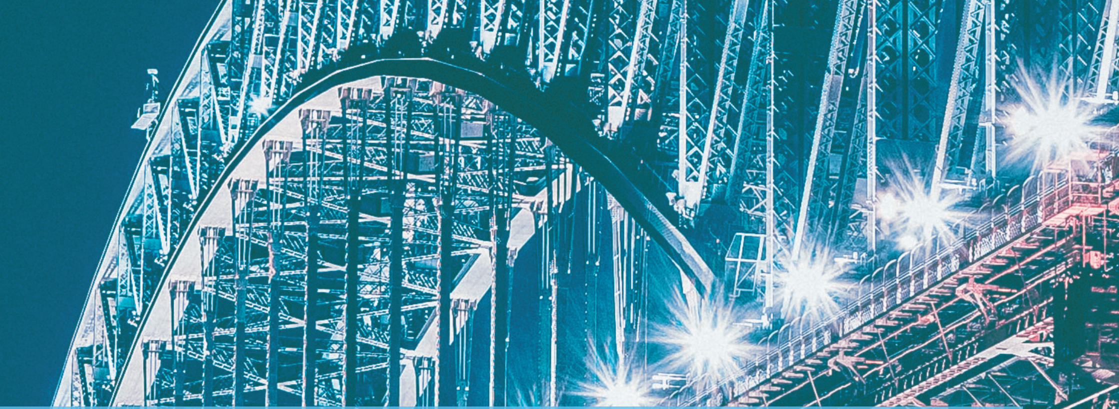


INVESTMENT MANAGER
Vantage Asset Management

VPEG

DIVERSIFY. GROW. OUTPERFORM.

ANNUAL REPORT ACN 112 481 875
FOR THE YEAR ENDED 30 JUNE 2020
VANTAGE PRIVATE EQUITY GROWTH LIMITED

2020

CORPORATE DIRECTORY

DIRECTORS OF VANTAGE PRIVATE EQUITY GROWTH LIMITED

Roderick H McGeoch AO, LLB.
Chairman (Non-Executive)

Patrick Handley B.COM., MBA.
Non-Executive Director

Paul Scully BA, FIAA, FAICD
Non-Executive Director

Michael Tobin B.E., MBA, DFS, FAICD
Managing Director

NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of Vantage Private Equity Growth Limited

Will be held at:
Corrs Chambers Westgarth
Level 17, 8 Chifley
8/12 Chifley Square
Sydney NSW 2000

Date:
25 November 2020

Time:
10:00am

PRINCIPAL REGISTERED OFFICE IN AUSTRALIA

Level 29, Chifley Tower
2 Chifley Square
Sydney NSW 2000
Australia

AUDITORS

Ernst & Young
The EY Centre
200 George Street
Sydney NSW 2000

SOLICITORS

Corrs Chambers Westgarth
Level 17, 8 Chifley
8/12 Chifley Square
Sydney NSW 2000

CONTENTS

DIRECTORS' REPORT

The directors of Vantage Private Equity Growth Limited ('VPEG' or 'the company') present their report on the company for the year ended 30 June 2020.

DIRECTORS

The following persons were directors of Vantage Private Equity Growth Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Roderick H McGeoch AO
Non-Executive Chairman

Patrick Handley
Non-Executive Director

Paul Scully
Non-Executive Director

Michael Tobin
Managing Director

PRINCIPAL ACTIVITY

The principal activity of the company is the investment in professionally managed Private Equity funds focused on investing in the later expansion and buyout stages of Private Equity in Australia and New Zealand.

The principal objective of the company is to provide investors with the benefit of a well-diversified Private Equity investment portfolio. This is achieved by focusing on providing the majority of its commitments and investments to underlying funds that invest in businesses that are at a more mature stage of development, and in particular the later expansion and buyout stages of Private Equity investment.

VPEG has invested the majority of its Investment Portfolio into Australian based Private Equity funds who in turn are focused on investing into small to mid-market sized companies with enterprise value at initial investment of generally between $25m and $500m.

VPEG's investment portfolio is now being divested over time and with total initial commitments of $43m across seven Private Equity funds, it held interests in four remaining underlying companies at financial year end with 45 exits now completed from the portfolio.

As at 30 June 2020, VPEG's remaining investment commitments included, $8m to Archer Capital Fund 4 and Catalyst Buyout Fund 2 and $4m to Advent V. VPEG's investment commitment of $8m to Quadrant Private Equity No. 2 ended upon the termination of that fund in July 2016 following the final exit of its last underlying company investment in June 2016. VPEG's investment commitment of $4m to Crescent Capital Partners III ended upon the termination of that fund in June 2018 following the final exit of its last portfolio company in March 2018. VPEG's investment commitment of $7m to Next Capital II ended upon termination of that fund in June 2019 with the final distributions received following their final exit of its last portfolio company in November 2018. VPEG's investment commitment of $4m to Equity Partners Fund No. 3 ended upon the sale of their last portfolio company during the September 2019 quarter, with the residual proceeds of the fund received by VPEG during the December 2019 quarter.

COMPANY PERFORMANCE HIGHLIGHTS FOR FY20

- Three exits completed from the underlying investment portfolio, increasing total exits completed to 45
- One significant add-on investment completed by an underlying portfolio company
- Total Distributions received from underlying funds of $1.540m
- Total Income of $1.541m
- Net Loss after Tax of $1.25m
- Total Return of Capital paid to VPEG Shareholders during FY20 of $1.51m.

DISTRIBUTIONS

On 16 December 2019, the Company paid a Return of Capital distribution of **$707,461** which represented **$0.02** / share paid to all shareholders.

Additionally, following the receipt of a distribution from one underlying investee in March 2020, as a result of the successful exit of a portfolio company, on 9 April 2020, the Company paid a Return of Capital distribution of **$799,431** representing **$0.0226** / share to all shareholders.

As a result, total distributions, including franking credits, paid by the Company to all VPEG shareholders since inception through to 30 June 2020 is **$56,305,964**.

Since the end of the financial year the Directors have recommended a further Return of Capital distribution of **$442,163** (**1.25c** / share) be paid to Shareholders during December 2020, subject to Shareholder approval at the Annual General Meeting of the company to be held on 25 November 2020.

ECONOMIC CONDITIONS ACROSS FINANCIAL YEAR 2020

Monetary policy was eased during the first quarter of the 2020 financial year to support employment and income growth with the aim that inflation will be consistent with the Reserve Bank's (RBA) medium-term target. In October 2019, the RBA reduced the official cash rate from 1.00% to 0.75% following rate drops in both June and July of 2019, which were the first changes in the official cash rate since August 2016. Forecast growth rates by global economists remained conservative as tensions continued to arise from the US / China trade and technology negotiations. These negotiations at the time affected the flows of international trade and investment globally, as companies began to scale back spending due to increased uncertainty.

Economic data released at the end of the first half of FY20 revealed that the Australian economy only marginally grew at an annualised rate of 1.7%. This compares with 2.4% in 2018 and 2.8% in 2017 across the same period. Factors contributing to this weakness included weak domestic spending, and lower investment in mining and real property industry sectors. Despite the government's best efforts to help stimulate growth via tax cuts in October 2019, consumers still reduced their spending albeit to modest wage growth and higher saving rates among individual households. Additionally, the effects of the drought and the subsequent bushfires in Australia exacerbated to this lower growth.

In January 2020, the World Health Organisation declared a global health emergency as a result of the emergence of COVID-19 in Wuhan, China, as over 900 deaths occurred and 40,000 individuals had been infected by the virus since its initial outbreak in late December 2019.

DIRECTORS' REPORT (CONT.)

ECONOMIC CONDITIONS ACROSS FINANCIAL YEAR 2020 (CONT.)

Many countries began to shut their borders and place restrictions on businesses and individuals to slow the spread of COVID-19. These extraordinary responses and forced closures of economies caused significant disruptions around world.

In late March 2020, the Australian Government implemented strong containment measures to reduce the spread of COVID-19 among communities. Financial markets became significantly volatile, with sharp falls witnessed in the prices of risky assets as market participants struggled to price in the risks associated to each security, given the unknown impact of COVID-19. Equity prices in the advanced economies, including Australia, fell by around 30 per cent. The falls were broadly based across sectors, although equity prices in the energy and tourism sectors had fallen particularly harder. The equity prices of banks had also fallen significantly, although it was recognised that the capital and liquidity positions of banks had significantly strengthened over time since the Global Financial Crisis.

In response to the rapid outbreak of the virus and its greater impact to the economy, the RBA called upon members for a special meeting on 18 March 2020 to consider the options for immediate monetary policy responses. At this meeting, RBA members supported the proposed easing of monetary policy, which saw the official cash rate to ultimately be cut to 0.25%.

The aim of this response was to initially boost the cash flow of businesses and the household sector as a whole and also help the trade-exposed industries deal with their mounting challenges.

In addition to these monetary policy responses, the Australian government moved quickly to legislate a wide range of measures to provide support to households and businesses in managing their short term cashflow challenges as well as also ensuring a continued flow of credit within the economy.

