



PENGANA PRIVATE EQUITY TRUST

ARSN 630 923 643

Appendix 4D - Half-year Report

for the half-year ended 31 December 2023

Results announcement to the market:

	31 December 2023	31 December 2022	Change from the corresponding period %
	\$'000	\$'000	%
Total investment income/(loss)	(10,282)	11,665	(188.1)
Total comprehensive income/(loss) for the half-year	(14,427)	8,254	(274.8)
Basic Earnings per unit (cents per unit)	(5.16)	2.96	(274.3)
Net Asset Value (NAV) Per Unit	1.5138	1.6096	(6.0)

Distribution Information

Cents per
share

2023 Interim distribution paid on 29 January 2024

3.18

Interim Distribution Dates

Ex- distribution Date	2 January 2024
Record Date	2 January 2024
Last date for DRP	4 January 2024
Payment Date	29 January 2024

Distribution Reinvestment Plan

The interim distribution for the half-year ended 31 December 2023 of 3.18 cents per unit was paid on 29 January 2024. The Trust's Distribution Reinvestment Plan was available to eligible unitholders in relation to the interim distribution.

This report is based on the Half Year Financial Report which has been subject to Independent review by Ernst & Young.

All the documents comprise the information required by Listing Rule 4.2A.

The Interim Report of Pengana Private Equity Trust for the half year ended 31 December 2023 is attached.

This information should be read in conjunction with the 30 June 2023 Annual Report.

ASX: PE1

PENGANA PRIVATE EQUITY TRUST

31 DECEMBER
2023

INTERIM REPORT

PENGANA PRIVATE EQUITY TRUST
ARSN 630 923 643

Suite 1, Level 27
Governor Phillip Tower
1 Farrer Place
Sydney NSW 2000
Australia

Ph.: +61 2 8524 9900
Fax: +61 2 8524 9901

[PENGANA.COM/PE1](https://www.pengana.com/pe1)

For personal use only

Pengana Private Equity Trust

ARSN 630 923 643

Interim financial report for the half-year ended 31 December 2023

Contents	Page
Directors' Report	2
Auditor's Independence Declaration	4
Statement of Profit or Loss and Other Comprehensive Income	5
Statement of Financial Position	6
Statement of Changes in Equity	7
Statement of Cash Flows	8
Notes to the Financial Statements	9
Directors' Declaration	19
Independent Auditor's Report	20
Corporate Directory	22

This half-year financial report covers Pengana Private Equity Trust (ARSN 630 923 643) as an individual entity and does not include all the notes of the type normally included in an annual financial report. Accordingly, the report is to be read in conjunction with the annual report for the year 30 June 2023 and any public announcements made by Pengana Private Equity Trust during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporation Act 2001*.

The Responsible Entity of Pengana Private Equity Trust is Pengana Investment Management Limited (ABN 69 063 081 612).
The Responsible Entity's registered office is: Suite 27.01, Level 27, Governor Phillip Tower, 1 Farrer Place, Sydney, NSW 2000 Australia.

Directors' report

The Directors of Pengana Investment Management Limited ('PIML'), the Responsible Entity for the Pengana Private Equity Trust (the 'Trust' or 'PE1'), present their report of the Trust for the half-year ended 31 December 2023.

Directors

The names of Directors in office at any time during or since the end of the half-year are:

Ellis Varejes	Independent Non-Executive Director and Chairman
Ilan Zimmerman	Independent Non-Executive Director
Russel Pillemer	Chief Executive Officer and Managing Director
Katrina Glendinning	Executive Director

Directors have been in office since the start of the half-year to the date of this report, unless stated otherwise.

Trust Overview and Principal Activities

Pengana Private Equity Trust is a registered managed investment scheme, structured as a closed-end unit trust, that is listed on the Australian Securities Exchange ('ASX'). The Trust was established on 18 January 2019 to invest in a diversified portfolio of global private equity investments.

The Trust's investment objective is to generate, over an investment horizon of at least 10 years, attractive returns and capital growth through a selective and diversified approach to private markets.

PIML has appointed Pengana Capital Limited ('Manager') as the manager of PE1. The Manager has in turn engaged Grosvenor Capital Management, L.P. ('GCM' or 'Investment Manager') as the investment manager of PE1.

The Trust did not have any employees during the half-year.

The various service providers for the Trust are detailed below:

Service	Provider
Responsible Entity	Pengana Investment Management Limited
Manager	Pengana Capital Limited
Investment Manager	Grosvenor Capital Management, L.P.
Custodian and Administrator	BNP Paribas
Statutory Auditor	Ernst & Young

Significant Changes in the State of Affairs

There were no significant changes in the state of affairs during the half-year.

