

8 June 2023

ASX Market Announcements Office
ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

VGI Partners Global Investments Limited (ASX:VG1) – Investor Webinar

Dear Investor,

The VGI Partners investment team, alongside Regal Partners CEO Brendan O'Connor, will be providing an update on VGI Partners Global Investments Limited (ASX:VG1) to investors today, **Thursday 8 June**, at **11.00am AEST**. The presentation slides are attached.

The webinar will cover the following key topics:

1. VG1 Performance Calendar Year to Date

For the calendar year to 31 May 2023, the VG1 net portfolio return was +17.2%, whilst the VG1 share price return was +16.4%.¹ Performance has been delivered across a broad number of positions on both the long side and the short side, and the team will provide an overview of the key contributors.

2. VG1 Portfolio Update

The investment team have made a number of updates to the portfolio this year, including initiating new positions in the London Stock Exchange Group (LSEG), a data and analytics business, and GE Healthcare (GEHC), a medical technology business recently spun out of parent company General Electric Co (GE).

The team have also exited a number of positions, including holdings in Mastercard (MA), Compagnie Financière Richemont (CFR) and SAP (SAP).

3. Update on Investment Team and Portfolio Management Responsibilities During Robert Luciano Sabbatical Break

Following the successful completion of the integration of Regal Funds Management and VGI Partners, and broader satisfaction with the business and investment support provided by Regal's operational, trading and marketing teams, Robert Luciano will be taking a three-month sabbatical. During Robert's break, existing VGI

¹ Source: Citco Fund Services (portfolio return), Bloomberg (share price), VGI Partners. The net portfolio return is shown after all applicable fees and expenses and is defined as the movement in pre-tax NTA, adjusting for payments owed to/from taxation authorities from earlier periods, plus dividends. Figures are unaudited and the portfolio return for the month of May 2023 is estimated. Past performance is not a reliable indicator of future returns and should not be relied upon.



Partners portfolio managers Marco Anselmi and Simon Birrell will maintain the day-to-day responsibilities of the VG1 portfolio, with oversight from Regal Funds CIO Philip King.

4. Update on Capital Management & Other Initiatives

The VG1 share price currently trades at a discount to its Net Tangible Assets (NTA). The VGI Partners team, in conjunction with the Board of VG1, are primarily focused on three key strategies to assist in reducing this discount: investment performance, investor communications / marketing, and clearly-defined capital management initiatives.

As an update on this front, performance has been positive for the calendar year-to-date, a structured investor communication and engagement strategy is underway and recently updated capital management initiatives (including dividend policy guidance to pay at least 4.5c per share semi-annually and the renewal of the on-market buyback) remain in place.

Investors can register to view the webinar via the following link:

REGISTER NOW

A recording of the webinar will be made available to those who register.

Authorised for release by:

Ian Cameron, Company Secretary

Investor contact information:

Ingrid Groer, CFA

VGI Partners Global Investments Limited

Phone: 1800 571 917 (inside Australia)
+61 2 9237 8923 (outside Australia)

Email: investor.relations@vgipartners.com

VGI Partners Global Investments Limited (ASX: VG1)

8 June 2023

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Past performance

The historical financial information and performance figures given in this document are given for illustrative purposes only and should not be relied upon as (and are not) an indication of VG1 or Regal Partners' views on the future performance of VG1, or other Funds or strategies managed by Regal Partners or its related bodies corporate. You should note that past performance of VG1, or Funds or strategies managed by Regal Partners or its related bodies corporate cannot be relied upon as an indicator of (and provide no guidance as to) future performance.

Forward-looking statements

This document contains certain "forward-looking statements" that are based on management's beliefs, assumptions and expectations and on information currently available to management. Forward-looking statements can generally be identified by the use of forward-looking words such as, "expect", "anticipate", "likely", "intend", "should", "could", "may", "predict", "plan", "propose", "will", "believe", "forecast", "estimate", "target" "outlook", "guidance" and other similar expressions. Indications of, and guidance or outlook on, future earnings or financial performance are also forward-looking statements. You are cautioned not to place undue reliance on forward-looking statements. Any such statements, opinions and estimates in this document speak only as of the date of this document and are based on assumptions and contingencies and are subject to change without notice, as are statements about market and industry trends, projections, guidance and estimates. Forward-looking statements are provided as a general guide only. The forward-looking statements contained in this document are not indications, guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of VG1 or Regal Partners, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. There can be no assurance that actual outcomes will not differ materially from these forward-looking statements. No representation, warranty or assurance (express or implied) is given or made in relation to any forward-looking statement by any person (including VG1, Regal Partners, their related bodies corporate or any of their respective directors, officers, employees, agents or advisers). In particular, no representation, warranty or assurance (express or implied) is given that the occurrence of the events expressed or implied in any forward-looking statements in this document will actually occur. Except as required by law or regulation, VG1, and Regal Partners disclaim any obligation or undertaking to update forward-looking statements in this document to reflect any changes in expectations in relation to any forward-looking statement or change in events, circumstances or conditions on which any statement is based.

Portfolio Management Team



Robert Luciano
Chief Investment Officer



Marco Anselmi
Portfolio Manager



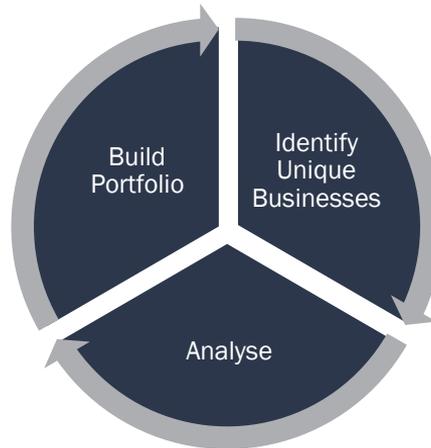
Simon Birrell
Portfolio Manager

Mr Luciano has over twenty-five 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. Mr Luciano commenced his career as an accountant with BDO Nelson Parkhill in 1993. Mr Luciano is a CFA Charter Holder.

