

VGI Partners Global Investments Limited
ABN 91 619 660 721

APPENDIX 4D
FOR THE PERIOD ENDED 31 DECEMBER 2017

Report for the period 9 June 2017 to 31 December 2017

The report is for the reporting period from date of incorporation to 31 December 2017. This is the first reporting period for the Company.

Results for announcement to the market

31 December 2017

	\$
Revenue from ordinary activities	23,566,800
Profit before tax for the period	19,671,136
Profit from ordinary activities after tax attributable to members	13,769,795

Dividends

There were no dividends paid or proposed during the period

Net tangible assets per share

	\$
Pre tax	2.02
Post tax excluding deferred tax liabilities/deferred tax assets on unrealised gains/losses	2.02
Post tax including deferred tax liabilities/deferred tax assets on unrealised gains/losses	2.01

This report is based on the period ended 31 December 2017 interim report which has been subject to an independent review by the Auditors, Pitcher Partners. All the documents comprise the information required by Listing Rule 4.2A.

VGI Partners Global Investments Limited
ABN 91 619 660 721

Interim Financial Report
For the period from 9 June 2017 to 31 December 2017

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VGI Partners Global Investments Limited
ABN 91 619 660 721

CORPORATE DIRECTORY

Directors	David Jones Robert Luciano Douglas Tynan Jaye Gardner Noel Whittaker Lawrence Myers
Secretary	Ursula Kay
Investor Relations Manager	Victoria Arthur Telephone: (02) 9237 8921
Investment Manager	VGI Partners Pty Limited ABN 33 129 188 450
Registered Office	39 Phillip Street Sydney, NSW 2000, Australia
Prime Brokers and Custodians of the Company	Deutsche Bank AG Winchester House, 1 Great Winchester Street London, EC2N 2DB, United Kingdom Morgan Stanley & Co. LLC 1585 Broadway, 6 th Floor New York, NY 10036, United States of America
Auditor	Pitcher Partners Level 22, MLC Centre 19 Martin Place Sydney, NSW 2000, Australia Telephone: (02) 9221 2099
Lawyers	Kardos Scanlan Pty Limited Level 5, 151 Castlereagh Street Sydney, NSW 2000, Australia Telephone: (02) 9176 5290
Share Registrar	Boardroom Pty Limited Level 7, 225 George Street Sydney, NSW 2000, Australia Telephone: (02) 9290 9600
Stock Exchange	Australian Securities Exchange (ASX) The home exchange is Sydney, Australia ASX code: VGI Partners Global Investments Limited (VG1)

VGI Partners Global Investments Limited
ABN 91 619 660 721

DIRECTORS' REPORT TO SHAREHOLDERS
FOR THE PERIOD ENDED 31 DECEMBER 2017

Directors' Report

The Directors of VGI Partners Global Investments Limited (the Company) present their report together with the condensed interim financial report for the period 9 June 2017, being the date of incorporation, to 31 December 2017.

VGI Partners Global Investments Limited is a company limited by shares and is incorporated in Australia.

Directors

The names of the Directors in office at any time during or since the end of the period are as follows:

David Jones – Non-Independent Chairman
Robert Luciano – Non-Independent Director
Douglas Tynan – Non-Independent Director
Jaye Gardner – Independent Director
Noel Whittaker – Independent Director
Lawrence Myers – Independent Director

Principal Activity

The principal activity of the Company is investing in global listed securities. The Company may take short positions and may also deal in derivatives for hedging purposes. There have been no significant changes in the nature of these activities during the period.

Review of Operations

The company was incorporated on 9 June 2017 and listed on the ASX on 28 September 2017. During the period under review, the Company raised capital of \$550,000,002 by issuing 275,000,001 shares at a price of \$2.00 per share.

From the date of share allotment, being 25 September 2017, to 31 December 2017, VGI Partners Global Investments Limited's portfolio generated a net return of +1.0% after all fees.

Investment operations over the period ended 31 December 2017 resulted in an operating profit before tax of \$19,671,136 and an operating profit after tax of \$13,769,795.

The Investment Manager has been patiently and steadily deploying the capital such that as at 31 December 2017, the portfolio was approximately 45% of targeted individual stock weightings. Given the Investment Manager's focus on preservation of investors' capital, the Manager may take several more months to fully deploy the portfolio, depending on market conditions.

Financial Position

The net asset value of the Company as at 31 December 2017 was \$553,757,740.

Dividends

The Directors have not declared a dividend for the reporting period ending 31 December 2017.

VGI Partners Global Investments Limited
ABN 91 619 660 721

Rounding of Amounts to Nearest Dollar

In accordance with *ASIC Corporations (Rounding in Directors' Reports) Instrument 2016/191*, the amounts in the Directors' Report have been rounded to the nearest dollar.

Auditor's Independence Declaration

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* in relation to the review for this period is set out on page 4 of this Financial Report.