Operating Results

Review and results of operations

The performance of the Trust, as represented by the results of its operations was as follows:

	Half-year ended	
	31 December 2023	31 December 2022
Results	\$'000	\$'000
Total investment (loss)/profit	(10,282)	11,665
Total expenses	(4,145)	(3,411)
Net operating (loss)/profit	(14,427)	8,254
Unit Price / NAV Per Unit (\$)	1.5138	1.6096
ASX Reported NAV Per Unit (Ex) (\$)	1.5262	1.6059

Directors' report (continued)

Distribution Information

Interim distribution	<u>8.826</u>	<u>9.198</u>
Total distributions	<u>8.826</u>	<u>9.198</u>
Distribution (cents per unit)	3.18	3.30

On 19 December 2023, the Trust announced an interim distribution of 3.18 cents (2022: 3.30 cents) per unit, which was paid on 29 January 2024. This distribution is recognised as a liability as at 31 December 2023.

Strategy and Future Outlook

The results of the Trust's operations will be affected by a number of factors, including the performance of investment markets in which the Trust invests. Therefore, investment performance is not guaranteed and future returns may differ from past returns. As investment conditions change over time, past returns should not be used to predict future returns.

As markets are subject to fluctuations, it is imprudent to provide a detailed outlook regarding expected results of operations. The Trust provides monthly fund updates and annual investor reports, which can be found in the ASX website. The Trust updates include detailed discussions in relation to some underlying funds from time to time, along with general outlook commentary.

Likely Developments and Expected Results of Operations

The Trust continues to invest in accordance with the investment strategy as set out in the IPO Product Disclosure Statement. The method of operating the Trust is not expected to change in the foreseeable future. However the results of the Trust's operations may be affected by a number of factors, including the performance of investment markets in which the Trust invests. Investment performance is not guaranteed and past returns should not be used to predict future returns.

Events Subsequent to Balance Sheet Date

In the latest release to the ASX on 9 February 2024 the Trust reported a NAV per unit \$1.5702 as at 31 January 2024 (31 January 2023: \$1.5554).

As part of the ongoing buyback, the Trust has bought 1,457,990 units for a total consideration of \$2,067,893.96 since 31 December 2023.

Other than the above, the Directors are not aware of any other matter or circumstance not otherwise dealt with in this financial report that has significantly or may significantly affect the Trust's operations, the results of those operations or the Trust's state of affairs in future years.

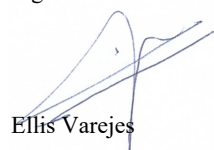
Rounding of Amounts

The Trust is an entity of the kind referred to in ASIC Corporations (*Rounding in Financial/Directors' Reports*) Instrument 2016/191, relating to the 'rounding off' of amounts in the financial statements. Amounts in the financial statements have been rounded off to the nearest thousand dollars, unless otherwise indicated.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under s307C of the *Corporations Act 2001* is set out on the following page and forms part of this report.

Signed in accordance with a resolution of the Board of Directors.



Ellis Varejes
Chairman

Sydney

28 February 2024



Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Auditor's independence declaration to the directors of the responsible entity of Pengana Private Equity Trust

As lead auditor for the review of the half-year financial report of Pengana Private Equity Trust for the half-year ended 31 December 2023, I declare to the best of my knowledge and belief, there have been:

- No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;
- No contraventions of any applicable code of professional conduct in relation to the review; and
- No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

Ernst & Young

Jaddus Manga
Partner
28 February 2024

Pengana Private Equity Trust
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2023

		Half-year ended	
		31 December 2023	31 December 2022
	Note	\$'000	\$'000
Investment income			
Interest income		834	1,178
Dividends and distributions received		3,989	3,775
Net (losses)/gains on financial instruments at fair value through profit or loss		(14,845)	11,563
Net foreign exchange losses		(323)	(5,537)
Other operating income		<u>63</u>	<u>686</u>
Total net investment (loss)/income		<u>(10,282)</u>	<u>11,665</u>
Expenses			
Responsible entity fee and management fee	3	(2,834)	(2,920)
Withholding tax		(113)	(61)
Secondaries Management Fee and Carried Interest Fee	3	(712)	-
Transaction costs		(32)	(49)
Legal fees		(203)	(381)
Other operating expenses		<u>(251)</u>	<u>-</u>
Total operating expenses		<u>(4,145)</u>	<u>(3,411)</u>
(Loss)/profit for the half-year		<u>(14,427)</u>	<u>8,254</u>
Other comprehensive income for the half-year		<u>-</u>	<u>-</u>
Total comprehensive (loss)/income for the half-year		<u>(14,427)</u>	<u>8,254</u>
Basic and diluted earnings per unit (cents per unit)		(5.16)	2.96

The statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Pengana Private Equity Trust
Statement of financial position
As at 31 December 2023

		As at	
		31 December 2023	30 June 2023
	Note	\$'000	\$'000
Assets			
Cash and cash equivalents		29,568	77,651
Receivables		209	365
Financial assets at fair value through profit or loss	2	<u>403,676</u>	<u>380,576</u>
Total assets		<u>433,453</u>	<u>458,592</u>
Liabilities			
Distribution payable		7,861	8,355
Payables		<u>1,226</u>	<u>520</u>
Total liabilities		<u>9,087</u>	<u>8,875</u>
Total unitholders' equity		<u>424,366</u>	<u>449,717</u>
Unitholders' equity			
Issued units		359,028	361,126
Retained earnings		<u>65,338</u>	<u>88,591</u>
Total unitholders' equity		<u>424,366</u>	<u>449,717</u>

The statement of financial position should be read in conjunction with the accompanying notes.