To date, the Australian Government stimulus response totals $289bn, representing 14.6% of annual GDP. Australia's JobKeeper scheme, which helps businesses significantly impacted by the pandemic cover the costs of their employee wages, is the largest stimulus response to date, which has paid out over $30 billion to 3.5 million workers from more than 960,000 businesses.

The Australian economy experienced a significant downturn throughout April as COVID-19 restrictions were strictly enforced. However, as governments began to gradually ease restrictions over May and June, economic activity began to improve. These movements in economic activity where represented by the Performance of Manufacturing Index (PMI), which crashed in April 2020 to 35.8, down from 53.7 in March 2020, before rebounding to 51.5 at the financial year end, due to an overall improvement in demand from consumers. Business sentiment bounced back from its -65 low at the end of March, through to the latest May 2020 reading, which remains negative at -20. Similarly, consumer confidence fell sharply from 91.9 in March 2020 to 75.6 in the following month, before rebounding to 88.1 in May 2020.

Looking forward, economic activity is expected to pick up in the September quarter and beyond, with the continued easing of restrictions in most parts of the country continuing. Real GDP is forecast to fall by 0.25% in 2019-20 fiscal year and by 2.5% in 2020-21 fiscal year.

In calendar-year terms, real GDP is forecast to fall by 3.75% in 2020, before increasing by 2.5% per cent in 2021. While Australia's net debt is expected to increase with the expanded support, the country's robust finances prior to the current downturn means that net debt is expected to climb to 35.7% of GDP in June 2021.

A confident sentiment is viewed among economists as it is expected that both Australian and New Zealand economies are forecast to recover much sooner than in past recessions due to the gradual easing of restrictions in both countries, though it is expected that it will be a long road back to full recovery with the unemployment rate remaining elevated at 7.5% in Australia and 4.0% in New Zealand at the closure of the 2020 Financial year. Both the Federal Government and the Reserve Bank of Australia have remained highly accommodative in their response to the pandemic with fiscal and monetary packages being appropriately allocated.

CONSISTENT MOMENTUM OF PRIVATE EQUITY ACTIVITY IN VPEG'S MARKET SEGMENT

It is timely to compare the slowdown in global economies occurring across 2020 with the period during and immediately following the 2008 Global Financial Crisis.

A key observation is that during the GFC a majority of financial markets seized up with significant risks associated with continuing credit availability. Cyclically exposed sectors such as construction, manufacturing, wholesale and retail were sharply impacted during and following the GFC. Unlike the 1992 recession in Australia, in 2008 all major banks held back from enforcing their security positions, a feature being repeated again during 2020.

During the GFC Private Equity deal flow dried up as only weak businesses required recapitalisation while owners of strong businesses postponed expansion and / or sale plans. In contrast, Private Equity deal flow has remained surprisingly robust so far across 2020. Many businesses continue to perform well, notwithstanding the disruption caused by the pandemic. Acquisition finance remains available with asset valuations remaining consistently priced throughout the period. Equity markets, which are proving to be enormously resilient, are also supportive of IPOs across a range of industry sectors. There remains to be plenty of dry powder amongst Private Equity funds in Australia, which should see a continued flow of completed deals as well as provide support for a healthy secondary market.

DIRECTORS' REPORT (CONT.)

CONSISTENT MOMENTUM OF PRIVATE EQUITY ACTIVITY IN VPEG'S MARKET SEGMENT (CONT.)

Risks remain that a further major outbreak in Australia or New Zealand occurs or Victoria fails to contain its second wave. Furthermore, a contraction in the Chinese economy, or a prolonged global recession could also inevitably impact the performance of certain companies across a range of industry sectors in Australia. Should any of these events occur a major tightening of credit availability would be likely, contributing to the potential for weaker performance of companies most exposed to slowing industry sectors.

However, this scenario could also lead to the opportunity for an increase in deal flow, priced at more attractive multiples than the historical average. Whichever scenario occurs, there is no doubt that companies held within Private Equity portfolios will be better positioned to adapt to the evolving challenges caused by the slowing economy, compared with other privately held and many publicly held companies. Private Equity backed companies will ultimately utilise the current economic environment to reassess their customer offerings, focussing on profitable segments and streamlining their operations such that when economies emerge from the current recessionary period, they will be well positioned to enhance earnings and provide a robust platform to maximise value upon exit. With a strong interest by acquirers for profitable Private Equity backed companies in this segment of the market, VPEG's underlying fund managers are confident that all remaining portfolio companies will be exited by the second half of 2021. This will ultimately lead to VPEG distributing the remaining value held within the portfolio to all Shareholders, with the company to be wound up during 2021.

REVIEW OF VPEG'S OPERATIONS

VPEG's portfolio continued to mature during the year with three exits completed from the portfolio across the year ended 30 June 2020.

VPEG received further distributions resulting from the finalisation of proceeds from previously exited companies as well as from the completed sale of the remaining shares in a previously exited and now ASX Listed company.

The three exits that were completed during the year included:

- **Archer Capital 4** completed the sale of **Craveable Brands** by way of secondary sale to Private Equity Buyout firm PAG during July 2019;
- **Equity Partners Fund 3** sold the remaining assets of **Amalgamated Hardware Merchant (AHM)** to Kiwicare, representing the final sale for that portfolio in August 2019.
- **Catalyst Buyout Fund 2** sold their remaining 11% shareholding in ASX listed **Adairs** by way of block trade following market close on 21 February 2020.

Subsequent to the financial year end, Advent V reached an agreement with a broker to sell their 11.6% shareholding in Pro-Pac Packaging Group (PPG:ASX). The sale was finalised on 6 July 2020 at $0.14 per share resulting in net proceeds to Advent V of approximately $13 million. VPEG's share of the proceeds from the PPG share sale were received during the September 2020 quarter.

Considering the exits completed during 2020, as well as the additional share sales completed of previously exited / ASX listed companies, 61.4% of all investments exited from VPEG's underlying portfolio have achieved a Gross return of greater than 1.9 X the cost of their original investment and 54.5% of investments exited to date have achieved a Gross IRR of more than 20% at exit.

The remaining companies within VPEG's underlying portfolio are planned to be divested over the next 12 months, as all underlying fund managers work towards creating an exit path for their remaining investee companies, as each of their funds reach the end of their fund life.

In summary, the returns received by VPEG from its underlying Private Equity portfolio across FY20 were attractive and management expects this rate of exits and subsequent distributions to investors to continue as all remaining underlying company investments are forecast to be sold across the remainder of 2020 and into 2021.

SHARES ON ISSUE REMAIN UNCHANGED

In line with the changes to VPEG's Capital Management Policy reported in the 2009 Annual Report, no new capital was raised and the company issued no new shares during the year. As such the total number of shares on issue by the company remained at 35,373,054 as at 30 June 2020.

UNDERLYING PRIVATE EQUITY INVESTMENTS

During the year VPEG's Private Equity fund commitments reduced from a total of $24 million across four Private Equity funds at 30 June 2019 to $20 million committed across three Private Equity funds as at the 30 June 2020.

VPEG's previous investment commitment of $8m to Quadrant Private Equity No. 2 ended upon the termination of that fund in July 2016 following the final exit of its last underlying company investment in June 2016.

VPEG's investment commitment of $4m to Crescent Capital Partners III ended upon the termination of that fund in June 2018 following the final exit of its last portfolio company in March 2018.

VPEG's investment commitment of $7m to Next Capital Fund II ended upon the termination of that fund in June 2019 following the sale of the remaining assets of previously exited portfolio company in August 2018.

VPEG's investment commitment of $4m to Equity Partners Fund No. 3 ended upon the sale of their last portfolio company during the September 2019 quarter, with the residual proceeds of the fund received by VPEG during the December 2019 quarter.

VPEG's remaining investment commitments include, $8m to Archer Capital Fund 4 and Catalyst Buyout Fund 2 and $4m to Advent V.

Due to the Fund being in the final stages of divestment, there was no new capital drawn on by the fund across the financial year end. As a result, the total value of funds drawn from VPEG into Private Equity investments since inception was $38.53m at 30 June 2020.

DIRECTORS' REPORT (CONT.)

UNDERLYING PRIVATE EQUITY INVESTMENTS (CONT.)

There were no new underlying Private Equity company investments completed during the year. This is primarily due to VPEG's investment portfolio now at the final phase of being fully divested. As a result, the total number of underlying company investments that have been invested in by VPEG's underlying funds since inception remained at forty-nine.

VPEG'S PRIVATE EQUITY PORTFOLIO AND COMMITMENTS, AS AT 30 JUNE 2020, WERE AS FOLLOWS:

PRIVATE EQUITY FUND NAME	FUND/ DEAL SIZE	VINTAGE YEAR	INVESTMENT FOCUS	VPEG COMMITMENT	CAPITAL DRAWN DOWN	TOTAL NO. OF INVESTEE COMPANIES	NO. OF EXITS
Advent V	$300m	2006	Lower to Mid Market Expansion / Buyout	$4.0m	$4.00m	8	8
Archer Capital Fund 4	$1,360m	2007	Mid Market Buyout	$8.0m	$7.27m	10	9
Catalyst Buyout Fund 2	$438m	2008	Mid Market Buyout	$8.0m	$6.38m	7	4
Crescent Capital Partners III	$400m	2006	Lower to Mid Market Expansion / Buyout	$4.0m	$3.95m	6	6
Equity Partners Fund No.3	$76m	2007	Lower Market Expansion / Buyout	$4.0m	$3.69m	6	6
Next Capital II	$285m	2008	Lower to Mid Market Expansion / Buyout	$7.0m	$6.18m	7	7
Quadrant Private Equity No.2	$500m	2007	Lower to Mid Market Expansion / Buyout	$8.0m	$7.06m	5	5
			TOTAL	**$43.0m**	**$38.53m**	**49**	**45**

Turning to exits, three underlying portfolio companies were completely exited during the period, resulting in a distribution of capital and income back to VPEG and its shareholders. In total 45 underlying companies have now been exited from the portfolio, representing 91.8% of all underlying companies invested in by VPEG.

