ANNUAL REPORT

VPEG2B

For the year ended 30 June 2023

Vantage Private Equity Growth Trust 2B

2023

CORPORATE DIRECTORY

DIRECTORS OF THE TRUSTEE

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

David Pullini B.E., MBA, GDAFI.
Director

NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of Vantage Private Equity Growth 2

Will be held via video conference

Date: 23 November 2023
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

VPEG2B

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TRUSTEE AND MANAGERS' REPORT

The Directors of Vantage Asset Management Pty Limited ("Vantage"), the Trustee of Vantage Private Equity Growth Trust 2B ("Fund" or "VPEG2B") presents this report together with the financial statements of VPEG2B for the financial year ended 30 June 2023.

DIRECTORS

The following persons are the Directors of Vantage:

Michael Tobin
Managing Director

David Pullini
Director

PRINCIPAL ACTIVITY

The principal activity of the Fund 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 Fund 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.

As at 30 June 2023 the Fund held investment commitments in eight Private Equity funds managed by Australian and New Zealand headquartered Private Equity fund managers.

FUND PERFORMANCE HIGHLIGHTS FOR FY2023

- $0.22m in additional capital drawn by underlying Private Equity funds.
- 7 underlying company investments sold delivering an average gross 2.5x multiple of invested capital.
- A total of 55 underlying company investments completed, with 31 exits now realised.
- $2.27m in total distributions received from underlying funds during the financial year.
- $1.95m in total distributions paid to all VPEG2B Unitholders during the financial year.
- $0.04m Net Profit for the financial year ended 30 June 2023.
- 13.3% p.a. after fees Annualised Return delivered by VPEG2B since inception to 30 June 2023.

DISTRIBUTIONS TO UNIT HOLDERS

A distribution of **$1,327,176 ($0.15/unit)** was paid to all VPEG2B unitholders in September 2022 as a result of the completed exits of two underlying company investments in the portfolio, including Mining Services Technology by Odyssey Private Equity Fund 8 and NZ Bus by Next Capital III.

A distribution of **$619,349 ($0.07/unit)** was paid to all VPEG2B unitholders in February 2023 following the completed exits of MessageMedia and FiftyFive5 by Mercury Capital 2, as well as distributions received by a number of other investments in the portfolio.

As a result, total distributions paid to all VPEG2B unitholders since inception to 30 June 2023 totaled **$12,105,158 ($1.3681/unit)**.

AUSTRALIA/NEW ZEALAND ECONOMIC REVIEW

Financial Year 2023 saw central banks attempt to address inflation with the sharpest rate hike cycle experienced since the early 1990s. This quick response in tightening monetary markets eventually led to a slowdown in economic activity across many large developed economies, including Australia and New Zealand. Unforeseen, the impact of these rate increases was much slower and shallower than expected, given the resilient consumer savings threshold, solid corporate earnings and continued tightness in labour markets.

However, Australia and New Zealand continued to experience the problems associated with inflation. For Australia, the prevailing 12-month period to 30 June 2023 saw inflation running at a modest 6.0%, which was a modest improvement from the reported 7.0% in the prior quarter and a further step-down from its peak at 8.4% in December 2022.

Although prices continued to rise for most goods and services, there were declines in travel, accommodation, and fuel prices. Economists have expressed concerns that inflation will remain higher for longer than expected. Still, they are encouraged by the fact that price increases, while continuing to grow, did so at a lower rate than in previous months. If this trend holds for the balance of the year inflation should be down to 4.0% by the end of 2023 and to 3.0% sometime in 2024. The RBA has stated that it believes inflation will be back within range during 2025.

AUSTRALIA/NEW ZEALAND ECONOMIC REVIEW (CONT.)

New Zealand's scenario was somewhat similar to Australia's, however rate hikes had an earlier effect. For the 12-month period to 30 June 2023, New Zealand's inflation was running a 6.0%, the same number recorded as Australia. The greatest contributors to annual inflation over the year in New Zealand came from higher costs associated with the purchase of new property, grocery food prices and passenger transport services. Within passenger transport services, it was predominantly due to an increase in international air transport costs. The RBNZ target rate for New Zealand is between 1% and 3%, while the band for Australia is between 2% and 3%. Like Australia, the expectation is that inflation has also peaked in New Zealand but will take between 12 and 18 months to get to the RBNZ target.

Factors that have driven the rise of inflation in Australia and New Zealand have included higher energy and food costs as well as a surge in housing costs. The property market in NZ has been described as a "bubble" but has seen a sharp reversal with the price of housing in Auckland and Wellington falling in some cases between 20 and 25%. With New Zealand being one of the first developed countries to raise interest rates the outcome was to be expected. Australia continues to see a strong property market with prices remaining higher than expected. Although signs of mortgage stress have increased and listings are growing the limited amount of stock for sale has kept prices high.

The RBNZ was one of the first central banks to appreciate the threat of inflation. Accordingly, it was one of the first to raise rates and it is remains amongst the most resolute in its course of action.

The RBNZ made its first rate rise in August 2021 and has made 12 subsequent rises with the Official Cash Rate now at 5.50%. With inflation showing some signs of slowing the RBNZ decided to keep rates on hold when they last met in July.

A year ago, the expectation was that rates in New Zealand would peak around 4.5% to 4.75%. With inflation running much higher than expected and the labour market being unsustainably tight, the RBNZ clearly felt that even higher rates were needed. New Zealand's rates are now amongst the highest of any developed economy.

As a result, the New Zealand property market has experienced extreme volatility over the past three years. During the pandemic, house prices appreciated by as much as 50% reflecting shortage of supply and the low cost of credit. When the RBNZ began its aggressive rate tightening cycle in November 2021 prices of homes started to fall rapidly. Supply of new buildings remained tight, due to what was estimated to be a 35% increase in building costs, driven by a combination of raw material and labour shortages. As reported earlier these conditions have seen prices correct sharply and the market becoming a buyers' one.

