

Press release

Baar-Zug, Switzerland; 18 March 2024

Partners Group adds private markets royalties to its investment platform

- **The firm is launching the industry's first dedicated, scalable multi-sector royalty strategy, targeting a fast-growing addressable market of over USD 1 trillion**
- **Royalties represent the fifth asset class on Partners Group's private markets platform**
- **Client offerings will include a private markets royalty evergreen fund**

Partners Group, a leading global private markets firm, has added private markets royalties¹ as a fifth asset class alongside private equity, infrastructure, private credit, and real estate. The firm is leveraging its global platform to build the first dedicated, scalable multi-sector royalty offering that invests in both well-established royalty sectors, such as intellectual property assets across the pharmaceuticals and entertainment industries, as well as emerging high-growth royalty sectors like the energy transition, sports, and brands.

Partners Group's royalty business is headed by Stephen Otter, who has joined the firm as a Managing Director based in Zug. Mr. Otter, who has close to 20 years of relevant investment industry experience, will lead an experienced royalty investment team with an established seed portfolio. The team will be integrated into the wider Partners Group platform and will benefit from the firm's existing network, expertise, and portfolio insights.

Juri Jenkner, Partner and President, Partners Group, comments: "We have high conviction in private markets royalties as an asset class that complements our existing private markets offerings. Royalties have seen strong growth in recent years, with greater applicability across the economy, including in many of our target private equity and infrastructure themes such as healthcare and the energy transition. The breadth of our global platform, combined with our deep expertise in relevant sectors, means we are well-positioned to apply our thematic sourcing approach to identifying the most attractive royalty investment opportunities for our clients."

Partners Group research estimates the total private markets royalty market to be worth more than USD 1 trillion today and forecasts further rapid growth. Private markets royalties can offer attractive risk-adjusted returns, long-term predictable cash flows, low correlation to broader markets, and a hedge against inflation. As such, the firm believes royalty assets can be an effective tool for stabilizing and diversifying traditional private markets portfolios.

Royalties will be made available to Partners Group's investors through the firm's range of bespoke solutions, which includes its tailored mandate solutions for existing and new institutional clients and its structured private wealth products. The firm plans to offer the strategy in an evergreen fund structure that could be eligible for investment by private wealth investors, who currently have limited opportunities to gain exposure to private markets royalties.

Stephen Otter, Managing Director and Head of Private Markets Royalties, Partners Group, adds: "In building out our private markets royalty business, we are differentiating from the industry standard on two key points. Firstly, by considering a larger set of royalty opportunities across sectors, we will play

¹ A royalty is a contractual payment to the owner of an asset by a third party for the right to the ongoing use of that asset. The asset owner typically receives a percentage of the gross or net revenue generated from the asset in question.

to Partners Group's strength of applying a relative value approach to selecting the most attractive investment opportunities for our clients. Secondly, by using an evergreen structure instead of a closed-end fund, our client offerings will be better aligned to the longer duration of the underlying royalty investments."

About Partners Group

Partners Group is a leading global private markets firm. Since 1996, the firm has invested USD 210 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 147 billion in assets under management as of 31 December 2023, 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 1,900 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](#).

Shareholder relations contact

Philip Sauer

Phone: +41 41 784 66 60

Email: philip.sauer@partnersgroup.com

Media relations contact

Jenny Blinch

Phone: +44 207 575 2571

Email: jenny.blinch@partnersgroup.com