	70.3%
<b>Total Value - Equity</b>	<b>100%</b>

Source: AGX1 Announcement - Monthly Company Update August 2021

#### *Current Performance*

The AGX1 portfolio performance below is extracted from the announcements by the Company to the ASX.

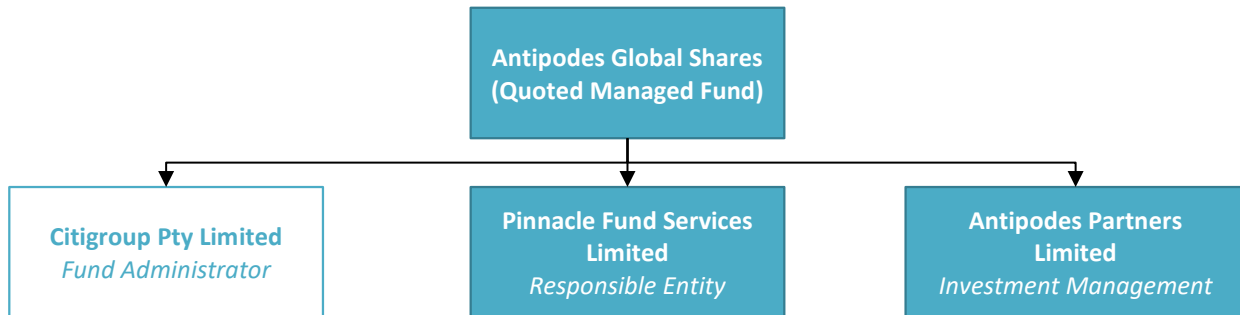
Antipodes Global Shares (Quoted Managed Fund) Company Performance as at 31 July 2021		
	AGX1	Benchmark <sup>15</sup>
1 Month	-0.3%	2.8%
3 Month	1.9%	8.9%
Year to date (p.a.)	11.6%	18.7%
1 Year	27.2%	29.9%
Inception (p.a.)	10.6%	16.5%

Source: AGX1 Announcement - Monthly Company Update July 2021

<sup>15</sup> MSCI All Country World Net Index in AUD

## Operating Structure

The investment structure of the AGX1 is as follows:



Source: APL Management

## Fee Structure

Under the Investment Management Agreement between Pinnacle (as Responsible Entity for AGX1) and Antipodes Partners entered into at the inception of the Fund, the Manager is entitled to:

- a management fee of 1.1% of net asset value inclusive of Goods and Services Tax ("GST") and net of any RITC<sup>16</sup>. Management fee is calculated daily based on the net asset value of the Fund, reflected in the unit price and deducted quarterly in arrears.
- a performance fee of 15% (inclusive of GST and RITC) of the difference in the Fund's return (net of management fee) relative to the benchmark return multiplied by the net asset value of the Fund. The benchmark return is MSCI All Country World Net Index in AUD. The performance fee is calculated and accrued daily and payable six monthly as at 30 June and 31 December.

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<sup>16</sup> RITC means reduced input tax credit

## 6.2 Ownership Structure

Antipodes Partners held more than 49% in the Fund as at 30 June 2021. The top 20 Unitholders are shown below. The top 20 Unitholders collectively own 74.53% of the equity interest in AGX1.

Antipodes Global Shares (Quoted Managed Fund)		
Major Unitholders		
Name	Units	%
<b>Major Unitholders</b>		
Antipodes Partners Limited	2,032,008	49.19
Pinnacle Services Administration Pty Ltd	499,390	12.09
Pinanda Holdings Pty Ltd	57,620	1.39
Mr David Thomas Blunden	50,000	1.21
Mr Gareth Warwick Thomson	48,089	1.16
Mr Ian Wilfred Francis & Mrs Sine Francis	39,311	0.95
D & E Mitchell Pty Ltd	39,294	0.95
Cio Partners Pty Ltd	32,630	0.79
Newpank Pty Ltd	31,090	0.75
Bond Street Custodians Limited	27,611	0.67
Sunddal Pty Ltd	25,566	0.62
Mr Rodney Phillips & Mr Wayne Bentley Phillips	25,000	0.61
Mrs Mary Jean Jansen	24,195	0.59
Paul Bennett Pty Limited	23,312	0.56
High & Lam Pty Limited	23,113	0.56
Mrs Cherry Naomi Archer	22,204	0.54
Mctaggart Investments Pty Ltd	20,453	0.50
Mallam Super Pty Ltd	20,151	0.49
Rebecca King Pty Ltd	19,799	0.48
Cartlidge Pty Ltd	18,118	0.44
<b>Top 20 Unitholders</b>	<b>3,078,954</b>	<b>74.53</b>
<b>Other Unitholders</b>	<b>1,052,181</b>	<b>25.47</b>
<b>Total Units Issued</b>	<b>4,131,135</b>	<b>100.00</b>

*Source: AGX1 Unit Register as at 30 June 2021*

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### 6.3 Historical Financial Performance

AGX1 was set up in April 2018 and commenced trading activities from November 2018. The first full year statutory accounts for AGX1 was prepared for the period from 26 April 2018 to 30 June 2019 ("14m Jun19"). The below table summarises the financial performance from 14m Jun 2019, FY2020 and FY2021

Antipodes Global Shares (Quoted Managed Fund)									
Operating Results									
\$'000s	Notes	14m Jun2019		FY2020		FY2021		YTD2021	
		Actual	%	Actual	%	Actual	%	Actual	%
Revenue									
Interest Income		25	1.8%	4	(0.7%)	-	-	0	(0.0%)
Dividend and Distribution Income		299	21.8%	398	(66.2%)	481	7.3%	30	(46.9%)
Net gains on financial Instrument	1	1,013	73.9%	(944)	157.1%	6,271	94.6%	(613)	949.9%
Net gains on foreign exchange	2	34	2.5%	(66)	11.0%	(127)	(1.9%)	518	(803.0%)
Other operating income		-	-	7	(1.2%)	-		-	-
Total Income		1,371	100.0%	(601)	100.0%	6,628	100.0%	(65)	100.0%
Management fee	3	151	11.0%	271	(45.1%)	272	4.1%	23	(35.6%)
Transaction fee		18	1.3%	26	(4.3%)	34	0.5%	0	(0.6%)
Other operating expenses	4	2	0.1%	5	(0.8%)	3	0.0%	0	(0.2%)
Total Expenses		171	12.5%	302	(50.2%)	309	4.7%	23	(36.4%)
Reported EBITDA		1,200	87.5%	(903)	150.2%	6,319	95.3%	(88)	136.4%

**Source:** Historical Financial Statements and Management Accounts

We note the following with respect to the historical financial performance of AGX1:

1. Net gains on financial instrument include both realised and unrealised gains on equities, forwards, futures, options and interest rate swaps.
2. Net gains on foreign exchange include both realised and unrealised gains made from disposal or revaluation of investments in foreign currency.
3. Management fees are calculated at 1.1% of the net investment asset comprise service agreement fees.
4. Other expenses are made up of interest expenses, distribution expenses and other miscellaneous expenses.

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## 6.4 Financial Position

The financial position of AGX1 as at 30 June 2019, 30 June 2020 and 30 June 2021 is summarised below.

Antipodes Global Shares (Quoted Managed Fund)					
Historic Balance Sheet					
\$'000s	Notes	FY2019 Actual	FY2020 Actual	FY2021 Actual	YTD2021 Actual
<b>Assets</b>					
Cash		3,557	2,411	1,802	2,110
Margin accounts		91	39	57	32
Receivables	1	181	69	455	190
Financial assets	2	19,939	21,009	24,459	24,256
<b>Total Assets</b>		<b>23,768</b>	<b>21,009</b>	<b>26,773</b>	<b>26,589</b>
<b>Liabilities</b>					
Distributions payable		248	518	2,882	36
Payables	3	197	129	279	296
Financial liabilities	4	39	29	51	-
<b>Total Liabilities</b>		<b>484</b>	<b>676</b>	<b>3,213</b>	<b>333</b>
<b>Net Assets</b>		<b>23,284</b>	<b>20,333</b>	<b>23,560</b>	<b>26,256</b>

*Source: Historical Financial Statements*

We note the following with respect to the historical financial position of AGX1:

1. Receivables comprise accrued income, GST receivable and other receivables.
2. Financial assets include international and domestic listed equity securities and derivative financial instruments including option and forward contracts. A breakdown of the top 10 investments as at 30 June 2021 is set out in Section 6.1. The balance at 31 July 2021 is the net balance of total financial assets and financial liabilities as the Management has not provided a breakdown of the financial investments.
3. Payables mainly relate to unsettled share purchases due to brokers and accrued expenses.
4. Financial liabilities are derivative financial instruments including forward exchange contracts.

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## 7. Valuation Methodology

### 7.1 Overview

The best determinant of value is the price at which a business or a comparable business has been bought or sold in an arm's length transaction. In its absence, estimates of value are made using methodologies that infer value from other available evidence. These methodologies are discussed below.

### 7.2 Asset Based Methods

Asset based methods estimate the market value of a company's shares based on the realisable value of its identifiable net assets. Asset based methods include:

- **Net assets & net tangible assets:** Net assets method (NA) is based on the value of the assets of the business less certain liabilities, at book values, adjusted to market value, while the Net Tangible Assets (NTA) of the business is a similar calculation but with an additional adjustment to exclude intangible assets from the calculation;
- **Orderly realisation of assets:** Orderly realisation of assets method estimates fair market value by determining the amount that would be distributed to shareholders assuming the company is wound up in an orderly manner realising a reasonable market value for assets; and
- **Liquidation of assets:** Liquidation method is similar to the orderly realisation of assets method except the liquidation method assumes the assets are sold in a shorter period, under a "distressed seller" scenario.

These approaches ignore the possibility that a company's value could exceed the realisable value of its assets. Asset based methods are appropriate when companies are not profitable (and are not expected to be profitable in the short to medium term), not actively trading or a significant proportion of a company's assets are liquid or held in investments that could be realised, or the business achieves lower profits than typical returns required by equity holders.

Asset based methods are typically considered in valuing listed investment companies.

### 7.3 Market Based Methods

Market based methods estimate a company's fair market value by considering the market price of transactions in its shares or the market value of comparable companies. Market based methods include:

- **Analysis of a company's recent share trading history (Quoted Share Price Approach):** Most recent share trading history provides strong evidence of the fair market value of the shares in a company where they are publicly traded in an informed and liquid market. Importantly to rely on this methodology, a company's shares require sufficient liquidity;
- **Capitalisation of maintainable earnings:** Capitalisation of maintainable earnings method estimates fair market value by multiplying the company's future maintainable earnings by an appropriate capitalisation multiple. An appropriate earnings multiple is derived from market transactions involving comparable companies. The capitalisation of maintainable earnings method is appropriate where the company's earnings are relatively stable and comparable companies have similar cost structures. This methodology is used for trading companies and is typically not applicable for listed investment companies; and
- **Industry specific methods:** Industry specific methods estimate market value using industry benchmarks. These methods generally provide less persuasive evidence on the market value of a company, as they may not account for company specific factors. Industry specific methods are only used as a cross check to the primary valuation methodology.

### 7.4 Discounted Cash Flow Method

The discounted cash flow method estimates market value by discounting a company's future cash flows to their present value. This method is appropriate where a projection of future cash flows can be made with a reasonable degree of confidence for a period of at least 5 years. The discounted cash flow method is commonly used to value early stage companies; projects with a finite life; or businesses with comprehensive and reliable cash flow forecasts.

## 7.5 Selection of Methodologies

Our selection of the valuation methodology is guided by RG111 and specifically RG111.64 which states that *“an expert should use its skill and judgment to select the most appropriate methodology in its report. The expert must have a reasonable (or tenable) basis for choosing the valuation methodology”*. Further, RG111.65 states that *“an expert should, when possible, use more than one valuation methodology”*.

In selecting our valuation methodology to value APL and AGX1 New Units, we have considered:

- existing trading operations of APL;
- existing trading operations of AGX1;
- investment strategy currently employed by APL and AGX1;
- the historical results and current performance levels including revenue and earnings for both entities;
- actual performance for the year to 30 June 2021 and 1-month to 31 July 2021;
- unaudited net tangible asset backing of APL on a daily basis for the current financial year, up to and including as at 29 July 2021 as announced to the ASX on 2 August 2021;
- unaudited net asset value backing of AGX1 on a daily basis for the current financial year, up to and including as at 31 July 2021 as per the information published to public;
- share price and volumes traded for APL shares.
- representations by management in terms of the current and future trading performance of the underlying assets held by APL, and strategic direction of the APL;
- our understanding of the competitive position of the APL in the industry;
- access to publicly available valuation benchmarks, comparable company information and comparable company transactions; and

As a publicly listed security on the ASX, one available methodology is a market-based valuation using the recent share price trading history of quoted shares.<sup>17</sup> We have considered this methodology appropriate for determining the market value of the shares in APL. In our view, a liquid stock would typically be characterised by having 25%-50% of its total number of shares being traded over the course of a year, or about 0.5%-1.0% per week. As set out further in Section 8.3, we consider there is sufficient liquidity at certain periods in the recent share trading history of APL to rely on this methodology to determine the value of shares, as the shares of APL meet these guidelines over the course of the year however it appears to be less frequently traded over the most recent month prior to the announcement of the Proposed Transaction. However, we still consider that the liquidity is sufficient for the Quoted Share Price approach (“QSP”) of APL shares to be a potential indicator of their value. However, as the levels of liquidity in APL shares have varied, we consider it prudent to utilise other methodologies along with the QSP.

We have also adopted an Asset Based approach based on the net realisable value of net assets, being NTA to determine the value of APL and the Net Asset Value (“NAV”) to determine the value of AGX1. Given the nature of both the Company and the Fund are listed entities, and the daily frequency with which net asset position is reported, which itself is calculated based on the market values of the underlying investments, we consider the asset-based approach of NTA and NAV is an appropriate valuation methodology.

While the capitalisation of future maintainable earnings methodology is a commonly utilised methodology, we do not consider the application of this methodology as appropriate as:

- APL currently holds long and short investment interests in various global listed entities, the market values of which are updated and available on a daily basis, and is not a trading business;
- AGX1 similarly holds interests in global listed securities with daily NAV calculation;
- In considering the above facts, there is not a consistent level of earnings from which maintainable earnings could be determined.

<sup>17</sup> RG 111.69 states that an expert should consider *“the quoted price for listed securities, where there is a liquid and active market”*.

We consider that the use of a discounted cash flow methodology is not appropriate due to the lack of available forecast cash flows, and the inherent uncertainty with respect to the timing and process that APL or AGX1 will undertake to exit its current investments or enter into new investments.

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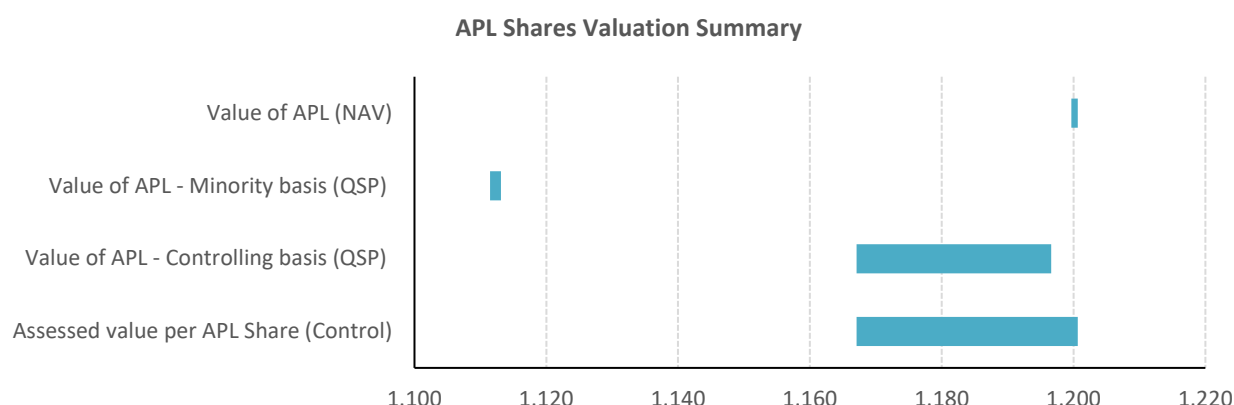
## 8. Value of APL

### 8.1 Valuation Summary

We have determined the market value of an ordinary share in APL on a controlling interest basis to be \$1.167 to \$1.201 per share. In determining this range of value, we specifically relied upon the results of two methodologies, as summarised below.

Antipodes Global Investment Company Limited Equity Value Summary (Cents per share)			
<b>Asset-Based Valuation – Net Tangible Assets – at 30 July 2021<sup>18</sup></b>			
Value per Share on a Controlling Basis (cents per share)			1.201
<b>Market-Based Valuation – Quoted Share Price (QSP)</b>			
	<b>6 August 2021<sup>19</sup></b>	<b>6 August 2021</b>	
	<b>(Low)</b>	<b>(High)</b>	
Value per Share on a Controlling Basis (cents per share)	1.167	1.197	
	<b>Low</b>	<b>High</b>	
<b>Assessed Value of APL on a Controlling Basis (cents per share)</b>	<b>1.167</b>	<b>1.201</b>	

Source: Titan Partners Corporate Finance Analysis



The remainder of this section sets out our assessment of the above values for APL shares.

### 8.2 Net Tangible Assets of Net Assets Valuation

We have assessed the value of APL shares on a controlling basis using an asset-based NTA methodology.

In determining the net tangible asset value of APL, we have relied on management information with respect to the portfolio investments held by the Company as at 31 July 2021 and reports on net asset value of APL as disclosed to the ASX.

Based on our review and analysis of the nature of the assets and liabilities held and discussions with management, we have applied adjustments for costs of the Proposed Transaction which are to be borne by APL. Set out below is our valuation assessment of APL based on the NTA methodology.

<sup>18</sup> 31 July 2021 falls on a weekend. The last reported value is on 30 July 2021.

<sup>19</sup> The trading day prior to announcement of the Proposed Transaction on 9 August 2021.

Antipodes Global Investment Company Limited		
Net Tangible Assets		
\$'000s	Note	31 July 2021
Net Tangible Assets		574,378
Less: Transaction costs	1	(1,100)
Less: Retention amount	2	(300)
Less: Termination costs	3	-
<b>Adjusted Net Tangible Assets</b>		<b>572,978</b>
Shares Outstanding (thousands)		477,222
<b>Net Tangible Assets per Share (\$) – Controlling Basis</b>		<b>1.201</b>

**Source:** APL NTA announcement, Scheme Booklet and Titan Partners Corporate Finance Analysis

We note the following with respect to the net tangible assets per share calculation above:

1. Adjustment for an estimate of transaction costs of \$1.1 million as advised by APL management. The estimate includes legal costs, share registry costs, accounting costs and various other costs associated with the Transaction.
2. Adjustment for an estimate of retention amount of \$0.3 million for additional unforeseen costs or transaction costs not paid prior to the Calculation Date.
3. According to the 9 August Announcement, Antipodes Partners as the manager agreed that it will not be paid any termination fee despite the investment management agreement having 5 years remaining.

We have determined the value of APL on a net realisable value of NTA basis at 30 July 2021 is \$1.201 per share.

### 8.3 Market-Based Valuation – Recent Share Price

In addition to the calculation of the value of APL shares above based on net asset value, we have reviewed the value of APL shares on a minority basis using a recent share price and applied a control premium to derive the value of an APL share on controlling basis. The market value of a company's shares as quoted on public exchange such as the ASX is reflective of a minority interest. Typically, a minority interest does not have significant control for the holder to have influence in the operations and value of that company. RG111.11 states that when considering the value of a company's shares for the purposes of a takeover bid, the expert should assume 100% ownership of the target and it is inappropriate to apply a discount for a minority or portfolio parcel of shares. Accordingly, a premium for control is expected to be paid by the purchaser of those shares due to advantages they will receive should they obtain control of the company. These advantages can include:

- Control over operational decision making and the strategic direction of the company;
- Ability to deal with the company assets as the purchaser sees fit;
- Access to underlying cash flows through control over dividend policies; and
- Potential access to accumulated tax losses.

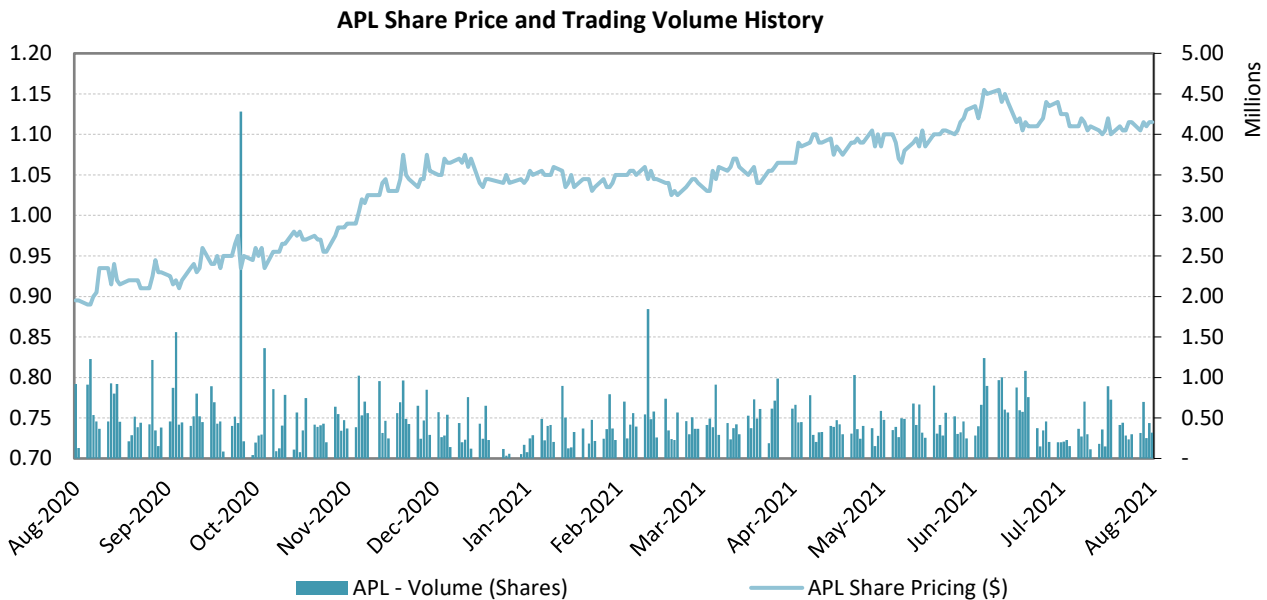
Based on the requirements of RG111, we have calculated the market price of an APL share by including a premium for control. Firstly, we calculated the quoted market price on a minority interest basis based on share prices quoted on the ASX, then added a premium for control to calculate the market price value on a controlling basis.

#### **Quoted Share Price – Minority Interest Basis**

The determination of a market price of a listed share is typically based on the share price prior to the announcement of a transaction. The ASX announcement of the Proposed Transaction was filed and released on 9 August 2021, hence our analysis is as at 8 August 2021, being the day before the announcement. As 8 August 2021 falls on a weekend, the last trading day on the ASX prior to the announcement is 6 August 2021.

To determine whether recent share price is an appropriate methodology to value APL shares, we analysed the recent share trading history and specifically the liquidity in respect of the trading in those shares. Set out below is the trading performance of APL shares for the twelve months to 10 August 2021. APL shares are regularly traded on the ASX, with trades being recorded on 255 days during the 365 day period.

The following chart summarises the share price movements and volume traded over the year to 9 August 2021.



The daily price of APL shares over the past 12 months has ranged from a low of \$0.880 in August 2020 to a high of \$1.150 in June 2021. During this period a number of announcements were made to the market as well as share buybacks and dividend distribution to shareholders. The key announcements are set out in Section 5.4 and full list of all announcements since 1 February 2021 (other than the daily NTA announcements) are set out at Appendix 5. We note the below with respect to the observed trading history:

1. There was significant trading in APL shares on 1 October 2020, with over 4.28 million shares traded. We note the Company announced its daily net tangible asset value.
2. There was significant trading in APL shares on 16 February 2021, with over 1.85 million shares traded. We note the Company announced its daily net tangible asset value.

At the close of trading on 6 August 2021, being the last trading day of APL shares on the ASX prior to the 8 August Announcement with respect to the Proposed Transaction, the APL share price was \$1.12.

Given the observed movements in the APL share price around the announcement of the Proposed Transaction, we calculated and assessed the volume weighted average price (“VWAP”) of the shares over a period of 1, 3, 6 and 12 months prior to the announcement date of 9 August 2021. The following tables summarises our VWAP calculations for each of these periods.

Antipodes Global Investment Company Limited						
Liquidity Analysis						
Period	Volume (Shares)	Volume (% of issue)	VWAP \$	Price (Low)	Price (High)	Days Traded
1 day (6 August 2021)	317,603	0.067%	1.115	1.115	1.115	1
1 week (30 July 2021 to 6 August 2021)	2,313,875	0.485%	1.113	1.105	1.115	6
1 Month (7 July 2021 to 6 August 2021)	8,325,342	1.745%	1.111	1.100	1.125	23



Antipodes Global Investment Company Limited						
Liquidity Analysis						
Period	Volume (Shares)	Volume (% of issue)	VWAP \$	Price (Low)	Price (High)	Days Traded
3 Months (6 May 2021 to 6 August 2021)	30,451,513	6.381%	1.115	1.065	1.155	66
6 Months (5 February 2021 to 6 August 2021)	59,563,010	12.481%	1.089	1.025	1.155	128
12 Months (6 August 2020 to 6 August 2021)	121,099,811	25.376%	1.032	0.890	1.155	255

**Source:** S&P Capital IQ, Titan Partners Corporate Finance Analysis

For us to rely upon the ASX listed share price as a primary methodology as an indication of market value, there needs to be a 'deep' market in the shares. RG111.69 indicates that a 'deep' market should reflect a liquid and active market. We consider the following characteristics to be representative of a deep market:

- Regular trading in a company's securities;
- Approximately 25% to 50% of a company's securities are traded on an annual basis;
- There must be a sufficiently large spread of shareholders to enable the shares to trade on the stock exchange in an orderly manner; and
- There are no significant but unexplained movements in share price.

As shown above in the recent share trading history, APL shares have been traded with 25.4% of shares on issue being traded over a twelve month period and 12.48% of the Company's current issued capital being traded over a six month period. APL announced an on-market share buy-back program in April 2020 for a maximum 70 million shares to be bought back over April 2020 to April 2021. In the FY2021, there were 11,140,103 shares purchased under the buy-back program. The share buy-back program has increased the volume of shares traded and improved liquidity during the period in which it was active. The price of APL shares on ASX is also likely to have traded at higher prices due to the implementation of the share buy-back program<sup>20</sup>.

In our opinion, the trading of APL's shares meet the above criteria of a 'deep' market, therefore we utilised this market-based valuation methodology along with our NAV valuation. Based on our analysis of the share trading history of APL and with reference to the above characteristics, we note;

- APL shares have been traded on every single trading day in the year;
- With over 25.4% of APL shares traded on an annual basis and over 12.5% traded over a six month period, we consider that there is sufficient liquidity to rely solely on the share price as an indicator of value;
- As set out in Section 5.3, there is a wide spread of shareholders and no shareholders hold significant stake in the Company.

Based on the analysis above and given the share price of APL shares, we have determined the value of APL shares, based on quoted market pricing, between \$1.111 (being the 1-month VWAP to 6 August 2021) and \$1.113 (being the 1 week VWAP to 6 August 2021). This range, by definition, represents the value of shares on a minority basis.

<sup>20</sup> As stated in the FY2021 Annual Financial Report for APL, 11.140 million shares were purchased under a share buy-back program during FY2021.

### Control Premium

As discussed above, we are required under RG111 to assess the Proposed Transaction assuming 100% ownership of APL. Accordingly, a premium for control must be applied, which reflects the additional value that attaches to a controlling interest in the Company over a minority or portfolio interest as represented by the share price.

The control premium varies from transaction to transaction and is subject to a number of factors, including:

- Nature and magnitude of non-operating assets;
- Nature and magnitude of business opportunities not currently being exploited;
- Level of pre-announcement speculation of the transaction; and
- Level of liquidity in the trade of the target's securities.

In our assessment of control premium for APL, we have reviewed recent corporate transactions involving Australian Listed Investment Companies ("LIC") as summarised in the following table.

Date Announced	Target	Bidder	Offer Consideration	
			Low	High
13/12/2016	Century Australia Investments	Century Australia Investments <sup>21</sup>	0.9081	0.9127
30/08/2018	Wealth Defender Equities	WAM Capital	0.96	1.00
13/11/2018	Century Australia Investments	WAM Leaders	0.91	1.02
20/12/2018	Watermark Market Neutral Fund Limited	Watermark Absolute Return Fund	0.87	0.87
	Watermark Global Leaders Fund Limited		1.00	1.00
03/06/2019	Mercantile Investment Company Limited	Sandon Capital Investments Limited	0.1788	0.1847
17/02/2020	Ellerston Global Investments	Ellerston Global Mid Cap Fund.	0.95	0.97
28/09/2020	Australian Leader Funds Limited	Watermark Absolute Return Fund	1.0462	1.0753

Source: ASX Announcements, S&P Capital IQ, Titan Partners Corporate Finance Analysis

Further details of each of the takeover premium under each of the recent corporate transactions in the LIC sector listed above are set out in the table below.

Target	Target VWAP (High Value)	Target NTA (High Value)	Takeover Premium (High Value Consideration against Target VWAP)	Takeover Premium (High Value Consideration against Target NTA)
Century Australia Investments (Dec 2016)	0.848	0.9426	7.63%	-3.17%
Wealth Defender Equities	0.87	0.9474	14.94%	5.55%
Century Australia Investments (Nov 2018)	1.02	1.00	0.00%	2.00%
Watermark Market Neutral Fund	0.85	0.91	2.35%	-4.40%
Watermark Global Leaders Fund Limited	0.97	1.03	3.09%	-2.91%
Mercantile Investment Company Limited	0.1719	0.1891	7.45%	-2.33%
Ellerston Global Investments	0.87	0.9598	11.49%	1.06%
Australian Leader Funds Limited	0.9556	1.0619	12.53%	1.26%
<b>Average</b>			<b>7.44%</b>	<b>-0.37%</b>

Source: ASX Announcements, S&P Capital IQ, Titan Partners Corporate Finance Analysis

<sup>21</sup> Century Australia Investments Limited ("CYA") was approached by Wilson Asset Management and proposed to implement a number of transactions comprising a share buy-back, special dividend, capital raising by way of new equity issue and change in investment manager.

We note at the upper end of the value ranges set out above, all except one of the identified transactions were announced with an offer consideration at a premium to the share price (VWAP) prior to announcement of the respective transaction, with the remaining transaction consideration being offered at the target's VWAP. The observed premiums to target's VWAP ranged from 0% to 14.9% for those transactions and at an average of 6.71% where a takeover premium was offered by the respective bidder. In contrast, we note the comparable transactions has included minimal premium to the NTA of target. There is a minimal acquisition premium offered by the bidder over the value of the target when valuation methodologies other than the VWAP were taken into account.

