PENGANA CAPITAL

ASX: PE1

PENGANA PRIVATE EQUITY TRUST

A diversified portfolio of global private market investments, managed by one of the largest and most diversified independent asset managers in the world - Grosvenor Capital Management.

FEBRUARY 2021

PORTFOLIO COMPANIES MAKING HEADWAY WITH FUNDRAISINGS AND DISTRIBUTIONS

NAV PER UNIT[1]	1 MONTH PERFORMANCE[2]	SINCE INCEPTION PERFORMANCE (P.A.)[2,3]	TARGET DIVIDEND YIELD[4]
$1.1697	**-0.6%**	**-0.4%**	**4%**

COMMENTARY

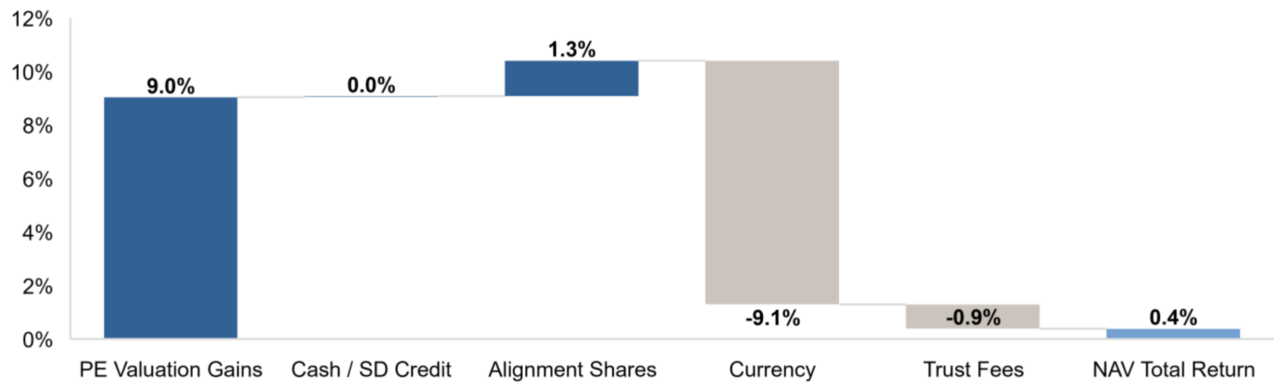
The Trust returned -0.6% for the month of February, with an appreciation in the AUD/USD being only partially offset by the increase in the value of the alignment shares. Our private equity investments were largely flat for the month.

PE1's commitment to GCM Grosvenor Multi-Asset Class Fund II (MAC II) was fully drawn down by the end of February. MAC II recently executed a private equity co-investment in goPuff, which operates an on-demand convenience store and delivery service that has operations in over 500 US cities. In other MAC II related news, Instacart, the leading online grocery delivery service and largest single position in the MAC II portfolio, completed a US$265 million financing round in February at a US$39 billion valuation, up over 100% from its previous financing round that took place in October that in turn built upon a June 2020 valuation of US$13.7 billion. Additionally, Elon Musk's SpaceX raised US$850 million in February at a US$76 billion valuation, representing a 60% increase from the company's previous financing round in August.

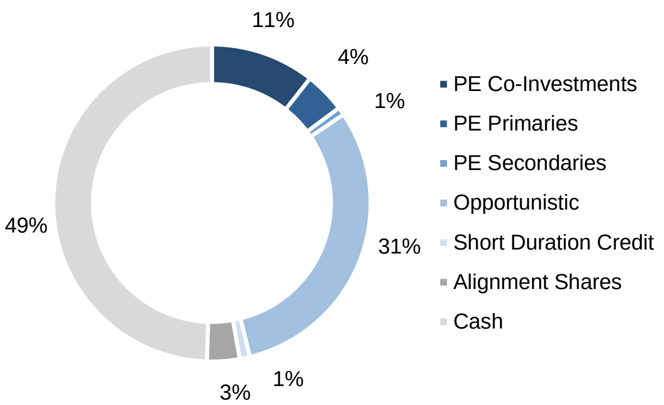
As private equity valuations are released quarterly and quarterly in arrears, the valuation changes for Instacart (both October 2020 and February 2021) and SpaceX have yet to be incorporated into PE1's NAV. Further, as Instacart currently comprises 4.7% of the PE1 portfolio, its anticipated +185% revaluation from US$13.7 billion to US$39 billion is expected to have a meaningful impact on PE1's NAV over the coming months.

GCM Grosvenor Co-Investment Opportunities Fund II (GCF II) has been very active since the beginning of Q4 2020, committing over US$160 million to six investments, including the signing of an equity commitment letter to co-invest in Nestlé Waters North America. GCF II has also seen strong distribution activity in recent months from multiple companies which are detailed in the following section. GCF II continues to evaluate new investment opportunities and is currently conducting diligence on several potential investments that, if closed, would complete the balance of the GCF II portfolio.

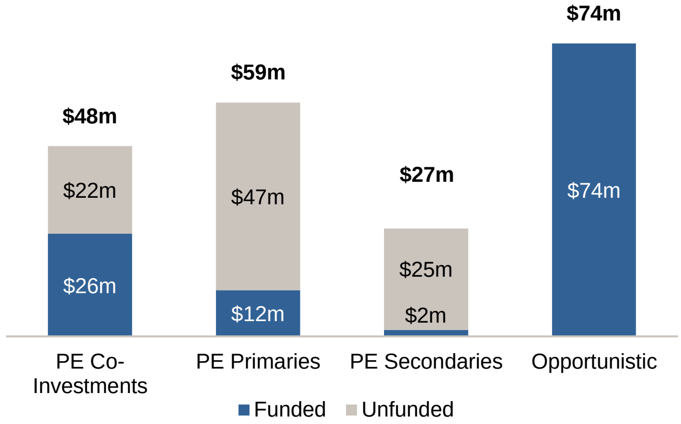
FYTD Contribution to NAV total return (1 July 2020 to 28 February 2021)



PE1 Allocations by Investment Type



Breakdown of PE Commitments (A$)



Values may not sum to 100% and/or subtotals may nor aggregate precisely due to rounding.

