

# VPEG4

INVESTMENT MANAGER



## ANNUAL REPORT 2021

For the year ended 30 June 2021  
Vantage Private Equity Growth 4

**DIVERSIFY. GROW. OUTPERFORM.**

## CORPORATE DIRECTORY

### Directors of the General Partner of VPEG4, LP & Trustee of VPEG4A

**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 4, LP & Vantage Private Equity Growth Trust 4A

Will be held via video conference

Date: 1 December 2021

Time: 11:30am

### Principal Registered Office in Australia

**VPEG4, LP**  
 Level 50  
 120 Collins Street  
 Melbourne VIC 3000

**VPEG4A**  
 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

# VPEG4

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## GENERAL PARTNER & TRUSTEE'S REPORT

**Vantage Private Equity Growth 4 (the Fund or VPEG4) is a multi-manager Private Equity investment fund consisting of Vantage Private Equity Growth 4, LP (VPEG4, LP) an Australian Fund of Funds (AFOF) Limited Partnership and Vantage Private Equity Growth Trust 4A (VPEG4A) an Australian Unit Trust.**

VPEG4, LP is unconditionally registered with the Australian Government Department of Industry, Innovation and Science as a complying investment for the Significant Investor Visa (SIV), focused on investing in the lowest risk sector, of the Venture Capital or Private Equity (VCPE) segment, Growth Private Equity.

VPEG4A has been established to undertake private equity investments that are not permitted to be made by an AFOF, in accordance with Australian regulations. As such only VPEG4 Investors that are not SIV investors, are unit holders in VPEG4A. VPEG4A also qualifies as a Managed Investment Trust (MIT) for Australian Tax purposes.

Vantage Asset Management Pty Limited (Vantage) is the general partner of Vantage Private Equity Management Partnership who in turn is the General Partner of VPEG4, LP. Vantage is also the trustee of VPEG4A. The General Partner for VPEG4, LP and the Trustee for VPEG4A hereby presents their report together with the financial statements of VPEG4, LP and VPEG4A for the year ended 30 June 2021.

### 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 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, predominately in Australia.

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 profitable 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 2021, the Fund had made a total of \$60 million of investment commitments across four Primary Private Equity funds. As a result, six underlying company investments exist within VPEG4's underlying portfolio at financial year end. VPEG4's investment commitments include; \$20 million to each of Advent Partners 3, CPE Capital 9 and \$10 million to each of Riverside Australia Fund III and Adamantem Capital Fund II.

## FUND PERFORMANCE HIGHLIGHTS FOR FY21

- \$6.37 million in additional Capital Drawn by Underlying Private Equity Funds
- Four new company investments added to the portfolio
- A total of 6 underlying company investments have now been completed with an average hold period of 1.1 years
- VPEG4 increases its Investment Commitment to CPE Capital 9 to \$20 million
- VPEG4 commits \$20 million to Advent Partners 3
- Paid Capital by all investors to VPEG4, LP of \$0.13 per dollar of Committed Capital to VPEG4
- Paid Capital by all investors, except SIV investors, to VPEG4A of \$0.02 per dollar of Committed Capital to VPEG4.

## DISTRIBUTIONS

No distributions have been paid or recommended for payment to VPEG4 investors for the financial year ended 30 June 2021.

## ECONOMIC CONDITIONS ACROSS FINANCIAL YEAR 2021

The global economy gradually recovered through the September 2020 quarter, after a severe contraction due to COVID-19. Financial conditions remained accommodative around the world and supportive of the economic recovery. Financial market volatility was low and the price of many assets had risen substantially despite the high level of uncertainty about the economic outlook.

The Reserve Bank of Australia's (RBA) policy package worked as expected and underpinned very low borrowing costs and the supply of credit to households and businesses. There was a high level of liquidity in the Australian financial system and borrowing costs were at record lows during the first six months of FY21. \$81 billion of low-cost funding for authorised deposit-taking institutions (ADIs) had been advanced under the initial allowance of the Term Funding Facility. ADIs had access to a further \$120 billion under this facility.

The unprecedented degree of fiscal and monetary policy stimulus since the outbreak of the pandemic played a key role in supporting the economy. Australia's GDP increased by 3.3% in the September quarter, ending its first recession since 1991. This was the largest Quarter on Quarter GDP increase since 1976. Household consumption in the September quarter rebounded 7.9%, driven by a 9.8% increase in services spending.

## GENERAL PARTNER & TRUSTEE'S REPORT (CONT.)

### ECONOMIC CONDITIONS ACROSS FINANCIAL YEAR 2020 (CONT.)

COVID related restrictions on domestic travel and social gatherings during the December 2020 and March 2021 quarters were predominately lifted, with both New Zealand and Australian governments commencing their vaccine rollout program in February 2021, albeit at a very slow rates. There was a two-way travel agreement formed between Australia and New Zealand whereby travel was permitted without the requirement to quarantine. Beyond this, international borders were expected to remain closed for the foreseeable future. Slow vaccine rollout in Australia had not impeded economic recovery. In April the IMF forecast the economy will expand 4.5% for the 2021 calendar year, a substantial upgrade to the 3.5% annual growth forecast in January.

Australia's GDP increased by 3.1% quarter-on-quarter in the December quarter. This is the first time in sixty-years quarter-on-quarter GDP has grown by more than 3% in two consecutive quarters. Household consumption increased by 4.3% and the unemployment rate fell from 6.3% to 5.8%. In New Zealand, the December quarter was more subdued.

GDP fell 1% in the December quarter, following a record 13.9% rise in the September quarter. While the unemployment rate fell to 4.9%, the New Zealand economy showed its vulnerability to slowing exports and suspended international tourism with slower growth continuing through the March 2021 quarter.

Since the onset of COVID-19, the Australian government has injected an estimated \$290 billion into the economy through wage subsidies, mortgage relief and support for small businesses, while the New Zealand government spent \$50 billion on similar support measures. Most of these measures were withdrawn during the March 2021 quarter with no immediate negative impact being felt by the government. However, economists remained cautious about the economic outlook perceiving more downside risk than upside risk to the prevailing mood and consensus forecasts.

The Australian government handed down an important budget in May. This represented a major departure from the bipartisan 'fiscally responsible' approach which has characterised the federal budget for close to 30 years, which focused on delivering balanced budgets and minimising government debt. The Budget contained a substantial increase in spending on health care, aged and disability care, support services and national infrastructure projects.

In Australia, the Bank's policy measures had continued to underpin very low interest rates and support the availability of credit. There had been little reaction in financial markets to the recent COVID-19 outbreaks and new restrictions imposed in many parts of the country in late June.

Bank funding costs and lending rates had drifted down to historic lows. At the closure of the draw-down window for the Term Funding Facility (TFF) at the end of June, banks had accessed \$188 billion, or almost 90 per cent of the total allowances, with the major banks and mid-sized Australian banks having drawn down all of their allowances. TFF funding had accounted for around 4 per cent of all bank funding.

At the conclusion of the 2021 financial year the Australian economy grew strongly, with nominal GDP above pre-COVID levels, and the unemployment rate reaching a 10-year low in June of 4.9%. Growth was underpinned by strong consumer spending, aided by high commodity prices, particularly iron ore, and the continued loosening of government monetary policies.

Looking forward, economic activity is expected to pick up in the September 2021 quarter and beyond although somewhat muted in NSW and Victoria due to the recent outbreaks and resulting lockdowns in Sydney and Melbourne. As a result GDP was expected to grow by around 3½ per cent over 2022. The level of GDP is still expected to remain a little below that forecast before the pandemic, mostly due to lower population growth; in per capita terms, GDP is expected to be on a higher trajectory, supported by higher per capita household income and a strong contribution from public demand.

