

Barwon Global Listed Private Equity Fund

Monthly Report October 2024

The Barwon Global Listed Private Equity Fund aims to provide wholesale investors with a high performing portfolio of private equity investments in a fee efficient manner whilst offering daily liquidity.

Net Performance as at 31 October 2024

	1 month	3 months	1 year	3 years p.a.	5 years p.a.	10 years p.a.	ITD p.a. ²
Net Return ^{1,3}	-1.2%	-0.8%	37.6%	4.2%	11.8%	10.7%	7.6%

1. A\$ domiciled unit trust. The Fund hedges foreign currency exposures.
2. Inception date is 1 June 2007.
3. Returns are after management fees, performance fees, and other fund expenses.

NAV Price	1.0391
Entry Price	1.0422
Exit Price	1.0360

Market Commentary

The Fund's investments in US Alternative Asset Managers were the strongest contributors to performance in October. Blackstone, KKR and Apollo all reported strong Q3 earnings, with each of them outperforming expectations. Blackstone saw its PE portfolio grow by 6.2% during the quarter, marking its best quarterly performance since Q3 2021. KKR also delivered solid results, with its flagship PE funds up 5% for the quarter. In the Fund's Buyout portfolio, however, NAV growth has been more mixed.

While the US Alternative Asset Managers are now trading at high headline valuation multiples, their performance fee earnings potential has been building considerably. For example, KKR's carry-eligible AUM has more than doubled since 2018, growing from \$100bn to over \$200bn. However, its realised carried interest revenue has been muted, it was less than \$1bn YTD, compared to nearly \$2bn in 2021 and 2022.

Over the past two weeks, US-listed Business Development Companies (BDCs) have reported their Q3 earnings. From an earnings perspective, operating ROEs remain high at over 12%. However, portfolio yields are trending downwards due to pressure on loans from a combination of lower base rates and spread compression. Three-month SOFR at the end of Q3 stood at 4.6%, down 70bps over the quarter.

On the other hand, BDC credit metrics improved this quarter, including a reduction of the proportion of loans on non-accrual status. There were some upticks in non-accrual loans in the portfolios of VC-backed lenders Horizon and TriplePoint, neither of which the Fund is invested in. Investment activity

continues to be dominated by refinancing and repricing, but many managers expressed their optimism about a potential recovery in M&A during their earnings calls.

Expectations for an improvement in M&A activity in 2025 appear heightened by the anticipation of a deregulation push under a Trump administration. An increase in exit activity would bode well for listed private equity valuations, which have remained disconnected from the performance of their underlying portfolio companies.

Recently, we saw notable developments in realisation activity: VC-backed Klarna filed for an IPO and Partners Group backed Amega is reportedly exploring the same. Amega represents 5.3% of Partners Group Private Equity's (ticker: PEY) NAV. Additionally, Partners Group successfully listed its nine-year-old investment in KinderCare in October, the seventh largest investment in PEY's portfolio at the time of IPO (3.6% NAV). Partners Group has been notably active in its realisations in recent months, and with significant corporate and strategic developments underway, these could serve as strong catalysts for a rerating. Notably, PEY currently trades at a 25% discount to its 30 September NAV.



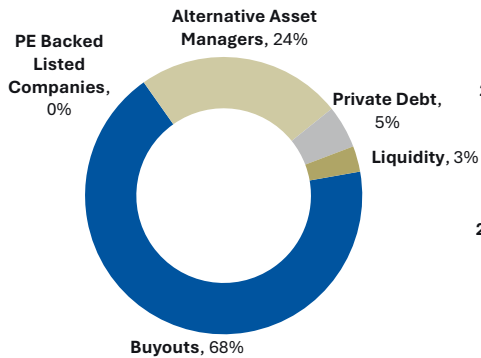
Portfolio Summary

Monthly Contributors & Detractors

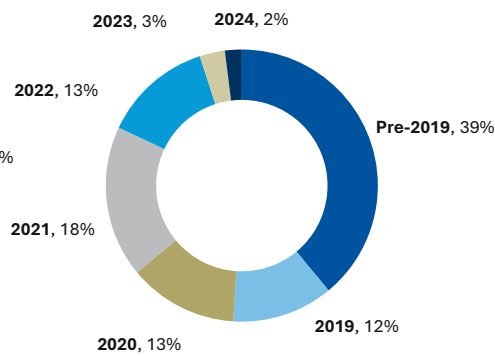
Contributors	Currency	Return	Detractors	Currency	Return
Blackstone Group	USD	+10.1%	HarbourVest Global Private Equity	GBP	-8.4%
KKR & Co	USD	+5.9%	ICG plc	GBP	-7.5%
Apollo Global Management	USD	+14.7%	Pantheon International	GBP	-5.0%

Underlying Investment Exposures on a Look Through Basis

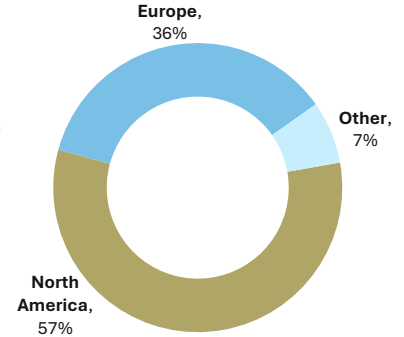
Investment Classification



Vintage Year



Geographic Exposure



Five Largest Holdings by Weight

Company	Type
KKR & Co	Alternative Asset Managers
Blackstone Group	Alternative Asset Managers
Eurazeo	Buyouts
NB Private Equity Partners	Buyouts
HgCapital Trust	Buyouts



Key Information

Trustee & Manager	Barwon Investment Partners
Applications & Withdrawals	Daily
Unit Prices	Daily
Minimum Investment	A\$50,000
Buy-Sell Spread	0.30%
Distributions	Annual
Management Fee	0.65% p.a.
Performance Fee	15% in excess of 12% hurdle
Bloomberg Fund Code	BAGLLPE AU Equity
APIR Code	BAR0001AU
Currency Hedging	Foreign currency exposures hedged back to AUD at a 90% target ratio.

Barwon offers access to the same strategy via a feeder fund, the **Barwon Global Listed Private Equity Fund AF (Access Fund)**. The Access Fund is offered under PDS and is for financial advisors, financial intermediaries, and investors investing via platforms.

Access Fund Platform Availability:

- AMP North
- Asgard
- BT Panorama
- Colonial First Wrap
- Expand
- Macquarie Wrap
- Netwealth
- Hub24
- PowerWrap
- Praemium



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