

Introduction

During the second quarter of 2017, the Company paid a quarterly dividend of 1.5p and its book value increased 0.60%. Overall, the risk exposure of the Company was deliberately kept moderate during a period of ongoing volatility in emerging markets (“EM”). After a rapid sell-off in the latter part of 2016, the sharp rally in EM bonds and equities earlier in 2017 tapered off towards the end of the second quarter. The sell-off in core fixed income markets led to a pronounced tumble in EM currency, bond and equity markets over quarter-end.

At the end of June 2017, the Company’s funds remained fully deployed, except for cash retained for collateral and working capital purposes.

During the second quarter of 2017, the Company’s credit exposure contributed 14% of the returns, equity exposure 40% and fixed income exposure contributed 28%. Currency exposure added 18%.

Return Contribution for Each Asset Class		
Asset Class	Year-to-Date	Q2 2017
Credit	54%	14%
Equity	23%	40%
FX	-35%	18%
Rates	58%	28%
TOTAL	100%	100%

Despite the moderate risk positioning, the Company is comfortably on track to meet its target annual dividend yield of 6% (based on the issue price) and the dividends are well covered by economic income in the portfolio. Breaking down our dividend funding, 2.3% comes from the Company’s equity positions and 2.1% is derived from the credit positions. Currency exposure contributed 1.7% with the remainder coming from APQ Global’s strategic and government bond portfolios.

Liquid Markets Portfolio

At the end of the second quarter of 2017, the bulk of the Company’s exposure was in credit and government bonds (55% of book value), followed by equity exposure (22.6%). EM local currency bond exposure accounted for 13.5% of book value.

Portfolio Breakdown	
Asset Class	% of Book Value
Credit and Government Bonds	55.0%
EM Local Markets	13.5%
Equities	22.6%
Cash	10.0%
TOTAL	101.1%

Key Facts

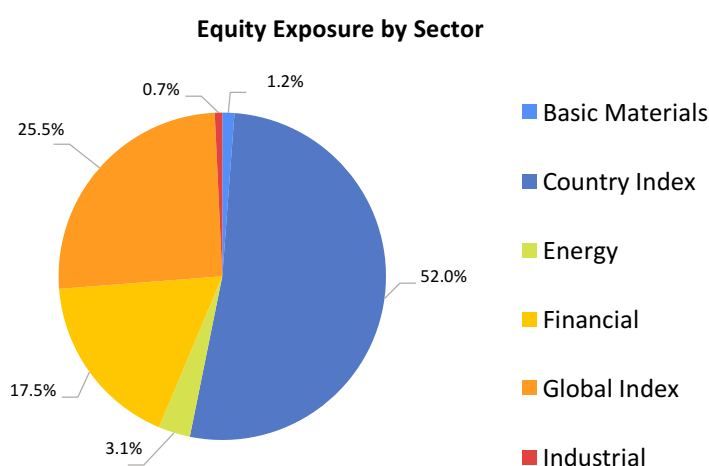
Company Name	APQ Global Ltd
Ticker	APQ LN
ISIN	GG00BZ6VP173
SEDOL	BZ6VP17
Board of Directors	Bart Turtelboom Wayne Bulpitt Richard Bray Philip Soulsby
Domicile	Guernsey
Official Listing	The International Stock Exchange London Stock Exchange - AIM
Currency	£ Sterling
Market Cap.	Appr. £81.6m
Book Value Per Share	97.82p*
Dividend	The Company is targeting an initial annualised dividend yield of 6 per cent based on the issue price
Nominated Adviser and Broker	N+1 Singer Advisory LLP
Principal Banker	Barclays Bank NatWest
Legal Advisors	Stephenson Harwood Mourant Ozannes
Company Secretary	Active Services (Guernsey) Limited
Auditors	Ernst & Young LLP
Registrar	Capita Registrars (Guernsey) Limited

*As at 30 June 2017, please refer to the Important Notice at the end of this document

At the end of the second quarter of 2017, the Company's top 10 holdings in the liquid EM equity portfolio were:

Equity Exposure	
Security Name	% of Book Value
MSCI EM Index	5.1%
Russian Depository Index USD	4.6%
City of London Investment Group PLC	3.5%
Anglo Pacific Group PLC	0.9%
Gazprom PJSC	0.6%
Anglo American PLC	0.4%
Cemex SAB de CV	0.1%
Petroleo Brasileiro SA	0.1%
Vale SA	-0.4%
Rio Tinto PLC	-0.6%

The largest EM equity positions remain concentrated in Russia, for which the motive is a bullish view on commodities. The Company believes that the current tension in relations between Russia and the United States will gradually improve on the back of a shared interest to restore stability in the Middle East. From a sector perspective, the bulk of the Company's exposure is in energy, industrials and financials, taking into account the sector composition of index exposure in Russia, India and global EM.



The Company's emerging markets credit book is well diversified for stable income growth and the largest position is in VTB Bank, accounting for 1.1% of book value.

