

### UPCOMING IPO'S & SOME OF OUR LARGEST HOLDINGS

NAV  
PER UNIT<sup>1</sup>

**\$1.4257**

1 MONTH  
PERFORMANCE<sup>2</sup>

**-3.1%**

SINCE INCEPTION  
PERFORMANCE (P.A.)<sup>2,3</sup>

**9.8%**

TARGET DIVIDEND  
YIELD<sup>4</sup>

**4%**

### COMMENTARY

The Trust returned -3.1% in October.

**In the absence of quarterly private equity valuations, the return was driven solely by the appreciation of the AUD/USD to 0.751 at month end.**

**The month saw the announcement of a number of proposed transactions which may benefit PE1 unitholders:**



- **Nubank**, the largest fintech company in Latin America, is [targeting a valuation of more than US\\$50 billion](#) in its proposed IPO in New York, higher than that of Itaú Unibanco, Brazil's largest traditional lender. Nubank offers credit cards, personal loans and savings accounts by smartphone without the need for physical documents or branch visits, at more competitive rates than traditional Brazilian banks and with zero fees. The company was valued at US\$30 billion earlier this year in a financing round led by Warren Buffett's Berkshire Hathaway. PE1 gained its exposure in June 2020.



- **Rivian** is [seeking a valuation of around US\\$70 billion](#) in its IPO, following a fundraising round that valued it at US\$27.6 billion in January. Rivian's targeted and first-mover approach to the SUV, pick-up, and van electric vehicle (EV) market, along with a strategic partnership it has with Amazon (which holds a 20% stake), position it to be a leading supplier of EVs. Rivian's current strategy involves building EV delivery vans for Amazon and developing an electric pickup and SUV brand aimed at affluent individuals.



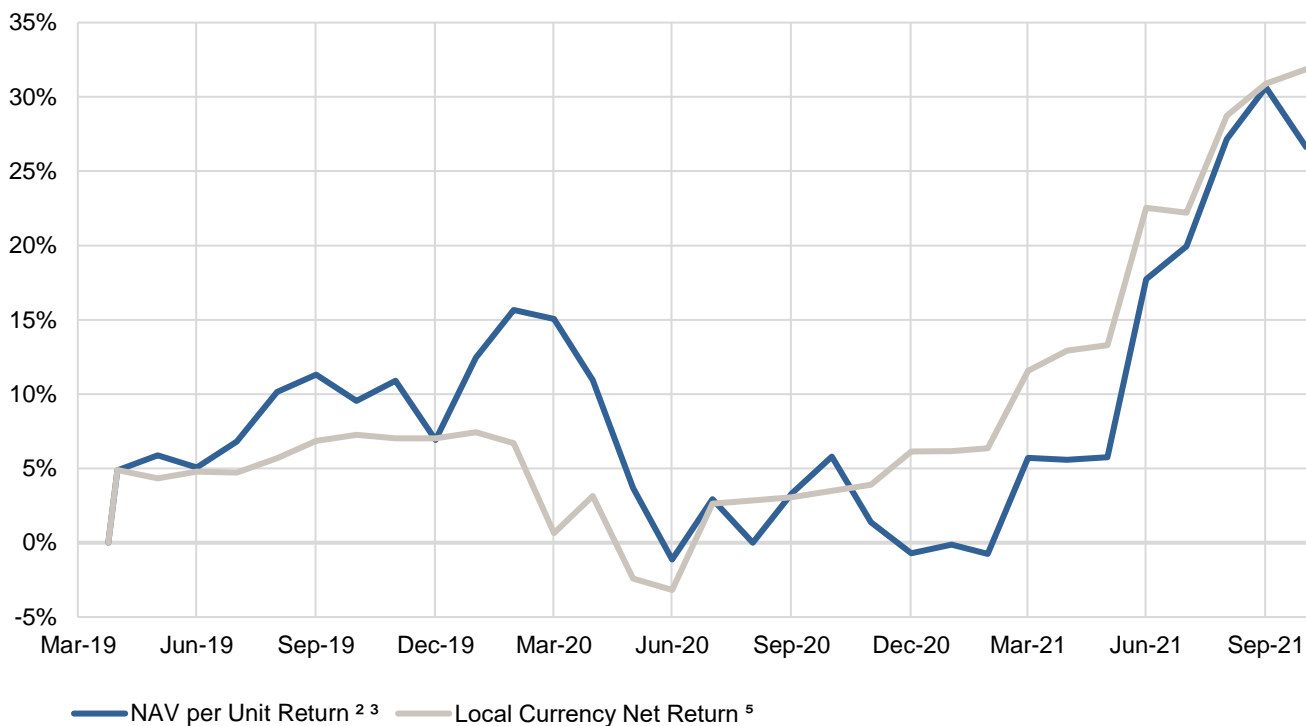
- An affiliate of Amentum Holdings LLC will be [acquiring one of our underlying investments](#) in **PAE Incorporated**, a leading government services contractor. The transaction is expected to close by the end of the first quarter of 2022 and once finalised, will create one of the largest providers of critical services to U.S. federal and allied governments.

