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.

DECEMBER 2022

ACQUIRING SECONDARIES AT A 20% DISCOUNT

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]
$1.6389	$1.6059	-0.7%	11.9%	4%

COMMENTARY

The Trust returned -0.7% over December largely as a result of an appreciation in the AUD:USD exchange rate with minimal impact resulting from Q3 valuations received during December.

In targeting a 4% p.a. distribution yield, we recently announced a semi-annual distribution of $0.0330 per unit (equal to 2% of the 30 November 2022 NAV per unit), with an ex date of 3 January 2023 and a payment date of 23 January 2023.

Investment activity remains high across the portfolio including:

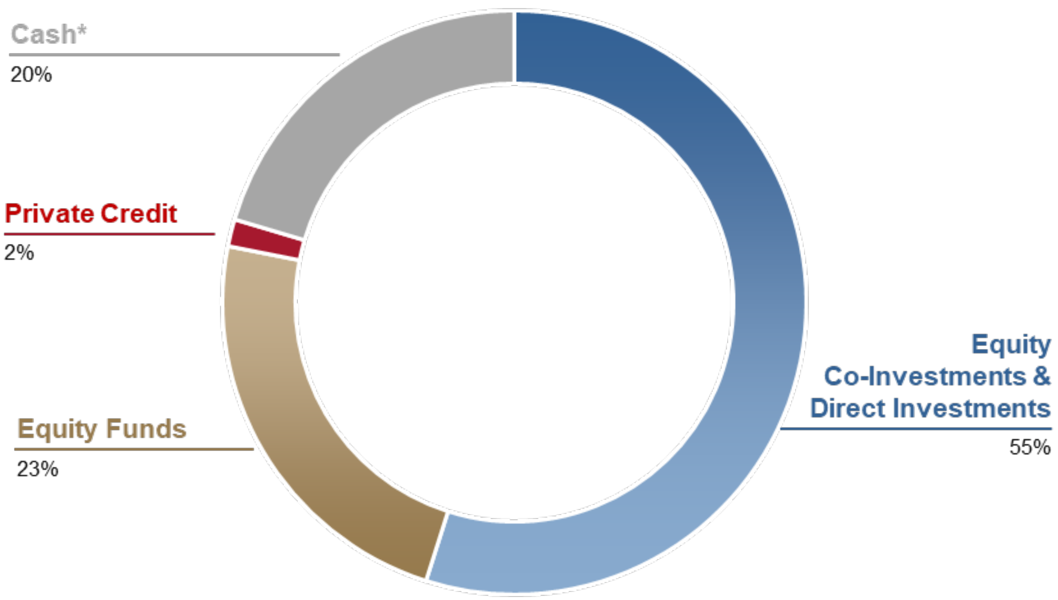
- A co-investment in **RANDYS Worldwide Automotive**, a designer and supplier of branded aftermarket drivetrain, suspension, and wheel components for pickup trucks, SUVs, and CUVs. We believe RANDYS is an innovative and well managed leader in the auto aftermarket, having seen very strong customer loyalty and organic growth since 2014 (2x the organic growth CAGR of the market).
- A distribution of approximately US$1.5 million from **GCM Grosvenor Multi-Asset Class Fund II** stemming from several realisations. Total distributions now equal ~7% of PE1's commitment.
- A commitment to a continuation fund to finance the acquisition of **Schneider Logistics Group**, a provider of multi-modal logistics services. The company manages freight forwarding, customs services, warehousing, and a wide range of value-added services across hundreds of routes between key logistics hubs. Schneider has an attractive business model with strong historical gross profit and EBITDA growth. The general growth in outsourcing of freight services and the continued shift to e-commerce are tailwinds that should help the company grow.
- A commitment to a secondary investment involving the acquisition of five middle-market funds managed by three different private equity firms, which were purchased at an aggregate discount to the 31/3/22 NAV of ~20%. The aggregate portfolio, which has a diversified exposure to 66 companies, provides a nice blend of potential near term distributions over the next 12-18 months as well as potential value uplift from companies expected to be held for the next 3-5 years.