With respect to control premium to be paid for control of a LIC, we have considered the following factors:

- The relative ease with which an investor could recreate the investment portfolio of the LIC based on publicly available information;
- The historical discount of NTA to Share price;
- Minimal cost in replicating the LICs portfolio, particularly with respect to ASX listed securities;
- The comparative LIC transactions listed above; and
- Current market uncertainty under the impact of the COVID-19 pandemic.

APL's equity investment comprises a long and short portfolio of listed investments to balance market exposure, with a remaining cash position to hold uninvested funds. We consider there is some value in the ability to exercise control over these investments, and accordingly should be reflected in the control premium adopted in assessing the value of APL shares on a controlling basis. Based on the above, we have assessed and adopted a control premium of 5% to 7.5% for APL, being below that typically applied to trading businesses that are not LICs, however is consistent with the average discount between the APL share price and NTA as set out in Section 8.4 below.

#### **Valuation – Controlling Basis**

We applied the above control premium to our assessed value of APL shares on a minority basis, to derive the control basis valuation as set out below.

Antipodes Global Investment Company Limited Market-based Valuation per Share (Controlling Basis)		
	Low	High
Value per Share on a Minority Basis	1.111	1.113
Control Premium	5.0%	7.5%
<b>Value per Share on a Controlling Basis</b>	<b>1.167</b>	<b>1.197</b>

**Source:** Titan Partners Corporate Finance Analysis

#### 8.4 Review of NTA to Share Price

The following schedule shows the movements of APL's share price and APL's NTA for the 12-month period from September 2020 to August 2021. As we are advised the majority of the APL portfolio was liquidated during November 2020, the following analysis is based upon the prior 12-month period.

Antipodes Global Investment Company Limited Share Price compared to NTA per share analysis												
\$	2020				2021							
	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
NTA per share	1.077	1.091	1.164	1.153	1.154	1.159	1.189	1.197	1.193	1.21	1.206	1.222
Monthly VWAP	0.93	0.95	1.02	1.06	1.05	1.04	1.05	1.08	1.09	1.13	1.11	1.15
Premium (discount) to NTA	-13%	-13%	-12%	-8%	-9%	-10%	-12%	-10%	-8%	-7%	-8%	-6%
Month End Share Price	0.98	0.96	1.04	1.04	1.04	1.03	1.06	1.09	1.10	1.12	1.12	1.17
Premium (discount) to NTA	-9%	-12%	-11%	-10%	-10%	-12%	-11%	-9%	-8%	-7%	-8%	-4%

Source: S&P Capital IQ, Titan Partners Corporate Finance Analysis

As shown above, the Company's shares have consistently traded on the ASX at a discount to its reported NTA per share in the period analysed. On average, the month end share price of APL is approximately 9% lower than the corresponding month's reported NTA per share. When compared to monthly VWAP of APL shares, the discount is in the range from 6% to 13%. In addition, we also have considered the possible price distortion resulting from APL's share buy-back in the last 12 months.

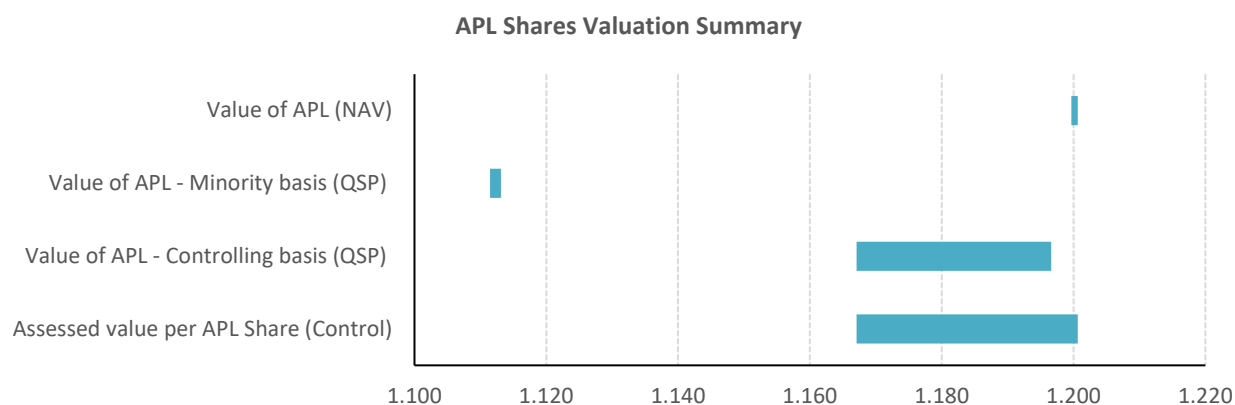
Therefore, we consider that a combination of the results from both the Quoted Share Price Approach and Net Asset Value Approach set out in Section 8.2 above is most appropriate in assessing the valuation of APL shares.

#### 8.5 Assessed Valuation of APL Shares

Based on our analysis set out in Section 8.2 and 8.3 above, we have assessed the value of the APL shares, on a controlling basis using a combination of both the NTA and QSP approaches. In forming our conclusion on the assessed valuation range for APL shares, we have considered our findings set out above and in particular:

- The share price of APL on both a monthly VWAP and month-end closing price basis has consistently traded at a significant discount to the NTA value over the 12 months to August 2021, being up to 13% below the reported NTA as announced by the Company via ASX announcements.
- While the share price represents market pricing of APL shares and the amount at which shareholders can realise their interests in the Company, its value is not equivalent to the value of the assets held by the Company and accordingly cannot be solely relied upon in forming a view on the value of APL shares.
- Given the investment strategy of APL is focused on ASX-listed securities, market prices of the underlying investments are reflective of the realisable value of the investment assets held by the Company, which are reflected in the NTA methodology set out in Section 8.2 above.
- Therefore, we have adopted the low end of our quoted share price methodology of \$1.167 per share, and our valuation under the NAV methodology of \$1.201 per share, as our assessed value of APL shares, on a controlling interest basis, for the purposes for the Proposed Transaction.

Our assessed value of shares in APL is summarised in the chart and table as follows:



Antipodes Global Investment Company Limited Assessed Value per Share		
	Low	High
Value per Share - Net Tangible Asset (Controlling Basis)	1.201	1.201
Value per Share - Quoted Share Price (Minority Interest Basis)	1.111	1.113
Value per Share - Quoted Share Price (Controlling Basis)	1.167	1.197
<b>Assessed Value per Share on a Controlling Basis</b>	<b>1.167</b>	<b>1.201</b>

**Source:** Titan Partners Corporate Finance Analysis

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## 9. Value of Consideration

### 9.1 Valuation Summary

We have determined the value per AGX1 New Unit to be \$5.698 based on the financial information provided for 31 July 2021<sup>22</sup> and calculated the exchange ratio to be 0.211 AGX1 units for every APL share held. We have thus determined the market value of the consideration under the Proposed Transaction in AGX1's New Units to be \$1.201. We specifically relied upon the asset-based valuation methodology to determine the value of the consideration, as summarised below.

Antipodes Global Shares (Quoted Managed Fund) Value of Consideration Summary (Cents per share)	
	\$
<b>Asset-Based Valuation</b>	
Assessed Value per AGX1 New Unit on a Minority Interest Basis post the Proposed Transaction	5.698
Effective Exchange ratio <sup>23</sup>	0.211
<b>Assessed Value of Consideration in AGX1 New Units offered for each APL share (Minority Interest Basis)</b>	<b>1.201</b>

*Source: Titan Partners Corporate Finance Analysis*

### 9.2 Net Realisable Value Valuation

We have reviewed the value of AGX1 New Units using an asset-based methodology. In determining the value of AGX1, we have relied on management information with respect to the net realisable asset value of the portfolio held by AGX1 as at 31 July 2021.

Based on our review and analysis of the nature of the assets and liabilities held and discussions with management, we have applied adjustments to the NAV of AGX1 to calculate the value of the New Units to be issued. Set out below is our valuation assessment of AGX1 based on an asset methodology.

Antipodes Global Shares (Quoted Managed Fund) Adjusted Net Asset Value (Controlling Basis)	
\$'000s	Note
Net Assets Value (31 July 2021)	26,256
APL Adjusted Net Tangible Assets Value	1 572,978
<b>Adjusted Net Assets Value</b>	<b>599,235</b>
Units Issued in AGX1 (thousands)	4,619
Units Issued to APL Shareholders (thousands)	2 100,549
<b>Total Units</b>	<b>105,168</b>
<b>Adjusted Net Asset Value per units (\$)</b>	<b>5.698</b>

*Source: Titan Partners Corporate Finance Analysis*

We note the following with respect to the Net Asset Value of AGX1 New Units calculation above:

1. Upon implementation of the Scheme, we note the directors anticipate current outstanding liabilities will be settled prior to the implementation date or be paid subsequently from the retention amount, and the remaining

<sup>22</sup> As 31 July 2021 falls on a weekend and is thus a non-trading day, the last reported value is on 30 July 2021.

<sup>23</sup> Exchange ratio is calculated as total number of AGX1 New Units issued divided by total APL shares on issue. The precise value will not be known until the Calculation Date of the Proposed Scheme. For illustrative purposes, we have adopted the APL shares on issue and AGX1 units on issue as at 30 July 2021.

assets of APL will be transferred to AGX1. The net asset value after adjustments for the Proposed Transaction as outlined at Section 8.2 represents the value of assets to be transferred.

2. According to the 9 August Announcement and the Deed for the Proposed Scheme, the number of AGX1 New Units to be issued is calculated based on the below formula.

$$CU = (A/B) * D$$

CU is the new units to be issued in AGX1

A is post tax NTA per APL share on the Calculation Date less retention amount

B is NAV per AGX1 unit on the Calculation Date

D is number of APL shares on the record date

For illustrative purposes, we have relied on management information of both APL and AGX1 as at 30 July 2021 to calculate the below inputs:

- A – being the post-tax NTA of APL less transaction costs and retention amount. The post-tax NTA reported on 30 July 2021 for APL is \$1.204 per share. The total transaction costs are estimated to be \$0.003 per share, where the majority is expected to be paid prior to the Calculation Date and the remainder be met from the retention amount. A is calculated as \$1.201 per share.
- B – being the NAV of AGX1. The NAV reported on 30 July 2021 for AGX1 is \$5.685.
- D – being number of APL shares on issue which is 477,221,507.

The number of new units to be issued in AGX1 based on 30 July 2021 management information is 100,549,396.

We have determined the value of AGX1 on an adjusted net asset basis is \$5.698 per AGX1 New Unit on a controlling basis.

Further, we assessed a discount for minority interest, being the inverse of a control premium, to the value of AGX1 based on net asset value per AGX1 New Unit on a controlling basis calculated above, to derive the value of AGX1 New Units on minority basis. The value of consideration is then converted using calculated effective exchange as set out below:

Antipodes Global Shares (Quoted Managed Fund)		
Value of Consideration		
Cents per Share	Note	
Adjusted Net Asset Value (\$) – Controlling Basis		5.698
Less: Control Premium	1	0.00%
<b>Adjusted Net Asset Value (\$) – Minority Basis</b>		<b>5.698</b>
New AGX1 Units to be Issued (thousands)		100,549
Total number of APL Shares on issue		477,222
Effective Exchange Ratio	2	0.211
<b>Total Value of Consideration to APL Shareholders - Minority Basis</b>	3	<b>1.201</b>

**Source:** Titan Partners Corporate Finance Analysis

We note the following with respect to the value of consideration above:

1. The value derived for AGX1 under the net asset value methodology is by definition on a controlling interest basis, as it reflects 100% of the assets and liabilities held on the AGX1 balance sheet. Upon completion of the Scheme, each former holder of APL shares will effectively receive a minority interest in AGX1 by way of AGX1 New Units in the Fund. We have therefore considered the relevant minority discount to apply to the controlling basis value of AGX1, consistent with requirements under RG111 in the assessment of the consideration offered for APL shares under the Proposed Transaction.

We have considered the following factors and determined the minority discount applicable to be nominal:

(a) The Scheme involves restructuring from the existing LIC to a registered managed investment scheme. Members under managed investment scheme have greater power to remove the responsible entity by passing an extraordinary resolution through members' meeting under Division 1 of Part 2G.4 of the Corporation Act.

(b) APL shareholders are currently unable to replace Antipodes Partners as its investment manager, while as members in AGX1 following the Proposed Transaction will have greater control over the management of their investments via the Fund should they collectively seek to appoint an alternative manager.

(c) Since AGX1 is an ASX quoted managed fund, the trading price is determined with reference to the prevailing NAV of the underlying assets of the Fund. Specifically, an indicative NAV ("iNAV") is calculated and published by the Fund throughout an ASX trading day based on the Fund's portfolio holdings<sup>24</sup>, therefore investors in AGX1 may realise their investment at a price reflective of the prevailing net asset value of the Fund (being the iNAV) which is a controlling basis value. As such, a minority holder of AGX1 units may realise this controlling basis value, thus a minority discount is not applicable to the value of AGX1 or effectively the minority discount is nil.

2. The effective exchange ratio presents number of the AGX1 units that each APL share is converted to.
3. The total value of consideration is calculated based on the Adjusted Net Asset Value per unit times the effective exchange ratio.

We have determined the value of AGX1 New Units to be issued as consideration for the Proposed Transaction, under an asset-based methodology, to be \$5.698, which is equivalent to \$1.201 per APL share on minority interest basis at an exchange ratio of 0.211.

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<sup>24</sup> AGX1 Product Disclosure Statement dated 16 October 2018.



## 10. Evaluation of Proposed Transaction

### 10.1 Approach

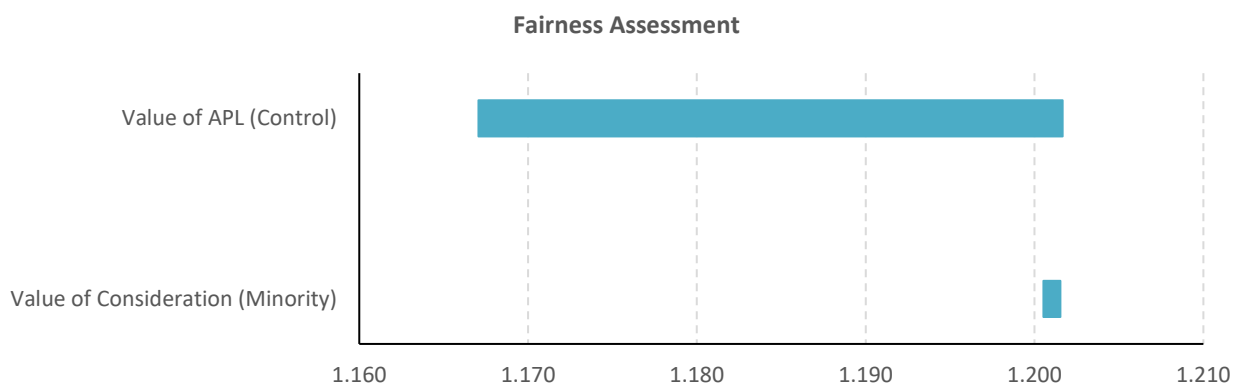
We have adopted the guidelines set out in Regulatory Guides issued by ASIC including RG74 and RG111, which govern the content and use of experts' reports in corporate transactions.

The ASIC regulations require an independent expert to consider takeover proposals under the concepts of "fairness" and "reasonableness", in accordance with RG111.10. We therefore separately consider whether the Proposed Transaction is "fair" and "reasonable" from the perspective of the Shareholders.

### 10.2 Fair

RG111 considers that a transaction is fair if the value of the offer price or consideration received is greater than the value of the securities subject to the offer. The comparison should be undertaken assuming a knowledgeable, willing but not anxious buyer and knowledgeable, willing but not anxious seller, where both parties act on an arm's length basis.

As summarised in the following table, the assessed value per APL share on a controlling basis is between \$1.167 and \$1.201. The value of the consideration offered in AGX1 units is \$1.201 per APL share. As the value of the consideration offered is within our assessed range of value for APL shares on a controlling basis, we therefore consider the Proposed Transaction is 'fair' for the Shareholders.



Antipodes Global Investment Company Limited Fairness Assessment		
	Low	High
Assessed Value per APL Shares	1.167	1.201
Total Offer Consideration (per APL share)	1.201	1.201

**Source:** Titan Partners Corporate Finance Analysis

### 10.3 Reasonable

RG111 states that a transaction is also “reasonable” if it is “fair”. It also states a transaction may be considered “reasonable” if not “fair”, where an expert concludes there are sufficient reasons to proceed with a transaction in the absence of a higher offer.

As we have assessed the Proposed Transaction as “Fair” per Section 10.2 above, we are therefore able to conclude that it is “reasonable” under guidelines set out in RG111. Nevertheless, to assist APL shareholders, we have also reviewed the advantages and disadvantages of the Proposed Transaction below.

### 10.4 Advantages of the Proposed Transaction

In accordance with RG111, we assess the qualitative aspects of the Proposed Transaction to identify the advantages and disadvantages to the Shareholders upon Completion.

#### ***Increased Liquidity in an Exchange Traded Vehicle***

As an entity currently listed on the ASX, Shareholders have ability to realise their investment in APL by trading their shares via the ASX at the prevailing market price. Trading volumes are dictated only by the activity of participants in the secondary market, being potential buyers and sellers of APL shares, such that if there are no potential purchasers for the parcel of APL shares an existing shareholder wishes to sell, that APL shareholder is unable to do so.

The Proposed Transaction envisages the exchange of APL shares with AGX1 New Units, which are also quoted and tradeable on the ASX. In contrast to APL, AGX1 is a quoted managed fund, where trading of AGX1 units in the secondary market between potential buyers and sellers is supplemented by the existence of an agent market maker, who acts on behalf of AGX1 to provide liquidity in AGX1 units. That liquidity is in turn driven by the liquidity of the underlying investment portfolio, being global ‘large cap’ or ‘blue chips’ shares which are frequently traded on their respective exchanges, as the investment strategy of the Fund is focused on international equities. To support the required liquidity, the Fund would adjust its investment holdings as required to meet any redemption needs from investors. Therefore, holding AGX1 New Units post the Proposed Transaction will provide increased liquidity to existing APL Shareholders, as APL shares are a less liquid instrument than AGX1 New Units. Current APL shareholders would thus have the ability to exit their investment, held in AGX1 New Units, at a time of their choosing post the Proposed Transaction. The superior liquidity of AGX1 units post the Proposed Transaction over existing APL shares is an advantage to existing APL shareholders.

#### ***Quoted Price based on NAV***

As APL is currently a listed entity, Shareholders may only exit their investment in the Company by trading their shares via the ASX at the prevailing market price. However, as shown in our analysis set out in Section 8.4, the share price as measured by monthly VWAP, has consistently remained below and at a discount of 8% to 12% of the corresponding announced NTA of the Company during each of the past 6 months to 31 July 2021. As at the announcement of the Proposed Scheme (on 9 August 2021), the closing share price<sup>25</sup> still remains below the Net Tangible Asset Value as at 6 August 2021<sup>26</sup> set out in Section 8.2. Therefore, a shareholder of APL would have received a price below the NTA value if their shares were sold on the secondary market (via the ASX).

Following the Proposed Transaction, APL shareholders will receive AGX1 New Units in return for their existing shares. As noted above and previously in Section 6.1, AGX1 is an ASX quoted managed fund, whereby the prevailing price is reflective of the iNAV determined with reference to the portfolio holdings of the Fund, adjusted for transaction costs.

Therefore, the ability for current APL Shareholders to redeem their investment at a price based on the iNAV that closely approximates the prevailing NAV of the Fund, which materially exceeds the share price (being historically below NTA) at which Shareholders have previously been able to realise their investments in the Company, is an advantage to APL Shareholders.

<sup>25</sup> Closing share price of APL as at 9 August 2021 is \$1.15.

<sup>26</sup> Net Asset Value per share as at 6 August 2021 is \$1.240 pre-tax and \$1.208 post-tax as per ASX announcement on 9 August 2021..

### ***No Termination Fee to Manager***

APL has agreed with Antipodes Partners under the Proposed Transaction to terminate the current IMA signed between the parties without any termination fee payable by the Company. Under the terms of the IMA, there are no provisions for the early termination of that agreement by the Company. Further, in transactions comparable to the Proposed Scheme involving a LIC, the respective manager is entitled to be paid a fee should the IMA be terminated prior to its previously agreed term. Such terminations fees are also typical of transactions comparable to the Proposed Scheme, whereby a LIC or similar listed investment vehicle is acquired or otherwise de-listed from the ASX upon completion of the transaction being contemplated. The negotiations between APL and Antipodes Partners not to seek a termination fee is an advantage of the Proposed Transaction as the resultant transaction related costs to APL shareholders are reduced.

### ***Reduced costs for the consolidated entity***

If approved by the Shareholders, the Proposed Transaction will result in the Company ceasing to operate as an ASX-listed investment company, as AGX1 is a managed fund structured as unit trust with Pinnacle as the Responsible Entity whose role is governed under prevailing regulations and corporate law requirements.

As such, certain costs of APL with respect to ongoing regulatory and compliance costs to operate as a publicly listed company would no longer be required, including director fees, costs associated with facilitating board meetings, ASX listing related costs including listing fees for the Company, disclosure costs including compliance with continuous disclosure requirements of the ASX, and the executive time to address such matters. As these costs will be met by AGX1 post the Proposed Transaction, there will be a resultant reduction in operating costs of the new structure with the removal of any duplicated corporate costs, which will be an advantage of the Proposed Transaction to APL shareholders.

### ***Consistency of Investment Management Expertise***

Antipodes Partners is currently the appointed investment manager of the Company and is also the investment manager of AGX1 as appointed by Pinnacle as the Responsible Entity. Under the Proposed Transaction, APL shareholders will retain access to an investment managed by Antipodes Partners, an investment manager led by Mr Mitchell as Chief Investment Officer and his team. Therefore, APL shareholders will retain access to the same team of investment professionals and their investment expertise. The consistency of investment management philosophy between APL and AGX1 without Shareholders seeking to source alternate investments is an advantage of the Proposed Transaction.

### ***Consistency of Long Investment Exposures***

As Antipodes Partners is the appointed investment manager of both the Company and Fund, both APL and AGX1 operates with reference to the Antipodes Global Fund strategy. Specifically, the current long equity exposures of the Company are consistent with those held by the Fund (which operates as a long-only investment product).

Therefore, if the Proposed Transaction is approved, the current long investment exposures of APL Shareholders will be unaffected by the conversion of their shareholdings into AGX1 units. As such, APL Shareholders will continue to participate in any upside arise from the underlying investments, regardless of the timing of the Proposed Scheme. The consistency of long investment exposures between APL and AGX1 without Shareholders seeking to source alternate investments is an advantage of the Proposed Transaction.

### ***No alternative offers***

At the date of this Report, there are no alternative offers received from other parties with respect to APL. Accordingly, the Proposed Transaction offers an opportunity to shareholders that is otherwise unavailable.

## 10.5 Disadvantages of the Proposed Transaction

### *Change in investment exposure*

Whilst Antipodes Partners remains the investment manager across both APL and AGX1, with access to the same investment professionals, the investment strategies employed differs between the Company and the Fund.

APL Shareholders currently hold an interest in an investment vehicle which employs a combined long-short strategy using global equities. In addition to purchasing and owning shares in listed entities using its available funds, the Company also short sells certain shares in the same investment universe for those investments the Manager considers may decline in value over the investment horizon. Therefore, the investment exposure at anytime typically exceeds the funds under management as certain shares are sold short, with a maximum gross exposure of 150% of NAV and as a result becomes a leveraged investment. In contrast, AGX1 employs the long-only strategy of Antipodes Partners without any short positions, thus its investment exposures are limited to its total funds under management received from investors.

We note in discussions with the Manager that the long-short strategy has underperformed the long-only strategy employed by Antipodes Partners (since inception), due, in part, to the strength and growth of international equities markets. By definition, a short position becomes profitable only when those shares fall, hence typically overperforms in times of market downturn or recession.

The change in investment exposure from a leveraged (via a long-short investment strategy) to an unleveraged investment maybe a disadvantage to existing APL Shareholders who were specifically seeking exposure to a short strategy as this can limit risk in declining market. However, we are advised by the Manager that alternative products are currently available should a Shareholder prefer to continue investment in a long-short strategy managed by Antipodes Partners post the Proposed Transaction.

### *Performance Fee High-Water Mark*

Under the respective management agreement for both APL and AGX1, Antipodes Partners is entitled to be paid a performance fee for generating returns above the same benchmark (being the MSCI All Country World Index in AUD). Whilst neither the Company nor the Fund has generated returns in excess of the required level for the Manager to earn any performance fee in recent years, the current High-Water Mark of APL is more difficult to achieve than that for the Fund, given the relatively weaker performance of APL (and its long-short strategy which typically would trade below the benchmark) compared to AGX1. Although the methodology to calculate performance above benchmark for the performance fee is consistent between APL and AGX1, the high-water mark level for AGX1 could be seen as being at a lower level than for APL (due to the historic performance of APL), and perhaps easier to achieve, but this is offset by high returns. Accordingly, the new high-water mark for the Manager's performance fee for the AGX1 units against that of APL shares may be considered a disadvantage to existing APL Shareholders under the Proposed Transaction.

### *Distributions Frequency*

APL Shareholders currently receive distributions from the Company semi-annually by way of dividends which are typically partially franked<sup>27</sup>. In contrast, AGX1 declares annually distributes as at the end of each financial year. The reduced frequency of distributions may be a disadvantage to an existing APL Shareholder under the Proposed Transaction, if their investment preference to receive cashflows more than once per year. The excess cash would be retained in AGX1, and would for part of NAV.

### *Proposed Transaction may proceed regardless*

The Proposed Transaction may proceed even if you choose to vote against it. As a Scheme of Arrangement, the Proposed Transaction will take place in accordance with the Scheme Implementation Deed where all the requisite conditions and approvals have been received, including approvals by the court and the required number of voting APL shares. For a scheme of arrangement in the form of the Proposed Scheme to be approved, a resolution must be passed at meetings of shareholders by both 75% of the votes cast, and over 50% of the number of shareholders voting on the resolution.

<sup>27</sup> The FY2021 dividend of APL is fully franked.

### ***Deters alternative offers***

Announcement and approval of the Proposed Transaction by Shareholders may prevent alternative offers or proposals from being lodged by other parties. There is always the possibility that a higher offer will be submitted for the shares in APL, creating a larger return for the Shareholders. In our opinion this is unlikely, given that APL is not actively seeking offers, the directors have not advised that there are any other bidders currently seeking to make a counter offer and the Company's share price has consistently traded below its announced NTA for some time (as shown in our analysis in Section 8.4). Further, the existence of Antipodes Partners as the incumbent investment manager of the Company with an undefined remaining term on the IMA, and any proposal would require the support of the Manager or potentially require a termination payment to the Manager to obtain such support, which may act as a deterrent for any third parties to lodge an alternative offer for the Company.

### ***Tax Impacts***

The Proposed Transaction encompasses the exchange of an existing Shareholders' holdings in APL for newly issued AGX1 New Units as outlined in Section 4 above. For Australian taxation purposes, a CGT event arises with respect to a notional 'disposal' of a Shareholders interest in APL and accordingly gives rise to certain income tax consequences for each respective Shareholder in the current financial year,<sup>28</sup> including liability for capital gains tax. Unfortunately, the timing of such tax implications will be beyond the control of individual Shareholders, whom would otherwise typically trigger a tax impact upon a sale of APL shares at their desired time in the future. Shareholders should seek professional independent tax advice as required to understand their specific tax consequence as a result of the Proposed Transaction.

## **10.6 Other Considerations of the Proposed Transaction**

### ***Director Recommendation***

The Directors of APL have recommended the Shareholders to vote in favour of the Proposed Transaction in the absence of an alternate superior proposal and provided the independent expert forms the view the Proposed Transaction is fair and reasonable, and thus in the best interests of the Shareholders.

### ***No Significant Change to the Fees***

The management fee payable by APL and AGX1 to Antipodes Partners as manager is calculated at the same rate of 1.10% per annum, based on the prevailing net value of assets under management. There will be no change in the management fee structure as a result of the Proposed Transaction.

The performance fee structure is similar between APL and AGX1. Specifically, the performance fee is calculated as 15% of net return in excess of the benchmark subject a high-water mark from historical performance, where the benchmark is MSCI All Country World Net Index in AUD as outlined in Sections 5.2 and 6.1.

## **10.7 Conclusion**

Based on our assessment of the factors outlined above, in our opinion, the Proposed Transaction is considered to be **fair and reasonable** as such, is in the best interests of Shareholders.

The decision of any individual shareholder to accept or reject the Proposed Transaction is subject to and influenced by his or her individual circumstances. Titan Partners Corporate Finance strongly advises Shareholders to consult their independent advisors if in doubt.

<sup>28</sup> For Australian tax purposes, the financial year ending 30 June 2022.

**Appendix 1 – Financial Services Guide**

**Titan Partners Corporate Finance Pty Limited**  
Australian Financial Services Licence  
Number: 427275  
ABN 38 177 095 636  
Level 3, 7 Macquarie Place  
Sydney NSW 2000  
PO Box R415  
Royal Exchange NSW 1225  
Australia  
T +61 2 9268 3300  
www.titanpartners.com.au

**Financial Services Guide**

Titan Partners Corporate Finance Pty Limited ABN 38 177 095 636 ("**Titan Partners Corporate Finance**", "**we**", "**us**") has been engaged to prepare general financial product advice in the form of an Independent Expert's Report to be provided to you.

In this circumstance we are required to issue to you, as a retail client, a Financial Services Guide ("**FSG**"). This FSG is designed to assist retail clients to make a decision as to their use of the general financial product advice and to ensure that we comply with our obligations as a financial services licensee.

The FSG herein contains information with regards to:

1. who Titan Partners Corporate Finance is and how we can be contacted;
2. services we authorised to provide under our Australian Financial Services Licence;
3. remuneration that we, our staff and any associates receive in connection with the general financial product advice provided; and
4. our complaints handling process and the avenues available to lodge a complaint.

***Titan Partners Corporate Finance***

Titan Partners Corporate Finance is the corporate finance arm of Titan Partners, which provides corporate finance services in relation to mergers and acquisitions, capital raisings, corporate restructuring, property and financial matters generally. One of its activities is the preparation of company and business valuations and the provision of independent advice and expert's reports concerning mergers and acquisitions, takeovers and capital reconstructions.

Titan Partners Corporate Finance holds Australian Financial Services Licence Number 427275.

***Financial services we are licensed to provide***

The Australian Financial Services Licence we hold authorises us to provide a broad range of services to retail and wholesale clients, including providing financial product advice in relation to various financial products such as securities (including debentures, shares and bonds), derivatives and interests in managed investment schemes.

We provide financial product advice by virtue of an engagement to issue a report in connection with a financial product of another person. Our report will include a description of the circumstances of our engagement and identify the person who has engaged us. You will not have engaged us directly but will be provided with a copy of the report as a retail client because of your connection to the matters in respect of which we have been engaged to report.

