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.

JUNE 2022

A SPOTON INVESTMENT

NAV PER UNIT (CUM)[1]	NAV PER UNIT (EX)[1]	1 MONTH PERFORMANCE[2]	SINCE INCEPTION PERFORMANCE (P.A.)[2,3]	TARGET DISTRIBUTION YIELD[4]
$1.6788	**$1.6464**	**3.5%**	**14.1%**	**4%**

COMMENTARY

The Trust returned a net 3.5% over the month of June, primarily driven by the depreciation of the AUD:USD from 0.72 to 0.69. Having received all of our 31 March 2022 private equity valuations over the month, our private equity gains and losses in local currency largely cancelled each other out leaving the underlying performance virtually unchanged in June. We wish to remind investors that PE1 is unhedged, with the aim of providing downside protection to PE1 unitholders in such market conditions. This is due to a generally recognised historical inverse correlation between equity markets and the USD:AUD exchange rate – in a risk-off environment, the AUD tends to decline. The majority of PE1's investments are denominated in USD.

We have increased our commitment to **GCM Grosvenor Secondary Opportunities Fund III** ("GSF III") by US$10.0 million, bringing PE1's total commitments to GSF III up to US$43.0 million, and committed US$14.1 million to **GCM Grosvenor Co-Investment Opportunities Fund III** ("GCF III"). Like its predecessor fund (in which PE1 has been invested since 2019), GCF III will seek to invest in a diversified portfolio of predominately buyout co-investments alongside middle-market private equity funds. The fund will seek to create a portfolio of 20 to 30 investments diversified by sponsor, sector, value creation methodology, geography, and investment year.

In addition, we recently co-invested in the Series E senior preferred equity of **SpotOn**, one of the fastest-growing software and payment companies with comprehensive, cloud-based technology for businesses of all types and sizes. SpotOn is led by an experienced management team and is rapidly capturing market share in the highly fragmented hospitality and retail SMB markets. While SpotOn is investing heavily for growth at present, mature merchant acquirers demonstrate 30%+ EBITDA margins. Further, large merchant acquirers have a history of acquiring small, faster growing companies like SpotOn. The senior preferred equity includes strong downside protection and equity upside if the company grows beyond a certain size.

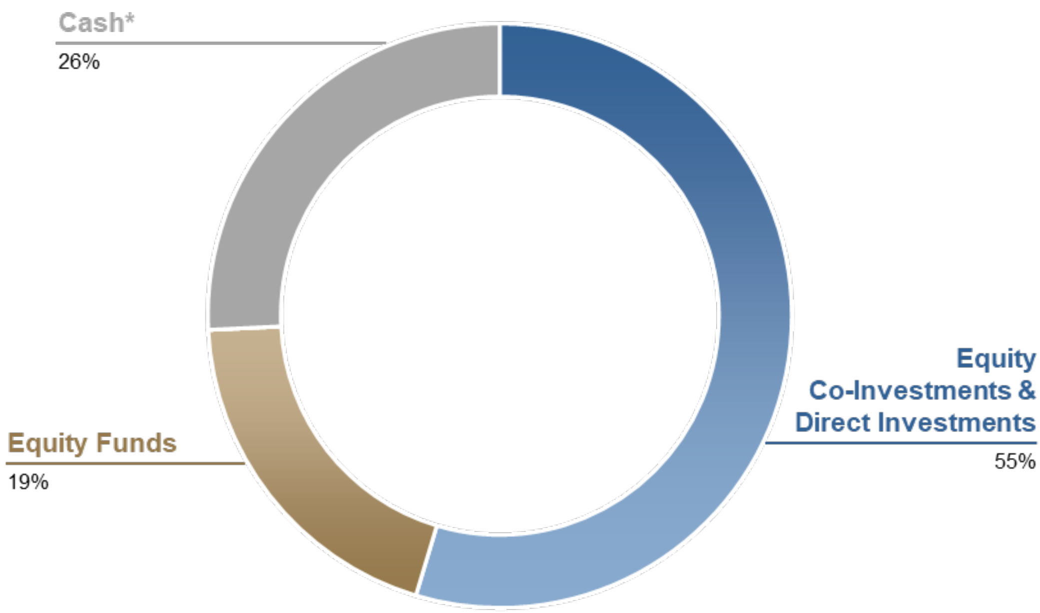
Finally, we committed to a continuation fund to finance the acquisition of **Exterro, Inc.**, a provider of legal governance, risk, and compliance software, with over 2,700 customers. Exterro has an attractive financial profile with high top-line growth and EBITDA margins and a very stable and sticky revenue base that drives significant visibility into the company's financial projections. The company also has favourable free cash flow dynamics, including the collection of annual upfront contract payments, limited capex, and minimal cash taxes. There is a significant total addressable market for Exterro's products that is expected to grow +10% through 2025 and we believe there are multiple potential exit paths for the company.

