



## Morgan Stanley | 7th Australia Summit

Private Equity 2025: Trends, Challenges, and Opportunities

12 June 2025

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

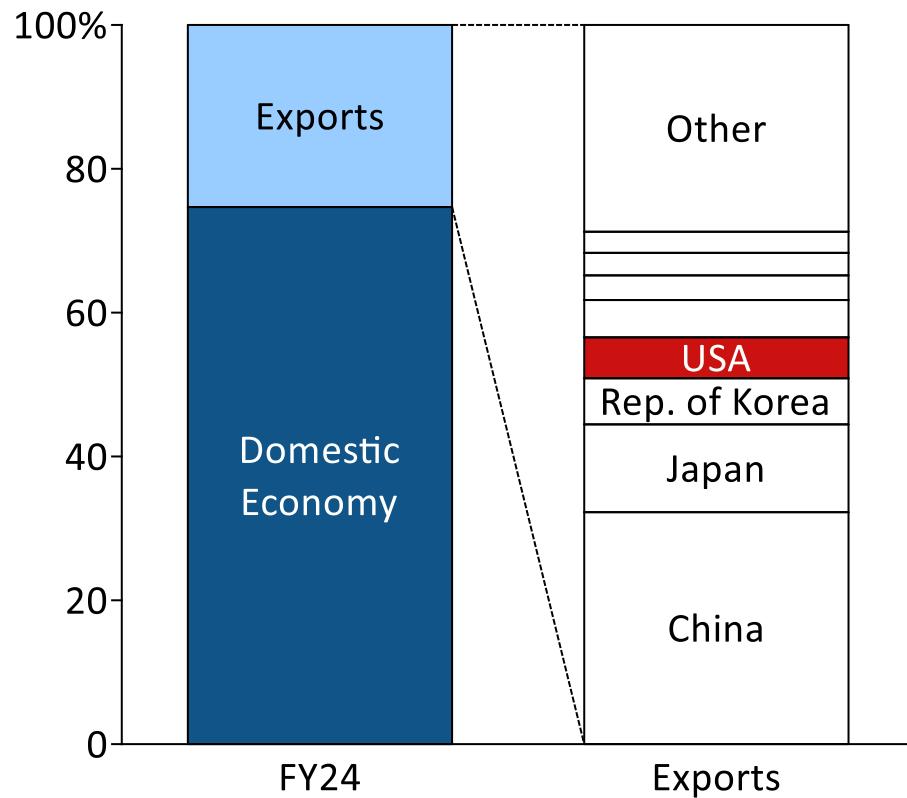
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These notes have been prepared to support a discussion. They are incomplete without the accompanying verbal commentary

