



Q1 2025 Review

Partners Group Listed Investments SICAV –
Listed Private Equity

**PARTNERS
GROUP**

Built Differently to **Build Differently**

Disclaimer

This material has been prepared solely for purposes of illustration and discussion. Under no circumstances should the information contained herein be used or considered as an offer to sell, or solicitation of an offer to buy any security. Any security offering is subject to certain investor eligibility criteria as detailed in the applicable offering documents. The information contained herein is confidential and may not be reproduced or circulated in whole or in part. The information is in summary form for convenience of presentation, it is not complete and it should not be relied upon as such.

All information, including performance information, has been prepared in good faith; however Partners Group makes no representation or warranty express or implied, as to the accuracy or completeness of the information, and nothing herein shall be relied upon as a promise or representation as to past or future performance. This material may include information that is based, in part or in full, on hypothetical assumptions, models and/or other analysis of Partners Group (which may not necessarily be described herein), no representation or warranty is made as to the reasonableness of any such assumptions, models or analysis. Any charts which represent the composition of a portfolio of private markets investments serve as guidance only and are not intended to be an assurance of the actual allocation of private markets investments. The information set forth herein was gathered from various sources which Partners Group believes, but does not guarantee, to be reliable. Unless stated otherwise, any opinions expressed herein are current as of the date hereof and are subject to change at any time. All sources which have not been otherwise credited have derived from Partners Group.

2025 Q1 review

The first quarter of 2025, particularly March, was characterized by increased volatility and deteriorating market sentiment due to rising political tensions and fears of recession in the US. President Trump continued to escalate trade concerns, which resulted in falling consumer confidence and downgrades to growth outlooks. In this volatile environment, Partners Group Listed Investments SICAV – Listed Private Equity also suffered, declining by 8.4%. All segments contributed negatively and were affected by changing sentiment and a de-rating of valuation multiples, despite reporting solid earnings results during the quarter.

Alternative asset managers performed the weakest. Despite reporting results for 2024 in line with expectations, the segment suffered from concerns about slowing transaction activity and lower carried interest caused by a change in sentiment, which led to a contraction in valuation multiples for the segment. The European private-equity-focused manager CVC was among the weakest performers. The company reported its H2 2024 results, beating earnings expectations, growing management fees, and demonstrating strong performance across its funds. However, analysts expressed concerns about a softer outlook for performance fees, which might further deteriorate due to macroeconomic uncertainty. Another weak performer was KKR, the US alternative asset manager. In February, the company reported strong results for 2024, with all key metrics, including fee-related earnings and net income, growing by over 35%. Fundraising exceeded USD 100 billion, and deployments reached USD 84 billion but in March, the company disclosed its intra-quarter monetization activity, reporting monetization income growth of 17%, which fell short of investors' expectations.

Private equity vehicles lost 5% on average during the first quarter. For most vehicles, NAV per share was flat or slightly positive but deteriorating market sentiment resulted in weak stock price performance and, consequently, widening discounts to NAV. One of the weakest performers in that segment was Apax Global Alpha. NAV per share increased by 0.8% for the fourth quarter and exit activity picked up, with nine exits during the year, at an average money multiple of 2.6x. Another weak performer was the UK private equity vehicle, HgCapital Trust. NAV per share remained stable despite the underlying portfolio companies generating LTM revenue and EBITDA growth of 19% and 23%, respectively.

Private debt vehicles performed the best, declining by only 3%. While the segment also suffered from worsening sentiment and saw its discount to NAV increase to low single digits, it is expected to benefit from its exposure to floating interest rate loans and better-than-expected credit quality. Among the best performers was Ares Capital Corporation. The company reported stable NAV, solid deployments of USD 3.7 billion for the last quarter, and comparatively low leverage.

During the first quarter, we shifted from private debt vehicles to private equity vehicles due to relative valuations. We became more cautious on private debt vehicles because of the need to constantly source new loans in an environment with slowing transaction activity. Consequently, we increased our exposure to private equity vehicles, which are trading at elevated discounts to NAV and have catalysts such as share buyback programs. We further added to our position in HarbourVest Private Equity, given its attractive NAV per share track record, the high discount to NAV, and the increased share buyback program.

