Altamir
INVEST VIA APAX PARTNERS

Despite the Covid-19 lockdown, Altamir's NAV as of 30 June 2020 was up 1.6% from 31 December 2019, at more than €1bn

Highlights of the first half of 2020:

- **NAV per share as of 30 June 2020: €27.55, up 1.6% compared with 31 December 2019 including the dividend**
- **Sharp increase in NAV per share during the second quarter (16.5%), demonstrating the overall resilience of the portfolio**
- **A certain level of business activity was maintained, despite the public health crisis, although much lower than in previous years**

Paris, 8 September 2020 – Net Asset Value per share stood at **€27.55** as of 30 June 2020, after distribution of a dividend of **€0.66 per share** in May 2020.
Including the dividend, NAV was **up 1.6% vs its historical high of €27.75 as of 31 December 2019** and **up 16.5% vs 31 March 2020.**

1. PERFORMANCE:

Net Asset Value (shareholders' equity, IFRS basis) stood at **€1,005.8m** (vs €1,013.2m as of 31 December 2019). The change in Net Asset Value during the first half resulted from the following factors:

	In €m	Portfolio	Cash (Debt)	Carried interest provision	Other assets and liabilities	NAV
1st Half 2020	***NAV 31/12/2019***	**1,059.6**	**83.3**	**(127.6)**	**(2.1)**	**1,013.2**
	+ Investments	97.5	(97.5)	-	-	-
	- Divestments	(30.4)	30.4	-	-	-
	+ Interest and other financial income (including dividends)	-	0.4	-	-	0.4
	+/- Positive or negative change in fair value	55.5	(7.2)	(7.7)	-	40.6
	+/- Currency gains (losses)	(0.8)	-	-	-	(0.8)
	+/- Purchases and external expenses	-	(19.7)	-	(3.9)	(23.6)
	- Dividends	-	(24.1)	-	-	(24.1)
	NAV 30/06/2020	**1,181.4**	**(34.3)**	**(135.3)**	**(6.0)**	**1,005.8**

Including a slightly negative currency effect of €0.8m, value creation totalled €47.9m during the first half. It derived principally from an increase in the valuation of TMT sector companies, which reflected strong operating performance and a rise in multiples. In particular, **Expereo** (up €20.7m), **ThoughtWorks** (up €11.5m) and **Bip** (up €4.5m) benefited from robust demand for digital transformation solutions, managed services for cloud access and cyber security.
Snacks Développement also saw its valuation climb significantly (by €10.5m), as demand increased sharply in its principal markets.

2. ACTIVITY:

a) €27.7m invested and committed during the first half (vs €21.9m in H1 2019):

New investments and commitments, all carried out via the Apax X LP fund, were devoted to the following three companies and totalled €18.4m:

- **Cadence Education**, a leader in the education of young children in North America: €7.5m invested;

- **Kar Global**, a B2B platform offering technology and marketing solutions for connecting buyers and sellers of wholesale vehicles: €5.5m invested;

- **InnovAge**, a leading provider of senior home care services through the Program for All-inclusive Care of the Elderly (PACE) in the United States: €5.4m committed (*transaction not finalised as of 30 June*);

Following the closings of **GRAITEC** and **Destiny** early in the year, the amounts invested in each of these two companies was €1.2m greater than estimated as of 31 December 2019.

€6.4m in follow-on investments were carried out on existing portfolio companies, principally:

- €1.6m in **InfoVista**, held by the Apax France IX fund, to strengthen its financial condition;

- €0.8m in **Tosca**, held by the Apax IX LP fund, to finance the acquisition of **Contraload**;

Lastly, €0.5m was invested in the **Apax Digital** fund.

b) €24.6m in divestment proceeds and revenue (vs €356.0m in H1 2019):

Engineering was sold for €6.5m *(transaction finalised in July 2020)*.

