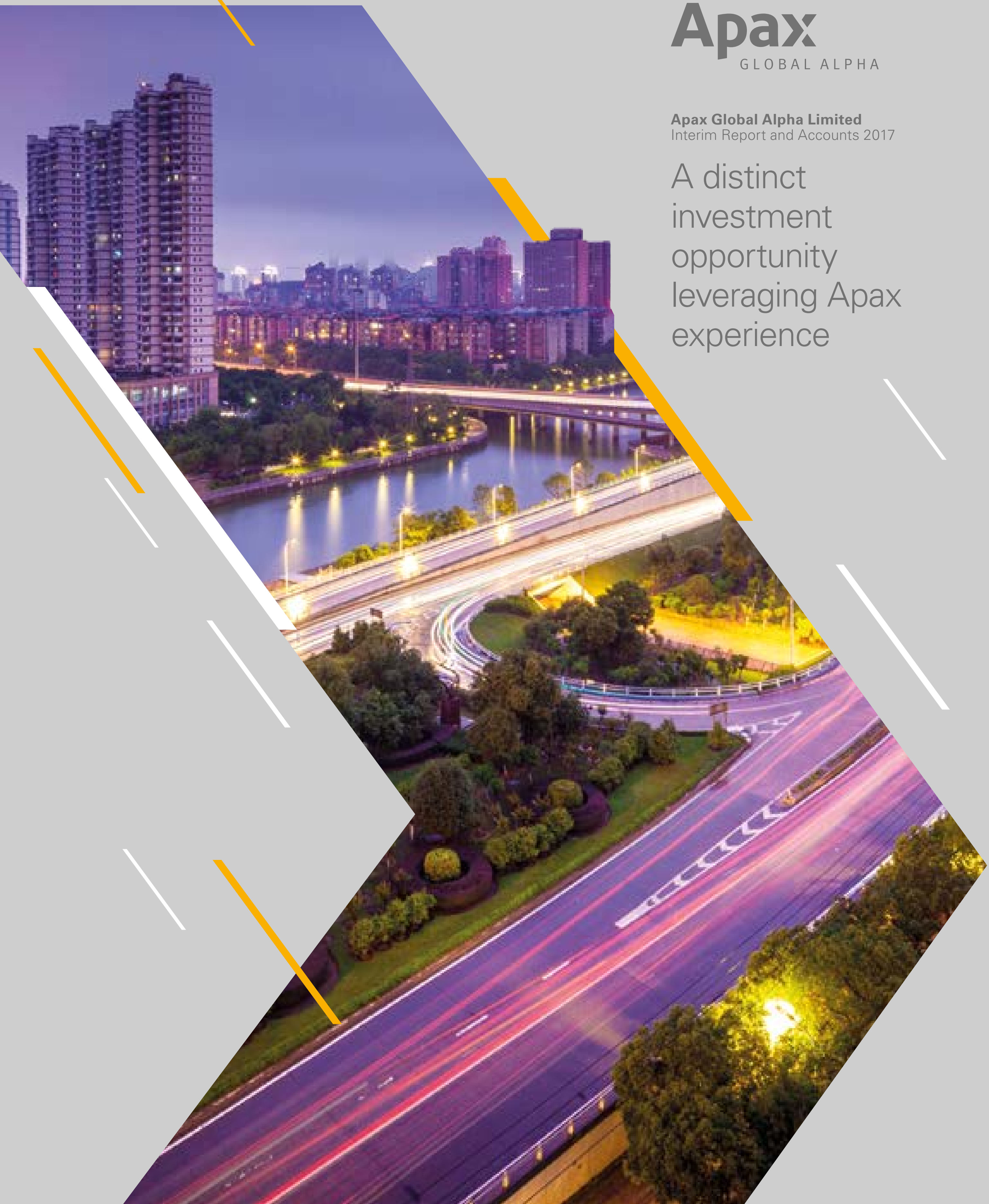
Apax GLOBAL ALPHA

Apax Global Alpha Limited
Interim Report and Accounts 2017

A distinct investment opportunity leveraging Apax experience



Company overview

Apax Global Alpha Limited ("AGA", "Apax Global Alpha" or the "Company") provides investors with access to the investment expertise of Apax Partners, a leading global private equity advisory firm. It aims to provide long-term superior returns to shareholders through its diversified portfolio of Private Equity Investments, as well as Derived Investments in debt and equity.

Overview

AGA is a closed-ended investment company that invests in a diversified portfolio of private equity funds and Derived Investments identified as a result of the private equity activities of Apax Partners LLP ("Apax Partners" or "Apax"). The Company was admitted to trading on the Main Market of the London Stock Exchange on 15 June 2015.

Objective

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

Expertise

The Investment Adviser, Apax Partners LLP, is a leading global private equity advisory firm. It has more than 30 years experience investing in private equity. Apax Partners has raised and advised funds totalling over €40bn in aggregate as at 30 June 2017. Apax Partners advises on investments globally in companies across four sectors: Tech & Telco, Services, Healthcare and Consumer.

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www.apaxglobalalpha.com

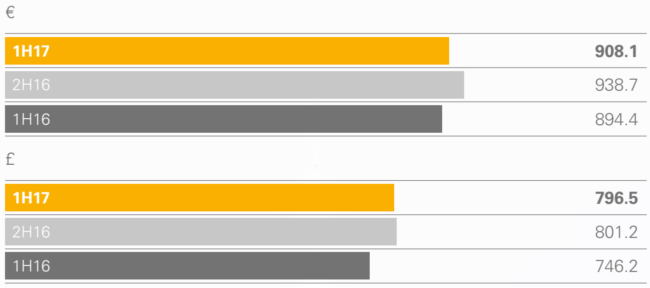
Highlights 2017

Total NAV Return[1]
1H17

-0.7%

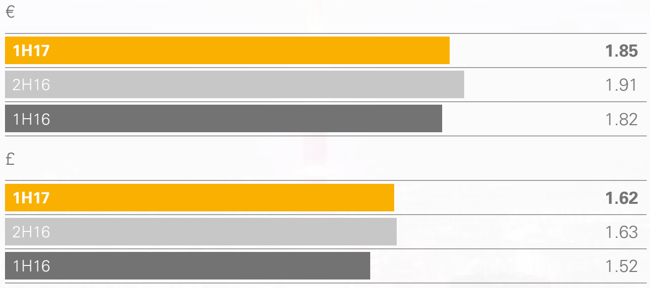
Adjusted NAV[2]
at 30 June 2017

€908.1m | £796.5m



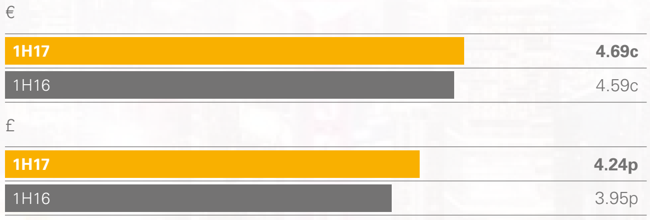
Adjusted NAV[2] per share
at 30 June 2017

€1.85 | £1.62



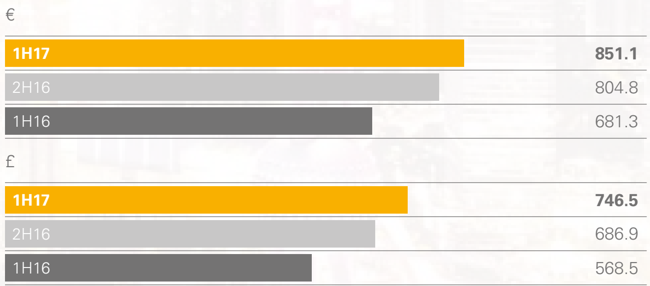
Dividend per ordinary share in respect of 1H17
(€/£)

4.69c | 4.24p



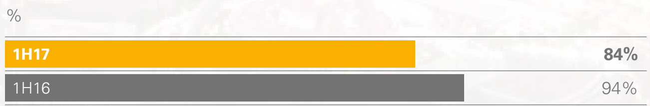
Market capitalisation
at 30 June 2017

€851.1m | £746.5m



Percentage of funds invested
at 30 June 2017

84%

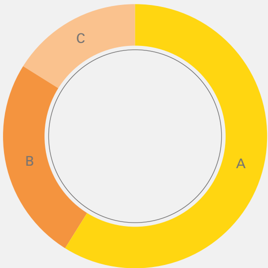


1. Total NAV Return for the Company reflects the percentage movement in the period between the closing euro Adjusted NAV (dividend added back) relative to the opening Adjusted NAV
2. Adjusted NAV is calculated by deducting the estimated performance fee reserve from period-end NAV

For details of calculations used please see the glossary on page 36

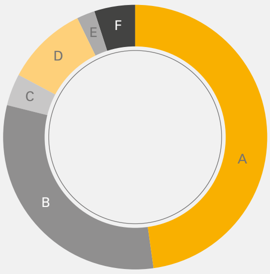
Our portfolio

Asset type



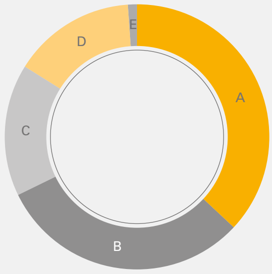
A Private Equity	59%
B Derived Debt	25%
C Derived Equity	16%

Geography



A North America	48%
B Rest of Europe	31%
C United Kingdom	4%
D India	10%
E China	2%
F Rest of World	5%

Sector



A Tech & Telco	37%
B Services	31%
C Healthcare	16%
D Consumer	15%
E Other	1%

Private Equity 59% : 41% Derived Investments

	Private Equity 59%	**Debt** 25%	**Equity** 16%
Portfolio value at 30 June 2017 (€)			
1H17	457.6	195.3	119.5
2H16	498.8	284.9	127.9
1H16	440.3	314.5	93.3
	€457.6m	**€195.3m**	**€119.5m**
Adjusted NAV at 30 June 2017 (€)			
1H17	453.0	193.0	114.1
2H16	494.1	280.1	126.1
1H16	435.0	313.8	92.6
	€453.0m	**€193.0m**	**€114.1m**
Total Return[1] at 30 June 2017 (%)			
1H17	-1.1	-3.7	18.3
1H16	1.0	-0.8	1.1
	-1.1%	**-3.7%**	**18.3%**

1. Total Return calculated by taking total gains or losses, divided by the sum of Adjusted NAV at the beginning of the period and the time weighted net invested capital. The time weighted net invested capital is the sum of investments made during the period less realised proceeds received during the period, both weighted by the number of days the capital was at work in the portfolio. Please see page 37 of the glossary for further details

Chairman's Statement

AGA's Total NAV Return was -0.7% for the first half of 2017. Performance was impacted in particular by the weakness of the US dollar relative to the euro. On a constant currency basis, Total NAV Return was 4.2%. The Investment Manager's report from page 6 discusses the half-year's performance in detail. Adjusted NAV per share fell 3.1% to €1.85, reflecting the dividend payment in April 2017 of 4.13 pence per share, equivalent to 4.84 euro cents.

Portfolio summary

Private Equity produced a Total Return of -1.1%. Negative valuation adjustments were made in Full Beauty and Quality Distribution, a US provider of bulk chemical logistics. The challenges these two companies are facing are being addressed by the Investment Adviser through its Operational Excellence Practice ("OEP"). Two positions (Answers and Rue21) were fully written off in the period. Following Evry's IPO, the share price fell affecting its valuation in the portfolio. Elsewhere, Private Equity realised value from its portfolio with a healthy flow of divestments but was also active in redeploying the proceeds in new opportunities with four closed deals and another four recently announced (more details on page 8).

Derived Investments delivered a 3.8% Total Return. A large proportion of the Company's holdings, particularly in the Derived Debt portfolio, are denominated in US dollars and therefore the strength of the euro relative to the US dollar had a negative impact on performance during the half-year. In line with the Investment Manager's stated intention, the proportion of assets invested in Derived Equities has increased over the period. Performance in Derived Equities was strong, with a Total Return of 18.3%. In addition, rapid share price appreciation enabled the Manager to realise gains in a number of newly-established positions earlier than expected. In total, eight equity positions were realised, generating gains of €17.6m in the period.

Derived Debt produced a Total Return of -3.7%. Adverse currency movements accounted for -5.9% and performance was therefore 2.2% on a constant currency basis. Four debt positions were sold during the first half, realising gains of €2.1m in the period. Although this element of the portfolio continued to be a valuable source of interest income for the Company, yielding €14.9m of cash flows, two debt holdings in the US retail sector suffered substantial write-downs. Rue21, a US fast-fashion apparel and accessories retailer aimed at the teenage market, filed for Chapter 11 bankruptcy in May 2017. The business had been significantly impacted by the structural changes affecting the US apparel retail sector with a shift towards online retail and declines in foot traffic. AGA holds a first lien note. Full Beauty, a plus-size online retailer in the US, continued to face a difficult trading environment due to merchandising issues in several of the company's brands, increased competition in the plus-sized space and an overall challenging retail market. AGA holds a second lien note (more details on page 14).

Tim Breedon CBE Chairman

Investment activity

AGA's Investment Adviser, Apax Partners, continues to seek out investment opportunities in an environment of elevated valuation levels. Apax's investment teams are organised on a sector basis. This focus enables them to identify pockets of value in industry sub-segments which typically receive less attention from investors. Recently announced Private Equity transactions, particularly in Healthcare and Services, demonstrate the benefits of this approach.

Dividend

In line with AGA's dividend policy, the Board has approved the first dividend in respect of 2017 of 4.24 pence per share, in line with the Company's policy of distributing 5% of NAV p.a. to shareholders. Using the closing exchange rate of 1.1054[1] on 10 August 2017, the dividend represents 2.5% of AGA's euro NAV at 30 June 2017, equivalent to 4.69 euro cents. The dividend will be paid on 15 September 2017 to members on the register on 25 August 2017. The shares will be marked ex-dividend on 24 August 2017.

Funding and commitments

During the first half of 2017, the Company committed $50m to the Apax Digital Fund ("ADF"), an Apax Partners fund which has yet to hold a final close. This commitment enables AGA to continue its strategy of providing shareholders with access to private equity investments advised by Apax Partners.

Second lock-up release

On 15 June 2017, the second anniversary of the Company's IPO, c.7.5% of AGA's ordinary shares held by Future Fund, former Apax executives and the Apax Foundation were released from lock-up. In keeping with last year, AGA and its corporate broker facilitated a process for the market placement of shares coming out of lock-up. There was no demand on this occasion to sell shares through this placement process, evidence that AGA continues to be regarded as an attractive investment opportunity by its pre-IPO shareholders.

FTSE Indices inclusion

Following this year's lock-up release, AGA's free float increased by 7.5% and is now above 50%. This allows AGA to be considered for inclusion in the FTSE Indices Series. If successful, AGA would join the FTSE Indices by the end of the year.

Market outlook

The views of the Investment Manager with respect to the current market environment and outlook can be found on page 4 of this report.

The Board is confident that AGA will be able to continue to identify new investment opportunities despite the high valuations being seen in public markets in both debt and equity.

