

VPEG3

ANNUAL REPORT

For the year ended 30 June 2022
Vantage Private Equity Growth 3

DIVERSIFY. GROW. OUTPERFORM.

2022

INVESTMENT MANAGER
v vantage
Asset Management

CORPORATE DIRECTORY

DIRECTORS OF THE GENERAL PARTNER OF VPEG3, LP & TRUSTEE OF VPEG3A**Michael Tobin** B.E., MBA, DFS, FAICD
Managing Director**David Pullini** B.E., MBA, GDAFI.
Director**NOTICE OF ANNUAL GENERAL MEETING****The Annual General Meeting of Vantage Private Equity Growth Funds**

Will be held via video conference

Date: 30 November 2022
Time: 10:00am**PRINCIPAL REGISTERED OFFICE IN AUSTRALIA****VPEG3, LP**Level 50
120 Collins Street
Melbourne VIC 3000**VPEG3A**Level 39, Aurora Place
88 Phillip Street
Sydney NSW 2000**AUDITORS****Ernst & Young**The EY Centre
200 George Street
Sydney NSW 2000**SOLICITORS****Corrs Chambers Westgarth**Level 17, 8 Chifley
8/12 Chifley Square
Sydney NSW 2000

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GENERAL PARTNER & TRUSTEE'S REPORT

Vantage Private Equity Growth 3 (the Fund or 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.

Vantage Asset Management Pty Limited (Vantage) is the General Partner of Vantage Private Equity Management Partnership, LP who in turn is the General Partner of VPEG3, LP. Vantage is also the Trustee of VPEG3A. The General Partner for VPEG3, LP and the Directors of the Trustee for VPEG3A hereby presents their report together with the financial statements of VPEG3, LP and VPEG3A for the year ended 30 June 2022.

DIRECTORS

The following persons are the Directors of Vantage:

Michael Tobin
Managing Director

David Pullini
Director

PRINCIPAL ACTIVITY

The principal activity of the Fund is the investment in professionally managed Private Equity funds focussed on investing in the Later Expansion and Buyout stages of Private Equity, predominately in Australia.

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

As at 30 June 2022, VPEG3 had committed \$67.55m across seven Primary Private Equity Funds and two co-investments. As a result, a total of 46 underlying company investments exist within the portfolio at financial year end. VPEG3's investment commitments include; \$12m to Allegro Fund III; \$10m to each of Adamantem Capital Fund I, Advent Partners 2 Fund, Anchorage Capital Partners Fund III and Next Capital Fund IV, \$7.5m to Mercury Capital Fund 3 and \$7m to Odyssey Private Equity Fund 8. VPEG3 co-investments include; \$0.25m into Fitzpatrick Financial Group and \$0.8m into Tribe Brewing.

GENERAL PARTNER & TRUSTEE'S REPORT (CONT.)

FUND PERFORMANCE HIGHLIGHTS FOR FY22

- \$3.04m in Additional Capital Drawn by underlying Private Equity Funds
- 8 new underlying company investments added to the portfolio
- 3 underlying company investments sold delivering an average gross 5.9x multiple of invested capital
- A total of 46 underlying company investments have now been completed with an average hold period of 2.5 years
- \$8.36m in total distributions received from underlying funds during the year,
- \$0.54m in total distributions paid to all VPEG3, LP investors during the year
- \$13.05m Consolidated Net Profit for the year, across both VPEG3 entities.
- 28.7% total return to VPEG3 investors, across FY22
- 24.9% p.a. after fees Annualised Return delivered by VPEG3 since inception to 30 June 2022.

DISTRIBUTIONS

Following the end of the financial year, a distribution of **\$358,400 (\$0.01 per unit)** became payable by the Trustee of VPEG3A, representing the net taxable income of VPEG3A for the period ended 30 June 2022. Distributions are expected to be paid to VPEG3A investors in October 2022.

ECONOMIC CONDITIONS ACROSS FINANCIAL YEAR 2022

The September 2021 quarter was particularly challenging across Australia and New Zealand, with both countries experiencing a surge in the number of COVID-19 cases, with restrictions in place to counteract these rising numbers. This resulted in a GDP contraction of 1.9% in Australia and 3.7% in New Zealand. Closed international borders, combined with rising property prices, strong household consumption and ongoing global demand for commodities also resulted in the first signs of inflationary pressures across Australia and New Zealand, which jumped to 3.8% and 3.3% for FY21, respectively. This was likely a factor in the RBNZ announcing its first rate rise of 25bps to 0.5% in October 2021.

In Australia, the December 2021 quarter commenced with the reopening of New South Wales and Victoria following a stringent lockdown period instituted in response to the outbreak of the COVID-19 Delta variant. With the easing in restrictions, the economy rebounded quicker than previously anticipated, supported by the return of domestic tourism in the eastern Australian states and the surge in retail sales from the release of pent-up demand and robust pre-Christmas trading. During December, evidence of the new COVID-19 variant was detected in Australia and the number of cases continued to increase, particularly in New South Wales and Victoria. The spread of the Omicron variant had considerable social and economic impacts domestically, including the material contraction of consumer spending. Public markets continued to climb during the quarter before cooling in the last weeks of January 2022 to a 6-month low. Corporate cash balances were at elevated levels following a prolonged period of under investment.

GENERAL PARTNER & TRUSTEE'S REPORT (CONT.)

ECONOMIC CONDITIONS ACROSS FINANCIAL YEAR 2022 (CONT.)

The March 2022 quarter had a number of macroeconomic shocks impacting the global economy. However overall, the Australian economy had more positives than negatives compared to most countries. The picture in New Zealand was similar although more muted. There were positive indicators that the Australian economy had prospects for a strong expansion for the remainder of the 2022 calendar year. Household wealth had increased strongly since the initial outbreak of COVID-19, with savings accumulating while spending opportunities were constrained by lockdowns. The tail end of the quarter also saw a positive recovery in the labour market, with the unemployment rate, which peaked at 7.4% in mid-2020, moving below 4% for the first time since 1974 and labour force participation at historically high levels.

Domestic and global markets experienced an eventful June quarter, as governments and central banks continued to navigate the economic fall-out of the pandemic, the Russian invasion of Ukraine and domestically, the flooding crisis in New South Wales and Queensland. This reset a number of the economic forecasts that were expected in the latter half of 2022.

The dominant economic concern emanating from these events was, and continues to be the surge in inflation. As CPI measures trend to historical highs in many countries, central banks commenced policy tightening measures in an effort to combat the rising cost of living. A major contributing factor in Australia has been energy costs, which have not only been impacted by ongoing supply issues from Russia, but a reduction in the thermal power domestically due to unplanned outages at multiple generators.

This was exacerbated by a sharp increase in demand resulting from extreme weather events in New South Wales and Queensland. The east coast floods also significantly impacted the supply of fresh fruits and vegetables, driving up the price of food and further contributing to the spike in inflation.

The Reserve Bank of Australia (RBA) responded to inflationary pressures with four consecutive cash rate increases of 50 basis points in June, July, August, September 2022, followed by a 25 basis point increase in October 2022, bringing the overall cash rate to 2.60%. The RBA have indicated that further increases to the cash rate are likely over the remainder of the calendar year, as they endeavour to bring the inflation rate of 6.1% for the twelve months to June 2022, back in the 2-3% target range.

On a positive note, in April 2022, the Australian Government announced a relaxing of testing requirements for all travellers to Australia. This has since stimulated inbound tourism, with (at current rates) numbers forecast to reach prepandemic levels by the end of the calendar year. Further, Australian consumer spending is still riding the re-opening momentum that emerged from previous lockdowns.

It continues to be supported by the high level of household savings accumulated over the pandemic, a dynamic that endured through the September quarter. Underpinning this is Australia's strong labour market, where key employment measures such as unemployment, underemployment and participation rates are trending at positive historical levels.

These factors will allow Australia to approach the challenging economic period ahead from a position of strength, with households and businesses better equipped to weather the storm.

GENERAL PARTNER & TRUSTEE'S REPORT (CONT.)

CONSISTENT MOMENTUM OF PRIVATE EQUITY DEAL FLOW IN VPEG3'S TARGET MARKET SEGMENT

Despite a subdued start to the year, private equity firms experienced significant activity during Q2 FY22, with 15 buyout transactions announced or completed, in addition to 17 private equity exits across Australia and New Zealand. Deal flow was strong through the quarter, however tailed off towards the end of the calendar year which is generally expected, however this continued into January/February 2022, a period that usually experiences an uptick in M&A activity.

During the back half of 2022, despite the ongoing uncertainty relating to COVID-19, global political tensions and inflationary pressures, M&A activity remained strong, with a record \$140 billion worth of deals being announced in Australia and New Zealand. This represented the highest value of completed deals within a six-month period since 2007.

In private equity, 11 buyout deals were completed (ten in Australia and one in New Zealand) as well as four exits (all in Australia).

