

Perennial Private to Public Opportunities Fund No.2

> What is the Perennial Private to Public Opportunities Fund No.2?

The Perennial Private to Public Opportunities Fund No.2 is a wholesale unit trust that will invest in unlisted and listed companies over a five year period, with the aim to generate an absolute return for investors above a hurdle rate. The Fund will be managed by Perennial Value Management Ltd ('Perennial').

> Investment Objective and Strategy

The Fund aims to generate superior returns from an actively managed portfolio of 30-45 unlisted, pre-IPO and listed companies over a five year period.

Unlisted expansion and growth capital

Typically 12-24 month investment period

Pre-IPO

Typically 3-12 month investment period

Listed

IPOs and placements

> Investment Benefits



- Ability to invest in unlisted/Pre-IPO opportunities that are difficult to access



- Avoid the early stage risk associated with seed and venture capital



- Leverage Perennial's scale, corporate access and strong networks



- Ability to negotiate deals and drive a private to public premium



- Invest alongside a manager with experience in actively managing a private to public portfolio of companies



- Proven track record

> Why invest in unlisted, pre-IPO and listed growth companies?



Avoid early stage risk

- Avoiding risk associated with Venture Capital



High growth opportunities

- Capture companies early in their growth cycle



Scarcity

- Difficult to access investment opportunities



Diverse sector exposure

- Large universe allowing access to most sectors

> What we look for

- Strong management and Board
- Sustainable competitive advantage
- Scalable business model with global potential
- Demonstrated business model with existing revenue
- Valuation discount to other comparable investment opportunities
- Clear path to liquidity event and identifiable catalyst to close the valuation discount

> About Perennial

Perennial is a boutique asset manager founded in 2000 and fully owned by staff, managing approximately \$4.9 billion on behalf of institutional and retail clients. Perennial invests across the entire Australian equities spectrum, from large cap companies down to Microcap and unlisted companies.

Perennial's business model has been designed to create and foster a specialist investment management culture that allows our investment professionals to focus on investing, while being able to leverage the support of a highly experienced team of non-investment professionals.

> Offer Summary *

Investment Vehicle	Unlisted wholesale unit trust
Investment Manager	Perennial Value Management Ltd
Fund Term	5 years
Target Fund Size	Minimum AUD50 million, Maximum AUD125 million
Key Dates	Offer open 1 September 2020 Offer close 2 October 2020
Fund Objective	The Fund aims to outperform the Hurdle, after all fees and Fund expenses, over the Term. Investments will be through unlisted and listed expansion and growth stage companies
Portfolio Construction	<ul style="list-style-type: none">– 0-30% Unlisted growth capital (Targeted listing 12-24 months from investment)– 0-50% IPOs and Placements (active recycling of positions)– 0-40% Pre-IPO investments (Targeted listing 3-12 months from investment)– 0-100% Cash
Capital Call	100% upfront
Minimum Investment	\$100,000
Management Fee	1.5% plus GST per annum (charged monthly) plus an expense recovery of up to 0.15%
Performance Fee	Perennial is entitled to a Performance Fee equal to 20% of the performance of the Fund above the Hurdle Firstly, an amount equal to 10% of the return above the Hurdle, which will be calculated and accrued monthly and, if applicable, payable each 30 June (Annual Performance Fee); and Secondly, the deferred 10%, which is an amount equal to 20% of the cumulative returns above the cumulative Hurdles less all Annual Performance Fees paid to date (Final Performance Fee)
Hurdle	6.5% p.a. compounding
Distributions	Annual
Redemptions	The Fund is subject to a lockup for the Term. All redemptions before the end of the term are at the sole discretion of the Trustee
Investor Eligibility	Wholesale Investors only (as defined by the Corporations Act)
Selling Fee	0.50% plus GST on invested capital payable by the Investment Manager

> Investment Team



Andrew Smith

Head of Smaller Companies and Micro Caps

Years at Perennial: 13
Years in the industry: 18



Ryan Sohn

Deputy Portfolio Manager

Years at Perennial: 2
Years in the industry: 6



Brendan Lyons

Head of Private Investments

Years at Perennial: Commenced Aug 20
Years in the industry: 26

Samuel Berridge

Portfolio Manager and Resource Analyst

Years at Perennial: 9
Years in the industry: 12

Emilie O'Neill

ESG and Equities Analyst

Years at Perennial: 1
Years in the industry: 4

Damian Cottier

Portfolio Manager and Senior Equities Analyst

Years at Perennial: 15
Years in the industry: 15

Marco Correia

Equities Analyst

Years at Perennial: 1
Years in the industry: 6

Steven Yee

Dealer

Years at Perennial: 11
Years in the industry: 16

Jasmine Ragg-Kanavas

Assistant Equities Analyst

Years at Perennial: 1
Years in the industry: 1

Julian Guido

Senior Small Caps Analyst

Years at Perennial: 4
Years in the industry: 18

> Our Distribution Team

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