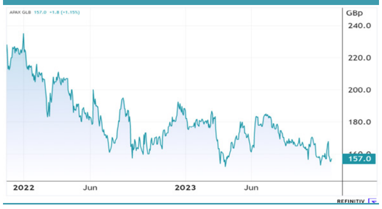
HARDMAN & CO.

23 November 2023

Closed-ended investments



Source: Refinitiv

Market data

EPIC/TKR	**APAX**
Price (p)	**155.2**
12m high (p)	194.6
12m low (p)	151.7
Shares (m)	491
Mkt cap (£m)	762
Disc. to Sep £ adj. NAV (%)	-30
Free float	92%
Country/Ccy	UK/GBP
Currency of reporting	Euro
Market (main)	STMM

Description

Apax Global Alpha (AGA) has a global portfolio across four core sectors: Tech & Digital, Services, Healthcare and Internet/Consumer. 74% of the portfolio is private equity (PE) and 24% debt investments; the latter is held for capital management. It targets an annualised net total NAV return across economic cycles of 12%-15%, and a dividend yield of 5% of NAV. It has a Premium listing, and is a FTSE 250 constituent.

Company information

Chair	Tim Breedon
NEDs	Chris Ambler, Mike Bane, Stephanie Coxon, Susie Farnon,
Inv. Adviser	Apax

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Key shareholders

Witan IT	6.2%
Berlinetta Limited	5.9%

Diary

Early Mar'23	FY results

Analyst

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Discloser: the relevant analyst is a shareholder in Apax Global Alpha

APAX GLOBAL ALPHA

"Hidden Gems" strategy: green shoots into live deals

In our view, the most interesting new information from AGA's 3Q results was the comment "*a further five investments post quarter end*" with a further one announced since. This six-week performance compares with two investments in the whole previous quarter. Market wide, there are comments about encouraging green shoots of activity, but Apax is now completing deals. We explore, here, what is unique about the "Hidden Gems" strategy and why it is creating these opportunities. Interestingly, the deals have a broad range of EBITDA growth options, giving comfort that unchanged target returns remain realistic despite the higher interest rate environment.

- **Successful strategy:** In our view, Apax's recent new investment acceleration has been driven partially by market conditions but also its unique position. Focus is on improving the operational performance of investments, the mid-market, secular-growth, resilient sectors, and its scale, experience, brand and global offices.

- **New opportunities:** Apax's new investments come from carveout and public-to-private deals as well as purchases from other PE firms. Their operational improvement opportunities include using existing playbooks to enhance products, pricing, distribution, and geographical footprint as well as inorganic growth.

- **Valuation:** Listed holdings and Derived Investments mean that ca.25% of Apax's portfolio is marked to market. Adjusting for the debt portfolio at par, AGA's discount to NAV (30%) rises to 40%, well above the peers' range (17%-34%) on its PE portfolio alone. The NAV appears resilient, making the discount absolutely and relatively anomalous.

- **Risks:** Sentiment to costs, the cycle, valuation and over-commitment are sector issues. Residual risk on the 2020-21 IPO positions appears to be modest. The Debt portfolio generates additional returns, income towards dividends, and has liquidity/capital benefits, but complicates the story.

- **Investment summary:** Apax has delivered market-beating returns by selecting businesses that it can transform post-acquisition. Buying these companies at a discount to peers (ca.20%), accelerating their revenue growth and improving their margins, before selling the reinvigorated business at a premium to those same peers (ca.10%) is the playbook that has been used repeatedly. Investments focus in sectors with structural growth and resilience. Capital flexibility is enhanced by the Debt portfolio. The discount is the "icing on the cake".

Financial summary and valuation

Year-end Dec (€000)	2020	2021	2022	2023E	2024E
Investment income	18,106	26,853	24,476	36,021	37,440
Net gains on fin. assets/liabs. at FVTPL	153,518	336,123	(125,803)	99,296	173,428
Total expenses	(5,262)	(14,879)	(6,531)	(6,427)	(10,040)
Pre-tax profit	162,092	345,127	(109,806)	126,290	198,228
PE invest. (€m)	788	1,014	877	990	1,109
Derived invest. (€m)	319	336	364	344	348
Cash (€m)	125	108	68	23	26
NAV (€m)	1,201	1,490	1,299	1,357	1,611
Adj. NAV per share (£)*	2.19	2.54	2.34	2.41	2.64
S/P prem./disc. (-) to NAV	-12%	-11%	-19%	-36%	-41%
Dividend p/sh (p)	10.2	12.3	11.8	13.9	14.5
Dividend yield	6.5%	7.9%	7.6%	9.0%	9.3%

