

18 August 2020

ASX Market Announcements  
ASX Limited  
Exchange Centre  
20 Bridge Street  
Sydney NSW 2000

BY ELECTRONIC LODGEMENT

**FY20 Results Briefing Presentation**

VGI Partners Global Investments Limited (ASX:VG1) will hold its FY20 investor conference call and webcast today at 11:30am (AEST). Attached is a copy of the presentation to be given. Please pre-register for the call or use the webcast to avoid delays.

Pre-register for the call: <https://s1.c-conf.com/diamondpass/10008029-invite.html>

Webcast link: <https://edge.media-server.com/mmc/go/VG1-FY20/>

Dial-in for Australia *if not pre-registered*: 1800 908 299 (Toll Free) or +61 2 9007 8048 (Local) (ID 10008029)

Additional briefing details were provided in VG1's ASX release on 10 August 2020.

A recording will be available on the VG1 website at [www.vgipartners.com/lics/vg1](http://www.vgipartners.com/lics/vg1) shortly after the event.

Authorised for release by:

**Ian Cameron**  
**Company Secretary**

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# **VGI Partners Global Investments Limited (ASX:VG1)**

FY20 Investor Briefing – 18 August 2020

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## Summary

- In FY20, VG1 generated a post-tax Net Tangible Assets (NTA) return of -4.3% (after fees) and commenced paying dividends
- Post-tax NTA per share was **\$2.27** as at 30 June 2020 and has since risen **+3.8%** to **\$2.36** as at 14 August 2020<sup>1</sup>
- VGI Partners' Global Strategy has delivered +13.0% p.a. returns (net of fees) since inception in 2009<sup>2</sup>
- Fully franked final dividend for FY20 of 1.5¢ per share, payable 23 September 2020
- A dividend reinvestment plan (DRP) is available (elect by 5pm on 26 August 2020, Sydney time)
- The Manager remains highly aligned with VG1 shareholders and focused on achieving superior risk-adjusted long-term returns
- Have today announced a buy-back of up to 10% of issued capital over the next 12 months

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<sup>1</sup> Post-tax NTA for 30 June 2020 sourced from Citco Fund Services. Post-tax NTA for 14 August 2020 estimated by VGI Partners (per the latest Weekly NTA Update released to the ASX).

<sup>2</sup> Based on VGI Partners Master Fund data to 31 July 2020 sourced from Citco Fund Services.

**VGI**  
**PARTNERS**  
Global Investments

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# **VGI Partners**

# **The Manager**

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## VGI Partners (The Manager) Overview

- Specialist manager focusing on global equities. Long biased, concentrated strategy with selective short selling. Minimal to no leverage utilised
- Offices in Sydney, New York and Tokyo
- FUM of A\$2.9 bn<sup>1</sup>
- Two investment strategies:
  - Global strategy with 12 year track record
  - Asian strategy launched in 2019
- The Manager is closed to new investment into its unlisted funds and segregated accounts. Other than limited capacity in a Charitable Foundation Class, **VGI Partners' strategies are now accessible only via investing in VG1 or VG8 shares**



<sup>1</sup>FUM as at 30 June 2020. Data is unaudited and based on VGI Partners' estimates.

## VGI Partners (The Manager) Philosophy and Alignment of Interests

<b>Capital Preservation</b>	Do not lose money
<b>Long-Term Compound Growth</b>	10-15% p.a. net of fees
<b>Portfolio Concentration</b>	Invest in best ideas

### Alignment of Interests

- All VG1 operating costs (where permitted) paid by the Manager
- Founders of VGI Partners reinvest 100% of their pro-rata amount of VG1 performance fees (after tax) back into VG1 shares
- VGI Partners is an ongoing buyer of VG1 at a discount to NTA. Total investment now stands at \$8m<sup>1</sup>

### Staff

- Prohibited from buying securities outside of the Manager's funds and VGI Partners itself
- The entire investment team invests a material proportion of their net worth in VGI Partners and VGI Partners' funds
- Board, staff and their families own \$37m of VG1 shares (at NTA)<sup>1,2</sup>

Source: VGI Partners

<sup>1</sup> Based on VG1 post-tax NTA of \$2.36 as of 14 August 2020 (per the latest Weekly NTA Update released to the ASX).

<sup>2</sup> Includes \$8m of look-through interest in VG1 shares owned by VGI Partners Limited. VGI Partners is over 77% owned by VGI Partners' Board, staff and their families.

**VGI**  
**PARTNERS**  
Global Investments

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**VGI Partners Global  
Investments Limited (ASX:VG1)**

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## VG1 Net Investment Performance

- Post-tax NTA return of -4.3% in FY20
- Post-tax NTA up +3.8% to \$2.36 in FY21 to date<sup>1</sup>
- A return of +19.5% since inception to date, or +6.4% compound annual growth<sup>1</sup>, with average cash balance of 51%
- VG1 now replicates Master Fund; cash weight of 25%
- VGI Partners has been buying VG1 shares on-market
- On-market buy-back by VG1 announced today of up to 10% of issued capital over the next 12 months
- On average, VG1 traded in line with NTA between inception and June 2020
- Addressing the current discount to NTA is a continuing priority for VGI Partners and the VG1 Board

<sup>1</sup> Based on post-tax NTA of \$2.36 as of 14 August 2020 (per the latest Weekly NTA Update released to the ASX).

