

Commentary

September was the worst month of the year to date for Global Equities (-3.0%) with Energy, Financials, Consumer Discretionary and Consumer Staple sectors outperforming, whilst Materials, Utilities, Communication Services and Information Technology underperformed. US equities (-3.6%) and European equities were aligned (-3.7%). Tightening and forecast tightening by central banks, US treasury debt ceiling negotiations, German elections, inflation worries and risks from China all contributed to this weakness.

Asian equities outperformed (-0.5%) with Chinese equities down (-1.6%) with worries about Evergrande financial contagion, power cuts and further regulatory worries. Japan was strong (+4.0%) with a new Prime Minister expected to bring expansionary fiscal policy.

Elsewhere, Brent Crude (+9.5% in USD) was rallying again along with the rest of the energy complex due to a squeeze on supply, while Gold (-3.1%) was down and the US Dollar (DXY +1.7%) was strong.

Key contributors included:

- Oil/natural gas cluster, notably Coterra Energy, Exxon and Technip Energies. Coterra Energy outperformed on rallying US natural gas prices and increasing recognition that the successful merger with Cimarex will provide potential for significant shareholder returns. Exxon and Technip Energies continued their upward moves on robust gas pricing and expectations of more capital spend in gas export capacity.

Net performance (%)

	Fund	Benchmark	Difference
1 month	-1.2	-3.0	1.8
3 month	1.2	2.8	-1.6
Year to date	13.4	18.7	-5.3
1 year	26.4	26.4	-0.1
3 year p.a.	7.6	12.6	-5.1
5 year p.a.	12.2	14.5	-2.3
Inception p.a.	11.4	11.8	-0.4

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. The inception date of the Antipodes Global Fund – Long (Class P) is 1 August 2015. In order to show performance since the fund's inception, the performance for the period 1 July 2015 to 31 July 2015 is derived from Antipodes Global Fund – Long (Class I) and is adjusted to reflect the fees of Class P.

Performance & risk summary¹

Average net exposure	88.7%
Upside capture ratio	96
Downside capture ratio	80
Portfolio standard deviation	10.8%
Benchmark standard deviation	10.7%
Sharpe ratio	1.06

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 contribution² (%)

	1 month
Long	-1.1%
Currency	0.0%

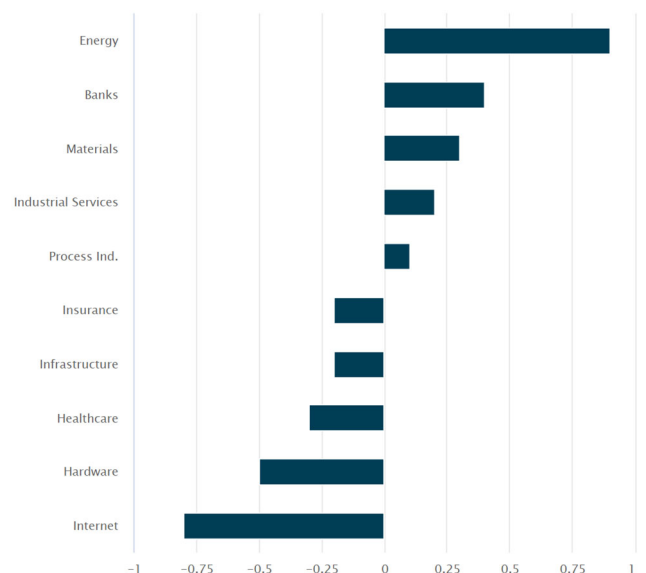
² Based on gross returns in AUD

- Industrials cluster, including Teck Resources due to a shortage of high quality metallurgical coal leading to better pricing, and Norsk Hydro as broad power shortages saw a rally in aluminium prices.
- Consumer Cyclical – Developed Markets notably UniCredit on increasing conviction around a potential acquisition of Banca Monte dei Paschi at very attractive terms, and ING Groep following rising long end rates in Europe and elevated prospects of ING announcing a material step-up in capital returns in FY 2022.

Key detractors included:

- Software/Internet – Developed Markets including Facebook which detailed instances of under reporting iOS web conversions by ~15%, driven by recent iOS updates from Apple, and Microsoft amidst a broader rotation out of technology names after a sustained period of outperformance.
- Hardware cluster, notably Sonos amidst supply chain disruption due to industry semiconductor shortages, and chipmakers Qorvo and TSMC as questions over the sustainability of recent price hikes and reports of intentional chip hoarding weighed on sentiment.
- Ping An in the Consumer Cyclical – Asia/EM cluster amidst fears of China Evergrande contagion prompting a statement saying it had no exposure to the property group.

