

	NAV (\$)	Quarter (%)	Cumulative (%)
Perennial Private to Public Opportunities Fund No.3	1.052	4.5	5.2

Performance Update

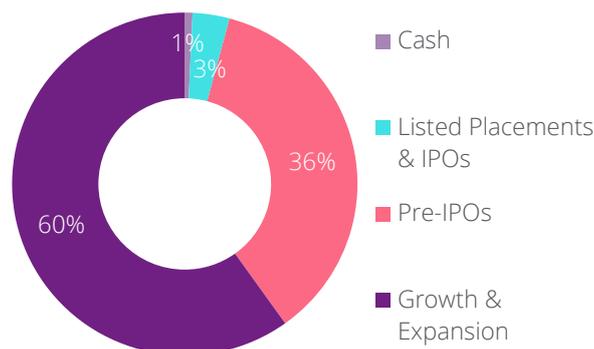
The Private to Public Opportunities Fund No.3 (PPP3) returned +4.5% (net of fees) for the quarter ending September 2022. Since inception in August 2021, PPP3 has returned +5.2% (net of fees), and the fund is now fully deployed.

During the deployment phase of PPP3, the most attractive investment opportunities were found in private growth companies, and this is reflected in the current fund allocation. The exposure to listed equities in PPP3 has been intentionally reduced since the start of the year (and is now ~3% of the fund). While this has enabled the fund to outperform the public equity market this year, PPP3 has experienced a few months of small negative performance due to residual listed positions.

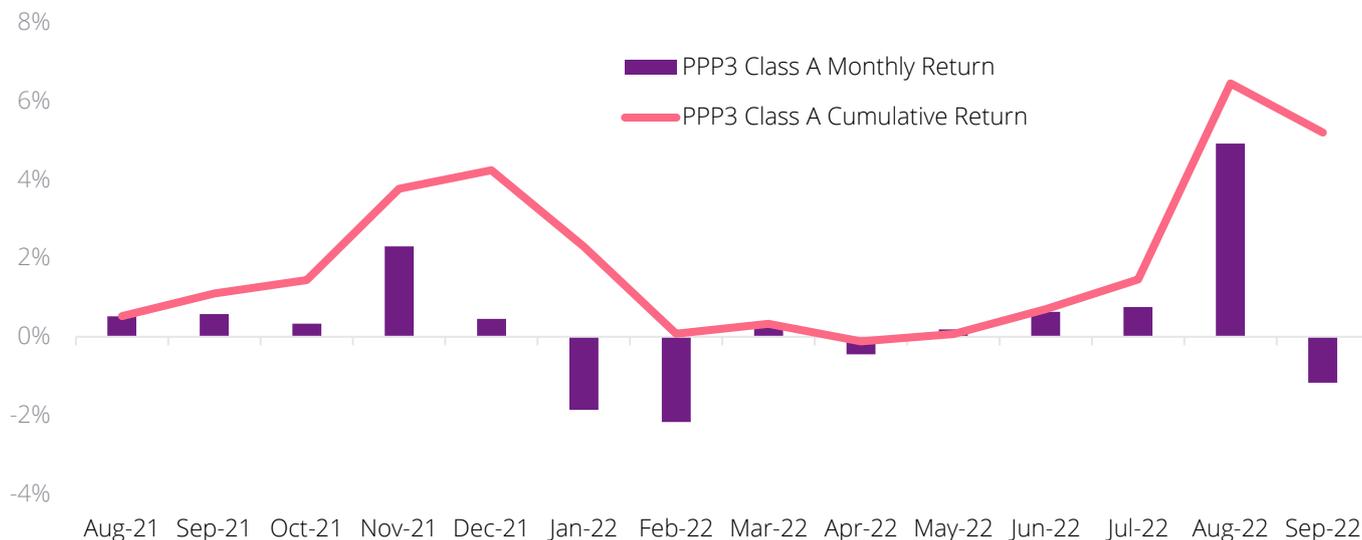
While PPP3 is only one year old, the fund experienced a number of positive events within its private holdings during the quarter. The most material of these transactions was an uplift in the carrying value of European fintech Monese following a strategic investment by HSBC at a significantly higher valuation. Another positive driver was the Blackstone investment into ESG marketplace Xpansiv during August which converted PPP3's existing convertible note position into equity. In another case, Sonder successfully raised \$35m at a higher price than our prior holding value. Lastly, we are pleased that one of our pre-IPO investments, manufacturing business Adrad, successfully listed on ASX at the end of September which resulted in a valuation uplift for PPP3.