The unemployment rate is expected to continue declining, to around 5 per cent by the end of 2021 and 4½ per cent by the end of the forecast period in mid 2023. The lower forecast unemployment rate results in wages growth and underlying inflation ahead of what was previously anticipated. Inflation is expected to be close to 2 per cent by mid 2023.

## CONSISTENT MOMENTUM OF PRIVATE EQUITY DEAL FLOW IN VPEG4'S TARGET MARKET SEGMENT

Despite the ongoing economic uncertainty caused by COVID-19, the Australian and New Zealand private equity industry demonstrated its resilience with the highest number of announced transactions in almost 15 years.

Notwithstanding the COVID-19 situation, VPEG4's Private Equity managers note that the pipeline for investments remains substantially elevated compared to pre COVID times. Managers have reported a steady flow of new opportunities and also that deal execution has continued at pace despite the challenging lockdown environment.

Despite this, VPEG4's managers continue to hold themselves to their high standards for due diligence and recognise that critical parts of their investment decisions depend on qualitative analysis of the business and more importantly the strength of the management teams before they enter into any deal negotiations with vendors.

VPEG4 managers' report that there are several interesting potential investment opportunities that satisfy their investment criteria that, subject to extensive due diligence could be completed before year end.

As such it is expected that Private Equity investment activity within VPEG4's portfolio will remain elevated across the short to medium term, as managers undertake due diligence on these attractive investment opportunities, which once completed, will ultimately be added to VPEG4's portfolio, across the remainder of calendar year 2021 and into 2022.

## GENERAL PARTNER & TRUSTEE'S REPORT (CONT.)

### REVIEW OF VPEG4'S OPERATIONS

VPEG4 is focused on investing in professionally managed Private Equity 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. The Fund's investment objective for its Investment Portfolio is to achieve attractive medium term returns on its 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 across fund manager, geographic region, financing stage, industry sector and vintage year.

The General Partner has been appointed as the authorised representative of Vantage Asset Management Pty Limited and will utilise the skills and expertise of the full Vantage team to undertake the Investment Management of the Fund.

Established in 2004, Vantage Asset Management Pty Limited is a leading independent investment management company with expertise in Private Equity, funds management, manager selection and operational management.

Vantage is Australian owned and domiciled with operations in Sydney and Melbourne and holds Australian Financial Services Licence (AFSL) No. 279186.

The Fund completed its first close, on 30 September 2019, with 30 investors committing approximately \$20m of capital to the Fund, allowing VPEG4 to commence its investment program.

In general, Application Monies received from Investors are initially invested in a Cash Management Trust (CMT) managed by One Managed Investment Funds Limited (Escrow Agent). An Escrow Deed exists between the Escrow Agent and the General Partner such that as investments are proposed to be made by the Fund, funds will be drawn from the CMT to meet the Fund's obligations in relation to those investments and other Fund expenses.

Investors who indicate in their Application Form a Committed Capital amount of at least \$1,000,000 (or such other amount determined by the General Partner) (Large Investors) need only pay 5% of their Committed Capital (Initial Contribution) at the time of their application to the Fund's application account. The Application Monies of Large Investors will initially be invested in Liquid Investments until they are required to be drawn to meet the Fund's investment obligations and other expenses.

The remainder of the Committed Capital will be progressively called from the Cash Management Trust or directly from Large Investors and paid to the Fund when a capital call is issued by the Fund Manager to meet the investors' pro rata share of the obligations of the Fund, including the funding of its underlying investments as they are made.

As a result of additional capital being raised into VPEG4 across the year, as well as called across FY21, directly from Large investors or drawn from the CMT for all other investors, the total Paid Capital to VPEG4, LP increased from 5% to 13% of every investor's total Committed Capital to VPEG4. In addition, the total Paid Capital to VPEG4A increased from 0% to 2% of the total Committed Capital to VPEG4 of all investors, except SIV investors, as at 30 June 2021.

As further capital was raised from new investors into VPEG4 across the year, VPEG4, LP Partnership Interests on issue increased from 33,293,000 at 30 June 2020 to 88,058,000 at 30 June 2021. In addition, VPEG4A issued 726,160 units, at \$1 per unit, during the year to all VPEG4 investors except SIV investors. With total Paid Capital to VPEG4, LP of \$11,447,540 and to VPEG4A of \$726,160 total Paid Capital to VPEG4 as at 30 June 2021 was \$12,173,100.

As at 30 June 2021, VPEG4 had made a total of \$60 million of investment commitments across four Primary Private Equity funds. As a result, six underlying company investments exist within VPEG4's underlying portfolio at financial year end. VPEG4's investment commitments include; \$20 million to each of Advent Partners 3, CPE Capital 9 and \$10 million to each of Riverside Australia Fund III and Adamantem Capital Fund II.

## NEW UNDERLYING PRIVATE EQUITY FUND COMMITMENTS & INVESTMENTS

During the financial year ended 30 June 2021, VPEG4 committed an additional \$25 million across two underlying private equity funds. These additional commitments are summarised below;

- An additional investment commitment of **\$10 million to CPEC 9 (June 2021)**, increasing VPEG4's total investment commitment to CPEC 9 to **\$20 million**.
- A **\$20 million** investment commitment to **Advent Partners 3**, a target \$400 million, growth private equity fund, managed by Melbourne based, Advent Partners Pty Ltd, focused on investing into profitable companies in the lower to mid market segment of Australian and New Zealand .

## GENERAL PARTNER & TRUSTEE'S REPORT (CONT.)

### VPEG4'S PRIVATE EQUITY PORTFOLIO AND COMMITMENTS, AS AT 30 JUNE 2021, WERE AS FOLLOWS:

PRIVATE EQUITY FUND NAME	FUND SIZE	VINTAGE YEAR	INVESTMENT FOCUS	VPEG4 COMMITMENT	TOTAL NO. OF INVESTEE COMPANIES
<b>Riverside Australia Fund III</b>	\$350m	2019	Lower to Mid Market Expansion / Buyout	\$10.0m	4
<b>CPE Capital 9</b>	\$800m*	2020	Mid Market Buyout	\$20.0m	-
<b>Adamantem Capital Fund II</b>	\$727m	2020	Mid Market Expansion / Buyout	\$10.0m	2
<b>Advent Partners 3</b>	\$400m*	2021	Lower to Mid Market Expansion / Buyout	\$20.0m	-
<b>TOTAL</b>				<b>\$60.0m</b>	<b>6</b>

\*Target Fund size.

As at 30 June 2021, VPEG4 had called 13% of all investors Committed Capital to VPEG4, into VPEG4, LP and 2% of all investors, except SIV investors, Committed Capital to VPEG4, into VPEG4A. Capital called across the year was utilised to fund the calls from underlying Private Equity Funds;

- Riverside Australia Fund III for the investments in Alpha-H (April 2019), Independent Living Specialists (March 2020), Altius Holdco Pty Ltd (March 2021) and their recently completed investment in Smartways Logistics (June 2021) and;
- Adamantem Capital Fund II, for the investments in Climate Friendly & Linen Services Australia (both completed in March 2021).

As a result of this investment activity by VPEG4's underlying funds, the total value of funds drawn from VPEG4 into Private Equity investments during the year was \$6.38m as at 30 June 2021.

This resulted in an increase of the number of underlying company investments in VPEG4's portfolio from two to six during the year. In addition, two significant "bolt on" acquisitions were completed by one existing portfolio company to expand its operations.

As a result, VPEG4 held six underlying company investments in its underlying portfolio at 30 June 2021.