INVESTMENT ACTIVITY – SELECTED HIGHLIGHTS[5]

OPPORTUNISTIC INVESTMENTS

MAC II recently executed a private equity co-investment in **goPuff**, a vertically integrated delivery service.

goPuff operates an on-demand convenience store and delivery service that today sells more than 3,000 products and has operations in over 500 US cities. The company leverages its network of over 200 micro-fulfillment centres to complete customer orders, which are delivered in 30 minutes or less. goPuff purchases products from wholesale distributors and generates a majority of its profits on the mark-up earned when the products are sold to consumers. The company typically charges a flat US$1.95 delivery fee and also generates revenue from advertising.

goPuff is disrupting the US$36bn US convenience store market and the US$120bn off-premise alcohol market; and we believe it has the potential to move into large adjacent markets (e.g., in-store sales at convenience stores co-located with gas stations) to further its growth. These categories have significantly lagged broader ecommerce adoption because they are largely convenience purchases, and the industries are highly fragmented, discouraging investment in technology and infrastructure to facilitate short delivery times for a wide breadth of stock-keeping units. However, as consumer demand for faster delivery continues to grow (which has been accelerated by COVID), we expect ecommerce adoption to continue to rise. goPuff's competitively advantaged, vertically integrated business model allows for an industry leading 23-minute average delivery time, best in class customer experience, and attractive, proven market level unit economics.

In other MAC II related news, **Instacart**, the leading online grocery delivery service and largest single position in the MAC II portfolio, completed a US$265 million financing round in February at a US$39 billion valuation, up over 100% from its previous financing round that took place in October that in turn built upon a June 2020 valuation of US$13.7 billion. The latest round reflects market consensus around the strength of the business, particularly as the company prepares itself for a potential IPO. Additionally, Elon Musk's **SpaceX** raised US$850 million in February at a US$76 billion valuation, representing a 60% increase from the company's previous financing round in August. Proceeds from this financing round will be used to continue funding the company's two capital-intensive projects: Starlink, the satellite internet network, and Starship, the rocket business. *As private equity valuations are released quarterly and quarterly in arrears, the valuation changes for Instacart (both October 2020 and February 2021) and SpaceX have yet to be incorporated into PE1's NAV. Further, as Instacart currently comprises 4.7% of the PE1 portfolio, its anticipated +185% revaluation from US$13.7 billion to US$39 billion is expected to have a meaningful impact on PE1's NAV over the coming months.*

CO-INVESTMENTS

GCF II has been very active since the beginning of Q4 2020, committing over US$160 million to six investments (including **Nestlé Waters North America**).

Although GCM Grosvenor Co-Investment Opportunities Fund II (GCF II) did not close on any new co-investments in February, it did sign an equity commitment letter to co-invest alongside One Rock Capital Partners (One Rock) in connection with One Rock's purchase of Nestlé Waters North America, a leading provider of bottled water in North America, from Nestlé S.A. Subject to customary closing conditions, this transaction is expected to be completed in the second quarter of 2021; additional details about this co-investment will be provided in a future update. Following the closing of this transaction, GCF II will have committed over US$475 million across 21 investments, creating a portfolio that is well diversified across a range of industries, securities, and geographies.

The portfolio has also seen strong distribution activity in recent months:

- **R.E.L.A.M.**, a leading railroad equipment lessor, issued several dividends in the fourth quarter of 2020; in aggregate, these dividends have returned approximately 15% of cost less than six months after the investment was first made.
- GCF II's co-investment in **BDP International** also distributed substantial capital late last year. The Philadelphia-based provider of global logistics solutions for the chemicals and life sciences industries completed a dividend recapitalisation in December 2020 that returned approximately 30% of the cost of the investment.
- Most recently, GCF II's co-investment in **Innophos**, a leading global producer of phosphate and non-phosphate ingredients, completed a dividend recapitalisation in February 2021 that returned over 40% of the cost of the investment.

GCF II continues to evaluate new investment opportunities and is currently conducting diligence on several potential investments that, if closed, would complete the balance of the GCF II portfolio.

1. The NAV is unaudited.
2. Past performance is not a reliable indicator of future performance, the value of investments can go up and down. The net return has been determined with reference to the increase in the Net Asset Value per Unit, as well as of the reinvestment of a Unit's distribution back into the Trust pursuant to the Trust's distribution reinvestment plan ("DRP"). Pengana has established a DRP in respect of distributions made by the Trust. Under the DRP, Unitholders may elect to have all or part of their distribution reinvested in additional Units.
3. The NAV per unit at inception is based on the subscription price per unit which is equal to $1.25.
4. From 1 July 2020, Pengana intends to target a cash distribution yield equal to 4% p.a. (prorated on a non-compounded basis) of the NAV (excluding the total value of the Alignment Shares but including the cash distribution amount payable) as at the end of the period that a distribution relates to. The targeted distribution is only a target and may not be achieved. Investors should read the Risks summary set out in Section 11 of the IPO PDS.
5. In reviewing the case studies / trade examples ("Examples") provided in this presentation, you should consider the following:

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