Pengana Private Equity Trust
Statement of changes in equity
For the half-year ended 31 December 2023

	Half-year ended	
	31 December 2023	31 December 2022
	\$'000	\$'000
Total unitholders' equity at the beginning of the half-year	449,717	449,305
Transactions with unitholders for the half-year:		
Distributions reinvested	965	850
Share buyback	(3,063)	-
Distributions paid/payable	(8,826)	(9,198)
Total transactions with unitholders for the half-year	438,793	440,957
Comprehensive income for the half-year:		
Profit for the half-year	(14,427)	8,254
Other comprehensive income for the half-year	-	-
Total comprehensive income for the half-year	(14,427)	8,254
Total unitholders' equity at the end of the half-year	424,366	449,211

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Pengana Private Equity Trust
Statement of cash flows
For the half-year ended 31 December 2023

	Half-year ended	
	31 December 2023	31 December 2022
	\$'000	\$'000
Cash flows from operating activities		
Payments for purchase of investments	(37,945)	(11,071)
Transaction costs paid	(32)	(49)
Dividends and distributions received	3,989	2,625
Interest received	990	965
GST received/(paid)	-	(13)
Other income received	63	36
Management fees paid	(2,841)	(2,922)
Performance fees paid	-	(4,335)
Secondaries Management Fee and Carried Interest Fee	(712)	-
Payment to suppliers	146	(1,074)
Net cash inflow/(outflow) from operating activities	(36,342)	(15,838)
Cash flows from financing activities		
Distributions paid	(8,355)	(8,183)
Share buyback	(3,063)	-
Net cash (outflow)/inflow from financing activities	(11,418)	(8,183)
Net increase in cash and cash equivalents	(47,760)	(24,021)
Cash and cash equivalents at the beginning of the half-year	77,651	119,769
Translation of foreign cash held	(323)	(5,537)
Cash and cash equivalents at the end of the half-year	29,568	90,211
Units issued under the distributions reinvestment plan (DRP)	965	850

The above statement of cash flows should be read in conjunction with the accompanying notes.

1 General Information

These financial statements cover Pengana Private Equity Trust ("the Trust") as an individual entity.

Pengana Private Equity Trust is a registered managed investment scheme, structured as a closed-end unit trust, incorporated and domiciled in Australia.

The Responsible Entity of the Trust is Pengana Investment Management Limited (ABN 69 063 081 612) (the "Responsible Entity"). The Responsible Entity's registered office is: Suite 27.01, Level 27, Governor Phillip Tower, 1 Farrer Place, Sydney, NSW 2000 Australia.

The financial statements are presented in Australian currency.

This interim financial report is for the Pengana Private Equity Trust for the half-year ended 31 December 2023. The Trust is a for profit entity limited by units, incorporated and domiciled in Australia, whose units are publicly traded.

The financial report for the half-year ended 31 December 2023 is a general purpose financial report and has been prepared in accordance with AASB 134: *Interim Financial Reporting* and the *Corporations Act 2001*. It is presented in Australian dollars (\$) and was approved by the Board of Directors on 27 February 2024. The Directors have the power to amend and reissue the financial report.

This half-year financial report does not include all the information and disclosures normally included in the annual financial report. Accordingly, this report should be read in conjunction with the 30 June 2023 Annual report, any public announcements made in respect of the Trust during the half-year ended 31 December 2023 in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period. Where necessary, comparative figures have been reclassified to conform to any changes in presentation made in the half-year financial report.

Further information on the nature of the operations and principal activities of the Trust is provided in the Directors' report.

2 Fair value measurement

The Trust measures and recognises the following assets and liabilities at fair value on a recurring basis:

- Financial assets at fair value through profit or loss

AASB 13 requires disclosure of fair value measurements by level of the following fair value hierarchy;

- (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- (b) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and
- (c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

Fair value in an active market (level 1)

The fair value of financial assets and liabilities traded in active markets is based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs.

Fair value in an inactive or unquoted market (level 2 and level 3)

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. These include the use of reference to the current fair value of a substantially similar other instrument, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the end of the reporting period applicable for an instrument with similar terms and conditions.

The Trust invests in private equity funds that are not quoted in an active market. Transactions in such investments do not occur on a regular basis. Private equity investments are valued at fair value. The method that the investment manager uses to determine the fair value of private equity investments is based on the latest information available to the Investment Manager as of the corresponding valuation date and at the time the report for such date is issued.

Investments in unlisted managed investment funds are recorded at the net asset value per unit as reported by the investment managers of such funds. The Trust may make adjustments to the value based on considerations such as: liquidity of the Investee fund or its underlying investments, the value date of the net asset value provided, or any restrictions on redemptions and the basis of accounting.

