



Morgan Stanley | 7th Australia Summit

Private Equity 2025: Trends, Challenges, and Opportunities

12 June 2025

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Pacific Equity Partners

Firm Introduction

Consistent Returns	Australasia's Largest PE Firm	Experienced Team
28% p.a. average net IRR since inception	A\$16B AUM	92 team members
27 year track record	A\$53B total transactions	15 Managing Directors

Investment Strategies			
Private Equity	Secure Assets	Capital Solutions	PEP Gateway
<i>Buyouts of market-leading businesses</i>	<i>Mid-market, operationally focused infrastructure</i>	<i>Strategic, structured credit solutions</i>	<i>Global private equity co-investments</i>

*All strategies underpinned by the **same heritage, culture and focus on operational value creation***

Average Net IRR since inception is the arithmetic average across Private Equity Funds I-VI and Secure Assets Fund I. Total transactions is the sum of enterprise value of all platform investments, transformative bolt-ons and exits, including signed but not completed deals. All figures at 31-Mar-2025

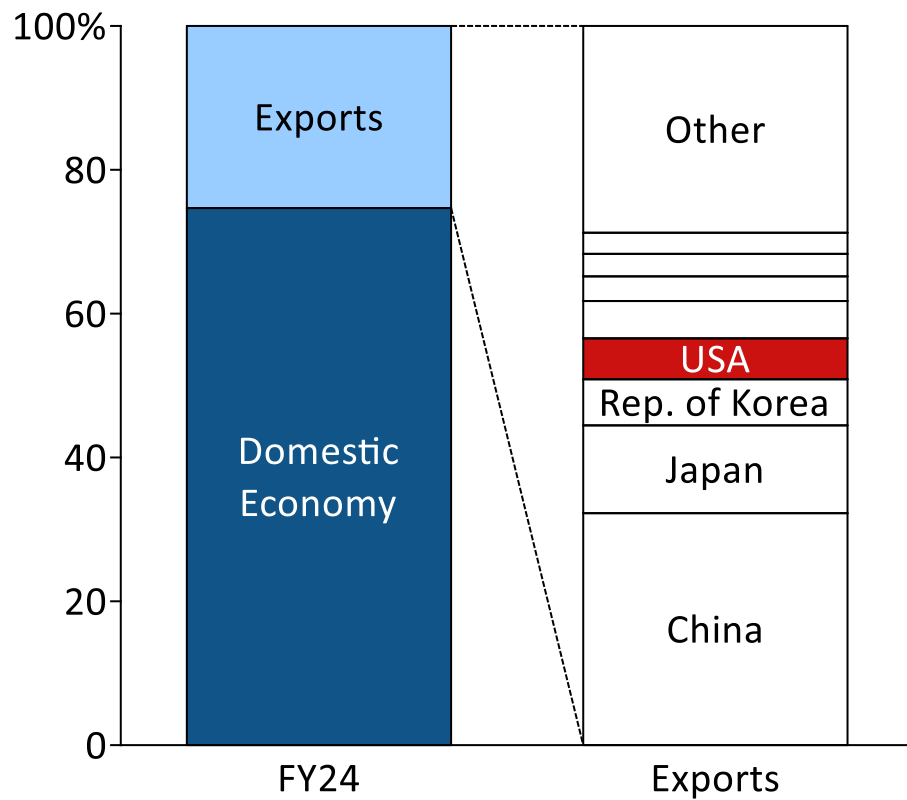
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These notes have been prepared to support a discussion. They are incomplete without the accompanying verbal commentary

