Apax VIII EUR

Report to Investors

30 June 2017

Disclaimer

This document is being provided to you on the basis of a series of conditions. If you do not wish to accept this document on the basis described, please return it to us. The information contained in this document (the "information") is confidential.

By accepting this document you agree that:

(a) the information is confidential, has the quality of confidence and is subject to the restrictions on disclosure and duties of confidence set out in the limited partnership agreement(s) constituting Apax VIII EUR, amongst others;

(b) disclosure by you of any of the information is likely to give rise to an actionable breach of confidence by the manager or entities associated with it whether pursuant to the terms of the limited partnership agreement(s) constituting Apax VIII EUR or otherwise;

(c) the information shall remain confidential for the period of, at least, the remaining life of Apax VIII EUR and for a further five years thereafter and that such minimum timescale is reasonable in the light of the nature of the information;

(d) release of the information is likely to prejudice the commercial interests of Apax VIII EUR, and various entities associated with them and further that such commercial interests outweigh any public interest which may exist in releasing the information.

By accepting this document you agree to keep confidential the portfolio company information contained herein and acknowledge that certain of the information may be commercially price sensitive. This document is being distributed to you on the condition that you will not base any dealing in securities or otherwise base any behaviour in relation to securities on the information contained in it. Failure to comply may constitute a criminal offence under English law, US federal securities law and other applicable law.

NOTICE TO ERISA PARTNERS

Please read this Notice carefully, as it will apply to your existing investment in the Fund and to any investment in any other fund advised by the Investment Adviser (together, the “Apax Funds”).

In connection with the fiduciary rule issued by the U.S. Department of Labor, applicable as of June 9, 2017 (29 CFR Section 2510.3-21(c) (81 Fed. Reg. 20946 (April 8, 2016), as amended from time to time (the “Fiduciary Rule”)), please note that the General Partner, the Investment Adviser and their respective affiliates (collectively, the “Apax Entities”): (a) have not undertaken and will not undertake to provide impartial investment advice or to give advice in a fiduciary capacity to the Independent Fiduciary (as defined below) or to any limited partner which is: (i) an “employee benefit plan” within the meaning of Section 3(3) of the United States Employee Retirement Income Security Act of 1974 (“ERISA”) that is subject to Title I of ERISA; (ii) a “plan” within the meaning of, and subject to, Section 4975 of the United States Internal Revenue Code of 1986 (the “Code”) ; or (iii) any person or entity whose underlying assets include “plan assets” by reason of such an employee benefit plan or entity whose underlying assets include “plan assets” by reason of such an employee benefit plan’s or plan’s investment in the entity or otherwise for purposes of Title I of ERISA or Section 4975 of the Code (an “ERISA Partner”) in connection with any decision to purchase, hold, transfer, sell, vote or provide any consent with respect to, any interests in the Apax Funds; and (b) have, or will have, a financial interest in any ERISA Partner’s purchase and holding of equity interests in an Apax Fund, including, without limitation, interests that may conflict with the interests of the ERISA Partner, as more fully described in the relevant Apax Funds’ offering documents. Any fees or other compensation we expect to receive from the relevant Apax Fund or in connection with our relationship with such Apax Fund do not constitute fees or compensation rendered for the provision of investment advice to ERISA Partners.

Unless you notify the General Partner in writing within 10 business days following receipt of this Notice, the person or persons who are responsible for the decision by the ERISA Partner to maintain or add an investment in any Apax Fund will be deemed to have represented and warranted that the following statements are, and will be (for so long as the ERISA Partner maintains its investment in the Apax Funds) true and correct: the ERISA Partner is represented and advised by a fiduciary which is: (a) independent of the Apax Entities; (b) capable of evaluating investment risks independently, both in general and with respect to particular transactions and investment strategies contemplated in the offering documents and limited partnership agreement(s) constituting the relevant Apax Fund; (c) a fiduciary (under ERISA and/or Section 4975 of the Code) with respect to the ERISA Partner’s investment in any Apax Fund and is responsible for exercising independent judgment in evaluating the ERISA Partner’s investment in such Apax Fund and any related transactions; and (d) an “independent fiduciary” as described under the Fiduciary Rule (an “Independent Fiduciary”).

Each ERISA Partner is advised to contact its own financial advisor or other fiduciary unrelated to the Apax Entities about any decision to continue to hold, transfer, vote or provide any consent with respect to an interest in any Apax Fund, as may be appropriate for the ERISA Partner’s circumstances.

What is inside this Apax VIII EUR Report to Investors?

1

Section 1: Overview

2

Section 2: Fund Performance

3

Section 3: Portfolio Company Summaries

1

Section 1: Overview

Summary Overview of the Fund
at 30 June 2017

Launched
November 2012

EUR Partnerships value at launch
€2.8 billion[1]

EUR Partnerships value at 30 June 2017
€4.0 billion

Realisations to 30 June 2017
€896 million

Distributions to 30 June 2017
€694 million

DPI at 30 June 2017
0.3x

Gross IRR at 30 June 2017
20.5%

Net IRR at 30 June 2017
14.4%

Gross Multiple at 30 June 2017
1.5x

Net Multiple (TVPI) at 30 June 2017
1.3x

NOTE: Apax VIII ("AVIII") is a multi-currency fund, offering investors both EUR and USD partnerships. This report is prepared for the EUR partnerships and unless otherwise noted, the figures cited in this report are totals for the EUR partnerships only, defined as the "Partnerships". Where relevant, combined figures for the overall EUR and USD fund, defined as the "Fund" or "Apax VIII" or "AVIII" will be quoted, and these will be clearly indicated.

The Apax VIII EUR Partnerships started investing in November 2012 and as of 30 June 2017 had closed 25 investments for a total of €2.7bn. The Fund has had 5 full realisations and 6 partial exits. 20 companies remain in the portfolio.

Apax VIII is 98% invested and committed and no new investments are planned at this stage. A total of €238m is available to be drawn or recalled from LPs. This remaining capital will be reserved for follow-on investments.

During the quarter, the EUR Partnerships received proceeds of €283m following the partial exit of ***GlobalLogic*** and the full exit of ***GardaWorld***. After the quarter end, the Apax VIII EUR Fund received €21m of proceeds following the IPO of ***Evry***. Including the ***Evry*** proceeds, total realisations for the EUR Partnerships are €917m, or 33% of committed capital. Total distributions will be €715m, which represents a DPI of 0.3x.

The gross MOIC of the EUR Partnerships at 30 June 2017 is 1.5x, and the TVPI is 1.3x. The gross IRR is 21% and the net IRR at 30 June 2017 is 14%. The increase in EBITDA was more than offset in the quarter by adverse FX movement (EUR strengthening vs USD). The Fund is still relatively immature, with an average life of investments of 27 months. The average entry EV / EBITDA price for all investments closed as of 30 June 2017 is 9.7x[2] with 40% invested in Tech and Digital.

Based on the current outlook for the portfolio companies and bearing in mind that the Fund is still relatively immature, Apax currently expects the Apax VIII EUR Fund to generate base case gross returns of 2.3x committed capital. This is equivalent to TVPI of 1.9x.

[1] Sits alongside the USD Partnership of $3.8 billion. Total Fund size of €5.8 billion or $7.5 billion, based on EUR/USD fx at final close.

[2] Excludes Duck Creek Technologies EV/EBITDA as transaction was based on EV/LTM revenue multiple of 2.7x.

Executive Summary
at 30 June 2017

	EUR Partnerships	USD Partnerships
Committed Capital (commenced November 2012)	2.8bn	3.8bn
Drawn Down since inception	2.8bn	3.8bn
% drawn down (PIC)	100%	100%
Invested & Committed	2.7bn	3.8bn
% of committed capital	98%	98%
Total Number of Investments	25	25
Number of Portfolio Companies	20	20
Distributed to Limited Partners	694m	791m
% of drawn capital (DPI)[1]	25%	21%
Retained Value of Fund	3.3bn	4.4bn
Gross IRR – fair value basis	20.5%	18.7%
Net IRR – fair value basis	14.4%	12.9%
RVPI[2]	1.1x	1.1x
TVPI (DPI + RVPI)	1.3x	1.3x
Gross Multiple	1.5x	1.5x

New Investments

Company	Location	Sector	Cost €m	% of co
n/a				

Significant Follow-ons

Company	Location	Sector	Cost €m	% of co
n/a				

Realisations

		Realisation in Period		Cumulative Realisations				
Company	Original Cost	At Cost	Proceeds	At Cost	Proceeds	Remaining Value	Multiple	IRR
Garda World	107.8	32.5	89.5	107.8	251.6	0	2.3x	27.8%
GlobalLogic	98.3	24.9	192.7	69.2	275.1	218.2	5.0x	-

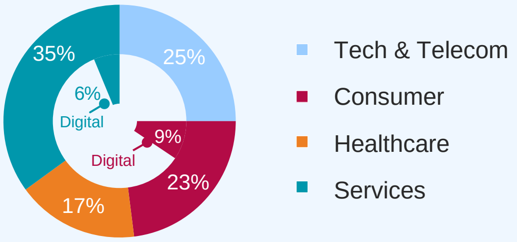
[1] Distributed capital (excluding paid carried interest) to Limited Partners / Committed Capital Drawn Down
[2] (Retained value of Fund – Undrawn Committed Capital) / Committed Capital Drawn Down

Apax VIII EUR €5.8 billion, launched November 2012

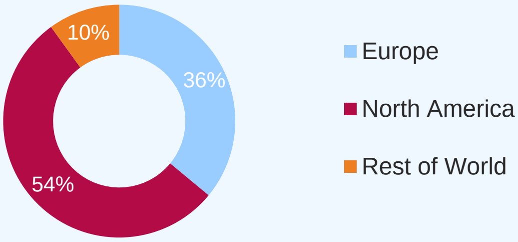
Executive Summary
at 30 June 2017
Continued

Portfolio Breakdown (by total invested capital, 30 June 2017)

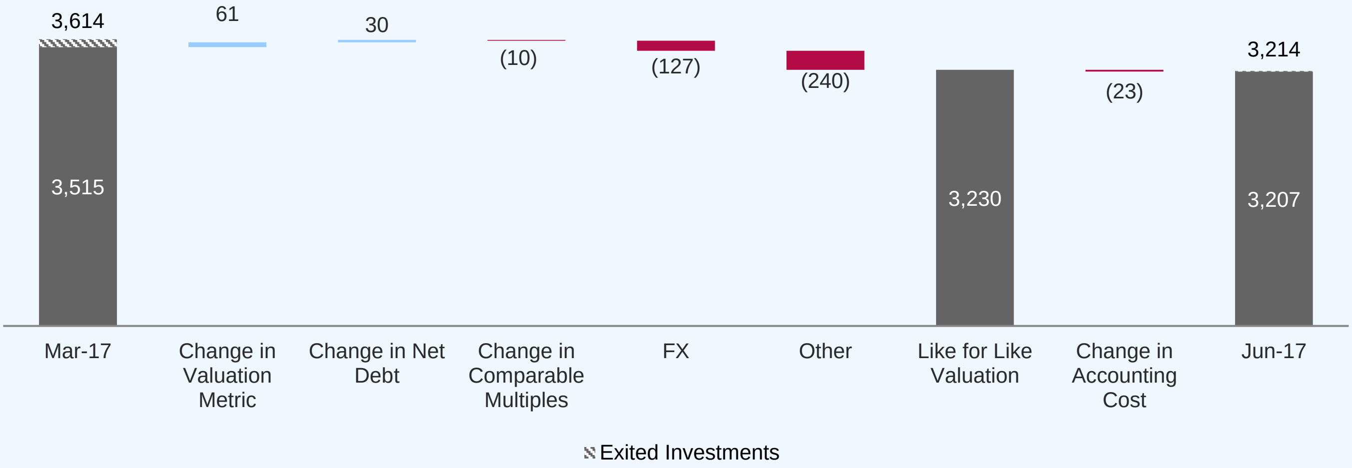
By Sector



By Major Geography of Business



Drivers of Change in Fair Value of the Portfolio (30 June 2017, €m)[1]



[1] Valuation metrics for AVIII portfolio companies include EBITDA, EBITA, EBITDA-Capex, profit after tax

Report to Investors
at 30 June 2017

Launched
November 2012

EUR Partnerships value at launch
€2.8 billion[1]

EUR Partnerships value at 30 June 2017
€4.0 billion

Realisations to 30 June 2017
€896 million

Distributions to 30 June 2017
€694 million

DPI at 30 June 2017
0.3x

Gross IRR at 30 June 2017
20.5%

Net IRR at 30 June 2017
14.4%

Gross Multiple at 30 June 2017
1.5x

Net Multiple (TVPI) at 30 June 2017
1.3x

New Investments and Follow-Ons

Apax VIII made no significant follow-on investments in the quarter.

The Apax VIII EUR Partnerships are now 98% invested and committed. The remaining capital is reserved for follow-on investments and no new investments are expected at this stage.

Realisations and Flotations

The Apax VIII EUR Partnerships realised €328m in the quarter, €196m from the completion of the partial sale of ***GlobalLogic,*** as detailed in the March 2017 report, €42m from the refinancing of the margin loan at ***Shriram City Union Finance,*** and €90m from the full exit of ***GardaWorld ("Garda")***. After the quarter end, Apax VIII received €21m of proceeds following the IPO of ***Evry***.

In May 2017, Apax VIII fully exited its investment in ***Garda***, selling its remaining stake to Rhone Capital for an EV of CAD2.9bn, a multiple of 9.8x EBITDA. Since investment in November 2012, ***Garda*** has exhibited strong growth with 16% and 18% revenue and EBITDA CAGR respectively. Through accretive and transformational add-on acquisitions, as well as through organic growth, ***Garda*** doubled the size of its cash services business, significantly expanded its international business and grew its security services division outside of North America. Including proceeds received from the recapitalisation in 2014 and the partial sale in 2016, total returns from this investment represent a gross MOIC 2.7x, and a 35% gross IRR in CAD, a gross MOIC of 2.3x and gross IRR of 28% in EUR. An Exit Memo on ***Garda*** can be found at the back of this report.

In May 2017, ***Rue21*** filed under Chapter 11 of the Bankruptcy code. The company and lenders have entered into restructuring discussions and it is not expected that there will be any recovery of the Apax VIII equity. As detailed at the Annual Investor Meeting in March 2017, the business has been significantly impacted by the well-publicised structural changes affecting the apparel retail sector, as consumers shift to online and foot traffic declines. While the growth of ***Rue21's*** ecommerce channel and plus size product offering was encouraging, this was not enough to offset the sustained decline in same store sales. As such, the investment was valued at 0.2x in June 2016, 0.1x September 2016 and zero as of 31 March 2017 in anticipation of these restructuring discussions. The Company is expected to emerge from bankruptcy as a going concern with a smaller store footprint.

As a result of the continued performance decline at ***Answers***, attributable primarily to the impact of negative structural changes affecting the company's ***Answers.com*** division and the ensuing liquidity challenges, the company filed for a pre-packaged Chapter 11 in March 2017. ***Answers*** emerged from bankruptcy in April 2017 and, as part of the restructuring, the company's first and second-lien lenders secured ownership of 96% and 4%, respectively, of the post-emergence equity. There was no recovery for the original equity investors in the transaction, and the Apax VIII investment in ***Answers*** has been held at zero since September 2016. Through the Apax VIII acquisition of c.$20m (face value) of first-lien debt and $25m (face value) of second-lien debt at significant discounts during the months preceding the restructuring, post-emergence, Apax VIII retains 7% of the equity (valued at $14.2m on emergence) and $3.4m of second-lien exit debt in the restructured company.

In June 2017, ***Evry*** was listed on the Oslo Stock Exchange (EVRY-NO) at an EV of NOK 15.1bn (pre-money valuation of NOK 8.3bn). At IPO, Apax VIII received total proceeds of c.€47m, of which €21m accrued to the AVIII EUR Fund. Including proceeds received from the recapitalisation in June 2016, the investment has a realised EUR MOIC of 0.6x. Following the IPO, Apax Funds own 54% of the shares outstanding and are subject to a six-month lock up. As of 30 June 2017, ***Evry*** was valued at 2.4x gross EUR MOIC.

Including the *Evry* proceeds, the Apax VIII EUR Partnerships have realised a total of c.€917m, or 33% of committed capital. Total distributions will be €715m, a DPI of 0.3x.

[1] Sits alongside the USD Partnership of $3.8 billion. Total Fund size of €5.8 billion or $7.5 billion, based on EUR/USD fx at final close

Report to Investors
at 30 June 2017
Continued

Key Developments in the Current Portfolio

The portfolio is valued at an average EV/EBITDA multiple of 12.5x[1]. On average the portfolio is levered at 4.8x[6] Net Debt / EBITDA.

The table below lists the current portfolio, sorted in descending order by the contributors to change in value during the quarter.

Company Name	Total Value €m Jun-17	Gross MOIC	Mar-17	Gross MOIC	Change in Value
Assured Partners	375	1.7x	310	1.4x	65
Azelis S.A.	368	2.3x	324	2.1x	45
Engineering	199	1.7x	175	1.5x	24
Idealista	188	2.0x	176	1.9x	13
NuPharm365	157	1.2x	145	1.1x	12
Wehkamp	152	1.0x	147	1.0x	6
Exact Software	287	1.9x	284	1.9x	3
Vyaire Medical	124	1.3x	124	1.3x	0
GlobalLogic Inc	493	5.0x	494	5.0x	-1
Huarong	25	1.3x	28	1.4x	-3
Cole Haan	133	1.4x	137	1.4x	-4
Genex	44	2.9x	49	3.2x	-5
Ideal Protein	139	3.2x	146	3.3x	-7
Duck Creek Technologies	106	1.0x	113	1.1x	-7
Shriram City Union	194	1.3x	204	1.3x	-10
Quality Distribution	88	0.8x	99	0.9x	-11
Zensar Technologies	51	1.0x	62	1.2x	-11
One Call / Align	107	0.6x	129	0.8x	-22
Full Beauty	53	0.3x	108	0.6x	-56
EVRY AS	374	2.4x	474	3.1x	-100
Total	**3,656**	**1.6x**	**3,727**	**1.6x**	**-71**

[1] Analysis excludes companies which are not valued using a multiple based valuation method. Weighted by invested cost.

Report to Investors
at 30 June 2017
Continued

Organisation of the Investment Adviser

The Investment Adviser ("Apax") is pleased to report that Andrew Cavanna is joining the firm as a Partner to lead the US healthcare team effective 5 September 2017. Andy was previously Co-head of Healthcare at Vestar where he spent the last 11 years of his career and has been involved in a series of successful transactions in highly relevant sub-sectors. Apax has followed Andy's career for several years and is confident that his ethos and approach to investing will enable a seamless transition. After 19 years, and many successful investments, Buddy Gumina will be leaving the Firm. Apax would like to thank him for having made a very valuable contribution to its Healthcare practice and the firm more generally over this period.

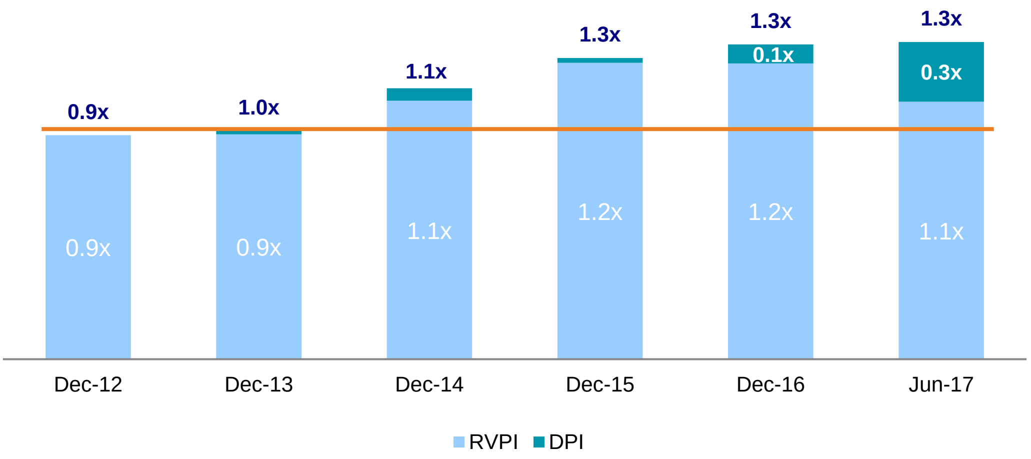
Apax continues to evolve and invest in the Operational Excellence Practice ("OEP"), which now stands at 15 members. Four new senior executives have been appointed in 2017 bringing significant experience and operational depth to the team, as well as expanding global coverage. New team members in 2017 include recently appointed Tanuja Randery, who is currently CEO, UK & Ireland for Schneider Electric, and also a Non-Executive Director on the Board of Proximus Group, the Benelux Telecommunications and Services company. Tanuja will join the OEP in London in September. Other senior hires include: Jonny Crowe, Operating Adviser in Digital Retail & Media who was most recently CEO at Wehkamp; Laef Olson in the Tech & Digital space who was previously leading Oracle's public cloud business unit and CIO at RightNow Technologies; and Jamie Michaud, who will bring deep digital analytics expertise most recently from Shutterfly when she joins in August.

The build out of the team tasked with investing the Apax Digital Fund continues, with 11 Investment Professionals now in place across London and New York.

Apax VIII EUR – TVPI

The Fund started investing in November 2012 and has achieved a TVPI of 1.3x.

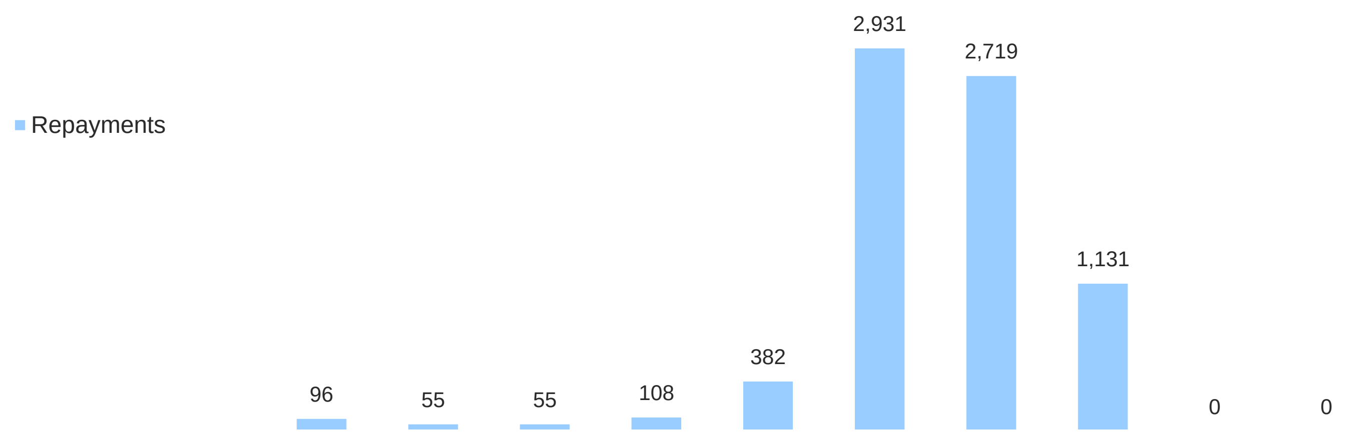
The Fund is still relatively immature with an average portfolio life of 27 months. Pro-forma for signed transactions, distributions will be €715m which represents a DPI of 0.3x.



Apax VIII EUR €5.8 billion, launched November 2012

Report to Investors
at 30 June 2017
Continued

Debt Maturity – AVIII EUR (€m)



Debt Maturity Profile* (€m)										
Company	**H2 2017**	**H1 2018**	**H2 2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**Thereafter**
Assured Partners	5	5	5	10	10	10	937	392	0	0
Azelis S.A.	27	2	2	5	39	5	434	216	0	0
Cole Haan	1	1	1	3	20	260	0	0	0	0
Engineering	27	24	24	46	42	68	5	0	0	0
Exact Software	0	0	0	0	0	0	305	98	0	0
Full Beauty	4	4	4	7	7	668	302	0	0	0
Genex	1	1	1	2	2	298	101	0	0	0
GlobalLogic Inc	2	2	2	3	3	3	294	0	0	0
Ideal Protein	6	6	6	12	199	0	0	0	0	0
NuPharm365	13	0	0	0	0	0	0	320	0	0
One Call / Align	5	5	5	11	11	1,598	0	0	0	0
Quality Distribution	5	5	5	9	9	20	342	105	0	0
Wehkamp	0	0	0	0	40	0	0	0	0	0
Total	**96**	**55**	**55**	**108**	**382**	**2,931**	**2,719**	**1,131**	**0**	**0**

* Excludes publicly listed companies

2

Section 2:
Fund Performance

Investment Summary
30 June 2017

Amounts in EUR	Schedule	30 June 2017	31 March 2017	31 December 2016
Total Committed Capital	1	**2,809,897,457**	2,809,897,457	2,809,897,457
Committed capital drawn down	2	2,799,321,024	2,799,321,024	2,799,321,024
Undrawn committed capital	1	10,576,433	10,576,433	10,576,433
Realised gains/(losses) and investment income	5	262,553,941	257,007,233	220,257,676
Unrealised gains/(losses)	5	1,103,824,868	1,182,377,164	1,124,756,066
Short term income		(335,447)	(342,689)	(294,930)
GPS & other costs	4	(210,414,595)	(198,196,975)	(190,453,404)
Gross Value of Fund		**€3,965,526,224**	€4,050,742,190	€3,964,162,865
Less amounts distributed -				
Limited Partners - recallable *	3	(237,599,065)	(237,599,065)	(226,126,966)
Limited Partners - non recallable	3	(456,519,789)	(170,964,906)	(41,901,662)
General Partner	3	-	-	-
Total Distributions		(694,118,854)	(408,563,971)	(268,028,628)
Retained Value of Fund		**€3,271,407,370**	€3,642,178,219	€3,696,134,237
Represented by:				
Valuation of current portfolio	5	3,214,384,308	3,613,963,574	3,557,757,126
Cash		64,356,326	18,566,818	115,851,743
Undrawn committed capital		10,576,433	10,576,433	10,576,433
Capital call facility liability		(27,500,546)	(12,150,540)	-
Other net current assets/(liabilities)		9,590,849	11,221,934	11,948,935
		€3,271,407,370	€3,642,178,219	€3,696,134,237
Carried interest estimate:				
Should the portfolio hypothetically be realised at the reporting date then estimated carried interest would be payable and deducted from the Retained Value as follows:		(227,971,589)	(244,827,487)	(227,739,838)

* where relevant these are amounts distributed to Limited Partners which may be recalled by the General Partner or withheld from future realisations in lieu of a call, in accordance with the LPA. Limited Partners should consider these amounts as part of their total unfunded commitments in addition to undrawn committed capital

Structure Overview

30 June 2017

Amounts in EUR

Key Dates	
Fund commencement date	13 November 2012
Fund termination date	21 June 2023
Fund extension date	N/A
Investment period end (unless 100% drawn first)	21 June 2019
Final close	21 June 2013
Financial year end	31 Dec

Selected Ratios	30 June 2017	31 March 2017
TVPI (DPI + RVPI)	1.33	1.36
RVPI ((Retained Value - Undrawn capital - Carried Interest Estimate) / Drawn capital)	1.08	1.21
PIC (Drawn capital / Committed capital)	1.00	1.00
DPI (Distributed capital (excl carried interest) / Drawn capital)	0.25	0.15
Gross MOIC (Total Value / Total Cost)	1.50	1.52
Fund Gross IRR	20.5%	23.6%
Fund Net IRR	14.4%	17.0%

	Partnership Origin	Total Commitment
Limited Partners Commitments Represented by:		
Apax VIII - 1, L.P.	Guernsey Partnership	33,476,034
Apax VIII - A, L.P.	Guernsey Partnership	2,776,387,028
		2,809,863,062

Total Unfunded Commitments of Limited Partners	30 June 2017	31 March 2017
Undrawn committed capital	10,576,433	10,576,432
Recallable distributions made to Limited Partners	237,599,064	237,599,064
Total unfunded commitments	**248,175,496**	**248,175,496**

Recycling and re-investment capacity		
Clause 4.2.5 :18 month money	**30 June 2017**	**31 March 2017**
Capital realised within18 months, available for reinvestment	161,827,979	161,827,979
Capital reinvested	-	-
Capital realised within18 months, remaining available for reinvestment	**161,827,979**	**161,827,979**

Clause 4.2.6 : Recycling provision	30 June 2017	31 March 2017
Amounts available for recycling and re-investment	210,414,595	198,196,975
Amounts utilised for recycling and re-investment	(114,107,490)	(114,107,490)
Amounts remaining available for recycling and re-investment	**96,307,105**	**84,089,485**

Capital Call Facility:	30 June 2017	31 March 2017
Capital call facility drawn down	27,467,820	12,150,000
Interest accrued on capital call facility	32,726	540
Total capital call facility outstanding at the reporting date	**27,500,546**	**12,150,540**

Summary of Calls

30 June 2017

Amounts in EUR

Contents Section 1 Section 2 Section 3

Call Summary

Year	Limited Partners	General Partner	Total	% of Committed Capital	Cumulative
2012	168,009,355	-	168,009,355	6.0	168,009,355
2013	521,400,032	34,395	521,434,427	18.6	689,443,782
2014	239,389,649	-	239,389,649	8.5	928,833,431
2015	1,522,151,181	-	1,522,151,181	54.3	2,450,984,612
2016	348,336,412	-	348,336,412	12.4	2,799,321,024
	2,799,286,629	**34,395**	**2,799,321,024**	**99.8**	

Represented By:

Year	Month	Call Number	% of Total Committed Capital	LPs Called
2012	December	01	6.0	168,009,355
2013	June	02	5.1	143,224,015
2013	June	01 A	0.1	3,865,800
2013	September	03	0.4	10,636,597
2013	September	Return 1	(2.1)	(60,146,318)
2013	October	03 A	0.0	1,278,665
2013	December	04	15.0	422,541,274
2014	February	Return 2	(0.3)	(9,574,318)
2014	June	05	0.4	12,513,684
2014	December	06	8.4	236,450,283
2015	February	07	0.9	25,000,000
2015	April	08	5.5	153,927,599
2015	September	09	21.4	601,726,945
2015	December	10	26.4	741,496,638
2016	December	11	12.4	348,336,412
			99.6	**2,799,286,629**

Summary of Fund Distributions

30 June 2017

Amounts in EUR

Distribution Summary

Year	Limited Partners- non recallable	Limited Partners- recallable	Limited Partners- total	General Partner	Total	Cumulative	% Total Committed Capital distributed: excluding carried interest	% Total Committed Capital distributed: including carried interest
2013	-	10,421,102	10,421,102	-	10,421,102	10,421,102	0.37	0.37
2014	-	38,029,644	38,029,644	-	38,029,644	48,450,746	1.35	1.35
2016	41,901,662	177,676,220	219,577,882	-	219,577,882	268,028,628	7.81	7.81
2017	414,618,127	11,472,099	426,090,226	-	426,090,226	694,118,854	15.16	15.16
	456,519,789	**237,599,065**	**694,118,854**	**-**	**694,118,854**		**24.69**	**24.69**

Represented By:

Year	Month	Distribution Number	Limited Partners	%	General Partner	%	Total Distributed	%
2013	October	01	10,421,102	0.37	-	-	10,421,102	0.37
2014	May	02	38,070,934	1.35	-	-	38,070,934	1.35
2014	June	01	(41,290)	-	-	-	(41,290)	-
2016	March	03	90,231,962	3.21	-	-	90,231,962	3.21
2016	May	04	124,001,889	4.41	-	-	124,001,889	4.41
2016	July	05	76,672,956	2.73	-	-	76,672,956	2.73
2016	November	05	314,299	0.01	-	-	314,299	0.01
2016	November	06	42,464,266	1.51	-	-	42,464,266	1.51
2016	December	01	(114,107,490)	(4.06)	-	-	(114,107,490)	(4.06)
2017	January	07	61,884,010	2.20	-	-	61,884,010	2.20
2017	March	08	78,651,333	2.80	-	-	78,651,333	2.80
2017	May	09	196,069,480	6.98	-	-	196,069,480	6.98
2017	June	10	89,485,403	3.18	-	-	89,485,403	3.18
			694,118,854	**24.69**	**-**	**-**	**694,118,854**	**24.69**

General Partner's Share Schedule

30 June 2017

Amounts in EUR

Period	Gross General Partner's Share Payable	Other *	Net General Partner's Share Payable	Additional General Partner's Share	Total
2012Q4	**5,517,289**	(2,581,493)	**2,935,796**	7,239,055	**10,174,850**
2013Q1	**10,274,544**	(597,242)	**9,677,302**	486,922	**10,164,224**
2013Q2	**9,520,499**	(312,081)	**9,208,418**	493,042	**9,701,460**
2013Q3	**10,163,141**	(1,768,155)	**8,394,986**	526,427	**8,921,413**
2013Q4	**10,034,021**	(892,493)	**9,141,528**	3,624,742	**12,766,271**
2014Q1	**10,034,021**	(6,088,750)	**3,945,271**	3,080,596	**7,025,866**
2014Q2	**9,797,719**	(439,444)	**9,358,275**	2,068,552	**11,426,827**
2014Q3	**9,797,719**	(846,762)	**8,950,957**	7,160,443	**16,111,401**
2014Q4	**10,198,108**	(981,451)	**9,216,657**	2,115,106	**11,331,763**
2015Q1	**9,997,914**	(613,394)	**9,384,520**	1,423,550	**10,808,070**
2015Q2	**9,997,914**	(700,171)	**9,297,743**	7,970,444	**17,268,187**
2015Q3	**9,997,914**	(744,051)	**9,253,863**	3,696,733	**12,950,596**
2015Q4	**9,997,914**	(724,719)	**9,273,195**	2,686,538	**11,959,733**
2016Q1	**9,997,914**	(7,225,736)	**2,772,178**	935,057	**3,707,234**
2016Q2	**9,997,914**	(447,146)	**9,550,768**	10,469,758	**20,020,526**
2016Q3	**6,798,493**	(1,484,833)	**5,313,660**	1,709,810	**7,023,471**
2016Q4	**7,479,053**	(454,332)	**7,024,721**	2,066,790	**9,091,511**
2017Q1	**7,676,804**	(177,621)	**7,499,183**	244,388	**7,743,571**
2017Q2	**7,769,675**	(178,083)	**7,591,592**	4,626,027	**12,217,620**
Roundings	(2)	2	0	0	0
	175,048,568	**(27,257,955)**	**147,790,613**	**62,623,980**	**210,414,595**

Investment Summary

* Included within "Other" are amounts that the General Partner has elected to waive from the General Partner's Share pursuant to clause 7.1.3 of the LPA.