Mr Anselmi has nearly 10 years' experience as a portfolio manager and analyst focused on global equities coverage at VGI Partners, where he started his career in funds management. Mr Anselmi holds a Bachelor of Finance and Economics (Honours) from the University of Sydney. He is a CFA Charter Holder.

Mr Birrell has over 14 years' experience as an investment manager and analyst focused on global equities and private equity. He has worked at firms including Antipodes, Manikay Partners, and Crescent Capital Partners. While at Crescent Capital Partners, he was a Board representative for National Hearing Care and Cover-More Insurance. Mr Birrell holds a Bachelor of Commerce (Finance) & Property and Construction, (Property Markets) from the University of Melbourne and is a Graduate of the AICD Company Directors Course.

Our Investment Philosophy



Attributes Of A Great Business

Quality

Attractive industry
structure

Secular growth

Sustainable competitive
advantage

Camouflaged
Quality

Management display
honesty, intelligence
and capability

Superior return on
capital and a strong
balance sheet

Sufficient “margin of
safety”

Quality Companies Can Thrive In A Range Of Economic Environments



Long-term investment
horizon



Observe the macro
environment rather than
predict



Ensure that we are not
mistaking cyclical or
temporary factors for
structural changes



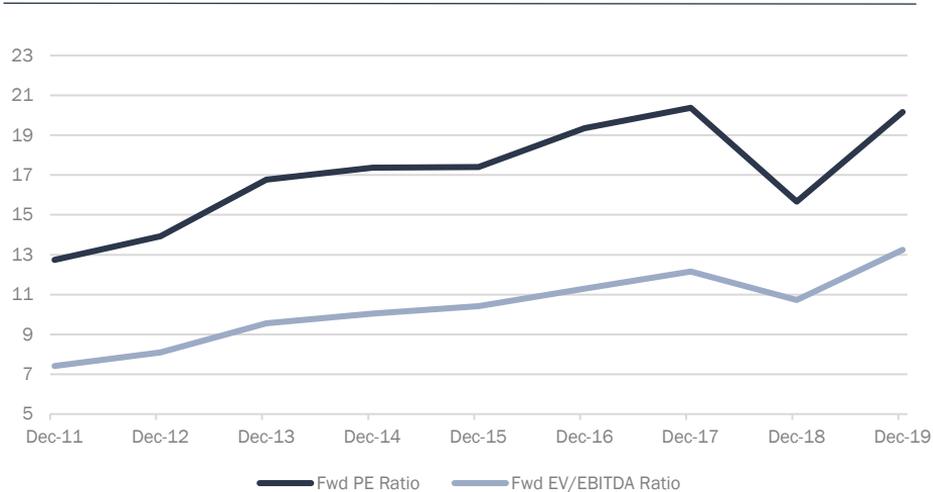
Portfolio constructed for
a range of future
outcomes

The Pre-Covid 19 Decade Was A 'Friendly' Investment Environment...

2010 – Pre-Covid 19

- Globalisation
- Benign Inflation
- 'Zero Bound' Interest Rates
- SIFI Stability
- Geopolitical stability

S&P500 Forward PE and EBITDA Multiples

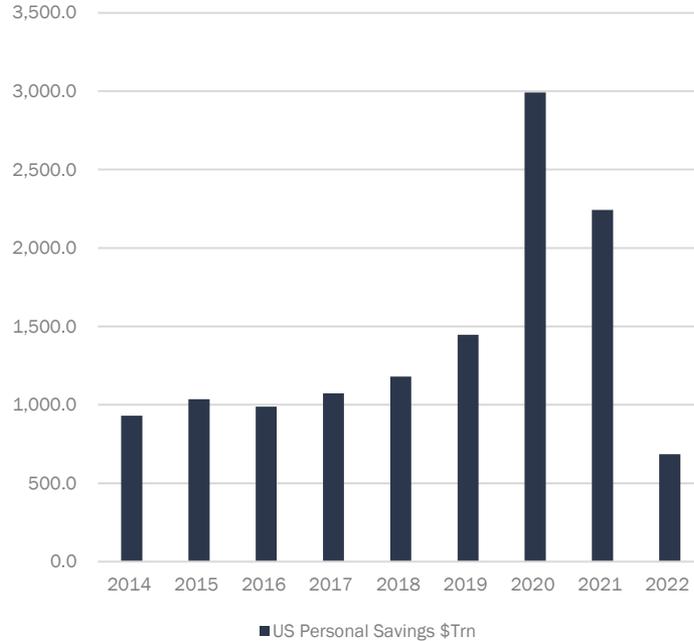


Source: Bloomberg, VGI Analysis

...however, stimulus actions due to Covid 19 have created a new set of conditions

Excess Liquidity Combined With A Low Interest Rate Environment...

US Personal Savings \$ Trn

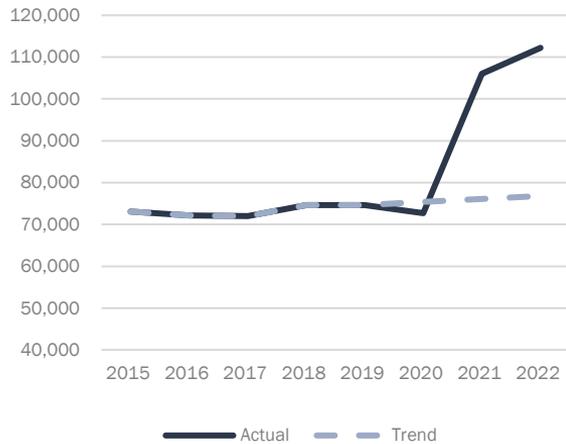


Fed Funds Rate %

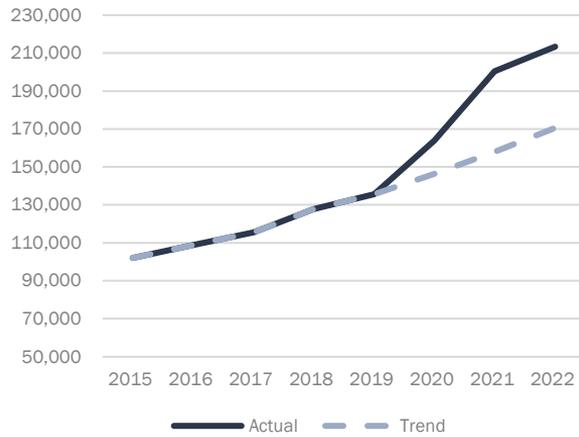


...Caused A Number Of Market Distortions...

