APL FY21 1st Half Results Announcement

Summary

1HFY21 NPAT	Company[1] performance	Interim dividend	Annual yield[2]
$36.1m	10.2%	2.0c	4.3% (5.3% grossed up)[3]

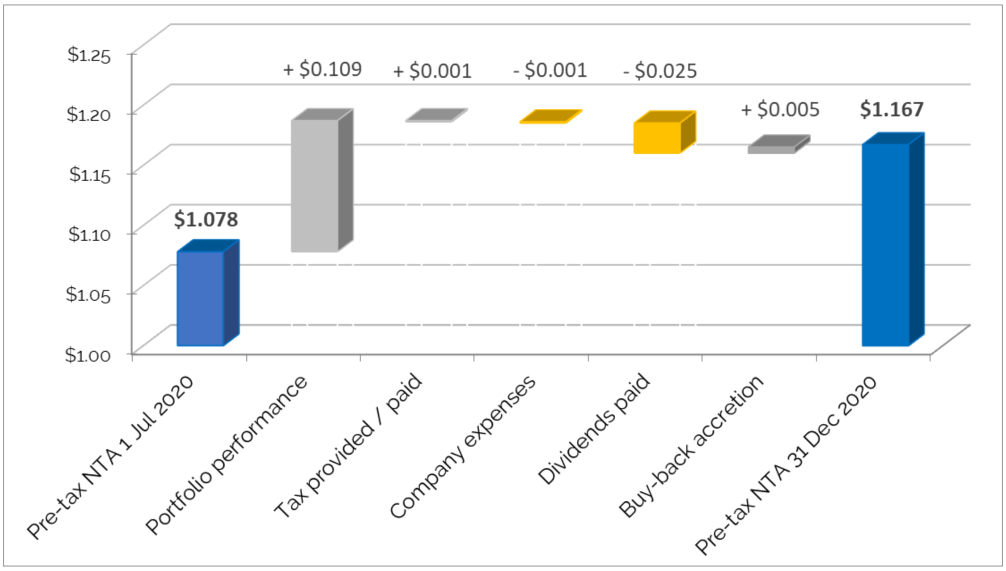
- **1HFY21 net profit after tax of $36.1m, increased from $12.1m in prior corresponding period**
- **Interim dividend of 2.0 cents per share (50% franked), taking the full calendar year divided to 4.5 cents per share (50% franked) which represents an annual yield of 4.3%[2] and a grossed-up yield of 5.3%[3]**
- **Company performance of 10.2% for the half-year**
- **Shareholder webinar on results and portfolio**

Antipodes Global Investment Company Limited (**ASX:APL** or the **Company**) recorded a profit of $36.1m for the half-year ended 31 December 2020. This was an increase of $24.0m on the half-year ended 31 December 2019 profit of $12.1m.

The market began to take a more constructive view around prospects of economic normalisation in the second half of calendar 2020, particularly in the latter stage of the year with the release of positive vaccine news and more stimulus from policy makers globally. This was despite COVID-19 data worsening in the US and Europe into year end, with the onset of northern hemisphere winter and increased travel movements around the holiday season.

Against that backdrop, Company performance returned 10.2% for the six months to December 2020, while the global index returned 10.6%.

NTA performance breakdown for FY21[4]



[1] Movement in net tangible assets (NTA) before all income taxes, adjusted for dividends paid and the impact of share capital related transactions, which we refer to as Company performance. This measure incorporates underlying portfolio performance after fees, less administration costs of the Company.
[2] Based on share price as at 31 December 2020 of $1.04.
[3] Grossed-up dividend yield Includes the benefit of franking credits and is based on a tax rate of 30%.
[4] Portfolio performance in the NTA performance breakdown is shown net of fees.

T 1300 010 311 E invest@antipodespartners.com
Level 35, 60 Margaret Street, Sydney, NSW 2000 Australia
Antipodes Global Investment Company Limited ABN 38 612 843 517
www.antipodespartners.com/apl

Interim dividend

The Board has resolved to pay an interim dividend of 2.0 cents per share (50% franked) which is consistent with the previous financial year. The full calendar year dividend is 4.5 cents per share (50% franked) which equates to an annual yield of 4.3%[5] and a grossed-up yield of 5.3%[6], a strong level of income for a global equity portfolio.