While the bubble has clearly been burst and the reduction in prices has restored to some degree of equilibrium within the market, there are still a number of challenges that are still yet to be dealt with. The biggest of these comes with ongoing and higher levels of mortgage stress being experienced by borrowers. A high percentage of the low fixed rate mortgages will adjust to market in the current year. Many of these that had original fixed rates of 3 – 4% will be reset at rates of 7% or higher. This additional burden will be on top of higher food and energy costs.

AUSTRALIA/NEW ZEALAND ECONOMIC REVIEW (CONT.)

Despite higher interest rates and the impact of higher prices the New Zealand economy had, for the first three quarters of 2022, been performing reasonably well. Indeed, growth for the calendar year 2022 came in at 2.4% with demand for exports of goods rising by a bullish 13% to NZ$72 billion.

The Q4 2022 result came in much weaker than forecast with the actual result being -0.7%. This compared with a 0.7% growth number being forecast by the RBNZ and suggested that the higher interest rates were already being felt.

The results for Q1 2023 were also negative, albeit on a more modest basis (-0.1%) suggesting that the country is already in a technical in a recession.

The weakness in the economy continues to be broadly based with slowing conditions in manufacturing, retail, trade and accommodation. Despite this, unemployment remains very low with the figures for the March quarter being a very modest 3.4%. This was essentially unchanged from the prior quarter and remains uncomfortably tight.

Australia's economic position is broadly similar to New Zealand's with positive growth in 2022 but a distinct slowing in 2023 as the effect of higher interest rates and inputs take effect. In fact, Australia's growth last year at 3.7% was over 1% higher than most other developed countries. Although the IMF is calling for growth to moderate to 1.6% in the current year this is still expected to be higher than many other advanced nations. Unemployment in Australia remains at extremely low levels with the most recent figures for June remaining at 3.5%. During the latest period, almost 33,000 new jobs were created, most of which were full-time. This was described as a "tight" labour market, which is not helping the fight against inflation.

The RBA is expecting these numbers to weaken slowly as the effects of higher interest rates are felt and retail spending falls. At the same time the suggestion is that unemployment may peak at 4.5% during 2024.

Relative to many other developed or advanced economies the outlook for Australia and New Zealand is positive, but not without their challenges. Inflation remains high in both countries, though there are signs it is abating. Although export markets for both countries remain strong, they will not negate the impact of pressures arising from cost of living issues and the inevitable decline in disposable income. New Zealand has already had to deal with the consequences of deflation in house prices but so far this has been avoided in Australia.

AUSTRALIAN AND NEW ZEALAND PRIVATE EQUITY CONDITIONS

Despite a relatively challenging investment environment, there were 18 private equity deals completed in Australia across the 2023 Financial Year. Notably, most of these were at the lower end of the middle market, as limited availability of financing and tighter covenants impacting deal execution for large buyouts were prominent.

VPEG2's underlying managers have reported a noteworthy surge in inbound intermediated origination activity over the course of the last six months as investors seek to acquire resilient private equity backed assets. This suggests a positive environment for VPEG2's underlying managers to exit portfolio companies that have achieved their investment objectives and are demonstrating sustainable maintainable earnings. VPEG2's underlying managers report that they are in ongoing discussions and negotiations for the exit of a number of portfolio companies, which are expected to be completed over the next three to six months, ultimately delivering further returns to VPEG2 investors.

REVIEW OF VPEG2B'S OPERATIONS

VPEG2B is one of the Private Equity funds managed by Vantage which is a leading independent investment management company with expertise in Private Equity, funds management, manager selection and operational management.

VPEG2B comprises one half of a twin trust structure (in conjunction with Vantage Private Equity Growth Trust 2A) which are Australian unit trusts. The Fund's investment objective for its Investment Portfolio is to achieve attractive medium to long-term returns on Private Equity investments while keeping the volatility of the overall investment portfolio low.

This is achieved by investing across a highly diversified portfolio of Private Equity assets with diversification obtained by allocating investment commitments across manager, geographic region, financing sage, industry sector and vintage year.

Given the stage of the fund and its' underlying investments, VPEG2B managers are now in their harvesting phase, seeking to realise the value that they've added through the hold period. During 2023 financial year, the sale of six underlying company investments were completed, which delivered a gross average return of 2.5x multiple of capital, generating an average gross Internal Rate of Return of 24.3% p.a.

FULLY PAID UNITS ISSUED

The Fund's final close, on 28 May 2015, achieved total investment commitments of $8,847,838 from investors. The initial issue price for units under this offer was $1.00 per unit payable in full upon application.

As a result, VPEG2B has on issue 8,847,838, fully paid units with total Paid Capital of $8,904,052 at 30 June 2023.

UNDERLYING PRIVATE EQUITY FUND COMMITMENTS AND INVESTMENTS

Since the commencement of the investment program, VPEG2B has committed $13.1m across eight Private Equity funds and completed one co-investment. As at 30 June 2022, these commitments included $2.4m to Adamantem Capital Fund 1, $2m to each CHAMP IV, Next Capital II, Allegro Fund II and Odyssey Private Equity 8, $1.2m to Mercury Capital Fund 2, $NZ1.0m to Waterman Fund 3 and $NZ1.5m to Pencarrow Bridge Fund and completed one co-investment into Fitzpatrick Financial Group of $0.1m.

There were no additional commitments made to existing or new Private Equity funds during the financial year ended 30 June 2023.

