



VPEG

ANNUAL REPORT

For the year ended 30 June 2022
Vantage Private Equity Growth Limited

DIVERSIFY. GROW. OUTPERFORM.

2022

INVESTMENT MANAGER



CORPORATE DIRECTORY

DIRECTORS OF VANTAGE PRIVATE EQUITY GROWTH LIMITED

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

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

NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of Vantage Private Equity Growth Funds

Will be held via video conference

Date: 30 November 2022

Time: 10:00am

PRINCIPAL REGISTERED OFFICE IN AUSTRALIA

Level 39, Aurora Place
88 Phillip Street
Sydney NSW 2000

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

VPEG CONTENTS

CORPORATE DIRECTORY	2
DIRECTORS' REPORT	4
INFORMATION ON CURRENT DIRECTORS	17
AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF VANTAGE PRIVATE EQUITY GROWTH LIMITED	22
FINANCIAL STATEMENTS	23
Statement of Profit or Loss and Other Comprehensive Income	24
Statement of Financial Position	25
Statement of Changes in Equity	26
Statement of Cash Flows	27
Notes to the Financial Statements	28
DIRECTORS' DECLARATION	47
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS	48

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 2022.

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 below:

Roderick H McGeoch AO
Non-Executive Chairman

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 two remaining underlying companies plus a residual holding in a previously exited now ASX listed company, with 47 exits completed from the portfolio as at 30 June 2022.

As at 30 June 2022, VPEG's only remaining commitment is \$8m to Catalyst Buyout Fund 2. 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. VPEG's investment commitment of \$4m to Advent V ended upon termination of that fund in September 2020 with the final distributions received following their final exit of its last portfolio company in July 2020. VPEG's investment commitment of \$8m to Archer Capital Fund 4 ended during the period, with the final distribution occurring in June 2022, which related to the residual proceeds received from the exit of its final portfolio company in December 2021.

DIRECTORS' REPORT (CONT.)

COMPANY PERFORMANCE HIGHLIGHTS FOR FY22

- One successful trade sale of an underlying portfolio company was completed from the investment portfolio during the period, increasing total exits completed to 47
- Total Distributions received from underlying funds of \$0.247m
- Net Assets remaining in the Company totalled \$2.10m as at 30 June 2022.

DISTRIBUTIONS

No distributions were paid to VPEG investors during FY22. VPEG expects the remaining investments held in the fund to be exited during FY23, and the Fund will subsequently provide a final distribution to VPEG's shareholders upon liquidation of the fund.

As a result, total distributions, including franking credits, paid by the Company to all VPEG shareholders since inception through to 30 June 2022 is \$57,384,842.

ECONOMIC CONDITIONS ACROSS FINANCIAL YEAR 2022

The September 2021 quarter was particularly challenging across Australia and New Zealand, with both countries experiencing a surge in the number of COVID-19 cases, with restrictions in place to counteract these rising numbers.

This resulted in a GDP contraction of 1.9% in Australia and 3.7% in New Zealand. Closed international borders, combined with rising property prices, strong household consumption and ongoing global demand for commodities also resulted in the first signs of inflationary pressures across Australia and New Zealand, which jumped to 3.8% and 3.3% for FY21, respectively. This was likely a factor in the RBNZ announcing its first rate rise of 25bps to 0.5% in October 2021.

In Australia, the December 2021 quarter commenced with the reopening of New South Wales and Victoria following a stringent lockdown period instituted in response to the outbreak of the COVID-19 Delta variant. With the easing in restrictions, the economy rebounded quicker than previously anticipated, supported by the return of domestic tourism in the eastern Australian states and the surge in retail sales from the release of pent-up demand and robust pre-Christmas trading. During December, evidence of the new COVID-19 variant was detected in Australia and the number of cases continued to increase, particularly in New South Wales and Victoria.

The spread of the Omicron variant had considerable social and economic impacts domestically, including the material contraction of consumer spending. Public markets continued to climb during the quarter before cooling in the last weeks of January 2022 to a 6-month low. Corporate cash balances were at elevated levels following a prolonged period of under investment.

DIRECTORS' REPORT (CONT.)

ECONOMIC CONDITIONS ACROSS FINANCIAL YEAR 2022 (CONT.)

The March 2022 quarter had a number of macroeconomic shocks impacting the global economy. However overall, the Australian economy had more positives than negatives compared to most countries. The picture in New Zealand was similar although more muted. There were positive indicators that the Australian economy had prospects for a strong expansion for the remainder of the 2022 calendar year.

Household wealth had increased strongly since the initial outbreak of COVID-19, with savings accumulating while spending opportunities were constrained by lockdowns. The tail end of the quarter also saw a positive recovery in the labour market, with the unemployment rate, which peaked at 7.4% in mid-2020, moving below 4% for the first time since 1974 and labour force participation at historically high levels.

Domestic and global markets experienced an eventful June quarter, as governments and central banks continued to navigate the economic fall-out of the pandemic, the Russian invasion of Ukraine and domestically, the flooding crisis in New South Wales and Queensland. This reset a number of the economic forecasts that were expected in the latter half of 2022.

The dominant economic concern emanating from these events was, and continues to be the surge in inflation. As CPI measures trend to historical highs in many countries, central banks commenced policy tightening measures in an effort to combat the rising cost of living. A major contributing factor in Australia has been energy costs, which have not only been impacted by ongoing supply issues from Russia, but a reduction in the thermal power domestically due to unplanned outages at multiple generators.