Portfolio Summary

30 June 2017

Amounts in EUR

	Current % ownership	Total Cost	Cost of Realisation	Total Proceeds and Income	Current Cost	Current Valuation	Jun 2017 Total Value	Jun 2017 Gross Multiple	Mar 2017 Total Value	Mar 2017 Gross Multiple	Change in Total Value
Unrealised											
Assured Partners	28.5	217,836,588	-	-	217,836,588	374,800,000	374,800,000	1.7x	309,500,000	1.4x	65,300,000
Duck Creek Technologies	26.8	106,831,303	-	-	106,831,303	106,000,000	106,000,000	1.0x	113,200,000	1.1x	(7,200,000)
Engineering	24.0	119,713,550	-	-	119,713,550	198,700,000	198,700,000	1.7x	175,200,000	1.5x	23,500,000
Exact Software	45.0	148,630,731	-	-	148,630,731	286,800,000	286,800,000	1.9x	284,100,000	1.9x	2,700,000
Full Beauty	31.7	184,730,248	-	-	184,730,248	52,600,000	52,600,000	0.3x	108,400,000	0.6x	(55,800,000)
Genex	15.3	14,972,962	-	-	14,972,962	44,000,000	44,000,000	2.9x	48,500,000	3.2x	(4,500,000)
Huarong	0.2	19,415,833	-	450,522	19,415,833	24,074,490	24,525,012	1.3x	27,687,413	1.4x	(3,162,401)
Idealista	40.9	94,665,827	-	4,752,044	94,665,827	183,400,000	188,152,044	2.0x	175,552,044	1.9x	12,600,000
NuPharm365	42.8	131,492,100	-	-	131,492,100	156,600,000	156,600,000	1.2x	145,100,000	1.1x	11,500,000
One Call / Align	15.5	168,935,987	-	-	168,935,987	107,100,000	107,100,000	0.6x	129,100,000	0.8x	(22,000,000)
Quality Distribution	33.8	112,763,997	-	-	112,763,997	87,800,000	87,800,000	0.8x	98,600,000	0.9x	(10,800,000)
Vyaire Medical	22.3	95,362,083	-	-	95,362,083	124,000,000	124,000,000	1.3x	124,400,000	1.3x	(400,000)
Wehkamp	45.0	152,858,191	-	-	152,858,191	152,400,000	152,400,000	1.0x	146,600,000	1.0x	5,800,000
Zensar Technologies	10.4	52,618,594	-	-	52,618,594	51,277,930	51,277,930	1.0x	62,287,084	1.2x	(11,009,154)
		1,620,827,995	**-**	**5,202,566**	**1,620,827,995**	**1,949,552,420**	**1,954,754,986**	**1.2x**	**1,948,226,541**	**1.2x**	**6,528,445**
Partial Realisation											
Azelis S.A.	41.3	156,782,634	17,166	16,862	156,765,468	368,100,000	368,116,862	2.3x	323,600,000	2.1x	44,516,862
Cole Haan	48.0	96,217,870	10,766,072	10,691,880	85,451,798	122,000,000	132,691,880	1.4x	136,691,880	1.4x	(4,000,000)
EVRY AS	23.7	154,538,876	76,819,355	79,716,463	77,719,521	294,032,580	373,749,044	2.4x	473,816,463	3.1x	(100,067,419)
GlobalLogic Inc	22.5	98,346,589	69,235,949	275,083,677	29,110,640	218,200,000	493,283,677	5.0x	494,411,812	5.0x	(1,128,135)
Ideal Protein	29.6	43,591,767	36,557,878	36,617,455	7,033,889	102,200,000	138,817,455	3.2x	145,817,455	3.3x	(7,000,000)
Shriram City Union	10.3	155,020,455	28,318,975	41,689,179	126,701,480	152,550,660	194,239,838	1.3x	203,941,403	1.3x	(9,701,565)
		704,498,191	**221,715,394**	**443,815,517**	**482,782,797**	**1,257,083,240**	**1,700,898,757**	**2.4x**	**1,778,279,015**	**2.5x**	**(77,380,258)**

Portfolio Summary (continued)

30 June 2017

Amounts in EUR

	Current % ownership	Total Cost	Cost of Realisation	Total Proceeds and Income	Current Cost	Current Valuation	Jun 2017 Total Value	Jun 2017 Gross Multiple	Mar 2017 Total Value	Mar 2017 Gross Multiple	Change in Total Value
Fully Realised											
Answers Corporation	-	152,450,472	145,501,824	-	6,948,648	6,948,648	6,948,648	-	-	-	6,948,648
Chola	-	38,783,219	38,783,219	104,504,728	-	-	104,504,728	2.7x	104,504,728	2.7x	-
Garda	-	107,842,886	107,842,885	251,558,226	-	-	251,558,226	2.3x	259,872,823	2.4x	(8,314,597)
Rhiag	-	28,299,051	28,299,051	91,095,412	-	800,000	91,895,412	3.2x	91,031,961	3.2x	863,451
rue21 Inc	-	91,480,133	91,480,133	-	-	-	-	-	-	-	-
		418,855,761	**411,907,112**	**447,158,365**	**6,948,648**	**7,748,648**	**454,907,013**	**1.1x**	**455,409,512**	**1.1x**	**(502,499)**
Roundings		-	1	-	-	-	-		1		-
		2,744,181,947	**633,622,507**	**896,176,448**	**2,110,559,440**	**3,214,384,308**	**4,110,560,756**	**1.5x**	**4,181,915,068**	**1.5x**	**(71,354,312)**

Portfolio Static Data

30 June 2017

Amounts in EUR

	Investee Currency	Initial Investment Date	Exit Date	IRR %	MOIC	Total Cost	Total Value	Current Valuation Methodology
CONSUMER								
Cole Haan	USD	01 Feb 2013		N/A	1.4x	96,217,870	132,691,880	Public trading and transaction multiples
Full Beauty	USD	14 Oct 2015		N/A	0.3x	184,730,248	52,600,000	Public trading and transaction multiples
Idealista	EUR	15 Sep 2015		N/A	2.0x	94,665,827	188,152,044	Public trading multiples
rue21 Inc	USD	10 Oct 2013	16 May 2017	N/A	-	91,480,133	-	
Wehkamp	EUR	09 Sep 2015		N/A	1.0x	152,858,191	152,400,000	Public trading multiples
						619,952,269	**525,843,924**	
HEALTHCARE								
Genex	USD	30 May 2014		N/A	2.9x	14,972,962	44,000,000	Public transaction multiples
Ideal Protein	USD	30 Sep 2015		N/A	3.2x	43,591,767	138,817,455	Public trading and transaction multiples
NuPharm365	EUR	30 Aug 2016		N/A	1.2x	131,492,100	156,600,000	Public transaction multiples
One Call / Align	USD	17 Dec 2013		N/A	0.6x	168,935,987	107,100,000	Public transaction multiples
Vyaire Medical	USD	03 Oct 2016		N/A	1.3x	95,362,083	124,000,000	Public trading multiples
						454,354,899	**570,517,455**	
SERVICES								
Answers Corporation	USD	03 Oct 2014	14 Apr 2017	N/A	-	152,450,472	6,948,648	Revised company prospects
Assured Partners	USD	22 Oct 2015		N/A	1.7x	217,836,588	374,800,000	Public trading and transaction multiples
Azelis S.A.	EUR	30 Apr 2015		N/A	2.3x	156,782,634	368,116,862	Public trading multiples
Chola	INR	03 Sep 2014	08 Feb 2017	53.7%	2.7x	38,783,219	104,504,728	
Garda	CAD	13 Nov 2012	26 May 2017	27.8%	2.3x	107,842,886	251,558,226	
Huarong	HKD	29 Aug 2014		N/A	1.3x	19,415,833	24,525,012	Quoted price of shares at HKD 3.03 per share
Quality Distribution	USD	18 Aug 2015		N/A	0.8x	112,763,997	87,800,000	Public trading and transaction multiples
Rhiag	EUR	16 Dec 2013	22 Mar 2016	71.0%	3.2x	28,299,051	91,895,412	Cash in escrow
Shriram City Union	INR	11 May 2015		N/A	1.3x	155,020,455	194,239,838	Quoted price of shares at INR 2,383.90 per share
						989,195,136	**1,504,388,726**	

Portfolio Static Data (continued)

30 June 2017

Amounts in EUR

	Investee Currency	Initial Investment Date	Exit Date	IRR %	MOIC	Total Cost	Total Value	Current Valuation Methodology
TECH & TELCO								
Duck Creek Technologies	USD	01 Aug 2016		N/A	1.0x	106,831,303	106,000,000	Public trading and transaction multiples
Engineering	EUR	22 Apr 2016		N/A	1.7x	119,713,550	198,700,000	Public trading multiples
EVRY AS	NOK	16 Mar 2015		N/A	2.4x	154,538,876	373,749,044	Quoted price of shares at NOK 29.80 per share
Exact Software	EUR	20 Feb 2015		N/A	1.9x	148,630,731	286,800,000	Public trading and transaction multiples
GlobalLogic Inc	USD	02 Dec 2013		N/A	5.0x	98,346,589	493,283,677	Public trading and transaction multiples
Zensar Technologies	USD	09 Oct 2015		N/A	1.0x	52,618,594	51,277,930	Quoted price of shares at USD 12.60 per share
						680,679,643	**1,509,810,650**	
						2,744,181,947	**4,110,560,756**	

Contents Section 1 Section 2 Section 3

Summary of Foreign Exchange

30 June 2017

Amounts in EUR

Total Invested	Total Cost	%	Number of Investments	Total Value	%
CAD	107,842,886	3.9%	1	251,558,226	6.1%
EUR	832,442,084	30.3%	7	1,442,664,317	35.1%
HKD	19,415,833	0.7%	1	24,525,012	0.6%
INR	193,803,674	7.1%	2	298,744,566	7.3%
NOK	154,538,876	5.6%	1	373,749,044	9.1%
USD	1,436,138,594	52.4%	13	1,719,319,591	41.8%
	2,744,181,947	**100.0%**	**25**	**4,110,560,756**	**100.0%**

Current Invested	Current Cost	%	Number of Investments	Current Value	%
EUR	804,125,867	38.1%	7	1,346,800,000	41.9%
HKD	19,415,833	0.9%	1	24,074,490	0.7%
INR	126,701,480	6.0%	1	152,550,660	4.7%
NOK	77,719,521	3.7%	1	294,032,580	9.1%
USD	1,082,596,738	51.3%	12	1,396,926,578	43.6%
	2,110,559,440	**100.0%**	**22**	**3,214,384,308**	**100.0%**

3

Section 3:
Portfolio Company Summaries

Fair Market Valuation

Overview

Investments are formally Fair Valued every six months (June and December) by the General Partner, with advice and assistance provided by the Investment Adviser. This is part of a detailed valuation process culminating in presentation of such results to the Board of Advisers and investors. The procedure takes into consideration the key drivers behind each company and how these might impact the anticipated Fair Value of any particular investment. The General Partner also considers valuation adjustments at the March and September reporting quarters and these are reflected in the reports to investors

Guidelines

Valuations are prepared in accordance with the International Private Equity and Venture Capital Valuation Guidelines (“IPEV”) [www.privateequityvaluation.com] and the principles of US GAAP. Funds managed or advised by Apax Partners cover a wide geographical and investment spectrum, from Global or Pan European Funds utilising IPEV to legacy US Funds utilising US GAAP. These funds might also share common investee company investments. Consequently the General Partner endeavours to ensure that the methodology utilised to calculate fair value is compliant with both IPEV and the principles of US GAAP

Methodology

Quoted investments

The valuation of quoted investments includes the application of the number of shares held by the Fund against the closing price, or equivalent, in an active market at the valuation date. A discount of a quoted investment is not taken within the valuation calculation unless extenuating circumstances warrant it. This would only be in instances where there are transferability issues related specifically to the instrument and not the holder of the instrument. Legal lockup restrictions do not warrant a discount to the fair value for quoted investments.

In isolated instances where quoted shares are not deemed to be trading on active markets, the General Partner will, after consultation with the auditors, consider alternative valuation techniques. These alternative techniques include methodologies listed below for unquoted investments. In these rare instances the General Partner takes care not to use non-public information, if any, when preparing the valuation.

Unquoted investments (Buy-Outs)

Selected methodologies allowed in the estimation of fair value for unquoted buy-out investments generally include earnings and/or recent transaction multiples and price of recent relevant third party investments. In certain instances, particularly in the early stages post acquisition, the Fair Value may approximate the acquisition cost. This is usually only relevant in situations where analysis has been carried out to ensure there are no material changes in the trading of the Company and the market in which it operates.

In practice, Apax Partners uses a multiples based approach which takes into account appropriate listed market multiple comparators and / or relevant recent market transaction multiples. The General Partner carefully considers the most appropriate comparators in arriving at a fair value as part of this methodology and does endeavour to remain consistent in selection of these comparators. Individual comparators may be adjusted to take into account specific points of difference e.g. level of borrowings, earnings growth rate. However, where companies are no longer deemed comparable or new additions to the basket of comparables are deemed appropriate then the General Partner will consider these adjustments. This comparable set of multiples is then applied against maintainable earnings to derive an Enterprise Value from which the various debt and equity components senior to Apax Funds’ investment are deducted to arrive at an attributable value.

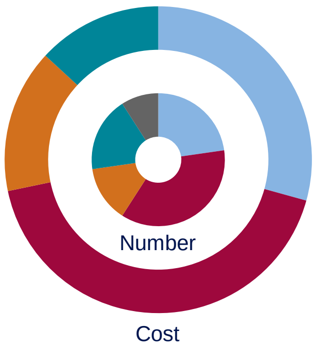
In specific instances the General Partner may make use of discounted cashflow analysis (“DCF”) in assisting with the internal validation and checking process of arriving at a fair value. DCF is not used to derive a fair value, instead it might be performed in parallel to validate valuation calculations based on multiples.

Unquoted investments (Growth)

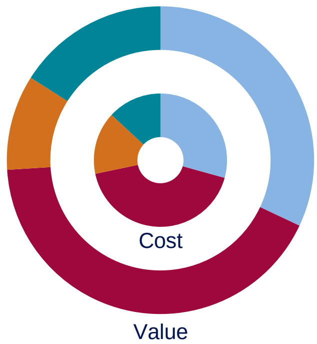
Whilst the valuation policies listed above can be applied to the larger profitable growth or buy out investments within the portfolio, this is not necessarily the best methodology to use in all instances. Certain smaller growth deals might still be developing their markets and business models and may not yet be profitable. Where the methodologies above are not considered to be appropriate, the General Partner may, for example, consider alternatives which could include different multiples (eg: revenue) and consideration of recent comparable transactions or investments. Valuation of these assets could therefore approximate cost for a longer period post acquisition than a traditional buy-out valuation and the General Partner would initially be focused on calculating any down side valuation exposure. Thereafter, as the asset generates profitability and / or successfully meets commercial targets the general partner would be expected to reflect the valuation upside in its valuations.

Valuation Methodology

By Cost



By Value vs Cost



	By Value	By Cost	No
Public trading multiples	32%	29%	5
Public trading and transaction multiples	42%	42%	8
Transaction multiples	10%	15%	3
Quoted	16%	13%	4
Other	0%	0%	2

Assured Partners

AssuredPartners INC.

Stage
Buy-Out

Sector
Services

Type
Limited Competition

Location
United States of America

Date of First Investment
22 Oct 2015

Enterprise Value at Entry
$1.8bn
12.2x EBITDA

Net Debt/(Cash) at Entry
$1.0bn
6.8x EBITDA

Invested & Committed
€218m

Total Apax Funds Investment
€489m

Realised Proceeds
-

Current Valuation
€375m

Apax Funds Equity Ownership
61.6%

www.assuredptr.com

Company Overview

Business Description

AssuredPartners, Inc. (“Assured” or the “Company”) is a middle market insurance brokerage firm which distributes a broad range of P&C, employee benefits, and personal lines insurance products and services across the United States. The Company was founded in 2011 by CEO Jim Henderson and COO Tom Riley. Since inception, Assured has purchased 178 agencies (as of May 2017) and is one of the largest and fastest growing platforms in the highly fragmented insurance brokerage industry. Today, Assured is the 5th largest privately-owned P&C insurance broker in the United States.

Headquartered in Lake Mary, Florida, the business has ~150 offices in 32 states, the District of Columbia and London across the following lines of business:

- Commercial P&C: broad practice serving the needs of primarily middle market commercial businesses. Offers a full range of lines, including commercial property, workers’ comp, surety bonds, aviation, commercial liability, commercial auto and professional liability (59% of LTM revenue)
- Personal lines P&C: serves the needs of higher-end personal clients. Coverages include higher-end homes, secondary homes, valuable articles, yachts, etc. (13% of LTM revenue)
- Employee benefits: provides end-to-end consulting services on both fully-insured and self-insured programs. Offers individual and group medical plans (24% of LTM revenue)
- Other: Includes third party administration services and other revenue (5% of LTM revenue)

Investment Rationale

The investment thesis for Assured was as follows:

- Defensible and recurring revenue business model which creates low likelihood of capital impairment. Assured’s mix of customers, carriers, producers, and end markets is highly diversified (top 10 customers are <3% of revenue)
- An attractive platform to drive continued market consolidation. Assured’s in-house team for deal sourcing and diligence allowing them to find proprietary deals at attractive multiples
- Multiple operational levers which can be pulled to create value. These include accretive acquisitions, operating leverage, and increased share of highly profitable contingent revenue, as well as initiatives to increase organic growth
- Strong financial characteristics with a strong in-place cash flow yield
- Potentially multiple paths to exit, including a potential strategic exit
- Best-in-class management team which has made a significant equity investment into this transaction

Transaction Summary

- On 22 October 2015 Apax Funds completed the acquisition of Assured. The transaction represented a total enterprise value of $1.75bn ($1.81bn including fees), equivalent to 11.8x LTM Adj. EBITDA of $148m (11.1x excluding tax assets). Apax Funds contributed $510m of equity for a 68.4% ownership stake, with certain Apax limited partner co-investors investing a total of $77m for a 10.3% ownership stake and management rolling over $154m of proceeds to acquire the remaining 21.3%. The debt at close represented 6.8x net leverage on LTM Adj. EBITDA at entry of $148m and included $762m covenant-lite first lien, $337m second lien and a $128m revolving credit facility, of which $24m was drawn at closing.
- Apax had tracked Assured since its formation in 2011 and has known management over the last nine years. Apax proactively approached the previous sponsor owner, GTCR, and Assured management with an unsolicited proposal in order to initiate a sale process. As a result of Apax’s strong reputation, demonstrated through its investment in HUB International, Apax was able to obtain an early opportunity to evaluate the business and following an extensive diligence process, the deal was signed in July 2015.

Assured Partners

Apax Contacts

Ashish Karandikar
New York
T +1 212 419 2456
E ashish.karandikar@apax.com

Mitch Truwit
New York
T +1 212 419 2467
E mitch.truwit@apax.com

Nedu Ottih
New York
T +1 2124192495
E nedu.ottih@apax.com

Apax Board Representatives (4 of 9)

Mark Zubko
Ashish Karandikar
Mitch Truwit
Nedu Ottih

Company Update and Current Trading

Recent Developments

AssuredPartners has experienced strong growth year-to-date, driven by accretive M&A and organic growth. LTM revenue and EBITDA of $871m and $243m, respectively (pro forma for acquisitions as of May-17) are up from $648m and $184m in Dec 16 (up 34% and 32% respectively). While core organic growth was tepid in 2016 due to a soft rate environment across most insurance markets, the company has seen a rebound through May-17.

Pre-corporate PF LTM EBITDA margins as of May-17 increased ~59 bps vs. Dec-16 PF LTM (31.3% vs. 30.7%). Despite significant investments the company has made to augment its management team including the hiring of a CIO, Chief Organic Growth Officer, and a produce recruiter, post-corporate PF LTM EBITDA margin increased ~27 bps vs. Dec-16 PF LTM (27.9% vs. 27.7%). These hires are aimed at increasing organic growth in the business as well as delivering technology-based productivity and efficiency gains.

Acquisition activity has performed significantly above expectations, with over $53m of EBITDA acquired year-to-date (to May-17). Management continues to be highly focused on sourcing and closing bolt-on acquisitions in the middle market P&C and employee benefits brokerage sector, and the acquisition pipeline remains healthy. The Company recently closed the transformational acquisition of Keenan that enabled the Company to expand into California. Excluding this acquisition, the average tuck-in acquisition EBITDA multiple was 7.8x year-to-date (to May-17).

Value Creation Since Investment

Apax has led various operational improvement initiatives since closing, including:

- 100-Day Plan: Seconded senior Principal to implement 100-Day Plan
- Operational Excellence Practice Assistance: Website design, salesforce CRM selection, CIO recruitment, Apax portfolio referrals and group purchasing / procurement
- Organic Growth: Hired Chief Organic Growth Officer, accelerating producer hiring, cross-sell, and KPI capture
- EB Technology: Advancement of employee benefits technology (HRIS and exchange) underway
- Acquisitions: Infusion of additional equity to fund the transformational acquisition of Keenan
- Financing: Successfully repriced the first lien debt to achieve significant interest savings (125bps)

Corporate Social Responsibility

The Company has a relatively low risk ESG and Compliance profile given the nature of its business. The Company does not own any real property, and we believe AssuredPartners is in compliance with all material environmental regulations. The Company has a health and safety policy in place, as well as a code of conduct policy and typical board governance procedures.

Exit

An exit is not actively under consideration.

Assured Partners Company Financials

Profit and Loss in USDm Year end 31 December	FY 2014	FY 2015	FY 2016	LTM To Jun-2017E
Revenue/Sales	360.0	488.0	614.2	**707.8**
Gross Profit				
Reported EBITDA	83.3	99.9	162.9	**173.2**
Depreciation & Amortisation	(23.3)	(35.7)	(57.9)	**(61.3)**
EBIT	60.0	64.2	105.0	**111.9**
Net Financial Income / (Expense)	(39.6)	(61.6)	(107.1)	**(113.8)**
Other	(9.8)	(12.0)	0.8	**(3.3)**
Profit Before Tax	10.6	(9.4)	(1.3)	**(5.2)**

Cash Flow in USDm Year end 31 December	FY 2014	FY 2015	FY 2016	LTM To Jun-2017E
Reported EBITDA	83.3	99.9	162.9	**173.2**
Capital Expenditure	(4.3)	(2.3)	(8.0)	**(9.0)**
Change in Net Working Capital	4.6	12.3	(5.1)	**(31.6)**
Other	(35.4)	(51.4)	(105.7)	**(98.7)**
Free Cash Flow	48.3	58.5	44.1	**33.8**
Debt Service	236.5	483.8	242.9	**431.5**
Other	(262.8)	(519.5)	(241.6)	**(448.5)**
Net Change in Cash & Cash Equivalents	22.0	22.8	45.4	**16.8**

'Other' includes proceeds related to stock repurchase, financings and dividends, M&A activity and earn-outs, and other items

Summary Balance Sheet in USDm Year end 31 December	FY 2014	FY 2015	FY 2016	Jun-2017E
Assets				
Tangible Assets	243.3	303.6	341.7	**392.4**
Intangible Assets	849.6	1,786.7	1,993.2	**2,407.3**
Other	-	-	-	**-**
Total Assets	1,092.9	2,090.3	2,335.0	**2,799.7**
Liabilities and Equity				
Liabilities	860.0	1,384.6	1,638.8	**1,981.1**
Equity	232.9	705.7	696.2	**818.6**
Total Liabilities and Equity	1,092.9	2,090.3	2,335.0	**2,799.7**

Assured Partners Fair Valuation Calculation

Performance Indicators $ million	Entry	LTM to 31.12.2016	LTM to 31.03.2017	LTM to 30.06.2017
Adjusted Revenue/Sales	**518.9**	**839.4**	**885.9**	**917.6**
Growth vs Entry				76.8%
Adjusted EBITDA	**148.3**	**228.9**	**240.3**	**257.1**
Margin	28.6%	27.3%	27.1%	28.0%
Growth vs Entry				73.4%
Total Net Debt/(Cash)	**1,011.5**	**1,594.2**	**1,657.3**	**1,622.5**
Multiple	6.8x	7.0x	6.9x	6.3x

Figures presented above reflect the underlying performance of the company. PF for high probability M&A deals in pipeline under signed LOI. Current and prior period figures may be adjusted for exceptional items, one-off effects and full year impact of acquisitions/disposals and other effects. Figures could therefore differ from company audited financials. Net financial indebtedness is the aggregate of all long term and short term debt less any relevant adjustments (e.g. cash).

Key Valuation Data $ million

Valuation Basis	Entry	LTM to 31.12.2016	LTM to 31.03.2017	LTM to 30.06.2017
EBITDA	148.3	228.9	240.3	257.1
Enterprise Value Multiple	12.2x	12.1x	12.6x	12.7x
Enterprise Value	**1,805.9**	**2,767.2**	**3,015.5**	**3,274.7**
Total Net Debt/(Cash)	1,011.5	1,594.2	1,666.3	1,622.5
Other	27.9	114.6	168.5	117.0
Equity Value All Shareholders	**766.4**	**1,058.3**	**1,180.7**	**1,535.2**
Current Valuation – Local ccy	231.1	296.5	329.7	428.2
FX (EUR:USD)	1.14	1.05	1.07	1.14
Current Valuation – Fund ccy	**203.4**	**282.0**	**309.5**	**374.8**

Valuation Methodology		Public trading and transaction multiples	Public trading and transaction multiples	Public trading and transaction multiples

Enterprise Value, Net Debt and EBITDA for the prior and current periods represent the numbers used within the fair valuation calculations. These could be LTM, normalised or actual EBITDA numbers depending on the timing of the calculation. Accordingly they may vary relative to final audited figures. PF for high probability M&A deals in pipeline under signed LOI.

Net Debt $ million	Cost %	Entry	31.12.2016	31.03.2017	30.06.2017
Senior Debt	6.1%	1,099.0	1,599.4	1,627.0	1,567.8
High Yield Debt	-	-	-	-	-
Mezzanine Debt	-	-	-	-	-
Drawn Revolver	4.8%	24.0	71.5	101.1	164.6
Other Debt	-	-	-	-	-
Gross Debt	**-**	**1,123.0**	**1,670.9**	**1,728.1**	**1,732.4**
Cash	-	(111.5)	(76.7)	(61.9)	(109.9)
Total Net Debt/(Cash)	**-**	**1,011.5**	**1,594.2**	**1,666.3**	**1,622.5**

Assured Partners Investment Adviser's Financial Summary

Fund Investment Summary € million

	Entry	31.12.2016	31.03.2017	30.06.2017
Total Invested and Committed	203.4	203.4	217.8	217.8
Proceeds from Realisations	-	-	-	-
Income on Investment	-	-	-	-
Total Proceeds and Income	-	-	-	-
Current Valuation	203.4	282.0	309.5	374.8
Total Valuation	**203.4**	**282.0**	**309.5**	**374.8**
Gross Multiple	1.0x	1.4x	1.4x	1.7x

Shareholders

	Undiluted	Diluted
Apax VIII EUR	28.5%	27.9%
Apax VIII USD	34.4%	33.7%
Total Apax Funds	63.0%	61.6%
AlpInvest	3.2%	3.1%
CPPIB	3.1%	3.0%
GIC	3.2%	3.1%
RBW	-	-
Management	27.6%	29.2%
	100.0%	100.0%

Azelis S.A.

Stage
Buy-Out

Sector
Services

Type
Proprietary

Location
Belgium

Date of First Investment
30 Apr 2015

Enterprise Value at Entry
€451m
10.9x EBITDA

Net Debt/(Cash) at Entry
€251m
6.1x EBITDA

Invested & Committed
€157m

Total Apax Funds Investment
€347m

Realised Proceeds
-

Current Valuation
€368m

Apax Funds Equity Ownership
92.0%

www.azelis.com

Disclaimer

Please be aware Azelis S. A. has publicly traded equity and/or debt instruments and therefore certain information in this report may be sensitive. Please refer to the disclaimer on page 2 for full confidentiality provisions regarding this document.

Company Overview

Business Description

Azelis S.A. ("Azelis" or the "Company") is a leading global distributor of specialty chemicals, with a market leading American, a large pan-European and an established and growing presence in Asia. Azelis was formed through the combination of Azelis (largely operating in Europe and Asia) with Koda Distribution Group (operating exclusively in North America, and rebranded Azelis Americas), in December 2015. Headquartered in Antwerp, Belgium, Azelis operates globally, providing a diverse range of products and innovative services to more than 29,000 customers, in more than 35 countries worldwide. Azelis' customers benefit from technical support and advice from Azelis' well-trained salesforce as they compose their product portfolio to suit their applications. In addition, Azelis operates its own application laboratories, offering innovative formulations for Azelis' customers.

Azelis offers currently more than 2,000 suppliers of specialty chemicals ("Principals") an outsourced yet fully integrated and value-adding sales and distribution channel. Azelis offers these principals an outsourced route to market, with access to a large base of smaller customers that their principals would not be able to economically serve directly.

The Company demonstrates a high level of diversification, both on a geographical basis as well as on a principal / customer level. As at Year End 2016, Azelis' (Pro Forma for Koda Distribution Group acquisition) top ten principals and customers accounted for 34% and 3% Revenue, respectively.

Investment Rationale

Growth industry

- Global third-party specialty chemicals distribution market has grown by a 7.0% CAGR between 2008 and 2013. Growth is expected to be 6.2% during 2014 – 2018.
- Strong underlying growth in chemical consumption above GDP growth

Business resilient and highly diversified

- Highly diversified in terms of principals and customers (top ten principals / customers accounting for 34% and 3% Revenue, respectively), as well as end markets and geographies
- Resilient business model through exclusive relationships with suppliers and sticky customer base
- Defensive characteristics, with high cash conversion and low profit volatility historically

Scarce platform with great growth potential

- One of only two truly global specialty chemical distributors, providing Azelis with a credible platform to: (i) continue to grow with existing principals; (ii) benefit from consolidation of principal relationships; (iii) opportunity for bolt-on acquisitions

Strong momentum in the business

- Past idiosyncratic reasons that impeded growth have been fully addressed
- On an organic basis, Azelis continues to demonstrate constant currency, year over year growth, with May 2017 year-to-date Gross Margin and EBITDA year-on-year constant currency organic growth of 6.3% and 5.4%, respectively (PF for recent acquisitions)

Credible right skew returns

- Further transformational M&A is possible; tuck-in M&A part of the core, executable strategy
- Opportunity to leverage existing cost base to achieve margin uplift, in line with Azelis' leading competitors

Azelis S.A.

Transaction Summary

- On 30 April 2015 Funds advised by Apax Partners completed the acquisition of Azelis from 3i.
- The transaction represented a total adjusted enterprise value of €434m (€451m adjusted , including fees), equivalent to 10.5x April 2015A LTM EBITDA of €41.2m / 11.2x April 2015A LTM EBITA of €38.7m. Apax Funds contributed €173m of equity for a 98% ownership stake, with management investing €4m to acquire the remaining 2%. The debt represented 6.1x net leverage on LTM EBITDA and included €180m first lien, €60m second lien and a €40m revolving credit facility, of which €16m was drawn at closing (primarily to fund net working capital seasonality).
- Apax first engaged with Azelis in September 2013, thereafter pursuing a long period of involvement in the industry, which included building relationships with a number of key players. Following this, Apax approached 3i in summer of 2014, before entering into a series of interactions with management and owner, thereafter entering into de facto exclusive negotiations with the seller as of December 2014. During this time, the deal team was able to perform due diligence, as well as closely monitor the renewed momentum in the business, leading up to the eventual signing of the deal in February 2015.
- On 17 December 2015, Azelis subsequently closed the acquisition of Koda Distribution Group. This transformational acquisition facilitated the expansion of Azelis into a truly global specialty chemical distributor, with the ability to serve principals and customers at a global, regional and local level, with an expanded suite of services. The transaction represented a total enterprise value of $550m, equivalent to 10.7x 2015E run-rate EBITDA of $51.4m / 11.0x 2015E run-rate EBITA of $49.9m.

Azelis S.A.

Apax Contacts

Giancarlo Aliberti
London
T +44 207 872 6437
E giancarlo.aliberti@apax.com

Frank Ehmer
London
T +44 20 7872 6407
E frank.ehmer@apax.com

Apax Board Representatives (3 of 9)

Giancarlo Aliberti
Frank Ehmer
Anders Meyerhoff

Company Update and Current Trading

Recent Developments

Azelis has continued strong growth in 2017, with May 2017 year-to-date Gross Margin ("GM") and EBITDA demonstrating constant currency ("CC") year-over-year organic growth of 6.3% and 5.4% respectively.

Azelis' EMEA business (50% revenue) has had a strong start to the year, with May year-to-date GM CC growth year-over-year of 4.6%, driven by strong momentum across both existing and new Principal relationships. This consistent organic growth, coupled with no Principal losses of great magnitude in 2017, is expected to provide a strong platform for growth into H2 2017. In addition, management have focussed on a number of key initiatives to address operational improvements, which are expected to yield opportunities - both across EBITDA margin and growth. Finally, integration of Ametech has been finalised, and the business is now fully incorporated within the Azelis structure.

Azelis' American business (44% revenue, acquired in Dec 2015) has seen very significant growth, with May year-to-date growth of 10.4% GM CC year-over-year. Azelis Americas performance has been buoyed by significant Principal wins across the CASE division (Coatings, Adhesives, Sealants and Elastomers), a strong Specialty Agriculture season, as well as a rebound in both Oil and Gas and Canada methanol prices. Integration has been finalised post Ross Organic acquisition, with cost synergies already implemented and cross-sell initiatives continuing to bear fruit.

Azelis' Asia Pacific business (6% revenue) has shown May year-to-date CC GM decline of 8.7% year-over-year, as a result of a high risk, single product customer loss, already identified in the course of Apax's initial due diligence. This decline has been partially offset by significant Principal wins, geographic expansion into new geographies (India, Indonesia) and strong like for like organic growth.

Azelis continues to focus on developing its Principal pipeline, with a dedicated workstream targeting new mandate wins to help drive organic growth. The additional scale and scope of Azelis post Koda Distribution Group acquisition has enabled the combined entity to benefit from new / enhanced relationships globally.

Azelis demonstrated strong cash flow generation in H2 2016, with the business benefiting from continued focus on NWC optimisation. As at December 2016, total reported leverage stood at 6.9x LTM PF EBITDA. Over the course of 2017, Azelis has invested in NWC to support high growth of the business; which coupled with normal seasonality of the business, resulted in reported leverage increasing by c. €30m. Given strong EBITDA growth, though, total leverage has improved, with May 2017 leverage at 6.7x LTM PF EBITDA, versus 6.9x as at December 2016.

Since the acquisition of Koda Distribution Group, Azelis has made substantial progress on addressing add-on accretive M&A opportunities, having already acquired Ametech in August 2016, at an EV / EBITDA multiple of c. 7x. In January 2017, Azelis completed the acquisition of Ross Organic, the American West Coast market leader for distribution of Personal Care chemicals, with a double-digit EBITDA growth profile. The business was acquired for an EV / EBITDA multiple of c. 7x (post-synergies), and was funded through a combination of debt and incremental equity funding. In addition, Azelis announced in June 2017 that it had acquired LCH, a leading Nordic distributor of Food & Health chemicals. This business was acquired for an EV / EBITDA multiple of c. 7x, and was financed solely through debt funding. A full screening of targets across under-penetrated regions continues to be followed, with greater than 20 targets currently in active discussion globally, and two currently in exclusivity.

Azelis S.A.

Value Creation Since Investment

Apax has partnered with management on numerous initiatives since the closing of the acquisition in April 2015.

Add-on M&A: Apax has assisted in the building of Azelis' internal M&A function, allowing the company to efficiently analyse accretive add-on M&A opportunities. This process has resulted in a healthy pipeline of opportunities; with three signed and completed in August 2016, January 2017 and June 2017 (Ametech, Ross Organic and LCH, respectively) and a number already in process of (final) due diligence, with two opportunities currently in exclusivity.

Transformational M&A: Apax has directly supported management in the assessment of transformational M&A. In Apax Funds' first year of ownership, Azelis and Apax conducted diligence on Koda Distribution Group, completing the transaction in December 2015. Azelis and Apax continue to identify potential opportunities for transformational M&A for the business, across other less penetrated regions.

Improvement initiatives: Azelis has taken the opportunity to roll out a number of improvement opportunities across the business. Within the EMEA region, Azelis has implemented a full pricing initiative, expected to be rolled out across all major European countries by end of 2017. Azelis Americas has recently engaged Texas A&M, to help identify and target opportunity for optimisation across warehouse and logistics costs, the results of which are also expected to be actioned by end of 2017.