VPEG2B'S PRIVATE EQUITY PORTFOLIO AND COMMITMENTS, AS AT 30 JUNE 2023, WERE AS FOLLOWS:

PRIVATE EQUITY FUND NAME	FUND/ DEAL SIZE	VINTAGE YEAR	INVESTMENT FOCUS	VPEG2B COMMITMENT	CAPTIAL DRAWN DOWN	TOTAL NO. OF INVESTEE COMPANIES	NO. OF EXITS
Next Capital Fund III	$265m	2014	Lower to Mid Market Expansion / Buyout	$2.0m	$1.72m	8	6
Allegro Fund II	$180m	2014	Lower to Mid Market Expansion / Buyout	$2.0m	$1.96m	9	6
Mercury Capital Fund 2	$300m	2015	Lower to Mid Market Expansion / Buyout	$1.2m	$1.09m	7	5
CPE Capital 8	$735m	2016	Mid Market Buyout	$2.0m	$1.76m	10	8
Waterman Fund 3	NZ$200m	2016	Lower to Mid Market Expansion / Buyout	NZ$1.0m	$0.73m	4	3
Pencarrow Bridge Fund	NZ$80m	2016	Lower to Mid Market Expansion / Buyout	NZ$0.5m	$0.42m	4	1
Adamantem Capital Fund I	$591m	2017	Mid Market Expansion / Buyout	$2.4m	$2.03m	6	1
Odyssey Fund 8	$275m	2017	Mid Market Growth Capital	$2.0m	$1.75m	6	1
Co-Invest No. 1 (Fitzpatrick Financial Group)	$200m	2017	Mid Market Expansion	$0.1m	$0.14m	1	0
			TOTAL[2]	**$13.1m**	**$11.61m**	**55**	**31**

2. Assumes an average AUD/NZD exchange rate of 1.1 for VPEG2's investment commitments and draw down to Waterman Fund 3 and the Pencarrow Bridge Fund.

As a result of the continued investment activity by VPEG2B's underlying funds, the total value of funds drawn from VPEG2B into Private Equity investments during the financial year increased from $11.39m at 30 June 2022 to $11.61m as at 30 June 2023, representing a 1.9% increase in drawn capital from VPEG2B across the financial year. The funds were used to cover VPEG2B's share of a number of follow-on investments to support expansion in existing companies, as well as management fees and working capital requirements for each of the underlying managers. As a result, VPEG2B had completed 55 underlying company investments as at 30 June 2023.

VPEG2B'S PRIVATE EQUITY PORTFOLIO AND COMMITMENTS, AS AT 30 JUNE 2023, WERE AS FOLLOWS: (CONT.)

The table below provides a summary of the top 10 underlying Private Equity investments in VPEG2B's portfolio, for which funds have been drawn from VPEG2B, as at 30 June 2023. As demonstrated in the table, the top 10 investments in VPEG2B's underlying portfolio represented 62.9% of VPEG2B's total Private Equity Portfolio as at 30 June 2023.

RANK	INVESTMENT	FUND	DESCRIPTION	% OF VPEG2B'S PRIVATE EQUITY INVESTMENTS	CUMULATIVE %
1	**Delta Agribusiness**	Odyssey 8	Provider of Agriculture Products & Independent Rural Services	8.7%	8.7%
2	**Hygain Holdings Pty Ltd**	Adamantem Capital I	Premium Horse Feed Manufacturer & Distributor	7.3%	16.1%
3	**Hellers**	Adamantem Capital I	Producer of Processed Meats in New Zealand	7.3%	23.4%
4	**Tamaki Health Group**	Mercury Capital 2	New Zealand Primary Care Operator	6.4%	29.8%
5	**Lynch Group**	Next Capital III	Wholesaler and Grower of Flowers & Potted Plants in Australia & China	5.9%	35.7%
6	**Pizza Hut**	Allegro Fund II	Australia's Largest Pizza Chain	5.6%	41.3%
7	**Noisette Bakery**	Next Capital Fund III	Artisanal Commercial Bakery	5.7%	47.0%
8	**FRANKIE4**	Odyssey 8	Leading Women's Supportive Footwear Label	5.6%	52.6%
9	**Sushi Sushi**	Odyssey 8	Franchisor & Sushi Retailer	5.3%	57.9%
10	**Marand**	CPE Capital 8	Supplier of Precision Engineered Solutions for Aerospace & Defence Industries	5.0%	62.9%

COMPLETED EXITS DURING FY2023

By Allegro Fund II

- In June 2023, **Allegro Fund II** announced the sale of **Pizza Hut** to Flynn Restaurant Group, America's largest restaurant franchise operator.

  Allegro partnered with Pizza Hut's CEO Phil Reed and its dedicated management team to execute a successful turnaround over the hold period, transforming the business into a profitable growing network through an unwavering focus on operational excellence and customer satisfaction.

By CPE Capital 8

- During October 2022, **CPE Capital 8** completed the 100% sale of **Panthera Finance** to Brookfield, one of the world's largest alternative investment management companies. CPE Capital 8 acquired Panthera in December 2017, when it invested in loan notes issued by Panthera.
- During May 2023, **CPE Capital 8** completed the sale of **Dutton Group** to Sojitz Corporation, a listed Japanese conglomerate.

By Mercury Capital Fund 2

- In December 2022, **Mercury Capital Fund 2** completed the 100% sale of **Fiftyfive5** to Accenture, a NYSE-listed global professional services business. Accenture operates in over 120 countries, employing 721,000 people and has a market capitalisation of US$190bn.

  MCF acquired Fiftyfive5 in November 2018, through the merger of FiftyFive5 and GalKal. Across Mercury's investment, management helped drive growth by increasing employee count from 105 to over 200, and generated EBITDA growth of ~130%.

By Next Capital Fund III (NCFIII)

- In August 2022, **Next Capital Fund III** completed the 100% sale of **NZ Bus** to Kinetic NZ.

  The successful exit reflected the execution of a broad range of operational and strategic initiatives which have modernised NZ Bus over Next Capital's 2.5 year hold period. Key initiatives included right-sizing the overhead cost base, modernising collective agreements, establishing a long-term leasehold depot network, securing contract extensions to 2027 and leading Australasia in decarbonisation initiatives by committing to acquire 152 electric vehicles ("EVs") in the medium term.