Tim Breedon CBE
Chairman
16 August 2017

1. Source: Bloomberg BFIX rate at 16:00 on the 10 August 2017

Investment Manager's market review and outlook

Western financial markets continued to rally in both equities and debt. While valuations are increasingly elevated, the market backdrop offers pockets of value in certain sectors and geographies.

In 1H17, the North American and European stock and credit markets continued to perform as they did in the second half of 2016. The S&P 500 increased by 8.2%[1] after an already healthy 6.7%[1] in 2H16, and the EUR Stoxx 600 increased 5.0%[1] after 9.6%[1] growth in the same period last year. Similarly, major high yield credit indices[2] rose by 2.6%[1] and 3.4%[1] respectively, after having already risen by 9.7%[1] and 2.3%[1] in the last six months of 2016. This remarkable performance was aided by better than expected macroeconomic data, both in the US, and Europe, profit expansion and continuing central bank policies of cheap money.

Conversely, emerging markets were more mixed. India's stock market outperformed, with the BSE[3] Sensex increasing by 16.1%[1] in the reporting period (after a 1.4%[1] decline in the second half of 2016). In China, although the Hang Seng rose by 17.1%[1] in the first half of this year, the Shanghai and Shenzhen composite indices only delivered 2.8%[1] and -3.6%[1] respectively. Brazil's market[4] celebrated political stability for three quarters beginning in 3Q last year, but 3.2%[1] of the cumulative gains of 26.1%[1] since the middle of last year was lost in 2Q17, with new corruption cases and the implied return of political uncertainty.

Valuation levels in the different geographies differ significantly. Even when adjusted for growth, there appear to be geographic pockets of value (see Fig.1).

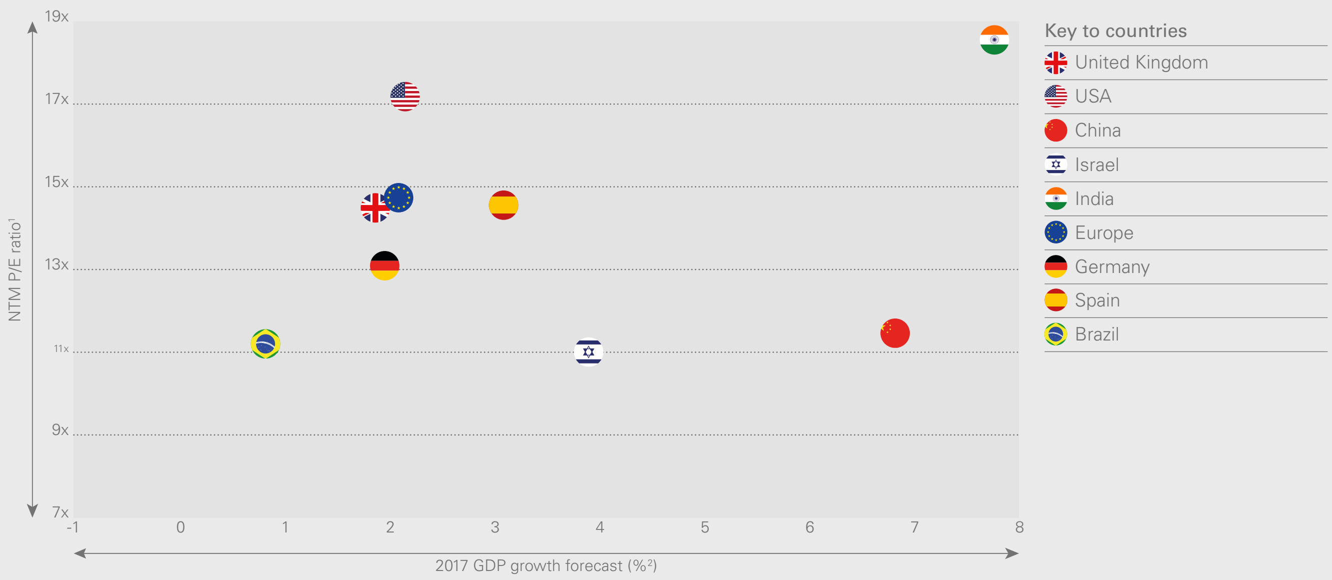
Price to earnings ratios in the US are significantly higher than in many European countries, despite the latter having similar or higher growth outlooks. As another example, Israel's stock market has an even larger discount than Europe, even though the country's macroeconomic performance continues to be stronger.

Two extreme markets continue to be India and Brazil, where valuations and the macroeconomic situation are polar opposites. AGA was reasonably active in India in 2017. Within its Derived Investments portfolio, Chola was the most prominent and successful Indian Derived Investments exit during the reporting period. At the current valuation levels, good entry points in India are however more difficult to find. Brazil is an interesting proposition for the Apax Funds, where private equity typically has an investment horizon of four to seven years, allowing it to weather the current turmoil.

Arguably the most difficult market to assess remains China. Although there have been contradictory statistics on the Chinese macroeconomic environment, many indicators such as energy consumption, passenger and shipment volumes suggest that the economy is accelerating again. At the same time, valuation levels remain moderate, which in principle points to an interesting investment environment. The issue in China continues to be the ever-increasing level of indebtedness within the economy. At some point credit expansion will cease and it would not be surprising to witness some systemic instability and market correction.

Our expectation of a hard Brexit has not changed and we believe that the negotiations will be difficult and protracted. With this, there is a significant risk of a slowdown in the UK. We are surprised by how resilient the UK's capital markets have been to date. Currently there appears to be substantial downside risk to the growth rates and valuation levels in the UK.

Fig.1: Value in different geographies



1. Source: Factset
2. Source: IMF World Economic Outlook

1. Source: Bloomberg
2. BAML US HY CCC & Lower Index and BAML EU HY CCC & Lower Index
3. BSE – Bombay Stock Exchange
4. Bovespa index

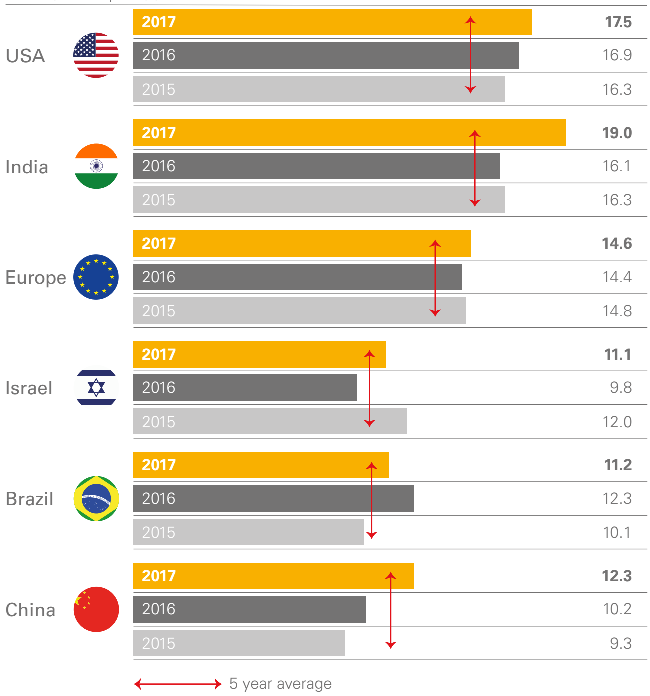
Many stock markets are trading at or close to peak price to earnings multiples (see Fig.2) and this is also reflected in high prices in the private equity world (see Fig.3). However, there are pockets of relative value in some industries. As Fig.4 depicts, the current valuation levels in various industries differ widely compared to their five-year averages.

Amongst the Apax Partners four specialist sectors of Tech & Telco, Services, Consumer and Healthcare, the Tech & Telco sub-sector of software is a good example illustrating these valuation variances. Software multiples are at an all-time high and continue to increase, whereas multiples in telecoms, services and healthcare are below or close to long-term averages. It is thus no coincidence that three out of the last eight announced Private Equity deals (all in Apax IX) are in Healthcare and two are in Services.

AGA's ability to direct capital towards relatively inexpensive geographies and industries and their sub-segments is a key advantage in the current valuation environment. This approach is likely to favour the aforementioned geographies and sub-sectors for the foreseeable future.

Fig.2: Public market valuation multiples

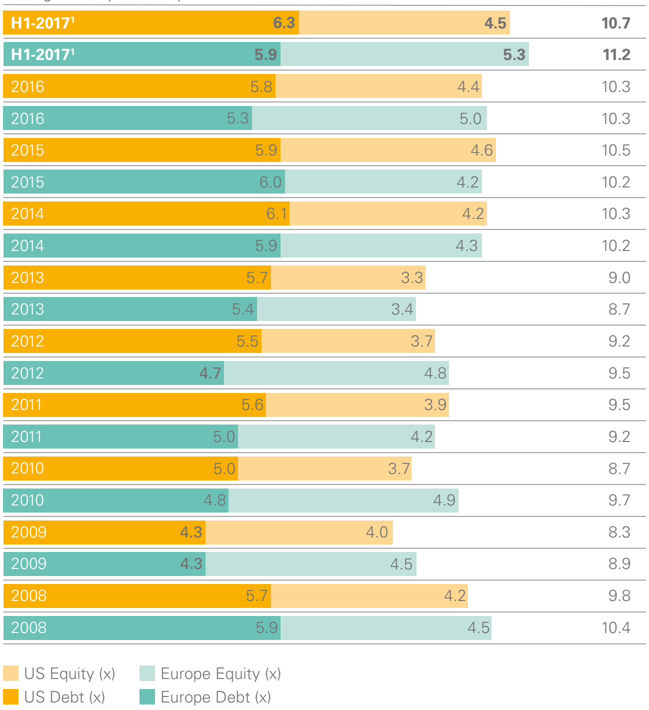
NTM P/E multiples (x)



Source: Factset

Fig.3: Private equity valuations

Average PE buyout multiples (EV/LTM EBITDA)

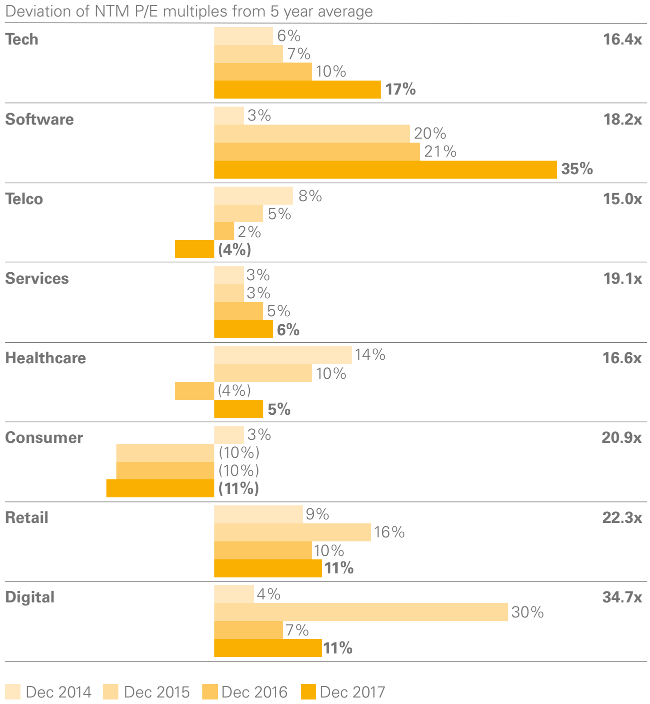


Source: S&P capital IQ. Includes fees and expenses

1. Data represents LTM June 2017 for Europe and YTD 2017 for US

Fig.4: Sector performance: Public market valuation multiples

Deviation of NTM P/E multiples from 5 year average



Source: Bloomberg

Investment Manager's report

Portfolio overview and performance

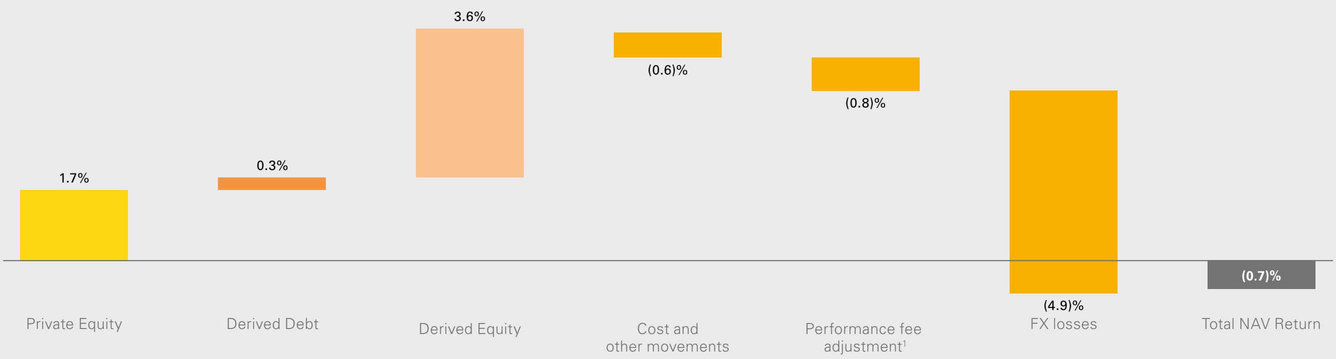
Portfolio overview

Total NAV Return during the first half of 2017 was -0.7% (see Fig.1). Currency movements had a substantial impact on performance, depressing returns by 4.9%. On a constant currency basis, AGA produced a Total NAV Return of 4.2%. The Derived Equity investments outperformed by contributing 3.6% to Total NAV Return. Performance of the Derived Debt portfolio steadied and added 0.3% to Total NAV Return. Private Equity portfolio companies drove growth organically and through acquisitions, contributing 1.7% to Total NAV Return. Due to a number of realisations before period end, the cash position temporarily increased to €149.1m.

Capital markets continue to show low levels of volatility and high valuations. The Apax Funds have focused on capitalising on these market conditions to drive realisations, with four full and two partial exits. On the investing side, the Apax Funds have maintained discipline around entry multiples and focused on microeconomic themes that provide a hedge against macroeconomic shocks and tangible levers for value creation. In total the Apax Funds have completed four new investments and announced a further four during the first half of 2017 (more details on page 11).

Derived Investments saw very strong exit activity in the first half of 2017. In a number of cases, the investment thesis played out faster than originally anticipated, leading to accelerated exits. In total four Derived Debt positions and eight Derived Equity Investments were realised, with a large proportion realised towards the end of the period (more details on page 17). Some of the proceeds were not reinvested by 30 June 2017, increasing AGA's cleared cash balance at this point in time. At period end, AGA has committed to invest approximately €36.8m into three new debt investments and AGA's portion of Private Equity deals which closed during the period but were bridge funded totalled c.€53.8m. It is therefore expected that the cash balance of AGA will reduce significantly during the second half of 2017. The pre-period end deal activity also impacted the composition of the portfolio. Due to the realised proceeds from the Derived Investments not immediately being reinvested, Private Equity's share of the invested portfolio increased from 55% to 59%.