Focus on under-performing regions: Given impact of lost mandates in the UK, management have begun implementing an operational improvement plan in Azelis' UK region - expected to have been fully executed by end of Q2 2017. In addition, Azelis has also implemented an operational improvement plan in Nordics to address under-performance.

Roll-out of new IT platform: Apax's Operational Excellence Practice has been assisting management in the formulation and roll-out of the Company's new IT platform, which will further enhance sales-force efficiency and Principal alignment.

Enrichment of Board of Directors: Through its extensive network, Apax facilitated the appointment of Michael Roney, former CEO of Bunzl (UK FTSE100 distribution company) as Non-Executive Director on the Azelis Board in April 2016; joining already-appointed Antonio Trius and Mario Preissler (also Apax facilitated), each with extensive experience in the chemical industry, across both supply chain and distribution.

Corporate Social Responsibility

Environmental: Azelis complies with all material relevant local environmental laws, standards and regulations. The Company has undertaken multiple initiatives to reduce the use of resources including reducing its electricity and packaging consumption. The Company monitors its use of energy and other resources and requires its waste disposal sub-contractors to adhere to environmental best practice guidelines.

Social: Azelis complies with all the materially relevant local labour laws, standards and regulations including with regards minimum wages and anti-discrimination policies. The Company has a Health and Safety policy.

Governance: Azelis has a corporate governance policy which is updated as required. Azelis has a code of conduct / ethics policy.

Exit

An exit is not actively under consideration.

Azelis S.A. Company Financials

Profit and Loss in €m Year end 31 December	2014 Audited	2015 PF LTM	2016 Audited	May-2017 PF LTM
Revenue/Sales	799.6	1,502.2	1,515.4	**1,648.0**
Gross Profit	165.3	295.8	305.0	**332.5**
Reported EBITDA	36.3	89.7	93.0	**109.0**
Depreciation & Amortisation	(19.6)	(32.6)	(19.4)	**(12.9)**
EBIT	16.7	39.9	73.6	**84.5**
Net Financial Income / (Expense)	(32.9)	(47.6)	(49.2)	**(53.6)**
Other	-	-	(87.4)	**(64.3)**
Profit Before Tax	(16.2)	(7.7)	(63.0)	**(33.4)**

2014 Audited figures excluding acquisition of Koda Distribution Group.
2015 PF LTM based on combination of Azelis and Koda Distribution Group. PF financial expense based on new capital structure in place post closing.
2016 Audited, excluding non-recurring items, including 3 months' of Ametech acquisition.
2017 PF LTM based on combination of Azelis, Koda Distribution Group, Ametech and Ross Organic acquisitions
Other items in 2016 and May-2017 include one of costs relating to acquisition and subsequent integration of Azelis Americas, Ametech and Ross Organic, as well as loss on changes in fair value of Preferred Equity Certificates (equity funding) that impact the P&L.

Cash Flow in €m Year end 31 December	2014 Audited	2015 PF LTM	2016 Audited	May-2017 YTD
Reported EBITDA	36.3		93.0	**49.4**
Capital Expenditure	(4.8)		(5.1)	**(2.8)**
Change in Net Working Capital	(3.7)		15.6	**(31.2)**
Other	(1.7)		(13.0)	**(17.3)**
Free Cash Flow	26.1	-	90.5	**(1.9)**
Debt Service	(21.9)		(49.2)	**(18.6)**
Other	-		(19.0)	**15.1**
Net Change in Cash & Cash Equivalents	4.2	-	22.3	**(5.4)**

2014 Audited figures excluding acquisition of Koda Distribution Group.
2015 PF not available for combined business.
2016 Audited figures. Other cash flow (beneath Free Cash Flow) predominantly represents acquisition of Ametech, and is shown net of financing obtained to support the acquisition.
May-17 YTD includes Ametech and Ross acquisitions (profitability) and cash outflow for Ametech (deferred payment) and Ross acquisition.

Summary Balance Sheet in €m Year end 31 December	2014 Audited	2015 Audited	2016 Audited	May-2017 Unaudited
Assets				
Tangible Assets	233.8	420.0	450.8	**489.0**
Intangible Assets	205.0	788.3	851.1	**873.8**
Other	4.9	10.1	7.0	**7.1**
Total Assets	443.7	1,218.4	1,308.8	**1,369.9**
Liabilities and Equity				
Liabilities	460.7	980.8	1,018.3	**1,056.8**
Equity	(17.0)	237.6	290.5	**313.1**
Total Liabilities and Equity	443.6	1,218.4	1,308.8	**1,369.9**

2014 Audited figures excluding acquisition of Koda Distribution Group.
2015 inclusive of Koda Distribution Group.
2016 inclusive of Koda Distribution Group and Ametech.
2017 inclusive of Koda Distribution Group, Ametech and Ross Organic

Azelis S.A. Fair Valuation Calculation

Performance Indicators € million	Entry	LTM to 31.12.2016	LTM to 31.03.2017	LTM to 30.06.2017
Adjusted Revenue/Sales	**814.2**	**1,562.5**	**1,623.6**	**1,662.9**
Growth vs Entry				104.2%
Adjusted EBITDA	**41.2**	**101.9**	**102.2**	**106.6**
Margin	5.1%	6.5%	6.3%	6.4%
Growth vs Entry				158.6%
Total Net Debt/(Cash)	**251.5**	**716.0**	**785.4**	**785.2**
Multiple	6.1x	7.0x	7.7x	7.4x

Figures presented above reflect the underlying performance of the company. Current and prior period figures may be adjusted for exceptional items, one-off effects and full year impact of acquisitions/disposals and other effects. Figures could therefore differ from company audited financials. Net financial indebtedness is the aggregate of all long term and short term debt less any relevant adjustments (e.g. cash).

Total Net Debt in table above includes "Total Net Debt/(Cash)" and "Other" in the below table. LTM Dec-16 and LTM Mar-17 manually adjusted for acquisitions.

Key Valuation Data € million

Valuation Basis	Entry	LTM to 31.12.2016	LTM to 31.03.2017	LTM to 30.06.2017
EBITA	41.2	96.0	96.7	102.9
Enterprise Value Multiple	10.9x	15.4x	16.1x	16.3x
Enterprise Value	**450.9**	**1,474.8**	**1,556.5**	**1,676.5**
Total Net Debt/(Cash)	251.5	729.2	734.7	741.4
Other	22.9	3.4	42.3	43.9
Equity Value All Shareholders	**176.6**	**742.2**	**779.5**	**891.2**
Current Valuation – Local ccy	77.6	307.3	323.6	368.1
FX (EUR:EUR)	1.00	1.00	1.00	1.00
Current Valuation – Fund ccy	**77.6**	**307.3**	**323.6**	**368.1**

Valuation Methodology		Public trading multiples	Public trading multiples	Public trading multiples

Enterprise Value, Net Debt and EBITDA for the prior and current periods represent the numbers used within the fair valuation calculations. These could be LTM, normalised or actual EBITDA numbers depending on the timing of the calculation. Accordingly they may vary relative to final audited figures.

Net Debt € million	Cost %	Entry	31.12.2016	31.03.2017	30.06.2017
Senior Debt	5.2%	180.0	462.7	469.8	455.3
High Yield Debt	-	-	-	-	-
Mezzanine Debt	9.5%	60.0	195.3	223.5	216.0
Drawn Revolver	4.3%	16.1	58.0	23.0	34.0
Other Debt	3.1%	18.9	34.5	34.8	24.9
Gross Debt	**6.4%**	**275.0**	**750.5**	**751.1**	**730.2**
Cash	-	(23.5)	(21.3)	(16.4)	11.2
Total Net Debt/(Cash)	**-**	**251.5**	**729.2**	**734.7**	**741.4**

Azelis S.A. Investment Adviser's Financial Summary

Fund Investment Summary € million	Entry	31.12.2016	31.03.2017	30.06.2017
Total Invested and Committed	77.6	142.5	156.8	156.8
Proceeds from Realisations	-	-	-	-
Income on Investment	-	-	-	-
Total Proceeds and Income	-	-	-	-
Current Valuation	77.6	307.3	323.6	368.1
Total Valuation	**77.6**	**307.3**	**323.6**	**368.1**
Gross Multiple	1.0x	2.2x	2.1x	2.3x

Shareholders	Undiluted	Diluted
Apax VIII EUR	41.3%	41.3%
Apax VIII USD	50.7%	50.7%
Total Apax Funds	92.0%	92.0%
Management	8.0%	8.0%
	100.0%	100.0%

COLE HAAN

Cole Haan

Stage
Buy-Out

Sector
Consumer

Type
Full Competition

Location
United States of America

Date of First Investment
1 Feb 2013

Enterprise Value at Entry
$576m
8.7x EBITDA

Net Debt/(Cash) at Entry
$308m
4.6x EBITDA

Invested & Committed
€96m

Total Apax Funds Investment
€199m

Realised Proceeds
€11m

Current Valuation
€122m

Apax Funds Equity Ownership
97.9%

www.colehaan.com

Company Overview

Business Description

Cole Haan (the "Company"), founded in 1928, is an iconic American designer and retailer of premium men's and women's footwear, apparel and accessories. The Company has a dedicated consumer following in the US and Asia due to its brand heritage and legacy of craftsmanship, style and innovation. Men's and women's footwear, which comprise c.90% of revenues, include a diversified collection of loafers, pumps, boots, ballets, drivers, and oxfords. The remaining 10% of revenues are from the sales of handbags and accessories. Cole Haan distributes its products in North America through a combination of full price and outlet retail stores (c.36% of revenues), wholesale accounts (c.30% of revenues) and e-commerce (c.17% of revenue). International operations (c.16% of revenues) are primarily focused in Japan, where the Company sells in shop-in-shop sites within premier department stores and through its own stores.

Investment Rationale

- Iconic, Market-Leading Premium Footwear Brand
  - 85 year old, well-recognised brand with very positive consumer perception
  - #1 and #2 share in men's and women's premium footwear categories, respectively
  - Brand appeals to a broad span of ages, price points and usage occasions
- 'Corporate Orphan' Undermanaged Asset
  - Lack of consistent direction: non-core Nike subsidiary with three CEOs in past five years
  - Cost savings opportunity: margins below historical and peers (8% in FY 2012 vs. 13% in FY 2008 and peers in high-teens)
- Healthy Core & Momentum Despite Operational Missteps
  - Wholesale buyers and consumer surveys confirm core brand strength
  - FY 2013 sales and EBITDA growth of 8% and 48%, respectively
- Partner with 'Moneymakers' in Other Footwear & Apparel LBOs
  - New management team, led by CEO Jack Boys, have prior experience in successfully leading the global expansion of lifestyle brands
  - Converse: transformed bankrupt sneaker manufacturer into a highly profitable, global lifestyle brand
  - The North Face: re-engineered niche brand with history of losses into profitable outdoor global lifestyle bellwether
- Attractive Risk-Return Profile
  - 'Measurable downside' – material portion of profit growth from diligence cost savings
  - 'Breakout potential' – 'brand turnaround' could fetch a high multiple from strategic or IPO

Transaction Summary

- Nike announced in Summer 2012 that it would pursue the sale of Cole Haan in an auction process. On 1 February 2013, Funds advised by Apax Partners completed the acquisition of Cole Haan. The final enterprise value of $576m (including fees) represented a transaction multiple at closing of 8.7x LTM Adjusted EBITDA, including a portion of identified cost savings, and 11.4x excluding cost savings.
- The transaction was financed 46% by equity ($268m) and 54% debt ($310m). Apax Funds contributed 98% of the equity ($264m). The debt consisted of a $290m covenant-lite term loan and a $100m asset based revolver ($20m drawn at closing). The debt represented net leverage of 4.6x LTM Adjusted EBITDA including cost savings and 6.1x excluding cost savings.

Cole Haan

Apax Contacts

John Megrue
New York
T +1 212 419 2412
E john.megrue@apax.com

Alex Pellegrini
New York
T +1 212 419 2427
E alex.pellegrini@apax.com

Apax Board Representatives (2 of 5)

John Megrue
Alex Pellegrini

Company Update and Current Trading

Recent Developments

Cole Haan has a May fiscal year end. As such, this financial update encompasses performance through May 2017, which represents the Company's 2017 fiscal year.

Management has been executing its plan to transform from a North American focused footwear and accessories business to a global, lifestyle brand. This year, the team has made investments to upgrade merchandising and design talent, bringing in Justine Suh (ex Deckers) to the role of Chief Merchandising Officer and Tom Mora (ex J Crew) to Creative Director of Women's. New flagship stores have been opened in New York, Orange County, Dallas, and Miami.

Cole Haan generated FY 2017 revenues of $596m and adjusted EBITDA of $55m, representing year-over-year growth of 2% and 7%, respectively. Performance was driven by continued growth in Company-owned direct to consumer ("DTC") channel and International, offset by softness in the wholesale channel.

The DTC channel delivered FY 2017 comparable same store sales of 3%, on top of a 20% two-year stacked comparable store increase from FY 2015 – FY 2016. Wholesale, which represents approximately a third of the overall sales, experienced a (6%) decline due to a weak backdrop for major US department stores, which drove weaker than expected order volumes. International (excluding Japan) generated $23m of revenues in FY 2017, representing year-over-year growth of 41%. The Brand currently operates 86 points of distribution in international markets via distribution partners compared to 32 at the time of investment.

FY 2017 gross margins were 189bps higher when compared to FY 2016, driven by reduced promotional activity and continued sourcing improvements. SG&A as a percentage of revenue increased 150bps year-over-year due to a channel mix shift towards DTC and planned growth investments.

Value Creation Since Investment

Since closing, management has executed upon the following strategic initiatives to drive growth:

- Senior leadership top-graded (11 out of 12 senior exec positions replaced)
- Product and brand overhaul to support the development of a global lifestyle brand underway with significant hires made in design, merchandising, and innovation
- Developed multichannel global digital strategy with complete overhaul of eCommerce platform
- Unprofitable stores closed and new flagships opened
- Product category licensing and international expansion deals have been signed and are rolling out
- Independent infrastructure established, migrated off all Nike TSAs and IP

Corporate Social Responsibility

As a subsidiary of Nike, Cole Haan has historically maintained rigorous corporate responsibility standards with regard to product designs, manufacturing and supply chain. Nike's supply chain requirements have frequently been cited among the most rigorous standards for athletic shoe production. In coming years, management and the Investment Adviser will review existing policies, where appropriate, to meet the needs of an independent footwear and accessories company.

Exit

An exit is not actively under consideration.

Cole Haan Company Financials

Profit and Loss In $m

Year End - 31 May

	FY2014 AUDITED	FY2015 AUDITED	FY2016 AUDITED	FY2017
	US GAAP	US GAAP	US GAAP	**US GAAP**
Revenue/Sales	553.2	580.9	582.3	**596.3**
Gross Profit	248.6	258.3	257.1	**274.7**
Reported EBITDA	62.6	63.6	51.5	**54.8**
Depreciation & Amortisation	39.8	42.5	42.9	**36.0**
EBIT	22.8	21.1	8.6	**18.8**
Net Financial Income / (Expense)	(18.9)	(18.7)	(19.3)	**(21.1)**
Other	(20.5)	(36.4)	(19.5)	**(5.7)**
Profit Before Tax	(16.6)	(34.0)	(30.2)	**(8.0)**

EBITDA includes quality of earning adjustments that exclude one-time, non-recurring charges, and the impact of non-cash accrual reversals and other non-cash accounting charges. "Other" includes one-time, non-recurring charges.

Cash Flow In $m

Year End - 31 May

	FY2014 AUDITED	FY2015 AUDITED	FY2016 AUDITED	FY2017
	US GAAP	US GAAP	US GAAP	**US GAAP**
Reported EBITDA	62.6	63.6	51.5	**54.8**
Capital Expenditure	(22.0)	(35.6)	(18.0)	**(20.0)**
Change in Net Working Capital	(5.4)	(3.0)	12.8	**12.8**
Other	(21.0)	(34.8)	(19.7)	**(4.7)**
Free Cash Flow	14.2	(9.8)	26.6	**42.9**
Debt Service	(49.8)	(37.4)	(33.6)	**(35.1)**
Other	33.0	30.0	-	**-**
Net Change in Cash & Cash Equivalents	(2.6)	(17.2)	(7.0)	**7.8**

Other reverses impact of quality of earnings adjustments, other non-cash accounting charges, effects of exchange rate fluctuations and dividend distributions.

Summary Balance Sheet In $m

Year End - 31 May

	FY2014 AUDITED	FY2015 AUDITED	FY2016 AUDITED	FY2017
Assets				
Tangible Assets	269.5	282.7	245.0	**224.0**
Intangible Assets	384.4	362.6	342.8	**331.5**
Other	-	-		
Total Assets	653.9	645.3	587.8	**555.5**
Liabilities and Equity				
Liabilities	440.5	476.0	455.7	**436.7**
Equity	213.5	169.3	132.1	**118.8**
Total Liabilities and Equity	654.0	645.3	587.8	**555.5**

Cole Haan Fair Valuation Calculation

Performance Indicators $ million

	Entry	LTM to 31.12.2016	LTM to 31.03.2017	LTM to 30.06.2017
Adjusted Revenue/Sales	**560.8**	**595.2**	**600.1**	**596.3**
Growth vs Entry				6.3%
Adjusted EBITDA	**66.3**	**64.1**	**62.7**	**57.5**
Margin	11.8%	10.8%	10.4%	9.6%
Growth vs Entry				(13.4%)
Total Net Debt/(Cash)	**307.7**	**361.7**	**353.7**	**315.3**
Multiple	4.6x	5.6x	5.6x	5.5x

Figures presented above reflect the underlying performance of the company. Current and prior period figures may be adjusted for exceptional items, one-off effects and full year impact of acquisitions/disposals and other effects. Figures could therefore differ from company audited financials. EBITDA is adjusted for excess marketing investment and growth investments in the US sales team, product innovation and international talent. Net financial indebtedness is the aggregate of all long term and short term debt less any relevant adjustments (e.g. cash).

Key Valuation Data $ million

Valuation Basis	Entry	LTM to 31.12.2016	LTM to 31.03.2017	LTM to 30.06.2017
EBITDA	66.3	64.1	62.7	57.4
Enterprise Value Multiple	8.7x	10.0x	10.1x	10.5x
Enterprise Value	**576.4**	**637.8**	**633.3**	**605.8**
Total Net Debt/(Cash)	307.7	361.7	353.7	315.3
Other	-	-	-	-
Equity Value All Shareholders	**268.7**	**276.1**	**279.6**	**290.5**
Current Valuation – Local ccy	129.3	132.5	134.2	139.4
FX (EUR:USD)	1.34	1.05	1.07	1.14
Current Valuation – Fund ccy	**96.2**	**126.0**	**126.0**	**122.0**

Valuation Methodology		Public trading and transaction multiples	Public trading and transaction multiples	Public trading and transaction multiples

Enterprise Value, Net Debt and EBITDA for the prior and current periods represent the numbers used within the fair valuation calculations. These could be LTM, normalised or actual EBITDA numbers depending on the timing of the calculation. Accordingly they may vary relative to final audited figures.

Net Debt $ million

	Cost %	Entry	31.12.2016	31.03.2017	30.06.2017
Senior Debt	5.0%	290.0	310.4	309.6	308.0
High Yield Debt	-	-	-	-	-
Mezzanine Debt	-	-	-	-	-
Drawn Revolver	2.0%	20.0	59.5	55.5	19.4
Other Debt	-	-	-	-	-
Gross Debt	**-**	**310.0**	**369.9**	**365.1**	**327.4**
Cash	-	(2.3)	(8.2)	(11.4)	(12.1)
Total Net Debt/(Cash)	**-**	**307.7**	**361.7**	**353.7**	**315.3**

Cole Haan Investment Adviser’s Financial Summary

Fund Investment Summary € million	Entry	31.12.2016	31.03.2017	30.06.2017
Total Invested and Committed	96.2	96.2	96.2	96.2
Proceeds from Realisations	-	10.7	10.7	10.7
Income on Investment	-	-	-	-
Total Proceeds and Income	-	10.7	10.7	10.7
Current Valuation	96.2	126.0	126.0	122.0
Total Valuation	**96.2**	**136.7**	**136.7**	**132.7**
Gross Multiple	1.0x	1.4x	1.4x	1.4x

Shareholders	Undiluted	Diluted
Apax VIII EUR	48.0%	48.0%
Apax VIII USD	49.9%	49.9%
Total Apax Funds	97.9%	97.9%
Management	2.1%	2.1%
	100.0%	100.0%

Duck Creek Technologies

Stage
Buy-Out

Sector
Tech & Telco

Type
Proprietary

Location
United States of America

Date of First Investment
1 Aug 2016

Enterprise Value at Entry
$407m
67.3x EBITDA

Net Debt/(Cash) at Entry
$(35)m
(5.8x) EBITDA

Invested & Committed
€107m

Total Apax Funds Investment
€239m

Realised Proceeds
-

Current Valuation
€106m

Apax Funds Equity Ownership
60.0%

Company Overview

Business Description

Duck Creek is a leading provider of modern software technology to the P&C Insurance Carrier market. The Company was founded in 2000 in Bolivar, MO and has was acquired by Accenture in 2011. Today, it is the second largest P&C Insurance software vendor in the United States and, with the acquisition of Agencyport, has over 1,000 employees, six offices in the United States as well as offices in the UK, Spain, India and Australia. The Company's products are focussed on the following key areas of back-end processing in the P&C Market:

Policy Administration: Pricing, issuing, updating and maintaining policies issued by carriers in all 50 US states and internationally

Claims Processing: loss reporting and administration to client settlement and recovery

Billing: enables invoicing, payments, disbursements, form filing and regulatory reporting

Rating: rules engine related to policy pricing and data analysis

Investment Rationale

- Duck Creek is a strong product company in an attractive, high growth market. P&C insurance software is in the midst of a transition from legacy / homegrown solutions to modern systems, and is a mission critical core administration system. Complexity and high implementation costs drive c. 100% customer retention rates and high barriers to entry
- The carve-out of Duck Creek from Accenture, where it was underinvested and non-core asset, will accelerate growth. As part of Accenture, Duck Creek has been constrained by a non-software focussed go-to-market strategy, and a lack of investment in sales and experienced software company management
- Duck Creek has significant whitespace to accelerate its already high revenue growth. The penetration of core modern systems is currently less than 30% in the P&C market, and expected to grow to more than 50% by 2020, and continue accelerating thereafter.
- At entry, Duck Creek is valued at a significant discount to its main competitor, Guidewire, and at a discount to its public vertical software peers

Transaction Summary

- On 1 August 2016, Apax VIII completed the acquisition of a 60% stake in Duck Creek Technologies, Inc. from Accenture, which will retain a 40% stake. Duck Creek, with the support of Apax and Accenture, agreed to acquire the add-on Agencyport, which closed concurrently with the Duck Creek deal. The transaction represents a total enterprise value of $396m ($407m including fees), representing 2.8x NTM Revenue. Apax VIII contributed $263m of equity in exchange for a 60% ownership in the all equity financed transaction.
- Apax has prioritised the P&C insurance market as a firm-wide area of focus, and the Tech & Telco team in particular has remained focussed on highly defensible vertical application software vendors. In particular, Apax has significant experience in the insurance space through the Apax Funds' investments in HUB International and Assured Partners, and extensive experience in the vertical application software areas through the Apax Funds' investments in Epicor, Paradigm and Exact.
- Duck Creek was identified by Apax as an attractive business as part of commercial diligence on another opportunity in the insurance software space in July 2015. Apax proactively approached Accenture in December 2015 with an unsolicited proposal to carve-out Duck Creek from Accenture and obtained exclusivity from February 2016 through to signing.

Duck Creek Technologies

Apax Contacts

Jason Wright
New York
T +1 212 419 2476
E jason.wright@apax.com

Roy Mackenzie
New York
T +1 212 419 2417
E roy.mackenzie@apax.com

Umang Kajaria
New York
T +1 212 419 2405
E umang.kajaria@apax.com

Apax Board Representatives (3 of 8)

Jason Wright
Roy Mackenzie
Umang Kajaria

Company Update and Current Trading

Recent Developments

H1 FY 2017 revenue of $70m was +13% vs. last year and 2% behind budget, due to a mix of delayed software deals and resulting lower services. Operating expenses for H1 2017 were on-plan, resulting in a slight EBITDA miss, due to revenue, and one-time carve-out costs were significantly below plan which provided good cushion on cash.

Key H1 FY 2017 deals include a $1m Full Suite SaaS deal with Anchor General, and a $5m Policy and Templates perpetual deal with Auto-Owners. Key term license deals include a $1m Portal deal with Nationwide, and a $0.5m Full Suite deal with First American.

In June 2017, Duck Creek successfully completed an implementation of new ERP and CRM systems which has allowed it to get off the TSAs which were in place with Accenture and is now operating as a true standalone entity.

In July 2017, Duck Creek completed a formal partnership with Tier 1 SI, PwC, and is in negotiations to establish a formal partnership with EY, the last Tier 1 SI with which it had no arrangement.

Value Creation Since Investment

- **M&A:** Apax VIII acquired Agencyport, a leader in digital insurance agent portals, concurrently with Duck Creek. This strategic acquisition expands the overall product offering, creates cross-sell opportunities, and adds strong management. In December, Duck Creek acquired Yodil, a leading provider in insurance data management and business intelligence / analytics. Yodil's platform will form the basis of Duck Creek's go forward analytics offering, and the combination with Duck Creek's Insights offering will complete a marketing leading data management suite of products.
- **Talent:** Apax helped recruit key additions to Board and Management team. Duck Creek brought on an experienced CFO, Vincent Chipparri, the former CFO of Interactive Data Corp., FleetMatics Group and NameMedia, and a Chief Revenue Officer, Eugene Van Biert, from Skillsoft. Larry Wilson, the former founder and CEO of PMSC (leading insurance software company sold to to CSC for $700m) and Chuck Moran, the former Founder and CEO of Skillsoft, were added to the Board.
- **System Integrator Relationships:** Apax investment team has leveraged its relationships to help expand the system integrator network for Duck Creek. Since the transaction with Apax VIII, Duck Creek has signed over 5 new SI relationships including major Tier 1 partners (Cognizant and Capgemini). Capgemini additionally made an investment to acquire Tcube, the largest independent Duck Creek focused boutique SI to become a strategic Duck Creek partner

Corporate Social Responsibility

Environmental

- Duck Creek has a very low environmental risk profile given the nature of its software business and the Company does not own any real property
- Duck Creek complied with all material environmental laws, standards and regulations

Social

- Duck Creek complies with all the relevant local labour laws, standards and regulations, including with regard to minimum wages and anti-discrimination policies
- Duck Creek has Health and Safety, Equal Employment Opportunity, and Diversity policies in place

Governance

- Duck Creek has a code of conduct / ethics policy in place, in addition to typical board governance procedures

Exit

An exit is not actively under consideration.

Duck Creek Technologies Company Financials

Profit and Loss Header	FY16[1]	LTM 30.06.2017
Revenue/Sales	143.2	146.6
Gross Profit	79.4	100.4
Reported EBITDA	13.9	3.8
Depreciation & Amortisation	3.6	1.4
EBIT	10.3	2.4
Net Financial Income / (Expense)		
Other		-11.4
Profit Before Tax	10.3	-9.0

Footnotes: Reflects management reported financials with prior ownership structure for results before Aug 1, 2016, as financials not tracked below operating income. 2016 pro forma for full-year impact of acquisition of Agencyport. Reported EBITDA and EBIT are adjusted for one-time carve-out expenses.
(1) FY'16 reflected pre-standalone financial results, estimated based on internal management reporting. Values not comparable to other periods.

Cash Flow Header	LTM 30.06.2017
Reported EBITDA	3.8
Capital Expenditure	-1.2
Change in Net Working Capital	-12.4
Other	-6.4
Free Cash Flow	-16.2
Debt Service	
Other	
Net Change in Cash & Cash Equivalents	-16.2

Footnotes: Reflects cash flow generated since Aug 1, 2016, as standalone cash flow not available under prior ownership structure.

Summary Balance Sheet Header	FY16	LTM 30.06.2017
Assets		
Tangible Assets	49.7	56.8
Intangible Assets	400.3	415.0
Other		
Total Assets	450.0	471.8
Liabilities and Equity		
Liabilities	50.2	64.9
Equity	399.8	406.8
Total Liabilities and Equity	450.0	471.8

Duck Creek Technologies Fair Valuation Calculation

Key Valuation Data $ million

Valuation Basis	Entry	NTM from 31.12.2016	NTM from 31.03.2017	NTM from 30.06.2017
Revenue	151.8	153.0	158.9	162.3
Enterprise Value Multiple	2.7x	2.7x	2.7x	2.7x
Enterprise Value	**407.4**	**409.5**	**434.0**	**440.3**
Total Net Debt/(Cash)	(30.0)	(15.1)	(15.5)	(11.1)
Other	-	-	-	-
Equity Value All Shareholders	**437.4**	**424.6**	**449.5**	**451.4**
Current Valuation – Local ccy	117.4	113.9	120.6	121.1
FX (EUR:USD)	1.10	1.05	1.07	1.14
Current Valuation – Fund ccy	**106.8**	**108.3**	**113.2**	**106.0**

Valuation Methodology	Cost	Public trading and transaction multiples	Public trading and transaction multiples	Public trading and transaction multiples

Enterprise Value, Net Debt and EBITDA for the prior and current periods represent the numbers used within the fair valuation calculations. These could be LTM, normalised or actual EBITDA numbers depending on the timing of the calculation. Accordingly they may vary relative to final audited figures.

Net Debt $ million

	Cost %	Entry	31.12.2016	31.03.2017	30.06.2017
Senior Debt	-	-	-	-	-
High Yield Debt	-	-	-	-	-
Mezzanine Debt	-	-	-	-	-
Drawn Revolver	-	-	-	-	-
Other Debt	-	-	-	-	-
Gross Debt	**-**	**-**	**-**	**-**	**-**
Cash	-	(30.0)	(15.1)	(15.5)	(11.1)
Total Net Debt/(Cash)	**-**	**(30.0)**	**(15.1)**	**(15.5)**	**(11.1)**

Duck Creek Technologies Investment Adviser's Financial Summary

Fund Investment Summary € million	Entry	31.12.2016	31.03.2017	30.06.2017
Total Invested and Committed	106.8	106.8	106.8	106.8
Proceeds from Realisations	-	-	-	-
Income on Investment	-	-	-	-
Total Proceeds and Income	-	-	-	-
Current Valuation	106.8	108.3	113.2	106.0
Total Valuation	**106.8**	**108.3**	**113.2**	**106.0**
Gross Multiple	1.0x	1.0x	1.1x	1.0x

Shareholders	Undiluted	Diluted
Apax VIII EUR	26.8%	26.8%
Apax VIII USD	33.2%	33.2%
Total Apax Funds	60.0%	60.0%
Accenture	40.0%	40.0%
	100.0%	100.0%

Engineering

Stage
Buy-Out

Sector
Tech & Telco

Type
Proprietary

Location
Italy

Date of First Investment
22 Apr 2016

Enterprise Value at Entry
€691m
7.1x EBITDA

Net Debt/(Cash) at Entry
€158m
1.6x EBITDA

Invested & Committed
€120m

Total Apax Funds Investment
€261m

Realised Proceeds
-

Current Valuation
€199m

Apax Funds Equity Ownership
49.6%

www.eng.it

Company Overview

Business Description

Headquartered in Rome, Engineering is a leading Italian IT services provider. The group employs c.9.200 people across Italy, Brazil and Germany and has a nascent presence in other markets. Engineering provides system integration services, software applications (including certain proprietary solutions) and outsourcing services to more than 1,700 customers. The business operates across five core sectors: Finance, Public Administration & Healthcare, Industry & Services, Energy & Utilities and Telco & Media.

Engineering has developed a leading presence in the majority of its core sectors, with significant penetration of own-developed software solutions:

- 80% of Italian banks (#95) have adopted Engineering's compliance & Risk Management software
- 500+ municipalities use the Engineering Tax Collection software product
- 40% of Italian hospitals and 90% of municipalities and healthcare organizations use Engineering's software

For the 12 months ending in May 2017, the company reported €951.8m of net revenues and €112.3m of Adjusted EBITDA.

Investment Rationale

- Take-private of a solid and conservatively run on-shore IT Services provider with a defensible position in the Italian market, at an attractive entry valuation and limited downside driven by stability of revenue and entry cash flow yield:
- Leading market position with limited downside: Engineering is the #5 largest IT Services provider in Italy (by revenues) and the clear local champion. Having penetrated most of the Financial, Local Government and Healthcare institutions in the country, Engineering is a clear reference in the verticals it operates. Underpinned by its proprietary solutions, customer stickiness and high switching costs proven by Engineering's stable revenue evolution throughout the crisis.
- Attractive entry valuation: Engineering traded below peers due to limited liquidity, suboptimal capital structure, poor coverage, unfriendly corporate governance and historical higher tax-rate. The investment by Apax VIII and NB offers a c.11% EqFCF yield despite low entry net leverage (1.6x LTM EBITDA) and the protections that this affords.
- Conservatively run with scope for upside: The company is well run but presents some opportunities in (i) active management of the employee pyramid; (ii) more commercial ambition, particularly in international expansion; (iii) optimisation of capital structure and cash management (iv) optimisation of the software development model
- Potential for accretive M&A: Management has acquired and successfully integrated c.€370m of revenue since 2000 (average. EV of c.5x EBITDA) with strong underlying industrial logic. There remains significant opportunity for M&A in the fragmented Italian market.

Transaction Summary

- Engineering was acquired in July 2016 following the completion of a mandatory tender offer through which the vehicle owned by Apax Funds, NB Renaissance funds and the management team acquired 100% of the outstanding shares in Engineering for a consideration of €802m. The acquisition valued the Company at €691m or 7.1x LTM Adjusted EBITDA.
- The acquisition was funded through €130m of drawn acquisition debt (€158m net debt including other debt items) and €533m of equity. Apax VIII invested €260m of equity, corresponding to a 49.6% ownership (52.2% pro-forma excluding special shares) in Engineering at entry. Net debt at close represented total leverage of 1.6x LTM Adjusted EBITDA.
- Apax VIII, together with NB, entered into an exclusive arrangement with the founding shareholder of Engineering in late 2015 with a view to acquiring his stake and launching a subsequent mandatory tender offer for the business' remaining shares. Together, Apax and NB conducted c.3-months of detailed diligence

Engineering

Apax Contacts

Giancarlo Aliberti
London
T +44 207 872 6437
E giancarlo.aliberti@apax.com

Gabriele Cipparrone
London
T +44 20 7666 6478
E gabriele.cipparrone@apax.com

Apax Board Representatives (4 of 11)

Giancarlo Aliberti
Gabriele Cipparrone
Emilio Voli
Marco Bonaiti

Company Update and Current Trading

Recent Developments

For the 12 months ending 31 May 2017, Engineering generated €952m of net revenues with a year-over-year growth of 9.7% oncompared to May 2016 and a year-over-year growth of 12.7% for the first 5 months of 2017. Revenue growth was driven by a good performance across all verticals in Italy (with a particularly strong performance of the finance sector), the contribution of a small acquisition in Germany and the recovery of the Brazilian business (which in 2017 is recovering after 2016 was affected by the negative macro situation and the temporary suspension of a large project).

The business performed well at the EBITDA level, with the company generating €112m of Adjusted EBITDA in the 12 months ending 31 May 2017 (+9.7% vs last year and +12.3% for the first 5 months of 2017). EBITDA margin in Italy has slightly compressed due to change in business mix and some price pressure, particularly in public administration and telecoms, but overall EBITDA margin has remained stable thanks to recovery of Brazilian profitability.

In the first half of 2017 the company has successfully acquired a few small targets with specialized solutions, whereas in the remaining part of 2017 it will focus on larger acquisitions in the banking sector.