**2023-24E NAV converted at £1: €1.146; Source: Hardman & Co Research*

Apax Global Alpha disclaimer

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You also agree that you will not acquire or hold any shares of the Company with the assets of (i) an "employee benefit plan" as defined in Section 3(3) of the US Employee Retirement Income Security Act of 1974, as amended ("ERISA"), that is subject to Title I of ERISA; (ii) a "plan" as defined in Section 4975 of the US Internal Revenue Code of 1986, as amended (the "US Tax Code"), including an individual retirement account ("IRA") or other arrangement, that is subject to Section 4975 of the US Tax Code; (iii) an entity which is deemed to hold the assets of any of the foregoing types of plans, accounts or arrangements that are subject to Title I of ERISA or Section 4975 of the US Tax Code; or (iv) a plan, fund or other program that provides for retirement income, a deferral of income in contemplation of retirement or payments to be made upon termination of employment (including for example, a governmental, church, non-US or other employee benefit plan) that is subject to any federal, state, local or non-US law or regulation that is substantially similar to the fiduciary responsibility or prohibited transaction provisions of Title I of ERISA or Section 4975 of the US Tax Code (collectively, "Similar Laws"), and whose purchase, holding, or disposition of the shares (a) could subject the Company (and Persons responsible for the investment of the Company's assets) to any applicable Similar Law or (b) would constitute or result in a violation of any applicable Similar Law (each of the plans, accounts, funds, programs and arrangements described in clauses (i), (ii), (iii) and (iv) are referred herein to as "Plans").

Please read our full disclaimer, which is contained at the end of this report.

Why Apax's strategy is delivering deals now

Summary

Multiple sources of new deals, some indicative of positive trend, others one-off

Apax has identified three sources for their recent deals. Sustained low public share prices mean that boards have more constructive approaches to selling their whole businesses (public to private deals) and also the carveout, non-core operations at prices acceptable to Apax. On the private side, some GPs have faced liquidity requirements from investors (e.g., on the maturity of their funds) and are willing to sell at a known, acceptable prices now, rather than waiting for potentially better returns at an unknown date in the future. The latter is very fund-specific and, to a degree, is one-off, while the first two factors represent a market trend with sustainable opportunities for new investments by Apax Funds.

Converted into actual deals by Apax's focus

These improving market conditions, have been reported as early green shoots by many listed PE companies. What is converting them into deals in 4Q'23 for Apax Funds is the unique profile and benefits of Apax's "Hidden Gems" strategy, which focuses on:

- mid-market;
- secular growth, resilient sector focus;
- lower leverage and so less sensitivity to debt markets; and
- scale, experience, brand and global footprint.

"Hidden Gems" strategy

Focusing on businesses that can be improved gives Apax Funds a different profile from vulture, venture, or super-growth stories and has proved a sweet spot of the market relative to them

The Apax Funds focus on the acquisition of mid-market private companies, whose performance can be transformed by Apax's global insights and operational expertise. We note:

- Such businesses are often carveouts of non-core, under-invested businesses from larger groups. Such companies require specialist skills in structuring deals and their operational improvement, both core competencies for Apax. The prices of such businesses often reflect the financial strength and priorities of the parent seller. Consequently, the rating can be less sensitive to the market valuation of the business being sold. What we have seen in 4Q'23 is that potential sellers' boards – after a period of challenging conditions (and often poor share price performance limiting equity raise options) – are more willing to sell non-core operations combined with Apax's core competencies, giving a solution to the seller.
- It is also worth considering the areas that the Apax Funds do not invest in and which continue to see limited market activity. It does not buy i) struggling companies at distressed prices – the ratings for such businesses can be more sensitive to macro conditions, which affect their likely survival, ii) venture-stage businesses, again with high rating volatility, or iii) super-growth businesses in technology.

Mid-market

Mid-market focus has also been a sweet spot

The main Apax Buyout Funds are middle-market (typical initial investment €200m-€800m), while the specialist funds are typically much smaller. The activity in this part of the market has proved more resilient than for larger deals and the challenging recent market conditions may give sellers, many of whom remain involved and interested in the progression of the company after its sale, more appreciation for the valued added by Apax.