The information from which the investment manager of unlisted managed funds and private equity funds derive fair value typically includes but is not limited to:

2 Fair value measurement (continued)

d. Fair value measurement (continued)

- independent third party valuations;
- audited (annually) and unaudited (quarterly) financial statements, which include net earnings, earnings before interest, taxes, depreciation and amortisation (“EBITDA”), balance sheets and other financial disclosures;
- recent public or private transactions;
- valuations for comparable companies;
- historical data; and/or
- other measures, including discounted cash flows, estimated collectability of escrows, sponsor valuation (for comparison purposes only), and consideration of any other pertinent information including the types of securities held and restrictions on disposition.

Where appropriate, the methods used to estimate fair value may utilise the following:

- market approach (whereby fair value is derived by reference to observable valuation measures for comparable companies or assets including any recent transactions in the subject Co-investment);
- income approach (such as the discounted projected cash flow method); or
- cost approach, as the best initial approximation of fair value upon acquisition of an investment.

Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions. The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Trust holds.

The transfers between levels only happen at the end of the reporting period. There has been no transfer between levels from the previous reporting period.

The following table provides an analysis of financial instruments as at reporting date that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which fair value is observable.

31 December 2023	Level 1	Level 2	Level 3	Total
Financial assets	\$'000	\$'000	\$'000	\$'000
Private equity investments	-	-	400,456	400,456
Unlisted managed investment funds	-	3,220	-	3,220
Total	-	3,220	400,456	403,676
30 June 2023	Level 1	Level 2	Level 3	Total
Financial assets	\$'000	\$'000	\$'000	\$'000
Private equity investments	-	-	377,440	377,440
Unlisted managed investment funds	-	3,136	-	3,136
Total	-	3,136	377,440	380,576

As of 31 December 2023, where available, all investments in private equity investments and unlisted managed investment funds were valued using the NAV reported by the underlying investment manager. The fair value measurements are discussed and assessed during the periodic review by the Investment Manager.

The carrying amount of cash, trade and other receivables and other payables approximate their fair values.

2 Fair value measurement (continued)

d. Fair value measurement (continued)

The following table shows a reconciliation of the movement in the fair value of financial instruments categorised within level 3 between the beginning and the end of the reporting period:

31 December 2023	Opening balance	Purchases	Sales	Net transfers in/ (out)	Net changes in the fair value of financial instruments measured at fair value through profit or loss	Closing balance	Total gain/(loss) for the half- year included in net changes in the fair value of financial instruments attributable to Level 3 instruments held at financial half-year end
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Private equity investments	377,440	38,568	-	-	(15,552)	400,456	(15,552)
Total	377,440	38,568	-	-	(15,552)	400,456	(15,552)

30 June 2023	Opening balance	Purchases	Sales	Net transfers in/ (out)	Net changes in the fair value of financial instruments measured at fair value through profit or loss	Closing balance	Total gain/(loss) for the half- year included in net changes in the fair value of financial instruments attributable to Level 3 instruments held at financial half-year end
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Private equity investments	340,944	16,251	-	-	20,245	377,440	20,245
Total	340,944	16,251	-	-	20,245	377,440	20,245

For total gains and losses recognised during the period in the statement of profit or loss and other comprehensive income, the amount that is attributable to the change in unrealised gains relating to assets classified within level 3 at the end of the period is \$(15.6) million (30 June 2023: \$20.2 million).

At reporting date, if the unobservable inputs had been 10% higher or 15% lower (30 June 2023: 10% higher or 15% lower) profit or loss of the Trust would have increased by \$(1.56) million or decreased by \$(2.33) million (30 June 2023: increased by \$2.0 million or decreased by \$3.0 million).

3 Related party transactions

Responsible Entity

The Responsible Entity of Pengana Private Equity Trust is Pengana Investment Management Limited (ABN 69 063 081 612). Accordingly, transactions with entities related to Pengana Investment Management Limited are disclosed below.

3 Related party transactions (continued)

Key management personnel

Directors

Key management personnel include persons who were directors of Pengana Investment Management Limited at any time during the financial period or since the end of the year end and up to the date of this report:

Ellis Varejes	Independent Non-Executive Director and Chairman
Ilan Zimerman	Independent Non-Executive Director
Russel Pillemer	Chief Executive Officer and Managing Director
Katrina Glendinning	Executive Director

Key management personnel unitholdings

At 31 December 2023, Katrina Glendinning held 53,933 units in the Trust (30 June 2023: 53,933 units).

Key management personnel compensation

Key management personnel are paid by Pengana Capital Group (ASX: PCG). Payments made from the Trust to the Responsible Entity do not include any amounts directly attributable to the compensation of key management personnel and are not related to services that directors render to individual funds.

Key management personnel loan disclosures

The Trust has not made, guaranteed or secured, directly or indirectly, any loans to the key management personnel or their personally related entities at any time during the reporting period.