Value Creation Since Investment

The Investment Adviser has contributed to value creation by:

- Identifying and evaluating add-on acquisitions, with 4 small targets already acquired in 2017 and several other opportunities in the pipeline (some with potential to close before the end of the year)
- Supporting the optimisation of the capital structure and cash management through the factoring of receivables, to be implemented on a rolling basis before the end of 2017 (after ~€60m have already been factored in 2016)
- Supporting pyramid restructuring through a "rejuvenation program" that has facilitated the exit of 121 employees for a net run-rate cost saving of €7.7m, of which €4.6m already to be achieved in 2017
- Advising the Company on business strategy and development
- Implementing a management investment plan to attract talent both at management and board level

Corporate Social Responsibility

The Company has a low ESG footprint and is in relatively good position on environmental, social and governance fronts. There remain areas for continued improvement given its operating geographies and the people-intensive nature of the business model and these will remain a focus for Engineering in the future.

Exit

An exit is not actively under consideration.

Engineering Company Financials

Profit and Loss Header	FY 2015 Audited	FY 2016 Audited	5M17 LTM Estimate
Net Revenue	850.9	907.6	**951.8**
Reported EBITDA	105.5	108.4	**112.3**
Adjusted EBITDA	96.3	108.0	**112.3**
Depreciation	(8.7)	(8.0)	**(7.8)**
Adjusted EBITA	87.6	100.0	**104.5**
Amortization	(32.3)	(43.9)	**(55.2)**
EBIT	55.3	56.0	**49.3**
Net Financial Income / (Expense)	15.4	11.7	**(12.9)**
Profit Before Tax	70.7	67.7	**36.4**

Revenue/Sales refers to Net Revenue. Amortization includes other provisions

Cash Flow Header	FY 2015 Audited	FY 2016 Audited	5M17 LTM Estimate
Reported EBITDA	105.5	108.4	**112.3**
Operating Capital Expenditure	(19.0)	(12.9)	**(22.1)**
Change in Net Working Capital	(26.9)	(37.5)	**(109.5)**
Taxes and Other Operating Activities	(28.0)	(41.1)	**(34.6)**
Free Cash Flow	31.6	16.9	**(53.9)**
Debt Service	(43.3)	(18.6)	**11.8**
Other	40.3	103.0	**(127.9)**
Net Change in Cash & Cash Equivalents	28.6	101.3	**(170.0)**

"Other" below "Debt Service" refers mainly to Financing Inflows/Outflows and Dividends

Summary Balance Sheet Header	FY 2015 Audited	FY 2016 Audited	5M17 LTM Estimate
Assets			
Tangible non-Current Assets	27.4	26.3	**35.1**
Intangible non-Current Assets	90.9	99.5	**479.2**
Current Assets	914.8	1,054.9	**852.5**
Total Assets	1,033.1	1,180.7	**1,366.8**
Liabilities and Equity			
Liabilities	591.1	694.0	**782.7**
Equity	442.0	486.7	**584.1**
Total Liabilities and Equity	1,033.1	1,180.7	**1,366.8**

Engineering Fair Valuation Calculation

Performance Indicators € million

	Entry	LTM to 31.12.2016	LTM to 31.03.2017	LTM to 30.06.2017
Adjusted Revenue/Sales	**891.9**	**907.6**	**935.6**	**948.4**
Growth vs Entry				6.3%
Adjusted EBITDA	**96.7**	**108.0**	**112.7**	**110.9**
Margin	10.8%	11.9%	12.0%	11.7%
Growth vs Entry				14.7%
Total Net Debt/(Cash)	**158.0**	**157.2**	**204.0**	**225.1**
Multiple	1.6x	1.5x	1.8x	2.0x

Figures presented above reflect the underlying performance of the company. Current and prior period figures may be adjusted for exceptional items, one-off effects and full year impact of acquisitions/disposals and other effects. Figures could therefore differ from company audited financials. Net financial indebtedness is the aggregate of all long term and short term debt less any relevant adjustments (e.g. cash).

Key Valuation Data € million

Valuation Basis	Entry	LTM to 31.12.2016	LTM to 31.03.2017	LTM to 30.06.2017
EBITA	96.7	89.1	100.9	103.1
Enterprise Value Multiple	7.1x	9.4x	9.8x	10.6x
Enterprise Value	**690.9**	**834.9**	**985.5**	**1,097.0**
Total Net Debt/(Cash)	158.0	157.2	207.7	225.1
Other	-	-	10.3	1.3
Equity Value All Shareholders	**532.9**	**677.7**	**767.5**	**870.6**
Current Valuation – Local ccy	119.7	154.7	175.2	198.7
FX (EUR:EUR)	1.00	1.00	1.00	1.00
Current Valuation – Fund ccy	**119.7**	**154.7**	**175.2**	**198.7**

Valuation Methodology		Public trading multiples	Public trading multiples	Public trading multiples

Enterprise Value, Net Debt and EBITDA for the prior and current periods represent the numbers used within the fair valuation calculations. These could be LTM, normalised or actual EBITDA numbers depending on the timing of the calculation. Accordingly they may vary relative to final audited figures.

Net Debt € million

	Cost %	Entry	31.12.2016	31.03.2017	30.06.2017
Senior Debt	1.4%	130.0	245.7	239.3	235.2
High Yield Debt	-	-	-	-	-
Mezzanine Debt	4.0%	-	-	36.3	36.6
Drawn Revolver	-	-	-	-	-
Other Debt	-	44.3	16.5	-	(23.5)
Gross Debt	**-**	**174.3**	**262.2**	**275.7**	**248.3**
Cash	-	(16.3)	(105.0)	(68.0)	(23.2)
Total Net Debt/(Cash)	**-**	**158.0**	**157.2**	**207.7**	**225.1**

Engineering Investment Adviser’s Financial Summary

Fund Investment Summary € million	Entry	31.12.2016	31.03.2017	30.06.2017
Total Invested and Committed	41.6	119.7	119.7	119.7
Proceeds from Realisations	-	-	-	-
Income on Investment	-	-	-	-
Total Proceeds and Income	-	-	-	-
Current Valuation	119.7	154.7	175.2	198.7
Total Valuation	**119.7**	**154.7**	**175.2**	**198.7**
Gross Multiple	1.0x	1.3x	1.5x	1.7x

Shareholders	Undiluted	Diluted
Apax VIII EUR	24.0%	22.8%
Apax VIII USD	28.2%	26.8%
Total Apax Funds	52.2%	49.6%
Neuberger Berman	41.1%	39.1%
Management and other	6.6%	11.3%
	100.0%	100.0%

EVRY AS

Stage
Buy-Out

Sector
Tech & Telco

Type
Limited Competition

Location
Norway

Date of First Investment
16 Mar 2015

Enterprise Value at Entry
NOK7.9bn
6.1x EBITDA

Net Debt/(Cash) at Entry
NOK4.3bn
3.3x EBITDA

Invested & Committed
€155m

Total Apax Funds Investment
€365m

Realised Proceeds
€80m

Current Valuation
€294m

Apax Funds Equity Ownership
54.5%

Ticker Symbol

www.evry.com

Company Overview

Business Description

Formed in 2010 by the merger of two Norwegian IT companies – EDB Business Partner (a listed subsidiary of Telenor) and ErgoGroup (a subsidiary of the Norwegian Post Group) – EVRY is a leading IT services company in the Nordic region. EVRY has over 40 offices across Norway and Sweden, markets characterised by robust macro-economic fundamentals and favourable IT services growth dynamics. The Company has c.8,600 employees, of which c.40% are based in offshore centres primarily in India and Ukraine.

EVRY has particularly strong market positions in the mid-market segment, i.e. companies with typically 100 to 3,000 full-time employees ("FTEs") in both Norway and Sweden, where it enjoys the #1 position with 22% and 17% market share, respectively.

It is a leading "one-stop-shop" for firms in the Nordics combining strong technical capabilities with the ability to provide the full spectrum of services and solutions required to support their IT operations. The Company's extensive local network of offices is unique and difficult-to-replicate by competitors and adds to the natural linguistic and cultural proximity to its clients.

In addition, EVRY has a strong Financial Technology ("FinTech") business which delivers proprietary mission-critical software solutions to banks via a SaaS-like delivery model in order to power their core day-to-day banking operations. EVRY enjoys the incumbent status in this market segment where it has 75% market share amongst Norwegian tier 2/3 banks.

Investment Rationale

- Investment in a quasi-government owned and undermanaged Nordic IT Services and FinTech provider at a reasonable valuation (c. 2x discount to the closest peer, Tieto, based on LTM EBITDA), with a leading and sustainable market positioning and a unique platform to address the mid-market, Government and tier-2 banks.
- EVRY is the leading IT Services player in Norway, with a unique and expensive-to-replicate platform to serve the mid-market and Government segments, as well as a core banking product for tier-2 banks in Norway. Nordic economies provide a favourable environment with an attractive GDP growth outlook and the industry is further supported by the structural tailwind of the increasing overall penetration of outsourcing IT services.
- Opportunity for operational improvement: At the time of the Apax Funds' investment, EVRY lagged peers on profitability because of limited performance culture, slow pace of change and passive ownership. The transformation it needed has been executed by others, including EVRY's most comparable competitor, Tieto which had successfully increased its cash margins over the last few years to levels significantly in excess of where EVRY was at the time (10% cash margin for Tieto vs 5% for EVRY).
- High-quality FinTech business: The Financial Services business comprises of (i) an incumbent Core Banking platform (75%) and a (ii) Cards Business (25%). This business unit can be run more aggressively from a growth and margin perspective, improving the growth profile of the business at exit. In addition, growth could be boosted by M&A opportunities to build a pan-Nordic leader.
- During diligence, Apax was able to assess the competitive threat from Indian off-shore providers given local knowledge from our Indian office and previous investments in IT services deals.

Transaction Summary

- In December 2014, the Apax Funds announced an offer to acquire 100% of the share capital of EVRY ASA. The transaction was closed on 17 March 2015 post the completion of a voluntary tender offer through which Apax Funds acquired 88% of the outstanding shares in EVRY. Apax Funds invested NOK 3.1bn (c.€356m). The debt consisted of a NOK 4.5bn (c.€523m) term loan and a NOK 1.0bn (c.€116m) revolving credit facility. Funded debt at close represented total leverage of 3.5x on a gross FY 2014 reported EBITDA and 3.3x on a net basis. At close there was NOK 195m (c.€23m) of cash on the balance sheet to fund EVRY's ongoing strategic growth initiatives and some potential outstanding liabilities.

EVRY AS

Apax Contacts

Salim Nathoo
London
T +44 20 7872 6334
E salim.nathoo@apax.com

Rohan Haldea
London
T +44 20 7872 6425
E rohan.haldea@apax.com

Apax Board Representatives (3 of 12)

Salim Nathoo
Rohan Haldea
Louise Sondergaard

Company Update and Current Trading

Recent Developments

Since the Company has listed shares, only publicly available information will be disclosed.

EVRY IPO'd in June 2017 at an EV of NOK 15.1bn (pre-money valuation of NOK 8.3bn) on the Oslo Stock Exchange. After the IPO, Apax Funds owns 54% of the shares outstanding (pre Green Shoe). See exit section for further details.

EVRY continues to improve its financial performance. The company had a solid Q1 2017 with 6.6% organic revenue growth (~3% adjusting for working day effects). EVRY has now exhibited 3 consecutive quarters of organic revenue growth. As at 31 March 2017 LTM sales were NOK 12.4m and LTM EBITDA NOK 1.7m, this represents a growth rate of 0.6% (excl. the DNB MF contract; -2.3% reported) and 24% respectively compared to prior year.

The company is experiencing robust margin growth on the back of restructuring & implementation of IBM agreement. The IBM extension (to include the SME infrastructure business) is partly in the Q1 FY 2017 numbers (starting in February) – and is part of the explanation for the +24% uplift in EBITA in the quarter. The company expects +200 BPS margin uplift from this contract in FY 2017.

Despite impressive improvement, EVRY still faces challenges, both from industry changes, unfinished transformation efforts, and operational challenges

Key customer renewals & promising new wins

Over the course of FY 2016, EVRY has renewed contracts with three of its major customers. We believe that this provides proof that customers' confidence in EVRY has returned, and that the business has regained price competitiveness on the back of the restructuring and the IBM partnership.

Value Creation Since Investment

Apax has assisted the company with a number of initiatives to drive value creation:

Appointed a new CEO, upgraded the management team and strengthened the Board:

The new CEO, Bjorn Ivroth, was most recently CEO of IT services business CGI, in Sweden, where he led a rapid turnaround of the business' profitability. Before CGI, Bjorn held management positions in IBM and Accenture in the Nordics. Bjorn supported Apax closely in its diligence of the business prior to acquisition. Bjorn has an extensive network within the IT Services industry in the Nordics, both with providers and customers and particularly in Sweden, where EVRY has a strong growth opportunity. Additionally, Bjorn brings a cost take-out playbook that he executed at CGI in Sweden.

Since The Apax Funds took over EVRY, the full team (except the Financial Services head) has been replaced. The new team complements the CEO and brings experience from EVRY's better-performing competitors.

In addition, Apax has strengthened the Board with accomplished non-executive directors who have strong networks in the Nordics.

Returned the Large Enterprise infrastructure business to profitability & right-sized the cost base:

Provided continued support to management team including scoping and negotiating the IBM Outsourcing agreement, which has returned the Large Enterprise infrastructure business to profitability.

Aided management in optimising the business' corporate structure and improving internal reporting.

Supported management in the identification of and execution on cost savings opportunities.

Realised near-term cash creation opportunities:

The business has implemented a factoring program that has released a significant amount of liquidity over the near-term.

De-listing and IPO:

Apax took EVRY private in 2015 to allow the company time to restructure and implement the IBM contract, both of which would have been very difficult in a public company setting. Having seen the company return to topline growth and realising industry-leading margin levels, EVRY was re-introduced to the public markets in 2017.

Corporate Social Responsibility

EVRY has reduced its CO2 emissions by 50% since 2011, with a reduction of 30% from 2014 to 2015. This is, among other things, driven by energy efficiency programs in server parks.

The Company has a low ESG footprint and is in relatively good position on environmental, social and governance fronts. There remain areas for continued improvement given its operating geographies and the people-intensive nature of the business model and these will remain a focus for EVRY in the future.

Exit

At the end of June 2016, EVRY successfully completed a refinancing. The refinancing amount totalled NOK 2.6bn, of which NOK 800m was used to fully prepay the amortizing debt tranche and the remainder, together with some cash from the company's balance sheet, was used to pay a dividend of NOK 1.9bn to the shareholders. The Apax VIII Funds received proceeds of NOK 1.7bn, which represents a MOIC of 0.5x for the EUR Fund and 0.5x for the USD Fund.

In June 2017, EVRY was listed on the Oslo Stock Exchange (ticker: EVRY-NO) at an EV of NOK 15.1bn (pre-money valuation of NOK 8.3bn). At IPO, Apax VIII is expected to receive proceeds of c.€47m. Including proceeds received from the recapitalisation in June 2016, the investment is expecting to have a realised EUR MOIC of 0.6x and a USD MOIC of 0.5x. Following the IPO, Apax VIII owns 54% of the shares outstanding and are subject to a six-month lock up period.

It is the intention for Apax Funds to exit over time through sell-downs

EVRY AS Company Financials

Profit and Loss in NOKm year end 31 December	2014 Audited	2015 Audited	LTM To 31/12/2016 (Forecast)	LTM To 31/03/2017
Revenue/Sales	12,773.0	12,859.6	12,253.1	**12,365.1**
Gross Profit	9,148.0	9,061.5	8,410.8	**8,463.8**
Reported EBITDA	1,290.0	1,278.4	1,593.3	**1,661.2**
Depreciation & Amortisation	(510.0)	(492.0)	(288.4)	**(267.1)**
EBIT	780.0	786.3	1,048.3	**1,394.4**
Net Financial Income / (Expense)	(89.0)	(330.4)	(531.4)	**(584.8)**
Other	(271.0)	(2,352.3)	(256.6)	**(727.2)**
Profit Before Tax	420.0	(1,896.4)	260.3	**82.4**

Cash Flow in NOKm year end 31 December	2014 Audited	2015 Audited	LTM To 31/12/2016 (Forecast)	LTM To 31/03/2017
Reported EBITDA	1,290.0	1,278.4	1,593.3	**1,661.2**
Capital Expenditure	(491.0)	(406.0)	(335.0)	**(369.6)**
Change in Net Working Capital	(279.0)	87.2	(137.4)	**(448.0)**
Other	(11.0)	(115.3)	(834.0)	**(580.3)**
Free Cash Flow	509.0	844.3	286.9	**263.3**
Debt Service	(754.0)	195.9	(456.0)	**149.0**
Other	293.0	(755.6)	201.5	**(98.3)**
Net Change in Cash & Cash Equivalents	48.0	284.6	32.4	**314.0**

Summary Balance Sheet in NOKm year end 31 December	2014 Audited	2015 Audited	31/10/2016	31/03/2017
Assets				
Tangible Assets	3,418.0	523.0	430.3	**394.8**
Intangible Assets	7,159.0	6,599.0	6,643.1	**6,752.3**
Other	1,290.0	4,079.0	3,095.0	**3,621.0**
Total Assets	11,867.0	11,201.0	10,168.4	**10,768.1**
Liabilities and Equity				
Liabilities	6,426.0	9,025.0	10,073.9	**10,678.8**
Equity	5,441.0	2,176.0	94.5	**89.3**
Total Liabilities and Equity	11,867.0	11,201.0	10,168.4	**10,768.1**

EVRY AS Fair Valuation Calculation

Performance Indicators NOK million	Entry	LTM to 31.12.2016	LTM to 31.03.2017
Adjusted Revenue/Sales	**12,773.0**	**12,246.4**	**12,365.1**
Growth vs Entry			
Adjusted EBITDA	**1,290.0**	**1,583.0**	**1,661.3**
Margin	10.1%	12.9%	13.4%
Growth vs Entry			
Total Net Debt/(Cash)	**4,305.0**	**5,820.8**	**6,240.0**
Multiple	3.3x	3.7x	3.8x

Figures presented above reflect the underlying performance of the company. Current and prior period figures may be adjusted for exceptional items, one-off effects and full year impact of acquisitions/disposals and other effects. Figures could therefore differ from company audited financials. Net financial indebtedness is the aggregate of all long term and short term debt less any relevant adjustments (e.g. cash).

Key Valuation Data NOK million

Valuation Basis	Entry
EBITA	1,290.0
Enterprise Value Multiple	6.1x
Enterprise Value	**7,925.1**
Total Net Debt/(Cash)	4,497.5
Other	397.0
Equity Value All Shareholders	**3,223.1**
Current Valuation – Local ccy	1,346.4
FX (EUR:NOK)	8.60
Current Valuation – Fund ccy	**156.5**

Valuation Methodology

Enterprise Value, Net Debt and EBITDA for the prior and current periods represent the numbers used within the fair valuation calculations. These could be LTM, normalised or actual EBITDA numbers depending on the timing of the calculation. Accordingly they may vary relative to final audited figures.

EVRY AS Investment Adviser’s Financial Summary

Fund Investment Summary € million	Entry	31.12.2016	31.03.2017	30.06.2017
Total Invested and Committed	156.5	154.5	154.5	154.5
Proceeds from Realisations	-	71.9	71.9	71.9
Income on Investment	-	7.9	7.9	7.9
Total Proceeds and Income	-	79.7	79.7	79.7
Current Valuation	156.5	380.1	394.1	294.0
Total Valuation	**156.5**	**459.8**	**473.8**	**373.7**
Gross Multiple	1.0x	3.0x	3.1x	2.4x
Number of Quoted Shares Held				87,511,039

Shareholders	Undiluted	Diluted
Apax VIII EUR	23.7%	23.7%
Apax VIII USD	30.8%	30.8%
Total Apax Funds	54.5%	54.5%
Free Float & Mgmt	45.5%	45.5%
	100.0%	100.0%

Exact Software

Stage
Buy-Out

Sector
Tech & Telco

Type
Limited Competition

Location
Netherlands

Date of First Investment
20 Feb 2015

Enterprise Value at Entry
€682m

13.3x EBITDA

Net Debt/(Cash) at Entry
€342m

6.7x EBITDA

Invested & Committed
€149m

Total Apax Funds Investment
€327m

Realised Proceeds
-

Current Valuation
€287m

Apax Funds Equity Ownership
97.5%

www.exactsoftware.com

Company Overview

Business Description

Founded in 1984, Exact Software ("Exact" or the "Company") is a leading vendor of on-premise and cloud-based accounting and ERP software and services for small and medium-sized businesses, primarily in the Benelux. The Company's product portfolio is differentiated by the breadth of solutions as well as industry-specific functionality for the manufacturing, wholesale & distribution and professional services sectors. Exact's software solutions are considered mission critical to its customers' overall IT infrastructure, integrating within and managing the flow of information across core business functions and operations. Headquartered in Delft, Netherlands, Exact serves over 200,000 companies in more than 100 countries around the world.

The Company operates across three segments:

1. Business Solutions: provides on-premise ERP and workflow management solutions for manufacturing, wholesale & distribution and professional services companies, primarily in the Benelux

2. Cloud Solutions: provides stand-alone and integrated accounting and ERP multi-tenant cloud software solutions via its core product, Exact Online. Although the business is primarily centred in the Benelux, Exact Online was recently launched in the UK, US, Germany and France

3. Specialised Solutions: provides on-premise ERP solutions for manufacturing companies, primarily in the US

Investment Rationale

- The transaction represents a unique opportunity to partner with a strong management team and acquire the brand champion and leading provider of business software to SMBs in the Benelux
- The Company is differentiated by its multi-year track record of leadership in cloud via its leading multi-tenant cloud offering, Exact Online, and sophisticated vertical solution capabilities (also offered via Exact Online), both of which are expected to drive continued gains in market share in the fast growing software-as-a-service (SaaS) market. An increasing array of Cloud Services could lead to an enterprise value re-rating on exit
- Additionally, management intends to leverage Exact's success in the Benelux to roll out Exact Online internationally, an area of significant potential value creation if growth plans are realised. Apax's global footprint makes it well positioned to assist the business

Transaction Summary

- The investment team had closely followed and engaged with Exact multiple times over the course of six years. Most recently in March 2014, the Investment Adviser ("Apax") re-approached the Company to discuss a potential transaction. Apax was granted exclusive access for a period of time, though the process was eventually opened to a limited number of other potential buyers. However, as a result of the investment team's deep expertise in ERP software and understanding of the Company built over many years, Apax was well positioned to be the winning buyer.
- On 20 February 2015, Funds advised by Apax Partners ("Apax Funds") completed the acquisition of Exact for a total enterprise value of €654m excluding fees, representing a transaction multiple of 11.7x LTM pro forma adjusted EBITDA
- The Apax Funds via Apax VIII contributed €329m of equity, representing a 99% undiluted ownership stake. The covenant-lite debt financing consisted of a $335m 1st lien term loan and a $125m 2nd lien term loan, representing gross leverage of 6.1x LTM pro forma adjusted EBITDA at close.

Exact Software

Apax Contacts

Jason Wright
New York
T +1 212 419 2476
E jason.wright@apax.com

Roy Mackenzie
New York
T +1 212 419 2417
E roy.mackenzie@apax.com

Dawn Hu
New York
T +1 212 419 2434
E dawn.hu@apax.com

Apax Board Representatives (2 of 5)

Jason Wright
Roy Mackenzie

Company Update and Current Trading

Recent Developments

Exact core business performance remains on plan. Q1 2017 consolidated revenue increased by 11% over prior year. LTM pro-forma adjusted EBITDA for the consolidated Exact Ring Fence (excluding Cloud Solutions international) grew by 8% over prior year to €76m.

Cloud Benelux continues to grow strongly, with annualised recurring revenue increasing 27% to €65m in Q1 2017. Business Solutions (on-premise business) is outperforming plan with stable topline performance (flat year-over-year), as new leadership has maintained license sales and continued to improve churn. The non-core US manufacturing focused businesses (Specialized Solutions) grew by 4% in Q1 2017.

Management and the deal team continue to focus levers to accelerate the Cloud Solutions International roll-out in the UK, Germany, France and Spain as a key driver of additional value.

Additionally, Exact continues to evaluate inorganic growth opportunities to expand its product suite and extend its market leadership. In June 2017, Exact completed the acquisitions of Diese Finance (online tax management software in France) and Reeleezee (cloud accounting in the Netherlands).

Value Creation Since Investment

The investment team has actively engaged with the Company on several key 100-day plan initiatives. These include a thorough review and work-in-progress optimisation of the Company's processes and practices, digital demand generation platform (the primary lead-gen channel for Exact Online), and product pricing strategy.

Additionally, the investment team is working with the Company on refining the international roll-out strategy for Exact Online and identifying accretive and/or strategic M&A opportunities. In June-17, Exact announced the tuck-in acquisition Diese (cloud-based tax software).

Corporate Social Responsibility

Exact has policies, codes, structures and established practices in place to address its corporate social responsibility and to the best of its knowledge is in compliance with those policies.

Exit

An exit is not actively under consideration.

Exact Software Company Financials

Profit and Loss In €millions Year end 31 December		FY 2015 (Dec.)	FY 2016 (Dec.)	April 2017 YTD
		Ringfence IFRS	Ringfence IFRS	**Ringfence IFRS**
Revenue/Sales		206.0	216.2	**75.4**
Gross Profit				
Reported EBITDA		54.9	57.9	**20.1**
Depreciation & Amortisation				
EBIT				
Net Financial Income / (Expense)				
Other				
Profit Before Tax	-	-	-	**-**

EBITDA expenses capitalized R&D. Financials shown for consolidated Exact Ring Fence (Excluding Cloud Solutions International).

Summary Balance Sheet In €millions Year end 31 December		FY 2015 (Dec.)	FY 2016 (Dec.)	April 2017
Assets				
Tangible Assets		115.2	135.6	**112.5**
Intangible Assets		755.5	738.4	**728.8**
Other				
Total Assets	-	870.8	874.0	**841.3**
Liabilities and Equity				
Liabilities		608.4	638.2	**613.4**
Equity		262.3	235.8	**227.8**
Total Liabilities and Equity	-	870.8	874.0	**841.3**

Exact Software Fair Valuation Calculation

Performance Indicators € million	Entry	LTM to 31.12.2016	LTM to 31.03.2017	LTM to 30.06.2017
Adjusted Revenue/Sales	**187.8**	**215.8**	**220.0**	**224.5**
Growth vs Entry				19.6%
Adjusted EBITDA	**51.3**	**58.0**	**60.2**	**62.3**
Margin	27.3%	26.9%	27.3%	27.7%
Growth vs Entry				21.4%
Total Net Debt/(Cash)	**341.6**	**370.0**	**364.8**	**391.9**
Multiple	6.7x	6.4x	6.1x	6.3x

Figures presented above reflect the underlying performance of the company. Current and prior period figures may be adjusted for exceptional items, one-off effects and full year impact of acquisitions/disposals and other effects. Figures could therefore differ from company audited financials. Net financial indebtedness is the aggregate of all long term and short term debt less any relevant adjustments (e.g. cash).

Key Valuation Data € million

Valuation Basis	Entry	NTM from 31.12.2016	NTM from 31.03.2017	NTM from 30.06.2017
EBITDA	51.3	66.5	69.2	70.9
Enterprise Value Multiple	13.3x	14.2x	14.2x	14.4x
Enterprise Value	**682.0**	**941.5**	**984.6**	**1,020.8**
Total Net Debt/(Cash)	341.6	370.0	364.8	391.9
Other	8.7	-	-	-
Equity Value All Shareholders	**331.7**	**571.5**	**619.8**	**628.9**
Current Valuation – Local ccy	175.0	264.4	284.1	286.8
FX (EUR:EUR)	1.00	1.00	1.00	1.00
Current Valuation – Fund ccy	**175.0**	**264.4**	**284.1**	**286.8**

Valuation Methodology		Public trading and transaction multiples	Public trading and transaction multiples	Public trading and transaction multiples

Enterprise Value, Net Debt and EBITDA for the prior and current periods represent the numbers used within the fair valuation calculations. These could be LTM, normalised or actual EBITDA numbers depending on the timing of the calculation. Accordingly they may vary relative to final audited figures.

Net Debt € million	Cost %	Entry	31.12.2016	31.03.2017	30.06.2017
Senior Debt	5.3%	263.3	271.4	306.4	304.7
High Yield Debt	9.1%	98.3	98.2	98.2	98.2
Mezzanine Debt	-	-	-	-	-
Drawn Revolver	0.5%	10.0	10.0	-	-
Other Debt	-	-	-	-	-
Gross Debt	**-**	**371.6**	**379.5**	**404.6**	**402.9**
Cash	-	(30.0)	(9.6)	(39.8)	(11.0)
Total Net Debt/(Cash)	**-**	**341.6**	**370.0**	**364.8**	**391.9**

Exact Software Investment Adviser's Financial Summary

Fund Investment Summary € million	Entry	31.12.2016	31.03.2017	30.06.2017
Total Invested and Committed	175.0	148.6	148.6	148.6
Proceeds from Realisations	-	-	-	-
Income on Investment	-	-	-	-
Total Proceeds and Income	-	-	-	-
Current Valuation	175.0	264.4	284.1	286.8
Total Valuation	**175.0**	**264.4**	**284.1**	**286.8**
Gross Multiple	1.0x	1.8x	1.9x	1.9x

Shareholders	Undiluted	Diluted
Apax VIII EUR	45.0%	44.3%
Apax VIII USD	54.1%	53.2%
Total Apax Funds	99.1%	97.5%
AlpInvest	0.9%	0.9%
Management		1.6%
	100.0%	100.0%

Full Beauty

FULLBEAUTY BRANDS™

Stage
Buy-Out

Sector
Consumer

Type
Limited Competition

Location
United States of America

Date of First Investment
14 Oct 2015

Enterprise Value at Entry
$1.9bn

10.7x EBITDA

Net Debt/(Cash) at Entry
$1.2bn

6.8x EBITDA

Invested & Committed
€185m

Total Apax Funds Investment
€407m

Realised Proceeds
-

Current Valuation
€53m

Apax Funds Equity Ownership
69.9%

www.fbbrands.com

Disclaimer

Please be aware Full Beauty has publicly traded equity and/or debt instruments and therefore certain information in this report may be sensitive. Please refer to the disclaimer on page 2 for full confidentiality provisions regarding this document.

Company Overview

Business Description

Headquartered in New York, NY, FULLBEAUTY Brands ("FULLBEAUTY" or the "Company") is the leader in the growing U.S. plus-size direct-to-consumer apparel market, offering a comprehensive selection of women's and men's apparel, lingerie, swimwear and footwear, as well as home décor.

With a history that traces back to 1901, FULLBEAUTY has served the U.S. plus-size consumer for over 100 years. FULLBEAUTY reaches customers through its millions of annual catalogue deliveries and its branded websites rather than operating a network of brick and mortar stores. FULLBEAUTY's expertise in style and fit, combined with a commitment to make its customers look and feel great, drives significant customer loyalty and trust. The Company owns a portfolio of seven differentiated but complementary brands and is a leading plus-size direct-to-consumer retailer by sales and breadth of product selection and also operates a dedicated plus-size online marketplace, FULLBEAUTY.com, which offers both proprietary products and third-party brands, and is a fashion and lifestyle destination for plus-size customers.

Investment Rationale

The investment thesis for FULLBEAUTY rests upon five pillars:

- Opportunity to invest in a sector and company that the Consumer team has followed closely over recent years.
- Potential for continued operational improvement at FULLBEAUTY given recent carve-out from a large, multinational company.
- Apax's Operational Excellence Practice can drive significant improvements in core competencies including marketing, digital sales and fulfilment.
- The business has multiple avenues to achieve future growth, including the launch of new product categories, M&A and licensing partnerships
- High free cash flow operating model and has shown resilience in times of economic slowdown

Transaction Summary

- On 14 October 2015, Funds advised by Apax Partners ("Apax Funds") completed the acquisition of FULLBEAUTY. The transaction was valued at a total enterprise value of $1,792m, excluding fees, equivalent to 10.4x LTM 30 June 2015 Adj. EBITDA of $173m and 11.2x LTM 30 June 2015 Adjusted EBITDA less Normalised Capex of $160m. Apax Funds contributed $459m of equity for a 70% ownership stake, with the majority selling shareholder (Charlesbank Capital) maintaining a 26% ownership stake and management re-investing $25m or approximately 35% of their after tax proceeds.
- The debt represents 6.8x net leverage on LTM 30 June 2015 Adj. EBITDA of $173m and includes $820m 1st lien, $345m 2nd lien and a $100m revolving credit facility, of which $22m was drawn at closing.

Full Beauty

Apax Contacts

John Megrue
New York
T +1 212 419 2412
E john.megrue@apax.com

Alex Pellegrini
New York
T +1 212 419 2427
E alex.pellegrini@apax.com

Apax Board Representatives (4 of 7)

John Megrue
Alex Pellegrini
Seth Brody
Dave Evans

Company Update and Current Trading

Recent Developments

The Company recorded a decrease in total apparel sales of 8.0% for the three months ended 30 March 2017. The decrease in sales during the period was caused by merchandising issues in several of the Company's brands, increased competition in the plus sized space and an overall challenging retail market. Given the soft sales performance, the Company was required to use incremental promotions and discounts to sell down its inventory position, resulting in a gross margin decline of 242bps. Additionally, the Company's Commercial Investment and Operating Expenses increased by 189bps as a percent of sales, leading to deleveraging and a decrease in its EBITDA margin.

FULLBEAUTY continues to focus on its near and long-term growth strategies, including: digital acceleration, commercial investment optimisation and driving continued customer adoption at its two nascent brands, Swimsuits For All and Ellos.

On 15 June 2017, CEO, Paul Tarvin, announced his resignation from the company. In his place, the Board of Directors named Seth Brody, Global Head of Apax Partners' Operational Excellence Practice and a current board member, as Acting Chief Executive Officer. In addition to naming Seth as acting CEO, the company simultaneously launched a comprehensive full-time CEO search.

As part of the LBO in October 2015, FULLBEAUTY raised covenant-lite debt (including a $820m 1st lien term loan and $345m 2nd lien term loan), as well as a $100m ABL facility. The ABL facility provides ample liquidity, allowing the company to continue its growth strategy. The Company also entered into to an interest rate hedge in order to limit any future exposure to interest rate increases.

Value Creation Since Investment

The Apax team has worked on the ground with management to implement key tenants of the 100 day plan. The OEP team has had multiple team members working with the Company since closing. Focus areas include:

- Launched persona project to better understand current and future customers
- Developed a three year IT vision and implementation roadmap
- Expansion of digital sales capabilities including launch of new mobile sites, enhanced search engine optimization (SEO) and expanded third-party distribution
- Development and implementation of new eCommerce platform, Salesforce Cloud Commerce selected
- The team has also assisted with upgrading talent, leading to multiple key hires, including: President, Chief Operating Officer, Chief Human Resource Officer, Chief Digital Officer, Chief Creative Officer as well as two new brand managers.

Corporate Social Responsibility

FULLBEAUTY has policies, codes, structures and established practices in place to address its corporate social responsibility and to the best of its knowledge is in compliance with those policies. Those policies relate to corporate governance, employees, the environment and health and safety. Apax has focussed the management team on tracking supplier compliance with the stated CSR supplier policies. The board will receive regular updates on supplier performance and improvements where necessary.

Exit

An exit is not actively under consideration.

