

**A GUIDE TO YOUR
VENTURE CAPITAL OPPORTUNITIES FUND
2024 AMIT MEMBER ANNUAL TAX STATEMENT**

Dear Unitholder,

This Guide has been prepared to assist you and your tax adviser in completing your income tax return for the year ended 30 June 2024 using the Venture Capital Opportunities Fund AMIT Member Annual Tax Statement (**AMIT Member Annual Tax Statement**).

The AMIT Member Annual Tax Statement provides a detailed analysis of the trust distributions to which you are entitled for the year and these amounts should be used in the preparation of your income tax return for the year ended 30 June 2024.

This Guide has been prepared for general information only and should be read in conjunction with the Australian Taxation Office (**ATO**) instructions and publications. For your convenience, a list of the relevant ATO publications is set out in section 4 of this Guide. This Guide should not be regarded as constituting the provision of tax or financial product advice. Each investor's particular circumstances will be different and accordingly, you may wish to seek independent taxation advice. We strongly recommend you seek professional taxation advice or consult with your financial adviser.

Investors can download their AMIT Member Annual Tax Statement directly from the Unit Registry's online portal, InvestorServe: <https://www.investorserve.com.au/>. Tax statements have also been sent to Investors via their preferred method (email or post). For any further information in respect of your investment in Venture Capital Opportunities Fund (**Fund**), please contact Boardroom Limited on 1300 737 760.

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2024 AMIT MEMBER ANNUAL TAX STATEMENT**

1. THIS GUIDE APPLIES TO YOU IF:

- You are a resident individual investor in the Venture Capital Opportunities Fund (**Fund**) for the whole income year.
- You are using the *Individual Tax Return 2024* and the *Supplementary section* of the Individual Tax Return 2024 (**Individual Supplement 2024**) to complete your income tax return for the income year ended 30 June 2024 (**2024 Tax Return**).
- You are not a company, trust or superannuation fund.
- You hold your units for the purpose of investment, rather than for resale at a profit, and the capital gains tax (**CGT**) provisions apply to you.

**2. VENTURE CAPITAL OPPORTUNITIES FUND
2024 AMIT MEMBER ANNUAL TAX
STATEMENT (AMIT Member Annual Tax
Statement)**

Your AMIT Member Annual Tax Statement shows the income to which you were entitled for the year ended 30 June 2024. Some of the income shown on your AMIT Member Annual Tax Statement might have been received after 30 June 2024, but your present entitlement to that income arose on 30 June and therefore must be included in your 2024 Tax Return. The total amounts shown on your distribution statements for the year ended 30 June 2024 may not equal the amounts shown on your AMIT Member Annual Tax Statement. Only your AMIT Member Annual Tax Statement should be used to complete your 2024 Tax Return.

Your AMIT Member Annual Tax Statement is separated into three parts.

- Summary of 2024 tax return (supplementary section) items
- Capital gains tax information
- Components of distribution

For the purposes of completing your income tax return, you must include income received from other sources together with income received from your investment in the Venture Capital Opportunities Fund (**Fund**).

If you received no distributions in relation to the year ending 30 June 2024, you will not receive an AMIT Member Annual Tax Statement.

Summary of 2024 tax return (supplementary section) items

This section provides the information required for completing the 'Supplementary Section' of the 2024 Tax Return.

There are items you may need to complete in the 'Supplementary section' of the 2024 Tax Return in relation to the distributions you have received from your investments in the Fund. They may include :

- Item 13: Partnerships and Trusts
- Item 18: Capital gains
- Item 20: Foreign source income and foreign assets or property
- T7: Early stage venture capital limited partnership

Your AMIT Member Annual Tax Statement has been designed so that the amounts in this part of the AMIT Member Annual Tax Statement correspond to the amounts you are required to enter in the 'Supplementary section' of the 2024 Tax Return. Please note that if you have received any distributions from other sources you will also need to add the additional amounts to the amount entered in at the relevant label.

Your AMIT Member Annual Tax Statement only shows the items that are applicable to your account.

Non- primary production income

This shows your share of, relevantly, Australian interest and other Australian income. It excludes foreign income, foreign income tax offsets and net capital gains.

Credit for TFN amounts withheld

Where you have not provided your TFN or claimed a relevant exemption, income tax has been withheld from the income distributed to you by the Fund at the highest marginal tax rate (including Medicare Levy). The tax withheld should be claimed as a credit in your return. No tax will be withheld where you have provided your TFN or claimed the relevant exemption.

Disclaimer

While every effort is made to provide accurate and complete information, K2 Asset Management Ltd as the Responsible Entity (RE) of the Fund does not warrant or represent that the information in this Guide is free from errors or omissions or is suitable for your intended use. Subject to any terms implied by law and which cannot be excluded, the RE accepts no responsibility for any loss, damage, cost or expense (whether direct or indirect) incurred by you as a result of any error, omission or misrepresentation in information. Please note that all figures are in Australian dollars unless otherwise indicated.

Total current year capital gains

The components of this item are set out in this part.

This item shows your share of the total capital gains distributed to you resulting from the disposal of assets by the Fund, before applying any CGT concession or discount. This amount includes both domestic and foreign sourced capital gains.

If you have more than one investment and your total current year capital gains are from more than one source you will need to use the amount at 18H on your AMIT Member Annual Tax Statement to calculate your net capital gain for 18A.

Net capital gain

This item shows your share of capital gains that were made by the Fund and distributed to you, after applying the applicable discount or concession, which is 50% for trusts.

If you have incurred capital losses you will not simply be able to transfer the net capital gain amount from part A to your tax return. Please refer to the 'Personal investors guide to capital gains tax 2024' publication available from the ATO.

