

# STONEHAGE FLEMING GLOBAL PRIVATE CAPITAL FUND 2016

A CONCENTRATED PORTFOLIO OF PRIVATE EQUITY FUNDS FROM LEADING PRIVATE EQUITY MANAGERS GLOBALLY



FUND INFORMATION AS AT 31 MARCH 2020	
Fund Inception	29th February 2016
First Close	June 2016
Final Close	December 2016
Paid up Shares (A Class)	17,077,652
Paid up Shares (B Class)	10,113,021
% Drawn	100.0%
<b>A-class shares</b>	
NAV per share	\$1.2023*
DPI	0.10x
TVPI	1.16x
<b>B-class shares</b>	
NAV per share	\$1.2442*
DPI	0.10x
TVPI	1.30x

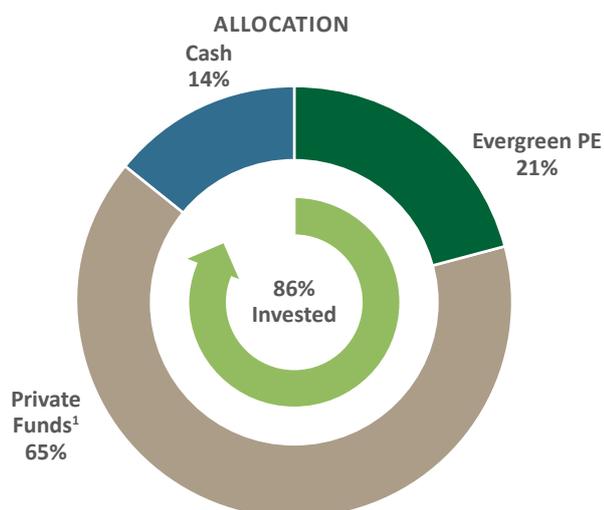
\*The NAV per share calculation methodology reflects paid-in capital rather than committed capital.  
Source: Stonehage Fleming Corporate Services, July 2020

## FUND COMMENTARY

- The 2016 Fund fared well given widespread write downs in Q1 2020 with the overall valuation at net 1.21x multiple of cost and 5.9% net IRR
- Partners Group Global Value SICAV** declined in value by 12% resulting in a since inception performance of net 1.26x invested cost and 7.9% IRR. Post-quarter end, the fund has recovered the 12% decline
- Centerbridge Special Credit III Flex** activated in Q1 2020 and has deployed c. 30% of the committed capital into loans trading at significant discounts to par across the US and Europe, having already generated gains in excess of \$300m. We expect the manager to continue being highly engaged on new deal activity over the coming months
- Post the Covid-19 outbreak, there has been a partial realisation from **Summit Partners Growth Equity IX** in **LifeStance Health**. The company provides behavioural healthcare services to children, adolescents and adults suffering from mental health issues in various care settings from acute inpatient, intensive outpatient, in-home to telehealth. This partial realisation in May 2020 valued LifeStance Health at a gross return of **6.7x invested cost** and 108% IRR

Past performance is not a reliable indicator of future performance  
If the information is not displayed in your base currency, then the return may increase or decrease due to currency fluctuations