COMPLETED EXITS DURING FY2023: (CONT.)

By Odyssey Private Equity Fund 8

– In July 2022, **Odyssey Private Equity Fund 8 (OPE8)**, completed the sale of 100% of the shares in **Mining Technologies Holdings Pty Ltd (MST)** to Komatsu Ltd, a leading global organisation, listed on the Japanese stock exchange with a market capitalisation of $33 billion.

  Odyssey Fund 8 acquired MST in 2018 via a Management Buyout, partnering with the existing CEO and CFO to buy the business. Over the past four years, Odyssey Private Equity and the management team have positioned MST to be a global leader in the digital technology used in the underground mining space.

By Waterman Fund 3

– In March 2021, **Waterman Capital Fund 3** successfully floated **My Food Bag** on the NZX and the ASX. In line with regulatory rules, Waterman Capital were required to retain a portion of the investment for a prespecified escrow period.

  In February 2023, the residual ownership was sold via an off-market transaction, resulting in the complete exit of My Food Bag for Waterman Capital Fund 3 and its investors.

FINANCIAL PERFORMANCE OF THE FUND

During the financial year, total distribution income received by the VPEG2B from underlying private equity funds was $2,274,266, down from $7,171,268 received in FY22. The breakdown of distribution and interest received for FY23 compared with FY22 is shown in the table below.

SOURCE OF INCOME	FY23	FY22	% CHANGE OVER FY22
Distribution Income received from Underlying Private Equity Funds	$2,274,266	$7,171,268	-68.3%
Interest on Cash & Short Term Deposits	$3,709	$0	3,708%
TOTAL	**$2,277,975**	**$7,171,268**	**-68.2%**

FINANCIAL PERFORMANCE OF THE FUND (CONT.)

Distributions received from underlying funds during the financial year were in the form of dividends, capital gains, return of capital and other interest income received from underlying company investments. Distributions received were predominately as a result from the exits of MST, FiftyFive5, NZ Bus and Dutton Group. In addition, distributions were also received from further proceeds of previously exited underlying companies MessageMedia, Panthera Finance and My Food Bag as well as other distributions and dividends paid from other underlying companies within the portfolio, including Noisette and Alpha Group.

VPEG2B's total funds invested in cash and term deposits as at 30 June 2023 was $638,474 (2022: $677,459). The spread of liquid investments across cash and term deposits provides interest income on cash held while ensuring an appropriate level of liquidity to meet the Fund's operational expenses and future calls by underlying Private Equity funds, required for further follow-on investments in underlying portfolio companies.

Operational costs incurred by the Fund during the year decreased by 31.8% from $271,305 in FY22 to $185,111 at 30 June 2023. The majority of these expenses related to costs associated with the management of VPEG2B.

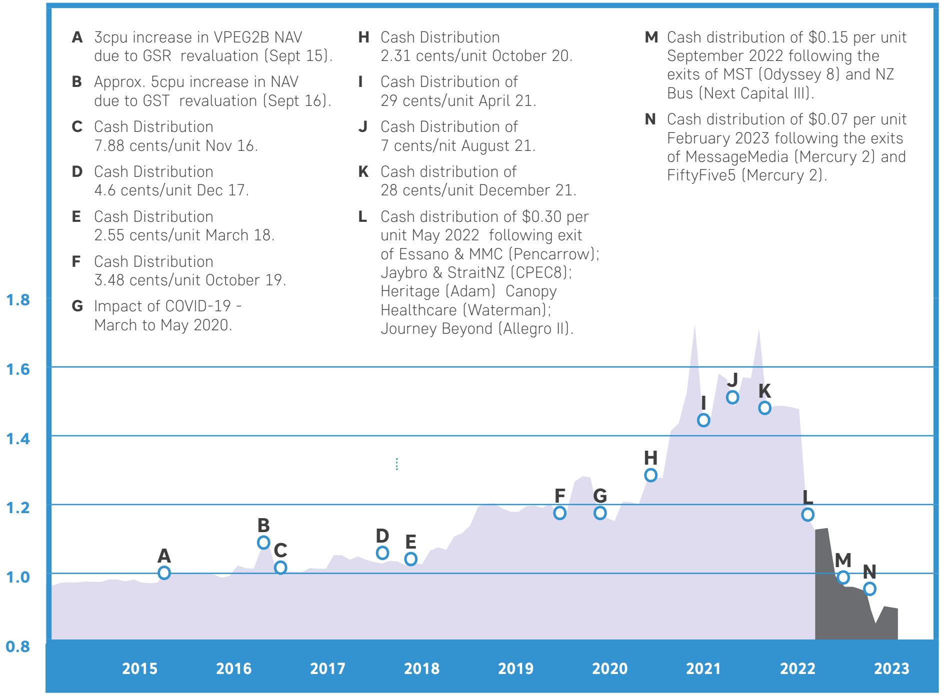
As total distribution income received by VPEG2B across the financial year exceeded the Fund's total operating expenses and fair value movement of the underlying investments, VPEG2B recorded a net profit of $38,659 for the financial year ended 30 June 2023. This is a reduction of 97.6% from the FY22 profit of $6,165,371, primarily due to the revaluation decrement recognised for VPEG2B, which offset the distribution income received through the period.

A revaluation decrement of $2,054,205 has been recognised for the financial year ended 30 June 2023 was primarily the result of the $2,274,266 in distributions received from underlying investments.

As a result, Net Assets attributable to Unitholders decreased by 19.2% from $9,950,203 at 30 June 2022 to $8,042,338 at 30 June 2023, primarily a result of the reduced value of investments due to the various distributions paid-out of underlying funds and subsequently distributed to VPEG2B Unitholders across the year.

