2019

INVESTMENT MANAGER
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Asset Management

VPEG2A

DIVERSIFY. GROW. OUTPERFORM.

ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2019
VANTAGE PRIVATE EQUITY GROWTH TRUST 2A

CORPORATE DIRECTORY

DIRECTORS OF THE TRUSTEE

Michael Tobin B.E., MBA, DFS (Financial Markets)
Managing Director

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

NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of Vantage Private Equity Growth 2

Will be held at:	Corrs Chambers Westgarth Level 17, 8 Chifley 8/12 Chifley Square Sydney NSW 2000
Time:	10.30am
Date:	28 November 2019

PRINCIPAL REGISTERED OFFICE IN AUSTRALIA

Level 25, 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

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TRUSTEE AND MANAGERS' REPORT

Vantage Asset Management Pty limited, the trustee of Vantage Private Equity Growth Trust 2A ("the fund" or "VPEG2A") presents this report together with the financial statements of VPEG2A for the year ended 30 June 2019.

DIRECTORS

The following persons were directors of the Trustee during the whole of the financial year and up to the date of this report, unless otherwise stated:

Michael Tobin
Managing Director

David Pullini
Director

PRINCIPAL ACTIVITY

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

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

As at 30 June 2019 the Fund held investment commitments in eight Private Equity funds managed by Australian and New Zealand headquartered Private Equity fund managers. VPEG2A has commitments of $38.0m[1] which includes $7.6m to Adamantem Capital Fund 1, $6m to each of CHAMP IV, Next Capital Fund III and Odyssey Private Equity Fund 8; $4m to Allegro Fund II, $3.8m to Mercury Capital Fund 2, NZ$3.035m to Waterman Fund 3, NZ$1.507m to Pencarrow Bridge Fund, and a co-investment into Fitzpatrick Financial Group of $0.4m.

Note 1. Assumes an average AUD / NZ exchange rate across FY19 of 1.1 for VPEG2's investment commitments to Waterman Fund 3 & the Pencarrow Bridge Fund (2018: 1.1).

FUND PERFORMANCE HIGHLIGHTS FOR FY19

- $8.92m in Additional Capital Drawn by underlying Private Equity funds
- 11 new underlying company investments added to the portfolio
- 4 underlying company investments sold delivering > 2.5 X cost of original investment
- A total of 48 underlying company investments completed with 6 exits now realised
- Total distributions received from underlying funds during the year of $2.89m up 109.3% from FY18
- Net Profit for the year up 12.4% to $3.35m
- Total Unit Holder Return during FY19 of 15.1%.

DISTRIBUTIONS TO UNIT HOLDERS

No distributions have been paid or recommended for payment to VPEG2A unitholders for the period ended 30 June 2019.

ECONOMIC CONDITIONS ACROSS FY19

The Australian economy started of the 2019 financial year on a strong platform following the growth rates posted at the end of the financial year growth rates of 3.4% as at 30 June 2018. This strong economic growth was generally fuelled by consumer spending and financed by a lower rate of household savings. This was better than the 3.1% reported to the year ended 31 March 2018, and at the same time also higher than the 3.0% the RBA had initially forecast. Encouragingly, it was the fastest annual rate of growth since the height of the mining boom in 2012 continuing its world record run of 27 years of consecutive growth.

The Australian economy continued to be a standout among developed countries during the second quarter of the 2019 financial year, with annualised growth continuing to run in excess of 3%. This position was driven by a combination of favourable global conditions as well as strong domestic demand.

Overall household spending was being driven by population growth as well as buoyant consumer confidence. Part of this is understandable in the light of the recent property boom in residential housing, which generated a feeling of optimism among consumers. Running counter to this, however, was the fact that wage growth had been slow. Government spending was also being influenced by population issues which had seen an unprecedented level of investment in infrastructure and transportation projects, particularly in NSW and Victoria throughout the December 2018 quarter. Additionally, exports also contributed to the strong result within the first quarter. Agricultural sales were strong in both livestock and grains. Mining and natural resources were also buoyant. Oil and gas sales performed robustly reflecting strong demand and higher oil prices.

TRUSTEE AND MANAGERS' REPORT (CONT.)

ECONOMIC CONDITIONS ACROSS FY19 (CONT.)

The coal industry also performed exceptionally well. At the time, it was reported the industry posted its strongest performance since 2014, on the back of good demand for both thermal and coking coal.

During the last quarter of 2018, the economy grew at only 0.2% on a seasonally adjusted basis. This was below consensus of 0.3%. Through the calendar year of 2018 the economy grew by 2.3%, which was below market expectations of 2.5% and trend of 2.75%.

Strong demand from export markets for energy and commodities played a crucial part to this growth. On the back of this demand the government was able to make significant progress towards reducing the deficit. During the first two months of the 2019 calendar year, Australia reported its largest trade surplus on record. At $9.2 billion this was substantially ahead of the $2.7 billion reported in the same period last in 2018.

During third quarter of the 2019 financial year, the economy grew at 0.4%. The result was again impacted by weak household spending with consumers holding back on discretionary spending. This rather disappointing result was helped to some extent by strong government spending and continuing good export numbers in the commodity areas.

In May 2019 the federal election occurred, with the Coalition returning to power. Notwithstanding the polls, which had forecast a change of government for some time, the Coalition surprised voters with their quite unexpected but successful result.

This return, of the incumbent was beneficial from two perspectives. First it avoided the three to six month period of inactivity, which inevitably follows a change of government. Second the Coalition was elected with a more pro-business agenda, while the losing Labor party was less so with major increases in taxes and spending.

The government was immediately active after returning to power with the emphasis on boosting the Australian economy with efforts focussing on tax cuts, spending on infrastructure and improving the property market.

To counter the slowing economy throughout the final quarter of the 2019 financial year, the RBA lowered the cash rate by 25 basis points to sit at 1.25%. The cash rate was then cut another consecutive time in July 2019 to start the 2020 financial year at a record low 1.00%. These changes represent the first and second changes since 2016 and reflect concerns about unemployment numbers, which have been creeping up, and the lower than desired rate of growth. Whether these cuts are actually effective remains to be seen as only one of the four major banks passed on the full benefit to their customers. Further cuts are expected later in the calendar year as well as in the first quarter of 2020. The RBA Board announced they will continue to monitor developments in the labour market, with some commentators suggesting further rate cuts to boost to consumer spending, wage inflation and lower underemployment.