In general, the private investments held in PPP3 continue to perform well as they represent structural growth businesses across multiple industry sectors. However as a result of the current macro volatility, we expect the private positions in PPP3 to take longer to reach an ASX listing. On the other hand, M&A activity within the fund's private company portfolio has seen a marked increase in recent months.

Current Fund Allocation



Return Since Inception¹ Net of Fees (%)



¹ Inception date for PPP3 is 18 August 2021. Performance shown is net of fees. It does not take into account any taxes payable by an investor. Past performance is not a reliable indicator of future performance.

Company Snapshot – Monese

Sector	Investment Stage	Brief Description
Fintech / BaaS	Unlisted Expansion & Growth	Pan-European neobank and Banking-as-a-Service

Founded in 2015 and UK-based, Monese is an award-winning pan-European fintech providing banking products to the modern workforce including instant current accounts and international money transfer services. The founder, Norris Koppel, is an Estonian entrepreneur whose mission is to provide a banking platform that did not exclude customers based on residency or lack of credit history. The company is now present in 31 European markets which enables it to capture demographic trends in cross-border and remote working. Monese has successfully built a large customer base that now uses their platform as their primary bank account. The business initially provided its services free of charge, with the exception of international money transfer, but in 2016 it began introducing subscription tiers.

Monese announced a US\$35m equity investment from HSBC in September 2022 (read more [here](#)). As part of the transaction, Monese and HSBC have entered into a strategic partnership which will enable HSBC to deliver digital wealth and banking tools at scale. This partnership underscores Monese's growing market position as well as the quality of its technology platform. Monese is one of our core investments in PPP3 and this new funding round resulted in an uplift in our prior holding value.

Our investment thesis for Monese is as follows:

- ✓ The founder Norris Koppel is a 'repeat founder' and is supported by strong team including Atul Choudrie (CCO and MD BaaS), Stephen Chang (COO) and Steve Trynor (CFO).
- ✓ Monese solves a real pain point for mobile immigrants and gig economy workers who struggle to open a bank account due to their lack of residency and/or credit history.
- ✓ Monese's platform is one of the highest ranked and feature-rich banking apps in the UK, providing customers with a range of unique capabilities which ensures they remain engaged and willing to pay subscription fees for such services.
- ✓ Monese has a deeply localised product offering and specific demographic focus which drives its industry-leading primary account usage. A significant proportion of Monese's monthly active users pay a subscription fee which drives a recurring revenue business model.
- ✓ Monese's proprietary mobile banking platform can be easily leveraged into the B2B space and new markets.
- ✓ We also see strong upside from Monese's recently launched Fintech-as-a-Service (FaaS) offering which further diversifies revenues streams into the B2B market. Monese's white-label FaaS proposition leverages their premium end-to-end technology stack, business rules and partnership plug-ins in order to provide superior transactional banking capabilities to its clients. It was launched with cornerstone customer Investec Bank to deliver their digital current account offering in the UK. Securing HSBC as its second FaaS customer further demonstrates the depth and quality of Monese's value proposition and technology platform.



Company Snapshot – Xpansiv

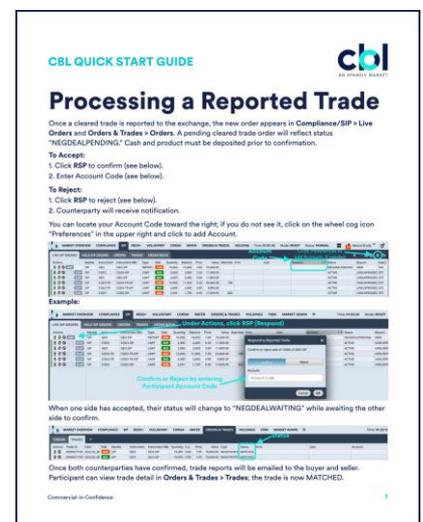
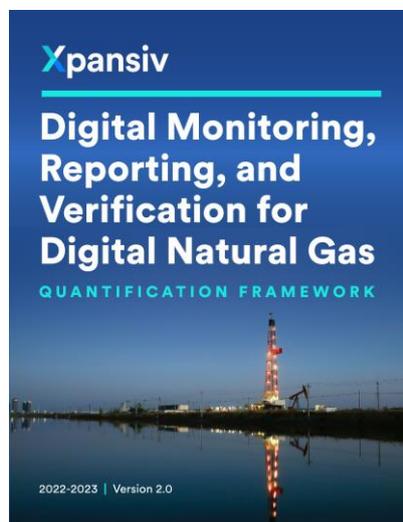
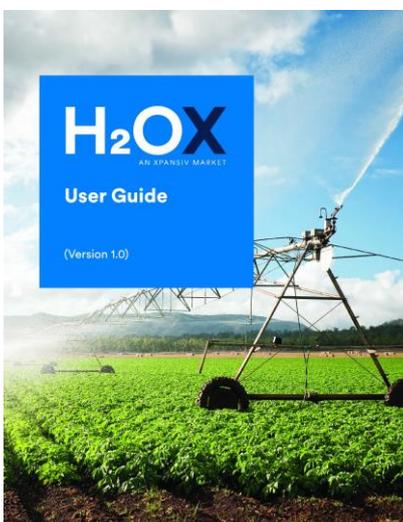
Sector	Investment Stage	Brief Description
Marketplace	Pre-IPO	Global ESG Commodity Trading Platform

