

Our philosophy

- › Deep research → conviction
→ concentrated portfolio
- › A long-term investment horizon
provides a competitive advantage
- › Avoid permanent loss of capital
- › VGI staff invest alongside VG1
shareholders

Key Details

ASX Code	Share Price	Post-Tax NTA ¹
VG1	\$1.41	\$1.70

1 Month Portfolio Return (Net of Fees and Expenses)²

(3.3%)

Dividends

Targeting 4.5c each six months

Investment Guidelines

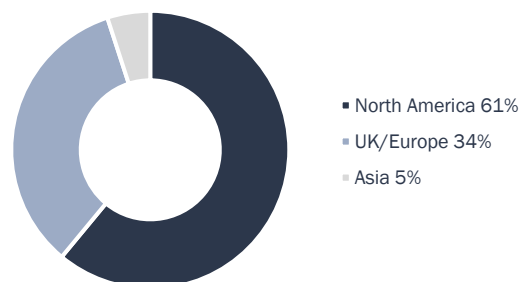
No. of Long Investments	No. of Short Positions
Typically 10 to 25, currently 26	Typically 10 to 35, currently 29

Listing Date	28 September 2017
Portfolio Value	\$608 million
Portfolio Currency Exposure	AUD 100%

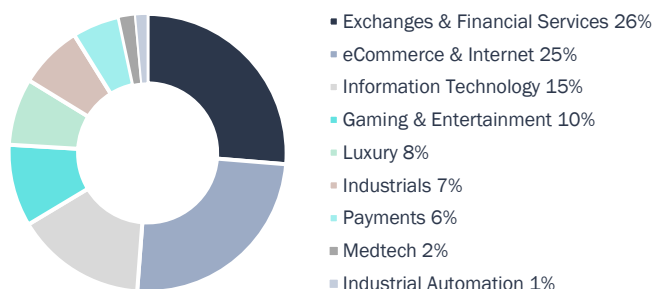
Return ²	Portfolio Return (Net)
1 Month	(3.3%)
3 Months	(1.6%)
6 Months	(4.9%)
1 Year	(22.3%)
Since Inception (p.a.)	(0.3%)

Month End Exposures	
Long Equity Exposure	89%
Short Equity Exposure	(37%)
Net Equity Exposure	52%

Long Portfolio by Location of Exchange Listing³



Long Portfolio by Sector³



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

¹ '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 December 2022, NTA after including deferred tax liabilities/deferred tax assets on unrealised gains/losses was \$1.87 per share, which includes \$0.17 per share of income tax losses available to the Company in future periods.

² 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. All data has been adjusted for VG1's capital raising in 2019. Past performance is not a reliable indicator of future performance.

³ Asia includes ASX-listed securities. Sectors have been internally defined. Exposures may not add to 100% due to rounding.

Date of release: 12 January 2023

Authorised for release by Ian Cameron, Company Secretary

Top Ten Long Investment Weights: 68% of VG1 Portfolio



12%

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



12%

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



7%

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



7%

Luxury
Cie Financière Richemont SA
(SWX: CFR)



7%

Information Technology
SAP SE (ETR: SAP)



5%

eCommerce & Internet
Pinterest Inc. (NYSE: PINS)



5%

Gaming & Entertainment
Française des Jeux (EPA: FDJ)



5%

Payments
Mastercard Inc. (NYSE: MA)

4%

Active Position
Not Disclosed

4%

Active Position
Not Disclosed

Commentary

The portfolio's net return for the month of December was -3.3%.² The portfolio's Long Investments detracted -6.1% from performance for the month while the Short portfolio added +2.8%. 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 December.

The largest positive contributors to returns were our single stock and basket shorts, which provided downside protection in a month when market indices were weak, as recession fears continued to weigh on expectations for upcoming earnings results. Short exposure reduced from 45% to 37% during the month due to profit-taking on some short positions.

The largest long detractor was Amazon (-1.7%), as the market became increasingly concerned about the outlook for cloud computing growth in an environment where customers are scrutinising costs and data usage more closely. In our upcoming investor letter (to be published towards the end of the month), we will elaborate on our Amazon views in more detail.

Other major detractors included SAP (-0.6%) and Deutsche Börse (-0.5%), with no company-specific news driving the price declines.

Buy-back: Approximately 4.3 million VG1 shares were bought at an average price of \$1.43 during December.

1H23 results: VG1 expects to release its 1H23 results on Tuesday, 14 February.

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