While both the Australian Government and the Reserve Bank are being more pro-active in their support for the economy, the outlook will to a large extent be driven by the health and prosperity of its trading partners. Demand has to date generally held up well, while commodity prices have also been largely accommodative.

STRONG PRIVATE EQUITY DEAL FLOW IN VPEG2A'S MARKET SEGMENT

Across the year ended 30 June 2019, there were continued strong levels of activity in all phases and aspects of the local private equity market.

The Australian Lower-mid Market M&A environment throughout the 2019 financial year proved to be the most active marketplace for Private Equity fund managers, with 70% of all deals being classified to fall within this segment.

In the local Private Equity market, the opportunities for exits continue to remain active. Liquidity is available by sales to trade buyers, other private equity firms specialising in bigger transactions, and through the public markets. Of the three routes, the IPO market remains highly selective but genuine growth outlooks are being rewarded with high price multiples.

With the Australian and New Zealand economies growing at a more modest rate than they have in the past, there will be an increasing premium on identifying areas (and companies within those areas) that offer above average growth. With a strong interest by acquirers for profitable companies in the lower to mid-market segment in which VPEG2's underlying funds operate as well as sensible banking arrangements remaining available for purchasers, VPEG2's underlying fund managers are confident of generating attractive investment returns from their portfolio of investments across the term of their funds and that of VPEG2.

REVIEW OF VPEG2A'S OPERATIONS

Vantage Private Equity Growth Trust 2A ('VPEG2A' or 'Fund') is one of the Private Equity funds managed by Vantage Asset Management Pty Ltd which is a leading independent investment management company with expertise in Private Equity, funds management, manager selection and operational management.

VPEG2A comprises one half of a twin trust structure (in conjunction with Vantage Private Equity Growth Trust 2B) which are Australian unit trusts. The Fund's investment objective for its Investment Portfolio is to achieve attractive medium to long-term returns on Private Equity investments while keeping the volatility of the overall investment portfolio low. This is achieved by investing across a highly diversified portfolio of Private Equity assets with diversification obtained by allocating investment commitments across manager, geographic region, financing sage, industry sector and vintage year.

VPEG2A continues to build its Private Equity portfolio with additional capital drawn to fund the acquisitions of 11 new underlying company investments. In addition, two of VPEG2A's underlying funds completed the sale of three underlying companies during the year, delivering a strong top quartile return to VPEG2A.

TRUSTEE AND MANAGERS' REPORT (CONT.)

PARTLY PAID UNITS ISSUED

The Fund's final close, on 28 May 2015, achieved total investment commitments of $27,075,010 from investors. The initial issue price for units was $1 per partly paid unit, which were called to $0.05 per partly paid unit upon application.

The remainder of the committed capital is to be paid across the life of the Fund when a capital call is issued by the Fund Manager to meet the investors' pro rata share of the obligations of the Trust, including the funding of its underlying investments as they are made.

As at 30 June 2019, VPEG2A had 27,075,010 partly paid units on issue with Paid Capital of $0.985 per partly paid unit. During the year, three calls were made totalling $0.195 (2018: $0.33) on the partly paid units. These additional calls were made in August 2018 for $0.075 per partly paid unit, in December 2018 for a total of $0.06 per partly paid unit and in April 2019 for $0.06 per partly paid unit bringing the total paid capital on VPEG2A's units as at 30 June 2019 to $0.985 per partly paid unit. As a result, total Paid Capital to VPEG2A was $26,668,885 as at 30 June 2019.

UNDERLYING PRIVATE EQUITY FUND COMMITMENTS AND INVESTMENTS

Since the commencement of the investment program, VPEG2A has committed $38.0m across eight Private Equity funds and completed one co-investment. As at 30 June 2019, these commitments included $7.6m to Adamantem Capital Fund 1, $6m to each CHAMP IV and Next Capital II, $4m to Allegro Fund II, $3.8m to Mercury Capital Fund 2, $NZ3.0m to Waterman Fund 3 and $NZ1.5m to Pencarrow Bridge Fund completed one coinvestment into Fitzpatrick Financial Group of $0.4m.

There were no additional commitments made to existing or new Private Equity funds during the year ended 30 June 2019.

VPEG2A'S PRIVATE EQUITY PORTFOLIO AND COMMITMENTS, AS AT 30 JUNE 2019, WERE AS FOLLOWS:

PRIVATE EQUITY FUND NAME	FUND SIZE	VINTAGE YEAR	INVESTMENT FOCUS	VPEG2A COMMITMENT	CAPITAL DRAWN DOWN	TOTAL NO. OF INVESTEE COMPANIES	NO. OF EXITS
Next Capital Fund III	$265m	2014	Small to Mid Market Expansion / Buyout	$6.0m	$4.49m	7	2
Allegro Fund II	$180m	2014	Small to Mid Market Expansion / Buyout	$4.0m	$3.55m	8	2
Mercury Capital Fund 2	$300m	2015	Small to Mid Market Expansion / Buyout	$3.8m	$3.23m	6	0
CHAMP IV	$735m	2016	Mid Market Buyout	$6.0m	$4.82m	9	2
Waterman Fund 3	NZ$200m	2016	Small to Mid Market Expansion / Buyout	NZ$3.0m	$2.08m	4	0
Pencarrow Bridge Fund	NZ$80m	2016	Small to Mid Market Expansion / Buyout	NZ$1.5m	$1.16m	4	0
Adamantem Capital Fund 1	$591m	2017	Mid Market Expansion / Buyout	$7.6m	$4.31m	5	0
Odyssey Fund 8	$275m	2017	Mid Market Expansion / Buyout	$6.0	$3.21m	4	0
Co-Invest 1 (Fitzpatricks Financial Group)	$200m	2017	Mid Market Expansion	$0.4m	$0.41m	1	0
			TOTAL	**$38.0m**	**$27.24m**	**48**	**6**

As a result of continued investment activity by VPEG2A's underlying funds, the total value of funds drawn from VPEG2A into Private Equity investments during the year increased from $18.32m at 30 June 2018 to $27.24m at 30 June 2019, representing a 48.7% increase in drawn capital from VPEG2A across the year.