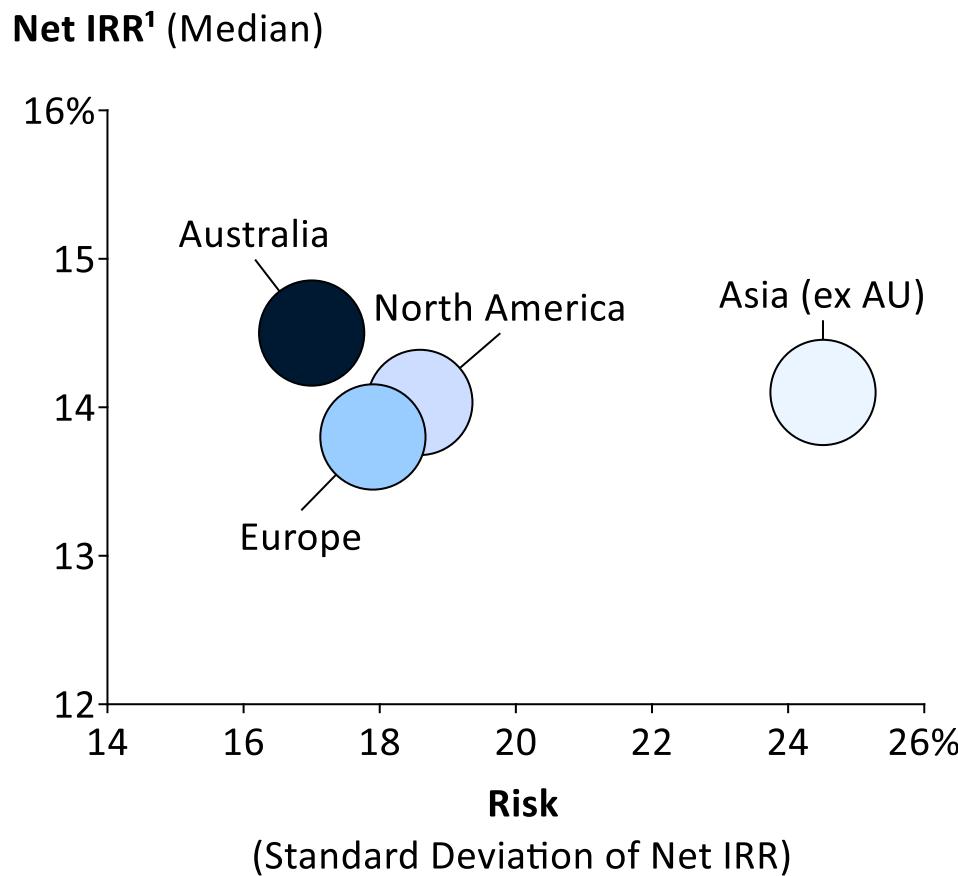
# Australian Environment

## Economy and Private Equity

### Australian Economy Composition



### Private Equity: Risk vs Return



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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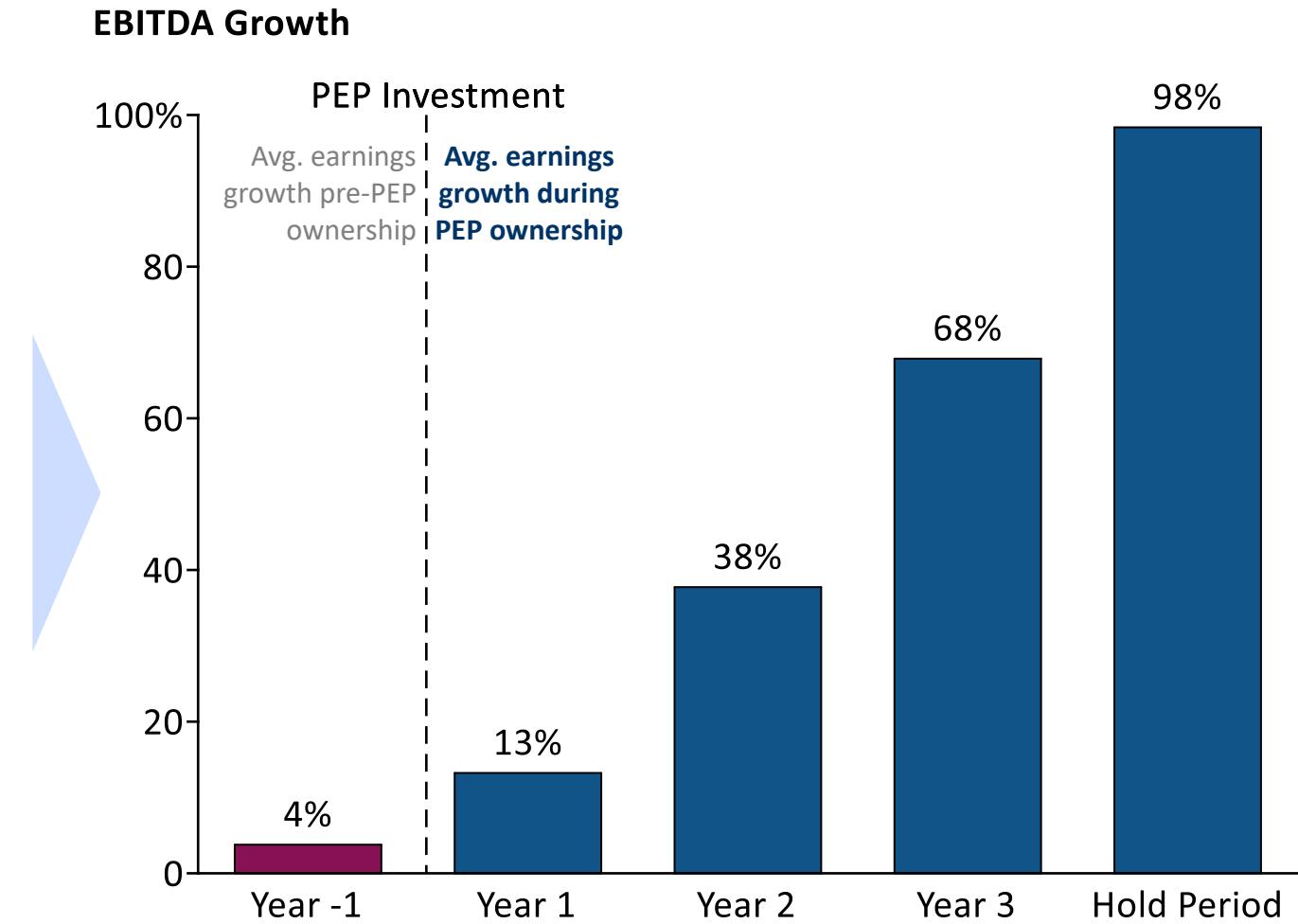
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PEP