Moving forward, underlying fund managers will continue to explore new deal opportunities to deploy capital and expand their existing portfolio. With the IPO window having closed, in addition to recessionary worries permeating across the local and global economy, its' likely these conditions will create opportunities on the buy-side. The general outlook for new deal opportunities appears to be strong, supported by vendor concerns of a changing valuation market and the loss of public markets as a potential source of capital given the broader ongoing equity sell-off occurring in early FY23

For VPEG3's private equity managers, these conditions will broaden the ability to perform strategic, cost-effective acquisitions as sector multiples begin to decline. From a funding perspective, banks are assessing new deals through a recessionary lens, however, are continuing to financially support deal activity, although this will likely be at higher rates than seen in previous years.

As such, it is expected that Private Equity investment activity within VPEG3's portfolio will be at elevated levels across the short to medium term, as managers undertake due diligence on a number of attractive investment opportunities, which once completed, will ultimately be added to VPEG3's portfolio across the remainder of the 2022 calendar year and into 2023.

In addition to this, VPEG3's underlying managers will look to explore opportunities to also exit portfolio companies if the conditions are suitable. Significant levels of dry powder held by the larger buyout funds provide an opportunity for VPEG3's lower to mid-market managers to exit businesses that have performed ahead of managements investment thesis despite the challenges in recent years. As such, VPEG3's underlying managers are starting to enter late stage negotiations on a number of portfolio company exits, which once completed will ultimately deliver returns to VPEG3 investors.

GENERAL PARTNER & TRUSTEE'S REPORT (CONT.)

REVIEW OF VPEG3'S OPERATIONS

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. The General Partner of VPEG3, LP has been appointed as an authorised representative of Vantage who in turn is the Trustee of VPEG3A and the skills and expertise of the full Vantage team is utilised to undertake the Investment Management of the Fund.

Established in 2004, Vantage is a leading independent investment management company with expertise in Private Equity, funds management, manager selection and operational management. Vantage is Australian owned and domiciled with operations in Sydney and Melbourne and holds Australian Financial Services Licence (AFSL) No. 279186.

The Fund completed its first close, on 16 January 2017, allowing VPEG3 to commence its investment program and completed its final close on 15 January 2019 with total committed capital of \$50.7m. In general, Application Monies received from Investors are initially invested in a Cash Management Trust (CMT) now managed by Vasco Custodians Pty Ltd (Escrow Agent). An Escrow Deed exists between the Escrow Agent and the General Partner such that as investments are proposed to be made by the Fund, funds will be drawn from the CMT to meet the Fund's obligations in relation to those investments and other Fund expenses.

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

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

As a result of additional capital being called across FY22, directly from investors or drawn from the CMT for all other investors, the total Paid Capital to VPEG3, LP increased to 68.0% of every investors total Committed Capital to VPEG3.

As at 30 June 2022, total Paid Capital to VPEG3A was 25.0% of the total Committed Capital to VPEG3 of all investors, except SIV investors.

As at 30 June 2022, VPEG3 had committed \$67.55m across seven Primary Private Equity Funds and two co-investments.

As a result, a total of 46 underlying company investments exist within the portfolio at quarter end. VPEG3's investment commitments include; \$12m to Allegro Fund III; \$10m to each of Adamantem Capital Fund I, Advent Partners 2 Fund, Anchorage Capital Partners Fund III and Next Capital Fund IV, \$7.5m to Mercury Capital Fund 3 and \$7m to Odyssey Private Equity Fund 8. VPEG3 co-investments include; \$0.25m into Fitzpatrick Financial Group and \$0.8m into Tribe Brewing.

GENERAL PARTNER & TRUSTEE'S REPORT (CONT.)

VPEG3'S PRIVATE EQUITY PORTFOLIO AND COMMITMENTS, AS AT 30 JUNE 2022, WERE AS FOLLOWS:

VPEG3, with commitments to seven Private Equity funds and two co-investments, ultimately held interests in 46 underlying company investments. As at 30 June 2022, VPEG3's Private Equity portfolio and commitments, 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	\$7.93m	6	1
Odyssey Private Equity Fund 8	\$275m	2017	Mid Market Growth Capital	\$7.0m	\$5.61m	6	1
Advent Partners 2 Fund	\$300m	2017	Mid Market Expansion / Buyout	\$10.0m	\$8.92m	7	1
Allegro Fund III	\$290m	2017	Mid Market Expansion / Buyout	\$12.0m	\$7.84m	6	2
Anchorage Capital Partners Fund III	\$350m	2017	Mid Market Expansion / Buyout	\$10.0m	\$7.81m	4	–
Mercury Capital Fund 3	\$600m	2019	Mid Market Expansion	\$7.5m	\$6.08m	9	1
Next Capital Fund IV	\$275m	2019	Mid Market Expansion	\$10.0m	\$4.55m	6	–
Co-invest (Fitzpatrick Financial Group)	\$200m	2017	Mid Market Expansion	\$0.25m	\$0.28m	1	–
Co-invest (Tribe Brewing)	\$30m	2018	Mid Market Expansion	\$0.80m	\$0.72m	1	–
TOTAL				\$67.55m	\$49.72m	46	6

Note 1. total no. of investee companies only includes completed investments as at 30 June 2022.

As a result of the continued investment activity by VPEG3's underlying funds, the total value of funds drawn from VPEG3 into Private Equity investments during the year increased by 35.6% from \$36.67m at 30 June 2021 to \$49.72m at 30 June 2022.

This resulted in an increase of the number of underlying company investments in VPEG3's portfolio from 38 to 46 during the year. In addition, seven "bolt on" acquisitions were completed by five existing portfolio companies, to expand their operations during the period.

GENERAL PARTNER & TRUSTEE'S REPORT (CONT.)

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

by Advent Partners 2 Fund

- **Zero Latency** (August 2021), the global leader in the multi-player, free roam virtual reality ('FRVR') space.
- **Imaging Associates Group "IAG"** (September 2021), one of the leading independent providers of diagnostic imaging services in Victoria and regional New South Wales.

by Mercury Capital Fund 3

- **E&P Financial Group** (July 2021), an ASX-listed diversified financial services business, with service offerings across wealth management, funds management and corporate advisory.
- **Architectus** (October 2021), a market leader in the Australian commercial architecture market.
- **Re. Group** (April 2022), an Australian owned recycling company that provides high quality solutions for recycling and the recovery of resources.

by Anchorage Capital Partners Fund III

- **GBST Wealth Management** (December 2021), a provider of financial services technology to the capital market and wealth management sectors globally.

by Next Capital Fund IV

- **Jucy** (June 2022), a New-Zealand based tourism business offering campervan and car rentals, with operations across Australia and New Zealand. The deal was completed in August 2022.

by Allegro Fund III

- **Toll Global Express** (July 2021), an Australian transportation and logistics company with operations in road, rail, sea, air and warehousing.

GENERAL PARTNER & TRUSTEE'S REPORT (CONT.)

SIGNIFICANT BOLT ON ACQUISITIONS COMPLETED DURING THE YEAR INCLUDED:

by Mercury Capital Fund 3

- **Green Options** performed a number of bolt-on acquisitions during the financial year as part of their strategy of consolidating the Australian and New Zealand landscape services market. This included acquisitions of **Super Gardens** (July 2021), **Skyline Landscape Services** (December 2021) and **Recreational Services** (December 2021). Following these acquisitions, **Green Options** was renamed to **Australasian Landscape Services ("ALS")**, and became the largest provider of landscape solutions in Australia and New Zealand with a 12% market share.
- During the March 2022 quarter, **ARE Media Group** completed the bolt-on acquisition of **Hard to Find (HTF)**, a leading ecommerce business in Australia. The acquisition represented a major milestone for the company as Mercury Capital Fund 3 continued to pursue its' investment plan of establishing new, diversified revenue streams to support the core publishing business, as well as to grow the ecommerce presence of the Group.
- Mercury's investment into **Re. Group** facilitated the bolt-on acquisition and subsequent merger of **Polytrade**, a recycling, sorting and processing business operating across Australia. The new merger creates Australia's largest network of recycling facilities, operating from coast to coast and servicing communities in metropolitan and regional locations.

by Allegro Fund III

- In the March 2022 quarter, **Questas** performed the bolt-on acquisition of **Australian Surface Technology**, a leading hydraulics business specialising in hard chrome plating, cylindrical grinding and pump shaft repair. The acquisition further increased Questas' growing customer base spread across the heavy industrial, manufacturing and resources industries.

by Allegro Fund III

- In November 2021, **Hygain** completed the bolt-on acquisition of **Arenus**, a leading animal supplement and nutraceuticals brand based in the United States. This acquisition accelerated Hygain's growth within the United States by diversifying the groups offering with another high quality brand being added to its' product portfolio.

GENERAL PARTNER & TRUSTEE'S REPORT (CONT.)

SUMMARY OF TOP TEN UNDERLYING COMPANY INVESTMENTS

The table below provides a summary of the top 10 underlying company investments in VPEG3's portfolio, for which funds have been drawn from VPEG3, as at 30 June 2022. As demonstrated in the table, the top 10 investments in VPEG3's underlying portfolio represented 52.9% of VPEG3's total Private Equity Portfolio as at 30 June 2022.

