

STONEHAGE FLEMING GLOBAL PRIVATE CAPITAL FUND 2016

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



**IDENTIFYING
HIGHEST PERFORMING
SEGMENTS**



**SELECTING & PARTNERING
WITH HIGH QUALITY
TALENTED MANAGERS**



**TAILORED
PROGRAMMES FOR
FAMILY OFFICES**



**SERIES OF JERSEY
FUNDS INVESTED IN A
CONCENTRATED PORTFOLIO**

Over
\$800m
committed
to more than
100
funds

FUND INFORMATION AS AT 30 JUNE 2019	
Fund Inception	29th February 2016
First Close	June 2016
Final Close	December 2016
Paid up Shares (A Class)	18,907,574
Paid up Shares (B Class)	10,325,768
% Drawn	100.0%
A-class shares	
NAV per share	\$1.2220*
DPI	0.02x
TVPI	1.21x
B-class shares	
NAV per share	\$1.2550*
DPI	0.02x
TVPI	1.25x

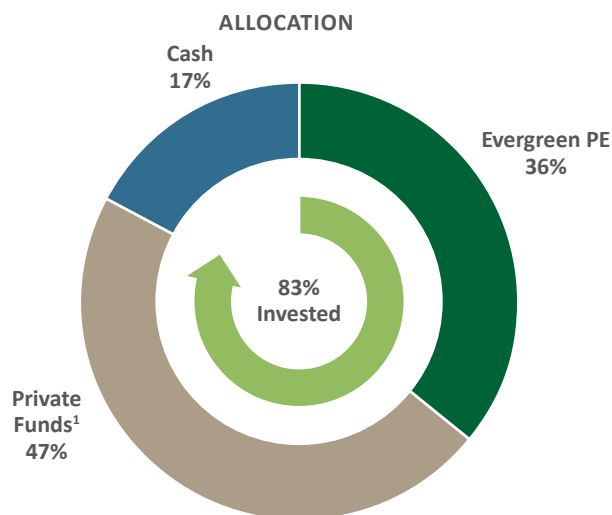
*The NAV per share calculation methodology reflects paid-in capital rather than committed capital.
Source: Stonehage Fleming Corporate Services, Oct 2019

FUND COMMENTARY

- The 2016 Fund continued to generate positive performance with the overall portfolio being valued at net 1.23x multiple of cost and 8.1% net IRR
- All managers are actively deploying capital with, most notably, **Summit Partners Growth Equity IX** and **Committed Advisors Secondary Fund III** on track to be fully deployed by the end of 2019
- In particular, **Summit Partners IX** is tracking well marked at net returns of 1.3x and 29.6% IRR. Since the quarter end, the Fund had a partial realisation from its Elevate Brands platform deal which sold a majority stake in its **Morphe** brand for gross **3.3x** invested cost with the investment marked at a total of **gross 4.8x**. Morphe is a colour cosmetics and brush brand that has tripled revenues over two years
- HgCapital 8** is now over 50% invested with one new investment during the quarter:
 - Litera Microsystems**, is a global leading provider of end-to-end document lifecycle solutions to the legal and life sciences industries. The products are used to improve the productivity and quality of the document drafting lifecycle
- The Partners Group Global Value SICAV has continued to perform well and in line with expectations. The Fund has generated an IRR of 10.8% to date, with strong underlying operational performance from the fund's direct and secondary investments

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

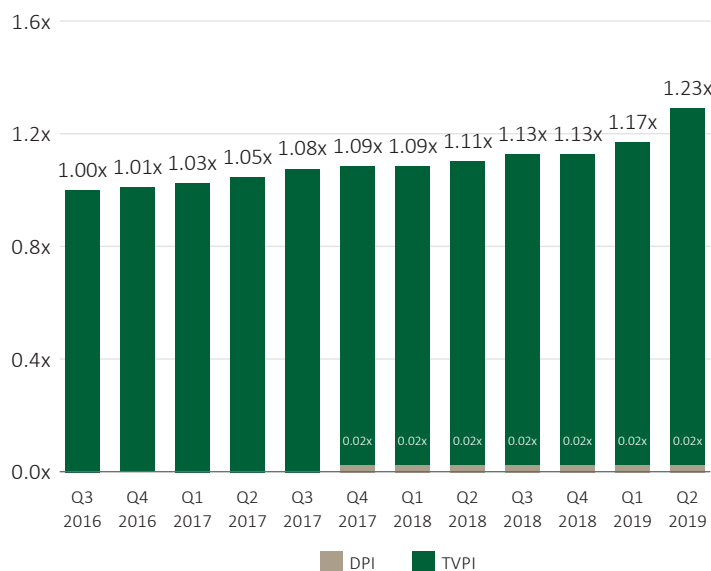


Source: Stonehage Fleming, Stepstone, Oct 2019

¹ 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.

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

CUMULATIVE PERFORMANCE² (USD)



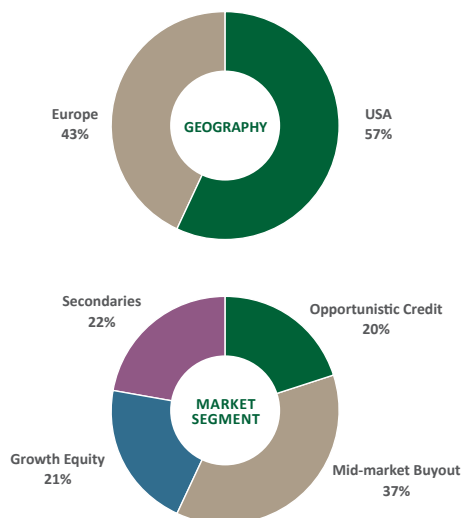
PRIVATE FUNDS PORTFOLIO

Fund	Vintage ¹	Geography	Strategy	Commitment (\$m)	Drawn	DPI ²	TVPI ³	IRR ⁴
Abry Senior Equity V	2016	US	Mid-Market LBO	\$5.0	35.7%	0.4x	1.1x	12.8%
Summit Partners Growth Equity IX	2017	US	Growth Equity	\$6.3	76.8%	0.1x	1.3x	29.6%
HgCapital 8	2017	Europe	Mid-Market LBO	\$6.5	30.7%	-	1.1x	28.7%
Committed Advisors Secondary Fund III	2016	Global	Secondaries	\$6.7	61.0%	0.1x	1.3x	27.2%
Centerbridge Special Credit III	2016	US/Europe	Opportunistic Credit	\$6.3	25.5%	0.2x	1.1x	7.4%

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

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PRIVATE FUNDS PORTFOLIO



Source: Stonehage Fleming, Stepstone, Oct 2019

TOP TEN INVESTMENTS

Company	Market Value (\$m)	% of Total Portfolio Value
Elevate Brandpartners, Inc.	1.0	6%
Trintech, Inc.	0.5	3%
Access Group	0.5	3%
Sound Inpatient Physicians, Inc.	0.5	3%
Screenvision	0.4	3%
Transporeon	0.4	3%
Mobility Holding (fka MeinAuto)	0.4	3%
Harvey Performance Company, LLC	0.4	2%
Litera	0.4	2%
AdSwerve	0.3	2%
Total in USD	4.5	30%

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. 5% annually over the past 25 years²
- 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 markets³
- 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.

Liquidity 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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² 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 and Bloomberg (data as at 30.06.2017).

³ Source: Stepstone 2019.

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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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