CHANGE IN NET ASSET VALUE / UNIT

The graph below details the movement in VPEG2B's Net Asset Value (NAV) per unit since inception through to 30 June 2023.



As demonstrated in the graph above, VPEG2B's NAV decreased from $1.126 / unit at 30 June 2022 to $0.909 / unit at 30 June 2023. The decrease was due to a significant number of distributions being provided to VPEG2B investors. Over the financial year, a total of $0.22 / unit cash distribution was paid to investors, resulting from the sale of six portfolio companies, as well as from the dividends and interest received from other underlying funds.

VPEG2's underlying managers value their underlying portfolio of companies in accordance with the International Private Equity Investment Valuation Guide that have been adopted by the Australian Investment Council (AIC). VPEG2's managers adhered to these guidelines to all underlying individual investments that VPEG2 had exposure to at period end.

With 100% of VPEG2B's underlying portfolio companies having been held long enough to be revalued above their initial cost of investment, it is expected that net returns to investors will continue to improve as the remainder of the portfolio matures and further exits occur over the term of the Fund. In addition, with a further six companies sold from VPEG2B's underlying portfolio across the past financial year, the total number of exits from the portfolio is now 31. These 31 exits have delivered VPEG2B a gross 3.57x multiple of invested capital, generating a gross average annualised return of 79.4% p.a. across an average hold period of 3.96 years. These exits and distributions paid to VPEG2B Unitholders has subsequently contributed to a total net of all fees Internal Rate of Return (IRR) to VPEG2B Unitholders of 13.2% p.a. since the final close of the Fund on 28 May 2015.

VPEG2B managers continue to harvest the portfolio, realising the value that's been created from VPEG2B underlying manager since the Fund's inception. Vantage anticipates that the number of companies sold from the portfolio will remain steady through the course of 2023 and 2024, delivering continued distributions and ultimately attractive risk adjusted return to VPEG2B Unitholders over the term of the Fund.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

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

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

In the opinion of the Directors of the Trustee, 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 Fund's operations in future financial years, or

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

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

Details of the Fund's activities will be provided in the VPEG2 September 2023 quarterly investor report to be emailed to all investors during November 2023 and available on the Fund's website at www.vpeg2.info. The manager expects the number of exits within the underlying portfolio to continue as the Private Equity portfolio matures over the coming financial year.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The operations of the Fund will continue as planned with its existing investment operations and add-on investments expected to be made by VPEG2B's underlying private equity funds, as well as an increase in the number of exits from the portfolio.

ENVIRONMENTAL REGULATION

The operations of this Fund 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 VPEG2B's Investment, Audit and Risk Committee (Investment Committee) during the whole of the financial year and up to the date of this report unless otherwise stated below:

Roderick H McGeoch AO, LLB.
Chairman of Investment Committee (Independent)

James Dunning
Commenced 1 August 2022
Independent Investment Committee Member

Michael Tobin
Investment Committee Member and Managing Director Vantage

David Pullini
Investment Committee Member and Director of Vantage

INFORMATION ON INVESTMENT COMMITTEE MEMBERS

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 Destination NSW, a Director of Corporation Airports America Inc, Chairman of Shaw Vision Pty Limited and Australia Media Corp Pty Limited. Rod is currently the Honorary Chairman of the Trans-Tasman Business Circle and Deputy Chairman of the Venues New South Wales. Rod was previously a Director of Ramsay Healthcare Limited, a member of the International Advisory board of Morgan Stanley Dean Witter, one of the world's leading financial institutions and also the and 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.

JAMES DUNNING

FCA, MSC., BSC.

Commenced 1 August 2022
Investment Committee Member (Independent)

Experience and expertise

James has over 35 years of management, assurance and advisory experience and was a partner for 21 years in PricewaterhouseCoopers financial services practice. He worked principally with ASX200 investment management and real estate clients, as well as consumer, industrial, pharmaceutical and mining businesses.

He has experience in ASX listings, equity and debt raisings, M&A transactions, due diligence and assurance engagements. He was a member of PricewaterhouseCoopers global real estate management team.

He is currently a Director of Pymble Golf Club and a Principal of FinStream P/L, an online education provider to the financial services sector.

MICHAEL TOBIN

B.E., MBA, DFS, FAICD

Investment Committee Member & 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 bank's private equity advisory business, which structured and raised private equity for corporate customers of the bank.

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.

Special responsibilities

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

DAVID PULLINI

BE, MBA, GDAFI.

Investment Committee Member & Director of Vantage

Experience and expertise

David is a Director of Vantage and has more than 25 years of general management, business development, investment, advisory, acquisitions and divestment experience. David is Chair of Ardea Investment Management, Chair of Humanforce and Chair of Phocas. David is also a Director of Ansarada and Folklore Ventures.

In 2005 David was a founding partner of O'Sullivan Pullini, a firm that became recognised as a leading investment bank in Australia. O'Sullivan Pullini completed M&A transactions worth over A$10 billion in value across multiple industry sectors and to a broad cross-section of clients. The firm was particularly active in advising in the Private Equity space, including successful advisory mandates for Kohlberg Kravis Roberts (KKR) on the acquisition of the Australian businesses of Cleanaway and Brambles Industrial Services from Brambles Industries, the establishment of a A$4 billion joint venture with the Seven Network and the later divestment of Cleanaway.

Prior to co-founding O'Sullivan Pullini, David managed international corporate businesses for fifteen years in Australia and Europe. For the eight years David was based in Europe, he managed a portfolio of Brambles European based businesses. David has deep experience and understanding of the key drivers of profitable business growth and the levers of value creation. David holds a BE Hons. (UTS), an MBA (IMD) and a Graduate Diploma of Applied Finance (SIA).

