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 2021

COFFEE STORES IN CHINA AND TIRES IN THE USA

NAV PER UNIT[1]	1 MONTH PERFORMANCE[2]	SINCE INCEPTION PERFORMANCE (P.A.)[2,3]	TARGET DIVIDEND YIELD[4]
$1.2445	**-0.1%**	**2.7%**	**4%**

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COMMENTARY

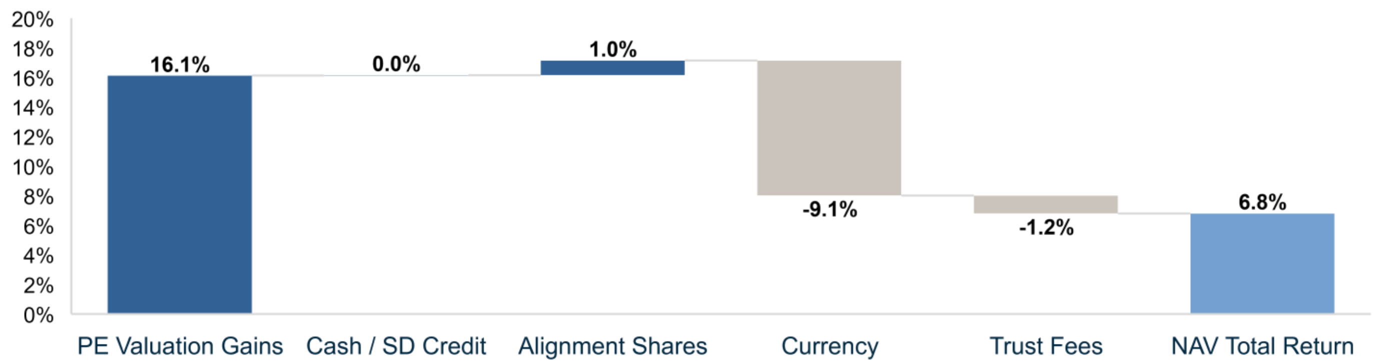
The Trust returned -0.1% for the month, with a +1.3% contribution from GCM Grosvenor Co-Investment Opportunities Fund II (GCF II) being offset by an appreciation in the AUD/USD exchange rate.

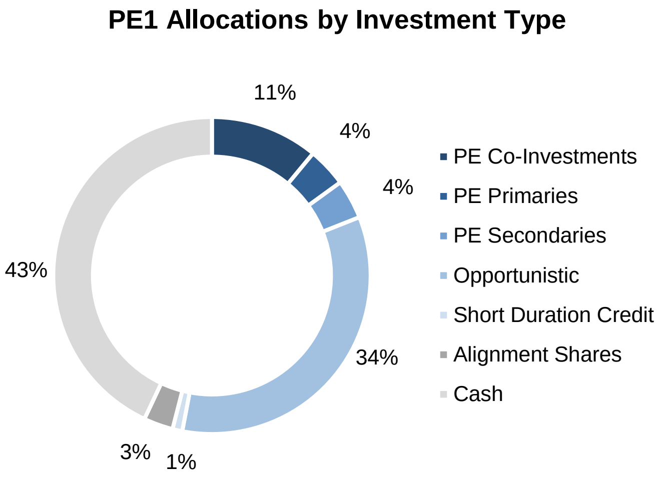
GCM Grosvenor Multi-Asset Class Fund II (MAC II) recently executed a private equity co-investment in the Chinese coffee chain, **Manner Coffee**. We believe we are at the beginning of a multi-year transition from tea to coffee in China led by a new generation of coffee drinkers, and that Manner Coffee is well-positioned to emerge as the leading local player with #1 or #2 overall market share due to its strong value proposition, high quality, and ability to profitably scale.

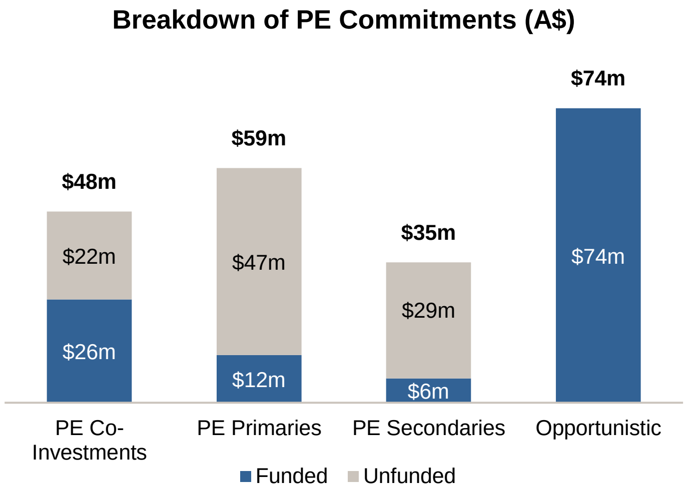
GCF II recently closed on a co-investment in **Mavis Tire** Express alongside TSG Consumer Partners. Mavis is one of the leading independent tire dealers in the U.S. and also derives significant revenue from providing auto-related services. The market for replacement tires in the U.S. is structurally stable and benefits from being "internet resilient" due to the installation/service element associated with replacing tires, and additionally, is insulated from longer-term "game changers" such as autonomous driving and electric vehicles. Following the closing of this transaction, GCF II has now committed over A$645 million across 22 investments, creating a portfolio that is well diversified across a range of industries, securities, and geographies.