This resulted in an increase in the number of underlying company investments in VPEG2A's portfolio from thirtyseven to forty-eight during the year. In addition, two significant "bolt on" acquisitions were completed by existing portfolio companies and a number of other follow-on investments were also made into existing companies to expand their operations. As a result, at 30 June 2019, VPEG2A had 48 underlying company investments completed in the underlying portfolio.

TRUSTEE AND MANAGERS' REPORT (CONT.)

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

by Adamantem Capital Fund 1

- **Zenitas** (December 2018), a community based healthcare provider.
- **Hellers** (February 2019), New Zealand's leading producer of processed meats.

by CHAMP IV

- **Gourmet Foods** (July 2018), a market leading Australian and New Zealand branded manufacturer and distributor of gourmet crackers and chilled packaged seafoods.
- **Cell Care** (September 2018), the leading private umbilical cord blood and tissue storage bank in Australia and Canada.
- **Marand Precision Engineering** (June 2019), a supplier of precision engineered solutions with key capabilities in the design and fabrication of aerostructures, tools and automated production systems for the aerospace and defence industries.

by Mercury Capital Fund 2

- **Message Media** (August 2018), Australasia's largest business to person messaging company with international operations in the United States and the United Kingdom.
- **FiftyFive5 & GalKal** (November 2018), with the two combined businesses creating Australia's largest independent customer insights and market research firm.

by Next Capital Fund III

- **iSeek Group** (August 2018) a managed services provider specialising in data centre, cloud and managed connectivity servicing over 260 customers including enterprise, government and hyperscale.

by Odyssey Fund 8

- **Sushi Sushi** (April 2019), a vertically integrated food business that supplies sushi and other Japanese healthy convenience foods.
- **Delta Agribusiness** (April 2019), a leading provider of independent rural services and retail agricultural inputs.

by Waterman Fund 3

- **TRG Imaging** (December 2018), New Zealand's largest provider of radiology services.

SIGNIFICANT BOLT ON ACQUISITIONS COMPLETED DURING THE YEAR INCLUDED:

by Adamantem Capital Fund 1

- **Hygain Holdings** added **Mitavite** from Ingham's Group, with the bolt on acquisition allowing two premium horse feed brands to come together to establish a solid platform in the domestic market (August 2018). The acquisition of the Mitavite assets allows Hygain to accelerate a number of strategic initiatives to gain greater access to horse owners across Australia and into new market segments.

by Odyssey Private Equity Fund 8

- During July 2018, **Adventure Holdings Australia (AHA)** acquired **Primus Australia Pty Ltd**, trading as Companion Brands. Companion Brands is a key wholesale distributor in the Australian market, distributing products to over 3,400 outlets across leisure, hardware, auto and outdoor categories providing AHA with an array of complimentary product categories to AHA's existing product portfolio.

The table below provides a summary of the top 10 underlying Private Equity investments in VPEG2A's portfolio, for which funds have been drawn from VPEG2A, as at 30 June 2019. As demonstrated in the table, the top 10 investments in VPEG2A's underlying portfolio represented 40.3% of VPEG2A's total Private Equity Portfolio as at 30 June 2019.

RANK	INVESTMENT	FUND	DESCRIPTION	% OF VPEG2'S PRIVATE EQUITY INVESTMENTS	CUMULATIVE %
1	**Funlab**	Next Capital III	Developer & Operator of Entertainment & Leisure Venues	8.8%	8.8%
2	**Pepperstone**	CHAMP IV	Futures Trading Investment Platform	4.5%	13.3%
3	**Carpet Court NZ**	Allegro Fund II	Carpet Retailer	4.0%	17.4%
4	**Hygain Holdings Pty Ltd**	Adamantem 1	Premium Horse Feed Manufacturer & Distributor	3.9%	21.3%
5	**Nexus Day Hospitals**	Mercury Capital 2	Day Hospital Owner & Operator	3.6%	24.9%
6	**Lynch Group**	Next Capital III	Flower & Potted Plant Operator	3.5%	28.4%
7	**Mining Technologies Holding Pty Ltd**	Odyssey 8	Leading Global Provider of Data & Voice Communications	3.1%	31.5%
8	**Noisette Bakery**	Next Capital III	Artisanal Commercial Bakery	3.0%	34.5%
9	**Adventure Holdings Australia Pty Ltd**	Odyssey 8	Leading Outdoor Equipment Brand	3.0%	37.5%
10	**My Food Bag**	Waterman Fund 3	Home Food Delivery Provider	2.8%	40.3%

COMPLETED EXITS DURING FY19

During September 2018, **Next Capital Fund III** sold investee company **Forest Coach Lines** (Forest) to Comfortdelgro Corporation Limited the Singapore based public transport conglomerate (CDC). CDC is headquartered in Singapore and is a public transport conglomerate, the world's largest land transport companies.

In December 2014, Next Capital executed a management buy-out of Forest. Established in 1930 Forest is a leading urban bus operator, focused on delivering passengers from Sydney's north shore to four of Sydney's key metropolitan centres; CBD, North Sydney, Chatswood and Macquarie Centre. Forest also operates an ancillary charter business providing short group transfers, or extended group tours to regional locations across the country.

The majority of Forest's earnings are generated under a long-term contract with the New South Wales transport authority. Next Capital's investment saw the expansion of Forest through organic earnings growth from its core region as well as the building of a broader business through the acquisitions of three regional operations and a complementary charter business in Sydney.

TRUSTEE AND MANAGERS' REPORT (CONT.)

COMPLETED EXITS DURING FY19 (CONT.)

During the Next ownership, Forest grew employee levels from 130 to 220 staff and now operates a fleet of 220 buses spread over eight depots. It operates Region 14 contract bus services in Metropolitan NSW, other bus services in regional NSW, as well as school and non-school charter services.

The exit delivered Next III investors including VPEG2 a top quartile performance which was a strong result for a low volatility, government contracted business over a holding period of approximately 3.75 years.

During February 2019, **CHAMP IV** announced that a binding Sale Agreement had been entered into with ASX listed, global logistics solutions group, WiseTech Global for the sale of portfolio company **Containerchain**. This sale provided for the full exit of Containerchain from CHAMP IV, with the sale completed on 1 April 2019. WiseTech announced that the purchase cost was approximately $92m paid in cash, net of cash acquired, funded through existing WiseTech group resources.

