Commentary

Following Russia's invasion of Ukraine, global assets sought safety, with the AUD and NZD's lower perceived geopolitical risk and rhetoric around central bank tightening leading to a strong appreciation in March (AUD +3.0%), (NZD +2.6%). Global equities rebounded (+2.2% in USD, but -1.3% in AUD) with Energy, Utilities, Healthcare and Materials outperforming, whilst Consumer Staples, Communication Services, Financials and Consumer Discretionary underperformed. US equities outperformed broader global markets (0.0%), maintaining distance from geopolitical risks and reporting strong employment data. European equities underperformed (-3.5%) due to geopolitical risks and resulting inflation.

Asian equities underperformed broader global markets (-5.3%) with Chinese equities the major underperformer (-11.4%). This stemmed from poor macro data and China's zero COVID-19 policy resulting in major regional lockdowns. Japan underperformed (-3.9%) as the Yen depreciated and the Bank of Japan indicated the potential to intervene and provide future assistance.

Elsewhere, Brent Crude (+6.9% in USD) and Gold (+1.5%) were up and the US Dollar (+1.7%) was strong.

Key contributors included:

- Oil/Natural Gas cluster, notably Reliance Industries Ltd which benefited from the global surge in commodity prices. Similarly, the company continues to expand its pathways in renewable energy, announcing the acquisition of cobalt-free lithium battery technology company Lithium Werks, under the Reliance New Energy Ltd subsidiary.
- Infrastructure/Property - Asia/EM cluster, notably KT Corp as the Korean telco benefited from the election of conservative presidential candidate Yoon Suk-yeol, and the more favourable attitude of the new government towards telcos. Positive sentiment was furthered by the assumption of continued strong free cash flow and the decreased likelihood of significant capex spending being mandated by the incoming government.
- Longfor Group Holdings within the Consumer Cyclical – Asia/EM cluster contributed after being added to the portfolio in the mid-month, in line with Antipodes positive outlook for Chinese property management services and platforms as policy is eased. The share price rebounded off entry-level lows contributing to the portfolio.

Key detractors included:

- Internet/Software – Asia/EM cluster, including JD.com, Tencent and KE Holdings. Upon releasing results which were in line with analyst expectations, JD.com and Tencent revealed slowing revenue growth in a challenging year for Chinese internet companies. Fears of slowing economic growth, continued regulatory impacts and prospective delisting announcements continue to weigh heavily on investor sentiment. Antipodes remains broadly constructive on China exposures with policy rhetoric shifting and commentary from senior Chinese policy makers recently turning more constructive towards supporting the economy.
- Consumer Cyclical – Asia/EM cluster similarly detracted from the portfolio, notably Huazhu Group and Country Garden Services. Hotel management company Huazhu Group was impacted by COVID-19 outbreaks forcing several cities and provinces into lockdown under China's zero-COVID strategy. Similarly, provincial lockdowns and restricted movement impacted property management company Country Garden Services Holdings over the month.
- Hardware cluster, including Mediatek which saw investor profit taking in March after a period of strong performance. The shift in sentiment was also explained by recent negative datapoints and media reports indicating weaker Chinese domestic handset volume numbers in February. There has been no change to Antipodes' thesis, noting Mediatek's resilient growth and margin outlook are multifaceted, and include market share gains from the ongoing transitions to 5G, growth of other wireless cycles such as wifi, and other businesses lines outside of handset hardware.

Net performance (%)

	Fund	Benchmark	Difference
1 month	-13.7	-6.0	-7.6
3 month	-19.0	-10.9	-8.0
Year to date	-19.0	-10.9	-8.0
1 year	-23.9	-13.4	-10.5
3 year p.a.	-0.6	3.2	-3.8
5 year p.a.	3.4	7.1	-3.6
Inception p.a.	4.8	5.8	-1.0

Past performance is not a reliable indicator of future performance. Returns are quoted in AUD and net of applicable fees, costs and taxes. All p.a. returns are annualised.