At the end of April, PE1 closed on an ~A$5.2 million private equity secondary transaction in **Evolution Media** V, L.P., which holds seven assets that are diversified by stage and sectors including a number of well-known consumer technology and media companies. The portfolio was priced with a 6.3% discount to the 31 December 2020 NAV, which is estimated to represent a 37.6% discount at close based on write-ups associated with the most recent financing rounds for two of the assets in Evolution V.

FYTD Contribution to NAV total return (1 July 2020 to 30 April 2021)







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 the Chinese coffee chain, **Manner Coffee**.

Founded in 2015, Manner Coffee focuses on providing cost-effective boutique coffee to its customers. Manner Coffee's smaller stores enable the company to price its coffee at a significant discount without comprising quality, and the company is focused on becoming the leading value-for-money brand in China. The company currently has over 100 stores located throughout China, the substantial majority of which are located in Shanghai.

Coffee consumption in China has significantly lagged more developed markets with 2.5 annual cups per capita in coffee shops vs. 30 in the U.S. due to the historical dominance of tea, lack of coffee awareness, and the absence of high-quality and affordable options. However, Starbucks' measured entry into the Chinese market over the last 20 years has educated the consumer base, and we believe we are at the beginning of a multi-year transition from tea to coffee in China led by a new generation of coffee drinkers. China's coffee industry is likely to produce a local champion, similar to other consumer categories. We believe Manner Coffee is well-positioned to emerge as the leading local player with #1 or #2 overall market share due to its strong value proposition, high quality, and ability to profitably scale.

CO-INVESTMENTS

GCF II recently closed on a co-investment in **Mavis Tire Express** (Mavis) alongside TSG Consumer Partners. Following the closing of this transaction, GCF II has now committed over A$645 million across 22 investments, creating a portfolio that is well diversified across a range of industries, securities, and geographies.

Mavis is one of the leading independent tire dealers in the U.S. with approximately 1,200 company-owned units primarily in New England, the Midwest and Southern U.S. The company operates under several brands (including Mavis, Town Fair Tire, Express Oil, and Brakes Plus) and while it is primarily focused on tire sales (over 60% of the company's revenue mix), it also derives significant revenue from providing auto-related services (e.g., mechanical work, tire-related services, oil service). Mavis is also the only tire chain that has its own brand of private label products, offering over 1,000 different SKUs across a broad range of suppliers.

The market for replacement tires in the U.S. is structurally stable and benefits from being "internet resilient" due to the installation/service element associated with replacing tires. Additionally, tires are insulated from longer term auto aftermarket "game changers" such as autonomous driving and electric vehicles. These industry dynamics, coupled with (i) steady growth within the aftermarket tire industry (~3-4% growth from 2015-2019, which we believe will continue in the medium term), (ii) Mavis' historical ability to use its scale and well-defined operating playbook to drive margin expansion within its businesses, (iii) the company's significant experience growing through both M&A and greenfield opportunities, and (iv) the ability to partner with a sponsor that specialises in digital transformations of businesses (which we believe Mavis can significantly benefit from), all made this investment particularly attractive for GCF II.

SECONDARY INVESTMENTS

At the end of April, PE1 closed on an ~A$5.2 million private equity secondary transaction in **Evolution Media V, L.P.** (Evolution V), a newly created vehicle managed by Cobalt Capital (Cobalt) that holds seven assets that Cobalt had been previously managing on behalf of TPG Growth Partners (TPG Growth). Cobalt is a growth equity firm that is spinning out from TPG Growth where, for the past eight years, it has been investing in consumer technology and media companies with TPG Growth as its sole limited partner.

Evolution V holds seven assets that are diversified by stage (46% early/mid-stage growth vs. 54% late-stage growth based on 31 December 2020 NAV) and sectors (technology, media and consumer content). The portfolio includes a number of well-known consumer technology and media companies including Epic (a leading digital reading platform for kids 12 and under that is built on a collection of 40,000+ popular, high-quality books from 250+ of the world's best publishers), The Athletic (a subscription-based sports media publisher offering in-depth coverage across the U.S., Canada and the UK), MasterClass (a streaming platform that makes it possible for anyone to watch or listen to video lessons taught by experts on anything from business and leadership to cooking and writing) and Calm (an award-winning mindfulness app). The portfolio was priced with a 6.3% discount to the 31 December 2020 NAV, which is estimated to represent a 37.6% discount at close based on write-ups associated with the most recent financing rounds for two of the assets in Evolution V.

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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