

VANTAGE PRIVATE EQUITY SECONDARIES OPPORTUNITIES FUND

ACCESS THE SUPERIOR RETURNS OF THE PRIVATE EQUITY ASSET CLASS THROUGH A SECONDARY PRIVATE EQUITY INVESTMENT

GAIN EXPOSURE TO SOME OF THE BEST PERFORMING PRIVATE EQUITY FUNDS IN THE COUNTRY PROVIDING YOU WITH THE OPPORTUNITY TO RECEIVE ATTRACTIVE RISK ADJUSTED RETURNS ACROSS A SHORT TO MEDIUM TERM INVESTMENT PERIOD

Vantage Private Equity Secondaries Opportunities Fund (VPESO) is an open ended Australian unit trust (structured as a MIT), that provides investors with exposure to a highly diversified portfolio of Australian and New Zealand lower to mid-market secondary and co-investment private equity opportunities.

Key Facts

Target Size	\$100m
Focus	Secondary and co-investment opportunities in top tier Australian and New Zealand private equity funds investing in profitable companies for expansion and buyout.
Target return	20% p.a. IRR (net of fees)
Min. Investment	AU\$50,000
Management fee	1.25% p.a.
Performance Fee	15% over a 10% p.a. net Unit Return
Redemption	Investors may redeem after a minimum hold period of two years.
APIR Code	VAM4419AU

Highlights

- Target returns of 20% p.a net of fees.
- Access to top-tier private equity and co-investments
- Exposure to a diversified portfolio of profitable Australian and New Zealand private companies
- Mitigate the illiquidity duration of primary private equity investments
- Accelerated cash flows with low volatility
- Focused investment strategy: later expansion and buyout only
- Strong and experienced management and Investment Committee
- Opportunity to redeem investment after two years

VPESO will acquire interests from existing investors of Vantage Private Equity Growth Fund Series (VPEG2, VPEG3 and VPEG4) at a discount to the prevailing net asset valuations of those interests. In addition, the Fund will acquire direct secondary positions in private equity funds and co-investments in the lower to mid-market segment in Australia and New Zealand managed by the top tier private equity firms that have consistently delivered strong returns to investors.

Vantage Funds Performance

To date, Vantage's previous funds have delivered their targeted returns. Vantage expects the performance of these funds to continue to improve as companies within each portfolio mature, achieve their growth targets and are ultimately sold.

Entity	Cash	Fixed Interest	Private Equity (Value)	Paid Capital	NAV	Cumulative Distributions Paid	Total Value + Distributed	Net IRR Since Inception (p.a.)
VPEG2	0.6%	8.3%	91.1%	1.00	0.876	1.409	2.285	19.0%
VPEG3	0.3%	8.5%	91.2%	1.00	1.477	0.199	1.676	18.0%

* Annualised returns are net of all fees, delivered by each fund, since the final close of each fund, to 30 June 2023

VPESO Fund investors will ultimately gain access to these types of returns across a shorter time frame. With an anticipated increase in the number of exits from these portfolios and further gains in value of these portfolios, Vantage anticipates that VPESO investors will benefit from a steady flow of distributions across the short to medium term time frame, ultimately delivering unitholders an attractive, risk adjusted return over their investment period.

VANTAGE PRIVATE EQUITY SECONDARIES OPPORTUNITIES

Performance of Underlying Investments from Vantage's Previous Funds

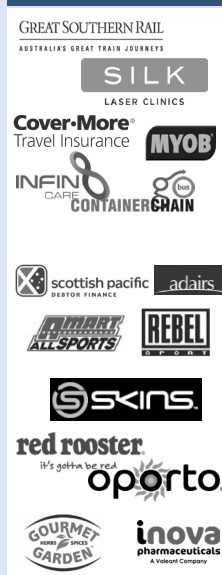
Vantage has invested in 31 private equity Funds including...



... these funds have invested in (or acquired) 169 businesses (30 June 2023)



... and have completed 88 exits (sales)



... with these exits generating

2.9x money multiple on invested capital for an average gross IRR of **49.7% p.a.**

COMPLETED EXITS FROM VANTAGE'S UNDERLYING PRIVATE EQUITY PORTFOLIOS HAVE GENERATED STRONG RETURNS

Investment Strategy Overview

VPESO's investment strategy is focused on secondary private equity acquisitions and co-investments in the lower to mid-market. This segment of private equity focuses on investments into profitable businesses with proven products and services. These businesses typically have a strong market position and generate strong cash flows, which will allow the Fund to generate strong consistent returns to investors, while significantly reducing the risk of a loss within the portfolio.

