

# Appendix 4E

for the period ended 30 June 2018

ABN 91 619 660 721

## Results for Announcement to the Market\*

The report is for the period from 9 June 2017, being the date of incorporation, to 30 June 2018. This is the first reporting period for VGI Partners Global Investments Limited ("Company"). The Company listed on the ASX on 28 September 2017 (ASX:VG1).

	2018 \$
Revenue from ordinary activities	65,712,832
Profit before tax for the period	47,402,378
Profit from ordinary activities after tax attributable to members	33,177,988

\* The amount and percentage up or down from the previous year is not disclosed as this is the first reporting period for the Company.

## Dividends

There were no dividends paid or proposed during the period.

## Dividend Re-investment Plan

There is currently no dividend reinvestment plan ("DRP") in place.

Net tangible assets per share	30 June 2018
Pre tax	\$2.17
Post-tax excluding deferred tax liabilities/deferred tax assets on unrealised gains/losses	\$2.18
Post-tax including deferred tax liabilities/deferred tax assets on unrealised gains/losses	\$2.12

## Brief explanation of results and Company outlook

The Board is pleased to report that the Company's post-tax NTA has grown by 9.2% from \$2.00 at listing to \$2.18 at 30 June 2018 and the Company's share price has increased by 13.5% from \$2.00 at listing to \$2.27 at 30 June 2018. The VG1 share price has traded at an average 4% premium to post-tax NTA since listing.

As outlined in the VG1 Prospectus, it is expected that the VG1 portfolio will closely replicate that of the VGI Partners Master Fund when it is fully deployed. The Manager has patiently and steadily deployed the VG1 portfolio such that at 30 June 2018 the portfolio was approximately 80% of targeted individual stock weightings, on average, across the entire portfolio.

The Company will continue to pursue its investment objectives for the long-term benefit of shareholders.

## Audit

This report is based on the financial report which has been audited. All the documents comprise the information required by Listing Rule 4.3A.



**David F. Jones**  
Chairman  
Sydney  
14 August 2018



**VGI**  
PARTNERS

GLOBAL  
INVESTMENTS  
LIMITED

ABN 91 619 660 721

**2018**  
Annual Report

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## Annual General Meeting

The 2018 Annual General Meeting will be held at 10:30am on 19 November 2018 at The Barnet Long Room, Customs House, 31 Alfred Street, Sydney NSW 2000.

Notice of the Annual General Meeting will be forwarded to all shareholders separately.

## Corporate Governance

The Board of Directors of the Company is responsible for corporate governance. The Board has chosen to prepare the Corporate Governance Statement ("CGS") in accordance with the third edition of the ASX Corporate Governance Council's Principles and Recommendations under which the CGS may be made available on a Company's website.

The Company's Corporate Governance Statement is available on the Company's website at [www.vgipartnersglobal.com](http://www.vgipartnersglobal.com) under the "Company Information" section.

# Letter from the Chairman

Dear Fellow Shareholders,

On behalf of your Board, I am delighted to present the results of VGI Partners Global Investments Limited (“VG1”) for the period from 9 June 2017 (inception) to 30 June 2018. VG1 listed on the ASX on 28 September 2017 (ASX:VG1).

In terms of performance, the Board is pleased to report that the Company’s post-tax NTA has grown by 9.2% from \$2.00 at listing to \$2.18 at 30 June 2018 and the Company’s share price has increased by 13.5% from \$2.00 at listing to \$2.27 at 30 June 2018. The post-tax NTA grew further to \$2.20 as at 31 July 2018. The VG1 share price has traded at an average 4% premium to post-tax NTA since listing.

VG1 was established to provide investors with access to a concentrated portfolio, predominantly comprised of Long and Short positions in global listed securities, and the investment expertise of VGI Partners, the Manager.

The Manager has a risk-adjusted return philosophy which is implemented through three key tenets:

- **Capital preservation** – First, by investing in high-quality businesses that are easy to understand and that trade at prices which the Manager believes exhibit a sufficient ‘margin of safety’ – that is, trading at prices that are significantly below the intrinsic value of the business. And second, by using little or no leverage and keeping prudent cash buffers.
- **Superior long-term compound growth** – Great businesses purchased with a ‘margin of safety’ held for the long-term are best placed to provide superior compound returns.
- **Concentration** – The Manager aims to be concentrated enough in its best ideas so as not to dilute overall returns but hold enough Long positions in order to provide an appropriate level of diversification. The top five Long positions typically represent 40-50% of the portfolio net asset value.

VGI Partners made three precedent-setting commitments at the time of the Company’s listing, in order to strongly align outcomes between the Manager and VG1 investors:

1. The Manager would pay for all upfront listing costs;
2. The vast majority of ongoing operating costs would be paid by the Manager; and
3. The owners of the Manager would reinvest all performance fees earned on an after-tax basis into VG1 and escrow those shares for the maximum extent permitted by law.

As a consequence, firstly the Manager is absorbing over \$14 million in upfront listing-related expenses that would otherwise have been borne by investors in a typical LIC structure. Secondly, the Manager has paid for over \$400,000 of VG1’s operating costs for the period from listing to 30 June 2018. And finally, the owners of the Manager reinvested 100% of the performance fees earned, after taxes, into new shares in VG1 in January 2018 (261,857 shares). The expected number of shares to be issued to the owners from the reinvestment of after tax performance fees in August 2018 is 2,361,065 shares. These shares are to be issued at the post-tax NTA price of \$2.18 as agreed by the Manager and the Company as stipulated in the Investment Management Agreement.

We believe these outcomes clearly demonstrate the Manager’s commitment to alignment with VG1 investors.

In addition, the Directors of VG1 have collectively purchased a further 467,321 VG1 shares on market since listing (during the trading windows) such that the Directors and owners of the Manager collectively own over 1.4% of the Company including the August 2018 Performance Fee reinvestment shares to be issued after the release of this report.

We have been pleased to note that while the package of commitments made by the Manager was novel when the Company's prospectus was issued, many subsequent investment company and trust listings have followed our lead by replicating some or all of our commitments. On the first point alone, upfront listing costs, we are delighted that most other new investment company and trust listings that have taken place subsequent to the IPO of VG1 have seen the manager commit to paying for the upfront listing costs, delivering estimated savings of approximately \$100 million to Australian and New Zealand investors since VG1 listed last September.

On the second point, ongoing operating costs, the Manager of VG1 has committed to pay for the vast majority of VG1's ongoing operating costs, except Independent Directors fees and the Directors and Officers Insurance which it cannot absorb for governance reasons. As a result, there is an additional saving to VG1 investors of over \$650,000 per annum (excluding GST), as outlined in the table below.

<b>VG1 Ongoing Operating Cost Estimates p.a.</b>	<b>Total Costs \$</b>	<b>Paid for by the Manager \$</b>	<b>Paid for by the Company \$</b>
Independent Directors Fees and D&O Insurance	295,000	NIL	295,000
Administration fees	228,000	228,000	NIL
Registry Fees	85,000	85,000	NIL
ASX Listing Fees	65,000	65,000	NIL
Audit and Legal Fees	90,000	90,000	NIL
CHESS Fees	30,000	30,000	NIL
Printing and Design	65,000	65,000	NIL
Other	100,000	100,000	NIL
<b>Total</b>	<b>958,000</b>	<b>663,000</b>	<b>295,000</b>

Turning to the portfolio, as at 30 June 2018, the VG1 portfolio's net equity exposure was 41% (65% Long investments less 24% Short investments). This means that for every \$100,000 you have invested in VG1, you own long \$65,000 of equities and have short sold \$24,000 of equities. This results in a net equity exposure of \$41,000 plus \$59,000 in cash.

The high cash holding provides VG1 with significant purchasing power for when the Manager sees opportunities to buy high quality businesses at prices that meet its valuation criteria. This may be when market volatility makes its inevitable reappearance. At this point in the cycle, the Manager is identifying many Short opportunities, particularly in the Australian market. The VG1 portfolio had 17 Long positions and 22 Short positions as at 30 June 2018.

As outlined in the VG1 Prospectus, it is expected that the VG1 portfolio will closely replicate that of the VGI Partners Master Fund when it is fully deployed. The Manager has continued to patiently and steadily deploy the VG1 portfolio such that at 30 June 2018 the portfolio was approximately 80% of targeted individual stock weightings, on average, across the entire portfolio.

More specifically, where the Manager has identified new Long and Short opportunities, the VG1 portfolio weighting will immediately mirror the VGI Partners Master Fund weightings. However, it has been challenging for the Manager to prudently replicate weightings in two key Long positions which have been held by the VGI Partners Master Fund for many years, Amazon and Mastercard. As at 30 June 2018, the weightings were Amazon (4%) and Mastercard (5%), which are below the VGI Partners Master Fund's weightings.

