

HOLLYPORT SECONDARY OPPORTUNITIES VI UNIT TRUST

INTERIM REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2019

**NOTES FROM THE TRUST INSTRUMENT AND PROSPECTUS
FOR THE SIX MONTHS ENDED 30 JUNE 2019**

| | |
|--------------------------------------|---|
| Trustee and Registered Office | Hollyport Secondary Opportunities Management Limited IFC 5 St Helier Jersey, JE1 1ST, Channel Islands |
| Investment Advisor | Hollyport Capital LLP 15 Golden Square London, W1F 9JG, United Kingdom |
| Independent Auditor | Deloitte LLP Gaspé House 66 - 72 Esplanade St Helier Jersey, JE2 3QT, Channel Islands |
| Independent Administrator | Sanne Fund Administration Limited IFC 5 St Helier Jersey, JE1 1ST, Channel Islands |
| TISE Listing Sponsor | Sanne Fiduciary Services Limited IFC 5 St Helier Jersey, JE1 1ST, Channel Islands |
| Legal Advisers | - <i>as to English law:</i> Macfarlanes LLP 20 Cursitor Street London, EC4A 1LT, United Kingdom - <i>as to Jersey law:</i> Carey Olsen 47 The Esplanade St Helier Jersey, JE1 0BD, Channel Islands |
| Principal Bankers | Barclays Bank plc – Jersey branch PO Box 8, Library Place St Helier Jersey, JE4 8NE, Channel Islands |
| AIFM | Hollyport Secondary Opportunities Management Limited IFC 5 St Helier Jersey, JE1 1ST, Channel Islands |
| Trust Established | 31 March 2017, in Jersey, Channel Islands |
| Domicile | Jersey, Channel Islands |
| Constitution | Hollyport Secondary Opportunities VI Unit Trust (the “Unit Trust”) was constituted out of the proceeds of issues of Units paid or transferred to the Trustee and held as part of the trust fund in accordance with the Declaration of Trust (the “Trust Instrument”) dated 31 March 2017 and as amended and restated 29 September 2017. |

The Trustee holds the Trust Fund on trust for the Unitholders on the terms and subject to the powers and provisions of the aforementioned Declaration of Trust. The notes set out above are merely an aide-memoire. For any matters requiring detailed consideration reference should be made to the aforementioned Declaration of Trust.

**REPORT OF THE TRUSTEE AND AIFM
FOR THE SIX MONTHS ENDED 30 JUNE 2019**

Hollyport Secondary Opportunities Management Limited (the “Trustee” and AIFM) presents its interim report and the unaudited financial statements of Hollyport Secondary Opportunities VI Unit Trust for the period from 1 January 2019 to 30 June 2019.

The Unit Trust was established on 31 March 2017. The Unit Trust held its first issue on 20 April 2017 and its final issue on 29 September 2017 with total commitments of USD 500,010,000. If not terminated earlier, the Unit Trust shall terminate ten years from first issue date, being 20 April 2027.

Responsibilities of the Trustee for the unaudited financial statements

The Trustee has elected to prepare the financial statements in accordance with the International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board.

In preparing these financial statements the Trustee is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the unaudited financial statements; and
- Prepare the unaudited financial statements on a going concern basis unless it is inappropriate to presume that the Unit Trust will continue in business.

The Trustee confirms it has complied with all the above requirements in preparing the interim report and unaudited financial statements.

The Trustee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Unit Trust and to enable it to ensure that the interim report and unaudited financial statements comply with the Trust Instrument. The Trustee is also responsible for safeguarding the assets of the Unit Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Objectives

The objective of the Unit Trust is to acquire investments by way of mature private equity interests and to subsequently realise profits on such interests over the intended realisation period of the Unit Trust of ten years or less.

Going concern and capital management

The Unit Trust meets its funding requirements from unitholders’ subscriptions, and retentions made on realisation of investments.

The Trustee considers that the Unit Trust has adequate means of meeting its financial obligations and is well positioned to manage its business risks for the next twelve months from the date of issue of these financial statements. Accordingly, it continues to adopt the going concern basis in the preparation of the interim report and unaudited financial statements.

**REPORT OF THE TRUSTEE AND AIFM - continued
FOR THE SIX MONTHS ENDED 30 JUNE 2019**

Results and distribution

The results for the period are set out on page 6. There have been no distributions for the period.

