

## INVESTOR UPDATE

# IPO Wealth Fund

5 May 2020

Dear Unitholder

We are writing to you as the trustee of the IPO Wealth Fund (**Fund**).

This update follows our update to you on 7 April 2020 in which we informed you that due to lack of liquidity in the Fund we had taken action to freeze new applications, reinvestments and redemptions until further notice.

### Loan Repayments

Since the last communication we have been negotiating with the Fund's borrower, IPO Wealth Holdings Pty Ltd, a repayment schedule covering outstanding interest and principal repayments for February and March 2020.

We have reached agreement with the borrower that will result in an amount of approximately \$6 million being paid to the Fund over the period from 20 April 2020 to 30 May 2020. This amount comprises interest due of approximately \$1.3 million and approximately \$4.7 million of principal repayments.

The first payment of \$300,000 due on 20 April 2020 and second payment of \$400,000 due on 30 May 2020 was paid in accordance with the agreement.

Subject to the overdue amounts being paid as agreed we envisage that distributions will continue until July 2020 and, subject to further repayments by the borrower, will continue beyond that time period.

We are currently negotiating with the borrower for further repayments of interest and principal beyond that already agreed to and will keep you informed of the progress of these negotiations.

Given the borrower is a related party of the Fund's Investment Manager, IPO Wealth Pty Ltd, these negotiations are and have been managed independently by Vasco as trustee for the Fund with a view to achieving the best outcome for all investors in the current circumstances.

### Withdrawal Offer

Subject to the principal repayments being made as negotiated, we intend to provide unitholders a withdrawal offer in June with payments to be made in July. Whilst we have not finalised the terms of the offer and which unitholders will be entitled to participate, we envisage an amount of approximately



\$5 million being set aside for this offer with withdrawals being paid on a pro-rata basis to those unitholders accepting the offer.

Subject to our further negotiations with the borrower in respect of further repayments, additional withdrawal offers are expected to be made to unitholders as the Fund's liquidity is improved.

In the meantime, if you have any questions in relation to your investment in the Fund or the temporary restrictions we have imposed on applications and redemptions, please contact the Fund's Investment Manager, IPO Wealth Pty Ltd, by email to [enquiries@ipowealth.com.au](mailto:enquiries@ipowealth.com.au) or the Fund's trustee, Vasco Trustees Limited, by email to [info@vascofm.com](mailto:info@vascofm.com).

Yours faithfully

**Vasco Trustees Limited**  
**as trustee for the IPO Wealth Fund**