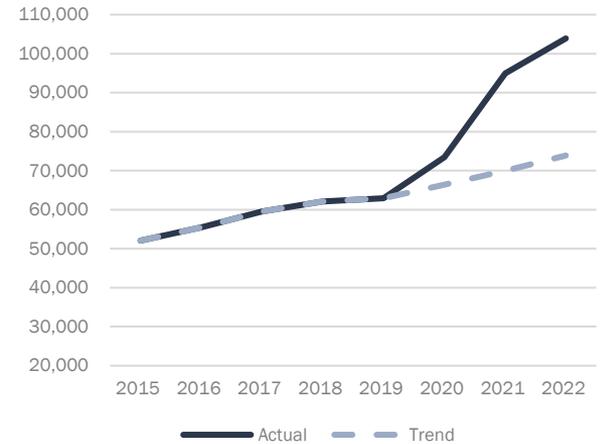
US Jewellery & Watch Spend – Actual vs Trend 2015-2022



US Furniture Spend – Actual vs Trend 2015-2022



US Sports and Recreation Vehicles Spend – Actual vs Trend 2015-2022

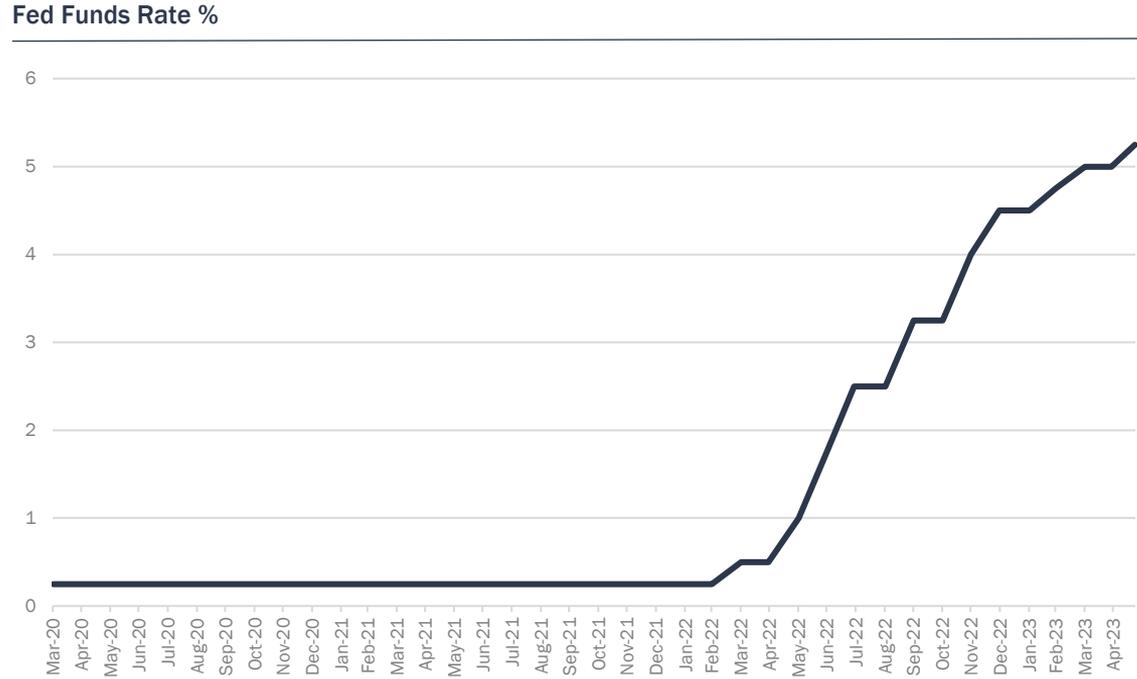


Source: Bureau of Economic Analysis, VGI Analysis

...Leading To High Inflation After A Period Of Relative Stability...



...And Eventually A Tightening Of Monetary Conditions...



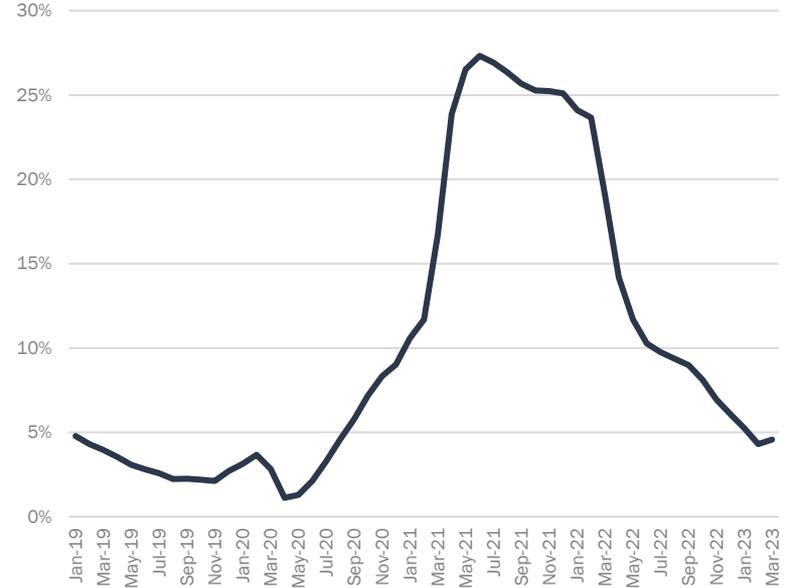
..Which Is Only Just Starting To Slow Segments Of The Economy.