In challenging market conditions, the benefits that Apax brings have more value for sellers

As we outlined on pages 21-22 of our initiation, *Making pearls out of oysters,* Apax brings a proposition for mid-market sellers that relatively few PE providers can match, notably:

- The target companies (often family-owned/carveouts from larger businesses) are less likely to have the same degree of management sophistication, and so are more likely to benefit from Apax's expertise.
- They will also benefit from all the economies of scale, including technology and purchasing, and more opportunities for bolt-on deals.
- They are less likely to have Apax's global reach and networks.
- There are likely to be more exit opportunities, including sale into the deepest pools of dry powder in the large PE funds.

Secular-growth, resilient sector focus

Focus on secular-growth, resilient sectors has also been a sweet spot

The combination of attractive characteristics and good returns means that PE activity in secular-growth, resilient sectors has remained stronger than in more cyclical, less-certain industries. Apax's choice of sectors is an important factor in the Funds seeing new opportunities now.

- In periods of uncertainty, there is a real value in investing in sectors with structural growth (often driven by socio-demographic trends, including greater adoption of technology/cloud usage and an ageing population) and recurring income streams, generating resilient EBITDA. Apax Fund investments are in such sectors, with the end-September 2023 portfolio being: Tech & Digital (39%); Services (28%); Healthcare (17%); and Internet/Consumer (16%).
- Given their attractive traits, the chosen sectors have delivered above-average returns in the recent past. The *Bain 2022 PE report* noted that the median multiple on invested capital over 2009-21 for technology was 2.6x, and for healthcare 2.4x, against an all-sector average of 2.2x. The median return for technology is only marginally below the top-quartile performance for financial services, or media and telecom sectors.

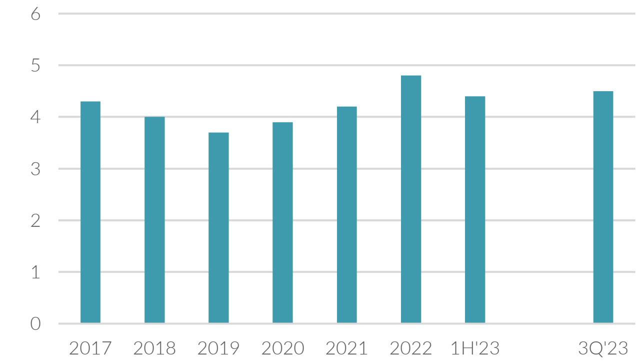
Lower leverage and so less sensitivity to debt markets

Lower leverage than PE average means less sensitivity to rising rates. Apax commented that no deal has been constrained by the availability or pricing of debt.

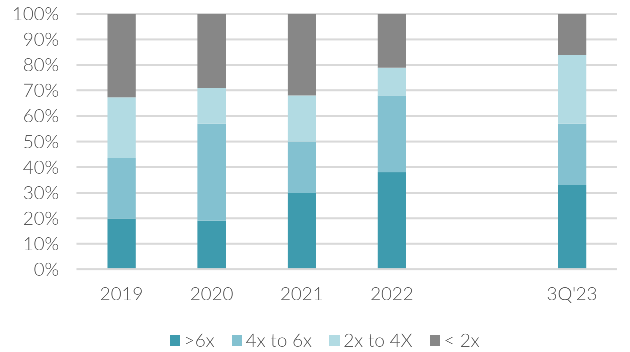
We believe industry-average gearing (biased by larger deals) is in the range of 6x-7x, which is well above AGA's levels (4.5x). As financial availability reduces and pricing increases, *ceteris paribus*, the most highly geared propositions are likely to be the most affected. A lower level of leverage also means that the direct impact of higher rates is less than for more highly geared businesses. At the 3Q results, Apax management said that it had not been prevented from completing any deal by financing restrictions.

The chart below shows the level of indebtedness at investee companies in the Apax Funds' portfolio, and how this has evolved since December 2017 to its 3Q'23 level of 4.5x. It is worth noting that this represented a fall from 4.8x at end-2022, mainly driven by the strong cash generation of the businesses. The right-hand chart shows the distribution of debt by multiples, and we conclude that the 2023 reduction in leverage has been focused in the most geared companies.