Assessable foreign source income & Other net foreign source income

The amounts shown at these items generally shows your share of any assessable foreign source income (e.g. foreign dividend and interest income) received from the Fund. It does not include capital gains made from a foreign source. Please refer to the capital gains sections for information on any foreign capital gains.

The amounts shown at these items should be the same unless the Fund has expenses that are applied against the assessable foreign income.

Foreign income tax offsets

This includes the foreign tax paid or withheld in respect of assessable foreign source income.

The amounts disclosed as assessable foreign source income & other net foreign source income are grossed up to include foreign income tax offsets (FITOs) disclosed here.

Any FITOs on foreign capital gains is adjusted for capital losses applied but is not reduced for the capital gains discount.

If your total FITOs from all sources for the year is \$1,000 or less, then you can claim the total amount in full. Otherwise, you need to work out your entitlement. To help you determine whether you are entitled to a foreign income tax offset please refer to the 'Guide to foreign income tax offset rules 2024' publication available from the ATO.

Capital gains tax information

The information in this part of your AMIT Member Annual Tax Statement will assist you in working out your net capital gain or loss and provides the CGT concession amount.

Capital gains can arise from the sale of assets within the Fund. Foreign sourced capital gains are included in this section.

Capital gains – discount method

Investments disposed of that have been held for 12 months or more should be eligible for a 50% discount on the gross capital gain.¹ This is called the discounted capital gain. If you have any capital losses, these must be offset against the gross capital gain before the 50% discount is applied.

Capital gains – other method

This includes capital gains that are not discounted capital gains, for example, where assets have been held for less than 12 months.

CGT concession amount

This amount represents the non-assessable component of a discounted capital gain paid to you. This should not form part of your tax return.

Other non-attributable amounts

Other non-attributable amounts may not be immediately assessable to you but may reduce the cost base of the units in the Fund held by you – refer to the AMIT cost base adjustment amounts commentary below.

Components of distributions

The amounts in this part reconcile the net cash distributed to you for the year ended 30 June 2024.

Australian income

The components that generally make up your Australian non- primary production income received from the Fund are:

- Interest income; and
- Other income.

Other deductions relating to distributions

Deductions allowable to the trustees that are taken into account in calculating the net income of the Fund are not included in this item. Ordinarily, deductible expenses will be netted off against the relevant class of income in the Fund.

¹ Note that the 50% discount is also available for trusts and a 33/1/3% discount is available for complying superannuation fund.

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Capital gains

The capital gains section provides information about the capital gains made by the Fund during the year. It does not include any capital gains or losses relating to the disposal of your units in the Fund.

You will need to consider whether you are required to complete the ATO's Capital Gains Tax Schedule.

Foreign income

Foreign income is income derived from sources outside Australia. This section does not include foreign capital gains. Please refer to the capital gains sections for information on any foreign capital gains.

The components that make up your foreign income are:

- Assessable foreign source income

Assessable foreign source income includes any foreign income (e.g., dividend and interest income) that is assessable for Australian tax purposes. The amount of assessable income disclosed here has been grossed up by FITOs where relevant.

Other non-assessable amounts

The amounts classified as non-assessable should not form part of your tax return.

Early stage venture capital limited partnership

This shows your share of Early-Stage Venture Capital Limited Partnership offsets from investment in eligible partnerships or trusts. Disclose this amount in section T7 of the 'Supplementary Section' of the 2024 tax return, label K: current year tax offset.

AMIT cost base adjustment amounts

This arises where the sum of gross cash distributed and tax offsets is different to the total amounts attributed to you.

AMIT cost base net amount – excess (decrease)

Where the sum of the gross cash distributed and tax offsets attributed is more than the total amount attributed, the cost base and reduced cost base of your units in the Fund should be reduced by this amount.

Once the sum of these amounts reduce your cost base in those units to nil, any additional *AMIT cost base net amount – excess (decrease)* amounts will give rise to an immediate capital gain. However, this gain may be reduced by the 50% discount if you have held your units in the Fund for 12 months or more.

AMIT cost base net amount – shortfall (increase)

Where the sum of the gross cash distributed and tax offsets attributed is less than the total amount attributed, the cost base and reduced cost base of your units should be increased by this amount.

The decrease and increase in the cost base of your units in the fund should be taken into account upon disposal of your units in the Fund when calculating your capital gain/loss position.

Other amounts deducted from trust distributions

This section includes the amount of TFN withholding tax that has been withheld from your distributions. TFN amounts withheld may be refunded by the ATO when you lodge your tax return.

3. LEGISLATIVE CHANGES FOR MANAGED INVESTMENTS TRUSTS

The Australian Government introduced a regime for the taxation of managed investment trusts (referred to as AMIT Regime). Eligible MITs may choose to apply the regime.

The Fund has made an irrevocable choice to have the AMIT Regime apply and your AMIT Member Annual Tax Statement reflects this.

4. ATO PUBLICATIONS

Various publications are issued by the ATO to assist individual taxpayers prepare their tax returns and these include:

- *Individual Tax Return Instructions 2024 and Supplementary Tax Return Instructions 2024;*
- *Guide to foreign income tax offset rules 2024; and*
- *Personal Investors Guide to Capital Gains Tax 2024 or Guide to Capital Gains Tax 2024.*
- *Trust Income Schedule 2024*

You can obtain any of the publications detailed above by calling the ATO's Publication Distribution Service on 1300 720 092, visiting an ATO office (refer *Individual Tax Return Instructions 2024* for details) or downloading them at www.ato.gov.au.

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