Fig.1: 1H17 performance (%)



1. Performance fee adjustment accounting for the movement in estimated performance fee reserve at 30 June 2017. €6.6m of a performance fee was paid in March 2017

NAV development and portfolio performance

Adjusted NAV, which includes a proforma performance fee reserve calculated on a liquidation basis (see note 10 to the financial statements) was €908.1m, down from €938.7m at 31 December 2016. As shown in Fig.2, AGA paid out €23.8m relating to the final semi-annual dividend of the prior year, representing 2.5% of 31 December 2016 euro NAV. This is in line with AGA's dividend objective of distributing 5% of NAV p.a. On a per share basis, Adjusted NAV was €1.85 at 30 June 2017, decreasing from €1.91 at 31 December 2016. On a pound sterling basis, Adjusted NAV per share was relatively flat at £1.62 vs £1.63 at the end of last year.

Total Return metric

AGML, the Investment Manager, routinely considers how best to evaluate, monitor and assess the performance of AGA's three sub-portfolios: Private Equity, Derived Debt and Derived Equity. After careful consideration we believe that a revision is required to improve the manner in which performance is assessed, particularly given that realised cash proceeds from divestments are reinvested into new investments. AGML is introducing a revised Total Return calculation focusing on net invested capital rather than flows in and out of the sub-portfolio. We are of the view that it provides a fairer representation of the return achieved on the invested capital at work in the portfolio during a given reporting period. Details of the calculation can be found in the Glossary on page 37. A comparison of this methodology put against the previously reported performance methodology is also available on page 37.

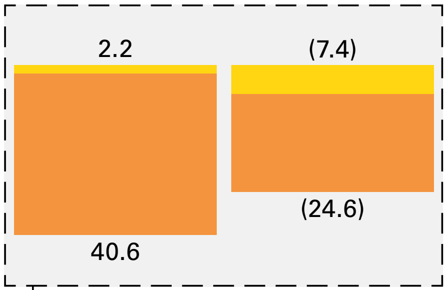
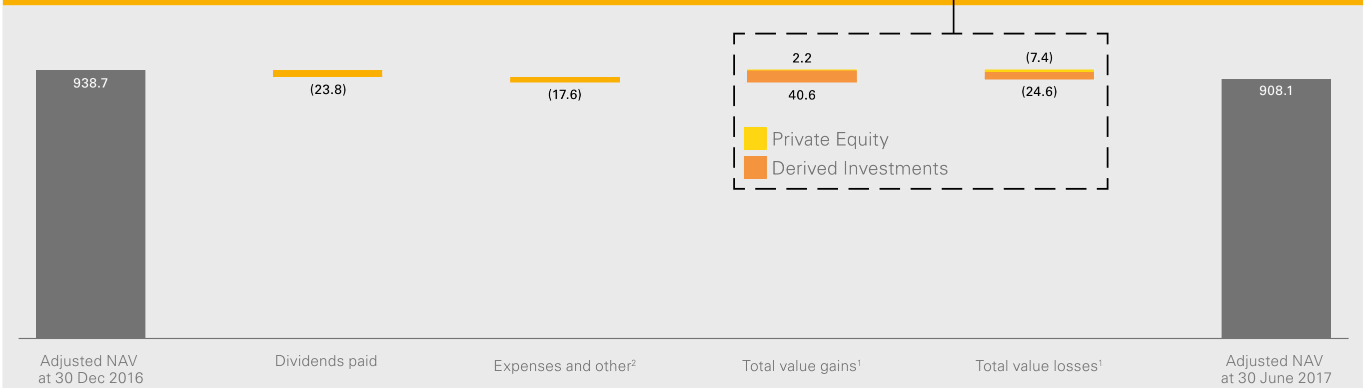


Fig.2: Adjusted NAV development and performance (€m)



1. Total value movement calculated by taking unrealised and realised movements, FX and income earned during the period. Total value gains show the positive contributors and total value losses show the negative contributors
2. Expenses and other consists of: expenses of €6.7m; performance fee of €7.6m; and FX losses on cash of €3.3m

Fig.3: Adjusted NAV development (€m)

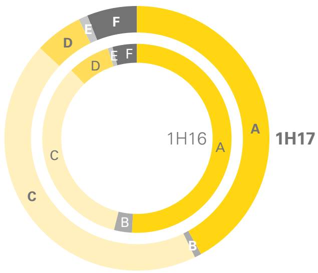
	Private Equity	Derived Investments[1]	Cash	Other	Total
Adjusted NAV at 31 December 2016	**494.1**	**406.2**	**33.9**	**4.5**	**938.7**
+ Investments	14.2	117.4	(131.1)	(0.5)	–
- Divestments	(50.1)	(216.3)	270.7	(4.3)	–
+ Interest and dividend income	–	–	16.4	(1.2)	15.2
+ Unrealised FV movement	15.9	2.4	–	–	18.3
+ Realised FV movement	–	19.7	–	–	19.7
- FX losses	(21.2)	(21.2)	(3.3)	–	(45.7)
+/- Costs and other movements	–	–	(7.1)	0.4	(6.7)
- Dividends paid	–	–	(23.8)	–	(23.8)
+/- Performance fee reserve	0.1	(1.1)	(6.6)	–	(7.6)
Adjusted NAV at 30 June 2017	**453.0**	**307.1**	**149.1**	**(1.1)**	**908.1**

1. Included in investments, divestments and realised gains are movements related to the restructuring of Answers. AGA received equity, warrants and new second lien debt in lieu of first and second lien debt it previously held

Investment Manager's report

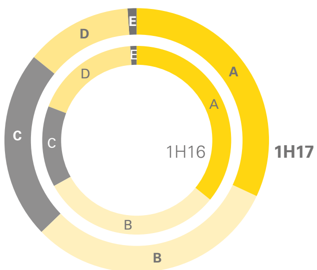
Private Equity

Portfolio split by geography



	2016	2017
A North America	51%	**42%**
B United Kingdom	3%	**1%**
C Rest of Europe	34%	**44%**
D India	7%	**6%**
E China	1%	**1%**
F Rest of World	4%	**6%**

Portfolio split by sector



	2016	2017
A Tech & Telco	36%	**32%**
B Services	31%	**31%**
C Healthcare	14%	**23%**
D Consumer	18%	**13%**
E Other	1%	**1%**

Highlights

Private Equity delivered a Total Return of -1.1% in 1H17. FX in the period materially impacted valuations, with the strengthening of the euro against the US dollar reducing the value of US based investments. The performance contribution of 1.7% to AGA's overall Total NAV Return was driven by both organic growth and through acquisitions in the Private Equity portfolio companies.

Apax Funds saw positive momentum in terms of new investment activity with eight investments signed or closed in the period. Whilst the pace of realisations has slowed compared to previous years, Apax Funds continue to crystallise value in its portfolios, with four full and two partial exits announced in the first half of the year (more details on page 12).

Through its commitments to the Apax Funds, AGA had exposure to a Private Equity portfolio of €457.6m at 30 June 2017, with investments in, and commitments to, six Apax Funds (see Fig.1). Apax Europe VI ("AEVI") and Apax Europe VII ("AEVII") are fully invested and are focused on realising the remaining investments. Although the investments have been made over a decade, due to AGA's large exposure to Apax VIII ("AVIII"), over half of the portfolio stems from post-2014 vintages. The majority of these investments are yet to complete their value creation phase and therefore continue to have NAV expansion potential. At the reporting date, AVIII is close to being fully invested, with the fund's total investments to date representing c.98% of its committed capital. AVIII will likely reserve the remaining investable capital for future follow-on investments into the existing portfolio. The fund has already started to realise early winners, with distributions from exits such as Chola (€7.1m), Garda (€9.8m) and a partial exit from Global Logic (€31.3m). It is now focusing on continued value generation across the unrealised investments.

Apax IX ("AIX") and AMI Opportunities Fund ("AMI") are both in their investment period. AIX, which announced its final close in December 2016, has started well, having already completed four investments and announced another three to date, all of which, are expected to bring total investments to c.25% of committed capital by the end of the year. AMI has closed three investments at 30 June 2017 and announced a fourth in June 2017. Once AMI completes the fourth investment, total investments are expected to equal c.30% of the committed capital. AGA has also committed $50m to the Apax Digital Fund ("ADF"), which has yet to hold a final close. The investment strategy of ADF is based on Apax's experience in sourcing, selecting, and adding value to digital companies in the mid-market. Apart from the investments AGA has made in Private Equity as a limited partner in the Apax Funds, AGA also holds a stake in the AEVII carried interest. The value of the AEVII carried interest has increased by 9% during the half-year from €19.6m at year end to €21.3m at 30 June 2017, largely reflecting a movement in timing expectations for when carried interest in AEVII will be paid.

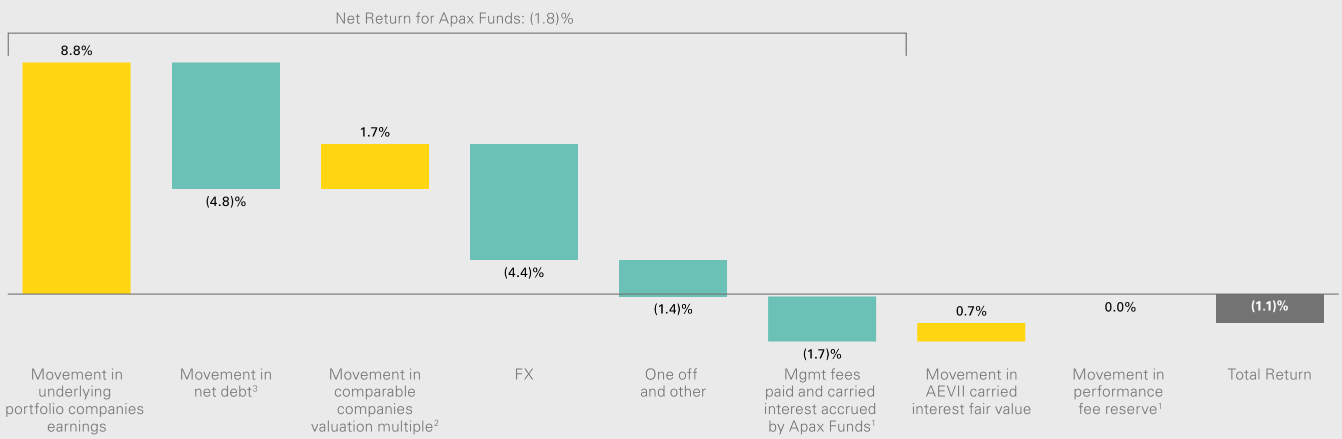
Valuation levels in capital markets remain supportive to private equity valuations. Two positions out of 42 portfolio companies, Quality Distribution and Full Beauty, materially impacted returns. Rue21 and Answers were written off but did not significantly impact Adjusted NAV. Although Evry's IPO dragged down the valuation, this does not represent an underlying company performance issue but a function of the share price achieved at IPO being lower than anticipated by advisers on the listing. As a result, AVIII only sold the minimum required at IPO. Operationally the company continues to

Fig.1: Commitments to Apax Funds

Fund Name	Currency	Vintage	Commitment amount (m)	Invested and committed by Apax Funds	NAV at 30 June 2017 (€m)
Apax Digital Fund[1]	USD	tbd	$50.0	–%	–
Apax IX	USD EUR	2016 2016	$175.0 €154.5	14% 14%	€2.7m €3.7m
AMI Opportunities Fund	USD	2014	$30.0	20%	€7.7m
Apax VIII	USD EUR	2012 2012	$218.3 €159.5	98% 98%	€173.7m €207.7m
Apax Europe VII[2]	EUR	2007	€86.5	107%	€60.1m
Apax Europe VI	EUR	2005	€10.6	106%	€2.0m
Total					**€457.6m**

1. The fund is yet to hold a final close
2. Includes AGA's exposure to AEVII as a limited partner, valued at €38.8m, and through its carried interest holdings, valued at €21.3m. The carried interest holdings were acquired through a €10.5m investment in 2015

Fig.2: 1H17 performance (%)

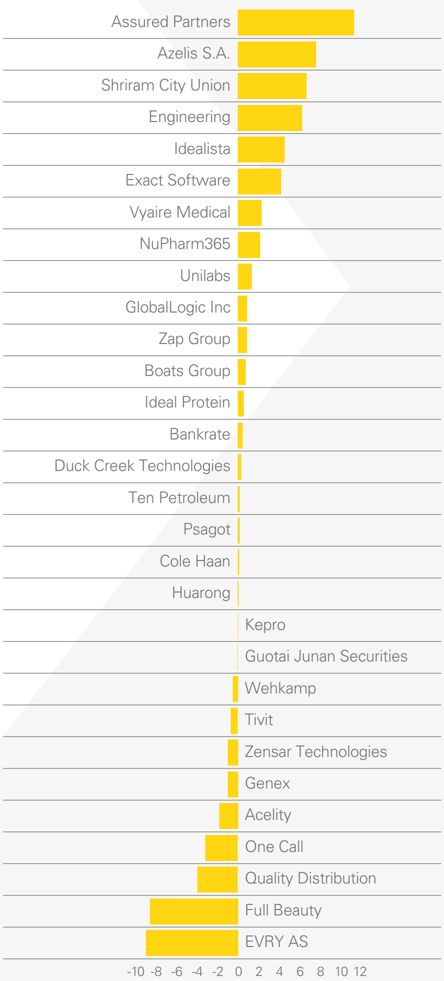


1. Performance fee adjustment accounting for the movement in the estimated performance fee reserve at 30 June 2017
2. Movement in the valuation multiples captures movement in the comparable companies valuation multiples. In accordance with International Private Equity and Venture Capital Valuation ("IPEV") guidelines, the Apax Funds use a multiples based approach where an appropriate valuation multiple (based on both public and private market valuation comparators) is applied to maintainable earnings, which is often but not necessarily represented by EBITDA to calculate enterprise value
3. Represents movement in all instruments senior to equity

perform well and is exhibiting strong top-line growth. AGA's largest fund exposure, AVIII, realised successful exits in Chola, Garda and a partial exit from Global Logic. There were also strong valuation gains from Assured Partners, Azelis and Shriram City Union Finance ("SCUF"), which were the three companies with the highest valuation movements. Assured Partners' valuation increased mainly due to continued growth through accretive add-on acquisitions. Azelis' valuation benefited in approximately equal measure from strong EBITDA growth and higher valuation multiples, meanwhile SCUF's share price traded up strongly following an improved outlook, despite the Indian government's demonetisation policies. Evry, Full Beauty and Quality Distribution were the largest negative contributors to valuation movements, with Full Beauty being the main concern. Quality Distribution, a US provider of bulk chemical logistics, continues to see solid revenue growth, however rising maintenance costs in 2017 driven by an increase in the number of company stores impacted margins, which coupled with FX headwinds and an increase in net debt due to add-on acquisitions, impacted its short-term valuation. Full Beauty, a plus-size online retailer in the US, continued to face a difficult trading environment due to competition in online retail. The Investment Adviser is working with the companies' management team on operational improvements in Full Beauty and addressing the cost base at Quality Distribution. Two positions (Answers and Rue21) were written off during the period, but as their December 2016 valuations were at or close to zero, they did not materially impact performance in 1H17.