Average debt/EBITDA in PE portfolio (x)



Percentage mix of debt/EBITDA (%)



Source: AGA Report and Accounts, Hardman and Co Research

Investee company debt is fixed-rate and long-duration

Additional metrics that should give investors comfort include i) 83% of portfolio companies have debt maturities greater than 2027 (weighted by AGA's invested cost in AVIII, AIX and AX at 30 September 2023), ii) 72% of debt is at fixed rates (a long-term policy decision), and iii) the vast majority of interest rate swaps mature post mid-2024. AGA gave more details in its recent Investor Day, which we reviewed in our 5 July note, 2023 Capital Markets Day: accessing hidden gems.

New funding for investee companies from multiple sources, and access facilitated by Apax's expertise/networks

Apax has a dedicated and experienced capital markets team embedded in its platform, which accesses the whole capital markets area. Non-bank, alternative sources of capital continue to facilitate financings for new investments by investee companies.

Scale, experience, brand and global footprint

Apax, as investment advisor, brings many advantages, including:

Taking a slightly broader view, Apax also brings the following advantages:

scale: >$65bn deals to date…

- Apax brings scale, having raised funds, in aggregate, in excess of $65bn. Scale alone is of limited value, but what it brings are the resources that can add value to investee companies and are necessary to carry out in-depth due diligence before acquiring them. In each of its chosen sectors, Apax has a presence that is relevant.

…experience…

- The average tenure of equity partners is nearly 20 years. The depth of expertise and personal networks that this tenure gives is hugely important in identifying targets and their operational improvement and exit opportunities, as well as Apax's brand.

…brand, which brings deal access…

- It is hard to quantify a brand value built up over more than four decades, with more than 350 people and invested in around 400 companies.

…and global footprint

- Apax has offices in seven countries, giving on-the-ground, local presences from which to build critical personal relationships.

The bottom line is that sellers and management teams appear to want Apax as a partner. We believe that being seen as the right partner is absolutely critical in deal access, and Apax appears to have this advantage.

Deals since the period-end

RNS announced deal

Bazooka Candy Brand (announced 11 October, AGA look-through investment €16.6m) has been tracked by Apax since 2016. Within the US, Bazooka is a top-10 manufacturer in the non-chocolate confectionary category and holds a leading share position in "front-of-store sales", a coveted, high-margin segment for retailers. Around 80% of sales are in the US across a broad network of channels, with the remaining ca.20% of sales in more than 40 countries. Over the past several years, Bazooka's US retail sales growth has significantly outpaced the overall confectionary category. In terms of generating incremental EBITDA growth, Apax believes it is well positioned to leverage existing playbooks with a focus on distribution growth, product innovation, geographical expansion, and the strategic acquisition of brands in complementary categories.

Gan integrity (announced 27 October, AGA look-through investment €2.6m) is a provider of technology that enables proactive, integrated, real-time management and monitoring of third-party and employee risk, ethics and compliance. In terms of generating incremental EBITDA growth, Apax sees multiple levers, including M&A and accelerated product development.

Kin+Carta On 18 October, this listed company announced a recommended cash acquisition by Kelvin UK Bidco Limited ("Bidco"), a newly formed company, owned indirectly by funds advised by Apax Partners LLP. Kin+Carta is a global DX consultancy, serving businesses across the healthcare, financial services, industrial and agriculture, retail and distribution, transportation and public sectors, among others. Its headquarters are in London, with US headquarters in Chicago, and it has more than 1,800 consultants, engineers and data scientists globally.

Palex Medical is a distributor of medical technology and equipment in Southern Europe. In terms of generating incremental EBITDA growth, Apax intends to lever product and geographical expansion as well as operational professionalisation. Additionally, a large part of the plan is M&A, with Palex Medical being one of few European distributors with meaningful M&A strategy in place.

Petvisor (announced 15 November, AGA look-through investment €3.2m) is a veterinary and pet services business management and client engagement software platform serving over 10,000 veterinary clinics. Following the transaction, the additional funding will be used to help Petvisor accelerate its R&D investments to bring even more product enhancements to customers. Alongside these product innovation efforts, the funding will also further support strategic acquisition opportunities to complement Petvisor's already comprehensive software platform.

Other deals

Additional deal activity since quarter-end

Since the quarter-end, Kin+Carta, as a listed vehicle, made its own disclosure when a deal with the Apax Funds was agreed.

