

# Pareturn Barwon Listed Private Equity Fund

## Monthly Report January 2025

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 EUR, GBP and USD share classes.

### Net Performance as at 31 January 2025

Net Return	Unit Price	1 month	3 months	1 year	3 years p.a.	5 years p.a.	ITD p.a.
Class I - EUR <sup>1</sup>	720.07	1.7%	9.6%	23.3%	10.1%	13.9%	13.8%
Class G – GBP <sup>2</sup>	589.79	2.9%	8.6%	20.7%	10.1%	13.6%	14.0%
Class U – USD <sup>3</sup>	632.83	2.1%	5.0%	17.8%	7.3%	12.2%	10.4%

1. Inception date 30 November 2012

2. Inception date 4 December 2012

3. Inception date 17 June 2013

### Market Commentary

Early in February, two members of the team travelled to London and met with a number of listed private equity managers. The organic earnings growth of underlying portfolio companies over 2024 in private equity portfolios appears to be tracking close to 10%, suggesting a stable to modestly slowing growth environment. Another key observation, similar to the start of last year, was that the consensus view amongst PE managers was an expectation of greater portfolio turnover, and importantly, realisations of PE investments this year.

Compared to the beginning of 2024, this year was preceded by signs of an improving M&A transaction environment over the last 2 quarters. Improved clarity on the trajectory of inflation and interest rates over the past 12 months has supported this. Credit market conditions have also continued to improve and become remarkably favourable for borrowers. The cost of borrowing has declined by about 250bps over the past 12 months as base rates have declined and capital has continued to pour into credit markets, leading to spread compression. After many records were set in the leveraged loan market in 2024, January set a new record for loan repricing with \$138bn of repricings, as corporates continued to capitalise on declining borrowing costs and borrower-friendly structures on offer. January also saw a surge in M&A volume, with \$19bn of new volume, the second highest level in three years.

HarbourVest Global Private Equity, a listed PE fund with a highly diversified PE and venture capital funds portfolio, has recently guided to \$609m in distributions (equivalent to 14% of portfolio value) for 2025. This is a substantial step up from 2024 which saw \$377m in distributions (9% of portfolio value) but still below average distribution rates of between 20% to 25% of portfolio value through the market cycle. The recovery in M&A transactions, and particularly realisations of private equity investments will be an important driver of strong returns and higher NAV

growth, which will in turn support improved share prices and the narrowing of discounts. The average discount to NAV on which our holdings in listed PE funds trade remains close to 30%, offering an attractive margin of safety on prospective returns.

Along with our greater engagement with Boards, we have observed increasing corporate action across the listed PE sector. This includes share repurchases which are NAV accretive, partial sales of PE portfolios on the secondary market to improve balance sheet liquidity and, in some cases, activist investors which can be helpful in spotlighting the investment opportunity.



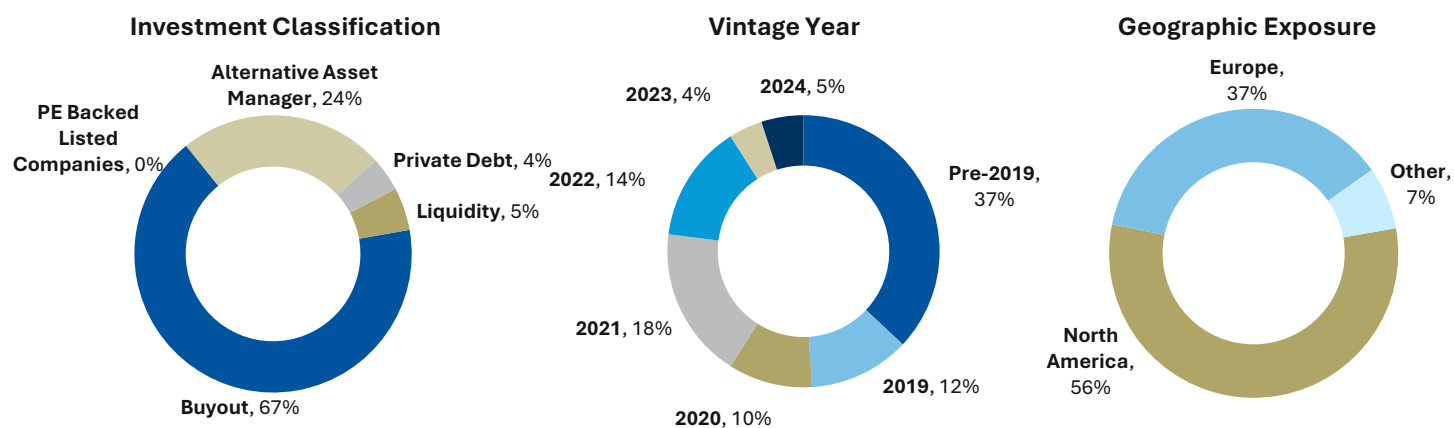
## Portfolio Summary

### Monthly Contributors & Detractors

Contributors	Currency	Return
KKR & Co	USD	+13.0%
Eurazeo	EUR	+10.7%
ICG plc	GBP	+14.7%

Detractors	Currency	Return
Apax Global Alpha	GBP	-4.9%
Partners Group Private Equity Ltd	EUR	-5.1%
Compass Diversified	USD	-6.9%

### Underlying Investment Exposures on a Look Through Basis



### Five Largest Holdings by Weight

Company	Type
Eurazeo	Buyout
KKR & Co	Alternative Asset Manager
Blackstone Group	Alternative Asset Manager
HarbourVest Global Private Equity	Buyout
ICG plc	Alternative Asset Manager



## Key Information

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

\* Founder share class open for limited time.

## Key Contacts

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