Portfolio companies continued to drive growth both organically and through acquisitions. The return contribution of the resulting earnings growth in the period was 8.8%. The valuation metric is often, but not always EBITDA as for a number of portfolio companies other measures of maintainable earnings are a better valuation basis, for example in the case of some financial services companies. A number of portfolio companies have raised additional debt capital to fund their inorganic growth strategies. As a consequence, net debt balances in the portfolio have increased on an absolute basis. This had a negative impact of 4.8% on returns during the reporting period. Payment of dividends and investments in strategic initiatives have also had an impact on this. However, the ratio of net debt to EBITDA only increased slightly to 4.5x as EBITDA growth during the period largely offset the additional debt raised.

Fig.3: 1H17 Private Equity contribution from top 30 companies (€m)



Investment Manager's report

Market outlook

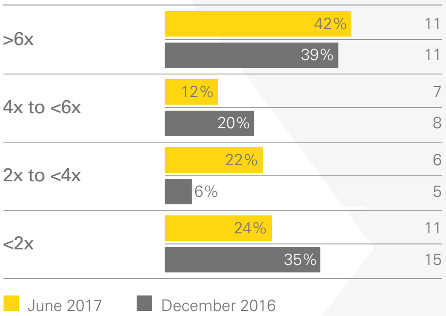
The market environment continues to be characterised by record-high valuations, partly reflecting generally positive macroeconomic conditions in both developed and emerging markets. Europe in particular appears to be on a rebound trajectory, which we believe will continue for a while.

Apax Funds continue to seek out niche opportunities off the beaten path and have been able to execute investments at reasonable valuations during 2017. The focus is on transactions where multiple value creation levers can be pulled within the first two years of investment to make sure a value "buffer" is created in case general market valuations contract and/or the economies slow down.

The second half of 2017 looks supportive to these types of transactions and the Apax Funds have a number of attractive new opportunities under review during the summer.

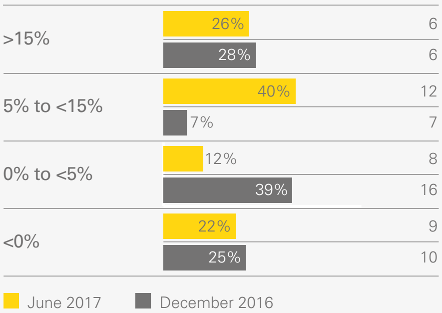
The existing portfolio looks promising with more interesting returns possible in the second half of 2017, as some of the more difficult investments have been worked through and others are continuing to develop strongly.

Net debt/EBITDA multiple: Jun-17: 4.5x[1] vs Dec-16: 4.4x[1]



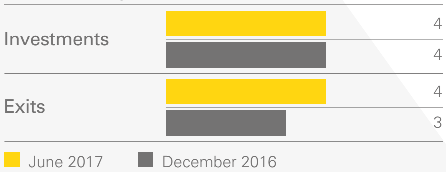
Number of investments within associated band

Portfolio year-over-year LTM revenue growth: Jun-17: 8.9%[1] vs Dec-16: 6.1%[1]

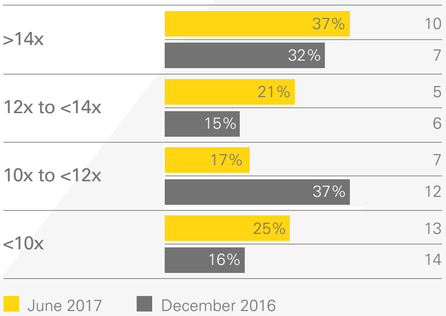


Number of investments within associated band

Investment activity:
Number of positions in the last 6 months

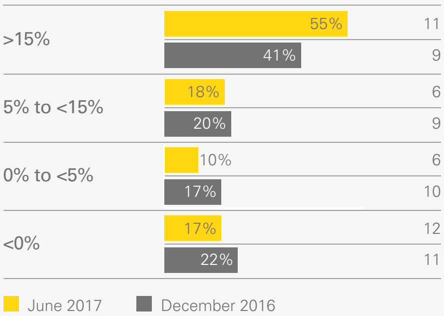


Enteprise Value/EBITDA valuation multiple: Jun-17: 13.1x[1] vs Dec-16: 12.9x[1]



Number of investments within associated band

Portfolio year-over-year LTM EBITDA growth: Jun-17: 12.2%[1] vs Dec-16: 9.8%[1]



Number of investments within associated band

Note: These operational metrics represent a snapshot of the portfolio as at period end, hence they do not capture the performance of exited investments in the reporting period

1. GAV weighted average of the respective metric across the portfolio. At 31 December 2016 three investments and at 30 June 2017 four investments were respectively excluded as these were large positive outliers. They were valued on book value rather than earnings or for which clean earnings financials were not available such as in complex carve-outs. Exclusions were consistent between the periods, with the increase due to additions

Private Equity – Acquisitions

Acquisitions Closed		Date	Cost[1]
Unilabs	Leading European laboratory and radiology service company (AIX[2], Europe, Healthcare)	February 2017	€22.4m
Ten	Operator of discount gas stations in Israel (AMI, Israel, Consumer)	March 2017	€2.3m
国泰君安证券	Securities firm providing a diversified range of services including securities brokerage, underwriting, asset management and credit (AIX, China, Services)	April 2017	€8.6m
KEPRO	Provider of beneficiary eligibility and medical cost containment services (AIX, North America, Healthcare)	May 2017	€6.4m
Announced		**Date**	**Estimated cost[1]**
Syneron Candela	Global non-surgical aesthetic device company (AIX, North America, Healthcare)	April 2017	c.€11m
safetykleen	Europe's largest service provider of surface treatment and chemical application services (AIX, Europe, Services)	May 2017	c.€13m
ATTENTI	Carve-out of 3M's electronic monitoring business (AIX, Rest of World, Tech & Telco)	June 2017	c.€7m
MAX	Israel's largest general discount retail chain (AMI, Israel, Consumer)	June 2017	c.€3m

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1. Cost and Estimated costs are AGA's indirect exposure to the underlying portfolio companies held by the Apax Funds. Costs may change following final close of the deal
2. The above is in reference to AIX's acquisition of a majority position in Unilabs. AEVI will retain its existing minority stake which it initially acquired in 2007

Investment Manager's report

Private Equity – Divestments

Divestments Closed – fully exited[1]			Initial year of purchase	MOIC[2]	Gross IRR[2]
Chola	A leading Indian non-bank financial company (AVIII, India, Services)	Exited via public markets	2014	2.7x	54%
GARDAWORLD	Leading provider of cash logistics services in North America and physical security services in Canada and emerging markets (AVIII, North America, Services)	Exited via private sale	2012	2.4x	28%
ASCENTIAL	International B2B media company (AEVII, Europe, Legacy Media)	Partial public market sale	2008	1.1x	2%
Capio	Pan-European hospital and healthcare services operator (AEVI, Europe, Healthcare)	Exited via public markets	2006	1.6x	6%
Other noteworthy investments not fully exited			**Initial year of purchase**	**MOIC[2]**	**Gross IRR[2]**
GlobalLogic	Outsource product developer (AVIII, RoW, Tech & Telco)	Partial exit	2013	5.0x	59%
Evry	IT services provider (AVIII, Europe, Tech & Telco)	IPO	2015	2.4x	50%
Shriram City	A non-bank financial company focused on the microenterprises segment (AVIII, India, Services)	Recapitalised	2015	1.2x	11%
Answers	Social content publisher and cloud platform (AVIII, North America, Services)	Restructured	2014	0.0x	-72%
rue21	Apparel and accessories retailer (AVIII, North America, Consumer)	In restructuring	2013	0.0x	NM[3]%

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1. Chola final sale closed January 2017, Capio final sale closed February 2017, Ascential final sale closed March 2017, Garda final sale closed May 2017 and proceeds were distributed in June 2017
2. Gross MOICs and Gross IRRs represent return to the Apax Funds as at 30 June 2017, including unrealised value and total realised proceeds. Calculated since the initial purchase date of the investment. Gross IRR was 10.2% on fully exited deals
3. Not meaningful

Top 30 Private Equity Investments

AGA's indirect exposure at 30 June 2017

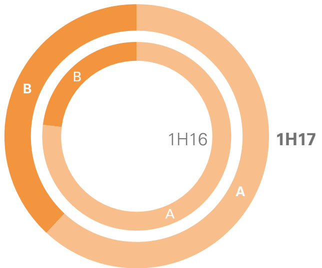
Top 30 Private Equity	Fund	Initial purchase year	Sector	Geography	Valuation €m	% of NAV	% of Invested Portfolio
Assured Partners*	AVIII	2015	Services	North America	47.1	5%	6%
Azelis*	AVIII	2015	Services	Europe	46.8	5%	6%
EVRY	AVIII	2015	Tech & Telco	Europe	38.6	4%	5%
Exact Software*	AVIII	2015	Tech & Telco	Europe	36.0	4%	5%
Global Logic	AVIII	2013	Tech & Telco	North America	25.0	3%	3%
Engineering	AVIII	2016	Tech & Telco	Europe	24.6	3%	3%
Unilabs	AEVI & AIX	2007 & 2017	Healthcare	Europe	23.4	3%	3%
Idealista	AVIII	2015	Consumer	Europe	23.1	3%	3%
NuPharm365	AVIII	2016	Healthcare	Europe	19.9	2%	3%
Wehkamp	AVIII	2015	Consumer	Europe	19.3	2%	3%
Shriram City Union	AVIII	2015	Services	India	19.3	2%	2%
One Call	AEVII & AVIII	2013	Healthcare	North America	17.4	2%	2%
Vyaire Medical	AVIII	2016	Healthcare	North America	15.8	2%	2%
Acelity	AEVII	2011	Healthcare	North America	15.3	2%	2%
Cole Haan*	AVIII	2013	Consumer	North America	14.2	2%	2%
Duck Creek Technologies	AVIII	2016	Tech & Telco	North America	13.5	1%	2%
Ideal Protein	AVIII	2015	Healthcare	North America	12.9	1%	2%
Quality Distribution*	AVIII	2015	Services	North America	11.2	1%	1%
Psagot	AEVII	2010	Services	Rest of World	9.0	1%	1%
Guotai Junan Securities	AIX	2017	Services	China	8.5	1%	1%
Tivit	AEVI & AEVII	2010	Tech & Telco	Rest of World	8.2	1%	1%
Genex*	AEVII & AVIII	2014	Healthcare	North America	7.1	1%	1%
Full Beauty*	AVIII	2015	Consumer	North America	6.6	1%	1%
Zensar Technologies	AVIII	2015	Tech & Telco	India	6.5	1%	1%
Boats Group	AIX	2016	Services	North America	6.5	1%	1%
Kepro	AIX	2017	Healthcare	North America	6.3	1%	1%
Bankrate	AEVII	2009	Services	North America	5.3	1%	1%
Sophos*	AEVI & AEVII	2010	Tech & Telco	United Kingdom	4.5	0%	1%
Zap Group	AMI	2015	Tech & Telco	Rest of World	4.2	0%	1%
Huarong	AEVII & AVIII	2014	Services	China	4.0	0%	1%
Other					13.5	1%	2%
Total gross investments					**513.6**	**56%**	**66%**
Carried interest					(31.1)	-3%	-4%
Capital call facilities and other					(24.9)	-3%	-3%
Total net investments					**457.6**	**50%**	**59%**

* The Company also holds Derived Investments in these portfolio companies at 30 June 2017

Investment Manager's report

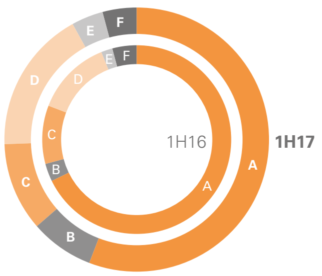
Derived Investments

Derived Investments by portfolio composition



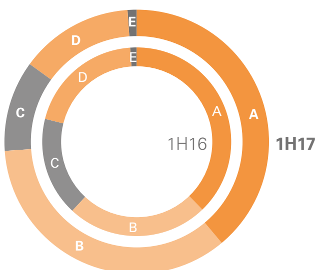
	2016	**2017**
A Debt	77%	**62%**
B Equity	23%	**38%**

Derived Investments by geography



	2016	**2017**
A North America	68%	**57%**
B United Kingdom	3%	**8%**
C Rest of Europe	10%	**11%**
D India	13%	**17%**
E China	2%	**4%**
F Rest of the World	4%	**3%**

Derived Investments by sector



	2016	**2017**
A Tech & Telco	38%	**39%**
B Services	24%	**35%**
C Healthcare	17%	**11%**
D Consumer	20%	**14%**
E Other	1%	**1%**

Highlights

Total Return for Derived Investments was 3.8%. The performance of the Derived Equity portfolio was a key contributor to performance of Derived Investments during the period, with a Total Derived Equity Return of 18.3%. The Derived Debt portfolio performance remained subdued with a Total Derived Debt Return of -3.7%. This is primarily due to AGA's challenged investments in Rue21 and Full Beauty, as well as the portfolio's US dollar exposure. Towards the end of the reporting period, the Derived Investments portfolio saw several exits, predominantly in Derived Equity, as many portfolio investments achieved their investment objectives earlier than originally anticipated.

Derived Equity

The performance of the Derived Equity portfolio was very strong during the period, with Total Derived Equity Returns of 18.3%.

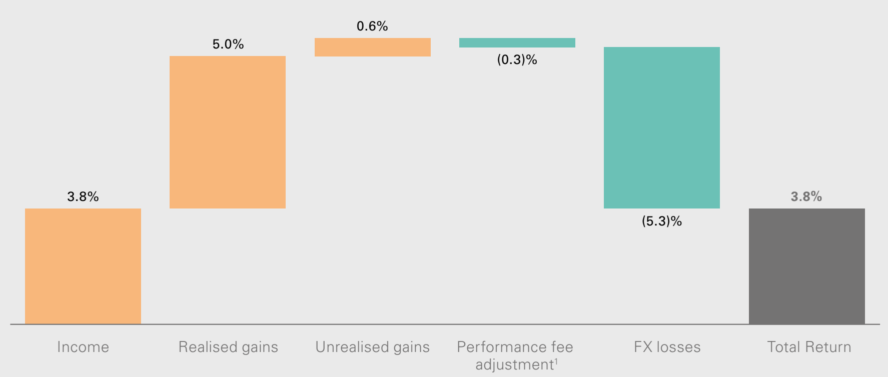
AGML has been actively shifting focus within the Derived Investments portfolio towards equities in the past 12 months. This was done in light of the relative attractiveness of this asset class compared to debt in the current market environment. Of the 14 Derived Investments made during the period (total invested amount: €117.4m), ten investments were in Derived Equity (total invested amount: €65.4m) across all four Apax focus sectors (more details on page 16). From a geographic perspective, the majority of investments (four out of ten) were made in Europe and the UK. The consistently improving macroeconomic environment in Europe provided tailwinds to the investment activity. In the UK, AGML was able to crystallise value on some of the investments made during the period. However, we remain generally cautious about the UK's mid-term prospects after Brexit.

