

Apax Global Alpha Limited
Quarterly results for the period ended 30 September 2022

Key highlights

- AGA's portfolio proved resilient during the three months to 30 September 2022 with a Total NAV Return¹ of 3.2% ((1.2%) constant currency). Adjusted NAV was €1.4bn, equivalent to a NAV per share of €2.86 (£2.51).
- Private Equity Total Return¹ of 3.0% ((1.6%) in constant currency) in the period reflects robust trading performance in the underlying portfolio companies and positive FX movements, offset by multiple compression.
- Underlying portfolio companies delivered revenue and EBITDA growth of 17.7%² and 17.6%² respectively over the last twelve months.
- Investment activity continued with the Apax Funds completing three new Private Equity investments in which, on a look-through basis, AGA deployed €28.9m in the third quarter.
- AGA received distributions of €18.7m including €11.8m from two Private Equity investments which were exited at a weighted average uplift of 35% to last Unaffected Valuation³.
- Strong balance sheet and healthy liquidity position with net cash of €89.3m and a €250m undrawn revolving credit facility as at 30 September 2022 provide comfort regarding commitment levels. Derived Investments of €394.5m provide balance sheet stability at attractive returns as well as a further significant source of capital flexibility.
- AGA's Invested Portfolio, other than AMI which represents less than 2%, is revalued as at 30 September 2022. This methodology uses market references, public trading comparatives and/or transaction comparables as appropriate.

Tim Breedon CBE, Chairman of Apax Global Alpha, said:

"Despite the uncertain macroeconomic conditions and geo-political environment, AGA's balance sheet strength and capital management flexibility position it well to participate in opportunities to drive future long-term value for our shareholders. In addition, the success of Apax's sector-based investment strategy focused on fundamental business improvement can be seen in the positive trading performance across the underlying portfolio companies and provides confidence in the outlook for future value creation."

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

"The underlying portfolio companies continue to demonstrate their resilience in a challenging macroeconomic environment. Private equity deal activity has reduced when compared to 2021, however, the Apax Funds continue to identify attractive investment opportunities together with exits at strong uplifts to prior carrying values."

Financial highlights

- 70% of the Invested Portfolio is in Private Equity, and the portfolio remains well diversified across key sectors and vintages.
- 15% of the Private Equity Invested Portfolio is in publicly listed holdings which are valued off quoted share prices as at 30 September. These reflect residual stakes in previously IPO'd portfolio companies.
- AGA was 94% invested as at 30 September 2022 and had outstanding commitments to the Apax Funds (together with recallable distributions) of €1.2bn. It is expected that much of AGA's existing cash will be deployed in the Private Equity portfolio during Q4 2022, primarily as capital is being called to fund investments previously made by the Apax Funds.

	Q3 2022	Q3 2022	H1 2022	H1 2022
Adjusted NAV ⁴	EUR 1,402m	GBP 1,230m	EUR 1,392m	GBP 1,199m
Adjusted NAV ⁴ per share	EUR 2.86	GBP 2.51	EUR 2.83	GBP 2.44
NAV ⁴ per share	EUR 2.86	GBP 2.51	EUR 2.83	GBP 2.44

	Exposure	Q3 2022	Q3 2022 constant currency
Total NAV Return ¹		3.2%	(1.2%)
Total Return ¹ – Private Equity	66%	3.0%	(1.6%)
Total Return ¹ – Derived Debt	26%	6.0%	0.4%
Total Return ¹ – Derived Equity	2%	(2.9%)	(6.7%)
Cash & Others	6%		

Private Equity portfolio highlights

- The Private Equity portfolio delivered a Total Return¹ of 3.0% ((1.6%) constant currency) in the period.
- Two exits were completed during the period with a weighted average uplift of 35% compared to last Unaffected Valuations³. Gross IRR⁵ and Gross MOIC⁵ in Q3 2022 were 13% and 1.5x respectively.
- On a look-through basis, AGA invested c.€28.9m in three new investments.
- Strong trading performance with LTM Revenue and EBITDA growth of 17.7%² and 17.6%² respectively across the Private Equity portfolio.

Derived Investments portfolio highlights

- Derived Debt represents 94% of the Derived Investments portfolio and adds stability to performance at attractive returns. Derived Investments delivered a Total Return¹ of 5.4% ((0.1%) constant currency) in the period to 30 September 2022.
- 96% of the Derived Debt Investments are floating rate instruments. The average yield to maturity of the portfolio increased to 10.4% at 30 September 2022 (June 22: 8.9%).
- The Derived Debt portfolio has outperformed the S&P/LSTA leveraged loan index⁶ with a five-year cumulative return on a constant currency basis of 34.6% compared to 15.8%.
- €13.9m was deployed in Derived Debt in the third quarter of 2022. There were no new investments in Derived Equity.

For further information regarding the announcement of AGA's 2022 Q3 Results, including the Company's results presentation and details for today's analyst and investor webcast at 9.30am (UK time), please visit www.apaxglobalalpha.com.