Australian Environment

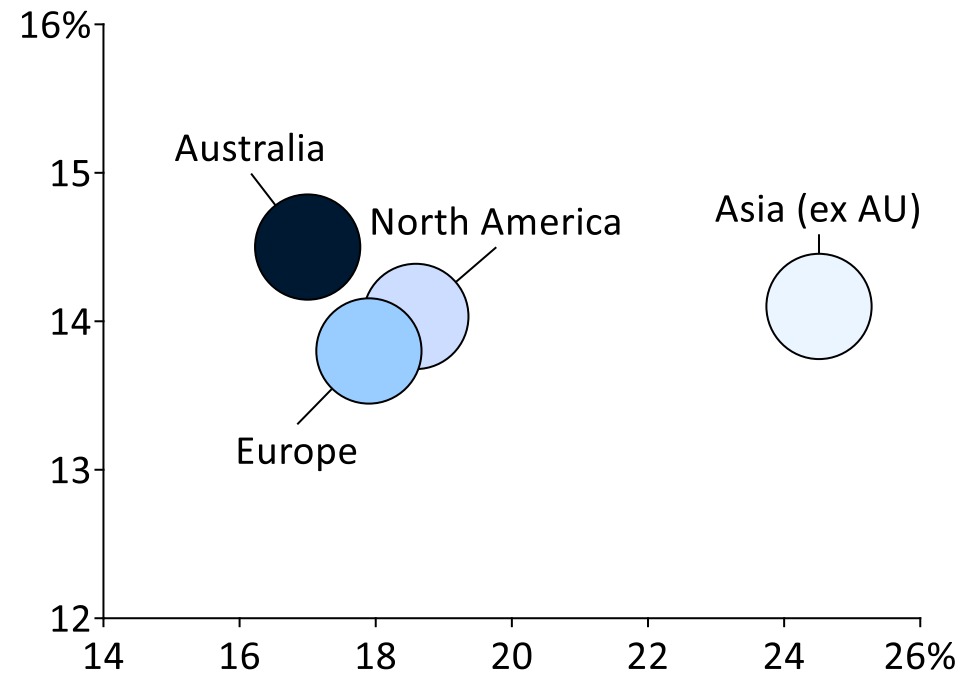
Economy and Private Equity

Australian Economy Composition



Private Equity: Risk vs Return

Net IRR¹ (Median)



Note: US Exports represent 6% of Australia Exports as a whole, or ~1% of the Australian Economy

LHS Source: Australia, GDP Contribution for FY2024, DFAT. RHS source: Australian Private Capital Market Overview: A Preqin and Australian Investment Council (AIC) Yearbook, 2024

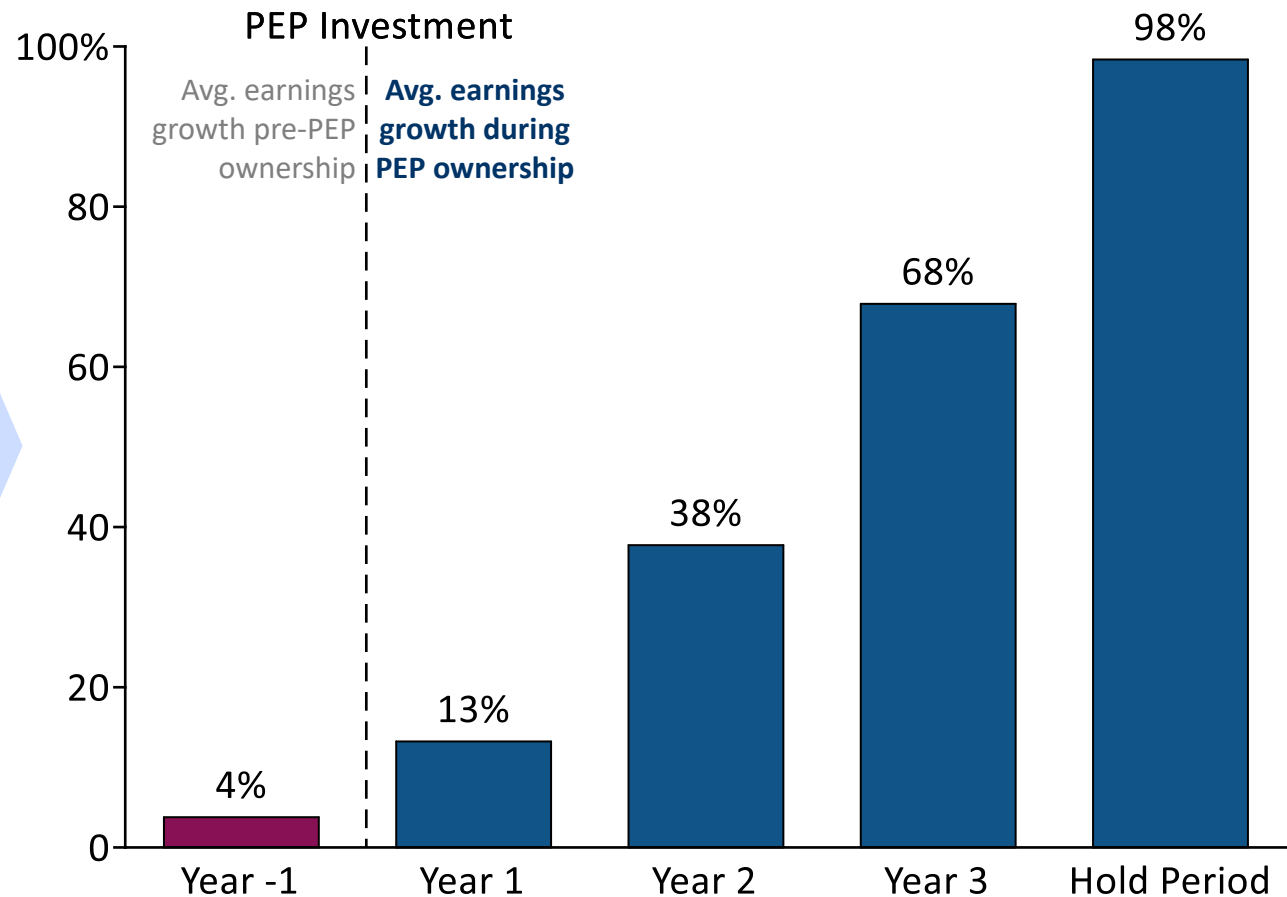
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PEP Investment Approach

