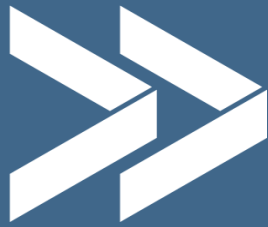


VPEG3

DIVERSIFY
GROW
OUTPERFORM



Vantage Private Equity Growth 3, LP
Quarterly Report
31 March 2021

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IMPORTANT INFORMATION

This report has been prepared by Vantage Private Equity Management Partnership, LP, an authorised representative of Vantage Asset Management Pty Limited ABN 50 109 671 123, AFSL 279186 ('VAM'), in its capacity as Investment Manager of Vantage Private Equity Growth 3, LP. 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. This report should not be relied upon as personal advice nor is it an offer of any financial product. All \$ referred to in this report are Australian dollars.

SUMMARY

Vantage Private Equity Growth 3 (VPEG3) is a multi-manager Private Equity investment fund consisting of Vantage Private Equity Growth 3, LP (VPEG3, LP) an Australian Fund of Funds (AFOF) Limited Partnership and Vantage Private Equity Growth Trust 3A (VPEG3A) an Australian Unit Trust.

VPEG3, LP is unconditionally registered with the Australian Government Department of Industry, Innovation and Science as a complying investment for the Significant Investor Visa (SIV), focused on investing in the lowest risk sector, of the Venture Capital or Private Equity (VCPE) segment, Growth Private Equity.

VPEG3A has been established to undertake private equity investments that are not permitted to be made by an AFOF, in accordance with Australian regulations. As such only VPEG3 Investors that are not SIV investors, are unit holders in VPEG3A. VPEG3A also qualifies as a Managed Investment Trust (MIT) for Australian Tax purposes.

VPEG3 is focused on investing in professionally managed Private Equity funds that invest in businesses that are at a more mature stage of development, and in particular the Later Expansion and Buyout stages of Private Equity investment.

The Fund's investment objective for its Investment Portfolio is to achieve attractive medium term returns on its Private Equity investments while keeping the volatility of the overall investment portfolio low. This is achieved by investing across a highly diversified portfolio of Private Equity assets with diversification obtained by allocating across fund manager, geographic region, financing stage, industry sector and vintage year.

VPEG3 will invest the majority of its Investment Portfolio into Australian based Private Equity funds who in turn are focused on investing into lower to mid-market sized companies headquartered in Australia and New Zealand, with enterprise value of between \$25 million and \$250 million at investment.

VPEG3 has developed a diversified portfolio of underlying investments by investing into seven underlying Private Equity funds in which it has made investment commitments, who in turn are focused on investments into profitable companies in defensive and growth industry sectors including the Healthcare, Consumer Staple, Information Technology and Agricultural Products.

SUMMARY cont.

SPECIAL POINTS OF INTEREST

Allegro Fund III completes the 100% Sale of Ngahua Group to Tahua Partners, representing VPEG3's second exit from its underlying portfolio

Odyssey Private Equity Fund 8 invests in MTB Direct, a leading online store for mountain bike parts, riding apparel and accessories

VPEG3 Distributes \$0.03 per Dollar of Committed Capital to all VPEG3 Investors during the March 2021 quarter as a result of the receipt of the partially realised proceeds of SILK Laser Clinics Australia

VPEG3's consolidated performance continues to improve as the portfolio matures, with VPEG3 delivering a net return of 21.6% p.a. since inception to 31 March 2021

As at 31 March 2021, VPEG3 had committed \$67.50 million across seven Primary Private Equity Funds and two co-investments. As a result, a total of 37 underlying company investments exist within the portfolio at quarter end. VPEG3's investment commitments include; \$12 million to Allegro Fund III; \$10 million to each of Adamantem Capital Fund I, Advent Partners 2 Fund, Anchorage Capital Partners Fund III and Next Capital Fund IV, \$7.5 million to Mercury Capital Fund 3 and \$7 million to Odyssey Private Equity Fund 8. VPEG3 co-investments include; \$0.25 million into Fitzpatrick Financial Group and \$0.75 million into Tribe Brewing.

PERFORMANCE

The period 1 January 2021 to 31 March 2021, saw continued activity across the portfolio with the successful completion of the Funds second underlying company exit. The Sale was completed by VPEG3 investee Allegro Fund III. In addition to this exit, one new underlying company investment was added to VPEG3's underlying portfolio as well as the announcement of another two new company investments subsequent to quarter end.

Also during the March quarter, VPEG3 paid a distribution of \$0.03 per dollar of Committed Capital to all VPEG3 investors. The distribution was as a result of the receipt by VPEG3 of the partially realised sale proceeds from the IPO and ASX listing of SILK Laser Clinics Australia during December 2020.