Top & bottom sector contribution^{2,4} (%)



⁵ Antipodes classification

Fund facts

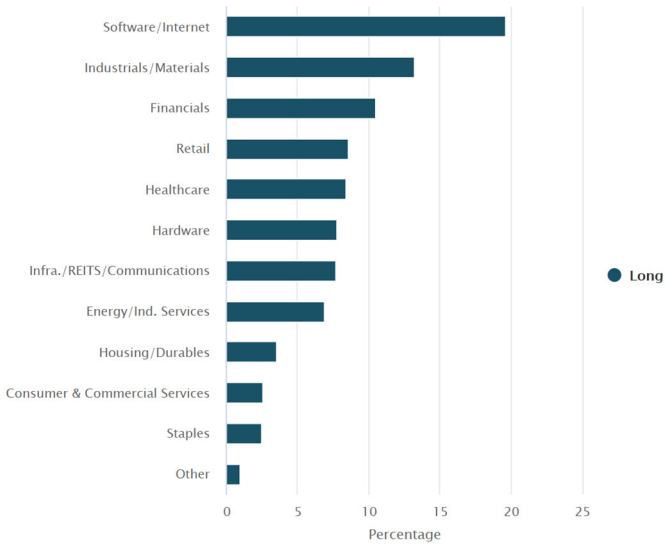
Characteristics	
Investment manager	Antipodes Partners
Inception date	1 July 2015
Benchmark	MSCI All Country World Net Index in AUD
Management fee	1.20% p.a.
Performance fee	15% of net return in excess of benchmark
Buy/Sell spread	±0.30%
Minimum investment	AUD \$25,000
Distribution	Annual, 30 June
Asset value	
Fund AUM	\$1,085m
Strategy AUM	\$3,080m
Unit redemption price	1.1927

Asset allocation³

	Equities - Long	Other - Long
Weight (%)	92.3	-
Count	59	-
Avg. weight (%)	1.6	-
Top 10 (%)	30.3	-
Top 30 (%)	67.7	-

³Call (put) options represented as the current option value (delta adjusted exposure)

Sector exposure^{3,4} (%)

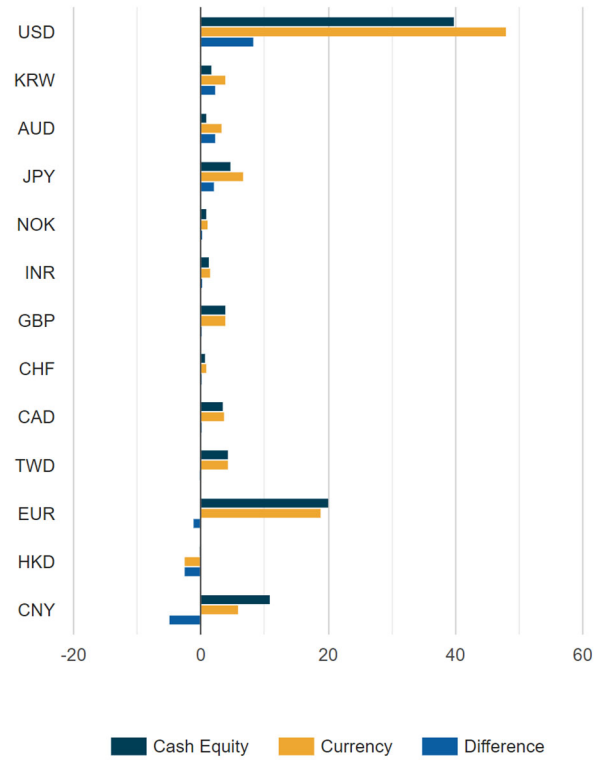


⁴ Antipodes classification

Top 10 equity longs³ (%)

Name	Country	Weight
Facebook	United States	3.8
Siemens	Germany	3.6
Tencent	China/HK	3.5
Microsoft	United States	3.4
Sanofi	France	2.8
Frontier Communications Parent	United States	2.7
UniCredit	Italy	2.7
Coterra Energy	United States	2.6
Teck Resources	Canada	2.6
Taiwan Semiconductor	Taiwan	2.5

Currency exposure^{3,5} (%)



⁵ Where possible, regions, countries and currencies classified on a look through basis

Regional exposure^{3,4,5} (%)

Region	Long
North America	43.4
Western Europe	24.8
- Eurozone	19.1
- United Kingdom	3.9
- Rest Western Europe	1.8
Developing Asia	12.3
- China/Hong Kong	11.0
- India	1.3
Developed Asia	10.8
- Korea/Taiwan	6.0
- Japan	4.7
Australia	1.0
Total Equities	92.3
Cash	7.7
Totals	100.0

Market cap exposure³ (%)

Band	Weight
Mega (>\$100b)	46.4
Large (>\$25b <\$100b)	23.2
Medium (>\$5b <\$25b)	21.1
Small (<\$5b)	1.6

Investment Manager

- Global 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 Ratings



Fund features

- Objective to achieve absolute returns in excess of the benchmark over the investment cycle (typically 3-5 years)
- In the absence of finding individual securities that meet minimum risk-return criteria, cash may be held to maximum 25%
- Flexibility to hedge for risk management purposes:
 - Currency exposure of the underlying stock position (net short currency position not permitted)
 - Equity market exposure via exchange traded derivatives (limited to 10% of NAV)
 - Leverage not permitted

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

Disclaimer

This communication is prepared by Antipodes Partners Limited ('Antipodes') ABN 29 602 042 035 AFSL 481580 as the investment manager of the Antipodes Global Fund – Long (ARSN 118 075 764) ('the Fund'). Pinnacle Fund Services Limited ABN 29 082 494 362 AFSL 238371 ('PFSL') is the product issuer of the Fund. PFSL is not licensed to provide financial product advice. PFSL is a wholly-owned subsidiary of the Pinnacle Investment Management Group Limited ('Pinnacle') ABN 22 100 325 184. The Product Disclosure Statement ('PDS') and Target Market Determination ('TMD') of the Fund is available at www.antipodespartners.com. Any potential investor should consider the PDS and TMD before deciding whether to acquire, or continue to hold units in, the Fund.

