

# PARTNERS GROUP GLOBAL REAL ESTATE FUND (AUD)

## Monthly report as of 30 September 2020

### September NAV per share increased 1.6%

In September, the NAV per share of the Partners Group Global Real Estate Fund (AUD) increased 1.6%, resulting in annualized performance since inception of 6.4% and cumulative performance since inception of 23.5%. Below we provide an overview on recent rent collection efforts and a new investment opportunity.

The Fund's existing portfolio continues to perform well; considering the current economic situation. More specifically, rent collection continues to improve over recent months. As of 31 July 2020, with respect to Partners Group's entire real estate-controlled portfolio, the percentage of unresolved rent collection amounted to 6.2%. Since then, thanks to Partners Group's asset management team's persistent efforts, we managed to bring this percentage down to only 3.5%, as of 31 August 2020. This level is consistent with our observations before the COVID-19 breakout. Partners Group also managed to considerably improve the rent collection for its retail assets. Even though retail only represents about 4% of the Fund's investment portfolio, we keep working particularly hard on this part of the portfolio. As a result, we managed to reduce the percentage of unresolved cases on the retail portfolio from 23.8% as of 31 July 2020 to 15.1% as of 31 August 2020. With the second wave of COVID-19 now hitting many countries in the northern hemisphere, it is hard to predict how these figures will continue to develop. Going forward, Partners Group remains determined to manage our tenant relationships, as best as possible, for the benefit of the Fund.

Additionally, we are happy to report a planned new investment which has been approved by Partners Group's investment committee. Signing with the seller is scheduled for around mid-November, with the closing of the investment to occur shortly after the New Year. Partners Group plans to acquire a portfolio of about 500 residential units mainly located in Milano, Italy. The units are currently over 90% occupied, which translates into a net rental income yield of 5-6% at entry. Currently, the units are about 40-50% under market rates, due to outdated leasing contracts and limited asset management initiatives over the last decade. Partners Group's business plan is to refurbish and upgrade a large number of the residential units, and then bring rents closer to market levels, which still remain around 13% below pre-COVID levels. While it is our intention to achieve attractive returns on this investment on behalf of the Fund, we also intend to strike the right balance in terms of our ESG considerations. At exit, we plan to achieve a net rental income yield closer to 9-12%. We like this investment as it is consistent with our relative value assessment and intention to increase the Fund's allocation to residential.

**Redemptions are currently being limited as a result of the Master Fund restricting redemptions to 2.5% per quarter.**

**IMPORTANT INFORMATION:** We would like to remind investors that redeeming their holdings in the Fund is subject to restrictions as set out in the Fund's constituent documents, including being subject to the ability of the Fund to redeem its holdings in the Master Fund. Net redemptions are generally subject to a maximum of 5% per calendar quarter expressed as a percentage of the net asset value at the end of the preceding quarter. These percentages may be lowered further to 2.5% (limited to a maximum of 2 consecutive years) if this is deemed in the best interest of the Master Fund.

Key figures			
In AUD	31.08.2020	30.09.2020	YTD
NAV per share	1.1958	1.2154	-6.9%
Master Fund size (in million)	283.89	304.05	
Investment level	97.5%	93.2%	
Performance (since inception)	21.5%	23.5%	
Monthly volatility (since inception)	4.9%	4.8%	

Performance	
MTD	1.6%
3M	-1.7%
1Y	-4.7%
ITD	6.4%
Annualized volatility	4.8%

Largest five direct investments		
Asset	Region	Sector
1. Project Omega	WEU	Office
2. Project Moon (Beijing office and retail asset)	APC	Office
3. The Complex	APC	Office
4. UK Light Industrial Portfolio	WEU	Industrial
5. Project Creekside	NAM	Industrial

Largest five partnership investments	
Project	Instrument
1. Project Cargo	Secondary
2. Project Acadia (US diversified fund portfolio)	Secondary
3. Florida Office Portfolio (Fairway)	Secondary
4. 20 Cecil Street (Singapore office)	Secondary
5. Peakside Real Estate Fund III, SCS	Primary

### Monthly net performance - hedged (APIR ETL0480AU)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2017					0.8%	0.7%	1.1%	0.8%	0.7%	1.2%	1.9%	0.7%	8.2%
2018	-0.1%	0.0%	1.4%	2.4%	0.6%	2.2%	-0.5%	0.9%	1.1%	-0.2%	-0.1%	3.0%	11.1%
2019	1.2%	0.6%	1.0%	0.5%	0.2%	1.5%	-0.3%	1.1%	1.8%	0.0%	0.5%	1.8%	10.3%
2020	1.0%	0.9%	-5.4%	-1.8%	0.4%	-0.2%	-1.8%	-1.5%	1.6%				-6.9%

Past performance is not indicative of future results. There is no assurance that similar investments will be made nor that similar results will be achieved.