As the COVID-19 health crisis continued to abate in Australia and New Zealand throughout the quarter, VPEG3's underlying managers continued to support portfolio company management teams as they progress their investment agendas to deliver growth in each portfolio company.

VPEG3's underlying Private Equity managers' report that trading across all underlying portfolio companies remains robust, with liquidity levels remaining strong in each underlying company and a significant majority of portfolio companies performing ahead of budget.

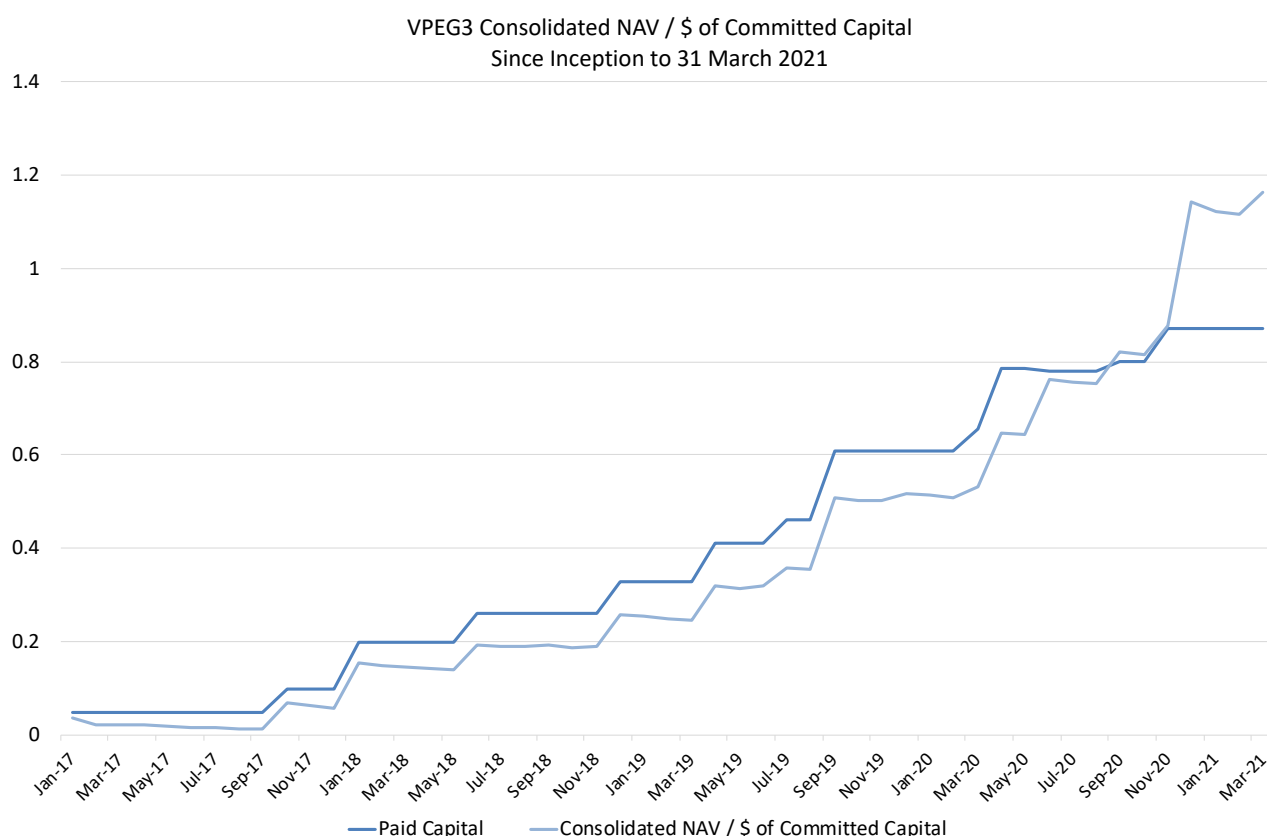
VPEG3 SUMMARY PERFORMANCE AT 31 MARCH 2021

Fund	Cash	Fixed Interest	Private Equity (Value)	Paid Capital (per \$ of Committed Capital)	NAV (per \$ of Committed Capital)	Cumulative Distributions Paid	Total Value + Cumulative Distributions Paid	Net Return Since Inception* (p.a.)
VPEG3 CONSOLIDATED	4.4%	3.1%	92.5%	0.87	1.162	0.03	1.192	21.6%

* Since inception from final close January 2019

On a consolidated basis across both VPEG3, LP and VPEG3A the total NAV per dollar of Committed Capital to VPEG3 increased 1.7% across the quarter from \$1.143 at 31 December 2020 to \$1.162 at 31 March 2021. The increase in VPEG3 NAV across the quarter was as a result of an increase in unrealised values of a number of VPEG3's portfolio companies attributable to reflect the strong earnings performance throughout the March 2021 quarter. Additionally, during the quarter, all VPEG3 investors received a distribution of \$0.03 per Dollar of Committed Capital to the Fund as a result of the partially realised proceeds of now ASX listed company SILK Laser Clinics Australia (ASX:SLA). As a result, accounting for this distribution paid to all VPEG3 investors during the quarter, VPEG3's Consolidated NAV / \$ of Committed Capital increased by 4.3% across the quarter.