***General Financial Product Advice***

In our Report, we provide general financial product advice. It was prepared without taking into account your personal objectives, financial circumstances or needs.

You should consider your own personal objectives, financial circumstances or needs in assessing the appropriateness of the general advice we provide and may wish to seek personal advice from the holder of an Australian Financial Services Licence.

***Fees, commissions and benefits we may receive***

We charge fees to provide reports, including the IER provided herein. These fees are negotiated and agreed with the entity which engages us to provide a report. Our fees are determined on either a fixed amount or charged on an hourly time cost basis. Titan Partners Corporate Finance are expected to receive a fee of approximately \$37,000 for the preparation of this Report. The fee is not affected by whether the Shareholders approve or reject the Proposed Transaction. Except for such fees, Titan Partners Corporate Finance nor any of its directors, officers or associates receive any commissions or further benefits in connection with the report provided.

All of our employees receive a salary. Our employees do not receive any commissions or benefits arising directly from services provided to our clients.

We do not pay commissions or provide any other benefits to any party for referring clients to us in connection with the services that we are licensed to provide.

***Complaints***

As the holder of an Australian Financial Services Licence, we are required to have a complaints handling system for persons to whom we provide financial product advice. All complaints must be in writing, addressed to Titan Partners Corporate Finance Pty Ltd, PO Box R415, Royal Exchange NSW 1225.

In the event we are unable to satisfactorily resolve your complaint within 45 days of your written notification, you are entitled to have your matter referred to the Financial Ombudsman Services Limited ("**FOS**"), an independent external complaints resolution service established to provide advice and assistance to consumer to assist in resolving complaints relating to the financial services industry. You will not be charged for using the FOS service.

Further details about FOS are available at the FOS website or by contacting them directly via the details set out below.

Financial Ombudsman Service  
GPO Box 3  
Melbourne VIC 3001  
Toll Free: 1300 78 08 08  
Facsimile: (03) 9613 6399  
Email: [info@fos.org.au](mailto:info@fos.org.au)

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## Appendix 2 – Qualifications, Declarations and Consents

### **Qualifications and Responsibilities**

Titan Partners Corporate Finance Pty Limited is the corporate finance arm of Titan Partners, which provides corporate finance services in relation to mergers and acquisitions, capital raisings, corporate restructuring, property and financial matters generally. One of its activities is the preparation of company and business valuations and the provision of independent advice and expert's reports concerning mergers and acquisitions, takeovers and capital reconstructions.

Mr Brad Higgs, *B.Com, CA, F.Fin* is responsible for this Report. Mr Higgs has a significant number of years' experience in relevant business advisory and corporate finance matters.

Mr Higgs is acting as a Representative of Titan Partners Corporate Finance pursuant to its Australian Financial Services Licence (No. 427275) held under Part 7 of the *Corporations Act 2001* (Cth) to provide advice on the valuation of securities.

### **Disclaimers**

This Report has been undertaken in accordance with the instructions from the Directors of APL. In performing this assignment we have accepted all information as presented to us as being free of material misstatement. We have relied on information provided, as set out in Section 3.3. We have evaluated this information through analysis, enquiry and review as appropriate. We do not warrant that our evaluation has identified or verified all of the matters that an audit, extensive examination or due diligence investigation may disclose.

The purpose of this Report, as set out in Section 3.1, is to opine on the Proposed Transaction, although there is no requirement under the *Corporations Act 2001*. We understand that the Directors of APL wish to obtain an Independent Expert's Report to assist the Shareholders in their decision to accept or reject the Proposed Transaction with AGX1.

This report has been prepared solely to assist the Shareholders in considering their decisions with respect to the Proposed Transaction. We do not assume any responsibility or liability for any losses suffered by any party as a result of the circulation, publication, reproduction or other use of this report contrary to the provisions of this paragraph.

This Report has been prepared by Titan Partners Corporate Finance with care and diligence and that statements and opinions given by Titan Partners Corporate Finance in this report are given in good faith and in the belief on reasonable grounds that such statements and opinions are correct and not misleading. However, no responsibility is accepted by Titan Partners Corporate Finance or any of its officers or employees for errors or omissions however arising in the preparation of this report, provided that this shall not absolve Titan Partners Corporate Finance from liability arising from an opinion expressed recklessly or in bad faith.

### **Declarations**

Our Report has been prepared in accordance with *Regulatory Guide 111 Content of Expert Reports* issued by ASIC, professional standard *APES 225 Valuation Services*, issued by the Accounting Professional and Ethical Standards Board ("**APESB**") and any other applicable professional standards and statutory requirements, including the *Corporations Act 2001*.

Titan Partners Corporate Finance nor its Representatives or staff have at the date of this Report nor has ever had any shareholding in or other relationship with APL that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation to the Proposed Transaction.

Titan Partners Corporate Finance will receive a fee based on time costs for the preparation of this Report. This fee is not contingent on the outcome of the valuation report. Titan Partners Corporate Finance will receive no other benefit for the preparation of this Report.

APL have agreed that to the extent permitted by law to indemnify Titan Partners Corporate Finance employees and officers in respect of any liability suffered or incurred as a result of or arising out of the preparation of this Report; including any claim arising from or in connection with its reliance on information or documentation provided by or on behalf of APL which is false, misleading or omits material information. This indemnity will not apply in respect of any conduct involving



negligence or wilful misconduct or fraud. APL have also agreed to indemnify Titan Partners Corporate Finance and its employees and officers for time spent and reasonable legal costs and expenses incurred in relation to any inquiry or proceeding initiated by any person except where Titan Partners Corporate Finance or its employees and officers are found liable for or guilty of conduct involving negligence or wilful misconduct or fraud in which case Titan Partners Corporate Finance shall bear such costs.

### ***Consents***

Titan Partners Corporate Finance consents to the inclusion of this Report in the form and context in which it is included in the Scheme of Arrangement to be issued to Shareholders with respect to the Proposed Transaction. Other than this Report, none of Titan Partners Corporate Finance or its affiliates has been involved in the preparation of the Scheme of Arrangement.

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## Appendix 3 – Glossary of Key Terms

Term	Definition
<b>Financial Periods</b>	
<b>FY2019</b>	Audited financial information for financial year ended 30 June 2019
<b>FY2020</b>	Audited financial information for financial year ended 30 June 2020
<b>FY2021</b>	Drafted and Audited financial information for financial year ended 30 June 2021
<b>Transaction Terms</b>	
<b>9 August Announcement</b>	APL announcement to ASX on 9 August 2021 with respect to the Proposed Transaction with Antipodes Partners and AGX1.
<b>Antipodes Partners</b>	Antipodes Partners Limited, the manager of APL and AGX1
<b>APL, the “Company”</b>	Antipodes Global Investment Company Limited, ACN 612 843 517
<b>ASIC</b>	Australian Securities and Investments Commission
<b>ASX</b>	Australian Securities Exchange Limited
<b>EBITDA</b>	Earnings before interest and tax, depreciation and amortisation
<b>NAV</b>	Net Asset Value
<b>New Units</b>	New units in AGX1 to be issued to APL Shareholders
<b>NPAT</b>	Net Profit After Tax
<b>NTA</b>	Net Tangible Assets
<b>Pinnacle</b>	Pinnacle Fund Services Limited is the responsible entity of AGX1.
<b>Proposed Transaction, or Proposed Scheme</b>	Proposal to restructure APL via a scheme of arrangement with Antipodes Partners and AGX1
<b>Scheme Booklet</b>	Scheme document setting out details of the Proposed Transaction prepared by APL management to which this Report accompanies.
<b>Shareholders</b>	Current shareholders of APL
<b>the “Report”</b>	This Independent Expert’s Report on the Proposed Transaction
<b>Titan Partners Corporate Finance, “we”</b>	Titan Partners Corporate Finance Pty Limited, AFSL: 427275.
<b>VWAP</b>	Volume Weighted Average Price of listed securities

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## Appendix 4 – Sources of Information

The information set out below was considered, adopted and relied upon by us in forming our opinion and preparing the report herein:

- Audited Financial Statements of APL for the years ended 30 June 2019 (“FY2019”), 30 June 2020 (“FY2020”) and 30 June 2021 (“FY2021”);
- Audited Financial Statements of AGX1 for FY2019 and FY2020;
- Draft Financial Statements of AGX1 for FY2021;
- Net tangible asset calculation for assets and liabilities held by APL as at 30 June 2021 and 30 July 2021;
- Net asset value calculation for assets and liabilities held by AGX1 as at 30 June 2021 and 30 July 2021;
- ASX announcement by APL on 9 August 2021 in respect of the Proposed Transaction;
- Other ASX announcements issued by APL;
- Product Disclosure Statement of AGX1 dated 16 October 2018;
- Management information with respect to the operations of APL;
- Management information with respect to the operations of AGX1;
- Scheme Implementation Deed for the Proposed Transaction
- Corporate transaction data and other market data as sourced from S&P Capital IQ;
- Industry Research Reports published by IBISworld Australia;
- Discussions with directors, management and advisors of APL, as well as provision of internal accounting work papers and analysis.

[this section is intentionally left blank]

**Appendix 5 – Recent ASX Announcements**

Antipodes Global Investment Company Limited Recent Company Announcements (prior to announcement of the Proposed Scheme)	
Announcement Date	Title
09/08/2021	Weekly Month-to-date Performance Estimate
30/07/2021	Weekly Month-to-date Performance Estimate
20/07/2021	Weekly Month-to-date Performance Estimate
15/06/2021	Impairment of Deferred Tax Assets
17/05/2021	Net Tangible Asset Backing
12/05/2021	Weekly Month-to-date Performance Estimate
04/05/2021	Becoming a substantial holder
23/04/2021	March 2021 Investment Update
01/04/2021	Change of Director's Interest Notice
11/03/2021	February 2021 Investment Update
25/02/2021	Dividend/Distribution - APL
25/02/2021	1H FY2021 Financial Highlights
25/02/2021	Half Yearly Accounts
25/02/2021	Appendix 4D
18/02/2021	January 2021 Investment Update

**Source:** Australian Securities Exchange

Subsequent to the announcement of the Proposed Transaction, on 30 August 2021, APL announced a final dividend of 4 cents per share to be paid on 30 September 2021. The ex-dividend date for the dividend was 8 September 2021 based on a record date of 9 September 2021

## ANNEXURE B SUMMARY OF THE SCHEME IMPLEMENTATION DEED

This is a summary of the key terms of the Scheme Implementation Deed as executed on 9 August 2021. A copy of the Scheme Implementation Deed is attached in full to APL's ASX Announcement on 9 August 2021, which is available on ASX's website at [www.asx.com.au](http://www.asx.com.au), and on APL's website at [www.antipodespartners.com/apl/](http://www.antipodespartners.com/apl/).

All capitalised terms used in this Annexure B that are not defined in the section of the Scheme Implementation Deed titled "Additional Defined Terms" have the meaning given to them in the Glossary of Terms in Section 13 of this Scheme Booklet.

Any reference to a "paragraph" or "paragraphs" is a reference to a paragraph or paragraphs in this Annexure B, unless otherwise stated.

### 1. SCHEME CONDITIONS

The Scheme will not become Effective, and the obligations of the Responsible Entity under the Scheme Implementation Deed and the Deed Poll are not binding, until the following Scheme Conditions are satisfied or waived (where permitted):

- (a) **Scheme Meeting Approval:** APL Shareholders approve the Scheme at the Scheme Meeting by the requisite majorities under section 411(4)(a)(ii) of the Corporations Act;
- (b) **Court Approval:** the Court approves the Scheme in accordance with sections 411(4)(b) of the Corporations Act either unconditionally or on conditions that do not impose unduly onerous obligations upon any party (acting reasonably);
- (c) **ASIC and the ASX consents:** before 8.00am on the Second Court Date, ASIC and the ASX issue or provide such consents or approvals or have done such other acts which APL and the Responsible Entity agree are reasonably necessary to Implement the Scheme;
- (d) **Restraints:** no temporary restraining order, preliminary or permanent injunction or other order issued by any court of competent jurisdiction or Government Agency or other material legal restraint or prohibition preventing the Scheme from being Implemented is in effect at 8.00 am on the Second Court Date;
- (e) **No breach of APL warranty:** none of the warranties given by APL under clause 7.2 of the Scheme Implementation Deed are or have become false, misleading or incorrect in a material respect by 8.00am on or before the Second Court Date;
- (f) **No breach of Responsible Entity warranty:** none of the warranties given by the Responsible Entity under clause 7.1 of the Scheme Implementation Deed are or have become false, misleading or incorrect in a material respect by 8.00am on or before the Second Court Date; and
- (g) **Independent Expert:** the Independent Expert issues a report which concludes that the Scheme is in the best interests of the APL Shareholders before the time when the Scheme Booklet is registered with ASIC and the Independent Expert has not publicly withdrawn or qualified this conclusion before 8am on the Second Court Date.

As at the date of this Scheme Booklet, the Scheme Condition set out at paragraph 1(b) above has been satisfied.

### 2. IF A SCHEME CONDITION IS NOT FULFILLED OR MET

If:

- (a) a Scheme Condition is not satisfied or waived by the date specified for its satisfaction;
- (b) a Scheme Condition becomes incapable of being satisfied by the date specified for its satisfaction and is not waived; or
- (c) the Scheme has not become Effective by the End Date,

and the relevant occurrence or the failure of the Scheme Condition does not arise out of a breach of clause 3.2 or 3.5 of the Scheme Implementation Deed, then APL and the Responsible Entity must consult in good faith with a view to:

- determining whether the Scheme may proceed by way of alternative means or methods and, if so, agree on the terms of such alternative means or methods;
- changing the date of the application to be made to the Court for an order under section 411(4)(b) of the Corporations Act approving the Scheme or adjourning that application (as applicable) to another date agreed by APL and the Responsible Entity (being a date not later than 5 Business Days before the End Date);
- adjourning or changing the date of the Scheme Meeting; or
- extending the End Date.

It is possible that the Scheme Implementation Deed may be terminated if a Scheme Condition which has not been fulfilled or met, is not otherwise resolved by the parties. See paragraph 9.1(b) below for a summary of termination rights under the Scheme Implementation Deed.

### 3. SCHEME CONSIDERATION

- (a) The Scheme Consideration to be issued to each Scheme Shareholder will be calculated in accordance with Schedule 1 of the Scheme. See Section 3.2 of this Scheme Booklet for more details.
- (b) The Responsible Entity undertakes to APL (in its own right and as trustee on behalf of the Scheme Shareholder) that:
  - (i) in consideration of the transfer to the Responsible Entity or the RE Custodian (as determined by the Responsible Entity) of each Scheme Share under the terms of the Scheme, on the Implementation Date it will accept that transfer and the Responsible Entity will provide each Scheme Participant the Scheme Consideration in accordance with the terms of the Scheme;
  - (ii) subject to the Scheme becoming Effective, it will allot and issue the New AGX1 Units to the Scheme Shareholders in accordance with the Scheme on terms such that each New AGX1 Unit will rank equally in all respects with each existing AGX1 Unit as from the date of issue of the New AGX1 Units; and
  - (iii) it ensures that on issue, each New AGX1 Unit issued will be fully paid and free from any mortgage, charge, lien, encumbrance or other security interest.

### 4. OBLIGATIONS OF APL, THE MANAGER AND THE RESPONSIBLE ENTITY

#### 4.1. APL's obligations

The key substantive obligations on APL under the Scheme Implementation Deed are:

- (a) **Announcement:** immediately following execution of the Scheme Implementation Deed, release a Joint Public Announcement on the ASX which includes a statement that:
  - (i) unanimously considers the Scheme to be in the best interests of the APL Shareholders; and
  - (ii) recommends that the APL Shareholders approve the Scheme at the Scheme Meeting,in each case in the absence of a Superior Competing Proposal for APL concluding that the Scheme is in the best interests of the APL Shareholders;
- (b) **IBC support:** warrants that the IBC and each of the Independent Directors will not:
  - (i) withdraw the statements and recommendations set out in the Joint Public Announcement; or
  - (ii) make any public statement to the effect, or take any other action that suggests, that the Scheme is no longer so considered or recommended, unless any of the following occur:
    - (A) the Independent Expert concludes in the Independent Expert's Report (either initially or in any updated report) that the Scheme is not in the best interests of the APL Shareholders; or
    - (B) APL receives a Superior Competing Proposal and the IBC or an Independent Director, after considering the matter in good faith, has obtained written legal advice from its legal advisors that a failure by the IBC or Independent Director to change, withdraw or modify its, his or her recommendation or make a statement that is inconsistent with that recommendation in response to the Superior Competing Proposal would be reasonably likely to constitute a breach of their fiduciary or statutory obligations;
- (c) **Independent Expert Report:** appoint the Independent Expert to prepare the Independent Expert's Report and provide all assistance and information reasonably requested by the Independent Expert;
- (d) **Prepare Scheme Booklet:** prepare the Scheme Booklet and ensure the Scheme Booklet includes all the information required by applicable law and policy;

- (e) **Engagement with major APL Shareholders:** in co-operation with the Responsible Entity and the Manager, consult with major APL Shareholders regarding the Scheme and encourage the public support for the Scheme by major APL Shareholders; and
- (f) **Nominee appointment:** as soon as reasonably practicable after obtaining the Court direction to hold the Scheme Meeting, and in co-operation with the Responsible Entity, appoint an agent as the Nominee.

#### 4.2. Responsible Entity obligations

- (a) The Responsible Entity's obligations in relation to Implementation of the Scheme are more limited than APL's. The Responsible Entity's key obligations are entering into the Deed Poll and preparing the Responsible Entity's Information for inclusion in this Scheme Booklet. This includes information about AGX1 and the AGX1 Units in the Scheme Booklet, as well as providing the AGX1 PDS.
- (b) The Responsible Entity's key Implementation deliverable is procuring the provision of the Scheme Consideration (that is, the issue of the New AGX1 Units to Scheme Shareholders (and the Nominee, in respect of Ineligible Shareholders) on the Implementation Date).

#### 4.3. Manager obligations

The Manager's obligations in relation to the Scheme are limited to preparing the Manager Information for inclusion in this Scheme Booklet and assisting or providing information reasonably requested by APL, the Responsible Entity or the Independent Expert in connection with preparing the Independent Expert's Report.

## 5. CONDUCT OF BUSINESS

### 5.1. APL

- (a) APL must conduct its business in the ordinary and proper course business consistent with past practice, and keep the Responsible Entity informed of the conduct of its business, during the period commencing on 9 August 2021 and ending on the Implementation Date, to:
  - (i) keep available the services of the Directors and APL's other officers;
  - (ii) maintain and preserve satisfactory relationships with persons with whom APL has having business dealings (including using reasonable endeavours to obtain consents from third parties to any change of control provisions in contracts or arrangements to which APL is a party);
  - (iii) preserve intact its assets (subject to the Manager managing the investment portfolio in accordance with the APL Management Agreement) and business organisation;
  - (iv) not allow any tax payment that is due and payable to remain unpaid;
  - (v) respond to any reasonable request from the Responsible Entity and its Representatives (including in respect to requests for information from stock exchanges and Government Agency) for information concerning APL and its business; and
  - (vi) manage its working capital in the ordinary course of ordinary business consistent with past practice.
- (b) The above restrictions do not apply to any action:
  - (i) restrains APL from taking any action permitted by the Scheme Implementation Deed or with the prior written consent of the Responsible Entity and the Manager, which consent will not be unreasonably withheld or delayed; or
  - (ii) require APL to provide the Responsible Entity with any information:
    - (A) in breach of an obligation of confidentiality to any person;
    - (B) of a commerciality sensitive nature, except under paragraph 5.1(a)(v) above; or
    - (C) concerning the consideration of the Scheme by the APL Board or APL management,

or to provide access or co-operation to the extent it would result in a disruption to any material aspects of APL's business and operations.

## 5.2. Responsible Entity

During the period commencing 9 August 2021 to the Implementation Date, the Responsible Entity must ensure that it operates AGX1:

- (a) in the ordinary course and substantially in the same manner in which AGX1 has been conducted in the period before 9 August 2021; and
- (b) in compliance in all material aspects with all applicable laws and regulations.

## 6. TRANSITION

APL, the Manager and the Responsible Entity must consult with each other in good faith immediately after 9 August 2021 and for the period up to the Implementation Date, to discuss and assist in preparing a transition plan to effect Implementation of the Scheme.

## 7. VARIATION AND TERMINATION OF MANAGEMENT AGREEMENTS

If the Scheme becomes Effective, APL, the Manager and the Responsible Entity agree that:

- (a) the APL Management Agreement will, by force of the Scheme Implementation Deed, be terminated with effect on and from the Implementation Date;
- (b) the Manager waives its rights to any early termination fees it would otherwise be entitled to be paid under the APL Management Agreement;
- (c) clause 11.7 of the APL Management Agreement, regarding the trademark licence to the Manager's name and logo "Antipodes", no longer survives termination of the APL Management Agreement; and
- (d) with effect on and from the Implementation Date, the investment management agreement between the Manager and the Responsible Entity in respect of AGX1 will be amended to require the Manager to manage any assets held by APL.

## 8. EXCLUSIVITY

### 8.1. Existing discussions

APL represents and warrants that:

- (a) it is not, and must ensure that none its Representatives are, a party to any agreement or arrangement with any third party for the purpose of facilitating a Competing Proposal; and
- (b) it is not, and must ensure that none of its Representatives are, directly or indirectly, participating in any discussions or negotiations with a third party that concern, or could be reasonably be expected to lead to a Competing Proposal.

### 8.2. No-shop, no-talk and no due diligence restrictions

During the Exclusivity Period, and subject to the fiduciary exception summarised in Section 8.4 below, APL must ensure that neither it nor any of its Representatives directly or indirectly:

- (a) **No shop:** solicits, invites, encourages or initiates any enquiries, negotiations or discussions or communicates any intention to do any of these things, with a view to obtaining any offer, proposal or expression of interest from any person in relation to a Competing Proposal;
- (b) **No talk:** subject to the fiduciary exception in paragraph 8.4 below, negotiates or enters into, or participates in negotiations or discussions with any other person regarding a Competing Proposal or any agreement, understanding or arrangement that may be reasonably expected to lead to a Competing Proposal, even if that person's Competing Proposal was not directly or indirectly solicited, invited, encouraged or initiated by APL or any of its Representatives or the person has publicly announced the Competing Proposal.
- (c) **Due diligence:** subject to the fiduciary exception in paragraph 8.4 below:



- (i) enables any other person other than Responsible Entity or its Representatives to undertake due diligence investigations on APL or solicit, invite, initiate, encourage, facilitate or permit any other person other than the Responsible Entity to undertake due diligence investigations on APL in connection with the person formulating, developing or finalising, or assisting in the formulation, development or finalisation of, a Competing Proposal; or
- (ii) makes available to any other person, or permits any other person to receive, other than the Responsible Entity or its Representatives (in the course of due diligence investigations or otherwise) any non-public information relating to APL in connection with the person formulating, developing or finalising, or assisting in the formulation, development or finalisation of, a Competing Proposal.

### 8.3. Non-public information

If APL proposes that any non-public information be provided to a third party in reliance on the fiduciary exception set out in paragraph 8.4 below:

- (a) before APL provides such information, the third party must enter into a confidentiality agreement with APL which contains obligations on the recipient of that information which the IBC, acting in good faith and after taking advice from external legal advisers, determines are appropriate for a transaction of the nature of a Competing Proposal, and which contains standstill provisions that apply to the third party subject to exceptions that APL (acting reasonably) considers appropriate in the circumstances having regard to (among other things) the fact that APL is already subject to a public change of control proposal; and
- (b) any non-public information provided to that third party must also be provided to the Responsible Entity and the Manager.

### 8.4. Fiduciary exception

- (a) The no talk and no due diligence restrictions set out above do not apply to the extent that they restrict APL or the IBC from taking or refusing to take any action with respect to a Superior Competing Proposal, provided that the IBC has determined in good faith that:
  - (i) such a genuine competing proposal is, or could reasonably be considered to become, a Superior Competing Proposal; and
  - (ii) after receiving written legal advice from their external legal advisers that failing to respond to such a genuine Competing Proposal would be reasonably likely to constitute a breach of the fiduciary or statutory obligations or members of the IBC.
- (b) The no talk and no due diligence restrictions set out above do not prevent APL from disclosing non-public information to its auditors or advisers, or a Government Agency or regulatory body in the ordinary course of its business or as required under APL's existing contractual obligations, provided it is not done in a manner which is intended to circumvent the intent of the exclusivity provisions of the Scheme Implementation Deed.

### 8.5. Notification

- (a) If APL, and its directors, officers and advisers in connection with the Scheme (but does not include Representatives from the Responsible Entity or the Manager) receives a proposal for a Competing Proposal and determines to take any action in reliance on the fiduciary exception set out above it must, within two Business Days of receiving the relevant proposal, notify the Responsible Entity and Manager of all material terms of that Competing Proposal including the identity of the third party making the Competing Proposal.
- (b) APL must notify the other parties in writing as soon as possible after becoming aware of any material developments in relation to any Competing proposal, including in respect of any of the information previously notified to those parties.

### 8.6. Matching right

- (a) If the IBC determines that a Competing Proposal is a Superior Competing Proposal, APL must, within two Business Days of making that determination, give the Responsible Entity and the Manager a Matching Right Notice.
- (b) During the ten Business Day period starting from the time that APL gives the Matching Right Notice (Matching Period):
  - (i) APL must not enter into, or agree to enter into, any binding documentation to give effect to the Competing Proposal;
  - (ii) APL must use reasonable endeavours to ensure that no director of APL makes any public statement recommending the Competing Proposal to its shareholders; and

- (iii) the Responsible Entity (with the Manager's prior written consent) may make an offer to APL to amend the terms of the Scheme, the Scheme Implementation Deed or make an alternative proposal to APL or the APL Shareholders with a view to providing an equivalent or a superior outcome for the APL Shareholders than that offered under the relevant Competing Proposal (**Counter Proposal**).
- (c) If, during the Matching Period, the Responsible Entity makes a Counter Proposal:
  - (i) APL must procure that the IBC considers the Counter Proposal in good faith before agreeing to enter into any binding documentation to give effect to the Competing Proposal; and
  - (ii) if the IBC determines that the terms and conditions of the Counter Proposal taken as a whole would provide an equivalent or superior outcome to APL Shareholders than those in the relevant Competing Proposal, then:
    - (A) the Responsible Entity and APL must use their reasonable endeavours to agree and enter into the necessary documentation to give effect to and Implement the Counter Proposal as soon as reasonably practicable; and
    - (B) APL must use its reasonable endeavours to procure that each Independent Director makes a public statement recommending the Counter Proposal to the APL Shareholders, subject only to no Superior Competing Proposal (in relation to that Counter Proposal) emerging and to the Independent Expert concluding (and continuing to conclude) that the Counter Proposal is in the best interests of APL Shareholders.
- (d) Any material change to a Competing Proposal will be taken to constitute a new Competing Proposal in respect of which APL must separately comply with its obligations under this paragraph 8.6.

## 9. TERMINATION

### 9.1. Termination by any Party

- (a) Unless otherwise agreed to by APL, the Responsible Entity or the Manager, any Party may terminate the Scheme Implementation Deed by giving written notice to the other Parties at any time prior to the Effective Date where:
  - (i) one of the other Parties is in material breach of any clause, including a warranty, of the Scheme Implementation Deed which is incapable of being remedied, or if the breach is capable of being remedied it continues to exist for more than 10 Business Days;
  - (ii) a Court or other Governmental Agency has issued a final and non-appealable order, decree or ruling or taken other action which permanently restrains or prohibits the Scheme; or
  - (iii) any Scheme Condition referred to in clause 3 has not been satisfied or waived in accordance with the Scheme Implementation Deed.
- (b) If:
  - (i) APL and the Responsible Entity are unable to reach agreement under paragraph 2 above within 5 Business Days of the date on which they both become aware that the Scheme Condition is not satisfied or has become incapable of being satisfied (or, if earlier, by 8.00 am on the Second Court Date); or
  - (ii) the Scheme has not become Effective by the End Date,

then unless the Scheme Condition is waived (and subject to paragraph 9.1(c) below), any Party may terminate the Scheme Implementation Deed at any time prior to 8.00 am on the Second Court Date with immediate effect by written notice to the other parties.
- (c) A Party may not terminate Scheme Implementation Deed under paragraph 9.1(b), if the relevant Scheme Condition has not been satisfied, or is incapable of being satisfied, or there is an occurrence that will prevent the Scheme Condition being satisfied by the date specified in the Scheme Implementation Deed for its satisfaction, as a result of:
  - (i) a deliberate act or omission by that Party, or any of its Representatives; or
  - (ii) a breach of the Scheme Implementation Deed by that Party.

## 9.2. Termination by the Responsible Entity or the Manager

The Responsible Entity or the Manager may terminate the Scheme Implementation Deed by giving written notice to each other Party if:

- (a) APL fails to issue the Joint Public Announcement in accordance with the Scheme Implementation Deed or if, after issuing that announcement, the IBC or any Independent Director:
  - (i) makes a public statement withdrawing or adversely changing or modifying its or their recommendation that the APL Shareholders vote in favour of the Scheme or makes a recommendation or statement that is inconsistent with such recommendation or statement; or
  - (ii) without limiting paragraph 9.2(a)(i) above, makes a public statement indicating that they or APL no longer support the Scheme or that they or APL support another transaction (including a Superior Competing Proposal),
- (b) the APL Board resolves to implement the CTO Proposal prior to the End Date.

## 9.3. Effect of termination

On termination, the Scheme Implementation Deed will become void and have no effect, other than in respect of any liability for an antecedent breach of the Scheme Implementation Deed.

## 9.4. Other clauses

- (a) The Scheme Implementation Deed contains other clauses, most of which are customary for an agreement of that nature.
- (b) A copy of the Scheme Implementation Deed is attached in full to APL's ASX announcement on 9 August 2021 which is available on ASX's website at [www.asx.com.au](http://www.asx.com.au) and on APL's website at [www.antipodespartners.com/apl](http://www.antipodespartners.com/apl).

# 10. ADDITIONAL DEFINED TERMS

**Exclusivity Period** means the period starting on the date of the Scheme Implementation Deed and ending on the earlier of the Effective Date, the date the Scheme Implementation Deed is terminated and the End Date.

**Joint Public Announcement** means the public announcement in relation to the Scheme issued by APL, the Manager and the Responsible Entity to the ASX on 9 August 2021.

**Party** means a party to the Scheme Implementation Deed.



## SCHEME OF ARRANGEMENT

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**Antipodes Global Investment Company Limited**  
(ACN 602 042 035)

### **Scheme Participants**



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This scheme of arrangement is made under section 411 of the Corporations Act 2001 (Cth) between the parties:

**Name** Antipodes Global Investment Company Limited (ACN 602 042 035) (**APL**)  
**Address** Level 35, 60 Margaret St  
Sydney NSW 2000  
Australia

**And** Each Scheme Participant

## **1. DEFINITIONS AND INTERPRETATION**

### **1.1. Definitions**

In this Scheme:

**AGX1 or Antipodes Fund** means Antipodes Global Shares (Quoted Managed Fund) (ARSN 625 560 269).

**AGX1 PDS** means the current product disclosure statement issued by the Responsible Entity with respect to the Antipodes Fund and the Units.

