

# PARTNERS GROUP GLOBAL INCOME FUND (ASX:PGG) Monthly report as of 31.08.2021

Listing date

NTA per unit

frequency

Target distribution	Current distribution	Yield to 3yr	# of loans
RBA+4.0%	RBA+4.6%	7.9%	389

Key facts
In AUD

The target distribution is only a target and may not be met.

Net performance based on NTA (%)								
	1 month	3 months	6 months	1 year	3 years	5 years	Since inception	
Total return	0.94%	1.57%	3.17%	11.97%	-	-	5.68%	

Market 521'373'751

Past performance is not indicative of future results, there is no assurance that similar results will be achieved. Partners Group (2021). Performance figures are net of PG and underlying fees.

Total NTA	532'819'278

Monthly distribution based on \$2.00 issue price (%)													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2020	0.4%	0.4%	0.4%	0.4%	0.4%	0.7%	0.4%	0.4%	0.4%	0.4%	0.3%	0.3%	4.6%
2021	0.3%	0.3%	0.3%	0.3%	0.3%	0.7%	0.3%	0.3%	-	-	-	-	3.1%

ASX price 1.90

Net	erformance since inception	
	2.50	
_	2.00	
AUD	1.50	NTA per unit
Price (AUD)	1.00	ASX price
	0.50	
	0.00 10/19 12/19 02/20 04/20 06/20 08/20 10/20 12/20 02/21 04/2	1 06/21 08/21
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Leverage (%) 39.76%

Distribution

Responsible entity

Equity Trustees

31.08.2021

26 09 2019

1.94

Monthly

Limited

Monthly update

Portfolio activity

# New/increased exposures: 14

# Exited/reduced exposures: 4

For August, the monthly net performance (change in NTA plus distributions made) per unit was 0.94%. PGG continues to distribute its distribution target of RBA +4% per annum.

During the month, PGG added ten new companies directly to its portfolio across the hotels, consumer products, financials, technology, media, healthcare, consumer staples and packaging sectors and increased its exposure to four existing companies in which we hold strong credit conviction. The Fund exited its exposure in four companies due to a combination of there being relatively more attractive opportunities and refinancing activity. The portfolio continues to be fully deployed, with no defaults.

# Market activity

The leveraged loan market improved in August, after the small pullback in July 2021. The US S&P Leveraged Loan Index returned 0.5%, resulting in a performance of 3.8% since the start of 2021. In Europe, the ELLI index (hedged to USD) improved by 0.5%, bringing the index's YTD return to 4.4%.

In the US, the weighted average bid of the LLI advanced 21 bps in August to 98.25, driven mainly by secondary prices. As delta variant cases continue to concern investors, the industries hardest hit by the initial COVID-19 pandemic have underperformed the overall index, while Healthcare outperformed. Yield-to-maturity remain compressed, near all-time lows at an average 4.27%, which has continued to entice investors to finance lower-rated loans.

In Europe, the ELLI index sustained its positive trend, ending August at a weighted average bid of 98.82, a price higher than pre-COVID levels. Single-B loans were the best performing class during the month, outperforming both the triple-C and double-B credits. Even during a typically quieter month of the year, the ELLI saw relatively high CLO creation, as refinancing and M&A activity continue to drive supply and demand, respectively.

## Portfolio strategy

The investment objective is to provide monthly income through exposure to a diversified pool of global private debt investments.

The investment strategy is to access a diversified portfolio of private debt investments through active origination, portfolio construction and risk management. The strategy will be implemented by dynamically allocating investments across the following three distinct private debt strategies:

- The First Lien loan strategy, representing 60-100%
- The Second Lien and Subordinated loan strategy, representing 0-20%
- The Special Situations strategy, representing 0-25%



### Portfolio diversification Investments by industry sector Investments by concentration Investments by country A Health Care Providers & Services 10% I Commercial Services & Supplies **A** 1 - 10 A USA 3% 7% G 61 - 70 5% 52% G Australia 2% 10% J Specialty Retail **B** 11 - 20 **7% H** 71 - 80 3% 4% B United Kingdom 16% H Sweden 2% B Software c Diversified Consumer K Insurance 3% C 21 - 30 **6% I** 81 - 90 4% C France 8% | Switzerland 2% 8% **D** 31 - 40 **6% J** 91 - 100 4% J Belgium L Health Care Technology 4% **D** Germany 1% D Hotels, Restaurants & Leisure 6% M Chemicals 3% **E** 41 - 50 **5% K** 101+ E Netherlands 4% K Others 5% E IT Services 5% **F** 51 - 60 5% 4% N Aerospace & Defense 2% F Spain G Diversified O Health Care Equipment & 2% Supplies F Media 5% P Other 4% H Food Products

Largest 10 companies				
Company name	Country	Industry sector	Seniority	In %
Cognita Schools	UK	Diversified Consumer Services	First Lien	1.0%
Upstream Rehabilitation	USA	Health Care Providers & Services	Second Lien	0.8%
Sivantos	USA	Health Care Equipment & Supplies	First Lien	0.8%
Tandvitaal	Netherlands	Health Care Providers & Services	First Lien	0.8%
Motor Fuel Group	UK	Specialty Retail	First Lien	0.8%
Icon Group	Australia	Health Care Providers & Services	First Lien	0.8%
Sedgwick	USA	Insurance	First Lien	0.8%
Hotelbeds	Spain	Hotels, Restaurants & Leisure	First Lien	0.8%
Axel Springer	Germany	Media	First Lien	0.7%
Nestle Skin Health	Switzerland	Personal Products	Special Situation	0.7%
Total largest 10 companies				7.9%
Strictly Confidential				

## **About Partners Group**

Partners Group is one of the largest private markets investment managers in the world.

Founded in Switzerland in 1996, we have endeavoured to be an innovative investment partner to clients and business partners worldwide. Over the last 25 years we have grown from our headquarters in Zug, Switzerland to 20 offices globally with more than 1,500 professionals. Partners Group's investment approach encompasses private equity, private real estate, private debt, private infrastructure and liquid private markets investments. Our focus is investing in quality companies and assets with growth and development potential. We proactively source these investment opportunities in different markets through our large, local investment teams and network of industry experts.

MacquarieWrap, BT Wrap, Asgard, BT Panorama, CFS FirstWrap, Netwealth, MLC (Investment only),

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Past performance is not indicative of future results, there is no assurance that similar results will be achieved. Partners Group (2021). Performance figures are net of PG fees. Monthly Update and Portfolio strategy: For illustrative purposes only. Largest 10 companies: For illustrative purposes only. Diversification does not ensure a profit or protect against loss. Yield to 3yr is a levered yield that includes all assets accruing interest, and assumes no basis adjustment with no hedging costs. Leverage is calculated using total borrowing across various currencies at the current FX rate, excluding trade date cash, divided by NTA in AUD. Leverage is calculated on the portfolio level.

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