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Issue overview

Maximum Offer Size	\$200m
Minimum Investment	\$100,000
Offer closes	18 Aug 21
Investment Term	5 years
Distribution Frequency	Annual
Portfolio Allocations:	
Unlisted growth capital	0-30%
Pre-IPO Investments	0-40%
IPOs and Placements	0-50%
Fees	
Management * (annual)	1.5%+GST
Expense Recovery (annual)	0.15%
Performance (Hurdle 6.5% pa)	20.0%

* Perennial will pay Tribeca Private a one off placement fee of 0.5% from its year one Management Fee.

Perennial Private to Public Opportunities Fund No. 3 (PPP3)

Access to select pre IPO opportunities, targeting an IPO uplift

Unlisted wholesale fund seeking to raise up \$200m. Key features:

- **Pre-IPO investments focusing on high growth industrials, financials and tech:**
 - ◆ **Perennial annually reviews ~700 pre-IPO investments, investing only in ~5%**
 - ◆ **Avoids cyclicals:** No exposure to resources, property, agriculture
 - ◆ **Minimum revenue \$5m, most investments ungeared:** Average revenue ~\$25m
 - ◆ **Requests board observer rights:** does not typically appoint directors
 - ◆ **Current commitments of \$35m spanning 8 investments:** FinTech (Demyst, InDebted, Lumi + unnamed), E-Commerce (ultra Commerce + unnamed), as well as unnamed investments in the Location Tech and Infrastructure Data sectors.
- **Portfolio allocations to include ordinary and preferred equity / convertible notes:**
 - ◆ **Unlisted Expansion and Growth:** Maximum 15 holdings, IPO timeline 1-2 years
 - ◆ **Pre-IPOs:** Maximum 20 holdings, IPO timeline 3-12 months
 - ◆ **IPOs & Placements:** Up to 30 short term holdings in attractive IPOs / placements.
- **Investing with founders, targeting exit well past ASX listing:** Prefer strategy is to ensure IPO success, avoiding aggressive listing valuations and major sell-downs (i.e. focus on register support). Holding investments post the IPO and escrow period provides the potential to achieve re-rating catalysts, maximising value on divestment.
- **Five year investment term, annual distributions from realised investments:** Strategy to realise all investments by the end of year 5. Potential to transfer unrealised investments to other Perennial funds, or pay an in specie distribution to investors.
- **Successful track record from \$400m of unlisted pre IPO and micro funds:** During FY21, Perennial had invested in 25 of the 128 IPOs, which achieved an average share price gain of 30% (41% w. avg), outperforming the residual 103 (average gain of 17% / -5% w. avg). This has translated to Cumulative Returns Net of Fees to June 2021 of 79% on PPP1 (commenced Aug 2019), and 6% on PPP2 (commenced Oct 2020).
- **Risks:**
 - ◆ **No liquidity event before year 5:** Trust structure will result in annual distribution of income each July as investments are realised.
 - ◆ **Realising investment more difficult in weak equities markets:** A failed IPO process likely to delay divestment timeline and potential returns.
 - ◆ **Impairment from poor performance / IPO delay:** IPO delays / cancellations may arise from underperforming investments, potentially requiring additional funding.

	Venture Capital	Private Equity	PPP	Pre-IPO	Small/Micro Listed
Investment Universe	private	private	private + public	private + public	public
Established Companies	no	yes	yes	mixed	yes
Investing with Founders	mixed	mixed	yes	mixed	mixed
Portfolio Diversification	yes	limited	yes	mixed	yes
Proactive Management	mixed	yes	yes	no	no
Multiple Exit Options	yes	mixed	yes	no	no
Gearing	mixed	yes	no	mixed	no
Timeframe to Returns	long	medium-long	short-medium	short	medium

Important Disclaimer

SOURCE: PERENNIAL

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