**AGX1 Unit** means a fully paid unit in the capital of AGX1 issued pursuant to the AGX1 PDS.

**APL Registry** means Boardroom Pty Limited of Level 12, 225 George Street, Sydney NSW 2000.

**APL Share** means a fully paid ordinary share in the capital of APL.

**ASIC** means the Australian Securities & Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) or, as the context requires, the financial market operated by it.

**Business Day** means a weekday on which trading banks are open for business in Sydney, Australia, excluding any Saturday, Sunday or public holiday.

**Calculation Date** is defined in Schedule 1.

**CHESS** means the Clearing House Electronic Subregister System operated by ASX Settlement Pty Ltd and ASX Clear Pty Limited.

**Consideration Unit** means a Unit to be issued under this Scheme as Scheme Consideration.

**Corporations Act** means the *Corporations Act* 2001 (Cth).

**Corporation Regulations** means the *Corporations Regulations 2001* (Cth).

**Court** means the Federal Court of Australia or such other court of competent jurisdiction under the Corporations Act as APL and the Responsible Entity agree on in writing.

**Deed Poll** means the deed poll to be granted by the Responsible Entity in substantially the form set out in Schedule 3 to the Implementation Deed or such other form agreed to in writing between APL and the Responsible Entity.

**Delivery Time** means at 8.00am on the Second Court Date.

**Effective** means, when used in relation to the Scheme, the coming into effect, under section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) in relation to the Scheme.

**Effective Date** means the date on which the Scheme becomes Effective.

**End Date** means 31 March 2022.

**Excluded Shareholder** means the Responsible Entity and includes any custodian of the Responsible Entity to the extent it is acting in that capacity.

**Fund Registry** means Automic Pty Limited.

**Government Agency** means any foreign or Australian government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity, or any minister of the Crown in right of the Commonwealth of Australia or any state.

**Implementation Date** means the day 5 Business Days after the Scheme Record Date or such other date as APL and the Responsible Entity agree in writing or as may be required by ASX.

**Implementation Deed** means the scheme implementation deed dated 9 August 2021 between APL, the Responsible Entity and the Manager relating to the implementation of this Scheme.

**Ineligible Foreign Shareholder** means a Scheme Participant whose address as shown in the Share Register is a place outside Australia and its external territories, New Zealand or the United States of America unless APL and the Responsible Entity agree in writing that it is lawful and not unduly onerous or impracticable to issue that Scheme Participant Units under this Scheme.

**Ineligible Shareholder** means an Ineligible Foreign Shareholder or a Relevant Unmarketable Parcel Shareholder.

**Ineligible Units** means the Consideration Units to which Ineligible Shareholders would have been entitled to under this Scheme but for the operation of clause 5.6.

**Listing Rules** means the official listing rules of the ASX.

**Manager** means Antipodes Partners Limited ABN 29 602 042 035.

**Net Proceeds** means the total proceeds of sale of all of the Ineligible Units after the deduction of any applicable fees, brokerage, taxes and charges of the Sale Nominee reasonably incurred in connection with the sale of the Ineligible Units.

**Opt-in Notice** means a notice by an Unmarketable Parcel Shareholder requesting to receive the Scheme Consideration as Consideration Units.

**RE Custodian** means a custodian determined and appointed by the Responsible Entity in respect of all or any of the assets of the Antipodes Fund.

**Registered Address** means, in relation to an APL Shareholder, the address of the APL Shareholder as recorded in the Share Register as at the Record Date.

**Regulatory Authority** means:

- (a) any government or governmental, semi-governmental, administrative, monetary, fiscal or judicial body, tribunal, agency or entity;
- (b) a minister, department, office, commission, delegate, instrumentality, agency, board, authority or organisation of any government; or
- (c) any regulatory organisation established under statute,

in any part of the world, and whether foreign, federal, state, territorial or local.

**Relevant Unmarketable Parcel Shareholder** means an Unmarketable Parcel Shareholder who has not provided APL with an Opt-in Notice before 5.00 pm (Sydney time) on the Business Day prior to the Calculation Date.

**Responsible Entity** means the responsible entity of the Antipodes Fund from time to time being, as at the date of this Scheme, Pinnacle Fund Services Limited ABN 45 003 278 831 AFSL 235 150.

**Sale Nominee** means the agent appointed by APL and the Responsible Entity (each acting reasonably and in good faith) in accordance with the Implementation Deed to sell the Consideration Units that are attributable to Ineligible Shareholders under the terms of this Scheme (or any nominee of such person).

**Scheme** means this scheme of arrangement under Part 5.1 of the Corporations Act between APL and the Scheme Participants subject to any alterations or conditions:

- (a) agreed to in writing by APL and the Responsible Entity and approved by the Court; or
- (b) made or required by the Court under section 411(6) of the Corporations Act and agreed by APL and the Responsible Entity.

**Scheme Consideration** means the number of Consideration Units determined in accordance with Schedule 1 and issued in accordance with clause 5 of this Scheme.

**Scheme Meeting** means the meeting of APL Shareholders ordered by the Court to be convened under section 411(1) of the Corporations Act.

**Scheme Record Date** means the record date for the Scheme, being the second Business Day after the Effective Date or such other date as APL and the Responsible Entity agree or as may be required by ASX.

**Scheme Share** means an APL Share on issue as at the Scheme Record Date.

**Scheme Participant** means each person who is registered in the Share Register as the holder of APL Shares as at the Scheme Record Date (other than Excluded Shareholders, if any).

**Second Court Date** means the first day on which the application made to the Court for an order for the purposes of section 411(4)(b) of the Corporations Act approving the Scheme is heard or, if the application is adjourned or subject to appeal for any reason, the day on which the adjourned application or appeal is heard.

**Share Register** means the register of members maintained by the APL Registry in accordance with the Corporations Act.



**Unit Register** means the register of members maintained by the Fund Registry in accordance with the Corporations Act.

**Unmarketable Parcel Shareholder** means a Scheme Participant (other than an Ineligible Foreign Shareholder) who, on the Scheme Record Date hold less than a marketable parcel (as that term is defined in the ASX Listing Rules) of Scheme Shares (assessed using the price of APL Shares on ASX at close of trade on the Effective Date).

## **1.2. Interpretation**

In this Scheme, headings and bold type are for convenience only and do not affect interpretation and, unless the context requires otherwise:

- (a) words importing the singular include the plural and vice versa;
- (b) words importing a gender include any gender;
- (c) other parts of speech and grammatical forms of a word or phrase defined in this Scheme have a corresponding meaning;
- (d) a reference to a person includes an individual, the estate of an individual, a corporation, an authority, an association or a joint venture, a partnership, a trust and any Government Agency;
- (e) a reference to a Clause, Party, Attachment or Schedule is a reference to a clause of, and a party, attachment and schedule to this Scheme, and a reference to this Scheme includes any Attachment and Schedule;
- (f) a reference to a statute, regulation, proclamation, ordinance or by-law includes all statutes, regulations, proclamations ordinances or by-laws amending, consolidating or replacing it, whether passed by the same or another Government Agency with legal power to do so, and a reference to a statute includes all regulations, proclamations, ordinances and by laws issued under that statute;
- (g) a reference to any document (including this Scheme) is to that document as varied, novated, ratified or replaced from time to time;
- (h) the word **includes** in any form is not a word of limitation;
- (i) a reference to **\$** or **dollar** is to Australian currency;
- (j) a reference to any time, unless otherwise indicated, is a reference to the time in Sydney, Australia;
- (k) a term defined in or for the purposes of the Corporations Act has the same meaning when used in this Scheme; and
- (l) a reference to the Listing Rules includes any variation, consolidation or replacement of these rules and is to be taken to be subject to any waiver or exemption granted to the compliance of those rules by a Party.

## **1.3. Business Day**

Where the day on or day by which any thing is to be done is not a Business Day, that thing must be done on or by the next Business Day.

## **2. PRELIMINARY MATTERS**

### **2.1. APL**

- (a) APL is a public company limited by shares incorporated in Australia and registered in New South Wales, Australia, and has been admitted to the official list of the ASX. APL Shares are quoted for trading on the ASX.
- (b) As at the date of the Scheme Implementation Deed, 477,221,507 APL Shares were on issue and were officially quoted on the ASX.

### **2.2. Antipodes Fund**

- (a) The Responsible Entity is a public company acting as responsible entity of the Antipodes Fund.
- (b) The Antipodes Fund is a registered managed investment scheme under the Corporations Act.

### **2.3. General**

- (a) APL, the Manager and the Responsible Entity have agreed by executing the Implementation Deed to implement the Scheme.
- (b) This Scheme attributes actions to the Responsible Entity but does not itself impose an obligation on it to perform those actions. The Responsible Entity has agreed, by executing the Deed Poll, to perform the actions attributed to it in respect of this Scheme and set out in the Implementation Deed, including providing or procuring the provision of the Scheme Consideration to the Scheme Participants and procuring the Unit Register is updated to reflect the provision of the Scheme Consideration to the Scheme Participants. A copy of the executed Deed Poll forms part of the disclosure materials provided to APL's Shareholders prior to the Scheme Meeting.

### **2.4. Consequence of this Scheme becoming Effective**

If this Scheme becomes Effective:

- (a) the Responsible Entity will provide or procure the provision of the Scheme Consideration to Scheme Participants in accordance with this Scheme;
- (b) all the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares, will be transferred to the Responsible Entity, and APL will enter the Responsible Entity or an RE Custodian in Share Register as the holder of the Scheme Shares with the result that APL will become wholly-owned by the Antipodes Fund.

## **3. CONDITIONS**

### **3.1. Conditions Precedent**

This Scheme is conditional on, and will have no force or effect until, the satisfaction of each of the following conditions precedent:

- (a) all the conditions precedent in clause 3.1 of the Implementation Deed (other than the condition precedent in clause 3.1(b) of the Implementation Deed relating to Court

approval of this Scheme) having been satisfied or waived in accordance with the terms of the Implementation Deed by the Delivery Time;

- (b) neither the Implementation Deed nor the Deed Poll having been terminated in accordance with their terms before the Delivery Time;
- (c) approval of this Scheme by the Court under sections 411(4)(b) of the Corporations Act, including with any alterations made or required by the Court under section 411(6) of the Corporations Act and agreed to by APL and the Responsible Entity;
- (d) such other conditions made or required by the Court under section 411(6) of the Corporations Act in relation to this Scheme and agreed to by APL and the Responsible Entity; and
- (e) the orders of the Court made under section 411(4)(b) (and, if applicable, section 411(6))) of the Corporations Act approving this Scheme coming into effect, pursuant to section 411(10) of the Corporations Act, on or before the End Date (or any later date APL and the Responsible Entity agree).

### **3.2. Certificate**

- (a) APL and the Responsible Entity will provide to the Court on the Second Court Date a certificate executed as a deed, or such other evidence as the Court requests, confirming (in respect of matters within their knowledge) whether or not all of the conditions precedent in clauses 3.1(a) and 3.1(b) have been satisfied or waived.
- (b) The certificate referred to in clause 3.2(a) constitutes conclusive evidence that such conditions precedent are satisfied, waived or taken to be waived.

## **4. IMPLEMENTATION OF THIS SCHEME**

### **4.1. Lodgement of Court orders with ASIC**

APL will lodge with ASIC, in accordance with section 411(10) of the Corporations Act, an office copy of the Court order approving this Scheme as soon as possible and in any event by 5.00pm on the first Business Day after the day on which the Court approves this Scheme or such later time as APL and the Responsible Entity agree in writing.

### **4.2. Transfer of the Scheme Shares**

On the Implementation Date:

- (a) subject to the provision of the Scheme Consideration in the manner contemplated by clause 5, the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares at the Implementation Date, will be transferred to the Responsible Entity or an RE Custodian (as determined by the Responsible Entity), without the need for any further act by any Scheme Participant (other than acts performed by APL or its officers as agent and attorney of the Scheme Participants under clause 6.2 or otherwise) by:
  - (i) APL delivering to the Responsible Entity a duly completed and executed share transfer form to transfer all the Scheme Shares to the Responsible Entity; and
  - (ii) the Responsible Entity or an RE Custodian duly executing such transfer form and delivering it to APL for registration; and

- (b) immediately after receipt of the transfer form in accordance with clause 4.2(a)(ii), APL entering, or procuring the entry of, the name of the Responsible Entity or an RE Custodian in the Share Register in respect of the Scheme Shares.

## **5. SCHEME CONSIDERATION**

### **5.1. Entitlement to Scheme Consideration**

On the Implementation Date, in consideration for the transfer to the Responsible Entity of the Scheme Shares by each Scheme Participant under the terms of this Scheme, each Scheme Participant will be entitled to receive, and the Responsible Entity will issue to each Scheme Participant (subject to clauses 5.2 to 5.5), Consideration Units for each Scheme Share in accordance with clauses 5.2 to 5.5 and the Deed Poll.

### **5.2. Provision of Scheme Consideration**

Subject to clauses 5.3 to 5.7, the Responsible Entity must:

- (a) on the Implementation Date:
  - (i) issue to each Scheme Participant the applicable Scheme Consideration in accordance with this Scheme and the Deed Poll; and
  - (ii) procure that the name and address of each Scheme Participant is entered in the Unit Register as the holder of the applicable Consideration Units (being the name and Registered Address entered in the Share Register in relation to the relevant Scheme Shares); and
- (b) no later than five Business Days after the Implementation Date, send or procure the dispatch to each Scheme Participant (other than Ineligible Shareholders), to their Registered Address as at the Scheme Record Date, a holding statement representing the Consideration Units issued to that Scheme Participant.

### **5.3. Joint holders**

In the case of Scheme Shares held in joint names:

- (a) any Consideration Units must be issued to and registered in the name of the joint holders
- (b) any bank cheque required to be paid by or on behalf of APL or the Responsible Entity must be payable to the joint holders and be forwarded to the holder whose name appears first in the Share Register as at the Scheme Record Date; and
- (c) any other document required to be sent under this Scheme (including holdings statements under clause 5.2(b)), will be forwarded to the holder whose name appears first in Share Register as at the Scheme Record Date.

### **5.4. Fractional Entitlements**

- (a) Where the calculation of a total number of Consideration Unit to be issued to a particular Scheme Participant as Scheme Consideration would result in an entitlement to a fraction of a Consideration Unit, then, any such fractional entitlement:
  - (i) of 0.5 or more will be rounded up to the nearest whole number; and

- (ii) of less than 0.5 will be rounded down to the nearest whole number.

### 5.5. Election by Unmarketable Parcel Shareholders

- (a) APL must provide each Unmarketable Parcel Shareholder with, or procure the provision to, each Unmarketable Parcel Shareholder of, an Opt-in Notice.
- (b) Unless an Unmarketable Parcel Shareholder provides APL with a duly completed Opt-in Notice prior to 5.00 pm (Sydney time) on the Business Day prior to the Calculation Date, the Responsible Entity will be under no obligation under this Scheme or Deed Poll to issue, and will not issue, any Consideration Units to any Unmarketable Parcel Shareholder, and instead APL must procure that the Consideration Units that each Unmarketable Parcel Shareholder would otherwise be entitled to receive as Scheme Consideration are dealt with in accordance with clause 5.6 of this Scheme.

### 5.6. Ineligible Shareholders

- (a) The Responsible Entity will be under no obligation to issue, and must not issue, any AGX1 Units under this Scheme to any Ineligible Shareholders (unless that Ineligible Shareholder is an Unmarketable Parcel Shareholder who provides APL with a duly completed Opt-in Notice in accordance with clause 5.5(b)) and instead, subject to this clause 5.6, the Responsible Entity must issue the Consideration Units which would otherwise be required to be issued to any Ineligible Shareholder under this Scheme (**Ineligible Units**) to the Sale Nominee.
- (b) APL will procure that the Sale Nominee:
  - (i) sells the Ineligible Units as soon as reasonably practicable and in any event no more than 10 Business Days (on which the Ineligible Units are capable of being traded on ASX) after the Implementation Date, in the manner, and on the terms, the Sale Nominee determines in good faith (and at the risk of the Ineligible Shareholder); and
  - (ii) as soon as reasonably practicable and in any event no more than 10 Business Days after settlement of all the sales of the Ineligible Units under clause 5.6(b)(i), remits to APL the Net Proceeds.
- (c) Promptly after receipt of the Net Proceeds, APL must pay each Ineligible Shareholder, or procure the payment to each Ineligible Shareholder of, such proportion of the Net Proceeds to which that Ineligible Shareholder is entitled (rounded down to the nearest cent), to be determined in accordance with the following formula:

$$A = (B/C) \times D$$

Where:

**A** = the proportion of the Net Proceeds to which that Ineligible Shareholder is entitled;

**B** = the number of Ineligible Units to which that Ineligible Shareholder would have been entitled if they had not been an Ineligible Shareholder;

**C** = the total number of Ineligible Units which were issued to and sold by the Sale Nominee; and

**D** = the Net Proceeds.

- (d) APL must pay or procure that each Ineligible Shareholder is paid any amounts owing under clause 5.6(c) by either (in the absolute discretion of APL):
  - (i) direct credit to that Ineligible Shareholder's nominated bank account as noted in the Share Register at the Scheme Record Date; or
  - (ii) cheque mailed to that Ineligible Shareholder's Registered Address as at the Scheme Record Date (in the case of joint holders, the cheque will be drawn in the name of the joint holders and dispatched in accordance with the procedures set out in clause 5.3(b)).
- (e) Each Ineligible Shareholder appoints APL, and each director and officer of APL, as its agent to receive on its behalf any financial services guide (or similar or equivalent document) and any other notices (including any updates of those documents) that the Sale Nominee is required to provide to Ineligible Shareholders under the Corporations Act or any other applicable law.
- (f) Payment of the relevant amounts calculated in accordance with clauses 5.6(c) to an Ineligible Shareholder in accordance with this clause 5.6 satisfies in full the Responsible Entity's obligations to the Ineligible Shareholder under this Scheme in respect of the Scheme Consideration.
- (g) The sale of the Ineligible Units will be at the risk of the Ineligible Shareholders and:
  - (i) None of APL, the Responsible Entity or the Sale Nominee gives any assurance as to the price that will be achieved for the sale of the Ineligible Units described in clause 5.6.
  - (ii) APL, the Responsible Entity and the Sale Nominee each expressly disclaim any fiduciary duty to any Ineligible Shareholder which may arise in connection with this clause 5.6.

## **5.7. Share splitting**

- (a) If APL is of the reasonable opinion that two or more Scheme Participants (each of whom holds a number of Scheme Shares which results in rounding in accordance with clause 5.4), have, before the Scheme Record Date, been party to shareholder splitting or division in an attempt to obtain unfair advantage by reference to such rounding, APL may give notice to those Scheme Participants:
  - (i) setting out their names and Registered Address;
  - (ii) stating that opinion; and
  - (iii) attributing the Scheme Shares held by all of them to one of them as specifically identified in the notice.
- (b) The Scheme Participant specifically identified in a notice given under clause 5.7(a) of this Schedule as the deemed holder of all the specified Scheme Shares will, for the purposes of this Scheme, be taken to hold all of those Scheme Shares and each of the other Scheme Participants whose names and Registered Addresses are set out in the notice will, for the purposes of this Scheme, be taken to hold no Scheme Shares.
- (c) APL, in complying with the other provisions of this Scheme relating to it in respect of the Scheme Participant specifically identified in a notice given under clause 5.7(a) as the

deemed holder of all of the specified Scheme Shares, will be taken to have satisfied and discharged its obligations to the other Scheme Participants named in the notice under the terms of this Scheme.

## **6. GENERAL SCHEME PROVISIONS**

### **6.1. Agreement to become a member of the Antipodes Fund**

Under this Scheme, each Scheme Participant (including those Scheme Participants who do not attend the Scheme Meeting, do not vote at that meeting or vote against the Scheme) who will receive Consideration Units:

- (a) agrees to become a unitholder in the Antipodes Fund, to have their name entered into the Unit Register, accepts the AGX1 Units issued to them and agrees to be bound by the Antipodes Fund's constitution; and
- (b) agrees and acknowledges that the issue of AGX1 Units in accordance with clause 5 constitutes satisfaction of all that person's entitlements under this Scheme.

### **6.2. Appointment of agent and attorney**

- (a) Each Scheme Participant, without the need for any further act, irrevocably appoints APL as its agent and attorney for the purpose of executing any document or doing any other act necessary or desirable to give effect to the terms of this Scheme, including without limitation:
  - (i) the execution and delivery of any form or documentation required to effect the issue of the Consideration Units to Scheme Participants, the Sale Nominee or any other person in accordance with the terms of the Scheme, and the delivery of any such form to the Responsible Entity;
  - (ii) executing any document or doing any other act necessary to give effect to the terms of this Scheme, including, without limitation, the communication of the Scheme Participant's consent, agreement, notifications under clauses 6.1, 6.3, 6.4 or 6.5; and
  - (iii) the enforcement of the Deed Poll against the Responsible Entity,and APL accepts such appointment.
- (b) Where any provision of this Scheme is expressed to create a right, obligation or benefit by a Scheme Participant in favour of any person or entity that is not a party (**Person**) to the Scheme, then:
  - (i) any such right, obligation or benefit may be assured, or further and better assured, in favour of any such Person by deed (between the relevant Scheme Participant and Person) or by deed poll in favour of any such Person; and
  - (ii) on and from the Effective Date, APL is by this Scheme expressly appointed by each Scheme Participant as each Scheme Participant's true and lawful agent and attorney with full power and authority to execute as their act and as a deed and deliver on behalf of the Scheme Participant a deed assuring or, further and better assuring, any such right, obligation or benefit.

- (c) The authority given by this clause is irrevocable and as if it were made under seal and by a deed and may be exercised more than once and from time to time.
- (d) APL, as agent of each Scheme Participant, may sub-delegate its functions under clause 6.2(a) to all or any of its directors and secretaries (jointly and severally).

### **6.3. Instructions to APL**

Binding instructions or notifications between a Scheme Participant and APL relating to Scheme Shares or an APL Shareholder's status as a Scheme Participant (including without limitation, any instructions in relation to payment of dividends or communications from APL) will (to the extent permitted by law), from the Scheme Record Date, be deemed by reason of this Scheme to be similarly binding instructions or notifications to, and accepted by, the Responsible Entity in respect of the AGX1 Units issued to Scheme Participants as Scheme Consideration, until those instructions or notifications are, in each case, revoked or amended in writing addressed to the Responsible Entity at the Unit Registry.

### **6.4. Scheme Participants' consent**

Each Scheme Participant irrevocably consents to APL doing all things necessary, incidental or expedient to the implementation and performance of the Scheme and acknowledges that the Scheme binds APL and all of the Scheme Participants from time to time (including those who do not attend the Scheme Meeting, do not vote at that meeting or vote against the Scheme).

### **6.5. Amendments to the Scheme**

APL may, by its counsel and with the consent of the Responsible Entity, consent, on behalf of all persons concerned (including a Scheme Participant), to any alterations or conditions to this Scheme as the Court thinks just to impose.

### **6.6. Further Steps**

APL will execute all documents and do all acts and things necessary or desirable for the implementation and performance of its obligations under this Scheme and will, on behalf of Scheme Participants, procure the Responsible Entity to execute all documents and do all acts and things necessary or desirable for the implementation and performance of the steps attributed to the Responsible Entity under this Scheme.

### **6.7. Scheme binding**

To the extent of any inconsistency between this Scheme and the APL constitution, this Scheme overrides the APL constitution and binds APL and all Scheme Participants.

### **6.8. Enforcement of Deed Poll**

APL undertakes in favour of each Scheme Participant that it will enforce the Deed Poll against the Responsible Entity on behalf of and as agent and attorney for Scheme Participants.



## **7. DEALING IN APL SHARES**

### **7.1. Determination of Scheme Participants**

To establish the identity of the Scheme Participants, dealings in APL Shares or other alterations to the Share Register will only be recognised if:

- (a) in the case of dealings of the type to be effected using CHESS, the transferee is registered in the Share Register as the holder of the relevant APL Share on or before the Scheme Record Date; and
- (b) in all other cases, registerable transfer or transmission applications in respect of those dealings, or valid requests in respect of other alterations, are received on or before the Scheme Record Date at the place where the Share Register is kept,

and APL will not accept for registration, nor recognise for any purpose, any transfer or transmission application or other request received after such times, or received prior to such times but not in registrable or actionable form, as appropriate, except a transfer to the Responsible Entity pursuant to this Scheme and any subsequent transfer by the Responsible Entity.

### **7.2. Register**

- (a) APL must register registerable transmission applications or transfers of the APL Shares in accordance with clause 7.1(b) on or before the Scheme Record Date provided that, for the avoidance of doubt, nothing in this clause 7.2(a) requires APL to register a transfer that would result in a APL Shareholder holding a parcel of APL Shares that is less than a 'marketable parcel' (for the purposes of this clause 7.2(a) 'marketable parcel' has the meaning given in the ASX Settlement Operating Rules).
- (b) If this Scheme becomes Effective, a holder of Scheme Shares (and any person claiming through that holder) must not dispose of or purport to agree to dispose of, any Scheme Shares or any interest in them after the Scheme Record Date otherwise than pursuant to this Scheme, and any attempt to do so will have no effect and APL shall be entitled to disregard any such disposal.
- (c) For the purpose of determining entitlements to the Scheme Consideration, APL must maintain the Share Register in accordance with the provision of this clause 7.2 until the Scheme Consideration has been paid to the Scheme Participants.
- (d) The Share Register in this form will solely determine entitlements to the Scheme Consideration.
- (e) Subject to the provision of the Scheme Consideration contemplated in clause 5, all statements of holding for APL Shares will cease to have effect after the Scheme Record Date as documents of title in respect of those shares and, as from the Scheme Record Date, each entry current as at the Scheme Record Date on the Share Register will cease to have effect except as evidence of entitlement to the Scheme Consideration in respect of the APL Share relating to that entry.
- (f) As soon as possible on or after the Scheme Record Date, and in any event within one Business Day after the Scheme Record Date, APL will ensure that a copy of the Share Register as at the Scheme Record Date, including details of the names, Registered Addresses and holdings of Scheme Shares for each Scheme Participant as shown in the Share Register, is available to the Responsible Entity in the form the Responsible Entity reasonably requires.

## **8. GENERAL**

### **8.1. Scheme binding on all Scheme Participants**

It is acknowledged that this Scheme binds APL and all Scheme Participants (including those who do not attend the Scheme Meeting or those who do not vote, or vote against this Scheme at the Scheme Meeting).

### **8.2. Notices**

- (a) If a notice, transfer, transmission application, direction or other communication referred to in this Scheme is sent by post to APL, it will not be taken to be received in the ordinary course of post or on a date and time other than the date and time (if any) on which it is actually received at APL's registered office or at the office of the APL Registry.
- (b) The accidental omission to give notice of the Scheme Meeting or the non-receipt of such notice by an APL Shareholder will not, unless so ordered by the Court, invalidate the Scheme Meeting or the proceedings of the Scheme Meeting.

### **8.3. Governing law and jurisdiction**

- (a) This Scheme is governed by the laws in force in the State of New South Wales.
- (b) Each Party irrevocably submits to the non-exclusive jurisdiction of the courts of the State of New South Wales and courts competent to hear appeals from those courts.

### **8.4. Further action**

APL must do all things and execute all further documents necessary or expedient to give full effect to this Scheme and the transactions contemplated by it.

### **8.5. No liability when acting in good faith**

Neither APL or the Responsible Entity nor any director, officer or secretary of APL or the Responsible Entity will be liable for anything done or omitted to be done in the performance of this Scheme or the Deed Poll in good faith.

## **SCHEDULE 1 SCHEME CONSIDERATION**

### **1. DEFINITIONS**

1.1 Capitalised terms in this Schedule 1 have the following meanings:

- (a) **Calculation Date** means the date at which the exchange ratio of Scheme Shares to Consideration Units is calculated, being the date that is two Business Days prior to the Implementation Date or such later date as APL and the Responsible Entity agree in writing.
- (b) **NAV** means net asset value of the Antipodes Fund calculated in accordance with the constitution of the Antipodes Fund.
- (c) **NTA** means post tax net tangible assets of APL less the Scheme Retention Amount (if any), calculated in accordance with the Corporations Act, Australian Accounting Standards (including the Australian Accounting Interpretations), the Corporations Regulations and consistent with the requirements of the official listing rules of the ASX rounded to the nearest one hundredth of a cent.
- (d) **Scheme Retention Amount** means \$[insert] or such lesser amount agreed by APL and the Responsible Entity (with the consent of the Manager) prior to the Calculation Date required to cover expenses associated with the Scheme as at the Calculation Date and are not liabilities of APL or otherwise accounted for in APL's NTA.

### **2. SCHEME CONSIDERATION**

The Consideration Units to be issued to each Scheme Participant as Scheme Consideration is calculated on the following basis:

$$CU = (A/B) * D$$

Where:

**CU** = the number Consideration Units to be issued to each Scheme Participant (rounded in accordance with Clause 5.4).

**A** = the NTA per APL Share on the Calculation Date.

**B** = the NAV per AGX1 Unit on the Calculation Date.

**D** = the number of Scheme Shares held by the Scheme Participant at the Record Date.

### **3. OBLIGATIONS OF THE PARTIES**

3.1 If the Scheme becomes Effective:

- (a) APL must:
  - (i) to calculate the NTA of APL as at the Calculation Date; and

- (ii) notify the Responsible Entity and the administrator of the Antipodes Fund of that NTA as soon as possible and no later than 3pm on the Business Day prior to the Implementation Date.
- (b) The Responsible Entity must:
  - (i) calculate the NAV of the Antipodes Fund as at the Calculation Date and the Consideration Units to be issued to each Scheme Participant in accordance with this Scheme; and
  - (ii) no later than 5:00pm on the Business Day prior to the Implementation Date, notify APL of the Consideration Units to be issued each Scheme Participant and the Sale Nominee as Scheme Consideration.

#### 4. WORKED EXAMPLE

The following is a worked example for a Scheme Participant (that is not an Ineligible Shareholder) holding 1000 Scheme Shares ("D").

The worked example assumes that on the Calculation Date the NTA per APL Share is \$1.20 ("A") and the NAV per AGX1 Unit is \$5.70 ("B").

The number of Consideration Units ("CU") is calculated as follows:

$$CU = (A/B) * D$$

$$CU = (1.20/5.70) * 1000$$

$$CU = 0.21 * 1000$$

$$CU = 210$$

Accordingly, in this worked example, the Scheme Participant would be entitled to receive 210 Consideration Units under the Scheme as Scheme Consideration. As this is a whole number, no rounding is required.