Other transactions within the Trust

Apart from those details disclosed in this note, no key management personnel have entered into a material contract with the Trust during the reporting period and there were no material contracts involving key management personnel's interests existing at year end.

Responsible Entity's fees and other transactions

Under the terms of the Trust's Constitution and the current Product Disclosure Statement for the Trust, the Responsible Entity is entitled to receive fees monthly.

Pengana Investment Management Limited ('PIML') is the Responsible Entity of the Trust. The Responsible Entity has appointed Pengana Capital Limited ('PCL'), also a member of Pengana Capital Group (PCG), as the Manager of the Trust. The Manager has appointed Grosvenor Capital Management, L.P. ('GCM' or 'Investment Manager') as the investment manager of the Portfolio of the Trust.

The Trust pays PIML a responsible entity fee of 0.05% p.a. and pays PCL a management fee of 1.20% p.a. for the management and operational oversight of the Trust. PCL pays a portion of the Management Fee to GCM pursuant to the Investment Management Agreement.

The performance fee is payable to Pengana Investment Management Limited ('PIML'). The performance fee potentially payable by the Trust is equal to 20% of the Trust's Total Return in excess of the Hurdle Return (being 8% p.a.) and subject to the NAV being greater than the Trust's High Water Mark ("HWM"). The HWM is equal to the NAV at the end of the latest Performance Fee Payment Period in which the Trust paid a Performance Fee ("Last Payment Period"). The HWM will be adjusted for capital flows into and out of the Trust (including from distributions) following the Last Payment Period. The Performance Fee is calculated and accrued monthly and payable to Pengana from the Trust each half-year period ending 30 June or 31 December.

Transactions with related parties have taken place in the ordinary course of business. The transactions during the half-year and amounts at period end between the Trust and the Responsible Entity were as follows:

	31 December 2023	31 December 2022
	\$	\$
Responsible entity fee and management fee	2,834,133	2,919,654
Aggregate amount payable for Responsible entity fee and management fee	458,914	485,404
Aggregate amount payable for Performance fee	-	-

3 Related party transactions (continued)

Investment Manager fees

Two types of fees are payable from the Trust to the Investment Manager (GCM) in respect of the Investment Manager's investment management of the Secondaries Sub-Portfolio, namely the Secondaries Management Fee and the Secondaries Carried Interest Fee. Refer to sections 12.3.4.1 and 12.3.4.2 in the Product Disclosure Statement dated 22 February 2019 for further details on the Secondaries Management fee and the Carried interest Fee

The transactions during the year and amount at period end between the Trust and the Investment Manager were as follows:

	31 December 2023	31 December 2022
	\$	\$
Secondaries management fee and carried interest fee	712,162	-
Aggregate amount payable for carried interest fee	766,541	211,291

Investments

GCM as the Investment Manager invests the Trust's capital primarily through GCM funds and underlying funds managed by third-party managers who invest in a wide range of different Portfolio Companies.

GCM also makes investments directly on behalf of the Trust.

GCM and other members of the GCM Group serve as the manager of a number of the underlying funds in which the Trust invests ("GCM funds"). The GCM Group receives management fees and/or incentive compensation from these GCM funds. The Trust will also invest in other underlying funds (other than the GCM funds) and the managers of these other underlying funds will also receive management fees and/or incentive compensation.

The capital commitments the Trust has with GCM funds as at 31 December 2023 are disclosed in Note 6.

3 Related party transactions (continued)

Investments (continued)

The Trust did not hold any investments in Pengana Investment Management Limited and Pengana Capital Limited during the half-year. The Trust held investments in the following related parties at 31 December 2023.

	Fair value of investment		Interest held		Commitments / In kind contributions		Dividends/ Distributions received during the half-year	
	\$ 31 December 2023	30 June 2023	% 31 December 2023	30 June 2023	Units / Value 31 December 2023	30 June 2023	\$ 31 December 2023	30 June 2023
GCM Grosvenor Co-Investment Opportunities Feeder Fund II, L.P.	70,028,661	72,197,881	11.35	11.35	54,224,372	55,584,767	951,448	4,075,992
GCM Grosvenor Multi-Asset Class Fund II, L.P.	121,559,151	129,468,514	5.80	5.80	83,534,843	85,630,587	-	-
GCM Grosvenor SP Mid Market Opportunities Fund, L.P.	-	-	-	-	-	-	-	35,189
GCM Grosvenor CPP Investment Board Mid Market Opportunities Fund II, L.P.	-	-	-	-	-	-	-	1,045
GCM Grosvenor CPP Investment Board Co-Investment Fund, L.P.	1,057,172	1,090,140	23.13	23.13	1,590,182	1,630,077	-	-
Grosvenor Secondary Opportunities Feeder Fund III, L.P.	26,707,578	23,170,453	7.88	7.88	63,017,513	64,598,513	-	-
GCM Grosvenor CPP Investment Board Mid Market Opportunities Fund, L.P.	163,125	177,634	23.13	23.13	2,402,853	2,463,137	-	116
GCM Grosvenor Multi-Asset Class Fund III, L.P.	61,204,939	48,354,147	8.28	8.44	102,586,649	105,160,370	-	-
GCM Grosvenor Strategic Credit Sidecar Feeder, L.P.	14,888,776	8,362,647	14.63	14.63	17,586,283	18,027,492	-	-
GCM Maple Holdings (Cayman), L.P.	14,289,335	16,678,888	100.00	100.00	35,435,337	35,435,337	2,606,319	1,545,662
GCM Grosvenor Co-Investment Opportunities Feeder Fund III, L.P.	4,574,467	4,725,391	21.77	21.77	20,663,882	21,182,303	-	-