## NEW UNDERLYING PRIVATE EQUITY COMPANY INVESTMENTS COMPLETED DURING THE YEAR INCLUDED:

### By Adamantem Capital Fund II

- **Linen Services Australia (December 2020)** Australia's leading commercial laundry operator in Australia and New Zealand.
- **Climate Friendly (January 2021)** Australia's market leading consultancy group in the land-based carbon offset program to farmers around the country.

### By Riverside Australia Fund III

- **Altius Group (April 2021)** a leading provider of allied Health Services in Australia.
- **Smartways Logistics (June 2021)** a leading specialist provider of transport and logistics services for medical devices, consumables and equipment in Australia and New Zealand.

## SIGNIFICANT BOLT ON ACQUISITIONS COMPLETED DURING THE YEAR INCLUDED:

### By Riverside Australia Fund III

- **Independent Living Specialists (ILS)** expanded its presence into the Queensland market with the acquisitions of **Think Mobility** and **Complete Mobility**.

These acquisitions together add nine sites in this key market segment, with seven of these being located in regional Queensland areas.

## FINANCIAL PERFORMANCE OF VPEG4, LP & VPEG4A

As at 30 June 2021, Limited Partner contributions to VPEG4, LP totalled \$11,447,540 up from \$1,664,650 that were contributed by Limited Partners across the year ended 30 June 2020. The additional contributions were received following the issue of one call notice across the year, with Call number 2 for 8% of the total Committed Capital to VPEG4 paid in March 2021.

During the year to 30 June 2021, Unitholder capital contributions to VPEG4A totalled \$726,160. No capital had been called into VPEG4A during the year ended 30 June 2020. The additional capital was received following the issue of one call notice during the year, with VPEG4A call number one for 2% of the total Committed Capital to VPEG4 paid in March 2021.

## GENERAL PARTNER & TRUSTEE'S REPORT (CONT.)

### FINANCIAL PERFORMANCE OF VPEG4, LP & VPEG4A (CONT.)

Total income received by the Fund across FY21 was \$399,361 for VPEG4, LP and \$289 by VPEG4A. This represented the interest earned on cash and term deposits as well as the equalisation premiums referred to above which became an asset of each Fund entity. A total of \$82,405 in income distributions were received by VPEG4, LP from an underlying Private Equity fund as a result of the minority sale of a funds shareholding in one underlying company during June 2021. Distributions from VPEG4's Private Equity portfolio are likely to flow to the Fund in future years as the portfolio matures and companies are exited.

VPEG4's total funds invested in cash and term deposits as at 30 June 2021 were \$3,641,562 for VPEG4, LP, up from \$671,366 at 30 June 2020 and \$714,554 for VPEG4A. The mix of investments in cash and term deposits provides an income yield while ensuring an appropriate level of liquidity, to meet future calls by underlying Private Equity fund managers, as new private company investments are added to the portfolio.

Operational costs, excluding revaluations, incurred by the Fund for the year ended 30 June 2021 totalled \$2,134,014 for VPEG4, LP, an increase from the \$1,064,146 incurred for FY20 and \$31,066 for VPEG4A. The majority of these expenses consisted of adviser referral fees and other costs associated with the management of the Fund.

Furthermore, a revaluation decrement of \$417,395 for VPEG4, LP and \$223,680 for VPEG4A was booked for the year ended 30 June 2021 due predominantly to the costs associated with the management fees and establishment costs of underlying Private Equity funds committed to by VPEG4, being higher than the income received and capital growth from each of their underlying company investments. This is consistent with the initial phase of the Fund as it continues to establish its investments into new underlying Private Equity funds and underlying portfolio companies.

As a result of the operational costs exceeding income received by each Fund entity across the year, combined with the reduction in the value of drawn capital to underlying funds across the year, VPEG4, LP recorded a loss of \$2,152,048 and VPEG4A a loss of \$254,457 for the year ended 30 June 2021.

Net Assets attributable to Partners in VPEG4, LP increased from \$612,976 at 30 June 2020 to \$8,243,818 at 30 June 2021. In addition, Net Assets attributable to Unitholders in VPEG4A was \$471,703 at 30 June 2021. A portion of the growth in Net Assets in both entities was attributed to an increase in the number of Partnership Interests issued by VPEG4, LP and Units issued by VPEG4A as well as an increase in the total Paid Capital to both entities from 5% per dollar of Committed Capital to VPEG4, in VPEG4, LP, at 30 June 2020 to 13% per dollar of Committed Capital to VPEG4 in VPEG4, LP and 2% per dollar of Committed Capital to VPEG4 in VPEG4A as at 30 June 2021.

VPEG4's underlying Private Equity fund managers all value their underlying portfolio of companies in accordance with the International Private Equity Investment Valuation Guidelines that have been adopted by the Australian Investment Council (AIC), including the revised "look through" approach, which deducts debt like items and other working capital impacts (i.e. working capital deficits or debt build-ups resulting from the subsequent COVID impact) from the enterprise value, to estimate fair value.

All of VPEG4's underlying managers adhered to these guidelines and applied these recommendations to all underlying individual investments that VPEG4 has exposure to at period end.

As a result, as VPEG4's underlying private equity portfolio matures and the hold period of each individual investment increases beyond an initial 12-month period, VPEG4's underlying fund managers will revalue their portfolio companies at the end of each quarterly period, based on a multiple of the last twelve months of maintainable earnings of the relevant company.

As 66.7% companies within VPEG4's underlying portfolio have been held for less than one year, currently only two underlying companies have been revalued from their initial cost of investment. As such Vantage expects that, as the portfolio matures, the increase in revaluations of underlying companies will lead to an increase in unrealised gains over the coming years, which will offset the establishment and operational costs of the Fund as well as underlying fund costs and management fees, such that once the sale of those companies occur after an average 2-4 year hold period, positive investment returns will flow to VPEG4 investors.

#### **SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS**

During the year ended 30 June 2021, VPEG4 continued with the development of its investment portfolio. There were no significant changes in the state of affairs of either Fund entity during the period.

## GENERAL PARTNER & TRUSTEE'S REPORT (CONT.)

### MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Subsequent to 30 June 2021, the VPEG4 Investment Committee approved a **\$30 million** investment commitment to **Allegro Fund IV**, a mid-market turnaround and special situations manager based in Sydney, managed by Allegro Funds Pty Ltd. Once Allegro Fund IV completes its first close, expected during November 2021, this commitment will increase VPEG4's total investment commitments to \$90 million across five private equity funds. VPEG4 will make at least a further two investment commitments to newly established private equity funds by early 2022, to complete its private equity commitments.

In addition, two new underlying company investments were added to the VPEG4 investment portfolio. In July 2021, **CPEC 9** announced that the Fund had made an investment in **Pushys**, an Australian-based online cycling retailer, selling bike parts, accessories, clothing and bikes to ~130,000 customers nationally.

In August 2021, **CPEC 9** made an investment into **Rocla** and simultaneous bolt-on investment of **Civilmart**, Australia's 3rd and 4th largest manufacturers of concrete pipes and precast products. This merger creates the 2nd largest manufacturer of concrete pipes and precast products in Australia, with operations in New South Wales, Queensland and South Australia.

Further details about the above investment commitment and new underlying investments will be provided in the September 2021 quarterly report to be emailed to all investors and available on the Fund's website at [www.vpeg4.info](http://www.vpeg4.info) during November 2021.

The manager expects the number of companies added to the underlying portfolio to continue to grow as the Private Equity portfolio develops and further investment commitments are made into additional Private Equity funds.

In the opinion of the directors, no other matter or circumstance has arisen since 30 June 2021 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.

## LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The operations of the Fund will continue as planned with new commitments and investments to be completed by (and through) underlying Private Equity funds. The Fund will target to commit to a maximum of eight, Primary Private Equity Fund Investments within 24 months of the Final Closing Date. Given that VPEG4, has completed four underlying Private Equity Fund commitments with one further fund commitment approved, as at 30 October 2021, the Fund is well on track to meeting its target number of underlying private equity fund commitments.