Special responsibilities

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 financial year ended 30 June 2023, 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
James Dunning* *Commenced 1 August 2022*	6	6
Michael Tobin	5	6
David Pullini	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

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During the financial year, the Trust paid a premium of $2,229 in relation to insurance cover for the Trustee and its Directors and officers and the investment committee members in relation to the operations of VPEG2. Under VPEG2B's trust deed, the Trustee, Vantage Asset Management Pty Limited, may indemnify the investment committee member out of VPEG2B's assets for any loss, damage, expense or other liability incurred by it in properly performing or exercising any of its power, duties or rights in relation to VPEG2B.

PROCEEDINGS ON BEHALF OF THE FUND

No person has applied to the Court to bring proceedings on behalf of the Trustee or intervene in any proceedings to which the Trustee is a party for the purpose of taking responsibility on behalf of the Trustee for all or any part of those proceedings.

The Trustee was not a party to any such proceedings during the year.

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

Michael Tobin	**David Pullini**
Managing Director	Director

Sydney
26 October 2023

VPEG2B

FINANCIAL STATEMENTS

VANTAGE PRIVATE EQUITY GROWTH TRUST 2B

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2023

	NOTE	2023 $	2022 $
INVESTMENT INCOME			
Distribution income	2	**2,274,266**	7,171,268
Interest income		**3,709**	-
Net changes in fair value of investments through profit or loss	5a	**(2,054,205)**	(5,288,453)
Total investment income		**223,770**	1,882,815
OPERATING EXPENSES			
Audit fees		**(10,260)**	(16,000)
Investment administration fees		**(12,275)**	(12,263)
Investment committee fees		**(11,576)**	(24,770)
Insurance fees		**(2,229)**	(2,860)
Management fees		**(131,487)**	(199,105)
Registry fees		**(6,715)**	(6,184)
Tax compliance fees		**(9,416)**	(8,250)
Other expenses		**(1,153)**	(1,873)
Total operating expenses		**(185,111)**	(271,305)
Profit for the financial year, representing total comprehensive income for the financial year		**38,659**	1,611,510

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

VANTAGE PRIVATE EQUITY GROWTH TRUST 2B

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2023

	NOTE	2023 $	2022 $
CURRENT ASSETS			
Cash and cash equivalents	3	**638,474**	677,459
Receivables	4	**4,185**	53,387
Total current assets		**642,659**	730,846
NON-CURRENT ASSETS			
Investments at fair value through profit or loss	5	**7,449,663**	9,283,854
Total non-current assets		**7,449,663**	9,283,854
Total assets		**8,092,322**	10,014,700
CURRENT LIABILITIES			
Trade and other payables	6	**(49,984)**	(64,496)
Total current liabilities		**(49,984)**	(64,496)
Total liabilities		**(49,984)**	(64,496)
Net assets		**8,042,338**	9,950,203
EQUITY ATTRIBUTABLE TO UNITHOLDERS			
Unitholders capital	7	**8,904,052**	8,904,052
Retained earnings	8	**11,243,444**	11,204,785
Distributions paid to Unitholders	9	**(12,105,158)**	(10,158,634)
Total equity attributable to Unitholders		**8,042,338**	9,950,203

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

VANTAGE PRIVATE EQUITY GROWTH TRUST 2B

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2023

	NOTE	UNITHOLDERS CAPITAL $	RETAINED EARNINGS $	DISTRIBUTIONS TO UNITHOLDERS $	TOTAL $
Balance at 1 July 2021		**8,904,052**	**9,593,275**	**(4,407,539)**	**14,089,788**
TRANSACTIONS WITH UNITHOLDERS, IN THEIR CAPACITY AS UNITHOLDERS					
Distributions paid/payable during the financial year	9	-	-	(5,751,095)	(5,751,095)
Total transactions with Unitholders		**8,904,052**	**9,593,275**	**(10,158,634)**	**8,338,693**
Profit for the year, representing total comprehensive income for the financial year		-	1,611,510	-	1,611,510
Balance at 30 June 2022		**8,904,052**	**11,204,785**	**(10,158,634)**	**9,950,203**
TRANSACTIONS WITH UNITHOLDERS, IN THEIR CAPACITY AS UNITHOLDERS					
Distributions paid/payable during the financial year	9	-	-	(1,946,524)	(1,946,524)
Total transactions with Unitholders		**-**	**-**	**(1,946,524)**	**(1,946,524)**
Profit for the year, representing total comprehensive income for the financial year		-	38,659	-	38,659
Balance at 30 June 2023		**8,904,052**	**11,243,444**	**(12,105,158)**	**8,042,338**

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

VANTAGE PRIVATE EQUITY GROWTH TRUST 2B

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2023

	2023 $	2022 $
Cash flows from operating activities		
Distribution incomes received	**2,274,266**	7,123,267
Interest received	**3,709**	-
Expenses paid	**(163,909)**	(252,440)
Net cash from operating activities	**2,114,066**	6,870,827
Cash flows from investing activities		
Payments for investments at fair value through profit or loss	**(206,527)**	(681,466)
Net cash used in investing activities	**(206,527)**	(681,466)
Cash flows from financing activities		
Distributions paid	**(1,946,524)**	(5,751,095)
Net cash used in financing activities	**(1,946,524)**	(5,751,095)
Net (decrease) / increase in cash and cash equivalents	**(38,985)**	438,266
Cash and cash equivalents at beginning of the financial year	**677,459**	239,193
Cash and cash equivalents at end of the financial year	**638,474**	677,459

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

VANTAGE PRIVATE EQUITY GROWTH TRUST 2B

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Financial reporting framework and statement of compliance

Vantage Private Equity Growth Trust 2B ("the Fund") is an Australian unit trust established and domiciled in Australia. THe Fund is not a reporting entity as in the opinion of the directors of Vantage Asset Management Pty Limited ("the Trustee") there are unlikely to exist any users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, this special purpose financial report has been prepared to satisfy the reporting requirements under the Fund's Trust Deed.

The financial statements are presented in Australian dollars and were authorised for issue on 26 October 2023.