During the month, we completed an investment in **J&T Express**, the largest independent express delivery company in Southeast Asia. The company is directly exposed to secular growth in eCommerce as internet access in the region has significantly accelerated. J&T entered the Chinese market in March 2020, and we believe it has the potential to become a top express delivery company in China.

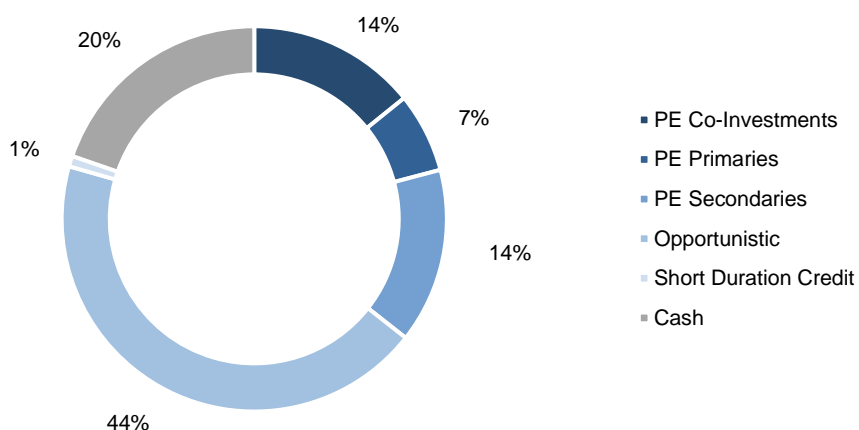
Following our co-investment **RELAM's** October dividend recapitalisation, investors have now received 78% of invested capital in just over a year. RELAM is the largest railroad maintenance-of-way equipment leasing company in the U.S.

Finally, in the last section of this update, we have provided details on our **largest underlying investments**, each of which represents at least 2% of PE1's investment portfolio as at 30 September 2021.

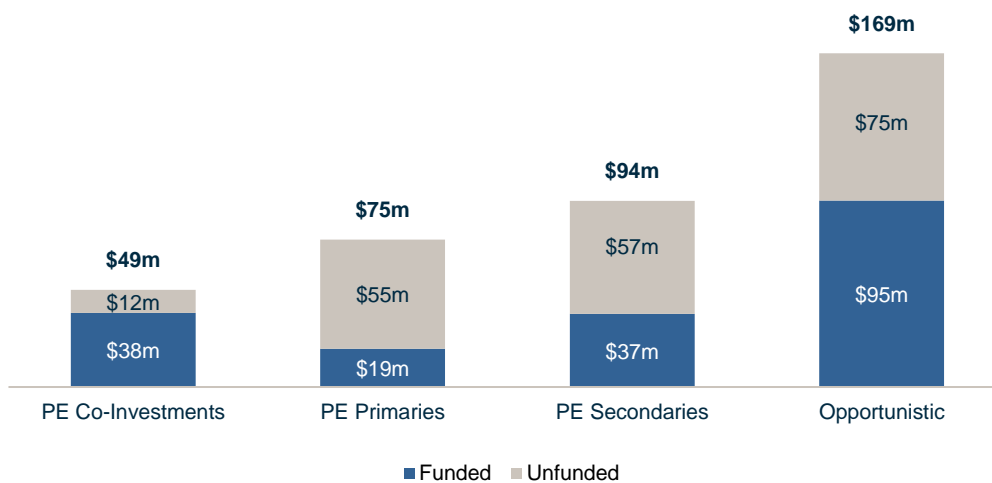
## Cumulative Net Return Since Inception (23 April 2019 to 31 October 2021)