RANK	INVESTMENT	FUND	DESCRIPTION	% OF VPEG3'S PRIVATE EQUITY PORTFOLIO	CUMULATIVE %
1	Best & Less Group	Allegro Fund III	Australia's Leading Value Apparel Speciality Retailer	9.1%	9.1%
2	Railfirst Management	Anchorage Capital Partners Fund III	Rail Leasing Business	7.4%	16.4%
3	Toll Group	Allegro Fund III	An Australian Transportation and Logistics Company with Operations on Road, Rail, Air, Sea and Warehousing	6.4%	22.9%
4	Questas Group	Allegro Fund III	Network of Niche Industrial Businesses across Australia	5.8%	28.6%
5	Compass Education	Advent Partners 2 Fund	Student Information System Software / Services Provider	5.1%	33.8%
6	Silverchef	Next Capital IV	Rental & Financing of Commercial Equipment	5.0%	38.8%
7	ARE Media Group	Mercury Capital Fund 3	Australia's Leading Magazine Publisher	4.3%	43.1%
8	Mining Technologies Holding Pty Limited	Odyssey Private Equity Fund 8	Leading Global Provider of Data & Voice Communications	3.4%	46.4%
9	Medtech	Advent Partners 2 Fund	Provider of Practice Management Software (PMS)	3.3%	49.7%
10	Endeavour Learning Group	Allegro Fund III	Australia's Largest Higher Education Provider in Natural Therapies	3.2%	52.9%

GENERAL PARTNER & TRUSTEE'S REPORT (CONT.)

COMPLETED EXITS DURING FY2022

In November 2021, **Mercury Capital Fund 3 (MCF3)**, completed the sale of portfolio company **MessageMedia** to **Sinch**, a leading global cloud communications business listed on the Nasdaq Sweden (STO). At the time of completion of the transaction, it was one of the largest Australian technology company deals ever completed.

The sale delivered exceptional returns for Mercury Capital Fund 3 investors, including VPEG3 over a 1.6 year investment period.

On 9 July 2021, **Allegro Fund III** announced the exit via IPO of portfolio company Best & Less Group. On 26 July 2021, **Best & Less Group** (ASX:BST), successfully listed on the ASX after experiencing significant institutional and retail investor demand, raising \$60 million at \$2.16 per share, with an implied market capitalisation of \$271 million. Allegro Fund III sold 41% of their shareholding immediately after the completion of the IPO, retaining 42% shareholding that is subject to a staged escrow arrangement. The first parcel was released from escrow in February 2022, with the remaining parcels being released during August 2022 and February 2023 following BLG's results announcements for the relevant periods. In August 2022, it was announced Allegro Fund III entered into a block trade agreement for the selldown of 11.1% of the company, reflecting a portion of the shares released from escrow.

The partial exit of the Best & Less Group delivered exceptional returns for Allegro Fund III investors, including VPEG3, and resulted in the fund winning turnaround deal of the year for 2021 by the Turnaround Management Association Australia (TMA Australia).

ANNOUNCED EXIT DURING FY2022

In June 2022, **Odyssey Private Equity Fund 8 (OPE8)**, announced the sale of 100% of the shares in **Mining Technologies Holdings Pty Ltd (MST)** to **Komatsu Ltd**, a leading global organisation, listed on the Japanese stock exchange with a market capitalisation of \$33 billion.

Odyssey Fund 8 acquired MST in 2018 via a Management Buyout, partnering with the existing CEO and CFO to buy the business. Over the past four years, Odyssey Private Equity and the management team have positioned MST to be a global leader in the digital technology used in the underground mining space.

The transaction was completed on 1 July 2022, and delivered strong returns for OPE8 investors, including VPEG3, across a 4-year hold period.

These three exits that were either completed or announced during FY22 generated an average gross 5.9x multiple of invested capital over an average hold period of 2.5 years. Since inception, the 6 exits to date have generated an average gross 5.4x multiple of invested capital over an average hold period of 2.8 years.

GENERAL PARTNER & TRUSTEE'S REPORT (CONT.)

FINANCIAL PERFORMANCE
OF VPEG3, LP AND VPEG3A

During the year to 30 June 2022, Limited Partner contributions to VPEG3, LP totalled \$3,042,184 down from \$3,232,320 that were contributed by Limited Partners across the year ended 30 June 2021. The additional contributions were received following the issue of one call notice across the year, with Call number 10 for 6.0% of the total Committed Capital to the Fund paid in February 2022. As a result, total Paid Capital in VPEG3, LP as at 30 June 2022 was \$34,478,130, representing \$0.68 per dollar of committed capital to the Fund.

During the year to 30 June 2022, there were no Unitholder contributions to VPEG3A, compared to the \$716,800 that was contributed by Unitholders across the year ended 30 June 2021. As a result, total Paid Capital in VPEG3A as at 30 June 2022 as \$8,960,000, representing \$0.25 per dollar of committed capital to the Fund.

Total distribution income received from underlying Private Equity funds was \$8,363,330 for VPEG3, LP and \$2,317,617 for VPEG3A. The breakdown of distributions and interest received for VPEG3, LP and VPEG3A is shown in the table below.

SOURCE OF INCOME	VPEG3, LP	VPEG3A	VPEG3 CONSOLIDATED
Distribution Income received from Underlying Private Equity Funds	\$8,363,330	\$2,317,617	\$10,680,947
Interest on Cash and Short Term Deposits	\$13	\$3	\$16
TOTAL	\$8,363,343	\$2,317,620	\$10,680,963

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. Distributions received by VPEG3, LP were predominately as a result from the exits of Best & Less Group (July 2021) by Allegro Fund III and MessageMedia (November 2021) by Mercury Fund III. Additionally, VPEG3, LP received dividends from underlying companies within the portfolio which were the result of strong financial performances throughout the financial year.

Distributions received by VPEG3A during the period were predominately as a result from the distribution received from Adamantem Capital I following the sale and leaseback of the property portfolio of Heritage Lifecare in February 2022.

GENERAL PARTNER & TRUSTEE'S REPORT (CONT.)

FINANCIAL PERFORMANCE OF VPEG3, LP AND VPEG3A (CONT.)

VPEG3's total funds invested in cash and term deposits as at 30 June 2022 were \$2,610,318 for VPEG3, LP, down from \$4,476,003 at 30 June 2021 and \$245,617 for VPEG3A down from \$388,916 at 30 June 2021. The mix of investments in cash and term deposits provides an income yield while ensuring an appropriate level of liquidity, to meet future calls by underlying Private Equity fund managers, as new private company investments are added to the portfolio.

Operational costs, excluding revaluations, incurred by the Fund for the year ended 30 June 2022 totalled \$842,797 for VPEG3, LP, a decrease of 5.7% from the \$893,365 incurred for FY21 and \$201,229 for VPEG3A a decrease of 34.8% compared to the \$308,721 incurred in FY21. The majority of these expenses consisted of management fees and other costs associated with the management of the Fund.

A revaluation decrement of \$826,710 was booked for VPEG3, LP for the year ended 30 June 2022. The valuation decrement resulted predominately from the drop in share price of two of VPEG3, LP's underlying funds residual holding in previously exited and now ASX listed companies across the year, as they were caught up in the negative sentiment impacting public share markets globally at the time.

However, a revaluation increment of \$4,240,887 was booked for VPEG3A for the year ended 30 June 2022. This revaluation increment resulted predominately from the increase in unrealised value of a number of VPEG3A's underlying companies across the financial year.

The uplift in unrealised value across the portfolio throughout the period was attributed to an increase in earnings as a result of continued increase in business and consumer spend across the 2022 financial year.

As a result of the distribution income received by VPEG3, LP, offset by the operation costs of the Fund and reduction in the fair value of the investments, VPEG3, LP recorded total profit for the financial year ended 30 June 2022 of \$6,693,836.

Due to VPEG3A reporting a substantial net gain in value of its underlying investments, offset by the operation costs of the Fund, VPEG3A recorded total profit for the financial year ended 30 June 2022 of \$6,357,278.

As a result, Net Assets attributable to Partners in VPEG3, LP increased from \$47,288,763 at 30 June 2021 to \$54,201,297 at 30 June 2022. The majority of the growth in Net Assets was due to the increase in the Paid Capital of Investors from \$0.62 / \$ of Committed Capital to VPEG3, LP at 30 June 2021 to \$0.68 / \$ of Committed Capital to VPEG3 at 30 June 2022.

Net Assets attributable to Unitholders in VPEG3A increased from \$10,575,877 at 30 June 2021 to \$16,574,755. The increase in growth in Net Assets was largely attributed to the \$4,240,887 revaluation increment recognised for the year ended 30 June 2022 as well as the increase in unrealised value of a majority of VPEG3A's underlying portfolio companies across the financial year.

GENERAL PARTNER & TRUSTEE'S REPORT (CONT.)

CHANGE IN NET ASSET VALUE / DOLLAR OF COMMITTED CAPITAL TO VPEG3

The below graph summarises VPEG3's Consolidated NAV / \$ of Committed Capital performance since inception to 30 June 2022.