As the Fund has prepared a special purpose financial report to satisfy the reporting requirements under the Trust Deed, it has not complied with the full recognition, measurement, or disclosure requirements of the Australian Accounting Standards Board. Therefore, this special purpose financial report does not comply to all the requirements of the International Financial Reporting Standards. This financial report contains the disclosures deemed necessary by the Trustee to meet the needs of the unitholders and is not intended for any other purpose.

Significant accounting policies

Significant accounting policies adopted in the preparation of the financial statements are set out below. Accounting policies have been consistently applied to the period presented, unless otherwise stated.

Basis of Preparation

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.

Adoption of new and revised accounting standards

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2022 that have a material impact on the amounts recognised in prior periods or will affect the current or future periods.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

VANTAGE PRIVATE EQUITY GROWTH TRUST 2B

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

a) Cash and cash equivalents

Cash comprises cash at banks and on hand. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

b) Investment income

i) *Distribution income*

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.

ii) *Interest income*

Interest income is recognised using the effective interest method.

iii) *Net changes in fair value of investments 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. Unrealised gains and losses are not assessable or distributable until realised.

c) Investments in financial instruments

Financial instruments are measured at net assets attributable to interest holders as noted in the underlying investees' audited financial statements adjusted for carried interest. with changes in the value being recognised directly to profit or loss. The Fund's portfolio of financial assets is managed and its performance is evaluated on this basis.

At initial recognition, the Fund measures financial assets at cost. Subsequent to initial recognition, all financial instruments are measured at net assets attributable to interest holders as noted in the underlying investees' audited financial statements adjusted for carried interest. Gains and losses arising from changes in the value of the financial assets 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 Fund has transferred substantially all of the risks and rewards of ownership.

d) Expenses

Expenses are brought to account on an accruals basis.

VANTAGE PRIVATE EQUITY GROWTH TRUST 2B

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

e) Distributions and taxation

Under current legislation, the Fund is not subject to income tax as its taxable income (including assessable realised capital gains) is distributed in full to the investors.

The Fund fully distributes its distributable income, calculated in accordance with the Fund's Trust Deed and applicable taxation legislation and any other amounts determined by the Trustee, to unitholders by cash or reinvestment.

Financial instruments held at fair value may include unrealised capital gains. Should such a gain be realised that portion of the gain that is subject to capital gains tax will be distributed so that the Fund is not subject to capital gains tax.

Realised capital losses are not distributed to unit-holders but are retained in the Fund to be offset against any future realised capital gain. If realised capital gains exceed realised capital losses the excess is distributed to the Unitholders.

The benefits of imputation credits and passed on to Unitholders.

f) Trade and other receivables

Trade and other receivables are measured at amortised cost less any impairment.

g) 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 Fund such as audit fees, custodial services and investment management fees have been passed onto the Fund. 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.

h) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

VANTAGE PRIVATE EQUITY GROWTH TRUST 2B

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

i) Foreign currency transactions

Both the functional and presentation of the Fund is Australian dollars.

Monetary assets and liabilities dominated in foreign currencies are retranslated at the rate of exchange ruling at the balance date.

Investments held in foreign trusts are initially recorded in the functional currency at the exchange rate ruling at the date of transaction. Any subsequent effects of exchange rate fluctuations are treated as part of the fair value adjustment.

j) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Fund's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement - Financial liabilities at amortised cost

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

The effective interest rate amortisation is included as finance costs in the statement of profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

k) Carried interest

Carried interest is the entitlement of the Trustee of the distribution from the Fund calculated and distributed in accordance with the Trust Deed.

In instances where the Fund has met all the criteria for carried interest to be distributed to the Trustee, an allocation will be recognised.

l) Critical accounting estimates and judgments

In the application of the Fund's accounting policies, the trustee 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.

VANTAGE PRIVATE EQUITY GROWTH TRUST 2B

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2023

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)

l) Critical accounting estimates and judgments (CONT.)

Key sources of estimation uncertainty

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:

i) *Valuation of financial instruments*

The valuation of investments is based upon the net assets attributable to interest holders as noted in the underlying investees' audited financial statements adjusted for carried interest. 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.

The carried interest, which may be part of the underlying investees' valuation, will be adjusted from the values adopted by the Fund as the Trustee deem it more appropriate for the Fund to include the carried interest when it crystallises.

ii) *Fair value information*

The fair values of financial assets in the underlying investees 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.

iii) *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 the basis above.

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..

VANTAGE PRIVATE EQUITY GROWTH TRUST 2B

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2023

NOTE 2. DISTRIBUTION INCOME

	2023 $	2022 $
Distribution income	**2,274,266**	7,171,268

NOTE 3. CASH AND CASH EQUIVALENTS

Cash at bank	**638,474**	677,459

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	**638,474**	677,459

NOTE 4. RECEIVABLES

Current

GST receivable	**4,185**	5,386
Distribution receivable	**-**	48,001
Total receivables	**4,185**	53,387

VANTAGE PRIVATE EQUITY GROWTH TRUST 2B

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2023

NOTE 5. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	NOTE	2023 $	2022 $
NON-CURRENT			
INTERESTS IN UNLISTED PRIVATE EQUITY FUNDS / LIMITED PARTNERSHIPS AT FAIR VALUE THROUGH PROFIT OR LOSS:	5a	**7,449,663**	9,283,854

a) Movements in fair values

Investments at fair value at beginning of the financial year	**9,283,854**	13,890,841
Calls paid/payable to underlying investee funds during the financial year	**220,014**	681,466
Net changes in fair value of investments through profit or loss	**(2,054,205)**	(5,288,453)
Investments at fair value at the end of the financial year	**7,449,663**	9,283,854

b) Net investment revaluations includes the impact of distributions received during the financial year represented by:

Distributions received during the financial year	**(2,274,266)**	(7,171,268)
The Fund's share of movement during the financial year	**220,061**	1,882,815
Net changes in fair value of investments through profit or loss	**(2,054,205)**	(5,288,453)

c) The Fund has committed capital to underlying funds amounting to $13.1m (2022: $13.1m). As at 30 June 2023, the amount of uncalled capital owing to underlying funds was $1.5m (2022: $1.7m). The Fund has committed capital to foreign investments amounting to NZ$1,457,600 in New Zealand (2022: NZ$1,457,600).

