



# 2023 Capital Markets Day

*Accessing hidden gems*

**27 June 2023**

**Apax**

GLOBAL ALPHA



01

# Introduction

Tim Breedon, Chairman, Apax Global Alpha

# Agenda

<b>15:00 – 15:10</b>	Welcome	<b>Tim Breedon, Chairman</b> Apax Global Alpha
<b>15:10 – 15:35</b>	AGA's track record of value creation	<b>Ralf Gruss, Partner</b> Apax
<b>15:35 – 15:55</b>	Capital Markets – financing in the current environment	<b>Roxana Mirica, Partner</b> Apax
<b>15:55 – 16:20</b>	Why invest now? <i>Investment strategy and opportunity set</i>	<b>Salim Nathoo, Partner</b> Apax
<b>16:20 – 16.50</b>	Fireside chat: Alcumus	<b>Anders Meyerhoff, Partner</b> Apax <b>Alyn Franklin, CEO</b> Alcumus
<b>16:50 – 17:00</b>	Concluding remarks	<b>Ralf Gruss, Partner</b> Apax

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# Track record of value creation

Ralf Gruss, Partner, Apax


# Accessing Hidden Gems

- Access to a portfolio of companies you can't buy elsewhere
- These companies are growing and performing well
- "All weather" investment strategy well-suited to generate alpha
- Robust balance sheet, strengthened by a focused portfolio of debt investments
- 5% of NAV paid out in dividends p.a.

## APAX GLOBAL ALPHA RETURNS

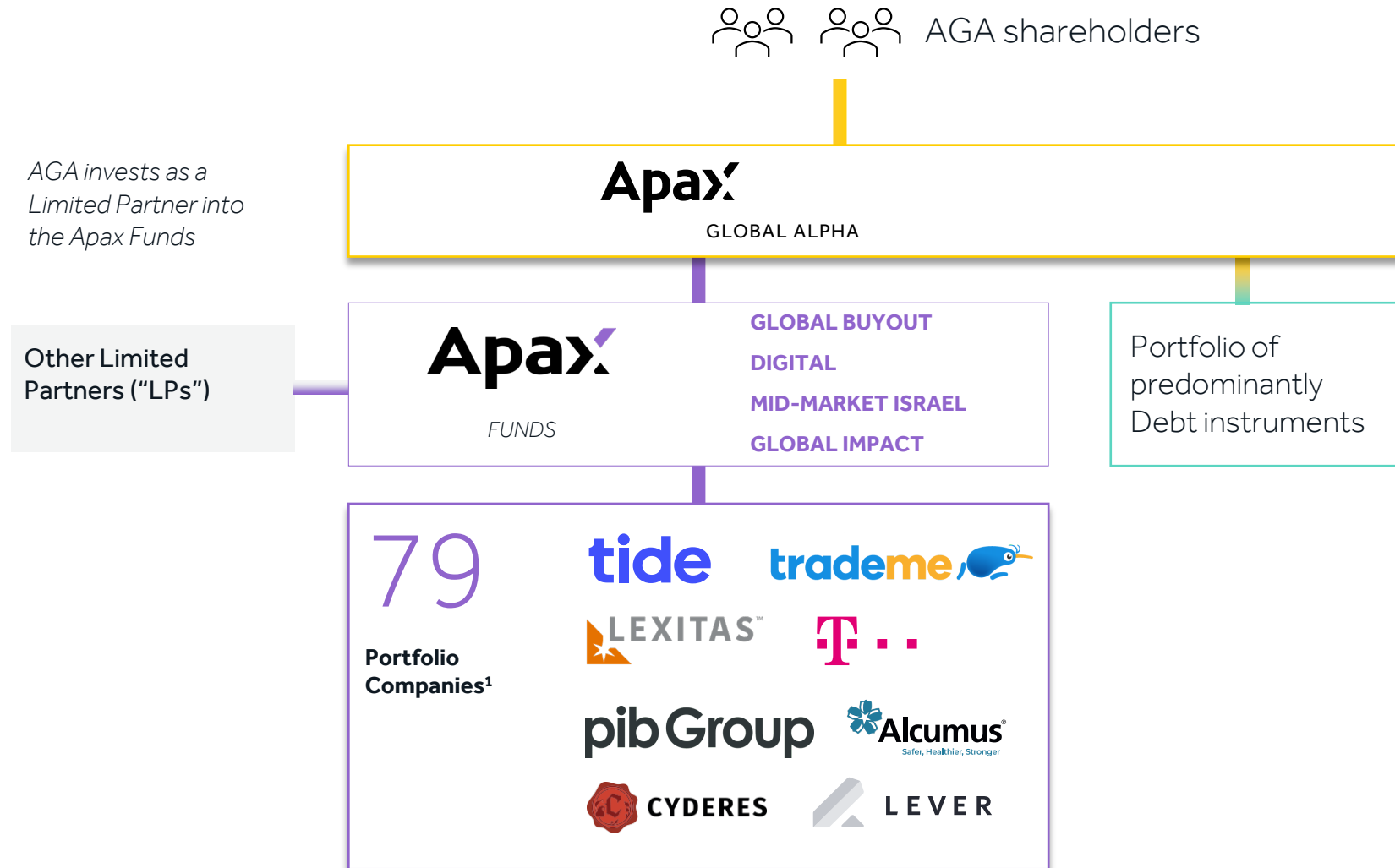
 **79.5%**  
5-year Cumulative Return<sup>1</sup>

 **13.8%**  
Annualised 5-year Cumulative Return<sup>2</sup>

 **€411m**  
Dividends paid to investors since IPO<sup>3</sup>

1. Cumulative returns calculated based on the movement in Adjusted NAV per share taking into account any dividends paid during the respective periods to 31 March 2023  
2. 5-year annualised returns represent IRR returns based on the Adjusted NAV and dividends paid to 31 March 2023  
3. From IPO to 31 March 2023

# Public access to private companies



1. As at 31 March 2023. Logos shown are a sample of portfolio companies for illustrative purposes only across the Apax Buyout Funds, ADF, ADF II, AGI, and AMI

# Success driven by investment strategy focused on mining hidden gems

## 50 year track record

Over \$65bn aggregate funds raised<sup>2</sup>

## Seasoned Team

c.180 investment professionals<sup>2</sup>

28 in-house operating specialists<sup>2</sup>

## Strong Returns

2.9x

Realised Gross MOIC  
from 1 January 2022 to 31 March 2023<sup>1</sup>

### Exploring Coveted Categories

High quality sub-sectors

*We know where to look ...*



### Uncovering Hidden Gems

Buying right through visualising the potential

*... we know what we're looking for ...*



### Mining Value

Sub-sector insights; Operational and Digital expertise

*... and we know how to get the most of what needs 'mining'*



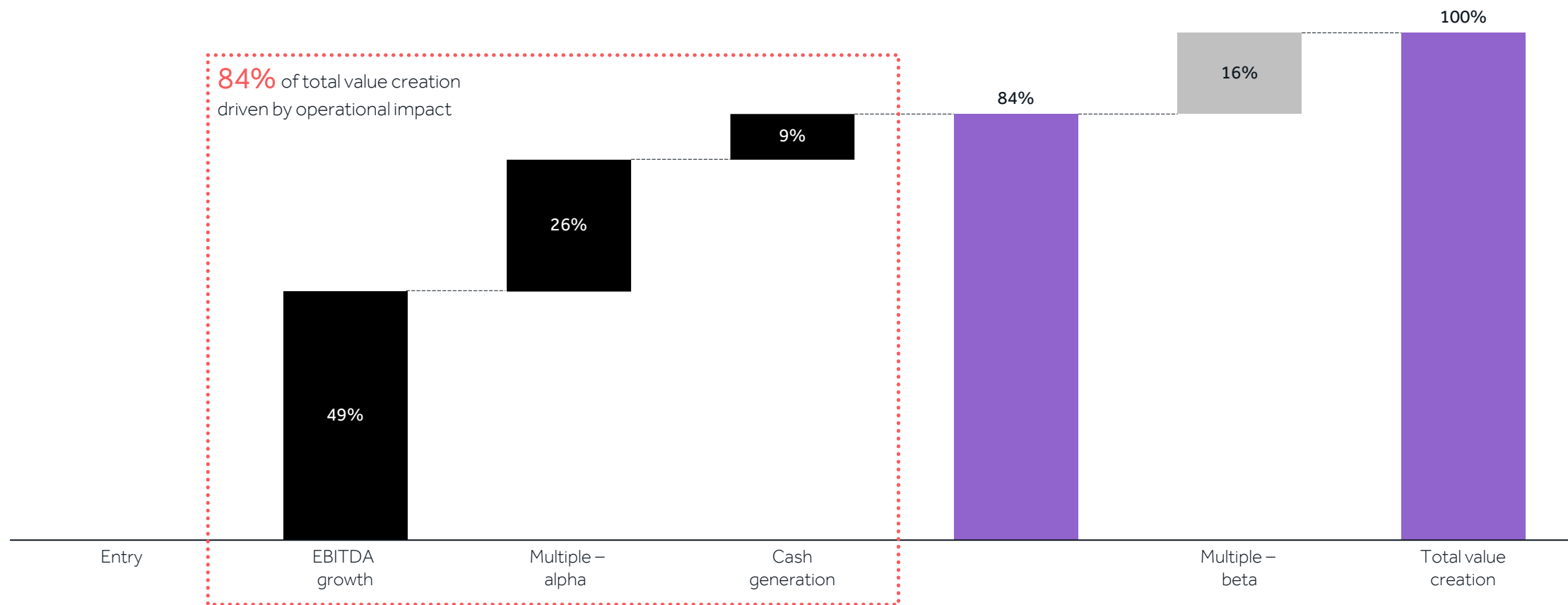
### Reaping the Rewards



1. Gross MOIC for fully realised and significantly partial realised deals since 1 January 2022 to 31 March 2023. Returns calculated based on cashflows in Euro terms for investments realised from AVIII, AIX, AX and ADF. Summary of investments realised are noted on page 13
2. At 31 March 2023. Pro-forma for known joiners. Includes employees, advisors and consultants. Excludes OEP coordinators. Operating advisors and consultants are not employees of Apax

# 84% of value creation driven by operational impact

Value creation for realised deals<sup>1</sup>



1. Please refer to "Notes on value creation" in the Endnotes for further information with respect to assumptions and methodology underpinning the value creation analysis. Based on full exits since January 2015 to 31 March 2023, calculated combined in EUR weighted by AGA's invested cost in AEVII, AVIII, AIX and AX. Total value creation before the impact of FX, management dilution, arrangement fees and other. The total cost associated with each investment and realisations prior to 2015 are included in the calculation. Excludes value creation for exited AEVI, AMI and ADF deals. References to financial performance and valuations may rely on unaudited financial information. Please refer to the disclaimer "Notes on value creation" contained at the end of this document for further details.



# Addressing the perception gap



**1**

What sets AGA apart?

**2**

What are the benefits of  
Derived Investments?

**3**

How is the  
portfolio valued?

**4**

How are fees charged?

**5**

How are you addressing  
the discount?

