



# Partners Group

REALIZING POTENTIAL IN PRIVATE MARKETS

16 February 2021  
10:00 – 11:00 GMT (Dublin, London)  
11:00 – 12:00 CET (Zurich, Frankfurt)

+44 207 107 06 13 (from the UK)  
+41 58 310 50 00 (from Continental Europe)

All lines will be open 10 minutes prior to the beginning of the conference call.

## Princess Private Equity Holding Limited

Update presentation: NAV based on unaudited figures as of 31 December 2020



For use with institutions only – not for use in the United States

# Princess Private Equity Holding Limited

## Investment strategy

- Exposure to a **global portfolio of leading private companies**
- **Relative value investment approach** across geographies and industries to navigate market cycles
- Focus on companies in sub-sectors with **above-market growth rates** supported by **transformative trends; resilience** and **low cyclicality; clear value creation potential**
- **ESG factors fully-integrated** in investment process to **drive value creation** and **mitigate risk**

## Investment resources

- Managed by Partners Group, a leading private markets investment manager which has **invested USD 70 billion in private equity across market cycles**
- **>100 direct private equity professionals**, embedded in a global private markets platform
- Industry Value Creation team (IVC): **>50 operational specialists** across five industry verticals drive value creation at portfolio company level
- Industry network: **>300 industry experts** and **>60 external senior advisors**

## Long-term performance<sup>1</sup>

- Objective to generate **long-term capital growth and an attractive dividend yield:**
  - NAV total return of 10.1% p.a. over last 10 years
  - Share price total return of 13.6% p.a. over last 10 years
- **2021 dividend guidance:** 5% p.a. of opening NAV via semi-annual payments



## About us

### Dedicated to private markets

- Our **AuM stands at over USD 109 billion<sup>1</sup>**: USD 52 billion in corporate equity & USD 57 billion in real assets / financing<sup>2</sup>
- Our **extensive investment platform and network** are dedicated to private markets

### Leveraging strong resources

- We have **over 1,500 employees worldwide across 20 offices** and **over 700 private markets professionals<sup>3</sup>**
- We leverage PRIMERA Insights, our intelligence platform consisting of **over 36,000 private markets assets<sup>4</sup>**

### We have a global presence with 20 offices across key investment regions

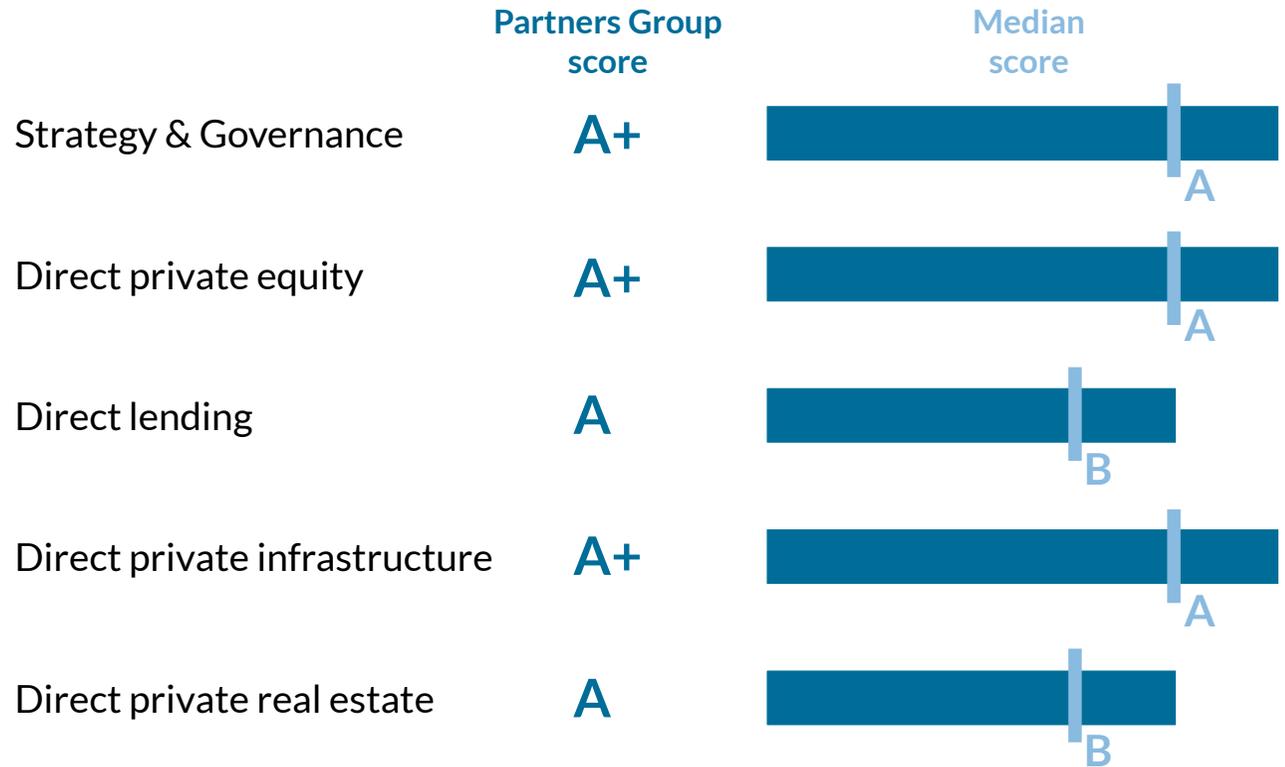


For illustrative purposes only. 1 Unaudited, inclusive of all Partners Group affiliates, as of 31 December 2020 2 Real assets / financing includes Partners Group's asset under management relating to private real estate, private infrastructure and private debt as of 31 December 2020. 3 Team figures as of 31 December 2020; private markets investment professionals figure is calculated based on total core investment teams plus employees in the Financial Analyst program, Associate program, Portfolio Solutions and Investment Services business departments. 4 Information on each PRIMERA asset is available to Partners Group employees only to the extent contractually permitted. Source: Partners Group (2021).