The Manager's investment process and philosophy is firmly based on the cornerstone principles of capital preservation and 'margin of safety'. The Manager invests in high quality businesses and the share prices of those two businesses have continued to track strongly higher since VG1 listed in September 2017. In the Manager's opinion, the share prices of Amazon and Mastercard have traded where there has been only a narrow 'margin of safety' and so the Manager has made only limited further deployment in these positions. The Manager intends to remain patient and will take advantage of buying opportunities as they arise in these and other stocks.

The Manager seeks to deliver superior risk-adjusted returns over the long-term, which the Manager and the Company considers to be an average compound annual return of 10% to 15% (after all fees and expenses) over a period of more than 5 years.

The following table outlines the performance of the VGI Partners Master Fund since inception to 30 June 2018 and demonstrates that the Manager has been successful in achieving its stated risk-adjusted return objective. Importantly, we note this has been achieved with an average cash weighting of 30%.

Annual Compound Returns (% p.a.)	VGI Partners Master Fund Performance	Performance Objective Achieved (10-15% p.a.)
1 year	20.2%	✓
2-year rolling (p.a.)	12.8%	✓
3-year rolling (p.a.)	12.9%	✓
4-year rolling (p.a.)	18.7%	✓
5-year rolling (p.a.)	16.8%	✓
6-year rolling (p.a.)	18.5%	✓
7-year rolling (p.a.)	16.5%	✓
8-year rolling (p.a.)	16.8%	✓
9-year rolling (p.a.)	15.8%	✓
<b>Since inception (p.a.)</b>	<b>15.2%</b>	✓

Source: VGI Partners and Citco Funds Services. Performance is shown after all applicable management and performance fees charged. The VGI Partners Master Fund inception date was 20 January 2009 and the Fund is AUD denominated.

Finally, we take shareholder communications very seriously and encourage you to participate in one of our upcoming investor briefings. There will be a full year results conference call on 20 August 2018 and we will be visiting Sydney, Melbourne, Adelaide, Perth and Brisbane during October and November 2018. These briefings provide another excellent opportunity to hear directly from the Manager. For further information please refer to the VG1 website at <https://www.vgipartnersglobal.com/investor-relations/important-dates>.

In addition, the inaugural VG1 Annual General Meeting will be held at 10:30am on Monday 19 November 2018 at The Barnet Long Room, Customs House, Sydney.

To ensure that you remain fully informed, we recommend that you elect to receive all investor communications via email. Please contact Victoria Arthur, our Investor Relations Manager, on +612 9237 8921 if you require assistance in this regard or if you ever have any questions about your investment.

We greatly appreciate your ongoing support and look forward to seeing you at the investor briefings and the 2018 Annual General Meeting.

Yours sincerely,



**David F. Jones**  
**Chairman**  
 Sydney  
 14 August 2018

# Directors' Report

For the period from 9 June 2017 to 30 June 2018

The Directors of VGI Partners Global Investments Limited ("Company") present their report together with the Financial Report of VGI Partners Global Investments Limited ("Company") for the period 9 June 2017, being the date of incorporation, to 30 June 2018. The Company listed on the ASX on 28 September 2017.

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

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

<b>Name</b>	<b>Position</b>	<b>Date appointed</b>
David F. Jones	Non-Independent Chairman	9 June 2017
Robert M. P. Luciano	Non-Independent Director	9 June 2017
Douglas H. Tynan	Non-Independent Director	9 June 2017
Lawrence Myers	Independent Director	4 July 2017
Noel J. J. Whittaker	Independent Director	7 July 2017
Jaye L. Gardner	Independent Director	25 July 2017

## Principal Activity

The principal activity of the Company is to provide shareholders with access to a concentrated portfolio, predominantly comprised of long and short positions in global listed securities; and the investment expertise of VGI Partners, the Investment Manager ("Manager"). The Manager employs the same Investment Strategy for the Company as it employs in the management of the VGI Partners Master Fund.

There have been no significant changes in the nature of this activity during the period and no change is anticipated in the future.

## 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.

The Company raised additional capital of \$528,951 on 29 January 2018 and \$5,147,121 on 14 August 2018 under the performance fee reinvestment mechanism governed by the Investment Management Agreement.

From the date of share allotment, being 25 September 2017, to 30 June 2018, VGI Partners Global Investments Limited's portfolio generated an increase in post-tax NTA after all fees of +9.2%. Investment operations over the period ended 30 June 2018 resulted in an operating profit before tax of \$47,402,378 and an operating profit after tax of \$33,177,988.

The Manager has been patiently and steadily deploying the capital such that as at 30 June 2018, the portfolio was approximately 80% of targeted individual stock weightings, on average, across the entire portfolio. More specifically, where the Manager has identified new long and short opportunities, the portfolio weighting will immediately mirror the VGI Partners Master Fund weighting.

Given the Manager's focus on preservation of investors' capital, the Manager may take several more months to fully deploy the portfolio.

## **Financial Position**

The net assets of the Company as at 30 June 2018 were \$583,706,941.

## **Dividends**

No dividend was proposed or paid during the period ended 30 June 2018.

## **Matters subsequent to the end of the financial year**

No matter or circumstance has occurred subsequent to year end 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 subsequent financial years.

## **Likely developments and expected results of operations**

The Company will continue to pursue its investment objectives for the long-term benefit of shareholders.

## **Environmental regulation**

The Company is not affected by any significant environmental regulation in respect of its operations.

To the extent that any environmental regulations may have an incidental impact on the Company's operations, the Directors of the Company are not aware of any breach by the Company of those regulations.

## Information on Directors

### David F. Jones | Non-Independent Chairman

*B.Eng. (1st Class Hons) (Melb.), MBA (Harvard)*

Mr Jones has over thirty years' experience in investment markets, the majority as a general partner in private equity firms, and prior to that in general management and management consulting. Mr Jones has been a board member of numerous private and public businesses, including a number in the wealth management sector. Mr Jones was a Managing Director at CHAMP Private Equity (2002-2011); Executive Director and Country Head of UBS Capital (1999-2002) and a Division Director at Macquarie Direct Investment (1994-1999). Mr Jones commenced his career as a Business Analyst at McKinsey & Co. in 1987. He holds a Mechanical Engineering degree from the University of Melbourne (First Class Honours) and a Master of Business Administration from Harvard Business School. Mr Jones has been Chairman and Director of the Company since 9 June 2017.

**Other current directorships:** Mr Jones is Chair of the National Museum of Australia and a non-executive member of the investment committee of EMR Capital. Mr Jones is Chairman of VGI Partners Pty Limited, the Manager.

**Former directorships in the last 3 years:** Mr Jones was a Director of Global Sources Limited (NASDAQ:GSOL) from 2001 to 19 Aug 2017.

**Special responsibilities:** Mr Jones is a member of the Company's Audit and Risk Committee.

**Interests in shares of the Company:** Details of Mr Jones' interests in shares of the Company are included in the Remuneration Report.

**Interests in contracts:** Details of Mr Jones' interests in contracts of the Company are included in the Remuneration Report.

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### Robert M. P. Luciano | Non-Independent Director

*B.Com (Acc/Fin) (UNSW), M.Com (Fin) (UNSW), F Fin, CFA*

Mr Luciano has over twenty years' experience gained as a portfolio manager, equities analyst and accountant. Prior to founding VGI Partners in 2008, Mr Luciano spent five years as an Executive Director and Investment Manager with Caledonia Investments in Sydney. Prior to Caledonia, Mr Luciano held positions as a Portfolio Manager at Allianz Equity Management and an equities analyst at BNP Paribas (formerly Prudential-Bache Securities Australia). Mr Luciano commenced his career as an accountant with BDO Nelson Parkhill in 1993. Mr Luciano graduated from the University of New South Wales, with a Bachelor of Commerce, majoring in Accounting & Finance, where he later completed a Masters of Commerce, majoring in Advanced Finance. He is a Fellow of the Financial Services Institute of Australasia. Mr Luciano has completed the Chartered Financial Analyst (CFA) Program and has been awarded the CFA Charter. Mr Luciano has been a Director of the Company since 9 June 2017.

**Other current directorships:** Mr Luciano is a Director of VGI Partners Pty Limited, the Manager.

**Former directorships in the last 3 years:** Mr Luciano has not held any other directorships of listed companies within the last 3 years.

**Interests in shares of the Company:** Details of Mr Luciano's interests in shares of the Company are included in the Remuneration Report.

**Interests in contracts:** Details of Mr Luciano's interests in contracts of the Company are included in the Remuneration Report.