Primary Benefits of a Secondary Private Equity Investment

J-Curve mitigation	By entering into a secondary private equity investment, an investor 'skips' the initial negative cashflow period and receives investment income proceeds sooner to their initial investment date, thus reducing the duration of illiquidity a primary fund investor normally experiences when investing in a new private equity fund yet to commence its investment program.	<input checked="" type="checkbox"/>
Blind pool risk mitigation	Secondary private equity investments reduce the risk of investing in unidentifiable underlying portfolios. Fund interests that are typically acquired through a secondary position are generally more than 60% invested, containing an identifiable diversified portfolio of underlying company investments.	<input checked="" type="checkbox"/>
Immediate portfolio diversification	A secondary private equity investment provides immediate exposure to a high level of portfolio diversification. As the secondary fund strategically allocates investments across a range of underlying funds vintage years, industry sectors and geographic regions.	<input checked="" type="checkbox"/>
Accelerated cash flows with lower volatility	As secondary investors commit to a more developed portfolio, with an inherent net asset value, returns are typically distributed to investors in a shorter duration, reducing the illiquid component generally borne in primary private capital commitments. Secondary private equity investments demonstrate the characteristics of a shorter investment hold, delivering accelerated returns that are distributed to investors over a shorter investment period, thereby increasing the returns that can be achieved from a more mature private equity portfolio.	<input checked="" type="checkbox"/>

Investment Manager

Since establishment in 2004, Vantage Asset Management (AFSL 279186) has developed and managed Private Equity Fund of Funds investment programs focused exclusively on lower to mid-market Growth Private Equity. This segment of Private Equity focuses on investments into profitable businesses with proven products and services.

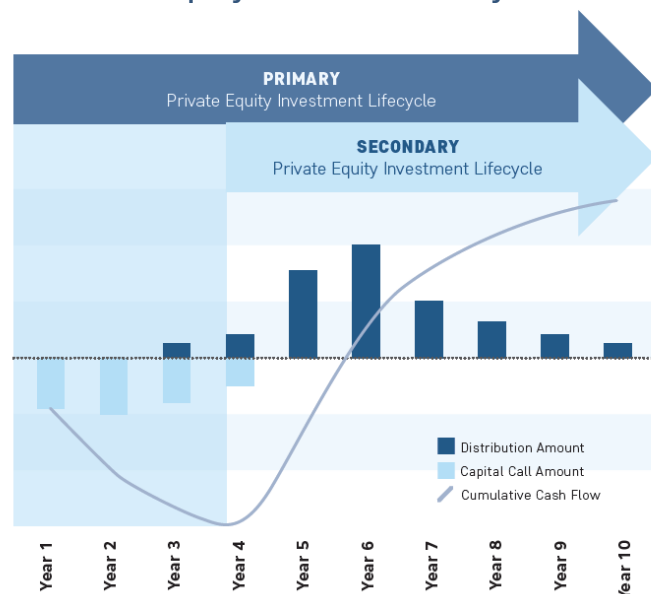
These businesses typically have a leading market position and generate strong cash flows allowing Vantage's funds to deliver strong consistent returns to investors, while significantly reducing the risk of a loss within the portfolio.

A key factor in Vantage's investment strategy is risk minimization. This is obtained by diversification of underlying investments across a range of parameters including; fund manager, geographic region and industry sector.

VPESO will develop a diversified portfolio of underlying investments similar to Vantage's existing Private Equity funds, which have an emphasis on growth industry sectors including the Healthcare, Consumer, Industrials, Information Technology and Agricultural Products sectors.

As demonstrated in the Primary Private Equity & Secondary Private Equity lifecycle diagram to the right, a secondary private equity investment generates an accelerated cash flow much sooner to the initial investment date. This ultimately reduces the illiquidity duration that an investor experiences through a primary private equity investment.

Primary Private Equity & Secondary Private Equity Investment lifecycle



Why Vantage Private Equity Funds?

Vantage has developed a proven and highly diversified Private Equity investment strategy to broaden investor access and participation in the Private Equity asset class. Investing in VPESO provides the opportunity for investors to access the superior returns of the private equity asset class at a later stage, ultimately delivering investors an attractive, risk adjusted returns over their investment hold period.

Who Should Invest?

VPESO is specifically tailored for investment by sophisticated investors, super funds, charitable foundations & endowments. An investment in VPESO suits a range of investors including those;

- » seeking an alternative investment that has consistently outperformed traditional asset classes;
- » looking to gain access to a fully developed diversified set of top performing Private Equity funds & co-investments which are otherwise difficult or impossible to access directly;
- » seeking to receive accelerated distributions in the form of income, franking credits and capital gains ultimately taxed at the rate applicable to their investment vehicle;
- » looking to reduce the illiquidity duration generally borne by a primary private equity investment commitment;
- » who have a medium term (2 to 3 year) investment horizon;

Important Information

This Fact Sheet is being made available to you on a confidential basis to provide summary information only regarding VPESO. The VPESO Information Memorandum should be read in its entirety before making a decision to invest. This Fact Sheet may not be reproduced or used for any other purpose. You should not construe the contents of the Fact Sheet as legal, tax, investment or other advice.

Corporate Directory

Investment Manager

Vantage Asset Management Pty Limited

Registry

Automic Pty Ltd

Legal Advisers

MinterEllison

Audit & Tax

Ernst & Young

Fund Administration

Vantage Asset Management Pty Limited