Performance & risk summary[1]

Average net exposure	75.8%
Upside capture ratio	81
Downside capture ratio	67
Portfolio standard deviation	11.4%
Benchmark standard deviation	11.4%
Sharpe ratio	0.47

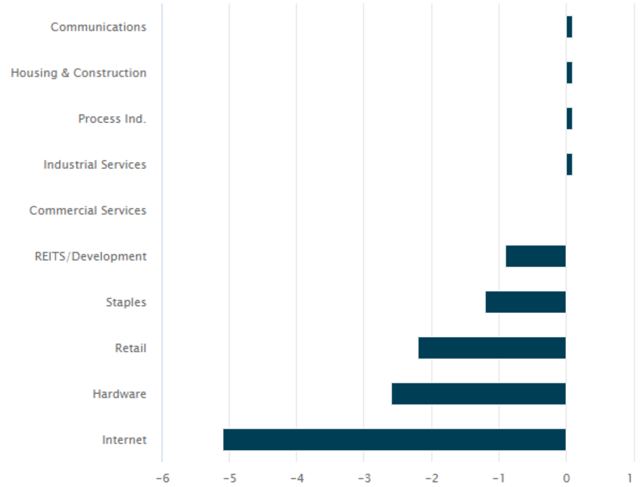
[1]All metrics are based on gross of fee returns in AUD terms. The upside/downside capture ratio is the percentage of benchmark performance captured by the fund during months that the benchmark is up/down. Standard deviation is a measure of risk with a smaller figure indicating lower return volatility. The Sharpe ratio measures returns on a risk adjusted basis with a figure > 1 indicating a higher return than the benchmark for the respective levels of return volatility

Performance contribution[2] (%)

	1 month
Long	-13.1%
Short	0.0%
Currency	-0.4%

[2] Based on gross returns in AUD

Top & bottom sector contribution[2,3] (%)



[3] Antipodes classification

Fund facts

Characteristics	
Investment manager	Antipodes Partners
Inception date	1 July 2015
Benchmark	MSCI All Country Asia ex Japan Net Index in AUD
Management fee	1.20% p.a.
Performance fee	15% of net return in excess of benchmark
Buy/Sell spread	±0.30%
Minimum investment	AUD $25,000
Distribution	Annual, 30 June

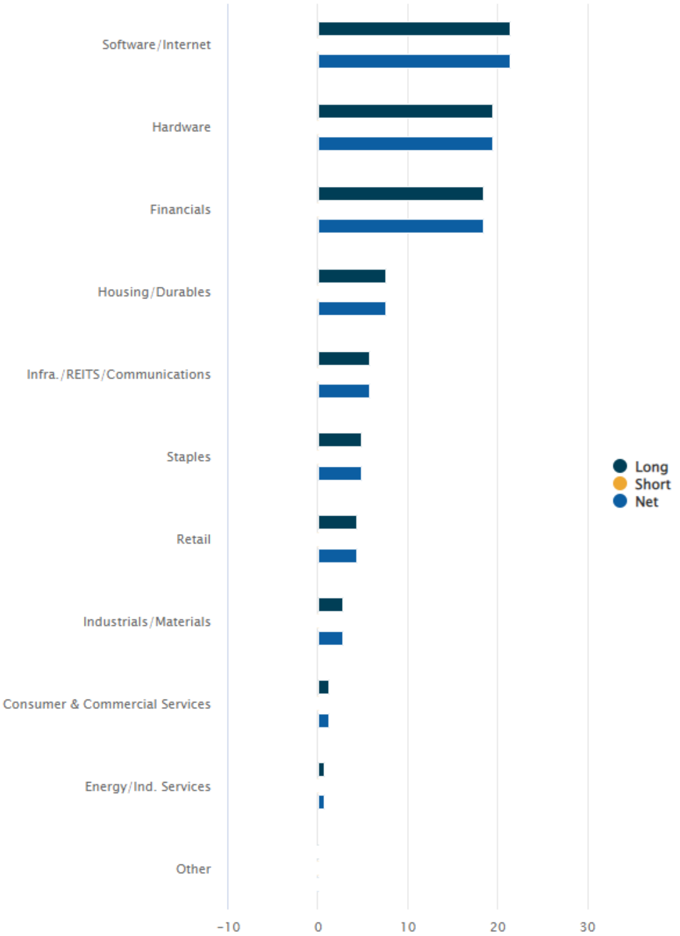
Asset value	
Fund AUM	$30m
Strategy AUM	$36m
Unit redemption price	0.9267

Asset allocation[4]

	Equities - Long	Other - Long	Equities - Short	Other - Short
Weight (%)	86.9	-	-	-
Count	35	-	-	-
Avg. weight (%)	2.5	-	-	-
Top 10 (%)	44.1	-	-	-
Top 30 (%)	85.1	-	-	-

[4] Call (put) options represented as the current option value (delta adjusted exposure)

Sector exposure[4,5] (%)