As a result, a total of four underlying companies remained within the portfolio at 30 June 2020.

ADD-ON INVESTMENT COMPLETED DURING FY20

During December 2019, Adairs completed the acquisition of Mocka, a New Zealand based online retailer of furniture and home furnishing products with a bias towards nursery, children and young family products.

The acquisition increased Adairs exposure to the online channel and to the small and 'value furniture' market in Australia and NZ. The acquisition was expected to increase Adairs' earnings per share by about 10 per cent during FY20 before synergies, while increasing online sales from 21 per cent of total sales to about 29 per cent.

As a result, the market received the acquisition well, with Adairs share price increasing from ~$1.80 pre-announcement, to ~$2.20 following the announcement.

SUMMARY OF UNDERLYING COMPANY INVESTMENTS

The table below provides a summary of the remaining underlying company investments in VPEG's portfolio, for which funds have been drawn from VPEG, as at 30 June 2020.

The investments table also includes the residual holdings in previously exited portfolio companies including; Morris Corporation representing the value of escrowed warranty & indemnity holdings following its sale to Sodexo in 2018 and Integrated Packaging Group, representing the value of shares held in ASX listed Pro-Pac Packaging, which were subsequently sold in July 2020, with proceeds to be distributed to VPEG Shareholders during the December 2020 quarter.

RANK	INVESTMENT	FUND	DESCRIPTION	% OF VPEG'S PRIVATE EQUITY PORTFOLIO	CUMULATIVE %
1	**Vesco**	Catalyst Buyout Fund 2	Manufacturer of Frozen Meals and Meal Components	38.3%	38.3%
2	**Dusk**	Catalyst Buyout Fund 2	Specialty Retailer of Homewares	34.1%	72.4%
3	**Supercars**	Archer Capital Fund 4	Motor Racing Events	11.1%	83.6%
4	**Pro-Pac Packaging Limited** Value of residual shares held	Advent V	Manufacturer & Distributer of Packaging Products	9.6%	93.2%
5	**Cirrus Media**	Catalyst Buyout Fund 2	Australian Business to Business Media Company	6.1%	99.3%
6	**Morris Corporation** Value of escrowed warranty & indemnity holdings following sale to Sodexo in 2018	Catalyst Buyout Fund 2	Remote Facilities Management & Accommodation Services	0.7%	100%

Note: As at 30 June 2020 (unaudited) calculated on VPEG's Pre-Tax Net Asset Value (NAV).

DIRECTORS' REPORT (CONT.)

COMPLETED EXITS DURING FY20

On 12 July 2019, PAG Asia Capital, the private equity buyout arm of investment firm PAG, acquired 100% of Craveable Brands from Archer Capital Fund 4 and minority shareholders for approximately $480 million. At the time of the sale, Craveable Brands was the largest Australian-owned operator of quick service restaurants across Australia under the Oporto, Red Rooster and Chicken Treat brands. Throughout Archer's ownership, Craveable Brands grew to over 580 restaurants across Australia, New Zealand and Asia, generating over $800 million of annual network sales, employing more than 12,500 staff and serving over 150,000 customers per day. Craveable Brands has extensive intellectual property, focusing on restaurant operations, supply chain, franchising, IT, marketing, store design and construction, food innovation, and customer satisfaction.

On 1 August 2019, Equity Partners Fund 3 completed the sale Amalgamated Hardware Merchant (AHM) to Kiwicare, a New Zealand company specialising in developing and distributing pest control, garden care and outdoor cleaning products to major and individual retail outlets, government, landowners and professional operators throughout New Zealand.

On 21 February 2020, Adairs Limited (ASX: ADH) provided shareholders with the company results for the first half of FY20. During the period 1 July 2019 to 31 December 2019 the company reported strong sales and profitability, accompanied with a number of key strategic initiatives including the acquisition of Mocka (December 2019) and the finalisation of the company's domestic supply chain strategy.

The market responded positively to this news, with the ADH Share Price increasing by 8% to $2.59/share.

With the results being well received by the market, Catalyst Buyout Fund 2 (CBF2) subsequently sold their remaining 11% shareholding in Adairs via a block trade, through JP Morgan Chase & Co, following market close on Friday 21 February 2020, at an agreed price of $2.57/share, which represented a 0.8% discount to the end of day share price. Settlement of the share sale was completed on Wednesday 26 February 2020 finalising the exit of CBF2's investment in Adairs, which has delivered a top quartile return for CBF2 investors, including VPEG.

Subsequent to 30 June 2020, underlying investee Advent V reached agreement with a broker to sell their 11.6% shareholding in Pro-Pac Packaging Group (PPG:ASX). The sale was finalised on 6 July 2020 at $0.14 per share resulting in net proceeds to Advent V of approximately $13 million. The final share price was a 17% discount to the prevailing share price. However, this was in line with the 30-day Volume-Weighted Average Price (VWAP) and a premium of 30% to the 90-day VWAP.

FINANCIAL PERFORMANCE OF COMPANY

During the year total income received by the company increased by 29.8% from $1.187m in FY19 to $1.540m in FY20. The breakdown of income for FY20 compared with FY19 is shown in the table below.

SOURCE OF INCOME	FY20 $'000's	FY19 $'000's	% CHANGE OVER FY19
Distributions Received from Underlying Private Equity Funds	1,540	1,184	30.1%
Interest on Cash & Term Deposits	0.5	2.9	-86.7%
TOTAL	**1,541**	**1,187**	**29.8%**

As detailed above, there was an increase in the level of income & capital gain distributions received across the year from VPEG's underlying Private Equity investments, representing an increase of 30.1% from the $1.184m received during FY19 to $1.540m across FY20.

In addition, the contribution to total income from interest on cash and term deposits fell by 86.7% from $2,900 to $474. The reason for the reduction in interest received on VPEG's cash and term deposits was due to a reduction in average total cash available to be invested in term deposits compared to the prior year.

During the year ended 30 June 2020 the rate of interest earned on VPEG's cash and term deposit investments reduced significantly as the RBA target cash rate dropped from 1.5% to 0.25% across the period.

VPEG's total funds invested in cash and term deposits decreased by 41.7% across the year from $0.46m at 30 June 2019 to $0.27m at 30 June 2020. The decrease in these liquid investments resulted predominately from the two Return of Capital distributions paid to VPEG shareholders during the year.

During the year there was a 34.9% reduction in the value of funds invested in underlying Private Equity investments from $3.89m to $2.53m. This was primarily attributed to the value of exits from the underlying Private Equity portfolio, exceeding the value of follow on investments added to the portfolio.

Operational expenses incurred by the Company during the year decreased by 10.1% from $0.22m for FY19 to $0.19m for FY20 (excluding impairment expense in FY19 and the recognition of a reduction in fair value through the profit and loss in FY20).

As a result, of the new AASB 9 accounting standards adopted by the Company in FY19, net losses on investments held at fair value, put through profit or loss, of $1.357m was taken up in the accounts in FY20 resulting from investment revaluations across the period as well as a reduction in the deferred tax asset of the Company. This expense item was 42.5% lower than the $2.360m impairment expense booked in FY19.

As a result of the investment revaluation expenses outweighing income across FY20, VPEG's profit before tax improved by 99.2% from a loss of $1.389m in FY19 to a loss of $0.011m in FY20.

In addition, due to a reduction in the Deferred Tax Asset (DTA) across the year, VPEG's Income tax expense reduced from a tax benefit of $0.04m in FY19 to a tax impairment of $1.242m in FY20. This was as a result of VPEG's board resolving that there was a strong likelihood that the deferred tax asset held on the balance sheet at 30 June 2019 would not be fully realised in the post COVID-19 environment. Given that the pandemic and resulting restrictions continue to impact economies globally, it is forecast that Australian economic growth will remain subdued for the foreseeable future which could be further impacted by the tapering of the various government stimulus packages into 2021. Economists are forecasting that Australia could be entering a prolonged recessionary period, which ultimately could impact the value of the remaining portfolio, hence the decision by the board to significantly write down the DTA across the period from $1.252m at 30 June 2019 to $0.01m 30 June 2020.

The resulting post tax loss for the company for the year was $1.253m (including the DTA write down), compared to the $1.350m loss after tax booked for FY19.

DIRECTORS' REPORT (CONT.)