Cumulative NAV Per Unit Return Since Inception (23 April 2019 to 31 December 2022) [2, 3]

NAV Per Unit Return for Trailing Periods Ending 31 December 2022 [2]

1 month	-0.7%
1 year	9.6%
3 years p.a.	12.3%
Since inception p.a.[3]	11.9%

Portfolio Allocations by Investment Type (31 December 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 **RANDYS Worldwide Automotive** ("RANDYS") alongside Greenbriar Equity Group ("Greenbriar"). Founded in 1980, RANDYS is a designer and asset-light supplier of highly engineered, branded aftermarket drivetrain, suspension, and wheel components for pickup trucks, SUVs, and CUVs through all distribution channels, including to installers, wholesale distributors, big-box, and e-commerce. The company operates across two segments – needs based replacement (i.e., vehicle owners repair / replace parts after failure or for preventative maintenance) and vehicle enhancement (i.e., vehicle enthusiasts looking to upgrade their vehicles for off-road, hauling, towing, racing, and aesthetics) – each of which comprises ~50% of sales. RANDYS maintains 11 facilities across seven US states and has ~550 employees.

We believe RANDYS is an innovative, well managed leader in a large, attractive segment of the auto aftermarket with positive secular trends. The company is the #1 player in differentials, an essential component of a vehicle's drivetrain. RANDYS has had very strong organic growth since 2014 (2x the organic growth CAGR of the market over that period) and has strong customer loyalty across its eight brand offerings with ~90% of its 2021 revenue coming from repeat customers. Moreover, Greenbriar is a well-performing sponsor with experience in organic value creation levers applicable to RANDYS, including cross-selling across brands, making operational improvements, and launching new products.

Additionally, during December, **GCM Grosvenor Multi-Asset Class Fund II** ("MAC II") distributed approximately US$1.5 million of proceeds to PE1 stemming from several realisations within the portfolio, bringing total distributions to ~7% of PE1's commitment to MAC II.

EQUITY FUNDS

We recently committed to a continuation fund organised by Invision AG to finance the acquisition of **Schneider Logistics Group** ("Schneider"). Headquartered in Basel, Switzerland, Schneider is a provider of multi-modal asset-light cross-border logistics services, managing international logistics chains across road, rail, sea, and air in combination with value-added services and fulfillment. The company manages freight forwarding, customs services, warehousing, and a wide range of value-added services across hundreds of routes between key logistics hubs throughout Europe, Asia, North America, and the Middle East.

Schneider has an attractive business model with strong historical gross profit and EBITDA growth. The company has low customer concentration, which means the company is not dependent on any single customer or group of customers in generating revenue, as well as low supplier concentration, which means it doesn't rely on a small group of suppliers and can therefore optimise capacity utilisation on specific trade lanes without comprising reliability and on-time delivery. There are also a number of favourable market tailwinds that should help the company grow, including the general growth in outsourcing of freight services and the continued shift to e-commerce (which is a major growth driver for logistics service providers). Finally, there is clear and direct alignment with Invision and company management in this deal, with both re-investing nearly all of the proceeds they received as part of the continuation fund transaction, which provides a strong signal about their conviction with the investment.

Additionally, we recently committed to a secondary investment that involved the acquisition of five middle-market funds managed by three different private equity firms. The five funds, which were purchased at an aggregate discount to the 31 March 2022 NAV of ~20%, have an aggregate portfolio that provides a nice blend of potential near term distributions over the next 12-18 months as well as potential value uplift from companies expected to be held for the next 3-5 years. The portfolio has diversified exposure to 66 companies, with the top ten underlying positions representing ~47% of the 31 March 2022 NAV. With GCM being an existing investor in four of the five funds, four of which are managed by managers that restrict the potential buyer universe to existing investors, we were able to leverage GCM's relationships with those managers during due diligence to help us understand and assess both the current performance and the outlook for all of the companies in the 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. 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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