This communication is for general information only. It is not intended as a securities recommendation or statement of opinion intended to influence a person or persons in making a decision in relation to investment. It has been prepared without taking account of any person's objectives, financial situation or needs. Any persons relying on this information should obtain professional advice before doing so. Past performance is for illustrative purposes only and is not indicative of future performance. Options exposure represents the market downside. For put options (typically used to limit potential downside) delta-adjusted exposure is used and for call options (typically used to capture potential upside) exposure is calculated using the current option value. Unless otherwise specified, all amounts are in Australian Dollars (AUD).

Whilst Antipodes, PFSL and Pinnacle believe the information contained in this communication is reliable, no warranty is given as to its accuracy, reliability or completeness and persons relying on this information do so at their own risk. Subject to any liability which cannot be excluded under the relevant laws, Antipodes, PFSL and Pinnacle disclaim all liability to any person relying on the information contained in this communication in respect of any loss or damage (including consequential loss or damage), however caused, which may be suffered or arise directly or indirectly in respect of such information. This disclaimer extends to any entity that may distribute this communication.

Any opinions and forecasts reflect the judgment and assumptions of Antipodes and its representatives on the basis of information available as at the date of publication and may later change without notice. Any projections contained in this presentation are estimates only and may not be realised in the future.

Unauthorised use, copying, distribution, replication, posting, transmitting, publication, display, or reproduction in whole or in part of the information contained in this communication is prohibited without obtaining prior written permission from Antipodes. Pinnacle and its associates may have interests in financial products and may receive fees from companies referred to during this communication.

The Zenith Investment Partners ("Zenith") Australian Financial Services License No. 226872 rating (assigned November 2020) referred to in this document is limited to "General Advice" (as defined by the Corporations Act 2001) for Wholesale clients only. This advice has been prepared without taking into account the objectives, financial situation or needs of any individual. It is not a specific recommendation to purchase, sell or hold the relevant product(s). Investors should seek independent financial advice before making an investment decision and should consider the appropriateness of this advice in light of their own objectives, financial situation and needs. Investors should obtain a copy of, and consider the PDS or offer document before making any decision and refer to the full Zenith Product Assessment available on the Zenith website. Zenith usually charges the product issuer, fund manager or a related party to conduct Product Assessments. Full details regarding Zenith's methodology, ratings definitions and regulatory compliance are available on our Product Assessments and at <https://www.zenithpartners.com.au/RegulatoryGuidelines>.

The Lonsec Ratings (assigned March 2021) presented in this document are published by Lonsec Research presented in this document are published by Lonsec Research Pty Ltd ABN 11 151 658 561 AFSL 421445. The Ratings are limited to "General Advice" (as defined in the Corporations Act 2001 (Cth)) and based solely on consideration of the investment merits of the financial products. Past performance information is for illustrative purposes only and is not indicative of future performance. They are not a recommendation to purchase, sell or hold Antipodes products, and you should seek independent financial advice before investing in these products. The Ratings are subject to change without notice and Lonsec assumes no obligation to update the relevant documents following publication. Lonsec receives a fee from the Fund Manager for researching the products using comprehensive and objective criteria. For further information regarding Lonsec's Ratings methodology, please refer to our website at: <https://www.beyond.lonsec.com.au/intelligence/lonsec-ratings>.

© 2021 Morningstar, Inc. All rights reserved. Neither Morningstar, its affiliates, nor the content providers guarantee the data or content contained herein to be accurate, complete or timely nor will they have any liability for its use or distribution. Any general advice or 'classservice' have been prepared by Morningstar Australasia Pty Ltd (ABN:95090665544, AFSL:240892) and/or Morningstar Research Ltd, subsidiaries of Morningstar, Inc, without reference to your objectives, financial situation or needs. Refer to Morningstar Financial Services Guide (FSG) for more information at www.morningstar.com.au/s/fsg.pdf. You should consider the advice in light of these matters and if applicable, the relevant Product Disclosure Statement (Australian products) or Investment Statement (New Zealand products) before making any decision to invest. Morningstar publications, ratings and products should be viewed as an additional investment resource, not as your sole source of information. Past performance is for illustrative purposes only and is not indicative of future performance. To obtain advice tailored to your situation, contact a professional financial adviser. Some material is copyright and published under licence from ASX Operations Pty Ltd ACN004523782 ("ASXO").

Antipodes Global Fund – Long (class P) received a Morningstar Analyst Rating™ of 'Bronze' on 3 May 2021.