The below graph demonstrates VPEG3's Consolidated NAV / \$ of Committed Capital performance since inception to 31 March 2021, is well above investor's Paid Capital / \$ of Committed Capital to VPEG3.



As at 31 March 2021, all VPEG3 Investors had Paid Capital to VPEG3, LP totalling 62% of their Committed Capital to VPEG3. Furthermore, all VPEG3 investors, with the exception of SIV investors, had Paid Capital to VPEG3A, totalling 25% of their Committed Capital to VPEG3.

Due to the increase in VPEG3's portfolio value across the quarter, VPEG3's return to Investors continued to improve.

As a result, VPEG3 has now delivered a net return of 21.6% p.a since final close of the fund on 31 January 2019 to 31 March 2021.

VPEG3's portfolio value is anticipated to continue to grow as underlying fund managers further maximise the value of each portfolio company prior to exit. In addition, as managers enter into the final stages of the sale of a number of portfolio company's, the number of exits from VPEG3's portfolio is expected to increase across the next three to six months. These exits will deliver further distributions and value to VPEG3 investors across the 2021 calendar year, which will contribute to ultimately deliver strong risk adjusted returns for investors over the term of the Fund.

KEY PORTFOLIO DEVELOPMENTS

The March 2021 quarter saw the successful completion of VPEG3's second portfolio company exit by VPEG3 investee Allegro Fund III. In addition to this exit, one new underlying company investment was added to VPEG3's underlying portfolio as well as the announcement of another two new company investments subsequent to quarter end.

Drawdowns during the quarter from VPEG3, totaling \$1,007,538 were paid to Allegro Fund III, Next Capital Fund IV and Odyssey Private Equity Fund 8.

The majority of calls paid during the quarter were to fund two new underlying company investments, with one of those new investments being acquired during the December 2020 quarter. Additional capital was also called upon by VPEG3 for the costs associated with the operations of underlying funds, including management fees and due diligence costs incurred in completing new investments.

During February 2021, Allegro Fund III completed the 100% sale of Ngahua Group Ltd to Tahua Partners. Ngahua is New Zealand's leading footwear retailer operating 100 stores across two iconic retail brands—Number One Shoes and Hannahs. This exit delivered Allegro Fund III investors, including VPEG3 with top tier performing returns across a 3.4 year hold period.

During March 2021, Odyssey Private Equity Fund 8 invested in MTB Direct, a leading online store for mountain bike parts, riding apparel and accessories.

Subsequent to the March 2021 quarter end, Mercury Capital Fund 3 announced an investment in Green Options Pty Ltd (Green Options) a leader in the Australian commercial landscape maintenance market, and the pre-eminent operator in the maintenance of elite sports turfs and educational facility landscapes.

Additionally, Allegro Fund III announced that they had entered into an agreement with Japan Post to acquire Toll Global Express during April 2021. Toll Global Express includes Toll's courier and express parcels arms, as well as its palletised, intermodal and shipping operations, and its New Zealand business. Its assets include 39 planes, dozens of depots and thousands of trucks and containers.

During the quarter, VPEG3 received distributions totaling \$3,324,462 from underlying funds Allegro Fund III and Odyssey Private Equity Fund 8. The distribution from Allegro III related to the sale proceeds of Naghuia Group as well from the dividends receipt from underlying investment Best & Less Group. The Odyssey 8 distribution related to underlying investment Frankie4, as a result of strong financial performances throughout the period.

**“VPEG3’S PORTFOLIO EXPANDS TO THIRTY SEVEN UNDERLYING COMPANIES OPERATING
ACROSS A BROAD RANGE OF INDUSTRY SECTORS”**

RECENTLY COMPLETED EXIT

NAGHUIA GROUP (HANNAHS & NUMBER ONE SHOES) – ALLEGRO FUND III

During February 2021, Allegro Fund III completed the 100% sale of Ngahuia Group Ltd to Tahua Partners.



Ngahuia is New Zealand's leading footwear retailer operating 100 stores across two iconic retail brands, Number One Shoes and Hannahs. Hannahs is one of New Zealand's oldest brands and has operated for over 150 years while Number One Shoes has operated for over 40 years. Both brands are focused on the value to the lower to middle market segment.