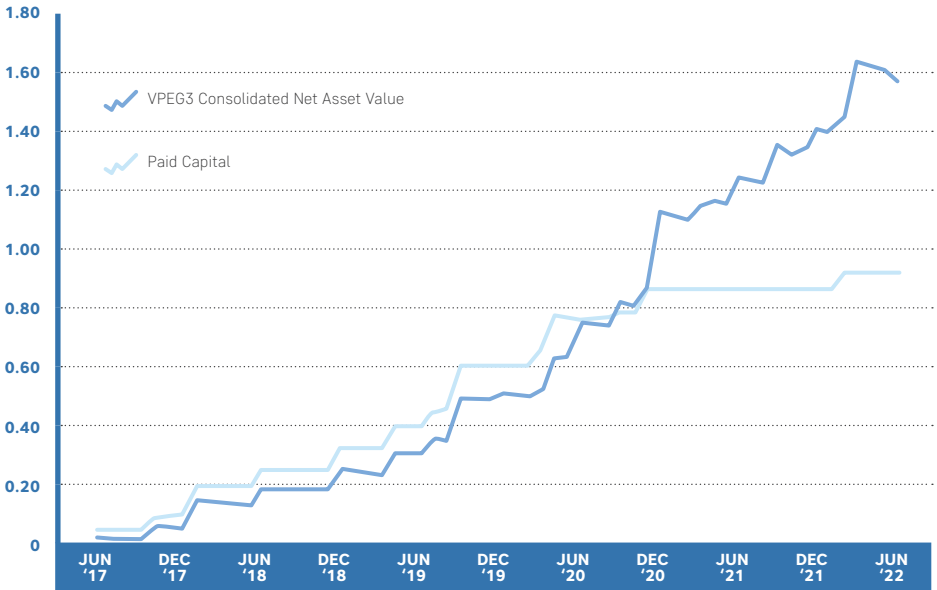


Figure: VPEG3's Consolidated Net Asset Value / \$ of Committed Capital movements since inception to 30 June 2022.

As demonstrated in the graph above, VPEG3's consolidated Net Asset Value (NAV) increased from \$1.248 / \$ of Committed Capital to VPEG3 at 30 June 2021 to \$1.587 / \$ of Committed Capital to VPEG3 at 30 June 2022.

Taking into account capital calls paid by Investors to VPEG3, and distributions paid by VPEG3 to Investors during the financial year, **VPEG3's consolidated total return to Investors across FY22 was 28.7%.**

GENERAL PARTNER & TRUSTEE'S REPORT (CONT.)

CHANGE IN NET ASSET VALUE / DOLLAR OF COMMITTED CAPITAL TO VPEG3 (CONT.)

VPEG3's underlying managers value their underlying portfolio of companies in accordance with the International Private Equity Investment Valuation Guide that have been adopted by the Australian Investment Council (AIC). VPEG3's managers adhered to these guidelines to all underlying individual investments that VPEG3 had exposure to at period end.

Each of VPEG3's underlying company investments, once acquired, have demonstrated improved financial performance due to the value creation strategies that have been implemented across the portfolio by underlying Private Equity Fund managers.

Across VPEG3's underlying portfolio of investments, cumulative Revenue and EBITDA has increased by 19.38% and 26.53% respectively since the initial investment into each company. These results have been accomplished by underlying fund managers focusing on earnings enhancement initiatives such as top-line growth, operational improvement and strategic bolt-on acquisitions, following the initial investment of each company. As these companies mature and continue to be revalued in line with earnings growth, their improved value will result in increasing gains to VPEG3's overall value and performance.

With 80% of VPEG3'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 occur over the term of the Fund.

As at 30 June 2022, six companies now sold from VPEG3's underlying portfolio since inception, the total number of exits from the portfolio is expected to increase moving forward. These six exits have delivered VPEG3 a gross 5.4x multiple of invested capital across an average hold period of 2.8 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, the total improvement in unit holder value across FY22 represented a gain of 28.7%. This has subsequently contributed to a consolidated net of all fees annualised return for VPEG3 investors of 24.9% p.a. since the final close of the Fund on 31 January 2019. As VPEG3's underlying portfolio further matures, the number of companies sold from the portfolio will accelerate over the course of 2022 and into 2023, delivering continued distributions and ultimately an attractive risk adjusted return to VPEG3 investors over the term of the Fund.

GENERAL PARTNER & TRUSTEE'S REPORT (CONT.)

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

During the year ended 30 June 2022, Vantage Private Equity Growth 3 Independent Investment Committee member, Patrick Handley sadly passed away.

Pat was a significant contributor to the corporate governance and ultimate growth of each of Vantage's Fund of Funds, serving from 2006 as an Independent Director on the board of Vantage Private Equity Growth Limited (VPEG), then as an independent member of the Investment, Audit and Risk Committee of each subsequent Vantage Fund of Funds (VPEG2, 3, 4 & 5).

Pat will be fondly remembered for his sharp intellect and drive for enhanced performance in the entities he worked with, by the team at Vantage, as well as by many of the financial services professionals he interacted with during his extensive career across the United States and Australia.

As a result, a process was conducted to fill the vacant Investment Committee seat with an appropriate individual that has a deep experience and knowledge across risk governance and audit.

After the vast talent pool of individuals interviewed for the position, it was deemed in June 2022, James Dunning, retired PricewaterhouseCoopers partner, was fit for the role as Independent Investment Committee member of VPEG3.

James has over 35 years of management, assurance and advisory experience and was a partner for 21 years in PricewaterhouseCoopers financial services practice.

He worked principally with ASX200 investment management and real estate clients, as well as consumer, industrial, pharmaceutical and mining businesses.

He has experience in ASX listings, equity and debt raisings, M&A transactions, due diligence and assurance engagements. He was a member of PricewaterhouseCoopers global real estate management team. He is currently a Director of Pymble Golf Club and a Principal of FinStream P/L, an online education provider to the financial services sector.

GENERAL PARTNER & TRUSTEE'S REPORT (CONT.)

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Subsequent to 30 June 2022, two new underlying company investments were completed and added to VPEG3's portfolio.

In August 2022, it was announced that **Anchorage Capital Partners Fund 3** acquired **Evolve Education Group's** portfolio of early childhood education and care centres in New Zealand. The transaction was completed in early October 2022.

In September 2022, **Next Capital Fund IV** completed the acquisition of **Compare Club**, one of Australia's leading personal finance marketplaces, currently offering comparison and brokerage services across health insurance, life insurance and home loan products.

Further details of these new underlying investments of the Fund will be provided in the VPEG3 September 2022 quarterly investor report to be emailed to all investors during November 2022 and available on the Fund's website at www.vpeg3.info. The manager expects the number of companies added to the underlying portfolio to continue to grow as the Private Equity portfolio develops and further investment commitments are made into additional Private Equity funds.

In the opinion of the General Partner and Directors, no other matter or circumstance has arisen since 30 June 2022 to the date of this report that otherwise has significantly affected, or may significantly affect:

- a) the Fund's operations in future financial years, or
- b) the results of those operations in future financial years, or
- c) the Fund's state of affairs in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The operations of the Fund will continue as planned with new underlying investments to be made by (and through) underlying Private Equity funds. Additionally, as the portfolio progressively matures, the manager expects the first exit to occur in VPEG3's underlying portfolio to be completed by calendar year end with a number of other exits to subsequently follow as underlying fund managers engage in discussions with prospective acquirers.

ENVIRONMENTAL REGULATION

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

GENERAL PARTNER & TRUSTEE'S REPORT (CONT.)

INFORMATION ON INVESTMENT, AUDIT AND RISK COMMITTEE MEMBERS

The following persons served on VPEG3's Investment, Audit and Risk Committee (Investment Committee) during the year and up to the date of this report:

Roderick H McGeoch AO

Chairman of Investment Committee (Independent)

Patrick Handley

Passed away April 2022

Independent Investment Committee Member

James Dunning

Commenced 1 August 2022

Independent Investment Committee Member

Michael Tobin

Investment Committee Member and Managing Director Vantage

David Pullini

Investment Committee Member and Director of Vantage

RODERICK H. MC GEOCH

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 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

GENERAL PARTNER & TRUSTEE’S REPORT (CONT.)

**PATRICK
HANDLEY**

B.Com., MBA.

Passed away April 2022
 Investment Committee
 Member (Independent)



Experience and expertise

Pat had over 30 years of international financial services experience and was 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 had 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 held a Bachelor of Commerce in Economics and Mathematics from Indiana University and an MBA from Ohio State University.

**JAMES
DUNNING**

FCA, MSC., BSc.

Commenced 1 August 2022
 Investment Committee
 Member (Independent)



Experience and expertise

James has over 35 years of management, assurance and advisory experience and was a partner for 21 years in PricewaterhouseCoopers financial services practice. He worked principally with ASX200 investment management and real estate clients, as well as consumer, industrial, pharmaceutical and mining businesses.

He has experience in ASX listings, equity and debt raisings, M&A transactions, due diligence and assurance engagements. He was a member of PricewaterhouseCoopers global real estate management team.

He is currently a Director of Pymble Golf Club and a Principal of FinStream P/L, an online education provider to the financial services sector.

