

Pareturn Barwon Listed Private Equity Fund

Monthly Report November 2024

The Pareturn Barwon Listed Private Equity Fund aims to provide investors with a high performing portfolio of private equity investments in a fee efficient manner whilst offering daily liquidity. It is offered in three-unit classes: EUR, GBP, and USD.

Net Performance as at 30 November 2024

Net Return	Unit Price	1 month	3 months	1 year	3 years p.a.	5 years p.a.	ITD p.a.
Class I - EUR ¹	714.72	8.8%	11.1%	32.0%	9.3%	14.3%	13.9%
Class G – GBP ²	581.45	7.1%	9.6%	27.5%	8.3%	13.7%	14.1%
Class U – USD ³	638.19	5.8%	6.0%	27.5%	6.9%	13.2%	10.6%

1. Inception date 30 November 2012
2. Inception date 4 December 2012
3. Inception date 17 June 2013

Market Commentary

In November, Bob Liu (Portfolio Manager) attended a study tour hosted by Wells Fargo in Los Angeles, meeting with both private credit managers and alternative asset managers. The private credit and listed private debt fund sectors have seen significant growth over the last few years. Investors have been attracted to the floating rate loan portfolios which have benefitted from rising interest rates and a stronger than expected macro backdrop.

The sentiment amongst investors and managers generally remained positive toward the sector. However, given the strong performance over the past few years, there was naturally a focus on early indicators of credit stress and whether managers had observed signs of weakness in portfolios. The 2021 vintage perhaps has some of the lowest headroom as the loans were made when rates and spreads were very low, and in a rapidly rebounding post-COVID economy. Conditions at the time may have led to instances of significant over-estimation of the sustainability of that rebound. ‘ARR’ loans (loans underwritten on annual recurring revenue) and high levels of PIK income were also flags to take note of.

The influx of capital into corporate direct lending over the last 18 months has created an imbalance between supply and demand in the market. Banks and CLOs have also meaningfully re-entered the leveraged lending market, adding to supply particularly for larger loan sizes. The pressure and competition to deploy capital has contributed to both the declining cost of debt (c.150bps spread compression in 2024) and the increasing amount of debt being offered. While supply has seen signs of slowing, a strong M&A environment is key for capital

deployment, and for the market to absorb all the capital that has been allocated to private credit. PE managers and bankers have started to see incremental improvement in new deal activity through 2024 but levels still remain well below 2021 peak levels. Sentiment and optimism of greater M&A volume took a material step up post the US election as a declining interest rate trajectory, the prospect of lower taxes, and less anti-trust scrutiny are all supportive of improving deal activity in 2025.

As we have commented on in past reports, greater levels of M&A activity should be very positive for the Fund’s investments. Exits of PE investments contribute positively to NAV growth and a narrower discount for listed PE securities because:

- Exits crystallises latent value. Most PE investments transact at a premium to their private valuation.
- Transactions serve to validate private valuations, and support confidence in the value of remaining unrealised assets.

As we approach the end of 2024, the team at Barwon would like to express our gratitude to our investors and partners for your valuable support. Thank you. We wish you all a safe and happy holiday season.



Portfolio Summary

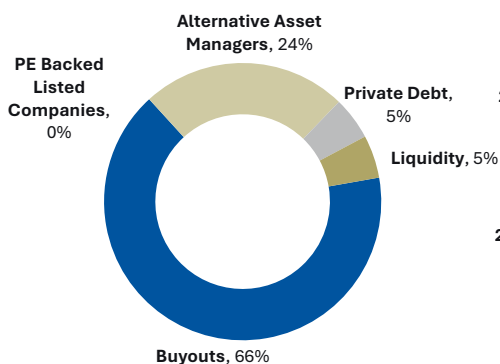
Monthly Contributors & Detractors

Contributors	Currency	Return
KKR & Co	USD	+18.0%
Blackstone Group	USD	+13.9%
Apollo Global Management	USD	+22.5%

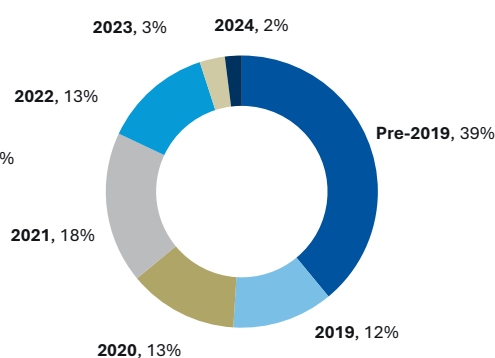
Detractors	Currency	Return
Eurazeo	EUR	-0.6%
Oakley Capital Investments	GBP	-2.7%
NB Private Equity	GBP	-0.9%

Underlying Investment Exposures on a Look Through Basis

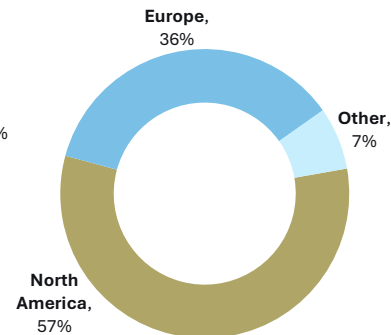
Investment Classification



Vintage Year



Geographic Exposure



Five Largest Holdings by Weight

Company	Type
KKR & Co	Alternative Asset Managers
Blackstone Group	Alternative Asset Managers
Eurazeo	Buyouts
Pantheon International	Buyouts
ICG plc	Alternative Asset Managers



Key Information

Strategy	High conviction, value-orientated, bottom-up stock selection. Long-only, unlevered, benchmark unaware.
Structure	Luxembourg-domiciled SICAV authorised as a UCITS
Management Company	Waystone
Delegated Investment Manager	Barwon Investment Partners Pty Ltd
Share Classes	GBP, USD, and EUR share classes available
Pricing & Dealing	Daily
Income Distributions	Annual for distributing classes
Entry / Exit Fees	None
Management Fee	0.65% p.a.*

* Founder share class open for limited time.

Key Contacts

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