

Apax Global Alpha Limited

Quarterly results for the period ended 31 March 2022

Key Q1 highlights

- Despite volatile markets, the portfolio proved resilient during the quarter with a Total NAV Return¹ of (1.7%) ((3.8%) constant currency). Valuations in the period were primarily affected by weakness in the listed investments within the PE portfolio following IPOs.
- 72% of the Invested Portfolio is in Private Equity and the portfolio is well diversified across four key sectors and vintages.
- Transformation of the portfolio companies is integral to delivering strong operational performance with LTM EBITDA growth² and LTM revenue growth² of 21.6% and 18.7% respectively.
- Deal activity in the period remained strong with the Apax Funds completing one full exit (Unilabs) and four new investments (Alcumus, YunZhangFang, T-Mobile, and Ole Smokey).
- AGA continued its strategy to invest in funds advised by Apax with a new \$60m commitment to the Apax Global Impact fund in the period.
- AGA's liquidity position is healthy comprising €146m available cash and an evergreen revolving credit facility (RCF) of €140m which remains undrawn. The Derived Investments portfolio of €358m provides a further source of capital flexibility. This compares to total outstanding commitments (including callable distributions) to the Apax Funds of €441m.

Commenting on the results, Ralf Gruss, COO of Apax Partners, said:

“Against a backdrop of volatile markets and macro conditions impacted by inflationary pressures and geopolitical risks, the established Apax Funds strategy of creating alpha through business improvement, of investing in coveted sub-sectors of prior expertise, and of buying selectively is well suited to the period ahead. As a result, AGA's portfolio remains well positioned for continued strong performance and to generate further value for shareholders.”

Financial highlights

- Adjusted NAV³ was largely unchanged at €1.4 billion (FY21 €1.5 billion), including the dividend payment of €37.4m (6.36p per share) during the quarter.
- Invested portfolio weighted towards Private Equity (72%) vs. Derived Investments (28%).
- Post period end, AGA committed \$40m to AMI II fund. Additionally, the evergreen RCF was increased to €250m (from €140m) in keeping with the higher NAV and the greater proportion of private equity in the portfolio today than on inception, with the other key terms remaining unchanged. The RCF is available for general corporate purposes, including short-term financing of investments such as the drawdown on commitments to Apax Funds.

	Q1 2022 (EUR)	Q1 2022 (GBP)
Adjusted NAV ³	1,419.6m	1,195.8m
Adjusted NAV ³ per share	2.89	2.44
NAV ³ per share	2.90	2.44

	Exposure	Q1 2022	Q1 2022 constant currency
Total NAV Return ¹		(1.7%)	(3.8%)
Total Return ¹ – Private Equity	65%	(3.1%)	(5.4%)
Total Return ¹ – Derived Debt	23%	2.8%	0.3%
Total Return ¹ – Derived Equity	2%	(0.7%)	(2.1%)
Cash & Others	10%		

Private Equity portfolio highlights

- The Private Equity Total Return¹ for the quarter was (3.1%) ((5.4%) constant currency), reflecting the current market backdrop.
- The portfolio focuses on four key sectors, with 42% in Tech & Digital, 28% in Services, 13% in Healthcare, and 17% in Internet/Consumer.
- The portfolio remains well diversified across the fund lifecycle with 27% in the investment phase, 55% in the maturity phase, and 18% in the harvesting phase.
- On a look-through basis, AGA invested c.€45.8m in four new private equity investments which closed during the period.
- Unilabs was fully exited in Q1 2022 with a Gross IRR⁴ and Gross MOIC⁴ of 25.3% and 3.1x respectively.

Derived Investments portfolio highlights

- Steady performance of Derived Investments with a Total Return¹ of 2.5% (0.1% constant currency) in Q1, primarily reflecting FX tailwinds.
- The portfolio remains weighted towards Tech and is predominantly invested in debt instruments (91% of Derived Investments), of which the majority are the lower risk first lien tranches (61% of Derived Investments).
- 96% of the Derived Debt portfolio is invested in floating rate instruments minimising duration risk and providing return upside in a rising interest environment
- Continued deployment of excess liquidity into Derived Debt with new investments of €22.4m⁵.

For further information regarding the announcement of AGA's 2022 first quarter results, including the Company's results presentation and dial-in details for today's analyst and investor webcast at 9.30am (UK time), please visit www.apaxglobalalpha.com.