In October 2017, Allegro partnered with Roger and John via an Management Buyout ("MBO") to acquire Ngahuia from ASX listed Bapcor (ASX:BAP), who sold the business as a non-core asset. Allegro applied its unique approach and large operating partner team with skills across branding, operations and strategy to partner with management to accelerate the transformation of Ngahuia.

The business pursued an aggressive customer and digital led strategy while shrinking its physical footprint and lowering its operating cost base. Online sales have grown significantly to 10% of sales and continues to grow rapidly. The business also invested in its data capability to drive CRM and digital marketing across its 1m+ customer database.

A new store model - 'New Zealand's ultimate shoe destination' - was developed by integrating Hannahs into nearby larger Number One Shoes' stores. This strategy saved significant operating costs and turned previously unviable locations into successful stores. However, the larger opportunity is to cross sell and upsell across the common customer base of the two brands. The six locations with this model are trading well with significant increases in profitability. The business plans to roll out this model across 30 more locations over the next three years.

This exit provided Allegro Fund III and its investors, including VPEG3 with a strong return across a 3.4 year investment period. The realised proceeds from this exit were distributed by Allegro to VPEG3 on 31 March 2021 and will subsequently be distributed to all VPEG3A investors during the June 2021 quarter.

OVERVIEW OF NEW UNDERLYING INVESTMENT

MTB DIRECT – ODYSSEY PRIVATE EQUITY FUND 8

On 2 March 2021, Odyssey Private Equity Fund 8 announced an investment in MTB Direct, a leading online store for mountain bike parts, riding apparel and accessories.



Founded in 2012 by three passionate mountain bike riders, MTB Direct has grown to become Australia's leading pure play online destination for mountain bike products, knowledge and connection. The business focuses on providing a high-quality customer experience to mountain bike riders from beginner to expert, with its extensive range of products appealing to customers who appreciate the convenience and flexibility of online shopping.

MTB Direct has achieved strong sales growth over recent years driven by the increasing popularity of cycling, and particularly mountain biking, alongside the continued shift of consumers to the online channel.

Odyssey's strategy for value-creation includes:

- Further growth in new customers
- Expansion of the product range
- Investment in a range of new digital Platforms, and
- International expansion.

RECENTLY ANNOUNCED UNDERLYING INVESTMENTS

GREEN OPTIONS PTY LTD – MERCURY CAPITAL FUND

On 16 April 2021, Mercury Capital Fund 3 announced an investment in Green Options Pty Ltd (Green Options) a leader in the Australian commercial landscape maintenance market, and the pre-eminent operator in the maintenance of elite sports turfs and educational facility landscapes.



Mercury Capital Fund 3 will invest in Green Options in partnership with the founder, Tony Herman. Green Options is based in Sydney with more than 370 employees across New South Wales, Queensland, Victoria, South Australia, ACT and Western Australia.

Green Options is a platform investment, enabling Mercury 3 to roll up a number of additional bolt-on acquisitions to ultimately create the market leading and only national commercial landscape maintenance business in Australia.

Mercury have already commenced discussions on a number of bolt-on opportunities and has also identified a range of organic growth initiatives for Green Options to leverage its market leading capability in the specialised landscape maintenance service.

TOLL GLOBAL EXPRESS – ALLEGRO FUND III

On 21 April 2021, Allegro Fund III announced the acquisition of Toll Global Express an Australian transportation and logistics company with operations in road, rail, sea, air and warehousing.



Toll Global Express includes Toll's courier and express parcels arms, as well as its palletised, intermodal and shipping operations, and its New Zealand business. Its assets include 39 planes, dozens of depots and thousands of trucks and containers. The biggest contributor to the Group is express parcels, which include same-day delivery and next-day delivery and makes more than \$1 billion a year revenue.

Allegro is reported to be injecting \$500 million into the group separating it from Toll, restructuring the group and paying off Toll's liabilities. Allegro is expected to rename the express business after the deal is completed (expected to be by the end of June 2021), however is allowed to keep operating under the Toll brand for up to two years.

Allegro founding partner Adrian Loader will Chair the express operations with newly appointed Chief Executive Officer Christine Holgate, who will lead the transformation strategy for the growing parcels and logistics organisation.

UNDERLYING PORTFOLIO UPDATE

TRADING UPDATE – SILK LASER CLINICS AUSTRALIA (ASX:SLA) - ADVENT PARTNERS 2 FUND

Following the successful Initial Public Offer (IPO) of VPEG3 investee Advent Partners 2 portfolio company SILK Laser Clinics Australia ("SLA") on the Australian Stock Exchange (ASX) on 15th of December 2020, SLA continues to perform well as a publicly listed Company over the initial four months of trading.



On 25th February 2021, SLA released an upgraded FY21 financial forecast to the market, as a result of the continued strong operating performance to reflect the groups robust financial results throughout the H1 FY21 period.