This was exacerbated by a sharp increase in demand resulting from extreme weather events in New South Wales and Queensland. The east coast floods also significantly impacted the supply of fresh fruits and vegetables, driving up the price of food and further contributing to the spike in inflation.

The Reserve Bank of Australia (RBA) responded to inflationary pressures with four consecutive cash rate increases of 50 basis points in June, July, August and September 2022, followed by a 25 basis point increase in October 2022, bringing the overall cash rate to 2.60%. The RBA have indicated that further increases to the cash rate are likely over the remainder of the calendar year, as they endeavour to bring the inflation rate of 6.1% for the twelve months to June 2022, back in the 2-3% target range.

On a positive note, in April 2022, the Australian Government announced a relaxing of testing requirements for all travellers to Australia. This has since stimulated inbound tourism, with (at current rates) numbers forecast to reach prepandemic levels by the end of the calendar year. Further, Australian consumer spending is still riding the re-opening momentum that emerged from previous lockdowns. It continues to be supported by the high level of household savings accumulated over the pandemic, a dynamic that endured through the September quarter. Underpinning this is Australia's strong labour market, where key employment measures such as unemployment, underemployment and participation rates are trending at positive historical levels. These factors will allow Australia to approach the challenging economic period ahead from a position of strength, with households and businesses better equipped to weather the storm.

DIRECTORS' REPORT (CONT.)

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

Despite a subdued start to the year, private equity firms experienced significant activity during Q2 FY22, with 15 buyout transactions announced or completed, in addition to 17 private equity exits across Australia and New Zealand. Deal flow was strong through the quarter, however tailed off towards the end of the calendar year which is generally expected, however this continued into January/February 2022, a period that usually experiences an uptick in M&A activity.

During the back half of 2022, despite the ongoing uncertainty relating to COVID-19, global political tensions and inflationary pressures, M&A activity remained strong, with a record \$140 billion worth of deals being announced in Australia and New Zealand. This represented the highest value of completed deals within a six-month period since 2007. In private equity 11 buyout deals were completed (ten in Australia and one in New Zealand) as well as four exits (all in Australia).

Moving forward, the last remaining fund in VPEG's portfolio, Catalyst Buyout Fund 2 will continue to explore exit opportunities to realise their existing portfolio companies. With the IPO window having closed, in addition to recessionary worries permeating across the local and global economy, it's possible that this may make exits at attractive multiples increasingly challenging. However, significant levels of dry powder held by the larger buyout funds may alleviate these concerns, as it provides an opportunity for mid-market managers, such as Advent Partners, to exit businesses with proven defensive characteristics, proven by their performance despite the challenges in recent years.

In September 2022, it was announced that Catalyst Buyout Fund 2 had entered into negotiations for the sale of portfolio company Vesco Foods. Vantage expects that the other remaining companies in the portfolio will also be sold through FY23, ultimately leading to VPEG distributing the remaining value held within the portfolio to all Shareholders, with the company to be wound up before the conclusion of the 2023 financial year.

DIRECTORS' REPORT (CONT.)

REVIEW OF VPEG'S OPERATIONS

VPEG's portfolio continued to mature during the year with the sale of one portfolio company during the financial year.

Details of the completed exit are as follows;

- **Archer Capital Fund 4** reached an agreement to sell their 100% shareholder in Supercars to Racing Australia Consolidated Enterprises Ltd (RACE). The majority of the proceeds from the sale were distributed in December 2021, with the remaining residual value distributed alongside the wind-up of the underlying fund in June 2022.

Considering the exit completed during 2022, 59.6% 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 53.2% 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 six to twelve months, as Catalyst Buyout Fund 2 management work towards creating an exit path for their remaining investee companies.

In summary, the returns received by VPEG from its underlying Private Equity portfolio remain to be attractive. Management expects that the remaining underlying company investments will be sold across the remainder of the 2023 financial year. Catalyst will provide a final distribution to VPEG's shareholders upon liquidation of their Fund.

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 2022.

UNDERLYING PRIVATE EQUITY INVESTMENTS

During the year VPEG's Private Equity fund commitments reduced from a total of \$16 million across two Private Equity funds at 30 June 2021 to \$8 million committed across one Private Equity fund as at the 30 June 2022.

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.

DIRECTORS' REPORT (CONT.)

VPEG's investment commitment of \$4m to Advent V ended upon termination of that fund in September 2020 with the final distributions received following their final exit of its last portfolio company in July 2020.

VPEG's investment commitment of \$8m to Archer Capital Fund 4 ended upon the sale of their last portfolio company during the December 2021 quarter, with the residual proceeds of that fund received by VPEG during the June 2022 quarter.

VPEG's remaining investment commitment is \$8m to Catalyst Buyout Fund 2. Due to the company being in the final stages of divestment, there was no new capital drawn from VPEG across the 2022 financial year. As a result, the total value of funds drawn from VPEG into Private Equity investments since inception was \$38.53m at 30 June 2022.

There were no new underlying Private Equity company investments completed during the year. This is 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, COMMITMENTS AND CAPITAL DRAWN INTO INVESTMENTS, AS AT 30 JUNE 2022, 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	10
Catalyst Buyout Fund 2	\$438m	2008	Mid Market Buyout	\$8.0m	\$6.38m	7	5
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	47

DIRECTORS' REPORT (CONT.)

Turning to exits, one portfolio company exit was completed via trade sale, resulting in a distribution of capital and income back to VPEG. In total 47 underlying companies have now been exited from the portfolio, representing 95.9% of all underlying companies invested in by VPEG.