CASS Truckload Linehaul Index



Source: Bloomberg, VGI Analysis

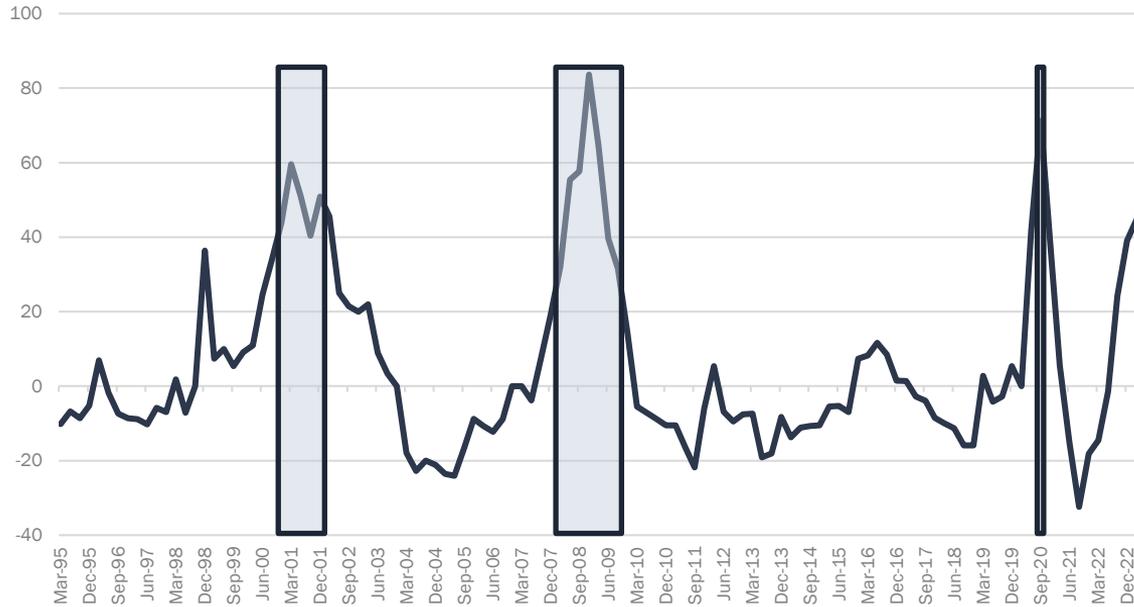
US Durable Good Expenditure Rolling LTM Growth %



Source: Bureau of Economic Analysis, VGI Analysis

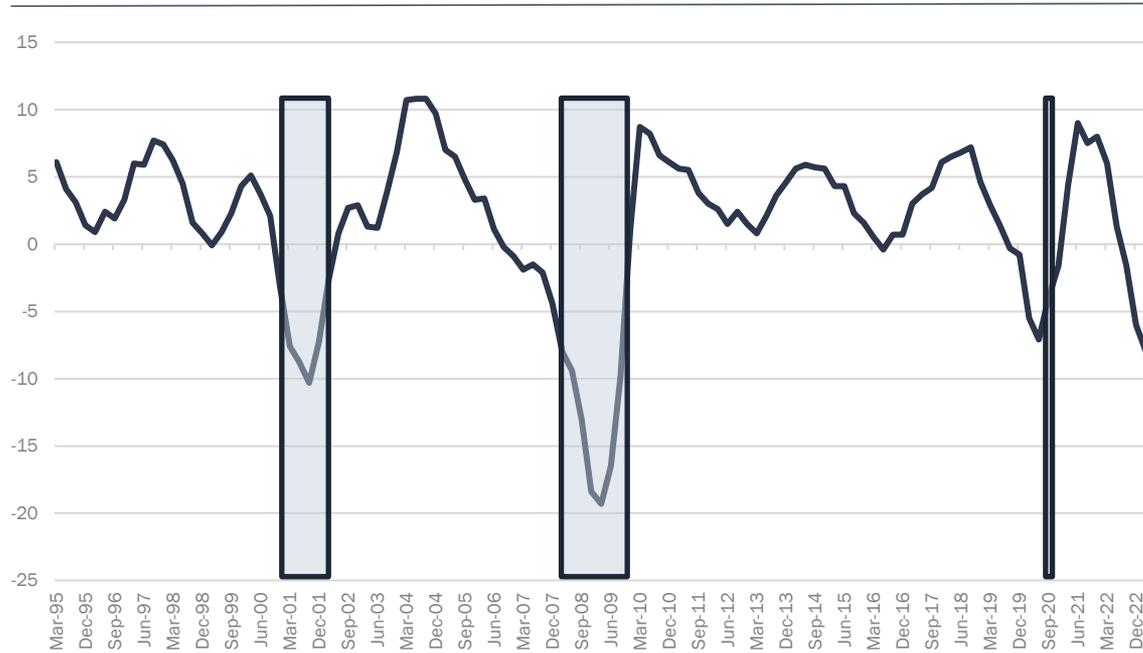
Leading Indicators Are Suggesting A US Recession In The Next 12 Months (1)...

Senior Loan Officer Survey - % of Respondents Tightening Standards



Leading Indicators Are Suggesting A US Recession In The Next 12 Months (2)...

