

While COVID-19 is clearly disrupting economies around the world, Vantage's primary focus is on the safety and wellbeing of our people and preserving the value of our portfolios.

The current environment around COVID-19 and restrictions imposed by Government's on the operations of businesses across the economy, is very fluid and its impact on each of VPEG's underlying company investments is being monitored daily by all of VPEG's underlying private equity fund managers.

Each underlying fund manager is working closely with the respective management teams of each company, to preserve cash and to implement strategies to maintain liquidity across a potential prolonged downturn, that are tailored for each individual investment.

The absolute priority of each underlying fund manager at this critical time is to seek to reduce any negative impact caused by the disruption of COVID-19 on the operations of each portfolio company and ultimately preserve value across the portfolio until the economy stabilises and strategies for growth can be re-implemented.

### **Summary points to note across the VPEG portfolio include;**

- VPEG has **6 underlying company investments remaining**, diversified across a range of industry sectors and geographic regions within Australia, all of which are impacted in different ways by COVID-19,
- **4 portfolio companies** representing **59.6% of VPEG's Net Asset Value (NAV) operate Essential Service businesses** or provide a majority of their products and services to Essential Service businesses as defined under current Australian and New Zealand Government COVID-19 business definitions,
- In addition, these **4 portfolio companies** have **reported either a net benefit or a low impact to their financial performance** as a result of each Government's imposed COVID-19 restrictions on the economy.
- VPEG's portfolio of investments generally have a low to moderate level of gearing, with a **majority of companies still generating cashflows** and either have **sufficient cash reserves to satisfy their financial obligations**, should a prolonged economic downturn persist.

The key observation from the analysis performed to date across VPEG's portfolio is that NO portfolio company currently has a forecast requirement for additional capital that would need to be satisfied by an additional call of capital from VPEG. Liquidity is being successfully managed within each business and whilst this remains dependent upon securing the benefit of various government and industry assistance packages, there is a reasonable level of confidence that each company will be able to manage their liquidity requirements until the COVID-19 restrictions are lifted.