

# POHUTUKAWA I, II & V ANNUAL MEETING

## Investment Manager Presentation

Ross George  
Managing Director  
Direct Capital



DIRECT CAPITAL



CRAIG'S  
INVESTMENT PARTNERS

22 May 2018



# FUNDS MANAGED BY DIRECT CAPITAL

## Direct Capital manages three Private Equity funds

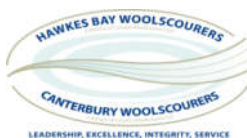
### POHUTUKAWA I & DIRECT CAPITAL III

- Total fund size: \$130m
- Pohutukawa I size: \$53m
- Current investments:



### POHUTUKAWA II & DIRECT CAPITAL IV

- Total fund size: \$325m
- Pohutukawa II size: \$82.5m
- Current investments:



### POHUTUKAWA V & DIRECT CAPITAL V

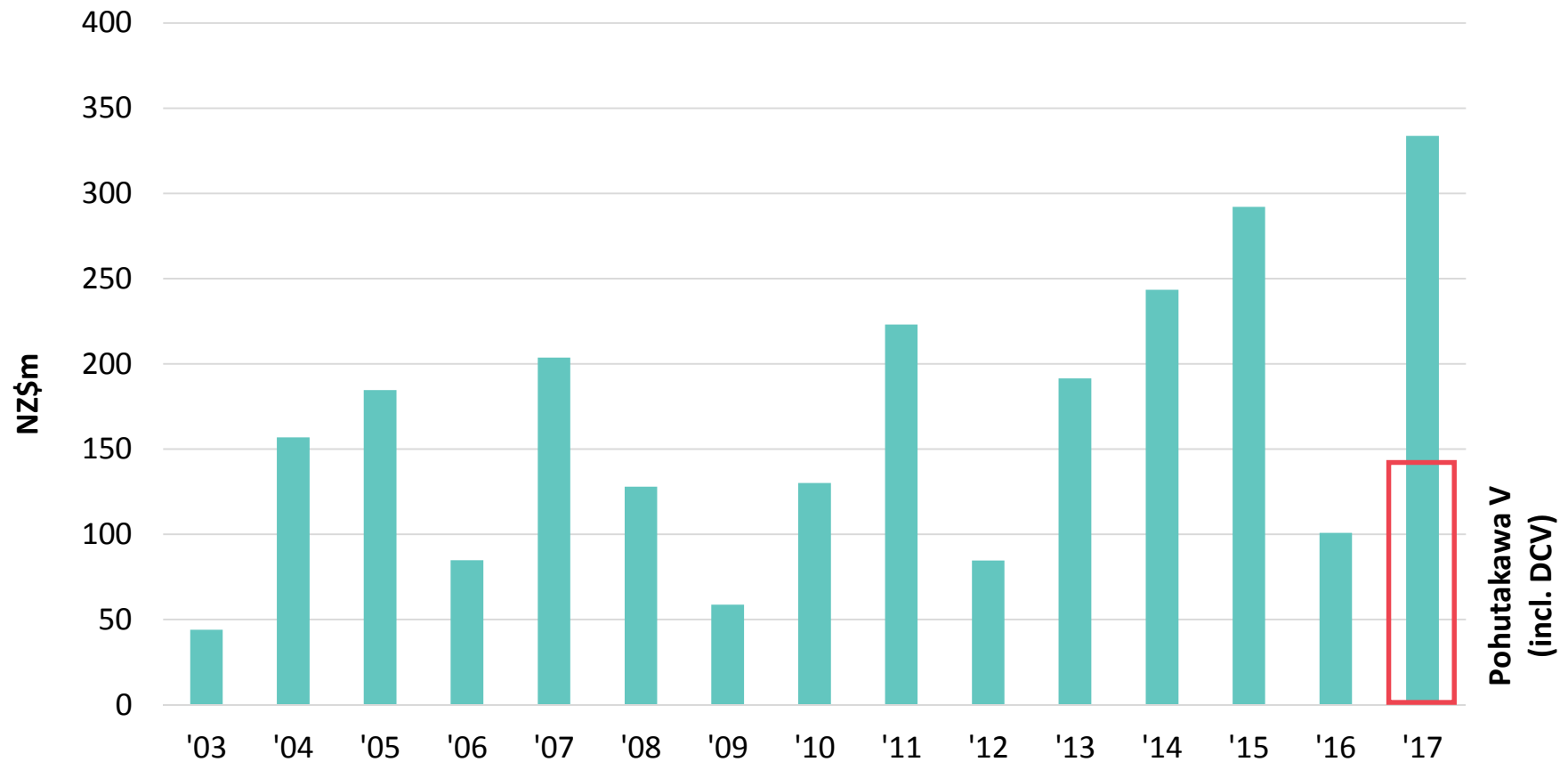
- Total fund size: \$375m
- Pohutukawa V size: \$50m
- Current investments:



+ New investment opportunities under negotiation

# NZ MID-MARKET PRIVATE EQUITY INVESTMENT ACTIVITY

Pohutukawa and DC V represented 41% of NZ mid-market PE investment in 2017



A person stands on a long, narrow pier made of large, dark rocks that extends into a vast body of water. The scene is captured at sunset, with the sky transitioning from a deep blue at the top to a bright orange and yellow near the horizon. The water reflects the colors of the sky, and several small buoys are visible in the distance. The overall mood is serene and contemplative.

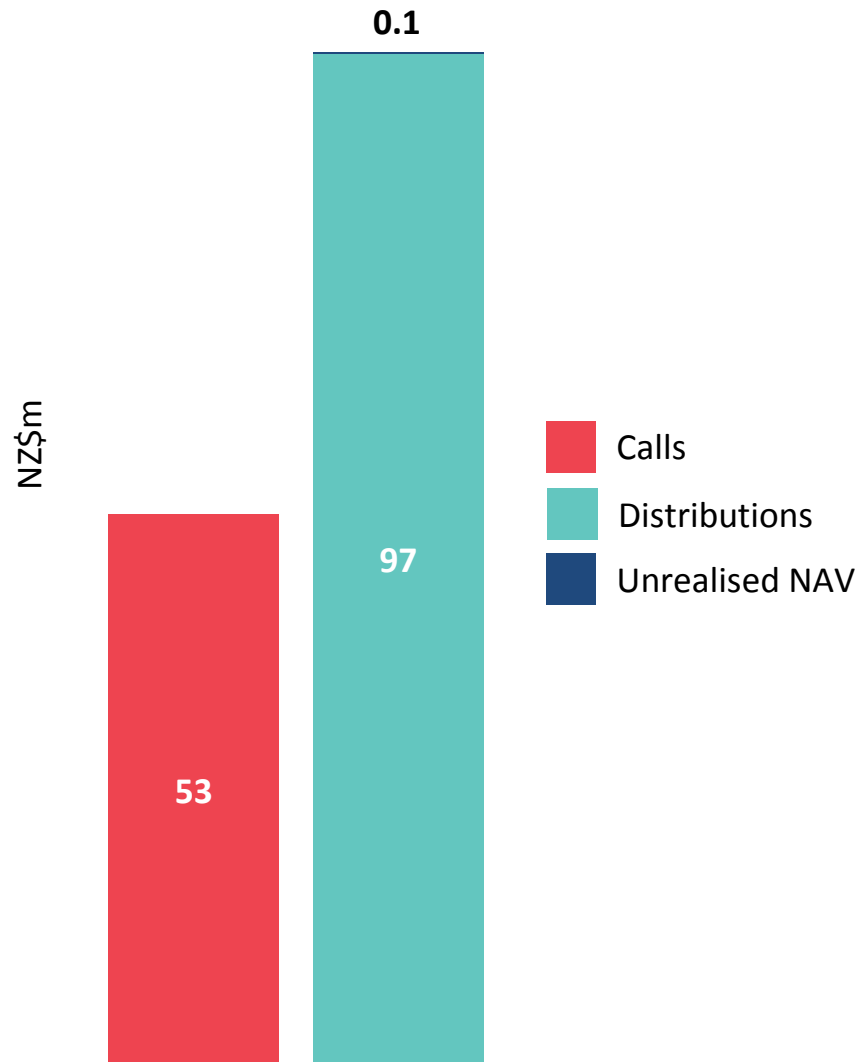
**PORTFOLIO REVIEW:  
POHUTUKAWA I**

# POHUTUKAWA I

## Fund Performance

AS AT 31 MARCH 2018

- TVPI (Total Value to Paid In Capital): 1.8x
- Net IRR: 13% p.a. for 14 years



# POHUTUKAWA I: STRATEX

## Niche Packaging Manufacturer



**STRATEX**  
PRODUCT PROTECTION

Pohutukawa I		Total Direct Capital	
Investment	Shareholding	Investment	Shareholding
\$4.6m	32.8%	\$11.1m	83.2%

# POHUTUKAWA I: FISHPOND

## Online Retail



**Great Prices**



**Huge Selection**



**Delivery Included**



Pohutukawa I		Total Direct Capital	
Investment	Shareholding	Investment	Shareholding
\$0.8m	4.5%	\$2.0m	11.3%