WGSN is a leading consumer trend forecaster and was a carveout from publicly listed Ascential. Apax has a long history with Ascential (Apax Funds having acquired it in 2008). In terms of generating incremental EBITDA growth, Apax intends to leverage organic growth, product pricing and packaging, expand new products and through M&A activity.

3Q'23 results – headline numbers

NAV and NAV per share

	3Q'23 (€)	3Q'23 (£)	1H'23 (€)	1H'23 (£)
Adjusted NAV (m)	1,264	1,096	1,299	1,116
Adjusted NAV per share	2.57	2.23	2.64	2.28

Source: AGA, Report and Accounts, Hardman & Co Research

Modest decline in NAV driven by limited number of listed positions where AGA already seen good returns

AGA achieved a total NAV return of (0.1%) ((1.9%) constant currency) in the three months ended 30 September 2023.

- The PE portfolio remained resilient in the face of an uncertain market environment and earnings growth continued to be the main driver of NAV returns.
- Some listed holdings saw further declines in share prices.
- The debt portfolio, which primarily consists of first and second lien loans, achieved a total return of 5.6% in the quarter.

Small net cash generation

AGA received €35m in distributions from the Apax Funds, including from two full exits achieved at an average uplift of 11%. AGA deployed €28m across two new investments in the quarter with a further six investments post quarter-end.

At the period-end, AGA had €119m in cash in anticipation of calls from the PE portfolio in 4Q'23. AGA was 90% invested, as at 30 September 2023, and had unfunded commitments to the Apax Funds (together with recallable distributions) of €988m (30 June 23: €985m).

Portfolio highlights

At 30 September 2023, AGA's invested portfolio was split 74% in PE and 25% in debt investments, with the remaining 1% invested across three equity positions. It was split across the four core Apax sectors: Tech & Digital (39%); Services (28%); Healthcare (17%); and Internet/Consumer (16%).

EBITDA growth accelerated

Average LTM EBITDA growth to 30 September 2023 was 16.4% across portfolio companies (30 June 2023: 14.1%). The increase was largely driven by M&A.

LTM revenue growth to 30 September 2023 was 14.7% (30 June 2023: 16.0%).

Small reduction in valuation rating

The weighted average valuation multiple across the portfolio reduced slightly to 16.2x (30 June 2023: 16.3x).

Stable leverage

Leverage across the Apax Funds' portfolio was 4.5x at 30 September 2023 (30 June 2023: 4.4x), at the lower end of the peer average.

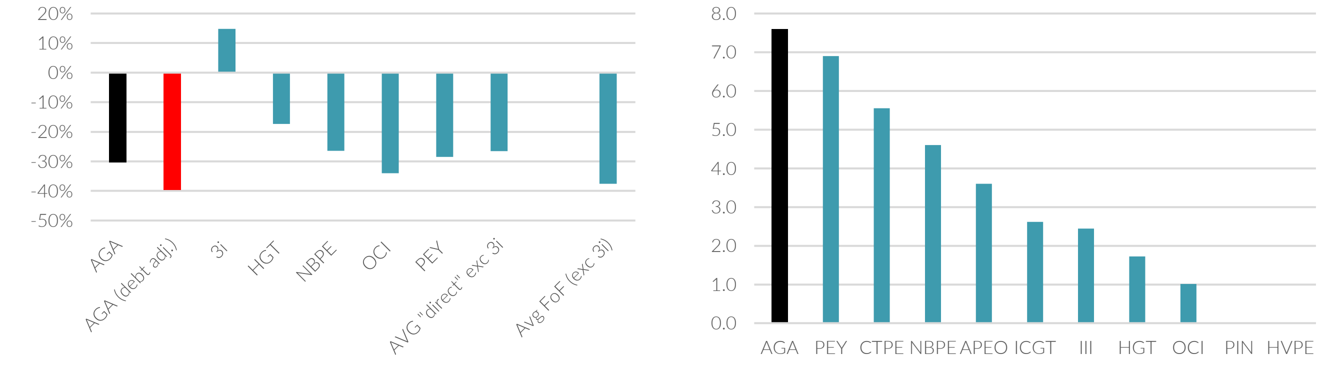
AGA's debt portfolio continued to provide attractive returns, achieving a 42.3% cumulative constant currency total return over the past five years compared with the S&P/LSTA leveraged loan index return of 24.4% in the same five-year period. The debt portfolio absorbs cash not invested in PE, enhances the robustness of AGA's balance sheet, provides a steady flow of income to support dividends, and additional returns.