# Partners Group retains high scores from UN PRI for Responsible Investment

## Partners Group's 2020 UN PRI report for Responsible Investment



Results highlight strong ESG program and leadership in Responsible Investment

Abbreviations: PRI: Principles for Responsible Investment. For illustrative purposes only. Source: UN PRI (2020), Partners Group (2020).

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## NAV and share price outperformance of public markets during 2020

### Performance

- NAV and share price developed positively during Q4, outperforming global equity markets in 2020
- NAV total return: +5.3% Q4; +10.0% full year
- Share price total return: +17.5% Q4; +12.4% full year
- MSCI World +9.2% Q4; +6.4% full year

### Portfolio activity

- Partial realizations of GlobalLogic and PCI Pharma in Q4, reflecting their robust performance during the crisis
- Five new investments signed and in-closing as of year-end
- EUR 50 million commitment to PG Direct Equity 2019 program to be deployed over next 3-4 years

### Balance sheet

- EUR ~110 million of available liquidity comprised of cash (EUR ~30m) and undrawn credit facility (EUR 80m)
- Sufficient liquidity to fund new investments and dividend payments

### Dividend

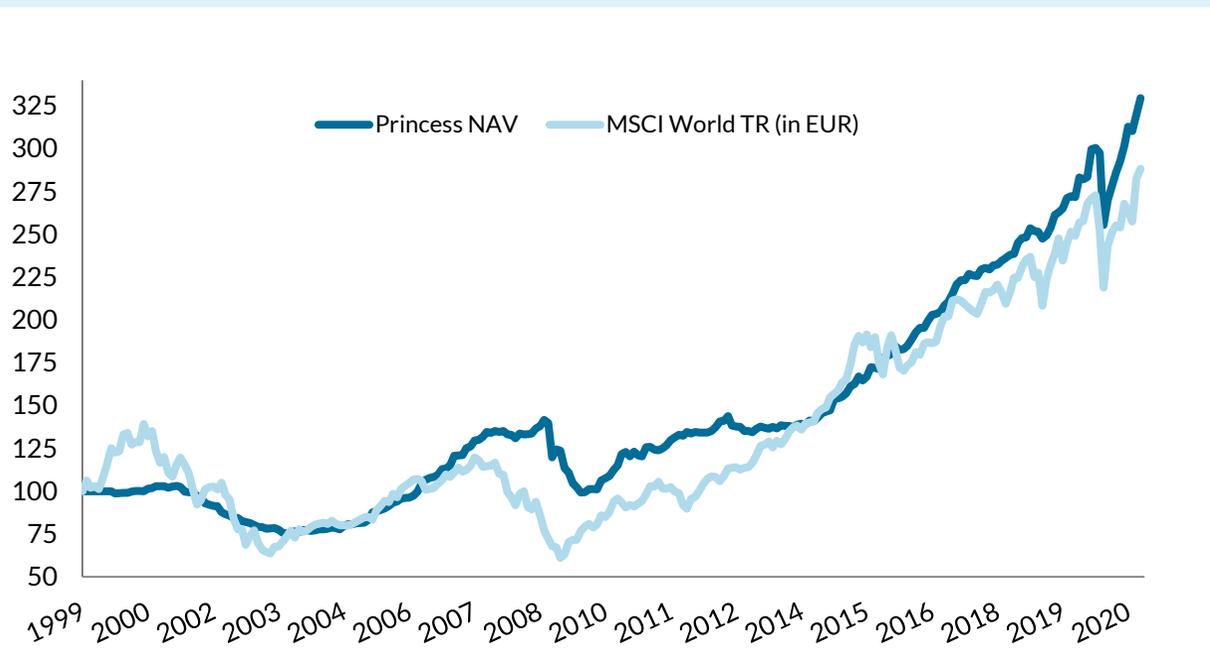
- Second interim dividend of EUR 0.29 per share declared in November
- Total dividend of EUR 0.435 per share for FY 2020, representing 3.5% of opening NAV
- 2021 dividend guidance: 5% p.a. of opening NAV via semi-annual payments in June and December

**Past performance is not indicative of future results.** For illustrative purposes only. Shares may be worth more or less than original cost when sold. Current performance may be lower or higher than performance shown. Share price return is based on EUR quote (Bloomberg: PEY LN). There is no assurance that similar investments will be made. There is no assurance that similar results will be achieved. Nothing herein should be relied upon as a promise or representation as to such future results. The inclusion of this index/benchmark is used for comparison purposes and should not be construed to mean that there will necessarily be a correlation between the fund/investment return and the index/benchmark. Source: Partners Group, 31 December 2020.