## DEED POLL

---

**Pinnacle Fund Services Limited**  
(ACN 082 494 371)  
**as responsible entity for the**  
**Antipodes Global Shares (Quoted Managed Fund)**  
(ARSN 625 560 269)



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**BY**

**Pinnacle Fund Services Limited** (ACN 082 494 371) as responsible entity for the Antipodes Global Shares (Quoted Managed Fund) (ARSN 625 560 269) of Level 35, 60 Margaret Street, Sydney NSW 2000 (**Responsible Entity**)

In favour of each Scheme Participant and APL

**RECITALS:**

- A. APL, the Responsible Entity and the Manager have entered into the Implementation Deed.
- B. In the Implementation Deed, the Responsible Entity agreed to enter into this Deed Poll.
- C. The Responsible Entity is entering into this Deed Poll for the purpose of covenanting in favour of APL and the Scheme Participants to perform its obligations under the Scheme and the Implementation Deed.
- D. The effect of the Scheme will be that the APL Shares will be transferred to the Responsible Entity in exchange for the issue of Consideration Units to Scheme Participants in accordance with the Scheme.

## **1. DEFINITIONS AND INTERPRETATION**

### **1.1. Definitions**

Capitalised terms in in this Deed Poll have the meaning set out in this Clause 1.1 or unless the context otherwise requires the meaning given in in the Scheme:

**Antipodes Fund** means the Antipodes Global Shares (Quoted Managed Fund) (ARSN 625 560 269).

**Antipodes Fund Constitution** means the constitution of the Antipodes Fund.

**Antipodes Fund PDS** means the current product disclosure statement issued by the Responsible Entity with respect to the Antipodes Fund and the Units.

**APL** means Antipodes Global Investment Company Limited (ACN 612 843 517) of Level 35, 60 Margaret Street, Sydney NSW 2000

**Consideration Unit** means a Unit to be issued under the Scheme as Scheme Consideration.

**Encumbrance** means an interest or power:

- (a) reserved in or over an interest in any asset; or
- (b) created or otherwise arising in or over any interest in any asset under a security agreement, a bill of sale, mortgage, charge, lien, pledge, trust or power,

by way of, or having similar commercial effect to, security for the payment of a debt, any other monetary obligation or the performance of any other obligation, and includes, but is not limited to:

- (c) any agreement to grant or create any of the above; and

(d) a security interest within the meaning of the PPSA.

**End Date** means 31 March 2022.

**Effective** means when used in relation to the Scheme, the coming into effect, under section 411(10) of the Corporations Act, of the order of the Court made under section 411(4)(b) in relation to the Scheme.

**Implementation Date** means the day 5 Business Days after the Scheme Record Date or such other date as APL and the Responsible Entity agree in writing or as may be required by ASX.

**Implementation Deed** means the scheme implementation deed dated 9 August 2021 between APL, the Responsible Entity and the Manager relating to the implementation of the Scheme.

**Ineligible Foreign Shareholder** means a Scheme Participant whose address as shown in the Share Register is a place outside Australia, its external territories, New Zealand or United States of America unless otherwise agreed by APL, the Responsible Entity and the Manager in accordance with the Scheme.

**Ineligible Shareholder** means an Ineligible Foreign Shareholder or a Relevant Unmarketable Parcel Shareholder.

**Ineligible Units** means the Consideration Units to which Ineligible Shareholders would have been entitled to under the Scheme but for the operation of clause 5.6 of the Scheme.

**Manager** means Antipodes Partners Limited (ACN 602 042 035) of Level 35, 60 Margaret Street, Sydney NSW 2000.

**PPSA** means the *Personal Property Securities Act 2009* (Cth).

**Relevant Unmarketable Parcel Shareholder** means an Unmarketable Parcel Shareholder who has not provided APL with an Opt-in Notice before 5.00 pm (Sydney time) on the Business Day prior to the Calculation Date.

**Sale Nominee** means the agent appointed by APL and the Responsible Entity (each acting reasonably and in good faith) in accordance with the Implementation Deed to sell the Consideration Units that are attributable to Ineligible Shareholders under the terms of the Scheme (or any nominee of such person).

**Scheme** means the scheme of arrangement under Part 5.1 of the Corporations Act between APL and the Scheme Participants in Schedule 2 of the Implementation Deed subject to any alterations or conditions:

- (a) agreed to in writing by the Responsible Entity and APL and approved by the Court; or
- (b) made or required by the Court under section 411(6) of the Corporations Act and agreed by the Responsible Entity and APL.

**Scheme Consideration** means the number of Consideration Units determined in accordance with the Scheme.

**Scheme Participant** means each person who is registered in the Share Register as the holder of a Scheme Share.

**Scheme Share** means a fully paid ordinary share in APL on issue as at the Record Date.

**Unmarketable Parcel Shareholder** means a Scheme Participant (other than an Ineligible Foreign Shareholder) who, on the Scheme Record Date hold less than a marketable parcel (as that term is defined in the ASX Listing Rules) of Scheme Shares (assessed using the price of APL Shares on ASX at close of trade on the Effective Date).



**Unit** means a fully paid unit in the capital of the Antipodes Fund issued pursuant to the Antipodes Fund PDS.

## **1.2. Interpretation**

Clauses 1.2 and 1.3 of the Scheme apply to the interpretation of this Deed Poll, except that references to 'this Scheme' in those clauses are to be read as references to 'this Deed Poll'.

## **1.3. Nature of Deed Poll**

The Responsible Entity acknowledges that:

- (a) this Deed Poll may be relied on and enforced by any Scheme Participant in accordance with its terms even though the Scheme Participants are not party to it; and
- (b) under the Scheme, each Scheme Participant irrevocably appoints APL and each of its directors, officers and secretaries (jointly and each of them severally) as its attorney and agent for the purpose of enforcing this Deed Poll against the Responsible Entity.

# **2. CONDITIONS TO OBLIGATIONS**

## **2.1. Conditions**

This Deed Poll and the obligations of the Responsible Entity under this Deed Poll are subject to the Scheme becoming Effective.

## **2.2. Termination**

This Deed Poll and the obligations of the Responsible Entity under this Deed Poll will automatically terminate and this Deed Poll will be of no force or effect if:

- (a) the Implementation Deed is terminated in accordance with its terms; or
- (b) the Scheme is not Effective by the End Date or any later date as the Court, with the consent of APL and the Responsible Entity, may order.

## **2.3. Consequences of termination**

If this Deed Poll is terminated under clause 2.2, in addition and without prejudice to any other rights, powers or remedies available to Scheme Participants:

- (a) the Responsible Entity is released from its obligations to further perform this Deed Poll except those obligations which by their nature survive termination; and
- (b) each Scheme Participant retains the rights, powers or remedies they have against the Responsible Entity in respect of any breach of this Deed Poll which occurred before it was terminated.

# **3. PERFORMANCE OF OBLIGATIONS GENERALLY**

- (a) Subject to clause 2, the Responsible Entity covenants in favour of Scheme Participants to perform the actions attributed to it under, and otherwise comply with, the Scheme as if the Responsible Entity was a party to the Scheme.
- (b) Subject to clause 2, the Responsible Entity undertakes in favour of each Scheme Participant to provide or procure the provision of the Scheme Consideration to (or to be held on behalf of) each Scheme Participant in accordance with the terms of the Scheme.

## **4. CONSIDERATION UNITS**

The Responsible Entity covenants in favour of each Scheme Participant that the Consideration Units to be issued as the Scheme Consideration will, on issue:

- (a) be duly issued and fully paid;
- (b) be free from any Encumbrances and interests of third parties of any kind, whether legal or otherwise, or restriction on transfer of any kind, other than as provided for in the Antipodes Fund Constitution; and
- (c) rank equally in all respects, including for future distributions, with all existing Units then on issue.

## **5. WARRANTIES**

The Responsible Entity represents and warrants that:

- (a) it is a corporation validly existing under the law of its place of registration;
- (b) the Antipodes Fund has been duly constituted and registered by ASIC and the Responsible Entity is the sole trustee and responsible entity of the Antipodes Fund;
- (c) it has the corporate power to enter into and perform its obligations under this Deed Poll and to carry out the transactions contemplated by this Deed Poll;
- (d) it has taken all necessary corporate action to authorise its entry into this Deed Poll and has taken or will take all necessary corporate action to authorise the performance of this Deed Poll and carry out the transactions contemplated by this Deed Poll;
- (e) this Deed Poll is valid and binding on it and enforceable against it in accordance with the terms of this Deed Poll;
- (f) this Deed Poll does not conflict with, or result in the breach of or default under, any provision of the Fund Constitution and to the best of the Responsible Entity's knowledge any writ, order or injunction, judgment, law, rule or regulation to which it is a party or subject or by which it is bound; and
- (g) it is solvent and no resolutions have been passed nor has any other step been taken or legal action or proceedings commenced or threatened against it for its winding up or dissolution or for the appointment of a liquidator, receiver, administrator or similar officer over any or all of its assets.

## **6. LIABILITY OF THE RESPONSIBLE ENTITY**

- (a) The Responsible Entity enters into this Deed Poll in its capacity as trustee of the Antipodes Fund and in no other capacity.
- (b) The liability of the Responsible Entity to the Scheme Participants or any other person under or arising out of this Deed Poll in relation to the Antipodes Fund is limited to the amount that the Responsible Entity actually receives in the exercise of its right of indemnity against the Antipodes Fund.
- (c) Scheme Participants may enforce their rights under this Deed Poll against the Responsible Entity only to the extent of the Responsible Entity's right of indemnity out of the assets of the Antipodes Fund.
- (d) If the Scheme Participants do not recover all money owing to each of them by enforcing the rights referred to in clause 6(c), they may not seek to recover the shortfall by:

- (i) bringing proceedings against the Responsible Entity in its personal capacity;  
or
  - (ii) applying to have the Responsible Entity wound up or proving in the winding up of the Responsible Entity unless another creditor has initiated proceedings to wind up the Responsible Entity.
- (e) The limitation in this clause 6 does not apply to the extent that any liability arises from fraud, gross negligence or breach of trust by the Responsible Entity as the trustee of the Antipodes Fund. For these purposes, the Responsible Entity cannot be regarded as having acted fraudulently, with gross negligence or in breach of trust to the extent to which the fraud, gross negligence or breach of trust has been caused or contributed to by a failure of a Scheme Participant to fulfil its obligations in respect of the Scheme or any other act or omission of the Scheme Participant or any other person.
- (f) Nothing in clause 6(e) shall make the Responsible Entity liable to any claim for an amount greater than the amount which the Responsible Entity would have been able to claim and recover from the assets of the Antipodes Fund in relation to the relevant liability if the Responsible Entity's right of indemnification out of the assets of the Antipodes Fund had not been prejudiced by the Responsible Entity's failure to properly perform its duties.
- (g) The Responsible Entity is not obliged to do or refrain from doing anything under this Deed Poll (including incur any liability) unless the Responsible Entity's liability is limited in the same manner as set out in paragraph (a) to (g) of this clause.
- (h) This clause applies despite any other provision in this Deed Poll and extends to all liabilities and obligations of the Responsible Entity in any way connected with any representations, warranty, conduct, omission, agreement or transaction related to this Deed Poll. In the event of any inconsistency, this clause prevails and survives termination.

## **7. CONTINUING OBLIGATIONS**

This Deed Poll is irrevocable and, subject to clause 2, remains in full force and effect until:

- (a) the Responsible Entity has fully performed its obligations under this Deed Poll; or
- (b) the earlier termination of this Deed Poll under clause 2.2.

## **8. NOTICES**

### **8.1. Form of notice**

Any communication to the Responsible Entity under or in connection with this Deed Poll:

- (a) must be in writing;
- (b) must be addressed as shown below:
 

Address: Level 35, 60 Margaret Street, Sydney NSW 2000

Attention: Alex Ihlenfeldt

Email: alex.ihlenfeldt@pinnacleinvestment.com
- (c) must be signed by the party making the communication or by a person duly authorised by that party;

- (d) must be delivered by hand, posted by prepaid post to the address, or sent by email to the email address of the Responsible Entity in accordance with clause 8.1(b), or given in any other way permitted by law; and
- (e) is regarded as received by the Responsible Entity:
  - (i) if sent by prepaid post, on the third Business Day after the date of posting (if posted to an address in the same country), and on the tenth Business Day after the date of posting (if posted to an address in a different country);
  - (ii) if sent by email:
    - (A) when the sender receives an automated message confirming delivery; or
    - (B) subject to the email being sent within the hours of 9am and 5pm on a Business Day, 6 hours after the time sent (as recorded on the device from which the sender sent the email) unless the sender receives an automated message that delivery failed,whichever happens first; and
- (iii) if delivered by hand, on delivery at the address of the addressee as provided in clause 8.1(b), unless delivery is not made on a Business Day, or after 5.00pm on a Business Day, when that communication will be regarded as received at 9.00am on the next Business Day.

## 9. GENERAL

### 9.1. Governing law and jurisdiction

- (a) This Deed Poll is governed by the laws in force in the State of New South Wales.
- (b) The Responsible Entity irrevocably submits to the non-exclusive jurisdiction of the courts of the State of New South Wales and courts competent to hear appeals from those courts.

### 9.2. Waiver

- (a) The Responsible Entity may not rely on the words or conduct of any Scheme Participant as a waiver of any right unless the waiver is in writing and signed by the Scheme Participant granting the waiver.
- (b) No Scheme Participant may rely on words or conduct of the Responsible Entity as a waiver of any right unless the waiver is in writing and signed by the Responsible Entity.
- (c) The meanings of the terms used in this clause 9.2 are set out below:

**conduct** includes delay in the exercising of a right;

**right** means any right arising under or in connection with this Deed Poll and includes the right to rely on this clause; and

**waiver** includes an election between rights and remedies, and conduct which might otherwise give rise to an estoppel.

### 9.3. Variation

A provision of this Deed Poll may not be varied unless:

- (a) if before the Second Court Date, the variation is agreed to by APL or the Responsible Entity; or
- (b) if on or after the Second Court Date, the variation is agreed to by APL or the Responsible Entity and is approved by the Court,

in which event the Responsible Entity will enter into a further Deed Poll in favour of the Scheme Participants giving effect to the variation.

#### **9.4. Cumulative rights**

The rights created by this Deed Poll are personal to the Responsible Entity and each Scheme Participant under this Deed Poll and cumulative with, and do not exclude, any other rights, powers or remedies provided by law independently of this Deed Poll.

#### **9.5. Assignment**

- (a) The rights created by this Deed Poll are personal to the Responsible Entity and each Scheme Participant and must not be dealt with at law or equity without the prior written consent of the Responsible Entity.
- (b) Any purported dealing in contravention of clause 9.5(a) is invalid.

#### **9.6. Further action**

The Responsible Entity must do all things and execute all further documents necessary or expedient to give full effect to the Scheme and the transactions contemplated by it.

Executed as a **Deed Poll**:

**EXECUTED** by **Pinnacle Fund Services** )  
**Limited** (ACN 082 494 371) as )  
responsible entity of the **Antipodes** )  
**Global Shares (Quoted Managed Fund)** )  
(ARSN **625 560 269**) in accordance with )  
section 127 of the Corporations Act: )  
)



\_\_\_\_\_  
Director/Secretary



\_\_\_\_\_  
Director

Ian Macoun  
\_\_\_\_\_  
Name (please print)

Calvin Kwok  
\_\_\_\_\_  
Name (please print)

## ANNEXURE E NOTICE OF SCHEME MEETING

ANTIPODES GLOBAL INVESTMENT COMPANY LIMITED  
(ACN 612 843 517)

### Notice of Court ordered Meeting of Antipodes Global Investment Company Limited Shareholders

Notice is given that, by an Order of the Federal Court of Australia (**Court**) made on 20 October 2021 under section 411(1) of the Corporations Act, the Court has directed that a meeting of the holders of fully paid ordinary shares of APL be held virtually (online only) at 11am (Sydney time) on 24 November 2021.

The Court has also directed that Jonathan Trollip or, if he is unable or unwilling to participate in the virtual (online only) meeting, Christopher Cuffe, act as Chairman of the meeting.

#### 1. PURPOSE OF THE MEETING

The purpose of the meeting is to consider and, if thought fit, to agree (with or without any alterations or conditions agreed to in writing between APL and the Responsible Entity or any alterations or conditions required by the Court to which APL and the Responsible Entity agree) to a scheme of arrangement proposed to be made between APL and the holders of its ordinary shares (**Scheme**).

A copy of the Scheme and a copy of the Explanatory Statement required by section 412 of the Corporations Act in relation to the Scheme are contained in the Scheme Booklet of which this notice forms part.

#### 2. RESOLUTION

*"That, pursuant to and in accordance with section 411 of the Corporations Act, the members agree to the scheme of arrangement proposed between Antipodes Global Investment Company Limited and the holders of its fully paid ordinary shares (as contained in and more particularly described in the Scheme Booklet of which the notice convening this meeting forms part, with or without any alterations or conditions agreed or any alterations or conditions required by the Court), subject to approval of the Scheme by the Court, authorise the Board of Directors of APL to Implement the Scheme with any such alterations or conditions."*

By order of the Court

Calvin Kwok  
Company Secretary  
22 October 2021

### 3. GENERAL

- (a) Capitalised words and phrases contained in this Notice of Meeting (including the proposed resolution) have the same meaning as set out in the Glossary in Section 13 of the Scheme Booklet, of which this Notice forms part.
- (b) This notice should be read in conjunction with the entire Scheme Booklet of which this notice forms part. The Scheme Booklet contains important information to assist you in determining how to vote on the proposed Scheme Resolution. The Scheme Booklet includes a copy of the Scheme (refer ANNEXURE C) and a copy of the explanatory statement required by section 412 of the Corporations Act in relation to the Scheme (the explanatory statement being all Sections of this Scheme Booklet, other than Section 12, ANNEXURE F and this ANNEXURE E).

### 4. VOTING ENTITLEMENTS

For the purposes of the Scheme Meeting, only those persons registered in the Share Register as a holder of APL Shares at 7.00pm (Sydney time) on 22 November 2021 are entitled to participate and vote at the virtual (online only) Scheme Meeting in respect of each APL Share held by them at that time, either personally, by proxy or attorney or, in the case of an APL Shareholder or proxy who is a corporation, by corporate representative.

### 5. REQUIRED VOTING MAJORITY

- (a) The resolution to approve the Scheme is subject to approval by the majorities required under section 411(4)(a)(ii) of the Corporations Act.
- (b) The resolution to approve the Scheme must be approved by:
  - (i) unless the Court orders otherwise, a majority in number (more than 50%) of holders of APL Shareholders present and voting at the Scheme Meeting (whether personally, by proxy, attorney or, in the case of an APL Shareholder or a proxy who is a corporation, by corporate representative); and
  - (ii) at least 75% of the total number of votes which are cast at the Scheme Meeting by APL Shareholders (personally or by proxy, attorney, or in the case of an APL Shareholder or a proxy who is a corporation, corporate representative).
- (c) The vote at the Scheme Meeting will be conducted by poll.

### 6. COURT APPROVAL

- (a) In accordance with section 411(4)(b) of the Corporations Act, to become Effective, the Scheme (with or without any alterations or conditions agreed between APL and the Responsible Entity or any alterations or conditions required by the Court to which APL and the Responsible Entity agree) must also be approved by an order of the Court and an office copy of the orders must be lodged with ASIC.
- (b) If the Scheme is approved by the requisite majorities of APL Shareholders at the Scheme Meeting, APL intends to apply to the Court for orders approving the Scheme.

### 7. HOW TO VOTE

APL Shareholders who are entitled to vote at the Scheme Meeting may vote:

- (a) by participating in the virtual (online only) meeting and voting personally, or by appointing an attorney to participate in the virtual meeting and vote on their behalf or, in the case of an APL Shareholder or proxy who is a corporation, a corporate representative to attend the meeting and vote on its behalf; or
- (b) by appointing a proxy to participate and vote on their behalf, using the Scheme Meeting Proxy Form accompanying this notice or by appointing a proxy online. A proxy may be an individual or a body corporate.

### 8. JOINTLY HELD APL SHARES

If you hold APL Shares jointly with one or more other persons, only one of you may vote. If more than one of you attempts to vote in person at the Scheme Meeting, only the vote of the holder whose name appears first on the Share Register will be counted.



## 9. PROXIES

- (a) An APL Shareholder entitled to attend and vote at this Scheme is entitled to appoint not more than two proxies to attend and vote in their place. A proxy does not need to be an APL Shareholder. If an APL Shareholder appoints two proxies, the APL Shareholder may specify the proportion or number of votes each proxy is entitled to exercise. If no proportion or number of votes is specified, each proxy may exercise half of the APL Shareholder's votes. If the specified proportion or number of votes exceeds that which the APL Shareholder is entitled to, each proxy may exercise half of the APL Shareholder's votes. Any fractions of votes brought about by the apportionment of votes to a proxy will be disregarded.
- (b) Proxies can be appointed in one of three ways:
  - (i) Online through the Registry's website at <https://www.votingonline.com.au/apl2021>;
  - (ii) By posting or delivering the Proxy Form by hand to the Registry (addresses below);
  - (iii) By faxing the Proxy Form to the Registry (fax number below).
- (c) Proxy Forms must be received by the Registry and all online proxy appointments must be completed no later than 11am (Sydney time) on 22 November 2021.
- (d) Registry address details for the return of Proxy Form is provided with this Notice:

**Hand deliveries:**

Boardroom Pty Limited  
Level 12  
225 George Street  
Sydney NSW 2000

**Postal address:**

Boardroom Pty Limited  
GPO Box 3993  
Sydney NSW 2001

**Fax number:**

+612 9279 0664

## 10. ADVERTISEMENT

Where this notice of meeting is advertised unaccompanied by the Scheme Booklet, a copy of the Scheme Booklet can be obtained by anyone entitled to participate in the Scheme Meeting from APL's website <https://antipodespartners.com/scheme> or by contacting the Registry.

## ANNEXURE F NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the 2021 Annual General Meeting (**2021 AGM**) of Antipodes Global Investment Company Limited ABN 38 612 843 517 (**Company**) will be held virtually at 11am (Sydney), 24 November 2021.

To facilitate APL Shareholder participation, the Chair will open and immediately adjourn the 2021 AGM until after the Scheme Meeting has concluded. Accordingly, the business of the 2021 AGM will be considered after the Scheme Meeting has been closed. APL Shareholders will **not** need to exit the Scheme Meeting and follow a separate link in order to attend the 2021 AGM.

### 1. ORDINARY BUSINESS

#### Consideration of financial statements and reports

To receive the financial statements, Directors' Report and Auditor's Report of the Company for the financial year ended 30 June 2021.

There is no requirement for Shareholders to approve these reports.

#### Resolution 1: Adoption of the Remuneration Report

To consider and, if thought fit, to pass the following resolution:

*"That the Remuneration Report of the Company for the financial year ended 30 June 2021 be adopted."*

#### Resolution 2: Re-election of Lorraine Berends as a director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*"That Mrs Lorraine Berends, who retires by rotation in accordance with rule 6.7 of the Company's Constitution and, being eligible, offers herself for re-election, be re-elected as a director of the Company."*

#### Resolution 3: Re-election of Andrew Findlay as a director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

*"That Mr Andrew Findlay, who retires by rotation in accordance with rule 6.7 of the Company's Constitution and, being eligible, offers himself for re-election, be re-elected as a director of the Company."*

## 2. MEETING ATTENDANCE

APL Shareholders and proxyholders can attend the 2021 AGM, as well as vote and ask questions during the 2021 AGM via the online platform. To do this, a computer or mobile/tablet device with internet access will be required.

**Computer** – enter the following URL in your browser: <https://web.lumiagm.com/367-380-709>

You will need the following information to access the 2021 AGM:

- **2021 AGM meeting ID:** 367-380-709
- **Voting Access Code:** located on your Proxy Form or notification email for the Scheme Meeting and 2021 AGM which will be sent to you; and
- **Your password:** your postcode registered on your holding if you are an Australian shareholder. Overseas shareholders, please refer to the Online Voting User Guide which is available at <https://boardroomlimited.com.au/agm/apl2021>.

**Proxyholders:** You will need your proxy log in details to participate. Please contact Boardroom before the 2021 AGM on 1300 721 637 (within Australia) or +61 2 8023 5428 (outside of Australia) or send an email Boardroom at [proxy@boardroomlimited.com.au](mailto:proxy@boardroomlimited.com.au) to obtain details.

More information about how to use the online platform is set out in the Online Voting User Guide, which is available at <https://boardroomlimited.com.au/agm/apl2021>.

## 3. VOTING INFORMATION

### 3.1. Entitlement to vote

In accordance with section 1074E(2)(g)(i) of the *Corporations Act 2001* (Cth) and regulation 7.11.37 of the Corporations Regulations, the Company has determined that for the purposes of the meeting, all shares in the capital of the Company will be taken to be held by the persons who held them as registered holders at 7.00pm (Sydney time) on 22 November 2021. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the 2021 AGM.

### 3.2. Voting by Poll

The Chair intends to put all resolutions to a poll at the 2021 AGM. Voting results on the resolutions that are put to the meeting (including the relevant proxy votes) will be announced to the ASX as soon as practicable after the meeting.

### 3.3. Proxies

An APL Shareholder entitled to attend and vote at this 2021 AGM is entitled to appoint not more than two proxies to attend and vote in their place. A proxy does not need to be an APL Shareholder. If an APL Shareholder appoints two proxies, the APL Shareholder may specify the proportion or number of votes each proxy is entitled to exercise. If no proportion or number of votes is specified, each proxy may exercise half of the APL Shareholder's votes. If the specified proportion or number of votes exceeds that which the APL Shareholder is entitled to, each proxy may exercise half of the APL Shareholder's votes. Any fractions of votes brought about by the apportionment of votes to a proxy will be disregarded.

Proxies can be appointed in one of three ways:

- Online through the Registry's website at <https://www.votingonline.com.au/apl2021>;
- By posting or delivering the Proxy Form by hand to the Registry (addresses below);
- By faxing the Proxy Form to the Registry (fax number below).

Proxies must be received by the share registry no later than 11am (Sydney time) on 22 November 2021.

<b>Hand deliveries to our Registry:</b>	Boardroom Pty Limited Level 12 225 George Street Sydney NSW 2000
<b>Fax number:</b>	+61 2 9290 9655

#### **4. OPTIONAL QUESTION FOR THE CHAIRMAN OR AUDITOR**

We aim to provide APL Shareholders an opportunity to ask questions about the Company and its external auditor at the 2021 AGM.

If you would like to ask a question, we encourage you to submit questions in advance by emailing [enquiries@boardroomlimited.com.au](mailto:enquiries@boardroomlimited.com.au).

#### **5. BY ORDER OF THE APL BOARD**

Calvin Kwok  
Company Secretary  
22 October 2021



# Antipodes Global Shares (Quoted Managed Fund)

ARSN: 625 560 269 ASX code: AGX1

## Product Disclosure Statement

Dated: 16 September 2021

Issued by: Pinnacle Fund Services Limited  
ABN 29 082 494 362 AFSL 238371

### Important information

This Replacement Product Disclosure Statement ('**PDS**') provides a summary of significant information you need to make a decision about units ('**Units**') in the Antipodes Global Shares (Quoted Managed Fund) ARSN 625 560 269 ('**Fund**'). This PDS replaces the Product Disclosure Statement dated 16 October 2018. You can access the PDS on the internet at [www.antipodespartners.com](http://www.antipodespartners.com) or call Antipodes Partners Limited ('**Antipodes**', '**the Investment Manager**') on 1300 010 311 for a copy. A copy of this PDS was lodged with both the Australian Securities & Investments Commission and ASX Limited on or around 16 September 2021. No responsibility as to the contents of this PDS is taken by ASIC or ASX or their respective officers.

The information in this PDS is general information only and does not take into account your individual objectives, personal financial situation or needs. We strongly recommend that you consult a licensed financial adviser to obtain financial advice that is tailored to suit your personal circumstances.

The investment offered in this PDS is available only to persons receiving this PDS (electronically or in hard copy) within Australia and New Zealand. Units in the Fund may not be offered or sold within the US, or sold to, or for the account or benefit of, any '**US Persons**' (defined in Regulation S of the US Securities Act 1933, as amended).

All monetary amounts referred to in this PDS are given in Australian dollars and all phone/fax numbers are to phone/fax numbers in Australia (unless otherwise stated).

### Updated information

The information in this PDS may change over time. Pinnacle Fund Services Limited may update this information where this does not involve a material adverse change and make it available to you, where permitted by law, via Antipodes' website [www.antipodespartners.com](http://www.antipodespartners.com). You can also obtain updated information by contacting Antipodes. A paper copy of any updated information is available free on request.

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# 1. Key Information Summary

## A. About Pinnacle Fund Services Limited

### Pinnacle Fund Services Limited

Pinnacle Fund Services Limited ABN 29 082 494 362 ('**Responsible Entity**', '**we**', '**our**', '**us**') is the responsible entity of the Antipodes Global Shares (Quoted Managed Fund) ('**Fund**').

Pinnacle Fund Services Limited is wholly owned by Pinnacle Investment Management Limited ABN 66 109 659 109 ('**Pinnacle**'). Pinnacle supports the development of high quality investment management businesses and is the distributor of the Fund.

### Antipodes Partners Limited

The Responsible Entity has appointed Antipodes Partners Limited ABN 29 602 042 035 AFSL 481580 ('**Antipodes**', '**the Investment Manager**'), to manage the assets of the Fund.

Antipodes is a global asset manager offering a pragmatic value approach across long only and long-short strategies. It aspires to grow client wealth over the long-term by generating absolute returns in excess of the benchmark at below market levels of risk. Antipodes seeks to take advantage of the market's tendency for irrational extrapolation, identify investments that offer a high margin of safety and build high conviction portfolios with a capital preservation focus. Antipodes is majority owned by its seasoned investment team and its performance culture is underpinned by sensible incentives, a focused offering and the outsourcing of non-investment functions to maximise focus on investing.

### Antipodes Global Shares (Quoted Managed Fund)

Neither the Responsible Entity nor the Investment Manager guarantees the performance of the Fund or the return of capital or income. Your investment in the Fund is subject to investment risk. This could involve delays in repayment and loss of income or the principal invested.

As responsible entity, Pinnacle Fund Services Limited is responsible for overseeing the operations of the Fund. As the investment manager, Antipodes is responsible for selecting and managing the assets of the Fund. For more information on the Fund's investments, see 'The Antipodes Global Shares (Quoted Managed Fund)' in Section 3.

In addition, the Responsible Entity may provide liquidity to investors on the ASX AQUA market by acting as a buyer and seller of Units. The Responsible Entity has appointed a market participant to act as its agent to execute its market making activities.