For a number of investments, the investment objectives were achieved sooner than expected. This has led to a higher turnover in the Derived Equity portfolio, with five out of ten investments bought during the period already sold. Four investments were sold shortly before 30 June, which temporarily inflated the cash balance by €70.9m. In total, eight equity positions were sold for a total realised amount of €101.7m during the period, yielding €17.6m in realised gains (Derived Investments total realised gains: €19.7m). The largest absolute contributions were from the investments in Liva Nova and N Brown, with realised gains of €7.4m and €3.0m respectively. The investment thesis for Liva Nova was to acquire the position at a low valuation compared to peers, whilst backing a strong management team to execute on merger synergies and growth. The investment in N Brown was identified as an attractive combination of low valuation and long-term upside from online opportunities in a consumer sub-sector which the Investment Adviser is very familiar with.

The high portfolio turnover in the Derived Equity portfolio impacted the Derived Investments operational metrics (see charts on page 15). As these metrics measure performance of the portfolio at 30 June, portfolio mix changes had a significant impact for the reporting period. The sale of higher growth companies such as Fortinet, Chola and Geometric, coupled with the purchase of lower growth companies such as DCB Bank and Tech Mahindra, reduced the average LTM earnings growth from 32% to 5%, however nine out of eleven positions had earnings growth between 0% and 58%.

The euro strengthening against other major currencies has had a dilutive effect on performance during the period. FX losses totalled €5.9m and reduced total Derived Equity returns by 4.4%. As at 30 June, 46% of the Derived Equity portfolio was denominated in Indian rupees and the balance in currencies other than the euro.

Fig.1: 1H17 performance (%)



1. Performance fee adjustment accounting for the movement in the estimated performance fee reserve at 30 June 2017

Derived Debt

Performance of the Derived Debt portfolio was weak during the period, with a Total Derived Debt Return of -3.7%.

Two key elements drove Total Return performance in Derived Debt: an ongoing drag on performance from the challenged investments in Rue21 and Full Beauty, as well as currency headwinds. Other than that, the performance of this part of the portfolio was resilient.

As reported before, AGA had made investments into debt instruments issued by Answers, Rue21 and Full Beauty. Answers emerged from a Chapter 11 bankruptcy during the period and AGA received shares, warrants and new debt instruments in exchange for the prior debt investments. Answers' value was already impaired at 31 December 2016 and therefore no further value loss was generated in the reporting period. AGA will report performance of the shares and warrants received as part of its Derived Equity portfolio going forward. Rue21 and Full Beauty are exposed to significant headwinds in the US retail sector. Rue21 is currently going through a Chapter 11 process. The Investment Adviser is spending considerable resources on Full Beauty which, whilst challenged, has a unique position in the market given its focus on "plus-size" and its online/catalogue business model. Fair market value of the investments held in Answers, Rue21, and Full Beauty at 30 June 2017 were €8.2m, €3.6m and €15.2m respectively.

FX movements had a large impact on returns as 89% of Derived Debt Investments are held in US dollar denominated instruments. This exposure had an impact of -5.9% on Total Derived Debt Returns. AGML does not hedge the underlying currency exposure of AGA's investment portfolio and therefore FX movements are expected to remain a source of return volatility going forward.

The remaining investments in the Derived Debt portfolio demonstrated strong or resilient results during the period. With the exception of one investment – Paradigm, a software company servicing the oil and gas exploration market – the remaining 16 investments held at period end or exited during the period all delivered positive like-for-like gains (including income received) at an average of 5.9% on a currency adjusted basis.

Record high valuations in loan and bond markets provide a challenging environment for new investments in debt. We made four new investments in Derived Debt positions (total invested amount: €52.0m) during the period, all of which were second lien loans. Three of those four investments were made in companies, which, at the time of investment, were not portfolio companies of the Apax Funds.

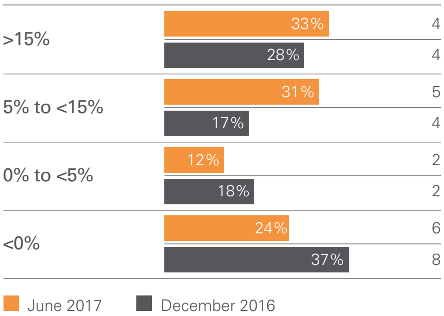
AGA realised four Derived Debt investments during the period amounting to €114.6m with realised gains of €2.1m. For three of those four realisations – Acelity, Kepro and Unilabs – AGA was repaid as part of a refinancing of the underlying companies. The investment in Kepro, together with the investment made in Acelity, generated the highest absolute contribution (realised gains and income) to returns with €1.6m and €1.4m respectively. We completed the sale of Ellucian's unsecured bonds in the second half of the period, having disposed of half of its position earlier in 1Q17. Returns on Acelity were mainly driven by the company redeeming the notes as part of a refinancing following the sale of a major business division.

Operational performance in the Derived Debt portfolio when measured by LTM EBITDA growth improved from 2.7% to 5.5% during the period, albeit still at low levels due to six companies (31 December 2016: eight) having had negative LTM EBITDA growth. Average yields to maturity in the portfolio have increased from 12.0% to 13.6%, with the number of investments with yields above 10% increasing from seven to eight positions.

Market outlook

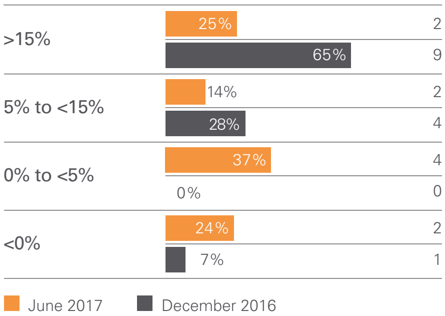
Debt markets are still characterised by very high valuations in a historical context. We are concerned that such valuations will not prove sustainable in the long run. As a consequence, AGML is de-emphasising its investment focus on Derived Debt. Despite equity markets trading at peak valuation levels, AGML aims to identify relative value opportunities in sub-sectors that are more attractively priced.

Debt year-over-year LTM EBITDA growth:
Jun-17: 5.5%[1] vs Dec-16: 2.7%[1]



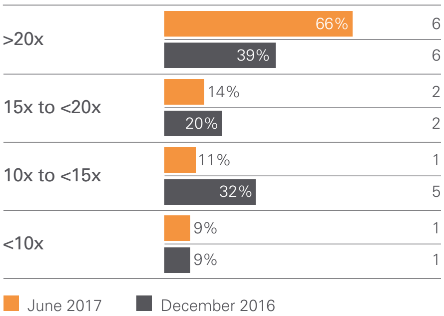
Number of investments within associated band

Equity year-over-year LTM earnings growth:
Jun-17: 5.0%[2] vs Dec-16: 32.0%[2]



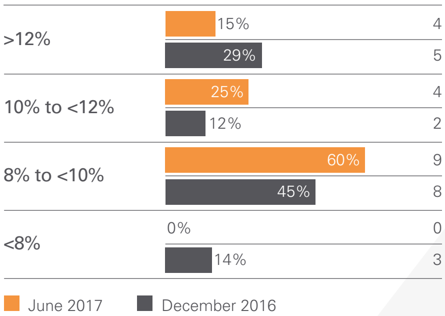
Number of investments within associated band

Equity P/E ratio:
Jun-17: 34.4x[2] vs Dec-16: 23.5x[2]



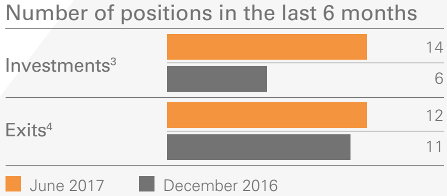
Number of investments within associated band

Debt YTM:
Jun-17: 13.6%[1] vs Dec-16: 12.0%[1]



Number of investments within associated band

Investment activity:
Number of positions in the last 6 months



Note: These operational metrics represent a snapshot of the portfolio as at period end, hence they do not capture the performance of exited investments in the reporting period

1. GAV weighted average of the respective metric across the Derived Investments Debt portfolio
2. GAV weighted average of the respective metric across the Derived Investments Equity portfolio
3. New investments in the 1H17 – see page 16 for list of acquisitions (inclusive of add-on positions but excluding new positions received as part of the restructure of Answers and Rue21). December comparative respresents the six months to 31 December 2016
4. Represents exits during 1H17 – see page 17 for list of disposals. December comparative respresents the six months to 31 December 2016

Investment Manager's report

Derived Investments – Acquisitions

Acquisitions[1] Debt		Cost[2]
KEPRO	Provider of beneficiary eligibility and medical cost containment services (North America, Healthcare)	€23.6m
CALIBER COLLISION	US collision repair multi-shop operator (North America, Consumer)	€4.7m
AssuredPartners	Middle market insurance brokerage firm (North America, Services)	€34.6m
MISYS FINANCIAL SOFTWARE	Provider of financial services software (Europe, Tech & Telco)	€1.8m
Equity		
epam	Specialised outsourced product development services provider (North America, Tech & Telco)[3]	€5.3m
LivaNova	UK headquartered med-tech company (Europe, Healthcare)	€28.2m
SHRIRAM	Non-bank financial company in India (India, Services)[3]	€4.8m
	Leading online job listing website in China (China, Consumer)	€9.5m
Tech Mahindra	IT services, outsourcing and consulting company (India, Tech & Telco)	€12.4m
mitie	UK facilities management company (United Kingdom, Services)	€9.4m
DCB BANK	Indian commercial bank (India, Services)	€11.5m
N BROWN GROUP PLC	UK home shopping fashion retailer (United Kingdom, Consumer)	€7.5m
nets	Nordic-based provider of payments, cards and information services (Europe, Tech & Telco)	€10.0m
Strides Shasun	An Indian pharmaceutical company (India, Healthcare)	€17.2m

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1. During 1H17, AGA's debt holdings in Answers first lien and second lien debt were converted into new second lien notes and equity instruments. These have been excluded from the above
2. Cost represents the current cost of investments held at 30 June 2017 and total cost for investments subsequently sold in 1H17
3. Epam and Shriram were originally purchased in December 2016, There were no further additions to these positions in 1H17

Derived Investments – Divestments

Divestments[1] Debt			Initial year of purchase	IRR[2]
Acelity	Medical equipment company (North America, Healthcare)	Second lien senior secured note	2016	48%
ellucian	A leader in higher education technology (North America, Tech & Telco)	Senior unsecured notes	2016	22%
KEPRO	Provider of beneficiary eligibility and medical cost containment services (North America, Healthcare)	Senior unsecured notes	2017	13%
Unilabs	Provider of beneficiary eligibility and medical cost containment services (Europe, Healthcare)	Senior unsecured notes	2016	10%
Equity				
Chola	Non-bank financial company (India, Services)	Listed equity	2014	80%
Geometric	IT engineering services business (India, Tech & Telco)	Listed equity	2016	37%
nets	Nordic-based provider of payments, cards and information services (Europe, Tech & Telco)	Listed equity	2017	450%
FORTINET	Security software company (North America, Tech & Telco)	Listed equity	2016	28%
LivaNova	UK headquartered medtech company (Europe, Healthcare)	Listed equity	2016	67%
	Leading online job listing website in China (China, Consumer)	Listed equity	2017	96%
mitie	UK facilities management company (United Kingdom, Services)	Listed equity	2016	88%
N BROWN GROUP PLC	UK home shopping fashion retailer (United Kingdom, Consumer)	Listed equity	2016	169%

www.apaxglobalalpha.com /investment-portfolio/top-holdings/derived-investments/

1. Full exits
2. Gross IRR calculated since the initial purchase date of the investment. For assets purchased prior to 15 June 2015, the IPO date, the IRR is calculated based on the initial purchase price in PCV. Aggregate Gross IRR on fully exited deals was 26.8% (inclusive of Answers first and second lien debt that was restructured)

Investment Manager's report

Derived Investments portfolio

At 30 June 2017

Derived Investments portfolio	Instrument	Initial purchase year	Sector	Geography	Valuation €m	% of NAV	% of Invested Portfolio
AssuredPartners*	Second lien debt	2015	Services	North America	35.9	4%	5%
Sophos*	Listed equity	2016	Tech & Telco	United Kingdom	23.8	3%	3%
Azelis*	Second lien debt	2015	Services	Rest of Europe	20.7	2%	3%
Genex*	Second lien debt	2014	Healthcare	North America	19.5	2%	3%
Rentpath	Second lien debt	2014	Tech & Telco	North America	18.5	2%	2%
Advantage Sales & Marketing	Second lien debt	2014	Consumer	North America	17.1	2%	2%
Quality Distribution*	Second lien debt	2015	Services	North America	16.2	2%	2%
Strides Shasun	Listed equity	2014	Healthcare	India	15.8	2%	2%
Full Beauty*	Second lien debt	2015	Consumer	North America	15.2	2%	2%
Exact Holdings*	Second lien debt	2015	Tech & Telco	Rest of Europe	13.0	1%	2%
Development Credit Bank	Listed equity	2017	Services	India	12.6	1%	2%
Tech Mahindra	Listed equity	2017	Tech & Telco	India	12.3	1%	2%
Palo Alto Networks	Listed equity	2016	Tech & Telco	North America	11.7	1%	2%
Paradigm*	Second lien debt	2014	Tech & Telco	Rest of World	11.0	1%	1%
China Cinda Asset Management	Listed equity	2015	Services	China	10.1	1%	1%
TAKE Solutions	Listed equity	2016	Tech & Telco	India	9.0	1%	1%
Vertafore	Second lien debt	2016	Tech & Telco	North America	8.9	1%	1%
Epam Systems	Listed equity	2016	Tech & Telco	North America	6.7	1%	1%
Epicor	Second lien debt	2015	Tech & Telco	North America	6.5	1%	1%
Answers[1]	Equity and warrants	2017	Services	North America	6.4	1%	1%
Answers[1]	Second lien debt	2017	Services	North America	1.8	0%	0%
Shriram Transport Finance	Listed equity	2016	Services	India	5.8	1%	1%
Caliber Collision	Second lien debt	2017	Consumer	North America	4.5	0%	1%
Zhaopin	Listed equity	2016	Consumer	China	2.9	0%	0%
Cengage Learning*	Listed equity	2014	Legacy Media	North America	2.5	0%	0%
Rue21	First lien debt and DIP facility	2013	Consumer	North America	3.6	0%	0%
Misys	Second lien debt	2017	Tech & Telco	Europe	1.8	0%	0%
Cole Haan*	First lien debt	2016	Consumer	North America	1.0	0%	0%
Total Derived Investments					**314.8**	**34%**	**41%**

* Investments also held by the Apax Funds at 30 June 2017

1. These represent the new second lien debt, equity and warrants that AGA received as part of the Answers restructuring. The initial purchase year for Answers was 2014

Directors' responsibility statement

Statement of principal risks and uncertainties
As an investment company with an investment portfolio comprising financial assets, the principal risks associated with the Company's business largely relate to financial risks, strategic and business risks, and operating risks.