# NAV and share price performance

Princess NAV TR vs. MSCI World TR (in EUR)<sup>1</sup>



Total return to 31 December 2020

In EUR	1 year	3 years	5 years
NAV	+10.0%	+42.2%	+78.5%
Share price	+12.4%	+29.7%	+97.0%
MSCI World	+6.4%	+32.6%	+57.9%

Relative performance versus MSCI World

In EUR	1 year	3 years	5 years
NAV	+3.6%	+9.6%	+20.6%
Share price	+6.0%	-2.9%	+39.1%

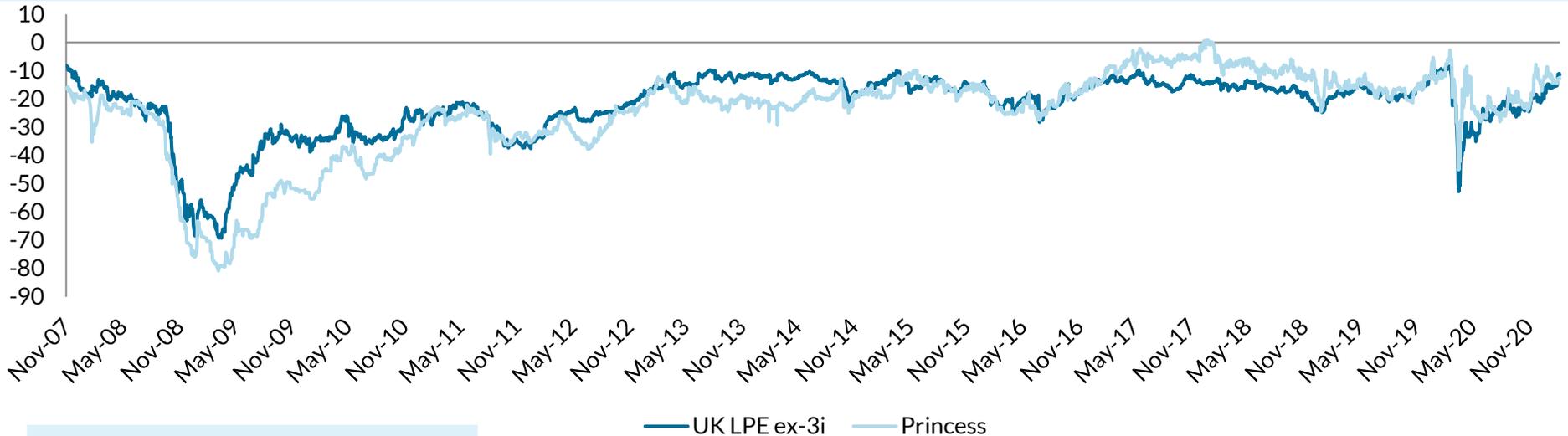
## Long-term outperformance versus MSCI World

**Past performance is not indicative of future results.** For illustrative purposes only. There is no assurance that similar results will be achieved. As of 31 December 2020. Source for MSCI World TR (ticker NDDUWI) in EUR: Bloomberg. Investment return and the value of an investment will fluctuate. The inclusion of this index/benchmark is used for comparison purposes and should not be construed to mean that there will necessarily be a correlation between the fund / investment return and the index/benchmark. Shares may be worth more or less than original cost when sold. Current performance may be lower or higher than performance shown. Princess NAV figures are net of all fees. Princess NAV performance: since inception in May 1999. Share price return is based on EUR quote (Bloomberg: PEYLN).



# Discount development

## Discount development since London listing in November 2007<sup>1</sup>



Discount to NAV	
Princess	-12.8%
UK LPE ex-3i	-11.5%

## Discount to NAV continued to narrow during Q4

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## Key figures

Key figures in EUR	Key figures			Change vs. 31.12.2019
	31.12.2020	31.12.2019	31.12.2018	
Net asset value	923.3m	868.7m	753.7m	+6.3% capital only
NAV per share	13.35	12.56	10.90	+10.0% total return
Investment level	97.8%	106.1%	100.7%	-8.3%
Cash	31.5m	22.6m	26.5m	+8.9m
Available credit line (total credit line)	80.0m (80.0m)	2.5m (50.0m)	15.0m (50.0m)	+77.5m
Unfunded commitments	106.6m	79.6m	93.7m	+27.0m

- EUR 111.5 million of available liquidity, including undrawn credit line (12.1% of NAV)
- Credit line increased from EUR 50 million to EUR 80 million during the year and maturity extended to December 2024
- EUR 62.8 million of "active" commitments anticipated to be called over next 3-4 years (6.8% of NAV)
- Remaining commitments are to funds which have completed their investment period and are not anticipated to be called in full



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# Performance was driven by focusing on the right investment pillars



For illustrative purposes only. A selection of companies is shown only. There is no assurance that similar investments will be made. Rationale: Investments shown visualize the different investment approaches of Princess and were selected based on their relative size. Source: Partners Group (2021).

## Revaluations for ten largest portfolio companies for the full year 2020

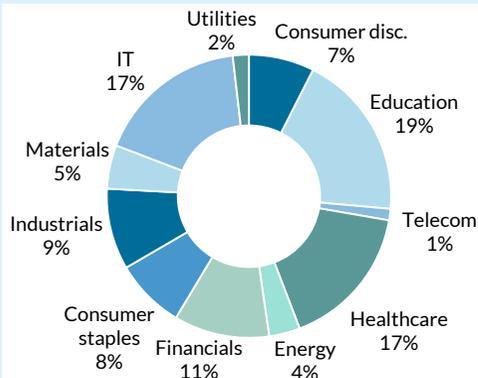
Name	Sector	Region	FY 2020 (%)	FY 2020 (EUR m)	% of NAV
 International Schools Partnership	Education	Europe	+16.3	21.9	14.6
 FONCIA	Financials	Europe	+27.1	15.9	6.4
GlobalLogic <sup>®</sup>	Information Technology	North America	+33.7	17.8	5.7
 fermaca	Energy Infrastructure	Rest of World	+14.3	4.7	3.6
 AMEGA	Industrials	Europe	+11.4	3.7	3.5
 KinderCare EDUCATION	Education	North America	-39.7	-12.0	3.3
 techem	Industrials	Europe	+10.4	3.1	3.2
 VISHAL MEGA MART	Retail	Asia-Pacific	+25.9	7.7	3.2
 Cerba HealthCare	Healthcare	Europe	+32.5	9.4	3.1
 SRS Distribution	Materials	North America	+32.9	8.6	2.8
<b>Top ten investments</b>				<b>80.7</b>	<b>49.4</b>

Past performance is not indicative of future results. There is no assurance that similar investments will be made. For illustrative purposes only. All balances and cash flows are translated at currency rates as of 31 December 2020 (FX neutralized), Source: Partners Group. As of 31 December 2020.