There was one new investment in debt in 3Q'23 and six realisations. There were no new investments or exits in derived equity.

Valuation

Our *initiation* detailed a range of valuation approaches and sensitivities to them. As the chart below shows, AGA's reported discount to NAV (30%) is in the middle of the direct-investing listed PE trusts. If we adjust for the debt element of its portfolio (see the SOTP section below), the PE business is at the highest among the close peers. Its dividend yield, supported by cash from the Derived Investments portfolio, is well above the sector average.

Current share price discount to latest NAV (left-hand chart, %), and dividend yield (right-hand chart, %) for narrow and wider peers



Source: Company websites, factsheets and presentations, Hardman & Co Research, priced at 23/11/23

Sum-of-the-parts (SOTP) valuation

Applying par to debt book implies AGA's PE discount is 40%

AGA could be broken down into a PE fund and its Debt Investments. The latter are marked to market, and so have less management input into the valuation. Given this, and their potential use for capital management purposes, rather than simple investment, we believe that an SOTP approach to AGA is also an important consideration. The table below shows that, if we strip these out at par, and they are marked to market, the residual PE discount rises to 40%.

SOTP valuation (£m)

	Market cap.	£ adj. NAV	Discount
Reported value	762	1,096	30%
Latest reported MTM value of Derived Investments	254	254	
Adjusted value	509	842	40%

Note: exchange rate used: 1.146; Source: AGA Report and Accounts, Hardman & Co Research

Triggers for a re-rating

Both sector-wide and company-specific potential triggers for re-rating

We believe potential opportunities for a re-rating include i) a sector-wide revision of the discounts applied to the sector, most likely driven by increasing confidence that the NAV is real and resilient, and that the interest rate environment will not undermine business models, ii) company-specific triggers around the delivery of performance, iii) a continued widening of investor engagement, and iv) a recognition that 2021 represented an acceleration of exits, and so 2022/23 may be expected to be below-average years before a normalised level of activity is seen. The attractive yield may also be a trigger, especially when market expectations are for a falling interest rate environment.

Financials

Profit and Loss							
Year-end Dec (€000)	**2018**	**2019**	**2020**	**2021**	**2022**	**2023E**	**2024E**
Investment income	19,442	20,852	18,106	26,853	24,476	36,021	37,440
Net gains on financial assets at FVTPL	56,739	208,767	153,518	337,190	(119,740)	99,296	173,428
Net losses on financial liabilities at FVTPL	-	(2,741)	-	(1,067)	(6,063)	-	-
Realised foreign currency (losses)/gains	(2,766)	(479)	1,224	(1,488)	1,276	-	-
Unrealised foreign currency gains/(losses)	116	762	(3,743)	787	(74)	-	-
Total income	73,531	227,161	169,105	362,275	(100,125)	135,317	210,868
Performance fee	2,123	(6,893)	(46)	(8,390)	(22)	-	(3,335)
Management fee	(4,610)	(5,013)	(2,853)	(3,782)	(3,712)	(3,406)	(3,443)
Administration and other operating expenses	(3,107)	(2,051)	(2,363)	(2,707)	(2,797)	(3,021)	(3,262)
Total income less operating expenses	67,937	213,204	163,843	347,396	(106,656)	128,890	200,828
Finance costs	(2,729)	(1,860)	(1,751)	(2,269)	(3,150)	(2,600)	(2,600)
Profit before tax	65,208	211,344	162,092	345,127	(109,806)	126,290	198,228
Tax	(261)	(412)	(109)	(223)	(231)	(231)	(231)
Profit after tax	64,947	210,932	161,983	344,904	(110,037)	126,059	197,997
Average no shares (m)	491	491	491	491	491	491	491
EPS (€c)	13.2	43.0	33.0	70.2	(22.4)	25.7	40.3
DPS (p)	8.5	9.5	10.2	12.3	11.8	13.9	14.5