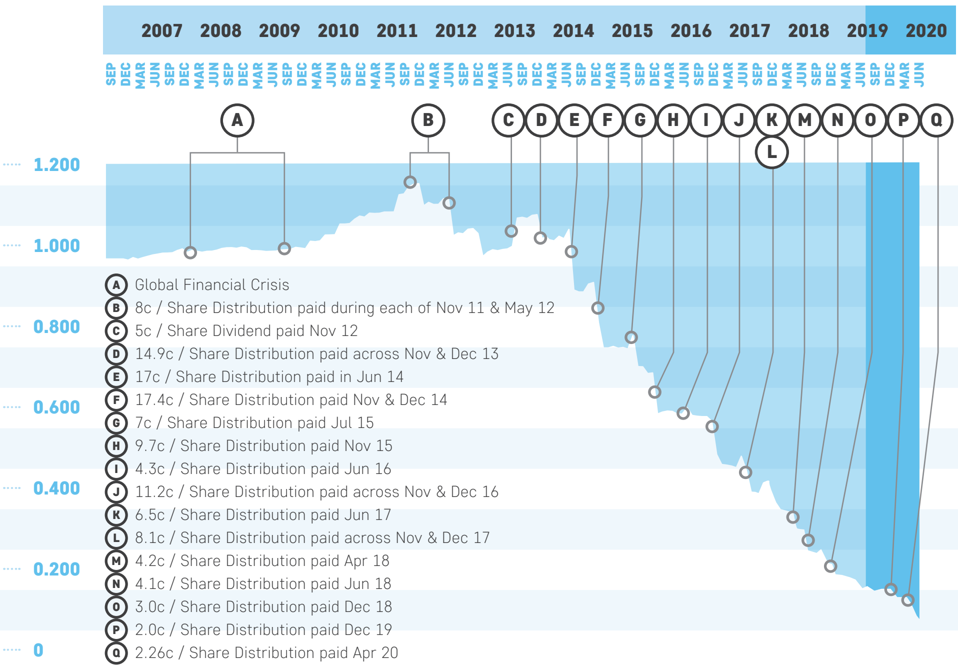
FINANCIAL PERFORMANCE OF COMPANY (CONT.)

As a result, Retained Earnings reduced from -$4.75m as at 30 June 2019 to -$6.00m at 30 June 2020, predominantly due to a combination of the AASB 9 adoption as well as the loss after tax caused by the reduction in DTA booked in FY20. Finally, as a result of the Return of Capital distributions paid to Shareholders during the year and the reduction in retained earnings detailed above, Total Equity attributable to Shareholders reduced from $5.540m at 30 June 2019 to $2.780m at 30 June 2020.

CHANGE POST TAX NAV / SHARE

During the period the company's post tax Net Asset Value (NAV) per share decreased from $0.157 at 30 June 2019 to $0.079 at 30 June 2020. The reduction in NAV was due to the exits detailed above, along with the additional sale of residual holdings of previously exited investments as well as distributions paid to investors, the reduction in the DTA and other revaluations across the remaining underlying portfolio companies across the year. The graph below details the movement in VPEG's post tax NAV per share since inception through to 30 June 2020.

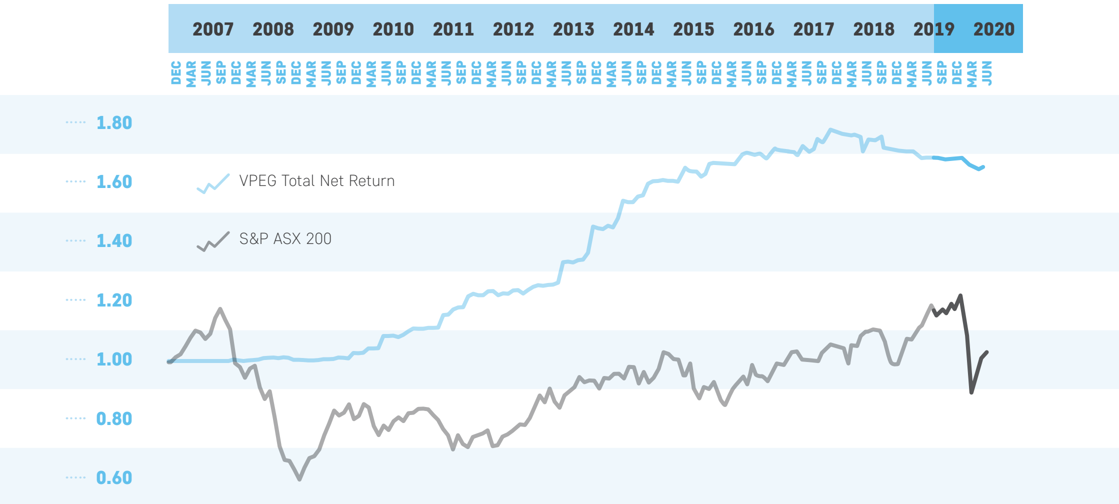
VPEG NAV / SHARE (POST TAX) SINCE INCEPTION TO 30 JUNE 2020



VPEG'S NET RETURN TO SHAREHOLDERS OUTPERFORMS LISTED MARKETS

VPEG's Total Net Return to shareholders since inception through to 30 June 2020 demonstrates its out performance and low correlation to public equity market returns.

VPEG TOTAL RETURN VS S&P ASX 200 INDEX 01 DECEMBER 2006 TO 30 JUNE 2020

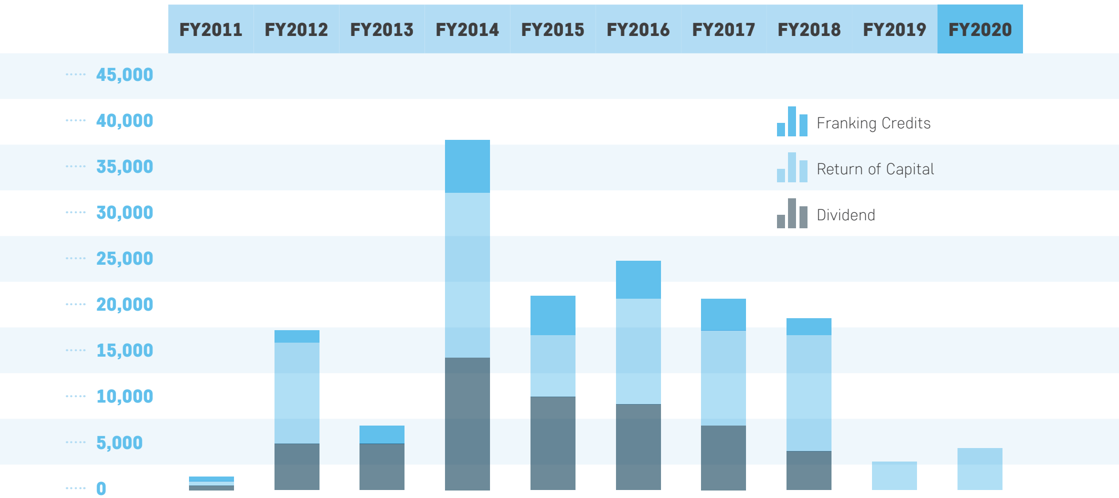


Note; S&P ASX 200 Base = 1 at 01 December 2006, the commencement date of VPEG.

DIRECTORS' REPORT (CONT.)

VPEG DISTRIBUTIONS FY11-FY20 (PER $100K INVESTED)

The chart below details the VPEG distributions made to unit holders since 2011 per 100,000 shares held. As demonstrated by the chart, across the past 10 years VPEG has paid total distributions of $157,751 (including franking credits) per $100,000 invested, with $131,683 of these distributions paid since November 2013 with total distributions paid, since the first distribution was paid in November 2007, of $159,181.



Taking into account the VPEG Net Asset Value after tax at 30 June 2020 of $0.079 per share, the total value of the investment, including distributions and residual value, per $100,000 invested at 30 June 2020, was $167,081 representing a 1.671 X Multiple of Invested Capital.

During the 2020 financial year the Management and the Board of the Company engaged in discussions with a range of interested purchasers for a possible secondary sale of the remaining underlying fund investments in VPEG's portfolio. After receiving bids from a number of parties based on VPEG's 31 March 2020 and 30 June 2020 Net Asset Values (NAV's), the Board resolved not to accept any of the bids, as selling the portfolio at a steep discount to the prevailing NAV was not in the best interest of Shareholders as the bids received materially undervalued VPEG's portfolio at that time. Subsequent to this recommendation and as a result of an improved financial performance across VPEG's remaining underlying companies, an uplift in underlying portfolio value was witnessed. This was driven by an increase in demand for each underlying company's products and services, despite the COVID-19 related restrictions in place across Australia during the June 2020 quarter.

In addition, following detailed updates received from each of VPEG's remaining underlying Private Equity fund managers during July and August 2020, it was reported that a further uplift in VPEG's NAV could be expected throughout the remainder of 2020 and into 2021, as the remaining portfolio of companies are prepared for exit. This will likely lead to the realisation of these remaining assets during FY21 with final distributions anticipated to be received by the Company and subsequently distributed to investors during 2021 calendar year.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

During the financial year, there were no significant changes in the state of affairs of the company.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Subsequent to 30 June 2020, Advent V reached agreement with a broker to sell their 11.6% shareholding in Pro-Pac Packaging Group (PPG:ASX). The sale was finalised on 6 July 2020 at $0.14 per share resulting in net proceeds to Advent V of approximately $13 million. The final share price was a 17% discount to the prevailing share price however was in line with the 30-day Volume-Weighted Average Price (VWAP) and a premium of 30% to the 90-day VWAP.