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### Douglas H. Tynan | Non-Independent Director

*B.Com (Acc) (UQLD), B.Econ (Fin) (UQLD), F Fin, CFA*

Mr Tynan has over fourteen years' experience as an equities analyst and accountant. Prior to joining the Manager in 2008, Mr Tynan was a Manager and Analyst within the Corporate Finance and Audit divisions of BDO Kendalls. Mr Tynan graduated from the University of Queensland with a Bachelor of Commerce, majoring in Accounting and a Bachelor of Economics, majoring in Finance. He is a Fellow of the Financial Services Institute of Australasia. Mr Tynan has completed the CFA Program and has been awarded the CFA Charter. Mr Tynan has been a Director of the Company since 9 June 2017.

**Other current directorships:** Mr Tynan is a Director of VGI Partners Pty Limited, the Manager.

**Former directorships in the last 3 years:** Mr Tynan has not held any other directorships of listed companies within the last 3 years.

**Interests in shares of the Company:** Details of Mr Tynan's interests in shares of the Company are included in the Remuneration Report.

**Interests in contracts:** Details of Mr Tynan's interests in contracts of the Company are included in the Remuneration Report.

*Information on Directors (continued)*

**Jaye L. Gardner | Independent Director**

*BCom (UQLD), LLB (Hons) (UQLD), SF Fin, CA, GAICD*

Ms Gardner has more than twenty-five years' experience in corporate finance, commencing with the Corporate Services Division of Coopers & Lybrand following graduation from university in 1990 and then joining Grant Samuel, one of Australia's leading independent corporate finance groups, in 1994. She has been an Executive Director of Grant Samuel since 2001. In her role as an Executive Director, Ms Gardner is responsible for the preparation of many of Grant Samuel's valuations and independent expert's reports, primarily for top 200 ASX listed companies. She also advises on mergers, acquisitions and asset sales, working with a range of clients including listed companies, mutuals and private families. Ms Gardner's expertise spans a wide range of industries, but with a focus on the financial services, property, health and media industries. Ms Gardner holds a Bachelor of Commerce and a Bachelor of Laws (First Class Honours) from the University of Queensland. She is a Senior Fellow of the Financial Services Institute of Australasia, an Associate of the Institute of Chartered Accountants in Australia and New Zealand and a Graduate of the Australian Institute of Company Directors. Ms Gardner has been a Director of the Company since 25 July 2017.

**Other current directorships:** Ms Gardner does not hold any other directorships of listed companies.

**Former directorships in the last 3 years:** Ms Gardner has not held any other directorships of listed companies within the last 3 years.

**Special responsibilities:** Ms Gardner is a member of the Company's Audit and Risk Committee.

**Interests in shares of the Company:** Details of Ms Gardner's interests in shares of the Company are included in the Remuneration Report.

**Interests in contracts:** Ms Gardner has no interests in contracts of the Company.

**Lawrence Myers | Independent Director**

*B.Acct, CA, CTA*

Mr Myers is the Founder and Managing Director of MBP Advisory Pty Limited, a prominent, high end Sydney firm of Chartered Accountants which he established in 1998. His client base spans a broad range of industries and activities and he specializes in advising ultra high net worth individuals and families, their businesses and commercial endeavours. This portfolio includes some of Australia's largest private and public companies. Mr Myers' specialist areas of practice include mergers and acquisitions, corporate and business advisory, tax consulting and advisory, succession planning and family office services. Mr Myers holds a Bachelor of Accountancy from the University of South Australia. He is a member of Chartered Accountants Australia and New Zealand, the Taxation Institute of Australia and the NTAA. Mr Myers is also a Registered Company Auditor and a Registered Tax Agent. Mr Myers has been a Director of the Company since 4 July 2017.

**Other current directorships:** Mr Myers has been a Non-Executive Director and Chairman of the Audit and Risk Committee of ASX listed Breville Group Limited since 2013 and has been its Lead Independent Director since August 2014.

**Former directorships in the last 3 years:** Mr Myers has not held any other directorships of listed companies within the last 3 years.

**Special responsibilities:** Mr Myers is the Chairman of the Company's Audit and Risk Committee.

**Interests in shares of the Company:** Details of Mr Myers' interests in shares of the Company are included in the Remuneration Report.

**Interests in contracts:** Mr Myers has no interests in contracts of the Company.

*Information on Directors (continued)*

## **Noel J. J. Whittaker | Independent Director**

*AM, FCPA, CTA*

Mr Whittaker is a pioneer in the field of consumer financial education. He writes weekly columns in major newspapers in every state in Australia. These include the Brisbane Courier Mail, the Brisbane Sunday Mail, the Sydney Morning Herald and The Age. Mr Whittaker also broadcasts regularly on ABC radio and appears on Channel 9. For 30 years, Mr Whittaker was the Director of Whittaker Macnaught, one of Australia's leading financial advisory companies, with more than two billion dollars under management. In 2011 he was made a Member of the Order of Australia for service to the community in raising awareness of personal finance. Mr Whittaker is a Chartered Tax Adviser, a member of the Australian Securities and Investment Commission Regional Liaison committee and is currently an Executive in Residence and Adjunct Professor with the Faculty of Business at the Queensland University of Technology. Mr Whittaker has been a Director of the Company since 7 July 2017.

**Other current directorships:** Mr Whittaker does not hold any other directorships of listed companies.

**Former directorships in the last 3 years:** Mr Whittaker has not held any other directorships of listed companies within the last 3 years.

**Interests in shares of the Company:** Details of Mr Whittaker's interests in shares of the Company are included in the Remuneration Report.

**Interests in contracts:** Mr Whittaker has no interests in contracts of the Company.

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## **Company Secretary**

### **Ursula E. Kay**

*BBus (Acc) (UTS), MTax (USyd), CA*

Ms Kay has over seventeen years' experience gained both in Australia and overseas in investment management, private equity, and professional services. Prior to joining the Manager in 2017, Ms Kay worked as an Associate Director in the Macquarie Bank Infrastructure and Real Assets division in London. Previously, Ms Kay was Financial Controller at PM Capital, a Finance Manager at Crescent Capital Partners and spent nine years at Ernst & Young and PricewaterhouseCoopers in Sydney. Ms Kay graduated from the University of Technology, Sydney with a Bachelor of Business majoring in Accounting, and from the University of Sydney with a Master of Taxation. Ms Kay is a Chartered Accountant and is the CFO and Company Secretary for VGI Partners Pty Limited, the Manager.

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## **Investor Relations Manager**

### **Victoria L. Arthur**

*B.Com (UQLD), CA*

Ms Arthur has over twenty years' experience in roles across equity markets, corporate advisory and accounting. Prior to joining the Company in 2017, Ms Arthur provided consulting services to a boutique corporate advisory firm and a hedge fund in Sydney. Prior to that, Ms Arthur worked as a Vice President in the No. 1 ranked Citigroup Telecommunications Research team for 8 years, a Senior Financial Analyst at Telstra Corporation and an Assistant Manager in audit in KPMG Brisbane and New York. Ms Arthur graduated from the University of Queensland with a Bachelor of Commerce. Ms Arthur is a Chartered Accountant and is the Head of Compliance for VGI Partners Pty Limited, the Manager.

## Meetings of Directors

The numbers of meetings of the Company's Board of Directors held during the period ended 30 June 2018, and the numbers of meetings attended by each Director were:

Directors	Number of meetings attended	Number eligible to attend
David F. Jones	8	8
Robert M.P. Luciano	8	8
Douglas H. Tynan	7	8
Jaye L. Gardner	7	7
Lawrence Myers	8	8
Noel J. J. Whittaker	7	8

Audit and Risk Committee Meetings	Number of meetings attended	Number of meetings held
David F. Jones	3	3
Jaye L. Gardner	3	3
Lawrence Myers	3	3

## Remuneration Report (Audited)

This Report details the nature and amount of remuneration for each Director of VGI Partners Global Investments Limited in accordance with the *Corporations Act 2001*. The Company Secretary is remunerated by VGI Partners Pty Limited, the Manager.

### Details of remuneration

David Jones, Robert Luciano and Douglas Tynan, are Directors of the Manager, VGI Partners Pty Limited, and do not receive directors' fees from the Company.

The Company does not have a remuneration committee. The Board from time to time determines the remuneration of Independent Directors within the maximum amount approved by shareholders at the Annual General Meeting.

Fees and payments to Independent Directors reflect the demands that are made on them and their responsibilities. The Board determines the remuneration levels and ensures they are competitively set to attract and retain appropriately qualified and experienced directors. The performance of directors is reviewed annually.

The Independent Directors are entitled to receive Directors' fees collectively of up to \$225,000 per annum. Independent Directors do not receive bonuses nor are they issued options on securities as part of their remuneration. Directors' fees cover all main Board activities and membership of committees. Directors' remuneration is not linked to the Company's performance.