Containerchain is a business to business, web-based technology software provider for the container logistics sector. Containerchain's technological solutions are tailored to the intricacies of the Landside, Dockside and Waterside needs of all participants in the industry including freight forwarders, importers, exporters, transport operators, empty container depots and shipping lines.

Containerchain was founded in 2007 after founder, Tony Paldano identified a need to improve container depot operations after noting a growing dysfunction in the Melbourne empty container industry. In March 2010, at a forum of leading industry bodies, it was unanimously agreed that there was an urgent need for technology to share information between transport operators and empty depots.

Containerchain's software was subsequently installed at every Australian empty container depot with expanded operations to Singapore and Malaysia, where it is utilised at the Penang Port, the international gateway for the Northern region of Malaysia.

Following CHAMP IV's investment in Containerchain in September 2016 the company successfully launched new operations in multiple geographies leading to several new depot contracts, including 15 in Europe and 27 in the US. In addition, CHAMP's investment across key corporate infrastructure, to further assist rapid business expansion, was recognised as particularly valuable by WiseTech during their assessment of Containerchain.

During September 2018, **CHAMP IV** entered into an agreement to sell its investment in **Pepperstone Group** back to Pepperstone's management and other investors. Under the terms of the sale agreement a vendor note mechanism has been put in place which will see contractual repayments made to CHAMP IV periodically over the next five years. The quantum and frequency of these payments is linked to the trading performance of the underlying business.

In March 2016, CHAMP IV invested into Pepperstone Group, a high growth online investment platform specialising in Foreign Exchange, commodities and Contract For Difference (CFD) products.

Founded in Melbourne in 2010, Pepperstone currently processes an average of US$12.55bn of trades every day, for over 73,000 active clients that utilise Pepperstone's platform as well as providing 24-hour global coverage and client support.

With an automated proprietary back-office IT system to enable operations, Pepperstone provides superior technology that uses low-latency execution and delivers low-cost spreads, resulting in exceptional customer service.

CHAMP invested in Pepperstone to assist it to expand internationally, grow the company's branding efforts and widen its product offerings through partnerships with technology vendors in different regions.

The company delivered strong operational performance during CHAMP's ownership, translating into excellent cash generation, and strong distributions to VPEG2 that are set to continue under the terms of the sale agreement.

FINANCIAL PERFORMANCE OF THE FUND

During the year, total distribution income received by the VPEG2A from underlying private equity funds was $2,885,135 representing a 109.3% increase over the $1,378,367 received in FY19. The breakdown of distributions and interest received for FY19 compared with FY18 is shown in the table below.

SOURCE OF INCOME	FY19 $	FY18 $	% CHANGE OVER FY18
Distribution Income Received from Underlying Private Equity Funds	2,885,135	1,378,367	109.3%
Interest on Cash and Short-Term Deposits	5,559	4,997	11.2%
TOTAL	**2,890,694**	**1,383,364**	**109.0%**

Distributions received from underlying funds during the year were in the form of dividends, capital gains, return of capital and other interest income received from underlying company investments including from the exits of Forest Coast Lines, Containerchain and Pepperstone Group.

VPEG2A's total funds invested in cash and term deposits as at 30 June 2019 was $1,399,006 (2018: $2,863,246). The spread of liquid investments across cash and term deposits provides interest income on cash held while ensuring an appropriate level of liquidity to meet the Fund's operational expenses and future calls by underlying Private Equity funds, as new underlying company investments are added to the portfolio.

Operational costs incurred by the Fund during the year decreased by 3.1% from $489,621 in FY18 to $474,382 in FY19. The majority of these expenses consisted of costs associated with the management of VPEG2A.

The decrease in operational expenses was due to the decrease in audit, tax & accounting fees incurred over the year. The resulting net profit for VPEG2A for the year was $3,351,761 a 12.4% increase above the comparable total comprehensive income of $2,892,522 booked in FY18.

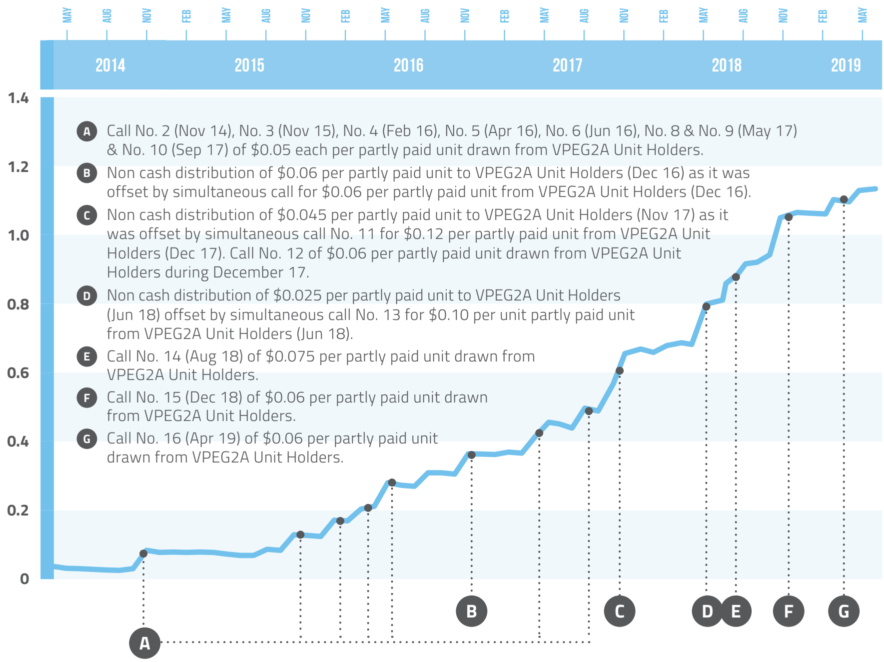
Furthermore, a revaluation increment of $935,449 was booked for the year ended 30 June 2019 due to the improvement in the value of the underlying Private Equity investments during the year.

As a result, Net Assets attributable to Unit Holders increased by 27.9% from $22.26m at 30 June 2018 to $30.89m at 30 June 2019. A portion of the growth in Net Assets was attributed to an increase in the Paid Capital of Unit Holders from $0.79 per partly paid unit at 30 June 2018 to $0.985 per partly paid unit at 30 June 2019.