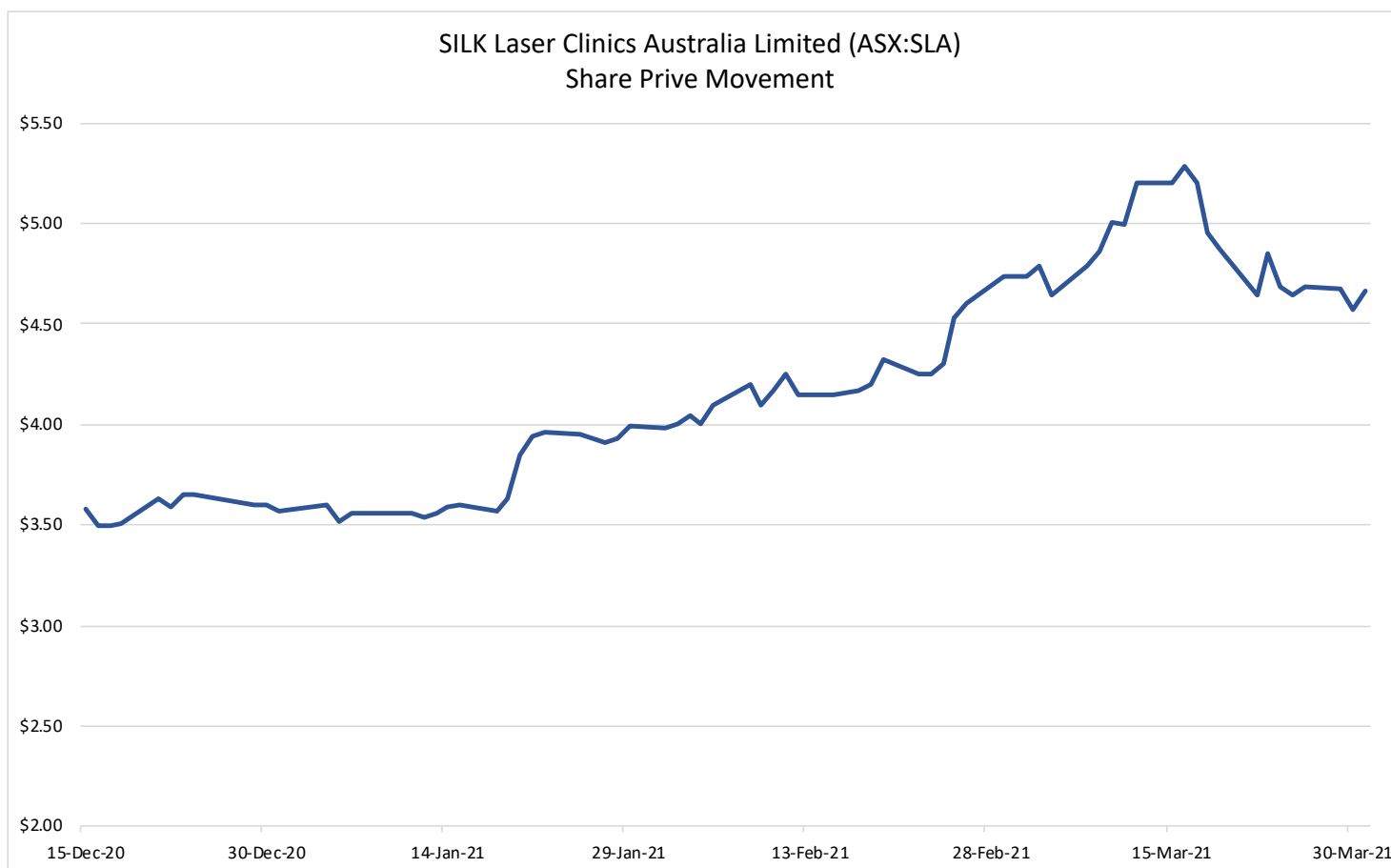
H1 FY21 Highlights (vs H1 FY20) include;

- Network cash sales up 62% to \$44.9 million, with all categories performing in line or above expectations
- Revenue up 78% to \$30.6 million
- Pro forma EBITDA up 166% to \$10.6 million
- Statutory Net Profit after Tax up 318% to \$4.8 million

Favourable consumer trends aligned with the successful execution of sales campaigns resulted in strong like-for-like growth across SILK's core offerings – laser hair removal, cosmetic injectables, skin treatments, body contouring and skincare products. Additionally, SILK opened five new clinics during H1 FY21, bringing the total number of clinics in its network to 56. SILK's newer clinics are experiencing rapid growth, whilst

mature clinics are also benefitting from the Company's increased focus on marketing and in-clinic training to drive new customer acquisitions and cross-selling opportunities.

Since listing SILK has continued to consistently trade above its IPO price of \$3.45 per share.