GENERAL PARTNER & TRUSTEE'S REPORT (CONT.)

MICHAEL TOBIN

B.E., MBA, DFS, FAICD

Investment Committee
Member and Managing
Director of Vantage**Experience and expertise**

Michael is the Managing Director of Vantage and responsible for the development and management of all private equity fund investment activity at Vantage and its authorised representatives, and has managed Vantage's funds share of investment into over \$7 billion of Australian Private Equity funds resulting in more than \$8 billion of equity funding across 150 underlying portfolio companies.

Michael is also responsible for the operational and compliance management of all Vantage managed funds and investment vehicles. Michael has over 30 years' experience in private equity management, advisory and investment as well as in management operations.

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

Michael holds a BE (UNSW), an MBA (AGSM) and a Diploma of Financial Services (AFMA) and is a Fellow of the Australian Institute of Company Directors.

DAVID PULLINI

BE, MBA, GDAFI.

Investment Committee
Member and Director
of Vantage**Experience and expertise**

David is a Director of Vantage and has more than 25 years of general management, business development, investment, advisory, acquisitions and divestment experience. In 2005 David was a founding partner of O'Sullivan Pullini, a firm that became recognised as a leading investment bank in Australia. O'Sullivan Pullini completed M&A transactions worth over A\$10 billion in value across multiple industry sectors and to a broad cross-section of clients. The firm was particularly active in advising in the Private Equity space, including successful advisory mandates for Kohlberg Kravis Roberts (KKR) on the acquisition of the Australian businesses of Cleanaway and Brambles Industrial Services from Brambles Industries, the establishment of a A\$4 billion joint venture with the Seven Network and the later divestment of Cleanaway.

Prior to co-founding O'Sullivan Pullini, David managed international corporate businesses for fifteen years in Australia and Europe. For the eight years David was based in Europe, he managed a portfolio of Brambles European based businesses. David has deep experience and understanding of the key drivers of profitable business growth and the levers of value creation. David holds a BE Hons. (UTS), an MBA (IMD) and a Graduate Diploma of Applied Finance (SIA).

GENERAL PARTNER & TRUSTEE'S REPORT (CONT.)

MEETINGS OF DIRECTORS

The number of meetings of the company's board of directors and of each board committee held during the year ended 30 June 2022, and the number of meetings attended by each director were:

DIRECTOR	MEETINGS OF INVESTMENT, AUDIT & RISK COMMITTEE	
	A	B
Roderick H McGeoch AO*	6	6
Patrick Handley*	4	4
James Dunning* <i>Commenced 1 August 2022</i>	-	-
Michael Tobin	5	6
David Pullini	6	6

A = Number of meetings attended.
B = Number of meetings held during the year whilst committee member held office.
*** = Independent members of investment, audit and risk committee.**

Vantage will, out of Fund Property, and to the extent permitted by law, purchase and maintain insurance, and pay or agree to pay a premium of insurance for each Member against any liability incurred by the Member as a Member of the Investment Committee including but not limited to a liability for negligence or for reasonable costs and expenses incurred in defending proceedings.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During the financial year, the VPEG3, LP and VPEG3A paid a combined premium of \$20,584 in relation to insurance cover for the General Partner of VPEG3, LP, the Trustee of VPEG3A and its Directors and officers and the VPEG3 investment committee members in relation to the operations of VPEG3.

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

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

GENERAL PARTNER & TRUSTEE'S REPORT (CONT.)

PROCEEDINGS ON BEHALF OF THE GENERAL PARTNER

No person has applied to the Court to bring proceedings on behalf of the General Partner of VPEG3, LP or the Trustee of VPEG3A or intervene in any proceedings to which the General Partner of VPEG3, LP or the Trustee of VPEG3A is a party for the purpose of taking responsibility on behalf of the General Partner of VPEG3, LP or the Trustee of VPEG3A for all or any part of those proceedings.

The General Partner of VPEG3, LP and the Trustee of VPEG3A were not parties to any such proceedings during the year. This report has been made in accordance with a resolution of the directors of Vantage Asset Management Pty Limited.



Michael Tobin
Director

Sydney
25 October 2022



David Pullini
Director

VPEG3, LP FINANCIAL STATEMENTS

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VANTAGE PRIVATE EQUITY GROWTH 3, LP

**STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME**

FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2022 \$	2021 \$
INVESTMENT INCOME			
Distribution income	2	8,363,330	6,820,909
Interest income		13	1,350
Net changes in fair value of investments held at fair value	5	(826,710)	17,042,012
Total investment income		7,536,633	23,864,271
OPERATING EXPENSES			
Tax compliance fee		(13,259)	(12,085)
Audit fees		(18,797)	(18,335)
Advisor referral fees		(110,734)	(188,636)
Insurance expense		(15,251)	(15,649)
Investment administration fees		(12,222)	(12,222)
Investment committee fees		(94,150)	(122,639)
Management fees		(534,833)	(498,138)
Registry fees		(13,014)	(22,399)
Other expenses reimbursed		(30,538)	(3,262)
Total operating expenses		(842,798)	(893,365)
Profit from operating activities		6,693,835	22,970,906
Profit attributable to the Partners, representing total comprehensive income for the year		6,693,835	22,970,906

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

VANTAGE PRIVATE EQUITY GROWTH 3, LP

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2022

	NOTE	2022 \$	2021 \$
ASSETS			
Current assets			
Cash and cash equivalents	3	2,610,318	4,476,003
Receivables	4	2,891,792	136,657
Total current assets		5,502,110	4,612,660
Non-current assets			
Investments at fair value through profit or loss	5	51,172,293	42,849,075
Total non-current assets		51,172,293	42,849,075
Total assets		56,674,403	47,461,735
CURRENT LIABILITIES			
Trade and other payables	6	191,468	172,972
Total current liabilities		191,468	172,972
Total liabilities		191,468	172,972
Net assets		56,482,935	47,288,763
PARTNERS' FUNDS			
Partners' contributions	7	34,478,130	31,435,946
Partners' distributions		(2,062,939)	(1,521,092)
Retained earnings	8	24,067,744	17,373,909
Total Partners' Funds		56,482,935	47,288,763

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

VANTAGE PRIVATE EQUITY GROWTH 3, LP

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	PARTNER CONTRIBUTIONS \$	RETAINED EARNINGS \$	PARTNER DISTRIBUTIONS \$	TOTAL \$
Balance at 1 July 2020		28,203,626	(5,596,997)		- 22,606,629
Net profit for the year, representing total comprehensive income for the year		-	22,970,906	-	22,970,906
Transactions with owners, in their capacity as owners					
Limited Partner contributions	7	3,232,320	-	-	3,232,320
Distribution to Limited Partners	9	-	-	(1,521,092)	(1,521,092)
Balance at 30 June 2021		31,435,946	17,373,909	(1,521,092)	47,288,763
Net profit for the year, representing total comprehensive income for the year		-	6,693,835	-	6,693,835
Transactions with owners, in their capacity as owners					
Limited Partner contributions	7	3,042,184	-	-	3,042,184
Distribution to Limited Partners	9	-	-	(541,847)	(541,847)
Balance at 30 June 2022		34,478,130	24,067,744	(2,062,939)	56,482,935

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

VANTAGE PRIVATE EQUITY GROWTH 3, LP
STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2022 \$	2021 \$
Cash flows from operating activities			
Income distributions received		8,363,330	6,820,909
Interest received (including equalisation interest)		13	3,567
Expenses paid		(848,258)	(528,420)
Distributions paid to investors	9	(541,847)	(1,521,092)
Net cash used in operating activities	11	6,973,238	4,774,964
Cash flows from investing activities			
Payments to acquire investments		(9,149,929)	(4,319,328)
Repayments received from VPEG3A		(4,131,178)	800,000
Payments to VPEG3A		1,400,000	(800,000)
Net cash used in investing activities		(11,881,107)	(4,319,328)
Cash flows from financing activities			
Partner capital contributions received	7a	3,042,184	3,232,320
Refund of redrawable capital to investors	6	-	(1,560,622)
Net cash from financing activities		3,042,184	1,671,698
Net (decrease) / increase in cash and cash equivalents		(1,865,685)	2,127,334
Cash and cash equivalents at beginning of the year		4,476,003	2,348,669
Cash and cash equivalents at end of the year	3	2,610,318	4,476,003

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

VANTAGE PRIVATE EQUITY GROWTH 3, LP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**Financial reporting framework**

Vantage Private Equity Growth 3, LP ("the Partnership", "VPEG3, LP") is a registered partnership, is not a reporting entity as in the opinion of the directors of Vantage Private Equity Growth Management, LP (the General Partner) there are unlikely to exist any users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, this special purpose financial report has been prepared to satisfy the reporting requirements under the Partnership Deed of VPEG3, LP.

The financial statements are presented in Australian dollars and were authorised for issue on 25 October 2022.

Statement of compliance

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

Significant accounting policies

Significant accounting policies adopted in the preparation of the financial statements are set out below. Accounting policies have been consistently applied to the period presented, unless otherwise stated.

