

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	\$1.73	\$2.05

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

2.1%

Dividends

Targeting 4.5c each six months

Investment Guidelines

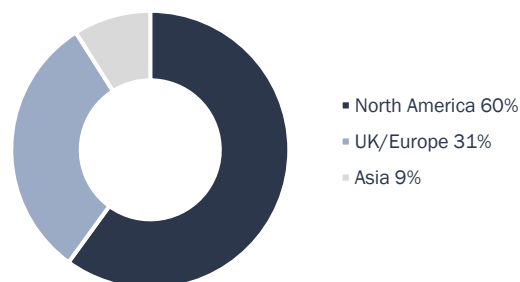
No. of Long Investments	No. of Short Positions
Typically 10 to 25, currently 22	Typically 10 to 35, currently 20

Listing Date	28 September 2017
Portfolio Value	\$684 million
Portfolio Currency Exposure	Fully hedged to AUD

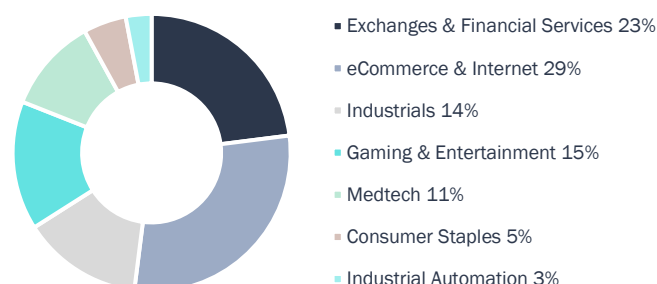
Return ²	Portfolio Return (Net)
1 Month	2.1%
3 Months	7.2%
6 Months	10.5%
1 Year	14.2%
Since Inception (p.a.)	3.1%

Month End Exposures	
Long Equity Exposure	97%
Short Equity Exposure	(20%)
Net Equity Exposure	77%

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 July 2023, NTA after including deferred tax liabilities/deferred tax assets on unrealised gains/losses was \$2.10 per share, which includes \$0.07 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: 10 August 2023

Authorised for release by Ian Cameron, Company Secretary

Top Ten Long Investment Weights: 64% of VG1 Portfolio

 CME Group

10%

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



9%

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

 GE HealthCare

9%

MedTech
GE HealthCare Technologies Inc.
(NASDAQ: GEHC)


LSEG

6%

Exchanges & Financial Services
London Stock Exchange Group Plc
(LON: LSEG)

 RHEINMETALL

6%

Industrials
Rheinmetall AG (ETR: RHM)

 DEUTSCHE BÖRSE
GROUP

6%

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

The
WALT DISNEY
Company

5%

Gaming & Entertainment
The Walt Disney Company
(NYSE: DIS)



5%

Gaming & Entertainment
Française des Jeux (EPA: FDJ)



4%

eCommerce & Internet
Meta Platforms Inc. (NYSE: META)



4%

Consumer Staples
DSM-Firmenich AG (AEX: DSFIR)

Commentary

The portfolio's net return for the month of July was +2.1%.² The portfolio's long investments added +3.7% to performance for the month while the short portfolio detracted -1.6%. Pleasingly the portfolio made positive returns in all regions.

The largest contributors were Schlumberger (SLB) and CME. SLB reported strong results as the company continues to benefit from growing international capex for oil exploration and production projects. In the near-term, the stock was also influenced by the oil price which was up 16% during July. CME's second quarter results were also encouraging, with revenue growth of 10% translating to EPS growth of nearly 20% due to the combination of growing volumes, pricing benefits and revenue mix shift towards higher revenue contracts.

During the month, we made some changes to the portfolio. We initiated a position in META after taking advantage of temporary weakness following the large NASDAQ rebalance. We have been following META's evolution and we like that the business is now looking to drive revenue growth acceleration after a period focused on cost cutting and investment. We were pleased to see this reflected in the most recent quarterly results.

In addition, we slightly reduced our holdings in exchanges CME and DB1 as well as AMZN, although these remain high-conviction holdings for the fund.

The largest detractor was the short portfolio, reducing monthly returns by -1.6%. Many of the existing shorts have not worked well and we have cut some and reduced others. As markets have continued to rally, we have started to slowly grow short exposure in the technology sector where we believe there are a range of attractive short opportunities.

Buy-back: Approximately 3.3 million VG1 shares were bought at an average price of \$1.70 during July.

FY23 result: VG1 expects to release its FY23 result on Tuesday, 15 August.

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