VANTAGE PRIVATE EQUITY GROWTH TRUST 2B

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2023

NOTE 6. TRADE AND OTHER PAYABLES

	2023 $	2022 $
Current		
Accounts payable	**14,025**	18,731
Accruals	**22,472**	45,765
Capital calls payables	**13,487**	-
Total trade and other payables	**49,984**	64,496

NOTE 7. UNITHOLDERS CAPITAL

	2023 PAID CAPITAL PER PARTLY PAID UNIT	2022 PAID CAPITAL PER PARTLY PAID UNIT	2023 $	2022 $
8,847,838 units issued	**$1.00**	$1.00	**8,904,052**	8,904,052

A total of 8,847,838 units were issued since the beginning of the previous financial year. No additional units were issued during the financial year as it has been fully drawn since the beginning of the previous financial year.

All interests in the Fund are of the same class and carry equal rights. Under the Fund's Trust Deed, each interest represents a right to an individual share in the Fund and does not extend to a right to the underlying assets of the Fund.

NOTE 8. RETAINED EARNINGS

	2023 $	2022 $
Retained earnings	**11,243,444**	11,204,785

a) Movement

	2023 $	2022 $
Opening balance	**11,204,785**	9,593,275
Net operating (loss)/income for the financial year	**38,659**	1,611,510
Closing balance	**11,243,444**	11,204,785

VANTAGE PRIVATE EQUITY GROWTH TRUST 2B

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2023

NOTE 9. DISTRIBUTIONS PAID TO UNITHOLDERS

	2023 $	2022 $
Distributions paid	**12,105,158**	10,158,634

a) Movement

	2023 $ PER PARTLY PAID UNIT	2022 $ PER PARTLY PAID UNIT	2023 $	2022 $
Opening balance	**$1.148**	$0.498	**10,158,634**	4,407,539
Distributions paid during the financial year	**$0.220**	$0.650	**1,946,524**	5,751,095
Closing balance	**$1.368**	$1.148	**12,105,158**	10,158,634

NOTE 10. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Contingent Liabilities

There are no contingent liabilities requiring disclosure in the financial report.

Contingent Assets

There are no contingent assets requiring disclosure in the financial report.

VANTAGE PRIVATE EQUITY GROWTH TRUST 2B

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2023

NOTE 11. NOTES TO THE STATEMENT OF CASH FLOWS

	NOTE	2023 $	2022 $
Reconciliation of profit or loss for the period to net cash flows from operating activities			
Net operating profit for the financial year		**38,659**	1,611,510
NON-CASH FLOWS IN PROFIT			
Net changes in fair value of investments through profit or loss	5a	**2,054,205**	5,288,453
CHANGES IN ASSETS AND LIABILITIES:			
Changes in receivables		**49,202**	(47,605)
Changes in trade and other payables		**(28,000)**	18,469
Cash flow from operations		**2,114,066**	6,870,827

NOTE 12. EVENTS AFTER THE BALANCE SHEET DATE

There have not been any 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 Fund in future financial years.

NOTE 13. TRUSTEE AND MANAGER DETAILS

The registered office and principal place of business of Vantage Asset Management Pty Ltd is:

Level 39, Aurora Place
88 Phillip Street
Sydney NSW 2000
Australia

DIRECTORS' DECLARATION OF THE TRUSTEE COMPANY

As detailed in Note 1 to the financial statements, the Fund is not a reporting entity because in the opinion of the directors, there are unlikely to exist users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, this special purpose financial report has been prepared to satisfy the directors' reporting requirements under the Fund's Trust Deed.

The directors of Vantage Asset Management Pty Limited also declare that:

a) in the directors' opinion, the attached financial statements and notes, as set out on pages 22 to 35, present fairly the Fund's financial position as at 30 June 2023 and of its performance for the year ended on that date and comply with accounting standards to the extent disclosed in Note 1 to the financial statements; and

b) in the director's opinion, there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors' of the Trustee, Vantage Asset Management Pty Limited.

Michael Tobin
Managing Director

David Pullini
Director

Sydney
26 October 2023

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 Trust 2B

Opinion

We have audited the financial report, being a special purpose financial report, of Vantage Private Equity Growth Trust 2B (the "Fund"), which comprises the statement of financial position as at 30 June 2023, the statement of profit or loss and 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 is prepared, in all material respects, in accordance with the accounting policies determined by the Trustee as described in Note 1 to the financial statements.

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 Fund in accordance with 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.

Emphasis of Matter - Basis of Accounting and Restriction on Distribution

We draw attention to Note 1 to the financial statements which describes the basis of accounting. The financial report is prepared to assist the Fund to meet the requirements of the Trust Deed. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the Fund and the directors of Vantage Asset Management Pty Limited as Trustee of the Fund (the "Trustee") (collectively the "Recipients") and should not be distributed to parties other than the Recipients. Our opinion is not modified in respect of this matter.

Responsibilities of the Directors for the Financial Report

The directors of the Trustee are responsible for the preparation of the financial report in accordance with the financial reporting requirements of the Trust Deed and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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In preparing the financial report, the directors are responsible for assessing the Fund'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 Fund or to cease operations, or have no realistic alternative but to do so.

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 Trustee and Managers 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.

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.

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 Fund's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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- 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 Fund'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 Fund to cease to continue as a going concern.

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
Sydney
26 October 2023

NOTES

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V

VPEG2B

ANNUAL REPORT

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2023