Basis of preparation

The financial report is prepared on an accruals basis and is based on historical costs, except for the revaluation of certain financial instruments which are carried at their fair values. Cost is based on the fair value of the consideration given in exchange for assets.

New and revised standards that are effective for these financial statements

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2021 that have a material impact on the amounts recognised in prior periods or will affect the current or future periods.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

VANTAGE PRIVATE EQUITY GROWTH 3, LP

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)**a) Cash and cash equivalents**

Cash comprises cash at banks and on hand. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

b) Investment income*i) Interest income*

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

ii) Net changes in fair value of investments held at fair value through profit or loss

Profits and losses realised from the sale of investments and unrealised gains and losses on securities held at fair value are included in the Statement of Profit or Loss and Other Comprehensive Income in the year they are incurred. Unrealised gains and losses are not assessable or distributable until realised.

iii) Distribution income

Fund distributions are recognised as revenue when the right to receive payment is established. Distribution income includes return of capital and capital gains arising from the disposal of underlying investments.

c) Investments at fair value through profit or loss**Investments are classified as financial assets at fair value through profit or loss**

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

At initial recognition, the Partnership 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 Profit or Loss and Other Comprehensive Income in the period in which they arise. All transaction costs for such instruments are recognised directly in the Statement of Profit or Loss and Other Comprehensive Income.

Investments are derecognised when the right to receive cash flows from the investments have expired or have been transferred and the Partnership has transferred substantially all of the risks and rewards of ownership.

d) Expenses

Expenses are brought to account on an accruals basis.

VANTAGE PRIVATE EQUITY GROWTH 3, LP

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)**e) Distributions and taxation**

Under current legislation, the Partnership is not subject to income tax as its taxable income (including assessable realised capital gains) is distributed in full to the investors. The Limited Partners of VPEG3,LP are taxed individually on their share of the net partnership income or loss. There is therefore no accounting for income tax in the accounts of VPEG3,LP.

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

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

f) Trade and other receivables

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

g) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense.

Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

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

h) Payables

Trade and other payables are measured at amortised cost.

i) Critical accounting estimates and judgments

In the application of the Partnership's accounting policies, the manager is required to make judgments, estimates and assumptions that affect the reported amounts in the financial statements. Management continually bases its judgements, estimates and assumptions on historical experience and other factors that are considered to be relevant. The accounting judgements and estimates will seldom equal the related actual results.

The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

VANTAGE PRIVATE EQUITY GROWTH 3, LP

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)**i) Critical accounting estimates and judgments (CONT.)****Key sources of estimation uncertainty**

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the balance date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

i) Fair value of financial instruments

The valuation of investments is based upon the net assets attributable to interest holders as noted in the underlying investee funds' audited financial statements. Each investee fund will select an appropriate valuation technique for financial instruments that are not quoted in an active market.

This valuation is based upon a fair estimation of values (which are subjective in nature and involve uncertainties and matters of significant judgement (e.g. interest rates, market volatility, investment stage, estimated cash flows etc.) as determined by the Manager of the investees.

ii) Fair value information

The fair values of financial assets are determined by reference to active market transactions where possible, however the majority of managed investee companies are unlisted Australian companies and there are no direct, quoted market prices available.

In this case, fair value estimates are made at a specific point in time, based on market conditions and information about the specific financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgement (e.g. interest rates, market volatility, investment stage, estimated cash flows etc) and therefore cannot be determined with precision.

Valuations are inherently based on forward looking estimates and judgements about the underlying business, its market and the environment in which it operates.

iii) Fair estimation of values

Where new investments are made within the reporting 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.

j) Comparative figures

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

VANTAGE PRIVATE EQUITY GROWTH 3, LP

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 2. REVENUE AND OTHER INCOME

	2022 \$	2021 \$
Distribution income	8,363,330	6,820,909

NOTE 3. CASH AND CASH EQUIVALENTS

	2022 \$	2021 \$
Cash at bank	2,610,318	4,476,003

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:

	2,610,318	4,476,003
Cash and cash equivalents	2,610,318	4,476,003

NOTE 4. RECEIVABLES

	2022 \$	2021 \$
Current receivables		
GST receivable	10,096	10,707
Other receivables - VPEG3A	2,881,675	125,950
Other receivables	21	-
Total receivables	2,891,792	136,657

VANTAGE PRIVATE EQUITY GROWTH 3, LP

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 5. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	NOTE	2022 \$	2021 \$
NON-CURRENT			
Interests in Unlisted Private Equity Funds / Limited Partnerships at fair value through profit or loss:	5a	51,172,293	42,849,075

a) Movements in fair values

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

Balance at beginning of year	42,849,075	21,487,735
Calls	9,149,929	4,319,328
Revaluation	(826,710)	17,042,012
Balance at end of the financial year	51,172,293	42,849,075

b) Vantage Private Equity Growth 3 has committed capital to underlying funds amounting to \$67.5m (2021: \$67.5m). As at 30 June 2022, the amount of uncalled capital owing to underlying funds was \$17.83m (2021: \$30.83m).

NOTE 6. TRADE AND OTHER PAYABLES

	2022 \$	2021 \$
Current		
Trade payables	176,218	172,972
Other creditors and accruals	15,250	-
Total trade and other payables	191,468	172,972

VANTAGE PRIVATE EQUITY GROWTH 3, LP

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 7. PARTNERS' CONTRIBUTIONS

	2022 \$	2021 \$
Partner contributions	34,478,130	31,435,946
a) Movement in Paid Capital		
Opening balance	31,435,946	28,203,626
Partnership contributions - current year Paid Capital	3,042,184	3,232,320
Closing balance	34,478,130	31,435,946
b) Paid Capital per \$ of total Committed Capital to VPEG3		
Opening balance	0.62000	0.55625
Total calls issued during the year per \$ of Committed Capital	0.06000	0.06375
Closing balance	\$0.68000	\$0.62000
c) Committed Capital		
Opening capital committed to VPEG3	50,703,064	50,703,064
COMPRISED OF:		
Capital committed to VPEG3, LP	41,743,064	41,743,064
Capital committed to VPEG3A	8,960,000	8,960,000
Closing capital committed at the end of the year	50,703,064	50,703,064
Opening capital committed to VPEG3,LP	41,743,064	42,459,864
Closing committed capital to VPEG3	41,743,064	42,459,864
VPEG3, LP total committed capital as at the end of the year	41,743,064	41,743,064

VANTAGE PRIVATE EQUITY GROWTH 3, LP

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 7. PARTNERS' CONTRIBUTIONS (CONT.)**d) Paid capital**

As at the beginning of the year, 50,703,064 (2021: 50,703,064) partnership interests were paid up to \$0.62 (2021: \$0.55) per \$ of Committed Capital. VPEG3, LP's final close was during December 2019 hence no new capital has been committed to the Partnership.

During the year, one call notice was issued totalling \$0.06 of total VPEG3 Committed Capital, paid to the Fund in February 2022.

The total unpaid capital for partnership interests for all investors as at 30 June 2022 was \$0.32 per \$ of Committed Capital (2021: \$0.38 per \$ of Committed Capital).

e) Reallocation of committed capital

In accordance with clause 4.3(4)(a) of VPEG3, LP's Partnership Deed, this represents the Trust Subscription Amount that has been applied to VPEG3A. VPEG3A was formed to enable the acquisition of investments that are not permitted to be made by an Australian Fund of Funds. This has not impacted the total committed capital to VPEG3 and only investors who are not Significant Investor Visa applicant investors, have had their Committed Capital to the Partnership reduced by the Trust Subscription amount.

f) Rights of partnership interests

All interests in VPEG3,LP are of the same class and carry equal rights. Under VPEG3, LP Partnership Deed, each interest represents a right to an individual share in VPEG3,LP and does not extend to a right to the underlying assets of VPEG3, LP. In addition, following the completion of the Minimum Holding Period (subsequent to the fourth anniversary of a Limited Partner's initial investment, investors may redeem their investment in the Partnership (subject to the terms and conditions of the Limited Partnership Deed including formal written request and approval by the General Partner).

VANTAGE PRIVATE EQUITY GROWTH 3, LP

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 8. RETAINED EARNINGS

	2022 \$	2021 \$
Accumulated profit / (loss)	24,067,744	17,373,909

a) Movement in accumulated income

Opening balance	17,373,909	(5,596,997)
Net operating profit for the year	6,693,835	22,970,906
Closing balance	24,067,744	17,373,909

NOTE 9. PARTNERS' DISTRIBUTIONS

	2022 \$	2021 \$
DISTRIBUTIONS PAID TO PARTNERS		
Distribution paid	541,847	1,521,092

During the year ended 30 June 2022, a distribution of \$0.01 per partly paid partnership interest was paid to all VPEG3, LP investors, in relation to the FY21 distributable income.