Contact details

Lorraine Rees
Investor Relations - AGA
Telephone: +44 (0)7889 089 220
Email: lorraine.rees@apax.com

APPENDIX

Movements in NAV

Adjusted NAV movements (€m)	Private Equity	Derived Investments	Cash	Treasury Shares	Facility drawn	Other	1Q 22 Total
Adjusted NAV at 31.12.21	1,012.9	327.2	108.5	-	-	33.1	1,481.7
+ Investments	5.1	22.4	(21.4)	-	-	(6.1)	-
- Distributions/ divestments	(68.8)	(5.2)	107.4	-	-	(33.4)	-
+ Interest and dividend income	-	-	4.4	-	-	0.2	4.6
+/- Gains/(losses)	(53.4)	(2.9)	-	-	-	-	(56.3)
+/- FX gains/(losses) ⁶	22.6	7.9	1.3	-	-	-	31.8
+/- Costs and other movements	-	-	(2.6)	-	-	0.1	(2.5)
- Dividends paid	-	-	(37.4)	-	-	-	(37.4)
+/- Performance fee reserve ⁷	(0.9)	7.0	-	(8.4)	-	-	(2.3)
+/- Treasury shares	-	-	(8.4)	8.4	-	-	-
+/- Revolving credit facility drawn/repaid	-	-	-	-	-	-	-
Adjusted NAV at 31.3.22	917.5	356.4	151.8	-	-	(6.1)	1,419.6

Private Equity – operational metrics

Private Equity – operational metrics	31 March 2022	31 December 2021
Portfolio year-over-year LTM revenue growth ²	18.7%	20.2%
Portfolio year-over-year LTM EBITDA growth ²	21.6%	35.3%
Enterprise Value / EBITDA valuation multiple ²	19.0x	23.2x
Net debt / EBITDA multiple ²	4.5x	4.2x

Derived Investments – operational metrics

Derived Investments – operational metrics	31 March 2022	31 December 2021
Debt year-over-year LTM EBITDA growth ⁸	21.4%	22.2%
Debt average income yield to maturity ⁸	6.7%	6.2%
Debt average years to maturity	5.8	6.1
Debt average income yield ⁹	6.2%	5.4%

Other Invested Portfolio highlights

Invested Portfolio analysis ¹¹	€m	€m	%	%
- AMI	25.3		2%	
- AEVI	7.7		1%	
- AEVII	29.5		2%	
- AVIII	127.6		10%	
- AIX	441.7		35%	
- ADF	40.9		3%	
- ADF II	(1.5)		0%	
- AX	247.2		19%	
Private Equity		918.4		72%
- Derived Debt	327.1		26%	
- Derived Equity	30.7		2%	
Derived Investments		357.8		28%
Total		1,276.2		100%

Footnotes

1. "Total NAV Return" means the movement in the Adjusted NAV per share over the quarter plus any dividends paid. "Total Return" reflects the sub-portfolio performance on a stand-alone basis. It excludes items at the overall AGA level such as cash, management fees, and costs
2. Gross Asset Value weighted average of the respective metric across the portfolio. LTM Revenue growth and LTM EBITDA growth rates exclude companies where EBITDA is not meaningful such as financial services or high growth business with fluctuations in EBITDA. Net debt/EBITDA multiple and EV/EBITDA valuation multiple excluded companies where EBITDA is not meaningful such as financial services or high growth business valued on a revenue basis.
3. Adjusted NAV reflects Total NAV of €1,421.9m, after performance fee reserve of €2.3m.
4. Gross MOIC and Gross IRR calculated based on the expected aggregate euro cash flows since inception for the AIX holding only
5. Total invested of €22.4m includes €16.2m relates to follow-on investments and delayed draws on existing positions HelpSystems, Infogain RCF and Mitrstech 1L and 2L during the period.
6. FX on cash includes the revaluation of cash balances and net losses arising from the differences in exchange rates between transaction dates and settlement dates, and unrealised net losses arising from the translation into euro of assets and liabilities (other than investments) which are not denominated in euro.
7. Movement in the performance fee reserve reflects the performance fee reserve accrued by the Company's at period end. This does not represent the underlying Private Equity portfolio's carried interest.
8. Gross Asset Value weighted average of the respective metric across the Derived Debt portfolio
9. Gross Asset Value weighted average of the current full year income (annual coupon/clean price as at the respective date) for each debt position in the Derived Debt portfolio as at the respective date
10. Gross Asset Value weighted average of the respective metric across the Derived Equity portfolio.
11. Invested Portfolio excludes cash and cash equivalents, revolving credit facility drawn and net current assets, including these the NAV was €1,421.9m and Adjusted NAV was €1,419.6m reflecting adjustment of €2.3m for the estimated performance fee reserve accrued