Credit Exposure	
Security Name	% of Book Value
VTB 6.95 10/17/22	1.1%
TCELLT 5 3/4 10/15/25	1.1%
NGERIA 6 3/8 07/12/23	1.0%
SBERRU 5 1/4 05/23/23	1.0%
AVALCB 4 3/4 09/26/22	1.0%
PEMEX 4 7/8 01/18/24	1.0%
ESKOM 5 3/4 01/26/21	1.0%
HALKBK 5 07/13/21	1.0%
BUENOS 9.95 06/09/21	0.6%
YPFDAR 8 1/2 07/28/25	0.6%

Corporate Overview

APQ Global (Ticker: APQ LN) is a listed emerging markets growth company based in Guernsey. The Company successfully listed on the Channel Islands Stock Exchange and was admitted to trading on the London Stock Exchange's AIM Market with a market capitalization of ca. £80m in August 2016 ("Admission").

The Company's business strategy will be implemented through three core activities in emerging markets.

The Company manages a liquid markets portfolio of bonds, equities and currencies with a focus on global emerging markets.

The Company is building a portfolio of strategic stakes in emerging markets focused companies at an equity or debt level. In doing so, it aims to be a constructive stakeholder to the management of those companies within the context of a multi-year investment horizon.

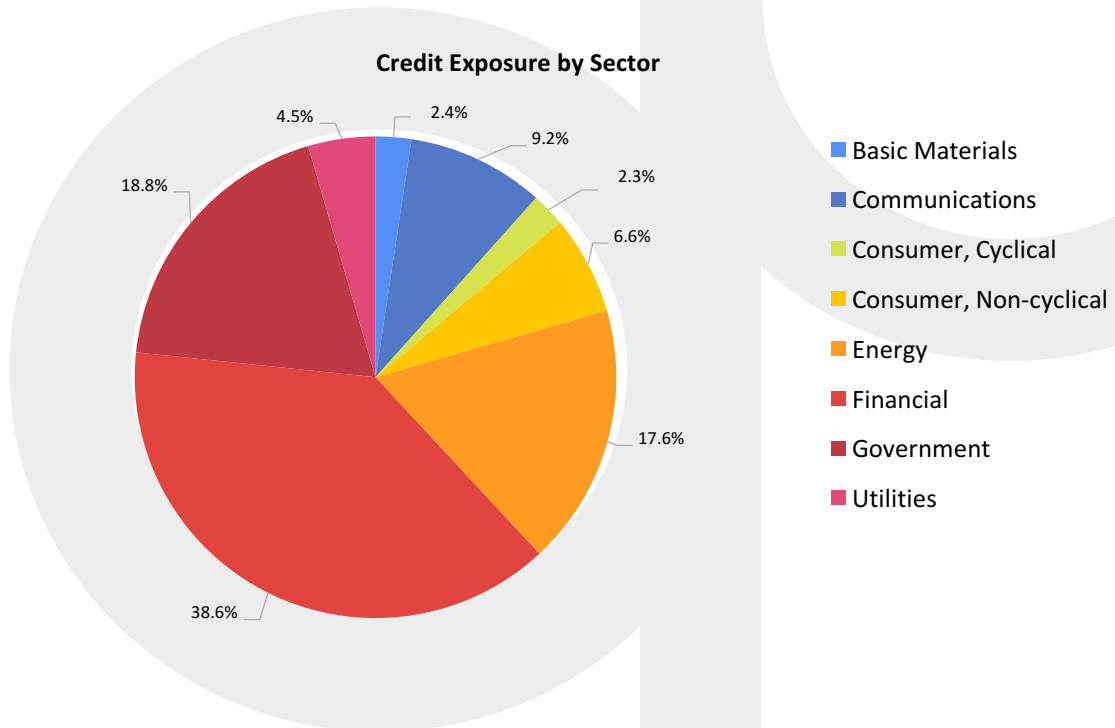
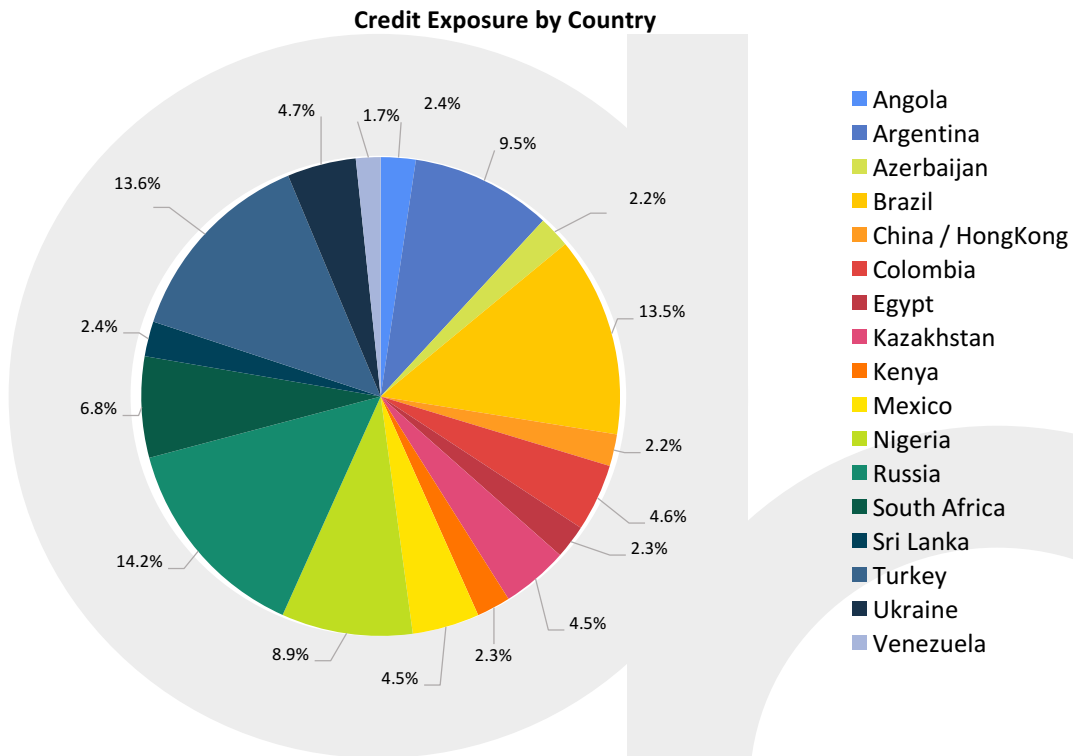
The Company plans to, selectively, acquire management control in emerging markets focused companies with the aim of generating sustainable cash distributions and long-term growth for the Company's shareholders.