A detailed analysis of the Company's principal risks and uncertainties are set out on pages 16 to 21 of the Annual Report and Accounts 2016 and have not changed materially since the date of the report. The Company has not identified any new risks that will impact the remaining six months of the financial year.

Statement of Directors' responsibilities in respect of the Interim Report and Accounts

The Directors confirm that to the best of their knowledge:

- the condensed interim financial statements have been prepared in accordance with IAS34 Interim Financial Reporting as required by DTR4.2.4R;

- the Chairman's Statement and Investment Manager's report (together constituting the Interim Management Report), together with the statement of principal risks and uncertainties above, include a fair review of the information required by DTR4.2.7R, being an indication of important events that have occurred during the period and their impact on these interim financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and

- the condensed interim financial statements provide a fair review of the information required by DTR4.2.8R, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the Company during that period, and any changes in the related party transactions described in the last Annual Report and Accounts that could materially affect the financial position or performance of the Company during that period. Please refer to note 9 of the condensed interim financial statements.

Signed on behalf of the Board of Directors

Tim Breedon CBE
Chairman
16 August 2017

Signed on behalf of the Audit Committee

Susie Farnon
Chairman of the Audit Committee
16 August 2017

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in Guernsey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent review report

to Apax Global Alpha Limited

Conclusion
We have been engaged by Apax Global Alpha Limited (the "Company") to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2017 which comprises the condensed statement of financial position, the condensed statement of profit or loss and other comprehensive income, the condensed statement of changes in equity, the condensed statement of cash flows and the related explanatory notes.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2017 is not prepared, in all material respects, in accordance with IAS 34 *Interim Financial Reporting* as adopted by the European Union (the "EU") and the Disclosure Guidance and Transparency Rules ("the DTR") of the UK's Financial Conduct Authority ("the UK FCA").

Scope of review
We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the Auditing Practices Board for use in the UK. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. We read the other information contained in the half-yearly financial report and consider whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Directors' responsibilities
The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the DTR of the UK FCA.

As disclosed in note 2, the annual financial statements of the Company are prepared in accordance with International Financial Reporting Standards as adopted by the EU. The directors are responsible for preparing the condensed set of financial statements included in the half-yearly financial report in accordance with IAS 34 as adopted by the EU.

Our responsibility
Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

The purpose of our review work and to whom we owe our responsibilities
This report is made solely to the Company in accordance with the terms of our engagement to assist the Company in meeting the requirements of the DTR of the UK FCA. Our review has been undertaken so that we might state to the Company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our review work, for this report, or for the conclusions we have reached.

Lee C. Clark
for and on behalf of
KPMG Channel Islands Limited
Chartered Accountants, Guernsey

16 August 2017

Condensed statement of financial position

At 30 June 2017 (Unaudited)

	Notes	30 June 2017 €'000	31 December 2016 €'000
Assets			
Non-current assets			
Investments held at fair value through profit or loss	8	772,392	911,554
Total non-current assets		**772,392**	**911,554**
Current assets			
Cash and cash equivalents		149,124	33,862
Investment receivables		–	4,400
Other receivables		1,655	2,794
Total current assets		**150,779**	**41,056**
Total assets		**923,171**	**952,610**
Liabilities			
Current liabilities			
Investment payables		1,023	488
Accrued expenses		1,726	2,113
Total current liabilities		**2,749**	**2,601**
Total liabilities		**2,749**	**2,601**
Capital and reserves			
Shareholders' capital	14	873,804	873,804
Share-based payment performance fee reserve	10	12,304	11,291
Retained earnings		34,314	64,914
Total equity		**920,422**	**950,009**
Total shareholders' equity and liabilities		**923,171**	**952,610**

On behalf of the Board of Directors

Tim Breedon
Chairman
16 August 2017

Susie Farnon
Chairman of the Audit Committee
16 August 2017

	30 June 2017 €	30 June 2017 £ equivalent[1]	31 December 2016 €	31 December 2016 £ equivalent[1]
Net Asset Value ("**NAV**") ('000)	920,422	807,302	950,009	810,852
Adjusted NAV ('000)[2]	908,118	796,510	938,718	801,215
NAV per share	1.87	1.64	1.93	1.65
Adjusted NAV per share[2]	1.85	1.62	1.91	1.63

1. The sterling equivalent has been calculated based on the GBP/EUR exchange rate at 30 June 2017 and 31 December 2016 respectively.
2. Adjusted NAV is the NAV net of the share-based payment performance fee reserve. Adjusted NAV per share is calculated by dividing the Adjusted NAV by the total number of shares.

The accompanying notes form an integral part of these condensed interim financial statements.

Condensed statement of profit or loss and other comprehensive income

Six months ended 30 June 2017 (Unaudited)

	Notes	Six months ended 30 June 2017 €'000	Six months ended 30 June 2016 €'000
Income			
Investment income		15,288	16,824
Net changes on investments at fair value through profit or loss	8	(7,820)	(20,855)
Realised foreign currency gains		1,435	54
Net unrealised foreign currency losses		(3,301)	(423)
Total income		**5,602**	**(4,400)**
Operating and other expenses			
Performance fee	10	(7,578)	4,186
Management fee	9	(2,687)	(2,941)
Administration and other operating expenses	6	(1,355)	(2,009)
Total operating expenses		**(11,620)**	**(764)**
Finance costs	11	(675)	(631)
Loss before tax		**(6,693)**	**(5,795)**
Taxation (charge)/ credit	7	(138)	22
Loss after taxation for the period		**(6,831)**	**(5,773)**
Other comprehensive income		–	–
Total comprehensive income attributable to shareholders		**(6,831)**	**(5,773)**
Earnings per share	15		
Basic (cents)		(1.39)	(1.18)
Diluted (cents)		(1.39)	(1.18)
Adjusted (cents)[1]		(1.37)	(1.16)

The accompanying notes form an integral part of these condensed interim financial statements.

1. The Adjusted earnings per share has been calculated based on the profit attributable to ordinary shareholders adjusted for the total accrued performance fee at 30 June 2017 and 30 June 2016 respectively as per note 15 and the weighted average number of ordinary shares.

Condensed statement of changes in equity

Six months ended 30 June 2017 (Unaudited)

For the six months ended 30 June 2017	Notes	Shareholders' capital €'000	Retained earnings €'000	Share-based payment performance fee reserve €'000	Total €'000
Balance at 1 January 2017		**873,804**	**64,914**	**11,291**	**950,009**
Total comprehensive income attributable to shareholders		–	(6,831)	–	(6,831)
Share-based payment performance fee reserve movement	10	–	–	1,013	1,013
Dividend paid	16	–	(23,769)	–	(23,769)
Balance at 30 June 2017		**873,804**	**34,314**	**12,304**	**920,422**

For the six months ended 30 June 2016 and 31 December 2016	Notes	Shareholders' capital €'000	Retained earnings €'000	Share-based payment performance fee reserve €'000	Total €'000
Balance at 1 January 2016		**873,804**	**49,757**	**12,968**	**936,529**
Total comprehensive income attributable to shareholders		–	(5,773)	–	(5,773)
Share-based payment performance fee reserve movement	10	–	–	(6,290)	(6,290)
Dividend paid	16	–	(23,395)	–	(23,395)
Balance at 30 June 2016		**873,804**	**20,589**	**6,678**	**901,071**
Total comprehensive income attributable to shareholders		–	66,726	–	66,726
Share-based payment performance fee reserve movement		–	–	4,613	4,613
Dividend paid		–	(22,401)	–	(22,401)
Balance at 31 December 2016		**873,804**	**64,914**	**11,291**	**950,009**

The accompanying notes form an integral part of these condensed interim financial statements.

Condensed statement of cash flows

Six months ended 30 June 2017 (Unaudited)

	Notes	Six months ended 30 June 2017 €'000	Six months ended 30 June 2016 €'000
Cash flows from operating activities			
Interest received		16,130	15,981
Interest paid		(19)	(9)
Dividend received		295	292
Performance fee paid	10	(6,565)	(2,104)
Operating expenses paid		(4,396)	(5,292)
Tax (charge)/ credit	7	(138)	22
Net cash used in operating activities		**5,307**	**8,890**
Cash flows from investing activities			
Capital calls paid to Private Equity Investments		(14,218)	–
Capital distributions from Private Equity Investments		50,129	38,733
Purchase of Derived Investments[3]		(107,518)	(65,383)
Sale of Derived Investments[3]		208,959	68,352
Net cash from investing activities		**137,352**	**41,702**
Cash flows from financing activities			
Financing cost[1]		(671)	(544)
Dividend paid[2]	16	(23,425)	(22,981)
Net cash from financing activities		**(24,096)**	**(23,525)**
Net increase in cash and cash equivalents		**118,563**	**27,067**
Cash and cash equivalents at the beginning of the period		**33,862**	**21,525**
Effect of foreign currency fluctuations on cash and cash equivalents		(3,301)	(423)
Cash and cash equivalents at the end of the period		**149,124**	**48,169**

1. Financing costs were included in operating expenses paid in the prior period. These have been restated in the current interim financial statements.
2. Dividend paid represents the cash amount paid to shareholders adjusted for foreign exchange movements. The difference between the amount included in the condensed interim statement of profit or loss and the cash flow statement represents the foreign exchange difference between the liability being booked and the final amount paid.
3. During the period, the Company's first and second lien debt positions in Answers were restructured. At 31 December 2016, these were held at €7.2m and €0.4m respectively. In lieu of these, the Company received equity of €6.9m, warrants of €0.2m and new second lien debt of €1.9m. As no cash was exchanged, these have been excluded from the cash flows from investing activities.

The accompanying notes form an integral part of these condensed interim financial statements.

Notes to the condensed interim financial statements

For the six months ended 30 June 2017

1 Reporting entity

Apax Global Alpha Limited (the "**Company**" or "**AGA**") is a limited liability Guernsey company that was incorporated on 2 March 2015. The address of the Company's registered office is PO Box 656, East Wing, Trafalgar Court, Les Banques, St Peter Port, Guernsey, GY1 3PP. The Company was admitted to the premium market of the London Stock Exchange on 15 June 2015 and trades under the ticker Apax.LN. The condensed interim financial statements of the Company for the period from 1 January 2017 to 30 June 2017 comprise the condensed statement of financial position, condensed statement of profit or loss and other comprehensive income, condensed statement of changes in equity, condensed statement of cash flows and related notes. The Company invests in Private Equity funds, listed and unlisted securities including debt instruments.

The Company's main corporate objective is to provide shareholders with capital appreciation from its investment portfolio and regular dividends. The Company's operating activities are managed by its Board of Directors and its investment activities are managed by Apax Guernsey Managers Limited (the "**Investment Manager**") under a discretionary investment management agreement. The Investment Manager obtains investment advice from Apax Partners LLP (the "**Investment Adviser**").

2 Basis of preparation

Statement of compliance
These condensed interim financial statements have been prepared in accordance with IAS 34 "**Interim Financial Reporting**" as adopted by the European Union and should be read in conjunction with the latest annual report and financial statements as at and for the year ended 31 December 2016 which were prepared in accordance with International Financial Reporting Standards, as adopted by the European Union ("**IFRS**"). They do not include all the information required for a complete set of IFRS financial statements. However, the explanatory notes are included to explain events and transactions that are significant to an understanding of changes in the Company's financial position and performance since the last financial statements.

Investment entity
On 16 March 2017, the Company completed the liquidation of its two remaining subsidiaries. As a result, the Company no longer holds any subsidiaries at fair value through profit or loss and the investment entity status is no longer applied with respect to these subsidiaries. Please see note 8 for further details.

3 Accounting policies

There are no new standards or changes to standards since the last Annual Report and Accounts 2016 which would impact these condensed interim financial statements. The accounting policies applied by the Company in these condensed interim financial statements are consistent with those set out on pages 67 to 70 of the Annual Report and Accounts 2016.

4 Critical accounting estimates and judgements

The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation and uncertainty remain the same as those applied in the year ended 31 December 2016. The estimate and judgement that has had the most significant effect on the amounts recognised in the Company's condensed interim financial statements is set out below:

(i) Investments at fair value through profit or loss
The fair value of investments traded in an active market at fair value through profit or loss is determined by reference to their bid-market pricing at the reporting date. For underlying instruments not traded in an active market, the fair value is determined by using appropriate valuation techniques and methodologies.

The Investment Manager is responsible for the preparation of the Company's valuations and meets quarterly to approve and discuss the key valuation assumptions. The meetings are open to the Board of Directors, the Investment Adviser and to the external auditors to attend and it invites them to challenge the proposed valuation estimates. On a quarterly basis, the Board of Directors review and approve the final NAV calculation for distribution to the shareholders.

The Investment Manager makes estimates and assumptions concerning the future and the resulting accounting estimates will by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are outlined in notes 12 and 13.

Notes to the condensed interim financial statements continued

For the six months ended 30 June 2017

5 Segmental analysis

The segmental analysis of the Company's results and financial position is set out below. There have been no changes to the reportable segments since those presented in the Annual Report and Accounts 2016.

Reportable Segments

Condensed statement of profit or loss and other comprehensive income for the six months ended 30 June 2017	Private Equity Investments €'000	Derived Investments €'000	Central functions[1] €'000	Total €'000
Investment income	–	15,175	113	15,288
Net changes on fair value of investments at fair value through profit or loss ("FVTPL")	(6,318)	(1,502)	–	(7,820)
Realised foreign exchange gains	1,108	327	–	1,435
Net unrealised foreign currency losses	–	–	(3,301)	(3,301)
Total income/ (loss)	**(5,210)**	**14,000**	**(3,188)**	**5,602**
Performance fees	104	(7,682)	–	(7,578)
Management fees	(344)	(2,343)	–	(2,687)
Administration and other operating expenses	–	–	(1,355)	(1,355)
Total operating expenses	**(240)**	**(10,025)**	**(1,355)**	**(11,620)**
Finance costs	–	–	(675)	(675)
(Loss)/ profit before taxation	**(5,450)**	**3,975**	**(5,218)**	**(6,693)**
Taxation charge	–	(138)	–	(138)
Total comprehensive income	**(5,450)**	**3,837**	**(5,218)**	**(6,831)**

Condensed statement of financial position at 30 June 2017	Private Equity Investments €'000	Derived Investments €'000	Cash and other NCA's[2] €'000	Total €'000
Total assets	457,647	314,788	150,736	923,171
Total liabilities	–	(1,023)	(1,726)	(2,749)
NAV	**457,647**	**313,765**	**149,010**	**920,422**

Condensed statement of profit or loss and other comprehensive income for the six months ended 30 June 2016	Private Equity Investments €'000	Derived Investments €'000	Central functions[1] €'000	Total €'000
Investment income	–	16,824	–	16,824
Net changes on fair value of investments at FVTPL	5,487	(26,039)	(303)	(20,855)
Realised foreign exchange gains/ (losses)	–	(135)	189	54
Net unrealised foreign currency losses	–	–	(423)	(423)
Total income	**5,487**	**(9,350)**	**(537)**	**(4,400)**
Performance fees	(1,087)	5,273	–	4,186
Management fees	(405)	(2,536)	–	(2,941)
Administration and other operating expenses	–	–	(2,009)	(2,009)
Total operating expenses	**(1,492)**	**2,737**	**(2,009)**	**(764)**
Finance costs	–	–	(631)	(631)
Profit/ (loss) before taxation	**3,995**	**(6,613)**	**(3,177)**	**(5,795)**
Taxation credit	–	–	22	22
Total comprehensive income	**3,995**	**(6,613)**	**(3,155)**	**(5,773)**

Condensed statement of financial position at 31 December 2016	Private Equity Investments €'000	Derived Investments €'000	Cash and other NCA's[2] €'000	Total €'000
Total assets	498,750	419,960	33,900	952,610
Total liabilities	–	(488)	(2,113)	(2,601)
NAV	**498,750**	**419,472**	**31,787**	**950,009**

1. Central functions represents interest income earned on cash balances held and other general administration costs and financial costs.
2. NCA's refers to net current assets of the Company.