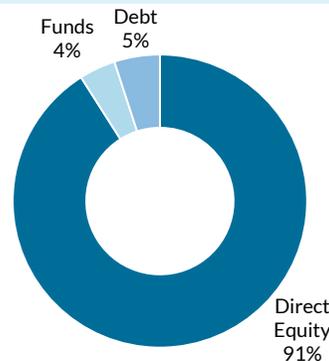
# Diversified private equity portfolio with substantial allocation to resilient sectors

## Investments by sector<sup>1</sup>



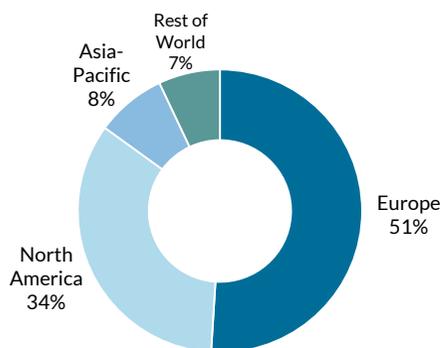
- Focus on **resilient companies** in sub-sectors benefitting from **transformative trends**
- **Limited exposure to cyclical sectors**

## Investments by type<sup>1</sup>



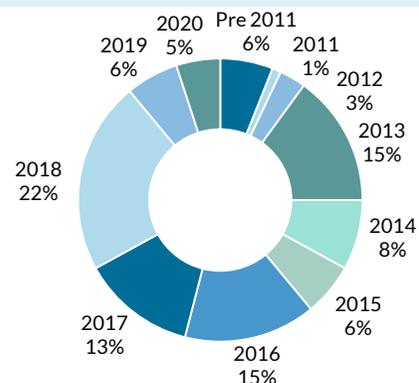
- Robust and conservative underwriting for direct investments includes **stress / downturn case simulations and multiple contraction**
- Legacy third party fund portfolio in wind-down

## Investments by region<sup>1</sup>



- **Global relative value investment approach**
- **Local investment and industry value creation teams on the ground in all regions to support portfolio companies**

## Investments by investment year<sup>1</sup>



- **Broadly diversified by investment year**
- **Mature portfolio is expected to drive realization activity**

**Past performance is not indicative of future results.** For illustrative purposes only. There is no assurance that similar investments will be made. Diversification does not ensure a profit or protect against loss. Actual allocations and performance may differ. <sup>1</sup> Based on the value of private equity investments on a look-through basis as of 31 December 2020. Source: Partners Group.

## Portfolio metrics

### Weighted average portfolio company metrics

#### Performance metrics

- 4.2% revenue growth over last 12 months (7.1% Q3)
- 7.7% EBITDA growth over last 12 months (10.3% Q3)
- EBITDA margin of 20.7% (19.9% Q3)

#### Valuation and debt metrics

- 15.7x EV/EBITDA (15.4x Q3)
- 5.2x net debt/EBITDA (5.3x Q3)
- 35.4% net debt/EV (36.8% Q3)

- After bottoming-out in April/May, trading continues to recover with the majority of portfolio companies outperforming post COVID-19 targets and trading back at pre-COVID levels again:
  - Q-o-Q EBITDA growth of 3.6% was the largest contributor to Q4 NAV performance
- EV/EBITDA multiples reflect sector mix, in particular exposure to technology, education and healthcare where valuations of comparable companies have continued to increase
- Robust capital structures comprising on average >60% equity

**Past performance is not indicative of future results.** For illustrative purposes only. Actual performance may vary. Weighted average figures for a sample of direct equity investments based on available information. Valuation metrics include all direct equity investments valued based on EV/EBITDA (sample represents 42 companies; 80.8% of NAV). Performance metrics include acquired EBITDA but exclude certain direct equity investments where new capital was required to fund transformational M&A, or for which comparable annual figures are not available (sample represents 40 companies; 78.0% of NAV). There is no assurance that similar results will be achieved. Source: Partners Group, as of 31 December 2020.