Up to date details about this exit and VPEG's remaining underlying portfolio will be provided within the September 2020 investor quarterly report, which will be emailed to all investors during November 2020 and available on the company's website at www.vpeg.info.

In the opinion of the directors, no other matter or circumstance has arisen since 30 June 2020 to the date of this report that otherwise has significantly affected, or may significantly affect:

a) the company's operations in future financial years, or

b) the results of those operations in future financial years, or

c) the company's state of affairs in future financial years.

DIRECTORS' REPORT (CONT.)

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The operations of the company will continue as planned with its existing business operations as well as the likelihood of the exit of all remaining underlying company investments from VPEG's underlying Private Equity funds providing further distributions to VPEG's shareholders. Furthermore, there could be a reduction in the deferred tax asset of the Company at 30 June 2021, if the remaining underlying company investments are sold for an amount less than the cost base for which those assets are currently held in the Company's accounts, at 30 June 2020.
The manager expects the remaining investments in VPEG's underlying portfolio will be exited over the remainder of 2020 into 2021, as all underlying fund managers work towards selling the remaining investee companies, as each of their funds reach the end of their fund term.

ENVIRONMENTAL REGULATION

The operations of this company are not subject to any particular or significant environmental regulations under a Commonwealth, State or Territory law.

INFORMATION ON INVESTMENT COMMITTEE MEMBERS

The following persons served on VPEG's Investment, Audit and Risk Committee (Investment Committee) during the period and up to the date of this report:

Roderick H McGeoch AO
Chairman of Investment Committee

Patrick Handley
Independent Investment Committee Member

Paul Scully
Independent Investment Committee Member

Michael Tobin
Investment Committee Member and Managing Director Vantage

INFORMATION ON CURRENT DIRECTORS

RODERICK H. McGEOCH

AO, LLB

INVESTMENT COMMITTEE CHAIRMAN (INDEPENDENT)

Experience and expertise

Rod is the immediate past Chairman Emeritus of Corrs Chambers Westgarth, a leading Australian law firm and has significant board and advisory experience. His current board positions include; Chairman of Chubb Insurance Australia Limited, Chairman of BGP Holdings PLC, Director of Ramsay Healthcare Limited, Director of Ramsay Healthcare Limited, Director of Destination NSW and a Director of Corporation Airports America. Rod is also deputy Chairman of the Sydney Cricket and Sports Ground Trust. Rod was also previously a member of the International Advisory board of Morgan Stanley Dean Witter, one of the world's leading financial institutions and also the Honorary Chairman of the Trans-Tasman Business Circle and the Co-Chairman of the Australia New Zealand Leadership Forum.

Rod was also the Chief Executive Officer of Sydney's successful Olympic bid and a Director of the Sydney Organising Committee for the Olympic Games. Rod was awarded membership of the Order of Australia for services to Law and the Community in 1990. In 2013 Rod was made an Officer of the Order of Australia (AO) for distinguished service to the community through contributions to a range of organisations and to sport, particularly through leadership in securing the Sydney Olympic Games.

Special responsibilities

Chairman of the Investment Committee and member of the Audit Committee.

PATRICK HANDLEY

B.COM., MBA.

INVESTMENT COMMITTEE MEMBER (INDEPENDENT)

Experience and expertise

Pat has over 30 years of international financial services experience and is currently the Chairman of Mason Stevens Pty Limited. Pat was previously Chairman of Pacific Brands Ltd where he oversaw the turnaround of the company after it was purchased from Pacific Dunlop in a Management Buyout led by the Private Equity fund managers Catalyst and CVC Asia Pacific in 2001.

Pat was also previously an Executive Director and Chief Financial Officer of Westpac Banking Corporation, where during his tenure he established the first Quadrant Capital fund in 1994. Pat has also been Chairman and Chief Executive Officer of County Savings Bank (USA), Chief Financial Officer of BancOne Corporation (USA), and a Director of Suncorp Metway Limited, AMP Limited and HHG.

Pat holds a Bachelor of Commerce in Economics and Mathematics from Indiana University and an MBA from Ohio State University.

Special responsibilities

Chairman of the Audit Committee.

INFORMATION ON CURRENT DIRECTORS (CONT.)

PAUL SCULLY

BA, FIAA, FAICD

INVESTMENT COMMITTEE MEMBER (INDEPENDENT)

Experience and expertise

Paul has spent 40 years in financial services and has extensive local and international experience in many aspects of institutional investment management, covering business and asset management, M&A and Private Equity. Paul is a director of AMP's Superannuation Trustee and a member of the Investor Review Committees of two of the Australian Prime Property Funds and the REI Super Investment Committee. Past positions include director roles at SAS Trustee Corporation, a NSW Government employee superannuation fund, its financial planning subsidiary State Plus and ING Management Pty Ltd, the responsible entity for the listed property funds of the ING Group in Australia, including the ING Office Fund & ING Industrial Fund, both past ASX top 100 entities.

Paul is the former CEO and Managing Director of ING Investment Management (INGIM) Asia Pacific and a member of INGIM's Global Management Board. Paul was responsible for establishing INGIM's Private Equity multi manager investment program in 1997 and was part of the team that subsequently built that business to approximately $300m of funds under management. During his tenure, INGIM invested in many Private Equity funds managed by close to 20 Australian Private Equity fund managers.

Paul is an actuary by profession and has also written extensively on finance related topics.

MICHAEL TOBIN

B.E., MBA, DFS, FAICD

INVESTMENT COMMITTEE MEMBER AND MANAGING DIRECTOR OF VANTAGE

Experience and expertise

Michael is the Managing Director of Vantage and is responsible for overseeing the implementation of the Fund's investment strategy. Michael has over 30 years' experience in Private Equity management, advisory and investment as well as in management operations.

Michael was formerly Head of Development Capital and Private Equity at St George Bank where he was responsible for the management and ultimate sale of the bank's commitments and investments in $140m worth of St George branded Private Equity funds. Michael also established the bank's Private Equity advisory business, which structured and raised Private Equity for corporate customers of the bank. Michael has arranged and advised on direct Private Equity investments into more than 40 separate private companies in Australia across a range of industry sectors.

Michael holds a BE (UNSW), an MBA (AGSM) and a Diploma of Financial Services (AFMA).

Special responsibilities

Managing Director of Vantage and Executive Member of the Audit Committee.

MEETINGS OF DIRECTORS

The number of meetings of the company's board of directors and of each board committee held during the year ended 30 June 2020, and the number of meetings attended by each director were:

DIRECTOR	MEETINGS OF INVESTMENT, AUDIT & RISK COMMITTEE	
	A	B
Roderick H McGeoch AO*	6	6
Patrick Handley*	6	6
Paul Scully*	4	6
Michael Tobin	6	6

A = Number of meetings attended.
B = Number of meetings held during the year whilst committee member held office.
* = Independent members of investment, audit and risk committee.

Vantage will, out of Fund Property, and to the extent permitted by law, purchase and maintain insurance, and pay or agree to pay a premium of insurance for each Member against any liability incurred by the Member as a Member of the Investment Committee including but not limited to a liability for negligence or for reasonable costs and expenses incurred in defending proceedings.

DIRECTORS' REPORT (CONT.)

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During the financial year, Vantage Private Equity Growth Limited paid a premium of $24,002 (2019: $20,456) to insure the directors and officers of the company.

The company indemnifies the directors and officers on a full indemnity basis and to the full extent possible permitted by law against all losses, liabilities, costs charges and expenses incurred by the officer as an officer of the company or by a related body corporate.

The company may, to the extent permitted by law, purchase and maintain insurance, and pay or agree to pay a premium of insurance for each officer against any liability incurred by the officer as an officer of the company or a related body corporate including but not limited to a liability for negligence or for reasonable costs and expenses incurred in defending proceedings. In addition, the company and each director have entered into a deed which gives the director a contractual right:

a) to an indemnity from the company for liabilities incurred as an officer of the company, to the extent permitted by the Corporations Act;

b) to directors' and officers' insurance cover, as permitted in the Corporations Act, for the period that each director is a director of the company and for 7 years after that director ceases to hold office; and

c) to access documents and records of the company both while the director is a director of the company and after that director ceases to hold office for the purposes expressly permitted by the deed.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party, for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the company with leave of the Court under section 237 of the Corporations Act 2001.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

ROUNDING OF AMOUNTS

The company is of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investments Commission, relating to the ''rounding off'' of amounts in the directors' report. Amounts in the directors' report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

This report has been made in accordance with a resolution of the directors.

Roderick H McGeoch AO
Chairman

Michael Tobin
Managing Director

Sydney
30 October 2020

AUDITOR'S INDEPENDENCE DECLARATION

TO THE DIRECTORS OF VANTAGE PRIVATE EQUITY GROWTH LIMITED

EY
Building a better working world

Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Auditor's Independence Declaration to the Directors of Vantage Private Equity Growth Limited

As lead auditor for the audit of the financial report of Vantage Private Equity Growth Limited for the financial year ended 30 June 2020, I declare to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit*;* and

b) no contraventions of any applicable code of professional conduct in relation to the audit.