## PRO FORMA INVESTMENT PORTFOLIO

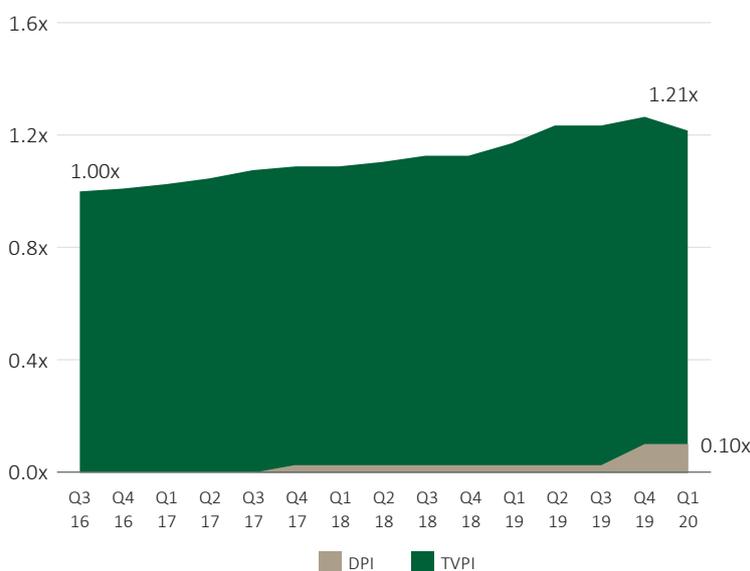


Source: Stonehage Fleming, Stepstone, Mar 2020

<sup>1</sup> Including companies acquired using credit lines by the underlying managers as well as known post quarter end capital calls. Investments on credit lines will not yet have called capital from investors.

<sup>2</sup> Performance relates to the aggregate performance of A & B share-classes after all fees.

## CUMULATIVE PERFORMANCE<sup>2</sup> (USD)



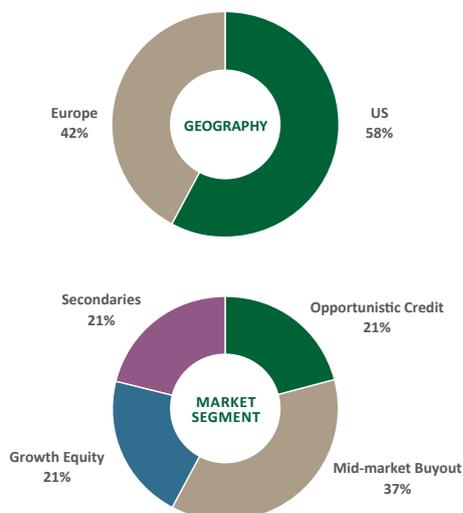
## PRIVATE FUNDS PORTFOLIO

Fund	Vintage <sup>1</sup>	Geography	Strategy	Commitment (\$m)	Drawn	DPI <sup>2</sup>	TVPI <sup>3</sup>	IRR <sup>4</sup>
Abry Senior Equity V	2016	US	Mid-Market LBO	\$5.0	56.1%	0.2x	1.1x	8.5%
Summit Partners Growth Equity IX	2017	US	Growth Equity	\$6.3	105.6%	0.3x	1.3x	27.8%
HgCapital 8	2017	Europe	Mid-Market LBO	\$6.5	48.4%	0.0x	1.0x	4.3%
Committed Advisors Secondary Fund III	2016	Global	Secondaries	\$6.7	69.2%	0.2x	1.2x	11.4%
Centerbridge Special Credit III Main Fund	2016	US/Europe	Opportunistic Credit	\$1.9	122.0%	0.2x	1.0x	0.9%
Centerbridge Special Credit III Flex Fund	2016	US/Europe	Opportunistic Credit	\$4.4	30.0%	NM <sup>5</sup>	NM <sup>5</sup>	NM <sup>5</sup>

<sup>1</sup> Vintage for sub SF funds. <sup>2</sup> DPI: Distributions to Paid-in Capital, <sup>3</sup> TVPI: Total Value to Paid-in Capital, <sup>4</sup> IRR: Internal Rate of Return, <sup>5</sup> NM: Not Meaningful

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## PRIVATE FUNDS PORTFOLIO



Source: Stonehage Fleming, Stepstone, July 2020

## TOP TEN INVESTMENTS

Company	Market Value (\$m)	% of Total Portfolio Value
LifeStance Health	0.81	4%
Screenvision	0.79	4%
Access Group	0.71	4%
Trintech, Inc.	0.67	4%
Litera	0.57	3%
Sound Inpatient Physicians, Inc.	0.51	3%
Harvey Performance Company, LLC	0.47	2%
Transporeon	0.45	2%
Mobility Holding (fka MeinAuto)	0.45	2%
AdSwerve	0.43	2%
<b>Total in USD</b>	<b>5.8</b>	<b>31%</b>