# 1. What sets AGA apart?



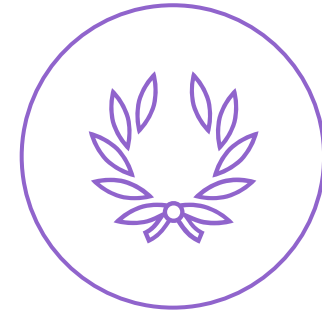
**Access to Hidden Gems,  
a portfolio of companies you  
can't buy elsewhere**

*Blue-chip investment advisor  
with 50 years of experience*



**"All weather"  
strategy well-suited to  
generate alpha**

*84% of value creation driven  
by operational impact*



**Robust balance sheet,  
strengthened by focused  
portfolio of debt**

*Debt portfolio supports dividend  
policy of 5% of NAV p.a.*

## 2. What are the benefits of Derived Investments? *Strength of focused portfolio of debt*

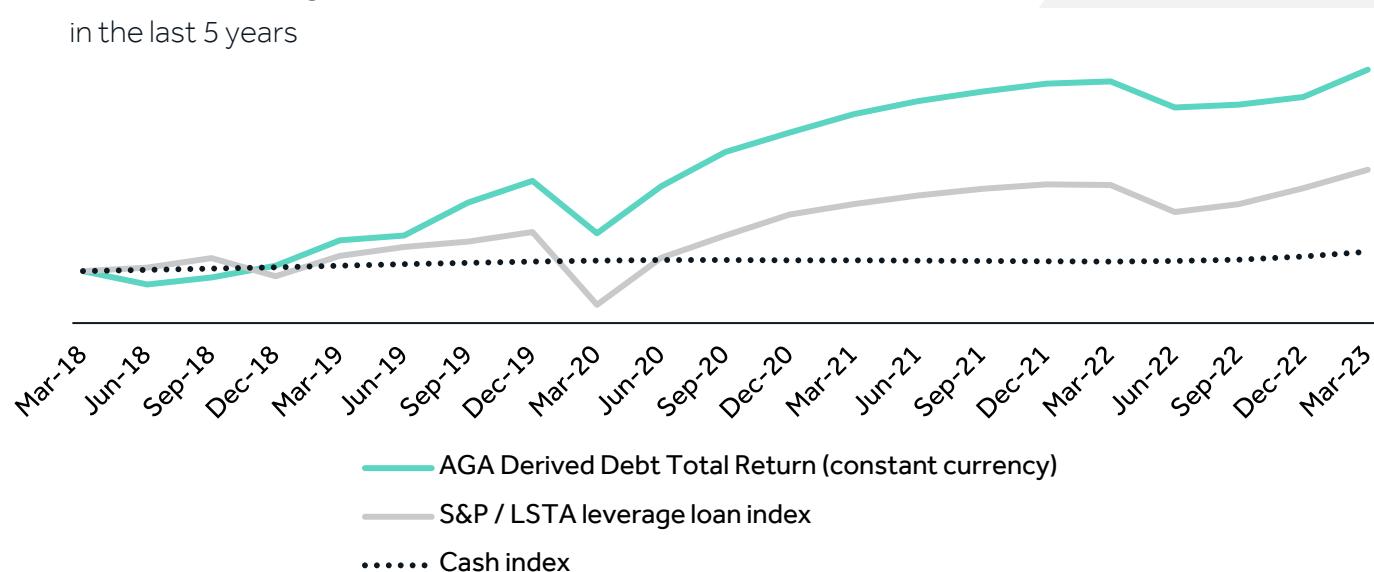
€342m  
Debt Invested Portfolio<sup>1</sup>

37%  
Of unfunded Private Equity  
commitments<sup>2</sup>

11.8%  
Yield to maturity

**Derived Debt (constant currency) outperforms LSTA leveraged loan index<sup>3</sup> and averaged 3 months EUR and USD Libor index<sup>4</sup>**

in the last 5 years



Absorbs capital not invested in Private Equity and enhances robustness of AGA's balance sheet

Supports unfunded commitments to the Apax Private Equity Funds

Additional source of returns, outperforming the benchmarks

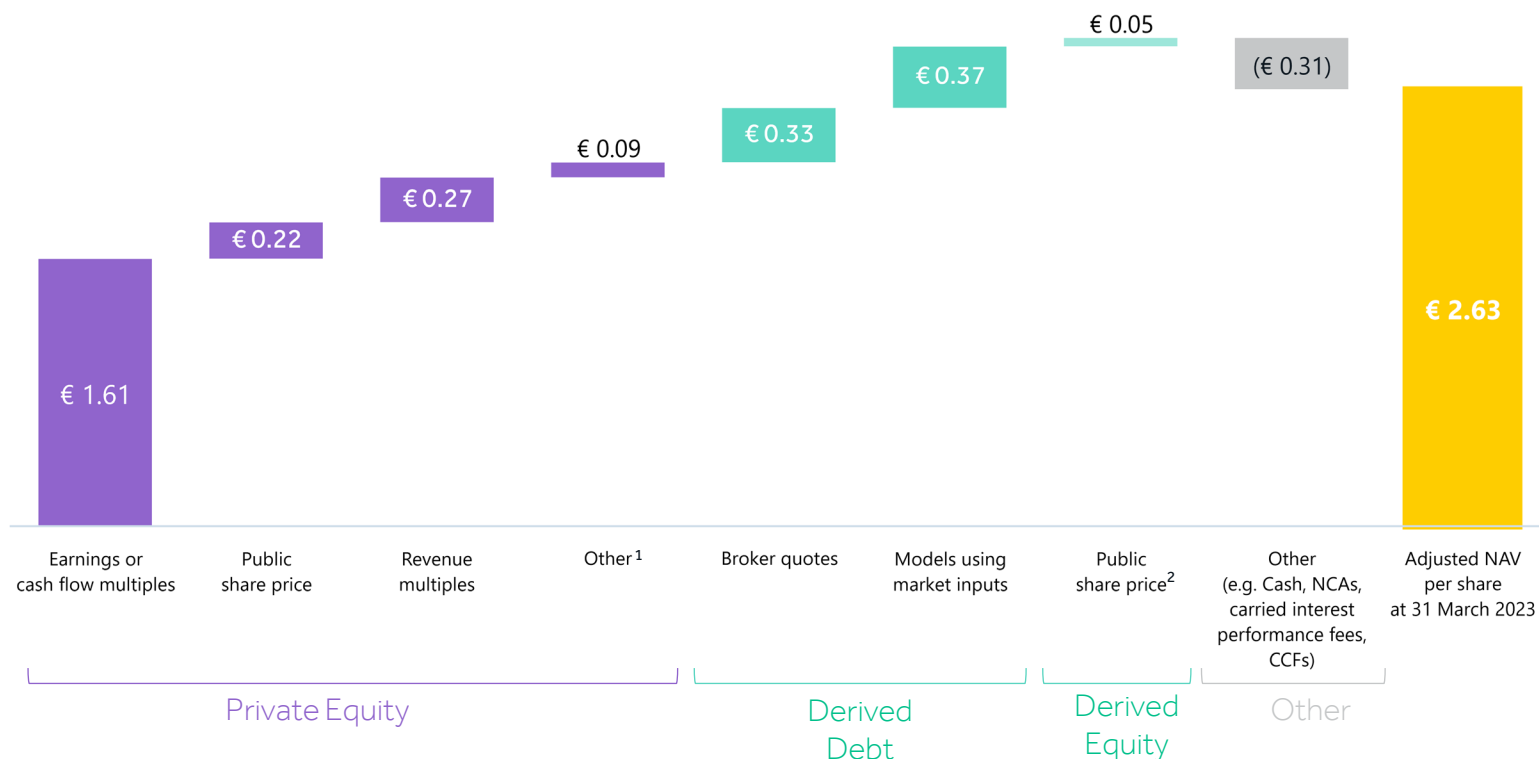
Steady source of income to support the dividends

1. Represents AGA's debt invested portfolio of €343.6m less performance fee reserve accrued of €1.4m as at 31 March 2023  
2. Represents Derived Investments of €366.4m as a % of AGA's unfunded Private Equity commitments as at 31 March 2023  
3. Derived Debt constant currency returns and S&P LSTA leveraged loan index rebased to 100 and compounded on a quarterly basis. Bloomberg source for S&P LSTA leveraged loan index  
4. Cash index taken as an average of the USD and EUR 3 month LIBOR index, rebasing to 100 and compounded on a quarterly basis. Bloomberg source for USD 3 month LIBOR and EUR 3 month LIBOR indexes

### 3. How is the portfolio valued?

#### Valuation approach

at 31 March 2023



Comparable based valuation methodology predominantly used in Private Equity

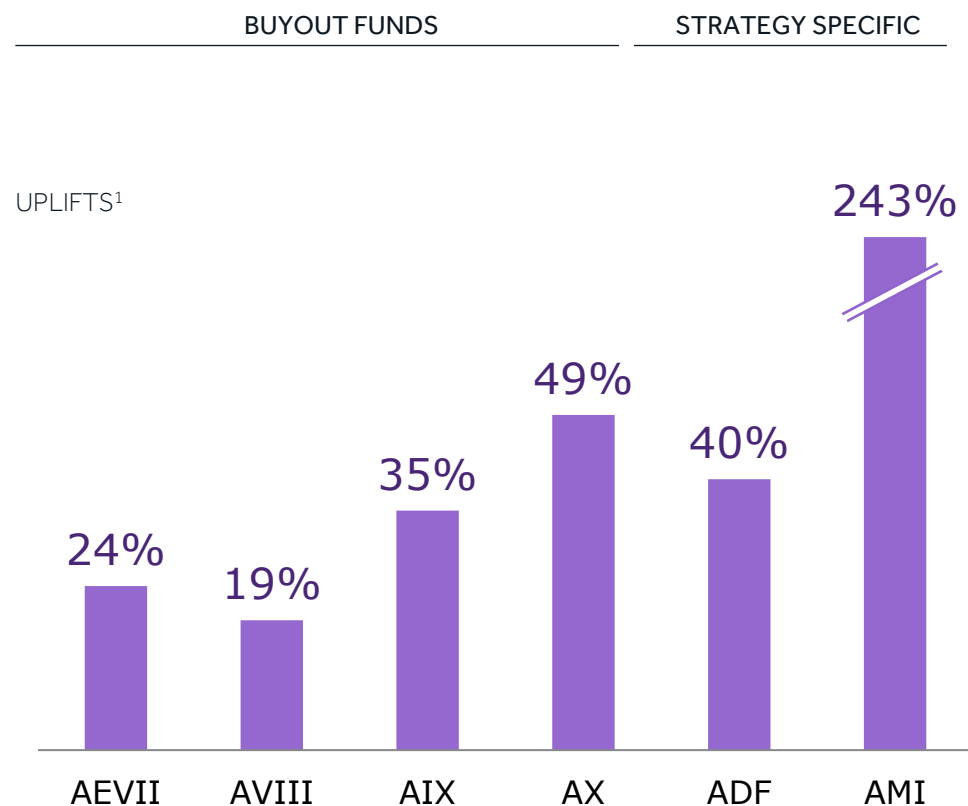
Public shares are valued at quarter end share price










Debt valued with reference to observable market quotes

1. Valuation based on binomial models, non-listed financial services, and immaterial holdings
2. 82% of Derived Equity valued based upon public share prices, the remaining 18% valued based on trading or transaction multiples