Xpansiv was established in 2019 by the merger of two established businesses CBL Markets (a Sydney-based ESG commodities trading platform) and Xpansiv (a San Francisco-based ESG registry and data interface). With subsequent acquisitions, the combined group is now the global leader in trading of ESG commodities including renewable energy, carbon, water and digital fuels (certificated oil & gas). The business has a number of strategic investor-customers including BP, Oxy, Macquarie Bank, Commonwealth Bank and S&P Platts.

PPP3 first invested in Xpansiv for the following reasons:

- ✓ The executive team and Board is led by an experienced mix of founders, plus ESG and exchange industry experts. The management, staff and Board own a large stake in the business.
- ✓ Xpansiv is the global market leader in the emerging ESG commodity trading sector and is the only fully-integrated market participant. It has developed a number of exclusive new products which are not offered by existing global exchange operators. The business has a diversified & growing customer base including oil & gas companies, energy providers, water utilities, renewable energy producers, airlines, auto manufacturers and financial services firms.
- ✓ The market for ESG commodities trading is growing strongly driven by new products, customer demand, government regulation and increased market participation. Xpansiv's revenues have accelerated as a result of this thematic, and the business has diversified income streams which include fees derived from trading, settlement, registry, services, advice and data feeds.
- ✓ Xpansiv has a history of growth by acquisition, with future M&A focused on the addition of new products, capabilities and geographies across a fragmented market. A number of accretive acquisitions have already been successfully assimilated by Xpansiv since the original merger.

In August 2022, global private equity fund Blackstone cornerstoned a US\$400m capital investment into Xpansiv to help fund the acquisition of the APX registry business. This transaction triggered the conversion of PPP3's convertible note position into equity at a discount to the deal price. While this event may have changed the IPO trajectory for Xpansiv in the near term, the addition of new strategic investors will ensure the business remains on an aggressive growth pathway. See link to the press release [here](#)



Company Snapshot – Sonder

Sector	Investment Stage	Brief Description
HR Tech	Unlisted Expansion & Growth	Health & Safety Platform for Enterprise

Founded in 2017 in Sydney, Sonder is a technology-centric health, safety and wellbeing platform which is the single entry point of care for employers and students across both physical and mental health. Sonder provides tech-enabled care which leads to earlier intervention when personal safety issues arise. Its holistic wellbeing model was ranked the Best Innovation in the Technology Sector by AFR Boss Magazine in 2021 and is also accredited by the Australian Council on Healthcare Standards (ACHS).

Originally a safety platform with a unique first responder network targeted at universities and international students, Sonder announced a \$35m Series B raise in September 2022 with strong support from new institutional investors (see [here](#) for more details). The new capital will enable Sonder to scale its platform for offshore markets and to tailor its product for domestic SMEs. The transaction pricing delivered a strong uplift to our prior holding value.

We made our original investment in Sonder for the following reasons:

- ✓ The founders Craig Cowdrey, Chris Marr and Peter Burnheim all have military backgrounds and have demonstrated strong execution capabilities in scaling up the business.
- ✓ Sonder's platform is differentiated through its 24/7 first responder network which creates a significant moat against other corporate wellbeing and health apps / platforms on the market.
- ✓ Sonder's solution improves wellbeing and assists with early intervention to more serious issues which will only improve employee productivity and student health overall.
- ✓ Sonder has demonstrated strong user growth and consistently high gross margins. The founders have successfully pivoted the business through COVID from supporting universities and international students to a new focus on corporates with a large workforce. Sonder now supports ~500,000 employees across ANZ.
- ✓ Sonder has a blue-chip client base across corporate, government, education and social services including: Woolworths, Allianz, PwC, Toll, NSW Government, University of Sydney, University of Queensland and Gidget Foundation Australia.



Thank you again for your continued interest in PPP3.

Yours sincerely
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