

# Pareturn Barwon Listed Private Equity Fund

## Monthly Report February 2025

The Pareturn Barwon Listed Private Equity Fund (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 28 February 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>	707.03	-1.8%	-1.1%	18.9%	10.8%	15.3%	13.5%
Class G – GBP <sup>2</sup>	571.74	-3.1%	-1.7%	14.6%	10.3%	14.4%	13.6%
Class U – USD <sup>3</sup>	621.64	-1.8%	-2.6%	14.2%	8.0%	13.9%	10.1%

1. Inception date 30 November 2012

2. Inception date 4 December 2012

3. Inception date 17 June 2013

### Market Commentary

Following significant engagement with the Chairman, private equity veteran Peter McKellar, we are pleased that London-listed Partners Group Private Equity Limited has recently announced revised fee terms with its manager, Partners Group. The management fee basis has changed from total portfolio value to net asset value. This only offers a modest cost saving on today's balance sheet but is a sensible change to methodology. The revision to the incentive fee is more significant. The incentive fee is now 15% on NAV growth with a high watermark. Previously, it was 15% of profit per investment, before management fees and other operating expenses were accounted for. This significantly improves alignment and shareholder protection against unfair outcomes. We only have to look at the last 2.5 years to 30 June 2024 to see the potential for unfair outcomes under the old performance fee mechanism. Partners Group generated €42.7M in incentive fees (equivalent to 4.0% of opening NAV) while PGPE's NAV growth over that same period was only 1.6% p.a. There is however one missing piece, and that is the absence of a minimum or preferred return hurdle. Nonetheless, as shareholders, we are pleased with the development overall, and will continue to engage with boards to improve terms for shareholders where appropriate.

Wendel reported annual results during the month. Wendel's portfolio is comprised of 80% public and private equity investments and 20% alternative asset management businesses (IK Partners and Monroe Capital). The 16.9% NAV growth in 2024 was driven primarily by its largest investment in publicly listed testing and inspection company, Bureau Veritas. Its recent acquisition of European private equity manager IK Partners is performing ahead of plan. IK's fee-related earnings (FRE) in 2024 came in at €70m, well above the €60m budget. Combined with the double-digit percentage growth outlook, the c.12.5x FRE multiple paid for the business looks even more attractive of an entry price.

Wendel trades at a wide discount to NAV of 48%, and continues to actively repurchase shares. It spent €92.5m on share buybacks in 2024 adding almost 1% to NAV per share. Wendel is a relatively new addition to the portfolio (although we had previously invested in the stock back in 2019).

The share prices of the Alternative Asset Managers ("AAMs") have been highly volatile over the past few weeks. The uncertainty arising from US government policies spanning newly introduced tariffs to spending cuts has resulted in a slower than expected start to the year for transaction activity and will likely push back a recovery in activity as markets digest the extent of the impacts. This has resulted in the share prices of the AAMs giving back their outsized "Trump bump" gains. Credit spreads, which the sector has historically traded with a high correlation to, have also started to widen on the back of the volatility after contracting ~150bps over the preceding 18 months to near record lows. With the decline in share prices, the AAM sector valuations have reverted back to a more attractive level last seen in early 2024. Fundamentally, the AAMs continue to grow earnings strongly off the back of continued success in fundraising, particularly in private credit and through private wealth channels for newly launched evergreen products.

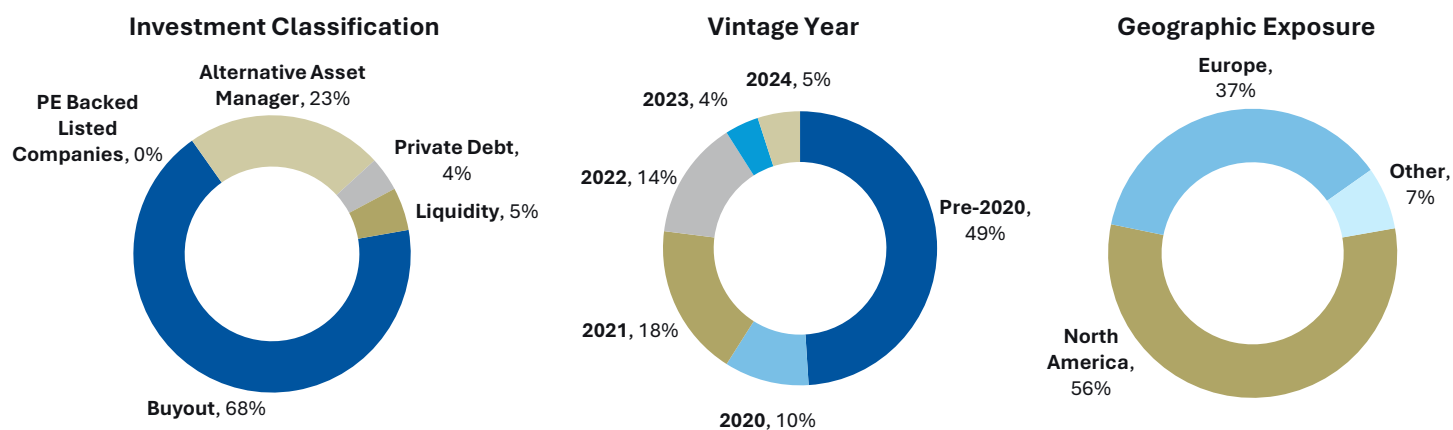
## Portfolio Summary

### Monthly Contributors & Detractors

Contributors	Currency	Return
Brookfield Business Partners LP	CAD	+14.5%
NB Private Equity Partners	GBP	+1.4%
Hg Capital Trust	GBP	+0.8%

Detractors	Currency	Return
KKR & Co	USD	-18.7%
Blackstone Group	USD	-8.2%
Apollo Global Management	USA	-12.5%

### Underlying Investment Exposures on a Look Through Basis



### Five Largest Holdings by Weight

Company	Type
KKR & Co	Alternative Asset Manager
Eurazeo	Buyout
Blackstone Group	Alternative Asset Manager
HgCapital Trust	Buyout
Apax Global Alpha	Buyout

## 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

<b>Distribution Partner</b>	<b>Cadarn Capital</b> Tom Dixon: +44 78131 01790   <a href="mailto:tom@cadarncapital.com">tom@cadarncapital.com</a>   <a href="http://cadarncapital.com">cadarncapital.com</a>
<b>Delegated Fund Manager</b>	<b>Barwon Investment Partners Pty Ltd</b> Bob Liu: <a href="mailto:bob.liu@barwon.net.au">bob.liu@barwon.net.au</a> Unit Registry and Operations team: <a href="mailto:investors@barwon.net.au">investors@barwon.net.au</a>
<b>BNP Securities Services (Luxembourg)</b>	<a href="mailto:lux.ta.bp2sclientservices@bnpparibas.com">lux.ta.bp2sclientservices@bnpparibas.com</a>



### Contact Us

+61 2 9216 9600  
Barwon Investment Partners  
Level 7, 275 George St,  
Sydney NSW 2000 Australia  
[investors@barwon.net.au](mailto:investors@barwon.net.au)  
[www.barwon.net.au](http://www.barwon.net.au)

### For more Information

**Sam Armstrong** [sam.armstrong@barwon.net.au](mailto:sam.armstrong@barwon.net.au)  
**Bob Liu** [bob.liu@barwon.net.au](mailto:bob.liu@barwon.net.au)

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