This report is made in accordance with a resolution of the Board of Directors.



David Jones
Chairman

Sydney
29 January 2018

**Auditor's Independence Declaration
To The Directors of VGI Partners Global Investments Limited
ABN 91 619 660 721**

In relation to the independent auditor's review for the period ended 31 December 2017, to the best of my knowledge and belief there have been:

- (i) no contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of VGI Partners Global Investments Limited during the period.



SCOTT WHIDDETT
Partner

PITCHER PARTNERS
Sydney

29 January 2018

VGI Partners Global Investments Limited
ABN 91 619 660 721

STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD 9 JUNE TO 31 DECEMBER 2017

	For the period 9 June 2017 to 31 December 2017	
	\$	
		Notes
INCOME		
Net realised and unrealised gain/loss on investments	7,147,568	
Dividend income	1,017,884	
Interest income	1,095,485	
Receivable income	14,302,938	
Other income	2,925	
Total Income	23,566,800	
EXPENSES		
Performance fees	(986,563)	
Directors fees including on costs	(82,500)	
Finance costs	(191,127)	
Stock loan fees	(39,073)	
Dividends on shorts	(73,400)	
Directors insurance fees	(112,105)	
Receivable amortisation	(2,256,953)	
Other trade related expenses	(1,651)	
Withholding tax	(152,292)	
Total Expenses	(3,895,664)	
Profit before income tax	19,671,136	
Income tax expense	(5,901,341)	
Profit attributable to members of the Company	13,769,795	
Other comprehensive income		
Other comprehensive income for the period, net of tax	-	
Total comprehensive income for the period	13,769,795	
Basic earnings per share	10.6 cents	6

The accompanying notes form part of these financial statements

VGI Partners Global Investments Limited
ABN 91 619 660 721

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

	Notes	31 December 2017
		\$
ASSETS		
Cash and cash equivalents		404,406,268
Trade and other receivables		1,328,817
Financial assets (securities owned long)	5	197,812,542
Deferred tax assets		4,004,823
Receivable		12,045,985
Total Assets		619,598,435
LIABILITIES		
Trade and other payables		(3,675,496)
Financial liabilities (securities sold short)	5	(56,549,917)
Current tax liabilities		(596,973)
Deferred tax liabilities		(5,018,309)
Total Liabilities		(65,840,695)
NET ASSETS		553,757,740
EQUITY		
Issued capital	3	550,000,002
Capitalised costs of the offer		(10,012,057)
Retained earnings	4 (b)	13,769,795
TOTAL EQUITY		553,757,740

The accompanying notes form part of these financial statements

VGI Partners Global Investments Limited
ABN 91 619 660 721

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 9 JUNE TO 31 DECEMBER 2017

	Issued capital \$	Retained earnings \$	Total Equity \$
Initial subscription upon incorporation	2	-	2
Shares issued under IPO	550,000,000	-	550,000,000
Capitalised costs of the offer	(10,012,057)	-	(10,012,057)
Profit for the period	-	13,769,795	13,769,795
Balance at 31 December 2017	539,987,945	13,769,795	553,757,740

The accompanying notes form part of these financial statements

VGI Partners Global Investments Limited
ABN 91 619 660 721

STATEMENT OF CASH FLOW
FOR THE PERIOD 9 JUNE TO 31 DECEMBER 2017

For the period
9 June 2017 to
31 December 2017
\$

CASH FLOWS FROM OPERATING ACTIVITIES

Proceeds from the sale of investments	70,426,507
Payments for the purchase of investments	(205,959,503)
Dividends received	263,820
Interest received	679,887
Other income received	1,338
Stock loan fees paid	(20,699)
Dividends on shorts	(63,437)
GST paid	(2,543)
Directors insurance fees paid	(112,105)
Director fees paid	(82,500)
NET CASH USED IN OPERATING ACTIVITIES	(134,869,235)

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from shares issued	550,000,002
Costs of the offer	(14,302,938)
NET CASH PROVIDED BY FINANCING ACTIVITIES	535,697,064

Net Increase in Cash and Cash Equivalents Held	400,827,829
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Effects of exchange rate changes on cash balances of cash held in foreign currencies	3,578,439
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Cash and Cash Equivalents as at the Beginning of the Period	-
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CASH AND CASH EQUIVALENTS AS AT END OF THE PERIOD	<u>404,406,268</u>
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The accompanying notes form part of these financial statements

VGI Partners Global Investments Limited
ABN 91 619 660 721

Notes to the Financial Statements

1. Statement of Significant Accounting Policies

The principal accounting policies adopted in the preparation of these condensed interim financial statements are set out below.

The condensed interim financial statements were authorised for issue on 29 January 2018 by the Board of Directors.

Basis of Preparation

The condensed interim financial statements for 9 June 2017, being the date of incorporation, to 31 December 2017 have been prepared in accordance with the requirements of the *Corporations Act 2001* and *AASB 134 Interim Financial Reporting*. This is the first reporting period for the Company.