### 3. How is the portfolio valued?

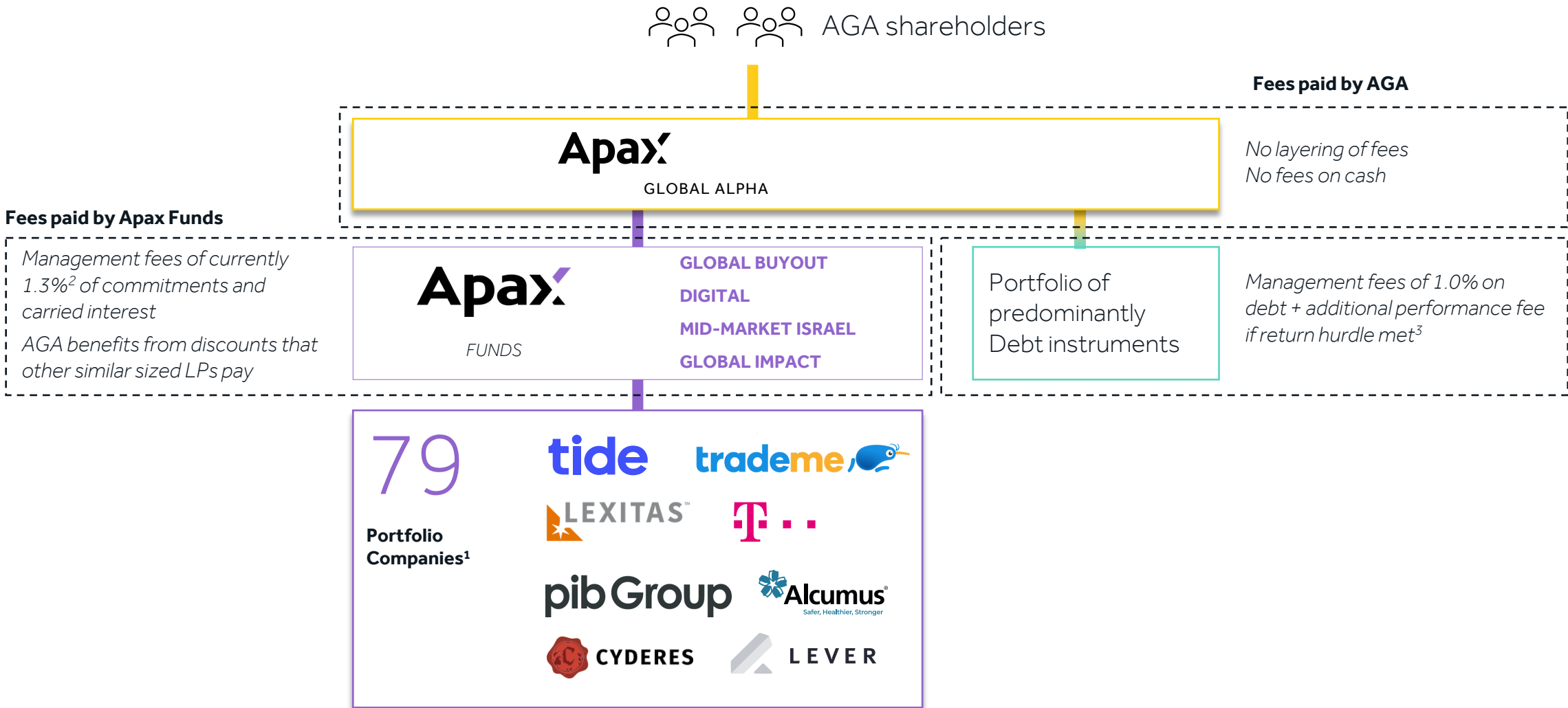
#### *Track-record of uplifts on exits in Private Equity*



EXITS SINCE JANUARY 2022 TO 31 MARCH 2023		
	AGA PROCEEDS (€m) <sup>3</sup>	UPLIFT / DISCOUNT <sup>1</sup>
 Unilabs	62	10%
 Authority Brands	43	0%
 Duck Creek	31	53%
 Boasso Global	28	32%
 Kepro	18	7%
 MyCase	15	48%
 Attenti	9	37%
 Shriram Finance	6	-16%
 Lever	3	45%
Total / Average	215	17%

1. Uplift represents proceeds received (translated at FX rates received) or proceeds expected to be received for deals yet to close (at period end FX rates) compared to their last Unaffected Valuation<sup>2</sup> at AGA level. Where an investment is partially exited, the uplift included is calculated at the time of initial exit
2. Unaffected Valuation is determined as the fair value in the last quarter before exit, when valuation is not affected by the exit process (i.e. because an exit was signed, or an exit was sufficiently close to being signed that the Apax Funds incorporated the expected exit multiple into the quarter end valuation)
3. Represents AGA's look-through to gross proceeds prior to adjustments for carried interest

# 4. How are fees charged?

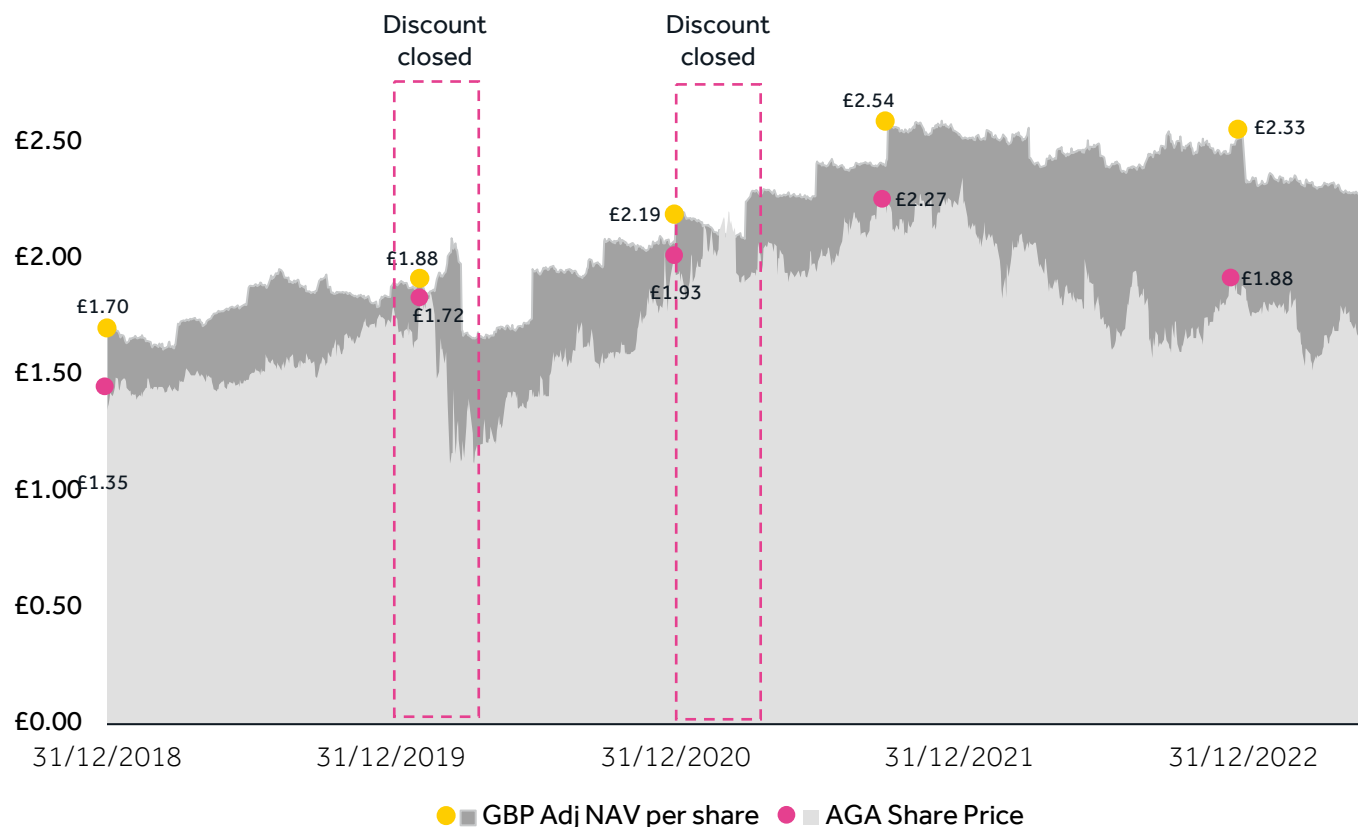


1. As at 31 March 2023. Logos shown are a sample of portfolio companies for illustrative purposes only across the Apax Buyout Funds, ADF, ADF II, AGI, and AMI  
2. Look-through management fees % calculated based on current management fee rate charged over AGA's commitment. Look-through % weighted based on AGA commitments.  
3. Fees on Derived Equity and non-fee paying Private Equity funds is paid to AGML at 0.5% per annum

## 5. How are you addressing the discount?

### Adjusted NAV per share vs. Share price (GBP)

in the last 5 years



- Wide discounts affecting entire listed fund sector for private equity
- AGA closed the discount twice already
- Focus on diversifying the share register and enhancing liquidity
- Firm conviction in the Company's fundamentals and the quality of the portfolio
- Dividend policy ensures regular distributions to shareholders with reference to Net Asset Value

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# Financing in the current environment

Roxana Mirica, Partner, Apax



# Debt market themes

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**1** What is happening with interest rates?

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**2** What are leverage implications for new deals?

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**3** Is financing available for new deals?

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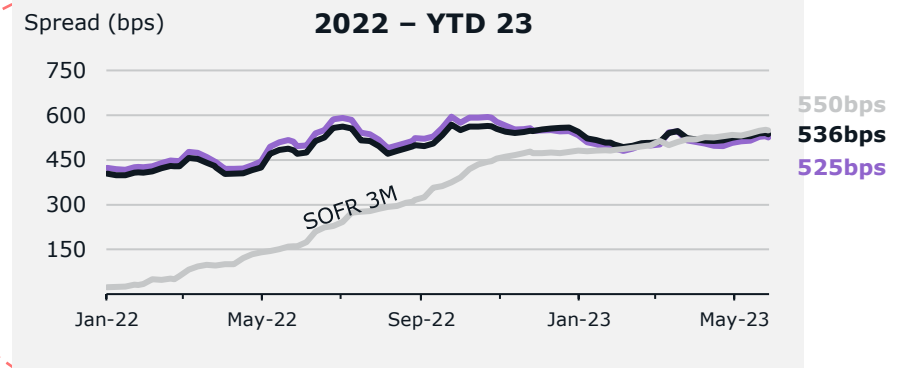
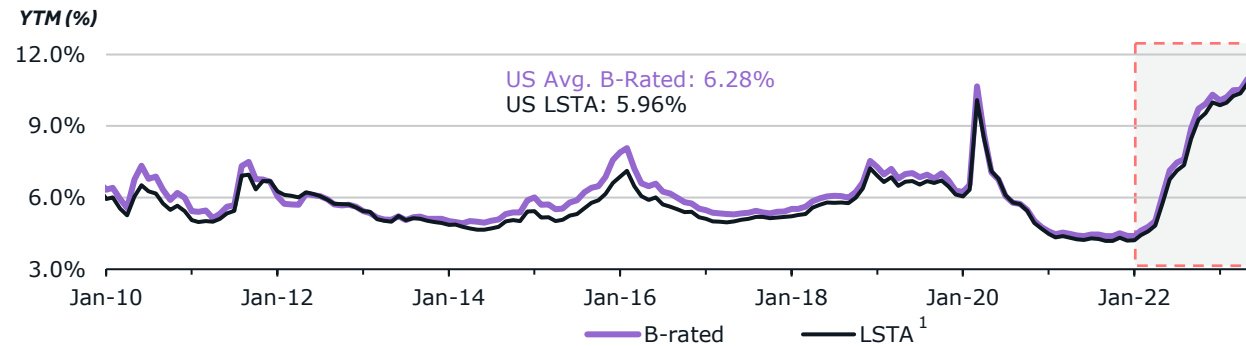
**4** What does the current debt environment mean for the existing portfolio?