Conference Board US Leading Indicator



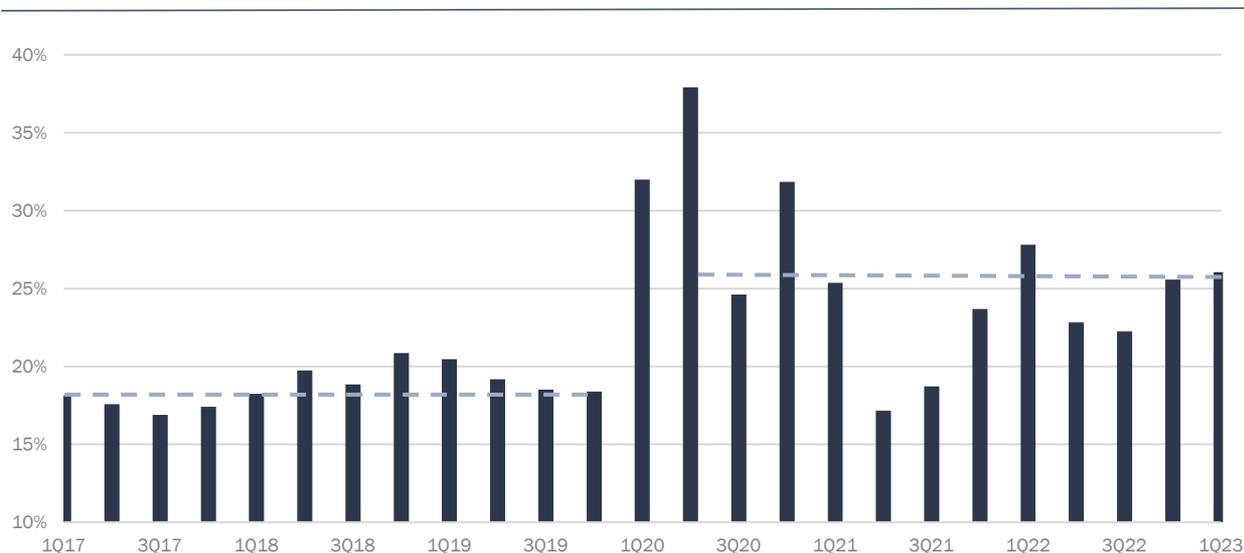
...Combined With Other Factors, This Has Led To A Higher Degree Of Uncertainty...

2010 – Pre-Covid 19	Today
<ul style="list-style-type: none">• 'Zero Bound' Interest Rates• Benign Inflation• SIFI Stability• Globalisation• Geopolitical stability	<ul style="list-style-type: none">• Rapid increase in interest rates• High inflation• Bank failures• 'Hot War' in Europe• Geopolitical tensions

Stock selection will become more important in this new environment

...With An Expected Increase In Volatility And Dispersion

Dispersion of Returns for the Russell 1000, Qtly Q1 2017 - Q1 2023



Source: VGI Analysis, Bloomberg

Increased Volatility and Dispersion creates opportunities for active managers

VG1 Is Well Equipped For This New Environment, And We Are Evolving



Volatility

Increased volatility has seen securities trade in wider ranges and causes us to constantly evaluate their inclusion in the portfolio



Red-teaming

We are constantly asking ourselves, “what do we have to believe from here” in order to make an adequate return on our holdings



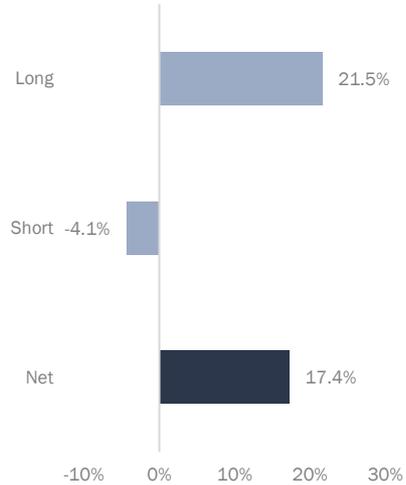
Watchlist menu

We have been ‘busy being patient’ and maintain an extensive and growing watchlist ‘menu’ of companies that may be suitable for our portfolio

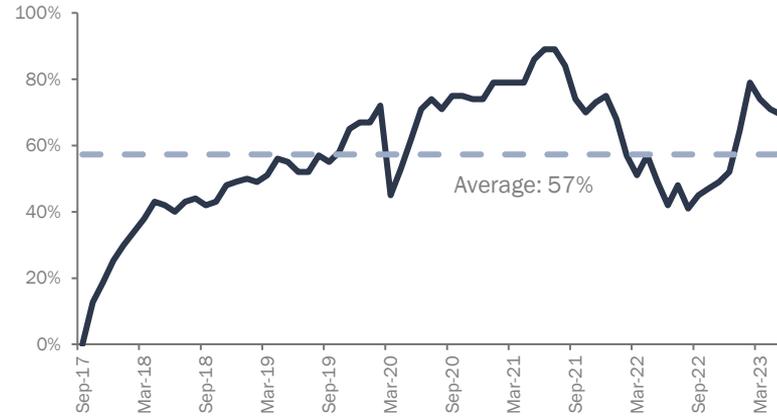
Being nimble – ideas compete for inclusion in ‘healthy competition’ within portfolio

Portfolio Performance And Exposure

Portfolio Performance Calendar YTD¹



Historical Net Exposure



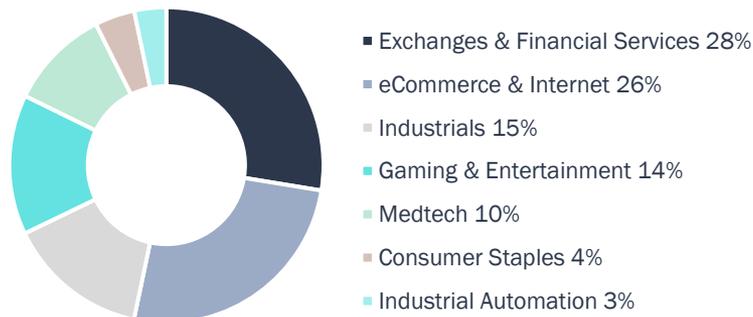
Source: Citco Fund Services, VGI Partners. 1. The net portfolio return, attribution and net exposure for the month of May 2023 is indicative. Past performance is not a reliable indicator of future performance. It should not be relied upon (and is not) an indication of future performance.

Portfolio Performance And Exposure¹

Net Portfolio Return	3 mth	Calendar year-to-date	1 year	3 years p.a.	Since inception p.a.
VG1	7.5%	17.4%	10.5%	-0.8%	2.5%

31 May 2023 Month End Exposures

Long Equity Exposure	94%
Short Equity Exposure	(24%)
Net Equity Exposure	70%



Portfolio Contributors Calendar YTD¹

Top Long Contributors: Attribution to Net Portfolio Return



Sector of Top Short Contributors



Retail



Software

Long Investments - What Are We Looking For?