## 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 on VPEG4's Investment, Audit and Risk Committee (Investment Committee) during the period and up to the date of this report:

**Roderick H McGeoch AO**

Chairman of Investment Committee (Independent)

**Patrick Handley**

Independent Investment Committee Member

**Michael Tobin**

Investment Committee Member and Managing Director Vantage

**David Pullini**

Investment Committee Member and Director of Vantage



**RODERICK  
H. MCGEOCH**

AO, LLB

**INVESTMENT COMMITTEE  
CHAIRMAN (INDEPENDENT)**

### **Experience and expertise**

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

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

### **Special responsibilities**

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



**PATRICK  
HANDLEY**

B.COM., MBA.

**INVESTMENT COMMITTEE  
MEMBER (INDEPENDENT)**

### **Experience and expertise**

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

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

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

### **Special responsibilities**

Chairman of the Audit Committee.



## MICHAEL TOBIN

B.E., MBA, DFS, FAICD

INVESTMENT COMMITTEE  
 MEMBER AND MANAGING  
 DIRECTOR OF VANTAGE

### Experience and expertise

Michael is 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 \$13.5 billion of Australian Private Equity funds resulting in more than \$8.5 billion of equity funding across 140 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.

### Special responsibilities

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



## DAVID PULLINI

BE, MBA, GDAFI.

INVESTMENT COMMITTEE  
 MEMBER AND 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. 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 Investment Committee.

## GENERAL PARTNERS' REPORT (CONT.)

### MEETINGS OF INVESTMENT, AUDIT AND RISK COMMITTEE

The number of meetings of the investment committee held during the period ended 30 June 2021, and the number of meetings attended by each committee member were:

DIRECTOR	MEETINGS OF INVESTMENT, AUDIT & RISK COMMITTEE	
	A	B
<b>Roderick H McGeoch AO*</b>	6	6
<b>Patrick Handley*</b>	6	6
<b>Michael Tobin</b>	6	6
<b>David Pullini</b>	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.

### INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

In accordance with the Fund's partnership deed, the General Partner will be indemnified out of the Fund in respect of all fees, expenses and liabilities incurred in relation to the Fund unless the General Partner has acted with fraud, gross negligence or in breach of Fund.

Also, in accordance with the Investment, Audit & Risk Committee Charter & Agreement entered into between Vantage and each Investment Committee member, Vantage will indemnify Investment Committee Members out of Fund Property for any liabilities incurred by Investment Committee Members in properly performing their role, except to the extent such liability results from the fraud of or breach of duty by the Investment Committee Member.

### PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court to bring proceedings on behalf of the General Partner of VPEG4, LP or the Trustee of VPEG4A or intervene in any proceedings to which the General Partner of VPEG4, LP or the Trustee of VPEG4A is a party for the purpose of taking responsibility on behalf of the General Partner of VPEG4, LP or the Trustee of VPEG4A for all or any part of those proceedings.

The General Partner of VPEG4, LP and the Trustee of VPEG4A were not parties to any such proceedings during the year.

This report has been made in accordance with a resolution of the directors of Vantage Asset Management Pty Limited.



**Michael Tobin**  
 Managing Director



**David Pullini**  
 Director

Sydney  
 29 October 2021

# VPEG4, LP

# Financial Statements

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# VPEG4, LP

VANTAGE PRIVATE EQUITY GROWTH 4, LP

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2021

	NOTE	2021 \$	2020 \$
<b>INVESTMENT INCOME</b>			
Distribution income from underlying funds		<b>82,405</b>	-
Interest income (includes equalisation interest received)		<b>316,956</b>	12,472
<b>Total investment income</b>		<b>399,361</b>	12,472
<b>EXPENSES</b>			
Net gains / (loss) on investments held at fair value	4a	<b>(417,395)</b>	-
Adviser referral fees		<b>(1,249,709)</b>	(674,182)
Insurance		-	(5,188)
Investment administration fees		<b>(12,152)</b>	(9,138)
Investment committee fees		<b>(139,182)</b>	(93,195)
Management fees		<b>(684,716)</b>	(242,695)
Registry fees		<b>(23,911)</b>	(9,722)
Tax compliance fee		<b>(3,630)</b>	-
Establishment costs		-	(23,088)
Other expenses		<b>(16,544)</b>	(6,938)
<b>Total expenses</b>		<b>(2,551,409)</b>	(1,064,146)
<b>Net loss for the year</b>		<b>(2,152,048)</b>	(1,051,674)
<b>OTHER COMPREHENSIVE INCOME</b>			
Total comprehensive income for the period		-	-
<b>Loss for the period attributable to Limited Partners</b>		<b>(2,152,048)</b>	(1,051,674)

The accompanying notes form part of these Financial Statements.

VANTAGE PRIVATE EQUITY GROWTH 4, LP

## STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2021

	NOTE	2021 \$	2020 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	3	<b>3,641,562</b>	671,366
Receivables	4	<b>1,347,044</b>	63,440
<b>Total current assets</b>		<b>4,988,606</b>	734,806
<b>Non-current assets</b>			
Investments at fair value through profit or loss	5	<b>4,756,251</b>	-
<b>Total non-current assets</b>		<b>4,756,251</b>	-
<b>Total assets</b>		<b>9,744,857</b>	734,806
<b>LIABILITIES</b>			
Creditors	6	<b>1,501,039</b>	121,830
<b>Total liabilities</b>		<b>1,501,039</b>	121,830
<b>Net assets</b>		<b>8,243,818</b>	612,976
<b>PARTNERS' FUNDS</b>			
Partners' contributions	7	<b>11,447,540</b>	1,664,650
Accumulated losses	8	<b>(3,203,722)</b>	(1,051,674)
<b>Total Partners' Funds</b>		<b>8,243,818</b>	612,976

The accompanying notes form part of these Financial Statements.

# VPEG4, LP

VANTAGE PRIVATE EQUITY GROWTH 4, LP

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2021

	NOTE	PARTNER CONTRIBUTIONS \$	RETAINED EARNINGS \$	TOTAL \$
<b>Balance at 1 July 2019</b>		-	-	-
<b>COMPREHENSIVE INCOME</b>				
Loss for the year		-	(1,051,674)	(1,051,674)
Other comprehensive income / (loss)		-	-	-
<b>Total comprehensive income / (loss) for the year attributable to Partners</b>		-	(1,051,674)	(1,051,674)
<b>Transactions with owners, in their capacity as owners</b>				
Partner contributions	7	1,664,650	-	1,664,650
<b>Total transactions with Partners</b>		1,664,650	-	1,664,650
<b>Balance at 30 June 2020</b>		<b>1,664,650</b>	<b>(1,051,674)</b>	<b>612,976</b>
<b>COMPREHENSIVE INCOME</b>				
Loss for the year	8	-	(2,152,048)	(2,152,048)
Other comprehensive income / (loss)		-	-	-
<b>Total comprehensive income / (loss) for the year attributable to Partners</b>		-	(2,152,048)	(2,152,048)
<b>Transactions with owners, in their capacity as owners</b>				
Partner contributions	7	9,782,890	-	9,782,890
<b>Total transactions with Partners</b>		9,782,890	-	9,782,890
<b>Balance at 30 June 2021</b>		<b>11,447,540</b>	<b>(3,203,722)</b>	<b>8,243,818</b>

**VANTAGE PRIVATE EQUITY GROWTH 4, LP**  
**STATEMENT OF CASH FLOWS**  
 FOR THE YEAR ENDED 30 JUNE 2021

	NOTE	2021 \$	2020 \$
<b>Cash flows from operating activities</b>			
Income distributions received		-	-
Interest received (including equalisation interest)		<b>316,956</b>	11,887
Expenses paid		<b>(1,921,321)</b>	(1,005,171)
<b>Net cash used in operating activities</b>	10	<b>(1,604,365)</b>	(993,284)
<b>Cash flows from investing activities</b>			
Payments to acquire financial assets		<b>(4,005,354)</b>	-
Payments to VPEG4A		<b>(1,202,975)</b>	-
<b>Net cash used in investing activities</b>		<b>(5,208,329)</b>	-
<b>Cash flows from financing activities</b>			
Partner capital contributions received	5a	<b>9,782,890</b>	1,664,650
<b>Net cash from financing activities</b>		<b>9,782,890</b>	1,664,650
Net increase in cash and cash equivalents		<b>2,970,196</b>	671,366
Cash and cash equivalents at beginning of the period		<b>671,366</b>	-
<b>Cash and cash equivalents at end of the period</b>	3	<b>3,641,562</b>	671,366

The accompanying notes form part of these Financial Statements.