The following table shows details of the remuneration received or receivable by the Independent Directors of the Company for the current financial period.

*Remuneration Report (continued)*

Director	Position	Short term employee benefits Salary and fees \$	Post-employment benefits Superannuation \$	Total \$
Jaye L. Gardner	Independent Director	50,228	4,772	55,000
Lawrence Myers	Independent Director	50,228	4,772	55,000
Noel J. J. Whittaker	Independent Director	50,228	4,772	55,000
		150,684	14,316	165,000

**Director related entity remuneration**

All transactions with related entities are made on normal commercial terms and conditions.

The Non-Independent Directors, David F. Jones, Robert M. P. Luciano and Douglas H. Tynan, are Directors of the Manager. The fees payable to the Manager are listed below:

- **Management fee:** The Manager is entitled to be paid a management fee equal to 1.5% p.a. (plus GST) of the value of the Company's portfolio calculated on the last business day of each month paid monthly in arrears.

Under the Investment Management Agreement, the Company will not pay any management fees that would otherwise have been payable to the Manager until such time as all of the Company's offer costs have been recouped. These offer costs had initially been recognised in equity as Capitalised Costs of the Offer. Given these costs will be recouped, the Board has assessed that the offer costs should be taken to the Statement of Profit or Loss and Other Comprehensive Income as Offer Costs Expense, which offsets Receivable Income to result in the more conservative outcome of nil Receivable Income on the Statement of Profit or Loss and Other Comprehensive Income.

- **Performance fee:** The Manager is entitled to be paid a performance fee semi-annually in arrears, equal to 15% (plus GST) of the Portfolio's outperformance (if any) over each prior semi-annual Performance Calculation Period, subject to a high water mark mechanism.

For the period ended 30 June 2018, the Manager earned performance fees of \$8,422,096, exclusive of GST (December 2017: \$962,500 exclusive of GST, June 2018: \$7,459,596 exclusive of GST)

The Manager and the Company have agreed that the owners of the Manager will reinvest all of their after-tax proceeds from any performance fees via a share purchase mechanism, the terms of which are stipulated in the Investment Management Agreement.

No Director has received or become entitled to receive a benefit (other than those detailed above) by reason of a contract made by the Company or a related company with the Director or with a firm of which they are a member or with a company in which they have substantial financial interest.

**Remuneration of executives**

The Company has no employees other than Independent Directors and therefore does not have a remuneration policy for employees. The Directors are the only people considered to be key management personnel of the Company.

*Remuneration Report (continued)***Equity instrument disclosures relating to Directors**

As at the date of this report, the Company's Directors and their related parties held the following interests in the Company:

**Ordinary shares held**

<b>Director</b>	<b>Balance at 9 June 2017</b>	<b>Acquisitions</b>	<b>Disposals</b>	<b>Balance at 14 August 2018</b>
David F. Jones	1	66,667	1	66,667
Robert M. P. Luciano	–	989,024	–	989,024
Douglas H. Tynan	–	216,566	–	216,566
Jaye L. Gardner	–	50,000	–	50,000
Lawrence Myers	–	50,000	–	50,000
Noel J. J. Whittaker	–	145,000	–	145,000
<b>Total</b>	<b>1</b>	<b>1,517,257</b>	<b>1</b>	<b>1,517,257</b>

The expected number of shares to be issued to the owners from the reinvestment of after tax performance fees in August 2018 is 2,361,065 shares. These shares are to be issued subsequent to this report at the post-tax NTA price of \$2.18 as agreed by the Manager and the Company under the Investment Management Agreement.

*End of Remuneration Report*

## Insurance and indemnification of officers and auditors

The Company has paid premiums to insure each of the Directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director of the Company, other than conduct involving a wilful breach of duty in relation to the Company or the improper use by the Directors of their position.

The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

No indemnities have been given or insurance premiums paid during or since the end of the financial period, for any person who is or has been an Auditor of the Company.

## Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

## Non-audit services

The Board of Directors is satisfied that the provision of other services during the period is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the services disclosed in Note 16 did not compromise the Auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the Board prior to commencement to ensure they do not adversely affect the integrity and objectivity of the Auditor; and
- the nature of the services provided do not compromise the general principles relating to the Auditor's independence in accordance with the APES 110 Code of Ethics for Professional Accountants set by the Accounting Professional and Ethical Standards Board.

## Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on page 14.

## Rounding of amounts to nearest dollar

In accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2017/191, the amounts in the Directors' Report and in the Financial Report have been rounded to the nearest dollar unless otherwise specified.

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



**David F. Jones**  
**Chairman**  
Sydney  
14 August 2018

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

In relation to the independent audit of VGI Partners Global Investments Limited for the period 9 June 2017 to 30 June 2018, I declare that 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.

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



**S M WHIDDETT**  
Partner

**PITCHER PARTNERS**  
Sydney

14 August 2018

# Financial Statements

## Statement of profit or loss and other comprehensive income

For the period from 9 June 2017 to 30 June 2018

	Notes	2018 \$
<b>Income</b>		
Net realised and unrealised gains on investments		58,908,222
Interest income		3,294,085
Dividend income		3,502,120
Other income		8,405
<b>Total income</b>		<b>65,712,832</b>
<b>Expenses</b>		
Performance fees		(8,632,649)
Directors fees including on costs		(165,000)
Finance costs		(925,650)
Stock loan fees		(257,334)
Dividends on shorts		(1,629,965)
Receivable amortisation		(6,584,766)
Other trade related expenses		(115,090)
<b>Total expenses</b>		<b>(18,310,454)</b>
<b>Profit before income tax</b>		<b>47,402,378</b>
Income tax expense	5	(14,224,390)
<b>Profit attributable to members of the Company</b>		<b>33,177,988</b>
<b>Other comprehensive income</b>		
Other comprehensive income for the period, net of tax		–
<b>Total comprehensive income for the period</b>		<b>33,177,988</b>
<b>Basic earnings per share<sup>1</sup></b>	20	<b>16.93 cents</b>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

<sup>1</sup> 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 30 June 2018. The basic earnings per share would be 12.05 cents per share if calculated from 25 September 2017, being allotment date, as the Company only had one share on issue and no earnings up to this date.

## Statement of financial position

As at 30 June 2018

	Notes	2018 \$
<b>Assets</b>		
Cash and cash equivalents	7	349,442,336
Trade and other receivables	8	9,380,780
Financial assets (securities owned long)	9	397,912,493
Deferred tax assets	6	5,715,388
<b>Total assets</b>		<b>762,450,997</b>
<b>Liabilities</b>		
Trade and other payables	10	8,996,202
Financial liabilities (securities sold short)	9	149,808,076
Deferred tax liabilities	6	19,939,778
<b>Total liabilities</b>		<b>178,744,056</b>
<b>Net assets</b>		<b>583,706,941</b>
<b>Equity</b>		
Issued capital	11	550,528,953
Retained earnings	12	33,177,988
<b>Total equity</b>		<b>583,706,941</b>

The above statement of financial position should be read in conjunction with the accompanying notes.

## Statement of changes in equity

For the period from 9 June 2017 to 30 June 2018

	Issued Capital \$	Retained Earnings \$	Total Equity \$
Initial subscription upon incorporation	2	–	2
Shares issued under initial public offer	550,000,000	–	550,000,000
Profit for the period	–	33,177,988	33,177,988
Shares issued under Performance fee reinvestment mechanism (January 2018)	528,951	–	528,951
<b>Balance at 30 June 2018</b>	<b>550,528,953</b>	<b>33,177,988</b>	<b>583,706,941</b>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

## Statement of cash flows

For the period from 9 June 2017 to 30 June 2018

	Notes	2018 \$
<b>Cash flow from operating activities</b>		
Proceeds from the sale of investments		212,623,649
Payments for the purchase of investments		(424,497,771)
Dividends received		3,196,266
Interest received		2,857,207
Realised foreign exchange gains		3,788,014
Stock loan fees paid		(257,334)
Dividends on shorts		(1,300,337)
Performance fees paid		(986,565)
Interest paid		(766,060)
Director fees paid		(165,000)
Payment for other expenses <sup>1</sup>		(14,349,841)
<b>Net cash used in operating activities</b>	<b>19</b>	<b>(219,857,772)</b>
<b>Cash flow from financing activities</b>		
Shares issued on incorporation		2
Shares issued on initial public offer		550,000,000
Shares issued under performance fee reinvestment mechanism		528,951
<b>Net cash provided from financing activities</b>		<b>550,528,953</b>
Net Increase in cash and cash equivalents held		<b>330,671,181</b>
Effects of exchange rate changes on cash balances of cash held in foreign currencies		18,771,155
Cash and cash equivalents as at the beginning of the period		–
<b>Cash and cash equivalents as at end of the period</b>	<b>7</b>	<b>349,442,336</b>

The above statement of cash flows should be read in conjunction with the accompanying notes.

