

Arcturus Growth Fund I – Internal Investment Strategy Note (Private Equity / OCR & Deck Hybrid)

Document Type: Slide Transcript + Analyst Email Chain Extract (OCR Reconstruction)

Slide 1 – Fund Overview (from scanned PDF)

Target Fund Size: \$250 MM
GP: Arcturus Partners LLC
Strategy: minority growth investments in e-commerce fulfillment, last-mile logistics, and digital marketing agencies.
Fund Age: 20 months (vintage 2023).
Total Deployed: \$148 MM (59 %).
Unrealized Value: \$135 MM (NAV below cost).

Slide 2 – Performance Snapshot

Metric	Value	Benchmark (MM PE Median)
Gross IRR	8.9 %	12.6 %
Net IRR	6.1 %	10.3 %
DPI	0.23×	0.40×
MOIC	0.91×	1.17×

Slide 3 – Commentary (email extract)

From: M. Cho (Analyst)

“Mgmt says lagging valuations due to market multiples compression; not convinced. Two portfolio cos wrote down 40 % avg; one (ParcelEdge) defaulted on credit line.”

From: K. Daniels (PM)

“True, but Fund’s reported IRR includes revaluation uplift from ‘FairMark Digital’ that hasn’t closed. Adjusted IRR maybe 5 %.”

From: CIO

"If we remove nonbinding term sheet valuations, TVPI falls below 0.8x. Not investible at current trajectory."

Slide 4 – Valuation Sensitivity Table (OCR glitches)

Scenario	NAV (MM)	IRR	Comment
Base Case	250	8.9 %	Unrealized assumes 14x EBITDA
Stress Case	190	4.8 %	More realistic given multiples
Best Case	310	11.2 %	"optimistic / not probable"

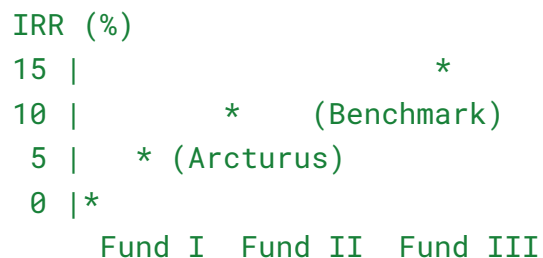
Slide 5 – Analyst Observation Notes (handwritten margin)

"Fund's anchor investor (Mariner Holdings) under LOI to sell interest @ 0.88x NAV = \$118MM \Rightarrow implied portfolio haircut 12 %."

"Mgmt fees high (2.25 %); GP clawback waived via side letter (!)."

"Sponsor not contributing new capital to bridge fund."

Slide 6 – Market Comparison Chart (OCR recreation)



Committee Verdict (internal email, Mar 2025):

"Decline. Returns weak, governance loose, and valuations overstated. Acceptable for secondary purchase only below 0.8x NAV."