Accounting period

These unaudited financial statements cover the period from 1 January 2019 to 30 June 2019. Comparative figures are covering the year ended 31 December 2018.

Stock Exchange listing

The Unit Trust's A and B units are listed on The International Stock Exchange ("TISE").

Fund Reporting Status

Confirmation has been received from HM Revenue and Customs that, under Regulation 55(1) (a) of The Offshore Funds (Tax) Regulations 2009, the Unit Trust has been accepted into the Reporting Fund regime with effect from 31 March 2017.

European Union Alternative Investment Fund Managers Directive ("AIFMD")

As these are interim financial statements, no separate report of the Alternative Investment Fund Manager ("AIFM") has been included in these financial statements.

Independent auditor

Deloitte LLP have been appointed as Auditors and have expressed their willingness to continue in office as auditor. Audited financial statements will be produced for the year ended 31 December 2019.



**Signed on behalf of the Trustee and AIFM,
Hollyport Secondary Opportunities Management Limited
30 August 2019**

**INVESTMENT ADVISOR'S REPORT
FOR THE SIX MONTHS ENDED 30 JUNE 2019**

We are pleased to present the Investment Advisor's Report for Hollyport Secondary Opportunities VI ("the Fund"), covering the period from 1 January 2019 to 30 June 2019.

The Fund was launched in January 2017 and held its final close in September 2017, bringing the total committed capital in the Fund to \$500m. The Fund structure comprises a Unit Trust and a Limited Partnership which holds a pro-rata share of the underlying fund assets. To date, the Limited Partnership has called 70% of investors' commitments.

As at 30 June 2019, the Fund has signed binding sale and purchase agreements for twenty-nine acquisitions, of which the final four were agreed in Q2 2019. The Fund has also made six primary commitments. In total, the Fund has acquired interests in 568 unique funds at an aggregate cost of \$743m. Acquisitions are funded using capital already called from investors in conjunction with the Fund's debt facility.

The total gross asset value remaining at 30 June 2019 is currently \$780m. The acquired assets are primarily US and European focused with additional exposure to Asia and the Middle East. The Fund holds a diverse spread of assets with the portfolio split between buyout, growth and venture.

Hollyport Capital LLP
Investment Advisor
30 August 2019

**STATEMENT OF FINANCIAL POSITION
FOR THE SIX MONTHS ENDED 30 JUNE 2019**

| | USD | Unaudited 30 June 2019 USD | USD | Audited 31 December 2018 USD |
|---|--------------|-------------------------------------|---------------|---------------------------------------|
| Assets | | | | |
| Non current assets | | | | |
| Financial assets at fair value through profit or loss | | 639,655,928 | | 663,358,229 |
| Current assets | | | | |
| Receivables and prepayments | 16,088,182 | | 11,647,046 | |
| Cash and cash equivalents | 43,213,307 | | 26,669,631 | |
| | | <u>59,301,489</u> | | <u>38,316,677</u> |
| Total assets | | 698,957,417 | | 701,674,906 |
| Liabilities | | | | |
| Current liabilities | | | | |
| Loan principal | - | | (125,000,000) | |
| Payables | (86,967,346) | | (54,128,520) | |
| Total liabilities | | <u>(86,967,346)</u> | | <u>(179,128,520)</u> |
| Net assets attributable to unitholders | | <u>611,990,071</u> | | <u>522,546,386</u> |
| Represented by: | | | | |
| Contributions - classified as liability | | 350,010,000 | | 300,010,000 |
| Accumulated net income | | <u>261,980,071</u> | | <u>222,536,386</u> |
| Net assets attributable to unitholders | | <u>611,990,071</u> | | <u>522,546,386</u> |
| Net assets per unit (in cents): | | | | |
| A units | | 70.71 | | 60.61 |
| B units | | 4,242.10 | | 3,619.83 |
| C units | | 98,239.55 | | 83,828.87 |
| LP units | | 123.28 | | 105.19 |

The interim financial statements were authorised for issue by Hollyport Secondary Opportunities Management Limited in its capacity as Trustee of Hollyport Secondary Opportunities VI Unit Trust on 30 August 2019 and were signed on its behalf by:



Authorised Signatory

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2019**

| | Unaudited Period ended 30 June 2019 USD | Audited Year ended 31 December 2018 USD |
|---|--|--|
| Income | | |
| Other income | 23,788 | - |
| Total income | 23,788 | - |
| Expenses | | |
| Investment advisory fees | 1,010,475 | 1,955,325 |
| Administration fees | 145,509 | 263,556 |
| Legal and professional fees | 132,852 | 87,799 |
| Audit fees | 57,714 | 92,663 |
| Tax fees | 141,820 | 248,718 |
| Deal costs | 1,331,980 | 3,117,469 |
| Filing & Regulatory fees | 159,098 | 75,893 |
| Bank charges and sundry expenses | 8,872 | 32,883 |
| Total operating expenses | 2,988,320 | 5,874,306 |
| Unrealised (loss)/gain on foreign exchange | (220,864) | 91,051 |
| Unrealised gain on financial assets at fair value through profit or loss | 46,730,305 | 206,462,745 |
| Operating profit | 43,544,909 | 200,679,490 |
| Finance income | - | 2,674 |
| Finance costs | (4,101,224) | (3,362,474) |
| Finance costs - net | (4,101,224) | (3,359,800) |
| Increase in net assets attributable to unitholders from operations | 39,443,685 | 197,319,690 |

All of the Unit Trust's results are derived from continuing operations. The Unit Trust has no other income that should be reflected in the Statement of Comprehensive Income.

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS
FOR THE SIX MONTHS ENDED 30 JUNE 2019**

| | Unaudited Period ended 30 June 2019 USD | Audited Year ended 31 December 2018 USD |
|---|--|--|
| Subscriptions from unitholders | | |
| Calls for A units | 12,991,765 | 58,462,965 |
| Calls for B units | 131,235 | 590,535 |
| Calls for C units | - | - |
| Calls for LP units | 36,877,000 | 165,946,500 |
| | <hr/> 50,000,000 | <hr/> 225,000,000 |
| Increase in net assets attributable to unitholders from operations | 39,443,685 | 197,319,690 |
| Net assets attributable to unitholders at beginning of the period/year | 522,546,386 | 100,226,696 |
| | <hr/> | <hr/> |
| Net assets attributable to unitholders at end of the period/year | <hr/> 611,990,071 | <hr/> 522,546,386 |

STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2019

| | Unaudited Period ended 30 June 2019 | Audited Year ended 31 December 2018 |
|---|--|--|
| | USD | USD |
| Increase in net assets attributable to unitholders from operations | 39,443,685 | 197,319,690 |
| Adjustments for: | | |
| Unrealised gain on financial assets at fair value through profit and loss | (46,730,305) | (206,462,745) |
| Exchange loss/(gain) on cash and cash equivalents | 220,864 | (91,051) |
| Finance cost - net | 4,101,224 | 3,359,800 |
| Net cash before changes in working capital | <u>(2,964,532)</u> | <u>(5,874,306)</u> |
| Decrease/(increase) in receivables | (3,092,785) | (5,386,824) |
| Increase/(decrease) in payables | 33,113,824 | 42,464,353 |
| Acquisition of investments | (241,057,443) | (533,299,092) |
| Realisation of investments | 311,490,050 | 209,078,603 |
| Cash generated from/(used in) operations | 97,489,114 | (293,017,266) |
| Interest received | - | 2,674 |
| Interest paid | (4,101,224) | (3,362,474) |
| Net cash generated from/(used in) operating activities | 93,387,890 | (296,377,066) |
| Cash flows from financing activities | | |
| Proceeds from capital calls | 48,376,650 | 225,180,000 |
| Bank loans drawn down | - | 237,500,000 |
| Bank loans repaid | (125,000,000) | (152,500,000) |
| Net cash (used in)/generated from financing activities | <u>(76,623,350)</u> | <u>310,180,000</u> |
| Net increase in cash and cash equivalents | 16,764,540 | 13,802,934 |
| Cash and cash equivalents at beginning of period/year | 26,669,631 | 12,775,646 |
| Exchange (loss)/gain on cash and cash equivalents | (220,864) | 91,051 |
| Cash and cash equivalents at end of period/year | <u><u>43,213,307</u></u> | <u><u>26,669,631</u></u> |