# VPEG4, LP

VANTAGE PRIVATE EQUITY GROWTH 4, LP

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

### NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

#### Financial reporting framework

Vantage Private Equity Growth 4, LP ("the Partnership", "VPEG4, LP") is a registered partnership, is not a reporting entity as in the opinion of the directors of Vantage Private Equity Growth Management, LP (the General Partner) as 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 Partnership Deed of VPEG4, LP.

#### Statement of compliance

This special purpose financial report has been prepared in accordance with the Partnership Deed, the recognition and measurement requirements specified by all Australian Accounting Standards and Interpretations and the disclosure requirements of Accounting Standards AASB 101 "Presentation of Financial Statements", AASB 108 "Accounting Policies, Changes in Accounting Estimates and Errors", AASB 107 "Statement of Cash Flows" and AASB 1054 "Australian Additional Disclosures". The disclosure requirements of other accounting standards have not been adopted in full. AASB 127 "Consolidated and Separate Financial Statements" has not been adopted in preparation of this special purpose financial report.

Australian Accounting Standards (AASBs) are equivalent to International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

In preparing this special purpose financial report, all recognition and measurement standards have been applied which are in accordance with IFRS. Therefore the equity and income reported in the financial statements are considered to be in accordance with IFRS.

#### 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.

#### New and revised standards that are effective for these financial statements

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2020 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.

**Accounting standards and interpretations issued but not yet effective and not early adopted**

The trust 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 2021. There are no effects resulting from any changes to accounting standards applicable to the Trust for the current year.

The Fund has not yet assessed the impact of these new or amended accounting standards. The new or amended Accounting Standards and Interpretations, most relevant to the Fund, are set out below.

AASB 2020-2 Amendments to Australian Accounting Standards – Removal of Special Purpose Financial Statements for Certain For-Profit Private Sector Entities and AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities.

These standards are applicable to annual reporting periods on or after 1 July 2021. AASB 2020-2 will prohibit certain for-profit entities from preparing special purpose financial statements and AASB 1060 provides a new Tier 2 Reporting framework with Simplified disclosures that are based on the requirements of IFRS for SME's. None of these are expected to have a material effect on the financial statements of the Fund.

**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 revenue**

Interest income is recognised as it accrues, taking into account the effective yield on the financial asset. Equalisation premiums received from applications from investors subsequent to the First Close of the Fund are recognised as received.

Distributions are recognised as revenue when the right to receive payment is established. Distribution income includes capital gains arising from the disposal of investments. Unrealised gains and losses are transferred to reserves and are not assessable or distributable until realised. Capital losses are distributed to Limited Partners annually.

Fund 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. Unrealised gains and losses are not assessable or distributable until realised.

# VPEG4, LP

VANTAGE PRIVATE EQUITY GROWTH 4, LP

## NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2021

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

#### c) Investments

##### Financial assets at fair value through profit or loss

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

The Fund recognises financial assets on the date it becomes party to the contractual agreement (or when capital is called for investments) and recognises changes in the fair value of the financial assets from this date.

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.

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

#### d) Expenses

Expenses are brought to account on an accruals basis.

#### e) Distributions and taxation

Under current legislation, the Partnership is not subject to income tax as its taxable income (including assessable realised capital gains) is distributed in full to the investors. The Limited Partners of VPEG4, LP are taxed individually on their share of the net partnership income or loss. There is therefore no accounting for income tax in the accounts of VPEG4, LP.

The Partnership Deed provide that retentions from the proceeds of investment realisations are permitted in certain circumstances, including fulfilling obligations in respect of investments and paying for management and administration expenses of the Partnership. Distributions are payable as soon as practicable after they become available. Any distributable (taxable) income not already paid through the financial year is payable at the end of June each year. Distributions are recognised as a reduction of partners' funds.

The benefits of imputation credits and passed on to Limited Partners.

#### **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 GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense.

Payables in the balance sheet are shown inclusive of GST.

Cash outflows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

#### **h) Payables**

Trade and other payables are measured at amortised cost.

#### **i) Critical Accounting Estimates and Judgments**

In the application of the Partnership's accounting policies, the manager 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.

#### **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:

# VPEG4, LP

VANTAGE PRIVATE EQUITY GROWTH 4, LP

## NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2021

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

#### i) Critical Accounting Estimates and Judgments (CONT.)

##### i) *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:

##### ii) *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.

##### iii) *Fair estimation of values*

Where new investments are made within the reporting period 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.

##### iv) *Coronavirus (COVID-19) pandemic*

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

#### j) Comparative figures

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

## NOTE 2. REVENUE AND OTHER INCOME

	2021 \$	2020 \$
DISTRIBUTION INCOME		
Interest income - equalisation interest	<b>1,439</b>	-
Net profit / (loss on sale of investment)	<b>80,966</b>	-
<b>Total distribution income</b>	<b>82,405</b>	-

a) Equalisation interest was received following final close of Adamantem Capital Fund II.

## NOTE 3. CASH AND CASH EQUIVALENTS

	2021 \$	2020 \$
Cash at bank	<b>3,641,562</b>	51,366
Term deposits	-	620,000
	<b>3,641,562</b>	671,366

### 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:

<b>Cash and cash equivalents</b>	<b>3,641,562</b>	671,366
	<b>3,641,562</b>	671,366

## NOTE 4. RECEIVABLES

	2021 \$	2020 \$
<b>Current receivables</b>		
GST receivable	<b>125,485</b>	62,855
Interest receivable	-	585
Related party receivables - VPEG4A	<b>1,221,513</b>	-
Other receivables	<b>46</b>	-
<b>Total receivables</b>	<b>1,347,044</b>	63,440

# VPEG4, LP

VANTAGE PRIVATE EQUITY GROWTH 4, LP

## NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2021

### NOTE 5. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2021 \$	2020 \$
<b>NON-CURRENT</b>		
INTERESTS IN UNLISTED PRIVATE EQUITY FUNDS / LIMITED PARTNERSHIPS AT FAIR VALUE THROUGH PROFIT OR LOSS:		
Investments at fair value through profit or loss	<b>4,756,251</b>	-
<b>a) Movements in fair values</b>		
MOVEMENTS IN FAIR VALUES OF INVESTMENTS THROUGH PROFIT OR LOSS BETWEEN THE BEGINNING AND THE END OF THE YEAR.		
Balance at beginning of year	-	-
Calls	<b>5,173,646</b>	-
Revaluation	<b>(417,395)</b>	-
<b>Balance at end of the financial year</b>	<b>4,756,251</b>	-

The decrease in the valuation is due to the accrual and payment of VPEG4, LP's share of additional underlying investee funds, establishment costs and management fees, during the year ended 30 June 2021 in addition to operating costs across all funds.

