

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.

April 2024

FILTERING FOR COMPELLING INVESTMENTS

NAV
PER UNIT¹

\$1.6096

1 MONTH
PERFORMANCE²

0.9%

SINCE INCEPTION
PERFORMANCE (P.A.)^{2,3}

9.6%

TARGET DISTRIBUTION
YIELD⁴

4%

COMMENTARY

The Trust returned 0.9% over April due to increased valuations, which were widely spread across our portfolio, and income distributions from both co-investments and direct investments. We recently made both private equity and credit investments including:

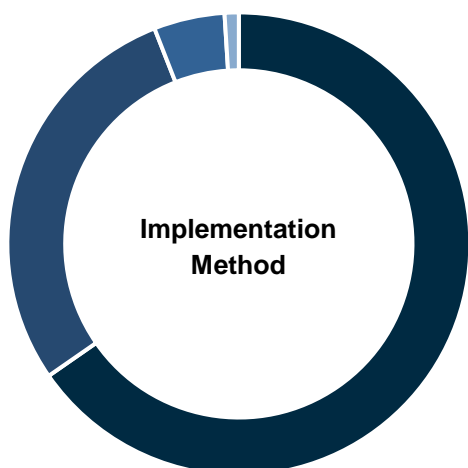
- An equity co-investment at an attractive entry valuation in **PATCO Products**, the US market leader in developing and manufacturing emulsifiers across a diverse range of food and non-discretionary consumer end-markets. We believe the transaction represents an attractive opportunity to optimise a resilient but undermanaged corporate orphan with strong exit potential.
- The issuance of a private first lien term loan B to finance the acquisition of **Carta**, a prominent global manufacturer and distributor of vehicle filtration systems and components. Carta boasts a robust track record, including OEM and independent aftermarket relationships spanning 20-30+ years and a 30-year history without losing a major customer.

NAV PER UNIT PERFORMANCE AS AT 30 APRIL 2024 ^{2,3}



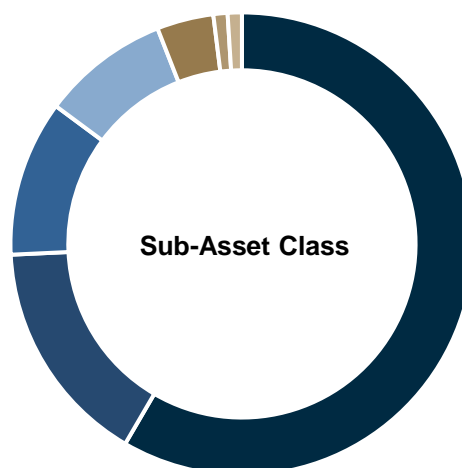
	1 month	1 year	3 years p.a.	Since inception p.a. ³
NAV per Unit	0.9%	2.9%	14.4%	9.6%

PORTFOLIO DIVERSIFICATION



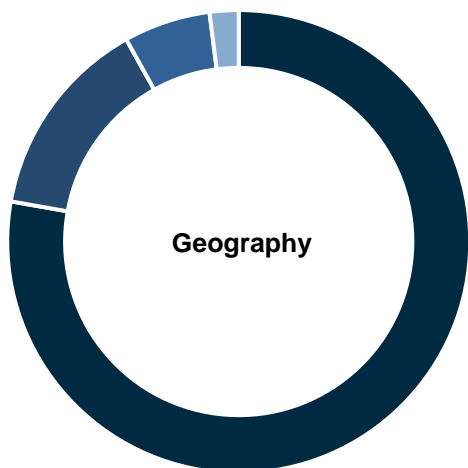
Equity Co-Investments & Direct Investments	66%
Equity Funds	29%
Private Credit	5%
Cash	1%

Cash includes short duration credit which may be used as a cash management tool. The Trust has utilised a line of credit equal to 3% of the NAV.



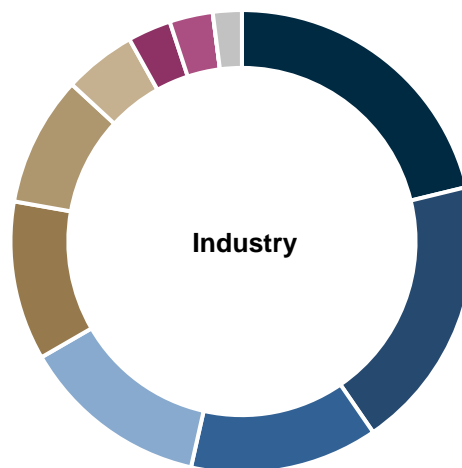
Buyout	59%
Structured Equity ⁶	16%
Growth Equity	11%
Special Situations (Including Credit)	9%
Real Estate	4%
Venture Capital	0%
Other	1%

Allocations exclude short duration credit and cash held directly by the Trust and indirectly through underlying funds; includes only private market investments. Refer to footnote 5 for the calculation methodology.