Camouflaged Quality

- Hidden Asset
- De-mutualisations
- Key misunderstanding of the business drivers
- Spin-offs
- Low-risk turnarounds
- Business model transition

Quality

- Network effects
- Scale economics
- Mispriced compounders
- Software – Vertical and Horizontal
- Dominant consumer brands
- Liquidity pools
- Picks & shovels

Camouflaged Quality

Hidden Asset

amazon

Position initiated 2014


The *McGraw-Hill* Companies

Position initiated 2011

De-mutualisations



Position initiated 2019

Key misunderstanding of the
business drivers

RICHEMONT

Position initiated 2019



LSEG

Position initiated 2023

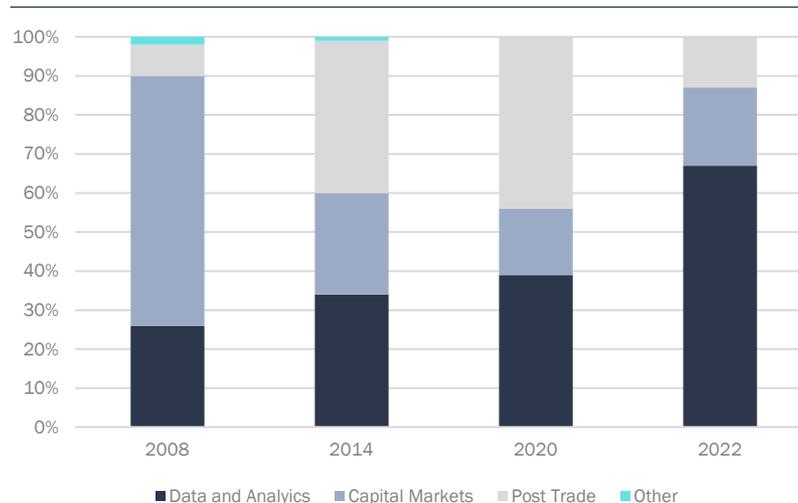
New Position: LSE Group

- > The London Stock Exchange (LSE) is different to the London Stock Exchange Group (LSEG)
 - > In FY22, LSE equities revenues contributed only ~3% to LSEG total revenue

- > Business transformed from traditional transactional exchange to data & analytics business with sticky & recurring revenue profile



LSEG Revenue Mix - Business Transformation



Source: Company Financials

New Position: LSE Group

- › Self-help growth and margin opportunity
 - › Improve Refinitiv products which have been starved of investment – evidence of growth acceleration in recent quarters
 - › Realise cost savings from both Refinitiv and recent Microsoft partnership

- › Margins depressed relative to peers, expected to improve as current heavy investment period rolls off



LSEG Annual Subscription Value Growth

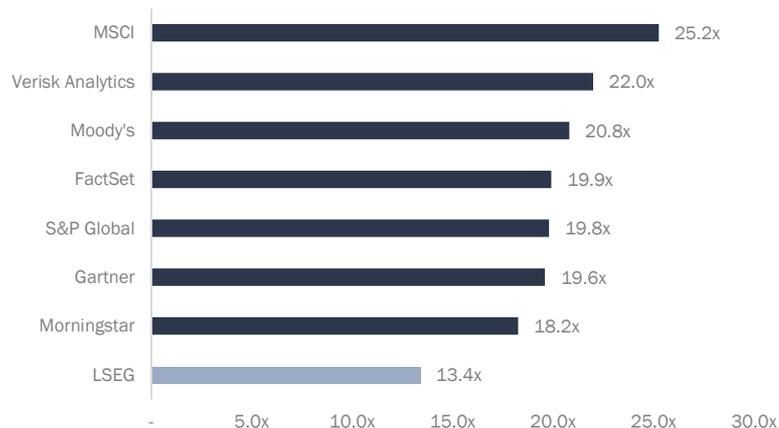


Source: Company Financials

New Position: LSE Group

- › Valuation
 - › Reduced overhang from Blackstone ownership → lower valuation discount
 - › Higher recurring revenue contribution warrants a multiple re-rating more in line with Data & Analytics, Info Services peers
- › High cash generation and flexible balance sheet for tuck -in M&A or larger buyback
- › Upside optionality from Microsoft partnership

EV/EBITDA: LSEG vs Data & Analytics Peers



Source: VGI Analysis, Bloomberg

Camouflaged Quality

Spin offs



Position initiated 2013



Position initiated 2020

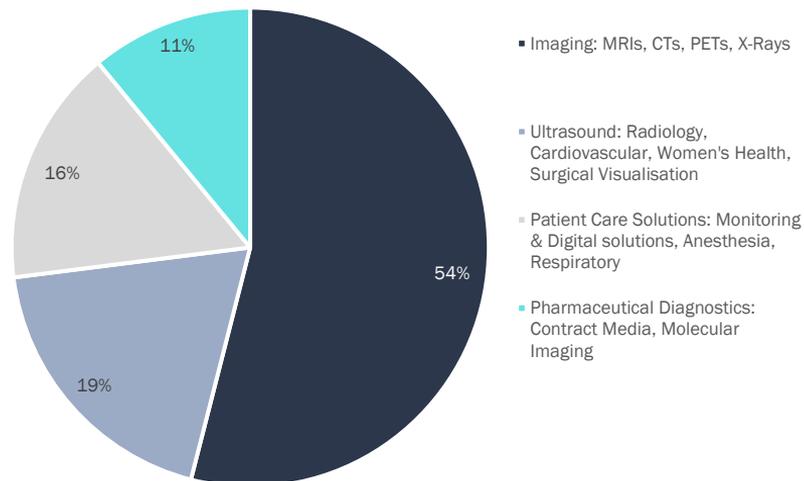


Position initiated 2022

New Position: GE HealthCare

- > Leading medtech company exposed to attractive growth category, serving a mission-critical and resilient end-market, operating in an oligopoly industry structure
- > Large install base and attractive business model with razor / razorblade economics (equipment + servicing) – 50% of revenues are recurring

Business Overview – Revenue Mix (FY22)