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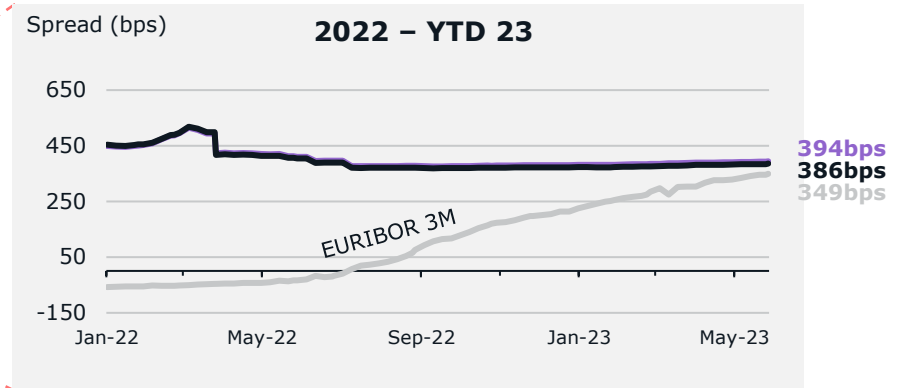
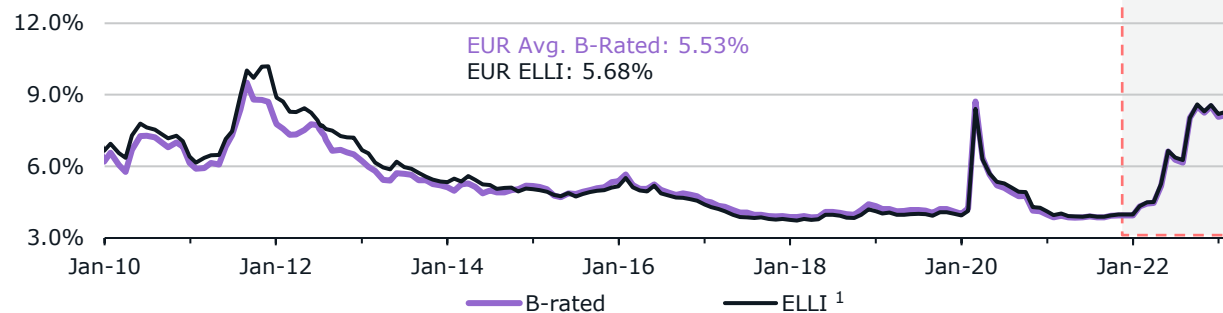
# 1 / What is happening with interest rates? *Macro headwinds led to increasing yields...*



**US Leveraged Loan yields have continued to widen since 2022**



**...while yields in the European Leveraged Loan market have more or less followed similar trend**



Source: LCD news and Bloomberg (as of 13th June 2023)

1. LCD LSTA and ELLI Index includes all speculative-grade ratings (excluding D-Rated Loans)

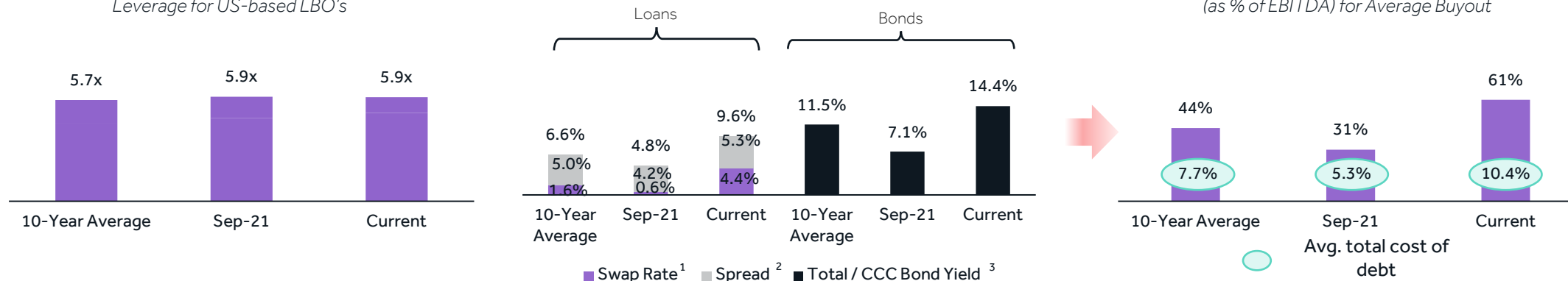
## 2 / What are leverage implications for new deals?

*Increase in interest burden leads to lower leverage*



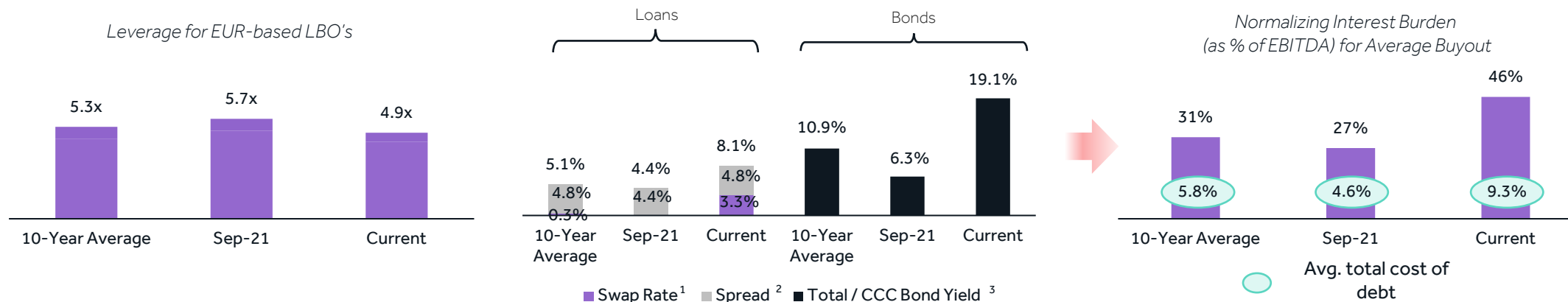
### Increase in borrowing costs for US LBO's

Leverage for US-based LBO's



### Increase in borrowing costs for EU LBO's

Leverage for EUR-based LBO's



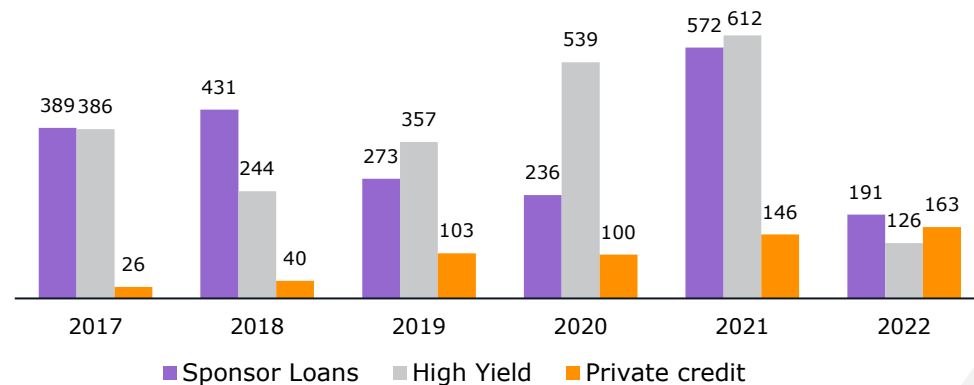
1. Source: LCD news and BofA. All numbers referenced based upon historical data. Assuming the purchase of a company with \$100m of EBITDA  
 2. 3-year USD and EUR swap rates.  
 3. LBO institutional spread (LSTA and ELLI respectively).  
 4. US CCC Bond Yield and EUR CCC Bond Yield respectively.

# 3 / Is financing available for new deals?

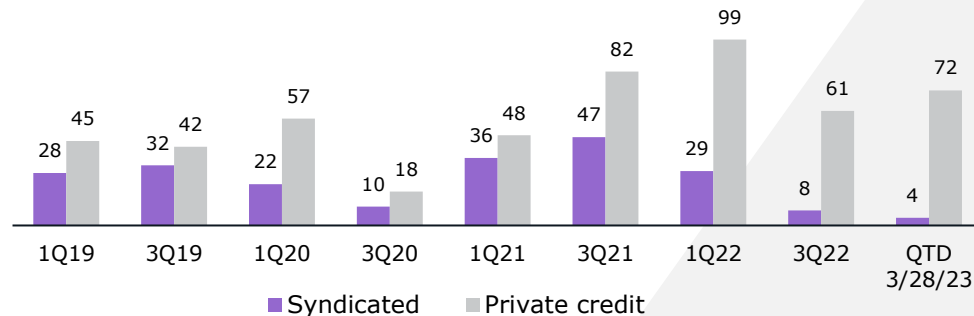
## Alternative sources of capital continue to facilitate financings

### Significant growth of alternative and cheaper sources of capital...

Volumes of Global Leveraged Finance activity (\$bn)<sup>1</sup>

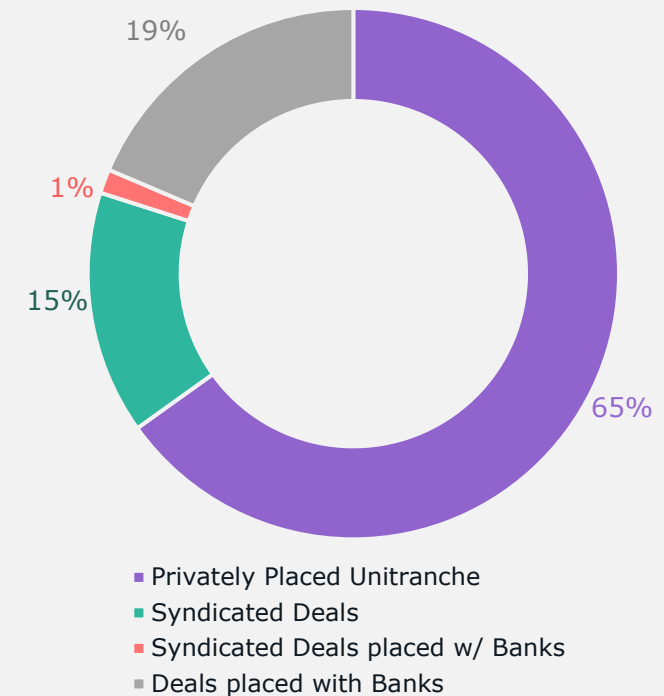


### # Count of LBOs financed in BSL vs Private Credit Markets<sup>2</sup>



### ... has facilitated continued issuance of debt transaction despite negative macro headwinds

Placement of Apax debt transactions 2022 (% of 2022 deal count<sup>3</sup>)



1. Source: LCD News, BofA, daily data  
 2. Reflects both US and EU. Sponsor Loans reflects volumes raised by issuers majority owned by PE firms. Private Credit data per BAML Research  
 3. Sources: PitchBook / LCD. Private Credit Count is based on transactions covered by LCD news. Data through to March 2023. 43 Apax-related Debt Issuances (by tranche) during FYE 2022. Excludes fund level financing.