<sup>1</sup> Includes upfront listing costs of \$14,302,938.

# Notes to the Financial Statements

For the period from 9 June 2017 to 30 June 2018

## 1. General information

VGI Partners Global Investments Limited ("Company") is a listed public company domiciled in Australia. The financial statements were authorised for issue on 14 August 2018 by the Directors of the Company.

## 2. Significant accounting policies

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

### a) Basis of Preparation

These general purpose financial statements have been prepared in accordance with the *Corporations Act 2001*, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of financial assets and financial liabilities.

In accordance with ASIC Corporations (rounding in Directors' Reports) Instrument 2017/191, the amounts in the Directors' Report and in the financial statements have been rounded to the nearest dollar unless otherwise specified.

Where applicable and required by the Australian Accounting Standards, comparative figures will be adjusted to conform to changes in presentation for the current financial period.

### b) Investments

#### i) Classification

The financial assets and financial liabilities are categorised as 'financial instruments designated at fair value through profit or loss'. These include financial assets and liabilities that are not held for trading purposes and which may be sold, including listed equity securities.

## 2. Significant accounting policies (continued)

### ii) Recognition/Derecognition

'Financial assets and liabilities at fair value through profit or loss' are recognised initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument. Any other financial assets and liabilities are recognised on the date they originated.

The Company derecognises a financial asset when the contractual rights to the cash flows from the financials assets expire or it transfers the financial asset and the transfer qualifies for derecognition.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

### iii) Measurement

'Financial assets and liabilities held at fair value through profit or loss' are measured initially at fair value, with subsequent changes in their fair value recognised in the Statement of Profit or Loss and Other Comprehensive Income. Initial transaction costs are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

### c) Fair Value Measurement

When a financial asset is measured at fair value, the value is based on the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date.

Assets measured at fair value are classified into 3 levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

Shares that are listed or traded on an exchange are fair valued using last sale price, as at the close of business on the day the shares are being valued. If a quoted market price is not available on a recognised stock exchange, the fair value of the instruments are estimated using valuation techniques, which include the use of recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same, or any other valuation techniques that provide a reliable estimate of prices obtained in actual market transactions.

### d) Income and Expenditure

Net gains/(losses) on 'financial assets and financial liabilities held at fair value through profit or loss' arising on a change in fair value are calculated as the difference between the fair value at year end and the fair value at the preceding valuation point.

Interest income and expenses, including interest income and expenses from non-derivative financial assets, are recognised in the Statement of Profit or Loss and Other Comprehensive Income as they accrue.

Dividend income relating to exchange-traded equity instruments is recognised in the Statement of Profit or Loss and Other Comprehensive Income on the ex-dividend date with any related foreign withholding tax deducted as an expense.

All expenses are recognised in the Statement of Profit or Loss and Other Comprehensive Income on an accruals basis.

Under the Investment Management Agreement, the Company will not pay any management fees that would otherwise have been payable to the Manager until such time as all of the Company's offer costs have been recouped. These offer costs had initially been recognised in equity as Capitalised Costs of the Offer. Given these costs will be recouped, the Board has assessed that the offer costs should be taken to the Statement of Profit or Loss and Other Comprehensive Income as Offer Costs Expense, which offsets Receivable Income to result in the more conservative outcome of nil Receivable Income on the Statement of Profit or Loss and Other Comprehensive income.

*2. Significant accounting policies (continued)*

**e) Income Tax**

The income tax expense or benefit for the period is the tax payable on that period's taxable income at the applicable tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and any adjustment recognised for prior periods, where applicable.

Current tax liabilities/(assets) are measured at the amounts expected to be paid to/(recovered from) the Australian Taxation Office (ATO).

The Company may incur withholding tax imposed by certain countries on investment income. Such income will be recorded net of withholding tax in the Statement of Profit or Loss and Other Comprehensive Income.

Deferred tax assets are recognised to the extent that they are recoverable; deductible temporary differences and unused tax losses are only recognised if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are recognised at the tax rates expected to apply when the assets are recovered, or liabilities settled.

Deferred tax is credited to the Statement of Profit or Loss and Other Comprehensive Income.

**f) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, unless GST incurred is not recoverable from the ATO. In that case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included in other receivables or other payables in the Statement of Financial Position.

Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

**g) Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, and other short-term, and highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**h) Trade and other receivables**

Trade and other receivables relate to outstanding settlements, interest and dividends receivable as well as the share offer costs remaining to be recouped under the Investment Management Agreement.

**i) Trade and other payables**

These amounts represent liabilities for outstanding settlements as well as services provided to the Company prior to the end of the financial period and which are unpaid.

**j) Share capital**

Ordinary shares are classified as equity.

## 2. Significant accounting policies (continued)

### k) Earnings per share

Earnings per share is calculated by dividing:

- the profit attributable to owners of the Company;
- by the weighted average number of ordinary shares outstanding during the financial period, adjusted for bonus elements in ordinary shares issued during the period.

### l) Critical accounting estimates and judgments

The Directors evaluate the estimates and judgments incorporated into the financial statements based on historical knowledge and the best available current information.

There are no estimates or judgments that have a material impact on the Company's financial results for the period.

### m) New accounting standards and operations

AASB 9: *Financial Instruments* and associated Amending Standards (applicable to annual reporting periods beginning on or after 1 January 2018) will be adopted from 1 July 2018. The Directors do not expect the adoption of AASB 9 to have a significant impact on the recognition and measurement of the Company's financial instruments. The Standard introduces a new impairment model, however, on the basis that the Company does not apply hedge accounting and the Company's investments are held at fair value through profit or loss, the change in impairment rules will not impact the Company.

No other new accounting standards and interpretations that are available for early adoption but not yet adopted at 30 June 2018, will result in any material change in relation to the financial statements of the Company.

### n) Functional and presentation currency

Items included in the financial statements are presented and measured in Australian dollars, the currency of the primary economic environment in which the Company operates ("the functional currency").

Foreign currency transactions are translated into the functional currency using the exchange rates applicable at the transaction date.

At reporting date, monetary items are translated at the exchange rate applicable at reporting date, and non-monetary items carried at fair value are translated at the rates applicable at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported in the Statement of Profit or Loss and Other Comprehensive Income on a net basis within the disclosure 'net gains/(losses) on financial instruments held at fair value through profit or loss'.

### 3. Financial risk management

The Company's financial instruments consist mainly of listed investments, deposits with banks, trade and other receivables and trade payables, and as a result financial risks include market risk (including price risk, foreign currency risk and interest rate risk), credit risk and liquidity risk. The Board of the Company, with the Manager, has implemented a risk management framework to manage and mitigate these risks.

#### a) Market risk

##### i) Price risk

Price risk arises from investments held by the Company and classified in the Statement of Financial Position as 'financial assets and financial liabilities at fair value through profit or loss'.

The Manager seeks to manage market risk by careful selection of securities in accordance with its investment process, including formalised research, due diligence, capital allocation decision making, ongoing monitoring, financial modelling as well as managing net equity exposure levels.

The Investment Strategy provides the Company with a broad global mandate, with the majority of the Company's portfolio in international and Australian listed securities. A breakdown of the Company's overall market exposures at the financial reporting date are below:

	<b>2018 \$</b>
Financial assets at fair value through profit or loss	397,912,493
Financial liabilities at fair value through profit or loss	(149,808,076)
<b>Net overall exposure</b>	<b>248,104,417</b>

At the reporting date, had equity prices moved by +/- 5% with other variables held constant, the movement in profit before income tax would be approximately +/- \$12,405,221.

##### ii) Foreign currency risk

The Company holds assets and performs transactions denominated in currencies other than its functional currency, the Australian dollar. As a result, it is exposed to the effects of exchange rate fluctuations, creating foreign currency risk. The Manager manages the exchange rate exposures within approved policy parameters, monitors exchange rates closely as part of its portfolio management and may hedge some or all of its exposure to foreign currency exchange risk.

## 3. Financial risk management (continued)

## ii) Foreign currency risk (continued)

The table below summarises the Company's exposure to foreign currency risk.

	Liabilities 2018 \$	Assets 2018 \$
United States Dollar (USD)	(75,243,508)	685,232,948
Euro (EUR)	(11,961,486)	12,139,521
Great British Pound (GBP)	(26,981,606)	27,203,734
Canadian Dollar (CAD)	(214,003)	213,242
Japanese Yen (JPY)	(16,937,951)	16,876,915
Danish Krone (DKK)	(7,145,242)	7,116,460
Hong Kong Dollar (HKD)	(9,809,076)	10,385,507

The table below performs a sensitivity analysis of the effect on the 'net assets attributable to shareholders (and profit before income tax)' due to a reasonable possible movement of the currency rate against the Australian dollar with all other variables held constant.

