



# Monthly NTA Statement

as at 30 September 2018

## Overview and Investment Philosophy

VG1, the Company, provides investors with access to a concentrated portfolio, predominately comprised of Long investments and Short positions in global listed securities; and the investment expertise of VGI Partners, the Manager.

The Manager's risk-adjusted return philosophy is implemented through three key tenets:

- 1. Capital preservation** - The Manager believes that risk comes from not properly understanding your investments and places a great deal of importance on assessing downside risk.
- 2. Superior long-term compound growth** - The Manager believes that great businesses purchased with a 'margin of safety' held for the long term are best placed to provide superior compound returns.
- 3. Concentration** - The Manager aims to be concentrated enough in its best ideas so as not to dilute overall returns but hold enough Long investments in order to provide an appropriate level of diversification. The top five Long investments typically represent 40-50% of the portfolio NAV.

Key Details		Net Tangible Asset (NTA) Per Share	
ASX Code	VG1	Pre-Tax NTA	\$2.24
Share Price	\$2.50	Post-Tax NTA	\$2.26
Listing Date	28 September 2017	<small>Source: Citco Fund Services. 'Pre-Tax NTA' is calculated before all taxes. 'Post-Tax NTA' is calculated after tax on realised gains/losses, deferred tax assets and deferred tax liabilities, but before allowing for deferred tax liabilities/deferred tax assets on unrealised gains/losses. The NTA after including deferred tax liabilities/deferred tax assets on unrealised gains/losses is \$2.17 per share.</small>	
Portfolio Size	\$626.7 million		
Shares on Issue	277.6 million		
Market Capitalisation	\$694.1 million		

Investment Guidelines		Net Performance			
		Pre-Tax NTA	Post-Tax NTA	Share Price	
No. of Long Investments	Typically, 10 to 25; currently 18	1 month	-0.5%	-0.6%	0.8%
No. of Short Positions	Typically, 10 to 35; currently 21	3 months	3.2%	3.3%	10.1%
		6 months	8.5%	9.0%	20.2%
		Financial YTD	3.2%	3.3%	10.1%
		Since Inception	12.1%	12.9%	25.0%
		Compound Annual Return	12.1%	12.9%	25.0%
<small>Source: Citco Fund Services. Pre-Tax Performance is defined as the movement in Pre-Tax NTA. Post-Tax Performance is defined as the movement in Post-Tax NTA. NTA Performance is shown after all applicable fees and charges. Share Price Performance is defined as the movement in the VG1 Share Price at the end of the period.</small>					

Month End Exposures	
Long Equity Exposure	70%
Short Equity Exposure	(28)%
Gross Equity Exposure	98%
Net Equity Exposure	42%
Cash Weighting	58%



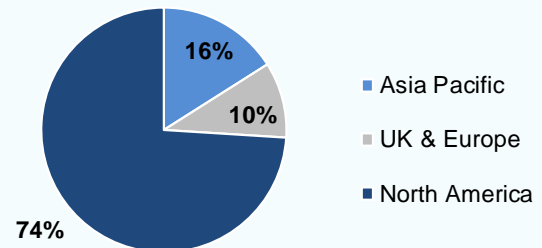
#### Top Five Long Investments

1. CME Group Inc.	11%
2. Colgate Palmolive Co.	7%
3. Medibank Private Limited	6%
4. MasterCard Inc.	5%
5. Praxair Inc.	5%
<b>Total Top Five Long Investments</b>	<b>34%</b>

#### Net Currency Exposures

USD	100%
<b>% Portfolio NAV Un-hedged to AUD</b>	<b>100%</b>

#### Long Portfolio by Location of Exchange Listing



#### Commentary

The portfolio's return (net of all fees and expenses) for the month of September 2018 was **-0.6%**. The portfolio's Long investments detracted **-0.8%** from performance for the month of September 2018 and the Short portfolio, consisting of single stock Short positions, added **+0.9%** to performance during the month. The Australian Dollar appreciated against the US Dollar during September which detracted **-0.7%** from the return.

The Manager has been patiently and steadily deploying the portfolio such that as at 30 September 2018 the portfolio was approximately 80% of targeted individual stock weightings, on average, across the entire portfolio. Given the Manager's focus on preservation of investors' capital, the Manager may take several more months to fully deploy the portfolio, depending on market conditions.

#### Board of Directors

<b>David Jones</b>	Chairman
<b>Robert Luciano</b>	Executive Director, Portfolio Manager
<b>Douglas Tynan</b>	Executive Director, Head of Research
<b>Lawrence Myers</b>	Independent Director
<b>Noel Whittaker</b>	Independent Director
<b>Jaye Gardner</b>	Independent Director

#### Key Contacts

<b>Company Secretary</b>	Ursula Kay, CA
<b>Investor Relations</b>	Victoria Arthur, CA
<b>Manager</b>	Phone: 1800 571 917 (inside Australia) +61 2 9237 8921 (outside Australia) Email: <a href="mailto:investor.relations@vgipartnersglobal.com">investor.relations@vgipartnersglobal.com</a>
<b>Share Registry</b>	Boardroom Pty Limited Phone: 1300 737 760 (inside Australia) +61 2 9290 9600 (outside Australia) Email: <a href="mailto:enquiries@boardroomlimited.com.au">enquiries@boardroomlimited.com.au</a>