As a result, a total of two underlying companies remained within the portfolio at 30 June 2022.

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 2022.

The investments table also includes the residual holdings in previously exited portfolio company Dusk Group Limited (ASX: DSK), representing the value of shares held in the now ASX listed Company as at 30 June 2022.

RANK	INVESTMENT	FUND	DESCRIPTION	% OF VPEG'S PRIVATE EQUITY PORTFOLIO	CUMULATIVE %
1	Vesco	Catalyst Buyout Fund 2	Manufacturer of Frozen Meals and Meal Components	70.5%	70.5%
2	Dusk	Catalyst Buyout Fund 2	Specialty Retailer of Homewares	19.1%	89.6%
3	Cirrus Media	Catalyst Buyout Fund 2	Australian Business to Business Media Company	10.4%	100.0%

Note: As at 30 June 2022. (unaudited) calculated on VPEG's Pre-Tax Net Asset Value (NAV).

DIRECTORS' REPORT (CONT.)

COMPLETED EXITS DURING FY22

On 29 September 2021, media reported that Archer Capital Fund 4 was negotiating to sell 100% of the fund's shareholding in Supercars to the Australian Racing Group consortium and the TGI Sport consortium. Supercars (formally Australian Touring Car Championship) is the premier motorsport category in Australasia and one of Australia's most watched sports. Globally, it is recognised as the best touring car category in the world and a leader in motorsport entertainment.

On 26 November 2021, Archer Capital Fund 4 successfully completed the sale of Supercars to Racing Australia Consolidated Enterprises Ltd (RACE). Net sale proceeds were distributed to VPEG in December 2021, in addition to a smaller residual amount distributed in June 2022 which resulted in the wind-up of that fund at the closure of the financial year.

FINANCIAL PERFORMANCE OF COMPANY

During the year total income received by the company decreased by 81.9% from \$1.363m in FY21 to \$0.247m in FY22. The drop in total income was as a result of the exit completion of only one underlying portfolio company across the period. The breakdown of income for FY22 compared to FY21 is shown in the table below.

SOURCE OF INCOME	FY22 \$'000's	FY21 \$'000's	% CHANGE OVER FY21
Distributions Received from Underlying Private Equity Funds	247	1,363	-81.9%
Interest on Cash & Term Deposits	0.02	0.12	-87.2%
TOTAL	247	1,363	-81.9%

As detailed above, there was a decrease in the level of income & capital gain distributions received across the year from VPEG's underlying Private Equity investments, of 81.9% from the \$1.363m received during FY21 to \$0.247m received across FY22.

In addition, the contribution to total income from interest on cash and term deposits fell from \$117 to \$15. The reason for the reduction in interest received on VPEG's cash and term deposits was due to the low effective interest rate applicable to the term deposits compared to the prior year, in addition to lower cash balances maintained through the year.

DIRECTORS' REPORT (CONT.)

FINANCIAL PERFORMANCE OF COMPANY (CONT.)

VPEG's total funds invested in cash and term deposits increased by 34.6% across the year from \$0.42m at 30 June 2021 to \$0.56m at 30 June 2022. The increase in these liquid investments was predominately due to the receipt of two distributions resulting from the realisation of an underlying portfolio investment.

During the year there was a 33.0% reduction in the value of investments in underlying Private Equity investments from \$2.30m to \$1.54m. This was primarily attributed to the value of exits from the underlying Private Equity portfolio, exceeding the increase in value of the remaining investments in the portfolio at 30 June 2022.

Operational expenses incurred by the Company during the year decreased by 12% from \$0.12m for FY21 to \$0.11m for FY22 (excluding impairment expense in FY22 and the recognition of a reduction in fair value through the profit and loss in FY22).

As a result, of the AASB 9 accounting standards adopted by the Company in FY19, net losses on investments held at fair value, put through profit or loss, of \$0.75m was taken up in the accounts in FY22 resulting from investment revaluations across the period. This expense item was higher than the \$0.23m impairment expense booked in FY21, and can be primarily attributed to the fall in share price of previously-exited investment Dusk (ASX:DSK).

As a result of the completion of the final portfolio company exit and the subsequent wind up of VPEG's holding in Archer Capital Fund 4, as well as the decrease in fair value of investments, VPEG's profit before tax materially decreased from a profit of \$1.009m in FY21 to a loss of \$0.616m.

As a result, post tax loss for the company for the year was \$0.616 in FY22, compared to the \$1.009m profit booked for FY21.

Retained Earnings decreased from -\$5.00m as at 30 June 2021 to -\$5.61m at 30 June 2022, predominantly due to the after tax loss booked for FY22.