### b) Commitments and unpaid capital

VPEG4's total commitments to underlying funds operating as at 30 June 2021 totalled \$60m (2020: \$15m). Uncalled capital on Committed Capital to underlying funds as at 30 June 2021 totalled \$54.8m. During the next financial year, additional commitments to underlying funds will be made following Investment Committee approval.

### NOTE 6. CREDITORS

	2021 \$	2020 \$
<b>Current</b>		
Accounts payable	<b>117,794</b>	54,630
Other creditors and accruals	<b>297,358</b>	-
Calls payable to underlying fund	<b>1,085,887</b>	67,200
	<b>1,501,039</b>	121,830

## NOTE 7. PARTNERSHIP CONTRIBUTIONS

	NOTE	2021 \$	2020 \$
Partner contributions		<b>11,447,540</b>	1,664,650
<b>a) Movement in paid capital</b>			
Opening balance		<b>1,664,650</b>	-
Partnership contributions - current year paid capital		<b>9,782,890</b>	1,664,650
<b>Closing balance</b>		<b>11,447,540</b>	1,664,650
<b>b) Paid capital per \$1 of total committed capital to VPEG4</b>			
		<b>\$0.13</b>	\$0.05
Opening balance		<b>\$0.05</b>	-
Total calls issued during the year per \$1 of committed capital		<b>\$0.08</b>	\$0.05
<b>Closing balance</b>		<b>\$0.13</b>	\$0.05
<b>c) Committed capital</b>			
Opening capital committed to VPEG4		<b>33,293,000</b>	-
Additional capital committed to VPEG4 during the year		<b>54,765,000</b>	33,293,000
<b>Closing capital committed at the end of the year</b>		<b>88,058,000</b>	33,293,000
Opening capital committed to VPEG4, LP		<b>33,293,000</b>	-
Capital committed to VPEG4, LP during the period		<b>54,765,000</b>	33,293,000
<b>VPEG4, LP total committed capital as at the end of the period</b>		<b>88,058,000</b>	33,293,000
Reallocation of committed capital to VPEG4A	6e	<b>(726,160)</b>	-
<b>VPEG4, LP total committed capital as at the end of the year</b>		<b>87,331,840</b>	33,293,000

# VPEG4, LP

VANTAGE PRIVATE EQUITY GROWTH 4, LP

## NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2021

### d) Paid capital

The Fund completed its first close, on 30 September 2019 and final close on 30 September 2021 (refer note 9).

As at the beginning of the year, 33,293,000 partnership interests were paid up to \$0.05 per \$1 of Committed Capital. During the year ended 30 June 2021, 54,865,000 partnership interests were issued at \$0.05 per partnership interest.

During the year, one additional call notice was issued totalling \$0.08 of total VPEG4 Committed Capital bringing the total paid up capital as at 30 June 2021 to \$0.13 (2020: \$0.05) per partnership interest.

### e) Reallocation of committed capital

In accordance with clause 4.2(4)(a) of VPEG4, LP's Partnership Deed, this represents the Trust Subscription Amount that has been applied to VPEG4A. VPEG4A was formed to enable the acquisition of investments that are not permitted to be made by an Australian Fund of Funds Limited Partnership.

This has not impacted the total committed capital to VPEG4 and only investors who are not Significant Investor Visa applicant investors, have had their Committed Capital to the Partnership reduced by the Trust Subscription amount. During the year, \$726,160 (2020: \$nil) of VPEG4 committed capital was reallocated to VPEG4A.

### f) Rights of partnership interests

All interests in VPEG4, LP are of the same class and carry equal rights. Under VPEG4, LP Partnership Deed, each interest represents a right to an individual share in VPEG4, LP and does not extend to a right to the underlying assets of VPEG4, LP.

In addition, following the completion of the Minimum Holding Period (subsequent to the fourth anniversary of a Limited Partner's initial investment, investors may redeem their investment in the Partnership (subject to the terms and conditions of the Limited Partnership Deed including formal written request and approval by the General Partner).

## NOTE 8. ACCUMULATED LOSSES

	2021 \$	2020 \$
Accumulated losses	<b>(3,203,722)</b>	(1,051,674)

### a) Movement in accumulated income

Opening balance	<b>(1,051,674)</b>	-
Net operating loss for the year	<b>(2,152,048)</b>	(1,051,674)
<b>Closing balance</b>	<b>(3,203,722)</b>	(1,051,674)

## NOTE 9. 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.

## NOTE 10. NOTES TO THE STATEMENT OF CASH FLOWS

	2021 \$	2020 \$
<b>a) Reconciliation of profit or loss for the period to net cash flows from operating activities</b>		
Net operating profit / (loss) for the period	<b>(2,152,048)</b>	(1,051,674)
NON-CASH FLOWS IN PROFIT		
Distributions and interest income offset against calls payable to underlying funds	<b>(82,405)</b>	-
Movement in net market values	<b>417,395</b>	-
CHANGES IN ASSETS AND LIABILITIES:		
(Increase) in GST receivable	<b>(62,630)</b>	(62,855)
(Increase) in other receivables	<b>(17,999)</b>	(585)
Increase in creditors	<b>293,322</b>	121,830
<b>Cash flow from operations</b>	<b>(1,604,365)</b>	(993,284)

# VPEG4, LP

VANTAGE PRIVATE EQUITY GROWTH 4, LP

## NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2021

### NOTE 11. EVENTS AFTER THE BALANCE SHEET DATE

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

- a) Valuations at year-end have been prepared based upon underlying audited financial statements of investee funds assimilating all the known factors at that time;
- b) Any forecasts and budgets used by investee funds in the valuation approach are subject to variations beyond the underlying fund managers control. However continued market uncertainties exist subsequent to year end and Vantage Private Equity Growth 4LP's Manager, Vantage Asset Management Pty Limited, is in constant contact with the management of its underlying investee funds to assess the impact (if any); and
- c) Valuations are monitored and adjusted, where required, on a month to month basis, as investee funds provide updated net asset valuations which are based upon their own forecasts and budgets as they become available.

In addition to the above, VPEG4's final close occurred on 30 September 2021. There have not been any other matters or circumstances that have arisen since the end of the financial year that has significantly affected, or may significantly affect, the results of those operations of the Partnership in future financial years.

### NOTE 12. REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

The registered office and principal place of business of the Partnership is:

Level 50  
120 Collins Street  
Melbourne VIC 3000

## PARTNERS' DECLARATION OF THE GENERAL PARTNER

As detailed in note 1 to the financial statements, the Partnership is not a reporting entity because in the opinion of the partners, 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 partners' reporting requirements under the Partnership Deed.

The partners declare that:

- a) in the partners' opinion, the attached financial statements and notes, as set out on pages 20 to 34, present fairly the Partnership's financial position as at 30 June 2021 and of its performance for the year ended 30 June 2021 and comply with accounting standards to the extent disclosed in Note 1 to the financial statements; and
- b) in the partner's opinion, there are reasonable grounds to believe that the Partnership 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 Partnership and is signed for and on behalf of the partners by:



**Michael Tobin**  
Managing Director

Melbourne  
29 October 2021



**David Pullini**  
Director

## INDEPENDENT AUDITOR'S REPORT



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

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

### **Independent Auditor's Report to the Partners of Vantage Private Equity Growth 4, LP**

#### **Opinion**

We have audited the financial report, being a special purpose financial report, of Vantage Private Equity Growth 4, LP (the Partnership), which comprises the statement of financial position as at 30 June 2021, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period 19 October 2020 to 30 June 2021, notes to the financial statements, including a summary of significant accounting policies, and the partners declaration.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Partnership as at 30 June 2021, and its financial performance and its cash flows for the year then ended in accordance with the financial reporting requirements of the Partnership Deed.