## 4 / What does the current debt environment mean for the existing portfolio?

Apax portfolio  
well-positioned  
to weather  
market disruption

82%

of portfolio companies with  
maturities greater than 2027<sup>1</sup>

4.7x

Average Net Debt / EBITDA<sup>1</sup>

c. 75%

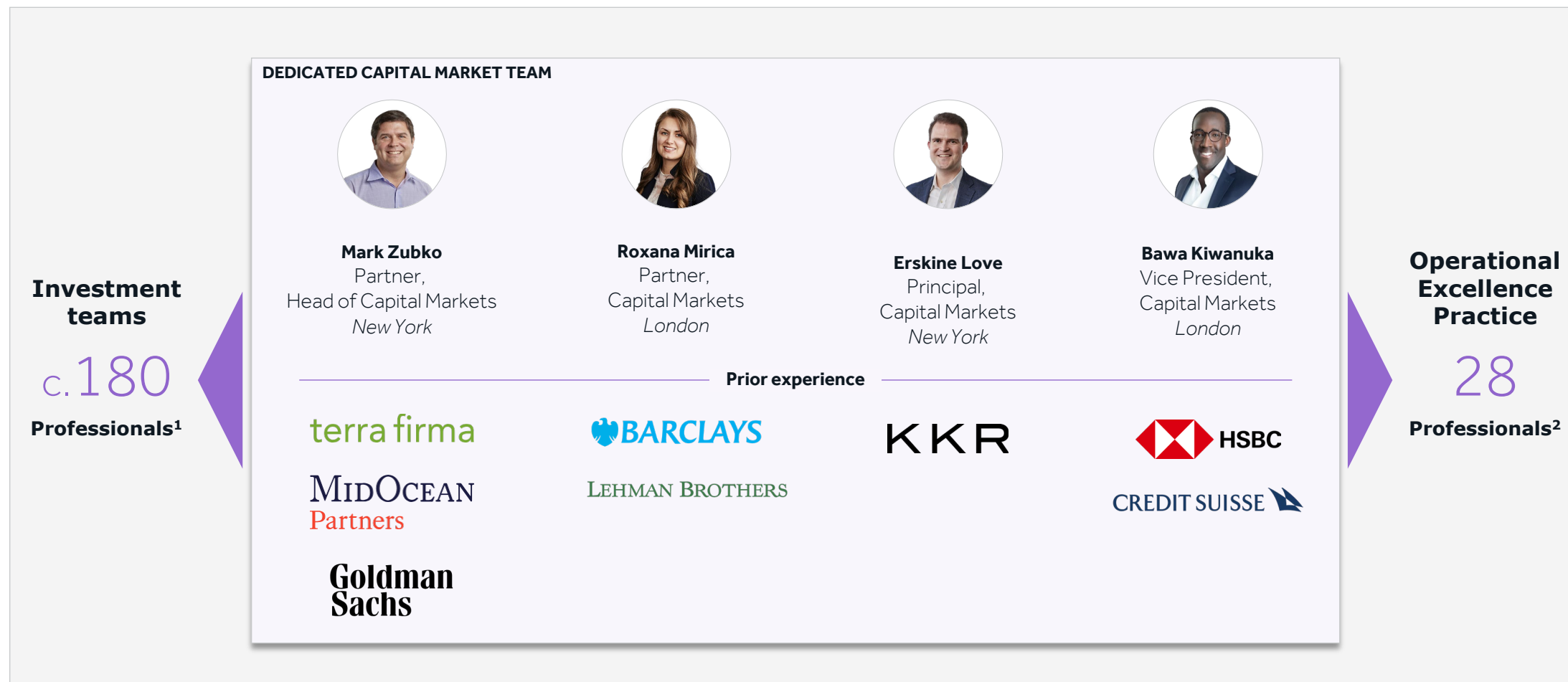
of debt outstanding  
at a fixed rate

c. 90%

of interest rate swaps  
maturing post mid 2024<sup>2</sup>

1. Weighted by AGA invested cost in AVIII, AIX and AX at 31 March 2023. Excludes financial services companies where Net Debt/EBITDA is not relevant. Excludes maturity dates in relation to portfolio companies with public equity. Excludes AMI, AMI II, ADF, ADF II and AGI.
2. Of this 90%, c.55% of interest rate swaps maturing post Jan 2025.

# Dedicated and experienced Capital Markets team embedded in Apax platform



1. As at March 2023.

2. As at March 2023. Operational Excellence Practice includes employees, advisers and consultants. Excludes OEP coordinators. Operating advisers and consultants are not employees of Apax.

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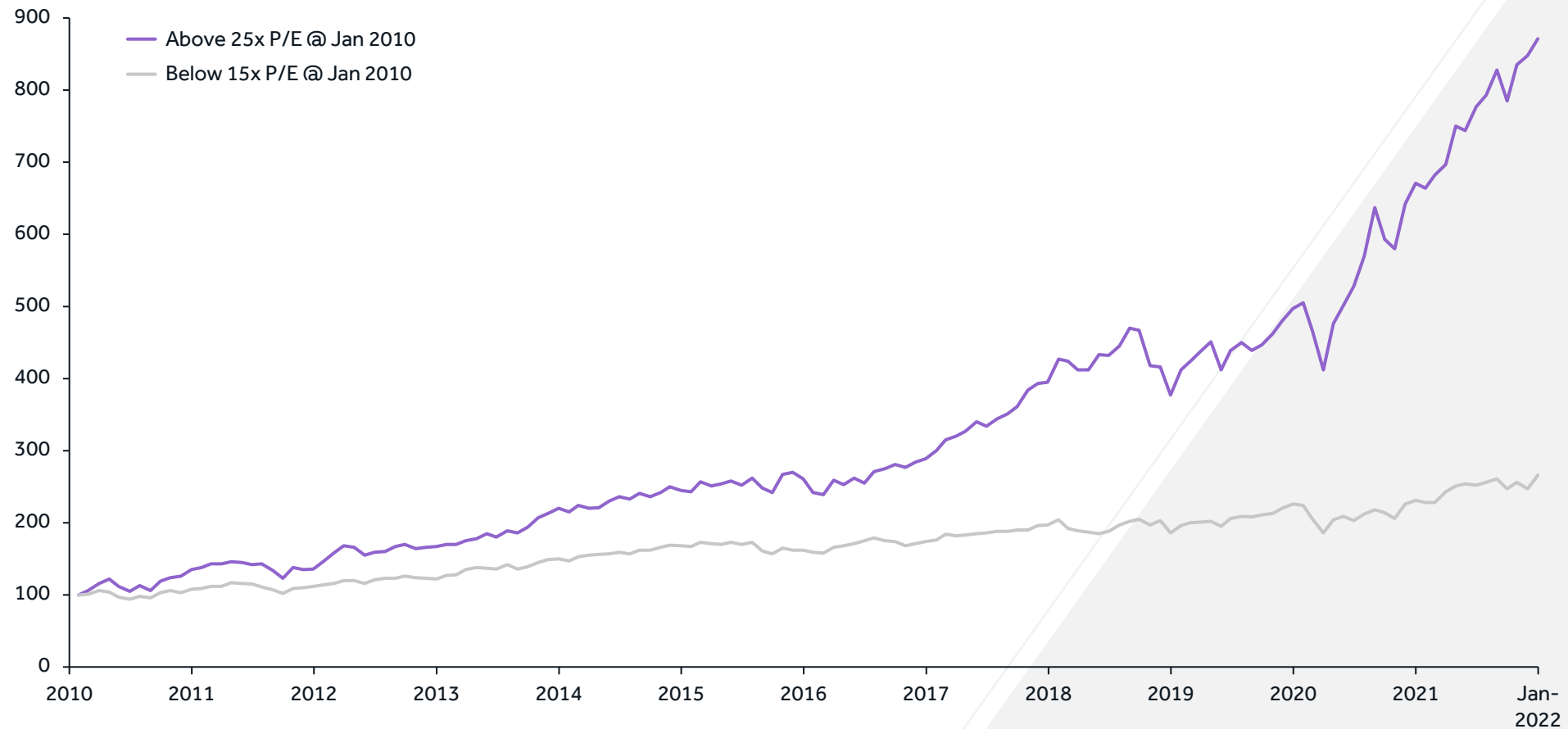
# Why invest now?

Salim Nathoo, Partner, Apax

# Post-GFC: Normal investment rules haven't applied

## *Period January 2010 – December 2021*

**Buy high; sell higher<sup>1</sup>**



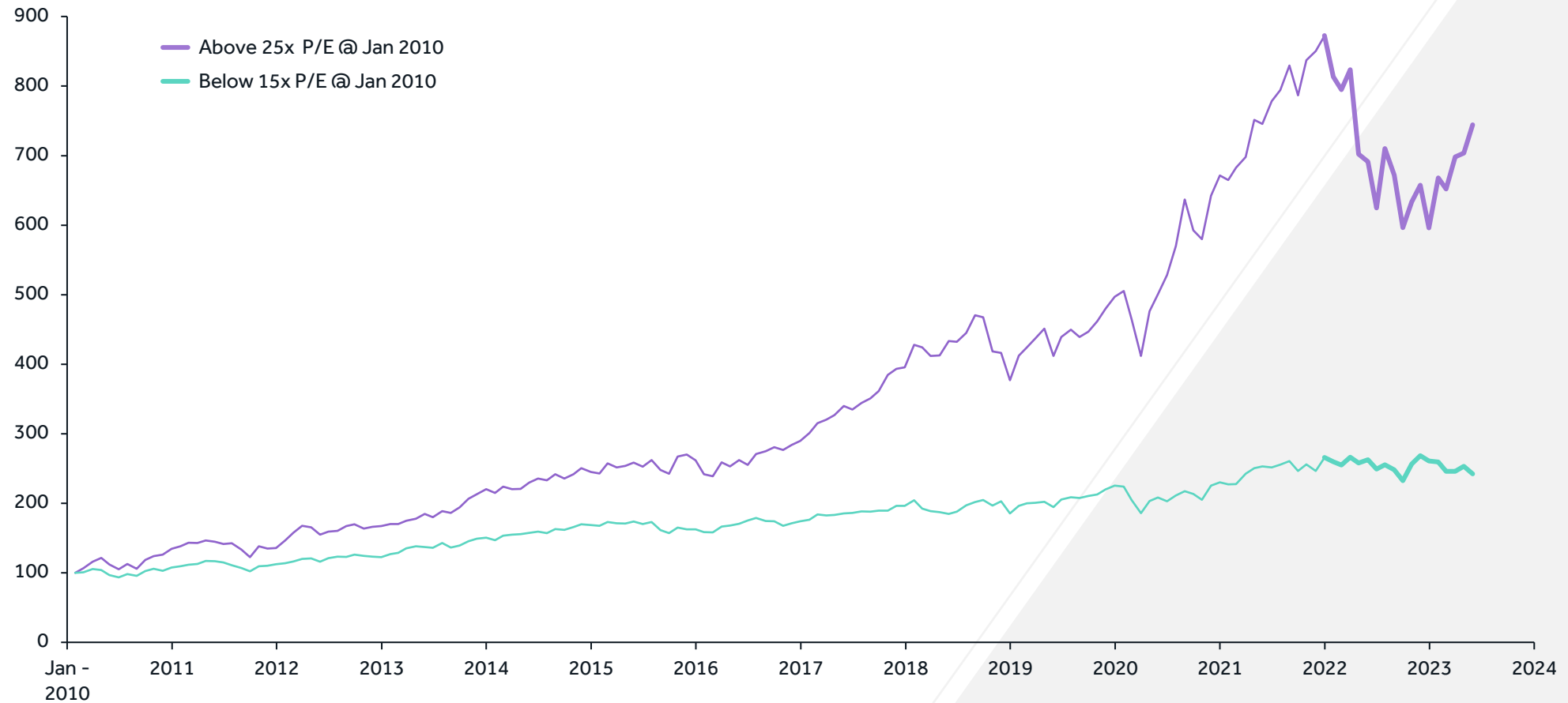
1. Source FactSet. Current S&P 500 constituents bifurcated based on LTM P/E multiples as at Jan-2010. Aggregated market cap in USD indexed to 100 at Jan-2010. Chart shows period from 1 January 2010 to 1 January 2022



# What goes up...: normal rules begin to apply

## *Period January 2010 – today*

**Buy high; sell higher<sup>1</sup>**



1. Source FactSet. Current S&P 500 constituents bifurcated based on LTM P/E multiples as at Jan-2010. Aggregated market cap in USD indexed to 100 at 1 Jan 2010. Chart shows period from 1 January 2010 to 31 May 2023

# High uncertainty on multiple key factors – elevated market volatility

2023	
<b>Geopolitics</b>	What are the chances of a black swan event?
<b>AI</b>	Disruption or Opportunity?
<b>Inflation</b>	Gradual easing, or ongoing stickiness and supply shocks?
<b>Rates</b>	How high and for how long?
<b>Credit conditions</b>	SVB a blip or a precursor to credit crunch?
<b>Consumer behaviour</b>	Strong balance sheets vs. weak confidence
<b>Markets</b>	Sharp sell-off in 2022 and strong recovery in 2023. Where from here?