### Monthly net performance - unhedged (APIR ETL6184AU)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2017					1.1%	-1.6%	-1.9%	1.3%	1.6%	2.9%	2.4%	-1.5%	4.2%
2018	-3.4%	3.3%	2.4%	2.9%	0.5%	3.0%	-0.6%	4.5%	1.1%	1.3%	-2.3%	5.8%	19.6%
2019	-1.3%	2.2%	1.2%	1.1%	1.2%	0.5%	1.1%	2.7%	1.7%	-1.4%	1.9%	-0.7%	10.7%
2020	4.5%	3.4%	-1.4%	-4.6%	-0.2%	-1.7%	-3.3%	-2.6%	2.8%				-3.4%

Past performance is not indicative of future results. There is no assurance that similar investments will be made nor that similar results will be achieved. The figures shown in grey before the inception of the unhedged share class represent those of the Partners Group Global Real Estate FCP (Master Fund) converted to AUD.

## Monthly report as of 30 September 2020

The Partners Group Global Real Estate Fund (AUD) is an Australian Unit Trust with the objective of achieving long-term capital appreciation by investing in a global portfolio of real estate investments diversified by geographies, financing stages and property types. The investment strategy is led by Partners Group's relative value investment approach to optimise risk-adjusted returns by systematically overweight those segments and investment types that offer attractive value at a given point in time.

The Fund allows investors to subscribe and redeem shares on a monthly basis, thus avoiding the long lock-up periods common in most private real estate funds. The Fund may hedge certain currency exposure to reduce the risk of foreign exchange movements. The Fund is a feeder fund that invests in Partners Group Global Real Estate FCP ("Master Fund").

### Rated by

Lonsec (Highly Recommended) - Zenith (Recommended)

### Platforms

Macquarie Wrap, Hub24, Morgan Stanley, BT Panorama, BT Wrap, Netwealth

### Contact details

Partners Group Private Markets (Australia) Pty. Ltd.  
Level 32, Deutsche Bank Place  
126 Phillip Street  
Sydney NSW 2000  
Australia

Phone: +61 (2) 8216 1900

Fax: +61 (2) 8216 1901

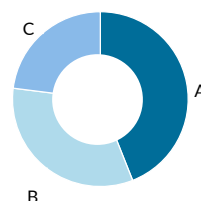
[www.partnersgroupaustralia.com.au](http://www.partnersgroupaustralia.com.au)

### Key facts

Launch date	15.4.2017
Financial year-end	30 June
Term	Open-ended structure
Currency	AUD
Management fee	1.75% p.a.
Distribution	net income distributed on an annual basis
APIR	ETL0480AU
ARBN	130 021484

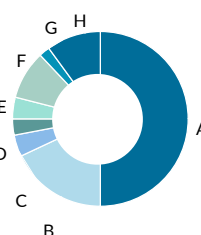
### Portfolio composition

#### Investments by regional focus



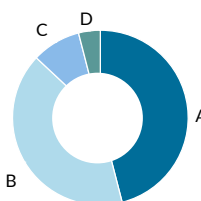
A	North America	44%
B	Europe	33%
C	Asia-Pacific	23%

#### Portfolio assets by real estate property type



A	Office	50%
B	Industrial	18%
C	Retail	4%
D	Mixed use	3%
E	Diversified	4%
F	Residential	9%
G	Infrastructure	2%
H	Other	10%

#### Investments by transaction type



A	Secondary	46%
B	Direct	41%
C	Primary	9%
D	Listed	4%

**Key figures** Total fund size (in million) relates to the overall Partner Group Global Real Estate Fund (AUD) including all share classes. **Largest five direct investments** Based on total net asset value of the Fund; may include valuation adjustments that occurred after the effective NAV valuation day. There is no assurance that similar investments will be made. **Monthly net performance - hedged (APIR ETL0480AU)** PG GL RE Fund (AUD); past performance is not indicative of future results. There is no assurance that similar investments will be made nor that similar results will be achieved. The figures shown in grey, before the inception of class B (AUD) on 1 July 2018, represent those of the Partners Group Global Real Estate FCP (Master Fund) converted to AUD. For illustrative purposes only. **Portfolio composition** Past performance is not indicative of future results. For illustrative purposes only. Based on total value of investments. Information shown is on a look-through basis for all Partners Group Programs. Diversification does not ensure a profit or protect against loss.

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PGA can be contacted via <https://www.partnersgroupaustralia.com.au/en/contact/>. PGA has been appointed as the promoter of the interests in the fund by EQT in its capacity as responsible entity of the fund. PGA may receive fees in this role. The investment manager of the fund is a related company of PGA and may also receive fees in connection with the fund. These fees will generally be calculated as a percentage of the funds under management within the fund. The fees paid to PGA will be allocated to it by the investment manager of the fund from the management fees charged by the investment manager. PGA employees may also receive bonuses allocated from the management fees charged by the investment manager. 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 document.

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