

## EURAZEO POSTS SOLID GROWTH OVER THE FIRST 9 MONTHS OF 2022: MANAGEMENT FEES UP +22% AND ASSETS UNDER MANAGEMENT UP +20% COMPARED TO 2021

Paris, November 8, 2022

### Asset management continues to grow in Q3 2022

- Management fees: €280m over 9 months, up +22% compared to 9 months 2021, and a +25% fees from third parties
- Assets Under Management (AUM): €32bn (+20% over 12 months)
- Fundraising from third party: €2.1bn over 9 months
- Fundraising anticipated by the Group of around €3bn for 2022

### Execution of asset rotation in line with objectives

- Further exits (€2.4bn realized over 9 months, in line with 9 months 2021)
- Selective deployment (€3.8bn deployed over 9 months, vs. €4.1bn over 9 months 2021)
- Eurazeo balance sheet divestments totaling €1.1bn, reaching €1.3bn including announced but not closed divestments. This is equivalent to 18% of the portfolio's NAV at the end of 2021, for capital gains estimated at €0.8bn

### Robust portfolio performance

- Portfolio consolidated economic revenue up +38% over 9 months year-on-year at constant Eurazeo scope and exchange rates
- Growth companies' revenue up c. 42% (not consolidated)

### Solid balance sheet and significant financial leeway

- Net cash and cash equivalents as of September 30, 2022: €164m
- €1.5bn confirmed and undrawn revolving credit facility
- Dry Powder: €4.9bn

### New ESG developments

- Our investments in climate and inclusion amount to €4.3bn, spread across all our strategies
- The first 3 investments by the Infrastructure strategy will contribute to avoid 1 million tons of CO<sub>2</sub> emissions

**Virginie Morgon, Chairwoman of the Executive Board, stated:** *"In the first nine months of the year, Eurazeo delivered robust growth in a complex and uncertain economic and geopolitical context. Good execution of the fundraising program, a double-digit surge in management fees, a sustained asset rotation and the expansion of portfolio companies confirm the Group's ongoing momentum, the relevance of its investment sectors, its discipline and solidity. In 2022, Eurazeo initiated promising flagships fundraising in several of its strategies which will fuel the Group's growth in 2023."*

# 1. ASSET MANAGEMENT ACTIVITY

## A. ASSETS UNDER MANAGEMENT

As of September 30, 2022, Eurazeo Group Assets Under Management (AUM) **totalled €32.4bn, up 20% over 12 months.**

Third Party AUM totaled **€23.2bn, up 21% over 12 months.**

**Fee Paying AUM** amounted to **€21.5bn, up +23% over 12 months.** *FPAUM are detailed in Appendix 2.*

Assets under management (€m)	12/31 2021	09/30 2022	% change		% AUM
			Last 9M	LTM	
Private Equity	21,575	23,421	9%	18%	75%
Private Debt	5,968	6,393	7%	29%	21%
Real Assets	1,545	1,326	-14%	21%	4%
<b>Total asset management AUM</b>	<b>29,088</b>	<b>31,140</b>	<b>7%</b>	<b>20%</b>	<b>100%</b>
Value of the AM activity	1,954	2,054	5%	31%	
Cash and other items	-170	-820	-	-	
<i>of which gross cash</i>	550	364	-	-	
<b>Total Group AUM</b>	<b>30,872</b>	<b>32,374</b>	<b>5%</b>	<b>20%</b>	
<i>of which third party AUM</i>	21,543	23,174	8%	21%	72%
<i>of which permanent capital (NAV<sup>1</sup>)</i>	9,329	9,200	-1%	17%	28%

## B. FUNDRAISING

In the first 9 months of 2022, Eurazeo raised **€2.1bn from third parties**, reflecting the satisfactory execution of the funds currently raising. In Buyout, the PME IV fund exceeded its target, closing at over €1bn. The Venture and Growth strategies raised €0.6bn over 9 months (particularly in the Digital, Smart City and Kurma Growth Opportunity funds in Biotech).

**Private Debt activity** furthered its robust growth and its Direct Lending flagship program may reach €2bn in total in early 2023.

**Retail** collection maintained its **excellent momentum**, raising €0.6bn over 9 months (increase of approximately +61% year-on-year) across all asset classes. Retail investor AUM totaled €3.2bn, or 14% of LP AUM.