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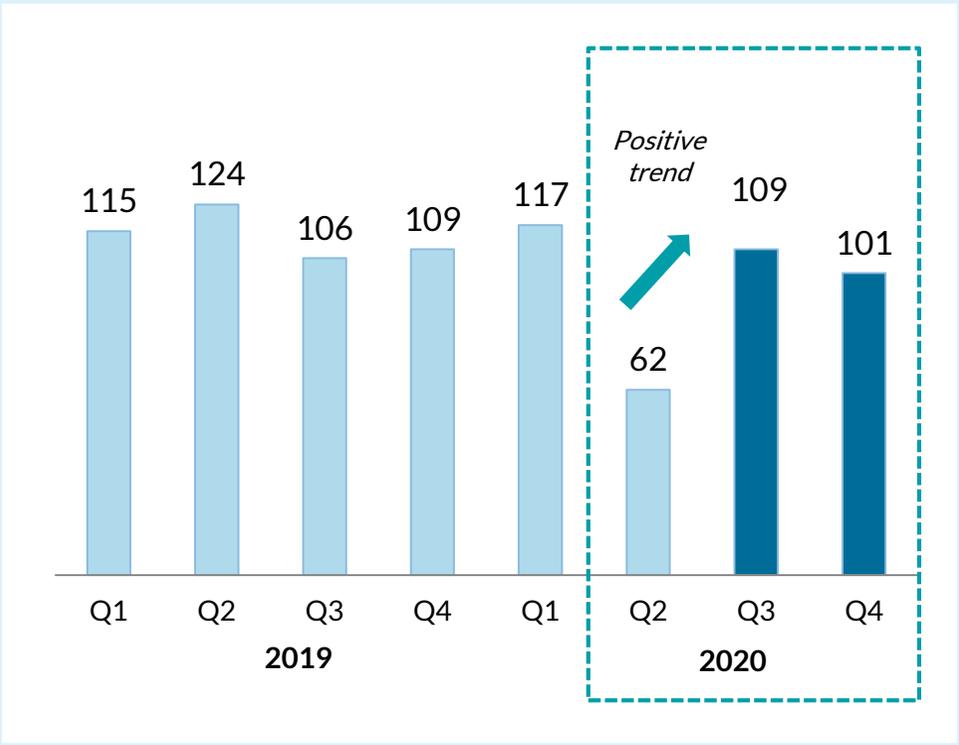
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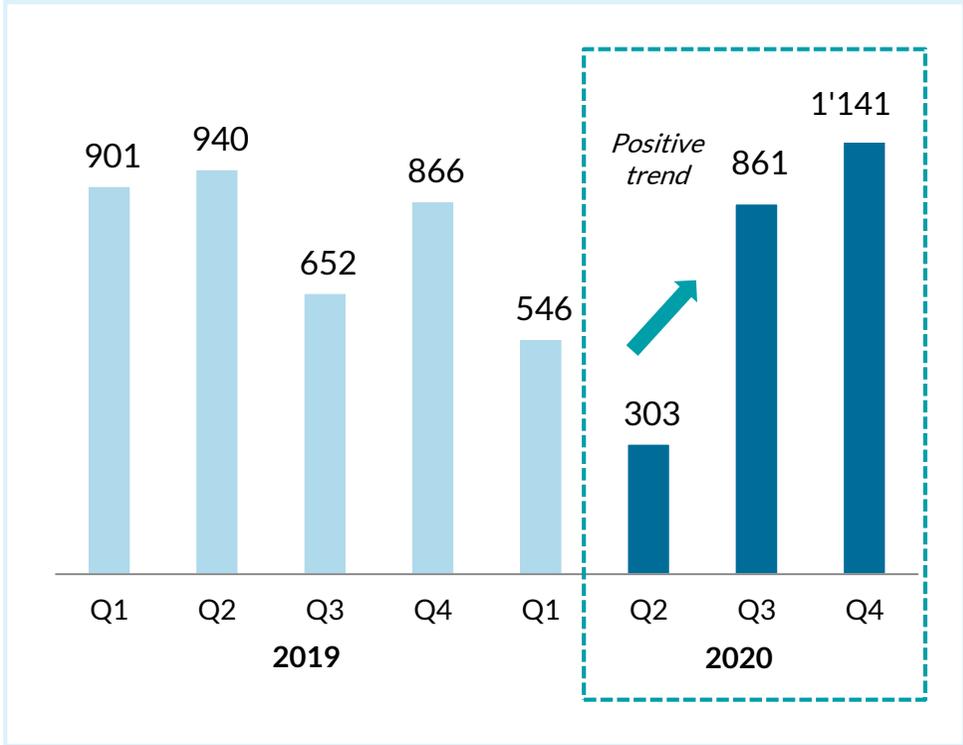
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# After a collapse in Q2 2020, transaction volumes have rebounded

Global private equity buyout investments<sup>1</sup> (in USD billion)



Announced global M&A transactions<sup>2</sup> (in USD billion)

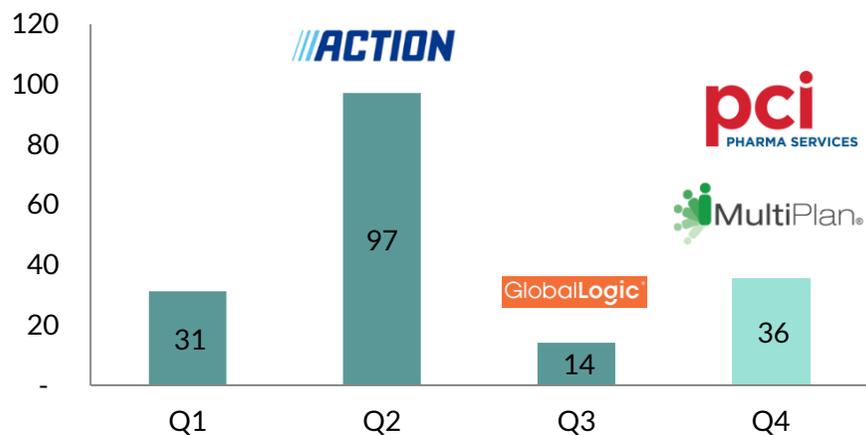


Recovery in transaction volumes is expected to be sustained in 2021

For illustrative purposes only. 1 PreqinPro, as of 31 December 2020. 2 S&P Capital IQ, as of 31 December 2020.