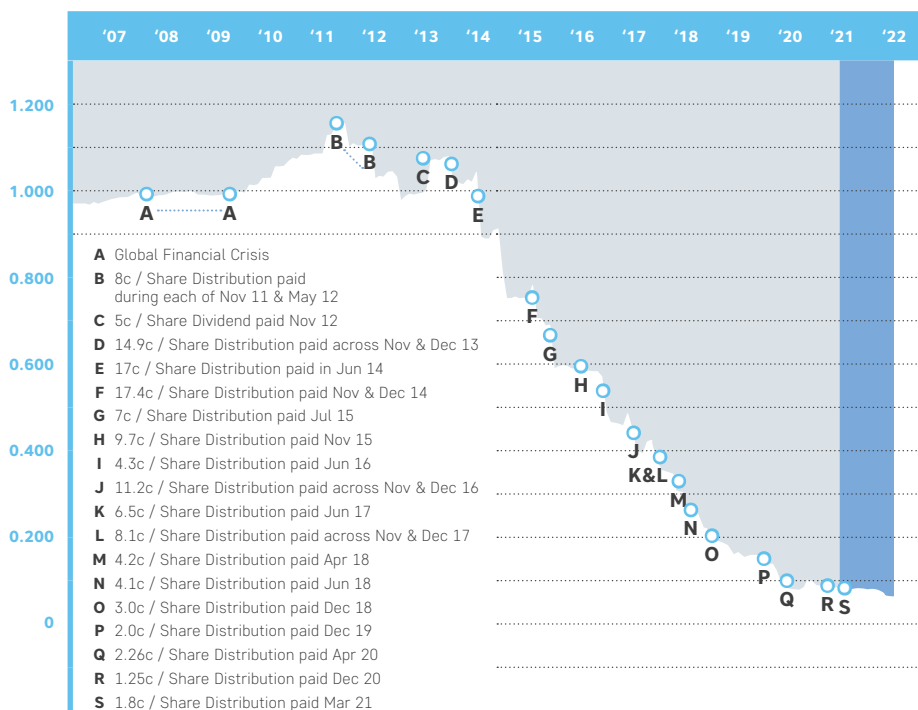
As a result, Total Equity attributable to Shareholders reduced from \$2.704m at 30 June 2021 to \$2.089m as at 30 June 2022.

DIRECTORS' REPORT (CONT.)

CHANGE POST TAX NAV / SHARE

During the period the company's post tax Net Asset Value (NAV) per share decreased from \$0.074 at 30 June 2021 to \$0.059 at 30 June 2022. The reduction in NAV was predominately due to the valuation decline of ASX-listed Dusk Group Ltd (ASX:DSK), where a residual holding from the partial exit (November 2020) is still held by Catalyst Buyout Fund 2. This was primarily experienced in Q4 FY22, where Dusk's share price fell in the midst of an equity sell-off in global markets as a result of an overarching negative sentiment towards the global economy. At the time of writing (28 September 2022), the share price of DSK has recovered 11% since its' 30 June 2022 price, indicating the likelihood of a rebound in the value of the holding within VPEG's portfolio during the September 2022 quarter.

The graph below details the movement in VPEG's post tax NAV per share since inception through to 30 June 2022.

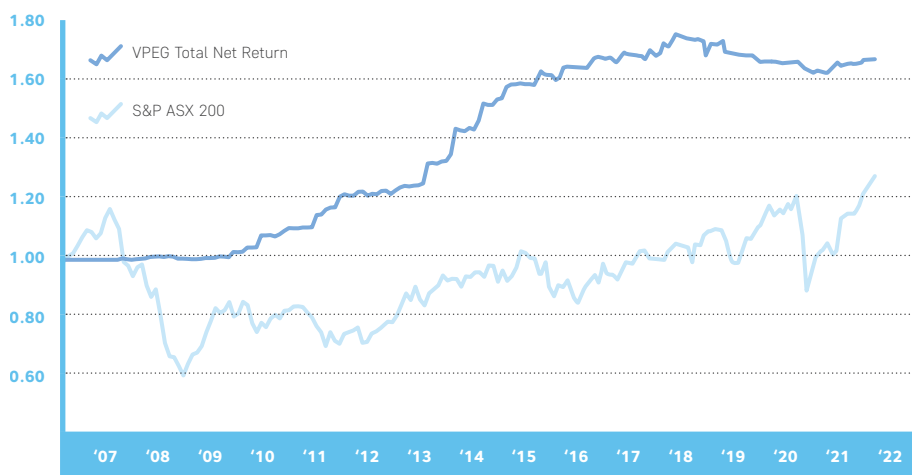


DIRECTORS' REPORT (CONT.)

VPEG'S NET RETURN TO SHAREHOLDERS OUTPERFORMS LISTED MARKETS

VPEG's Total Net Return to shareholders since inception through to 30 June 2022 demonstrates its outperformance and low correlation to public equity market returns.

VPEG TOTAL RETURN VS S&P ASX 200 INDEX 01 NOV 06 TO 30 JUNE 2022

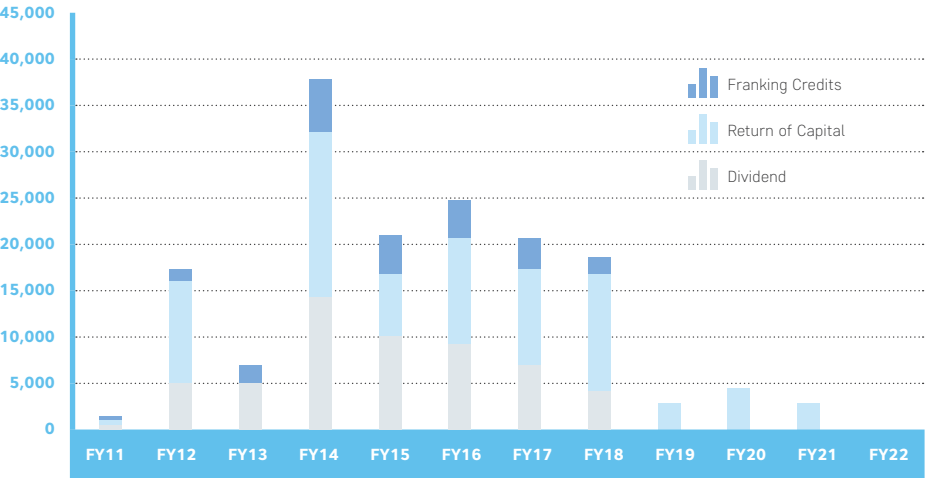


Note: S&P ASX 200 Base = \$1.00 at 01 December 2006, the commencement date of VPEG.