## B. The Antipodes Global Shares (Quoted Managed Fund)

<b>Fund name</b>	Antipodes Global Shares (Quoted Managed Fund)
<b>ARSN</b>	625 560 269
<b>Responsible Entity</b>	Pinnacle Fund Services Limited ABN 29 082 494 362 AFSL 238371 Level 19, 307 Queen Street Brisbane QLD 4000 Australia
<b>Investment Manager</b>	Antipodes Partners Limited ABN 29 602 042 035 AFSL 481580 <a href="http://www.antipodespartners.com">www.antipodespartners.com</a>
<b>Unit Registry</b>	Automic Pty Limited trading as Automic
<b>Auditor</b>	PricewaterhouseCoopers (' <b>PWC</b> ')
<b>About the Fund</b>	<p>The Fund is an Australian registered managed investment scheme. The Fund typically invests in a select number of attractively valued companies listed on global share markets (usually a minimum of 30 holdings) In the absence of finding individual securities that meet Antipodes' investment criteria, cash may be held.</p> <p>The Fund is also permitted to utilise exchange traded derivatives for risk management purposes and to achieve equity exposure. Derivative use is subject to the specific restrictions that such instruments cannot be used to gear portfolio exposure and that the underlying effective face value is limited to 10% of the net asset value of the Fund (unless used to manage currency risk).</p> <p>Currency exposure will generally reflect the currency of the underlying securities. However, where the Investment 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 portfolio's currency</p>



	<p>exposure. Currency hedging is subject to the specific restriction that such derivatives cannot be used to gear portfolio exposure.</p> <p>The Fund will not engage in short selling.</p> <p>For more information on the Fund's investments and investment strategy, see Sections 3 and 4.</p>
<b>Investment objective</b>	The Fund aims to outperform the MSCI All Country World Net Index in AUD (' <b>Benchmark</b> ') over the investment cycle (typically 3-5 years).
<b>Significant benefits</b>	<p>Investing in the Fund offers investors a range of benefits, including:</p> <ul style="list-style-type: none"> <li>the ability to trade Units on the ASX during normal ASX trading hours;</li> <li>the ability to track the performance of the Units on the ASX in a transparent manner;</li> <li>access to Antipodes' well-resourced and experienced team which manages the Fund using a disciplined investment approach aimed at delivering attractive long-term returns;</li> <li>long-term alignment between the Investment Manager and investors in the Fund due to Antipodes being majority owned by its investment team with a performance culture underpinned by sensible incentives;</li> <li>prudent risk management; and</li> <li>participation in any capital appreciation and income distributions of the Fund.</li> </ul>
<b>Investor profile</b>	<p>The Fund is not suited to investors who:</p> <ul style="list-style-type: none"> <li>expect returns to mirror or better an index at all times;</li> <li>expect to make significant short-term gains. The minimum suggested investment period for the Fund is five or more years; or</li> <li>cannot tolerate that there may be substantial fluctuations in the value of their investment. Equity markets are volatile, and fluctuations will occur in the value of your investment in the Fund.</li> </ul>
<b>Risks</b>	<p>All investments are subject to risk.</p> <p>The significant risks associated with the Fund are described in Section 5 of this PDS.</p>
<b>Net asset value</b>	<p>The assets of the Fund are valued by the administrator. In normal market conditions, the net asset value ('<b>NAV</b>') of the Fund is calculated on each Business Day in accordance with the Fund's Constitution. In abnormal market conditions, the NAV will be calculated and published when the Responsible Entity determines in its discretion that the published NAV accurately reflects the NAV at the relevant time.</p> <p>The NAV per Unit is calculated by dividing the NAV of the Fund by the number of Units on issue in the Fund. An indicative NAV per Unit ('<b>iNAV</b>') will be published by the Fund throughout the ASX Trading Day.</p>
<b>Distributions</b>	<p>Distributions will generally be made annually at 30 June. The Responsible Entity also has the discretion to make interim distributions during the financial year. Distributions will be reinvested in the Fund unless an Investor elects otherwise.</p> <p>For more information on Distributions, see Section 6.</p>
<b>Entering and exiting the Fund</b>	<p>Investors can enter and exit the Fund by buying and selling Units on the ASX in the same way as other ASX quoted securities. The price at which Investors enter and exit the Fund will be the price at which they buy or sell the Units on the ASX.</p> <p>Investors may also be able to make an off-market request to withdraw their investment from the Fund where trading in the Units on the ASX has been suspended for five consecutive Business Days, subject to the Constitution.</p>
<b>Market liquidity</b>	<p>Investors can buy Units from, and sell Units to, other investors in the secondary market in the same way as other ASX quoted securities.</p> <p>The Responsible Entity, on behalf of the Fund, may provide liquidity to investors on the ASX by acting as a buyer and seller of Units. The Responsible Entity has appointed a market participant to act as its agent to execute its market making activities ('<b>Market Making Agent</b>').</p>
<b>Fees and other costs</b>	Investment management fee of 1.10% per annum plus a performance fee of 15% of relative outperformance. For more information on Fees and other costs of the Fund, see Section 7.
<b>Cooling off</b>	Cooling off rights do not apply to Units traded on the ASX under the AQUA Rules. A complaints handling process has been established by the Responsible Entity.

<b>Transaction confirmation</b>	Investors buying or selling Units in the Fund on the ASX will receive transaction confirmations from their stockbroker.
<b>General information and updates</b>	Further information, including any updates issued by the Responsible Entity and other statutory reports, can be found at <a href="http://www.antipodespartners.com">www.antipodespartners.com</a>

## C. Contact details

<b>Telephone</b>	1300 010 311
<b>Email</b>	<a href="mailto:invest@antipodespartners.com">invest@antipodespartners.com</a>
<b>Address</b>	PO Box R1313 Royal Exchange NSW 1225 Australia

## 2. About AQUA Rules and CHESS

An application has been made to the ASX for the Units in the Fund to be admitted to trading status under the AQUA Rules framework. As at the date of this PDS, the Units are not yet quoted on the ASX. Once quoted, the Units will be quoted under the AQUA Rules, not the ASX Listing Rules. The AQUA Rules are accessible at [www.asx.com.au](http://www.asx.com.au)

The following table sets out the key differences between the ASX Listing Rules and the AQUA Rules.

Requirement	ASX Listing Rules	AQUA Rules
<b>Continuous disclosure</b>	Issuers are subject to continuous disclosure requirements under ASX Listing Rule 3.1 and section 674 of the Corporations Act 2001 (Cth) ('Corporations Act').	<p>Issuers of products quoted under the AQUA Rules <b>are not subject</b> to the continuous disclosure requirements in ASX Listing Rule 3.1 and section 674 of the Corporations Act.</p> <p>The Responsible Entity will comply with the disclosure requirements in section 675 of the Corporations Act. This means that the Responsible Entity will disclose to ASIC information which is not generally available and that a reasonable person would expect, if the information were generally available, to have a material effect on the price or value of the Units, provided that such information has not already been included in this PDS (as supplemented or amended). The Responsible Entity will publish such information on the ASX market announcements platform and on Antipodes' website at <a href="http://www.antipodespartners.com">www.antipodespartners.com</a> at the same time as it is disclosed to ASIC.</p> <p>Under AQUA Rule 10A.4, the Responsible Entity must also disclose:</p> <ul style="list-style-type: none"> <li>information about the NAV of the Fund daily;</li> <li>information about redemptions from the Fund;</li> <li>information about distributions paid in relation to the Fund;</li> <li>any other information which is required to be disclosed to ASIC under section 675 of the Corporations Act; and</li> <li>any other information that would be required to be disclosed to the ASX under section 323DA of the Corporations Act if the Units were admitted under the ASX Listing Rules.</li> </ul> <p>In addition, under the AQUA Rules the Responsible Entity must immediately notify the ASX of any information the non-disclosure of which may lead to the establishment of a false market in the Units or which would be likely to materially affect the price of the Units.</p>
<b>Periodic disclosure</b>	Issuers <b>are required</b> to disclose half-yearly and annual financial information and reports to the ASX market announcements platform	<p>Issuers of products quoted under the AQUA Rules <b>are not required</b> to disclose half-yearly or annual financial information or reports to the ASX market announcements platform.</p> <p>The Responsible Entity is required to lodge financial information and reports in respect of the Fund with ASIC under Chapter 2M of the Corporations Act.</p>
<b>Corporate governance</b>	Listed companies and listed managed investment schemes <b>are subject</b> to notification requirements under the Corporations Act and the ASX Listing Rules relating to takeover bids, buy-backs, change of capital, new issues, restricted securities, disclosure of directors' interests and substantial shareholdings.	<p>Although the Units are intended to be quoted under the AQUA Rules, neither the Fund nor the Responsible Entity itself are listed on the ASX and therefore they <b>are not subject</b> to certain corporate governance requirements.</p> <p>The Responsible Entity will still be required to comply with the related party requirements in Part 5C.7 and Chapter 2E of the Corporations Act, and with section 601FM of the Corporations Act including that the Responsible Entity may be removed by an extraordinary resolution of members on which the Responsible Entity would not be entitled to vote.</p>
<b>Related party transactions</b>	Chapter 10 of the ASX Listing Rules relates to transactions between an entity and a person in a position to influence the entity and sets out controls over related party transactions.	Chapter 10 of the ASX Listing Rules <b>does not apply</b> to AQUA Rules quoted products. The Responsible Entity will still be required to comply with the related party requirements in Part 5C.7 and Chapter 2E of the Corporations Act.
<b>Auditor rotation obligations</b>	Division 5 of Part 2M.4 of the Corporations Act imposes specific rotation obligations on auditors of	Issuers of products quoted under the AQUA Rules <b>are not subject</b> to the auditor rotation requirements in Division 5 of Part 2M.4 of the

<b>Investor diversification and spread Requirements</b>	listed companies and listed managed investment schemes.	Corporations Act.  An auditor will be appointed by the Responsible Entity to audit the financial statements and compliance plan of the Fund.
	There are requirements under the ASX Listing Rules that issuers satisfy certain minimum spread requirements (i.e. a minimum number of holders each having a minimum parcel size).	These requirements do not apply to AQUA Product issuers. Under the AQUA Rules, unless and until a suitable spread of holders is achieved, an AQUA Product issuer must ensure a reasonable bid and volume is maintained for the AQUA Product on the ASX except in permitted circumstances or have in place other arrangements which meet ASX's requirements for providing liquidity, generally through the appointment of a Market Making Agent.

## About CHESS

The Unit Registry participates in the Clearing House Electronic Sub-register System ('**CHESS**'). CHESS is a fast and economical clearing and settlement facility which also provides an electronic sub-register service. The Unit Registry has established and will maintain an electronic sub-register with CHESS on behalf of the Responsible Entity.

The Responsible Entity will not issue Investors with certificates in respect of their Units. Instead, when Investors purchase Units on the ASX they will receive a holding statement from the Unit Registry which will set out the number of Units they hold. The holding statement will specify the "Holder Identification Number" or "Shareholder Reference Number" allocated by CHESS.

Subject to ASX Operating Rules and the ASX Listing Rules, the Responsible Entity may decline to register a purchaser of a Unit or Units.

### 3. The Antipodes Global Shares (Quoted Managed Fund)

<b>The Fund's investment objective</b>	The Fund aims to outperform the Benchmark over the investment cycle (typically 3-5 years). <sup>1</sup>
<b>The Fund's investments</b>	<p>The Fund typically invests in a select number of attractively valued companies listed on global share markets (usually a minimum of 30 holdings). In the absence of finding individual securities that meet Antipodes' investment criteria, cash may be held.</p> <p>The Fund is also permitted to utilise exchange traded derivatives for risk management purposes and to achieve equity exposure, without holding the physical securities. Derivative use is subject to the specific restrictions that such instruments cannot be used to gear portfolio exposure and that the underlying effective face value is limited to 10% of the net asset value of the Fund (unless used to manage currency risk).</p> <p>The Fund will only use derivatives in the following three scenarios:</p> <ul style="list-style-type: none"> <li>(a) for the dominant purpose of managing foreign exchange or interest rate risk;</li> <li>(b) for the dominant purpose of more efficiently gaining an economic exposure, through the use of exchange-traded derivatives, to the underlying reference assets of those derivatives, but only on a temporary basis (i.e. for a period of less than 28 days, which cannot be extended by rolling over or replacing the derivative); or</li> <li>(c) use of exchange-traded derivatives, provided the notional derivatives exposure of the Fund does not exceed 10% of its net asset value (unless the exposure is attributable to circumstances that were not reasonably foreseeable by the Responsible Entity, such as unforeseen market movements or large redemption requests, and the exposure is for a period of no more than three consecutive Business Days).</li> </ul> <p>These three exceptions operate independently of each other. For example, where the Fund uses exchange-traded derivatives for the dominant purpose of managing foreign exchange or interest rate risk, this does not count towards the 10% notional derivatives exposure limit for exchange-traded derivatives in accordance with ASIC Regulatory Guide 240.</p> <p>Currency exposure will generally reflect the currency of the underlying securities. However, where the Investment 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 portfolio's currency exposure. Currency hedging is subject to the specific restriction that such derivatives cannot be used to gear portfolio exposure.</p> <p>The Fund will not engage in short selling.</p>
<b>Minimum suggested investment timeframe</b>	5 years
<b>The Fund's income distribution</b>	Distributions will generally be made annually at 30 June. The Responsible Entity also has the discretion to make interim distributions during the financial year.
<b>Date the Fund was established</b>	29 March 2018

<sup>1</sup> The investment objective is expressed before the deduction of management fees, expense recoveries and taxation, i.e. performance is measured relative to the Fund's benchmark before fees and costs and taxes are deducted. See section 7 for details on fees and costs and section 9 for details on taxation. The investment objective is not intended to be a forecast. It is only an indication of what the investment strategy aims to achieve over the medium to long term, assuming financial markets remain relatively stable during that time. The Fund may not achieve its investment objective. Returns are not guaranteed.

## 4. How Antipodes invests

### Antipodes' investment philosophy

Antipodes believes that equity investment returns are primarily a function of:

- economic performance of the business and the resilience of this performance; and
- price paid or starting valuation at the time of purchase.

Antipodes seeks to mitigate the risk of permanent loss of capital and/or unforeseen downside volatility by:

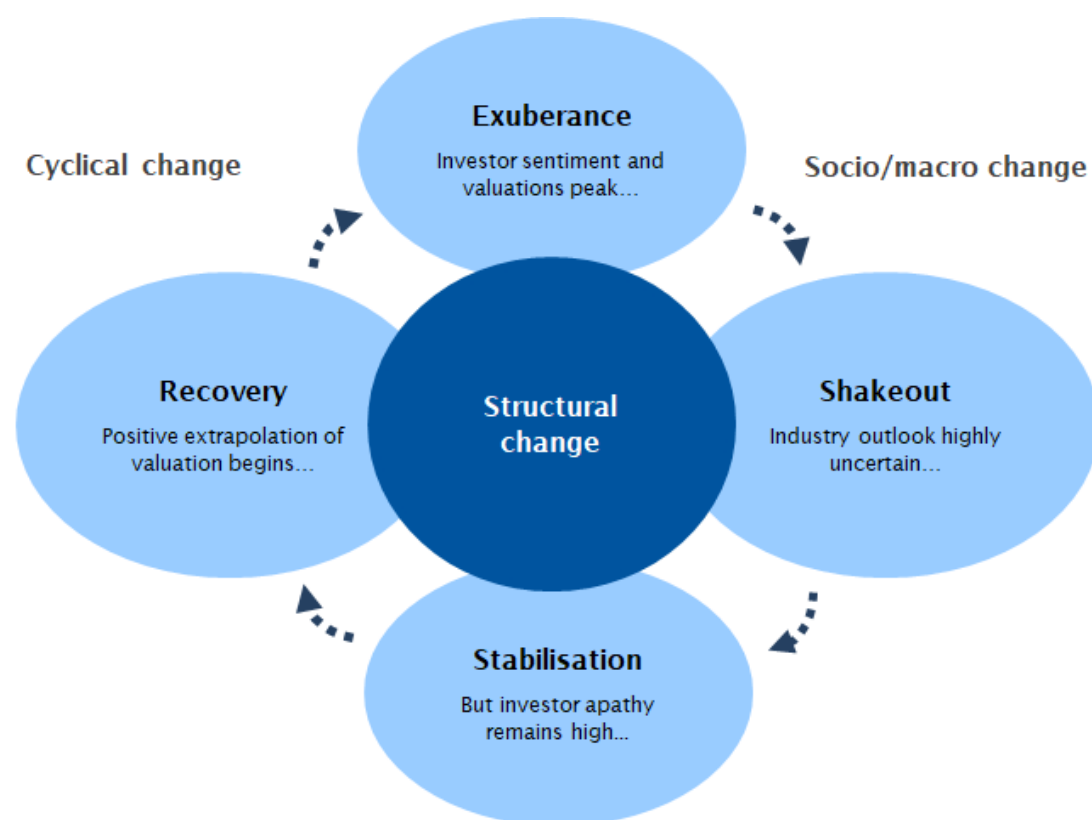
- ensuring the price paid for a stock represents a discount to intrinsic value, and
- developing a deep understanding of each stock within the context of the broader portfolio.

Through this lens of risk and return, Antipodes' investment philosophy focuses on the below opportunity sets.

#### Cyclical-structural continuum of opportunity

Business resilience is determined by the degree and sustainability of competitive advantage since excess returns may result in new competition, technological disruption, greater regulation and management missteps. In the long-term, all businesses succumb to changes in the operating environment as depicted below in the Antipodes Capital Lifecycle Model ©.

A cyclical opportunity relates to mean reversion (i.e. a return to the average) in profitability and valuations around the business cycle. A structural opportunity relates to volatile change in situations where most investors expect incremental or cyclical change.



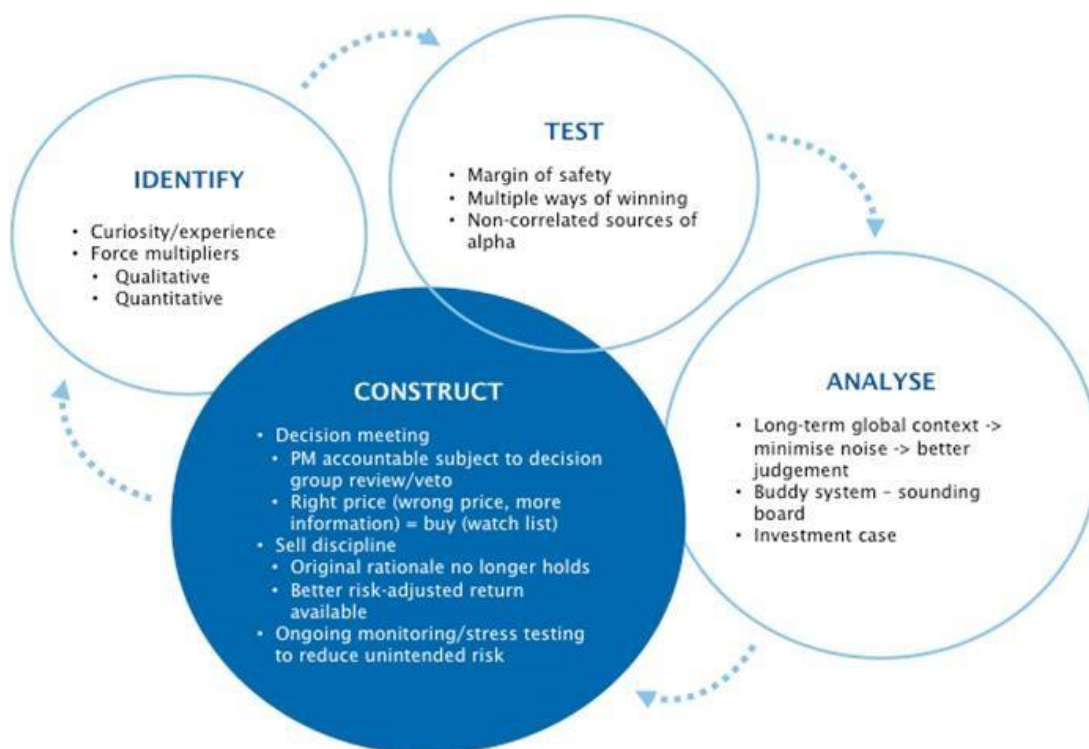
#### Socio/macroeconomic opportunity

Global investing involves exposure to the socio/macroeconomic risks inherent in foreign jurisdictions (including foreign currency risks). Antipodes' socio/macroeconomic framework seeks to address:

- socio/macroeconomic factors when evaluating an individual company's prospects, e.g. relative attractiveness of exporters versus domestic exposures, health of the institutional environment, etc.; and
- currency risk that arises from stock selection.

## Antipodes' investment approach

Antipodes' investment approach in practice can be broken down into four iterative steps as follows:



### Identify

Antipodes' utilises a variety of quantitative and qualitative inputs combined with many years of experience to generate ideas. As part of this process, "force multipliers" play an important role in focusing team resources and these take two basic forms:

- quantitative filters including stock, sector and geographic level screening for extreme expressions of consensus or neglect, correlation cluster identification and consideration & stocks within a multi-asset based long-term valuation and return context; and,
- qualitative input/signals including research, corporate/industry contact, institutional environment change, corporate environment change, neglected themes/companies, statements regarding value & market dislocations such as natural disaster-based panic selling.

### Test

Any investment team, regardless of its size, represents a scarce resource relative to the opportunity set and should be managed as such. Once an opportunity has been identified, Antipodes performs an initial reality check before committing a large amount of research resource. This check will focus on three key areas:

- margin of safety (that is, the investment represents a discount to intrinsic value);
- multiple ways of winning, whereby investment results are realisable by way of more than a single idiosyncratic or market outcome; and,
- context within existing portfolio, given Antipodes' desire for non-correlated sources of alpha, characterised by investment ideas which have unrelated market factors driving performance.

### Analyse

Antipodes' broad approach is fundamental research within a global context. It strives to ignore short-term noise with the goal of improving its longer-term judgement. Further, team alignment results in a naturally collaborative culture. To maximise the benefits of peer review without diluting overall team focus, a system is employed where each major research project has a lead analyst, but is supported by a secondary analyst, who acts as a sounding board and protects against confirmation bias and investment case drift. Antipodes believes this both strengthens the research process and allows for earlier identification of flaws in the investment case.

### Construct

Antipodes' goal is to maximise risk-adjusted returns over the investment cycle (typically 3-5 years). Antipodes seeks to build portfolios from high conviction ideas (asymmetric risk-return payoff) that also represent non-correlated sources of alpha. In practice, portfolios are built based on the following principles.

- For a given level of expected investment risk, position size is determined by expected return or margin of safety.
- An optimised portfolio to minimise downside volatility, with correlated sources of alpha typically limited to less than 15% of the portfolio.

- Exposure limits applied including:
  - A single stock limit of 7.0%; and,
  - The top 10 positions will typically account for 25% to 35% of the portfolio and the top 30 positions 60% to 80%, with the remaining held across smaller positions, typically numbering around 30.
- When Antipodes see a high risk of losing money on an underlying currency exposure, the Fund's currency exposure may be hedged into an appropriately undervalued currency.
- In the absence of finding individual securities that meet Antipodes' investment criteria, and at the manager's discretion, cash may be held.
- Reduction in the level of unknown portfolio risk by calculating various style factor exposures (e.g. growth, momentum, small cap) and stress testing.

## Labour standards, environmental, social and ethical considerations

Antipodes applies environmental, social (including labour standards) and corporate governance ('ESG') considerations when selecting, retaining or realizing investments in the Fund. However, it does not apply any specific methodology to measure individual companies with respect to their ESG standing. In reviewing a company, it may look to engage with the company and influence its thinking with respect to these matters and where Antipodes believes the company has demonstrated willful disregard for ESG principles, it may choose to avoid or divest.

## Changes to Fund details

We have the right to change the Fund's investment return objective, benchmark, asset classes and asset allocation ranges and currency strategy (if any), without prior notice.

We will inform investors of any material change to the Fund's details via Antipodes' website [www.antipodespartners.com](http://www.antipodespartners.com), or as otherwise required by law.



## 5. Risks of investing in the Fund

This section provides investors with disclosure that is relevant to the Fund. All investments carry risk. The likely investment return and the risk of losing money is different for each managed investment scheme as different strategies may carry different levels of risk depending on the portfolio of assets that make up the scheme. Those assets with potentially higher long-term returns may also have a higher risk of losing money in the shorter term. Please consult with a licensed financial adviser to determine your own risk/reward profile.

Due to uncertainty in all investments, there can be no assurance that the Fund will achieve its investment objectives. The value of your units at any point in time may be worth less than your original investment even after taking into account the reinvestment of Fund distributions. Future returns may differ from past returns and past performance is not a reliable guide to future performance. Returns are not guaranteed, and you may lose some or all of your money.

None of the Responsible Entity, Pinnacle, Antipodes, their directors, associates nor any of their related bodies corporate (as defined in the Corporations Act) guarantee the success of the Fund, the repayment of capital or any particular rate of capital or income return. Investments in the Fund are not guaranteed or underwritten by the Responsible Entity, Pinnacle or Antipodes or any other person or party and you may lose some or all of your investment.

Risks can be managed but cannot be completely eliminated. It is important to understand that:

- the value of your investment will go up and down;
- investment returns will vary, and future returns may be different from past returns;
- returns are not guaranteed and there is always the chance that you may lose money on any investment you make; and
- laws affecting your investment in a managed investment scheme may change over time.

The appropriate level of risk for you will depend on a range of factors including your age, investment time frame, where other parts of your wealth are invested and your risk tolerance.

Some of the risks associated with an investment in the Fund and how Antipodes manages those risks are listed below.

Risk	Definition
<b>ASX liquidity risk</b>	The liquidity of trading in the Units on the ASX may be limited. This may affect an investor's ability to buy or sell Units. Investors will not be able to purchase or sell Units on the ASX during any period that ASX suspends trading of Units in the Fund. Further, where trading in the Units on the ASX has been suspended for five consecutive Business Days, the availability of the Fund's off-market redemption facility will be subject to the provisions of its Constitution.
<b>Concentration risk</b>	When investments are concentrated in a smaller number of securities than the broader market index, the unit price of the Fund may be more volatile than the return of the Benchmark. The Fund has security limits relative to the market index which aims to manage this risk by ensuring satisfactory diversification.
<b>Conflicts of interest risk</b>	<p>The Responsible Entity, its affiliates and its various service providers may from time to time act as issuer, investment manager, market maker, custodian, unit registry, broker, administrator, distributor or dealer to other parties or funds that have similar objectives to those of the Fund. It is, therefore, possible that any of them may have potential conflicts of interest with the Fund.</p> <p>The Responsible Entity and its affiliates may invest in, directly or indirectly, or manage or advise other funds which invest in assets which may also be purchased by the Fund. Neither the Responsible Entity nor any of its affiliates nor any person connected with it is under any obligation to offer investment opportunities to the Fund.</p> <p>The Responsible Entity acts as market maker to the Fund. A conflict might arise between the Fund and investors buying or selling Units from the Fund on the ASX due to the Fund's desire to benefit from its market making activities.</p> <p>The Responsible Entity maintains a conflicts of interest policy to ensure that it manages its obligations to the Fund such that all conflicts (if any) are resolved fairly.</p>
<b>Counterparty risk</b>	The risk of loss resulting from the insolvency or bankruptcy of a counterparty used by the Investment Manager to execute trades. The Responsible Entity and the Investment Manager aim to keep this risk to a minimum by only selecting counterparties that it considers appropriate for the Fund and by regularly monitoring the counterparties.
<b>Currency risk</b>	Investments in global markets or securities which are denominated in foreign currencies give rise to foreign currency exposure. This means that the value of these investments will vary depending on changes in the exchange rate. The Investment Manager will seek to manage the Fund's

	<p>currency exposure using hedging instruments (for example, foreign exchange forwards swaps, “non-deliverable” forwards, and currency options) and cash foreign exchange trades.</p>
<b>Cyber risk</b>	<p>Information relating to the operations of the Fund and investor's personal information is stored digitally and there is therefore a risk of fraud, data loss, business disruption or damage to the information of the Fund or to investors' personal information in the event of a breach of the Responsible Entity's systems or the systems of the service providers to the Fund.</p>
<b>Derivative risk</b>	<p>Investments in derivatives may cause losses associated with changes in market conditions, such as fluctuation in interest rates, equity prices or exchange rates and, changes in the value of a derivative may not correlate perfectly with the underlying asset.</p>
<b>Equity security risk</b>	<p>The Fund primarily invests in equity securities issued by listed companies. An equity security represents ownership interest held by shareholders in an entity (a company, partnership or trust), realized in the form of shares of capital stock, which includes shares of both common and preferred stock.</p> <p>A security's share price can rise and fall as a consequence of many factors including, but not limited to, economic conditions, changes in interest rates or currency rates, adverse investor sentiment, management performance, financial leverage, reduced demand for the company's products and services, or factors that affect the company's industry, including changes in regulation or taxation, as well as competitive conditions within the industry. This may result in a loss of value in the portfolio of the Fund and a change in value of your investment.</p> <p>Equity securities may make payments (regular or irregular) as dividends, and these may fluctuate significantly in their market value with the ups and downs in the economic cycle and the fortunes of the issuing firm.</p>
<b>Foreign investment risk</b>	<p>Investments in foreign companies may decline in value because of sovereign, political, economic or market instability; the absence of accurate information about the companies; risks of unfavourable government actions such as expropriation and nationalisation. Some countries may have different legal systems, taxation regimes, auditing and accounting standards with less governmental regulation and transparency. These risks may be higher when investing in emerging markets.</p>
<b>Fund risk</b>	<p>The Responsible Entity may elect, in accordance with the Constitution and Corporations Act, to terminate the Fund for any reason including if Units cease to be quoted on the ASX. Information about the AQUA Rules applicable to quotation of Units in the Fund on the ASX is set out in the 'About AQUA Rules' and 'About CHESS' section of this PDS.</p>
<b>iNAV risk</b>	<p>The iNAV published by the Fund is indicative only and might not be up to date or might not accurately reflect the underlying value of the Fund.</p>
<b>Income risk</b>	<p>The Fund may make payments (regular or irregular) as distributions, depending on the income the Fund receives from underlying assets. These may fluctuate significantly in their value with the ups and downs in the economic cycle and the fortunes of the issuing firm. Additionally, the aggregate effect of holding all assets simultaneously may result in risk due to the losses from other assets.</p>
<b>Interest rate risk</b>	<p>Changes in interest rates can influence the value and returns of investments. The Investment Manager's careful analysis of detailed research in combination with diversified holdings, aims to minimise this risk.</p>
<b>Investment risk</b>	<p>Investments in a company may decline in value because of changes in the financial condition of the company and returns on the Fund's investments may not be sufficient to meet the investment objective of the Fund. The Investment Manager's careful analysis of each company it invests in, as well as maintaining a diversified portfolio of companies, aims to minimise this risk.</p>
<b>Investment structure risk</b>	<p>There is a risk that the NAV of the Fund will fluctuate. This may be as a result of factors such as economic conditions, government regulations, market sentiment, local and international political events, pandemic outbreaks, environmental and technological issues.</p> <p>There is a risk the Fund may be removed from quotation by the ASX or terminated. ASX imposes certain requirements for the continued quotation of securities, such as the Units, on the ASX under the AQUA Rules. Investors cannot be assured that the Fund will continue to meet the requirements necessary to maintain quotation on the ASX. In addition, ASX may change the quotation requirements.</p>

<b>Liquidity risk</b>	<p>The Fund may not be able to purchase or sell a security in a timely manner or at desired prices or achieve its desired weighting in a security. The risk management guidelines adopted by the Investment Manager are designed to minimise liquidity risk through:</p> <ul style="list-style-type: none"> <li>ensuring that there is no significant exposure to illiquid or thinly traded financial instruments; and</li> </ul> <p>applying limits to ensure there is no undue concentration of liquidity risk to a particular counterparty or market.</p>
<b>Market Making Agent risk</b>	<p>The Responsible Entity has appointed a Market Making Agent to execute the Fund's market making activities and provide settlement services on behalf of the Fund. As the Market Making Agent performs its role as agent on behalf of the Fund, any profit or loss which occurs as a result of the Market Making Agent's actions is incurred by the Fund. There is a risk that the Market Making Agent could make an error in executing the Fund's market making activities. Additionally, the Fund may enter into transactions to acquire or to liquidate assets in anticipation of the Market Making Agent fulfilling its settlement processing obligations in a correct and timely manner. If the Market Making Agent does not fulfil its settlement processing obligations in a correct and timely manner, the Fund could suffer a loss.</p>
<b>Market making risk</b>	<p>The Responsible Entity acts as market maker in the Units on behalf of the Fund through the appointment of the Market Making Agent as an agent of the Responsible Entity. The Fund will bear the risk of the market making activities undertaken by the Responsible Entity on its behalf. There is a risk that the Fund could suffer a material cost as a result of these market making activities which may adversely affect the NAV of the Fund. Such a cost could be caused by either an error in the execution of market making activities or in the price at which Units are transacted on the ASX. In order to mitigate this risk, the Responsible Entity has the discretion to increase the spread at which it makes a market and also has the right to cease making a market subject to its obligations under the AQUA Rules and ASX Operating Rules. If the market becomes unstable, the Responsible Entity reserves the right to cease market making activities.</p>
<b>Market risk</b>	<p>Security prices may decline over short or extended periods due to general market conditions (e.g. economic, technological or political). The Fund's investment guidelines permit the use of derivatives and other techniques which can be employed by the Investment Manager to reduce the risk of market declines.</p>
<b>Operational risk</b>	<p>The following risks may adversely affect the Fund and its performance: the Fund could terminate, its features could change, Pinnacle Fund Services Limited may not be able to continue to act as Responsible Entity; third party service providers engaged by Pinnacle Fund Services Limited for the Fund may not properly perform their obligations and duties to the Responsible Entity; or circumstances beyond the reasonable control of the Responsible Entity may occur, such as failure of technology or infrastructure, or natural disasters.</p> <p>The Fund is also governed by the rules of the ASX and is exposed to risks of quotation on that platform, including such things as the platform or settlements process being delayed or failing. ASX may suspend or remove the Units from quotation on the ASX as described below.</p>
<b>Performance fee risk</b>	<p>The risk of portfolio managers and analysts taking higher risk with portfolio construction and investment strategy as a result of their remuneration being tied to portfolio performance. The Investment Manager's staff are required to comply with company policies and compliance and risk management frameworks. Furthermore, it is the Investment Manager's policy that if an employee's remuneration is above a certain threshold, they are required to invest a component of their remuneration in any fund(s) managed by the Investment Manager.</p>
<b>Price risk</b>	<p>The price at which the Units may trade on the ASX may differ materially from the NAV per Unit and the iNAV. The trading price of Units is dependent on a number of factors including the demand for and supply of Units, investor confidence, the availability of market maker services during the course of the trading day, and the buy-sell spread applied to Units.</p>
<b>Portfolio management risk</b>	<p>The Fund's performance depends on the expertise and investment decisions of the Investment Manager. Its opinion about the intrinsic worth of a company or security may be incorrect, the Fund's investment objective may not be achieved, and the market may continue to undervalue the securities held by the Fund. Active management of the Fund's assets by the Investment Manager and ongoing monitoring of the Investment Manager by the Responsible Entity seeks to reduce this risk.</p>

<b>Regulatory risk</b>	There is a risk that a change in laws and regulations governing a security, sector or financial market could have an adverse impact on the Fund's investments. A change in laws or regulations can increase the costs of operating a business and/or change the competitive landscape.
<b>Withdrawal risk</b>	There may be circumstances where your ability to withdraw from the Fund is restricted. We may suspend withdrawals if we determine that this is in the best interests of all unit holders. If the Fund ceases to be liquid, you can only withdraw if the Responsible Entity makes a withdrawal offer.