## PE1 Allocations by Investment Type



## Breakdown of PE Commitments (A\$)



## INVESTMENT ACTIVITY – SELECTED HIGHLIGHTS<sup>6</sup>

### OPPORTUNISTIC INVESTMENTS



GCM Grosvenor Multi-Asset Class Fund III, L.P. (“MAC III”) recently completed an investment in **J&T Express** (“J&T”). Founded in 2015 as an integrated logistics services provider that mainly operates in countries in the Southeast Asia region, the company has collaborated with a number of eCommerce players in the Southeast Asia region, including Shopee, Shopify, Tokopedia, and Lazada (under Alibaba). The company entered the Chinese market in March 2020, operating with a self-operation and franchise hybrid model, focusing on eCommerce parcels.

We believe J&T, as the largest independent express delivery company in Southeast Asia, will be able to leverage its superior funding and operational capabilities to become the leader in express delivery across developing markets. Further, we believe J&T has the potential to become a top express delivery company in China, which is forecasted to grow at a 17% CAGR over the next five years. The company is directly exposed to secular growth in eCommerce as internet access in the region has significantly accelerated.

### CO-INVESTMENTS



In July of 2020, GCM Grosvenor Co-Investment Opportunities Fund II, L.P. (“GCF II”) invested in **RELAM**, the largest railroad maintenance-of-way equipment leasing company in the U.S. In early October, the company completed a dividend recapitalisation that returned ~51% of GCF II’s cost. This dividend recap, together with a recent sale leaseback transaction and regular cash dividends since investment, have now returned 78% of invested capital to investors in just over a year.



Additionally, on 25 October, leading government services contractors **PAE Incorporated** and Amentum Holdings LLC (“Amentum”) announced that an affiliate of Amentum would be acquiring PAE in a transaction that is expected to close by the end of the first quarter of 2022. The acquisition, once finalised, will create one of the largest providers of critical services to U.S. federal and allied governments. GCF II’s initial investment was made in February 2020. *There can be no guarantee that the transaction will close on this timeframe or at all.*

### SOME OF OUR LARGEST UNDERLYING INVESTMENTS<sup>6</sup>

Below are descriptions of the largest underlying investments in the PE1 portfolio, each of which represents at least 2% of PE1’s investment portfolio and which collectively represent 30% of PE1’s investment portfolio using the most recently available valuations on 30 September 2021.



**Instacart**, which continues to represent the largest private equity position in the PE1 portfolio, is an online grocery delivery service operating as the asset light solution for existing grocers. Instacart significantly benefitted from the stay-at-home restrictions put in place due to the COVID-19 restrictions. Instacart has also begun to monetise the opportunity it saw in consumer-packaged goods advertising as, like grocery shopping, ad sale spend has been transitioning online. Instacart has had several financing rounds since our initial investment and is currently marked at USD\$35 billion. The company recently hired a new CEO, Fidji Simo, who succeeds founder and CEO Apoorva Mehta (who will shift to the role of executive chairman). Ms. Simo was previously the second most senior woman at Facebook and brings valuable experience working at a large, digitally driven company that saw rapid expansion and ended up going public.



**Pathway Vet Alliance** is a leading consolidator of general practice, specialty, and affordable care veterinary clinics, as well as a provider of veterinary management services in the US. Pet adoption rates have been at all-time highs due to the work from home restrictions, which has led to a significant increase in general vet needs (e.g., vaccinations). The company continues to successfully execute on its acquisition strategy and, despite some recent concerns about a current shortage of veterinarians and vet techs, performance continues to be strong.