Altamir recognised €18.1m in additional revenue, consisting principally of:

- €9.5m in top-up proceeds on the divestment of **Altran**;

- €2.1m from a pre-IPO financing round for **Duck Creek Technologies**;

- €1.6m from the sale of shares and the refinancing of **TietoEVRY** margin calls;

- €1.1m in dividends from the refinancing of **Boats Group.**

3. CASH AND COMMITMENTS:

Altamir's net cash position as of 30 June 2020 on a statutory basis was €25.1m after payment of the dividend of €24.1m. As a reminder, the net cash position was €34.3m as of 31 March 2020 and €79.1m as of 31 December 2019.

The high-yield, emerging-market bond fund, which was heavily discounted during the first quarter, appreciated by more than 23% (€10.3m) during the second quarter to €54.1m as of 30 June (vs €43.8m as of 31 March 2020 and €62.7m as of 31 December 2019).

In addition, Altamir successfully renegotiated its lines of credit, which now stand at **€55m**. The company is endeavouring to increase this amount to €70m (i.e. 10% of its net assets).

As of 30 June 2020, Altamir had maximum outstanding commitments of **€606.4m**, principally:

- €350.0m in the Apax France X-B fund;
- €180.0m in the Apax X LP fund (including €30.4m committed but not yet called);
- €33.1m in the Apax France IX fund (including €28.0m committed but not yet called);
- €11.2m in the Apax IX LP fund (including €8.4m committed but not yet called);
- €12.8m in the Apax Development fund (including €2.6m committed but not yet called);
- €6.9m in the Apax France VIII fund;
- €3.1m in the Apax Digital fund;
- €8.7m in distributions recallable by the Apax VIII LP and Apax IX LP funds.

As a reminder, Altamir benefits from an opt-out clause, under which it can adjust the level of its commitment to the Apax France X fund to the amount of its available cash every six months, up to a limit of €80m.

4. EVENTS SINCE 30 JUNE 2020

Apax Partners SAS has announced that it is in exclusive negotiations with a view to selling its investment in **Amplitude Surgical**. The transaction is set to be finalised during the fourth quarter of 2020.

Duck Creek Technologies, held by the Apax VIII LP fund, was successfully listed on the stock exchange in August.

Following a new investment announced in July, the **Apax Digital** fund is now 59% invested. Located principally in the United States and Europe, the 10 portfolio companies are diversified by sector (e-commerce, online marketplaces and technology-based services).

5. FORTHCOMING EVENTS

NAV as of 30/09/2020	5 November 2020, post-trading

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FOCUS ON THE PORTFOLIO IN THE FIRST HALF OF 2020

As of 30 June 2020, Altamir's portfolio was valued (IFRS basis) at **€1,181.4m**, vs €1,059.6m as of 31 December 2019. It was composed of **57 companies** (vs 51 as of 31 December 2019), including 50 unlisted (nearly 99% of the portfolio in value terms) and seven listed companies (**Amplitude Surgical**, **TietoEVRY**, **Guotai**, **Huarong**, **Manappuram**, **Shriram**, **Zensar).**

As the investment in **InnovAge** was not yet finalised as of 30 June 2020, this company was not included in the portfolio.

During the first half of 2020, the companies in Altamir's portfolio posted a **1.9%** increase in their average EBITDA, weighted by the residual amount invested in each company, reflecting mixed performance depending on the sector in the context of the Covid-19 pandemic.

The 17 largest investments, representing nearly **80%** of the portfolio's total value as of 30 June 2020, are as follows, in decreasing order:

MARLINK Connect smarter. Anywhere.	**A world leader in satellite communication services** Marlink's business was generally resilient during the first half because of the criticality of its products and the nature of its business model, which is principally subscription based. Marlink's growth in EBITDA against the background of the healthcare crisis reflected both higher ARPU (Average Revenue Per User) from increasing penetration of the Maritime VSAT segment and resilience in core, land-based verticals. Marlink's range of digital services is blossoming as ships are becoming increasingly digitalised.
ENTORIA Assurez-vous d'entreprendre	**Wholesale broker specialised in supplemental insurance protection for self-employed persons and the managers and employees of SMEs** Entoria's revenue dipped 12% during the first half of 2020, because performance in new products was not as strong as expected and business slowed during the lockdown period. The impact of the Covid-19 pandemic was mitigated by the company's tight grip on costs and the synergies generated by the merger of Ciprés Assurances and Axelliance. As a result, EBITDA declined by only 2%.
THOM GROUP	**Leading jewellery retailer in Europe (more than 1,000 points of sale)** Nine-month 2019/20 sales (FYE 30 September) declined by 15% compared with the year-earlier period. Ahead of budget at the end of March, sales were abruptly suspended from mid-March to May, when the group's stores were closed as part of lockdown measures in all of its markets. Online sales increased by 37% and physical stores reopened immediately after lockdown (all had reopened by 30 June) limiting the extent of the decline in sales. EBITDA was down 20% during the period.
Bip. Business Integration Partners	**European leader in management, IT and digital transformation consulting** Bip continued to post an excellent operating performance in the first half of the year, with top-line growth of 13% and a 15% rise in EBITDA. Despite the Covid-19 pandemic, customers continued to

	implement their projects, particularly in the area of digital transformation, and the company was able to invoice its services normally. In July, Bip significantly strengthened its international presence (notably in the United Kingdom and the United States) and carried out its fourth build-up with the acquisition of Chaucer Consulting.
SNACKS DEVELOPPEMENT	**A European leader in private-label savoury snacks** During the first five months of the 2020-21 financial year (FYE 31 January), sales increased by 6%, driven by the French and Spanish markets. Good cost control and improved industrial productivity, together with favourable demand trends had a positive impact on EBITDA.
expereo	**Global internet connectivity and managed services provider** Against the background of the Covid-19 crisis, Expereo's revenue rose 11% during the first half (excluding acquisitions), reflecting an increasing proportion of high valued-added segments in the product mix and a significant increase in direct sales to large accounts. In June, Expereo finalised the acquisition of Comsave, a platform for intelligent connectivity.
ThoughtWorks®	**Leading digital transformation and software development company** The 22% increase in first-quarter revenue reflected not only ThoughtWorks's positioning in segments its customers consider strategic, but also its predominant exposure to large, geographically-diversified companies with a sound financial condition.
SK FireSafety Group	**Leading fire safety specialist in Northern Europe** In the first half of the year, the Covid-19 epidemic and the related lockdown caused SK FireSafety Group's customer maintenance operations to be cancelled, as customer sites were closed, and certain projects to be postponed. In the second half, there should be a catch-up effect in the company's business activity, particularly in the area of maintenance, where regulations mandate a certain inspection frequency. The five acquisitions carried out in 2019 in Scandinavia and Belgium are being integrated.
infovista	**Leading global provider of network performance software solutions** During the 2019/20 financial year (FYE 30 June), InfoVista's revenue contracted by 12% as a result of the disappointing performance of the Global Enterprise (SD-WAN) business unit. In contrast, the Global Network segment continued to see strong growth, driven by accelerated deployment of 5G networks. The demand for very high-speed mobile networks has increased during the Covid-19 epidemic. EBITDA grew by 13% over the year, owing to a significant cost reduction, particularly in sales and marketing, and because the company had less recourse to subcontracting.

Worldwide leader in ingredients and services for the food and beverage industry

The 3% decline in AEB's revenue during the first half of the year came about principally because demand for wine and beer sold in cafés, hotels and restaurants declined sharply during the Covid-19 epidemic. Nevertheless, EBITDA rose 13% over the half-year period, owing to cost reduction measures. Filtration products company Danmil was successfully integrated, and the Equipment business is being turned around under the impetus of its new CEO.

One of Europe’s leading franchisors of optical products and hearing aids (more than 1,400 stores)

Over the first nine months of the 2019/20 financial year (FYE 31 July), Alain Afflelou’s sales declined by 17% and EBITDA by 31%, as all points of sale were closed during the lockdown period. Business has picked up again since stores reopened, and the outlook is encouraging for the coming months. Alain Afflelou continues to outperform the market in a difficult competitive environment.
The group is implementing its digital transformation plan aimed at improving the customer experience and developing online sales.