Ernst & Young

Ernst & Young

Daniel Cunningham

Daniel Cunningham
Partner
30 October 2020

VANTAGE PRIVATE EQUITY GROWTH LIMITED

FINANCIAL STATEMENTS

VANTAGE PRIVATE EQUITY GROWTH LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	2020 $	2019 $
INVESTMENT INCOME			
From ordinary activities	6a	**1,540,847**	1,186,979
EXPENSES			
Management Fees	18b	**(56,213)**	(79,431)
Consulting fees		**(15,000)**	(12,618)
Audit fees - current year		**(22,346)**	(19,000)
Audit fees - prior year		**-**	-
Share registry fees		**(22,610)**	(20,058)
Directors' fees		**(25,648)**	(36,370)
Accounting fees		**(24,600)**	(24,600)
Net losses on investments held at fair value through profit or loss	6b	**(1,357,050)**	(2,359,688)
Other expenses		**(28,410)**	(24,552)
Total expenses before finance cost		**(1,551,877)**	(2,576,317)
Profit / (loss) before income tax		**(11,030)**	(1,389,338)
Income tax (expense) / benefit	7a	**(1,242,000)**	39,324
Net profit / (loss) for the year		**(1,253,030)**	(1,350,014)
OTHER COMPREHENSIVE INCOME			
Total other comprehensive income for the year		**-**	-
Total comprehensive loss for the year		**(1,253,030)**	(1,350,014)

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

VANTAGE PRIVATE EQUITY GROWTH LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2020

	NOTE	2020 $	2019 $
ASSETS			
Current assets			
Cash and cash equivalents	8	**268,037**	459,874
Trade and other receivables	9	**1,716**	2,681
Other current assets		**9,700**	8,524
Total current assets		**279,453**	471,079
Non-current assets			
Investments at fair value through profit or loss	10	**2,532,232**	3,889,282
Deferred tax assets	11	**9,975**	1,252,000
Total non-current assets		**2,542,207**	5,141,282
Total assets		**2,821,660**	5,612,361
LIABILITIES			
Current liabilities			
Trade and other payables	12	**41,918**	72,672
Current tax liabilities		**(175)**	(150)
Total liabilities		**41,743**	72,522
Net assets		**2,779,917**	5,539,839
EQUITY			
Issued capital	13	**8,765,442**	10,272,334
Reserves	14	**14,000**	14,000
Retained earnings	14	**(5,999,525)**	(4,746,495)
Total equity		**2,779,917**	5,539,839

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

VANTAGE PRIVATE EQUITY GROWTH LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	ISSUED CAPITAL $	RETAINED EARNINGS $	RESERVES $	TOTAL EQUITY $
Balance at 1 July 2018		11,333,526	(256,183)	(3,126,298)	7,951,045
Adjustment on adoption of AASB 9	14	-	(3,140,298)	3,140,298	-
Net profit / (loss) for the year		-	(1,350,014)	-	(1,350,014)
Other comprehensive income for the year					
Total comprehensive income / (loss) for the year		-	(1,350,014)	-	(1,350,014)
Transactions with owners in their capacity as owners					
Return of Capital	13b	(1,061,192)	-	-	(1,061,192)
Balance at 30 June 2019		**10,272,334**	**(1,606,197)**	**14,000**	**5,539,839**
Net profit / (loss) for the year		-	(1,253,030)	-	(1,253,030)
Other comprehensive income for the year					
Total comprehensive income / (loss) for the year		-	(1,253,030)	-	(1,253,030)
Transactions with owners in their capacity as owners					
Return of Capital	13b	(1,506,892)	-	-	(1,506,892)
Balance at 30 June 2020		**8,765,442**	**(5,999,525)**	**14,000**	**2,779,917**

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

VANTAGE PRIVATE EQUITY GROWTH LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	2020 $	2019 $
Cash flows from operating activities			
Distributions received		**1,540,373**	1,313,446
Interest received		**474**	2,900
Income taxes paid		**-**	(158,974)
Expenses paid		**(225,792)**	(208,233)
Net cash from operating activities	19	**1,315,055**	949,139
Cash flows from investing activities			
Payments for available for sale financial assets		**-**	(238,632)
Net cash from investing activities		**-**	(238,632)
Cash flows from financing activities			
Return of capital to Company's shareholders		**(1,506,892)**	(1,061,192)
Net cash (used in) from financing activities		**(1,506,892)**	(1,061,192)
Net decrease in cash and cash equivalents		**(191,837)**	(350,685)
Cash and cash equivalents at beginning of the year		**459,874**	810,559
Cash and cash equivalents at end of the year	8	**268,037**	459,874

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

VANTAGE PRIVATE EQUITY GROWTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

NOTE 1. GENERAL INFORMATION

Vantage Private Equity Growth Limited (the "Company") is a public company domiciled in Australia. The address of Vantage Private Equity Growth Limited's registered office is Level 29, Chifley Tower, 2 Chifley Square, Sydney NSW, 2000. The financial statements of Vantage Private Equity Growth Limited are for the year ended 30 June 2020. The principal activity of the Company is the investment in professionally managed private equity funds focused on investing in the later expansion and buyout stages of private equity in Australia and New Zealand.

The financial statements are presented in Australian dollars (AUD).

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the entity Vantage Private Equity Growth Limited.

a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and interpretations issued by the Australian Accounting Standards Board and the Corporations Act 2001. Vantage Private Equity Growth Limited is a for-profit entity for the purpose of preparing the financial statements.

The financial statements were authorised for issue by the directors on 30 October 2020.

i) *Compliance with Australian Accounting Standards - Reduced Disclosure Requirements*

The financial statements of the Vantage Private Equity Growth Limited Company comply with Australian Accounting Standards - Reduced Disclosure Requirements as issued by the Australian Accounting Standards Board (AASB).

ii) *New and amended standards adopted by the Company*

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2019 that have a material impact on the amounts recognised in prior periods or will affect the current or future periods.

iii) *Historical cost convention*

The financial report is prepared on an accruals basis and is based on historical costs, except for the revaluation of certain financial instruments which are carried at their fair values. Cost is based on the fair value of the consideration given in exchange for assets.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 5.

iv) *New standards and interpretations not yet adopted*

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2020 reporting periods and have not been early adopted by the Company. The Company's assessment of the impact of these new standards and interpretations is set out below.

b) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

i) *Investment income*

Profits and losses realised from the sale of investments and unrealised gains and losses on securities held at fair value are included in the Statement of Comprehensive Income in the year they are incurred in accordance with the policies described in Note 2(f).

ii) *Trust distributions*

Trust distributions are recognised as revenue when the right to receive payment is established.

iii) *Interest income*

Interest income is recognised using the effective interest method.

c) Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantially enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

c) Income tax (CONT.)

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

d) Cash and cash equivalents

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the Statement of Financial Position.

e) Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade and other receivables are generally due for settlement within 30 days. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

Collectability of trade and other receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly.

An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

f) Investments and other financial assets

Classification

Under AASB 9, financial instruments are classified as fair value through profit or loss. The equity instruments are measured at fair value with changes in the fair value being recognised directly to profit or loss. The Fund classifies its investments based on its business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The Fund's portfolio of financial assets is managed and its performance is evaluated on a fair value basis.

i) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting period which are classified as non-current assets. Loans and receivables are included in trade and other receivables (note 9) and receivables in the Statement of Financial Position.

ii) *Financial assets at fair value through profit or loss*

At initial recognition, the Fund measures financial assets at fair value. Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the financial assets or at fair value through profit or loss category are presented in the statement of comprehensive income in the period in which they arise.

Recognition and derecognition

Purchases and sales of financial assets are recognised on trade-date - the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Company measures its financial assets and liabilities at fair value plus transaction costs directly attributable to acquisition of the asset.

Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Further details on how the fair value of financial instruments are determined are discussed in Note 4.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2020

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

f) Investments and other financial assets (CONT.)

Impairment

The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. In the case of equity investments classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the assets are impaired.

g) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

h) Share based payments

Share based compensation benefits have in the past been provided to non-executive directors, share subscribers as well as advisors who refer investors.

i) Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where the Company purchases its own equity instruments, for example as the result of a share buy-back or a share-based payment plan, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the owners of Vantage Private Equity Growth Limited as treasury shares until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the owners of Vantage Private Equity Growth Limited.

j) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

k) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the Statement of Financial Position.

The GST incurred on the costs of various services provided to the Company by third parties such as audit fees, custodial services and investment management fees have been passed onto the Company. The Company qualifies for Reduced Input Tax Credits.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

l) Rounding of amounts

In prior years, the Company was of a kind referred to in ASIC Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the financial statements. Previously, amounts in the financial statements have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, the nearest dollar. The company no longer meets the threshold for rounding to the nearest thousand dollars and has presented the current year and comparatives rounded to the nearest dollar. As a result, there are will be some rounding variances to that presented last year.