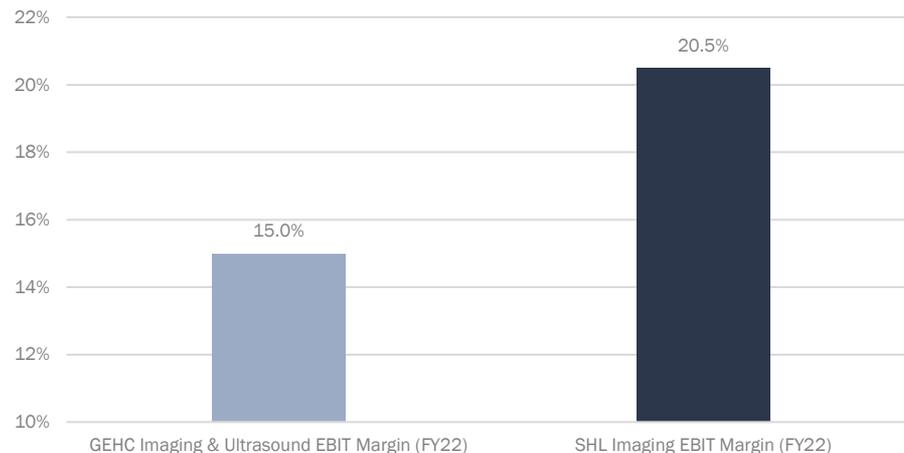


Source: Company Financials

New Position: GE HealthCare

- › Market under-appreciating opportunity to improve margins as a newly independent company with a fully-focused management team
- › Expect GEHC to significantly narrow the margin gap to its closest competitor - Siemens Healthineers

Imaging Operating Margin Differential (GE HealthCare vs Siemens Healthineers)



Source: Company Financials

New Position: GE HealthCare

- > Attractive valuation
- > Highly cash generative business provides balance sheet flexibility (unlike previously when GEHC was part of a conglomerate)
 - > Enable rapid debt paydown, accretive M&A and eventually return capital to shareholders

Med Tech Large Cap FCF Yields



Source: Bloomberg, VGI Analysis

When Do We Sell?

Valuation

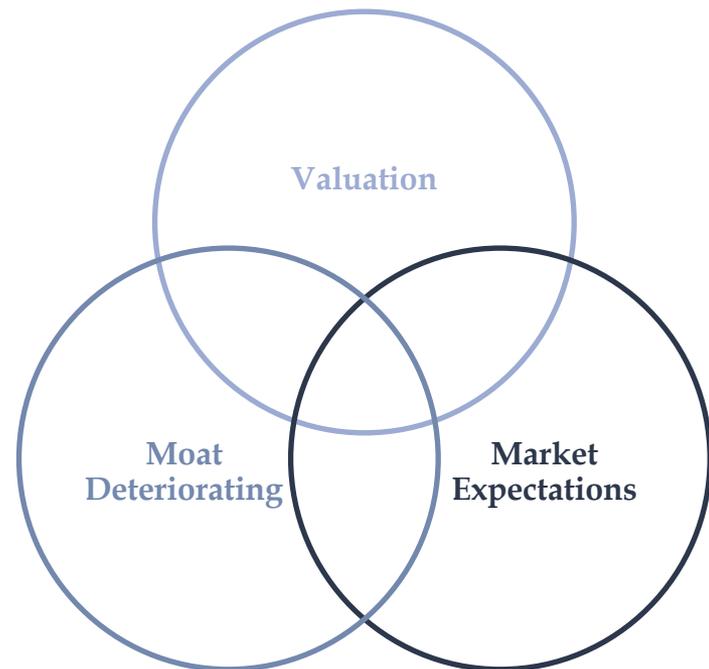
- Valuation falls outside the VGI range of fair value

Moat Deteriorating or Stagnating

- Increased competition or change in industry structure
- Capital allocation decision in desperation (ie acquisition to drive slowing growth)
- Strategic change

Market Expectations

- Consensus psychology incorporated into the price is too bullish



Need to be nimble in volatile markets and exercise valuation/sell discipline

Key Portfolio Exits



RICHMONT



Key Portfolio Exit - Mastercard

Companies Financial Services Payments Print article

Woolworths rolls out a big change to the way people shop



James Evers
Senior Reporter

May 24, 2023 - 8:00am

Save Share

Woolworths will start moving payments on to Australia's real-time payments system as a cheaper alternative to the card networks controlled by Visa and Mastercard, a move it says will reduce fraud while driving customers to its digital wallet and rewards program.

The supermarket has become the first major company to offer customers an option to link their bank account directly to its app, using PayTo functionality introduced by Australia's new payments platform. The real-time infrastructure has been built by the banks and is operated by Australian Payments Plus.

Woolworths is working on enabling the option for in-store payments later this year.



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Updated: May 24, 2023 - 3:14pm. Data is 20 mins delayed.

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Companies Financial Services Payments

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May 18, 2023

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Apple lets iPhones accept payments for Westpac and Tyro

Payments space less predictable than prior periods – emergence of competitive platforms

Short Investments - What Are We Looking For?

Structural Losers

Failures / structurally impaired
“bad businesses”