The chart below details the VPEG distributions paid to unit holders since 2011 per 100,000 shares held. As demonstrated by the chart, since FY2011 VPEG has paid total distributions of \$162,228 (including franking credits) per \$100,000 invested, with \$134,730 of these distributions paid since November 2013.

VPEG expects the remaining investments in the Catalyst Buyout Fund 2 underlying portfolio will be exited during FY23, as Catalyst work towards selling the remaining portfolio companies in the fund. VPEG will subsequently provide a final distribution to VPEG's shareholders upon liquidation of the Fund.

DIRECTORS' REPORT (CONT.)



SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

During April 2022, Pat Handley Non-Executive Director of the Company sadly passed away.

Pat was a significant contributor to the corporate governance and ultimate growth of each of Vantage's Fund of Funds, serving from 2006 as an Independent Director on the board of Vantage Private Equity Growth Limited (VPEG), then as an independent member of the Investment, Audit and Risk Committee of each subsequent Vantage Fund of Funds (VPEG2, 3, 4 & 5).

Pat will be fondly remembered for his sharp intellect and drive for enhanced performance in the entities he worked with, by the team at Vantage, as well as by many of the financial services professionals he interacted with during his extensive career across the United States and Australia.

Given the later stage of the Company's operations and the expectation that the Fund will be liquidated during the 2023 financial year, the Board has elected not to search for a replacement Non-Executive Director of the Company.

DIRECTORS' REPORT (CONT.)

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Subsequent to 30 June 2022, it was media reported that Catalyst Buyout Fund 2 entered later-stage negotiations with PAG for the sale of Vesco Foods.

Further details about this exit and VPEG's remaining underlying portfolio will be provided within the September 2022 investor quarterly report, which will be emailed to all investors during November 2022 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 2022 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.

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 one further distribution to VPEG's shareholders at the conclusion of the company's investments. The manager expects the remaining investments in VPEG's underlying portfolio will be exited over the remainder FY23, as Catalyst work towards selling the remaining portfolio companies in Catalyst Buyout Fund 2 as that fund reaches the end of its 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 of VPEG's Investment, Audit and Risk Committee (Investment Committee) during the period and up to the date of this report unless otherwise stated below:

Roderick H McGeoch AO

Chairman of Investment Committee

Patrick Handley

Passed away April 2022

Independent Investment Committee Member

Michael Tobin

Investment Committee Member
and Managing Director Vantage

INFORMATION ON CURRENT DIRECTORS

RODERICK H. MCGEEOCH

AO, LLB

Investment Committee
Chairman (Independent)



PATRICK HANDLEY

B.Com., MBA.

Passed away April 2022
Investment Committee
Member (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 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

Experience and expertise

Pat had over 30 years of international financial services experience and was 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 had 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 held a Bachelor of Commerce in Economics and Mathematics from Indiana University and an MBA from Ohio State University.

INFORMATION ON CURRENT DIRECTORS (CONT.)

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 responsible for the development and management of all private equity fund investment activity at Vantage and its authorised representatives, and has managed Vantage's funds share of investment into over \$7 billion of Australian Private Equity funds resulting in more than \$8 billion of equity funding across 150 underlying portfolio companies.

Michael is also responsible for the operational and compliance management of all Vantage managed funds and investment vehicles. 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 St George 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) and is a Fellow of the Australian Institute of Company Directors.

INFORMATION ON CURRENT DIRECTORS (CONT.)

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 2022, 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*	4	4
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 \$694 (2021: \$10,729) 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 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.

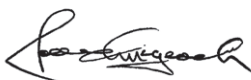
No proceedings have been brought or intervened in on behalf of the company with leave of the Court under section 237 of the Corporations Act 2001.

DIRECTORS' REPORT (CONT.)

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.

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



Roderick H McGeoch AO
Chairman

Sydney
25 October 2022



Michael Tobin
Managing Director

AUDITOR'S INDEPENDENCE DECLARATION

TO THE DIRECTORS OF VANTAGE PRIVATE EQUITY GROWTH LIMITED



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 2022, 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;
- b. No contraventions of any applicable code of professional conduct in relation to the audit; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.



Ernst & Young



Elliott Shadforth
Partner
25 October 2022

A member firm of Ernst & Young Global Limited
Liability limited by a scheme approved under Professional Standards Legislation

VPEG FINANCIAL STATEMENTS

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	24
STATEMENT OF FINANCIAL POSITION	25
STATEMENT OF CHANGES IN EQUITY	26
STATEMENT OF CASH FLOWS	27
NOTES TO THE FINANCIAL STATEMENTS	28
DIRECTORS' DECLARATION	47
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS	48

VANTAGE PRIVATE EQUITY GROWTH LIMITED

**STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME**

FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2022 \$	2021 \$
INVESTMENT INCOME FROM ORDINARY ACTIVITIES			
Distribution income	6a	247,110	1,363,536
Net changes in fair value of investments held at fair value through profit or loss	6b	(757,629)	(234,176)
		(510,519)	1,129,360
EXPENSES			
Management fees	18b	(38,705)	(44,387)
Consulting fees		(6,967)	(1,650)
Audit fees		(6,066)	3,318
Share registry fees		(18,615)	(23,546)
Directors' fees		(5,096)	(14,055)
Investment administration fees		(24,600)	(24,600)
Other expenses		(5,494)	(15,056)
Total expenses before finance cost		(105,543)	(119,976)
(Loss) / profit before income tax		(616,062)	1,009,384
Income tax benefit / (expense)	7a	1,392	(6,454)
Net (loss) / profit for the year representing comprehensive income for the year		(614,670)	1,002,930