VG1 Share Price and Post-Tax NTA (\$ per share)



Source: Citco Fund Services, VGI Partners and Bloomberg. Performance is shown after all applicable fees and charges. 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. Share price and post-tax NTA data has been adjusted for VG1's capital raising in 2019 (applying an adjustment factor for data pre-rights issue). Weekly NTA data since Nov 2019 estimated by VGI Partners.



## **VG1 Performance Attribution**

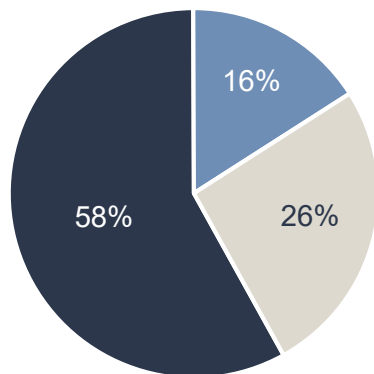
### **Year to 30 June 2020**

	<b>FY20</b>
<b>VG1 NTA Performance</b>	
Long Investments	0.4%
Short Positions	-5.6%
<b>Stock Contribution</b>	<b>-5.2%</b>
Currency	0.9%
<b>Net Performance (after all fees)</b>	<b>-4.3%</b>

	<b>FY20</b>
<b>Top Long Contributors</b>	
Amazon.com Inc.	5.1%
Mastercard Inc.	1.3%
La Française des Jeux	0.9%
Linde plc	0.7%
WD-40 Co.	0.7%
<b>Total Contribution of Above</b>	<b>8.7%</b>

## VG1 Portfolio Update as at 31 July 2020

### Long Portfolio by Location of Exchange Listing



■ North America    ■ Asia<sup>1</sup>    ■ UK & Europe

<sup>1</sup> Asia includes ASX listed securities.  
 Source: VGI Partners, Citco Fund Services.

### Portfolio Size \$920m

#### Month End Exposures

Long Equity Exposure	83%
Short Equity Exposure	(9%)
Gross Equity Exposure	92% (83% + 9%)
Net Equity Exposure	74% (83% - 9%)
Cash Weighting	26%

#### Net Currency Exposure

AUD	100%
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#### Investments

Number of Long Investments	22
Number of Short Positions	2
Top Five Long Investments	44% of NAV

## VG1 Portfolio Update as at 31 July 2020

Portfolio Size \$920m	Listing Domicile	Key Regions	Business	% of Portfolio
<b>Top 10 Long Investments</b>				
Amazon.com Inc.	United States	Global	eCommerce & Internet	16%
Mastercard Inc.	United States	Global	Payments	12%
CME Group Inc.	United States	Global	Exchanges	6%
Linde plc	United States	Global	Industrial Gas	5%
Pinterest Inc.	United States	Global	Social Media	5%
Yakult Honsha Co. Ltd	Japan	Global	Probiotic Beverages	5%
Otis Worldwide Corp.	United States	Global	Elevators & Escalators	4%
La Française des Jeux	France	France	Lottery Operator	4%
Cie Financiere Richemont SA	Switzerland	Global	Luxury Goods	4%
Diageo plc	United Kingdom	Global	Alcoholic Beverages	4%
<b>Total</b>				<b>65%</b>

Source: VGI Partners.

## Capital Management and Shareholder Communication Initiatives

### 1. Unchanged Dividend Policy

- Two fully franked dividends each year at a level that we expect to maintain and grow over the longer term
- Final dividend of 1.5 cents per share announced today, taking full year FY20 dividends to 2.5 cents (1.0 cent interim dividend declared January 2020)

### 2. On-market buy-back announced today

- Up to 10% of shares on issue over next 12 months
- Provides flexibility to buy back promptly should the VG1 Board consider this to be in the best interests of existing shareholders

### 3. Enhanced Shareholder Communication

- From September, monthly NTA to identify Top Ten long positions and enhanced commentary around performance
- Will commence quarterly portfolio update webcasts and increased use of video with senior analysts

## Shareholder Engagement

**Please elect electronic communications to stay informed**

Quarterly portfolio briefings including half-year and full-year results

Monthly NTA commentary

Independent Research

- Zenith
- Independent Investment Research (IIR)

Investor Letter from the Manager in January and July each year

AGM in November each year

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Website: [www.vgipartners.com/lics/vg1](http://www.vgipartners.com/lics/vg1)

Annual national roadshow each October – will be virtual this year

# Questions

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