**PORTFOLIO REVIEW:  
POHUTUKAWA II**

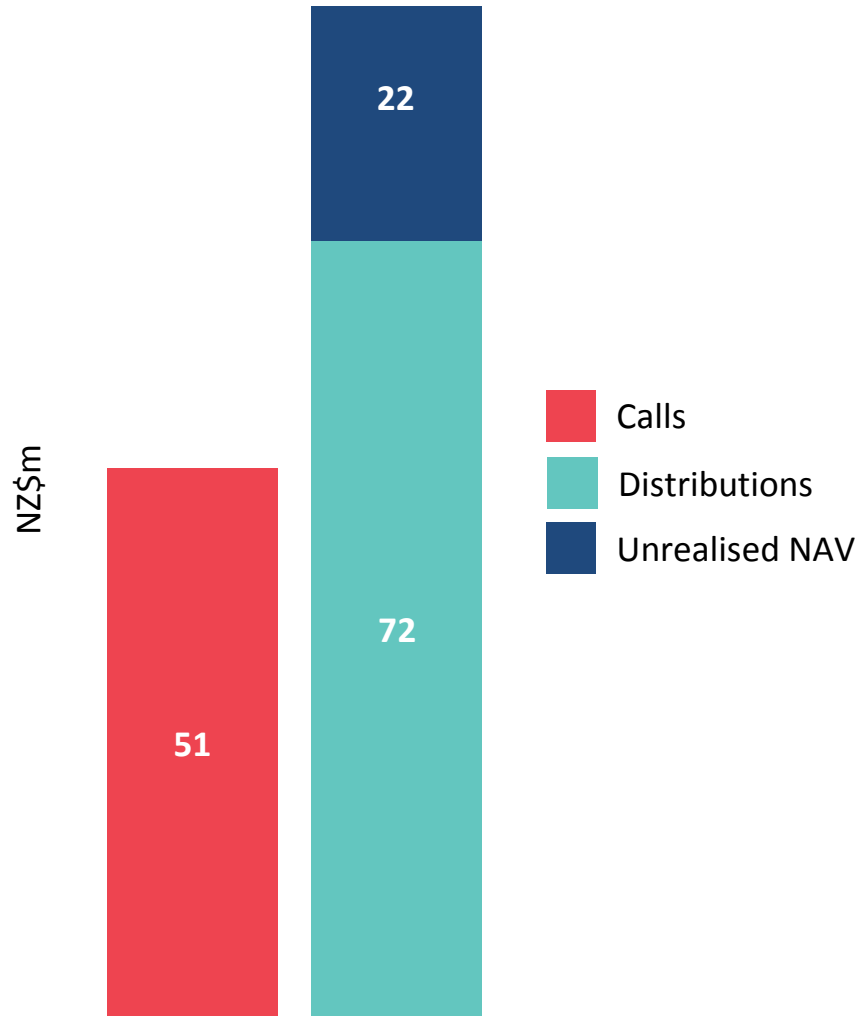


# POHUTUKAWA II

## Fund Performance

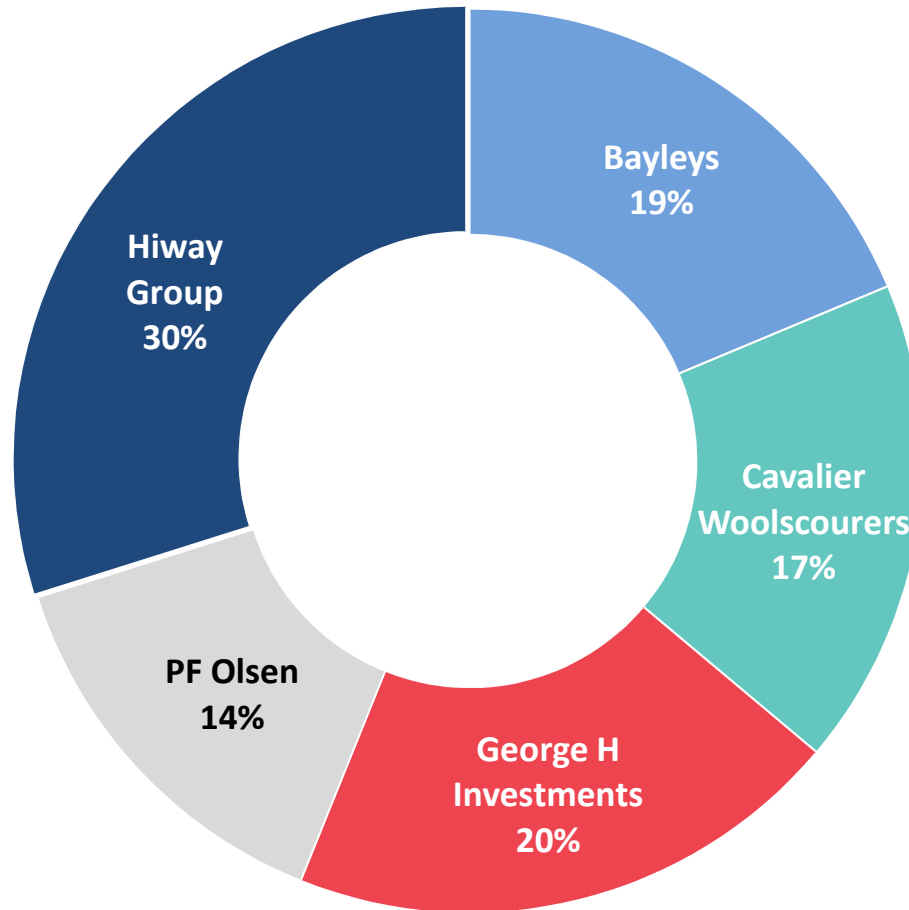
AS AT 31 MARCH 2018

- TVPI (Total Value to Paid In Capital): 1.8x
- Net IRR: 16% p.a. for 9 years



# POHUTUKAWA II

## Portfolio Composition by Investment Cost



# POHUTUKAWA II: PF OLSEN

## Forestry Management



Pohutukawa II		Total Direct Capital	
Investment	Shareholding	Investment	Shareholding
\$2.5m	9.5%	\$10.8m	40.0%

# POHUTUKAWA II: BAYLEYS

## Real Estate Services

Residential

Commercial

Rural

Residential property management

Commercial property management

Valuations

Business sales

Magazines

Bayleys Foundation

Syndications

Work With Us

**\$10,000 Minimum Investment**

Click here for more information including a copy of the Product Disclosure Statement >



Pohutukawa II		Total Direct Capital	
Investment	Shareholding	Investment	Shareholding
\$3.6m	7.4%	\$15.0m	31.0%

# POHUTUKAWA II: HIWAY STABILISERS

## Ground Stabilisation and Geotechnical Services



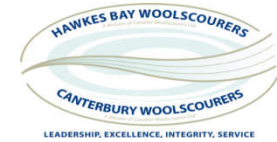
Pohutukawa II		Total Direct Capital	
Investment	Shareholding	Investment	Shareholding
\$5.7m	14.3%	\$24.0m	60.0%

# POHUTUKAWA II: CAVALIER WOOLSCOURERS

## Wool Scouring



Pohutukawa II		Total Direct Capital	
Investment	Shareholding	Investment	Shareholding
\$3.3m	3.3%	\$14.0m	13.8%



PALLISER