TRUSTEE AND MANAGERS' REPORT (CONT.)

CHANGE IN NET ASSET VALUE / UNIT

The graph below details the movement in VPEG2A's Net Asset Value (NAV) per unit since inception through to 30 June 2019.



As demonstrated in the graph above, VPEG2A's Net Asset Value (NAV) increased from $0.822 per partly paid unit at 30 June 2018 to $1.141 per partly paid unit at 30 June 2019.

The increase in VPEG2A's NAV was in part due to the increase in Paid Capital from Unitholders from $0.79 per partly paid unit at 30 June 2018 to $0.985 per partly paid unit at 30 June 2019.

During the year, three capital calls were issued to VPEG2A investors, totalling $0.195 per partly paid unit. Call number 14 for $0.075 per partly paid unit, was issues and paid by Unitholders during August 2018. Call number 15 for $0.06 per partly paid unit was issued in December 2018 and call number 16 for $0.06 per partly paid unit was issued in April 2019. The majority of these calls were to fund new and/or follow on investments completed during FY19 across the portfolio.

The additional uplift in VPEG2A's NAV during the year was due to an improvement in the value of realised and unrealised underlying company investments across the year.

As the underlying private equity portfolio matures and the hold period of individual investments increase beyond an initial 12-month hold, underlying fund managers revalue their portfolio companies at the end of each quarterly period at a multiple of the last twelve months of maintainable earnings of the company.

Managers value underlying companies in accordance with the International Private Equity Investment Valuation Guidelines that have been adopted by the Australian Investment Council (AIC) and adhered to by all funds that VPEG2A invests in.

With only 58% of VPEG2A's underlying portfolio companies having been held long enough to be revalued above their initial cost of investment, it is expected that net returns to investors will continue to improve as the remainder of the portfolio matures and further exits from the portfolio occur.

In addition, with a further three companies sold from VPEG2A's underlying portfolio across the past year, the total number of exits from the portfolio is now six. These six exits have delivered VPEG2A a gross 3.21 X return on invested capital across average hold period of 2.7 years.

As a result of the strong level of distributions received from underlying funds across the year as well as the increase in the value of unrealised investments and offsetting the calls paid by Unitholders and distributions delivered to offset a portion of those calls, the total improvement in unit holder value across FY19 represented a gain of 15.1%.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

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

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Subsequent to 30 June 2019, a further three new underlying company investments have been added to the VPEG2A investment portfolio. In addition, one fund had entered into an agreement with a major financial institution, for the sale of one of their portfolio companies, with completion subject to the approval of minority shareholders. Should the transaction complete, the sale will result in another strong top quartile return to VPEG2A.

In July 2019, Odyssey Fund 8 acquired FRANKiE4, a leading and award-winning women's supportive footwear label.

In August 2019, Next Capital Fund III acquired its final investment for the fund into New Zealand Bus Limited, New Zealand's largest urban bus operator with a modern fleet of 700 buses across 13 depots.

Also, during August 2019, Adamantem Capital Fund 1 acquired ASX listed Legend corporation, a distributor of product tools, components and accessories into the electrical wholesale and industrial / commercial gas markets.

Further details of these new investments and the announced exit will be provided in the September 2019 quarterly investor report available during early November 2019 on the Fund's website at www.vpeg2.info. The manager expects the number of exits within the underlying portfolio to continue as the Private Equity portfolio matures over the coming year.

TRUSTEE AND MANAGERS' REPORT (CONT.)

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR (CONT.)

Furthermore, during September 2019, Vantage Asset Management Pty Limited as Trustee of Vantage Private Equity Growth Trust 2A (VPEG2A) arranged a financing facility for VPEG2A (the Fund) with an independent Private Third Party Lender. The facility will be used to bridge investee fund calls needed to be made by the Fund (the Financing). The Trustee believes the Financing will benefit the Fund by allowing flexibility throughout the Funds lifecycle enabling VPEG2A to continue drawdowns under the bridging facility as the fund matures. Additionally, the facility will provide funding at short turnaround times, ultimately reducing administration for the Fund's investors.

The Financing is subject to a Loan Agreement dated 19 September 2019 entered into between, among others, the Lender and the Fund. The Financing is secured in favour of the Lender under a General Security Deed dated 19 September 2019 granted by, among others, the Fund over certain Fund assets, including cash accounts, the right to receive any future receivables and the right to receive a fixed charge over all Trustee owned assets.

In the opinion of the directors, no other matter or circumstance has arisen since 30 June 2019 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 its existing investment operations and add-on investments expected to be made by VPEG2A's underlying private equity funds, as well as an increase in the number of exits from the portfolio.

ENVIRONMENTAL REGULATION

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

INFORMATION ON INVESTMENT COMMITTEE MEMBERS

The following persons served of VPEG2A's Investment, Audit and Risk Committee (Investment Committee) during the whole of the financial year and up to the date of this report:

Roderick H McGeoch AO
Independent Chairman of Investment Committee

Patrick Handley
Independent Investment Committee Member

Paul Scully
Independent Investment Committee Member

Michael Tobin
Investment Committee Member and Managing Director of 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.

TRUSTEE AND MANAGERS' REPORT (CONT.)

PAUL SCULLY BA, FIAA, FAICD.

Investment Committee Member (Independent)

Experience and expertise

Paul has spent 35 years in financial services and has extensive local and international experience in many aspects of institutional investment management, covering business and asset management, M&A and Private Equity. Paul's former board positions include SAS Trustee Corporation, a NSW Government employee superannuation fund, its financial planning subsidiary State Plus. Paul has also been a Director of ING Management Pty Ltd, the responsible entity for the listed property funds of the ING Group in Australia, including the ING Office Fund & ING Industrial Fund, both past ASX top 100 entities. Paul also holds positions on the Investor Review Committees of the Australian Prime Property Funds.

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

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

MICHAEL TOBIN B.E., MBA, DFS (FINANCIAL MARKETS)

Investment Committee Member and Managing Director of Vantage

Experience and expertise

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

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

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

Special responsibilities

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

DAVID PULLINI BE, MBA

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.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During the financial year, the Trustee paid a premium of $20,456.84 (2018: $18,747) in relation to insurance cover for Vantage Asset Management Pty Limited and its Directors and officers and investment committee members.

