



# Partners Group

REALIZING POTENTIAL IN PRIVATE MARKETS

PGG Update – June 26<sup>th</sup> 2023

Hello, my name is Andrew Bellis.

This is our sixth update of 2023.

We are now almost at the end of the first half of the year. As noted in the last monthly update we did, as expected come to a resolution in the US for the debt ceiling to be expanded. Financial markets as a whole reacted positively, although over recent days some of that optimism has faded. Despite a pause in rate hikes in the US the language from the Federal Reserve is still hawkish and we have seen further rate rises in Europe and the UK. So, whilst we are nearly at the peak of the interest rate cycle we are not quite there yet. However, in the context of the last 12 months the level of volatility we have seen in financial markets generally; including those in which the Fund invests are substantially lower.

In May, the monthly net performance (change in NTA plus distributions made) per unit was a slightly disappointing negative 0.10%. However year-to-date returns are positive 6.66% for the first 5 months of the year. In addition, the Fund continues to provide its distribution target of RBA +4% per annum.

Whilst the performance in May represents underperformance of a little under 0.5% versus the global loan index, on a year-to-date basis to the end of May the Fund has strongly outperformed, by around 1.5%. In the month of May the average price of the Fund decreased from 94.9 per cent of par to 94.5, resulting in a higher current yield of 11.7% given their inverse relationship.

During the month, the Fund continued to increase its direct debt allocation by investing in a leading designer and manufacturer of proprietary rotational-molded poly, welded steel bulk store and material handling products. The company is the market leader in North America with a competitive moat driven by 50+ year brands, diverse customer relationships (>5000 customers), largest product selection and broadest manufacturing footprint (40+ locations).

We also continued to pro-actively manage the syndicated portion of the Fund's portfolio; we reduced or exited some first lien loans with depreciating fundamentals: a leader in sports management, marketing and media; an American computer and network security company; and a global leader in veterinary care. Meanwhile there were investments in several broadly syndicated loans, including a leading independent distributor of foodservice and industrial packaging which benefits from its defensive positioning and published very good earnings over the past quarters; one of the market leaders in indoor air quality and critical ventilation; and a European company focusing on healthy and sustainable food.

**Partners Group Private Markets  
(Australia) Pty Limited**

Level 32, Deutsche Bank Place  
126 Phillip Street  
Sydney, NSW, 2000 Australia

T +61 2 8216 1900  
pgaustralia@partnersgroup.com  
www.partnersgroupaustralia.com.au

ABN 13 624 981 282  
AFSL 509285



# Partners Group

REALIZING POTENTIAL IN PRIVATE MARKETS

The Fund experienced one default over the month of May: a U.S. provider of outsourced medical and outpatient services. Partners Group signed an agreement that we expect will result in Partners Group taking part ownership in the company and maximize principal recovery. There is no material impact to the NTA as a result of this.

Whilst we are approaching the summer months which tend to be relatively quiet periods in terms of new investment activity, we have seen in recent weeks an increase in activity with the pipeline more weighted to Europe, particularly on the Direct Debt opportunities.

Many thanks, Andrew

Equity Trustees Limited ("Equity Trustees") (ABN 46 004 031 298), AFSL 240975, is the Responsible Entity for the Partners Group Global Income Fund. Equity Trustees is a subsidiary of EQT Holdings Limited (ABN 22 607 797 615), a publicly listed company on the Australian Securities Exchange (ASX: EQT) and is the Responsible Entity. This update has been prepared by Partners Group Private Markets (Australia) Pty Ltd ACN 624 981 282 AFSL 509285 ("PGA"), to provide general information only. In preparing this update, we did not take into account the investment objectives, financial situation or particular needs of any particular person. It is not intended to take the place of professional advice and you should not take action on specific issues in reliance on this information. Neither PGA, Equity Trustees nor any of their related parties, employees or directors, provide any warranty of accuracy or reliability in relation to such information or accepts any liability to any person who relies on it. Past performance should not be taken as an indicator of future performance. You should obtain a copy of the Product Disclosure Statement before making a decision about whether to invest in this product.

The advice provided in this investor call script is provided by PGA. Any advice provided is general financial product advice only and does not take into account your objectives, financial situation or needs. Before acting on the advice, you should consider how appropriate it is having regard to your objectives, financial situation and needs. You should consider the product disclosure statement for the Partners Group Global Income Fund ARSN 634 678 381 (Fund), and consider talking to a financial adviser before making a decision to invest in, or continuing to hold interests in the Fund. Interests in the Fund are issued by Equity Trustees. The product disclosure statement for the Fund is available at [https://www.partnersgroupprivate.com.au/en/global\[1\]income-fund/global-income-fund-overview/product-disclosure-statement\[1\]pds/?pg\\_protection\\_id=28620-bn4sov9haddelr819veg](https://www.partnersgroupprivate.com.au/en/global[1]income-fund/global-income-fund-overview/product-disclosure-statement[1]pds/?pg_protection_id=28620-bn4sov9haddelr819veg).

PGA has been appointed as the promoter and the investment manager of the Fund by Equity Trustees in its capacity as responsible entity of the Fund. PGA may receive fees in these roles. These fees will generally be calculated as a percentage of the funds under management within the Fund. See section 7 of the PDS for further information about the management fee charged by the investment manager. You may request particulars of the fees that are paid to PGA and its related companies within a reasonable time of receiving the advice contained in this investor call script.