## 6. Investing in the Fund

### A. ASX trading status - Units and NAV per Unit

Units will be able to be traded on the ASX in a similar fashion to other securities traded on the ASX, subject to liquidity.

The NAV of the Fund will normally be calculated on each Business Day and the last available NAV per Unit will be published daily on Antipodes' website at [www.antipodespartners.com](http://www.antipodespartners.com) prior to the commencement of trading on the ASX.

The Responsible Entity has engaged an agent to calculate and disseminate an indicative NAV per Unit ('iNAV') which will be published by the Fund on Antipodes' website at [www.antipodespartners.com](http://www.antipodespartners.com) throughout the ASX Trading Day. The iNAV for the Fund will be updated during the ASX Trading Day having regard to the Fund's Portfolio holdings. The iNAV will also account for foreign exchange movements to the extent that the impact is not offset by the hedging of the Fund's foreign currency exposure. No assurance can be given that the iNAV will be published continuously or that it will be up to date or free from error. To the extent permitted by law, neither the Responsible Entity nor its appointed agent shall be liable to any person who relies on the iNAV.

The price at which Units trade on the ASX may not reflect either the NAV per Unit or the iNAV. See "Price Risk" in Section 5.

### B. Investing in the Fund on the ASX

Investors can invest in the Fund by purchasing Units via their share trading platform or stockbroker. Investors do not need to complete an application form and they will settle the purchase of their Units in the same way they would settle purchases of listed securities via the ASX CHESS settlement service.

There is no minimum number of Units investors can buy on the ASX. An Investor's entry price into the Fund will be the price at which they have purchased Units on the ASX.

Consistent with other securities quoted on the ASX, Investors do not have cooling off rights in respect of Units purchased on the ASX which are quoted under the AQUA Rules.

### C. Withdrawing your investment in the Fund on the ASX

Investors can withdraw from the Fund by selling Units on the ASX via their share trading platform or stockbroker. Investors do not need to complete a withdrawal form and they will receive the proceeds from the sale of their Units in the same way they would receive proceeds from the sale of listed securities via the ASX CHESS settlement service.

There is no minimum number of Units Investors can sell on the ASX. An Investor's exit price will be the price at which they have sold Units on the ASX.

### D. Off-market withdrawal rights

In the event that trading in the Fund's Units on the ASX has been suspended for five consecutive Business Days, Investors may be able to apply to the Responsible Entity directly to make an off-market withdrawal of their investment from the Fund. Investors can request a withdrawal form by contacting the Unit Registry.

The off-market withdrawal process, including the calculation of the NAV per Unit, applies only when the Fund is 'liquid' (within the meaning given to that term in the Corporations Act). Where the Fund ceases to be liquid, Units may only be withdrawn pursuant to a withdrawal offer made to all Investors in the Fund in accordance with the Constitution and the Corporations Act. The Responsible Entity is not obliged to make such offers.

There may be other circumstances where off-market withdrawals from the Fund are suspended and Investors may have to wait a period of time before they can make a withdrawal.

Off-market withdrawals from the Fund may be suspended for up to 28 days including but not limited to where:

- it is impracticable for the Responsible Entity, or the Responsible Entity is unable, to calculate the NAV of the Fund, for example, because of financial market disruptions or closures;
- the payment of withdrawal proceeds involves realising a significant portion of the Fund's assets which would, in the Responsible Entity's opinion, result in remaining Investors bearing a disproportionate amount of capital gains tax or expenses, or suffering any other disadvantage or diminution of the value of Units held; or
- the Responsible Entity reasonably considers it would be in the best interests of Investors, or it is otherwise permitted by law.

For more information, see "Withdrawal Risk" in Section 5.

### E. ASX liquidity

Investors can buy Units from and sell Units to other investors in the secondary market in the same way as other ASX quoted securities.

The Responsible Entity, on behalf of the Fund, may provide liquidity to investors on the ASX by acting as a buyer and seller of Units. At the end of each ASX Trading Day, the Responsible Entity will create or cancel Units of the Fund by applying for or redeeming its net

position in Units bought or sold on the ASX. The Responsible Entity has appointed a market participant to act as its agent to transact and facilitate settlement on its behalf.

The price at which the Responsible Entity may buy or sell Units in the Fund will reflect the Responsible Entity's view of the NAV per Unit (as referenced by the iNAV), market conditions and supply and demand for Units during the ASX Trading Day. The difference between the price at which the Responsible Entity is willing to buy Units and sell Units at any time is known as the "bid-offer spread". The Fund's monthly average bid-offer spread is reported in the ASX Investment Products Monthly Update, which can be viewed on the ASX's website at [www.asx.com.au](http://www.asx.com.au). The Fund will bear the risk of the market making activities undertaken by the Responsible Entity on the Fund's behalf, which may result in either a cost or a benefit to the Fund. See risks associated with market making and the Market Making Agent in Section 5.

## F. Distributions

The Responsible Entity will generally make annual distributions as at each 30 June. The Fund's Constitution provides for distributions to be paid at least annually, but the Fund may do so more frequently at the discretion of the Responsible Entity.

The distribution for the Fund is comprised of income earned by the Fund, less expenses incurred by the Fund (such as management costs) and plus net capital gains (if any). If there is no net income or net capital gains earned in a particular distribution period, the Fund may not pay a distribution in respect of that distribution period. In some circumstances, the Fund may distribute a payment out of capital in addition to, or instead of, a distribution of net income or net capital gains.

The distribution Investors may receive will be based on the number of Units they hold in the Fund at the nominated record date. Distributions are not pro-rated according to the time that Investors have held their Units.

### Reinvestment of distributions

The Constitution permits us to require that your distributions be reinvested as additional Units in the Fund. Unless an election is made to the contrary, Investors' distributions will be re-invested as additional Units in the Fund, subject to the terms and conditions of the Fund's distribution reinvestment plan. The distribution reinvestment plan will be administered in Australian dollars and all residual amounts will be held in Australian dollars.

An election by an Investor to not participate in the distribution reinvestment plan must be made by the election date announced by the Responsible Entity in respect of each relevant distribution. Once an Investor has elected to not participate in the distribution plan, that Investor's distributions (including all future distributions) will be paid out as described in the below paragraph until such a time that the Investor elects back into the distribution plan. Such an election must be made by the election date announced by the Responsible Entity in respect of each relevant distribution.

Where an Investor elects to not participate in the distribution plan, distributions will be paid directly into Investors' Australian dollar or New Zealand dollar bank accounts (as applicable). Investors should contact their share trading platform or stockbroker to ask how they can provide bank account details or otherwise they can provide their bank account details online via the Unit Registry's website at [www.automicgroup.com.au](http://www.automicgroup.com.au). Investors may also provide bank details by submitting a form which is available from the Unit Registry.

The distribution reinvestment plan is offered on the following basis:

- at the time the price of the Units allotted pursuant to the distribution reinvestment plan is set, the Responsible Entity will not have any information that is not publicly available that would, or would be likely to, have a material adverse effect on the realisable price of the Units if the information were publicly available;
- the right to acquire, or require the Responsible Entity to issue, Units will be offered to all Investors of the same class, other than those residents outside New Zealand who are excluded so as to avoid breaching overseas laws;
- every Investor to whom the right is offered is given a reasonable opportunity to accept the offer; and
- units will be issued on the terms disclosed to you and will be subject to the same rights as Units issued to all Investors of the same class as you.

### Changing your distribution preference

Investors can elect to not participate (or participate) in the distribution reinvestment plan online via the Unit Registry's website at [www.automicgroup.com.au](http://www.automicgroup.com.au) or by submitting a form available from the Unit Registry.

### Cash distributions

Distribution payments to investors who elect not to participate in the distribution reinvestment plan will be made via direct credit into a nominated financial institution account for all investors with Australian or New Zealand registered address. The Responsible Entity will not be paying any distributions by cheque to any investors with a registered address in Australia or New Zealand.

The Responsible Entity is adopting direct crediting of payments as this is a more secure and convenient way for you to receive your distribution payment. The benefits include distributions credited to your account on the payment date as cleared funds, removal of risk associated with loss, fraud and theft of cheques, and cost of savings for the Fund, which benefits all investors. This payment methodology is consistent with the approach that other ASX-listed issuers have taken.

If you are an overseas shareholder (outside of Australia and New Zealand) you also can provide your EFT details if you have an Australian bank account, otherwise you will be paid by \$AUD cheque.

If you do not provide your Australian financial institution account details your distribution payment will be set aside and retained on your behalf in \$AUD. In Australia, this will be subject to the obligations in respect of unclaimed money.

To avoid your distribution payment being delayed, your instructions must be received before the Record Date.

### Distributions to New Zealand Investors

New Zealand investors can elect to have their cash distributions paid in New Zealand dollars ('NZD') where a New Zealand bank account is nominated. Cash distributions will be paid by local transfers in New Zealand. On or about 2 Business Days prior to the payment date, the distribution amount will be converted and transferred from Australian dollars into a New Zealand dollar bank account at the closing price for the Australian Dollar/New Zealand Dollar exchange rate as at that date. On the distribution date, the Unit Registry will give effect the New Zealand payments.

For payments to a New Zealand financial institution account, your Australian distribution entitlement will be converted to New Zealand dollars prior to payment. This will be processed by the Fund's bank, at the exchange rate it determines (at the processing time) to be market rate.

### Additional information

On request and free of charge, the Responsible Entity will provide additional information including the most recent annual report of the Fund, the most recent financial statements of the Fund, the auditor's report on those financial statements, the Fund's PDS and the Constitution (including any amendments). Additionally, some of this information can be obtained electronically from [www.antipodespartners.com](http://www.antipodespartners.com).

## G. Compulsory redemption

The Responsible Entity may redeem some or all of an investor's Units in accordance with the Constitution or as permitted by law. As an example, this may occur where an investor breaches their obligations to the Responsible Entity (for example, where the Responsible Entity believes that the Units are held in breach of prohibitions contained within the Constitution) or where the Responsible Entity believes that the Units are held in circumstances which might result in a violation of an applicable law or regulation.



## 7. Fees and other costs

### A. Consumer Advisory Warning

#### Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.

For example, total annual fees and costs of 2% of your fund balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from \$100,000 to \$80,000). You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs. You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial adviser.

#### To find out more

To find out more, or see the impact of the fees based on your own circumstances, the Australian Securities and Investments Commission ('ASIC') website ([www.moneysmart.gov.au](http://www.moneysmart.gov.au)) has a managed funds fee calculator to help you check out the different fee options.

### B. Fees and costs

This section shows fees and other costs that you may be charged. These fees and costs may be deducted from your account, from the returns on your investment or from the Fund assets as a whole.

Taxes are set out in another part of this document. You should read all of the information about fees and costs because it is important to understand their impact on your investment.

Type of fee or cost	Amount	How and When Paid
<b>Fees when your money moves in or out of the Fund</b>		
<b>Establishment fee</b> The fee to open your investment	Nil	Not applicable
<b>Contribution fee</b> The fee on each amount contributed to your investment	Nil	Not applicable
<b>Withdrawal fee</b> The fee on each amount you take out of your investment	Nil	Not applicable
<b>Exit fee</b> The fee to close your investment	Nil	Not applicable
<b>Management costs<sup>1,2,3</sup></b>		
The fees and costs for managing your investment	<p><b>Management fee</b> 1.10% p.a.</p> <p><b>Performance fee</b> 15% of the difference in the Fund's return (net of management fees) relative to its benchmark return<sup>4</sup> multiplied by the net asset value of the Fund.</p> <p><b>Indirect Costs<sup>5</sup></b> 0.00% p.a.</p>	<p><b>Management fee</b> – The management fee is payable to the Investment Manager for managing the investments of the Fund. The management fee is calculated daily based on the net asset value of the Fund, reflected in the unit price and deducted from the Fund quarterly in arrears.</p> <p><b>Performance fee</b> – The performance fee is calculated and accrued each Business Day and is reflected in the daily unit price. The performance fee is payable six-monthly, as at 30 June and 31 December, if applicable.</p> <p><b>Indirect costs</b> – The indirect cost is calculated daily based on the net asset value of the Fund, reflected in the unit price and deducted from the Fund yearly in arrears.</p>

1. All fees are inclusive of GST and the net effect of any applicable reduced input tax credits ('RITC').



2. Fees and costs may be negotiated with wholesale clients. See 'Differential fees' in 'Additional explanation of fees and costs' below for further information.
3. When money moves in or out of the Fund, you may incur a buy/sell spread. See 'Total transactional and operational costs' in 'Additional explanation of fee and costs' below for more information.
4. The Fund's benchmark is the MSCI All Country World Net Index in AUD.
5. Indirect costs refer to the costs of obtaining exposures through over-the-counter derivatives (excluding over-the-counter derivatives used for hedging or risk management purposes) incurred by the Fund.

We have the right to increase the fees or to charge fees not currently levied up to the maximum limits set out in the Fund constitution without your consent. If we choose to exercise this right, we will provide you with 30 days prior written notice.

Warning: Additional fees and costs may be paid to a financial adviser if a financial adviser is consulted. The details of these fees and costs should be set out in the statement of advice by your adviser.

## Example of annual fees and costs for the Fund

The following table gives an example of how the fees and costs applicable to the units in the Fund can affect your investment over a one (1) year period. You should use this table to compare this product with other managed investment products.

Example		Balance of \$50,000 with a contribution of \$5,000 during the year
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged \$0.
<b>PLUS</b> Management costs	<b>1.10% p.a.</b> , being 1.10% p.a. management costs plus estimated performance fee of 0.00% p.a. plus estimated indirect costs of 0.00% p.a.	And for every \$50,000 you have in the Fund you will be charged: <b>\$550</b> (comprising \$550 management fee and estimated performance fee of \$0 and estimated \$0 indirect costs <sup>1,2</sup> ).
<b>EQUALS</b> Cost of Fund		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during the year, you will be charged a fee of \$550 <sup>3</sup> .
		<b>What it costs you will depend on the fees you negotiate.</b>

1. The example includes the performance fee estimate of 0.00% p.a., which is calculated as the actual performance fees paid for the Fund in the previous financial year. Performance fees vary from year to year according to the Fund's actual performance and can be zero in any financial year. The performance fee payable (if any) will depend on the performance of the Fund and previous performance fees may not be a reliable indicator of future performance fees of the Fund.
2. The example includes an indirect cost estimate of 0.00%. In addition, the indirect cost estimate includes an estimated fee of 0.00% p.a., which is the actual cost of obtaining investment exposures through over-the-counter derivatives (excluding over-the-counter derivatives used for hedging or risk management purposes) for the Fund for the financial year ended 30 June 2021.
3. The example assumes management costs are calculated on a balance of \$50,000 with the \$5,000 contribution occurring at the end of the year. Therefore, management costs are calculated using the \$50,000 balance only. Additional fees may apply, including a buy/sell spread (if applicable).

Please note that this is just an example. In practice, your investment balance will vary, as will related management costs. Fee rebates may be individually negotiated with wholesale clients (as defined in the Corporations Act).

## C. Additional explanation of fees and costs

### Management costs

The management costs, in relation to units of the Fund, are generally the administration and investment fees and costs (excluding transaction costs) of the Fund.

These costs include:

- Responsible Entity fees;
- Performance fees;
- indirect costs;
- administration costs
- safekeeping fees;
- ASX fees;
- service fees in respect of the calculation and dissemination of the iNAV of the Fund;
- audit costs; and
- legal costs.

The Investment Manager pays management costs out of the management fees it receives. Therefore, the total management costs deducted from the Fund will typically be comprised of the management fee and performance fee (if any).

## Performance fees

Depending on how well the Fund performs, the Investment Manager may be entitled to receive a performance fee which is payable by the Fund.

The performance fee for a Business Day is equal to 15% of the difference in the Fund's return (net of management fees) relative to the Benchmark return multiplied by the net asset value of the Fund.

The Fund's performance benchmark is the MSCI All Country World Net Index in AUD. If the MSCI All Country World Net Index ceases to be published, the responsible entity of the Fund will nominate an equivalent replacement index.

The performance fee is calculated each Business Day and may be positive or negative. If the performance fee is positive, the amount is incorporated in the Fund's unit price. If the performance fee is negative, there is no impact on the Fund's unit price and the negative amount will be carried forward. Any profit which occurs as a result of the Market Making Agent's actions will be excluded in the calculation of the performance fee.

The performance fee amount payable by the Fund is equal to the total daily performance fee accrual for each six-month period, ending 30 June and 31 December.

The Investment Manager will only be paid the performance fee if the Fund's total daily performance fee accrual is positive. That is, any previous negative performance fee accruals generated when the Fund underperformed the Benchmark must have been recovered.

### Performance fee calculation worked example

The worked example in the following table is shown only for the purpose of illustrating how the performance fee may be calculated for three unrelated days only and assumes there are no applications or redemptions made during each day. The daily performance fee accrual is actually calculated as the day's opening NAV excluding the performance fee accrual plus any applications, minus any redemptions (both assumed to be nil in the examples), multiplied by the Fund's daily out or underperformance of the benchmark, multiplied by 15% (performance fee rate). The day's performance fee accrual is then added to the performance fee accrual balance (carried over from the previous day) to give the total performance fee for the period. The actual performance in the ordinary course of business, the unit price, the Benchmark, and the hurdles may all fluctuate during the period. It is also important to note the below table is not an indication of the expected or future performance of the Fund, and that actual performance may differ materially from that used in the following worked example.

Fee Components	Example Day 1	Example Day 15	Example Day 30
Performance fee rate	15%	15%	15%
Opening Fund's NAV excluding performance fee accrual	\$10,000	\$15,000	\$20,000
Fund daily return	0.10%	0.50%	-0.25%
Benchmark daily return	0.05%	-0.25%	0.70%
Daily out/underperformance of Benchmark	0.05%	0.75%	-0.95%
Daily performance fee accrual <sup>1</sup>	\$0.75	\$16.875	-\$28.5
Performance fee accrual (carried over from previous day)	\$20	-\$60	\$75
<b>Total performance fee accrual</b>	<b>\$20.75</b>	<b>-\$43.125</b>	<b>\$46.50</b>

<sup>1</sup>If the performance fee accrual was positive on the last day of the performance period, a performance fee would be payable equal to the performance fee accrual (includes the net effect of GST and RITC)

### Units withdrawn during a calculation period

The proceeds received by Investors for Units withdrawn during a calculation period will be net of any payable performance fees accrued.

Where the accrued performance fee is negative and the number of Units on a Business Day decreases, the accrued performance fee will be reduced by the proportion that the number of decreased Units bears to the number of Units on issue prior to the withdrawal. For example, if the accrued performance fee is negative and 5% of the Units on issue are withdrawn (net of any applications), then the accrued performance fee amount will be reduced by 5%. An implication of this mechanism is that net redemptions for Units could cause negative performance fee accruals to be recovered earlier than if no adjustment to the negative performance fee accrual were made, provided that the Fund subsequently outperforms the Benchmark. There is no reciprocal adjustment where the number of Units increase.

## Indirect Costs

Indirect costs form part of Management Costs and include fees and expenses arising from any investment which qualifies as an interposed vehicle (e.g. any underlying fund that the Fund may invest in) and certain OTC derivative costs. The Fund's indirect costs are estimated to be 0.00%. Actual indirect costs for future years may differ.

## Indirect investors

For Investors accessing the Fund through a master trust or wrap account, additional fees and costs may apply. These fees and costs are stated in the offer document provided by your master trust or wrap account operator.

## Incidental fees and costs

Standard government fees, duties and bank charges may also apply to your investments and withdrawals including dishonour fees and conversion costs.

## Extraordinary expenses

In general, the management fee, and when accrued, performance fees, are all that will be charged. However, under certain circumstances, extraordinary expenses may be paid directly by the Fund. Extraordinary expenses are not of an ongoing nature. Examples of this type of expense include:

- convening of unitholders' meeting;
- termination of the Fund;
- amending the Fund constitution;
- defending or bringing of litigation proceedings; and
- replacement of the Responsible Entity.

## Sell costs for off-market withdrawals for the Fund

In the limited circumstances in which off-market withdrawals are available to Investors, the Unit price at which an Investor can withdraw their investment will include sell costs of 0.30%. From time to time, we may vary the sell costs of Units in the Fund and we will not ordinarily provide prior notice.

## Market Making Agent costs

The Responsible Entity has appointed a market participant as its agent to execute its market making activities in order to provide liquidity in the Units on the ASX AQUA market and to facilitate settlement. The agent will earn a fee as a result of these activities. To the extent that the fee payable to the market participant is not calculated by reference to the value of the Units purchased and sold by the agent on behalf of the Fund (e.g. a fixed monthly minimum cost), such fee will be borne by the Investment Manager and will not be recovered from the Fund. To the extent that the fee is calculated based on the value of the Units purchased and sold by the agent on behalf of the Fund, this fee will be recovered from the bid-offer spread applicable to purchases and sales of Units via the ASX, and borne by investors who trade via the ASX. Investors may also incur funding charges in respect of the market making activities. The Responsible Entity cannot (at the date of this PDS) estimate the market making agent fee and charges that may be payable from the Fund in the future.

## Stockbroker fees for Investors

Investors will incur customary brokerage fees and commissions when buying and selling the Units on the ASX. Investors should consult their share trading platform or stockbroker for more information in relation to their fees and charges.

### Financial adviser fees

We do not pay service fees or commissions to financial advisers. You may agree to pay your financial adviser a fee for any financial advice that they provide to you.

## Additional payments made by the Responsible Entity

We may make product access payments (flat dollar amounts) to the operators of master trusts and wrap accounts who distribute our Fund on their investment menu. We may also provide certain payments or other non-monetary benefits to dealer groups and other financial services licensees to the extent it is permitted under law. All payments and non-monetary benefits referred to herein are funded by the Responsible Entity out of our own resources, and these are not an additional cost to you.

## Soft dollar arrangements

We may, in accordance with applicable laws, receive goods and services (such as third-party research) paid for by brokers where such goods and services assist us in managing the Fund. These payments and benefits are not an additional cost to you.

## Total transactional and operational costs

Transactional and operational costs such as brokerage, Market Making Agent costs and transactional taxes are incurred by the Fund when the Fund acquires and disposes of securities. An estimate of transactional and operational costs for the Fund is provided below. These estimated costs are based on the actual transactional and operational costs incurred by the Fund for the year ended 30 June 2021.

Transactional and operational costs are an additional cost and are not included in the management costs. The Responsible Entity intends that substantially all of the transactional and operational costs incurred in buying or selling underlying assets of the Fund as a result of the Fund's market making activities will be recovered from investors who buy or sell Units on the ASX, by including an allowance for such estimated costs in the "bid-offer spread" (the difference between the price at which the Responsible Entity is willing to buy Units and sell Units at any time).

The Responsible Entity, as at the date of this PDS, reasonably estimates that the net transactional and operational costs of the Fund for the current financial year (adjusted to reflect a 12-month period), will be approximately 0.31% p.a. of the Fund's Net Asset Value or \$155 for every \$50,000 you have in the Fund. These net transactional and operational costs represent estimated total transactional and operational costs (to the extent they can be estimated) of 0.32% p.a. minus the estimated transaction costs recovered through the bid-offer spread. These net transactional and operational costs are borne by the Fund. These costs are in addition to the management costs set out above.

The estimate of these costs does not include the Market Making Agent costs, which the Responsible Entity cannot (at the date of this PDS) estimate.

The amount of such costs will vary from year to year depending on the volume and value of the trading activity in the Fund. Transactional and operational costs are paid out of the assets of the Fund and are not paid to Antipodes.

In the limited circumstances in which off-market withdrawals are available to investors, the price at which an investor can withdraw their investment includes an allowance for these transactional and operational costs. The current withdrawal spread is 0.30% of the NAV per Unit. For example, if an investor withdrew \$50,000 from their investment in the Fund the cost of the withdrawal spread would be \$150. The Responsible Entity may vary the withdrawal spreads from time to time and prior notice will not ordinarily be provided. Updated information on the withdrawal spreads is available at [www.antipodespartners.com](http://www.antipodespartners.com).

## Differential fee arrangements

The Responsible Entity or the Investment Manager may agree with wholesale clients (as defined in the Corporations Act) to rebate some of the management fee on a case by case basis. We take into account relevant factors which may include the size of the investment. Such rebate arrangements will be by individual negotiation.

## Fees for Indirect Investors

Indirect Investors must also refer to the fees and costs payable for the IDPS, master trust or wrap account they are investing through. The IDPS operator will be the registered holder of the units and may charge you fees that are different or in addition to the Fund's fees detailed in this section and the PDS. You should refer to the offer document for the relevant IDPS, master trust or wrap account for more information.

## Other costs

The Responsible Entity does not recover any fees from the Fund as the Investment Manager pays the Responsible Entity from the management fees it receives from the Fund. The Fund Constitution provides for various fees, specifically an application fee, withdrawal fee, management fee and performance fee, which we do not currently recover from the Fund (as management fees and performance fees are paid from the Fund to the Investment Manager and not the Responsible Entity).

## For more information on fees and costs

If you would like to better understand how our fee structure may impact your investment in the Fund, we recommend that you speak to your financial adviser or visit ASIC's website at [www.moneysmart.gov.au](http://www.moneysmart.gov.au) where a fee calculator is available to help you compare the fees of different managed investment products.

## 8. Information about your investment

### A. CHESS Holding Statements

The Responsible Entity will not issue Investors with certificates in respect of their Units. Instead, when Investors purchase Units on the ASX they will receive a holding statement from the Unit Registry which will set out the number of Units they hold. The holding statement will specify the Holder Identification Number allocated by CHESS or Security Holder Reference Number.

### B. Antipodes' website

General and updated information about the Fund is available from Antipodes' website [www.antipodespartners.com](http://www.antipodespartners.com). This includes the Fund's unit prices, performance, distribution history and monthly updates (detailing Fund size, exposures and top holdings), quarterly investment reports, the current PDS (including any supplementary material) and the Fund's annual financial reports.

The Responsible Entity intends to follow ASIC's good practice guide for continuous disclosure and in so doing will post copies of continuous disclosure notices on its website. Investors are encouraged to check the website regularly for such information.

The site also has a comprehensive section relating to topical updates and relevant articles from the investment team.

### C. Reporting

The Fund is subject to regular reporting and continuous disclosure obligations. Copies of documents lodged with ASIC may be obtained from, or inspected at, an ASIC office. Investors can also call the Responsible Entity to obtain copies of the following documents, free of charge:

- The Fund's annual financial report most recently lodged with ASIC;
- Any half year financial report lodged with ASIC;
- Any continuous disclosure notices the Responsible Entity places online at [www.antipodespartners.com](http://www.antipodespartners.com) or lodged with ASX and ASIC.