The report does not include full disclosures of the type normally included in an annual financial report. It is recommended that this interim Financial Report is to be read in conjunction with any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The interim financial statements have been prepared on an accrual basis, and are based on historical costs, except for the revaluation of certain non-current assets and financial instruments which are carried at their fair values. Cost is based on the fair values of the consideration given in exchange for assets.

In accordance with *ASIC Corporations (rounding in Financial Reports) instrument 2016/191*, the amounts in the Financial Report have been rounded to the nearest dollar.

(a) Accounting Policies

There are no new and revised accounting requirements significantly affecting the period ended 31 December 2017 financial statements. The accounting policies have been consistently applied by the Company throughout the reporting period and can be referred to in the VGI Partners Global Investments Limited Prospectus.

The Statement of Financial Position is presented on a liquidity basis. Assets and liabilities are presented in decreasing order of liquidity and are not distinguished between current and non-current.

2. Dividends

No dividends were declared during the period ended 31 December 2017.

3. Issued Capital

Share Capital

	31 December 2017
	\$
Ordinary Shares	550,000,002

VGI Partners Global Investments Limited
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4. Movements in Equity

(a) Movement in Share Capital

	Number of Shares
Initial subscription upon incorporation	1
Shares issued under IPO	275,000,000
Closing balance	275,000,001

(b) Movement in Retained Earnings

	31 December 2017
	\$
Opening balance	-
Profit attributable to members of the company	13,769,795
	13,769,795

5. Financial Instruments Measured at Fair Value

AASB 13: Fair Value measurement requires the disclosure of fair value information using a fair value hierarchy reflecting the significance of the inputs in making the measurements. The fair value hierarchy consists of the following levels:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table presents the Company's financial assets and liabilities measured and recognised at fair value as at 31 December 2017.

	31 December 2017			
	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial assets (securities owned long)	197,812,542	-	-	197,812,542
Financial liabilities (securities sold short)	(56,549,917)	-	-	(56,549,917)
Total	141,262,625			141,262,625

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6. Earnings Per Share

	31 December 2017
	\$
Profit after income tax used in the calculation of basic and diluted earnings per share	13,769,795
Basic and diluted earnings per share	10.6 cents
	Number of Shares
Weighted average number of ordinary shares outstanding during the period used in calculating basic and diluted earnings per share	129,490,292

The weighted average number of shares used as the denominator in calculating basic earnings per share is based on the average number of shares from 9 June 2017, being the date of incorporation, to 31 December 2017. The basic earnings per share would be 5.0 cents per share if calculated from 25 September 2017, being the allotment date, as the Company only had one share on issue and no earnings up to this date.

7. Subsequent Events

There has not been any matter or circumstance, other than that referred to in the financial statements or notes thereto, that has arisen since the end of the reporting period, that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

8. Capital Commitments and Contingent Liabilities

There are no contingent liabilities or contingent assets at 31 December 2017.

VGI Partners Global Investments Limited
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Directors' Declaration

In accordance with a resolution of the Directors of VGI Partners Global Investments Limited, the Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 5 to 11, are in accordance with the *Corporations Act 2001*, including:

(a) complying with *Accounting Standard AASB 134 Interim Financial Reporting*, the *Corporations Regulations 2001* and any other mandatory professional reporting requirements; and

(b) giving a true and fair view of the Company's financial position as at 31 December 2017 and of its performance for the period ended on that date.

2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Board of Directors.



David Jones
Chairman

Sydney
29 January 2018

**Independent Auditor's Review Report
To The Members of VGI Partners Global Investments Limited
ABN 91 619 660 721**

Report on the Interim Financial Report

We have reviewed the accompanying interim financial report of VGI Partners Global Investments Limited ("the company"), which comprises the statement of financial position as at 31 December 2017, statement of comprehensive income, statement of changes in equity and statement of cash flows for the period ended on that date, a summary of significant accounting policies, other selected explanatory notes and the directors' declaration of the company.

Directors' Responsibility for the Interim Financial Report

The directors of the company are responsible for the preparation of the interim financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the interim financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: *"Review of a Financial Report Performed by the Independent Auditor of the Entity"*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporation Act 2001* including: giving a true and fair view of the Company's financial position as at 31 December 2017 and its performance for the period ended on that date; and complying with Accounting Standard AASB 134: *"Interim Financial Reporting"* and the *Corporations Regulations 2001*. As the auditor of VGI Partners Global Investments Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of the interim financial report consists of making enquiries, primarily of persons responsible for the financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of VGI Partners Global Investments Limited is not in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the company's financial position as at 31 December 2017 and of its performance for the period ended on that date; and
- (ii) complying with Accounting Standard AASB 134: *Interim Financial Reporting* and *Corporations Regulations 2001*.



SCOTT WHIDDETT
Partner



PITCHER PARTNERS
Sydney

29 January 2018