Currency	AUD equivalent in exposure by currency	Change in currency rate +/-%	Profit attributable to shareholders
	2018 \$		2018 \$
USD Impact	609,989,440	5%/-5%	(30,499,472) / 30,499,472
EUR Impact	178,035	5%/-5%	(8,902) / 8,902
GBP Impact	222,128	5%/-5%	(11,106) / 11,106
CAD Impact	(761)	5%/-5%	38 / (38)
JPY Impact	(61,036)	5%/-5%	3,052 / (3,052)
DKK Impact	(28,782)	5%/-5%	1,439 / (1,439)
HKD Impact	576,431	5%/-5%	(28,822) / 28,822

## iii) Cash flow and fair value interest rate risk

The majority of the Company's financial assets and liabilities are non-interest-bearing. Any interest-bearing financial assets and financial liabilities either mature or reprice in the short term. As a result, the Company is subject to limited exposure to fluctuations in market interest rates which would create interest rate risk. We note that the Company does also hold substantial cash positions which do earn interest and therefore there is some exposure to deposit interest rates.

### 3. Financial risk management (continued)

#### b) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the counterparty by failing to discharge an obligation.

The Manager has adopted a policy of only dealing with what it assesses to be creditworthy counterparties, conducting due diligence of all new counterparties, monitoring the creditworthiness and ratings of counterparties on an ongoing basis and obtaining sufficient collateral or other security (where appropriate), as a means of mitigating the financial risk of financial loss from default.

The maximum exposure to credit risk by class of recognised financial assets at the end of the reporting period is equivalent to the carrying amount and classification of those financial assets as presented in the Statement of Financial Position, including the carrying amount of cash and cash equivalents, financial assets (securities owned long) that may have been collateralised against borrowed stock and are held under a custody arrangement, and trade and other receivables.

Under the arrangements which the Company has entered into to facilitate stock borrowing for covered short selling, borrowed stock is collateralised by the long stock portfolio. If the stock borrowing counterparty became insolvent, it is possible that the Company may not recover all of the collateral that the Company gave to the counterparty.

The trade and other receivables include unsettled trades at year end which are typically settled three days after trade date, dividends and interest receivables.

A receivable asset in respect of the recoupment of offer costs incurred in relation to the initial public offering for the Company has been recognised under the Investment Management Agreement between the Company and the Manager. The Manager has agreed to forgo management fees until such time as the offer costs have been recouped in full.

None of the assets exposed to credit risk are overdue or considered to be impaired.

#### c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

Under the Investment Management Agreement, the Manager has agreed to pay all of the Company's operating expense outgoings except for Directors' fees and Directors' insurance. The Manager maintains the Company's unencumbered cash balances at sufficient levels to ensure the Company can meet these expense outgoings as and when they fall due. Further, the Manager closely manages and monitors the allocation of the Company's investment assets between cash, the purchase of securities and the settlement of short positions in accordance with its investment process, as well as tax thereon to be paid to the ATO.

The assets of the Company are predominantly in the form of readily tradeable securities which can be sold on-market if necessary.

The tables below summarise the maturity profile of the Company's financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows.

At 30 June 2018	Less than 1 month \$	More than 1 month \$	Total \$
<b>Financial liabilities</b>			
Financial liabilities at fair value through profit or loss	149,808,076	–	149,808,076
Trade and other payables	8,996,202	–	8,996,202
<b>Total financial liabilities</b>	<b>158,804,278</b>	<b>–</b>	<b>158,804,278</b>

#### 4. Fair value measurements

The Company measures and recognises its 'financial assets and liabilities at fair value through profit or loss' on a recurring basis.

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); and
- 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' at the reporting date. The carrying amounts of all financial instruments are reasonable approximations of the respective instrument's fair value.

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial assets (securities owned long)	397,912,493	–	–	<b>397,912,493</b>
Financial liabilities (securities sold short)	149,808,076	–	–	<b>149,808,076</b>

There were no transfers between levels for recurring fair value measurements during the period.

#### 5. Income tax expense

	2018 \$
<b>a) Income tax expense</b>	
Current tax expense	(2,282,683)
Deferred tax expense	16,507,073
Total income tax expense in profit or loss	<b>14,224,390</b>
Income tax expense results from:	
Deferred tax assets	(5,715,388)
Deferred tax liabilities	19,939,778
<b>Income tax expense</b>	<b>14,224,390</b>
<b>b) Numerical reconciliation of income tax expense to prima facie tax payable</b>	
Profit before income tax expense	47,402,377
Tax at the Australian tax rate of 30%	14,220,713
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:	
Imputation credit gross up	58,763
Foreign income tax offset gross up	140,791
Imputation credits converted to tax loss	(195,877)
<b>Income tax expense</b>	<b>14,224,390</b>

The applicable weighted average effective tax rate is 30%.

**6. Deferred tax assets / liabilities**2018  
\$**a) Deferred tax assets**

The deferred tax assets balance comprises temporary differences attributable to:

Tax losses	2,282,683
Share issue costs	3,432,705
	<b>5,715,388</b>

The overall movement in deferred tax asset accounts is as follows:

Opening balance	–
Credited directly to profit or loss	5,715,388
Credited to equity	–
Closing balance	<b>5,715,388</b>

The movement in deferred tax assets for each temporary difference during the period is as follows:

*Tax losses*

Opening balance	–
Credited directly to profit or loss	2,282,683
Closing balance	<b>2,282,683</b>

*Share issue costs*

Opening balance	–
Credited directly to profit or loss	3,432,705
Closing balance	<b>3,432,705</b>

**b) Deferred tax liabilities**

The deferred tax liabilities balance comprises temporary differences attributable to:

Unrealised foreign exchange gains	5,631,346
Share issue costs receivable	2,315,452
Dividends receivable	107,952
Unrealised gains on financial instruments at fair value through profit or loss	11,885,028
	<b>19,939,778</b>

The overall movement in deferred tax liability account is as follows:

Opening balance	–
Charged directly to profit or loss	19,939,778
Closing balance	<b>19,939,778</b>

<i>6. Deferred tax assets / liabilities (continued)</i>	<b>2018</b> <b>\$</b>
<b>b) Deferred tax liabilities (continued)</b>	
The movement in deferred tax liability for each temporary difference during the period is as follows:	
<i>Unrealised foreign exchange gains</i>	
Opening balance	–
Charged directly to profit or loss	5,631,346
Closing balance	<b>5,631,346</b>
 <i>Share issue costs receivable</i>	
Opening balance	–
Charged directly to profit or loss	2,315,452
Closing balance	<b>2,315,452</b>
 <i>Dividends receivable</i>	
Opening balance	–
Charged directly to profit or loss	107,952
Closing balance	<b>107,952</b>
 <i>Unrealised gain on financial instruments at fair value through profit or loss</i>	
Opening balance	–
Charged directly to profit or loss	11,885,028
Closing balance	<b>11,885,028</b>

<b>7. Cash and cash equivalents</b>	<b>2018</b> <b>\$</b>
Cash at bank	<b>349,442,336</b>

<b>8. Trade and other receivables</b>	<b>2018</b> <b>\$</b>
Dividends receivable	305,854
GST receivable	561,526
Unsettled trades	358,350
Interest receivable	436,878
Other receivable <sup>1</sup>	7,718,172
	<b>9,380,780</b>

<sup>1</sup>This receivable amount relates to the share offer costs to be recouped under the Investment Management Agreement.

**9. Financial assets and liabilities at fair value through profit or loss****2018  
\$**

Financial assets at fair value through profit or loss are all held for trading and include the following:

Australian and overseas listed equity securities 397,912,493

Financial liabilities at fair value through profit or loss are all held for trading and include the following:

Australian and overseas listed equity securities sold short 149,808,076

**10. Trade and other payables****2018  
\$**

Performance fees payable 8,205,556

Unsettled trades 239,593

Other payables 551,053

**Total 8,996,202**

**11. Issued capital****Number of  
Shares****2018  
\$**

Initial subscription upon incorporation 1 2

Shares issued under IPO 275,000,000 550,000,000

Shares issued under the performance fee reinvestment mechanism (January 2018) 261,857 528,951

**Closing balance 275,261,858 550,528,953**

The Manager and the Company have agreed that owners of the Manager will reinvest all of their after-tax proceeds from any performance fees via a share purchase mechanism, the terms of which are stipulated in the Investment Management Agreement. Shares were issued to the owners of the Manager under the mechanism in respect of the performance fees incurred by the Company during the reporting period.