Under VPEG2A's trust deed, Vantage Asset Management Pty Limited, may indemnify the investment committee member out of VPEG2A's assets for any loss, damage, expense or other liability incurred by it in properly performing or exercising any of its power, duties or rights in relation to VPEG2A.

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

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

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

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

TRUSTEE AND MANAGERS' REPORT (CONT.)

PROCEEDINGS ON BEHALF OF THE FUND

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

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

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

Michael Tobin
Managing Director

David Pullini
Director

Sydney
31 October 2019

FINANCIAL STATEMENTS

VANTAGE PRIVATE EQUITY GROWTH TRUST 2A

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2019

	NOTE	2019 $	2018 $
INVESTMENT INCOME			
Distribution income	2	**2,885,135**	1,378,367
Interest income		**5,559**	4,997
Net gains on investments held at fair value	5(a)	**935,449**	-
Total investment income		**3,826,143**	1,383,364
OPERATING EXPENSES			
Accountancy fees		**(10,975)**	(17,380)
Audit fees - current year		**(15,466)**	(21,723)
Investment administration fees		**(12,241)**	(14,459)
Investment committee fees		**(153,476)**	(154,653)
Management fees		**(276,187)**	(276,599)
Registry fees		**(4,351)**	(4,553)
Other expenses		**(1,686)**	(254)
Total expenses before finance cost		**(474,382)**	(489,621)
Profit from operating activities		**3,351,761**	893,743
Profit for the year		**3,351,761**	893,743
OTHER COMPREHENSIVE INCOME			
ITEMS THAT MAY BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS:			
Net unrealised movements in reserves upon revaluation of available for sale investments	9	**-**	2,088,779
Other comprehensive income for the year		**-**	2,088,779
Total comprehensive income for the year		**3,351,761**	2,982,522

The accompanying notes form part of these financial statements.

VANTAGE PRIVATE EQUITY GROWTH TRUST 2A

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2019

	NOTE	2019 $	2018 $
ASSETS			
Current assets			
Cash and cash equivalents	3	**1,399,006**	2,863,246
Receivables	4	**225,936**	13,467
Total current assets		**1,624,942**	2,876,713
Non-current assets			
Investments at fair value	5	**29,372,490**	19,449,382
Total non-current assets		**29,372,490**	19,449,382
Total assets		**30,997,432**	22,326,095
LIABILITIES			
Current liabilities			
Creditors	6	**106,589**	66,640
Total liabilities		**106,589**	66,640
Net assets attributable to Unit Holders	7	**30,890,843**	22,259,455

The accompanying notes form part of these financial statements.

VANTAGE PRIVATE EQUITY GROWTH TRUST 2A

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS

FOR THE YEAR ENDED 30 JUNE 2019

	NOTE	2019 $	2018 $
ASSETS			
Net assets attributable to Unit Holders at the beginning of the year		**22,259,455**	12,237,432
Transactions with Unit Holders, in their capacity as Unit Holders			
Capital contributed by Unit Holders	8	**5,279,627**	8,934,753
Distributions paid to Unit Holders	11	**-**	(1,895,252)
Total transactions with Unit Holders		**5,279,627**	7,039,501
COMPREHENSIVE INCOME			
Profit for the year attributable to Unit Holders	10	**3,351,761**	893,743
Net increase / (decrease) in investment revaluation reserve	9	**-**	2,088,779
Total comprehensive income		**3,351,761**	2,982,522
Change in net assets attributable to Unit Holders	7	**30,890,843**	22,259,455

The accompanying notes form part of these financial statements.

VANTAGE PRIVATE EQUITY GROWTH TRUST 2A

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2019

	NOTE	2019 $	2018 $
CASH FLOW			
Cash flows from operating activities			
Income distributions received		**2,672,173**	1,381,316
Interest received		**6,354**	4,505
Expenses paid to suppliers		**(434,735)**	(478,033)
Net cash from operating activities	13	**2,243,792**	907,788
Cash flows from investing activities			
Payments to acquire financial assets		**(8,987,659)**	(8,573,380)
Return or refund of capital received		**-**	1,717,541
Net cash used in investing activities		**(8,987,659)**	(6,855,839)
Cash flows from Unit Holders' activities			
Proceeds from calls on partly paid units		**5,279,627**	7,039,501
Net cash from Unit Holders' activities		**5,279,627**	7,039,501
Net increase in cash and cash equivalents		**(1,464,240)**	1,091,450
Cash and cash equivalents at beginning of the year		**2,863,246**	1,771,796
Cash and cash equivalents at end of the year	3	**1,399,006**	2,863,246

The accompanying notes form part of these financial statements.

VANTAGE PRIVATE EQUITY GROWTH TRUST 2A

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Financial reporting framework

Vantage Private Equity Growth Trust 2A ("the Fund") 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 Constitution.

Statement of Compliance

This special purpose financial report has been prepared in accordance with the Fund's Constitution, 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.

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

The Trust has adopted revisions and amendments to the Australia Accounting Standards issued by the Australian Standards Board which are relevant to and effect the trusts financial statements for the annual year beginning 1 July 2018.

AASB 15 Revenue from contracts with customers and AASB 9 financial instruments became effective for periods beginning on or after 1 January 2018. Accordingly, the trust applied AASB 15 and AASB 9 for the year ended 30 June 2019.

AASB 15 Revenue from contracts with customers

AASB 15 replaces AASB 118 revenue, AASB 111 Construction contracts and several revenue related interpretations. The adoption of AASB 15 had no impact on the financial statements of the trust.

AASB 9 Financial Instruments

AASB 9 Financial Instruments replaces AASB 139 Financial Instruments: Recognition and Measurement. The new accounting standards makes major changes to the previous guidance on the classification and measurement of financial assets and introduces an "expected credit loss" model for impairment of financial assets. Under AASB 9 the Available For Sale classification will no longer be available. The Trust has applied the fair value through profit and loss (FVTPL) classification to account for equity instruments. Therefore, the fair value movements will now go through the profit and loss instead of other comprehensive income (OCI).

When adopting AASB 9, the Trust has applied transitional relief and opted not to restate prior periods. Differences arising from the adoption of AASB 9 in relation to classification, measurement, and impairment are recognised in opening retained earnings as at 1 July 2018.