## KEY FEATURES

- The Stonehage Fleming Global Private Capital Funds is a series of Jersey funds investing in a concentrated portfolio of private equity funds from leading private equity managers globally
- The funds carry out the team's carefully defined approach to private capital investing:
  - Focus on identifying and researching the highest performing segments of the private capital market
  - Selecting and partnering with high quality, talented managers
  - Design a programme tailored to address the specific requirements of families which includes lower costs, accelerated deployment, and simplified capital call schedules
- The Stonehage Fleming Global Private Capital Fund 2016 ("the Fund") held its final close in December 2016

## THE OPPORTUNITY

- The private equity asset class has out-performed public markets by c. 7% annually over the past 25 years<sup>2</sup>
- The performance has been driven by the managers' ability to identify exceptional companies and management teams, as well as executing clear strategic operating initiatives in those companies
- Our private capital team has strong credentials having committed over \$800m to more than 100 funds and delivered returns that have significantly out-performed public markets<sup>3</sup>
- The teams' extensive industry experience and established relationships can provide preferential access to many funds that are otherwise closed to new investors
- Our senior advisor network includes a number of prominent private equity experts

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## IMPORTANT INFORMATION

We are providing you with an update on your existing holdings and this communication does not constitute a financial promotion.

**Illiquidity Risk:** Investors are exposed to liquidity risk should they be unable to fund 100% of their commitment or may not be able to sell their investment prior to the original term.

**Capital Loss Risk:** Investors are subject to the risks associated with the loss of capital.

**Unregulated Funds:** This portfolio will include funds which are not regulated. Unregulated schemes can often be more complex and have less/no regulatory protection.

Unquoted investments may be difficult to sell at a reasonable price because there will not be an active market in those investments and, in some circumstances, they may be difficult to sell at any price. This may inhibit sales in the event of your wishing to liquidate part or all of your investment.

**Past performance should not be used as a guide to future performance.**

All investments risk the loss of capital. No guarantee or representation is made that the funds will achieve their investment objective. The value of investments may go down as well as up and, for products designed to return income, the distributions can also go down or up and you may not receive back the full value of your initial investment.

Whilst every effort is made to ensure that the information provided to clients is accurate and up to date, some of the information may be rendered inaccurate by changes in applicable laws and regulations. For example, the levels and bases of taxation may change. Any reference to taxation relies upon information currently in force. You should note that the bases and rates of taxation may change at any time.

Tax treatment depends upon the individual circumstances of each client and may be subject to change in the future. In addition to the information provided, you may wish to consult an independent professional.

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<sup>2</sup> This refers to the performance of the Cambridge Associates Global Ex-US Developed Markets Private Equity & Venture Capital Benchmark Statistics versus the MSCI World Total Return Index. Source:

Cambridge Associates (30.09.2019).

<sup>3</sup> Source: Stepstone 2020.

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Fund documentation, including the Private Placement Memorandum (PPM), available from Stonehage Fleming Investment Management Limited at 15 Suffolk Street, London, SW1Y 4HG.

Stonehage Fleming Private Capital PCC is a protected cell company authorised in Jersey as an Expert Fund under the Funds Law. It is a non-EU Alternative Investment Fund ("non-EU AIF") within the meaning of the EU Alternative Investment Fund Managers Directive (No. 2011/61/EU).

### SWISS INVESTORS

The representative in Switzerland is ARM Swiss Representatives SA, Route de Cité-Ouest 2, 1196 Gland, Switzerland. The PPM, Supplemental PPMs, Articles and reports and accounts for the Fund and Cells can be obtained free of charge from the representative in Switzerland. The place of performance and jurisdiction is the registered office of the representative in Switzerland with regards to the Participating Shares distributed in and from Switzerland. The paying agent in Switzerland is Banque Cantonale de Geneve of 17, Quai de l'Île, 1204 Geneva, Switzerland

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