# Why invest now?

- AGA's portfolio is strong and well positioned for volatility
- "Mining Hidden Gems" strategy is an "all weather" strategy and well-suited to generate alpha
- Private Equity outperformance historically strongest following market volatility

**Investing could result in a loss of capital. Past performance does not predict future returns.**

Note: Represents a high-level summary of Apax's observations on the investment process that it has used when advising the general partners of Apax Buyout Funds. There can be no assurance that Apax will be able to utilise this approach successfully in the future.

# AGA performing well and well positioned to weather all market environments

## Characteristics of Apax portfolio

- Sector and geographic diversification
- Limited cyclicalities
- Mission critical / sticky with strong moats
- Underlying growth industries and companies
- Robust capital structures
- Multiple exit options

## Strong trading performance across portfolio companies

LTM revenue growth<sup>1</sup>

18.6%

LTM EBITDA growth<sup>1</sup>

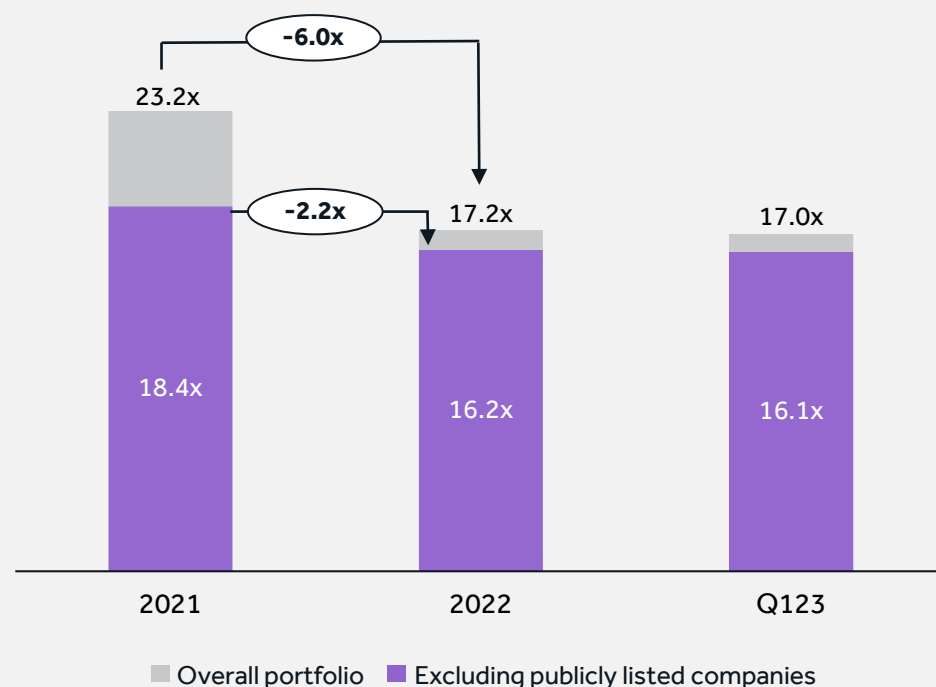
15.6%

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

1. Gross Asset Value weighted average of the respective metrics across the portfolio to 31 March 2023 weighted to AGA look through NAV. LTM Revenue growth and LTM EBITDA growth rates excludes 23 companies where EBITDA is not meaningful such as financial services or high growth business with fluctuations in EBITDA. Due to these adjustments, the comparatives may not be on a like for like basis. Net debt/EBITDA multiple and EV/EBITDA valuation multiple excluded 26 companies where EBITDA is not meaningful such as financial services or companies with negative EBITDA, or high growth business valued on a revenue basis. Due to these adjustments, the comparatives may not be on a like for like basis.

# Recent multiple contraction driven by declines in public market holdings

## Multiple contraction in AGA's Private Equity portfolio<sup>1</sup>



Private market valuations have proven more robust indicating less future potential multiple contraction risk

Public market exposure in AGA's portfolio has reduced and now only represents a small part of the portfolio having gone from 25% of AGA's Private Equity portfolio at 31 December 2021 to 12% at 31 March 2023.

1. Gross Asset Value weighted average of the respective metrics across the portfolio. Investments can be excluded for reasons such as: investments in the financial services sector; companies with negative EBITDA (or moving from negative to positive EBITDA in the case of growth metrics); investments that are written off; companies where EBITDA is not meaningful for company specific reasons. Due to these adjustments, the comparatives may not be on a like-for-like basis

Mining the hidden gems is an “all weather” strategy and well suited to generate alpha



Note: Represents a high-level summary of Apax's observations on the investment process that it has used when advising the general partners of Apax Buyout Funds. There can be no assurance that Apax will be able to utilise this approach successfully in the future.

# Business improvement rewarded at exit

## Operational improvement during Apax Funds' ownership

+700bps

Revenue growth acceleration<sup>1</sup>

+1,500bps

EBITDA growth acceleration<sup>1</sup>

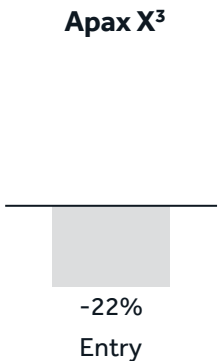
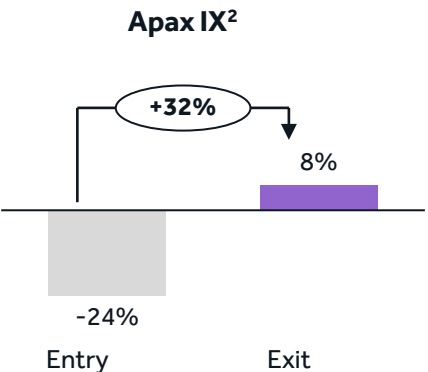
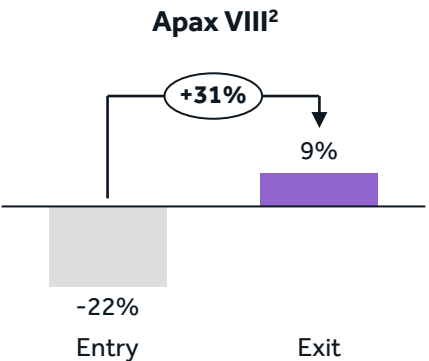
+700bps

EBITDA margin improvement<sup>1</sup>

+

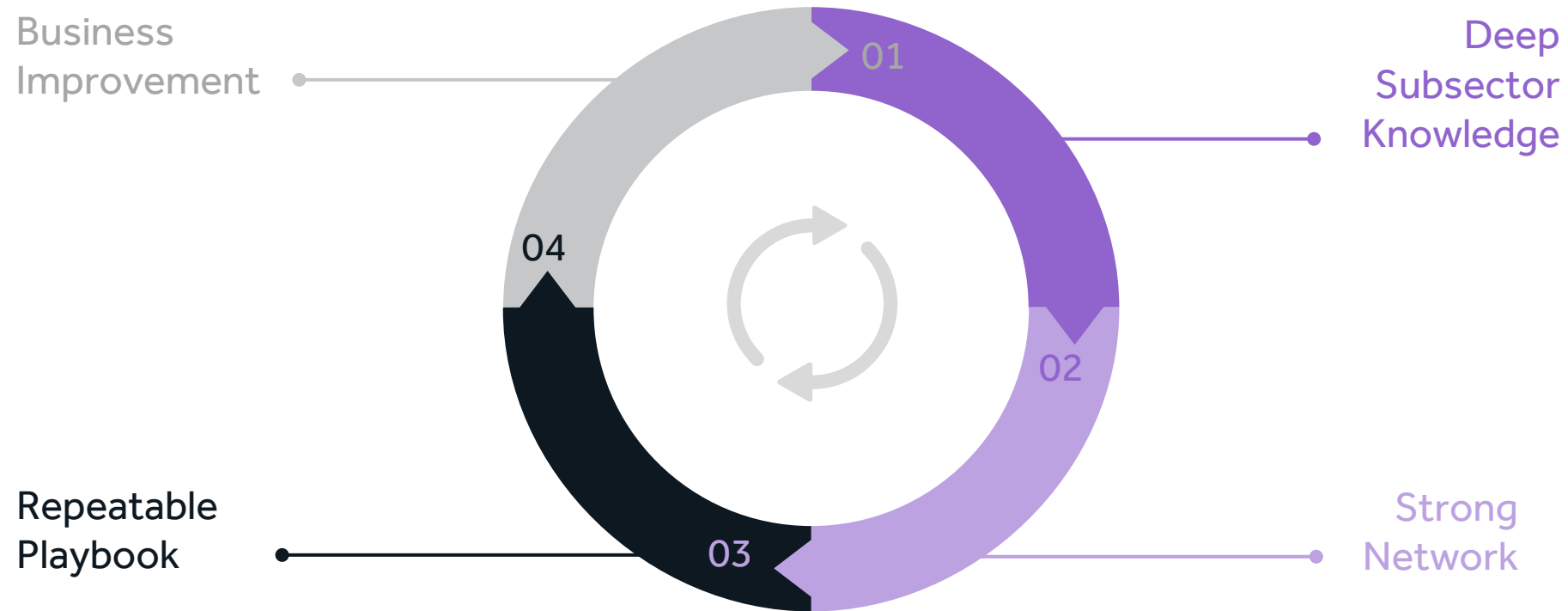
## Re-Rating relative to peers

Entry/exit multiples,  
relative to peers



1. Entry to exit inorganic LTM Revenue / EBITDA Margin growth for realised and significantly partially realised Apax VIII and Apax IX deals weighted by look-through metrics. Excludes write-offs and financial service companies. For significantly partially realised deals, the exit date for the growth and margin stats is taken as of the most recent key exit event date, for example at IPO for a recently listed deal.
2. Apax analysis of discount/premium of Apax VIII, Apax IX, Apax X portfolio company multiples at entry and exit against trading multiples of relevant peer companies as determined by Apax and weighted by invested capital. Includes fully realised and significant partially realised investments but excludes investments where re-rating analysis is not meaningful based on value of the relevant Apax fund's equity at realisation as a result of restructuring, write-down or similar events. For significant partially realised investments, re-rating is calculated as at the date of the most recent partial exit event. Peer companies included in entry analysis that de-listed or were acquired during Apax fund ownership period are excluded from exit analysis.
3. Apax analysis of discount of all Apax X portfolio company multiples at entry against trading multiples of relevant peer companies as determined by Apax and weighted by invested capital. Excludes PIPE investments in KAR and Verint.

# Mining hidden gems strategy creates a flywheel effect leading to repeatable success












Note: Represents a high-level summary of Apax's observations on the investment process that it has used when advising the general partners of Apax Buyout Funds. There can be no assurance that Apax will be able to utilise this approach successfully in the future.





# Online Marketplaces

# Focus on business improvement driving value creation

Operational Excellence Practice		
Large team of functional experts	Proprietary data platforms	Mining value early
<p>28</p> <p>Total OEP resources<sup>1</sup></p>	<p> Cloud platform to power AI / ML and big data analysis in DD</p>	<p>  Unlocking complex transactions</p>
<p>40%</p> <p>OEP time spent in diligence<sup>2</sup></p>	<p> 3bn+ digital data points across 6,000+ companies</p>	<p>  Support through complex operating environments</p>
<p>\$3bn+</p> <p>Portfolio spend optimized</p>	<p> Over \$10bn of portfolio company vendor spend enables costs savings and benchmarking</p>	<p>  Accelerating digital growth</p>

1. As at 31 March 2023, pro-forma for known joiners. Includes employees, advisors and consultants. Excludes OEP coordinators. Operating advisors and consultants are not employees of Apax.  
2. Based on OEP time tracking data collected since 2010.