6 Administration and other operating expenses

	Six months ended 30 June 2017 €'000	Six months ended 30 June 2016 €'000
Directors' fees	155	167
Administration and other fees	280	306
General expenses	873	1,481
Auditors' remuneration		
Other assurance services – interim review	46	48
Tax services	1	7
Total administration and other operating expenses	**1,355**	**2,009**

General expenses were €0.9m (30 June 2016: €1.5m), the significant decrease was mainly due to €0.8m of costs related to the extension of the revolving credit facility being paid in the prior period. The Company has no employees and there were no pension or staff cost liabilities incurred during the period.

7 Taxation

The Company is exempt from taxation in Guernsey under the provisions of the Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989 and is charged an annual exemption fee of £1,200.

The Company, at times, may be required to pay tax in other jurisdictions as a result of specific trades in its investment portfolio. During the six months ended 30 June 2017, the Company had a net tax expense of €0.1m (30 June 2016: €22k credit) related to the sale of listed equities in India. No deferred income taxes were recorded as there are no timing differences.

8 Investments

(a) Unconsolidated subsidiaries
In accordance with IFRS 10, subsidiaries of the Company were determined to be controlled subsidiary investments, which were measured at fair value through profit or loss and are not consolidated. The fair value of these subsidiary investments was determined on a consistent basis to all other investments measured at fair value through profit or loss.

On 16 March 2017 the Company liquidated the last two remaining subsidiaries; RDS Guernsey PCV GP Co Ltd and Twin Guernsey PCV GP Co Ltd. Both entities were special purpose vehicles incorporated in Guernsey. At 31 December 2016, both entities had a nil fair value and the Company held 100% of the voting shares. As at 30 June 2017, the Company does not hold any subsidiaries.

(b) Investments held at fair value through profit or loss

	30 June 2017 €'000	31 December 2016 €'000
Opening fair value	911,554	915,095
Additions	131,590	233,826
Disposals	(213,879)	(219,854)
Net change in fair value	(56,873)	(17,513)
Closing fair value	**772,392**	**911,554**
Private Equity Investments	457,604	498,750
Derived Investments	314,788	412,804
Debt	*195,320*	*284,936*
Equities	*119,468*	*127,868*
Closing fair value	**772,392**	**911,554**

Notes to the condensed interim financial statements continued

For the six months ended 30 June 2017

8 Investments continued

(c) Net changes in value on investments at fair value through profit or loss

	Six months ended 30 June 2017 €'000	Six months ended 30 June 2016 €'000
Private Equity Investments		
Gross unrealised gains	33,977	36,692
Gross unrealised losses	(40,295)	(31,205)
Total net unrealised (losses)/ gains on Private Equity Investments	**(6,318)**	**5,487**
Derived Investments		
Gross unrealised gains	28,199	8,734
Gross unrealised losses	(47,269)	(37,649)
Net unrealised losses on Derived Investments	**(19,070)**	**(28,915)**
Gross realised gains	29,285	3,495
Gross realised losses	(11,717)	(620)
Net realised gains on Derived Investments	**17,568**	**2,875**
Total net losses on Derived Investments	**(1,502)**	**(26,039)**
Total other net gains/ (losses)	–	(303)
Total net losses on investments at fair value through profit or loss	**(7,820)**	**(20,855)**

9 Related party transactions

The Investment Manager was appointed by the Board of Directors under a discretionary Investment Management Agreement ("**IMA**") dated 22 May 2015 and the amended IMA dated 22 August 2016. Such agreement sets out the allocation and payment of the management fee.

The management fee is calculated in arrears at a rate of 1.25% per annum on the fair value of Derived Investments and non-fee paying Private Equity Investments held by the Company and its subsidiaries which do not already pay a management fee and/or an advisory fee to the Investment Manager or Investment Adviser. During the six months ended 30 June 2017, €2.7m (30 June 2016: €2.9m) of management fees were earned by the Investment Manager. The Investment Manager is also entitled to a performance fee on realised gains when they reach or exceed a benchmark performance. Please refer to note 10 for further details.

The Investment Adviser has been engaged by the Investment Manager to provide advice on the investment strategy of the Company. An Investment Advisory Agreement ("**IAA**"), dated 22 May 2015 and the amendment dated 22 August 2016, exists between the two parties. Though not legally related to the Company, the Investment Adviser has been determined to be a related party. The Company paid no fees and had no transactions with the Investment Adviser during the period (30 June 2016: €nil).
The Company has an Administration Agreement with Aztec Financial Services (Guernsey) Limited ("**Aztec**") dated 22 May 2015. Under the terms of the agreement, Aztec has delegated certain accounting and bookkeeping services related to the Company to Apax Partners Fund Services Limited ("**APFS**"), a related party of the Investment Adviser, under a sub-administration agreement dated 22 May 2015. A fee of €0.3m (30 June 2016: €0.3m) was paid by the Company in respect of administration fees and expenses, of which €0.1m (30 June 2016: €0.1m) was paid to APFS.

Tim Breedon held 70,000 shares (0.01%) of the Company at 30 June 2017 and Susie Farnon held 20,000 shares (0.004%). Sarah Evans' husband held 20,000 shares in the Company representing approximately 0.004% of the Company's issued share capital. On 11 July 2017, Chris Ambler purchased 6,553 shares and on the 13 July 2017, Sarah Evans purchased 20,000 shares. On the same date, Sarah Evans' husband purchased an additional 35,000 shares. Please see note 17 for further details.

All related party transactions disclosed above were made on an arms-length basis in the ordinary course of business and are in line with prevailing market standards.

10 Performance fee

	Six months ended 30 June 2017 €'000	Year ended 31 December 2016 €'000
Opening performance fee reserve	11,291	12,968
Transfer from/(to) performance fee liability	–	–
Performance fee charge to statement of profit or loss	7,578	427
Performance fee paid	(6,565)	(2,104)
Closing performance fee reserve	**12,304**	**11,291**

A performance fee is payable on an annual basis once realised gains on the Derived Investments and non-fee paying Private Equity Investments exceed the benchmark of an 8% internal rate of return. Performance fees are only payable to the extent they do not dilute the returns below the 8% benchmark and are calculated at 20% on total realised gains. Where there are realised losses these are carried forward and netted against future performance fees that may become payable.

The performance fee is payable to the Investment Manager by way of ordinary shares of the Company. The mechanics of the payment of the performance fee are explained in the prospectus. In accordance with IFRS 2 "**Share-based Payment**", performance fee expenses are recognised in the statement of profit or loss and allocated to a share-based payment performance fee reserve in equity.

On 15 June 2015, the Company acquired a performance fee liability that was accrued in the valuation of PCV Lux SCA on acquisition. Post-acquisition the terms of the performance fee payable to the Investment Manager were amended such that it would be equity settled in shares of the Company. Accordingly, the liability acquired for performance fees payable to the Investment Manager was transferred to a separate performance fee reserve in equity.

In the six months ended 30 June 2017 a performance fee of €6.6m (30 June 2016: €2.1m) was paid in cash to the Investment Manager in relation to performance on investments realised during the year ended 31 December 2016. Certain regulatory constraints prevented this payment in shares, however, the intention of the Company remains that future awards should be payable in shares. The Company and the Investment Manager are working to clear and resolve these limitations. As permitted by the IMA, the Company may pay the performance fee in cash if there are restrictions that prevent the Company purchasing shares to be awarded.

At 30 June 2017, management's best estimate of the expected performance fee was calculated on the eligible portfolio on a liquidation basis. Of this, €7.7m is related to realised gains earned during the period. The total performance fee outstanding at 30 June 2017 was €12.3m (31 December 2016: €11.3m). The effect of the performance fee on NAV per share is disclosed in note 15.

11 Loan payable and finance costs

Revolving credit facility
The Company has a multi-currency revolving credit facility with a maximum borrowing limit of €140m. The interest rate charged is LIBOR or EURIBOR plus a margin of 210 bps.

During the period €12.9k interest was paid on a one-month drawdown (30 June 2016: €nil) and a charge of €0.7m (30 June 2016: €0.7m) was included in the statement of profit or loss related to a non-utilisation fee on the undrawn facility. Under the Loan Agreement, the Company is required to provide collateral for each utilisation. Collateral can be provided in the form of underlying investments. The loan to value must not exceed 1:5 of the portfolio's NAV. As at 30 June 2017, the facility was unutilised.

Notes to the condensed interim financial statements continued

For the six months ended 30 June 2017

12 Financial risk management

The Company maintains positions in a variety of financial instruments in accordance with its Investment Management strategy. The Company's underlying investment portfolio comprises Private Equity Investments and Derived Investments. The Company's exposure to the portfolio is summarised in the table below:

	30 June 2017	31 December 2016
Private Equity Investments	59%	55%
Derived Investments	41%	45%
Debt	*25%*	*31%*
Equities	*16%*	*14%*
Total	**100%**	**100%**

The Company's activities expose it to a variety of financial risks: liquidity risk, credit risk and market risk including price risk, foreign currency risk and interest rate risk. As at 30 June 2017, there were no material changes in the Company's exposure to credit risk and market risk since 31 December 2016.

Liquidity risk

The table below summarises the maturity profile of the Company's financial liabilities at 30 June 2017 based on contractual undiscounted repayment obligations. The contractual maturities of most financial liabilities are less than three months, with the exception of commitments to Private Equity Investments.

These commitments in the next 12 months are based on the estimated aggregate amounts these funds are expected to call within a financial year. At 30 June 2017, the Company had undrawn commitments of €360.8m and €31.6m of recallable distributions (31 December 2016: €346.1m undrawn commitments and €30.6m recallable distributions) of which €103.3m (31 December 2016: €84.0m) is expected to be drawn within 12 months. The increase in undrawn commitments was due to the Company committing $50m to Apax Digital in May 2017. In line with the investment strategy of the Company, the Derived Investment portfolio is expected to be invested in equities, predominantly listed equity, and debt. These asset classes provide additional liquidity management options as many of them are readily realisable. As per note 11, the Company also has access to a short-term revolving credit facility upon which it can draw up to €140.0m. The Company may utilise this facility in the short term to bridge Private Equity calls and ensure that it can realise the Derived Investments at the best price available.

The Company does not manage liquidity risk on the basis of contractual maturity. Instead the Company manages liquidity risk based on expected cash flows.

30 June 2017

Contractual maturity	Up to 3 months €'000	3–12 months €'000	1–5 years €'000	Total €'000
Investment payables	1,023	–	–	1,023
Accrued expenses	1,726	–	–	1,726
Private Equity outstanding commitments and recallable distributions	6,910	96,351	289,110	392,371
Total	**9,659**	**96,351**	**289,110**	**395,120**

31 December 2016

Contractual maturity	Up to 3 months €'000	3–12 months €'000	1–5 years €'000	Total €'000
Investment payables	488	–	–	488
Accrued expenses	2,113	–	–	2,113
Private Equity outstanding commitments and recallable distributions[1]	–	83,966	292,746	376,712
Total	**2,601**	**83,966**	**292,746**	**379,313**

1. The prior year comparative for Private Equity Investments has been amended to include recallable distributions of €30.6m.

The Company's outstanding commitments and recallable distributions to Private Equity Investments are summarised below:

	30 June 2017 €'000	31 December 2016 €'000
Apax Europe VI	225	225
Apax Europe VII	1,529	1,187
Apax VIII	30,120	29,524
AMI Opportunities	19,845	24,921
Apax IX	296,892	320,855
Apax Digital	43,760	–
Total	**392,371**	**376,712**

13 Fair value estimation

(a) Investments measured at fair value
The Company classifies for disclosure purposes fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes "observable" requires significant judgement by the Company. The Company considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following table analyses within the fair value hierarchy the Company's financial assets (by class) measured at fair value at 30 June 2017:

Assets	Level 1 €'000	Level 2 €'000	Level 3 €'000	Total €'000
Private Equity Investments	–	–	457,604	457,604
Derived Investments	110,542	–	204,246	314,788
Debt	*–*	*–*	*195,320*	*195,320*
Equities	*110,542*	*–*	*8,926*	*119,468*
Total	**110,542**	**–**	**661,850**	**772,392**

The following table analyses within the fair value hierarchy the Company's financial assets (by class) measured at fair value at 31 December 2016:

Assets	Level 1 €'000	Level 2 €'000	Level 3 €'000	Total €'000
Private Equity Investments	–	–	498,750	498,750
Derived Investments	124,590	65,292	222,922	412,804
Debt	*–*	*62,014*	*222,922*	*284,936*
Equities	*124,590*	*3,278*	*–*	*127,868*
Total	**124,590**	**65,292**	**721,672**	**911,554**

Investments whose values are based on quoted market prices in active markets are classified as level 1 investments. At 30 June 2017, the Company holds €110.5m (31 December 2016: €124.6m) as level 1. There were no transfers to or from level 1 during the period.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs, are classified within level 2. As level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information. At 30 June 2017, the Company holds €nil (31 December 2016: €65.3m) classified as level 2 investments. One equity position transferred from level 2 to level 3 during the period due to the limited availability of observable pricing data. Instead it was valued based on comparable company multiples.

Level 3 investments include Private Equity and Derived Investments in both debt and equity. As they trade infrequently, observable prices are not available for these investments, instead the Company has used valuation techniques to derive the fair value.

Notes to the condensed interim financial statements continued

For the six months ended 30 June 2017

13 Fair value estimation continued

(a) Investments measured at fair value continued
The Company values its holding in Private Equity based on the NAV statements it receives from the respective underlying fund. The main input into the valuation models used to determine NAV of the underlying level 3 investments within the private equity funds comprises earnings multiples (based on the budgeted earnings or historical earnings of the issuer and earnings multiples of comparable listed companies). The Company also considers original transaction price, recent transactions in the same or similar instruments and completed third-party transactions in comparable instruments and adjusts the model as deemed necessary. The Company values debt based upon models that take into account factors relevant to each investment and uses third party market data and broker quotes where available.