**Capital risk management**

The Company's policy is to maintain a strong capital base so as to maintain investor and market confidence. The overall strategy remains unchanged. To achieve this, the Board of Directors monitor the monthly NTA results, investment performance and share price movements.

The Board is focused on maximising returns to shareholders with capital management a key objective of the Company. The Company is not subject to any externally imposed capital requirements.

**12. Retained earnings****2018  
\$**

Opening balance –

Profit for the period 33,177,988

**Total 33,177,988**

### 13. Dividends

#### a) Ordinary dividends paid or declared during the period

No dividend was paid or declared during the period ended 30 June 2018.

#### b) Dividend Franking Account

	2018 \$
Opening balance of franking account	–
Franking credits on dividends received	195,877
<b>Closing balance of franking account</b>	<b>195,877</b>

The Company's ability to pay franked dividends is dependent upon the receipt of franked dividends from investments and the payment of tax.

### 14. Key management personnel disclosures

#### a) Remuneration

	2018 \$
Short-term employment benefits	150,684
Post-employment benefits	14,316
<b>Total remuneration</b>	<b>165,000</b>

Detailed remuneration disclosures are provided in the remuneration report on page 11.

#### b) Ordinary shares held

The numbers of shares in the Company held during the financial period by each Director, including their personally related parties, are set out below.

Director	Balance at 9 June 2017	Acquisitions	Disposals	Balance at 14 August 2018
David F. Jones	1	66,667	1	66,667
Robert M. P. Luciano	–	989,024	–	989,024
Douglas H. Tynan	–	216,566	–	216,566
Jaye L. Gardner	–	50,000	–	50,000
Lawrence Myers	–	50,000	–	50,000
Noel J. J. Whittaker	–	145,000	–	145,000
<b>Total</b>	<b>1</b>	<b>1,517,257</b>	<b>1</b>	<b>1,517,257</b>

The expected number of shares to be issued to the owners from the reinvestment of after tax performance fees in August 2018 is 2,361,065 shares. These shares are to be issued subsequent to this report at the post-tax NTA price of \$2.18 as agreed by the Manager and the Company under the Investment Management Agreement.

## 15. Related party transactions

All transactions with related entities are made on normal commercial terms and conditions.

### Management fee

The Manager is entitled to be paid a management fee equal to 1.5% per annum (plus GST) of the value of the Company's portfolio calculated on the last business day of each calendar month paid monthly in arrears. Under the Investment Management Agreement, the Company will not pay any management fees that would otherwise have been payable to the Manager until such time as all the Company's offer costs have been recouped. As at 30 June 2018, \$6,584,766 has been recouped, the remaining balance to be recouped is \$7,718,172 (refer Note 8). As at 30 June 2018, the balance payable to the Manager was nil because there existed offer costs to be recouped.

### Performance fee and reinvestment mechanism

The Manager is entitled to be paid a performance fee semi-annually in arrears, equal to 15% (plus GST) of the Portfolio's outperformance (if any) over each prior semi-annual performance calculation period, subject to a high water mechanism.

The first performance calculation period was the period from the Commencement Date to 31 December 2017, and thereafter it is each full six month period ending on 30 June or 31 December.

The high watermark is the net asset value of the portfolio before all taxes calculated on the last date of the performance calculation period to which the Manager was last entitled to be paid a performance fee.

The Manager and the Company have agreed that the owners of the Manager will reinvest all of their after-tax proceeds from any performance fees via a share purchase mechanism, the terms of which are stipulated in the Investment Management Agreement.

For the period ended 30 June 2018, the Manager earned performance fees of \$8,422,096 exclusive of GST (December 2017: \$962,500 exclusive of GST, June 2018: \$7,459,596 exclusive of GST).

For the period 9 June 2017 to 31 December 2017, the number of shares reinvested amounted to 528,951. For the period 1 January 2018 to 30 June 2018, the expected number of shares to be reinvested is 2,361,065.

As at 30 June 2018, the balance of performance fee entitlement to the Manager was \$8,205,556 (including GST).

## 16. Remuneration of Auditor

During the period the following fees were paid or payable for services provided by the Auditor of the Company, its related practices and non-related audit firms:

	2018 \$
Audit and review of financial statements	54,495
Taxation services	10,505
Investigating accountant services for Prospectus	48,192
<b>Total remuneration for audit and other assurance services</b>	<b>113,192</b>

The Company's audit fees are being paid by the Manager under the Investment Management Agreement.

## 17. Contingencies and commitments

The Company had no material contingent liabilities or commitments.

## 18. Events occurring after the reporting year

No matter or circumstance has occurred subsequent to year end 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 subsequent financial years.

## 19. Reconciliation of profit after income tax to net cash inflow from operating activities

	2018 \$
Profit for the period	33,177,988
Unrealised foreign exchange gains	(18,771,155)
Unrealised gains on market value movement	(39,616,761)
Changes in operating assets / liabilities	
(Increase) in trade and other receivables	(9,022,429)
(Increase) in investments	(208,606,414)
(Increase) in deferred tax assets	(5,715,388)
Increase in trade and other payables	8,756,609
Increase in deferred tax liabilities	19,939,778
<b>Net cash outflow from operating activities</b>	<b>(219,857,772)</b>

## 20. Earnings per share

	2018 \$
Profit after income tax used in the calculation of basic earnings per share	33,177,988
Basic earnings per share	<b>16.93 cents</b>

	Number of Shares
Weighted average number of ordinary shares outstanding during the period used in calculating basic earnings per share	<b>196,018,877</b>

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 30 June 2018. The basic earnings per share would be 12.05 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.

**21. Investment portfolio as at 30 June 2018**

<b>Company name</b>	<b>Stock code</b>	<b>Market value \$</b>
CME Group Inc.	CME US	60,279,701
Medibank Private Limited	MPL AU	37,889,389
Colgate Palmolive Co.	CL US	35,697,098
Praxair Inc.	PX US	30,601,795
The Coca Cola Co.	KO US	30,065,528
MasterCard Inc.	MA US	28,794,712
Zillow Group Inc.	Z US	28,231,629
Amazon.com Inc.	AMZN US	24,533,409
Wells Fargo & Co.	WFC US	22,397,101
General Electric Co.	GE US	16,212,966
Reckitt Benckiser Group PLC	RB/LN	15,542,322
WD-40 Co.	WDFC US	14,207,058
Spotify Technology SA	SPOT US	13,086,570
Pernod Ricard SA	RI FP	11,834,886
Diageo Plc	DGE LN	11,661,412
Kikkoman Corp	2801 JP	10,301,184
Kewpie Corp	2809 JP	6,575,733
<b>Total Long Portfolio</b>		<b>397,912,493</b>
<b>Total Short Portfolio</b>		<b>(149,808,076)</b>
<b>Net Investment Portfolio</b>		<b>248,104,417</b>

# Directors’ Declaration

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

- a) the financial statements and notes set out on pages 15 to 33 are in accordance with the *Corporations Act 2001*, including:
  - i) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
  - ii) giving a true and fair view of the Company's financial position as at 30 June 2018 and of its performance for the period of incorporation on 9 June 2017 to 30 June 2018, and
- b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- c) Note 2(a) to the financial statements confirms compliance with International Financial Reporting Standards; and
- d) the Directors have been given the declarations required by section 295A of the *Corporations Act 2001*.

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



**David F. Jones**  
**Chairman**  
Sydney  
14 August 2018

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

**Report on the Audit of the Financial Report**

*Opinion*

We have audited the financial report of VGI Partners Global Investments Limited ("the Company"), which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the period 9 June 2017 to 30 June 2018, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of VGI Partners Global Investments Limited is in accordance with the *Corporations Act 2001*, including:

- i. giving a true and fair view of the Company's financial position as at 30 June 2018 and of its financial performance for the period then ended; and
- ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

*Basis for Opinion*

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the Directors of the Company, would be on the same terms if given to the Directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Key Audit Matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current year. We have communicated the key audit matters to the Audit and Risk Committee, but they are not a comprehensive reflection of all matters that were identified by our audit and that were discussed with the Audit and Risk Committee. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