# Example focus area - Generative AI

## Implications for Investment Strategy

### APPROACH

GenAI working group hosting seminars, sharing external resources, sharing internal subsector findings

Subsector teams conducting own assessments (often deal related), e.g. IT Services, Accounting services

## Portfolio Adoption and Value Creation Initiatives

### APPROACH

Support portfolio companies in experimenting and adopting these technologies while limiting risk (confidentiality, compliance, security).

Create platform for knowledge sharing and develop partner ecosystem over time.

## Apax Internal Adoption and Experimentation

### APPROACH

Deploy GenAI technologies on our own estate to drive insight and efficiency

Leverage Apax proprietary data assets that provide a differentiated basis for GenAI experimentation (e.g. Intelligence Platform, Digital Insights, Spend Insights, etc)



# Intelligence Platform **Apax**

# Apax strategy of alpha creation in action:



## Mining value (entry in Sept 2020)

Organisation		Carve-out; top graded management team
M&A		4 acquisitions (from standing start)
Go to market		GTM strategy revamped Payments attach rate at sign up from 20% to 60%
Growth		+30% top line growth acceleration on a business already growing c.40%

## Reaping the rewards

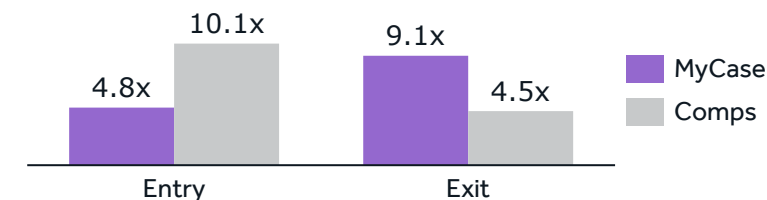
Gross MOIC / Gross IRR<sup>1</sup>

3.9x / 118%

Net MOIC / Net IRR<sup>1</sup>

3.6x / 103%

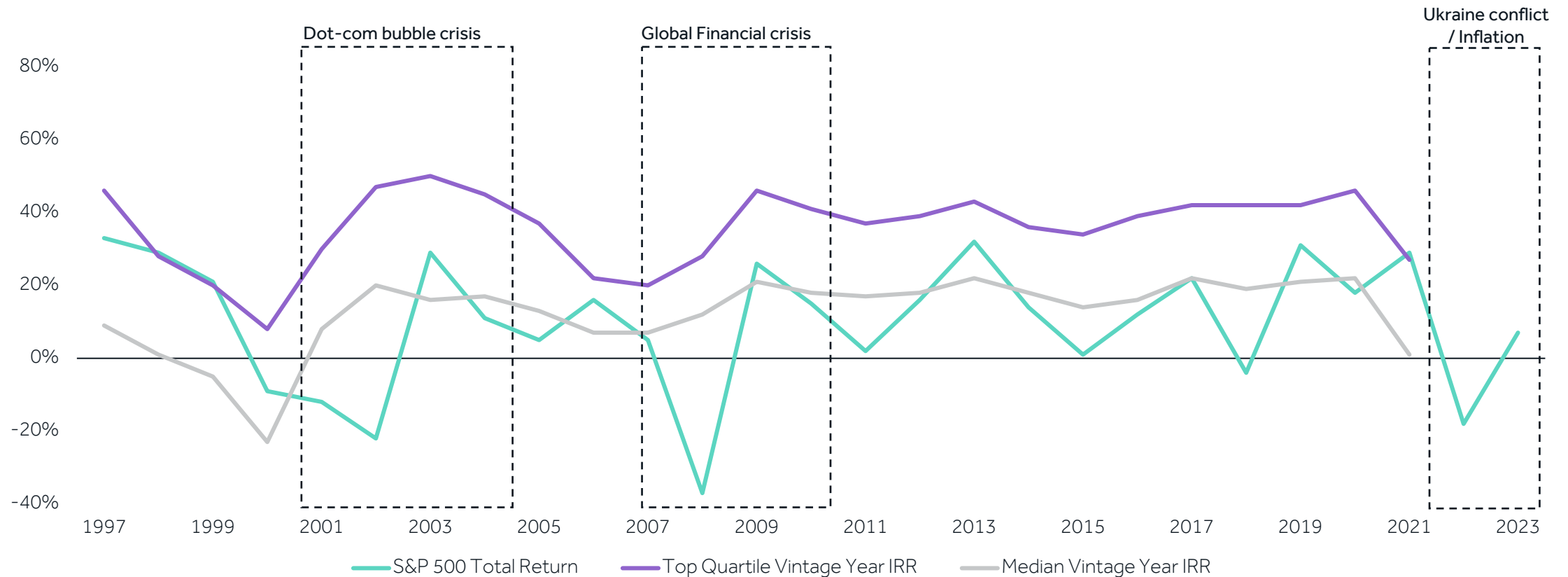
Multiple re-rating – NTM Revenue<sup>2</sup>



1. Gross and Net MOIC and IRR respectively for Apax X – USD as at Dec-22. Gross MOIC and IRR calculated based on the concurrent aggregate expected cash flows and remaining fair value in euro for AGA based on the AX EUR sleeve would be 3.9x and 125%. Please refer to the "Basis of Calculations" in the Endnotes for information on "Single Deal and Track Record Net Performance".
2. Apax analysis of MyCase multiples at entry and exit against trading multiples of relevant peer companies as determined by Apax.

# Private Equity outperformance is typically strongest during/following market volatility

Deal Vintage IRRs and S&P 500 Total Return, 1997 - 2022

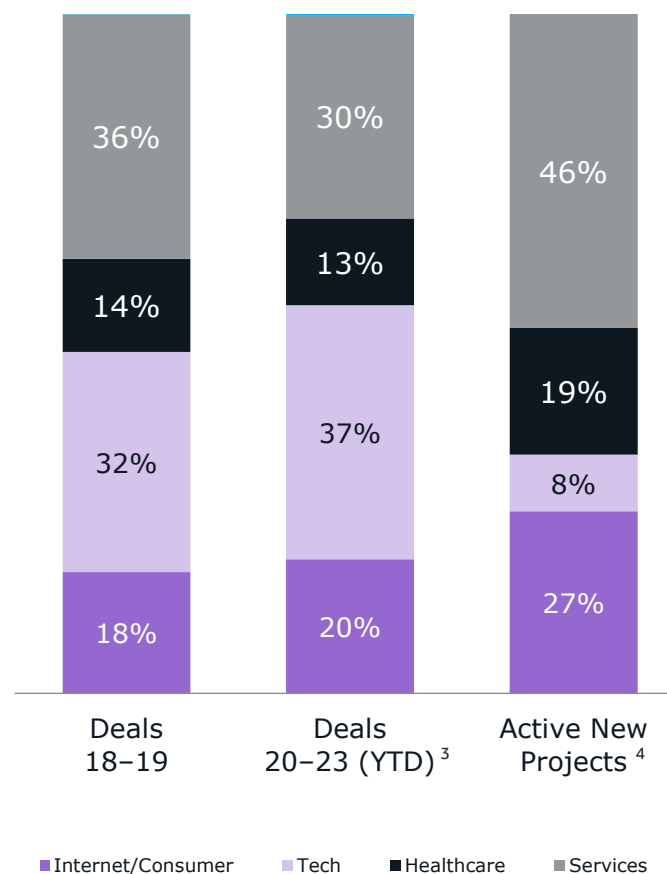


# Selectively seeking attractive opportunities in an uncertain macro-environment

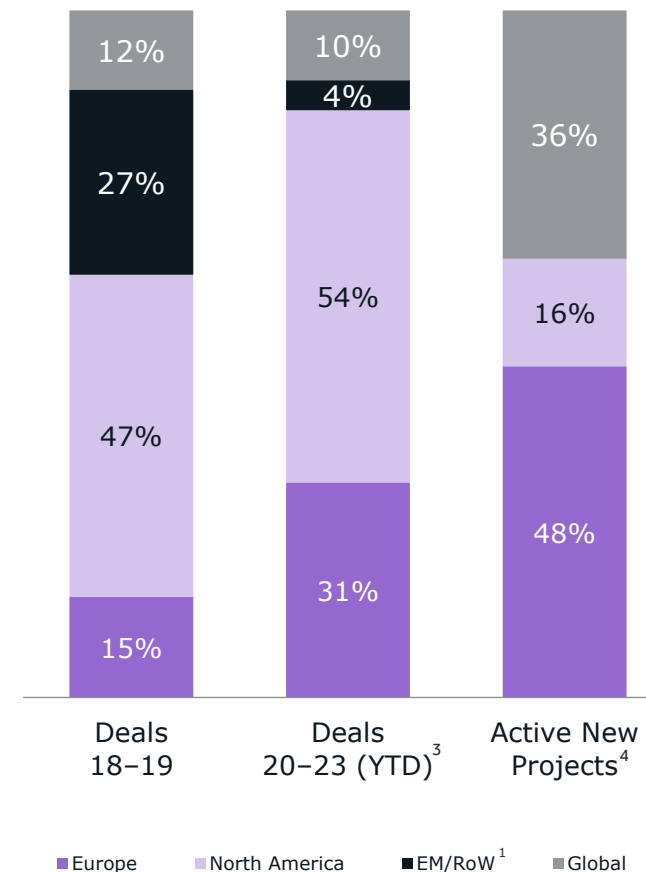
## Deal type

- Public to Private
- Carveout
- Sponsor with an angle

## Sector split<sup>2</sup>



## Geographic split<sup>2</sup>



1. Emerging Markets & Rest of World. Includes TradeMe (New Zealand), Pickles Auctions (Australia).
2. Split by estimated equity size. Excludes AMI and ADF investments. Historical split based on fund outflows in USD.
3. Includes IBS Software which is a signed deal.
4. Active New Projects split based on estimated USD equity

05

# Portfolio company perspective

Alyn Franklin, CEO, Alcumus





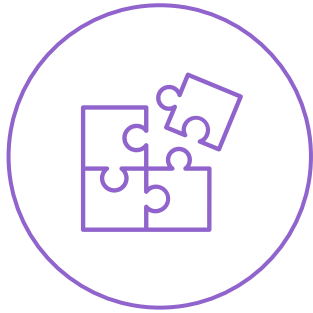
Our Journey with Apax  
Q&A with Alyn Franklin, CEO, Alcumus

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# Concluding remarks

Ralf Gruss, Partner, Apax

# Why invest in Apax Global Alpha



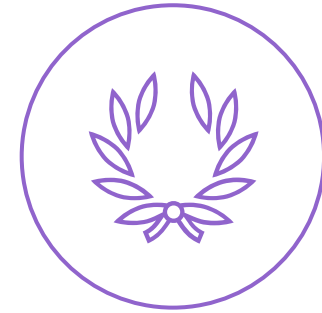
**Access to Hidden Gems,  
a portfolio of companies you  
can't buy elsewhere**

*Blue-chip investment advisor with  
50 years of experience*



**"All weather"  
strategy well-suited  
to generate alpha**

*84% of value creation driven by  
operational impact*



**Robust balance sheet,  
strengthened by focused  
portfolio of debt**

*9.8% income yield supports the  
dividend policy of 5% of NAV p.a.*

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# Q&A

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The Materials may include forward-looking statements. The words "expect", "anticipate", "intends", "plan", "estimate", "aim", "forecast", "project" and similar expressions (or their negative) identify certain of these forward-looking statements. These forward-

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This Presentation is not intended to be marketing as defined in an EU jurisdiction under the EU's Alternative Investment Fund Managers Directive (2011/61/EU).