Fair value measurements using significant unobservable inputs (Level 3):

	Six months ended 30 June 2017			Year ended 31 December 2016		
	Private Equity €'000	Derived Investments €'000	Total €'000	Private Equity €'000	Derived Investments €'000	Total €'000
Opening fair value	498,750	222,922	721,672	473,567	328,632	802,199
Additions	14,218	59,055	73,273	59,527	30,221	89,748
Disposals and repayments	(17,561)	(52,858)	(70,419)	(26,351)	(120,630)	(146,981)
Realised gains/(losses)	–	(11,716)	(11,716)	–	2,240	2,240
Unrealised gains/(losses)	(37,803)	(16,434)	(54,237)	(7,993)	(17,541)	(25,534)
Transfers in/(out) of level 3	–	3,277	3,277	–	–	–
Closing fair value	**457,604**	**204,246**	**661,850**	**498,750**	**222,922**	**721,672**

The unrealised losses attributable to only assets held at 30 June 2017 were €54.2m (31 December 2016: €25.5m loss).

(b) Significant unobservable inputs used in measuring fair value
The table below sets out information about significant unobservable inputs used in measuring financial instruments categorised as level 3 in the fair value hierarchy.

Description	Valuation technique	Unobservable inputs	Sensitivity to changes in significant unobservable inputs	Valuation €'000
Private Equity Investments	NAV adjusted for real and notional carried interest	NAV	See 13 (b) (i) below	457,604
Debt	Discounted cash flow models and income-based models	Broker quotes, market yield movements, risk premiums, credit quality and instrument repayment dates. See table below for a summary of yield to maturity ("**YTM**") ranges of level 3 debt.	See 13 (b) (ii) below	195,320
Equities	Discounted cash flow models, comparable company multiples and precedent transaction analysis	Comparable company multiples	See 13 (b) (iii) below	8,926

YTM analysis of level 3 debt	No. of investments 30 June 2017	Fair value at 30 June 2017 €'000	% of level 3 Debt 30 June 2017	No. of investments 31 December 2016	Fair value at 31 December 2016 €'000	% of level 3 Debt 31 December 2016
7% to 15%	14	167,152	86%	11	165,742	74%
15% to 22%	–	–	–%	2	40,202	18%
> than 22%	3	28,168	14%	3	16,978	8%
Total	**17**	**195,320**	**100%**	**16**	**222,922**	**100%**

(b) (i) The key inputs of Private Equity Investments are the NAV and carried interest as determined by the general partner of the funds. The Company does not apply further discount or liquidity premiums to the valuations as these are already captured in the underlying valuation. This NAV is subject to changes in the valuations of the underlying portfolio companies. These can be exposed to a number of risks, including liquidity risk, price risk, credit risk and interest rate risk. A movement of 10% in the value of Private Equity Investments would move the NAV at the period-end by 5.0% (31 December 2016: 5.2%).

(b) (ii) The fair value of debt is determined by market prices if available and relevant in size and date. Illiquid debt positions are valued via debt valuation models. Valuations derived from these models consider, where appropriate, broker quotes, credit computations, market yield movements, risk premiums, the credit quality of the borrower and expected repayment dates. A movement of 10% in the value of debt would move the NAV at period-end by 2.1% (31 December 2016: 2.3%).

(b) (iii) The fair value of equities is determined by market prices if available. Illiquid equity positions and unlisted equity positions are valued via market valuation models. Valuations derived from these models consider, the companies earnings, comparable company multiples and other relevant data available. A movement of 10% in the value of equity would move the NAV at period-end by 0.1% (31 December 2016: N/A).

14 Shareholders' capital

At 30 June 2017, the Company had 491,100,768 ordinary shares fully paid with no par value in issue (31 December 2016: 491,100,768 shares). All ordinary shares rank pari passu with each other, including voting rights and there has been no change since 31 December 2016.

The Company has one share class; however a number of investors are subject to lock-up periods between five and ten years, which restricts them from disposing of ordinary shares issued at admission. For investors with five-year lock-up periods, 20% of ordinary shares are released from lock-up each year from the first anniversary of admission, 15 June 2016. For investors with ten-year lock-up periods, 20% of ordinary shares are released from lock-up each year from the sixth anniversary of admission, 15 June 2021.

15 Earnings and NAV per share

Earnings	Six months ended 30 June 2017	Six months ended 30 June 2016
Profit or loss for the period attributable to equity shareholders: €'000	(6,831)	(5,773)
Weighted average number of shares in issue		
Ordinary shares at end of period	491,100,768	491,100,768
Shares issued in respect of performance fee (see note 10)	–	–
Total weighted ordinary shares	**491,100,768**	**491,100,768**
Dilutive adjustments	–	–
Total diluted weighted ordinary shares	**491,100,768**	**491,100,768**
Effect of performance fee adjustment on ordinary shares		
Performance shares to be awarded based on a liquidation basis[1]	7,099,718	4,813,781
Adjusted shares[2]	**498,200,486**	**495,914,549**
Earnings per share (cents)		
Basic	(1.39)	(1.18)
Diluted	(1.39)	(1.18)
Adjusted	(1.37)	(1.16)

1. The number of performance shares is calculated inclusive of deemed realised performance shares that would be issued utilising the theoretical performance fee payable calculated on a liquidation basis. However, as described in note 10, the recent performance fee was paid in cash due to regulatory restrictions and is also expected to be paid in cash in 2017. If these were excluded, the revised performance fee shares to be awarded would have been 2,670,943 (30 June 2016: 3,832,913) and the revised Adjusted Shares would have been 493,771,711 (30 June 2016: 494,933,681).
2. The calculation of Adjusted Shares above assumes that new shares were issued by the Company to the Investment Manager in lieu of the performance fee. As per the Prospectus, the Company may also purchase shares from the market if the Company is trading at a discount to its NAV per share. In such a case, the Adjusted NAV per share would be calculated by taking the NAV at the year or period end adjusted for the performance fee reserve and then divided by the current number of ordinary shares in issue. At 30 June 2017, the Adjusted NAV per share for both methodologies resulted in an Adjusted NAV per share of €1.85 (30 June 2016: €1.82).

At 30 June 2017, there were no items that would cause a dilutive effect on earnings per share. The adjusted earnings per share has been calculated based on the profit attributable to shareholders adjusted for the total accrued performance fee at year end over the weighted average number of ordinary shares. This has been calculated on a full liquidation basis inclusive of performance fee attributable to realised investments. Performance shares to be issued are calculated based on the trading price of shares and foreign exchange rate at close of business on 30 June 2017.

Notes to the condensed interim financial statements continued

For the six months ended 30 June 2017

16 Dividends

	Six months ended 30 June 2017		Six months ended 30 June 2016	
Dividends paid to shareholders	€'000	£'000	€'000	£'000
Final dividends paid – 4.13 pence per share (30 June 2016: 3.69 pence per share)	23,769	20,283	23,395	18,122
Total	**23,769**	**20,283**	**23,395**	**18,122**

	Six months ended 30 June 2017		Six months ended 30 June 2016	
Dividends proposed	€	£	€	£
Interim dividends	4.69c	4.24p	4.59c	3.95p

On 6 March 2017, the Board approved the final dividend for 2016, 4.13 pence per share (4.84 cents euro equivalent). This represents 2.5% of the Company's euro NAV at 30 June 2017 and was paid on 4 April 2017.

17 Subsequent events

On 11 July 2017, Chris Ambler acquired 6,553 ordinary shares at £1.52588, which are held through a nominee arrangement with Investor Nominees Limited. Following the purchase, Chris Ambler owns 6,553 ordinary shares, representing approximately 0.001% of the Company's total issued share capital.

On 13 July 2017, Sarah Evans acquired 20,000 ordinary shares at £1.523, which are held through a nominee arrangement with Hargreaves Lansdown Nominee Limited. Following the purchase, Sarah Evans owns 20,000 ordinary shares, representing approximately 0.004% of the Company's total issued share capital. In addition, Sarah's husband acquired an additional 35,000 ordinary shares at £1.525. Following the purchase, Mr Evans owns 55,000 ordinary shares, representing approximately 0.011% of the Company's total issued share capital.

On 16 August 2017, the Board approved an interim dividend for the six months ended 30 June 2017 of 4.24 pence per ordinary share (4.69 cents euro equivalent). This represents 2.5% of the Company's euro NAV at 30 June 2017 and has an expected payment date of 15 September 2017.

Shareholder information and administration

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Tim Breedon CBE (Chairman)
Susie Farnon (Audit Committee Chair)
Chris Ambler
Sarah Evans

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Association of Investment Companies – AIC
The AIC is the trade body for closed-ended investment companies. It helps its member companies deliver better returns for their investors through lobbying, media engagement, technical advice, training and events.

www.theaic.co.uk

Stock information
London Stock Exchange ticker: APAX
SEDOL: BWWYMV8
ISIN number: GG00BWWYMV85

Dividends
Final dividend in respect to second half of 2016 of 4.13 pence per ordinary share was paid on 4 April 2017

The first interim dividend of 4.24 pence per ordinary share for period ended 30 June 2017 will be payable on 15 September 2017.

Glossary

Adjusted NAV	Calculated by adjusting the NAV at reporting periods, by the estimated performance fee reserves.
Adjusted NAV per share	Calculated by dividing the Adjusted NAV by the number of shares in issue.
AEVI	Means the limited partnerships that constitute the Apax Europe VI Private Equity fund.
AEVII	Means the limited partnerships that constitute the Apax Europe VII Private Equity fund.
Apax Global Alpha or Company or AGA	Means Apax Global Alpha Limited.
AGML or Investment Manager	Means Apax Guernsey Managers Limited.
AIX	Means the limited partnerships that constitute the Apax IX Private Equity fund.
AMI	Means the limited partnerships that constitute the AMI Opportunities Fund focused on investing in Israel.
ADF	Means the limited partnerships that constitute the Apax Digital Fund Private Equity fund.
Apax Group	Means Apax Partners LLP and its affiliated entities, including its sub-advisers, and their predecessors, as the context may require.
Apax Partners or Apax or Investment Adviser	Means Apax Partners LLP.
Apax Private Equity Funds or Apax Funds	Means Private Equity funds managed, advised and/or operated by Apax Partners.
AVIII	Means the limited partnerships that constitute the Apax VIII Private Equity fund.
Brexit	Refers to the upcoming exit of the UK from the EU following the invocation of Article 50 of the Treaty on the European Union on 29 March 2017.
Capital Markets Practice or CMP	Consists of a dedicated team of specialists within the Apax Partners Group having in-depth experience of the leverage finance debt markets, including market conditions, participants and opportunities. The CMP was initially set up to support the investment advisory teams within Apax Partners in structuring the debt component of a private equity transaction. The CMP has over the years expanded its mandate to working alongside the investment advisory teams to advise on debt Derived Investments.
Custody Risk	The risk of loss of securities held in custody occasioned by the insolvency or negligence of the custodian.
Derived Investments	Comprise investments other than Private Equity Investments, including primarily investments in public and private debt, with limited investments in equity, primarily in listed companies, which in each case typically are identified by Apax Partners as part of its private equity activities.
Derived Debt Investments or Derived Debt	Comprise of debt investments held within the Derived Investments portfolio.
Derived Equity Investments or Derived Equity	Comprise of equity investments held within the Derived Investments portfolio.
EBITDA	Earnings before interest, tax, depreciation and amortisation.
EV	Enterprise value
Gross Asset Value or GAV	Means the Net Asset Value of the Company plus all liabilities of the Company (current and non-current).
Gross IRR or Internal Rate of Return	Means an aggregate, annual, compound, internal rate of return calculated on the basis of cash receipts and payments together with the valuation of unrealised investments at the measurement date. Foreign currency cash flows have been converted at the exchange rates applicable at the date of receipt or payment. For Private Equity Investments, IRR is net of all amounts paid to the underlying Investment Manager and/or general partner of the relevant fund, including costs, fees and carried interests. For Derived Investments, IRR does not reflect expenses to be borne by the relevant investment vehicle or its investors including, without limitation, performance fees, management fees, taxes and organisational, partnership or transaction expenses.
Invested Portfolio	Means the part of AGA's portfolio which is invested in Private Equity and Derived Investments, however excluding any other investments such as legacy hedge funds and cash.
IPO	Initial public offering.
KPI	Key performance indicator.
LSE	London Stock Exchange.
LTM	Last twelve months.

Market Capitalisation	Market Capitalisation is calculated by taking the share price at the reporting period date multiplied by the number of shares in issue. The euro equivalent is translated using the exchange rate at the reporting period date.
MOIC	Multiple of invested capital.
NTM	Next twelve months.
Net Asset Value or NAV	Means the value of the assets of the Company less its liabilities as calculated in accordance with the Company's valuation policy. NAV has no adjustments related to the IPO proceeds or performance fee reserves.
Operational Excellence Practice or OEP	Professionals who support the Apax Funds' investment strategy by providing assistance to portfolio companies in specific areas such as devising strategies, testing sales effectiveness and cutting costs.
OCI	Other comprehensive income.
PCV	Means PCV Lux S.C.A.
PCV Group	Means PCV Lux S.C.A and its subsidiaries. PCV Group was established in August 2008. Irrespective of whether the text refers to AGA or PCV Group, references to trading or performance prior to the IPO on 15 June 2015 refer to trading as PCV Group.
Performance fee reserve	The performance fee reserve is the estimated performance fee reserve which commenced accruing on 1 January 2015 in line with the Investment Management Agreements of the PCV Group and AGA.
P/E	Price earnings.
Private Equity Investments or Private Equity	Means primary commitments to, secondary purchases of commitments in, and investments in, existing and future Apax Funds.
Reporting period	Means the period from 1 January 2017 to the current financial reporting period ending on 30 June 2017.
SME	Small and mid-sized enterprises.
Total NAV Return	For a period means the return on the movement in the Adjusted NAV per share at the end of the period together with all the dividends paid during the period, to the Adjusted NAV per share at the beginning of the period/year. Adjusted NAV per share used in the calculation is rounded to 5 decimal points.

Total Return or TR

Under the Total Return calculation, sub-portfolio performance in a given period can be evaluated by taking total net gains in the period and dividing them by the sum of the Adjusted NAV at the beginning of the period as well as the investments made during the period. However, in situations where realised proceeds are reinvested within the same period, performance under this calculation is, via the denominator, impacted by the re-investment. Therefore, starting from the 2017 Interim Report, the Investment Manager will evaluate sub-portfolio performance using an amended methodology. The revised methodology takes total gains or losses and divides them by the sum of Adjusted NAV at the beginning of the period and the time weighted net invested capital. The time weighted net invested capital is the sum of investments made during the period less realised proceeds received during the period, both weighted by the number of days the capital was at work in the portfolio. This should provide a more reflective view of actual performance.

H1 2016 Total Return has been restated on page 3 of the interim report – see summary below of the restated return, previous return and difference:

H1 2016	Total Return (restated) %	Total Return (previous methodology) %	Difference
Private Equity	1.0%	0.9%	0.1%
Derived Investments	-0.4%	-0.4%	-
Debt	-0.8%	-0.7%	-0.1%
Equity	1.1%	0.8%	0.3%

Total Shareholder Return or TSR	For the period means the net share price change together with all dividends paid during the period

Notes

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