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APPENDIX

Movements in NAV

Adjusted NAV movements (€m)	Private Equity	Derived Investments	Cash	Treasury Shares	Facility drawn	Other ⁷	Total
Adjusted NAV at 30.06.22	877.2	364.9	150.2	-	-	(0.1)	1,392.2
+ Investments	37.1	13.8	(46.8)	-	-	(4.1)	-
- Distributions/ divestments	(18.7)	(0.5)	19.2	-	-	-	-
+ Interest and dividend income	-	-	6.1	-	-	1.8	7.9
+/- Gains/(losses)	(14.1)	(4.3)	-	-	-	-	(18.4)
+/- FX gains/(losses) ⁸	40.9	20.6	0.3	-	-	-	61.8
+/- Costs and other movements	-	-	(0.2)	-	-	(2.3)	(2.5)
- Dividends paid	-	-	(34.8)	-	-	-	(34.8)
+/- Performance fee reserve ⁹	-	(4.1)	-	-	-	-	(4.1)
+/- Shares purchased	-	-	-	-	-	-	-
+/- Revolving credit facility drawn/repaid	-	-	-	-	-	-	-
Adjusted NAV at 30.09.22	922.4	390.4	94.0	-	-	(4.7)	1,402.1

Private Equity – operational metrics

Private Equity – operational metrics	30 September 2022	30 June 2022
Portfolio year-over-year LTM revenue growth ²	17.7%	19.1%
Portfolio year-over-year LTM EBITDA growth ²	17.6%	15.8%
Enterprise Value / EBITDA valuation multiple ²	17.2x	17.9x
Net debt / EBITDA multiple ²	4.9x	4.8x

Derived Investments – operational metrics

Derived Investments – operational metrics	30 September 2022	30 June 2022
Debt average income yield to maturity ¹⁰	10.4%	8.9%
Debt average years to maturity	5.3	5.6
Debt average income yield ¹¹	8.9%	7.3%

Other Invested Portfolio highlights

Invested Portfolio analysis ¹²	€m	€m	%	%
- AEVI	2.5		0%	
- AEVII	25.7		2%	
- AVIII	119.0		9%	
- AIX	421.2		32%	
- AX	281.2		21%	
- AMI	26.4		2%	
- ADF	49.6		4%	
- ADF II	(2.5)		0%	
- AGI	(0.7)		0%	
Private Equity		922.4		70%
- Derived Debt	369.6		28%	
- Derived Equity	24.9		2%	
Derived Investments		394.5		30%
Total		1,316.9		100%

Footnotes

- 1 "Total NAV Return" means the movement in the Adjusted NAV per share over the quarter plus any dividends paid. "Total Return" reflects the sub-portfolio performance on a stand-alone basis. It excludes items at the overall AGA level such as cash, management fees, and costs
- 2 Gross Asset Value weighted average of the respective metric across the portfolio. LTM Revenue growth and LTM EBITDA growth rates exclude companies where EBITDA is not meaningful such as financial services or high growth business with fluctuations in EBITDA. Net debt/EBITDA multiple and EV/EBITDA valuation multiple excluded companies where EBITDA is not meaningful such as financial services or high growth business valued on a revenue basis.
- 3 Valuation uplifts on exits are calculated based on the total actual or estimated sales proceeds and income as appropriate since the last Unaffected Valuation. 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). Where applicable, average uplifts of partial exits and IPO's includes proceeds received and the closing fair value at period end.
- 4 Adjusted NAV reflects Total NAV of €1,406.2m, before performance fee reserve of €4.1m
- 5 Private Equity Aggregate Gross IRR and Gross MOIC calculated based on the expected aggregate cash flows in euro across all funds for the deals signed and/or IPO'd in the period. Gross IRR represents concurrent Gross IRR.
- 6 Source: Bloomberg
- 7 Other reflects net current liabilities.
- 8 FX on cash includes the revaluation of cash balances and net gain or losses arising from the differences in exchange rates between transaction dates and settlement dates, and unrealised net gains or losses arising from the translation into euro of assets and liabilities (other than investments) which are not denominated in euro
- 9 Movement in the performance fee reserve reflects the performance fee reserve accrued by the Company's at 30 September 2022. This does not represent the underlying Private Equity portfolio's carried interest.
- 10 Gross Asset Value weighted average of the respective metric across the Derived Debt portfolio.
- 11 Gross Asset Value weighted average of the current full year income (annual coupon/clean price as at the respective date) for each debt position in the Derived Debt portfolio as at the respective date
- 12 Invested Portfolio excludes cash and cash equivalents, revolving credit facility drawn and net current assets, including these the NAV was €1,406.2m and Adjusted NAV was €1,402.1m reflecting adjustment of €4.1m for the estimated performance fee reserve accrued.

Notes

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

About Apax Global Alpha Limited

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

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

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

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

About Apax Partners LLP

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

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