

## 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 <sup>1</sup>
VG1	\$1.555	\$1.90

### 1 Month Portfolio Return (Net of Fees and Expenses)<sup>2</sup>

(1.2%)

### Dividends

Targeting 4.5c each six months

### Investment Guidelines

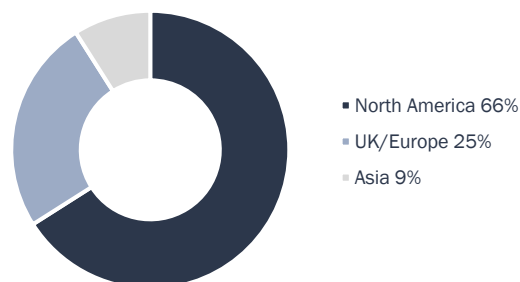
No. of Long Investments	No. of Short Positions
Typically 10 to 25, currently 22	Typically 10 to 35, currently 19

Listing Date	28 September 2017
Portfolio Value	\$659 million
Portfolio Currency Exposure	Fully hedged to AUD

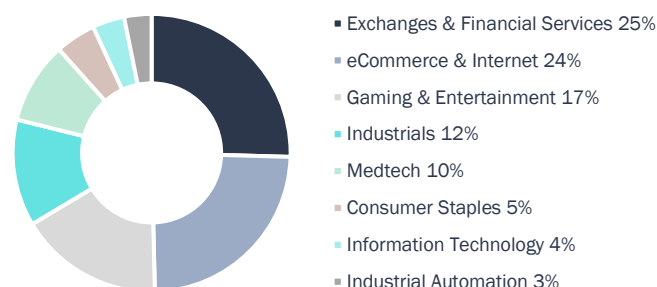
Return <sup>2</sup>	Portfolio Return (Net)
1 Month	(1.2%)
3 Months	3.0%
6 Months	10.3%
1 Year	2.7%
Since Inception (p.a.)	2.0%

Month End Exposures	
Long Equity Exposure	96%
Short Equity Exposure	(25%)
Net Equity Exposure	71%

### Long Portfolio by Location of Exchange Listing<sup>3</sup>



### Long Portfolio by Sector<sup>3</sup>



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

<sup>1</sup> '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 30 April 2023, NTA after including deferred tax liabilities/deferred tax assets on unrealised gains/losses was \$2.00 per share, which includes \$0.10 per share of income tax losses available to the Company in future periods.





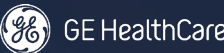





<sup>2</sup> Portfolio Return (Net) is shown after all applicable fees and expenses and is defined as the movement in pre-tax NTA, adjusting for payments owed to/from taxation authorities from earlier periods, plus dividends. All data has been adjusted for VG1's capital raising in 2019. Past performance is not a reliable indicator of future performance.

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

Date of release: 11 May 2023

Authorised for release by Ian Cameron, Company Secretary

Top Ten Long Investment Weights: 69% of VG1 Portfolio

	<b>13%</b> eCommerce & Internet Amazon.com Inc. (NASDAQ: AMZN)
	<b>11%</b> Exchanges & Financial Services CME Group Inc. (NASDAQ: CME)
	<b>8%</b> Exchanges & Financial Services Deutsche Börse AG (ETR: DB1)
	<b>7%</b> Gaming & Entertainment The Walt Disney Company (NYSE: DIS)
	<b>6%</b> MedTech GE HealthCare Technologies Inc. (NASDAQ: GEHC)
	<b>6%</b> Exchanges & Financial Services London Stock Exchange Group Plc (LON: LSEG)
	<b>5%</b> Gaming & Entertainment Française des Jeux (EPA: FDJ)
	<b>5%</b> Industrials Rheinmetall AG (ETR: RHM)
	<b>5%</b> eCommerce & Internet Pinterest Inc. (NYSE: PINS)
	<b>4%</b> Gaming & Entertainment Spotify Technology SA (NYSE: SPOT)

Commentary

The portfolio's net return for the month of April was -1.2%.<sup>2</sup> The portfolio's Long Investments detracted -1.4% from performance for the month while the Short portfolio added +0.2%. The portfolio is fully hedged to AUD (and excess cash is held in AUD) and therefore currency fluctuations did not directly impact the return in April.

The largest long contributors were London Stock Exchange (LSE) and Amazon (each +0.3%). LSE reported a strong result, showing an acceleration in revenue growth, consistent with our thesis that the group is at an inflection point in realising the benefits from its combination with Refinitiv. Amazon also reported earnings that positively surprised the market, with AWS growth holding up well and North American retail margins ahead of expectations, leading to an improved cash flow outlook. While AWS growth was guided to continue slowing, we remain of the view that this represents a temporary, cyclical slowdown and that the structural growth for cloud computing demand remains in the early innings.

The largest long detractor was Pinterest (-0.8%) as the share price was weakened on the back of its first quarter result. Pinterest reported strong user growth and engagement trends, however monetisation has lagged. We continue to believe that monetisation will follow engagement, as it has in the past at Pinterest, and we are encouraged by the accelerating adoption of the platform by younger users.

During the month we completed our exit of long positions in SAP, Mastercard and Richemont. We will discuss these sell-downs in future communications.

The short portfolio delivered pleasing contributions from single-stock shorts, including a short position in a US-based electric vehicle manufacturer. We believe the electric vehicle market category is becoming increasingly competitive and manufacturers will continue to see margin erosion as prices are reduced in order to maintain market share.

**Buy-back:** Approximately 2.0 million VG1 shares were bought at an average price of \$1.59 during April.

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