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 2022

	NOTE	2022 \$	2021 \$
ASSETS			
Current assets			
Cash and cash equivalents	8	562,370	417,802
Trade and other receivables	9	1,903	3,560
Total current assets		564,273	421,362
Non-current assets			
Financial assets at fair value through profit or loss	10	1,540,448	2,298,056
Deferred tax assets	11	5,065	3,696
Total non-current assets		1,545,513	2,301,752
Total assets		2,109,786	2,723,114
LIABILITIES			
Current liabilities			
Trade and other payables	12	20,487	19,145
Total liabilities		20,487	19,145
Net assets		2,089,299	2,703,969
EQUITY			
Issued capital	13	7,686,564	7,686,564
Reserves	14	14,000	14,000
Accumulated losses	14	(5,611,265)	(4,996,595)
Total equity		2,089,299	2,703,969

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 2022

	NOTE	ISSUED CAPITAL \$	ACCUMULATED LOSSES \$	RESERVES \$	TOTAL EQUITY \$
Balance at 1 July 2020		8,765,442	(5,999,525)	14,000	2,779,917
Net profit for the year, representing total comprehensive income for the year		-	1,002,930	-	1,002,930
Transactions with owners in their capacity as owners					
Return of Capital	13b	(1,078,878)	-	-	(1,078,878)
Balance at 30 June 2021		7,686,564	(4,996,595)	14,000	2,703,969
Net loss for the year, representing total comprehensive loss for the year		-	(614,670)	-	(614,670)
Balance at 30 June 2022		7,686,564	(5,611,265)	14,000	2,089,299

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 2022

	NOTE	2022 \$	2021 \$
Cash flows from operating activities			
Distributions received	6	247,095	1,363,419
Interest received		15	117
Expenses paid		(102,542)	(134,893)
Net cash from operating activities	19	144,568	1,228,643
Cash flows from financing activities			
Return of capital to company's shareholders		-	(1,078,878)
Net cash used in from financing activities		-	(1,078,878)
Net increase in cash and cash equivalents		144,568	149,765
Cash and cash equivalents at beginning of the year		417,802	268,037
Cash and cash equivalents at end of the year	8	562,370	417,802

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 2022

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 39, Aurora Place, 88 Phillip Street, Sydney NSW, 2000. The financial statements of Vantage Private Equity Growth Limited are for the year ended 30 June 2022. 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 – Simplified Disclosures 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 25 October 2022.

i) *Compliance with Australian Accounting Standards – Simplified Disclosures*

The financial statements of the Vantage Private Equity Growth Limited Company comply with Australian Accounting Standards – Simplified Disclosures 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 2021 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.

VANTAGE PRIVATE EQUITY GROWTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)*iv) New standards and interpretations not yet adopted*

The Company has not applied any Australian Accounting Standards that have been issued as at balance date but are not yet operative for the period ended 30 June 2022. There are no effects resulting from any changes to accounting standards applicable to the Company for the current year.

b) Investment income*i) Net changes in fair value of investments held at fair value through profit or loss*

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 Profit or Loss and Other Comprehensive Income in the year they are incurred in accordance with the policies described in Note 2(f).

ii) Distribution income

Trust distributions are recognised as revenue when the right to receive payment is established. Distribution income includes return of capital and capital gains arising from the disposal of underlying investments.

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.

VANTAGE PRIVATE EQUITY GROWTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2022

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 Profit or Loss and Other 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.

VANTAGE PRIVATE EQUITY GROWTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)**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 Company classifies its investments based on its business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The Company's portfolio of financial assets is managed and its performance is evaluated on a fair value basis.

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

At initial recognition, the Company 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 Profit or Loss and Other Comprehensive Income in the period in which they arise.

Recognition and derecognition

At initial recognition, the Partnership 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 Profit or Loss and Other Comprehensive Income in the period in which they arise. All transaction costs for such instruments are recognised directly in the Statement of Profit or Loss and Other Comprehensive Income.

Investments are derecognised when the right to receive cash flows from the investments have expired or have been transferred and the Partnership has transferred substantially all of the risks and rewards of ownership.

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

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.

VANTAGE PRIVATE EQUITY GROWTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2022

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

VANTAGE PRIVATE EQUITY GROWTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2022

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. Hence the impact of interest rate risk on profit is not considered to be material to the Company.

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.

VANTAGE PRIVATE EQUITY GROWTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2022

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:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- 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
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

Recognised fair value measurements

i) Recognised fair value measurements

The following table presents the Company's assets and liabilities measured and recognised at fair value at 30 June 2022.

	LEVEL 1 \$	LEVEL 2 \$	LEVEL 3 \$	TOTAL \$
--	---------------	---------------	---------------	-------------

RECURRING FAIR VALUE MEASUREMENTS AT 30 JUNE 2021

Financial assets

Financial assets at fair value through profit or loss

Unlisted private equity funds	-	2,298,056	-	2,298,056
Total financial assets	-	2,298,056	-	2,298,056

RECURRING FAIR VALUE MEASUREMENTS AT 30 JUNE 2022

Financial assets

Financial assets at fair value through profit or loss

Unlisted private equity funds	-	1,540,448	-	1,540,448
Total financial assets	-	1,540,448	-	1,540,448

VANTAGE PRIVATE EQUITY GROWTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2022

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 Company's accounting policies, the Board is required to make judgments, estimates and assumptions that affect the reported amounts in the financial statements. Management continually bases 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:

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.

