

Barwon Global Listed Private Equity Fund

Monthly Report February 2026

The Barwon Global Listed Private Equity Fund (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 28 February 2026

	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}	-9.7%	-10.5%	-10.3%	8.1%	5.9%	10.6%	6.6%

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	0.9446
Entry Price	0.9474
Exit Price	0.9418

Market Commentary

Negative sentiment surrounding private credit intensified over the month, driving down the share prices of listed alternative asset managers and BDCs. The Fund continues to maintain a low exposure to listed BDCs with just one holding and has increased its exposure to alternative asset managers.

Private credit funds, and specifically ‘semi-liquid’ direct lending funds, are currently facing a liquidity problem, not a credit quality problem. The rising threat of AI disruption to software businesses, which represent 20-30% of many BDC loan books, have raised concerns over the valuation of software businesses and their ability to service, refinance or repay their debt. So far, this is almost entirely sentiment or anxiety driven. Actual credit issues we have observed have been idiosyncratic. In a perverse way, the strong credit quality to date has compounded the liquidity problem. Semi-liquid direct lending funds provide a quarterly liquidity facility at NAV. The offer of capital back at NAV can be enticing when loans are marked at close to par, and there is a question mark over valuations, and a secondary market (i.e. publicly traded BDCs) trading at a 25%+ discount to NAV.

In times of market capitulation, significant pricing inefficiency arises in listed PE. This has led to a number of portfolio changes during the month amidst the volatility.

Firstly, we fully exited one of the Fund’s largest holdings, HgCapital Trust (HGT), a listed private equity fund specialising in enterprise software investments. Although we added to the position in January on the back of weakness, the share price unexpectedly de-coupled from the rest of the listed software sector and bounced over 20% in the first half of February. We understand there was significant demand from an incoming family office investor, and we believe the market remained overly anchored in HGT’s historical discount/premium.

We also believe the market underappreciates the “hidden” leverage in HGT through its fund NAV facilities and subscription lines (20% of NAV) and the significantly higher leverage in its portfolio of software businesses compared to listed peers (7.3x vs ~1x ND/EBITDA), both of which serve to amplify pressure on valuation multiples. We took the opportunity to exit at less than a 20% discount to its 31 Dec NAV. Ultimately, it boiled down to valuation for HGT as we continue to maintain conviction that it has a high quality portfolio of leading enterprise software businesses. Hg, the manager, has an outstanding track record and put itself in a strong position to capitalise on AI opportunities with its recently formed 80+ person dedicated AI function working across its portfolio companies.

During the month, we added to our exposure to three alternative asset managers: KKR, TPG, and ICG. When we consider direct lending and software exposures across their platforms, we believe the sector, and particularly these three names, are oversold. Business fundamentals at KKR have remained robust with record fundraising of \$129bn in 2025 supported by strong inflows into Global Atlantic and their K-series products. KKR now trades at ca. 15x 2026E FRE (down from 30x at the start of December). In the case of TPG, we believe there is a misperception that TPG has relatively outsized exposure to software. Although the group has historically been big investors in the sector, it now only represents 18% of private equity AUM and 11% of group AUM. The majority of TPG’s PE software investments were made in the last two years which largely avoided the peak valuations/leverage period of preceding years and with an awareness of potential AI disruption. In terms of private credit exposure through Angelo Gordon, software only represents 2% of its private credit AUM. We continue to expect mid-teen forward FRE growth driven by flagship fundraising which is already underway with good momentum. TPG raised a record \$51bn in 2025 and we expect a similar amount in 2026.

Market Commentary (Continued)

Blue Owl Capital Inc (OWL) has seen the largest decline in its share price (down ca. 60% from its 12 month peak). Similar to other private credit funds, OWL's non-traded BDCs have seen elevated rates of redemption requests and a slowdown in inflows. It has also received extra attention due to OTIC, its technology-focused BDC. While OWL is perhaps best known for direct lending, it is worth acknowledging the increasing diversification of its revenue base away from direct lending strategies. Of the record \$42bn raised in 2025, 70% was raised outside of direct lending strategies. Strategies outside of direct lending have doubled in revenue over the past two years and now represent half its management fee revenue base. For example, they managed \$27bn in Real Assets in 2023 which has increased to over \$80bn driven by the acquisition of digital infrastructure group IPI and tremendous success in both its net lease drawdown fund and non-traded net lease REIT. OWL's GP stakes business also continues to perform well and has branched into GP-led secondaries recently raising \$2.5bn for its first-time fund. The key risk remains direct lending and to a lesser extent the potential for broader brand damage but it is a more diversified business than appreciated. OWL's now discounted share price, which sits below its 2021 listing price, values the business at ~12x LTM FRE making it a compelling investment in the context of the resilience of its broader platform.



Portfolio Summary

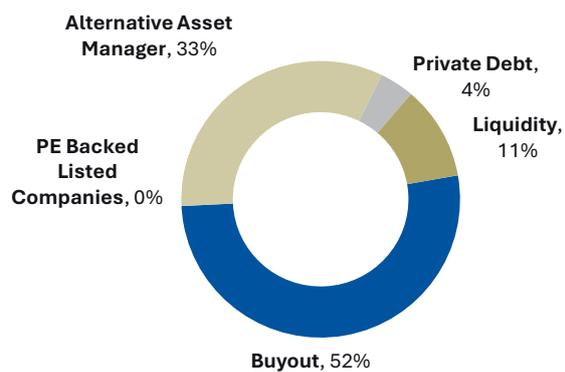
Monthly Contributors & Detractors

Contributors	Currency	Return
Wendel SE	EUR	+9.3%
HgCapital Trust	GBP	-4.9%

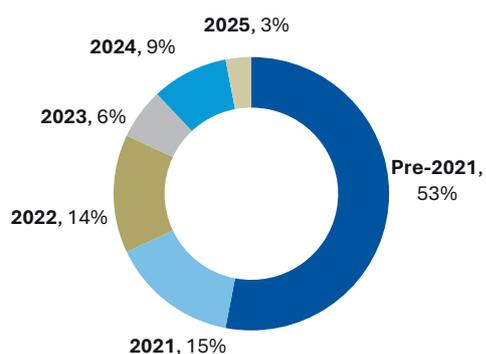
Detractors	Currency	Return
KKR & Co	USD	-23.1%
Blackstone Inc	USD	-19.5%
Onex Corp	CAD	-12.6%

Underlying Investment Exposures on a Look Through Basis

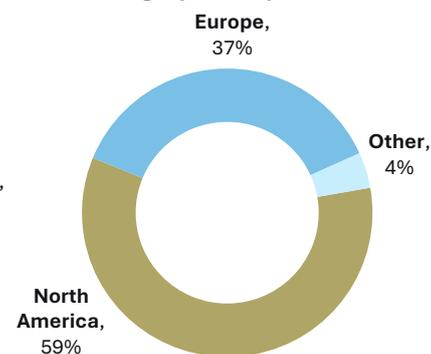
Investment Classification



Vintage Year



Geographic Exposure



Five Largest Holdings by Weight

Company	Type
HarbourVest Global Private Equity	Buyout
Oakley Capital Investments	Buyout
Onex Corp	Buyout
Blackstone Group	Alternative Asset Manager
KKR & Co	Alternative Asset Manager

Key Information

Trustee & Manager	Barwon Investment Partners Pty Ltd
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 available to wholesale investors through direct applications with Barwon or investment platforms as well as can be accessed via licensed intermediaries such as financial advice providers. Please visit the following webpage for more information on the Access Fund, including its platform availability and research ratings: [Barwon Global Listed Private Equity Fund AF - Barwon Investment Partners](#)



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