On the basis that there are no significant disruptions to H2 trading due to COVID-19, SILK has upgraded financial forecasts for the full financial year ended 30 June 2021:

- Network Cash Sales expected in the range of \$82.0 million and \$86.0 million (vs. Prospectus forecast of \$81.0 million)
- Pro forma EBITDA in the range of \$15.0 million and \$16.0 million (vs. Prospectus forecast of \$14.0 million)
- Underlying EBITDA of \$14.0 million to \$15.0 million (vs. Prospectus forecast of \$13.5 million).

SILK is on track to have in excess of 60 clinics by 30 June 2021 as the Company continues to work towards its network plan for approximately 150 clinics (including franchised clinics). SILK plans to expand into the ACT with its first clinic due to open in March 2021.

As part of the IPO, Advent realised half of Advent Partners 2 Fund's investment in SILK, with the partial sale proceeds from the IPO and pre-IPO capital return being distributed to VPEG3 during December 2020. The Fund continues to hold ~28% of SILK post IPO. Advent Partners 2 Fund's remaining shares in SILK will be released from escrow in two tranches – August 2021 and February 2022.

PORTFOLIO STRUCTURE

VPEG3's PORTFOLIO STRUCTURE - 31 MARCH 2021

The tables and charts below provide information on the breakdown of VPEG3's investments as at 31 March 2021.

CURRENT INVESTMENT ALLOCATION

The following tables provide the percentage split of each of the VPEG3 entities, current investment portfolio, across cash, fixed interest securities (term deposits) and Private Equity.

The Private Equity component of the portfolio is further broken down by the investment stage (Later Expansion or Buyout) of the underlying investments that currently make up VPEG3's Private Equity portfolio.

As at 31 March 2021, the Private Equity component of VPEG3, LP's investment portfolio consisted of twenty six completed investments for which funds had been called from VPEG3, LP, which include; Hygain Holdings, Endeavour Learning Group, Servian Group, Adventure Holdings Australia Pty Ltd (Oztrail), Mining Technologies Holdings Pty Limited, MessageMedia, SILK Laser & Skin Holdings Pty Ltd, Compass Education, South Pacific Laundries, Zenitas Healthcare, Hellers, Delta Agribusiness, Sushi Sushi, Questas Group, FRANKiE4, Perth Radiology Clinics, Legend Corporation, Best & Less Group, Squiz, MessageMedia, Mandoe Media, TM Insights, Bauer ANZ, Medtech, Eptec Group and MTB Direct.

VPEG3, LP				VPEG3A			
Cash	Fixed Interest Investments	Private Equity		Cash	Fixed Interest Investments	Private Equity	
1.6%	6.6%	Later Expansion	33.3%	0.1%	0.2%	Later Expansion	15.2%
		Buyout	58.5%			Buyout	84.5%

As at March 2021, the Private Equity component of VPEG3A's investment portfolio consisted of eight investments for which funds had been called from VPEG3A, including; Heritage Lifecare, Fitzpatrick Financial Group, Flintfox, Tribe Brewing, Silverchef, The Entertainment Group (TEG), Railfirst Asset Management (formally CF Asia Pacific) and AHG Refrigerated Logistics.

PRIVATE EQUITY PORTFOLIO

VPEG3, with commitments to seven Private Equity funds and two co-investments, ultimately held interests in 37 underlying company investments at quarter end. As a result, VPEG3's Private Equity portfolio and commitments, as at 31 March 2021, were as follows;

Private Equity Fund Name	Fund / Deal Size	Vintage Year	Investment Focus	VPEG3 Commitment	Capital Drawn Down	Total No. of Investee Companies	No. of Exits
Adamantem Capital Fund I	\$591m	2017	Mid Market Expansion / Buyout	\$10.0m	\$7.87m	6	-
Odyssey Private Equity Fund 8	\$275m	2017	Mid Market Growth Capital	\$7.0m	\$4.31m	6	-
Advent Partners 2 Fund	\$300m	2017	Mid Market Expansion / Buyout	\$10.0m	\$5.93m	5	1
Allegro Fund III	\$290m	2017	Mid Market Expansion / Buyout	\$12.0m	\$4.49m	5	1
Anchorage Capital Partners Fund III	\$350m	2017	Mid Market Expansion / Buyout	\$10.0m	\$5.58m	3	-
Mercury Capital Fund 3	\$600m	2019	Mid Market Expansion	\$7.5m	\$3.53m	5	-
Next Capital Fund IV	\$275m	2019	Mid Market Expansion	\$10.0m	\$3.45m	5	-
Co-invest (Fitzpatrick Financial Group)	\$200m	2017	Mid Market Expansion	\$0.25m	\$0.28m	1	-
Co-invest (Tribe Brewing)	\$30m	2018	Mid Market Expansion	\$0.75m	\$0.66m	1	-
Total				\$67.50m	\$36.10m	37	2

Note; 1. total no. of investee companies only includes completed investments as at 31 March 2021.

