

VANTAGE PRIVATE EQUITY GROWTH 5



QUARTERLY INVESTOR REPORT
31 DECEMBER 2024

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EXECUTIVE SUMMARY

Welcome to the Vantage Private Equity Growth 5 (VPEG5) quarterly investor report for the period ending 31 December 2024.

Following VPEG5's first announced exit in the prior quarter, the December quarter was another active period for VPEG5 with a further two new investments and one exit announced or completed.

VPEG5's private equity managers continue to make progress in executing their investment strategies, which has led to steady earnings growth in recent quarters. As portfolio companies continue to achieve their objectives, their respective private equity managers will reassess their value, likely resulting in increased valuations for VPEG5's portfolio over the next six to twelve months.

PORTFOLIO HIGHLIGHTS

During the quarter, two new platform acquisitions were announced by VPEG5 investee managers. The Adamantem Capital Environmental Opportunities Fund (Adamantem EOF) acquired Microgrid Power (Microgrid), and CPE Capital 9 acquired British Sausage Company. As a result, the number of unique company investments in VPEG5's portfolio increased from 32 to 34.

There were six bolt-on acquisitions across the VPEG5 portfolio during the period, by Next Capital Fund V portfolio companies Alloggio and Country Care, and Mercury Fund twenty2 portfolio company Fyfe. These strategic investments further expanded each portfolio company's operations and market share. Such growth initiatives have seen Last-Twelve-Months (LTM) revenue and EBITDA across VPEG5's underlying portfolio of investments grow at 16.3% and 22.6% respectively.

Additionally, CPE Capital 9 exited its stake in Direct Group back to management.

A number of VPEG5's underlying fund managers are focused on capital deployment, with several new potential investment opportunities in advanced due diligence. If successfully executed, these acquisitions will add to the VPEG5 portfolio over the course of H1 2025.

VPEG5 FUND ACTIVITY

During the quarter, capital calls totalling \$3,982,317 were paid by VPEG5 to CPE Capital 9, Allegro Fund IV and Next Capital Fund V.

The capital called was utilised to fund the new portfolio company investment by CPE Capital 9, provide follow-on capital for Allegro Fund IV's investment into Scyne Advisory, and for the repayment of Next Capital Fund V's financing facility used to acquire portfolio companies in prior periods.

To fund these capital calls, VPEG5, LP issued a capital call during November 2024, totalling 5% of investors committed capital. As at 31 December 2024, VPEG5 had called a total of 49% of investors committed capital.

During the December quarter, distributions totalling \$3,579,405 were received by CPE Capital 9, from the exit of portfolio company Civilmart to Irish manufacturer CRH, and by the Adamantem EOF representing equalisation interest.

As a result of the receipt of these proceeds, in December 2024, VPEG5A paid a distribution to investors of \$1,272,316 or 1% of committed capital. As a result, VPEG5's consolidated Distribution to Paid-In (DPI) stands at 0.04x at period end.

VPEG6 MAKES FIRST PORTFOLIO COMPANY INVESTMENT AND REMAINS OPEN FOR INVESTMENT

During the December 2024 quarter, VPEG6 achieved a significant milestone with VPEG6's first portfolio company acquisition, of Pacific Smiles Group Limited (ASX:PSQ) by Genesis Capital Fund II. The acquisition of Pacific Smiles marks an exciting period for VPEG6, commencing the underlying portfolio company activity within the Fund.

VPEG6 will remain open for investment until either the Fund's target size of \$250 million is reached, or the second anniversary of the First Closing Date. If you wish to learn more on VPEG6 or would like to make an application, please contact Vantage's Investor Services Team via email at info@vantageasset.com or call 02 9067 3133.

An application can be made by contacting your Wealth Adviser or through VPEG6's Online Application form by copying the following link into your web browser; <https://apply.automic.com.au/VPEG6>



EXECUTIVE SUMMARY

2024 ANNUAL GENERAL MEETING

On 28th November, Vantage held its VPEG Funds 2024 Annual General Meeting (AGM) at the Sofitel Wentworth, Sydney. Reflecting the exceptional growth of Vantage of recent times, the AGM represented the first time in over a decade that Vantage hosted its AGM as an in-person event, whilst also being accessible via webinar.