Quarterly Review

Overall, the portfolio remains concentrated on alternative asset managers as well as private equity vehicles. Within alternative asset managers, the focus is on those with strong fundraising outlooks and company-specific catalysts, such as index inclusions. In terms of assets under management, we concentrate mainly on private debt and to a smaller extent on private equity strategies while keeping exposure to private real estate low. In addition, the potential opening of US 401(k) accounts to private markets - something that Trump supports - could create a significant tailwind for the entire sector, potentially bringing several trillion dollars in new assets to the industry. Within private equity vehicles, we focus on strong NAV track records and high discounts to NAV. We believe the current sector NAV discount of >30% is unjustified and provides a compelling entry point into several high-quality vehicles.

Contacts

listedinvestments@partnersgroup.com
www.partnersgroup.com

Zug

Unternehmer-Park 3
6340 Baar
Switzerland
T +41 41 784 6000

Denver

1200 Entrepreneurial Drive
Broomfield, CO 80021
USA
T +1 303 606 3600

Houston

Williams Tower
2800 Post Oak Blvd.
Suite 5880
Houston, TX 77056|
USA
T +1 346 701 3900

Toronto

Exchange Tower, 130 King
Street West, Suite 2830
Toronto, ON M5X 1E2
Canada
T +1 416 521 2530

New York

The Grace Building
1114 Avenue of the Americas,
41st Floor
New York, NY 10036
USA
T +1 212 908 26 00

São Paulo

Rua Joaquim Floriano,
1120 – 11º andar
CEP 04534-004,
São Paulo – SP
Brazil
T +55 11 3528 6500

London

33 Charterhouse Street
London EC1M 6HA
United Kingdom
T +44 20 7575 2500

Guernsey

P.O. Bos 477
Tudor House, Le Bordage
St Peter Port, Guernsey
Channel Islands, GY1 1BT
T +44 1481 711 690

Paris

29-31 rue Saint Augustin
75002 Paris
France
T +33 1 70 99 30 00

Luxembourg

35D, avenue J.F. Kennedy
L-1855 Luxembourg
B.P. 2178, L-1021 Luxembourg
T +352 27 48 28 1

Milan

Via della Moscova 3
20121 Milan
Italy
T +39 02 888 369 1

Munich

Lenbachpalais
Lenbachplatz 3
80333 Munich
Germany
T +49 89 383 89 240

Dubai

Office 107, level 1
Gate Village 11, The Exchange
DIFC, Dubai, UAE
POBOX 507253
T +971 4 316 9555

Mumbai

601, 6th Floor, Piramal Tower
Peninsula Corporate Park
Ganapatrao Kadam Marg,
Lower Parel
Mumbai-400013
India
T +91 22 4289 4200

Singapore

8 Marina View
Asia Square Tower 1 #37-01
Singapore 018960
T +65 6671 3500

Manila

18/F Seven/NEO Building
5th Avenue Corner 26th Street
Bonifacio Global City, Taguig
1634 Metro Manila
Philippines
T + 63 2804 7100

Shanghai

Unit 1904-1906A, Level 19
Tower I, Jing An Kerry Center
No. 1515 West Nanjing Road
Jing An District,
Shanghai 200040
China
T +8621 2221 8666

Seoul

25th Fl. (Gangnam Finance
Center, Yeoksam-Dong)
152 Teheranro
Gangnam-Gu, Seoul 135-984
South Korea
T +82 2 6190 7000

Tokyo

Marunouchi Park Bldg. 6F
2-6-1 Marunouchi, Chiyoda-ku
Tokyo 100-6906
Japan
T +81 3 5219 3700

Sydney

Level 32, Deutsche Bank Place
126 Phillip Street
Sydney NSW 2000
Australia
T +61 2 8216 1900

Hong Kong

Suites 21-22, 18F
Edinburgh Tower, The Landmark
15 Queen's Road Central
Hong Kong
T +852 3610 0408