10 February 2017

APQ Global Limited

("APQ Global" or the "Company")

Outlook

APQ Global is an emerging markets growth company incorporated in Guernsey (company registration number 62008) which is listed on the Channel Islands Securities Exchange and admitted to trading on AIM.

The Company has issued an Emerging Markets Outlook for 2017 which can be accessed via its website: www.apqglobal.com.

The Chairman's Outlook has been extracted and is set out below.

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NEW YEAR, NEW CHALLENGES, NEW OPPORTUNITIES

2016 was a defining year for our company. On 11 August 2016, we raised £78 million on the Channel Islands Stock Exchange, and we were admitted to trading on the London Stock Exchange's AIM Market two weeks later. These landmark developments give us the resources to focus on growing dividends and substantial capital growth for our shareholders in the years to come, and we want to thank those involved for their support – not only our distinguished group of institutional and private shareholders, but also our Board of Directors and the management team who worked hard to make this happen.

At the end of 2016 our book value per share (after IPO-related expenses) was 99.20 pence. We have generated significant income to support our first dividend of 0.5 pence per share for the fourth quarter of 2016, distributed in February 2017.

Rather than focus on our success to date (more on that in the following pages), it is now time to think ahead to the new year. In this inaugural statement, I want to focus on the major global themes that will influence our business in 2017 and beyond, and the abundance of opportunities that exist across emerging markets, despite the ongoing economic and political uncertainty. A stronger US Dollar *should give us the chance to pick up emerging market exposure at better valuations. A higher oil price will support our exposure in the energy sectors. Higher nominal growth in the global economy will support export sectors in emerging markets. In short, opportunities abound and we are well positioned to take advantage of them.*

It is hard not to start with the watershed event of President Trump's election victory in the United States and how this will continue to impact markets across the world. His expansive tax policy and ambitious infrastructure plans will almost certainly increase the United States' fiscal deficit and public debt, the effects of which will be felt globally. His proposed fiscal expansion is happening at a time of full employment, which should fuel growth and higher inflation domestically. As a result, I also expect the Federal Reserve to become more proactive with rate hikes in 2017 and the sell-off in the American bond market to intensify. Higher yields and a stronger US Dollar will be the major risk factor for the global economy in 2017.

But how will the global economic system cope with the higher cost of funding in US Dollars after eight years of extraordinarily low interest rates? History does not offer much comfort in this regard, and it would defy logic that higher funding costs will not matter for economic activity. This leads me to remain cautious on the outlook for global equity markets in 2017.

Of course, what President Trump is most famed for is his geopolitical sabre-rattling and interventionist industrial policy. While I expect he will quickly run into a wall of foreign retaliation and domestic opposition, his choice of cabinet ministers does suggest a tougher international economic and political agenda, and reiterates his core aims of protecting American jobs and the nation's security. While this is unlikely to lead to a whole scale revision of the international economic and political order, a more inward-looking approach to world affairs in the United States will certainly offer an opportunity for Russia and China to try and increase their external influence – most notably in parts of Asia, the Middle East and Africa. I anticipate a more multi-polar world is in the works, accompanied by more political and economic conflicts, not less.

Aside from the resulting impact of the US elections, we expect political tensions to run high in Europe in 2017. After the comprehensive defeat of the referendum for constitutional reform in Italy late last year, the focus is now shifting to the German and French elections and the start of the BREXIT negotiations. Regarding the latter, it is altogether clear that the British government has no firm plans and does not even know what it does not know. I expect a hard BREXIT to fade into the distance and the on-going political and economic muddle to continue.

Beyond these political headwinds, I expect macroeconomic developments to remain favourable for emerging markets in 2017. Growth in the world economy is gaining pace, with both developed countries and emerging markets contributing (although emerging markets remain the main drivers of global GDP growth). What is interesting to note is that inflation dynamics are diverging between emerging and developed markets; while inflation is on an upward trend in developed markets, it is tapering off in emerging markets. I expect the latter to continue to put pressure on emerging markets currencies but to open up significant business opportunities in selected emerging economies.

In short, we expect 2017 will see the global economy adapt to the tumultuous events of last year and we expect to see tremendous opportunities for emerging markets in the years ahead. We hope that the insights we provide in the coming pages are of interest to you as you face the new year – to help you identify the challenges ahead and leverage the opportunities that we see arising.