The AGM presented the opportunity to demonstrate the strong performance and achievements of the VPEG Funds across the 2024 financial year.

We look forward to seeing Vantage's esteemed investors and advisers at the 2025 AGM, with details to be provided in due course.

VANTAGE 20-YEAR ANNIVERSARY

During December, Vantage celebrated its 20-year anniversary on Sydney Harbour, with the Vantage team celebrating with a number of prominent and long-time investors, advisers and private equity fund managers.

The event was an extraordinary reminder of the trust and collaboration that have been fundamental to the Vantage journey, and the partnerships that continue to shape Vantage's future.

VANTAGE TEAM STRATEGY OFFSITE

Capping off an active quarter for Vantage, the firm held its 2024 Strategy Offsite in the Hunter Valley, allowing the team to align on Vantage's vision and plans for 2025 and beyond. The Strategy Offsite provided an invaluable opportunity to strengthen the team's focus on delivering exceptional value to Vantage's investors and continue to build strong relationships with Vantage's private equity managers, whilst ensuring the firm remains agile and responsive in an ever-evolving private equity market.

PERFORMANCE



PERFORMANCE

QUARTER ENDING	31 DECEMBER 2024
FINAL CLOSE	DECEMBER 2023
STRATEGY	PRIVATE EQUITY FUND OF FUNDS
COMMITTED CAPITAL	\$165.73 MILLION
CALLED CAPITAL - PER \$ OF COMMITTED CAPITAL	\$0.49
UNCALLED CAPITAL - PER \$ OF COMMITTED CAPITAL	\$0.51
NET ASSET VALUE (NAV) - PER \$ OF COMMITTED CAPITAL	\$0.458
CUMULATIVE DISTRIBUTIONS PAID - PER \$ OF COMMITTED CAPITAL	\$0.02

PORTFOLIO

TOTAL COMMITTED CAPITAL TO PRIVATE EQUITY	\$170.02 MILLION
NO. OF PRIMARY COMMITMENTS	8
NO. OF CO-INVESTMENTS	4
NO. OF UNDERLYING PORTFOLIO COMPANIES ¹	34
NO. OF EXITS	2
NO. OF REMAINING PORTFOLIO COMPANIES	32

1. Excludes duplicated investments; and includes both completed and announced investments at reporting period



PRIVATE EQUITY PORTFOLIO





PRIVATE EQUITY PORTFOLIO

VPEG5 PRIVATE EQUITY PORTFOLIO

PRIVATE EQUITY FUND NAME	FUND / DEAL SIZE (\$M)	VINTAGE	INVESTMENT STRATEGY	COMMITMENT (\$M)	CAPITAL DRAWN (\$M)	PORTFOLIO COMPANIES	EXITS
CPE CAPITAL 9	\$729	2020	BUYOUT	\$20.00	\$7.74	6	2
ADVENT PARTNERS 3 FUND	\$410	2020	EXPANSION / BUYOUT	\$20.00	\$9.92	4	-
ALLEGRO FUND IV	\$623	2020	TURNAROUND	\$25.00	\$13.34	4	-
ANCHORAGE CAPITAL PARTNERS FUND IV	\$505	2021	TURNAROUND	\$25.00	\$10.38	4	-
MERCURY CAPITAL FUND TWENTY2	\$1,000	2022	EXPANSION / BUYOUT	\$15.00	\$6.72	4	-
RIVERSIDE AUSTRALIA FUND IV	\$300	2022	EXPANSION / BUYOUT	\$20.00	\$0.00	1	-
ADAMANTEM ENVIRONMENTAL OPPORTUNITIES FUND	\$353	2022	EXPANSION	\$20.00	\$4.34	4	-
NEXT CAPITAL FUND V	\$375	2022	EXPANSION / BUYOUT	\$20.00	\$7.39	5	-
CO-INVEST NO.1 – EVENTS AIR	\$187	2022	EXPANSION / BUYOUT	\$1.00	\$1.00	1	-
CO-INVEST NO.2 – GULL NZ	NZ\$495	2022	BUYOUT	\$1.00	\$1.00	1	-
CO-INVEST NO.3 – COMPARE CLUB	\$160	2022	EXPANSION	\$2.00	\$2.00	1	-
CO-INVEST NO.4 – PAC TRADING	\$68	2023	EXPANSION / BUYOUT	\$1.02	\$1.02	1	-
TOTAL				\$170.02	\$64.86	34²	2