Full Beauty Company Financials

Profit and Loss in USDm

year end 31 December

	2014	2015	2016	LTM To 31.03.2017
	US GAAP	US GAAP	US GAAP	**US GAAP**
Revenue/Sales	943.4	985.4	960.6	**942.7**
Gross Profit	528.4	555.8	531.0	**515.8**
Reported EBITDA	147.5	128.0	116.8	**104.2**
Depreciation & Amortisation	(8.2)	(9.7)	(19.3)	**(17.9)**
EBIT	139.3	118.3	97.5	**86.3**
Net Financial Income / (Expense)	(42.0)	(87.7)	(96.8)	**(95.9)**
Other	(1.0)	-	-	**-**
Profit Before Tax	96.3	30.6	0.7	**(9.6)**

Cash Flow in USDm

year end 31 December

	2014	2015	2016	LTM To 31.03.2017
	US GAAP	US GAAP	US GAAP	**US GAAP**
Reported EBITDA	147.5	128.0	116.8	**104.2**
Capital Expenditure	(9.6)	(22.7)	(8.4)	**(10.0)**
Change in Net Working Capital	(45.9)	36.3	(9.5)	**9.6**
Other	-	-	-	**-**
Free Cash Flow	92.1	141.6	98.9	**103.8**
Debt Service	(42.0)	(60.5)	(90.4)	**(115.7)**
Other	(82.4)	(82.0)	(2.8)	**3.7**
Net Change in Cash & Cash Equivalents	(32.3)	(0.9)	5.7	**(8.2)**

Summary Balance Sheet in USDm

year end 31 December

	2014	2015	2016	31.03.2017
Assets				
Tangible Assets	284.0	309.3	270.0	**243.6**
Intangible Assets	500.0	1,880.5	1,843.5	**1,843.3**
Other	-	-	-	**-**
Total Assets	784.0	2,189.8	2,113.5	**2,086.9**
Liabilities and Equity				
Liabilities	843.0	1,518.4	1,439.8	**1,417.6**
Equity	(59.0)	671.5	673.7	**669.4**
Total Liabilities and Equity	784.0	2,189.9	2,113.5	**2,087.0**

Full Beauty Fair Valuation Calculation

Performance Indicators $ million

	Entry	LTM to 31.12.2016	LTM to 31.03.2017
Adjusted Revenue/Sales	**981.0**	**954.9**	**946.1**
Growth vs Entry			
Adjusted EBITDA	**173.0**	**161.7**	**143.7**
Margin	17.6%	16.9%	15.2%
Growth vs Entry			
Total Net Debt/(Cash)	**1,182.3**	**1,151.2**	**1,138.7**
Multiple	6.8x	7.1x	7.9x

Figures presented above reflect the underlying performance of the company. Current and prior period figures may be adjusted for exceptional items, one-off effects and full year impact of acquisitions/disposals and other effects. Figures could therefore differ from company audited financials. Net financial indebtedness is the aggregate of all long term and short term debt less any relevant adjustments (e.g. cash).

Key Valuation Data $ million

Valuation Basis	Entry	LTM to 31.12.2016	LTM to 31.03.2017
EBITDA	173.0	151.0	143.7
Enterprise Value Multiple	10.7x	10.4x	10.5x
Enterprise Value	**1,852.5**	**1,571.6**	**1,502.9**
Total Net Debt/(Cash)	1,182.3	1,151.2	1,138.7
Other	14.1	-	-
Equity Value All Shareholders	**656.0**	**420.4**	**364.2**
Current Valuation – Local ccy	208.1	133.5	115.4
FX (EUR:USD)	1.13	1.05	1.07
Current Valuation – Fund ccy	**184.7**	**126.9**	**108.4**

Valuation Methodology		Public trading and transaction multiples	Public trading and transaction multiples

Enterprise Value, Net Debt and EBITDA for the prior and current periods represent the numbers used within the fair valuation calculations. These could be LTM, normalised or actual EBITDA numbers depending on the timing of the calculation. Accordingly they may vary relative to final audited figures.

Net Debt $ million

	Cost %	Entry	31.12.2016	31.03.2017
Senior Debt	5.8%	1,165.0	813.9	811.8
High Yield Debt	10.0%	-	345.0	345.0
Mezzanine Debt	-	-	-	-
Drawn Revolver	2.3%	22.3	22.3	12.3
Other Debt	-	-	-	-
Gross Debt	**7.0%**	**1,187.3**	**1,181.2**	**1,169.1**
Cash	-	(5.0)	(30.0)	(30.4)
Total Net Debt/(Cash)	**-**	**1,182.3**	**1,151.2**	**1,138.7**

Full Beauty Investment Adviser's Financial Summary

Fund Investment Summary € million	Entry	31.12.2016	31.03.2017	30.06.2017
Total Invested and Committed	184.7	184.7	184.7	184.7
Proceeds from Realisations	-	-	-	-
Income on Investment	-	-	-	-
Total Proceeds and Income	-	-	-	-
Current Valuation	184.7	126.9	108.4	52.6
Total Valuation	**184.7**	**126.9**	**108.4**	**52.6**
Gross Multiple	1.0x	0.7x	0.6x	0.3x

Shareholders	Undiluted	Diluted
Apax VIII EUR	31.7%	31.7%
Apax VIII USD	38.2%	38.2%
Total Apax Funds	69.9%	69.9%
CharlesBank	26.3%	26.3%
Management	3.8%	3.8%
	100.0%	100.0%

Genex

Stage
Buy-Out

Sector
Healthcare

Type
Limited Competition

Location
United States of America

Date of First Investment
30 May 2014

Enterprise Value at Entry
$421m
9.9x EBITDA

Net Debt/(Cash) at Entry
$288m
6.8x EBITDA

Invested & Committed
€15m

Total Apax Funds Investment
€88m

Realised Proceeds
-

Current Valuation
€44m

Apax Funds Equity Ownership
86.0%

www.genexservices.com

Company Overview

Business Description

Genex (or the "Company") is a market-leading provider of nurse case-management (60% of 2016 revenue), managed care services (32% of 2016 revenue) and independent medical exams (8% of 2016 revenue) to workers' compensation payors. Genex provides its services to 18 of the top 20 workers' compensation insurers and has over 2,000 customer relationships in total in at least one or more of its service lines. The company's national case-management footprint utilizes approximately 1,400 nurses to help injured workers manage their care and return to work. The company's technology-enabled managed care services help manage utilisation of healthcare services and ensure that claims are being paid accurately. Genex also coordinates the provision of independent medical exams on behalf of injured workers and payors and is now the clear #2 player in this attractive segment. In total, Genex has more than 2,500 employees across 54 office locations in the United States.

Investment Rationale

- Stable business fundamentals with high customer retention
- Strong cash flow generation through high cash conversion
- Using GENEX as a platform for multiple transformative M&A opportunities that could enhance returns
- Sale of specialty network businesses to One Call to maximise value

Transaction Summary

- On 30 May 2014, Funds advised by Apax Partners ('Apax Funds') completed the acquisition of GENEX Services, Inc. from Stone Point Capital. The Apax Healthcare team began conducting a deep dive in 2012 into the provision of healthcare for individuals injured at work and therefore covered by workers' compensation insurance. Cost containment services such as case management and managed care along with network businesses were identified as attractive sub-sectors as they met the investment theme of an increasing need for healthcare efficiency as a result of rising healthcare consumption and greater payor pressure to contain costs. The deal team built a relationship with the GENEX management team over the past year before the sale process started, and was well positioned to execute upon entering the process.
- In advance of purchasing GENEX, Apax Funds had also acquired and merged the two leading specialty network companies in the workers' compensation industry, One Call Care Management and Align Networks, in November and December 2013, respectively. As part of the closing of the GENEX transaction, GENEX's specialty network divisions were carved out and sold to One Call.

Genex

Apax Contacts

Buddy Gumina
New York
T +1 212 419 2422
E buddy.gumina@apax.com

Ameya Agge
New York
T +1 212 419 2469
E ameya.agge@apax.com

Apax Board Representatives (2 of 4)

Buddy Gumina
Ameya Agge

Company Update and Current Trading

Recent Developments

For the LTM period ending 30 June 2017, revenue and reported EBITDA are estimated to be $430m and $61m, representing 6% and 5% growth over the same period in the prior year, respectively.

In January 2017, the Company completed the acquisition of ECN, an independent medical examination ("IME") company. This takes the total number of IME acquisitions Genex has made in the past 12 months to three (total revenue of $70m) and further strengthens the Company's position as the #2 player in the IME space after the only other pure-play company. Management is focussed on leveraging this new platform to boost organic growth.

This also brings the total number of tuck-in acquisitions completed since Apax's ownership to eight, and all were funded with cash and debt. The management team will continue to look for acquisition targets to grow its footprint, drive efficiency gains and strive for operational improvements.

The Company has also continued its efforts with the Apax Operational Excellence Practice to identify and execute on cost savings and efficiency opportunities. All actions were complete by the end of 2016 with the full-year impact of savings expected to occur in 2017. The programme has helped drive EBITDA margin expansion at the Company.

Lastly, since late 2015, Genex has been in the process of building a new proprietary case management and IME technology system. The new system which is intended to reduce overall complexity and streamline processes can be delivered to market as a Software-as-a-Service offering. This will not only help solidify Genex's position as the leading case management provider, but also improve Genex's technological capabilities both internally and with customers. The project is expected to be complete by the end of this year.

Value Creation Since Investment

Completed the divestiture and transition of the Diagnostics and Physical Therapy Specialty Networks businesses via sale to One Call

Secondment Investment Adviser employee to assist the Company with certain initiatives, such as the transition efforts and KPI development

Completed work with the Apax Operational Excellence Practice to identify and execute on operational excellence opportunities

Completed eight tuck-in acquisitions across field case management, bill review, utilisation review, and medical examination

Assisted the company in recruiting new CFO

Corporate Social Responsibility

Genex has policies, codes, structures and established practices in place to address its corporate social responsibilities including a code of conduct, anti-corruption policy with annual re-certifications, and annual audit. In addition, the Company has social, labour, health & safety and diversity policies in place, focus on environmental impact, and an annual budget dedicated to philanthropic activities.

Exit

An exit is not actively under consideration.

Genex Company Financials

Profit and Loss In $ millions

Year end 31 December	FY2014	FY2015	LTM To 31 Dec 2016	LTM To 30 June 2017
Revenue/Sales	360.5	389.2	411.5	**430.2**
Gross Profit	154.9	168.2	174.1	**176.5**
Reported EBITDA	41.6	50.0	59.5	**60.5**
Depreciation & Amortisation	(14.1)	(23.5)	(25.0)	**(26.1)**
EBIT	27.6	26.6	34.5	**34.4**
Net Financial Income / (Expense)	(18.9)	(23.1)	(29.9)	**(30.5)**
Other				
Profit Before Tax	8.7	3.5	4.6	**3.9**

Cash Flow In $ millions

Year end 31 December	FY2014	FY2015	LTM To 31 Dec 2016	LTM To 31 June 2017
Reported EBITDA	41.6	50.0	59.5	**60.5**
Capital Expenditure	(1.4)	(4.4)	(7.2)	**(7.7)**
Change in Net Working Capital	(1.4)	(5.1)	4.3	**3.3**
Other	58.9	(14.3)	-	
Free Cash Flow	97.8	26.3	56.6	**56.0**
Debt Service	59.8	2.5	3.2	**3.4**
Other	(156.3)	(26.7)	(44.3)	**(60.3)**
Net Change in Cash & Cash Equivalents	1.3	2.1	15.5	**(0.8)**

Summary Balance Sheet In $ millions

Year end 31 December	FY2014	FY2015	LTM to 31 Dec 2016	LTM to 30 June 2017
Assets				
Tangible Assets	92.8	105.5	114.5	**117.9**
Intangible Assets	445.0	551.4	555.2	**578.0**
Other				
Total Assets	537.8	656.8	669.7	**695.9**
Liabilities and Equity				
Liabilities	422.3	544.9	565.1	**591.6**
Equity	115.4	111.9	104.6	**104.3**
Total Liabilities and Equity	537.7	656.8	669.7	**695.9**

Genex Fair Valuation Calculation

Performance Indicators $ million	Entry	LTM to 31.12.2016	LTM to 31.03.2017	LTM to 30.06.2017
Adjusted Revenue/Sales	**345.0**	**411.4**	**419.7**	**430.1**
Growth vs Entry				24.7%
Adjusted EBITDA	**42.4**	**67.7**	**68.9**	**67.6**
Margin	12.3%	16.5%	16.4%	15.7%
Growth vs Entry				59.4%
Total Net Debt/(Cash)	**287.5**	**400.9**	**440.4**	**440.4**
Multiple	6.8x	5.9x	6.4x	6.5x

Figures presented above reflect the underlying performance of the company. Current and prior period figures may be adjusted for exceptional items, one-off effects and full year impact of acquisitions/disposals and other effects. Figures could therefore differ from company audited financials. Net financial indebtedness is the aggregate of all long term and short term debt less any relevant adjustments (e.g. cash).

Key Valuation Data $ million

Valuation Basis	Entry	LTM to 31.12.2016	LTM to 31.03.2017	LTM to 30.06.2017
EBITDA	42.4	67.7	68.9	67.6
Enterprise Value Multiple	9.9x	11.6x	11.6x	11.6x
Enterprise Value	**421.0**	**785.3**	**798.9**	**784.1**
Total Net Debt/(Cash)	287.5	400.9	440.4	440.4
Other	-	-	-	-
Equity Value All Shareholders	**133.5**	**384.4**	**358.5**	**343.7**
Current Valuation – Local ccy	20.4	55.3	51.7	50.2
FX (EUR:USD)	1.36	1.05	1.07	1.14
Current Valuation – Fund ccy	**15.0**	**52.6**	**48.5**	**44.0**

Valuation Methodology		Public trading and transaction multiples	Public transaction multiples	Public transaction multiples

Enterprise Value, Net Debt and EBITDA for the prior and current periods represent the numbers used within the fair valuation calculations. These could be LTM, normalised or actual EBITDA numbers depending on the timing of the calculation. Accordingly they may vary relative to final audited figures.
FMV data based on LTM forecast figures at the time of the valuations, key performance indicators based on LTM actuals where available.

Net Debt $ million	Cost %	Entry	31.12.2016	31.03.2017	30.06.2017
Senior Debt	5.3%	195.0	315.0	347.6	349.0
High Yield Debt	8.8%	92.5	115.0	115.0	115.0
Mezzanine Debt	-	-	-	-	-
Drawn Revolver	-	-	-	-	-
Other Debt	-	-	-	-	-
Gross Debt	**-**	**287.5**	**430.0**	**462.6**	**464.0**
Cash	-	-	(29.1)	(22.2)	(23.6)
Total Net Debt/(Cash)	**-**	**287.5**	**400.9**	**440.4**	**440.4**

Genex Investment Adviser's Financial Summary

Fund Investment Summary € million	Entry	31.12.2016	31.03.2017	30.06.2017
Total Invested and Committed	15.0	15.0	15.0	15.0
Proceeds from Realisations	-	-	-	-
Income on Investment	-	-	-	-
Total Proceeds and Income	-	-	-	-
Current Valuation	15.0	52.6	48.5	44.0
Total Valuation	**15.0**	**52.6**	**48.5**	**44.0**
Gross Multiple	1.0x	3.5x	3.2x	2.9x

Shareholders	Undiluted	Diluted
Apax Europe VII	59.3%	56.8%
Apax VIII EUR	15.3%	14.6%
Apax VIII USD	15.3%	14.6%
Total Apax Funds	89.9%	86.0%
Management	10.1%	14.0%
	100.0%	100.0%

GlobalLogic Inc

Stage
Buy-Out

Sector
Tech & Telco

Type
Limited Competition

Location
United States of America

Date of First Investment
2 Dec 2013

Enterprise Value at Entry
$419m
8.7x EBITDA

Net Debt/(Cash) at Entry
$122m
2.8x EBITDA

Invested & Committed
€98m

Total Apax Funds Investment
€195m

Realised Proceeds
€275m

Current Valuation
€218m

Apax Funds Equity Ownership
41.8%

www.globallogic.com

Company Overview

Business Description

GlobalLogic ("GL" or the "Company") is one of the top three global pure-play outsourced product developers ('OPD'), providing full-lifecycle software product development services to customers worldwide. The Company combines horizontal domain expertise and cross-industry experience to connect its clients with prevailing market trends and high-end talent worldwide, creating a sustainable, cost-effective and rapid supply chain for product innovation. The company is headquartered in San Jose, California and provides services from development centers and innovation labs across four continents, with significant operations in Ukraine, India, Argentina, Poland, Slovakia and the US. GL operates a combination of onsite, near-shore and off-shore engagement models.

The Company provides end-to-end service solutions from concept design through product development to implementation and support, primarily serving customers in the technology, communications, industrial, retail and healthcare industries. GlobalLogic's core business is software product development, but the Company also offers high-end design and conceptualization services through its Method division and content management services through its Rofous subsidiary. These end-to-end capabilities allow GlobalLogic to deliver innovative solutions with a unique combination of product engineering DNA, design creativity and emerging technology expertise.

Investment Rationale

- The OPD space is high growth and early in its lifecycle compared to traditional IT services. The industry is expected to see c. 15%+ growth in the medium term as more companies outsource and/or move volumes away from captives
- Secular growth for offshore outsourcing vendors is being driven by: increased usage of software in R&D, a lack of software engineers in the US and Western Europe, increasing R&D cost pressure (50% cost savings from offshoring) and evolving maturity of outsourced offerings
- GlobalLogic is a good platform with a strong management team, referenceable customer base, differentiated Central and Eastern European proposition, and long history of high quality delivery
- Attractive entry multiple of 8.7x NTM Adjusted EBITDA given double digit growth and good market position
- GlobalLogic can continue to create significant value through increased investment in sales and marketing, investment in horizontal capabilities that lead to differentiation and tuck-in and transformative M&A, given the highly fragmented market for both pure-play and multi-line OPD players

Transaction Summary

- On 2 December 2013, Funds advised by Apax Partners LLP ('Apax Funds') completed the acquisition of GlobalLogic from a group of venture capital firms and individuals including Sequoia, NEA, Goldman Sachs and Draper Atlantic. The final enterprise value of $418.6m (excluding fees and expenses) represented a valuation multiple of 8.7x NTM (CY14E) Projected Adjusted EBITDA.
- The transaction was financed 65% by equity ($297m) and 35% by debt ($160m). Apax Funds contributed c90% of the equity, with the balance contributed by management and an experienced co-investor, Siguler Guff.

GlobalLogic Inc

Apax Contacts

Salim Nathoo
London
T +44 20 7872 6334
E salim.nathoo@apax.com

Rohan Haldea
London
T +44 20 7872 6425
E rohan.haldea@apax.com

Shashank Singh
Mumbai
T +91 22 4050 8403
E shashank.singh@apax.com

Apax Board Representatives (3 of 9)

Salim Nathoo
Rohan Haldea
Shashank Singh

Company Update and Current Trading

Recent Developments

GlobalLogic's strong financial and operational performance continued in FY 2017 (year end 31 March). During the fiscal year, the Company made a number of strategic investments to support the Company's long-term growth aspirations. In particular, the Company continued to add world-class executive talent in the sales and delivery teams and expanded the delivery footprint in Central Europe. Furthermore, at the end of FY 2017 the Company began to embark on a back-office efficiency initiative to free up additional capital to invest in growth initiatives. Operational initiatives have all helped drive meaningful P&L growth, with FY 2017 revenue and EBITDA of c$430m and c$84m, representing 28% and 32% year-over-year growth, respectively. Margins have expanded back to long-term levels of 19-20% after a period of significant investment. Most importantly, Commercial momentum remains positive and supports the business's long-term growth outlook.

On 20 December 2016, the Company completed a refinancing which provided a dividend to the Funds in the form of Shareholder Note repayment. Due to strong performance and momentum, GlobalLogic was able to significantly upsize their credit facility (from $160m to $340m), reduce interest cost (from L+5.25% to L+4.5%) and strip the existing maintenance covenant. The new financing provided a c$130m return of capital to the Apax Funds. The business remains conservatively levered at 3.5x net debt/EBITDA, enabling the business to continue investing in growth initiatives.

Lastly, on 11 January 2017, the Company announced a definitive agreement for Canada Pension Plan Investment Board ("CPPIB") to take an approximate 48% stake in the business. The transaction completed in April 2017 and CPPIB own an equal stake to the Apax Funds. The investment by CPPIB represents an opportunity for the Apax Funds to monetise a stake worth approximately 2.0x MOIC, bringing the Funds' blended realised return to 2.5x, while maintaining a significant stake in the business. Apax believes this is an attractive transaction for all parties involved, and remain optimistic about the long-term growth prospects for GlobalLogic.

Value Creation Since Investment

Apax has assisted the company with a number of initiatives to drive value creation:

- Strengthened the Board with accomplished non-executive directors who will be valuable contributors to the Company's long-term success
- Assisted in the hiring and recruiting of key C-level and N-1 executives to create a best-in-class management team
- Operational Excellence Practice closely involved in post-closing activities to manage operational cost rationalisation and office consolidation
- Seconded an Apax Principal to the Company's California office for six months to help lead a number of 100-day initiatives
- Worked closely with the Company to create a sustainable business development function and closely involved in the setup of new Polish and Slovakian delivery centres as well as the REC acquisition
- Engaged McKinsey shortly after close for a commercial engagement focusing on current positioning, organisational design, go-to-market approach and supply chain management
- Began tax restructuring and re-domiciling process in order to reduce an inefficient tax rate
- Instituted hedging program to minimise F/X and interest rate risk

Corporate Social Responsibility

The Company has a low ESG footprint and is in relatively good position on environmental, social and governance fronts. There remain areas for continued improvement given its operating geographies and the people-intensive nature of the business model and these will remain a focus for GlobalLogic in the future.

Exit

In April 2017, Apax Funds completed the sale of c48% of its stake in GlobalLogic to funds advised by Canada Pension Plan Investment Board ("CPPIB"). The transaction valued GlobalLogic at a Total Enterprise Value of $1.45 billion, representing a significant increase in value from the initial deal price. Apax Funds retain half of their original stake.

GlobalLogic Inc Company Financials

Profit and Loss In USD million Year end 31 March	FY 2015	FY 2016	FY 2017	LTM To 30.06.2017
Revenue/Sales	283.2	336.4	429.9	**455.4**
Gross Profit	104.5	129.4	164.6	**175.5**
Reported EBITDA	48.2	63.4	83.8	**88.2**
Depreciation & Amortisation	(16.6)	(17.4)	(19.4)	**(20.2)**
EBIT	31.6	46.0	64.4	**68.0**
Net Financial Income / (Expense)	(32.5)	(34.4)	(38.9)	**(39.1)**
Other	(7.8)	(9.3)	(24.8)	**(21.7)**
Profit Before Tax	(8.7)	2.3	0.7	**7.2**

Significant portion of financial expense related to shareholder loan (owned by Apax Funds, Siguler Guff and Management)
LTM period is estimated based on 10+2.

Cash Flow In USD million Year end 31 March	FY 2015	FY 2016	FY 2017	LTM To 30.06.2017
Reported EBITDA	48.2	63.4	83.8	**88.2**
Capital Expenditure	(9.4)	(6.0)	(10.0)	**(13.0)**
Change in Net Working Capital	(7.1)	(6.3)	(17.2)	**(10.8)**
Other	-	-	-	**-**
Free Cash Flow	31.7	51.1	56.6	**64.4**
Debt Service	(13.5)	(13.2)	(13.2)	**(14.5)**
Other	(18.8)	(39.0)	(26.0)	**(25.0)**
Net Change in Cash & Cash Equivalents	(0.6)	(1.1)	17.4	**24.9**

Other items includes primarily acquisition expenses/earn-outs (REC), global taxes, severance and transition costs, new center developments, repayment of capital for departing managers, IPO preparation costs, etc.

Summary Balance Sheet In USD million Year end 31 March	FY 2015	FY 2016	30.11.2016	31.3.2017
Assets				
Tangible Assets	109.4	125.1	155.9	**170.5**
Intangible Assets	334.8	345.3	334.3	**331.4**
Other	24.8	26.6	22.2	**34.8**
Total Assets	469.0	497.0	512.4	**536.7**
Liabilities and Equity				
Liabilities	393.3	417.8	435.1	**451.5**
Equity	75.7	79.2	77.3	**85.2**
Total Liabilities and Equity	469.0	497.0	512.4	**536.7**

Balance sheet not forecasted, so actual March figures latest available.
Tangible assets include cash, A/R and fixed assets.

GlobalLogic Inc Fair Valuation Calculation

Performance Indicators $ million	Entry	LTM to 31.12.2016	LTM to 31.03.2017	LTM to 30.06.2017
Adjusted Revenue/Sales	**218.4**	**402.9**	**429.9**	**451.8**
Growth vs Entry				106.9%
Adjusted EBITDA	**43.9**	**76.9**	**83.8**	**88.2**
Margin	20.1%	19.1%	19.5%	19.5
Growth vs Entry				(100.0%)
Total Net Debt/(Cash)	**122.0**	**272.9**	**297.9**	**297.9**
Multiple	2.8x	3.5x	3.6x	

Figures presented above reflect the underlying performance of the company. Current and prior period figures may be adjusted for exceptional items, one-off effects and full year impact of acquisitions/disposals and other effects. Figures could therefore differ from company audited financials. Net financial indebtedness is the aggregate of all long term and short term debt less any relevant adjustments (e.g. cash).

Key Valuation Data $ million

Valuation Basis	Entry	NTM from 31.12.2016	NTM from 31.03.2017	NTM from 30.06.2017
EBITDA	43.9	99.4	102.6	107.2
Enterprise Value Multiple	8.7x	14.6x	14.1x	14.2x
Enterprise Value	**418.6**	**1,450.0**	**1,450.0**	**1,518.6**
Total Net Debt/(Cash)	133.8	283.2	299.8	297.9
Other	171.6	(23.4)	-	(20.1)
Equity Value All Shareholders	**207.7**	**1,190.2**	**1,150.2**	**1,240.8**
Current Valuation – Local ccy	146.1	458.1	442.5	249.4
FX (EUR:USD)	1.35	1.05	1.07	1.14
Current Valuation – Fund ccy	**108.2**	**435.6**	**415.4**	**218.2**

Valuation Methodology		Public trading multiples	Public transaction multiples	Public transaction multiples

Enterprise Value, Net Debt and EBITDA for the prior and current periods represent the numbers used within the fair valuation calculations. These could be LTM, normalised or actual EBITDA numbers depending on the timing of the calculation. Accordingly they may vary relative to final audited figures.

Net Debt $ million	Cost %	Entry	31.12.2016	31.03.2017	30.06.2017
Senior Debt	5.5%	160.0	310.0	350.0	351.9
High Yield Debt	-	-	-	-	-
Mezzanine Debt	-	-	-	-	-
Drawn Revolver	-	-	-	-	-
Other Debt	-	15.2	11.3	-	8.1
Gross Debt	**-**	**175.2**	**321.3**	**350.0**	**360.0**
Cash	-	(41.4)	(36.0)	(50.2)	(62.1)
Total Net Debt/(Cash)	**-**	**133.8**	**285.3**	**299.8**	**297.9**

GlobalLogic Inc Investment Adviser's Financial Summary

Fund Investment Summary € million	Entry	31.12.2016	31.03.2017	30.06.2017
Total Invested and Committed	108.2	98.3	98.3	98.3
Proceeds from Realisations	-	45.4	57.3	250.0
Income on Investment	-	16.8	21.7	25.1
Total Proceeds and Income	-	62.2	79.0	275.1
Current Valuation	108.2	435.6	415.4	218.2
Total Valuation	**108.2**	**497.8**	**494.4**	**493.3**
Gross Multiple	1.0x	5.1x	5.0x	5.0x

Shareholders	Undiluted	Diluted
Apax VIII EUR	22.5%	20.8%
Apax VIII USD	22.7%	21.0%
Total Apax Funds	45.2%	41.8%
CPP	45.2%	41.8%
Siguler Guff	4.2%	3.9%
Management	5.3%	12.5%
	100.0%	100.0%

Huarong

Stage
Buy-Out

Sector
Services

Type
Limited Competition

Location
China

Date of First Investment
29 Aug 2014

Invested & Committed
€19m

Total Apax Funds Investment
€117m

Realised Proceeds
-

Current Valuation
€24m

Apax Funds Equity Ownership
1.1%

Ticker Symbol
SEHK:2799 HK

www.chamc.com.cn

Disclaimer

Please be aware Huarong has publicly traded equity and/or debt instruments and therefore certain information in this report may be sensitive. Please refer to the disclaimer on page 2 for full confidentiality provisions regarding this document.

Company Overview

Business Description

China Huarong Asset Management Co., Ltd ("Huarong" or the "Company") is the largest asset management company in China by AUM with a full set of financial services licenses and a specialization in non-performing loans ("NPLs") processing and lending to SMEs. The Company is headquartered in Beijing, China with 30 branches across China and a nationwide branch network. Huarong was initially founded in 1999 by the Chinese Ministry of Finance ("MoF") with the purpose to manage NPLs from Industrial and Commercial Bank of China and other state-owned banks. It was wholly owned by the MoF (98.1%) and China Life (1.9%) immediately prior to the transaction.

Huarong's key business lines include: distressed asset management: acquisition, custody, management and disposal of distressed assets from financial institutions, financial investment, financial intermediary and advisory services, licensed financial services, including banking, securities and futures, financial leasing and trust and non-licensed financial services & others, including alternative asset management, private equity, real estate and property management etc.

Investment Rationale

Downside protection in a restricted sector

- State owned company in an oligopolistic industry with protective policies and a restricted license environment granted by the government
- Strong government backed shareholder base
- Targeted public listing on Hong Kong Stock Exchange by the end of 2015

Strong growth of core business favoured by the current macro environment

- Sound track record to have delivered 43%, 50% and 26% CAGR from 2011 – 2013 for revenue, net income and book value respectively
- Access to stable and cheap funding including policy funding, bank borrowings, bonds etc.
- Highly profitable historical legacy Debt–to-Equity Swap (DES) assets with hidden value (c. RMB 20b) to be released in the next a few years
- Rising commercial bank NPL since late 2012 and increasing account receivables at corporate create more acquisition opportunity for distressed asset disposal and restructuring businesses

Attractive entry valuation relative to the direct comp

- The entry multiple of 1.2x 2013 P/B and 8.0x 2013 P/E implied a discount of 15% and 34% respectively to Cinda's trading 2013YE P/B and P/E valuation at time of signing
- China financial institutions are trading at low levels relative to their historical levels as well as global comps, with potential sector re-rating opportunities

Transaction Summary

- On 29 August 2014, Apax Funds acquired the economic interests of a 1.3% stake in Huarong at the price of RMB 2.12 per share ("purchase price").
- Apax Funds completed the purchase of the economic interests of 425,000,000 of Huarong's equity shares for RMB 901m ($146m, before fees and expenses), implying a total post-money market capitalisation of RMB 69bn ($11bn). The purchase price represented a multiple of 1.2x post-money 2013YE P/B and 8.0x post-money 2013YE P/E, financed 100% by Apax equity.
- Huarong raised a total of RMB 14.5bn during the process, representing 21.0% of its enlarged capital immediately after the transaction. Besides Apax Funds, a mix of 8 other domestic and international investors invested in this process including China Life which was an existing shareholder. Post the completion of the transaction, Chinese Ministry of Finance ("MoF") remains as the largest shareholder of Huarong with a 77.5% stake.

Huarong

Apax Contacts

Richard Zhang
Shanghai
T +86 2151985601
E richard.zhang@apax.com

Frank Ehmer
London
T +44 20 7872 6407
E frank.ehmer@apax.com

Irene Liu
Hong Kong
T +852 2200 5822
E irene.liu@apax.com

Apax Board Representatives
(- of -)

Company Update and Current Trading

Recent Developments

Since the Company is publicly listed, only publicly available information will be disclosed in this report.

Huarong delivered a continued strong growth in 2016 with yoy revenue growth of 26%, fuelled by the strong growth from distressed asset management as well as asset management and investment segments. Net profit to shareholders increased by 35% year-over-year due to the decrease of operating expenses. Book value[1] grew 17% from 31 December 2015, mainly due to strong net profit growth.

On 30 October 2015, Huarong was listed on the HKSE at an IPO price of HK$3.09 per share, comprising of all primary shares. The IPO price represented 1.0x P/B on a post-money basis and 6.0x 2015E P/E[2].

In June 2016, Huarong announced that it planned to list on the Shanghai Stock Exchange, which would represent no more than 15% of the enlarged shares. Proceeds from the listing would be mainly for development of major business and working capital. On 23 December 2016, the Company submitted listing application materials to the China Securities Regulatory Commission ("CSRC") and received a letter of acceptance. The A-share listing is expected to take place in late 2017 or early 2018 and will open an additional financing channel for the Company to fund future growth.

Huarong has issued $2.6bn and $3.4bn of bonds in January and April 2017.

Notes:
1. Equity attributable to the equity holders of the Company
2. Based on Apax estimates

Value Creation Since Investment

The Investment Adviser team keeps a close relationship with management, and actively counselled on governance and explored potential partnership opportunities including potential overseas acquisitions.

Corporate Social Responsibility

Huarong complies with relevant local laws, standards, and regulations. It has regular training and monitoring programs for its employees, and is devoted to poverty alleviation programs in China as well. Huarong is in the process of formulating a comprehensive and official CSR policy, relating to corporate governance, employees, the environment, health and safety.

Huarong has corporate governance structure in place, which has been regularly updated and improved.

Exit

Huarong was listed on HKSE on 30 October 2015. Apax funds are subject to a 3-year lock-up since investment in August 2014

Huarong Company Financials

Profit and Loss In RMBm	31 December 2013	31 December 2014	31 December 2015	31 December 2016
Revenue/Sales	37,319.0	51,061.0	75,385.8	**95,207.7**
Gross Profit				
Reported EBITDA (1)	25,124.0	35,913.0	50,349.2	**65,168.0**
Depreciation & Amortisation				
EBIT (1)	25,124.0	35,913.0	50,349.2	**65,168.0**
Net Financial Income / (Expense)	(10,931.0)	(17,904.0)	(25,902.2)	**(31,416.8)**
Other	(554.0)	(1,235.0)	(2,201.1)	**(3,241.9)**
Profit Before Tax	13,639.0	16,774.0	22,245.9	**30,509.3**

Note: (1) Calculated as revenue – commission and fee expenses – operating expenses – impairment loss on assets

Summary Balance Sheet in RMBm	31 December 2013	31 December 2014	31 December 2015	31 December 2016
Assets				
Tangible Assets	408,261.0	600,386.0	866,173.4	**1,411,521.8**
Intangible Assets	106.0	135.0	373.0	**447.5**
Other	-	-	-	**-**
Total Assets	408,367.0	600,521.0	866,546.4	**1,411,969.3**
Liabilities and Equity				
Liabilities	355,833.0	516,989.0	747,745.8	**1,261,888.3**
Equity	52,534.0	83,532.0	118,800.6	**150,081.0**
Total Liabilities and Equity	408,367.0	600,521.0	866,546.4	**1,411,969.3**

Huarong Investment Adviser’s Financial Summary

Fund Investment Summary € million	Entry	31.12.2016	31.03.2017	30.06.2017
Total Invested and Committed	18.5	19.4	19.4	19.4
Proceeds from Realisations	-	-	-	-
Income on Investment	-	0.5	0.5	0.5
Total Proceeds and Income	-	0.5	0.5	0.5
Current Valuation	18.5	24.2	27.2	24.1
Total Valuation	**18.5**	**24.7**	**27.7**	**24.5**
Gross Multiple	1.0x	1.3x	1.4x	1.3x
Number of Quoted Shares Held		70,876,730	70,876,730	70,876,730

Shareholders	Undiluted	Diluted
Apax Europe VII	0.7%	0.7%
Apax VIII EUR	0.2%	0.2%
Apax VIII USD	0.2%	0.2%
Total Apax Funds	1.1%	1.1%
China Life	4.2%	4.2%
Warburg Pincus	5.3%	5.3%
Others	89.4%	89.4%
	100.0%	100.0%

Ideal Protein

Stage
Buy-Out

Sector
Healthcare

Type
Limited Competition

Location
Canada

Date of First Investment
30 Sep 2015

Enterprise Value at Entry
$438m
6.3x EBITDA

Net Debt/(Cash) at Entry
$170m
2.5x EBITDA

Invested & Committed
€44m

Total Apax Funds Investment
€97m

Realised Proceeds
€37m

Current Valuation
€102m

Apax Funds Equity Ownership
62.2%

www.idealprotein.com

Company Overview

Business Description

Ideal Protein (the "Company") is a leading comprehensive weight loss solutions provider targeting the clinic market in the US and Canada. The Company is contracted with over 3,000 physician offices, medical clinics, multi-provider practices, chiropractors and pharmacies which offer and administer the program to dieters.