The dividend will be paid to APL shareholders on 31 March 2021, with a record date of 10 March 2021.

Dividend ex-date	Record date	Last election date for DRP	Payment date
9 March 2021	10 March 2021	11 March 2021	31 March 2021

Dividend Reinvestment Plan

The Company's dividend reinvestment plan (DRP) will be operative for the interim dividend payment of 2.0 cents per share. The closing date to elect to participate in the DRP is 11 March 2021.

Shareholders who would like to find out more about the DRP can visit the company website:

https://antipodespartners.com/wp-content/uploads/2019/10/Dividend-Re-investment-Plan.pdf

Shareholders who would like to participate in the DRP can enrol at www.investorserve.com.au, or alternatively please contact the Company's share registrar, Boardroom, for assistance on 1300 737 760 (in Australia) / +61 2 9290 9600 (International).

Board update on discount to NTA

The Company had a busy period proposing and obtaining shareholder approval for the primary NTA discount management initiative, the Conditional Tender Offer (CTO), referred to in more detail below. The Company has received very strong positive feedback on the CTO as being a market leading best practice initiative to address the NTA discount. The NTA discount was 18.4% on 31 August 2020, the day before the CTO initiative was announced and ended the year (31 December 2020) at 10.8%. The Board is optimistic that the NTA discount will continue to narrow as a result of the improved investment performance from the Company's portfolio in conjunction with the nearing of the 2021 Buy-Back date (see details below).

Conditional Tender Offer

A Conditional Tender Offer (CTO) was put forward at the Company's AGM held on 30 November 2020. 99.7% of shares voted were in favor of the CTO, a strong endorsement of this important NTA discount management initiative.

The CTO, if triggered, will be run as an equal access off-market buy-back in November 2021 of up to 25% of the Company's shares at a buy-back price based on post-tax NTA per share less 2% (2021 Buy-Back). The buy-back will be triggered if the daily average pre-tax NTA discount for APL is wider than 7.5% for the 12 months to 18 October 2021 (Discount Condition).

As at 22nd February 2021, the average NTA discount since the start of the Discount Condition assessment period (19th October 2020) was 11.9%.

More information on the CTO and the 2021 Buy-Back can be found by reading the explanatory memorandum on the Company's website by clicking here.

---

[5] Based on share price as at 31 December 2020 of $1.04.

[6] Grossed-up dividend yield Includes the benefit of franking credits and is based on a tax rate of 30%.

On-market buy-back

As at 31 December 2020, the Company had repurchased 74.3 million shares as part of the on-market share buy-back program. This equates to 15.6% of the current shares on issue of the Company (or 13.5% of the shares on issue when the buy-back was first announced). The remaining buy-back authority of 39.6 million shares remains in place and will be used at the discretion of the Board.

Investment by Antipodes Partners Limited (the Manager) and affiliated parties

As at 31 December 2020, the aggregate holding by the Manager, directors of the Company and executives of the Manager (who are not acting in concert with each other) was in excess of 16 million shares. This aggregate holding constitutes a top 10 shareholding in the Company.

Shareholder webinar on results and portfolio

The Board invites you to the upcoming shareholder webinar on 11 March 2021 at 11.00am (Sydney time AEDT). The webinar will provide an update on the Company's results from Jonathan Trollip, Chairman of the Company. In addition, Chief Investment Officer of the Manager, Jacob Mitchell, will provide an update on the Company's investment portfolio.

Shareholders are invited to register for the webinar. Click **here** to register.

Authorised by:

Calvin Kwok
Company Secretary

25 February 2021

Additional shareholder information

Company performance as at 31 December 2020

	Half-year ended 31 December 2020	Since inception (Oct-16)
Company*	10.2%	7.9% p.a.
Benchmark**	10.6%	12.6% p.a.
Outperformance	(0.4)%	(4.7)% p.a.