Notes

1. Note that references in this announcement to Apax Global Alpha Limited have been abbreviated to "AGA" or "the Company". References to Apax Partners LLP have been abbreviated to "Apax Partners" or "the Investment Adviser"
2. Please be advised that this announcement may contain inside information as stipulated under the Market Abuse Regulations (EU) NO. 596/2014 ("MAR")
3. This announcement is not for release, publication or distribution, directly or indirectly, in whole or in part, into or within the United States or to "US persons" (as defined in Regulation S under the United States Securities Act of 1933, as amended (the "Securities Act")) or into or within Australia, Canada, South Africa or Japan. Recipients of this announcement in jurisdictions outside the UK should inform themselves about and observe any applicable legal requirements in their jurisdictions. In particular, the distribution of the announcement may be restricted by law in certain jurisdictions
4. The information presented herein is not an offer for sale within the United States of any equity shares or other securities of Apax Global Alpha Limited ("AGA"). AGA has not been and will not be registered under the US Investment Company Act of 1940, as amended (the "Investment Company Act"). In addition, AGA's shares (the "Shares") have not been and will not be registered under the Securities Act or any other applicable law of the United States. Consequently, the Shares may not be offered or sold or otherwise transferred within the United States, or to, or for the account or benefit of, US Persons, except pursuant to an exemption from the registration requirements of the Securities Act and under circumstances which will not require AGA to register under the Investment Company Act. No public offering of the Shares is being made in the United States
5. This announcement may include forward-looking statements. The words "expect", "anticipate", "intends", "plan", "estimate", "aim", "forecast", "project" and similar expressions (or their negative) identify certain of these forward-looking statements. These forward-looking statements are statements regarding AGA's intentions, beliefs or current expectations concerning, among other things, AGA's results of operations, financial condition, liquidity, prospects, growth and strategies. The forward-looking statements in this presentation are based on numerous assumptions regarding AGA's present and future business strategies and the environment in which AGA will operate in the future. Forward-looking statements involve inherent known and unknown risks, uncertainties and contingencies because they relate to events and depend on circumstances that may or may not occur in the future and may cause the actual results, performance or achievements of AGA to be materially different from those expressed or implied by such forward looking statements. Many of these risks and uncertainties relate to factors that are beyond AGA's ability to control or estimate precisely, such as future market conditions, currency fluctuations, the behaviour of other market participants, the actions of regulators and other factors such as AGA's ability to continue to obtain financing to meet its liquidity needs, changes in the political, social and regulatory framework in which AGA operates or in economic or technological trends or conditions. Past performance should not be taken as an indication or guarantee of future results, and no representation or warranty, express or implied, is made regarding future performance. AGA expressly disclaims any obligation or undertaking to release any updates or revisions to these forward-looking statements to reflect any change in AGA's expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based after the date of this announcement, or to update or to keep current any other information contained in this announcement. Accordingly, undue reliance should not be placed on the forward-looking statements, which speak only as of the date of this announcement.

About Apax Global Alpha Limited

AGA is a Guernsey registered closed-ended collective investment scheme incorporated as a non-cellular company that listed on the London Stock Exchange on 15 June 2015. It is regulated by the Guernsey Financial Services Commission.

AGA's objective is to provide shareholders with capital appreciation from its investment portfolio and regular dividends. The Company is targeting an annualised Total Return, across economic cycles, of 12-15% (net of fees and expenses) including a dividend yield of 5% of Net Asset Value.

The investment policy of the Company is to make Private Equity investments in Apax Funds, and Derived Investments which are investments in equities and debt derived from the insights gained via Apax Partners' Private Equity activities.

Further information regarding the Company and its publications are available on the Company's website at www.apaxglobalalpha.com.

About Apax Partners LLP

Apax Partners LLP ("Apax") is a leading global private equity advisory firm. For nearly 50 years, Apax has worked to inspire growth and ideas that transform businesses. The firm has raised and advised funds with aggregate commitments of more than \$60 billion. The Apax Funds invest in companies across four global sectors of Tech, Services, Healthcare, and Internet/Consumer. These funds provide long-term equity financing to build and strengthen world-class companies. For further information about Apax, please visit www.apax.com.

Apax Partners is authorised and regulated by the Financial Conduct Authority in the UK.