VANTAGE PRIVATE EQUITY GROWTH 3, LP

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 10. 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 11. NOTES TO THE STATEMENT OF CASH FLOWS

	2022 \$	2021 \$
a) Reconciliation of profit or loss for the period to net cash flows from operating activities		
Net operating profit for the year	6,693,835	22,970,906
CASH FLOWS EXCLUDED FROM PROFIT ATTRIBUTABLE TO OPERATING ACTIVITIES		
Distributions to Limited Partners	(541,847)	(1,521,092)
NON-CASH FLOWS IN PROFIT		
Movement in net market values	826,711	(17,042,012)
CHANGES IN ASSETS AND LIABILITIES:		
(Increase) / decrease in GST receivable	611	(20,561)
(Increase) in other receivables	-	2,217
Increase / (decrease) in creditors	3,247	34,105
(Increase) in related party receivables	(24,569)	351,401
Cash flow from operations	<u>6,957,988</u>	<u>4,774,964</u>

VANTAGE PRIVATE EQUITY GROWTH 3, LP

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 12. 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 Partnership in future financial years.

NOTE 13. REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

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

Level 50
120 Collins Street
Melbourne VIC 3000
Australia

PARTNERS' DECLARATION OF THE GENERAL PARTNER

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

The partners' declare that:

- a) in the partners' opinion, the attached financial statements and notes, as set out on pages 26 to 40, present fairly the Partnership's financial position as at 30 June 2022 and of its performance for the year ended 30 June 2022 and comply with accounting standards to the extent disclosed in Note 1 to the financial statements; and
- b) in the partner's opinion, there are reasonable grounds to believe that the Partnership will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Partnership and is signed for and on behalf of the partners by:



Michael Tobin
Director



David Pullini
Director

Sydney
25 October 2022

INDEPENDENT AUDITOR'S REPORT



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Independent Auditor's Report to the members of Vantage Private Equity Growth 3, LP

Opinion

We have audited the financial report, being a special purpose financial report, of Vantage Private Equity Growth 3, LP (the "Partnership"), which comprises the statement of financial position as at 30 June 2022, 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 is prepared, in all material respects, in accordance with the financial reporting requirements of the Partnership Deed.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Partnership in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting and Restriction on Distribution

We draw attention to Note 1 to the financial statements which describes the basis of accounting. The financial report is prepared to assist the Partnership to meet the requirements of the Partnership Deed of Vantage Private Equity Growth 3, LP. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the Partnership and the directors of Vantage Asset Management Pty Limited as the ultimate General Partner (the "General Partner") of the Partnership (collectively the "Recipients") and should not be distributed to parties other than the Recipients. Our opinion is not modified in respect of this matter.

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

The directors of the General Partner of the Partnership are responsible for the other information. The other information is the General Partner's report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

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INDEPENDENT AUDITOR'S REPORT (CONT.)



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Information Other than the Financial Report and Auditor's Report Thereon (cont.)

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

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

In preparing the financial report, the directors are responsible for assessing the Partnership'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 Partnership or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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INDEPENDENT AUDITOR'S REPORT (CONT.)



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

- 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 Partnership's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Partnership to cease to continue as a going concern.

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
Sydney
25 October 2022

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VPEG3A FINANCIAL STATEMENTS

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VANTAGE PRIVATE EQUITY GROWTH TRUST 3A

**STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME**

FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2022 \$	2021 \$
INVESTMENT INCOME			
Distribution income	2	2,317,617	1,229,921
Interest income		3	20
Net changes in fair value of investments held at fair value through profit or loss	5a	4,240,887	(1,758,337)
Total investment income		6,558,507	(528,396)
OPERATING EXPENSES			
Accountancy fees		(8,621)	(1,097)
Audit fees		(6,381)	(6,224)
Advisor referral fees		(20,538)	(68,114)
Insurance fee		(5,333)	(3,589)
Investment administration fees		(12,300)	(12,300)
Investment committee fees		(23,872)	(46,839)
Management fees		(114,800)	(158,430)
Registry fees		(8,136)	(7,865)
Other expenses		(1,248)	(4,263)
Total operating expenses		(201,229)	(308,721)
Profit / (Loss) for the year, representing total comprehensive income / (loss) for the year		6,357,278	(837,117)

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

VANTAGE PRIVATE EQUITY GROWTH TRUST 3A

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2022

	NOTE	2022 \$	2021 \$
ASSETS			
Current assets			
Cash and cash equivalents	3	245,617	388,916
Receivables	4	20,165	15,389
Total current assets		265,782	404,305
Non-current assets			
Investments at fair value through profit or loss	5	19,584,977	11,029,596
Total non-current assets		19,584,977	11,029,596
Total assets		19,850,759	11,433,901
LIABILITIES			
Trade and other payables	6	2,917,604	139,621
Distributions payable	7	358,400	718,403
Total current liabilities		3,276,004	858,024
Total liabilities		3,276,004	858,024
Net assets		16,574,755	10,575,877
EQUITY ATTRIBUTABLE TO UNITHOLDERS			
Unitholders capital	8	8,960,000	8,960,000
Retained earnings	9	8,691,558	2,334,280
Distributions to Unitholders	10	(1,076,803)	(718,403)
Total equity attributable to Unitholders		16,574,755	10,575,877

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

VANTAGE PRIVATE EQUITY GROWTH TRUST 3A

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	UNIT HOLDERS CAPITAL \$	RETAINED EARNINGS \$	DISTRIBUTIONS TO UNITHOLDERS \$	TOTAL \$
Balance at 1 July 2020		8,243,200	3,171,397	-	11,414,597
Transactions with Unitholders, in their capacity as Unitholders					
Calls during the year	8	716,800	-	-	716,800
Distributions paid / payable		-	-	(718,403)	(718,403)
Total transactions with Unitholders		716,800	-	(718,403)	(1,603)
Loss for the year, representing total comprehensive loss for the year		-	(837,117)	-	(837,117)
Balance at 30 June 2021		8,960,000	2,334,280	(718,403)	10,575,877
Transactions with Unitholders, in their capacity as Unitholders					
Distributions paid / payable	10	-	-	(358,400)	(358,400)
Total transactions with Unitholders		-	-	(358,400)	(358,400)
COMPREHENSIVE INCOME					
Profit for the year, representing total comprehensive income for the year		-	6,357,278	-	6,357,278
Balance at 30 June 2022		8,960,000	8,691,558	(1,076,803)	16,574,755

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

VANTAGE PRIVATE EQUITY GROWTH TRUST 3A
STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2022 \$	2021 \$
CASH FLOWS			
Cash flows from operating activities			
Income distributions received		2,317,617	1,229,921
Interest received		3	20
Expenses paid		(159,200)	(229,418)
Net cash from operating activities	12	<u>2,158,420</u>	<u>1,000,523</u>
Cash flows from investing activities			
Payments to acquire financial assets		(4,314,494)	(933,931)
Payments to related parties		(1,400,000)	(1,220,360)
Receipts from related parties		4,131,178	800,000
Net cash used in investing activities		<u>(1,583,316)</u>	<u>(1,354,291)</u>
Cash flows from Unitholders' Activities			
Proceeds from issue of units		-	716,800
Distributions paid to Unitholders		(718,403)	-
Net cash (used in) / from Unitholders' activities		<u>(718,403)</u>	<u>716,800</u>
Net increase in cash and cash equivalents		(143,299)	363,032
Cash and cash equivalents at beginning of the year		388,916	25,884
Cash and cash equivalents at end of the year	3	<u>245,617</u>	<u>388,916</u>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

VANTAGE PRIVATE EQUITY GROWTH TRUST 3A

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**Financial reporting framework**

Vantage Private Equity Growth Trust 3A ("the Fund", "VPEG3A") is not a reporting entity as in the opinion of the directors of Vantage Asset Management Pty Limited ("the Trustee") there are unlikely to exist any users of the financial report who are unable to command the preparation of reports tailored so as to satisfy specifically all of their information needs. Accordingly, this special purpose financial report has been prepared to satisfy the reporting requirements under the Fund's trust deed.

The financial statements are presented in Australian dollars and were authorised for issue on 25 October 2022.

Statement of compliance

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

Significant accounting policies

Significant accounting policies adopted in the preparation of the financial statements are set out below. Accounting policies have been consistently applied to the period presented, unless otherwise stated.

Basis of preparation

The financial report is prepared on an accruals basis and is based on historical costs, except for the revaluation of certain financial instruments which are carried at their fair values. Cost is based on the fair value of the consideration given in exchange for assets.

New and revised standards that are effective for these financial statements

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial year beginning 1 July 2021 that have a material impact on the amounts recognised in prior periods or will affect the current or future periods.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

VANTAGE PRIVATE EQUITY GROWTH TRUST 3A

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)**a) Cash and cash equivalents**

Cash comprises cash at banks and on hand. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

b) Investment income*i) Interest income*

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

ii) Net changes in fair value of investments held at fair value through profit or loss

Profits and losses realised from the sale of investments and unrealised gains and losses on securities held at fair value are included in the Statement of Profit or Loss and Other Comprehensive Income in the year they are incurred. Unrealised gains and losses are not assessable or distributable until realised.

iii) Distribution received

Fund distributions are recognised as revenue when the right to receive payment is established. Distribution income includes return of capital and capital gains arising from the disposal of underlying investments.

c) Investments at fair value through profit or loss

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 Profit or Loss and Other Comprehensive Income in the period in which they arise.