VANTAGE PRIVATE EQUITY GROWTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT.)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.

NOTE 6. INVESTMENT REVENUE AND EXPENSES

	NOTE	2022 \$	2021 \$
a) Investment Income			
From continuing operations			
Distributions		247,095	1,363,419
Interest		15	117
Total income		247,110	1,363,536
b) Net losses on financial assets held at fair value through profit or loss			
Investment revaluations	6c	(757,629)	(234,176)
		(757,629)	(234,176)

c) Investment Revaluations

During the year ended 30 June 2022, Archer Capital completed the exit of its final portfolio company, Supercars in November 2021.

VANTAGE PRIVATE EQUITY GROWTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 7. INCOME TAX EXPENSE

	2022 \$	2021 \$
a) Income tax expense through profit or loss		
Current tax expense	(23)	175
Deferred tax benefit	(1,369)	6,279
	(1,392)	6,454

DEFERRED INCOME TAX BENEFIT INCLUDED IN INCOME TAX EXPENSE COMPRISES:

Increase / (decrease) in deferred tax	1,369	6,279
	1,369	6,279

NOTE	2022 \$	2021 \$
------	------------	------------

b) Numerical reconciliation of income tax expense to prima facie tax payable

Profit / (Loss) before income tax	(616,062)	1,009,384
Tax at the Australian tax rate of 30% (2020 - 30%)	-	302,815

TAX EFFECT OF AMOUNTS WHICH ARE NOT DEDUCTIBLE (TAXABLE) IN CALCULATING TAXABLE INCOME:

Impairment revaluations not deductible in current year (investment & deferred tax)	(1,369)	70,246
Under / (Over) provision for prior year tax	(23)	175
Net capital tax losses	-	(285,293)
Net taxable income adjustments to accounting profit	-	(81,489)
Income tax expense	(1,392)	6,454

VANTAGE PRIVATE EQUITY GROWTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 7. INCOME TAX EXPENSE (CONT.)

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

For the 2022 financial report, management assessed the uncertainty of the economic conditions due to looming recession driven by elevated inflation to 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 existed was compounded by the potential obscuring of the underlying financial performance of the remaining portfolio assets given the impact of the new normal for mid-pandemic markets. While Australia has seen less impact in the recent months COVID-19 continues to affect economies globally. Hence, for the year ended 30 June 2022, given the likely continued uncertainty regarding Australia's economy, management have decided to recognise a deferred tax asset based upon the potential utilisation of prior year capital losses at \$nil (2021: \$nil). Available tax losses will however be utilised as the certainty of quantum of capital gains are recognised over the next financial period.

NOTE 8. CURRENT ASSETS - CASH AND CASH EQUIVALENTS

	2022 \$	2021 \$
Current assets		
Bank accounts	562,370	417,802

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	562,370	417,802
----------------------------------	----------------	---------

VANTAGE PRIVATE EQUITY GROWTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 9. CURRENT ASSETS - TRADE AND OTHER RECEIVABLES

	2022 \$	2021 \$
Current		
GST receivable	1,903	3,560
Total other receivables	1,903	3,560

a) Fair value and credit risk

Due to the short-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

	2022 \$	2021 \$
Unlisted private equity funds	1,540,448	2,298,056

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

Valuation assumptions

The fair value of the unlisted 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.

VANTAGE PRIVATE EQUITY GROWTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 11. DEFERRED TAXES

	2022 \$	2021 \$
The balance comprises temporary differences attributable to:		
Other	5,065	3,696
	5,065	3,696
Movements		
Opening balance	3,696	9,975
CHARGED / CREDITED:		
To statement of comprehensive income (impairment & income tax expense)	1,369	(6,279)
	5,065	3,696

NOTE 12. CURRENT LIABILITIES - TRADE AND OTHER PAYABLES

	NOTE	2022 \$	2021 \$
Management fees payable	18b	2,854	3,327
Audit and taxation fees payable		12,952	12,320
Other payables		4,681	3,498
		20,487	19,145

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 shortterm nature.

VANTAGE PRIVATE EQUITY GROWTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 13. ISSUED SHARES

a) Share capital

	30-JUN 2022 SHARES	30-JUN 2021 SHARES	30-JUN 2022 \$	30-JUN 2021 \$
Ordinary shares - fully paid	35,373,054	35,373,054	7,686,564	7,686,564
	35,373,054	35,373,054	7,686,564	7,686,564

b) Movements in ordinary share capital

	NUMBER OF SHARES	\$
Opening balance 1 July 2020	35,373,054	8,765,442
Return of capital	-	(1,078,878)
Closing balance 30 June 2021	35,373,054	7,686,564
Opening balance 1 July 2021	35,373,054	7,686,564
Closing balance 30 June 2022	35,373,054	7,686,564

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.