### D. Updated information

While the terms and features of the Fund relating to this PDS are current at the issue date of this PDS, they may change in the future. We reserve the right to change the terms and features of the Fund in accordance with the Constitution of the Fund and the Corporations Act. Updated information which is not materially adverse is accessible from Antipodes' website or the Responsible Entity. A paper copy of the updated information will be available free of charge upon request. In addition, any material updates will also be notified to Investors through the ASX market announcements platform.

## 9. Taxation

The following information summarises some of the taxation and stamp duty issues you should consider before making an investment. The information is intended for use by Investors who hold Units in the Fund on capital account and who are not considered to be carrying on a business of investing, trading in investments or investing for the purpose of profit making by sale. It should be used as a guide only and does not constitute professional tax advice as individual circumstances may differ. The taxation of a unit trust investment such as Units in the Fund can be complex and may change over time. The comments below are current as at the date of preparation of this PDS. Investors should be aware that the ultimate interpretation of taxation and stamp duty law rests with the Courts and that the law, and the way that the Federal Commissioner of Taxation or a Commission of State Revenue administers the law, may change at any time. Please consult your tax adviser about the specific implications relevant to your situation before making any investment decision.

This summary only deals with the Australian and New Zealand tax and stamp duty considerations of potential investors and does not deal with tax consequences in relation to other jurisdictions.

### A. Tax position of the Fund

#### General

The Fund is an Australian resident trust for Australian tax purposes. Although the Fund holds authorised investments, it is intended that the Responsible Entity will limit its activities to undertaking or controlling entities that undertake 'eligible investment businesses' as described in section 102M of the Australian Income Tax Assessment Act 1936, as amended. On this basis, the Fund should not be a 'trading trust', and so should not be taxed as a company.

Generally, no Australian income tax will be payable by the Responsible Entity on behalf of the Fund on the basis that the Investors in the Fund are presently entitled to all of the distributable income of the Fund for each income year or where the Fund is an Attribution Managed Investment Trust ('AMIT') (refer to "AMIT Regime" below), Investors are attributed with all net taxable income each year (as relevant). In the case where the Fund makes a loss for Australian tax purposes, the Fund cannot distribute the loss to Investors in the Fund. However, subject to the Fund meeting certain conditions, the Fund may be able to recoup such losses against assessable income of the Fund in subsequent income years.

#### Deemed Capital Gains Tax ('CGT') election

Eligible managed investment trusts ('MITs') may make an irrevocable election to apply a deemed capital account treatment to gains and losses on the disposal of eligible investments (including equities and units in other trusts, but generally not derivatives and foreign exchange contracts). The election must be made in respect of the first year a trust qualifies as a MIT, otherwise if a trust qualifies as a MIT and no election is made, deemed revenue account treatment applies. The Fund intends to make the election for deemed capital account treatment. On this basis, realised gains and losses of the Fund on the disposal of eligible investments should be treated as capital gains and losses. Where the eligible investments of the Fund have been held for at least 12 months, the Fund should be entitled to a 50% capital gains discount in respect of any capital gain. Capital losses must be offset against the 'grossed up' amount of discount capital gains.

#### Tax reform

Reforms to the taxation of trusts are generally ongoing. The Responsible Entity will continue to monitor the progress of such developments and the impact on the Fund. However, given these developments may impact on the tax positions of the Fund and its Investors, it is strongly recommended that investors seek their own professional advice in relation to the potential impact of any reforms on their tax position.

#### Tax File Number (TFN) and Australian Business Number (ABN) withholding

It is not compulsory for an Investor to quote their TFN or ABN to the Responsible Entity when acquiring units. If an Investor is making this investment in the course of a business or enterprise, the Investor may quote an ABN instead of a TFN. Failure by an Investor to quote an ABN or TFN or claim an exemption may cause the Responsible Entity to withhold tax at the top marginal rate of income to the Investor. The Investor may be able to claim a credit in their tax return for any TFN or ABN tax withheld.

### B. Tax position of Australian resident Investors

Investors should include in their assessable income their share of the Fund's net taxable income, calculated by reference to the portion of the Fund's trust income to which they are presently entitled to it. Alternatively, where the Fund is an AMIT you include the net taxable income attributed to you for a particular year in your tax return.

#### Distributions

Investors in the Fund will be provided with an annual distribution and taxation statement (generally in July each year) indicating the components of their distribution (or reinvestment), and any taxes withheld or deducted. Where the Fund is an AMIT, Investors will be provided with an AMIT Member Annual Statement ('AMMA Statement') indicating the components attributed.

Distributions, reinvestments (or attributed amounts) from the Fund may include various components, the taxation treatment of which may differ. For example, in addition to investment income such as foreign income, distributions from the Fund may include dividends (and franking credits attached to those dividends to the extent to which the dividends are franked), a tax deferred component, a CGT concession component, as well as net capital gains (of which some part may be discount capital gains).

Given the investment objectives of the Fund, it is anticipated that the majority of the Fund's income will be foreign income. You may be entitled to a foreign income tax offset for foreign tax already paid by the Fund in respect of this income. Both the foreign income and any related foreign income tax offsets should be included in your tax return.

Any capital gains distributed (or attributed) by the Fund should be included in the calculation of your net capital gain or loss. In performing this calculation, any discounted capital gains distributed (or attributed) by the Fund should be 'grossed up' for the CGT concession component (i.e. the amount of discounted capital gains should be doubled). You may apply again the capital gain any current or prior year capital losses. You should then determine whether you are eligible to apply a CGT discount in respect of the remaining net capital gain (refer below under "Withdrawal and disposal of units").

Tax deferred distributions are generally distributions in excess of net taxable income (other than any CGT concession component). For CGT purposes, amounts of tax deferred distributions received from the Fund reduce the cost base of your Units in the Fund and therefore increases your capital gain or reduces your capital loss on disposal of those Units. Tax deferred distributions are generally not assessable to you unless the total tax deferred amount received from the Fund exceeds the cost base of your Units, at which point the excess is treated as a capital gain.

The Government has announced amendments to legislation to apply from the 2017 – 2018 income year providing that where discount capital gains are offset by capital losses of a trust, a distribution of a CGT concession component can result in a reduction in the cost base of Units held by Investors. The distribution of tax deferred amount or a CGT concession component may be treated differently under AMIT (refer to "AMIT Regime" on below).

Distributions from the Fund may include franked distributions. Subject to the application of anti-avoidance provisions, such franked distributions generally entitle Australian resident Investors to obtain a tax offset (the franking credit) that is available to offset against their income tax liability. Franked distributions and franking credits are included in an Investor's assessable income. If the franking credits exceed the tax payable on an Investor's taxable income, the excess credits may be refundable to the Investor if the Investor is a resident individual or complying superannuation fund. Excess franking credits may generate tax losses if the Investor is a company.

### **Withdrawals and disposal of units**

If you withdraw or transfer Units in the Fund, this may constitute a disposal for tax purposes.

Investors should include any realised capital gain or loss on disposal of their Units in the Fund (together with any capital gains distributed or attributed by the Fund) in the calculation of their net capital gain or loss. A net capital gain will be included in assessable income. A net capital loss may only be offset against capital gains. If Investors do not have any capital gains, the capital loss may be carried forward for offset against capital gains of subsequent years but may not be offset against ordinary income.

In calculating the taxable amount of a capital gain, a discount of one half for individuals and trusts or one third for complying superannuation entities may be allowed where Units in the Fund have been held for 12 months or more.

The calculation of an Investor's capital gain or loss may also be affected by any tax deferred distributions made by the Fund (refer above). In addition, where the Fund is an Attribution Managed Investment Trust, the Investor's cost base of units can also be increased in certain circumstances for the purposes of calculating a capital gain or loss (refer to "AMIT Regime" below).

Where Units are held as part of a business of investing or for the purpose of profit making by sale, gains realised may constitute ordinary income and losses realised may constitute allowable deductions.

## **C. Tax position of non-resident Investors**

Appropriate deductions of Australian withholding tax will be made from distributions (or amounts attributed) of certain Australian sourced income and gains to non-resident Investors. Non-resident investors may also be subject to tax on distributions in their country of residence (for tax purposes) and may be entitled to foreign tax credits under the tax laws of the relevant country.

It is expected that non-residents should generally not be subject to Australian income tax on any capital gains made on the disposal of Units in the Fund.

Broadly, a non-resident Investor in the Fund will be subject to income tax on any capital gains made on the disposal of Units if they, together with any associates, hold or had an option or right to hold 10% or more of the Units in the Fund at the time of disposal or throughout a period of 12 months during the two years prior to disposal, and the majority of the Fund's assets comprise taxable Australian real property.

In this regard, it is not expected that the Fund will hold taxable Australian real property.

A non-resident may also be subject to income tax on any capital gains made where the Units in the Fund have been held as part of the carrying on of a business through a permanent establishment in Australia.

However, if the non-resident holds their Units as part of a business of investing or for the purpose of profit making by sale, gains may be subject to Australian tax as ordinary income, subject to any treaty relief.

We recommend that non-resident investors consult their tax adviser regarding their tax implications, including the tax implications in the country in which they are resident for tax purposes.

## **D. Taxation of Financial Arrangements**

The taxation of financial arrangements ('TOFA') regime broadly contain rules that cover tax timing treatments for financial arrangements. There are a number of exclusions from TOFA. Investors should seek their own advice as to the possible application of the TOFA regime to their investment in the Fund.



## E. AMIT Regime

The Australian government introduced a new tax system for certain managed investment trusts (referred to as attribution managed investment trust or AMIT regime) to reduce complexity, increase certainty and minimise compliance costs for managed investment trusts and their investors.

One benefit of the application of the AMIT regime is that it gives the trustee the discretion to deal with under and over distributions for a previous income year in the year in which they are discovered, called the 'discovery year', rather than the income year they relate to. Under and over distributions arise where net income and tax offset entitlement amounts reported to Investors understate or overstate the amounts correctly determined under the law.

The Responsible Entity as trustee of the Fund intends to apply the AMIT regime to the Fund. By investing in the Units each Investor of the Fund acknowledges and agrees that under the AMIT regime the trustee of the Fund has the choice with respect to how it addresses any amounts which give rise to under/over distributions in respect of a particular income year, including whether such amounts are addressed by issuing amended AMMA Statement to Investors for the income year to.

### New Zealand Investors

New Zealand Investors, who hold units in the Fund, will generally be deemed to hold an interest in a Foreign Investment Fund ('FIF') unless the interest falls within the very limited FIF exemption for certain Australian unit trusts. This exemption will not apply to the Fund.

New Zealand Investors will need to calculate their FIF income each year under one of five calculation methods, being:

- fair dividend rate method ('FDR');
- comparative value method ('CV');
- attributable FIF income method;
- deemed rate of return method; or,
- cost method.

The default method is the FDR method. Under this method, most New Zealand Investors will be taxable each year on 5% of the opening market value of their investment in the Fund. Special calculation rules apply to unit trusts or other investors who value their units on a regular basis.

Under the FDR method, dividends or any gain on the sale or withdrawal of Units in the Fund are not separately taxed in New Zealand. However, quick sale rules will apply to Units bought and sold during the income year which result in the Investor being taxable generally on the lesser of any gain on the quick sale and 5% of the cost of the Units (determined on an average cost basis). No deduction is available for any losses under the FDR method.

Individuals and eligible family trusts have a "safety net" option, which allows these investors to calculate FIF income under the CV method based on their actual economic return where this is less than the amount calculated under FDR. Where the choice of FDR or CV methods is available, investors may choose the method that produces the lower taxable income each income year, but the method must be applied consistently to all FIF interests for that income year.

A de minimis concession from the FIF rules applies to individual investors who hold offshore shares (excluding certain Australian listed shares) with an aggregate cost of up to NZ\$50,000. Individual Investors may choose whether to apply the NZ\$50,000 de minimis threshold or apply the FIF rules. Individual Investors who apply the de minimis exemption will be taxed on distributions from the Fund. They can also be taxable on an exit from the Fund in certain circumstances.

NZ Investors are generally not entitled to claim a tax credit in NZ for overseas withholding tax deducted with respect to the Fund's underlying investments.

While the above reflects our understanding of New Zealand tax treatment in respect of investments in the Fund as at the date of preparation of this PDS, New Zealand tax treatment of investments in FIFs is subject to change and may differ in individual circumstances. We recommend New Zealand investors seek their own professional tax advice regarding their tax implications.

## F. Goods and Services Tax

Goods and Services Tax ('GST') should not be payable on your investment(s) in the Fund. GST will apply to the fees and costs charged to the Fund. However, in respect of some of these fees, the Fund will usually be entitled to reduced input tax credits. The costs and fees payable in relation to your investment(s) in any of the Fund as stated in this PDS are inclusive of GST. GST will not be applicable to the buy sell spread payable (if applicable) in relation to the Fund.

## G. Stamp Duty

Stamp duty should not be payable on your investment(s) in the Fund. This is provided that all the Units are quoted on the Australian Stock Exchange at all relevant times (including for example the dates of issue or transfer of the Units) and the Units acquired by you (alone or together with any associates) will not represent 90% or more of the issued Units at the relevant time.



# 10. Additional information

## A. The Responsible Entity

### Our role as Responsible Entity

Pinnacle Fund Services Limited is the Responsible Entity of the Fund.

Pinnacle Fund Services Limited is responsible for the proper and efficient administration, management and valuation of the Fund, including all investment decisions. Pinnacle Fund Services Limited is required to comply with the provisions of the Fund's Constitution, the Corporations Act, and any additional obligations created by this PDS. Subject to these obligations, the Responsible Entity has an absolute discretion as to the exercise of its powers under the Constitution.

### The Constitution

The Fund is governed by a Constitution. The Constitution, together with this PDS, the Corporations Act, ASIC Policy and the AQUA Rules regulate the Fund and our legal relationship with Investors.

The Constitution may be unilaterally amended by the Responsible Entity, provided the amendment is not materially adverse to the rights of Investors. Otherwise, the Responsible Entity must obtain the approval of Investors by special resolution (which requires at least 75% of the votes cast by Investors being in favour of the resolution and entitled to vote on the resolution).

You may inspect the Constitution at our office on any Business Day, free of charge.

By investing in the Fund, you agree to be bound by the terms of this PDS and the Fund's Constitution (as amended from time to time). You should consider the terms of the Constitution before investing in the Fund.

### Authorisation of issue

This PDS has been authorised for issue by the directors of Pinnacle Fund Services Limited.

### ASIC Relief

ASIC has granted relief under section 1020F of the Corporations Act from the ongoing disclosure requirements in section 1017B of the Corporations Act on the condition that the Responsible Entity complies with section 675 of the Corporations Act as if the Fund was a unlisted disclosing entity and includes statements in any PDS for interests in the Fund to the effect that Responsible Entity will comply with the continuous disclosure requirements of the Corporations Act as if the Fund were unlisted disclosing entities.

### Unit Pricing Discretions Policy

The Responsible Entity's Unit Pricing Discretions Policy provides further information about how it calculates the NAV per Unit for the Fund. The policy complies with ASIC requirements. The Responsible Entity will observe this policy in relation to the calculation of the NAV per Unit for the Fund and will record any exercise of discretion outside the scope of the policy. Investors can request a copy of the policy free of charge by calling the Responsible Entity.

## B. ASX conditions of admission

As part of the Fund's conditions of admission to trading status on the ASX under the AQUA Rules, the Responsible Entity has agreed to:

- disclose the Fund's portfolio holdings on a quarterly basis within two months of the end of each calendar quarter;
- provide the iNAV for the Fund as described in this PDS; and
- ensure that the Fund's investments are linked to permissible Underlying Instruments (as defined in the AQUA Rules), subject to any waivers granted by the ASX to the Responsible Entity.

## C. Your rights

### Cooling off period

Cooling off rights do not apply when Investors transact Units on the ASX.

### Investor liability

We have included provisions in the Fund's Constitution designed to protect Investors. The Constitution of the Fund provides that Investors will not, by reason of being an Investor alone, be personally liable with respect to any obligation or liability incurred by the Responsible Entity. However, an absolute assurance about these things cannot be given and the issue has not been finally determined by Australian courts.

### Limitation of liability and indemnity

Subject to the Corporations Act, the Fund's Constitution provides that the Responsible Entity is not liable for any loss or damage to any person (including an Investor) by reason of not receiving sufficient or adequate instructions or information from an Investor or other person. The Responsible Entity will also, subject to the Corporations Act, not incur any liability, be liable to account to anyone or be liable for loss or damage in relation to the performance of its duties in relation to determinations of fact or law or decisions in respect of tax.

The Responsible Entity is entitled to be indemnified from the assets of the Fund for all expenses which it may incur or become liable for in connection with the proper performance of its duties as Responsible Entity of the Fund including, its administration or management and the maintenance or management of the authorised investments of the Fund. The Responsible Entity has a right to be indemnified out of the Fund's assets in respect of its acts or omissions.

The Responsible Entity may not rely on this indemnity to the extent it has acted fraudulently, with gross negligence, wilful misconduct or in breach of trust involving a failure to show the degree of care and diligence required of the Responsible Entity, having regard to the powers, authorities and discretions conferred on it by the Fund's Constitution.

The Responsible Entity is also entitled to be indemnified in respect of tax paid or payable on behalf of an Investor. If the amount payable to an Investor is not adequate to meet the tax liability, the Responsible Entity may withdraw Units held by the Investor.

### Complaints

The Responsible Entity has in place a procedure for handling all complaints. All complaints should be made by contacting us:

Complaints Resolution Officer  
Pinnacle Fund Services Limited  
PO Box R1313  
Royal Exchange NSW 1225  
Email: [complaints@pinnacleinvestment.com](mailto:complaints@pinnacleinvestment.com)  
Phone: 1300 360 306

All complaints received will be acknowledged in writing. We will act in good faith to ensure your complaint is investigated and resolved. If the issue has not been resolved within 45 days, you may be entitled to refer your complaint to the Australian Financial Complaints Authority ('AFCA'). They will be able to advise you whether they can assist you in this matter. Please quote the Responsible Entity's membership number to them which is 10252.

The contact details for AFCA are:

**Australian Financial Complaints Authority**  
GPO Box 3  
Melbourne VIC 3001  
Email: [info@afca.org.au](mailto:info@afca.org.au)  
Phone: 1800 931 678 (free call)  
Website: [www.afca.org.au](http://www.afca.org.au)

The **Australian Financial Complaints Authority** is an independent body whose decisions are binding on the Responsible Entity. The dispute resolution process described in this PDS is only available in Australia.

If you are an indirect investor, you may either contact your IDPS operator or us with complaints relating to the Fund. Complaints regarding the operation of your account with the IDPS should be directed to the IDPS operator. If you have first raised a complaint with your IDPS operator and are not happy with how the complaint has been handled, you should raise that with the IDPS operator or the IDPS operator's external dispute resolution service.

## D. Investing in the Fund

### Past performance

Performance history and fund size information in respect of the Fund can be obtained by visiting Antipodes' website at [www.antipodespartners.com](http://www.antipodespartners.com). You can see the Fund updates and other Fund announcements on the ASX at [www.asx.com.au](http://www.asx.com.au). Past performance is no indication of future performance. Returns are not guaranteed.

### Foreign Account Tax Compliance Act ('FATCA') and OECD Common Reporting Standard ('CRS')

FATCA was enacted by the United States (U.S.) Congress to improve compliance with U.S. tax laws by imposing due diligence and reporting obligations on foreign financial institutions, notably the obligation to report U.S. citizen or U.S. tax-resident account holders to the U.S. Internal Revenue Service ('IRS').

Similar to FATCA, CRS is a single global standard for the collection and reporting to tax authorities of information by financial institutions on non-residents of the particular participating country. Accordingly, we may request certain information about yourself (for individual investors) or your controlling persons (where you are an entity) in order for the Fund to comply with its FATCA or CRS obligations. In the event that the Fund suffers any amount of withholding tax (including FATCA withholding tax) and/or penalties, neither the Fund nor the Responsible Entity acting on behalf of the Fund will be required to compensate you for any such tax, except in exceptional circumstances.

### Interest on application monies

Interest on any application monies received by the Fund will be retained by the Fund for the benefit of Investors.

### Interests in the Fund

The Responsible Entity, its employees, officers and related parties may invest in the Fund.

### Mortgagee interests/margin lending

The Responsible Entity will not recognise any security interest (notice of mortgage, etc.) over any Units of the Fund.

If you invest in the Fund through a margin lender, you are directing the margin lender to arrange for your monies to be invested in the Fund on your behalf. Accordingly, you do not acquire the rights of an Investor in the Fund. The margin lender is the Investor and acquires these rights and can exercise, or decline to exercise them, on your behalf according to your contract with the margin lender. As an investor in a margin lending product, you must read this PDS in that context.

When you invest through a margin lender and wish to make additional investments, realise your investment, or transfer your investment to another person, you will have to direct the margin lender to do so on your behalf. All correspondence and dealings in your investment will be through your margin lender.

The Responsible Entity accepts no responsibility for any aspect of the margin lender or (without limitation) for any failure on the part of the margin lender in respect of its administration, payment of income or other distributions, payment of withdrawal proceeds, fees charged or the efficiency or viability of the margin lending product.

### **Indirect investors**

When you access the Fund through an IDPS or IDPS-like scheme (commonly, a master trust or wrap account) you are directing the operator of the IDPS or IDPS-like scheme to arrange for your monies to be invested in the Fund on your behalf. Accordingly, you do not acquire the rights of an Investor in the Fund. The operator (or its custodian/nominee) is the Investor and acquires these rights and can exercise, or decline to exercise them, on your behalf according to the arrangements governing the IDPS or IDPS-like scheme. As an investor in the IDPS or IDPS-like scheme, you must read this PDS in that context.

When you invest through an IDPS or IDPS-like scheme and wish to make additional investments, realise your investment, or transfer your investment to another person, you will have to direct the operator of the IDPS or IDPS-like scheme to do so on your behalf. The Responsible Entity accepts no responsibility for any aspect of the IDPS or IDPS like scheme or (without limitation) for any failure on the part of the IDPS or IDPS like scheme in respect of its administration, payment of income or other distributions, payment of withdrawal proceeds, fees charged or the efficiency or viability of the IDPS or IDPS like scheme.

Specifically, the Responsible Entity's agreement to permit the naming of the Fund in a PDS issued by an IDPS operator or IDPS like scheme, or list of investments that may be accessed via the IDPS or IDPS like scheme, does not signify an endorsement by the Responsible Entity, or our support for, the IDPS or IDPS like scheme.

## **E. Appointment and agents**

### **Custodian**

A custodian has been appointed to hold the assets of the Fund under a Custody Agreement. The custodian will safe-keep the assets of the Fund, collect the income of the Fund's assets and act on the Responsible Entity's directions to settle the Fund's trades. The custodian does not make investment decisions in respect of the Fund's assets that it holds.

### **Valuation**

An administrator has been appointed to value the assets of the Fund and to calculate the NAV per Unit for the Fund under an Administration Agreement.

### **Unit Registry**

Automic Pty Limited trading as Automic has been appointed as the Unit Registry of the Fund under a Registry Services Agreement. The Registry Services Agreement sets out the services provided by the Unit Registry on an ongoing basis together with the service standards.

As for any quoted security, the role of the Unit Registry is to keep a record of Investors in the Fund. This includes information such as the quantity of Units held, TFNs (if provided), bank account details and details of distribution reinvestment plan participation.

### **Auditor**

PwC (PricewaterhouseCoopers) is the appointed auditor for the Fund. The auditor's role is to audit the Fund's annual financial statements, perform a half-yearly review (if required), and to provide an opinion on the financial statements.

### **Consents**

The following parties have given written consent (which has not been withdrawn at the date of this PDS) to being named in the form and context in which they are named, in this PDS:

- Automic Pty Limited trading as Automic; and
- PricewaterhouseCoopers.

Each party named above who has consented to be named in the PDS:

- has not authorised or caused the issue of this PDS;
- does not make or purport to make any statement in the PDS (or any statement on which a statement in the PDS is based) other than as specified; and
- to the maximum extent permitted by law, takes no responsibility for any part of the PDS other than the reference to their name in a statement included in the PDS with their consent as specified.

## **F. Privacy**

### **Collecting and using your information**

When investors apply to invest in the Fund they acknowledge and agree that:

- a) they are required to provide the Responsible Entity with certain personal information to facilitate their application; and
- b) the Responsible Entity may be required to disclose their information to:
  - i. third parties carrying out functions on behalf of the Responsible Entity on a confidential basis;
  - ii. third parties if that disclosure is required by or to the extent permitted by law; and
  - iii. their adviser.

All personal information will be collected, used and stored by the Responsible Entity in accordance with our Privacy Policy, a copy of which is available on request. We will use your information for the purpose of marketing products issued by us and our related entities. To ensure that the personal information we retain about you is accurate, complete and up to date, please contact the Unit Registry if any of your details change. You can unsubscribe from marketing communications from us at any time by contacting us.

We collect information for the following purposes:

- to process your application;
- to administer your investment and provide you with reports;
- to monitor and improve the quality of service provided to you; and
- to comply with regulatory or legal requirements, including the Corporations Act, Proceeds of Crime Act, Financial Transaction Reports Act, Anti-Money Laundering and Counter-Terrorism Financing Act, Foreign Account Tax Compliance Act and OECD Common Reporting Standard.

We also ask you for some personal details so that we, and our related companies, can keep in touch with you and tell you on an ongoing basis about our other products and services that could be useful to you. We may do this by telephone, electronic messages (e.g. email) and other means. Please contact us if you do not wish your details to be used for marketing purposes.

We may gather information about you from a third party. These include credit agencies, financial advisers, fund managers or intermediaries and spouses. We may also collect details of your interactions with us and our products and services (including from our records of any telephone and email interactions).

If you provide someone else's personal information to us, you must ensure that they first agree on the basis of this privacy section.

### **Disclosing your information**

We exchange your personal information with your adviser, authorised representative, attorney and any other third parties if you request or provide consent to us. In addition, we may exchange personal information about you in the following circumstances:

- you consent to the disclosure;
- with any joint investor;
- with companies that provide services to us, to our related companies, to the Fund, or on our behalf (and our related companies may also exchange personal information with these companies) on the basis that they deal with such information in accordance with their respective privacy policies - for example administration, custody, investment management, technology, identity verification, auditing, registry, mailing or printing services. These service providers may be located outside Australia such as Canada, Malaysia, Luxembourg, Hong Kong and the United Kingdom, where your personal information may not receive the same level of protection as that afforded under Australian law;
- where required or authorised by law, which may include disclosures to the Australian Taxation Office and other Government or regulatory bodies; or
- with organisations related to us such as Pinnacle Investment Management Limited and its related bodies corporate, whether in Australia or any overseas jurisdiction.

## 11. Warning Statement for New Zealand Investors

This offer to New Zealand investors is a regulated offer made under Australian and New Zealand law. In Australia, this is Chapter 8 of the Corporations Act 2001 and Regulations. In New Zealand, this is subpart 6 of Part 9 of the Financial Markets Conduct Act 2013 and Part 9 of the Financial Markets Conduct Regulations 2014.

This offer and the content of the offer document are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act 2001 (Aust) and the regulations made under that Act set out how the offer must be made.

There are differences in how financial products are regulated under Australian law. For example, the disclosure of fees for managed investment schemes is different under the Australian regime.

The rights, remedies and compensation arrangements available to New Zealand investors in Australian financial products may differ from the rights, remedies and compensation arrangements for New Zealand financial products.

Both the Australian and New Zealand financial markets regulators have enforcement responsibilities in relation to this offer. If you need to make a complaint about this offer, please contact the Financial Markets Authority, New Zealand (<http://www.fma.govt.nz>). The Australian and New Zealand regulators will work together to settle your complaint.

The taxation treatment of Australian financial products is not the same as for New Zealand financial products.

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

The offer may involve a currency exchange risk. The currency for the financial products is not New Zealand dollars. The value of the financial products will go up or down according to changes in the exchange rate between that currency and New Zealand dollars. These changes may be significant.

If you expect the financial products to pay any amounts in a currency that is not New Zealand dollars, you may incur significant fees in having the funds credited to a bank account in New Zealand in New Zealand dollars.

The dispute resolution process described in this offer document is only available in Australia and is not available in New Zealand.

## 12. Glossary

<b>ABN</b>	means Australian Business Number.
<b>AEST</b>	means Australian Eastern Standard Time in Sydney, as adjusted for any daylight savings.
<b>AFSL</b>	means Australian Financial Services Licence.
<b>AQUA Rules</b>	means ASX Operating Rules that apply to the quotation on ASX of managed funds, exchange traded funds and other structured securities and products such as the Units.
<b>ARSN</b>	means Australian Registered Scheme Number.
<b>ASIC</b>	means Australian Securities and Investments Commission.
<b>ASIC Relief</b>	means any declaration made or exemption granted by ASIC that is applicable to the Fund and that is in force.
<b>ASX Listing Rules</b>	means the listing rules of the ASX from time to time.
<b>ASX Operating Rules</b>	means the operating rules of the ASX from time to time.
<b>ASX Trading Day</b>	means the day and time during which shares are traded on the ASX.
<b>ATO</b>	means Australian Taxation Office.
<b>Benchmark</b>	means MSCI All Country World Net Index in AUD.
<b>Business Day</b>	means every day banks are open for business in Sydney, Australia except Saturday, Sunday or a public holiday.
<b>CHESS</b>	means the Clearing House Sub-register System, the Australian settlement system for equities and other issued products traded on the ASX and other exchanges. CHESS is owned by the ASX.
<b>Constitution</b>	means the legal document (as amended from time to time), which sets out the governing rules of the Fund.
<b>Corporations Act</b>	means the Corporations Act 2001 (Cth) and includes the Corporations Regulations 2001 (Cth) of Australia, as amended from time to time.
<b>Fund</b>	means the Antipodes Global Shares (Quoted Managed Fund) ARSN 625 560 269.
<b>iNAV</b>	means the indicative NAV per Unit of the Fund (as the context requires).
<b>Investor or Investors</b>	means a unit holder or unit holders of the Fund as noted in the unit holder register.
<b>Market Making Agent</b>	a market participant appointed by the Responsible Entity to act as its agent to execute its market making activities
<b>Monthly Update</b>	means an end of month snapshot report prepared by the Responsible Entity for the Fund detailing size, exposures and top holdings. A copy is available from Antipodes' website or the Responsible Entity.
<b>NAV</b>	means the net asset value of the Fund.
<b>Portfolio</b>	means the investment portfolio of the Fund (as the context requires) together with any accretions to it which will be managed by Antipodes.
<b>Portfolio Manager</b>	means the individual or individuals responsible for managing the assets of the Fund (as the context requires).

<b>Quarterly Investment Report</b>	means the quarterly report issued by the Responsible Entity for the Fund (as at 31 March, 30 June, 30 September and 31 December), as the context requires, a copy of which is available from Antipodes' website or the Responsible Entity.
<b>Unit</b>	means a unit in the Fund (as the context requires).
<b>Unit Registry</b>	means Automic Pty Limited trading as Automic.