Bad balance sheets

Red Flags

Qualitative & quantitative red flag
screens E.g. aggressive accounting

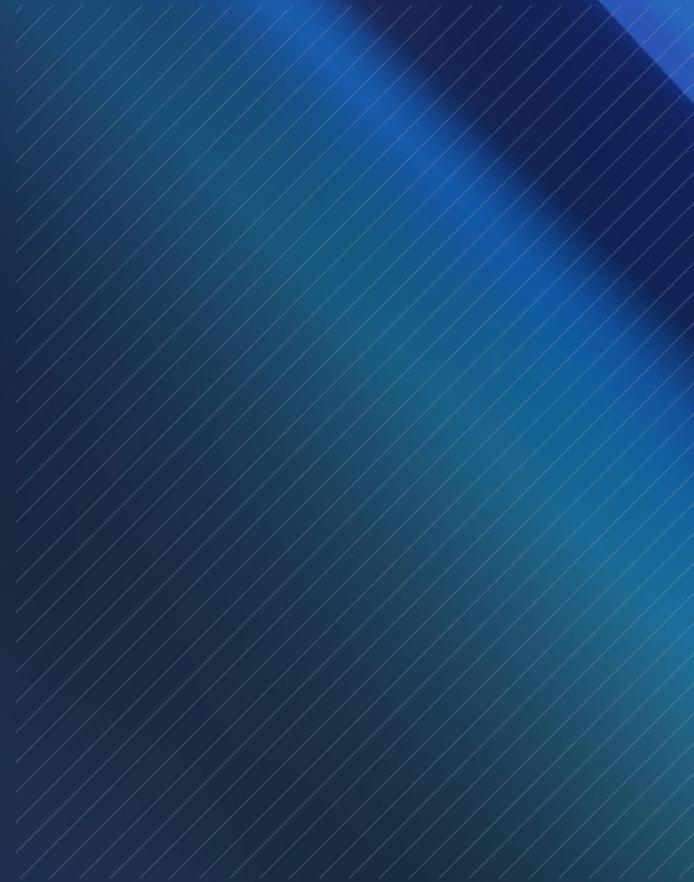
Irrational Extrapolation

Crazy valuations & fads

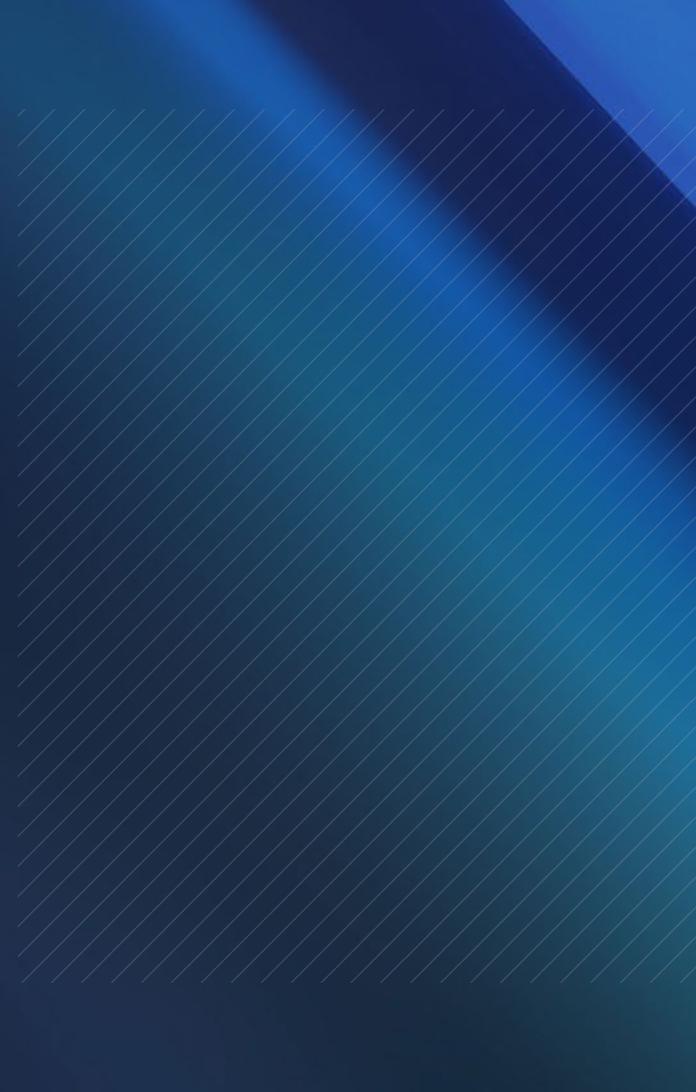
Earnings estimates beyond all
reasonable base cases E.g. COVID
over-earners

VGI
PARTNERS

Questions

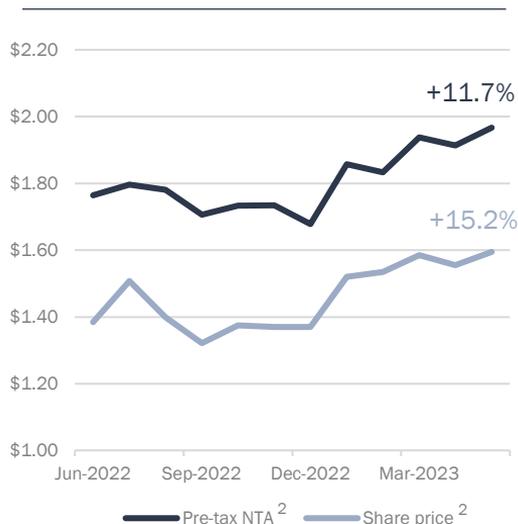


Appendix



Key Pillars of a Successful Listed Investment Vehicle

VG1 Portfolio and Share Price Net Return since Merger¹



Investment Performance

- Deliver attractive risk-adjusted absolute returns over the medium term
- Perform in line or above market expectations
- Explain mistakes or underperformance

Investor Engagement & Communication

- Experienced sales and marketing team
- Structured client engagement program (performance updates, webinars, broker meetings and calls)
- Scalable marketing technology and CRM platform

Capital Management Initiatives

- Defined dividend policy
- Buy-back utilised meaningfully when trading at a discount
- Grow and raise capital via a structure that reflects alignment

VG1 Investment Guidelines

Exposure	
Number of Long Investments	Typically 10-25 (10-15 Core)
Concentration of Long Investments	Top five 40-50% of NAV on average
Average Size of Long Investments	Start at 1-3% and build to 4-10% of Portfolio's NAV
Single Security Long Investment Limit	15% at purchase; maximum of 20%
Number of Short Equity Positions	Typically 10-35
Average Size of Short Equity Positions	Start at 0.5% and build to 1-2% of Portfolio's NAV
Single Security Short Equity Position Limits	5% at purchase; maximum of 7.5%
Net Equity Exposure Limits	Limited to 100% of Portfolio's NAV; typically between 50-100%
Gross Exposure Limits	Maximum of 150% of Portfolio's NAV; typically between 80-120%