3 Related party transactions (continued)

Related party schemes' unitholdings

Parties related to the Trust, including the Responsible Entity, its associates and other schemes managed by Pengana Capital Group Limited (PCG), held the following units in the Trust at the end of the year:

31 December 2023	Number of units held	Interest held %	Number of units acquired during the year	Number of units disposed of during the year	Distributions paid or payable during the year \$'000
Pengana Capital Ltd	2,323,589	0.97	696,345	(50,000)	73,923

30 June 2023	Number of units held	Interest held %	Number of units acquired during the year	Number of units disposed of during the year	Distributions paid or payable during the year \$'000
Pengana Capital Ltd	1,677,244	0.70	30,000	(151,750)	116,250

4 Statement of operations by segment

The Trust has identified its operating segments based on the internal reports that are reviewed and used by the Chief Investment Officer of the Investment Manager in assessing and determining the allocation of resources.

The Trust operates in one business segment, being investment in securities.

5 Distribution to unitholders

	31 December 2023	31 December 2022
	\$'000	\$'000
Interim distribution	<u>8,826</u>	<u>9,198</u>
Total	<u>8,826</u>	<u>9,198</u>
Interim distributions (cents per unit)	3.18	3.30

On 19 December 2023, the Trust announced an interim distribution of 3.18 cents per unit, which was paid on 29 January 2024.

6 Contingent liabilities and commitments

There were no contingent liabilities at 31 December 2023 that required disclosure (30 June 2023: nil).

At 31 December 2023, the Trust has the following capital commitments:

31 December 2023	Total capital commitment	Called up capital	Unfunded capital commitment
Investee	\$	\$	\$
GCM Grosvenor Co-Investment Opportunities Feeder Fund II, L.P.	54,224,372	44,851,820	9,372,552
GCM Grosvenor Multi-Asset Class Fund II, L.P.	83,534,843	83,534,843	-
Carlyle Credit Opportunities Fund Parallel L.P.	7,327,618	4,971,557	2,356,061
Vista Equity Endeavour Fund II A L.P.	5,862,094	3,551,910	2,310,184
HIG Middle Market LBO Fund III L.P.	4,235,363	3,488,760	746,603
WPEF VIII Feeder L.P.	6,888,379	4,436,977	2,451,402
Alpine Investors III L.P.	1,441,098	1,344,097	97,001
Alpine Investors IV L.P.	366,381	301,908	64,473
Alpine Investors VI L.P.	366,381	242,307	124,074
Alpine Investors VII L.P.	732,762	485,845	246,917
H.I.G. Europe Middle Market LBO Feeder Fund L.P.	5,913,224	1,555,837	4,357,387
Riverside Micro-Cap Fund V L.P.	5,900,198	5,419,276	480,922
Cornell Capital Partners II Parallel L.P.	5,862,094	3,575,877	2,286,217
Wynnchurch Capital Partners V L.P.	7,327,618	5,115,149	2,212,469
Peak Rock Capital Fund III L.P.	5,862,094	2,775,004	3,087,090
Valiant Peregrine Fund 2, L.P.	5,862,094	2,252,165	3,609,929
Cobalt Strategic Partners I, L.P.	5,862,094	5,374,925	487,169
GCM Grosvenor CPP Investment Board Mid-Market Opportunities Fund, L.P.	2,402,853	298,758	2,104,095
MC Private Equity Partners I-A, L.P.	2,111,441	1,976,252	135,189
MIC Capital Partners III Parallel (Cayman) L.P.	1,088,619	1,014,696	73,923
GCM Grosvenor CPP Investment Board Co-Investment Fund, L.P.	1,590,182	46,901	1,543,281
GCM Grosvenor Secondary Opportunities Feeder Fund III, L.P.	63,017,513	22,050,865	40,966,648
The Veritas Capital Fund VII L.P.	10,258,665	9,743,265	515,400
Falfurrias Capital Partners V L.P.	7,327,618	3,509,929	3,817,689
GCM Grosvenor Multi-Asset Class Fund III L.P.	102,586,649	56,422,657	46,163,992
Iconiq Strategic Partners VI-B L.P.	3,077,599	2,744,881	332,718
TSG9 Parallel L.P.	5,862,094	1,152,382	4,709,712
Alpine Investors Ingenio CV L.P.	597,970	496,043	101,927
GCM Grosvenor Co-Investment Opportunities Feeder Fund III, L.P.	20,663,882	4,988,391	15,675,491
GCM Grosvenor Strategic Credit Sidecar Feeder, L.P.	17,586,283	14,258,569	3,327,714
WPEF IX Feeder 2 I L.P.	5,284,059	-	5,284,059
WPF I Feeder 2 I L.P.	1,321,015	-	1,321,015
GCM Maple Holdings (Cayman), L.P.	35,435,337	22,242,972	13,192,365
Hockey Parent Holdings L.P.	7,327,435	7,327,435	-
Alpine Investors Iceman CV L.P.	98,161	-	98,161
Vista Foundation Fund III A L.P.	1,001,992	803,088	198,904
Adrian LBO Fund VI A S L.P.	1,421,137	1,338,736	82,401
Astorg VII	2,055,991	1,819,552	236,439
H.I.G. Bayside Debt And LBO Fund II, L.P.	410,374	109,113	301,261
H.I.G. Europe Capital Partners II, L.P.	274,680	204,153	70,527
H.I.G. Middle Market LBO Fund II, L.P.	896,969	700,951	196,018
	<u>501,267,225</u>	<u>326,527,846</u>	<u>174,739,379</u>

