Partners Group

Global Income Fund Update – September 2025

As we head into the last few months of 2025 it's a good time to reflect on the global private credit market year to date and the outlook for the rest of the year and into 2026.

The private credit market; like all financial markets has been somewhat at the whim of continued noise over US tariff policy. We saw a limited reaction in early April where more liquid credit markets; such as the senior secured loan market traded off to some extent. However as the months have passed that limited sell off in more liquid markets has been reversed. To a large extent the market is ignoring the continued changes in tariff policy with many Public Equity markets at all time highs and credit spreads continuing to grind tighter.

Private or direct lending isn't exposed to volatility in the same way as the public markets and so wasn't impacted in the same way in April. However the more meaningful consequence was a further delay in the rebound of the M&A cycle and thus limiting new investment opportunities. Having said that; similar to how quickly the more liquid or public markets recovered we have also seen a meaningful pick up in activity in the direct lending markets in recent months and this has been most noticeable in the US.

As we look to the final months of the year and into 2026, absent a market shock we believe that activity levels will continue to increase in both the syndicated loan markets and the direct lending markets as the rebound in M&A and Private Equity activity continues. We view this as a positive for the Funds portfolio; it may lead to an increasing number of new investment opportunities and may also mean a continued flow of repayments on our existing loan portfolio.

Supportive to this rebound in M&A activity is the likely interest rate cuts that will come later this year in the US. This will also support existing companies through a gradual reduction in borrowing costs as well as promoting new private equity activity. It goes without saying that in an environment like this where markets are strong, we believe that maintaining investment discipline is incredibly important.

In terms of the Fund's portfolio we continue to be highly diversified across sectors and borrowers.[1] Diversification is incredibly important within Private credit due to its asymmetric return profile. With our focus on sectors such as business and financial services, IT services, software, and healthcare, we continue to believe our portfolio is relatively insulated from the effects of the tariffs that have been imposed to date by the US. We will continue to monitor the tariff situation very closely with regards to the underlying companies in the Portfolio.

1.Diversification does not ensure a profit or protect against loss.

In recent months we have continued to incorporate new direct lending positions into the portfolio such as a well-established Dutch accounting and advisory firm and one of the fastest-growing dental management companies in the United States. The direct proportion of the Fund is now well over 30%.

The fund has continued to distribute at its stated rate of RBA +4% each month and again it is important to note that our monthly published NTAs are calculated based upon third party valuations for each asset including with reference to market quotes where available.

Many thanks for your continued support, Andrew

Source: Partners Group 2025. Actual events and figures may differ and vary significantly. 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.partnersgroupaustralia.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.

Material notes to investors based in Australia
Where product is available for acquisition: The information provided in this [document] is provided by Partners Group Private Markets (Australia) Pty Limited ACN 624 981 282 AFSL 509285 (PGA). The information contained in this [document] is not financial product advice and does not take into account your objectives, financial situation or needs. You should consider how appropriate the information is having regard to your objectives, financial situation and needs. You should consider the PDS for the Partners Group Royalties Opportunities Fund, and consider talking to a financial adviser before making a decision to invest in, or continuing to hold, interests in the Partners Group Royalties Opportunities Fund. Interests in the Partners Group Royalties Opportunities Fund are issued by [the General Partner]. Please approach your Client Solutions representative for the PDS for the Partners Group Royalties Opportunities Fund.
Where product is not available for acquisition: The information provided in this [document] is provided by Partners Group Private Markets (Australia) Pty Limited ACN 624 981 282 AFSL 509285 (PGA). The information contained in this [document] is not financial product advice and does not take into account your objectives, financial situation or needs. You should consider how appropriate the information is having regard to your objectives, financial situation and needs. Interests in the Partners Group Royalties Opportunities Fund will be issued by [the General Partner]. You should consider the PDS for the Partners Group Royalties Opportunities Fund which will be made available when the Partners Group Royalties Opportunities Fund is released, and consider talking to a financial adviser before making a decision to invest in interests in the Partners Group Royalties Opportunities Fund.

PARTNERS GROUP