VANTAGE PRIVATE EQUITY GROWTH TRUST 3A

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)**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 3A's trust deed and applicable taxation legislation and any other amounts determined by the Trustee, to Unitholders by cash or reinvestment.

Financial instruments held at fair value may include unrealised capital gains. Should such a gain be realised that portion of the gain that is subject to capital gains tax will be distributed so that the Fund is not subject to capital gains tax.

Realised capital losses are not distributed to unit-holders but are retained in the Fund to be offset against any future realised capital gain. If realised capital gains exceed realised capital losses the excess is distributed to the unit-holders.

The benefits of imputation credits and passed on to Unitholders.

f) Trade and other receivables

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

g) Goods and Services Tax (GST)

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

Payables in the balance sheet are shown inclusive of GST.

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

h) Comparative figures

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

i) Critical accounting estimates and judgments

In the application of the Fund's accounting policies, the trustee is required to make judgments, estimates and assumptions that affect the reported amounts in the financial statements. Management continually bases its judgements, estimates and assumptions on historical experience and other factors that are considered to be relevant. The accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

VANTAGE PRIVATE EQUITY GROWTH TRUST 3A

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT.)**i) Critical accounting estimates and judgments (CONT.)**

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the balance date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

i) Fair value of financial instruments

The valuation of investments is based upon the net assets attributable to interest holders as noted in the underlying investee funds' audited financial statements. Each investee fund will select an appropriate valuation technique for financial instruments that are not quoted in an active market. This valuation is based upon a fair estimation of values (which are subjective in nature and involve uncertainties and matters of significant judgement (e.g. interest rates, market volatility, investment stage, estimated cash flows etc.) as determined by the Manager of the investees on the following basis:

ii) Fair value information

The fair values of financial assets are determined by reference to active market transactions where possible, however the majority of managed investee companies are unlisted Australian companies and there are no direct, quoted market prices available.

In this case, fair value estimates are made at a specific point in time, based on market conditions and information about the specific financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgement (e.g. interest rates, market volatility, investment stage, estimated cash flows etc) and therefore cannot be determined with precision.

Valuations are inherently based on forward looking estimates and judgements about the underlying business, its market and the environment in which it operates.

iii) Fair estimation of values

Where new investments are made within the reporting 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.

VANTAGE PRIVATE EQUITY GROWTH TRUST 3A

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 2. REVENUE AND OTHER INCOME

	2022 \$	2021 \$
Distribution income	2,317,617	1,229,921

NOTE 3. CASH AND CASH EQUIVALENTS

	2022 \$	2021 \$
Cash at bank	245,617	388,916

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	245,617	388,916
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NOTE 4. RECEIVABLES

	2022 \$	2021 \$
Current receivables		
GST receivable	20,106	15,330
Called capital receivable	59	59
Total receivables	20,165	15,389

VANTAGE PRIVATE EQUITY GROWTH TRUST 3A

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 5. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	NOTE	2022 \$	2021 \$
NON-CURRENT			
Interests in Unlisted Private Equity Funds / Limited Partnerships at fair value through profit or loss:	5a	19,584,977	11,029,596

a) Movements in fair values

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

Investments at fair value at the beginning of the year	11,029,596	11,854,002
Calls	4,314,494	933,931
Current year net revaluation	4,240,887	(1,758,337)
Investments at fair value at the end of the year	19,584,977	11,029,596

NOTE 6. TRADE AND OTHER PAYABLES

	2022 \$	2021 \$
Current		
Trade payables	35,929	82,630
Related Party Payable - Vantage Private Equity Growth 3,LP	2,881,675	56,991
Total trade and other payables	2,917,604	139,621

VANTAGE PRIVATE EQUITY GROWTH TRUST 3A

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 7. DISTRIBUTION PAYABLE

	NOTE	2022 \$	2021 \$
Current			
Distribution Payable	10	358,400	718,403

For the year ended 30 June 2022, distribution payable represents investors' present entitlement to the income of the Fund and it is intended to be paid to all VPEG3A investors in October 2022.

NOTE 8. UNITHOLDERS CAPITAL

	PAID CAPITAL PER \$ OF COMMITTED CAPITAL TO VPEG3 2022	PAID CAPITAL PER \$ OF COMMITTED CAPITAL TO VPEG3 2021	NUMBER OF UNITS	2022 \$	2021 \$
8,960,000 units issued	\$0.25	\$0.25	8,960,000	8,960,000	8,960,000
	2022 \$ PER UNIT	2021 \$ PER UNIT	NUMBER OF UNITS	2022 \$	2021 \$

a) Movement in Called Capital

Opening balance			8,960,000	8,960,000	8,243,200
Paid capital/additional units issued to investors	\$1.00	\$1.00	-	-	716,800
Closing balance			8,960,000	8,960,000	8,960,000

During the year, no new units were issued to existing investors (2021: 716,800). All interests in VPEG3A are of the same class and carry equal rights. Under VPEG3A's Trust Deed, each interest represents a right to an individual share in VPEG3A and does not extend to a right to the underlying assets of VPEG3A. In addition, during the year no additional capital was called, making the total invested committed capital being equal to \$0.25 (2021: \$0.25).

VPEG3 (the Fund), consists of two investment entities, Vantage Private Equity Growth 3, LP (VPEG3,LP) and Vantage Private Equity Growth Trust 3A (VPEG3A). In accordance with VPEG3A's Trust Deed, the units issued represents the Trust Subscription Amount that is a reallocation of Vantage Private Equity Growth 3 committed capital to enable the acquisition of investments that are not permitted to be made by an Australian Fund of Funds. This has not impacted the total committed capital to VPEG3.

VANTAGE PRIVATE EQUITY GROWTH TRUST 3A

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 9. RETAINED EARNINGS

	2022 \$	2021 \$
Retained earnings	8,691,558	2,334,280

a) Movement in retained earnings

Opening balance	2,334,280	3,171,397
Net operating profit / (loss) for the year	6,357,278	(837,117)
Closing balance	8,691,558	2,334,280

NOTE 10. DISTRIBUTIONS TO UNITHOLDERS

	2022 \$	2021 \$
Distributions to Unitholders		
Distributions paid / payable	358,400	718,403

a) Movement in distributions to Unitholders

	2022 \$ PER UNIT	2021 \$ PER UNIT	NOTE	2022 \$	2021 \$
Opening balance	\$0.08	-		718,403	-
Distributions paid during the year	\$0.01	\$0.08	7	358,400	718,403
Total distributions paid	\$0.09	\$0.08		1,076,803	718,403

VANTAGE PRIVATE EQUITY GROWTH TRUST 3A

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 11. 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 12. NOTES TO THE STATEMENT OF CASH FLOWS

	2022 \$	2021 \$
a) Reconciliation of profit or loss for the period to net cash flows from operating activities:		
Net operating profit / (loss) for the year	6,357,278	(837,117)
NON-CASH FLOWS IN PROFIT OR LOSS:		
Investment revaluations	(4,240,887)	1,758,337
CHANGES IN ASSETS AND LIABILITIES:		
(Increase) / decrease in receivables	(4,776)	26,773
Increase in other payables	46,805	52,530
Cash flow from operations	<u>2,158,420</u>	<u>1,000,523</u>

VANTAGE PRIVATE EQUITY GROWTH TRUST 3A

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

FOR THE YEAR ENDED 30 JUNE 2022

NOTE 13. EVENTS AFTER THE BALANCE SHEET DATE

There have not been any 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 14. TRUSTEE AND MANAGER DETAILS

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

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

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 in accordance with the Fund's Trust deed.

The directors 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 46 to 59, present fairly the Fund's financial position as at 30 June 2022 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; and
- b) in the directors' 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
Director



David Pullini
Director

Sydney
25 October 2022

INDEPENDENT AUDITOR'S REPORT



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Independent Auditor's Report to the members of Vantage Private Equity Growth Trust 3A

Opinion

We have audited the financial report, being a special purpose financial report, of Vantage Private Equity Growth Trust 3A (the "Fund"), which comprises the statement of financial position as at 30 June 2022, 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 is prepared, in all material respects, in accordance with the financial reporting requirements of the Trust Deed.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Fund in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (Including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting and Restriction on Distribution

We draw attention to Note 1 to the financial statements which describes the basis of accounting. The financial report is prepared to assist the Fund to meet the requirements of the Trust Deed. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the Fund and the directors of Vantage Asset Management Pty Limited as Trustee of the Fund (the "Trustee") (collectively the "Recipients") and should not be distributed to parties other than the Recipients. Our opinion is not modified in respect of this matter.

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

The directors are responsible for the other information. The other information is the directors' report accompanying the Trustee and Managers report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

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INDEPENDENT AUDITOR'S REPORT (CONT.)



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In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Trustee are responsible for the preparation of the financial report in accordance with the financial reporting requirements of the Trust Deed and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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INDEPENDENT AUDITOR'S REPORT (CONT.)



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- 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 Fund'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 Fund to cease to continue as a going concern.

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
Sydney
25 October 2022

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VPEG3

ANNUAL REPORT

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2022

INVESTMENT MANAGER