Ideal Protein (the "Company") is a proprietary, ketogenic weight loss programme that was developed over 20 years ago by physician Dr. Tran Tien Chanh. Ideal Protein's protocol is based on validated science that is designed for weight loss and is a comprehensive solution encompassing meals, support tools and coaching. Ideal Protein's program helps maintain vitality while triggering ketosis, a mechanism by which the body burns fat efficiently. This data-driven protocol coupled with turnkey coaching is designed to move dieters toward an ideal weight as well as help them support and maintain their weight. Ideal Protein is now available in thousands of physician, cardiologist and health care practitioners' offices, pharmacies and weight loss clinics in North America. The Company manufactures approximately half of its products in its own facilities in Quebec City.

Investment Rationale

- Ideal Protein has a strong current footprint. Its comprehensive programme with food and support tools and an established position in the medical channel are unique and difficult to replicate.
- Obesity is a growing global problem. In North America, one third of the population is clinically obese and one third more is overweight. Hence, a clear need exists to address this problem as it is a significant comorbidity to other health issues and is a driver of substantial healthcare costs.
- Meaningful upside levers identified including (i) expansion of sales force, (ii) initiation of formal marketing and technology programs, supported by internal Apax Operational Excellence Group, to better engage with customers and improve brand recognition and presence, (iii) potential to grow significantly in international markets and (iv) innovative partnerships to access new provider channels, such as pharmacies.
- Deal structure provides substantial downside protection. Attractive entry valuation coupled with high FCF conversion of 95%+ drives levered FCF to Equity Yield of over 20% with limited third party debt. Apax Funds have a liquidation preference on equity and common shareholders have the ability to take out substantial dividends prior to redeeming preferred instrument

Transaction Summary

- In many geographic markets, individuals are being increasingly financially incentivised to take more responsibility for their own health while seeking "consumer-friendly" healthcare solutions. Based on these trends, the Investment Adviser ("Apax") has targeted consumer-driven healthcare opportunities for many years.
- Apax first began researching the company in June 2014 and engaged with management in October 2014, thereafter pursuing a long period of diligence in which a strong relationship was developed with the founders. During the following 12 months, including 10+ weeks of exclusivity, the deal team completed due diligence.
- On 30 September 2015, Funds advised by Apax Partners completed the acquisition of Ideal Protein from its founders. The transaction represents a total enterprise value of USD$438m, equivalent to 6.3x August 2015A LTM EBITDA of USD$69m. Apax Funds contributed USD$109m of equity for a 66% ownership stake, with founders and management reinvesting USD$56m for the remaining 34% ownership stake. Third party debt represents 2.5x leverage on LTM EBITDA with a USD$175m term loan. In addition, the sellers and management rolled a portion of their proceeds into a preferred instrument of USD$103m, which represents 1.5x LTM EBITDA.

Ideal Protein

Apax Contacts

Ameya Agge
New York
T +1 212 419 2469
E ameya.agge@apax.com

Michael Meng
New York
T +1 212 419 2430
E michael.meng@apax.com

Apax Board Representatives (2 of 3)

Ameya Agge
Michael Meng

Company Update and Current Trading

Recent Developments

Ideal Protein is expected to finish H1 2017 flat vs. prior year with revenue and EBITDA of USD$108mm and USD$45mm, respectively, vs. USD$109mm and USD$45mm in H1 2016. The company continues to open new clinics at a strong pace, surpassing clinics opened in the prior year, however, it experienced declines in some older clinic cohorts that the Company is addressing through additional customer service resources. Given time to ramp of 12-24 months for new clinics and its revenue maintenance initiatives, the company expects to see better revenue growth relative to prior year as the rest of 2017 progresses. EBITDA growth has been flat primarily due to additional investments that the company has undertaken in 1H 2017 to drive future growth, including additional tradeshows, IT, and sales force initiatives.

Further top-line initiatives include targeting the US pharmacy channel with dedicated resources to this effort. In addition, the Company, with the support of Apax, has been actively pursuing international expansion opportunities, with a specific focus on China and Germany. The Company expects Germany to be operational in early 2018 and is actively working to build out China.

Management has also been working diligently on several key internal operational improvement initiatives, including additional key hires, development of a mobile app, and upgrading the internal financial ERP system. Not only will these projects help build sustainability of the business today, but they will also open new pathways to accelerate growth through improved business intelligence and ability to track dieter data. In particular, the IdealSmart app is a personalised food journal and video / coaching delivery mechanism designed to help dieters achieve goals by tracking variety of metrics. Though officially launched in May, the company has recorded 7,000+ downloads and registered clients to date.

As a reminder, last October, which represented just over one-year into hold period, the Company executed a refinancing on the back of strong organic performance with proceeds used to fund dividend to return c.0.8x to the Apax Funds.

Value Creation Since Investment

The Investment Adviser is supporting the Company in its numerous value-creation initiatives, including:

Management and Board: Hired CFO, COO, and new VP of Technology to join in 2016 and added independent Board Member. Hired Head of IT and Director of Finance in H1 2017.

Operational Excellence: Investment Adviser's Operational Excellence Practice assisting in development of formal marketing and technology plan and upgrading internal financial systems**.**

Business development / M&A initiatives: evaluating several potential M&A and business partnership opportunities, as well as directly helping to build out international presence.

Corporate Social Responsibility

Ideal Protein has policies, codes, structures and established practices in place to address its corporate social responsibilities including compliance with all material relevant local environmental and labour laws, standards and regulations, initiatives to reduce use of resources, and a Health and Safety policy. The Investment Adviser is working with the company to further enhance governance policies.

Exit

An exit is not actively under consideration.

Ideal Protein Company Financials

Profit and Loss In USDm Year end 31 December	2014	2015	2016	LTM to 30.06.2017
	GAAP	GAAP	GAAP	**GAAP**
Revenue/Sales	170.5	178.4	201.2	**193.0**
Gross Profit	101.6	110.7	122.9	**122.0**
Reported EBITDA	64.0	70.4	81.1	**80.0**
Depreciation & Amortisation	2.7	5.2	14.0	**14.0**
EBIT	61.3	65.2	67.1	**66.0**
Net Financial Income / (Expense)	(2.4)	(9.1)	(6.0)	**(11.4)**
Other	-	0.7	(5.1)	**(6.6)**
Profit Before Tax	59.0	56.8	56.0	**48.0**

Cash Flow In USDm Year end 31 December	2014	2015	2016	LTM to 30.06.2017
	GAAP	GAAP	GAAP	**GAAP**
Reported EBITDA	64.0	70.4	81.0	**80.0**
Capital Expenditure	(0.9)	(2.0)	(3.0)	**(5.0)**
Change in Net Working Capital	(1.0)	-	(5.0)	**(3.0)**
Other	-	-	(20.0)	**(15.0)**
Free Cash Flow	62.1	68.4	53.0	**57.0**
Debt Service	(23.7)	(28.0)	(18.0)	**(26.0)**
Other	(30.3)	(50.8)	(34.1)	**(34.0)**
Net Change in Cash & Cash Equivalents	8.0	(10.4)	0.9	**(3.0)**

Summary Balance Sheet Header	2014	2015	2016	LTM to 30.06.2017
Assets				
Tangible Assets	65.5	48.1	54.0	**73.0**
Intangible Assets	35.3	464.4	458.0	**454.0**
Other	3.3	7.0	8.0	**8.0**
Total Assets	104.1	519.5	520.0	**535.0**
Liabilities and Equity				
Liabilities	37.3	256.5	357.0	**353.0**
Equity	66.8	263.0	163.0	**182.0**
Total Liabilities and Equity	104.1	519.5	520.0	**535.0**

Ideal Protein Fair Valuation Calculation

Performance Indicators $ million

	Entry	LTM to 31.12.2016	LTM to 31.03.2017	LTM to 30.06.2017
Adjusted Revenue/Sales	**175.2**	**192.7**	**195.2**	**201.3**
Growth vs Entry				14.9%
Adjusted EBITDA	**69.0**	**81.1**	**81.6**	**80.4**
Margin	39.4%	42.1%	41.8%	39.9%
Growth vs Entry				16.4%
Total Net Debt/(Cash)	**170.3**	**265.9**	**258.5**	**262.0**
Multiple	2.5x	3.3x	3.2x	3.3x

Figures presented above reflect the underlying performance of the company. Current and prior period figures may be adjusted for exceptional items, one-off effects and full year impact of acquisitions/disposals and other effects. Figures could therefore differ from company audited financials. Net financial indebtedness is the aggregate of all long term and short term debt less any relevant adjustments (e.g. cash).

Key Valuation Data $ million

Valuation Basis	Entry	LTM to 31.12.2016	LTM to 31.03.2017	LTM to 30.06.2017
EBITDA	69.0	81.3	83.0	80.4
Enterprise Value Multiple	6.3x	9.0x	9.3x	9.7x
Enterprise Value	**437.8**	**733.1**	**771.7**	**777.8**
Total Net Debt/(Cash)	170.3	263.2	251.0	244.0
Other	-	-	-	-
Equity Value All Shareholders	**267.5**	**469.9**	**520.7**	**533.8**
Current Valuation – Local ccy	48.7	107.4	116.3	116.8
FX (EUR:USD)	1.12	1.05	1.07	1.14
Current Valuation – Fund ccy	**43.6**	**102.1**	**109.2**	**102.2**
Valuation Methodology		Public trading multiples	Public trading and transaction multiples	Public trading and transaction multiples

Enterprise Value, Net Debt and EBITDA for the prior and current periods represent the numbers used within the fair valuation calculations. These could be LTM, normalised or actual EBITDA numbers depending on the timing of the calculation. Accordingly they may vary relative to final audited figures.

Net Debt $ million

	Cost %	Entry	31.12.2016	31.03.2017	30.06.2017
Senior Debt	3.5%	175.0	276.4	270.0	262.0
High Yield Debt	-	-	-	-	-
Mezzanine Debt	-	-	-	-	-
Drawn Revolver	-	-	-	-	-
Other Debt	-	-	-	-	-
Gross Debt	**3.5%**	**175.0**	**276.4**	**270.0**	**262.0**
Cash	-	(4.7)	(13.2)	(19.0)	(18.0)
Total Net Debt/(Cash)	**-**	**170.3**	**263.2**	**251.0**	**244.0**

Ideal Protein Investment Adviser's Financial Summary

Fund Investment Summary € million

	Entry	31.12.2016	31.03.2017	30.06.2017
Total Invested and Committed	43.6	43.6	43.6	43.6
Proceeds from Realisations	-	36.6	36.6	36.6
Income on Investment	-	-	-	-
Total Proceeds and Income	-	36.6	36.6	36.6
Current Valuation	43.6	102.1	109.2	102.2
Total Valuation	**43.6**	**138.7**	**145.8**	**138.8**
Gross Multiple	1.0x	3.2x	3.3x	3.2x

Shareholders

	Undiluted	Diluted
Apax VIII EUR	29.8%	28.1%
Apax VIII USD	36.1%	34.1%
Total Apax Funds	65.8%	62.2%
Management	34.2%	37.8%
	100.0%	100.0%

idealista

Idealista

Stage
Buy-Out

Sector
Consumer

Type
Limited Competition

Location
Spain

Date of First Investment
15 Sep 2015

Enterprise Value at Entry
€218m

16.1x EBITDA

Net Debt/(Cash) at Entry
€1m

0.1x EBITDA

Invested & Committed
€95m

Total Apax Funds Investment
€210m

Realised Proceeds
€5m

Current Valuation
€183m

Apax Funds Equity Ownership
79.2%

www.idealista.com

Company Overview

Business Description

idealista S.A ("idealista" or the "Company") operates idealista.com, the leading online real estate classified advertising marketplace in Spain founded in 2000. idealista.com attracts over 30m visits per months, has over 13,000 paying agents (62% market penetration) and more than 1.4m listings.

idealista is estimated to be the largest player in the Spanish real estate classified advertising market, and surpasses the #2 player, Fotocasa, by 20-50% in terms of traffic, inventory, and revenue. Approximately 75% of its revenues are generated from agent listing fees, c.10% from new home developer listing fees, c. 10% from display advertising and c.5% from private individuals (who can list up to two properties for free).

idealista launched a challenger real estate classified marketplaces in Italy in 2007 and in Portugal in 2014. In addition, idealista owns several smaller companies in adjacent spaces, most notably Rentalia (vacation rental business) and idealista tools (a software tool for agents).

Investment Rationale

- idealista is a high quality business and is an essential lead generation tool for Spanish real estate agents and private real estate sellers/landlords. It has strong brand awareness, high traffic quality with over 90% of traffic non-paid, and leadership in total real estate listings. This makes the business highly resilient and hard to displace, as evidenced through the recent Spanish real estate crisis during which the company was able to grow revenues and profitability; and consistent with Apax Funds' experience with other well positioned marketplace businesses.
- The Spanish housing market appears poised for a period of solid growth, following significant contraction from 2006 through 2013. The market rebound will naturally lift the agents' commission income and marketing budgets, which should enable idealista to grow revenues by capturing increased agency spend and penetration across all regions of Spain.
- idealista has the opportunity to incorporate international best practices in pricing sophistication and value messaging; the Investment Adviser believes that with the assistance of Ed Williams, Founder and former CEO of Rightmove (highly valued real estate classifieds business listed in the UK) and current Chairman at Auto Trader, we can help management drive solid ARPA growth.
- Material option value in idealista's Italian business. Although it is currently break-even and the number three player by revenues, it is showing strong growth across all KPIs (over 70% year-over-year revenue growth) and recently achieved content leadership (by number of listings).
- Attractive entry multiple compared to core comparables trading at 20x+ NTM EBITDA – Capex.
- Apax buy-out funds have invested in three Digital classifieds businesses previously – Auto Trader (2007 and 2014, UK, cars), SouFun (2010, China, real estate) and Trader Corporation (2011, Canada, cars) – consequently, the Investment Team has deep knowledge of the space, gained through various economic cycles, geographies and verticals, which allowed them to form high conviction views on idealista.

Transaction Summary

- On 15 September 2015, Funds advised by Apax Partners ("Apax Funds") completed the acquisition of idealista from its prior owners; Tiger Global Management, Kutxabank, Bonsai Venture Capital, and several minority shareholders.
- The transaction represents a total enterprise value of €235m (€238m, including fees). Assuming a €215m value for the Spanish business (idealista.com), this equated to 15.1x December 2015 EBITDA of €14.2m, or 16.2x 2015 EBITDA-Capex (excluding fees). Apax Funds contributed €209.5m of equity for a 91.1% ownership stake, management invested €19m to acquire an 8.5% stake and the remaining 0.4% was acquired by Ed Williams, chairman of Auto Trader and former CEO of Rightmove. The acquisition was entirely equity funded. A €5m revolving credit facility was raised primarily to pay for acquisition fees and for additional liquidity.

Idealista

Apax Contacts

Albert Costa Centena
New York
T +44 207 872 6424
E albert.costa@apax.com

Tom Hall
London
T +44 20 7872 6403
E tom.hall@apax.com

Marcelo Gigliani
New York
T +1 212 419 2459
E marcelo.gigliani@apax.com

Apax Board Representatives (2 of 5)

Tom Hall
Marcelo Gigliani

Company Update and Current Trading

Recent Developments

idealista Spain continues to deliver a strong set of results in H1 2017, with 25% year-to-date year revenue growth and 40% EBITDA growth. Outperformance continues to come primarily from second home listings (up 35% year-to-date) driven by:

- New agent sign-ups, with 15,000 paying agents as of May 2017 (22% annual growth)
- Increased revenue per agent, up 7% year-to-date driven by a ~7% price increase, package upsells and increased spend in premium products

Apax expects EBITDA margins to increase to ~54% this year as the company benefits from operating leverage (vs. 50.6% in 2016). The company continues to invest in new personnel (especially in sales and technology) and marketing to cement its leadership position.

The business performance continues to be aided by the strong recovery in the Spanish real estate market with total sale transactions up around 16% year-to-date.

idealista Italy's financial performance continues to be very strong, achieving over 50% revenue growth year-to-date. It is reinvesting that growth into additional marketing spend to increase user awareness in Italy (through TV and outdoor campaigns)

Value Creation Since Investment

Apax has led various operational improvement initiatives since closing, including:

- Reporting & KPIs: revamped monthly financial and KPI reports
- Detailed review of prices and value messaging: As mentioned above, we have successfully implemented a price increase across most of the customer packages
- Review of key supplier contracts: The Operational Excellence Practice is involved in the negotiation of certain key supplier contracts
- M&A support to evaluate strategic acquisitions
- Board: Ed Williams has agreed to join the board as Non-Executive Director. Ed has been a very strong NED and Chairman at Auto Trader.

Corporate Social Responsibility

The Company has a relatively low risk ESG and Compliance profile given the nature of its business. idealista does not own any real property, and we believe it is in compliance with all material environmental regulations. The Company has a health and safety policy in place. Idealista does not have a formal governance and code of conduct policy, but this is currently being considered.

Exit

An exit is not actively under consideration.

Idealista Company Financials

Profit and Loss In €m

Year end 31 December	2014 Audited	2015 Audited	2016 Audited	LTM To 30.06.2017
Revenue/Sales	24.3	30.5	40.3	**50.0**
Gross Profit				
Reported EBITDA	9.2	14.2	20.4	**24.3**
Depreciation & Amortisation	(0.6)	(0.6)	(0.8)	**(0.8)**
EBIT	8.6	13.5	19.6	**23.5**
Net Financial Income / (Expense)	(1.2)	-	(0.1)	**(0.1)**
Other				
Profit Before Tax	7.4	13.5	19.5	**23.4**

Note: financials relate to Idealista.com (Spain) only

Cash Flow In €m

Year end 31 December	2014 Audited	2015 Audited	2016 Audited	LTM To 30.06.2017
Reported EBITDA	9.2	14.2	20.4	**20.4**
Capital Expenditure	(0.6)	(1.1)	(1.0)	**(1.0)**
Change in Net Working Capital	0.6	0.6	(0.4)	**(0.4)**
Other	(1.8)	(2.5)	(4.4)	**(4.4)**
Free Cash Flow	7.4	11.2	14.6	**14.6**
Debt Service	0.2	-	-	**-**
Other	(3.9)	(2.6)		
Net Change in Cash & Cash Equivalents	3.7	8.6	14.6	**14.6**

Note: financials relate to Idealista.com (Spain) only

Summary Balance Sheet In €m

Year end 31 December	2014 Audited	2015 Audited	2016 Audited	30.04.2017
Assets				
Tangible Assets	1.2	1.2	1.4	**1.4**
Intangible Assets	0.3	0.2	7.7	**12.3**
Other	24.7	15.1	12.4	**12.4**
Total Assets	26.1	16.5	21.5	**26.1**
Liabilities and Equity				
Liabilities	9.3	10.2	7.5	**7.5**
Equity	16.8	6.3	14.1	**18.1**
Total Liabilities and Equity	26.1	16.5	21.6	**25.6**

Note: Profit and loss and key financials relate to Idealista.com (Spain) only
June Summary Balance Sheet financials not yet available

Idealista Fair Valuation Calculation

Performance Indicators € million	Entry	LTM to 31.12.2016	LTM to 31.03.2017	LTM to 30.06.2017
Adjusted Revenue/Sales	**29.9**	**40.3**	**42.9**	**45.0**
Growth vs Entry				50.5%
Adjusted EBITDA	**13.5**	**20.4**	**22.7**	**24.3**
Margin	45.2%	50.6%	52.9%	53.9%
Growth vs Entry				79.7%
Total Net Debt/(Cash)	**0.7**	**(4.6)**	**(11.2)**	**(15.5)**
Multiple	0.1x	-	-	-

Figures presented above reflect the underlying performance of the company. Current and prior period figures may be adjusted for exceptional items, one-off effects and full year impact of acquisitions/disposals and other effects. Figures could therefore differ from company audited financials. Net financial indebtedness is the aggregate of all long term and short term debt less any relevant adjustments (e.g. cash).

Key Valuation Data € million

Valuation Basis	Entry	LTM to 31.12.2016	LTM to 31.03.2017	LTM to 30.06.2017
EBITDA-Capex	13.5	19.5	21.1	23.2
Enterprise Value Multiple	16.1x	17.8x	18.4x	18.1x
Enterprise Value	**217.8**	**346.9**	**389.0**	**420.6**
Total Net Debt/(Cash)	0.7	(4.6)	(8.7)	(12.3)
Other	(12.9)	43.7	43.7	43.7
Equity Value All Shareholders	**230.0**	**395.2**	**441.4**	**476.6**
Current Valuation – Local ccy	94.7	153.9	170.8	183.4
FX (EUR:EUR)	1.00	1.00	1.00	1.00
Current Valuation – Fund ccy	**94.7**	**153.9**	**170.8**	**183.4**

Valuation Methodology		Public trading multiples	Public trading multiples	Public trading multiples

Enterprise Value, Net Debt and EBITDA for the prior and current periods represent the numbers used within the fair valuation calculations. These could be LTM, normalised or actual EBITDA numbers depending on the timing of the calculation. Accordingly they may vary relative to final audited figures.

Net Debt € million	Cost %	Entry	31.12.2016	31.03.2017	30.06.2017
Senior Debt	-	-	-	-	-
High Yield Debt	-	-	-	-	-
Mezzanine Debt	-	-	-	-	-
Drawn Revolver	1.0%	5.0	5.9	-	-
Other Debt	-	-	-	-	-
Gross Debt	**-**	**5.0**	**5.9**	**-**	**-**
Cash	-	(4.3)	(10.5)	(8.7)	(12.3)
Total Net Debt/(Cash)	**-**	**0.7**	**(4.6)**	**(8.7)**	**(12.3)**

Idealista Investment Adviser's Financial Summary

Fund Investment Summary € million	Entry	31.12.2016	31.03.2017	30.06.2017
Total Invested and Committed	94.7	94.7	94.7	94.7
Proceeds from Realisations	-	-	-	-
Income on Investment	-	4.8	4.8	4.8
Total Proceeds and Income	-	4.8	4.8	4.8
Current Valuation	94.7	153.9	170.8	183.4
Total Valuation	**94.7**	**158.7**	**175.6**	**188.2**
Gross Multiple	1.0x	1.7x	1.9x	2.0x

Shareholders	Undiluted	Diluted
Apax VIII EUR	40.9%	35.8%
Apax VIII USD	49.6%	43.4%
Total Apax Funds	90.5%	79.2%
Management	8.6%	20.0%
Ed Williams	0.9%	0.8%
	100.0%	100.0%

NuPharm365

Stage
Buy-Out

Sector
Healthcare

Type
Proprietary

Location
Europe

Date of First Investment
30 Aug 2016

Enterprise Value at Entry
€622m
10.4x EBITDA

Net Debt/(Cash) at Entry
€310m
5.2x EBITDA

Invested & Committed
€131m

Total Apax Funds Investment
€296m

Realised Proceeds
-

Current Valuation
€157m

Apax Funds Equity Ownership
92.7%

Company Overview

Business Description

NuPharm365 (or the "Company") is a leading specialty generic pharmaceutical company focussed on treatments for Central Nervous System ("CNS") disorders, such as neurological and mental health conditions. The Company was formed from the merger of Invent Farma and Neuraxpharm, both acquired by Apax Funds in August 2016. Invent Farma has a leading sales force in Spain for CNS-focused products, and Neuraxpharm is the leading CNS-focussed generics company in Germany. The business also manufactures and supplies finished pharmaceuticals and active pharmaceutical ingredients to generic pharmaceutical firms.

Investment Rationale

- The generic/off-patent pharmaceutical market has strong tailwinds in Western Europe, driven by the ageing population, increasing demand for healthcare and supported by healthcare systems' desire to save money by switching from typically higher-priced originator products
- The therapeutic area of CNS is less price-sensitive and more "sticky" than some other therapeutic areas, due, in some cases, to pharmaceuticals with narrow therapeutic windows where there is a clinical risk from patients' treatments being switched to other low-cost alternatives
- Invent Farma and Neuraxpharm both have market leading product portfolios, with a significant number of unique formulations developed to address patient and doctor feedback, and established CNS-focussed sales forces to promote their products
- Invent Farma and Neuraxpharm together represent two of the core "EU-5" countries, and establish a platform for building a pan-European presence in marketing CNS products
- Through the recent acquisition of FB Health in June 2017, an Italian specialty generics company focussed on CNS, NuPharm365 expanded its presence to three of the core "EU-5" countries in line with the Company's strategy

Transaction Summary

- The Investment Adviser ("IA") has been actively targeting opportunities in the European generic pharmaceutical space due to the underlying macro drivers supporting the industry
- The Investment Adviser met the prior owners of Invent Farma in June 2015. Over the following 12 months the IA engaged in an extensive period of exclusive due diligence culminating in the transaction being signed in June 2016
- During the due diligence process on Invent Farma, the IA was introduced to the then-owner of Neuraxpharm in October 2015 and engaged in a period of exclusive due diligence from April 2016 to signing in July 2016. The IA initiated this contact based on its deep knowledge of the space and its belief that a combination would be highly synergistic
- Both companies were acquired following introductions through the Apax Network which led to proprietary processes and extended periods of exclusivity
- The acquisitions closed on 30 and 31 August 2016, valuing the combined Company at a total enterprise value of €596m or 9.1x EBITDA[1], excluding deal expenses. Apax Funds contributed €294m of equity for a 95% ownership stake, with management and strategic partners investing in the remaining 5% stake. The debt represents a 5.1x leverage[1] with a €320m term loan

[1] Estimated 2016 EBITDA pro forma for synergies over the first 24 months

NuPharm365

Apax Contacts

Steven Dyson
London
T +44 20 7872 6488
E steven.dyson@apax.com

Arthur Brothag
London
T +44 207 872 6404
E arthur.brothag@apax.com

Arnaud Bosquet
London
T +44 20 7872 6426
E arnaud.bosquet@apax.com

Apax Board Representatives (3 of 8)

Steven Dyson
Arthur Brothag
Arnaud Bosquet (O)

Company Update and Current Trading

Recent Developments

Financials: NuPharm365 is expected to report Net Sales of €194.4m and Adj. EBITDA of €59.5m for LTM June 2017, representing a year-over-year growth of 4.9% and 7.4% respectively, and increasing EBITDA margin to 30.6% (from 29.9%). The performance through the first half of 2017 was broadly in line with budget.

Business performance: The B2C business (its core CNS franchise and largest division) had solid last 12 months driven by new product launches and cost savings in Germany and the continued roll-out of the "Qualigen" CNS brand in Spain. On a combined basis LTM Net Sales increased by €9.0m / 6.9% compared to last year.

The B2B manufacturing business had mixed last 12 months, primarily due to delays in customer product development activities for respiratory APIs ("Active Pharmacetical Ingredients"). Overall Net Sales increased by €0.1m / 0.2% compared to last year and the delays are viewed temporary in nature only. Analysis of mitigating actions completed and implementation on track.

New group name: The group is being rebranded NuPharm365 (will be effective at the end of 2017).

M&A: In June 2017, NuPharm365 closed the acquisition of FB Health, an Italy-based specialty pharma company focussed on CNS disorders. This proprietary, bilateral and exclusive acquisition enables NuPharm365 to add Italy to its CNS franchise, an important milestone in building a pan-European CNS platform. The acquisition was financed entirely with its existing debt structure.

Management: The new Group CFO, Daniel Wiest, joined the Company in March 2017 and forms, together with CEO Stephan Walz, the leadership of NuPharm365. Mr. Wiest has 15 years of leadership experience in implementing growth strategies in private equity owned companies. Prior to joining NuPharm365, Mr. Wiest was the succesful CFO of a number of other PE-owned businesses (Wittur Group, KCA Deutag Group and APCOA Group).

Value Creation Since Investment

The Investment Adviser has supported and continues to support the Company across a number of fields both through its investment team and the operational excellence practice:

- Identifying and attracting management, including the CEO and CFO, Stephan Walz and Daniel Wiest, as well as the Board Members Dr. Peter Prock and Per Edelmann who are both seasoned industry executives
- Actively supporting the integration of Neuraxpharm and Invent Farma, establishing a group structure and using the integration blueprint to also apply to the recently acquired Italian CNS platform (FB Health)
- Assisting management in cost optimisation
- Sourcing, evaluating and executing on potential M&A targets such as the Italian FB Health

Corporate Social Responsibility

NuPharm365 has policies, codes, structures and established practices in place to address its corporate social responsibilities including compliance with all material relevant local environmental and labour laws, standards and regulations, initiatives to reduce use of resources, and a Health and Safety policy.

The Investment Adviser has been working with the company to further enhance governance and marketing compliance policies.

Exit

An exit is not actively under consideration.

NuPharm365 Company Financials

Profit and Loss Header	2014 IFRS	2015 IFRS	2016 IFRS	LTM to 30.06.2017
Revenue/Sales	166.3	184.5	187.2	**190.6**
Gross Profit	89.0	99.2	98.9	**100.7**
Reported EBITDA	45.7	53.7	59.3	**59.5**
Depreciation & Amortisation	(9.1)	(7.4)	(8.5)	**(9.1)**
EBIT	36.4	46.2	50.8	**50.3**
Net Financial Income / (Expense)	(3.6)	(0.7)	(5.9)	**(18.2)**
Other	-	-	-	**-**
Profit Before Tax	32.8	45.5	44.9	**32.2**

NB: Reported EBITDA excludes the impact of transaction costs.

Cash Flow Header	2014 IFRS	2015 IFRS	2016 IFRS	LTM to 30.06.2017
Reported EBITDA	45.7	53.7	59.3	**59.5**
Capital Expenditure	(21.6)	(17.8)	(13.1)	**(12.1)**
Change in Net Working Capital	(1.3)	(1.3)	6.9	**7.3**
Other	(4.9)	(8.1)	(10.6)	**(10.6)**
Free Cash Flow	17.9	26.5	42.5	**44.2**
Debt Service	0.2	(11.3)	(8.6)	**(14.4)**
Other	(26.0)	(17.9)	(31.8)	**(25.2)**
Net Change in Cash & Cash Equivalents	(7.9)	(2.7)	2.1	**4.6**

NB: Reported EBITDA excludes the impact of transaction costs.
Other includes Transaction Costs, Tax Paid, pre-closing dividends to the selling shareholders and exceptional items.

Summary Balance Sheet Header	2014 IFRS	2015 IFRS	2016 IFRS	30.06.2017
Assets				
Tangible Assets	138.9	158.8	35.8	**36.7**
Intangible Assets	47.8	47.2	529.5	**521.1**
Other			114.4	**120.8**
Total Assets	186.7	206.0	679.8	**678.7**
Liabilities and Equity				
Liabilities	106.4	106.7	493.7	**481.4**
Equity	80.3	99.3	186.0	**197.2**
Total Liabilities and Equity	186.7	206.0	679.8	**678.7**

NB: Shareholder loans included in liabilities.

NuPharm365 Fair Valuation Calculation

Performance Indicators € million	Entry	LTM to 31.12.2016	LTM to 31.03.2017	LTM to 30.06.2017
Adjusted Revenue/Sales	**191.6**	**187.2**	**191.0**	**194.4**
Growth vs Entry				1.5%
Adjusted EBITDA	**59.9**	**58.7**	**58.2**	**59.5**
Margin	31.3%	31.4%	30.5%	30.6%
Growth vs Entry				(0.6%)
Total Net Debt/(Cash)	**309.6**	**288.9**	**287.5**	**296.6**
Multiple	5.2x	4.9x	4.9x	5.0x

Figures presented above include estimates and may be adjusted for exceptional items, one-off effects and full year impact of acquisitions/disposals and other effects. Accordingly, they may vary relative to final audited figures and key valuation data below. Net financial indebtedness is the aggregate of all long term and short term debt less any relevant adjustments (e.g. cash).

Key Valuation Data € million

Valuation Basis	Entry	LTM to 31.12.2016	LTM to 31.03.2017	LTM to 30.06.2017
EBITDA	59.9	58.7	58.2	59.5
Enterprise Value Multiple	10.4x	11.0x	11.0x	11.3x
Enterprise Value	**622.3**	**645.7**	**640.0**	**673.8**
Total Net Debt/(Cash)	309.6	298.3	296.3	296.6
Other	7.9	-	-	-
Equity Value All Shareholders	**304.8**	**347.4**	**343.7**	**377.2**
Current Valuation – Local ccy	-	146.0	145.1	156.6
FX (EUR:EUR)	-	1.00	1.00	1.00
Current Valuation – Fund ccy	**-**	**146.0**	**145.1**	**156.6**

Valuation Methodology		Public trading and transaction multiples	Public trading and transaction multiples	Public trading and transaction multiples

Enterprise Value, Net Debt and EBITDA for the prior and current periods represent the numbers used within the fair valuation calculations. These could be LTM, normalised or actual EBITDA numbers depending on the timing of the calculation. Accordingly they may vary relative to final audited figures.

Net Debt € million	Cost %	Entry	31.12.2016	31.03.2017	30.06.2017
Senior Debt	3.8%	320.0	320.0	320.0	320.0
High Yield Debt	-	-	-	-	-
Mezzanine Debt	-	-	-	-	-
Drawn Revolver	3.5%	-	-	-	-
Other Debt	-	-	-	-	13.4
Gross Debt	**3.8%**	**320.0**	**320.0**	**320.0**	**333.4**
Cash	-	(10.4)	(21.7)	(23.7)	(36.8)
Total Net Debt/(Cash)	**-**	**309.6**	**298.3**	**296.3**	**296.6**

NuPharm365 Investment Adviser's Financial Summary

Fund Investment Summary € million	Entry	31.12.2016	31.03.2017	30.06.2017
Total Invested and Committed	131.5	131.5	131.5	131.5
Proceeds from Realisations	-	-	-	-
Income on Investment	-	-	-	-
Total Proceeds and Income	-	-	-	-
Current Valuation	131.5	146.0	145.1	156.6
Total Valuation	**131.5**	**146.0**	**145.1**	**156.6**
Gross Multiple	1.0x	1.1x	1.1x	1.2x

Shareholders	Undiluted	Diluted
Apax VIII EUR	42.8%	41.5%
Apax VIII USD	52.8%	51.2%
Total Apax Funds	95.6%	92.7%
Founder	1.7%	1.7%
Management	2.7%	5.6%
	100.0%	100.0%

One Call / Align

Stage
Buy-Out

Sector
Healthcare

Type
Auction / Proprietary

Location
United States of America

Date of First Investment
17 Dec 2013

Enterprise Value at Entry
$3.3bn

13.2x EBITDA

Net Debt/(Cash) at Entry
$1.8bn

7.3x EBITDA

Invested & Committed
€169m

Total Apax Funds Investment
€994m

Realised Proceeds
-

Current Valuation
€107m

Apax Funds Equity Ownership
91.9%

www.onecallcm.com

Company Overview

Business Description

One Call Care Management ("OCCM" or the "Company") is the market-leading provider of medical cost-containment solutions to workers' compensation payors. On behalf of payors, the Company coordinates care for injured workers by actively managing the delivery and scheduling of specialty healthcare services and products through proprietary networks of contracted providers.