VANTAGE PRIVATE EQUITY GROWTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 14. RESERVES AND ACCUMULATED LOSSES

	NOTE	2022 \$	2021 \$
a) Reserves			
Share-based payments reserve		14,000	14,000
		14,000	14,000

Movements

RETURN ON INVESTMENTS

Distributions (including dividends)	6	247,095	1,363,419
Net change on investments at fair value through profit or loss		(757,629)	(234,176)
Total return during the year		(510,534)	1,129,243

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.

b) Accumulated losses

MOVEMENTS IN ACCUMULATED LOSSES WERE AS FOLLOWS:

	2022 \$	2021 \$
Balance 1 July	(4,996,595)	(5,999,525)
Net (loss) / profit for the year	(614,670)	1,002,930
Balance 30 June	(5,611,265)	(4,996,595)

VANTAGE PRIVATE EQUITY GROWTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 15. KEY MANAGEMENT PERSONNEL DISCLOSURES

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

Roderick H McGeoch AO	Chairman
Patrick Handley	Director (<i>Passed away on 22 April 2022</i>)
Michael Tobin	Managing Director

a) Key management personnel compensation

	YEAR ENDED 2022 \$	YEAR ENDED 2021 \$
Non-executive directors fees	5,096	14,055

NOTE 16. CONTINGENCIES

The Company had no outstanding contingent assets and liabilities at 30 June 2022 (2021: nil).

NOTE 17. COMMITMENTS

During the year ended 30 June 2022, the Company's investment commitment of \$8m to Archer Capital Fund 4 ended upon the sale of their last portfolio company during December 2021 quarter with residual proceeds of the fund received by VPEG in June 2022.

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 2022 include \$8 million to Catalyst Buyout Fund 2.

VANTAGE PRIVATE EQUITY GROWTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 18. RELATED PARTY TRANSACTIONS**a) Key management personnel**

Disclosures relating to key management personnel are set out in Note 15.

b) Transactions with other related parties

THE FOLLOWING TRANSACTIONS OCCURRED WITH RELATED PARTIES:

	YEAR ENDED 2022 \$	YEAR ENDED 2021 \$
Management fees paid or payable	38,705	44,387
Management fees payable at the end of the reporting period	2,854	3,327

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.

During the year ended 30 June 2022, the Company's investment commitment of \$8m to Archer Capital Fund 4 ended upon the sale of their last portfolio company during December 2021 quarter with residual proceeds of the fund received by VPEG in June 2022.

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 2022 (2021: nil).

As at 30 June 2022, the Manager held 2 shares in the Company (2021: 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.

VANTAGE PRIVATE EQUITY GROWTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2022

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

	2022 \$	2021 \$
(Loss) / Profit for the year	(614,670)	1,002,930
Adjustments for non-cash items in profit:		
Revaluation of investments held at fair value through profit or loss	757,608	234,176
CHANGE IN OPERATING ASSETS AND LIABILITIES:		
Decrease / (Increase) in trade and other receivables	1,657	(1,844)
Decrease in other current assets	-	9,700
(Increase) / Decrease in deferred tax assets	(1,369)	6,279
Increase / (Decrease) in trade and other payables	1,342	(22,773)
Decrease in provision for income taxes payable	-	175
Net cash inflow from operating activities	144,568	1,228,643

NOTE 20. EVENTS OCCURRING AFTER THE REPORTING PERIOD

No 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.

VANTAGE PRIVATE EQUITY GROWTH LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 21. CAPITAL MANAGEMENT

The Company's objective in managing capital and investments is to maximise after-tax returns for shareholders over the term of the investment by investing in an investment portfolio of top performing Buyout and Later Expansion Private Equity Funds in Australia using the Manager's distinctive focussed Investment Strategy providing a well diversified independent investment approach. The strategy is to provide access to generally inaccessible Private Equity investments which have superior targeted returns and offer an attractive risk/reward profile. The Company recognises that its capital position and market price will fluctuate in accordance with market conditions and in order to adjust the capital structure, it may vary the amount of dividends and return of capital distributions paid. A breakdown of the Company's equity and changes in equity during the current year is provided in notes 13 and 14.

NOTE 22. AUDITORS' REMUNERATION

	2022 \$	2021 \$
Remuneration of the auditor of the entity for:		
Auditing or reviewing the financial report	6,066	5,720
Preparation of income tax return	6,967	6,600

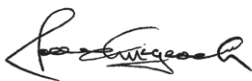
DIRECTORS' DECLARATION

In the directors' opinion:

- a) the financial statements and notes set out on pages 24 to 46 are in accordance with the Corporations Act 2001, including:
 - i) Complying with Accounting Standards - Simplified Disclosures, 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 2022 and of its performance for the year ended on that date.
- 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

Sydney
25 October 2022



Michael Tobin
Managing Director

INDEPENDENT AUDITOR'S REPORT



Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2046 Sydney NSW 2001

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

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

Opinion

We have audited the financial report of Vantage Private Equity Growth Limited (the "Company"), which comprises the statement of financial position as at 30 June 2022, 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 2022 and of its financial performance for the year ended on that date; and
- b) Complying with Australian Accounting Standards - Simplified 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 (including Independence Standards)* (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 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.

A member firm of Ernst & Young Global Limited
Liability limited by a scheme approved under Professional Standards Legislation

INDEPENDENT AUDITOR'S REPORT (CONT.)



Information Other than the Financial Report and Auditor's Report Thereon (cont.)

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 - Simplified 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.

A member firm of Ernst & Young Global Limited
Liability limited by a scheme approved under Professional Standards Legislation

INDEPENDENT AUDITOR'S REPORT (CONT.)



Auditor's Responsibilities for the Audit of the Financial Report (cont.)

- 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

Elliott Shadforth
Partner
Sydney
25 October 2022

A member firm of Ernst & Young Global Limited
Liability limited by a scheme approved under Professional Standards Legislation

VPEG

ANNUAL REPORT

vpeg.info

DIVERSIFY. GROW. OUTPERFORM.

2022

INVESTMENT MANAGER



vantage
Asset Management