We invite you to join us for a 30 minute webinar with Frederick Pollock (CIO, GCM Grosvenor; Portfolio Manager, PE1) where he will discuss the current market conditions and their implications for private equity investments, as well as some of the unique opportunities currently available to PE1 investors.

Register here: https://pe1.pengana.com/webinar/ (9AM AEST, Thursday, 28 July 2022)

Cumulative NAV Per Unit Return Since Inception (23 April 2019 to 30 June 2022) [2, 3]

Portfolio Allocations by Investment Type (30 June 2022)



* Cash includes short duration credit which may be used as a cash management tool.

INVESTMENT ACTIVITY – SELECTED HIGHLIGHTS [5]

EQUITY CO-INVESTMENTS

We recently co-invested in the Series E senior preferred equity of **SpotOn**, one of the fastest-growing software and payment companies with comprehensive, cloud-based technology for businesses of all types and sizes. Known for its rapid innovation and industry-leading customer service, SpotOn offers an end-to-end software and payment platform to streamline operations, improve the customer experience, and increase profit.

SpotOn, which was founded by Matt and Zach Hyman, twin brothers that founded and sold Central Payments to global payments company TSYS in 2018, is led by an experienced management team and is rapidly capturing market share in the highly fragmented hospitality and retail SMB markets. While SpotOn is investing heavily for growth at present, mature merchant acquirers demonstrate 30%+ EBITDA margins. Further, large merchant acquirers have a history of acquiring small, faster growing companies like SpotOn. The Series E preferred equity that we invested in includes strong downside protection, including a senior liquidation preference that compounds at a very attractive gross IRR with a minimum multiple and IPO ratchet, and common equity conversion upside beyond a pre-determined market capitalisation.

On 30 June, PE1 committed US$14.1 million to **GCM Grosvenor Co-Investment Opportunities Fund III**. Like its predecessor fund, GCF III will seek to generate compelling, risk-adjusted returns by investing in a diversified portfolio of predominately buyout co-investments alongside middle-market private equity funds. GCF III is designed to offer access to the middle market with a diversified and cost-efficient solution through a single commitment and will principally seek to invest in transactions on a no-fee/no-carry basis.

The fund will seek to create a portfolio of 20 to 30 investments diversified by sponsor, sector, value creation methodology, geography, and investment year, and will feature companies primarily in the established private equity markets of North America and Western Europe, with opportunistic exposure to other regions. GCF III will generally target investments in middle market cash-flow positive companies with established and cycle-tested revenue models. We define middle market co-investments as transactions in companies with total enterprise values less than or equal to US$1.5 billion at entry. GCF III will seek to leverage GCM Grosvenor's platform of relationships in the middle market – developed over the last 20+ years as a sophisticated limited partner – to source attractive opportunities alongside high-quality, difficult-to-access sponsors.

EQUITY FUNDS

We recently committed to Project Allegro, a continuation fund organised by Leeds Equity Partners ("Leeds") to finance the acquisition of **Exterro, Inc.** from Leeds Equity Fund VI. Exterro is a provider of legal governance, risk, and compliance software, delivering a comprehensive solution to corporations, law firms, law enforcement, and government agencies. The company offers a full platform solution and is the only legal technology company that can holistically serve the litigation, digital forensics, and data privacy workflows. Exterro has over 2,700 customers across enterprises, government agencies, law firms, and law enforcement.

Exterro has an attractive financial profile with high top-line growth and EBITDA margins and a very stable and sticky revenue base (~85% of revenue base is recurring) that drives significant visibility into the company's financial projections. The company also has favourable free cash flow dynamics, including the collection of annual upfront contract payments, limited capex, and minimal cash taxes. There is a significant total addressable market for Exterro's products that is expected to grow +10% through 2025 and we believe there are multiple potential exit paths for the company (e.g., IPO, sale to a financial sponsor or strategic partner). Additionally, we believe the deal has strong alignment of interests with both Leeds and the management team, with all active Leeds team members rolling their carried interest, Leeds making the largest investment to date from their current fund into the company and the management team rolling a significant portion of their equity proceeds into the transaction.

GCM GROSVENOR

PE1 also made an additional commitment of US$10.0 million to **GCM Grosvenor Secondary Opportunities Fund III** on 30 June, bringing PE1's total commitments to GSF III up to US$43.0 million.

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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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Authorised by: Paula Ferrao, Company Secretary

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