International developer and distributor of BIM (Building Information Modelling) software for design, calculation, simulation, manufacturing and collaborative management

Graitec was resilient in the face of the Covid-19 crisis, its revenue rising 6% during the first half. Many new orders were signed before the epidemic, and the company’s product portfolio consists largely of recurrent business activities. EBITDA declined slightly (-3% LTM as of 30 June 2020 vs 31 December 2019) because of an unfavourable product mix. Cash generation was high, supported by Graitec’s good operating performance and a tight grip on cash flow.

Integrated, premium campsite operator in France and Spain, with 25 four- and five-star campsites

Revenue during the first five months of the year declined sharply, as all of the company's campsites were closed until 18 June. In addition, many summer reservations made before the Covid-19 epidemic were cancelled, and during lockdown few new reservations were made, because potential holidaymakers lacked visibility on the development of the epidemic. Five-month 2019/20 sales declined by 24% compared with the year-earlier period, excluding the contribution of 2019 acquisitions.

Provider of secure cloud communication solutions for innovative companies

Destiny performed very well during the first half of the year, posting double-digit growth in sales (12%) and EBITDA (26%). The company benefited from accelerating demand for unified communication services (UCaaS), as teleworking became the norm during the Covid-19 epidemic. In addition, most of Destiny's revenue is recurrent, as on average its contracts cover a three-year period. The fast-growing topline drove margin improvement, as did efficient use of governmental support measures implemented during the Covid-19 crisis.

VOCALCOM	**Supplier of multi-channel software and solutions for customer contact centres** Vocalcom's sales declined overall by nearly 11% during the first half of the year. Non-recurrent business (licence sales, customer service and hardware resale) were hit hard by the Covid-19 crisis, whereas subscription-based revenue (SaaS/Cloud) was resilient.
Paycor	**One of the main US providers of HR and payroll services** Paycor experienced a significant slowdown in demand for its payroll and HR management services during the first half of the year. These activities were impacted by the rise in unemployment caused by the Covid-19 epidemic, as Paycor's services are invoiced on the basis of companies' average monthly payroll. Paycor ramped up is online business development, driving a recovery in revenue from May onwards.
Unilabs	**One of Europe's leaders in diagnostic services** Activities during the first half of the year, both in radiology and medical laboratory services, were temporarily reduced, as priority was given to Covid-19-related pathologies. Medical procedures or exams considered less urgent were therefore postponed. These activities should return to their normal levels in the coming months. Acquisitions had a positive impact on Unilabs's revenue and EBITDA in radiology.

Altamir's half-year 2020 financial report is available on the company's website: www.altamir.fr

About Altamir

Altamir is a listed private equity company (Euronext Paris-B, ticker: LTA) founded in 1995 and with an investment portfolio of more than €1bn. Its objective is to provide shareholders with long-term capital appreciation and regular dividends by investing in a diversified portfolio of private equity investments.

Altamir’s investment policy is to invest via and with the funds managed or advised by Apax Partners SAS and Apax Partners LLP, two leading private equity firms that take majority or lead positions in buyouts and growth capital transactions and seek ambitious value creation objectives.

In this way, Altamir provides access to a diversified portfolio of fast-growing companies across Apax's sectors of specialisation (TMT, Consumer, Healthcare, Services) and in complementary market segments (mid-sized companies in continental Europe and larger companies in Europe, North America and key emerging markets).

Altamir derives certain tax benefits from its status as a SCR (*"Société de Capital Risque"*). As such, Altamir is exempt from corporate tax and the company's investors may benefit from tax exemptions, subject to specific holding-period and dividend-reinvestment conditions.

For more information: www.altamir.fr

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GLOSSARY

EBITDA: Earnings before interest, taxes, depreciation and amortisation

NAV: Net asset value net of tax, share attributable to the limited partners holding ordinary shares

Organic growth: growth at constant scope and exchange rates

Uplift: difference between the sale price of an asset and its most recent valuation on our books prior to the divestment

Net cash: cash on hand less short-term financial debt