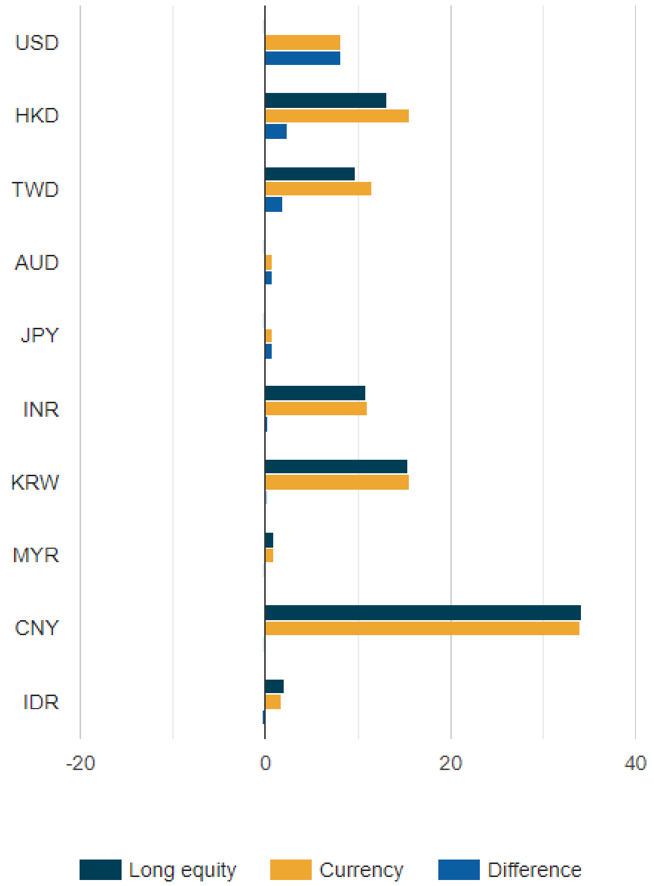


[5] Antipodes classification

Top 10 equity longs[4] (%)

Name	Country	Weight
Taiwan Semiconductor	Taiwan	8.5
Meituan	China/HK	5.0
Samsung Electronics	Korea	4.9
JD.com	China/HK	4.7
Tencent	China/HK	4.4
China Merchants Bank	China/HK	3.6
Ping An Insurance	China/HK	3.5
AIA Group	China/HK	3.5
SK hynix	Korea	3.0
ICICI Bank	India	3.0

Currency exposure[4,6] (%)



[6] Where possible, regions, countries and currencies classified on a look through basis

Regional exposure[4,5,6] (%)

Region	Long	Short	Net
Developing Asia/EM	**61.8**	-	**61.8**
- China/Hong Kong	48.0	-	48.0
- India	10.9	-	10.9
- Indonesia	2.0	-	2.0
- Malaysia	0.9	-	0.9
Developed Asia	**25.1**	-	**25.1**
- Korea/Taiwan	25.1	-	25.1
Total Equities	**86.9**	-	**86.9**
Cash	**13.1**	-	-
Totals	**100.0**	-	-

Market cap exposure[4] (%)

Band	Long	Short	Net
Mega (>$100b)	35.5	0.0	35.5
Large (>$25b <$100b)	30.0	0.0	30.0
Medium (>$5b <$25b)	18.7	0.0	18.7
Small (<$5b)	2.8	0.0	2.8

Investment Manager

- Global and Asian pragmatic value manager, long only and long-short
- Structured to reinforce alignment between investors and the investment team
- We attempt to take advantage of the market's tendency for irrational extrapolation, identify investments that offer a high margin of safety and build portfolios with a capital preservation focus

Fund features

- Objective to achieve absolute returns in excess of the benchmark over the investment cycle (typically 3-5 years)
- The fund may invest in companies that are listed:
  - On Asian share markets
  - On global share markets and which derive >65% of their revenues from Asia
  - In Japan (maximum 30% net exposure)
  - In Oceania and non-Asian emerging markets (maximum 15% net exposure)
- In the absence of finding securities that meet minimum risk-return criteria, cash may be held
- Flexibility to hedge for risk management purposes:
  - Equity shorts and currency positions used to take advantage of attractive risk-return opportunities, offset specific long portfolio risks and provide some protection from negative tail risk. Derivatives may also be used to amplify high conviction ideas
  - Typical net equity exposure of 50% to 100%; maximum gross exposure of 150% of NAV

Fund Ratings

Zenith RECOMMENDED

Recommended Lonsec Research

Further information

1300 010 311

invest@antipodespartners.com

Australia Head Office

Antipodes Partners Limited
Level 35, 60 Margaret St
Sydney NSW 2000
Australia

UK Office

Antipodes Partners Limited
6th Floor, Nova North
11 Bressenden Place
London SW1E 5BY UK