North America	77%
Europe	14%
Asia/Oceania	6%
Other	2%

Allocations exclude short duration credit and cash held directly by the Trust and indirectly through underlying funds; includes only private market investments. Refer to footnote 5 for the calculation methodology.



Industrials	21%
Information Technology	19%
Financials	13%
Consumer Discretionary	13%
Health Care	11%
Consumer Staples	9%
Real Estate	5%
Materials	3%
Communication Services	3%
Energy	0%
Utilities	0%
Other	2%

Allocations exclude short duration credit and cash held directly by the Trust and indirectly through underlying funds; includes only private market investments. Refer to footnote 5 for the calculation methodology.

INVESTMENT ACTIVITY – SELECTED HIGHLIGHTS ⁷

EQUITY CO-INVESTMENTS



We recently co-invested alongside Kingswood Capital Management in **PATCO Products**, which is a carveout of the US emulsifiers business from Corbion N.V. The company is the US market leader in developing and manufacturing emulsifiers (a texture / binding chemical agent with decades of historical applications) across a diverse range of food and non-discretionary consumer end-markets. The company is the only operator with multiple manufacturing facilities in the U.S., operating two of the five domestic sites, providing efficiency and certainty to its long-tenured customer base.

The transaction was particularly attractive given the steep discount to public comparables and precedent transactions as well as a challenging sales process and a motivated seller that helped drive an attractive entry valuation. We believe the transaction represents an attractive opportunity to optimise a resilient but undermanaged corporate orphan with strong exit potential alongside a manager with a strong track record, significant operating resources, and prior relevant expertise that we believe should position them for success.

PRIVATE CREDIT

We recently participated in the issuance of a private first lien term loan B to finance the acquisition of **Carta**, a carve-out of Sogefi's auto filtration business segment. Our investment was made alongside Sona Asset Management, a leading credit manager who played a pivotal role in directly negotiating the transaction and was therefore able to secure a significant portion of the loan. Carta, a prominent global manufacturer and distributor of vehicle filtration systems and components, boasts a robust track record, including OEM and independent aftermarket relationships spanning 20-30+ years and a 30-year history without losing a major customer.

Despite the inherent cyclicity of auto OEM production, Carta maintains a stable financial base, with a significant portion of its gross profit stemming from resilient aftermarket sales, which tend to remain strong as vehicle populations age. Moreover, Carta has secured long-term original equipment contracts, exceeding eight years, featuring minimum volume commitments without any major contract renewals anticipated within the loan's maturity period. These factors, combined with the loan's favourable structural protections, mandatory amortisation, and excess cash flow sweeps, present a compelling investment opportunity. Additionally, the potential for an early refinancing post-non-call period by the sponsor could provide further upside to the internal rate of return.

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 (23 April 2019) 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. Portfolio Diversification charts and Top 10 Portfolio Investments tables, where applicable, represents the remaining value of the investments and are based on the Fund's percentage of ownership in the investments. Remaining value is reflected gross of both investments and Fund-related management fees, expenses and carried interest, if applicable, as of the valuation date of the respective investments reflected herein. If applicable, charts that are inclusive of both co-investments and underlying holdings of fund investments may reflect a co-investment valuation date as of the fund investment valuation date (i.e., on a quarter lag). Public underlying investments may include, but may not be limited to, investments in publicly-traded equity instruments, such as common and preferred stock, and publicly traded debt instruments, if applicable. Asset-level remaining value is presented gross of fund-level leverage which may be used in lieu of asset-level leverage. As such, the remaining value presented in this report may be a larger portion or exceed the remaining value of the parent investment.
6. Structured Equity is used to describe investments that have structural elements designed to enhance the risk/return profile of a number of our investments, including growth investments. These elements typically include a component of potential downside protection through the use of a variety of different mechanisms including, but not limited to, liquidation preferences and convertible preferred equity.
7. In reviewing the case studies / trade examples ("Examples") provided in this presentation, you should consider the following:

This presentation does not purport to make any recommendations regarding, or to serve as a basis or analysis on which persons might make investment decisions regarding, specific securities, investment strategies, industries or sectors. It is prepared for informational purposes only to provide background, data and topical comment on various aspects of the alternative investments industry. References to specific securities, strategies, industries or sectors contained in this presentation, whether successful or unsuccessful, are presented solely for illustrative and educational purposes only and should not be relied on in connection with making any investment decisions. The returns (actual or hypothetical) described in the Examples, if any, should not be taken as any indication of the performance of any investment in any strategy described herein. Further, potential outcome scenarios described in each Example represent only certain possible outcomes for the given trade. Additional outcomes may include severe or total losses.

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Authorised by: Paula Ferrao, Company Secretary



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