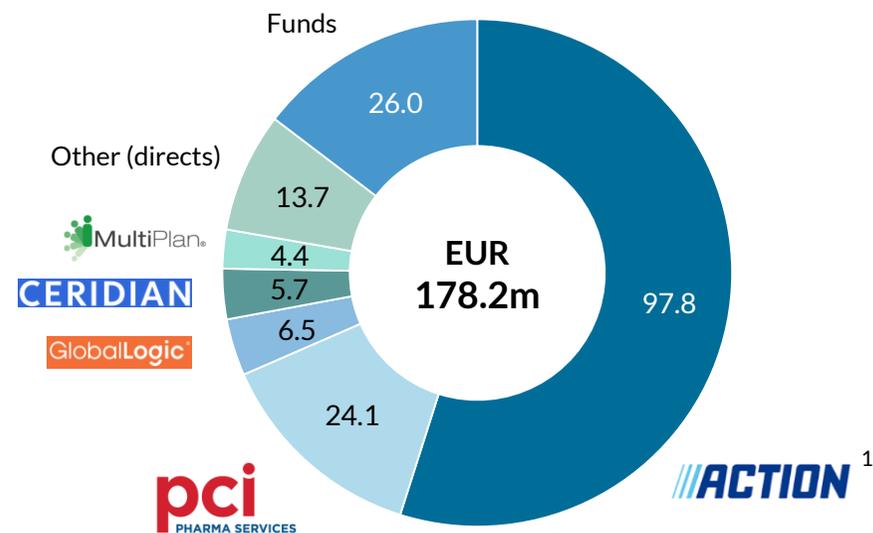
# Princess achieved a solid year for realizations despite the slowdown in market transaction volumes

2020 realizations by quarter



- EUR 178m of realizations (19.3% of opening portfolio value)
- Q2 realizations include proceeds from full exit of Action which had been agreed in November 2019
- Exit processes were put on hold during the initial phase of the pandemic, but have now resumed
- Partial realizations of MultiPlan and PCI Pharma in Q4

2020 realizations by company



The exit market has re-opened and further realizations are anticipated in 2021

For illustrative purposes only. There is no assurance that similar investments will be made. <sup>1</sup> EUR 97.8m from Action includes a dividend of EUR 7.7m received in Q1. The balance of EUR 90.1m was received following the full exit of the company in Q2. Source: Partners Group, as of 31 December 2020.

## Partial realization: PCI Pharma Services

### Company overview



### Investment criteria

- **Strong position:** leading commercial packaging provider with global scale at ~11% market capture and a 20+ track record
- **Industry tailwinds:** increased demand for outsourced services as biopharma companies seek cost-effective drug cycle solutions
- **Attractive margins and cash conversion**

### Investment summary

Pharmaceutical services outsourcer offering packaging and clinical & drug manufacturing services

Geography	North America
Industry	Healthcare
Headquarters	Philadelphia, USA

Entry Date	July 2016
Current multiple	gTVPI: >4x

### Value creation

- **Clinical Services M&A:** strengthening storage and distribution capabilities to reduce reliance on 3<sup>rd</sup> party logistics providers
- **Operational optimization:** implement best practices across all facilities and globalize approach to procurement
- **Improve cross-divisional sales:** develop strategy to increase sales between packaging, clinical services and manufacturing customers

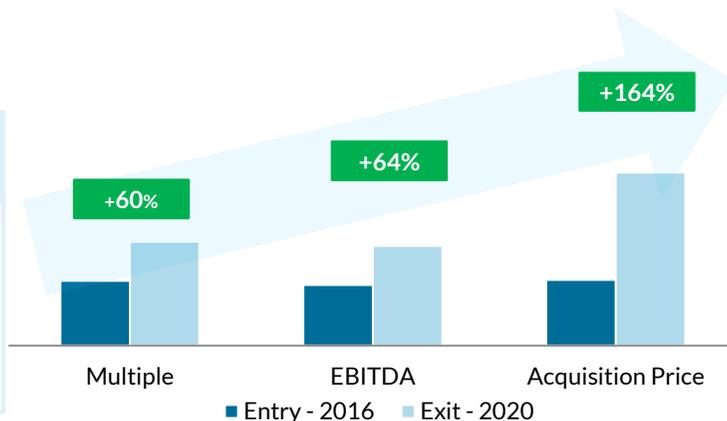
Past performance is not indicative of future results. For illustrative purposes only. There is no assurance that similar investments will be made Rationale: PCI was the largest realization from the portfolio during Q4 2020. Source: Partners Group (2020).



# Repositioning for future growth: the PCI example in detail

## Entry: contract packaging organization

Global provider of outsourced pharmaceutical services focused primarily on commercial services – comparable to a contract packaging organization



## Exit: contract research organization

PCI provides **integrated supply chain solutions** offering **end-to-end support** from clinical development through commercialization for not only pharma but also biopharma

## Covid-19: PCI as essential provider of vaccine

- Capable of responding with high degree of flexibility to urgent client demands and fast evolving projects
- Remdesivir supplier, a promising treatment for Covid



2016

2020

## Value creation

- **Talent transformation** –replaced c-suite including a new CEO, COO, CFO, CHRO, as well updates to site GMs
- **Rapid growth and diversification into high-growth, high-value clinical trial services**
- **Commercial mix shift focused on high-value products** – biologics / new drug launches make up 37% of the commercial revenue (9% in 2016)
- **Global expansion** – presence established in Ireland, Germany, Canada, Australia / Asia Pacific
- **Dedicated focus on small and mid-sized pharma customers** –now comprise 54% of customer mix and expected to outpace big pharma growth
- **Focus on operational excellence and digital innovation** – improving margins by 440 bps since 2016, launching innovative a digital customer portal