# PEP Investment Approach

## Profit Transformation Post-2010

- 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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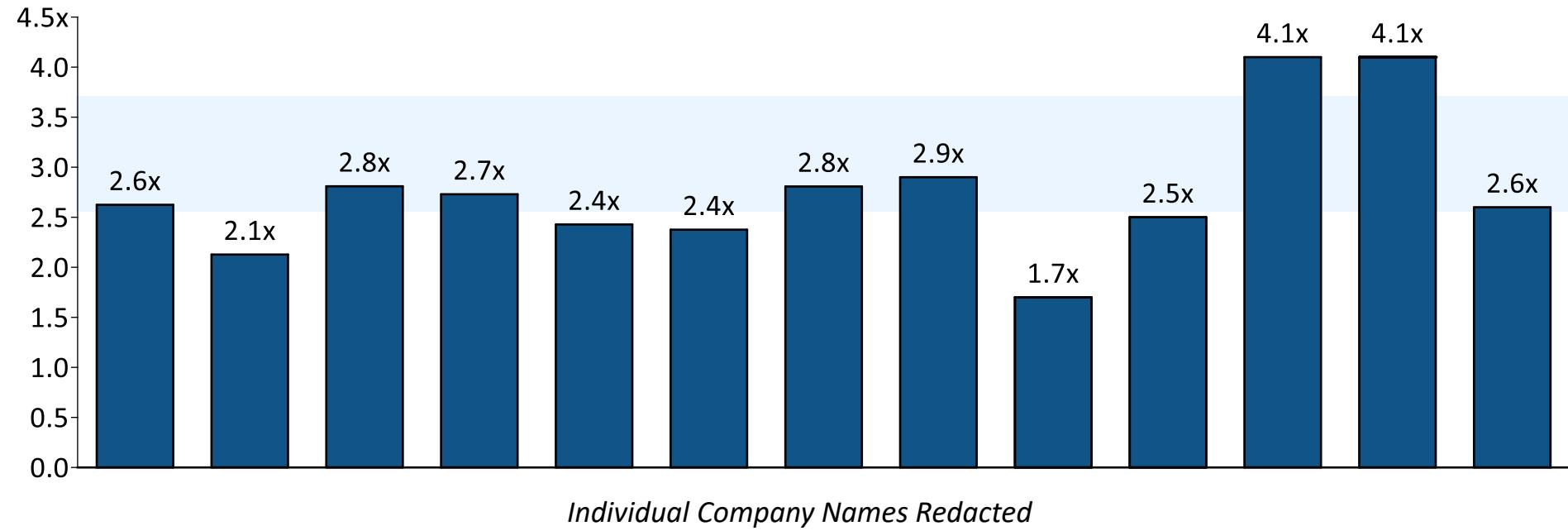
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**PEP**

# PEP Returns

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

## Realised Gross MoM



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