2. Excludes duplicated investments; and includes both completed and announced investments at reporting period



PRIVATE EQUITY PORTFOLIO

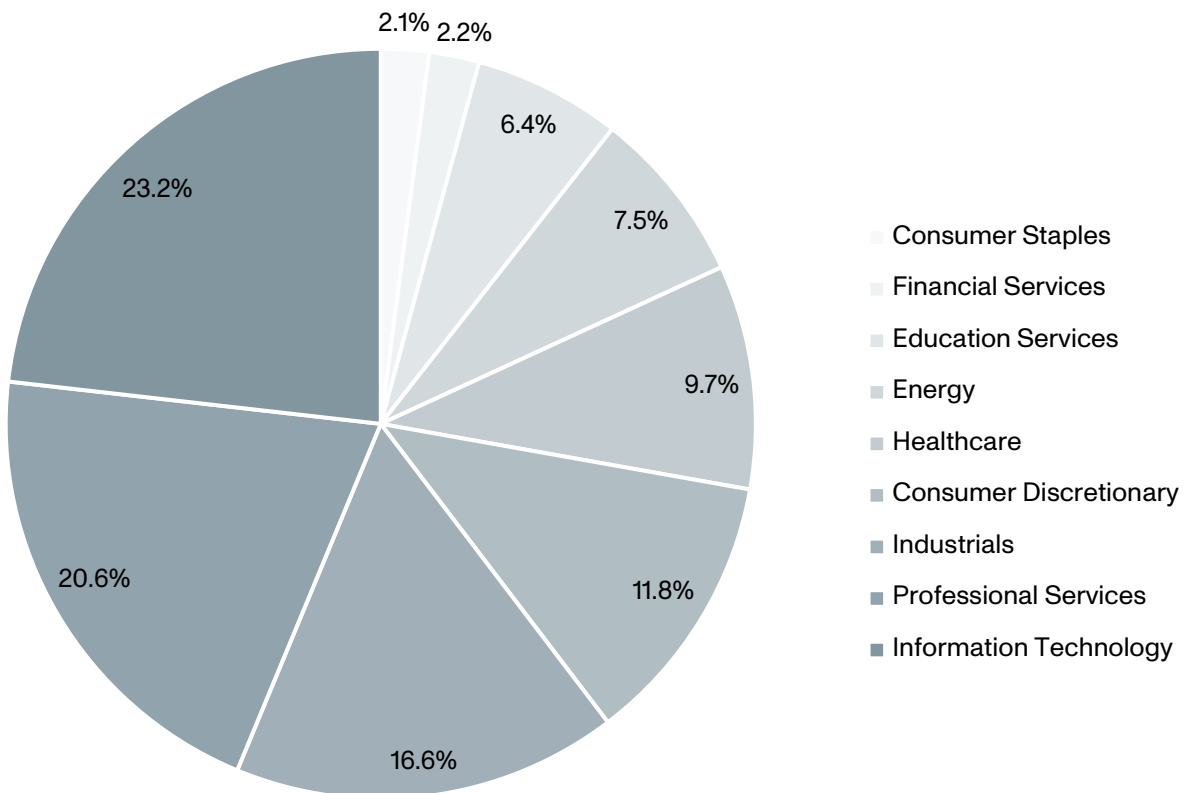
TOP 10 HOLDINGS ACROSS THE PORTFOLIO

	PORTFOLIO COMPANY	FUND	DESCRIPTION	SHARE OF PORTFOLIO	CUMULATIVE
1	SLATER & GORDON	ALLEGRO FUND IV	A LEADING COMPENSATION AND CLASS ACTION LAW FIRM	8.2%	8.2%
2	DAVID JONES	ANCHORAGE CAPITAL PARTNERS FUND IV	AUSTRALIAN LUXURY DEPARTMENT STORE	7.1%	15.4%
3	SCYNE ADVISORY	ALLEGRO FUND IV	AUSTRALIAN PUBLIC SECTOR ADVISORY BUSINESS	6.2%	21.5%
4	GULL NZ	ALLEGRO FUND IV	NEW ZEALAND PETROLEUM DISTRIBUTION COMPANY AND PETROL STATION CHAIN	5.8%	27.4%
5	ELF GROUP	ANCHORAGE CAPITAL PARTNERS FUND IV	ASSET FINANCE AND LEASING SOLUTIONS	5.6%	32.9%
6	RMS	ADVENT PARTNERS 3 FUND	CLOUD-BASED SAAS PROPERTY MANAGEMENT SOFTWARE FOR ACCOMMODATION SECTOR	5.4%	38.3%
7	COMPARE CLUB	CO-INVESTMENT NO.3 - COMPARE CLUB	OPERATOR OF CONSUMER FINANCE AND INSURANCE INFORMATION PLATFORM	5.4%	43.7%
8	PAC TRADING	CO-INVESTMENT NO.4 & ADAMANTEM ENVIRONMENTAL OPPORTUNITIES FUND	PROVIDER OF INNOVATIVE AND SUSTAINABLE PACKAGING SOLUTIONS	4.7%	48.4%
9	NUTUN AUSTRALIA	ALLEGRO FUND IV	A PROVIDER OF BUSINESS PROCESS OUTSOURCING (BPO) SERVICES FOR A LONGSTANDING BLUE-CHIP CUSTOMER BASE.	4.5%	52.9%
10	INTEGRATED CONTROL TECHNOLOGIES (ICT)	ADVENT PARTNERS 3 FUND	MANUFACTURER OF UNIFIED AND INTELLIGENT ELECTRONIC ACCESS CONTROL AND SECURITY SOLUTIONS	4.3%	57.2%



PRIVATE EQUITY PORTFOLIO

INDUSTRY DIVERSIFICATION OF PORTFOLIO



PORTFOLIO ACTIVITY





PORTFOLIO ACTIVITY

The December 2024 quarter was an active period for VPEG5 with two new investments, six strategic bolt-ons completed and one exit.

VPEG5's portfolio grew to 34 unique company investments. With another 15-20 new company investments expected over the coming 18 to 24 months, this will bring the total number of underlying company investments to approximately 50-60 companies when VPEG5 is fully invested.