Source: AGA, Report and Accounts, Hardman & Co Research

Balance sheet							
@ 31 Dec (€000)	**2018**	**2019**	**2020**	**2021**	**2022**	**2023E**	**2024E**
Non-current assets							
PE financial assets	**591,458**	**769,019**	**788,307**	**1,013,922**	**877,021**	**989,781**	**1,109,437**
Derived Investments – debt	178,272	252,543	275,739	304,609	340,639	344,279	347,919
Derived Investments – equities	142,318	89,656	43,677	30,946	23,540	0	0
Financial assets held at FV through P&L (FVTPL)	**912,048**	**1,111,218**	**1,107,723**	**1,349,477**	**1,241,200**	**1,334,060**	**1,457,356**
Current assets							
Cash and cash equivalents	17,306	3,277	124,569	108,482	67,966	23,030	26,476
Investment receivables	2,125	129	1,338	33,603	1,699	1,699	1,699
Other receivables	1,454	2,143	0	1,347	429	429	429
Total current assets	**20,885**	**5,549**	**125,907**	**143,432**	**70,094**	25,158	28,604
Total assets	**932,933**	**1,116,767**	**1,233,630**	**1,492,909**	**1,311,294**	**1,359,218**	**1,613,018**
Current liabilities							
Financial liabilities held at FVTPL	0	2,741	0	1,067	6,063	0	0
Investment payables	0	13,352	30,965	67	3,980	0	0
Accrued expenses	2,162	1,705	1,481	1,708	1,875	2,000	2,000
Total current liabilities	**2,162**	**17,798**	**32,446**	**2,842**	**11,918**	**2,000**	**2,000**
Net assets	**930,771**	**1,098,969**	**1,201,184**	**1,490,067**	**1,299,376**	**1,357,218**	**1,611,018**
Shareholders' capital	873,804	873,804	873,804	873,804	873,804	873,804	873,804
Retained earnings	56,967	218,272	327,380	607,873	425,572	483,414	610,157
Share-based pymt. perf. fee reserve	0	6,893	0	8,390	0	0	0
Total equity ownership	**930,771**	**1,098,969**	**1,201,184**	**1,490,067**	**1,299,376**	**1,357,218**	**1,483,961**
Period-end no shares (m)	491	491	491	491	491	491	491
Adj. NAV per share (€)	**1.90**	**2.22**	**2.45**	**3.02**	**2.65**	**2.76**	**3.02**
NAV growth (%)	2%	17%	10%	23%	-12%	4%	9%
Adj. NAV per share (£)	**1.70**	**1.88**	**2.19**	**2.54**	**2.34**	**2.41**	**2.64**
Exch. rate (£: €)	1.115	1.183	1.117	1.188	1.132	1.146	1.146
s/p (£)	1.35	1.73	1.93	2.27	1.88		

Source: AGA Report and Accounts, Hardman & Co Research

Cashflow

Year-end Dec (€000)	2018	2019	2020	2021	2022	2023E	2024E
Interest received	17,896	16,963	18,024	25,553	23,577	36,021	37,440
Interest paid	(43)	(200)	(259)	(1,750)	(521)	(500)	(500)
Dividends received	1,718	2,807	1,060	906	1,815	1,000	1,000
Operating expenses paid	(21,862)	(7,285)	(5,460)	(6,191)	(6,038)	(7,000)	(7,000)
Tax paid/received	(132)	(52)	17	3	0	0	0
Purchase of PE investments	(11,126)	0	0	0	0	0	0
Capital calls paid to PE investments	(30,812)	(165,904)	(55,651)	(199,941)	(194,380)	(80,000)	(200,000)
Capital distributions received from PE investments	133,362	182,324	207,270	275,140	227,821	80,000	250,000
Purchase of Derived Investments	(212,988)	(114,792)	(69,126)	(274,417)	(53,640)	(103,640)	(53,640)
Sale of Derived Investments	172,811	123,370	89,641	230,511	43,228	100,000	50,000
Net cash inflow/(outflow) from operating activities	**48,824**	**37,231**	**185,516**	**49,814**	**41,862**	**25,881**	**77,300**
Cashflows from financing activities							
Financing costs paid	(3,309)	(1,710)	(1,706)	(2,104)	(2,822)	(2,600)	(2,600)
Dividends paid	(47,314)	(50,312)	(51,805)	(64,584)	(71,070)	(68,217)	(71,254)
Purchase of own shares	0	0	(6,970)	0	(8,412)	0	0
Revolving credit facility drawn	94,248	88,824	6,106	0	17,393	0	0
Revolving credit facility repaid	(94,248)	(88,824)	(6,106)	0	-17,393	0	0
Net cash used in financing activities	**(50,623)**	**(52,022)**	**(60,481)**	**(66,688)**	**(82,304)**	**(70,817)**	**(73,854)**
Opening cash and cash equivalents	18,989	17,306	3,277	124,569	108,482	67,966	23,030
Net increase in cash and cash equivalents	(1,799)	(14,791)	125,035	(16,874)	(40,442)	(44,936)	3,446
FX effects	116	762	(3,743)	787	-74	0	0
Closing cash and cash equivalents	**17,306**	**3,277**	**124,569**	**108,482**	**67,966**	**23,030**	**26,476**