2. The sale of Admanatem Capital Fund 1 portfolio company, Servian, announced during the quarter, was not completed until April so is not included in the exit total

SUMMARY OF VPEG3'S UNDERLYING PRIVATE EQUITY INVESTMENTS

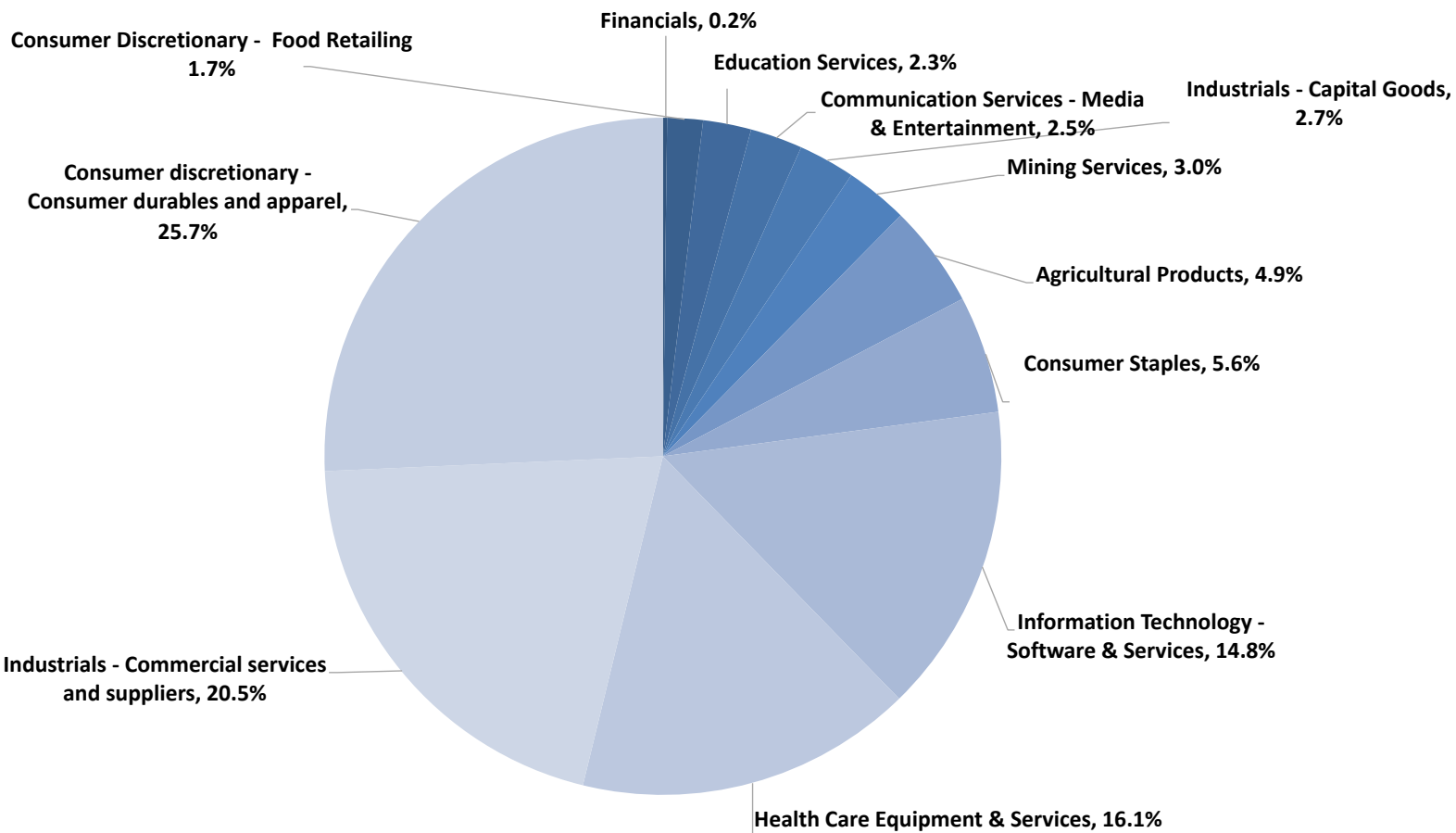
The table below provides a summary of the top ten underlying private equity investments in VPEG3's portfolio for which capital had been called from VPEG3 as at 31 March 2021.