Further details of the investment activity across VPEG5's portfolio during the period are highlighted below.

CPE CAPITAL 9 - DIRECT GROUP



During the quarter, CPE Capital 9 exited its stake in Direct Group to management. Having explored a range of alternatives with the company's stakeholders, CPE Capital concluded it would be in investors' best interest to exit the business at a nominal value. Whilst this was a disappointing result, the business had been experiencing headwinds for a while and was held at nominal value.

As such, the exit had no further impact on VPEG5's NAV and will have a minimal impact on returns given the investment will likely account for less than 1% of the Fund's committed capital. This reinforces the benefits of a diversified fund-of-funds approach to investing in private equity.



MICROGRID POWER – ADAMANTEM CAPITAL ENVIRONMENTAL OPPORTUNITIES FUND

During January 2025, the Adamantem EOF announced the acquisition of Microgrid, an Australian embedded power network operator.

Microgrid designs and operates embedded power networks in multi-tenanted Commercial and Industrial buildings (e.g., shopping malls), where solar power has historically been underpenetrated. Some of Microgrid's core solar microgrid solutions include solar generation plants, smart electricity networks, battery storage and EV charging.

Microgrid currently has installations across NSW, VIC and QLD, with a strong pipeline of contracted sites to implement under Adamantem's ownership.

BRITISH SAUSAGE COMPANY – CPE CAPITAL 9



During November 2024, CPE Capital 9 completed the acquisition of the British Sausage Company (Australian British Food, "ABF"), a leading manufacturer of fresh sausages, burgers, smallgoods and value-added meat products.