APQ GLOBAL

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Geographically, the credit portfolio is also well diversified with the largest positions concentrated in Russia (14.2% of the Company's credit exposure) and Brazil (13.5%).

From a sector perspective, the credit exposure is concentrated in government entities, banks and corporations in the energy and materials sectors.



As at 30 June 2017, the Company had no meaningful direct currency exposure beyond the levels in its equity portfolio. Long positions in the Turkish Lira and South African Rand stand at 6.5% and 5.5% of book value respectively.

The Company's cautious stance is reflected in its low sensitivity to overall market moves. The stress tests indicate that the Company would marginally gain for a 10% sell-off in the S&P equity index (0.28% of Book Value), drop 0.62% in value if credit spreads were to widen 10% and gain 2.58% in value if interest rates in the US were to sell off by 1%.

Stress Test Scenarios	
Scenario	Change in % of Book Value
Equity Stress Test (S&P -10%)	0.28%
Credit Stress Test (Credit Spreads up 10%)	-0.62%
Interest Rates Stress Test (Yields up 1%)	2.58%

Strategic Investment Portfolio

In addition, the Company has maintained its investment in City of London Investment Group ('CLIG') representing 3.5% of book value. APQ Global believes that the outlook for the emerging markets equity asset class, the prudent management and an attractive dividend yield bode well for the CLIG stock price.

The Company also holds 3.3% and 4.2% respectively in two publicly listed emerging markets debt funds (EMD US and EDD US). Both funds trade at appealing discounts and have high dividend yields in excess of 8%.

The Company has also built a small stake in Anglo Pacific Group of 1%, a London Main Market listed mining royalty company, through participation in a rights issue earlier in the year to fund a new royalty agreement with a Canadian mining company.

Direct Investment Portfolio

The Company is currently evaluating various business opportunities with a focus on EM which are at various stages of due diligence and takes a cautious approach to such investments. The Company will update Shareholders in due course on its progress.

Important Notice:

The price of shares and the income from them may go down as well as up. Past performance is no indication of future performance. Under no circumstances should this information be considered as an offer, or solicitation, to deal in investments.

Unless otherwise noted, all numbers are management estimates for the period 1 April 2017 through 30 June 2017. The term 'book value' herein includes the assets of APQ Global and its subsidiaries net of any liabilities. The figure in this announcement is an estimate, and is based on unaudited estimated valuations in accordance with the Company's valuation policy as stated in the Company's AIM Admission Document. Estimated results, performance or achievements may differ materially from any actual results, performance or achievements. No person has authority to give any representations or warranties (express or implied) as to, or in relation to, the accuracy, reliability or completeness of the information in this release, and all liability therefore is expressly disclaimed. Accordingly, none of the Company, the Corporate Services Provider or any of its/their respective members, directors, officers, agents, employees or advisers take any responsibility for, or will accept any liability whether direct or indirect, express or implied, contractual, tortious, statutory or otherwise, in respect of, the accuracy or completeness of the information or for any loss, howsoever arising, from the use of this release. Except as required by applicable law, the Company expressly disclaims any obligations to update or revise the above estimates to reflect any change in expectations, new information, subsequent events or otherwise.