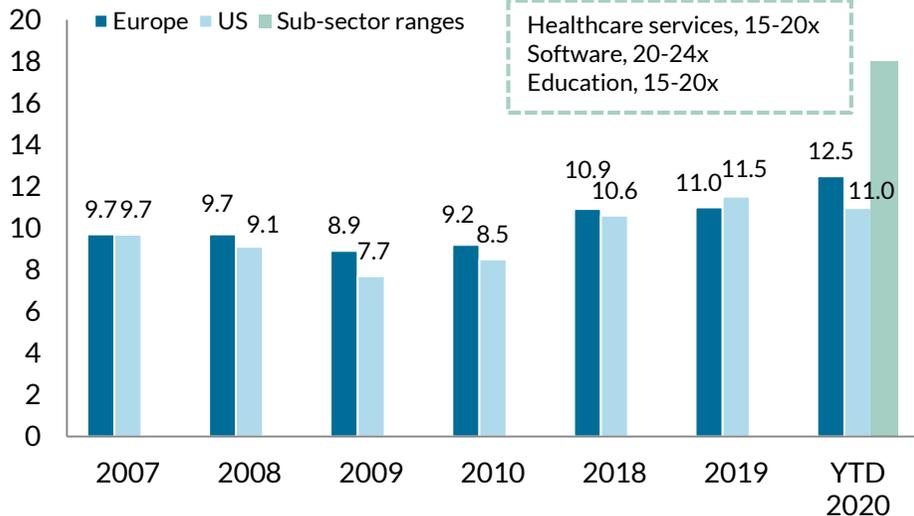
Princess rolled ~40% of its equity into the new transaction to participate in PCI's future growth

Past performance is not indicative of future results. For illustrative purposes only. There is no assurance that similar investments will be made or that similar returns will be achieved. Rationale: PCI was the largest realization from the portfolio during Q4 2020. Source: Partners Group (2020).



# Private equity market environment: focus on resilient growth and value creation in response to elevated valuations

## Average EV/EBITDA multiples<sup>2</sup>



"We see higher valuation in healthcare & sub-sectors with good cash flow; Lower valuation for mediocre assets and distressed sellers. [...] Seller expectations generally have not declined for high quality assets"

PG Private Equity Directs Investment Committee

## Corporate subsector matrix: relative value focus areas and investable universe

Healthcare	Bus. & fin. services	Consumer	Industrials	TMT
<b>Transformative care</b> <ul style="list-style-type: none"> <li>Diagnostics</li> <li>Novel delivery</li> <li>Home health</li> </ul>	<b>Education &amp; training</b> <ul style="list-style-type: none"> <li>Private education</li> <li>Online education</li> <li>Continuing education</li> </ul>	<b>Conscious consumer: wellness &amp; sustainability</b> <ul style="list-style-type: none"> <li>Functional ingredients</li> <li>Natural over chemical</li> </ul>	<b>Dark factory</b> <ul style="list-style-type: none"> <li>End of arm systems</li> <li>Sensors, connectivity, control systems</li> </ul>	<b>Enterprise digital transformation</b> <ul style="list-style-type: none"> <li>Domain specific vertical applications</li> <li>Modernization of legacy apps</li> </ul>
<b>Value-based care</b> <ul style="list-style-type: none"> <li>Social determinants of health</li> <li>Outpatient procedures</li> <li>Bundled payments</li> </ul>	<b>ESG</b> <ul style="list-style-type: none"> <li>Clean-tech services</li> <li>ESG compliance</li> <li>Energy efficiency services</li> </ul>	<b>Connected consumer: speed &amp; convenience</b> <ul style="list-style-type: none"> <li>Ecommerce &amp; enablers</li> <li>Next gen consumer services</li> </ul>	<b>Modern logistics</b> <ul style="list-style-type: none"> <li>Automated material handling</li> <li>System integrators</li> </ul>	<b>Simplifying IT management and performance through the stack</b> <ul style="list-style-type: none"> <li>DevOps</li> <li>Security</li> </ul>
<b>Next generation treatments</b> <ul style="list-style-type: none"> <li>New age biologics</li> <li>Cell &amp; gene</li> <li>Digital therapeutics</li> </ul>	<b>Mission critical services</b> <ul style="list-style-type: none"> <li>Testing, inspection &amp; certification</li> <li>Infrastructure maintenance</li> <li>Facility / hygiene</li> </ul>	<b>Experiential consumer: experiences &amp; things</b> <ul style="list-style-type: none"> <li>Outdoorsy consumer</li> <li>Rent vs. buy</li> </ul>	<b>Advanced manufacturing</b> <ul style="list-style-type: none"> <li>Performance material</li> <li>Critical installation systems</li> <li>Industrial software</li> </ul>	<b>Explosion of data</b> <ul style="list-style-type: none"> <li>Analytics &amp; visualization</li> <li>Data based SaaS</li> <li>Machine Learning &amp; AI</li> </ul>
<b>Digital &amp; data revolution</b> <ul style="list-style-type: none"> <li>Bioinformatics</li> <li>Cloud infrastructure</li> <li>Big data</li> </ul>	<b>Financial digitization</b> <ul style="list-style-type: none"> <li>Banking software</li> <li>Reg-tech</li> <li>Insurance systems</li> </ul>	<b>Polarized consumer: bespoke vs. no frills</b> <ul style="list-style-type: none"> <li>Mass personalization</li> <li>Direct to customer disruptors</li> </ul>	<b>Industrial distribution</b> <ul style="list-style-type: none"> <li>Specialty chemicals distribution</li> <li>Maintenance, repair and operations</li> </ul>	<b>Internet of Things</b> <ul style="list-style-type: none"> <li>Telematics</li> <li>Fleet and transport management</li> </ul>
<b>Consumerism in care</b> <ul style="list-style-type: none"> <li>Patient engagement</li> <li>Direct to patient (DTP)</li> <li>Wearables</li> </ul>	<b>Non-bank financials</b> <ul style="list-style-type: none"> <li>Emerging markets lending</li> <li>Specialty finance</li> <li>Lending data services</li> </ul>	<b>Future society</b> <ul style="list-style-type: none"> <li>Humanization of pets</li> <li>(De)urbanization</li> <li>Digital natives</li> </ul>	<b>Future agriculture</b> <ul style="list-style-type: none"> <li>Bio-solutions</li> <li>Smart animal tagging</li> <li>Vertical farms</li> </ul>	<b>Fintech</b> <ul style="list-style-type: none"> <li>Risk management</li> <li>Payments</li> </ul>