Founded in 1991, the ABF employs over 300 staff across five production facilities in WA, NSW and QLD. Customers include nationwide supermarkets such as Coles, Woolworths and Aldi, as well as independent grocers and foodservice companies.

ABF emphasises its commitment to quality by using fresh, locally sourced ingredients combined with traditional recipes and techniques. This dedication has led to the creation of award-winning products that have gained popularity across Australia.



PORTFOLIO ACTIVITY

OTHER PORTFOLIO ACTIVITY

In addition to the new company investments added to the portfolio during the quarter, VPEG5's private equity managers completed six strategic bolt-ons in order to increase profitability and capture additional market share of existing portfolio companies.

Next Capital Fund V portfolio company **Alloggio** completed the acquisition of three NSW & QLD holiday rental businesses which will contribute a material increase in earnings for Alloggio.

Another Next Capital Fund V portfolio company, **Country Care**, completed two bolt-on acquisitions during the quarter, Homecare Equipment and Healthsaver, which operate as a retailer and wholesaler respectively. These strategic targets are also both profitable and will help bolster the earnings of Country Care.

Further to the above, Mercury Fund twenty2 portfolio company **Fyfe** completed the acquisition of NGH, an environmental engineering consultancy with over 100 staff on Australia's east coast. NGH is complementary to the existing Fyfe business and specifically will help Fyfe expand its environmental capabilities and increasing exposure to the renewables sector.

MARKET INSIGHTS





MARKET INSIGHTS

The Australian lower to mid-market private equity segment continues to show strong resilience and is well positioned for increased deal activity as we progress through Q1 and into 2025.

At a macro level, 2024 saw more challenging economic environment driven by modest growth, lingering inflation (fed by high government expenditure) and persistently high interest rates. However, key economic indicators point to more favourable economic conditions in 2025, with core inflation data trending downwards and interest rate relief expected towards the end of this quarter or early next.

Despite geopolitical uncertainty overseas, both Australia and NZ have managed to avoid the rise of populist politics and swings to the far right which have become prevalent in both the US and several European countries. Importantly, Australia runs a trade deficit with the US and is therefore unlikely to be a direct target of Trump's tariffs. While action against China, Australia's largest trading partner, will likely have flow on effects, this is more likely to impact larger, more commodity-linked and export-led businesses that don't sit within Vantage's focus of the lower to mid-market segment.

Recent commentary from M&A market participants suggests a greater convergence on valuation between buyers and sellers. This follows the previous misalignment experienced through most of 2024 which saw prolonged transaction timelines, and in some instances failed sale processes. As such, there remains a large backlog of deals which, with debt markets remaining highly supportive, should see heightened deal activity through the year.

Vantage's managers and their respective portfolio companies are well placed to benefit from these key themes playing out through 2025.

A more stable and positive operating environment should allow for greater conviction in pursuing new growth initiatives to help drive value creation across the portfolio. While from an exit perspective, the prospect of cheaper debt financing, continued interest from both domestic and offshore trade, as well as large buyout funds as they seek to deploy record amounts of capital, should see strong demand for high-quality mid-market businesses.

Vantage's funds and their underlying managers continue to focus on businesses that demonstrate highly defensive characteristics, with proven B2B revenue models, strong customer retention and pricing power.

New investment activity has been focused on the software & IT, healthcare and business services sectors, with very few new retail investments given the challenging consumer backdrop and pull back in discretionary spending.

Overall, 2025 is shaping up to be a strong year for the lower to mid-market segment, across Australia and New Zealand. Improving economic conditions, an increasing pipeline of high-quality opportunities, and greater appetite from both buyer and sellers should see strong growth on what has been a solid December quarter.

DIRECTORY

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IMPORTANT INFORMATION

This report has been prepared by Vantage Asset Management Pty Limited (ABN 50 109 671 123) AFSL 279186 (Vantage) in its capacity as Investment Manager of Vantage Private Equity Growth 5. It has been prepared without taking into account the objectives, financial situation or needs of any investor, which should be considered before investing. Investors should seek their own advice about an appropriate investment or investment strategy. It should not be relied upon as personal advice nor is it an offer of any financial product.



VANTAGE ASSET MANAGEMENT