NOTE 3. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company.

a) Market risk

The standard defines this as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

i) *Price risk*

The Company is exposed to unlisted and illiquid securities' price risk. This arises from the investments held by the Company for which future valuation are uncertain.

ii) *Cash flow and fair value interest rate risk*

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The Company's exposure to the risk of changes in market rates is limited to the potential reduction of interest income on cash and cash equivalents.

b) Credit risk

The standard defines this as the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Due to the short-term nature of the Company's receivables, their carrying value is assumed to approximate their fair value. The maximum exposure to credit risk is the fair value of receivables. Collateral is not held as security, nor is it the Company's policy to transfer (on sell) receivables to special purpose entities.

c) Liquidity risk

The standard defines this as the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

Maturities of financial liabilities

All liabilities of the Company in the current and prior year have maturities of less than one month.

NOTE 4. FAIR VALUE MEASUREMENTS

The Company measures and recognises the following assets and liabilities at fair value on a recurring basis:

- Investments at fair value through profit or loss

The Company has no assets or liabilities measured at fair value on a non-recurring basis in the current reporting period.

a) Fair value hierarchy

AASB 13 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)

b) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2), and

c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

Recognised fair value measurements

The following table presents the Company's assets and liabilities measured and recognised at fair value at 30 June 2020.

	LEVEL 1 $	LEVEL 2 $	LEVEL 3 $	TOTAL $
RECURRING FAIR VALUE MEASUREMENTS AT 30 JUNE 2020				
Financial assets				
Investments at fair value through profit or loss				
Unlisted private equity funds	-	2,532,232	-	2,532,232
Total financial assets	**-**	**2,532,232**	**-**	**2,532,232**
RECURRING FAIR VALUE MEASUREMENTS AT 30 JUNE 2019				
Financial assets				
Available-for-sale financial assets				
Unlisted private equity funds	-	3,889,282	-	3,889,282
Total financial assets	**-**	**3,889,282**	**-**	**3,889,282**

NOTE 4. FAIR VALUE MEASUREMENTS (CONT.)

The Company classified investments in unlisted securities as fair value through profit or loss and movements in fair value are recognised in other comprehensive income. The fair values of unlisted private equity investments not traded in an active market are determined from the most recent valuation as obtained from the underlying investment manager.

NOTE 5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Fund's accounting policies, the Board is required to make judgments, estimates and assumptions that affect the reported amounts in the financial statements. Management continually base its judgements, estimates and assumptions on historical experience and other factors that are considered to be relevant. The accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

a) Critical accounting estimates and assumptions

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the balance date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Share based payments transactions

The Company measures the cost of equity settled transactions with non-executive directors and certain advisors by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by the Company using the Black Scholes model. The accounting estimates and assumptions relating to equity settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact expenses and equity.

Fair value of financial instruments

The valuation of investments is based upon the net assets attributable to interest holders as noted in the underlying investee funds' audited financial statements. Each investee fund will select an appropriate valuation technique for financial instruments that are not quoted in an active market. This valuation is based upon a fair estimation of values (which are subjective in nature and involve uncertainties and matters of significant judgement (e.g. interest rates, market volatility, investment stage, estimated cash flows etc.) as determined by the Manager of the investees on the following basis:

i) *Fair value information*

The fair values of financial assets are determined by reference to active market transactions where possible, however the majority of managed investee companies are unlisted Australian companies and there are no direct, quoted market prices available.

In this case, fair value estimates are made at a specific point in time, based on market conditions and information about the specific financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgement (e.g. interest rates, market volatility, investment stage, estimated cash flows etc) and therefore cannot be determined with precision.

Valuations are inherently based on forward looking estimates and judgements about the underlying business, its market and the environment in which it operates.

ii) *Fair estimation of values*

Where new investments are made within the reporting year and no significant changes have occurred in the underlying business since acquisition, the investment may be maintained at cost or fair value.

Estimated valuations for other entities are primarily based on multiples of EBITDA or EBIT, depending on the industry for each investee. In estimating the valuations, a range of multiples is used to determine a range of outcomes. EBITDA or EBIT are based on forward estimates of the investees' performance based on past, present and future views of performance.

iii) *Coronavirus (COVID-19) pandemic*

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the fund based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the investee operates.

VANTAGE PRIVATE EQUITY GROWTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2020

NOTE 6. REVENUE AND EXPENSES

	NOTE	2020 $	2019 $
a) Revenue			
Distributions		**1,540,373**	1,184,079
Interest		**474**	2,900
Total income		**1,540,847**	1,186,979
b) Net losses on financial assets held at fair value through profit or loss			
Investment revaluations	6c	**(1,357,050)**	(1,803,750)
Deferred tax asset movement	6c	**-**	(555,938)
		(1,357,050)	(2,359,688))

c) Investment Revaluations

During the year ended 30 June 2020, Equity Partners Fund 3 wound up following the final exit of its last portfolio company in November 2019. During the year ended 30 June 2019, Next Capital Fund II wound up following the final exit of its last portfolio company in June 2019. The revaluation represents the realisation of the changes in fair value for Next Capital Fund II reflected in prior year's Other Comprehensive Income.

The remaining revaluation expenses relate to underlying portfolio companies whose value was written down to nil during the relevant year. During the year ended 30 June 2020, Catalyst Buyout Fund 2 investee, Bhagwan Marine and Equity Partners 2 investee AHM were sold below carrying value. During the year ended 30 June 2019, Equity Partners Fund III investee, Tasman Market Fresh Meats, was placed into administration and Advent Fund V's investee Trivantage was sold below carrying value.

NOTE 7. INCOME TAX EXPENSE

	NOTE	2020 $	2019 $
a) Income tax expense through profit or loss			
Current tax expense		**308**	(324)
Deferred tax benefit		**1,241,692**	(39,000)
		1,242,000	(39,324)
DEFERRED INCOME TAX BENEFIT INCLUDED IN INCOME TAX EXPENSE COMPRISES:			
Increase / (decrease) in deferred tax		**1,241,692**	(39,236)
Increase / (decrease) in under provision		**-**	(88)
		1,241,692	(39,324)
b) Numerical reconciliation of income tax expense to prima facie tax payable			
Profit / (Loss) before income tax		**(11,030)**	(1,389,338)
Tax at the Australian tax rate of 30% (2019 - 30%)		**(3,309)**	(416,801)
TAX EFFECT OF AMOUNTS WHICH ARE NOT DEDUCTIBLE (TAXABLE) IN CALCULATING TAXABLE INCOME:			
Impairment revaluations not deductible in current year (investment & deferred tax)		**407,115**	708,000
Partnership losses		**(700)**	(2,000)
Under / (Over) provision for prior year tax		**-**	477
Net capital tax losses		**(15,859)**	(179,000)
Net taxable income adjustments to accounting profit		**(411,733)**	(150,000)
Future capital losses unlikely to be fully realised	7c	**1,236,667**	-
Other		**29,819**	-
Income tax expense		**1,242,000**	(39,324)

c) Tax expense (income) relating to items of other comprehensive income

During the year, Management conducted a review as to whether there is a likelihood that the deferred tax asset will be fully realised in the COVID-19 post-pandemic market. COVID-19 continues to adversely affect economies globally as well as in Australia. The uncertainty of the economic conditions have impacted the capability for underlying investee funds to obtain reasonable returns for remaining investments where the investment cycle will no longer enable sufficient time to implement longer-term remedial strategies. The uncertainty that exists is compounded by the potential obscuring of the underlying financial performance of the remaining portfolio assets given the government stimulus and the impact of the new normal for post-pandemic markets.

VANTAGE PRIVATE EQUITY GROWTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2020

NOTE 8. CURRENT ASSETS - CASH AND CASH EQUIVALENTS

	2020 $	2019 $
Current assets		
Bank accounts	**268,037**	459,874

Reconciliation of cash

CASH AT THE END OF THE FINANCIAL YEAR AS SHOWN IN THE CASH FLOW STATEMENT IS RECONCILED TO ITEMS IN THE BALANCE SHEET AS FOLLOWS:

Cash and cash equivalents	**268,037**	459,874

NOTE 9. CURRENT ASSETS - TRADE AND OTHER RECEIVABLES

	2020 $	2019 $
Current		
Distribution receivable	**-**	-
GST receivable	**1,716**	2,681
Total other receivables	**1,716**	2,681

a) Fair value and credit risk

Due to the sort-term nature of these receivables, their carrying amount is assumed to approximate their fair value.

Risk exposure

The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of receivables mentioned above.

NOTE 10. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2020 $	2019 $
Unlisted private equity funds	**2,532,232**	3,889,282

Private equity investments are valued according to the most recent valuation obtained from the underlying manager.

Valuation assumptions

The fair value of the unlisted available for sale investments has been estimated using valuation techniques based on inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly. Management believes the estimated fair value resulting from the valuation techniques and recorded in the balance sheet and the related changes in fair value recorded in equity are reasonable and the most appropriate at the balance sheet date.