6 Contingent liabilities and commitments (continued)

The Investment Manager actively manages unfunded commitments and direct/Co-investment reserve obligations. In carrying out this process the Investment Manager monitors distributions from underlying funds to effectively recycle and rebalance capital and models and tracks the cash flow requirements of the underlying commitments to ensure the Trust has sufficient liquidity to fund capital calls.

The Trust may also borrow directly or through an intermediary to fund investments or pay fees and expenses or to address the timing issues associated with the acquisition of investments and re-investment of proceeds. The Trust will not borrow in excess of 25% of the NAV. The Trust does not currently expect to borrow in excess of 15% of NAV and requires the consent of the Manager to do so. Any such borrowing may be secured by the assets of the Trust.

30 June 2023	Total capital commitment	Called up capital	Unfunded capital commitment
Investee	\$	\$	\$
GCM Grosvenor Co-Investment Opportunities Feeder Fund II, L.P.	55,584,767	46,086,575	9,498,192
GCM Grosvenor Multi-Asset Class Fund II, L.P.	85,630,587	85,630,587	-
Carlyle Credit Opportunities Fund Parallel L.P.	7,511,455	5,096,285	2,415,170
Vista Equity Endeavour Fund II A L.P.	6,009,164	3,541,403	2,467,761
HIG Middle Market LBO Fund III L.P.	4,341,621	3,559,292	782,329
WPEF VIII Feeder L.P.	6,973,943	3,908,534	3,065,409
Alpine Investors III L.P.	1,477,252	1,377,817	99,435
Alpine Investors IV L.P.	375,573	309,483	66,090
Alpine Investors VI L.P.	375,573	248,386	127,187
Alpine Investors VII L.P.	751,145	615,405	135,740
H.I.G. Europe Middle Market LBO Feeder Fund L.P.	5,986,675	1,485,362	4,501,313
Riverside Micro-Cap Fund V L.P.	6,048,224	4,895,516	1,152,708
Cornell Capital Partners Ii Parallel L.P.	6,009,164	2,103,207	3,905,957
Wynnchurch Capital Partners V L.P.	7,511,455	5,243,479	2,267,976
Peak Rock Capital Fund III L.P.	6,009,164	2,220,509	3,788,655
Valiant Peregrine Fund 2, L.P.	6,009,164	1,598,438	4,410,726
Cobalt Strategic Partners I, L.P.	6,009,164	5,509,773	499,391
Ardian LBO Fund VI A S, L.P.	1,438,789	1,337,286	101,503
GCM Grosvenor CPP Investment Board Mid-Market Opportunities Fund, L.P.	2,463,137	315,538	2,147,599
MC Private Equity Partners I-A, L.P.	2,164,414	2,025,833	138,581
MIC Capital Partners III Parallel (Cayman) L.P.	1,115,930	1,045,824	70,106
GCM Grosvenor CPP Investment Board Co-Investment Fund, L.P.	1,630,077	33,335	1,596,742
GCM Grosvenor Secondary Opportunities Feeder Fund III, L.P.	64,598,513	18,913,313	45,685,200
The Veritas Capital Fund VII L.P.	10,516,037	9,915,972	600,065
Falfurrias Capital Partners V L.P.	7,511,455	2,531,360	4,980,095
GCM Grosvenor Multi-Asset Class Fund III L.P.	105,160,370	42,064,148	63,096,222
Iconiq Strategic Partners VI-B L.P.	3,154,811	2,649,754	505,057
TSG9 Parallel L.P.	6,009,164	301,930	5,707,234
Alpine Investors Ingenio CV L.P.	612,972	508,488	104,484
GCM Grosvenor Co-Investment Opportunities Feeder Fund III, L.P.	21,182,303	5,113,541	16,068,762
GCM Grosvenor Strategic Credit Sidecar Feeder, L.P.	18,027,492	8,132,373	9,895,119
WPEF IX Feeder 2 I L.P.	5,349,694	-	5,349,694
WPF I Feeder 2 I L.P.	1,337,424	-	1,337,424
GCM Maple Holdings (Cayman), L.P.	35,435,337	19,542,302	15,893,035
H.I.G. Bayside Debt And LBO Fund II, L.P.	420,670	111,851	308,819
H.I.G. Europe Capital Partners II, L.P.	278,092	206,689	71,403
H.I.G. Middle Market LBO Fund II, L.P.	919,473	718,537	200,936
Vista Foundation Fund III A L.P.	1,027,130	804,934	222,196
	<u>502,967,374</u>	<u>289,703,059</u>	<u>213,264,315</u>

