

Pareturn Barwon Listed Private Equity Fund

Monthly Report December 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 31 December 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	708.26	-0.9%	7.6%	24.1%	8.4%	13.8%	13.7%
Class G - GBP ²	573.32	-1.4%	6.9%	18.4%	7.7%	13.1%	13.8%
Class U - USD ³	620.03	-2.8%	-0.2%	16.3%	5.0%	11.8%	10.2%

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

Market Commentary

Through 2023 and 2024, Barwon spoke frequently about the scarcity of M&A activity, with PE funds generally battling slower fundraising, fewer exits and diminished distributions to their LPs. Distributions from PE funds were well below “normal” levels. There is a growing pipeline of realisation candidates as PE funds closed in 2019 are now entering their harvesting period. Over the next two years, funds raised and deployed in the exuberant COVID-rebound period of late 2020 / early 2021 will also enter their harvesting stage.

Higher asset prices, low credit spreads and good availability of equity and debt capital should support an improvement in transaction activity. We saw a modest pick up in M&A in the latter half of 2024 and 2025 is off to a strong start. This week it was announced that Paychex is acquiring its rival payroll processor, US-listed Paycor HCM. This transaction sees Apax Partners exit its majority stake in Paycor, generating a 3.3x gross MOIC and 26% gross IRR. Encouragingly, the realisation is a c.70% uplift to Apax Global Alpha’s (Apax’s listed feeder fund) carrying value at 30 September. After a stark few years PE-sponsored IPOs are also expected to gain better traction this year. HBX Group, a Spanish based B2B TravelTech company owned by Cinven and CPPIB, is reported to be planning an IPO worth >\$1 billion. Momentum has been evident as we move into 2025 and the improvement in transaction activity should drive greater PE NAV growth.

In contrast to weaker private equity fundraising over the past few years, private debt has experienced tremendous growth, with credit strategies dominating new capital raised by listed Alternative

Asset Managers (AAMs) in recent years. According to Preqin, global private debt AUM grew to \$1.6 trillion in 2024. Private credit has largely been synonymous with corporate direct lending, often to finance PE buyouts, and this has attracted most of the capital raised. However, growth is slowing, and managers are expanding to new areas. Top priorities are private investment-grade debt, particularly related to infrastructure and asset-backed finance.

Both Apollo and KKR estimate that the total addressable market for credit is c.\$40 trillion across both public and private. Credit will continue to be a key growth strategy for AAMs. A significant driver of growth is the high demand from insurance companies, as AAMs offer strategies that provide better returns than corporate bonds whilst remaining relatively low risk. The push by AAMs into insurers began with Apollo managing the assets of Athene, the insurer created amidst the post-GFC market dislocation. Blackstone, KKR and Brookfield, to name a few, have all struck significant deals to acquire insurers or manage their assets. This week, Sixth Street announced a tie up with Northwestern Mutual to manage \$13 billion of the insurer’s assets as well. It will invest in asset-backed finance, opportunistic real estate and infrastructure debt.



Portfolio Summary

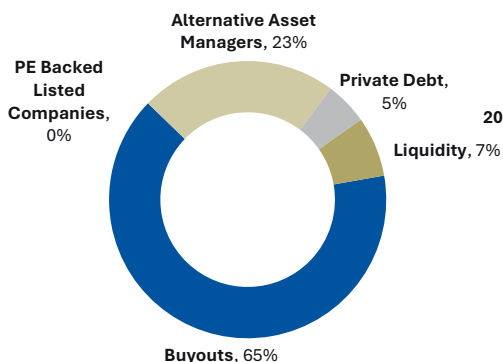
Monthly Contributors & Detractors

Contributors	Currency	Return
HarbourVest Global PE	GBP	+7.5%
Eurazeo	EUR	+3.5%
Oakley Capital Investments	GBP	+3.9%

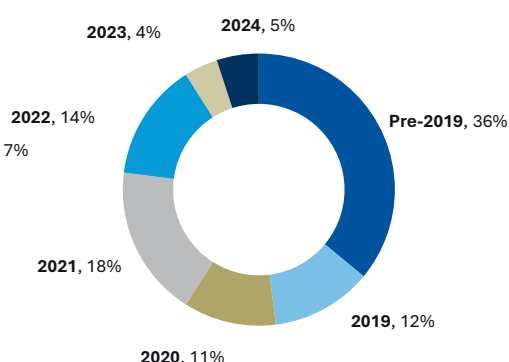
Detractors	Currency	Return
Blackstone Group Inc	USD	-9.8%
KKR & Co Inc	USD	-9.2%
Brookfield Business Corporation	USD	-10.3%

Underlying Investment Exposures on a Look Through Basis

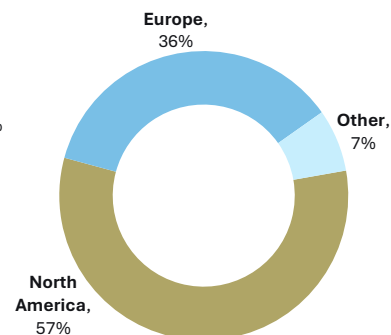
Investment Classification



Vintage Year



Geographic Exposure



Five Largest Holdings by Weight

Company	Type
Eurazeo	Buyouts
Blackstone Group	Alternative Asset Managers
KKR & Co Inc	Alternative Asset Managers
Harbourvest Global PE	Buyouts
Hg Capital Trust plc	Buyouts



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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