Today, OCCM provides workers' compensation solutions in the physical therapy (40% of combined revenue), diagnostic imaging (22% of combined revenue), equipment & device management (15%), home health (at-home nursing & medical care) (10%), transportation & translation (9%), and specialty dental (3%) segments.

The Company sells these network services to 18 of the top 20 workers' compensation payors. These customers are contracted with the Company in at least one or more of the service lines. Strong relations with the payors lead to both electronic connectivity because of scale, as well as volume for providers. One Call has the largest network of ancillary service providers due to its broad portfolio offering and is able to leverage its scale to provide its customers with high quality clinical care at an attractive value.

OCCM and Align have made 16 acquisitions in the past 6 years.

Investment Rationale

- Strong underlying market growth driven by increasing penetration of specialty networks
- Market leader with strong value proposition to customers
- Combination of both assets drives cost and revenue synergies and an unrivalled end-to-end customer offering
- Purchase of leading assets in fragmented market with opportunity to continue making accretive acquisitions
- Management team with significant tenure in the industry and a sustained record of revenue growth

Transaction Summary

- On 27 November 2013, Funds advised by Apax Partners ('Apax Funds') completed the acquisition of OCCM from Odyssey Investment Partners. On 17 December 2013, Apax Funds completed the acquisition of Align Networks from General Atlantic. The two companies were merged to create the comprehensive market leader in the workers' compensation specialty network space.
- 18 months prior to the transaction, the Apax Healthcare team began conducting a deep dive into the provision of healthcare for individuals injured at work and therefore covered by workers' compensation insurance. Specialty networks were identified as an attractive sub-sector. Ahead of the anticipated OCCM broad auction sales process, Apax identified Align as the strongest angle and performed in-depth due diligence on Align on a proprietary basis from June to September 2013.
- In addition to the cost synergies, the industrial logic of the combination is that by offering all the specialty services an injured worker may need, One Call will be able to better coordinate across the continuum of care and drive increased adoption of specialty networks.

One Call / Align

Apax Contacts

Ameya Agge
New York
T +1 212 419 2469
E ameya.agge@apax.com

Apax Board Representatives (3 of 8)

Nico Hansen
Ameya Agge
Michael Meng

Company Update and Current Trading

Recent Developments

For the LTM period ending 30 June 2017, revenue and reported EBITDA are estimated to be $1,538m (2% year-over-year decrease) and $206m (2% year-over-year decrease) respectively. As a reminder, the Company experienced operational and execution issues in late 2015 which led to some customer losses through 2016. A new CEO, Dale Wolf, was put in place at the beginning of 2016 and Management spent most of 2016 rectifying operational issues and improving customer service levels. More recently, the company has not lost major customer accounts and overall customer service levels have improved versus a year ago. For 2017, Management is focussed on driving greater topline growth including exploring additional vectors of growth in markets adjacent to workers ' compensation.

As such, the Company acquired a small data analytics company called High Line Health in late 2016. This acquisition was strategically beneficial as it enables One Call to provide a new analytic product to existing customers and improve overall customer stewardship. Management is also exploring other strategic tuck-in acquisitions.

Lastly, in Q4 2016 the Company formally launched the development of a new technology system after a year of detailed planning. This strategic integration project is expected to significantly increase internal efficiencies and enhance customer service. Once complete, it will allow One Call to truly become the leading specialty network, operating on a single platform, to best coordinate across the continuum of care for the injured worker. The total project is expected to take 18-24 months to complete at an anticipated one-time Capital Expenditure of c$30m with initial milestones set for 2017. Thus far, the project is on track with a pilot customer implementation programme already complete. Additional customer integrations are planned for the remainder of 2017 as well as the launch of additional features and functionalities on the platform.

Value Creation Since Investment

- Achievement of synergies from the combination of One Call and Align Networks as part of the original investment thesis
- Upgrading management team
- Completed the acquisitions of High Line Health, Medfocus, ISN, and the Diagnostics and Physical Therapy Specialty Networks businesses from GENEX
- Seconded Investment Adviser employee to assist the Company with various operating initiatives
- Completed work with the Apax Operational Excellence Practice to identify and execute on operational excellence opportunities

Corporate Social Responsibility

OCCM has policies, codes, structures and established practices in place to address its corporate social responsibilities including a corporate governance policy, code of conduct, anti-corruption policy with annual re-certifications, and compliance audit. In addition, OCCM has social, labour, health & safety and diversity policies in place, focus on environmental impact, and an annual budget dedicated to philanthropic activities.

Exit

An exit is not actively under consideration.

One Call / Align Company Financials

Profit and Loss In USDm Year end 31 December	2014	2015	LTM To 31.12.2016	LTM To 30.06.2017
Revenue/Sales	1,471.2	1,518.9	1,564.7	**1,537.9**
Gross Profit	379.3	376.3	376.1	**364.3**
Reported EBITDA	222.8	217.1	208.3	**205.6**
Depreciation & Amortisation	(143.4)	(141.9)	(137.3)	**(141.8)**
EBIT	79.5	75.2	71.0	**63.8**
Net Financial Income / (Expense)	(136.4)	(137.1)	(135.0)	**(134.7)**
Other	(142.3)	(301.0)	(29.3)	**(32.1)**
Profit Before Tax	(199.3)	(363.0)	(93.3)	**(103.1)**

"Other" includes non-recurring costs.
P&L only displayed for FY2013 and forward given large number of acquisitions.
Cash flow and balance sheet figures before One Call / Align acquisition by Apax excluded due to complexity of reporting.

Cash Flow In USDm Year end 31 December	2014	2015	LTM To 31.12.2016	LTM To 30.06.2017
Reported EBITDA	222.8	217.1	208.3	**205.6**
Capital Expenditure	(22.8)	(51.1)	(43.4)	**(44.8)**
Change in Net Working Capital	(20.1)	22.6	18.1	**13.8**
Other	(22.8)	(60.4)	(49.4)	**(31.6)**
Free Cash Flow	157.1	128.1	133.6	**143.1**
Debt Service	(61.0)	(127.6)	(120.0)	**(119.0)**
Other	(94.0)	(2.0)	(15.9)	**(22.2)**
Net Change in Cash & Cash Equivalents	2.1	(1.5)	(2.3)	**1.9**

Summary Balance Sheet In USDm Year end 31 December	31 Dec 2014	31 Dec 2015	31 Dec 2016	30 Jun 2017
Assets				
Tangible Assets	305.1	329.5	325.8	**325.0**
Intangible Assets	3,533.5	3,215.7	3,108.4	**3,057.6**
Other	41.0	36.9	2.8	**2.9**
Total Assets	3,879.6	3,582.1	3,437.0	**3,385.5**
Liabilities and Equity				
Liabilities	2,616.8	2,564.8	2,594.0	**2,568.5**
Equity	1,263.2	1,017.2	843.1	**817.0**
Total Liabilities and Equity	3,880.0	3,582.1	3,437.0	**3,385.5**

One Call / Align Fair Valuation Calculation

Performance Indicators $ million	Entry	LTM to 31.12.2016	LTM to 31.03.2017	LTM to 30.06.2017
Adjusted Revenue/Sales	**1,372.4**	**1,562.3**	**1,551.0**	**1,537.5**
Growth vs Entry				12.0%
Adjusted EBITDA	**248.0**	**221.0**	**219.9**	**222.0**
Margin	18.1%	14.1%	14.2%	14.4%
Growth vs Entry				(10.5%)
Total Net Debt/(Cash)	**1,815.0**	**1,864.3**	**1,854.7**	**1,861.4**
Multiple	7.3x	8.4x	8.4x	8.4x

Figures presented above reflect the underlying performance of the company. Current and prior period figures may be adjusted for exceptional items, one-off effects and full year impact of acquisitions/disposals and other effects. Figures could therefore differ from company audited financials. Net financial indebtedness is the aggregate of all long term and short term debt less any relevant adjustments (e.g. cash).
Revenue and EBITDA are proforma for acquisitions and operational excellence efforts.

Key Valuation Data $ million

Valuation Basis	Entry	LTM to 31.12.2016	LTM to 31.03.2017	LTM to 30.06.2017
EBITDA	248.0	221.0	219.6	211.7
Enterprise Value Multiple	13.2x	12.5x	12.5x	12.5x
Enterprise Value	**3,279.1**	**2,768.0**	**2,750.5**	**2,651.0**
Total Net Debt/(Cash)	1,815.0	1,864.3	1,863.4	1,861.4
Other	-	-	-	-
Equity Value All Shareholders	**1,464.1**	**903.7**	**887.1**	**789.6**
Current Valuation – Local ccy	228.1	140.1	137.5	122.4
FX (EUR:USD)	1.35	1.05	1.07	1.14
Current Valuation – Fund ccy	**168.9**	**133.2**	**129.1**	**107.1**

Valuation Methodology		Public trading and transaction multiples	Public transaction multiples	Public transaction multiples

Enterprise Value, Net Debt and EBITDA for the prior and current periods represent the numbers used within the fair valuation calculations. These could be LTM, normalised or actual EBITDA numbers depending on the timing of the calculation. Accordingly they may vary relative to final audited figures.

Net Debt $ million	Cost %	Entry	31.12.2016	31.03.2017	30.06.2017
Senior Debt	5.9%	1,220.0	1,258.2	1,257.9	1,254.7
High Yield Debt	8.9%	610.0	610.0	610.0	610.0
Mezzanine Debt	-	-	-	-	-
Drawn Revolver	-	-	-	-	-
Other Debt	-	29.1	3.3	2.7	1.9
Gross Debt	**-**	**1,830.0**	**1,871.5**	**1,870.6**	**1,866.6**
Cash	-	(15.0)	(7.2)	(7.2)	(5.3)
Total Net Debt/(Cash)	**-**	**1,815.0**	**1,864.3**	**1,863.4**	**1,861.4**

One Call / Align Investment Adviser's Financial Summary

Fund Investment Summary € million	Entry	31.12.2016	31.03.2017	30.06.2017
Total Invested and Committed	168.9	168.9	168.9	168.9
Proceeds from Realisations	-	-	-	-
Income on Investment	-	-	-	-
Total Proceeds and Income	-	-	-	-
Current Valuation	168.9	133.2	129.1	107.1
Total Valuation	**168.9**	**133.2**	**129.1**	**107.1**
Gross Multiple	1.0x	0.8x	0.8x	0.6x

Shareholders	Undiluted	Diluted
Apax Europe VII	60.7%	60.7%
Apax VIII EUR	15.5%	15.5%
Apax VIII USD	15.7%	15.7%
Total Apax Funds	91.9%	91.9%
Management	8.1%	8.1%
	100.0%	100.0%

Quality Distribution

Quality Distribution

Stage
Buy-Out

Sector
Services

Type
Proprietary

Location
United States of America

Date of First Investment
18 Aug 2015

Enterprise Value at Entry
$892m

11.0x EBITDA

Net Debt/(Cash) at Entry
$573m

7.1x EBITDA

Invested & Committed
€113m

Total Apax Funds Investment
€251m

Realised Proceeds
-

Current Valuation
€88m

Apax Funds Equity Ownership
75.5%

www.qualitydistribution.com

Company Overview

Business Description

Quality Distribution Inc. ("Quality" or the "Company") is the leading provider of bulk chemical logistics in North America, servicing nearly all of the top 100 chemical producers in the world from its 104 chemical terminals across North America. The Company also operates ISO tank depots in 24 locations across the U.S., the U.K. and Europe.

Headquartered in Tampa, Florida, the business provides asset light trucking logistics for the movement of chemicals and energy liquids across two segments:

• Chemical: Bulk chemical logistics, primarily for domestic liquid chemical trucking shipments,

• Intermodal: ISO tank container transport and depot services for importers / exporters of chemicals catering to US and Western Europe / Asia shippers

Investment Rationale

- Quality Distribution is the market leader in stable and attractive market segments with high barriers to entry. The Company provides mission critical services to chemical producers who have limited alternative transportation options and operates a national network that is 40% to 50% larger than its nearest competitor. Customers value safety, network scale, and availability, which leads them to gravitate toward larger providers.
- The markets which the Company serves are benefiting from strong secular tailwinds. In the core Chemical business, North American chemical capacity is projected to increase by 20% over the next five years (the "Chemical Supercycle") due to domestic, low cost natural gas feedstock. For the Intermodal business, ISO tanks offer a superior product to 55 gallon drums from a cost, safety, and convenience standpoint and are expected to continue to take share.
- Quality will serve as a platform to drive accretive M&A within a fragmented marketplace.
- The Company has strong financial characteristics, including 80%+ free cash flow conversion, as a result of its asset light model.
- Quality has a strong management team with a history of delivering significant value to private equity shareholders in the past.

Transaction Summary

- On 18 August 2015 Apax Funds completed the acquisition of Quality. The transaction represented a total adjusted enterprise value of $840m ($892m, including fees), equivalent to 10.3x 2014 Adjusted EBITDA of $81m and 11.1x 2014 Adjusted EBITDA less Capex of $76m. Apax Funds contributed $240m of equity for a 75% ownership stake, with certain Apax limited partner co-investors investing $73m for a 23% ownership stake and management investing $6m to acquire the remaining 2%. The debt represented 5.8x net leverage on Q1 2015 Covenant EBITDA of $92m and includes $415m first lien, $120m second lien and a $100m revolving credit facility, of which $14m was drawn at closing (primarily for net working capital seasonality).
- Apax first engaged with Quality in June 2013, and while the Board was uninterested in pursuing a take-private transaction at that time, Apax continued to follow the business closely for the next 18 months, maintaining a dialogue with management and further diligencing both the asset and the industry. In H2 2014, Quality's share price was under significant pressure, largely as a result of volatility in the energy market. As the energy segment only represented 12% of EBITDA at that time, Apax viewed the market reaction to be exaggerated, which created an opportunity to reengage with the Board. In February of 2015, Apax was granted exclusive due diligence access, and following three months of in-depth due diligence, the deal was signed on 6 May 2015.

Quality Distribution

Apax Contacts

Ashish Karandikar
New York
T +1 212 419 2456
E ashish.karandikar@apax.com

Apax Board Representatives (3 of 7)

Ashish Karandikar
Mitch Truwit
Nedu Ottih

Company Update and Current Trading

Recent Developments

For the LTM period ending 31 May 2017 Quality Distribution had Revenue Ex Fuel and PF Adjusted EBITDA of $768m and $79m, respectively. This represents an increase in Revenue Ex Fuel of 3% and a decline in PF Adjusted EBITDA of 6%, respectively, vs. LTM May 2016. A breakdown of performance by segment and the key operating drivers is below:

Chemical: Revenue ex-fuel increased by 3% in the LTM period ending 31 May 2017 to $562m from $546m in the prior LTM period, and PF Adj. EBITDA declined by 8% to $77m from $84m. The industrial economy showed signs of improvement in H1 2017, as evidenced by 3.4% growth in US specialty chemical market volume in the year-to-date period ending 31 May 2017 compared to the prior year-to-date period, according to the American Chemistry Council. The Company experienced increased demand as a result; however, revenue growth has been partially offset by rising maintenance costs driven by an increased number of company stores. The Company is proactively addressing these cost increases and has engaged outside consultants to identify best practices and potential sources of cost reduction.

Intermodal: Revenue ex-fuel increased by 32% to $179m in the LTM period ending 31 May 2017 from $135m in the prior LTM period; this represents 4% year-over-year growth excluding the impact of acquisitions. PF Adj. EBITDA increased by 22% to $40m from $33m, driven primarily by the following acquisitions: Best Transportation, a Houston, Texas-based ISO tank services provider with $4.4m in the LTM period ending 31 Dec 2016, and Global Depot Services, a Dutch ISO tank services provider with €2.1m of EBITDA in the LTM period ending 28 Feb 2017. The Company intends to pursue further M&A opportunities in Europe.

Energy: Revenue ex-fuel and PF Adj. EBITDA declined to $26m and $(1)m in the LTM period ending 31 May 2017 from $66m and $2m in the prior LTM period. The Energy business experienced a significantly challenging operating environment in 2015 and continuing into 2016. In response to these market conditions, the Company has been focussed on minimizing cash burn, exiting unprofitable geographies and redeploying leased assets in other segments.

Note: current LTM period is pro forma for the full year impact of completed acquisitions.

Value Creation Since Investment

The Investment Adviser has assisted the Company on a number of value add initiatives including:

- Secondment of an Apax professional to execute 100 Day Plan initiatives identified in diligence including operational improvements, cost savings, and environmental programs
- Secondment of an Apax professional to assist with business planning and budgeting for the Chemical business
- Evaluation, diligence and execution support for strategic tuck-in acquisitions
- Regional market expertise to support the internationalisation of the Intermodal business
- Operational Excellence support around group purchasing opportunities and fuel rebate negotiations
- Provided support to assist the Company in raising incremental field lien debt to pay down its revolver.

Corporate Social Responsibility

Quality Distribution has policies in place to address its corporate social responsibilities including health and safety policies, environmental policies, a diversity policy, and a corporate governance policy including a code of conduct / ethics. In addition, the company has recruiting programs focussed on hiring veterans.

Exit

An exit is not actively under consideration.

Quality Distribution Company Financials

Profit and Loss in USDm year end 31 December	FY2014	FY2015	FY2016	LTM 30.06.2017E
	US GAAP	US GAAP	US GAAP	**US GAAP**
Revenue/Sales	991.8	870.3	789.8	**850.3**
Gross Profit				
Reported EBITDA	76.7	13.5	38.3	**46.2**
Depreciation & Amortisation	(21.6)	(29.6)	(46.4)	**(52.2)**
EBIT	55.1	(16.1)	(8.1)	**(6.0)**
Net Financial Income / (Expense)	(28.1)	(38.1)	(43.3)	**(45.5)**
Other	-	-	-	**-**
Profit Before Tax	27.0	(54.1)	(51.4)	**(51.5)**

Reported EBITDA represents EBITDA as calculated by GAAP and does not include adjustments to remove non-cash or non-recurring items.

Cash Flow in USDm year end 31 December	FY2014	FY2015	FY2016	LTM 30.06.2017E
	US GAAP	US GAAP	US GAAP	**US GAAP**
Reported EBITDA	76.7	13.5	38.3	**46.2**
Capital Expenditure	(6.0)	(7.3)	(13.2)	**(16.7)**
Change in Net Working Capital	(15.4)	32.0	7.8	**(12.3)**
Other	0.8	7.7	7.4	**8.9**
Free Cash Flow	56.1	45.8	40.3	**26.2**
Debt Service	(54.5)	122.5	12.9	**(19.6)**
Other	(2.2)	(168.0)	(35.3)	**(6.9)**
Net Change in Cash & Cash Equivalents	(0.6)	0.4	17.8	**(0.3)**

Summary Balance Sheet in USDm year end 31 December	FY2014 US GAAP	FY2015 US GAAP	FY2016 US GAAP	30.06.2017E
Assets				
Tangible Assets	158.3	176.3	200.2	**193.1**
Intangible Assets	50.3	682.4	703.4	**746.3**
Other	219.2	129.1	149.6	**166.3**
Total Assets	427.8	987.9	1,053.2	**1,105.7**
Liabilities and Equity				
Liabilities	459.5	707.9	786.5	**819.4**
Equity	(31.7)	280.0	266.7	**286.2**
Total Liabilities and Equity	427.8	987.9	1,053.2	**1,105.7**

Quality Distribution Fair Valuation Calculation

Performance Indicators $ million	Entry	LTM to 31.12.2016	LTM to 31.03.2017	LTM to 30.06.2017
Adjusted Revenue/Sales	**854.1**	**863.9**	**883.7**	**892.7**
Growth vs Entry				4.5%
Adjusted EBITDA	**81.3**	**81.3**	**79.0**	**76.8**
Margin	9.5%	9.4%	8.9%	8.6%
Growth vs Entry				(5.5%)
Total Net Debt/(Cash)	**573.4**	**624.0**	**612.8**	**625.5**
Multiple	7.1x	7.7x	7.8x	8.1x

Figures presented above reflect the underlying performance of the company. Current and prior period figures may be adjusted for exceptional items, one-off effects and full year impact of acquisitions/disposals and other effects. Figures could therefore differ from company audited financials. Net financial indebtedness is the aggregate of all long term and short term debt less any relevant adjustments (e.g. cash). FMV data based on LTM forecast figures at the time of the valuations, key performance indicators based on most recently available forecasts. Figures are pro forma for acquisitions completed during June 2016. Leverage multiple differs from covenant leverage multiple as it is calculated with Adjusted EBITDA vs. Covenant EBITDA.

Key Valuation Data $ million

Valuation Basis	Entry	LTM to 31.12.2016	LTM to 31.03.2017	LTM to 30.06.2017
EBITDA-Capex	81.3	71.2	68.6	66.9
Enterprise Value Multiple	11.0x	13.7x	13.5x	13.8x
Enterprise Value	**891.6**	**975.6**	**923.9**	**922.5**
Total Net Debt/(Cash)	573.4	619.0	612.8	625.5
Other	-	-	-	-
Equity Value All Shareholders	**318.3**	**356.6**	**311.1**	**297.0**
Current Valuation – Local ccy	107.1	119.8	105.0	100.3
FX (EUR:USD)	1.11	1.05	1.07	1.14
Current Valuation – Fund ccy	**96.4**	**113.9**	**98.6**	**87.8**

Valuation Methodology		Public trading and transaction multiples	Public trading and transaction multiples	Public trading and transaction multiples

Enterprise Value, Net Debt and EBITDA for the prior and current periods represent the numbers used within the fair valuation calculations. These could be LTM, normalised or actual EBITDA numbers depending on the timing of the calculation. Accordingly they may vary relative to final audited figures. FMV data based on LTM forecast figures at the time of the valuations, key performance indicators based on most recently available forecasts.

Net Debt $ million	Cost %	Entry	31.12.2016	31.03.2017	30.06.2017
Senior Debt	6.8%	535.0	530.9	529.8	528.8
High Yield Debt	-	-	-	-	-
Mezzanine Debt	-	-	-	-	-
Drawn Revolver	2.5%	13.6	44.5	47.3	61.7
Other Debt	5.0%	34.7	48.7	42.5	41.8
Gross Debt	**-**	**583.3**	**624.0**	**619.6**	**632.2**
Cash	-	(10.0)	(5.0)	(6.8)	(6.7)
Total Net Debt/(Cash)	**-**	**573.4**	**619.0**	**612.8**	**625.5**

Quality Distribution Investment Adviser's Financial Summary

Fund Investment Summary € million	Entry	31.12.2016	31.03.2017	30.06.2017
Total Invested and Committed	96.4	102.8	112.8	112.8
Proceeds from Realisations	-	-	-	-
Income on Investment	-	-	-	-
Total Proceeds and Income	-	-	-	-
Current Valuation	96.4	113.9	98.6	87.8
Total Valuation	**96.4**	**113.9**	**98.6**	**87.8**
Gross Multiple	1.0x	1.1x	0.9x	0.8x

Shareholders	Undiluted	Diluted
Apax VIII EUR	33.8%	33.8%
Apax VIII USD	41.7%	41.7%
Total Apax Funds	75.5%	75.5%
GIC	23.0%	23.0%
Management	1.2%	1.2%
Jim Martell	0.3%	0.3%
	100.0%	100.0%

Shriram City Union

Stage
Buy-Out

Sector
Services

Type
Proprietary

Location
India

Date of First Investment
11 May 2015

Invested & Committed
€155m

Total Apax Funds Investment
€347m

Realised Proceeds
€42m

Current Valuation
€153m

Apax Funds Equity Ownership
22.8%

Ticker Symbol
NSE INDIA:SCUF IN

www.shriramcity.in

Company Overview

Business Description

Shriram City Union Finance Ltd. ("SCUF" or the "Company") is a leading Non-Bank Finance Company ("NBFC") primarily focussed on loans to Micro Small and Medium Enterprises (MSMEs), finance for two-wheelers and loans against gold, and is a market leader in each of these key markets. The Company focuses on customer segments under-served by other mainstream lenders, and is able to effectively address these customers with a 26,800+ strong field force and a unique de-centralised operating model.

The Company is part of the Shriram Group, a highly reputed Indian financial services group with a track record of creating value for all stakeholders. SCUF currently manages a loan book of over $3.8bn and operates out of c.1,000 branches, primarily in South India.

Investment Rationale

- SCUF has a dominant position in the large but under-served MSME, two wheeler and gold loan markets, and is differentiated through focus on small ticket loans to non-salaried customers, low-cost and collections intensive operating model and access to a large captive chit[1] customer base
- Several levers to improve operating performance and RoE including faster organic growth, accretive M&A and cost reduction through adoption of technology
- Reasonable entry multiple at a discount to higher growth retail NBFCs and retail-focussed private banks
- Backing a strong management team with an impressive track record, and partnership with like-minded promoters and strategic shareholders to drive value creation
- [1] Chits are collective savings and investment schemes. Shriram Group operates one of the largest chits business in India with 1.4m active customers

Transaction Summary

Investment

- On 11 May 2015 Apax Funds acquired a 20.4% stake in SCUF from affiliates of TPG for a consideration of $384m (entry multiple of NTM P/E and P/B of 17.3x and 2.5x respectively implying equity value of $1.9b). The transaction was financed through equity from the Apax Funds and a margin loan. Subsequently, Apax Funds acquired a further 2.4% stake in SCUF in the open market
- Apax had been engaged with the Shriram Group for over three years, and undertook full diligence on the Company in January 2013 and in March 2014. During this period, Apax developed a strong relationship with all key stakeholders including the promoters, Ajay Piramal, and the SCUF management team. Apax effectively pre-empted the sale process by proactively engaging with the Company, completing diligence and approaching TPG with a firm offer.
- Apax received one Board seat and one Observer seat, and will have the right to nominate one Independent Director to the Board. In addition, Apax will also receive a typical set of minority protection rights.

Margin Finance

- Apax’s initial investment of $384m into SCUF was part-funded with a margin loan of $64m
- In June 2017, the margin loan was refinanced with a $180m facility (35% loan-to-value, all-in cost of L+5.1%) resulting in upstreaming of $103m cash (after setting aside $13m for payments of interest and costs) to the Apax Funds

Shriram City Union

Apax Contacts

Giancarlo Aliberti
London
T +44 207 872 6437
E giancarlo.aliberti@apax.com

Shashank Singh
Mumbai
T +91 22 4050 8403
E shashank.singh@apax.com

Gautam Narayan
Mumbai
T +91 22 4050 8404
E gautam.narayan@apax.com

Apax Board Representatives (2 of 12)

Shashank Singh
Gautam Narayan (O)

Company Update and Current Trading

Recent Developments

Since the Company is publicly listed, only publicly available information will be disclosed in this report.

Market growth and Competition:

The Indian macro environment has been stable. Demand environment and loan growth has rebounded and stabilised post disruption due to de-monetisation (as a reminder, the Indian Government had announced de-monetisation of high value currency notes in Nov 2016, which led to a temporary disruption in availability of cash)

Overall credit growth in the economy has remained weak at c.5% in FY 2017 due to slowdown in corporate credit. However, retail lenders have grown at 20%+ along with a significant share shift among lenders as private banks and NBFCs gain from capital-starved state-owned banks.

SCUF FY 2017 (FYE Mar 2017) Performance:

MSME segment (52% of overall loan AUM in Mar 2017): AUM grew by 20% year-over-year ('YoY') in FY 2017. Growth was impacted as a result of subdued demand from end-customers post de-monetization (disbursements grew 23% YoY in H1FY 2017 v/s 2% YoY in H2FY 2017).

Two-wheeler segment (17% of Mar 2017 AUM): AUM growth in Mar 2017 was 15% YoY, compared to the two-wheeler end market growth of 7% YoY in FY 2017. SCUF has outperformed the market and gained share driven by maturity of branches opened previously as well as penetration into new geographies.

Gold loan segment (14% of Mar 2017 AUM): AUM growth in Mar 2017 was 3% YoY. Gold remains an opportunistic product for SCUF, and growth in this segment is expected to remain volatile.

SCUF's home loans business, Shriram Housing Finance (77% subsidiary of SCUF) grew AUMs by 39% YoY. Consolidated AUM growth for SCUF was 17% YoY in FY 2017. Excluding gold loans, overall disbursements grew at 15% in FY 2017 and AUM grew by 22%.

Profitability:

SCUF transitioned to report Gross Non Performing Assets (GNPA) on a 120 days past due (DPD) basis in QE Mar 2017, but opted to keep provision coverage ratio (PCR) unchanged at 73% as a conservative measure (v/s budgeted PCR at 120DPD of 60%). As a result, reported net income growth in FY 2017 was 5% YoY. Net income growth would have been 27% YoY if PCR was revised to 60% in-line with budget.

Value Creation Since Investment

The Investment Adviser has been closely involved along with Piramal Group (strategic shareholder) in driving value creation:

- McKinsey brought on board to (i) help SCUF deliver faster growth through enhanced productivity and cross-selling, (ii) enable greater use of credit analytics in decision making, and (iii) put in place a roadmap for growth in non-chit areas. The initial results from the McKinsey project have been quite favourable, with significant pick-up reported in loan disbursements / branch productivity following rollout of new processes. As of June 2017, roll-out of McKinsey initiatives has been completed in 313 branches covering ~80% of total business
- Dashboards to track monthly performance
- New investor relations programme being put in place

Corporate Social Responsibility

SCUF has policies, structures and established practices in place to effectively address its corporate governance and social responsibilities. The Company has constituted a CSR Committee to initiate and monitor welfare projects, published CSR policies and has a strong internal audit function to ensure compliance with these norms. In FY17, SCUF undertook CSR projects on health, education and skill development through an implementing agency.

Exit

An exit is not actively under consideration.

Shriram City Union Company Financials

Profit and Loss Year end 31 March	2014 AUDITED	2015 AUDITED	2016 AUDITED	2017 AUDITED
	INDIAN GAAP	INDIAN GAAP	INDIAN GAAP	**INDIAN GAAP**
Revenue/Sales	321.3	368.5	380.7	**465.0**
Gross Profit				
Reported EBITDA				
Depreciation & Amortisation				
EBIT	196.8	216.0	218.6	**279.4**
Net Financial Income / (Expense)				
Other	(64.3)	(74.9)	(93.2)	**(143.4)**
Profit Before Tax	132.5	141.1	125.4	**136.0**

All numbers in US$m

Other expenses refers to credit costs. Increase in credit costs in FY16 and FY17 driven by transition to Non-Performing Assets (NPA) recognition to 150 days-past-due (DPD) in FYE Mar'16 and 120 DPD in FYE Mar'17. In FYE Mar'16, PBT excluding the impact of NPA transition was $152.8m (i.e. if NPA were recognized at 180DPD in-line with historicals). In FYE Mar'17, upon transition to 120DPD, management opted to keep provision coverage ratio (PCR) unchanged v/s 150DPD PCR at 73% (v/s budgeted PCR of 60% at 120DPD). This impacted reported credit costs by $42m, excluding which PBT would have been $193.4m (27% YoY growth)

Summary Balance Sheet Year end 31 March	2014 AUDITED	2015 AUDITED	2016 AUDITED	2017 AUDITED
Assets				
Tangible Assets	17.2	13.6	13.0	**12.8**
Intangible Assets	2,614.6	2,987.8	3,258.0	**3,945.9**
Other	129.3	49.5	23.5	**86.9**
Total Assets	2,761.1	3,051.0	3,294.5	**4,045.6**
Liabilities and Equity				
Liabilities	2,261.2	2,361.5	2,600.7	**3,247.5**
Equity	499.9	689.5	693.8	**798.1**
Total Liabilities and Equity	2,761.1	3,051.0	3,294.5	**4,045.6**

All numbers in US$m

Shriram City Union Investment Adviser's Financial Summary

Fund Investment Summary € million	Entry	31.12.2016	31.03.2017	30.06.2017
Total Invested and Committed	114.8	153.3	153.4	155.0
Proceeds from Realisations	-	(0.1)	(0.1)	27.8
Income on Investment	-	-	-	13.9
Total Proceeds and Income	-	(0.1)	(0.1)	41.7
Current Valuation	114.8	146.6	204.0	152.6
Total Valuation	**114.8**	**146.5**	**203.9**	**194.2**
Gross Multiple	1.0x	1.0x	1.3x	1.3x
Number of Quoted Shares Held		6,769,927	6,769,927	6,769,927

Shareholders	Undiluted	Diluted
Apax VIII EUR	10.3%	10.3%
Apax VIII USD	12.5%	12.5%
Total Apax Funds	22.8%	22.8%
Promoters	33.8%	33.8%
Piramal Enterprises	10.0%	10.0%
Management		0.1%
Others	33.4%	33.3%
	100.0%	100.0%

Vyaire Medical

Stage
Buy-Out

Sector
Healthcare

Type
Proprietary

Location
United States of America

Date of First Investment
3 Oct 2016

Enterprise Value at Entry
$423m
8.2x EBITDA

Net Debt/(Cash) at Entry
$(71)m
-

Invested & Committed
€95m

Total Apax Funds Investment
€215m

Realised Proceeds
-

Current Valuation
€124m

Apax Funds Equity Ownership
46.4%

Company Overview

Business Description

Vyaire is a global market-leading medical device business manufacturer with c.$800m of revenues, comprised of three divisions: Consumables (60% of revenue), Ventilators (26% of revenue) and Respiratory Diagnostics (14% of revenue).

1) The Consumables division develops and manufactures a suite of anaesthesia and respiratory disposables to support the ventilated patient. Examples include anaesthesia masks, temperature probes and resuscitation masks.
2) The Ventilator division is a leading manufacturer of ventilators primarily for the acute, neonatal and emergency transport care settings. In addition to ventilators, this division also sells proprietary consumables and services the ventilators that it sells to hospitals.
3) The Respiratory Diagnostics division is the pioneer in its category and manufactures a host of products related to Respiratory technologies and systems that help measure lung airway obstruction or restriction (spirometry), oxygen utilization (metabolic testing), and other respiratory functions. Applications include screening for respiratory diseases, testing fitness / health levels, assisting in smoking cessation and others.

Investment Rationale

The investment thesis for Vyaire rests upon four pillars:

1. Corporate orphan with scope for significant margin improvement

- Vyaire has historically been a “stranded” asset, residing in a series of large corporate parents following a number of acquisitions
- As a result, its profitability profile is well below industry peers, with an EBITDA margin of c.7% compared with peers at c.20%
- With the right leadership and focus, the Investment Adviser is confident that the Company can develop best-in-class practices across all major cost areas and materially improve margin
- The Investment Adviser’s Operational Excellence Practice is working hand-in-hand with management to drive significant improvements in core competencies including procurement, fulfilment, and marketing

2. Drive top-line growth and internationalise the Company

- Today, Vyaire is growing at ~1% top-line, compared to peers at ~6%
- Through leadership and guidance of sales and marketing and revitalising R&D, the Investment Adviser and management are confident the business can rapidly grow to become the go-to market leader for respiratory solutions
- Secondly, there is a significant opportunity to internationalise the Company, particularly in respiratory consumables, which is a predominantly U.S. based business

3. Fragmented market with attractive M&A potential

- Respiratory capital and consumables is a highly fragmented market without a clear market leader
- In addition to the top 4-5 players, there exist many smaller regional players thereby presenting the Company with numerous highly accretive M&A opportunities

4. Attractive entry valuation and deal structure

- The transaction has an attractive entry valuation at a substantial discount to public peers and a favourable deal structure that limits overall downside while still allowing Apax Funds to capture significant upside

Transaction Summary

- In October 2016, Funds advised by Apax Partners (the "Apax Funds") acquired a majority share in Vyaire Medical, Inc. Vyaire is the carve-out of the Respiratory Solutions Business from Becton Dickinson.
- The transaction represents a total enterprise value of $402m, equivalent to c.8x LTM EBITDA. Apax Funds contributed $218m for a 50.1% equity ownership stake, while Becton Dickinson retained the remaining 49.9%. The acquisition was entirely equity funded. A $125m revolver was raised for additional liquidity.
- The Investment Advisor had been focused on the respiratory space in medical devices for over 3 years, looking at a number of different assets both in the US and Europe, which the team were unable to secure at an attractive price. However, through continued engagement, and by being able to look on both sides of the Atlantic for relative value, the team were finally able to identify the Becton Dickinson Respiratory Solutions business (now Vyaire) as a highly attractive target.
- The Investment Advisor first began interactions with the Company in October 2014, building a strong relationship with BD over the following year. Based on this strong relationship, the deal team was able to secure an extended period exclusive diligence and multiple sessions with management from November 2015 through to signing in March 2016.