Rank	Investment	Fund	Description	% of VPEG3's Private Equity Investments	Cumulative %
1	Best & Less Group	Allegro Fund III	Retail Merchandising Brands Best & Less & Postie (NZ)	20.9%	20.9%
2	Railfirst Asset Management	Anchorage Capital Partners Fund III	Rail Leasing Business	5.0%	25.9%
3	Heritage Lifecare Ltd	Adamantem Capital I	New Zealand Age-care & Retirement Village Operator	4.8%	30.7%
4	Servian Group	Adamantem Capital I	Leading Specialist Data & Analytics Consulting Firm	4.7%	35.4%
5	Compass Education	Advent Partners 2	Student Information System Software / Services Provider	4.4%	39.8%
6	Hellers	Adamantem Capital I	Producer of Processed Meats in New Zealand	4.4%	44.2%
7	SILK Laser Clinics Australia	Advent Partners 2	Premium provider of laser and skin rejuvenation services	4.0%	48.2%
8	Hygain Holdings Pty Ltd	Adamantem Capital I	Australian Horse Feed & Supplement Manufacturer & Distributor	3.8%	52.0%
9	Questas Group	Allegro Fund III	Network of niche industrial businesses across Australia	3.7%	55.7%
10	South Pacific Laundries	Anchorage Capital Partners Fund III	Leading National Laundry Operator	3.7%	59.4%

INDUSTRY SPREAD OF VPEG3'S UNDERLYING INVESTMENTS

As the broader economic recovery continued across the quarter, a number of companies that had previously been affected by the COVID-19 outbreak have to date now fully recovered, with financial performances exceeding pre-COVID levels. In particular in the "Mining Services" and "Industrial – Commercial Services and Suppliers" industry sectors, which saw an increase in pent-up demand over the period as these businesses returned to 100% operating capacity. As a result, VPEG3's exposure to the "Mining Services" industry sector grew from 2.3% to 3.0% across the quarter.

VPEG3's exposure to the "Consumer Discretionary - Consumer Durables and Apparel" industry sector, which consists of FRANKiE4, Adventure Holdings Australia Pty Ltd, Best & Less Group and MTB Direct represented VPEG3's largest industry exposure at 25.7% of VPEG3's total Private Equity portfolio at quarter end.



MARKET & ECONOMIC CONDITIONS

Over the last 12 months, Australia and New Zealand's COVID experience has been relatively mild compared to most other countries, with 909 COVID related deaths in Australia and 26 in New Zealand.

Reflecting on this period, the principal themes were high and surging rates of infection resulting in countries being faced with lockdowns impacting either specific regions or whole countries. This flowed through to higher rates of unemployment and abrupt slowing of growth. Whilst the precise measure of COVID's impact on the global economy cannot be delineated, there is widespread agreement amongst economists that most major economies lost between 4% and 5% of their GDP.

COVID related restrictions on domestic travel and social gatherings have now been lifted and both countries commenced their vaccine rollout program in February, albeit at a very slow rate. There is now a two-way travel agreement between Australia and New Zealand whereby travel is permitted without the requirement to quarantine. Beyond this, international borders are expected to remain closed for the foreseeable future. Slow vaccine rollout in Australia has not impeded economic recovery. In April the IMF forecast the economy will expand 4.5% this year, a substantial upgrade to the 3.5% annual growth forecast in January. Australia's GDP increased by 3.1% quarter-on-quarter in the December quarter. This is the first time in sixty-years quarter-on-quarter GDP has grown by more than 3% in two consecutive quarters. Household consumption increased by 4.3% and the unemployment rate fell from 6.3% to 5.8%.

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

Since the onset of COVID-19, the Australian government has injected an estimated \$290 billion into the economy through wage subsidies, mortgage relief and support for small businesses, while the New Zealand government spent \$50 billion on similar support measures. Most of these measures were withdrawn during the recent quarter without immediate negative impact. However, economists remain cautious about the economic outlook perceiving more downside risk than upside risk to the prevailing mood and consensus forecasts.

The March 2021 quarter saw high levels of M&A and ECM activity across the market. Private equity activity in Australia is set to sustain the growth seen in Q4 and increase significantly throughout 2021. Over the March quarter, 8 new deals were announced (7 in Australia and 1 in New Zealand) with 6 in consulting services across technology and healthcare and 2 in financial services. Of the 6 completed acquisitions a majority were acquired by underlying funds in VPEG3 and VPEG4 portfolios.

In addition there was a flurry of exit activity across the March quarter. There were 15 exits of private equity owned businesses across Australia and New Zealand, 7 trade sales and 2 secondary sales to larger Private Equity funds. The IPO market remains very active with 20 IPOs planned for the June quarter including three by private equity backed businesses.

Once again, a number of the Private Equity exits completed or announced during the March 2021 quarter came from Vantage's underlying funds, VPEG2 and VPEG3, which delivered Vantage Fund investors an average gross 4.5x return on invested capital representing an average annualised return of 55.2% p.a.



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