**For the full year 2022, the Group anticipates fundraising of around 3bn€.**

At the end of 2022, the Group has initiated fundraising for **several of its flagship strategies** (Growth, Mid-Large Buyout, Secondaries) and launched an Infrastructure fund, classified Article 9. These fundraisings will **spread across 2022 and 2023.**

<sup>1</sup> In quarters, NAV is only adjusted for cash and forex, Private assets are not revalued.

Fundraising <sup>1</sup> (€m)	9M 2020	9M 2021	9M 2022
Private Equity	1,357	2,114	1,129
Private Debt	184	883	697
Real Assets	-	-	8
<b>Total</b>	<b>1,541</b>	<b>2,997</b>	<b>2,104</b>

<sup>1</sup>excluding Eurazeo's commitments in the Group's programs

## C. ASSET MANAGEMENT REVENUE

**Management fees** totaled **€280.3m** in the first 9 months of 2022, **up +22%** at constant scope and exchange rates:

- i) management fees from third parties increased +25% to €207.6m, driven by the fundraising dynamic;
- ii) management fees calculated on Eurazeo's balance sheet totaled €72.7m (+15%);

**Realized performance fees** amounted to €73m over 9 months given completed exits. Performance fees from deals announced but not yet completed are estimated at around €8m.

(€m)	9M 2021 PF	9M 2022	% chg. lf
<b>Management fees</b>	<b>230</b>	<b>280</b>	<b>22%</b>
<i>of which from third parties</i>	167	208	25%
<i>of which calculated on the balance sheet</i>	63	73	15%
<b>Realized performance fees</b>	<b>75</b>	<b>73</b>	<b>-3%</b>
<i>of which from third parties</i>	11	4	-64%
<i>of which calculated on the balance sheet</i>	64	69	8%
<b>Total fees</b>	<b>305</b>	<b>354</b>	<b>+16%</b>

## 2. INVESTMENTS AND EXITS

**Group deployment** totaled **€3.8bn over 9 months 2022**, compared with €4.1bn year-on-year. In Private Equity, the Group remains particularly selective in its deployment, favoring sectors driven by long-term structural trends in a complex and uncertain economic and geopolitical context. For example, the Group invested in Cranial Technologies (healthcare), Sevetys (pet care), or Wiismile (business services) and supported several of its portfolio companies in their build-ups. Private Debt activity deployed €1.4bn over 9 months, benefiting from a favorable risk profile combined with attractive returns.

**Exits** completed in 9 months 2022 **totaled €2.4bn**, in line with the amount achieved in 9 months 2021. In November, the Group also announced the divestment of Nest New York by the Brands strategy for a valuation of \$200m, generating a cash-on-cash multiple of 2.7x.

Exits completed in 9 months 2022 **on the Eurazeo balance sheet totaled €1.1bn** and mainly included Reden Solar, Orolia and Trader Interactive. With the completion of Vitaprotech and Nest divestments expected in Q4 2022 for c.€0.2bn, the Group will meet its exit objectives for 2022, i.e. around 18% of the opening portfolio value. The average cash-on-cash multiple of completed divestments is attractive, amounting to 3.5x for an average IRR of 33%. The net capital gains from

these deals should amount to around €0.8bn for the Group, including €0.7bn from already completed deals.

(€m)	Investments		Exits	
	9M 2021	9M 2022	9M 2021	9M 2022
Private Equity	2,871	2,148	1,418	1,155
Private Debt	1,047	1,426	455	596
Real Assets	172	263	433	644
Other	34	9	112	4
<b>Total</b>	<b>4,123</b>	<b>3,847</b>	<b>2,417</b>	<b>2,398</b>
<i>of which balance sheet</i>	<i>1,049</i>	<i>1,038</i>	<i>1,256</i>	<i>1,059</i>

### 3. REVENUE FROM PORTFOLIO COMPANIES

Economic revenue from portfolio companies on the balance sheet **increased 38% in 9 months 2022**, at constant Eurazeo scope and exchange rates. All the Group's strategies have reported growth since the beginning of the year. Travel and leisure companies are experiencing a strong rebound in activity; the rest of the portfolio delivered robust growth of 17%.

