

Our philosophy

- › Deep research → conviction
→ concentrated portfolio
- › A long-term investment horizon
provides a competitive advantage
- › Avoid permanent loss of capital
- › Absolute return – targeting 10-15%
p.a. through the cycle¹
- › VGI staff invest alongside VG1
shareholders

Key Details

ASX Code	Share Price	Post-Tax NTA ²
VG1	\$1.60	\$1.87

1 Year Portfolio Return (Net of Fees and Expenses)³

(23.0%)

Dividend Yield Target

4% p.a. Fully Franked

Investment Guidelines

No. of Long Investments

Typically 10 to 25,
currently 29

No. of Short Positions

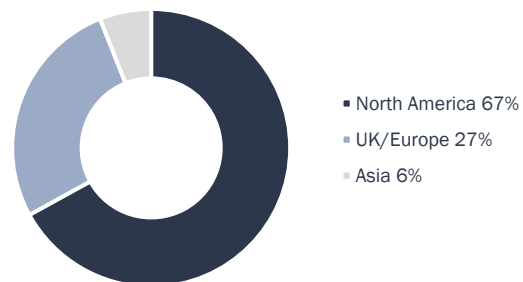
Typically 10 to 35,
currently 41

Listing Date	28 September 2017
Portfolio Value	\$705 million
Portfolio Currency Exposure	AUD 100%

Return ³	Portfolio Return (Net)	Share Price
1 Month	1.8%	8.8%
3 Months	(3.6%)	(4.2%)
6 Months	(14.0%)	(15.3%)
1 Year	(23.0%)	(27.2%)
Since Inception (p.a.)	1.0%	(2.7%)

Month End Exposures	
Long Equity Exposure	98%
Short Equity Exposure	(50%)
Net Equity Exposure	48%

Long Portfolio by Location of Exchange Listing⁴



Long Portfolio by Sector⁴



Source: Citco Fund Services (Net Tangible Assets (NTA)), Bloomberg (Share Price). NTA figures are unaudited.

¹ The return objective is to achieve an average compound annual return of 10% to 15% (after all fees and expenses) over a period of more than five years.

² '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. As at 31 July 2022, NTA after including deferred tax liabilities/deferred tax assets on unrealised gains/losses was \$1.99 per share, which includes \$0.11 per share of income tax losses available to the Company in future periods.

³ Portfolio Return (Net) is shown after all applicable fees and expenses and is defined as the movement in pre-tax NTA, adjusting for payments owed to/from taxation authorities from earlier periods, plus dividends. Share Price Return is defined as the movement in the VG1 share price at the end of the period (applying the Price Adjustment Factor from Bloomberg) plus dividends. All data has been adjusted for VG1's capital raising in 2019.

⁴ Asia includes ASX-listed securities. Sectors have been internally defined. Exposures may not add to 100% due to rounding.

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Authorised for release by Ian Cameron, Company Secretary

Top Ten Long Investments: 74% of VG1 Portfolio



16%

eCommerce & Internet
Amazon.com Inc. (NASDAQ: AMZN)



11%

Exchanges & Financial Services
CME Group Inc. (NASDAQ: CME)



10%

Payments
Mastercard Inc. (NYSE: MA)



9%

Luxury
Cie Financière Richemont SA
(SWX: CFR)



6%

Information Technology
SAP SE (ETR: SAP)



5%

Gaming & Entertainment
Française des Jeux (EPA: FDJ)



5%

eCommerce & Internet
Pinterest Inc. (NYSE: PINS)



4%

eCommerce & Internet
Twitter Inc. (NYSE: TWTR)



4%

Medtech
Olympus Corporation (TYO: 7733)



3%

Exchanges & Financial Services
Deutsche Börse AG
(ETR: DB1)

Commentary

The portfolio's net return for the month of July was +1.8%. The portfolio's Long Investments added 7.4% to performance for the month and the Short portfolio detracted -5.6%. The portfolio has 100% Australian Dollar exposure (equities are fully hedged to the AUD and excess cash is held in AUD) and therefore currency fluctuations did not directly impact the return in July.

The largest Long contributor to return was Amazon (+3.5%). The company reported second quarter earnings during the month that were better than expected. The cloud computing business performed well while the retail business continued to grow in a more difficult retail environment.

Other key Long contributors included Mastercard (+1.1%) and Richemont (+1.0%), both of which also reported solid results.

The largest Long detractors were Alibaba and CME Group (each -0.3%). Alibaba was weak after the company was added to the list of securities to be delisted from the US, on top of ongoing concerns around the impact on consumer spending from COVID lockdowns in China. CME was weak after its result was a small disappointment, although our view remains that the business stands to benefit significantly in the current macro environment.

The Short portfolio was a drag during the month as global indices rebounded.

During July, the portfolio composition was relatively stable, with no new Long investments initiated or sold, and Short exposure largely unchanged, finishing the month at 50%.

Buy-back: Approximately 2.6 million VG1 shares were bought at an average price of \$1.52 during July.

Subsequently, the Company announced on 3 August the renewal of the on-market share buy-back for an additional 12 months commencing 17 August 2022.

FY22 result: VG1 will release its full year results on 16 August 2022.

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