



Partners Group

REALIZING POTENTIAL IN PRIVATE MARKETS

Press release

Baar-Zug, Switzerland; 13 January 2022 | *Ad hoc announcement pursuant to Art. 53 Listing Rules (LR)*

Partners Group reports strong AuM growth of 17% in 2021 and a solid outlook for 2022

- USD 25 billion gross client commitments received in 2021
- USD 32 billion invested across private market asset classes in 2021
- USD 127 billion AuM as of 31 December 2021
- Expected gross client demand of USD 22 to 26 billion in 2022

Partners Group, a leading global private markets firm, received USD 25 billion in new commitments from its global client base in 2021 (2020: USD 16 billion), bringing the firm's total assets under management ("AuM") to USD 127 billion as of 31 December 2021, an increase of 17% year on year. The firm also secured USD 32 billion of global investments for its clients during the period (2020: USD 10 billion) with a continued focus on transformational investing. Investment volumes, and to a lesser extent fundraising, were supported by a catch-up effect from activities that had been postponed from 2020 due to the initial outbreak of the COVID pandemic, and by the positive market momentum in 2021. Partners Group foresees another solid year of fundraising in 2022 and forecasts that it will raise USD 22 to 26 billion based on sustained client demand for its bespoke private markets solutions, strong underlying portfolio performance, and a robust pipeline of thematically-sourced investment opportunities.

David Layton, Partner and Chief Executive Officer, comments: *"2021 was a successful year across all metrics for Partners Group. We took advantage of the strong market momentum to transact on our thematic pipeline, investing a record amount into companies and assets that we believe are well-positioned for future growth. Our transformational investing approach and entrepreneurial governance model have enabled us to successfully navigate a very competitive market environment and to create long-term value for our clients, at scale."*

USD 32 billion invested with continued emphasis on transformative trends

Partners Group **invested** a record USD 31.7 billion in 2021 (2020: USD 10.3 billion) in areas of the global economy that it believes will benefit from transformative trends and therefore have superior growth prospects. The US remained the most active region for new investments, accounting for 50% of Partners Group's capital deployment, versus 41% in Europe and 9% in Asia-Pacific & Rest of World. The firm invested USD 20.8 billion (66% of total investment volume) into direct assets, of which a total of USD 17.6 billion was committed as equity with a focus on value creation through entrepreneurial governance and USD 3.2 billion was committed to corporate direct lending. To complement its direct investments, the firm invested USD 10.8 billion (34% of total investment volume) into portfolio assets.

These portfolio assets include secondary investments into globally diversified private markets portfolios, select primary commitments to other complementary private markets strategies, and investments into the broadly syndicated loan market.

Partners Group's thematic sourcing approach enabled the firm to secure a number of notable **direct investments in 2021**. A key theme within commercial services has been the growing trend towards outsourced maintenance of critical equipment. To access this trend, Partners Group's private equity team acquired a controlling stake in DiversiTech, a US manufacturer and supplier of parts for heating, ventilation, and air conditioning equipment. On the infrastructure side, rapidly rising data consumption globally has highlighted the essential nature of broadband networks, leading to Partners Group's investment in EOLO, a fixed wireless access provider in Italy. Within real estate, sustained growth in e-commerce continues to fuel demand for logistics assets located near urban centers. To further increase client exposure to this theme, the firm invested into a diversified UK Logistics Portfolio.

Partners Group's investment portfolio generated USD 29 billion in underlying portfolio **realizations** in 2021 (2020: USD 12 billion). Contributing to the significant year-on-year increase were a catch-up in exit activities that had been postponed from 2020 and sizeable liquidity events at a number of larger assets that the firm had worked to transform over many years. Partners Group was also able to bring forward a portion of the exit pipeline originally planned for 2022 because the firm had already met its value creation targets. Successful sales in 2021 included: Global Logic, a leading digital engineering services company helping businesses navigate the digital transition, which sold for an enterprise value of USD 9.5 billion; Cerba HealthCare, a leader in medical diagnosis services that expanded in France and entered new geographies under Partners Group's ownership, which sold for an enterprise value of EUR 4.5 billion; and a large US-based real estate portfolio of industrial properties, primarily serving logistics tenants in the e-commerce supply chain, which sold for over USD 1 billion.