#### ECONOMIC REVENUE BY INVESTMENT DIVISION

in €m	9M 2021 PF	9M 2022	% chg. (lfl)
Mid-large buyout	1,155	1,864	+61%
Small-mid buyout	1,103	1,288	+17%
Brands	227	263	+16%
Real Assets	243	346	+42%
<b>Portfolio economic revenue</b>	<b>2,728</b>	<b>3,761</b>	<b>+38%</b>

N.B.: 2021 pro forma figures at constant Eurazeo scope. Like-for-like ("lfl") = at constant Eurazeo scope and exchange rates.

The Growth portfolio, not consolidated, reported weighted average revenue growth of **around 42% for the nine-month period**.

The good performance of the portfolio companies since the beginning of the year reflects the relevance of Eurazeo's sector choices. In a complex economic environment, the Group benefits from a diversified, high-quality portfolio positioned in structurally buoyant segments such as healthcare, business services, digital, strong consumer brands and the energy transition.

## 4. SHAREHOLDER RETURN

In May 2022, the Group launched a €100m share buyback program, with cancellation of the shares repurchased, in addition to share buybacks to cover the Long-Term Incentive Plans (LTIP).

As of September 30, 2022, the Group bought back 737,905 shares for €47m.

## 5. ESG COMMITMENT

An ESG (environmental, social and governance) pioneer for nearly 20 years, Eurazeo has placed ESG at the core of its platform and business model.

Eurazeo has incorporated ESG in each of its investment strategies. A total of €4.3bn has been deployed for the transition to a low carbon and more inclusive economy at the end of June 2022 and 89% of its rolled out or raised funds are now Article 8 or Article 9 classified within the meaning of the European Disclosure Regulation.

Among those funds is NovSanté, focused on enhancing the French healthcare sector, which in September invested in Imapole, a leading player in medical imaging and the Infrastructure strategy whose first 3 investments (Resource, Electra and Ikaros Solar) will contribute avoid 1 million tons of CO<sub>2</sub> emissions.

## 6. LONG TERM OUTLOOK

Eurazeo delivered a sound performance in the first 9 months of 2022 across all aspects of its business: fundraising, management fees, asset rotation and portfolio growth in a complex and uncertain economic and geopolitical context. This performance confirms the Group's growth momentum, the relevance of its allocation choices and its solidity.

Strengthened by its position in the alternative investment sector which continues to be driven by favorable structural trends, Eurazeo confirms the outlook announced on March 10, 2022, upon presentation of its annual results and notably the doubling of assets under management, which could reach €60bn in 5 to 7 years, and an increase in the FRE margin in the medium-term to 35-40% from around 30% in 2021.

## 7. SUBSEQUENT EVENTS

In November, the Group announced that it had agreed to sell its majority stake in Nest New York, a leader in lifestyle fragrances, for a valuation of \$200m. This divestment by the Brands strategy will generate a gross cash-on-cash multiple of 2.7x the initial investment.

## ABOUT EURAZEO

- Eurazeo is a leading global investment group, with a diversified portfolio of €32.4 billion in Assets Under Management, including €23.2 billion from third parties, invested in 530 companies. With its considerable private equity, private debt, real estate asset and infrastructure expertise, Eurazeo accompanies companies of all sizes, supporting their development through the commitment of its nearly 400 professionals and by offering deep sector expertise, a gateway to global markets, and a responsible and stable foothold for transformational growth. Its solid institutional and family shareholder base, robust financial structure free of structural debt, and flexible investment horizon enable Eurazeo to support its companies over the long term.
- Eurazeo has offices in Paris, New York, London, Frankfurt, Berlin, Milan, Madrid, Luxembourg, Shanghai, Seoul, Singapore and Sao Paulo.
- Eurazeo is listed on Euronext Paris.
- ISIN: FR0000121121 - Bloomberg: RF FP - Reuters: EURA.PA.

## EURAZEO FINANCIAL TIMETABLE

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<b>March 8, 2023</b>	2022 annual results
<b>May 16, 2023</b>	Q1 2023 revenue

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## APPENDIX 1: STRATEGIC PARTNERSHIPS

### iM Global Partner (AUM not consolidated)

It is recalled that iM Global partners assets are not included in assets under management published by Eurazeo.