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 2019. There are no effects resulting from any changes to accounting standards applicable to the trust for the current year.

AASB 16 *Leases*

AASB 16 eliminates the classification of leases as either operating or finance. There is now a single lessee model which requires a lessee to recognise assets and liabilities in the statement of financial position for leases with terms of more than 12 months unless the underlying asset is of low value.

The standard is applicable for annual reporting periods beginning on or after 1 January 2019.

This standard will be adopted in the year ending 30 June 2020 and there will be no impact on the financial statements of the trust.

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.

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) Revenue

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

Trust distributions are recognised as revenue when the right to receive payment is established. Distribution income includes capital gains and return of capital arising from the disposal of underlying investments. Unrealised gains and losses are not assessable or distributable until realised. Capital losses are not distributed to Unit Holders but are retained to be offset against any future realised capital gains.

c) Investments

Available for sale investments (before July 2018)

The Fund has investments in the interests of unit trusts and limited partnerships that are not traded in an active market. Investments are classified as available for sale financial assets and are stated at fair value. Fair value is based on the net asset backing of units in the trusts at balance date.

Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the investment revaluation reserve, with the exception of impairment losses, which are recognised in profit or loss.

Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

Dividends on available for sale investments are recognised in profit or loss where the Fund's right to receive the dividend has been established.

VANTAGE PRIVATE EQUITY GROWTH TRUST 2A

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2019

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

c) Investments (CONT.)

Financial assets at fair value through profit or loss (subsequent 1 July 2018)

Under AASB 139, financial instruments were classified as available for sale and measured at fair value through other comprehensive income. Changes in fair value were recognised directly in equity until the security is disposed of or impaired at which the cumulative gain or loss previously recognised in equity s included in profit or loss for the year.

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 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 2A's constitution and applicable taxation legislation and any other amounts determined by the Trustee, to unit holders 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 unit-holders.

f) Net Assets Attributable to Unit Holders

Unit Holders' funds are classified as financial liabilities. The interim distribution and proposed distributions payable to partners on these funds are recognised in the income statement as finance costs.

Non-distributable income is transferred directly to the Net Assets Attributable to Unit Holders' and may consist of changes in the fair value of the investments, accrued income not yet assessable, expenses provided or accrued which are not yet deductible, net capital losses and tax free or tax deferred income previously taken directly to Unit Holders' funds. Accrued income not yet assessable will be included in the determination of distributable income in the same period in which it becomes assessable for tax.

Net assets attributable to interest holders also includes amounts payable to interest holders in respect of distributions.

g) Trade and Other Receivables

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

h) Finance costs

Income distributions paid and payable on units are recognised in the profit and loss as finance costs and as a liability where not paid. Distributions paid are included in cash flows from operating activities in the statement of cash flows.

i) Goods and Services Tax (GST)

The Fund is not registered for 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.

j) Comparative Figures

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

k) Foreign Currency Transactions

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

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

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

VANTAGE PRIVATE EQUITY GROWTH TRUST 2A

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2019

l) Critical Accounting Estimates and Judgments

In the application of the Fund's accounting policies, the trustee is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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:

a) *Fair value of financial instruments*

The valuation of investments is based upon the net assets attributable to interest holders as noted in the 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.

b) *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.

c) *Fair Estimation of values*

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

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

NOTE 2. REVENUE AND OTHER INCOME

	NOTE	2019 $	2018 $
Distribution income			
INCOME DISTRIBUTIONS RECEIVED			
Interest income		**162,389**	75,944
Dividend income (excluding franking credits)		**209,521**	240,542
Foreign income		**211,525**	53,894
Capital gains		**1,492,913**	1,105,714
Return of capital / deferred tax		**808,787**	-
Less: Limited Partnership losses recognised by VPEG2A		**-**	(117,513)
Total distributions received per investee tax statements	5(b)	**2,885,135**	1,358,581
Interest income - equalisation interest		**-**	19,786
Total distribution income		**2,885,135**	1,378,367

a) During the prior year, equalisation interest was received following the final close of Adamantem Capital Fund 1.

NOTE 3. CASH AND CASH EQUIVALENTS

	2019 $	2018 $
Cash at bank	**1,399,006**	2,743,712
Term deposits	**-**	119,534
	1,399,006	2,863,246

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	**1,399,006**	2,863,246

VANTAGE PRIVATE EQUITY GROWTH TRUST 2A

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2019

NOTE 4. RECEIVABLES

	NOTE	2019 $	2018 $
Current			
GST receivable		**12,974**	12,672
Interest receivable		**-**	795
Distribution receivable		**212,962**	-
Total receivables		**225,936**	13,467

NOTE 5. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

		2019 $	2018 $
Non-current			
INTERESTS IN UNLISTED PRIVATE EQUITY FUNDS / LIMITED PARTNERSHIPS AT FAIR VALUE THROUGH PROFIT OR LOSS:			
Fair value of investments through profit or loss	5(a)	**29,372,490**	19,449,382

a) Movement in fair values

MOVEMENTS IN CARRYING AMOUNTS FOR FAIR VALUE OF INVESTMENTS THROUGH PROFIT OR LOSS BETWEEN THE BEGINNING AND THE END OF THE YEAR.

Investments at fair value at beginning of the year		**19,449,382**	-
Calls paid to underlying investee funds during the year		**8,987,659**	-
Net gains on investments held at fair value	5(b)	**935,449**	-
Investments at fair value at the end of the year		**29,372,490**	-

	2019 $	2018 $
b) Net investment revaluations includes the impact of distributions received during the year represented by:		
Distributions received by VPEG2A from underlying investee funds during the year	**(2,885,135)**	-
VPEG2A's share of movement in underlying investee funds during the year	**3,820,584**	-
Net gain on investment held at fair value through profit or loss	**935,449**	-

c) Vantage Private Equity Growth Trust 2A (VPEG2A) has committed capital to foreign investments amounting to NZ$4,542,400 in New Zealand (2018: NZ$4,542,400).