**Date: 27 June 2023**



# Endnotes

## References to “Apax Funds”

Private Equity Funds advised by Apax Partners LLP to which AGA is committed are Apax XI - consisting of a euro tranche (“AXI– EUR”) and a US dollar tranche (“AXI – USD”), Apax X - consisting of a euro tranche (“AX – EUR”) and a US dollar tranche (“AX – USD”), Apax IX - consisting of a euro tranche (“AIX – EUR”) and a US dollar tranche (“AIX – USD”), Apax Digital Fund (“ADF”), Apax Digital Fund II (“ADFII”), AMI Opportunities Fund (“AMI”), AMI II Opportunities Fund (“AMI II”), Apax Global Impact (“AGI”), Apax VIII (“AVIII”) – consisting of a euro tranche (“AVIII – EUR”) and a US Dollar tranche (“AVIII – USD”), Apax Europe VII (“AEVII”) and Apax Europe VI (“AEVI”). In addition, reference is made to the Apax Buyout Funds which includes AX, AIX, AVIII, AEVII, Apax US VII, L.P. (“USVII”), AEVI and Apax Europe V (“AEV”). Please note that throughout this presentation both the funds full name and abbreviated forms are used interchangeably.

## Information with respect to AGA Performance including Gross IRRs, Net IRRs and MOICs

“Gross IRR” as used throughout this Presentation, and unless otherwise indicated, means an aggregate, annual, compound, gross 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 by the relevant entity.

For the Company’s Private Equity Investments, Gross IRR is net of fees and carried interest paid to the underlying investment manager and/or general partner of the relevant fund. For Derived Investments, Gross 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. “Net IRR” means Gross IRR less any expenses borne by the relevant investment vehicle or its investors including, without limitation, carried interest, management fees, taxes and organisational or transaction expenses. Please note that Multiples of Invested Capital (“MOICs”) are presented in this Presentation on the basis indicated.

In certain instances, the Gross IRR shown is a concurrent IRR, meaning a gross annual IRR, calculated as if the first cash flow associated with all investments started in the same month.

## In respect of Apax Funds data - Information with respect to IRRs ,MOICs and TVPIs.

Unless otherwise indicated, any internal rates of return (“IRR”) and multiples of invested capital (“MOIC”) in this Information are presented on a “gross” basis (i.e., they do not reflect the management fees, carried interest, taxes, and other expenses to be borne by investors in the relevant Apax Fund, which in the aggregate are expected to be substantial). Net IRRs and net MOICs (which may otherwise be referred to in this Information as “TVPIs” (or total value to paid in capital)) are after all management fees, carried interest and other expenses but do not include taxes or withholding or certain other expenses incurred by investors directly. “DPI” refers to distributions to paid-in capital. A description of such fees, “carried interest” and expenses is detailed in the relevant Apax Fund’s limited partnership agreements or offering documents (as applicable), a summary of which will be furnished to each recipient upon request. Recipients of this Information may also obtain a illustration of the effect of such fees, expenses and other charges on such returns.

Unless otherwise indicated, any references to “Gross IRR” and “Net IRR” shall mean the aggregate, compound, annual, gross or net, as applicable, internal rate of return on investments, calculated on the basis of actual investment inflows and outflows contributed by and distributed to investors. Where presented herein, IRRs and MOICs with respect to unrealized investments assume that such investments were sold for cash at their indicated unrealized values and the proceeds therefrom distributed to investors. Actual realized returns on unrealized investments will depend on, among other factors, future operating results, the value of the assets and market conditions at the time of disposition, legal and contractual restrictions on transfer that may limit liquidity, any related transaction costs, and the timing and manner of sale, all of which may differ from the assumptions and circumstances on which the valuations used in the prior performance data contained herein are based. Accordingly, the actual realized returns on unrealized investments may differ materially from any returns indicated herein.

In certain instances, the Gross IRR may be shown as a Concurrent IRR, meaning a gross annual IRR, calculated as if the first cash flow associated with all investments occurred in the same month.

## Information with respect to Single Deal and Track Record Net Performance

For the purpose of this sub-section, “Track Records” are cumulative performance returns across multiple deals, which may span multiple funds. “Single Deal” is a singular investment in one Apax Fund.

In order to determine net performance for Track Records and Single Deals, gross returns have been multiplied by a fraction where the numerator is the net fund-level return and the denominator is the gross fund-level return in each case of the Apax Fund(s) in which the relevant investment(s) was made. For Track Records, the fraction of net fund-level return to gross fund-level return is weighted by invested capital from the deals (and Funds, where the Track Record includes multiple Funds) included within the Track Record.

The Single Deal and Track Record net performance information presented herein has inherent risks and limitations. The calculation of the net performance for Single Deals and Track Record reflect an assumed allocation of fund-level fees, expenses and carried interest to the Single Deal or Track Record. Any calculation of Track Record net returns across multiple Funds is based on the varying fee and expense rates and terms of the entirety of such Funds. Thus, this calculation will reflect: any fee or expense that was incurred in connection with some but not all of the deals in the Fund, and may not have been incurred in connection with the specific deals for which performance is being shown; and particular Fund deal(s) which had relatively lower fees and expenses, which could have the effect of increasing the net performance of the Single Deal or Track Record shown. Because all fees and expenses cannot be precisely allocated to particular deals, net performance for a Single Deal or Track Record cannot be determined with precision. Moreover please note that the methodology described above has been calculated at a fund level as reported to investors as a whole, and does not necessarily represent the gross to net spread of a particular individual investor in such funds, which may be impacted by management fee discounts, excuse rights, and other relevant factors.

In light of all of the foregoing, prospective investors should attach correspondingly qualified consideration to the Single Deal and Track Record net performance and should consider such performance information in conjunction with the relevant Fund-level gross and net returns.

This performance was not made in the context of a single fund as part of a single investment program with coordinated investment objectives, guidelines and restrictions. Accordingly, it should not be assumed that the investments made by the Fund will have the same characteristics or returns as presented above.

## Apax Sector Track Record

The “Apax Sector Track Record” comprises all Buyout investments made by Apax Buyout Funds in Apax Sectors.

“Apax Buyout Funds” include Apax X (“AX”) - consisting of two euro denominated vehicles (“AX – EUR” and “AX – EUR SCSp”) and a US dollar denominated vehicle (“AX – USD”); Apax IX (“AIX”) - consisting of a euro denominated vehicle (“AIX – EUR”) and a US dollar denominated vehicle (“AIX – USD”); Apax VIII (“AVIII”) - consisting of a euro denominated vehicle (“AVIII – EUR”) and a US dollar denominated vehicle (“AVIII Apax Buyout Funds have made 200 investments in aggregate. For these purposes an investment made by more than one Apax Fund at the same time is counted as one investment. Six buyout investments presented in the Apax Sector Track Record were made by Apax Buyout Funds alongside Apax Excelsior VI (“ExVI”) or Apax Europe IV (“AIV”). Invested and realised capital attributable to ExVI and AEIV in these investments has been included in the Apax Sector Track Record, representing less than c.1% of the total invested capital presented herein. “Buyout investments” have been categorised based on their size, risk-reward profile, growth potential and cash flow generation ability and potential. 150 of the 200 investments made by Apax Buyout Funds are Buyout investments. The remaining 50 investments made by Apax Buyout Funds are growth and venture investments which have been excluded to reflect the current investment strategy of Apax Buyout Funds. There are no growth and venture investments in AX, AIX, AVIII or AEVII. “Apax Sectors” include Tech, Services, Healthcare and Internet/Consumer. 118 of the 150 Buyout investments made by Apax Buyout Funds were made in Apax Sectors. The remaining 32 Buyout investments made by Apax Buyout Funds are in various legacy media and consumer sub-sectors and other non-Apax Sectors which no longer form part of the investment strategy of Apax Funds. These deals are excluded from the Apax Sector Track Record.

# Notes on value creation

- The objective of the value creation analysis is to give, in Apax's opinion, a fair reflection of how Apax has driven returns
- The methodology bridges the movement in the 100% equity value of the buy-out investment during the respective funds' ownership period based on the primary valuation metrics of EBITDA, the EV/EBITDA multiple and net debt, foreign exchange impacts, and the Management Dilution / Other in the following way:
  - Value created from EBITDA growth:  $(\text{EBITDA at Exit} - \text{EBITDA at Entry}) / \text{Multiple at Exit}$ . In the instances where EBITDA does not represent meaningful information in relation to the portfolio company the earnings metric used for valuation purposes was used instead of EBITDA, for example Profit After Tax
  - Value created from change in net debt reduction:  $(\text{Net Debt at Exit} - \text{Net Debt at Entry})$
  - Value created from change in multiple expansion:  $(\text{Multiple at Exit} - \text{Multiple at Entry}) \times \text{EBITDA at Entry}$
  - Value created from foreign exchange (fx):  $(\text{Exit Equity (USD)} / \text{Entry Equity (USD)}) - (\text{Exit Equity (Transaction Currency)} / \text{Entry Equity (Transaction Currency)})$
  - Value created from other (Including management dilution): Takes into account management incentive plans thereby diluting the total return to Apax. It also includes other deal-specific impacts such as arrangement fees
  - The value created by each metric is typically expressed as a multiple of entry equity value
- At an investment level, there are a number of situations where the basic value creation analysis may produce misleading results. As such, Apax has sought, subject to data quality, to adjust the reported base data for such impacts, including (but not limited to) the following circumstances:
  - Significant bolt-on acquisitions: these make the investment appear to have driven value creation through EBITDA growth and lost value through increased leverage, where this is not strictly the case. In such cases, Apax has added the acquired entity's EV, EBITDA and debt to the original investment's entry data
  - Significant disposals: these make the investment appear to have driven value creation through deleveraging and reduced value through negative EBITDA growth, where this is not strictly the case. In such cases, Apax has added the disposed entity's EV, EBITDA, and debt to the original investment's exit data
  - Recapitalisations: taking on additional leverage to pay a dividend to the funds and other co-investors makes it appear as though equity value has been reduced through greater indebtedness. Apax has adjusted for this by adding back the dividend to exit net debt
  - Follow-on investment: These make it appear as though the investment has deleveraged through good performance, whereas in reality the funds have simply injected more capital. Apax has adjusted for this through adding the follow-on investment to entry equity and enterprise value
- Partial exits: where a partial exit has taken place during the life of a deal, the results achieved by the funds may differ from the return inferred from the value creation analysis. For example, where the funds sold part of their stake at a valuation mid-way through the investment that was lower than the valuation at final exit, the MOIC calculated by the value creation methodology would be higher than that achieved by the funds. Apax has adjusted for this by creating theoretical exit positions reflecting a blend of the investment's financial position and valuation at the time of exits, based on the proportion of the stakes sold at different points of time
- Share Placements: where a partial exit has taken place via a share sell-down or IPO, the results achieved by the funds may differ from the return inferred from the value creation analysis. For example, where the funds sold shares at a price mid-way through the investment that was higher than the price at exit, the MOIC calculated by the value creation methodology would be lower than that achieved by the funds. Apax has adjusted for this in two circumstances:
  - Primary Offering: adding back total primary proceeds to exit net debt
  - Secondary Offering: creating a theoretical exit position reflecting a blend of the investment's financial position and valuation at the time of offering and at exit, based on the proportion of shares sold down at different points of time

Note: The information sources and metrics that Apax used for this analysis, could reasonably generate different results by others who perform this analysis utilising different concepts.