The Assets Under Management of iM Global Partner (IMG share) total US\$31.9bn at the end of September 2022, down 14% from September 2021 in the current uncertain macro-economic environment. iM Global Partner nevertheless maintained its dynamic M&A strategy in 2022, notably through the acquisition by its partner, Polen Capital, of DDJ Capital.

### Rhône Group (8% of AUM)

Rhone closed Fund VI with €2.1bn in total commitments, including €240m in committed co-investment capital.

### MCH Private Equity (1% of AUM)

In H1 2022, MCH completed the final closing of MCH V at approximately €400m.

## APPENDIX 2: FEE PAYING AUM

09/30/2022 (€m)	Eurazeo 3 <sup>rd</sup> party <sup>1</sup>	Rhône (30%)	MCH (25%)	Eurazeo balance sheet	Total
Private Equity	9,697	1,233	220	4,350	15,501
Private Debt	4,742	0	0	213	4,955
Real Assets	71	7	0	997	1,075
<b>Total</b>	<b>14,509</b>	<b>1,240</b>	<b>220</b>	<b>5,561</b>	<b>21,531</b>

<sup>1</sup> including funds raised by Eurazeo and Idinvest with limited partners

## APPENDIX 3: ASSETS UNDER MANAGEMENT

€m	12/31/2021			09/30/2022			Total change in AUM (%)	
	NAV	LP AUM	Total AUM	NAV	LP AUM	Total AUM	vs. LTM	vs. 12/31/2021
Private Equity	6,192	12,677	<b>18,869</b>	6,801	13,515	<b>20,316</b>	18%	8%
<i>Mid-large buyout</i>	3,056	1,818	4,874	3,304	2,101	5,405	18%	11%
<i>Small-mid buyout</i>	760	1,110	1,870	765	1,449	2,214	25%	18%
<i>Growth</i>	1,606	2,596	4,203	1,762	2,509	4,271	26%	2%
<i>Brands</i>	718	-	718	898	-	898	74%	25%
<i>Healthcare (Nov'Sante)</i>	-	413	413	-	410	410	-2%	-1%
<i>Venture</i>	47	3,086	3,133	46	3,304	3,350	15%	7%
<i>Private Funds</i>	5	3,654	3,659	27	3,742	3,768	3%	3%
Private Debt	83	5,886	<b>5,968</b>	155	6,238	<b>6,393</b>	29%	7%
Real Assets	1,244	221	<b>1,464</b>	963	253	<b>1,216</b>	19%	-17%
Rhône (30%)	-	2,097	<b>2,097</b>	-	2,416	<b>2,416</b>	5%	15%
MCH Private Equity (25%)	26	280	<b>305</b>	42	299	<b>341</b>	42%	12%
Kurma Partners (100%)	1	383	<b>385</b>	5	453	<b>458</b>	n.m.	19%
<b>Total Portfolio</b>	<b>7,545</b>	<b>21,543</b>	<b>29,088</b>	<b>7,966</b>	<b>23,174</b>	<b>31,140</b>	<b>20%</b>	<b>7%</b>
<b>Asset Management Activity</b>	<b>1,954</b>	<b>-</b>	<b>1,954</b>	<b>2,054</b>	<b>-</b>	<b>2,054</b>	<b>31%</b>	<b>5%</b>
<b>Net cash and other items</b>	<b>(170)</b>	<b>-</b>	<b>(170)</b>	<b>(820)</b>	<b>-</b>	<b>(820)</b>	n.m.	n.m.
<i>Cash and cash equivalents</i>	550	-	550	364	-	364	n.m.	n.m.
<i>Other assets/liabilities<sup>1</sup></i>	(644)	-	(644)	(1,078)	-	(1,078)	n.m.	n.m.
<i>Tax on unrealized capital gains</i>	(148)	-	(148)	(144)	-	(144)	n.m.	n.m.
<i>Treasury shares</i>	72	-	72	38	-	38	n.m.	n.m.
<b>Total</b>	<b>9,329</b>	<b>21,543</b>	<b>30,872</b>	<b>9,200</b>	<b>23,174</b>	<b>32,374</b>	<b>20%</b>	<b>5%</b>

<sup>1</sup> including assets invested outside of the group as LP