<i>Key audit matter</i>	<i>How our audit addressed the matter</i>
<p><b><i>Existence, Completeness and Valuation of Financial Assets and Financial Liabilities</i></b>  <b><i>Refer to Note 9: Financial assets and liabilities at fair value through profit or loss</i></b></p>	
<p>We focused our audit effort on the existence, completeness and valuation of the Company's financial assets and financial liabilities as they are its largest assets and liabilities and represent the most significant driver of the Company's Net Tangible Assets and profits.</p> <p>Investments mostly consist of listed global securities. Investments are valued by multiplying the quantity held by the respective market price in the currency of listing. All foreign investments are valued in presentation currency (Australian dollars) utilising the period end rates.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> <li>▪ Obtaining an understanding of the investment management process and controls;</li> <li>▪ Reviewing and evaluating the independent audit report on internal controls (ISAE 3402 Assurance Reports on Controls at a Service Organisation) for the Custodians;</li> <li>▪ Reviewing and evaluating the independent audit report on internal controls (ISAE 3402 Assurance Reports on Controls at a Service Organisation) for the Administrator;</li> <li>▪ Making enquiries and obtaining bridging letters as to whether there have been any changes to these controls or their effectiveness and performing additional procedures on a sample basis;</li> <li>▪ Obtaining a confirmation of the investment holdings directly from the Custodians;</li> <li>▪ Assessing the Company's valuation of individual investment holdings to independent sources;</li> <li>▪ Evaluating the accounting treatment of revaluations of financial assets and financial liabilities for current/deferred tax and unrealised gains or losses; and</li> <li>▪ Assessing the adequacy of disclosures in the financial statements.</li> </ul>

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

<i>Key audit matter</i>	<i>How our audit addressed the matter</i>
<b><i>Accuracy of Receivable Amortisation and Performance Fees</i></b> <b><i>Refer to Note 10: Trade and other payables, Note 15 Related party transactions</i></b>	
<p>We focused our audit effort on the accuracy of calculating the receivable amortisation and performance fees as they are significant expenses of the Company and their calculation may require adjustments for major events such as payment of company dividends and taxes, capital raisings and capital reductions in accordance with the Investment Management Agreement between the Company and the Investment Manager.</p> <p>In addition, to their quantum, as these transactions are made with related parties, there are additional inherent risks associated with these transactions, including the potential for these transactions to be made on terms and conditions more favourable than if they had been with an independent third-party.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> <li>▪ Making enquiries with the Investment Manager and Those Charged With Governance with respect to any significant events during the period and associated adjustments made as a result, in addition to reviewing ASX announcements;</li> <li>▪ Testing key inputs used in the calculation of performance fees and the amount of the offer costs recouped from the Manager (Receivable amortisation), and performed recalculation of both in accordance with our understanding of the Investment Management Agreement; and</li> <li>▪ Assessing the adequacy of disclosures made in the financial statements.</li> </ul>

*Other Information*

The Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report for the period ended 30 June 2018, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

*Responsibilities of the Directors for the Financial Report*

The Directors of the Company are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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

*Auditor's Responsibilities for the Audit of the Financial Report*

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities within the Company to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



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

**Report on the Remuneration Report**

*Opinion on the Remuneration Report*

We have audited the Remuneration Report included in pages 10 to 12 of the Directors' Report for the period ended 30 June 2018. In our opinion, the Remuneration Report of VGI Partners Global Investments Limited, for the period ended 30 June 2018, complies with section 300A of the *Corporations Act 2001*.

*Responsibilities*

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

A handwritten signature in black ink, appearing to read 'S M Whiddett'.

**S M Whiddett**  
Partner

14th August 2018

A handwritten signature in black ink, appearing to read 'Pitcher Partners'.

**Pitcher Partners**  
Sydney

# Shareholder Information

The Shareholder information set out below was applicable as at 31 July 2018.

Additional information required by the Australian Securities Exchange Limited Listing Rules and not disclosed elsewhere in this report, is listed below.

## a) Distribution of equity securities

Analysis of numbers of equity security holders by size of holding:

Holding	Ordinary shares		
	No of Shareholders	Shares	Percentage (%)
1 - 1,000	131	62,478	0.0
1,001 - 5,000	2,147	7,530,863	2.8
5,001 - 10,000	2,067	17,332,103	6.3
10,001 - 100,000	4,390	129,125,608	46.9
100,001 and over	257	121,210,806	44.0
<b>Total</b>	<b>8,992</b>	<b>275,261,858</b>	<b>100.0</b>
Holdings less than a marketable parcel (less than \$500)	37	1,472	0.00%

**b) Equity security holders**

Twenty largest quoted equity security holders as at 31 July 2018:

<b>Name</b>	<b>Ordinary shares Number held</b>	<b>Percentage of issued shares (%)</b>
HSBC Custody Nominees (Australia) Limited	37,991,671	13.8%
National Nominees Limited	8,686,221	3.1%
BNP Paribas Nominees Pty Limited	4,500,337	1.6%
Navigator Australia Limited	3,987,999	1.4%
Custodial Services Limited	3,359,531	1.2%
Citicorp Nominees Pty Limited <DPSL A/C>	2,894,852	1.1%
MJC Pty Limited	2,500,000	0.9%
Netwealth Investments Limited	2,266,026	0.8%
Citicorp Nominees Pty Limited	2,241,829	0.8%
Investment Custodial Services Limited	1,049,957	0.4%
G C F Investments Pty Limited	1,000,000	0.4%
FZIC Pty Limited	1,000,000	0.4%
Dr Sanjay Mohindra	925,000	0.3%
Forsyth Barr Custodians Limited	776,400	0.3%
J P Morgan Nominees Australia Limited	720,497	0.3%
IOOF Investments Management Limited	711,735	0.3%
T G B Holdings Pty Limited	625,000	0.2%
Tidereef Pty Limited	550,000	0.2%
Liangrove Media Pty Limited	500,000	0.2%
Australian Philanthropic Services Foundation Pty Limited	500,000	0.2%
Mr Robert M. P. Luciano and Mrs Samantha R. A. Luciano	500,000	0.2%
<b>Total Top 20 Holdings</b>	<b>77,287,055</b>	<b>28.1%</b>
<b>Total Remaining Holdings</b>	<b>197,974,803</b>	<b>71.9%</b>
<b>Total of Ordinary shares</b>	<b>275,261,858</b>	

**c) Substantial Holders**

The Company has not been advised of any Shareholder holding a substantial shareholding in VGI Partners Global Investments Limited.

**d) Voting Rights**

Each ordinary share is entitled to one vote when a poll is called, otherwise each Shareholder present at a meeting or by proxy has one vote on a show of hands.

**e) Stock Exchange Listing**

Quotation has been granted for all of the ordinary shares of the Company on all Member Exchanges of the ASX Limited.

**f) Unquoted Securities**

There are no unquoted shares.

**g) Securities Subject to Voluntary Escrow**

The Company's prospectus dated 27 July 2017 provides that the owners of the Manager will re-invest all performance fees payable to the Manager (on an after-tax basis). Entities associated with each of David Jones, Robert Luciano, Douglas Tynan and Robert Poiner currently hold ordinary shares which were issued in January 2018 (261,857 shares) and, following the release of this report, 2,361,065 additional shares relating to the performance fee reinvestment mechanism. These shares are to be voluntarily held in escrow whilst the Manager remains the Investment Manager of the Company, or until the applicable owner ceases to be a director or employee of the Manager (whichever occurs first).

# Corporate Directory

## Board of Directors

David F. Jones – Non-Independent Chairman  
Robert M. P. Luciano – Non-Independent Director  
Douglas H. Tynan – Non-Independent Director  
Jaye L. Gardner – Independent Director  
Noel J. J. Whittaker – Independent Director  
Lawrence Myers – Independent Director

## Company Secretary

Ursula E. Kay

## Investor Relations Manager

Victoria L. Arthur  
T: 1800 571 917 (inside Australia)  
T: +61 2 9237 8921 (outside Australia)  
E: [investor.relations@vgipartnersglobal.com](mailto:investor.relations@vgipartnersglobal.com)

## Investment Manager

VGI Partners Pty Limited  
AFSL 321789

## Registered Office

39 Phillip Street  
Sydney NSW 2000

## ASX Code

VG1

## Website

[www.vgipartnersglobal.com](http://www.vgipartnersglobal.com)

## Share Registrar

Boardroom Pty Limited  
Level 12, 225 George Street  
Sydney NSW 2000  
T: 1300 737 760 (inside Australia)  
T: + 61 2 9290 9600 (outside Australia)  
E: [enquiries@boardroomlimited.com.au](mailto:enquiries@boardroomlimited.com.au)

## Auditor

Pitcher Partners  
Level 22 MLC Centre  
19 Martin Place  
Sydney NSW 2000  
T: (02) 9221 2099

## Lawyers

Kardos Scanlan  
Level 5 151 Castlereagh Street  
Sydney NSW 2000  
T: (02) 9146 5290

## Prime Brokers and Custodians

Deutsche Bank AG  
Winchester House, 1 Great Winchester Street  
London, EC2N 2DB, United Kingdom

Morgan Stanley & Co. LLC  
1585 Broadway, 6<sup>th</sup> Floor  
New York, NY 10036, United States of America

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Investments Limited**

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