NOTE 11. DEFERRED TAXES

	2020 $	2019 $
The balance comprises temporary differences attributable to:		
Other	**9,975**	15,000
Net unrealised loss on available for sale financial assets	**-**	1,237,000
	9,975	1,252,000
Movements		
Opening balance	**1,252,000**	1,768,000
CHARGED / CREDITED:		
To statement of comprehensive income (impairment & income tax expense)	**(1,242,025)**	(516,000)
Directly to equity	**-**	-
	9,975	1,252,000

VANTAGE PRIVATE EQUITY GROWTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2020

NOTE 12. CURRENT LIABILITIES - TRADE AND OTHER PAYABLES

	NOTE	2020 $	2019 $
Management fees payable	19b	**3,553**	11,989
Audit and taxation fees payable		**33,250**	48,000
Other payables		**5,115**	12,683
		41,918	72,672

Trade and other payables are unsecured and are usually paid within 30 days of recognition. The increase in creditors represents 2 months of outstanding expenditure.

The carrying amounts of trade and other payables are assumed to be the same as their fair values, due to their short-term nature.

NOTE 13. ISSUED SHARES

a) Share capital

	30-JUN 2020 SHARES	30-JUN 2019 SHARES	30-JUN 2020 $	30-JUN 2019 $
Ordinary shares - fully paid	**35,373,054**	35,373,054	**8,765,442**	10,272,334
	35,373,054	35,373,054	**8,765,442**	10,272,334

b) Movements in ordinary share capital

	NUMBER OF SHARES	$
Opening balance 1 July 2018	**35,373,054**	11,333,526
Return of capital	**-**	(1,061,192)
Closing balance 30 June 2019	**35,373,054**	10,272,334
Opening balance 1 July 2019	**35,373,054**	10,272,334
Return of capital	**-**	(1,506,892)
Closing balance 30 June 2020	**35,373,054**	8,765,442

c) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

NOTE 14. RESERVES AND RETAINED EARNINGS

	NOTE	2020 $	2019 $
a) Reserves			
Share-based payments reserve		**14,000**	14,000
		14,000	14,000
Movements			
AVAILABLE FOR SALE INVESTMENTS REVALUATION RESERVE			
Opening balance		**-**	(3,140,298)
Adjustment on adoption of AASB 9		**-**	3,140,298
Closing balance		**-**	-
RETURN ON INVESTMENTS			
Distributions (including dividends)	6	**1,540,373**	1,184,079
Net change on available for sale financial assets		**(1,357,050)**	(2,359,688)
Total return during the year		**183,323**	(1,175,609)

Nature and purpose of reserves

i) *Share-based payments reserve*

The share-based payments reserve is used to recognise the grant date fair value of shares issued to non-executive directors and advisors.

VANTAGE PRIVATE EQUITY GROWTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2020

NOTE 14. RESERVES AND RETAINED EARNINGS (CONT.)

b) Retained earnings

MOVEMENTS IN RETAINED EARNINGS WERE AS FOLLOWS:

	2020 $	2019 $
Balance 1 July 2019	**(4,746,495)**	(256,183)
Adjustment on adoption of AASB 9	**-**	(3,140,298)
Net profit for the year	**(1,253,030)**	(1,350,014)
Balance 30 June 2020	**(5,999,525)**	(4,746,495)

NOTE 15. KEY MANAGEMENT PERSONNEL DISCLOSURES

The directors of Vantage Private Equity Growth Limited during the financial year were:

Roderick H McGeoch AO	Non-Executive Chairman
Patrick Handley	Non-Executive Director
Paul Scully	Non-Executive Director
Michael Tobin	Managing Director

a) Key management personnel compensation

	YEAR ENDED 2020 $	YEAR ENDED 2019 $
Non-executive directors fees	**25,648**	36,370

NOTE 16. CONTINGENCIES

The Company had no outstanding contingent assets and liabilities at 30 June 2020 (2019: nil).

NOTE 17. COMMITMENTS

Following commencement of its investment program in late 2006, the Company committed $43 million across 7 private equity funds. Commitments remaining as at 30 June 2020 include $8 million to each of Archer Capital Fund 4 and Catalyst Buyout Fund 2 and $4 million to Advent V. Subsequent to year end, the company's investment commitment to Advent V ended upon the termination of that fund during September 2020 following the final exit its underlying portfolio company.

The company's investment commitment of: $8m to Quadrant Private Equity No. 2 ended upon the termination of that fund in July 2016 following the final exit of its last underlying company investment in June 2016. The company's investment commitment of $4m to Crescent Capital Partners III ended upon the termination of that fund in June 2018 following the final exit of its last portfolio company in March 2018. The company's investment commitment of $7 million to Next Capital II ended upon the termination of that fund in June 2019 following the final exit of its underlying portfolio company in the same month. The company's investment commitment of $4m to Equity Partners 3 ended upon the sale of their last portfolio company during September 2019 quarter with residual proceeds of the fund received by VPEG during the November 2019.

NOTE 18. RELATED PARTY TRANSACTIONS

a) Key management personnel

Disclosures relating to key management personnel are set out in Note 16.

b) Transactions with other related parties

THE FOLLOWING TRANSACTIONS OCCURRED WITH RELATED PARTIES:

	YEAR ENDED 2020 $	YEAR ENDED 2019 $
Management fees paid or payable	**56,213**	79,431
Management fees payable at the end of the reporting period	**3,553**	11,989

The Company has entered into a Management Agreement with Vantage Asset Management Pty Limited such that it will manage investments of the Company, ensure regulatory compliance with all the relevant laws and regulations, and provide administrative and other services for a fee.

The Manager is entitled to receive an investment management fee of 1.5% per annum (plus any applicable GST) of the value of the investment portfolio which includes cash and cash equivalents and investments of the Company, calculated and payable monthly in arrears.

The Manager is also entitled to a performance fee of 10% (plus any applicable GST) of any out performance of the Company's net investment portfolio over a 15% per annum hurdle rate or return. The performance fee calculation will also take into account any distributions made to shareholders during the calculation period.

No performance fees were paid or payable to Manager for the year ended 30 June 2020 (2019: nil).

As at 30 June 2020, the Manager held 2 shares in the Company (2019: 2 shares).

c) Terms and conditions

Transaction between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

NOTE 19. RECONCILIATION OF PROFIT AFTER INCOME TAX TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2020 $	2019 $
Profit / loss for the year	**(1,253,030)**	(1,350,014)
Adjustments for non-cash items in profit:		
Revaluation of investments held at fair value through profit or loss	**1,357,050**	1,803,750
CHANGE IN OPERATING ASSETS AND LIABILITIES:		
Decrease in trade and other receivables	**965**	129,367
(Increase)/decrease in other current assets	**(1,176)**	1,106
(Increase)/decrease in deferred tax assets	**1,242,025**	516,000
Increase/(decrease) in trade and other payables	**(30,754)**	7,290
Decrease in provision for income taxes payable	**(25)**	(158,360)
Net cash inflow from operating activities	**1,315,055**	949,139

NOTE 20. EVENTS OCCURRING AFTER THE REPORTING PERIOD

As disclosed in Note 17, the company's $4m investment commitment to Advent V ended upon the termination of that fund during September 2020, following the final exit its underlying portfolio company.

The COVID-19 pandemic is impacting the current economic climate in which the underlying investee fund's portfolio of investments operate both directly and/or indirectly:

a) Valuations at year-end have been prepared based upon underlying audited financial statements of investee funds assimilating all the known factors at that time;

b) Any forecasts and budgets used by investee funds in the valuation approach are subject to variations beyond the underlying fund managers control. However continued market uncertainties exist subsequent to year end and Vantage Private Equity Growth Limited's Directors', are in constant contact with the management of its underlying investee funds to assess the impact (if any); and

c) Valuations are monitored and adjusted, where required, on a month to month basis, as investee funds provide updated net asset valuations which are based upon their own forecasts and budgets as they become available.

There have not been any other matters or circumstances that have arisen since the end of the financial year that has significantly affected, or may significantly affect, the results of those operations of the Partnership in future financial years.

No other matter or circumstance has occurred subsequent to year end that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial years.

DIRECTORS' DECLARATION

In the directors' opinion:

a) the financial statements and notes set out on pages 26 to 49 are in accordance with the Corporations Act 2001, including:

   i) complying with Accounting Standards - Reduced Disclosure Requirements, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and

   ii) giving a true and fair view of the entity's financial position as at 30 June 2020 and of its performance for the year ended on that date, and

b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Note 2(a) confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

This declaration is made in accordance with a resolution of directors.

Roderick H McGeoch AO
Chairman

Michael Tobin
Managing Director

Sydney
30 October 2020

INDEPENDENT AUDITOR'S REPORT

Building a better working world

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Independent auditor's report to the Members of Vantage Private Equity Growth Limited

Opinion

We have audited the accompanying financial report of Vantage Private Equity Growth Limited, which comprises the statement of financial position as at 30 June 2020, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the Company's financial position as at 30 June 2020 and of its financial performance for the year ended on that date; and

b) complying with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Vantage Private Equity Growth Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information is the directors' report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

INDEPENDENT AUDITOR'S REPORT

Building a better working world

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

INDEPENDENT AUDITOR'S REPORT

Building a better working world

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ernst & Young

Ernst & Young

Daniel Cunningham

Daniel Cunningham
Partner
Sydney
30 October 2020

NOTES

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INVESTMENT MANAGER
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