6 Contingent liabilities and commitments (continued)

The total value of capital commitments in local currency amounts to USD 302 million and EUR 14 million as at 31 December 2023 (30 June 2023: USD 297 million and EUR 13 million) of which USD \$201,245,227 and EUR \$5,778,807 have been called to date. An amount of USD \$100,812,970 and EUR \$8,526,351 remains uncalled by the investment managers.

7 Subsequent events

In the latest release to the ASX on 9 February 2024 the Trust reported a NAV per unit \$1.5702 as at 31 January 2024 (31 January 2023: \$1.5554).

As part of the ongoing buyback, the Trust has bought 1,457,990 units for a total consideration of \$2,067,893.96 since 31 December 2023.

Other than the above, the Directors are not aware of any other matter or circumstance not otherwise dealt with in this financial report that has significantly or may significantly affect the Trust's operations, the results of those operations or the Trust's state of affairs in future years.

For personal use only

Directors' declaration

In accordance with a resolution of the Responsible Entity of Pengana Private Equity Trust, I state that:

- a) the financial statements of the Trust as set out on pages 5 to 18 are in accordance with the *Corporations Act 2001*, including:
 - i) giving a true and fair view of the financial position of the Trust as at 31 December 2023 and of its performance as represented by the results of its operations and cash flows for the period ended on that date; and
 - ii) complying with Australian Accounting Standards, the Corporations Regulations 2001, International Financial Reporting Standards as disclosed in Note 2 and other mandatory professional reporting requirements; and
- b) there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the *Corporations Act 2001* for the financial period ended 31 December 2023.

This declaration is made in accordance with a resolution of the Directors of the Responsible Entity.

On behalf of the Board



Ellis Varejes
Chairman, Pengana Investment Management Limited
28 February 2024

For personal use only



Building a better
working world

Ernst & Young
200 George Street
Sydney NSW 2000 Australia
GPO Box 2646 Sydney NSW 2001

Tel: +61 2 9248 5555
Fax: +61 2 9248 5959
ey.com/au

Independent auditor's review report to the unitholders of Pengana Private Equity Trust

Report on the half-year financial report

Conclusion

We have reviewed the accompanying half-year financial report of Pengana Private Equity Trust (the Trust) which comprises the statement of financial position as at 31 December 2023, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Trust does not comply with the *Corporations Act 2001*, including:

- a) Giving a true and fair view of the Trust's financial position as at 31 December 2023 and of its financial performance for the half-year ended on that date; and
- b) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Trust in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' responsibilities for the half-year financial report

The directors of the responsible entity of the Trust are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Trust's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.



A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Ernst & Young

Ernst & Young

Jaddus M Z Manga Kato

Jaddus Manga
Partner
Sydney
28 February 2024

PRINCIPAL AND REGISTERED OFFICE

Pengana Investment Management Limited

Suite 27.01, Level 27, Governor Phillip Tower, 1 Farrer Place,
Sydney, NSW 2000 Australia

Telephone (61 2) 8524 9900

Facsimile (61 2) 8524 9901

Website www.pengana.com

Email clientservice@pengana.com

DIRECTORS

Ellis Varejes

Independent Non-Executive Director and Chairman

Ilan Zimerman

Independent Non-Executive Director

Russel Pillemer

Chief Executive Officer and Managing Director

Katrina Glendinning

Executive Director

COMPANY SECRETARY

Paula Ferrao

AUDITOR

Ernst & Young

200 George Street
Sydney NSW 2000
Australia

UNIT REGISTRY

Computershare Investor Services Pty Limited

Level 4, 60 Carrington St
Sydney NSW 2000

Australia

Telephone (61 2) 8234 5000

Website www.computershare.com/au

For personal use only

For personal use only



PENGANA

PRIVATE EQUITY TRUST

PENGANA PRIVATE EQUITY TRUST
ARSN 630 923 643

Suite 1, Level 27
Governor Phillip Tower
1 Farrer Place
Sydney NSW 2000
Australia

Ph.: +61 2 8524 9900
Fax: +61 2 8524 9901

PENGANA.COM/PE1