#### **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 Partnership in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We 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 Partnership to meet the requirements of Partnership Deed of Vantage Private Equity Growth Limited 4, LP. As a result the financial report may not be suitable for another purpose. Our report is intended solely for the Partnership and to the directors of Vantage Asset Management Pty Limited as the ultimate General Partner (the "General Partner") of the Partnership (collectively the Recipients) and should not be distributed to parties other than the Recipients. Our opinion is not modified in respect of this matter.

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

The directors of the General Partner of the Partnership are responsible for the other information. The other information is the partners' 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.

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## INDEPENDENT AUDITOR'S REPORT



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### 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 Partners for the Financial Report

The Partners of the General Partner are responsible for the preparation of the financial report in accordance with the financial reporting requirements of Australian Accounting Standards Board and for such internal control as the partners determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the partners 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 partners either intend to liquidate the Partnership 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 partners.

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## INDEPENDENT AUDITOR'S REPORT



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

- ▶ Conclude on the appropriateness of the partners' 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 Partnership 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 partners 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.

A handwritten signature in black ink, appearing to read 'Ernst &amp; Young', is written over a light blue horizontal line.

Ernst & Young  
Sydney  
29 October 2021

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# VPEG4A

# Financial Statements

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# VPEG4A

VANTAGE PRIVATE EQUITY GROWTH TRUST 4A

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE PERIOD 19 OCTOBER 2020 to 30 JUNE 2021

NOTE  
2021  
\$

### INVESTMENT INCOME

Interest income (includes equalisation interest received)		289
Net changes in fair value of investments held at fair value through profit or loss	4a	(223,680)
<b>Total investment income</b>		<b>(223,391)</b>

### OPERATING EXPENSES

Establishment costs		(5,042)
Adviser referral fees		(16,853)
Investment administration fees		(3,075)
Investment committee fees		-
Management fees		(2,085)
Registry fees		(3,991)
Other expenses		(20)
<b>Total operating expenses</b>		<b>(31,066)</b>
<b>Profit / (loss) for the year</b>		<b>(254,457)</b>

### OTHER COMPREHENSIVE INCOME

Total other comprehensive income for the year		-
<b>Total comprehensive income / (loss) for the year</b>		<b>(254,457)</b>

The accompanying notes form part of these Financial Statements.

VANTAGE PRIVATE EQUITY GROWTH TRUST 4A

**STATEMENT OF FINANCIAL POSITION**

AS AT 30 JUNE 2021

	NOTE	2021 \$
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	2	<b>714,554</b>
Receivables	3	<b>1,496</b>
<b>Total current assets</b>		<b>716,050</b>
<b>Non-current assets</b>		
Investments at fair value through profit or loss	4	<b>982,476</b>
<b>Total non-current assets</b>		<b>982,476</b>
<b>Total assets</b>		<b>1,698,526</b>
<b>LIABILITIES</b>		
Other payables	5	<b>1,226,823</b>
<b>Total liabilities</b>		<b>1,226,823</b>
<b>Net assets</b>		<b>471,703</b>
<b>EQUITY ATTRIBUTABLE TO UNITHOLDERS</b>		
Unitholders capital	6	<b>726,160</b>
Accumulated losses	7	<b>(254,457)</b>
<b>Total equity attributable to Unitholders</b>		<b>471,703</b>

The accompanying notes form part of these Financial Statements.

# VPEG4A

VANTAGE PRIVATE EQUITY GROWTH TRUST 4A

## STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD 19 OCTOBER 2020 to 30 JUNE 2021

	NOTE	UNITHOLDER CAPITAL \$	RETAINED EARNINGS \$	TOTAL \$
<b>Balance at 19 October 2020</b>		-	-	-
<b>Transactions with Unitholders, in their capacity as owners</b>				
Calls during the year	6	726,160	-	726,160
<b>Total transactions with Unitholders</b>		726,160	-	726,160
<b>COMPREHENSIVE INCOME</b>				
Loss for the year		-	(254,457)	(254,457)
Other comprehensive income / (loss)		-	-	-
<b>Total comprehensive income / (loss) for the year attributable to Unitholders</b>		-	(254,457)	(254,457)
<b>Balance at 30 June 2021</b>		<b>726,160</b>	<b>(254,457)</b>	<b>471,703</b>

The accompanying notes form part of these Financial Statements.

VANTAGE PRIVATE EQUITY GROWTH TRUST 4A  
**STATEMENT OF CASH FLOWS**  
 FOR THE PERIOD 19 OCTOBER 2020 to 30 JUNE 2021

NOTE 2021  
 \$

**CASH FLOWS**

**Cash flows from operating activities**

Interest received		<b>289</b>
Expenses paid to suppliers		<b>(8,696)</b>
<b>Net cash used in operating activities</b>	9	<b><u>(8,407)</u></b>

**Cash flows from investing activities**

Payments to acquire financial assets	4	<b>(1,206,156)</b>
Receipts from related parties		<b><u>1,202,975</u></b>
<b>Net cash used in investing activities</b>		<b><u>(3,181)</u></b>

**Cash flows from Unitholders' activities**

Proceeds from issue of units	6	<b><u>726,142</u></b>
<b>Net cash from Unitholders' activities</b>		<b><u>726,142</u></b>

**Net increase in cash and cash equivalents**

Cash and cash equivalents at beginning of the year		<b>-</b>
<b>Cash and cash equivalents at end of the year</b>	2	<b><u><u>714,554</u></u></b>

The accompanying notes form part of these Financial Statements.

### NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

#### Financial reporting framework

Vantage Private Equity Growth Trust 4A ("the Fund", "VPEG4A") is not a reporting entity as in the opinion of the directors of Vantage Asset Management Pty Limited ("the Trustee") as 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 29 October 2021.

#### Statement of Compliance

This special purpose financial report has been prepared in accordance with the Fund's trust deed, the recognition and measurement requirements specified by all Australian Accounting Standards and Interpretations and the disclosure requirements of Accounting Standards AASB 101 "Presentation of Financial Statements", AASB 108 "Accounting Policies, Changes in Accounting Estimates and Errors", AASB 107 "Statement of Cash Flows" and AASB 1054 "Australian Additional Disclosures". The disclosure requirements of other accounting standards have not been adopted in full. AASB 127 "Consolidated and Separate Financial Statements" has not been adopted in preparation of this special purpose financial report.

#### 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.

#### 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) Interest income

Interest income is recognised as it accrues, taking into account the effective yield on the financial asset.

##### ii) 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 Comprehensive Income in the year they are incurred. Unrealised gains and losses are not assessable or distributable until realised.

*iii) Distribution received*

Fund 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.

**c) Investments at fair value through profit or loss**

Investments are classified as financial assets at fair value through profit or loss.

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

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

**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 Vantage Private Equity Growth Trust 4A'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 unit-holders.

The benefits of imputation credits and passed on to Unitholders.

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

#### f) Trade and other receivables

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

#### g) Goods and Services Tax (GST)

Management fees and other expenses are recognised net of the amount of Goods and Services Tax (GST) recoverable from the Australian Taxation Office (ATO) as a Reduced Input Tax Credit (RITC).

Payables in the balance sheet are shown inclusive of GST.

Cash outflows are presented in the cash flow statement on a gross basis.

#### h) Accounting period

Vantage Private Equity Growth 4A's Trust Deed is dated 19 October 2020. This report is for the initial period of operations commencing 19 October 2020 however trading did not commence until 26 March 2021. The period of this report therefore reflects the transactions from 26 March to 30 June 2021, hence there are no comparatives.