**Gainwell Technologies** is a leading provider of technology solutions that are vital to the administration and operations of health programs throughout the US. The company's solutions impact approximately two-thirds of the Medicaid beneficiaries across the US and facilitate cost savings, performance efficiencies, and improved care outcomes for state and local governments. Operational performance has been very strong since our original underwriting in March 2020, and in Q2 2021, Gainwell closed on a strategic acquisition of the Medicaid and managed care market focused capabilities of HMS Holdings Corp. (Nasdaq: HMSY) ("HMS"). The HMS transaction significantly expands Gainwell's capabilities with unique, data-driven technology and service solutions expected to drive greater impact in the healthcare market.



**Bolt Technology** is a leading ridesharing provider in Europe and Africa that offers vehicles for hire, micromobility (i.e., scooters and electric bikes), car-sharing, and food delivery services. Bolt's strategy to price at a ~20% discount to its closest competitor in any geography has earned the company a #1 or #2 market share position in each of its core markets. Since our initial investment, the company has raised capital at a significant premium to support continued market share growth and expansion into related services, including grocery delivery.



**Lineage Logistics, LLC** is a global warehouse and logistics company specialising in cold storage. Cold storage provides critical infrastructure in the supply chain between food producers and consumers and Lineage has benefitted greatly from the increased volume in the grocery supply chain due to the stay-at-home restrictions stemming from the pandemic. Lineage has pursued an aggressive M&A strategy since our original investment, and has successfully integrated the acquisitions into Lineage's best-in-class technology / automation platform. We have increased our position in Lineage over time by participating in several follow-on investments to fund acquisitions.



**ByteDance, Inc.** is a Chinese multinational internet technology company that is the developer of the video-sharing social networking services and apps TikTok and Douyin (the Chinese-specific counterpart to TikTok), as well as the news and information platform Toutiao. Excluding the company's cash burn from TikTok, the core business is highly profitable with a strong runway for growth. With a leading distribution platform, ByteDance is diversifying its revenue stream into large addressable markets and already holds a leading market share in live streaming and is #2 in gaming distribution.



**Core Specialty Insurance** is a specialty Property & Casualty insurance business that was lifted out of Enstar Group Limited late last year and recapitalised with new equity with the goal of creating a best-in-class specialty insurer. Core Specialty is already performing well and is projected to significantly exceed our expectations for 2021 in terms of gross written premiums, driven by new Property and Agriculture business units that are already surpassing management's year-3 target for the units. Additionally, Core Specialty signed a definitive agreement to acquire Lancer Insurance earlier this year (expected to close this quarter), which will add a leading commercial auto division to the platform.



**Peraton Corporation** is a leading provider of technology-focused services and solutions to various federal US government agencies. The company has completed a number of significant acquisitions this year, including (i) in February, Peraton acquired Northrop Grumman's integrated mission support and IT solutions business, and (ii) in May, Peraton completed the take-private acquisition of Perspecta, Inc. (NYSE: PRSP), a leading government services provider. The combination of these three heritage companies creates a top-tier, next-generation national security provider that is well-positioned to serve as a valued partner to essential government agencies across the intelligence, space, cyber, defense, civilian, health, state, and local markets.



**Mux, Inc.** provides video infrastructure through an application programming interface (API) for video that optimises streaming speed and quality and provides best-in-class experiences for developers and end users. The company's product allows any company to stream 4K video to its customers without having to build out their own video backend infrastructure. Driven by increased demand for on-demand streaming that accelerated during the pandemic, Mux announced a US\$105 million Series D in April that valued the company at more than US\$1 billion.

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. The 'Local Currency Net Return' represents the performance of the Trust without any impact from foreign exchange fluctuations – a continuously hedged portfolio. In practice, the functional currency of the Trust is the Australian Dollar; the Trust's investments are denominated in multiple other currencies (including and predominantly the US Dollar); and the Trust does not hedge its foreign currency exposures.
6. 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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