USD 25 billion in new client demand, led by bespoke client solutions

In 2021, client demand for Partners Group's investment solutions resulted in **new commitments** of USD 25 billion (2020: USD 16 billion), ahead of the firm's full-year guidance of USD 19 to 22 billion. The firm's innovative bespoke client solutions, which cater to client needs for tailored private markets solutions, were the largest contributor, accounting for 62% of capital raised. Of this USD 15.5 billion, mandates, which are separate accounts that allow large institutional investors to achieve their long-term target allocations to private markets, raised USD 8.9 billion (36% of assets raised). Partners Group's range of evergreen funds, which have liquidity features that enable individual investors to access private markets, represented USD 6.5 billion (26%). Traditional closed-ended programs also continued to grow and contributed USD 9.5 billion (38%) of total funds raised. The largest single-program contributor to 2021 fundraising was Partners Group's fourth flagship private equity buyout program, which announced its final close in September 2021.

Client demand was diversified across **asset classes**, confirming the strength of each underlying investment strategy. Private equity remained the largest contributor, with inflows of USD 12.4 billion in 2021, which constituted half of overall capital raised during the year. Private infrastructure grew at

a slightly higher rate than private equity and raised a total of USD 4.2 billion in 2021, led by fundraising for its flagship direct program. Clients also demonstrated continued interest in the firm's diversified private debt and private real estate offerings, committing USD 6.1 billion and USD 2.2 billion to each respectively in 2021.

Breakdown of total AuM as of 31 December (in USD billion):

	<u>2020</u>	<u>2021</u>	<u>Net growth 2021</u>	<u>2018-2021 CAGR¹</u>
Private equity	51.8	63.0	+22%	+15%
Private debt	24.8	27.5	+11%	+16%
Private infrastructure	15.7	19.2	+23%	+22%
Private real estate	16.8	17.6	+5%	+8%

Overall, **net AuM** grew by USD 18.3 billion during the period. The firm's net asset growth was supported by continued performance across Partners Group's private markets portfolios, which led to a positive contribution of USD 5.8 billion from a select number of investment programs that link AuM to NAV development². Tail-down effects from mature private markets investment programs amounted to USD -6.3 billion and redemptions from evergreen programs to USD -2.0 billion. Foreign exchange effects impacted underlying AuM growth by USD -4.2 billion; in particular the weakening of the Euro against the US Dollar during the period.

USD 22 to 26 billion in gross client demand expected in 2022

For 2022, Partners Group expects its asset-growth trajectory to continue and **forecasts** to raise USD 22 to 26 billion, together with USD -10 to -12 billion in tail-down effects stemming from the more mature closed-ended investment programs and redemptions from evergreen programs.

Hans Ploos van Amstel, Partner and Chief Financial Officer, concludes: *"We enter 2022 with confidence in the sustainable and profitable growth of our business. As our firm continues to grow, we remain committed to driving forward our strategy of delivering sustainable returns through a focus on transformational investing, bespoke client solutions and positive stakeholder impact."*

Conference call today

Partners Group's senior management will hold a conference call today at 6:15pm CET. To register for the call, please click [here](#) or use the contact details at the end of this press release.

¹ CAGR: compound annual growth rate for net assets for the period 31 December 2018 – 31 December 2021

² Partners Group reports fee-paying AuM. Most of the firm's evergreen programs base fees on NAV. The portfolio performance during the period impacts the NAV of these products and this translates to a corresponding change in firm-level AuM.

Key dates 2022

22 March 2022	Annual results and Annual Report as of 31 December 2021
25 May 2022	Annual General Meeting of shareholders
14 July 2022	Announcement of AuM as of 30 June 2022
30 August 2022	Interim results and Interim Report as of 30 June 2022

About Partners Group

Partners Group is a leading global private markets firm. Since 1996, the firm has invested over USD 170 billion in private equity, private real estate, private debt, and private infrastructure on behalf of its clients globally. Partners Group seeks to generate strong returns through capitalizing on thematic growth trends and transforming attractive businesses and assets into market leaders. The firm is a committed, responsible investor and aims to create sustainable returns with lasting, positive impact for all its stakeholders. With USD 127 billion in assets under management as of 31 December 2021, Partners Group provides an innovative range of bespoke client solutions to institutional investors, sovereign wealth funds, family offices and private individuals globally. The firm employs more than 1,500 diverse professionals across 20 offices worldwide and has regional headquarters in Baar-Zug, Switzerland; Denver, USA; and Singapore. It has been listed on the SIX Swiss Exchange since 2006 (symbol: PGHN). For more information, please visit www.partnersgroup.com or follow us on [LinkedIn](#) or [Twitter](#).

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