Source: AGA Report and Accounts, Hardman & Co Research

Return attribution by quarter

Quarterly performance (%)	PE	Derived Debt	Derived Equity	Perf. fee	Other	FX	Total return
1Q'16	0.7%	0.4%	-0.2%	0.8%	-0.4%	-3.1%	-1.8%
2Q'16	0.3%	-0.9%	0.5%	-0.4%	0.0%	1.6%	1.2%
3Q'16	-0.1%	2.1%	1.2%	-0.1%	-0.6%	-0.5%	2.0%
4Q'16	2.0%	0.3%	-0.5%	-0.4%	0.1%	4.0%	5.5%
1Q'17	1.1%	0.7%	0.7%	-0.3%	-0.2%	-0.6%	1.4%
2Q'17	0.7%	-0.3%	3.3%	-0.5%	-0.6%	-4.8%	-2.1%
3Q'17	1.3%	0.5%	0.5%	-0.1%	-0.2%	-2.3%	-0.3%
4Q'17	2.7%	1.4%	1.2%	-0.4%	-0.2%	-1.1%	3.5%
1Q'18	0.4%	0.4%	0.2%	0.3%	-0.3%	-1.7%	-0.7%
2Q'18	5.8%	-0.2%	-0.6%	-0.3%	-0.5%	2.7%	6.9%
3Q'18	3.5%	0.1%	-1.7%	0.2%	-0.2%	-0.1%	1.8%
4Q'18	-0.2%	0.1%	-0.8%	-0.3%	0.0%	0.5%	-0.7%
1Q'19	6.4%	0.5%	-0.2%	0.0%	-0.2%	2.2%	8.7%
2Q'19	5.3%	0.5%	0.1%	-0.3%	-0.2%	-1.0%	4.4%
3Q'19	3.1%	0.6%	-0.6%	-0.2%	-0.3%	2.3%	4.9%
4Q'19	3.2%	0.6%	1.3%	-0.5%	0.0%	-1.2%	3.4%
1Q'20	-7.9%	-2.0%	-1.7%	0.0%	-0.2%	-0.1%	-11.9%
2Q'20	11.4%	2.0%	0.8%	0.0%	-0.2%	-0.6%	13.3%
3Q'20	10.7%	1.2%	0.0%	0.0%	-0.2%	-3.2%	8.5%
4Q'20	7.6%	0.7%	1.1%	0.0%	-0.1%	-2.4%	6.9%
1Q'21	6.0%	0.7%	0.6%	-0.2%	-0.2%	3.5%	10.4%
2Q'21	6.6%	0.5%	0.4%	-0.1%	-0.2%	-0.7%	6.5%
3Q'21	7.9%	0.5%	0.2%	-0.2%	-0.1%	1.6%	9.9%
4Q'21	-1.5%	0.3%	-0.1%	-0.1%	-0.2%	1.6%	-0.1%
1Q'22	-3.6%	0.2%	0.0%	0.2%	0.2%	2.1%	-1.7%
2Q'22	-3.9%	-1.0%	-0.3%	0.2%	-0.2%	3.3%	-1.9%
3Q'22	-1.0%	0.4%	-0.1%	-0.3%	-0.2%	4.4%	3.2%
4Q'22	-1.5%	0.0%	0.3%	0.3%	-0.2%	-6.2%	-7.3%
1Q'23	1.8%	1.2%	0.1%	-0.1%	-0.2%	-0.9%	1.9%
2Q'23	0.3%	1.0%	0.0%	-0.1%	-0.2%	-0.4%	0.6%
3Q'23	-2.3%	1.0%	-0.1%	-0.2%	-0.3%	1.8%	-0.1%
Average	**2.4%**	**0.4%**	**0.2%**	**-0.1%**	**-0.2%**	**0.0%**	**2.6%**

Source: AGA Report and Accounts, Hardman & Co Research

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(Disclaimer Version 8 – Effective from August 2018)

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