

Global Private Equity Fund Fund Update

2018 Q2 Update



Fund facts

Term of the Fund	Long term – 10 years plus
Volatility/risk level	High
Income distribution frequency	Annually

Fund details

Inception date	May 2006
APIR code	CSA0042AU
Local fund size	AUD3.12 Million (as at 30/06/2018)
Withdrawals	Not Permitted
Management costs	2.35% p.a.

Performance as at June 30 2018

	1 mth	3 mth	1 yr	2 yrs	3 yrs	5 yrs	Incept
	%	%	%	%pa	%pa	%pa	%pa
Total returns	4.4944	5.9555	10.7742	1.5447	3.0645	7.8092	-2.9533
Gross Returns	4.7488	6.7171	14.0041	4.5329	6.0919	10.9606	-0.0964

Investment objective

To seek capital appreciation through global private equity and equity related investments.

The investment manager of the Underlying Fund is aPriori Capital Partners L.P.¹

The Fund is reported in Australian dollars, while both of the underlying investments in the Cash Fund and Underlying Fund are denominated in USD. Therefore, the value in AUD can be significantly affected by fluctuations in the USD that are unrelated to the underlying portfolio investments.

Total Returns are calculated using pre-distribution month end withdrawal unit prices, and assumes all income is reinvested in additional units (and exclude any contribution fees and taxes). Gross returns are calculated by adding back the Management Costs deducted. Distribution returns are the total distribution from the fund. Growth returns is the change in initial capital value for the period. **Past performance is not necessarily indicative of future performance. Returns may be volatile and may vary from year to year.**

¹ aPriori Capital Partners L.P. ("aPriori Capital") replaced DLJ Merchant Banking Partners ("DLJMB") as general partner and investment manager effective March 31, 2014

Credit Suisse Global Private Equity Fund – Q2 2018 Fund update

The following is a summary of aPriori Capital's second quarter update from September, 2018. References to "**the Fund**" refer to DLJ Merchant Banking Partners IV, L.P., the Underlying Fund as defined in the Global Private Equity Fund's Product Disclosure Statement ("PDS").

All investments are quoted in USD unless otherwise stated. Please note, changes in the AUD/USD impacts the performance of the Global Private Equity Fund in Australia.

Summary

During the second quarter, the value of the portfolio increased by \$9.6 million reflecting increased valuations for HealthMarkets (+11.9 million), The Service Companies (+5.1 million) and NIBC (+0.1 million) offset by a write-down in the value of Laramie Energy II (-6.9 million) and Guala Closures (-0.6 million).

As of June 30, 2018, the Fund had invested \$1.8 billion, or 97.8% of its committed capital, in 21 investments. To date, the Fund has returned \$1.25 billion in proceeds or 70% of invested capital to our Limited Partners. The Fund has an aggregate value of \$1.54 billion or 0.85x invested capital, comprised of realized proceeds of \$1.25 billion and the unrealized value of \$285.1 million.

Since the end of the second quarter, the Fund has closed sale transactions relating to The Service Companies and Guala Closures as detailed below:

- During June 2018, after an extensive auction process, the fund sold **The Service Companies** ("TSC") to a middle market private equity firm. This sale transaction closed during July 2018. The fund received \$23.7 million in proceeds at closing. The sale includes escrows and an earn-out which could increase these proceeds. The total purchase price of \$145.8 million (\$137.8 million excluding escrows and the earn-out) is 11.0x Adjusted LTM EBITDA (10.4x excluding the escrows and the earn-out).
- During April 2018, a sale agreement was signed to realize the fund's investment in **Guala Closures** ("Guala"). Guala was sold to SPACE4, an Italian Special Purpose Acquisition Company (SPAC). The transaction valued Guala at €1.1 billion, representing 10x 2017A EBITDA. The transaction closed during August 2018 and the consideration consists of cash proceeds of \$149.7 million and shares of Guala Closures (valued at \$19.1 million). The total value achieved of \$168.8 million represents 1.3x our original cost of \$132.3 million (1.6x cost at constant currency).

The cash proceeds received by the Fund relating to the TSC and Guala sale transactions have been distributed to the limited partners during Q3 2018.

In view of the significant holdings that remain in the Fund, the General Partner has considered fund life matters (the Fund would otherwise be terminated in September 2018). With the unanimous support of the limited partner advisory committee and in accordance with section 10.01 of the limited partnership agreement, the General Partner has decided to extend the Fund for an additional and final one-year term. This third and final one-year extension will extend the life of the Fund to September 15, 2019.

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