Vyaire Medical

Apax Contacts

Steven Dyson
London
T +44 20 7872 6488
E steven.dyson@apax.com

Arthur Brothag
London
T +44 207 872 6404
E arthur.brothag@apax.com

Apax Board Representatives (2 of 7)

Steven Dyson
Arthur Brothag

Company Update and Current Trading

Recent Developments

Financials and business performance: Vyaire is expected to report Net Sales of $803m and Adj. EBITDA of $46.5m for LTM June 2017, representing a slight decrease of 1% in revenues, but an EBITDA increase of 8% compared to LTM Dec 2016. Weakness in the ventilator division and the anesthesia consumables have been partly offset by a strong respiratory consumables division. Management is focused on launching its new pipeline ventilator product to rejuvenate growth in the underperforming division.

During the first 6 months of 2017, the company completed filling all the leadership positions as well as executing the carve-out, which is progressing ahead of schedule (TSA exit expected 6 months ahead of budget). This remains the key focus for the company.

The company also implemented significant improvements across the global supply chain and is on track to deliver $38m of gross margin improvement in FY17 with further potential in both areas.

M&A: Vyaire acquired Ciel Medical in April, a small add-on which brings innovative technology to its consumable division. This small acquisition was financed out of cash flow.

Value Creation Since Investment

The Investment Adviser has assisted the company with a number of initiatives to drive value creation:

- Assisted in the hiring and recruiting of key C-level executives including the new CEO and CFO, and Board
- Completed work with the Apax Operational Excellence Practice to:
  - Identify and execute on significant operational improvements
  - Assist in the carve-out process (25%+ of the Transaction Service Agreements with BD already exited)
- Secure a $125m revolver for additional financial flexibility

Corporate Social Responsibility

Environmental

- Vyaire complies with all material relevant local environmental laws, standards and regulations
- In recent years the company has taken steps to reduce its environmental footprint and will continue to do so as a standalone business

Social

- Vyaire employs over 5,000 people, and complies with all the materially relevant local labour laws, standards and regulations including minimum wage and anti-discrimination policies
- The company is establishing a new Health and Safety policy as part of the carve-out process

Governance

- The Investment Adviser is working with Vyaire to establish a corporate governance policy

Compliance

- As a manufacturer of medical devices and consumables, compliance with relevant manufacturing and product protocols including the FDA and cGMP is a key area of focus for the business

Exit

An exit is not actively under consideration.

Vyaire Medical Company Financials

Profit and Loss Header		FY15A	FY16A	LTM June-2017
Revenue/Sales		813.8	818.5	**803.2**
Gross Profit		330.6	324.2	**308.5**
Reported EBITDA		53.5	51.2	**46.5**
Depreciation & Amortisation				**15.8**
EBIT				**30.7**
Net Financial Income / (Expense)				**-**
Other				**-**
Profit Before Tax	-	-	-	**30.7**

Summary Balance Sheet Header		FY15A	FY16A	LTM June-2017
Assets				
Tangible Assets				**343.1**
Intangible Assets				**(20.8)**
Other				**613.8**
Total Assets	-	-	-	**977.7**
Liabilities and Equity				
Liabilities				**467.7**
Equity				**468.4**
Total Liabilities and Equity	-	-	-	**936.1**

Vyaire Medical Fair Valuation Calculation

Performance Indicators $ million	Entry	LTM to 31.12.2016	LTM to 31.03.2017	LTM to 30.06.2017
Adjusted Revenue/Sales	**790.6**	**815.3**	**805.5**	**803.2**
Growth vs Entry				1.6%
Adjusted EBITDA	**51.8**	**43.2**	**46.1**	**46.5**
Margin	6.6%	5.3%	5.7%	5.8%
Growth vs Entry				(10.2%)
Total Net Debt/(Cash)	**(71.0)**	**(60.0)**	**(68.0)**	**(85.0)**
Multiple	-	-	-	-

Figures presented above reflect the underlying performance of the company. Current and prior period figures may be adjusted for exceptional items, one-off effects and full year impact of acquisitions/disposals and other effects. Figures could therefore differ from company audited financials. Net financial indebtedness is the aggregate of all long term and short term debt less any relevant adjustments (e.g. cash).

Key Valuation Data $ million

Valuation Basis	Entry	LTM to 31.12.2016	LTM to 31.03.2017	LTM to 30.06.2017
EBITDA	51.8	43.0	45.8	46.5
Enterprise Value Multiple	8.2x	11.0x	11.8x	12.2x
Enterprise Value	**423.1**	**472.4**	**541.2**	**568.9**
Total Net Debt/(Cash)	(71.0)	(60.0)	(68.0)	(85.0)
Other	-	22.7	22.7	22.7
Equity Value All Shareholders	**494.1**	**555.1**	**631.9**	**676.6**
Current Valuation – Local ccy	-	116.5	132.5	141.7
FX (EUR:USD)	-	1.05	1.07	1.14
Current Valuation – Fund ccy	**-**	**110.8**	**124.4**	**124.0**
Valuation Methodology		Public trading multiples	Public trading multiples	Public trading multiples

Enterprise Value, Net Debt and EBITDA for the prior and current periods represent the numbers used within the fair valuation calculations. These could be LTM, normalised or actual EBITDA numbers depending on the timing of the calculation. Accordingly they may vary relative to final audited figures.

Net Debt $ million	Cost %	Entry	31.12.2016	31.03.2017	30.06.2017
Senior Debt	-	-	-	-	-
High Yield Debt	-	-	-	-	-
Mezzanine Debt	-	-	-	-	-
Drawn Revolver	-	-	-	-	-
Other Debt	-	-	-	-	-
Gross Debt	**-**	**-**	**-**	**-**	**-**
Cash	-	(71.0)	(60.0)	(68.0)	(85.0)
Total Net Debt/(Cash)	**-**	**(71.0)**	**(60.0)**	**(68.0)**	**(85.0)**

Vyaire Medical Investment Adviser's Financial Summary

Fund Investment Summary € million	Entry	31.12.2016	31.03.2017	30.06.2017
Total Invested and Committed	95.4	95.4	95.4	95.4
Proceeds from Realisations	-	-	-	-
Income on Investment	-	-	-	-
Total Proceeds and Income	-	-	-	-
Current Valuation	95.4	110.8	124.4	124.0
Total Valuation	**95.4**	**110.8**	**124.4**	**124.0**
Gross Multiple	1.0x	1.2x	1.3x	1.3x

Shareholders	Undiluted	Diluted
Apax VIII EUR	22.3%	20.8%
Apax VIII USD	27.5%	25.6%
Total Apax Funds	49.8%	46.4%
Becton Dickinson	49.6%	46.2%
Management	0.5%	7.4%
	100.0%	100.0%

wehkamp

Wehkamp

Stage
Buy-Out

Sector
Consumer

Type
Limited Competition

Location
Netherlands

Date of First Investment
9 Sep 2015

Enterprise Value at Entry
€422m

8.7x EBITDA

Net Debt/(Cash) at Entry
€65m

1.3x EBITDA

Invested & Committed
€153m

Total Apax Funds Investment
€341m

Realised Proceeds
-

Current Valuation
€152m

Apax Funds Equity Ownership
100.0%

www.wehkamp.nl

Company Overview

Business Description

Wehkamp Group’s core businesses are wehkamp.nl and Lacent.

Wehkamp.nl is the leading Dutch online retailer in fashion, electronics and home & garden with a 60-year history in the Dutch market, starting as a catalogue retailer. The business was one of the first retailers to launch an online capability in the Netherlands and today is a pure play e-commerce business. Wehkamp is a household name with 92% brand awareness driving c.150m visits per annum. Its core customer target group are middle income families with children. The majority of traffic is brand-seeking with good conversion rate at 4-5%.

Lacent is a provider of consumer finance to wehkamp.nl customers. The credit worthiness of customers is assessed using a proprietary database containing the historical patterns of customer behaviour covering a quarter of Dutch households. Lacent is the leading point of sale online consumer credit provider in the Netherlands.

The other smaller businesses in the Wehkamp Group is fonQ.nl, a home & garden online retailer.

Investment Rationale

The investment thesis for Wehkamp Group is based on:

- Structural shift to online: The Dutch online market in wehkamp.nl relevant product categories has grown by a 15% CAGR over the last five years and is projected to grow more than 10% p.a. going forward. This should provide significant tailwinds for the business
- Household brand: wehkamp.nl is well positioned to win. It has the highest market share in online fashion and is a top three player in electronics and home & garden. Wehkamp’s brand is very strong in Holland, with unprompted awareness of 92%
- Transformational opportunity: there is high potential for operational improvement in areas that are a core competence for the Apax OEP, notably in IT re-platforming and marketing spend
- Attractive entry multiple of 7.9x NTM adj. EBITDA: operational complexities with the online business model, warehouse migration and IT re-platforming required deep industry expertise to diligence. This may have deterred other bidders and resulted in a favourable process dynamic, allowing defacto exclusivity and an acquisition at attractive multiples.
- Right-side skewed returns: there is the opportunity for break-out returns with some downside protection. Considerable upside could come from faster than anticipated growth and/ or a high exit multiple and the downside is protected by assets including the Lacent debtor book, the automated warehouse and the brand equity.

Transaction Summary

- On 8 September 2015, Apax Funds completed the acquisition of RFS Holland Holding B.V. (“Wehkamp Group” or the “Company”) from a senior Dutch industrialist, IK Investment Partners and the former CEO and CFO of the Company.
- The transaction represents an enterprise value of €383m (€422m including fees), equivalent to 7.9x NTM adj. EBITDA and 13.7x NTM adj. P/E. Apax Funds contributed €340m of equity for a 100% ownership stake, with the management incentive plan yet to be implemented. The debt represents 1.4x net leverage on FY15A EBITDA and includes an €80m term loan and a €45m revolving credit facility.
- The Investment Adviser had been tracking wehkamp.nl for a significant time given the attractiveness of the online retail space and the deep sector expertise within Apax. Initial engagement with the Wehkamp Group in January 2015 led to a sustained period of diligence of the Company and allowed the deal team to monitor momentum through FY 2015 estimates, FY 2015 actuals and the beginning periods of FY 2016. This led to the eventual signing of the deal in July 2015.

Wehkamp

Apax Contacts

Tom Hall
London
T +44 20 7872 6403
E tom.hall@apax.com

Robin Muerer
London
T +44 207 666 6502
E robin.muerer@apax.com

Apax Board Representatives (2 of 4)

Tom Hall
Robin Muerer

Company Update and Current Trading

Recent Developments

For FY 2017, Wehkamp Group growth has accelerated with sales up 7% and gross profit up 10% vs. last year.

The core business, wehkamp.nl is performing well with NPS scores increasing amongst customers. Sales growth has improved with the introduction of free shipping, FY17 sales (excluding shipping income) are up 12% versus last year, and the impact of this is yet to annualise. Gross profit excluding carriage income is up 22%, driven by higher volumes and higher priced products being sold. Including carriage income, gross profit is up 10%.

Lacent interest and insurance sales are 5% lower than last year. The decrease in revenues is primarily due to a decrease in insurance product sales. The debtors book remains broadly flat.

There remain inefficiencies in marketing and fulfilment costs, together with some planned investments (e.g., in the product team), meaning Adj. EBITDA less Maintenance capex for Wehkamp Group is down 6% vs. last year.

Value Creation Since Investment

- The Investment Adviser has assisted the company in bringing operating executives onto the supervisory board
- The Apax Operational Excellence Practice is actively supporting the company in evaluating and optimising its marketing spend, IT strategy and procurement
- The Investment Adviser has assisted in the sale of both non-core smaller businesses (Create2Fit and FonQ)
- The IA has supported the recruitment of a new CEO and CFO

Corporate Social Responsibility

The Company is focussed on ensuring the compliance with all relevant legal and ethical requirements within the framework of the jurisdictions in which it operates

Exit

An exit is not actively under consideration.

Wehkamp Company Financials

Profit and Loss in EURm Year end 31 March	FY16	FY17
Revenue/Sales	544.5	**585.0**
Gross Profit	193.6	**212.1**
Adjusted EBITDA	36.6	**36.1**
Maintenance capex	(12.9)	**(14.0)**
Adjusted EBITDA less Maintenance capex	23.6	**22.2**

Cash Flow in EURm Year end 31 March	FY16	FY17
Adjusted EBITDA less Maintenance capex	23.6	**22.2**
Growth and other Capital Expenditure	(27.8)	**(2.9)**
Change in Net Working Capital	(14.3)	**9.6**
Other	0.0	**0.0**
Operational Free Cash Flow	(18.5)	**28.9**

Summary Balance Sheet in EURm Year end 31 March	31-March-16	31-March-17
Assets		
Tangible Assets	85.4	**78.4**
Intangible Assets	183.8	**158.3**
Other	767.4	**763.0**
Total Assets	1,036.6	**999.8**
Liabilities and Equity		
Liabilities	923.2	**907.5**
Equity	113.4	**92.3**
Total Liabilities and Equity	1,036.6	**999.8**

Wehkamp Fair Valuation Calculation

Performance Indicators € million	Entry	LTM to 31.12.2016	LTM to 31.03.2017	LTM to 30.06.2017
Adjusted Revenue/Sales	**605.1**	**662.7**	586.2	587.8
Growth vs Entry				(2.9%)
Adjusted EBITDA	**48.7**	**36.1**	31.3	30.8
Margin	8.0%	5.4%	5.3%	5.2%
Growth vs Entry				(36.8%)
Total Net Debt/(Cash)	**65.0**	**54.9**	19.5	4.8
Multiple	1.3x	1.5x	0.6x	0.2x

Figures presented above reflect the underlying performance of the company. Current and prior period figures may be adjusted for exceptional items, one-off effects and full year impact of acquisitions/disposals and other effects. Figures could therefore differ from company audited financials. Net financial indebtedness is the aggregate of all long term and short term debt less any relevant adjustments (e.g. cash).

Key Valuation Data € million

Valuation Basis	Entry	LTM to 31.12.2016	LTM to 31.03.2017	LTM to 30.06.2017
Profit after tax	48.7	17.1	14.8	11.7
Enterprise Value Multiple	8.7x	24.5x	23.3x	29.3x
Enterprise Value	**421.7**	**418.8**	345.6	343.7
Total Net Debt/(Cash)	65.0	54.9	19.5	4.8
Other	-	-	-	-
Equity Value All Shareholders	**356.7**	**363.9**	326.1	338.9
Current Valuation – Local ccy	152.9	163.6	146.6	152.4
FX (EUR:EUR)	1.00	1.00	1.00	1.00
Current Valuation – Fund ccy	**152.9**	**163.6**	146.6	152.4
Valuation Methodology		Public trading multiples	Public trading multiples	Public trading multiples

Enterprise Value, Net Debt and EBITDA for the prior and current periods represent the numbers used within the fair valuation calculations. These could be LTM, normalised or actual EBITDA numbers depending on the timing of the calculation. Accordingly they may vary relative to final audited figures.

Net Debt € million	Cost %	Entry	31.12.2016	31.03.2017	30.06.2017
Senior Debt	4.0%	80.0	80.0	48.0	40.0
High Yield Debt	-	-	-		
Mezzanine Debt	-	-	-		
Drawn Revolver	-	-	-		
Other Debt	-	-	-		
Gross Debt	**4.0%**	**80.0**	**80.0**	48.0	40.0
Cash	-	(15.0)	(25.1)	(28.5)	(35.2)
Total Net Debt/(Cash)	**-**	**65.0**	**54.9**	19.5	4.8

Wehkamp Investment Adviser's Financial Summary

Fund Investment Summary € million	Entry	31.12.2016	31.03.2017	30.06.2017
Total Invested and Committed	152.9	152.9	152.9	152.9
Proceeds from Realisations	-	-	-	-
Income on Investment	-	-	-	-
Total Proceeds and Income	-	-	-	-
Current Valuation	152.9	163.6	146.6	152.4
Total Valuation	**152.9**	**163.6**	**146.6**	**152.4**
Gross Multiple	1.0x	1.0x	1.0x	1.0x

Shareholders	Undiluted	Diluted
Apax VIII EUR	45.0%	45.0%
Apax VIII USD	55.0%	55.0%
Total Apax Funds	100.0%	100.0%
	100.0%	100.0%

Stage
Buy-Out

Sector
Tech & Telco

Type
Proprietary

Location
India

Date of First Investment
9 Oct 2015

Enterprise Value at Entry
$537m
7.2x EBITDA

Net Debt/(Cash) at Entry
$85m
1.1x EBITDA

Invested & Committed
€53m

Total Apax Funds Investment
€117m

Realised Proceeds
-

Current Valuation
€51m

Apax Funds Equity Ownership
22.7%

Ticker Symbol
NSE INDIA:ZENT IN

www.zensar.com

Disclaimer

Please be aware Zensar has publicly traded equity and/or debt instruments and therefore certain information in this report may be sensitive. Please refer to the disclaimer on page 2 for full confidentiality provisions regarding this document.

Zensar Technologies

Company Overview

Business Description

Zensar Technologies Limited (BSE:504067) ("Zensar" or the "Company") is a mid-sized technology services provider to global clients with differentiated capabilities in retail, manufacturing, and digital commerce. Zensar is headquartered in Pune, India, and employs over 8,500 people across 29 locations globally. The Company is part of the RPG Group, a $3bn diversified Indian business conglomerate with interests in a number of industries (including tyres, transmission towers, healthcare, and technology services).

The Company operates across three key verticals; Manufacturing, Retail, and Insurance, and three major service lines; Application Development and Maintenance, ERP Implementation and Support, and Infrastructure Management. Digital enterprise solutions is a key focus area for Zensar and currently contributes to 30% of overall revenues.

Investment Rationale

Key deal thesis:

- Turnaround Zensar by augmenting the management team and bringing on board a strong CEO. The Company has strong capabilities in its chosen verticals - differentiated offering in Retail, and competitive position in Manufacturing/Oracle, with strong delivery capabilities and robust customer relationships - and should be able to achieve faster than industry growth.
- Attractive entry multiple for Apax at the purchase price of INR 815 per share, which implies a 7.2x NTM EBITDA or 11.4x NTM P/E multiple, a meaningful discount to other fast-growing mid-tier IT services players (11-13x EBITDA, 15-18x P/E) at the time of the deal.
- Favourable returns distribution given structural downside protection (good underlying market growth, strong cash generation profile, and unlevered deal structure) and several tangible upside levers (M&A, multiple expansion, Apax portfolio).

Transaction Summary

- On 9 October 2015 Apax Funds invested $129m for a 23% stake in Zensar. Apax Funds acquired the stake from affiliates of Electra Private Equity plc. The stake purchase was financed entirely through equity from the Apax VIII Funds. The acquisition price was INR 815 per share which implies an entry multiple of c.7.2x NTM EBITDA and c.11.4x NTM P/E.
- Apax was in discussions with the RPG Group for over a year to explore opportunities to back Zensar to execute transformational M&A in the IT Services space. During this period, Apax had high quality engagement with all key stakeholders including the RPG Group and the Zensar management team. Given the Funds' strong track record in the technology services sector and the relationship with the RPG Group, the Group was keen to partner with Apax to drive the next phase of growth for Zensar, and thus Apax received proprietary access to the transaction.
- Apax Funds have appointed one Director on the Board of Zensar and have received typical minority protection rights.

Zensar Technologies

Apax Contacts

Shashank Singh
Mumbai
T +91 22 4050 8403
E shashank.singh@apax.com

Aditya Joshi
Mumbai
T +91 22 4050 8406
E aditya.joshi@apax.com

Apax Board Representatives (1 of 7)

Shashank Singh

Company Update and Current Trading

Recent Developments

Overall Views: The CEO's key focus is on a re-boot of the management team, increasing share of digital business, accelerating US growth and tuck-in M&A, particularly of digital companies, to achieve business turnaround. Effecting change in the Company, given a back-drop of slower growth in the IT services market, has taken some time.

Strategy and Team: In-line with the Apax deal thesis, the Board of Zensar appointed Sandeep Kishore as the new CEO, and he formally took charge of the Company on 12 February 2016. Prior to Zensar, Sandeep was at HCL for over 27 years where he ran various business units. Sandeep has inducted several new sales leaders in key geographies / service lines to replace under-performers. Several senior management staff have also been replaced / hired including CFO, Head of Digital Commerce, Head of Digital Innovation and Head of MVS, amongst others.

Focus on Digital: Growth of the IT services industry is expected to be driven by Digital / Horizon 2 services going forward. Zensar's growth strategy is focused on deepening capabilities in digital both organically and through M&A. The Company has also hired John Blackburn as Head of the Digital Commerce Business (12 year IBM veteran focused on digital commerce). There has also been an increased focus on tuck-in M&A, and the Company has consummated two tuck-in acquisitions (discussed below).

Sales Acceleration Program: A key strategic priority is to accelerate growth in the US, the Company's largest market. The Company has recently engaged with an external consultant to improve sales processes / productivity in US through a focus on driving revenue in certain key accounts and also pursuing "must-win" client logos.

Recent Tuck-In M&As: Zensar has an active M&A program focused on digital tuck-ins. In Nov 2016 Zensar acquired Foolproof, a UK-based design agency assisting Fortune 500 clients with their UX/CX strategy, design and technology needs. In March 2017 Zensar acquired Keystone Logic, an IT services provider specialized in omni-channel retail and supply chain management. Zensar continues to have an active pipeline for further tuck-in M&A. and it is anticipated that the Company will continue to go after accretive acquisitions.

Financial Performance: Zensar achieved a revenue of $459m in FY 2017 vs. $453m in FY 2016, implying a year-over-year reported growth of 1% (core organic $ growth of 4% and core organic constant currency growth of 6%). In terms of margins, Zensar reported an EBITDA of $59m (13% margin) in FY 2017 vs. $67m in FY 2016 (15%).

Value Creation Since Investment

Key value creation initiatives led by Apax since the investment include:

1. Building out team and board: In addition to the enhancements in the team mentioned above, Apax is currently working with the Chairman to add new board members who can assist with the next phase of business transformation
2. M&A: Actively working on both transformational and tuck-in M&A. Company has evaluated c.40+ deals in the past 12 months and completed two
3. Apax portfolio: Deal team has ensured regular interactions between Apax OEP team members and Zensar professionals. Zensar has closed its first deal win from an Apax portfolio company and has a few other opportunities in the pipeline
4. Apax secondee: Principal from the deal team was seconded into the company for 5 months to assist the company with its new business strategy, re-designing MIS and board packs, improving investor relations, re-vamping M&A strategy and process and identifying acquisition targets, and divestitures of non-core businesses.

Corporate Social Responsibility

Zensar Foundation, an independent trust operating under Zensar, leads the company's social outreach programs and is committed to improving the overall wellbeing of slum communities in the cities where Zensar is located. Its work is focused on Urban Slum Community Development; Digital Literacy Employability Enhancement and Environment Sustenance.

Exit

An exit is not actively under consideration.

Zensar Technologies Company Financials

Profit and Loss in USDm year end 31 March		FY2015	FY2016	FY2017
Revenue/Sales		429.7	452.8	**459.3**
Gross Profit		127.3	141.8	**134.1**
Reported EBITDA		64.1	67.4	**59.3**
Depreciation & Amortisation		6.8	6.9	**6.6**
EBIT		57.3	60.4	**52.7**
Net Financial Income / (Expense)		(0.5)	(0.3)	**(0.1)**
Other		3.1	5.5	**0.3**
Profit Before Tax	-	59.9	65.7	**53.0**

Cash Flow in USDm year end 31 March		FY2015	FY2016	FY2017
Reported EBITDA		64.1	67.4	**59.3**
Capital Expenditure		(6.0)	(6.4)	**(6.1)**
Change in Net Working Capital		6.1	(18.4)	**(4.3)**
Other		(42.1)	(10.0)	**(32.6)**
Free Cash Flow	-	22.1	32.7	**16.3**
Debt Service		(4.3)	(5.7)	**(4.4)**
Other		(9.7)	(14.0)	**(3.3)**
Net Change in Cash & Cash Equivalents	-	8.1	13.0	**8.5**

Summary Balance Sheet in USDm year end 31 March		FY2015	FY2016	FY2017
Assets				
Tangible Assets		18.7	17.3	**21.7**
Intangible Assets		69.1	69.1	**48.3**
Other		228.1	225.8	**254.7**
Total Assets	-	315.9	312.2	**324.7**
Liabilities and Equity				
Liabilities		130.8	97.0	**97.2**
Equity		185.1	215.2	**227.5**
Total Liabilities and Equity	-	315.9	312.2	**324.7**

Zensar Technologies Fair Valuation Calculation

Performance Indicators $ million	Entry	LTM to 31.12.2016	LTM to 31.03.2017
Adjusted Revenue/Sales	**-**	**458.0**	**459.3**
Growth vs Entry			
Adjusted EBITDA	**74.3**	**63.3**	**59.3**
Margin	-	13.8%	12.9%
Growth vs Entry			
Total Net Debt/(Cash)	**85.2**	**(110.4)**	**(67.7)**
Multiple	1.1x	-	-

Figures presented above reflect the underlying performance of the company. Current and prior period figures may be adjusted for exceptional items, one-off effects and full year impact of acquisitions/disposals and other effects. Figures could therefore differ from company audited financials. Net financial indebtedness is the aggregate of all long term and short term debt less any relevant adjustments (e.g. cash).

Key Valuation Data $ million

Valuation Basis	Entry
EBITDA	74.3
Enterprise Value Multiple	7.2x
Enterprise Value	**537.3**
Total Net Debt/(Cash)	85.2
Other	-
Equity Value All Shareholders	**452.1**
Current Valuation – Local ccy	58.7
FX (EUR:USD)	1.12
Current Valuation – Fund ccy	**52.6**

Valuation Methodology

Enterprise Value, Net Debt and EBITDA for the prior and current periods represent the numbers used within the fair valuation calculations. These could be LTM, normalised or actual EBITDA numbers depending on the timing of the calculation. Accordingly they may vary relative to final audited figures.

Zensar Technologies Investment Adviser’s Financial Summary

Fund Investment Summary € million	Entry	31.12.2016	31.03.2017	30.06.2017
Total Invested and Committed	52.6	52.6	52.6	52.6
Proceeds from Realisations	-	-	-	-
Income on Investment	-	-	-	-
Total Proceeds and Income	-	-	-	-
Current Valuation	52.6	61.9	62.3	51.3
Total Valuation	**52.6**	**61.9**	**62.3**	**51.3**
Gross Multiple	1.0x	1.2x	1.2x	1.0x
Number of Quoted Shares Held		4,651,295	4,651,295	4,651,295

Shareholders	Undiluted	Diluted
Apax VIII EUR	10.4%	10.2%
Apax VIII USD	12.6%	12.5%
Total Apax Funds	23.0%	22.7%
RPG Group/ Promoters	48.6%	48.1%
Other Investors	28.4%	29.2%
	100.0%	100.0%

GardaWorld

Stage
Buy-Out

Sector
Services

Type
Proprietary

Location
Canada

Date of First Investment
13 Nov 2012

Invested & Committed
€108m AVIIIE
$143m AVIIIU

Entry Enterprise Value
CAD1.1bn

Entry EV/EBITDA
7.2x

Entry Net Debt/EBITDA
4.9x

www.garda.com

Exit Overview

Fully Exited

Exit Date
May 2017

Exit Type
Sale

Realisations
April 2014 (€38m AVIIIE & $55m AVIIIU)

May 2016 (€124m AVIIIE & $147m AVIIIU)

Apax Return
CAD: 34.7% IRR, 2.7x MOIC
EUR: 28.2% IRR, 2.3x MOIC
USD: 25.4% IRR, 2.1x MOIC

Company Overview

Business Description

Garda is one of the largest providers of cash logistics and security solutions globally. The Cash Logistics business segment includes armoured transportation, ATM services, deposit processing, cash vault services, in-store cash control systems and check imaging. The Security Solutions business segment comprises physical security, uniformed protection, pre-board airport screening, global risk consulting and other specialised security services in high value-add areas. Garda has a unique position in the industry primarily because of its entrepreneurial management team and broad geographic reach. The Company has successfully developed a recognisable and well-established brand and earned a reputation for integrity, quality of service and uncompromising safety standards.

Value Creation

The Investment Adviser contributed to value creation by:

- Accelerating organic growth by targeting valuable vault outsourcing contracts
- Internationalisation of the business with market leading positions in Africa and the Middle East (the fastest growing security markets in the world)
- Assisting management in identifying and executing ~CAD116m of acquired EBITDA at a highly accretive 3.1x multiple
- Leading key shareholder discussions regarding the strategic direction of the Company
- Contributing to significant multiple re-rating due to the strategic repositioning of the business towards security services

Exit

In May 2017, Apax VIII's remaining stake in GardaWorld was sold to Rhone for an EV of CAD2.9bn, representing a multiple of 9.8x EBITDA and 13.0x EBITDA – capex.

Apax VIII will receive CAD278m from this transaction, of which c.EUR90m will accrue to the Apax VIII EUR Fund, and c.USD103m to the Apax VIII USD fund. Including proceeds from the recapitalisation in 2014, the partial sale to Rhone Capital in 2016 and this final stake sale, total returns on the investment will be 2.7x gross MOIC and 34.7% gross IRR in CAD. Returns for the Apax VIII EUR Fund will be 2.3x gross MOIC and 28.2% gross IRR, and 2.1x gross MOIC and 25.4% gross IRR for the Apax VIII USD Fund.

Apax Contacts

Ashish Karandikar
New York
T +12124192456
M +13123637030
E ashish.karandikar@apax.com

Frank Ehmer
London
T +442078726407
M +447785525999
E frank.ehmer@apax.com

Apax Value Added

Sector Expertise

Sourcing	Investment Thesis	Deal Execution – Entry
Apax had been evaluating the cash logistics and guarding industry for over six years. Apax identified Garda as an attractive acquisition target due to the strength of its management team, attractive valuations driven by market's overly pessimistic view on the future of cash, and add-on M&A potential. In early 2012, Apax engaged closely with Garda management to construct a shared vision for the business and ultimately gained exclusivity with full diligence access ahead of the transaction announcement in September 2012.	Garda was trading at an attractive valuation (discount) relative to fair value driven by market perception around cash Cash as a form of payment at point of sale in US had grown at real GDP over 10-year period, albeit losing wallet share. Core CIT business and underlying dynamics were much more stable vs. market perception Cash processing was in initial stages of outsourcing in US vs. EU and therefore Garda was poised to grow its cash services business contrary to market perception Garda was a natural consolidator in the security services market with strong track record & pipeline of accretive M&A targets	Garda was acquired in November 2012 in a public to private transaction which valued the company at CAD$1.1bn. Apax VIII and the investor consortium acquired each Class A Share for CAD$12.00 per share in cash, representing a 30% premium over the pre-announcement price in September 2012. This valuation represented a transaction multiple at closing of 7.2x LTM 31 October 2012 adjusted EBITDA. The transaction was financed with 35% equity and 65% debt. Garda's management team rolled over 100% of their existing interests in the company.

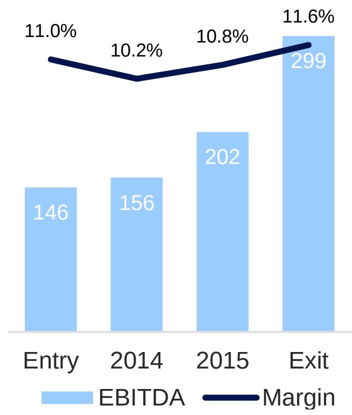
Portfolio Support

M&A	Financial Performance	Exit
Apax supported management in key M&A transactions over the life of the investment, including: • The ~CAD169m TEV acquisition of Aegis which significantly expanded Garda's presence in international markets • The ~CAD110m TEV acquisition of G4S Cash Solutions • Several other smaller acquisitions globally	Apax helped Garda accelerate its organic revenue growth and expand EBITDA margins through: • Winning $1.4bn Bank of America vault outsourcing contract • Realising significant operational synergies in the Canada and US cash logistics businesses	Apax was actively involved in positioning Garda for a successful exit, and in executing the initial and final sales to Rhone in 2016 and 2017 Additionally, Apax was instrumental in successfully navigating the regulatory complexity related to the Investment Canada Act during the exit process

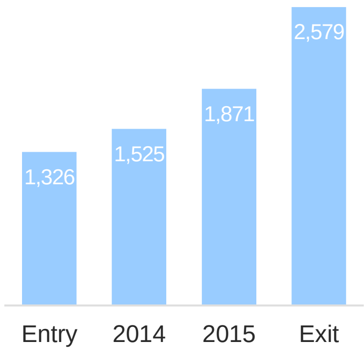
Performance

Key Metrics (Y/E Jan)

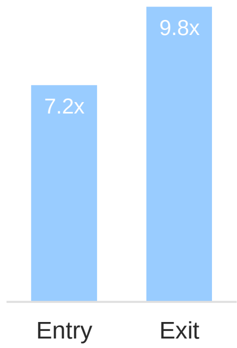
EBITDA Growth (CAD)



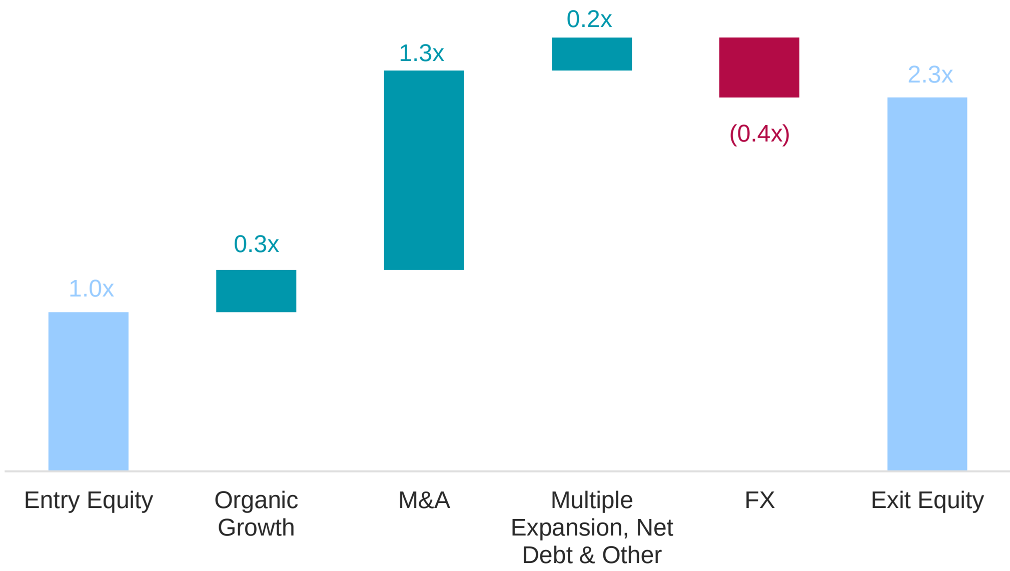
Revenue Growth (CAD)



Multiple Performance



Sources of Value Creation (EUR basis)



- Majority of value creation from operational initiatives and M&A execution
- Multiple re-rating due to strategic repositioning of the business in terms of geographic and business line diversification