

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 Ex-Div	Post-Tax NTA Ex-Div ¹
VG1	\$1.575	\$1.90

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

(5.1%)

Investment Guidelines

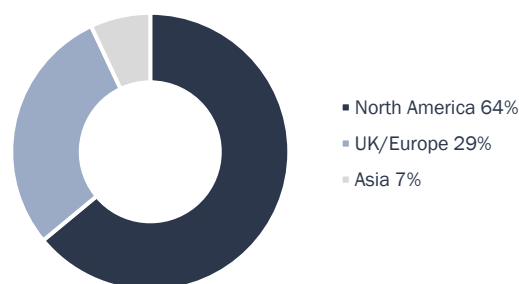
No. of Long Investments	No. of Short Positions
Typically 10 to 25, currently 24	Typically 10 to 35, currently 21

Listing Date	28 September 2017
Portfolio Value	\$629 million
Portfolio Currency Exposure	Fully hedged to AUD

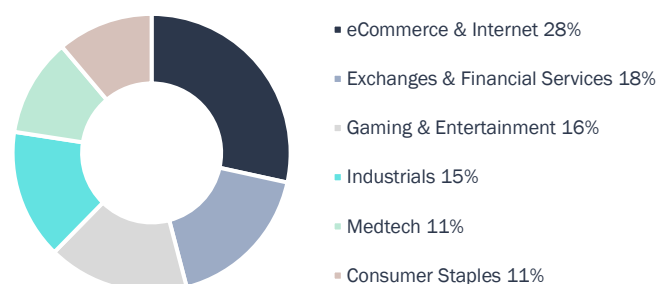
Return ²	Portfolio Return (Net)
1 Month	(5.1%)
3 Months	(1.2%)
6 Months	6.2%
1 Year	9.3%
Since Inception (p.a.)	2.2%

Month End Exposures	
Long Equity Exposure	98%
Short Equity Exposure	(38%)
Net Equity Exposure	59%

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 August 2023, NTA after including deferred tax liabilities/deferred tax assets on unrealised gains/losses was \$1.98 per share (ex-dividend), which includes \$0.10 per share of income tax losses available to the Company in future periods. The dividend of 5 cents per share, relating to the six months to 30 June 2023, had an ex-dividend date of 23 August 2023 and is payable on 25 September 2023.

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.

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Authorised for release by Ian Cameron, Company Secretary

Top Ten Long Investment Weights: 62% of VG1 Portfolio



9%

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



8%

MedTech
GE HealthCare Technologies Inc.
(NASDAQ: GEHC)



8%

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



7%

Consumer Staples
Kenvue Inc. (NYSE: KVUE)



7%

Industrials
Rheinmetall AG (ETR: RHM)



5%

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



5%

Gaming & Entertainment
Française des Jeux (EPA: FDJ)



5%

Industrials
Schlumberger NV (NYSE: SLB)



4%

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



LSEG

4%

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

Commentary

The portfolio's net return for the month of August was -5.1%² dragged down by poor performance by the long book.

The largest detractors were holdings in GE HealthCare (GEHC, down 10%) and Interactive Corp (IAC, down 21%). GEHC declined in line with the vast majority of medical technology companies as an anti-corruption drive in Chinese hospital procurement saw a number of companies report that sales in the region were slowing. GEHC's total sales into China are ~15% of group revenues. Outside of our stake in Alibaba, the remainder of the portfolio has limited China exposure. IAC reported a slightly disappointing set of results during the quarter, however, we still view the value of the assets within the group as attractive vs the current price and believe that management have a number of initiatives underway to unlock this value.

The largest positive long contributors were Amazon (AMZN) and CME. AMZN reported strong 2Q results with an inflection in the growth outlook for the AWS cloud services business and continued improvement in retail margins leading to upgraded profit expectations for the year. Even post this result, we believe AMZN's cost rationalisation potential is under-appreciated by the market and expect further margin improvement in the future. CME continued to appreciate post its 2Q results and showed its defensive qualities in a month where most major indices posted losses.

There were a number of positive contributors from the single stock short book, with the largest being a discount retailer that reported disappointing results.

During August, we added several long investments. This included initiating a position in the consumer healthcare company, Kenvue (KVUE), a leading globally diversified consumer health business with a highly trusted brand portfolio. While we had considered a position at its IPO earlier this year, we entered in August after an exchange offer (which involved shareholders in the prior holding company (JNJ) exchanging their shares for new shares in KVUE at a discount) provided a good entry level.

Buy-back: Approximately 1.7 million VG1 shares were bought at an average price of \$1.68 during August.

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