#### i) 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.

#### 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) *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:

ii) *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.

iii) *Fair estimation of values*

Where new investments are made within the reporting period 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.

iv) *Coronavirus (COVID-19) pandemic*

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

# VPEG4A

VANTAGE PRIVATE EQUITY GROWTH TRUST 4A

## NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE PERIOD 19 OCTOBER 2020 to 30 JUNE 2021

### NOTE 2. CASH AND CASH EQUIVALENTS

2021  
\$

Cash at bank

**714,554**

#### 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**

**714,554**

### NOTE 3. RECEIVABLES

2021  
\$

#### Current receivables

GST receivable

**1,478**

Called capital receivable

**18**

**Total receivables**

**1,496**

## NOTE 4. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

NOTE 2021  
 \$

### NON-CURRENT

INTERESTS IN UNLISTED PRIVATE EQUITY FUNDS / LIMITED PARTNERSHIPS AT FAIR VALUE THROUGH PROFIT OR LOSS:

Investments at fair value through profit or loss	4a <u>982,476</u>
--	-------------------

#### a) Movements in fair values

MOVEMENTS IN FAIR VALUES OF INVESTMENTS THROUGH PROFIT OR LOSS BETWEEN THE BEGINNING AND THE END OF THE YEAR.

Balance at beginning of year	-
Calls	<b>1,206,156</b>
Current year net revaluation	<b>(223,680)</b>
<b>Balance at end of the financial year</b>	<u><b>982,476</b></u>

**b) Vantage Private Equity Growth 4 (the Fund) has outstanding capital commitments to underlying funds as at 30 June 2021. These amounts are disclosed in the investments at fair value through profit or loss in Vantage Private Equity Growth 4, LP's financial statements.**

## NOTE 5. OTHER PAYABLES

2021  
 \$

### Current

Accounts payable	<b>23,848</b>
Related Party Payable - Vantage Private Equity Growth 4,LP	<b>1,202,975</b>
	<u><b>1,226,823</b></u>

# VPEG4A

VANTAGE PRIVATE EQUITY GROWTH TRUST 4A

## NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE PERIOD 19 OCTOBER 2020 to 30 JUNE 2021

### NOTE 6. UNITHOLDERS CAPITAL

	PAID CAPITAL PER \$ OF COMMITTED CAPITAL TO VPEG4 2021	NUMBER OF UNITS	2021 \$
726,160 units issued	\$0.02	<b>726,160</b>	726,160

	2021 \$ PER UNIT	NUMBER OF UNITS	2021 \$
a) Movement in Called Capital			
Opening balance	-	-	-
Paid up capital / units issued to investors	\$1.00	<b>726,160</b>	726,160
<b>Closing balance</b>		<b>726,160</b>	726,160

During the year, 726,160 units were issued to investors at \$1 per unit. All interests in VPEG4A are of the same class and carry equal rights. Under VPEG4A's Trust Deed, each interest represents a right to an individual share in VPEG4A and does not extend to a right to the underlying assets of VPEG4A. During the year, additional capital was called equal to \$0.02 per \$1 of committed capital.

VPEG4 (the Fund), consists of two investment entities, Vantage Private Equity Growth 4, LP (VPEG4, LP) and Vantage Private Equity Growth Trust 4A (VPEG4A). In accordance with VPEG4A's Trust Deed, the units issued represents the Trust Subscription Amount that is a reallocation of Vantage Private Equity Growth 4 committed capital to enable the acquisition of investments that are not permitted to be made by an Australian Fund of Funds Limited Partnership. This has not impacted the total committed capital to VPEG4.

### NOTE 7. ACCUMULATED LOSSES

	2021 \$
Accumulated losses	<b>(254,457)</b>

#### a) Movement in accumulated losses

Opening balance	-
Net operating profit / (loss) for the year	<b>(254,457)</b>
<b>Closing balance</b>	<b>(254,457)</b>

## NOTE 8. 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.

## NOTE 9. NOTES TO THE STATEMENT OF CASH FLOWS

2021  
 \$

### a) Reconciliation of profit or loss for the period to net cash flows from operating activities:

Net operating profit / (loss) for the year	<b>(254,457)</b>
CASH FLOWS EXCLUDED FROM PROFIT ATTRIBUTABLE TO OPERATING ACTIVITIES:	
Finance costs - distributions to Unitholders	-
NON-CASH FLOWS IN PROFIT OR LOSS:	
Investment revaluations	<b>223,680</b>
CHANGES IN ASSETS AND LIABILITIES:	
(Increase) in receivables	<b>(1,478)</b>
Increase in other payables	<b>23,848</b>
<b>Cash flow from operations</b>	<b><u><u>(8,407)</u></u></b>

# VPEG4A

VANTAGE PRIVATE EQUITY GROWTH TRUST 4A

## NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE PERIOD 19 OCTOBER 2020 to 30 JUNE 2021

### NOTE 10 EVENTS AFTER THE BALANCE SHEET DATE

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

- a) Valuations at year-end have been prepared based upon underlying audited financial statements of investee funds assimilating all the known factors at that time;
- b) Any forecasts and budgets used by investee funds in the valuation approach are subject to variations beyond the underlying fund managers control. However continued market uncertainties exist subsequent to year end and Vantage Private Equity Growth 4A's Manager, Vantage Asset Management Pty Limited, is in constant contact with the management of its underlying investee funds to assess the impact (if any); and
- c) Valuations are monitored and adjusted, where required, on a month to month basis, as investee funds provide updated net asset valuations which are based upon their own forecasts and budgets as they become available.

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

In addition to the above, VPEG4's final close occurred on 30 September 2021.

### NOTE 11. TRUSTEE AND MANAGER DETAILS

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

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

## DIRECTOR'S 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 in accordance with the Fund's Trust deed.

The director 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 40 to 52, present fairly the Fund's financial position as at 30 June 2021 and of its performance for the period 20 October 2020 to 30 June 2021 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

Sydney  
29 October 2021



**David Pullini**  
Director

## INDEPENDENT AUDITOR'S REPORT



**Building a better  
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### Independent Auditor's Report to the Members of Vantage Private Equity Growth Trust 4A

#### Opinion

We have audited the financial report, being a special purpose financial report, of Vantage Private Equity Growth Trust 4A (the "Fund"), which comprises the statement of financial position as at 30 June 2021, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period 19 October 2020 to 30 June 2021, notes to the financial statements, including a summary of significant accounting policies, and the directors declaration.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Fund as at 30 June 2021, and its financial performance and its cash flows for the period ended in accordance with the financial reporting requirements of the Trust Deed.

#### 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* (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

We draw attention to Note 1 of the financial report 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 members of 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 and fair presentation of the financial report and have determined that the basis of preparation described in Note 1 to the financial statements is appropriate to meet the requirements of the Trust Deed and is appropriate to meet the needs of the unitholders. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

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.

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## INDEPENDENT AUDITOR'S REPORT



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### Independent Auditor's Report to the Members of Vantage Private Equity Growth Trust 4A

#### Opinion

We have audited the financial report, being a special purpose financial report, of Vantage Private Equity Growth Trust 4A (the "Fund"), which comprises the statement of financial position as at 30 June 2021, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period 19 October 2020 to 30 June 2021, notes to the financial statements, including a summary of significant accounting policies, and the directors declaration.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Fund as at 30 June 2021, and its financial performance and its cash flows for the period ended in accordance with the financial reporting requirements of the Trust Deed.

#### 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* (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

We draw attention to Note 1 of the financial report 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 members of 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 and fair presentation of the financial report and have determined that the basis of preparation described in Note 1 to the financial statements is appropriate to meet the requirements of the Trust Deed and is appropriate to meet the needs of the unitholders. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

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.

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