NOTE 6. CREDITORS

	2019 $	2018 $
Current		
Accounts payable	**84,089**	44,640
Other creditors and accruals	**22,500**	22,000
	106,589	66,640

NOTE 7. NET ASSETS ATTRIBUTABLE TO INTEREST HOLDERS

	NOTE	2019 $	2018 $
Paid capital	8	**26,668,885**	21,389,258
Investment revaluation reserve	9	**-**	3,521,326
Accumulated Income / (Losses)	10	**7,741,710**	868,623
Cumulative distributions paid	11	**(3,519,752)**	(3,519,752)
Closing balance		**30,890,843**	22,259,455

VANTAGE PRIVATE EQUITY GROWTH TRUST 2A

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2019

NOTE 8. PAID CAPITAL

	2019 PAID CAPITAL PER PARTLY PAID UNIT	2018 PAID CAPITAL PER PARTLY PAID UNIT	NUMBER OF PARTLY PAID UNITS	2019 $	2018 $
27,075,010 Partly Paid Units issued	**$0.985**	$0.79	27,075,010	**26,668,885**	21,389,258

a) Movement in Paid Capital

Opening balance	**$0.79**	$0.46		**21,389,258**	12,454,505
Calls on partly paid units during the year	**$0.20**	$0.33		**5,279,627**	8,934,753
Closing balance	**$0.99**	$0.79		**26,668,885**	21,389,258

No additional units were issued during the year. Units were initially issued at $0.10 per partly paid unit. As at the beginning of the year, each unit was called to $0.79 (2018: $0.46) per partly paid unit. During the year, three calls were made totalling $0.195 (2018: $0.33) on the partly paid units, in August 2018 for $0.075 per partly paid unit, in December 2018 (for a total of $0.06 per partly paid) and in April 2019 for $0.06 per partly paid unit. All interests in Vantage Private Equity Growth Trust 2A are of the same class and carry equal rights. Under Vantage Private Equity Growth Trust 2A's trust deed, each interest represents a right to an individual share in Vantage Private Equity Growth Trust 2A and does not extend to a right to the underlying assets of Vantage Private Equity Growth Trust 2A.

NOTE 9. INVESTMENT REVALUATION RESERVE

	2019 $	2018 $
Investment Revaluation Reserve	**-**	3,521,326

a) Movement in reserves

Opening balance	**3,521,326**	1,432,547
Adjustment on adoption of AASB 9	**(3,521,326)**	-
Net revaluation increments	**-**	2,088,779
Closing balance	**-**	3,521,326

As at 1 July 2019, the asset revaluation reserve represents accumulated gains and losses arising on the revaluation of available for sale investments that have been recognised in other comprehensive income, net of amounts reclassified to profit or loss when those assets have been disposed of or are determined to be impaired. Upon the adoption of AASB 9 Financial Instruments, the accumulated net revaluation increments as at 1 July 2019 were transferred to retained earnings and the current year movements in the fair value of private equity financial assets are recognised in the profit or loss.

NOTE 10. ACCUMULATED INCOME

	2019 $	2018 $
Accumulated income	**7,741,710**	868,623

a) Movement in accumulated income

	2019 $	2018 $
Opening balance	**868,623**	(25,120)
Adjustment on adoption of AASB 9	**3,521,326**	-
Net operating income for the year	**3,351,761**	893,743
Closing balance	**7,741,710**	868,623

NOTE 11. DISTRIBUTIONS TO UNIT HOLDERS

Distributions to Unit Holders

	2019 $	2018 $
Distributions paid	**(3,519,752)**	(3,519,752)

a) Movement in distributions paid

	2019 $ PER PARTLY PAID UNIT	2018 $ PER PARTLY PAID UNIT	NOTE	2019 $	2018 $
Opening balance	**0.13**	0.06		**(3,519,752)**	(1,624,500)
Distributions paid during the year	**-**	0.07	13(b)	**-**	(1,895,252)
Closing balance	**0.13**	0.13		**(3,519,752)**	(3,519,752)

VANTAGE PRIVATE EQUITY GROWTH TRUST 2A

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 30 JUNE 2019

NOTE 12. 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 13. NOTES TO THE STATEMENT OF CASH FLOWS

	2019 $	2018 $
a) Reconciliation of profit or loss for the period to net cash flows from operating activities:		
Net operating profit for the year	**3,351,761**	893,743
Cash flows excluded from profit attributable to operating activities		
Finance costs - distributions to Unit Holders		
NON-CASH FLOWS IN PROFIT		
Revaluation of investments	**(935,449)**	-
CHANGES IN ASSETS AND LIABILITIES:		
(Increase)/decrease in receivables	**(212,469)**	2,318
Increase in creditors	**39,949**	11,727
Cash flow from operations	**2,243,792**	907,788

b) Non cash investing activities and transactions with Unit Holders

i) During the year ended 30 June 2018, a call for $0.12 per partly paid unit was called during November 2017 totalling $3,249,000. Unit Holders also received a simultaneous distribution of $0.045 per partly paid unit totalling $1,218,377.

ii) During the year ended 30 June 2018, a call for $0.10 per partly paid unit was called during May 2018 totalling $2,707,500. Unit Holders also received a simultaneous distribution of $0.025 per partly paid unit totalling $676,875.

iii) During the year ended 30 June 2018, an investee offset a refund of capital payable to Vantage Private Equity Growth Trust 2A of $84,051, against a call for capital by the same fund.

NOTE 14. EVENTS AFTER THE BALANCE SHEET DATE

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.

NOTE 15. TRUSTEE AND MANAGER DETAILS

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

Level 25
Aurora Place
88 Phillip Place
SYDNEY NSW 2000

DIRECTORS' DECLARATION OF THE TRUSTEE COMPANY

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

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 22 to 37, present fairly the Fund's financial position as at 30 June 2019 and of its performance for the year ended on that date and comply with accounting standards to the extent disclosed in Note 1 to the financial statements;

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

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

Michael Tobin
Managing Director

David Pullini
Director

Sydney
31 October 2019

INDEPENDENT AUDITOR'S REPORT

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Independent Auditor's Report to the Members of Vantage Private Trust 2A

Opinion

We have audited the financial report, being a special purpose financial report, of Vantage Private Trust 2A (the Trust), which comprises the statement of financial position as at 30 June 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Trust as at 30 June 2019, and its financial performance and its cash flows for the year then 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 Trust 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.

Responsibilities of the Directors for the Financial Report

The directors of the Trustee Company 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 Trust'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 Trust 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.

INDEPENDENT AUDITOR'S REPORT

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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 Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust'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 Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

Ernst & Young

Ernst & Young
Sydney
29 October 2019

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