*Calculated as the movement in NTA before all income taxes, adjusted for dividends paid and the dilutionary effect of options granted to shareholders upon the Company's initial listing, which we refer to as Company performance. This measure incorporates underlying portfolio performance after fees, less administration costs of the Company.
**MSCI All Country World Net Index in AUD (Manager's benchmark)

Manager's commentary

1HFY2021 review

The first half of calendar 2020 was incredibly volatile thanks to the COVID-19 pandemic, and investors herded into secular growth stocks due to the high degree of uncertainty. The bulk of the returns in the S&P500 over this period were explained by just five stocks; Facebook, Apple, Amazon, Alphabet/Google and Microsoft. The second half of calendar 2020, however, saw a shift in sentiment and investor preferences. Positive news around vaccines and more stimulus from policy makers globally prompted investors to consider economically sensitive stocks through a different lens. Market participation began to broaden. This was despite COVID-19 data worsening in the US and Europe into year end with the onset of northern hemisphere winter and increased travel movements around the holiday season.

Against this backdrop, Company performance was 10.2% for the six months to December 2020, while the global index returned 10.6%. The economically sensitive parts of the portfolio contributed to performance over the period after acting as a headwind in the 2020 financial year. This includes industrial exposures such as Siemens, General Electric and Electricitie de France, financials in the US, Europe and Asia such as Capital One Financial, ING Groep and KB Financial, as well as retail names such as Tapestry.

Further, the Chinese economy led the major economic blocs and began to normalise through the second half of calendar 2020 without a vaccine and while keeping its fiscal deficit and government debt intact. The portfolio's Chinese consumer exposure continued to be a key contributor to performance.

Whilst the shorts detracted from performance over the half-year period, this was in the context of a strongly rising market (the MSCI World Index rose 24% in USD).

Since inception of the Company a little over four years ago the broad global equity index has returned 65.3%, more than double the return of the value index (30.7%) which highlights the significant style headwinds faced by value managers over this period. Notwithstanding its value-oriented investment approach, the Company's portfolio returned 38.9% over this same period, outperforming the value index.

Portfolio positioning and market outlook

The amount of stimulus undertaken by policy makers globally has reached extraordinary levels. This is not just in response to the COVID-19 pandemic, but a response to the rise in populism we have seen brewing over the last few years.

For the first time in a decade we are now seeing fiscal stimulus at work, not just monetary policy. QE - or quantitative easing - is being used to fund fiscal stimulus. This is significant because fiscal stimulus finds its way back into the real economy and stimulates activity, not just asset prices. Further, fiscal stimulus is unlikely to slow any time soon following the Democrats 'clean sweep' (control of both the White House and Congress) in the recent US Presidental and Senate elections.

The first half of calendar 2021 may see a natural decline in COVID-19 infection rates (due to warmer temperatures in the northern hemisphere) at the same time as the vaccine rollout accelerating. A natural healing in the economy can thus be further supported by the extraordinary stimulus we have seen and are still seeing. Additionally, the economic recovery in China continues to look robust and is lifting Europe and Asia. Further, vaccines give policy makers the scope to pivot away from income stimulus towards investment stimulus, which can generate sustainable economic activity as well as employment. New winners will emerge in this backdrop. This is not unlike the backdrop in the aftermath of the 2000 'tech wreck' which saw the emergence of a US housing cycle (which lasted until 2008) and a resouces super-cycle (which lasted until 2012).

As our confidence around vaccines has grown, the portfolio has increased exposure to domestic and global cyclicals. These are 'reopening beneficiaries' (e.g. consumer franchises, travel, autos) and 'investment stimulus beneficiaries' (e.g. decarbonisation, next generation technology, infrastructure). The portfolio also has exposure to cheaper expressions of growth in both developed and emerging markets. Disruption is real but competition in the tech complex is becoming more intense, and growth rates for online businesses that have disproportionately benefited from lockdown may slow in a reopened environment. We have focused on companies with long-term structural growth trends where growth rates are sustainable in reopening (e.g. online advertising, social commerce).