Profit Transformation Post-2010

EBITDA Growth



- Market leaders with defensive characteristics
- Transform profits through repeatable value-add
- 'Best in class' management
- Accretive bolt-ons
- Strategic repositioning

Note: fully realised investments acquired under the Private Equity Strategy from Jan-2010; years 2 & 3 are cumulative

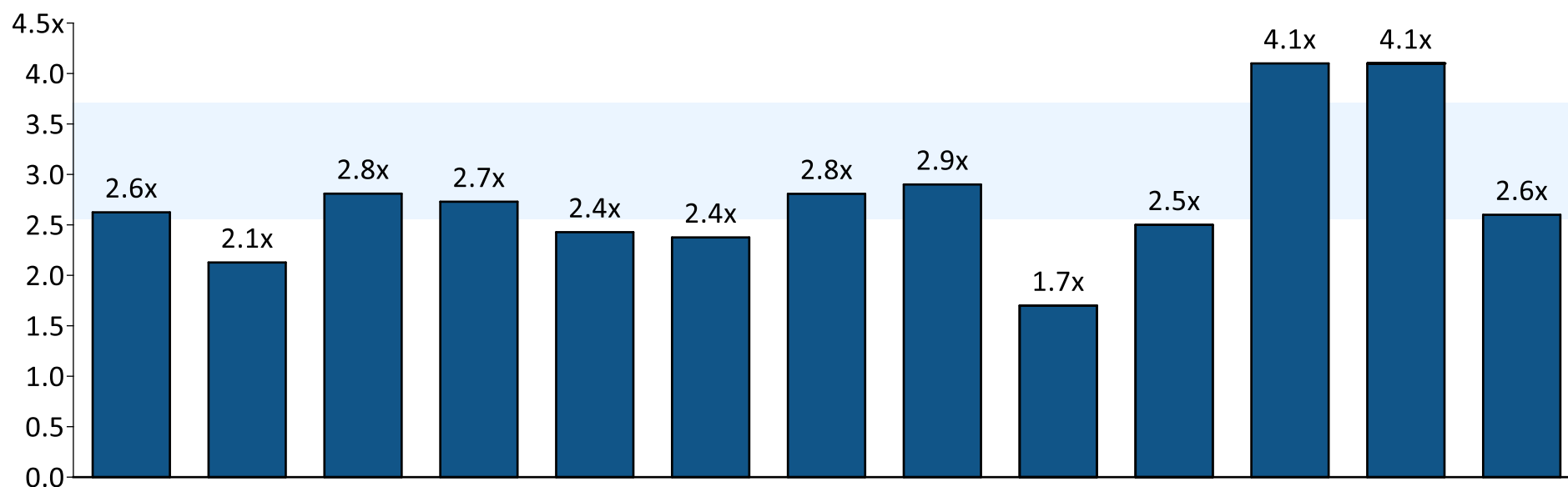
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PEP Returns

All PEP Private Equity acquisitions made in 2010 decade have been exited

Realised Gross MoM



Individual Company Names Redacted

Gross IRR
20%
27%
57%
87%
55%
41%
43%
29%
9%
19%
46%
57%
51%

Note: All investments under the Private Equity strategy acquired between Jan-2010 and Dec-2019 have also been fully realised as of Oct-2023

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