**Digital transformation**

- E-channel distribution
- Digital customer-facing solutions

**Pricing excellence**

- Value pricing
- Consistent pricing policy

**Procurement / supply chain**

- Global procurement strategy
- Centralization of procurement

**New products / services**

- Penetration of adjacent markets
- Product innovation

**Lean / continuous Improvement**

- Introduction of lean management
- Continuous improvement culture

**Footprint expansion**

- Regional or international
- Organic and / or M&A

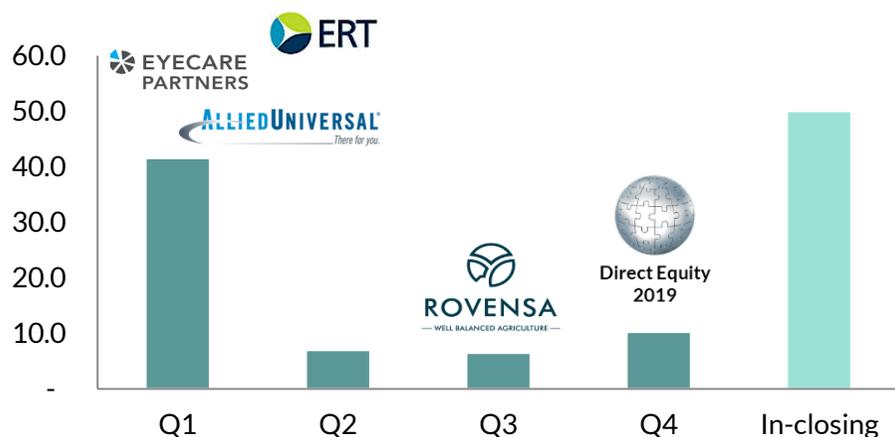
**Professionalization**

- Finance organization
- Sales & marketing

For illustrative purposes only. Note: bullet points in black highlight Partners Group focus areas. Source: Partners Group Private Markets Navigator, Outlook 2021

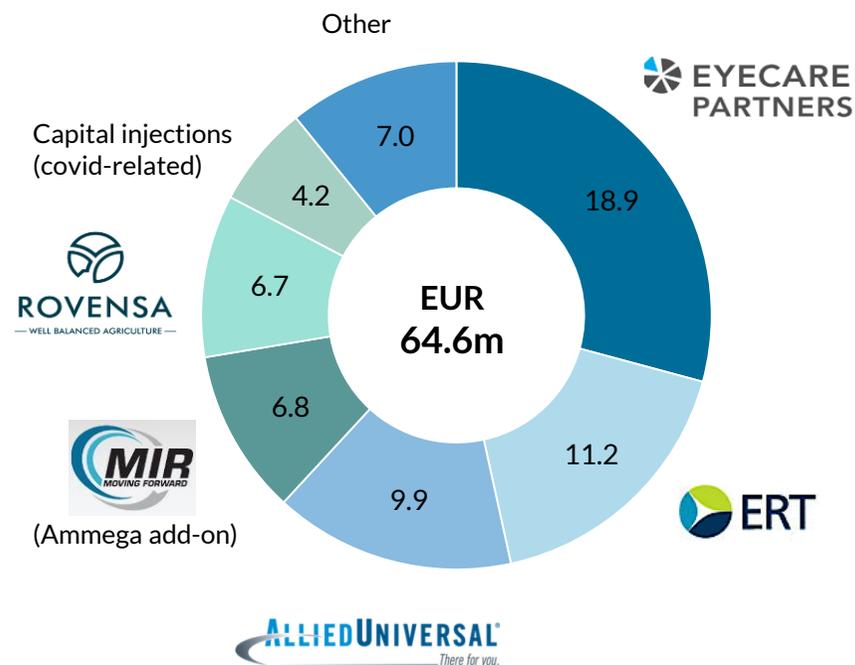
# Highly selective investment activity focused on resilient companies

## 2020 investments by quarter (EURm)



- New investments in EyeCare Partners, eResearch Technology, AlliedUniversal and Rovensa
- Acquisition of MIR by Ammega to accelerate entry into US market
- EUR 4.2m of covid-related capital injections across three companies. Future capital requirements are not expected to be material, even in a stress-case scenario
- EUR 50m commitment to PG Direct Equity 2019: first capital call of EUR 8.1 million in Q4<sup>1</sup>

## 2020 investments by company



## Investment activity is increasing with five transactions signed and in-closing at year-end

Past performance is not indicative of future results. For illustrative purposes only. There is no assurance that similar investments will be made. <sup>1</sup> Investment amounts for EyeCare Partners and Rovensa include additional exposure via PG DE 19. The balance of the first capital call for DE19 is shown under Other. Source: Partners Group, 31 December 2020.



## New transactions signed and in-closing

Investment	Country	Sector	Description
 Careismatic BRANDS	USA	Consumer	World's leading designer, marketer and distributor of branded medical scrubs
 Ecom Express	India	Financial & Business Services	India's leading express delivery businesses focused on the e-commerce segment
 Idera, Inc.	USA	Technology	United States-based company, engaged in application and server management software for physical and virtual server platforms
 TELEPASS	Italy	Industrials	Leading European provider of electronic toll road payment services
 wedgewood PHARMACY	USA	Healthcare	Largest US provider of custom-compounded animal medications for acute and chronic conditions

**In the current investment environment, we maintain a strict focus on resilient companies and sectors**  
**Total expected volume of EUR ~50 million<sup>1</sup>**

For illustrative purposes only. <sup>1</sup> Investment amounts are provisional and are subject to change. There is no assurance that similar investments will be made. Source: Partners Group, as of 31 December 2020.



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## New investment: Telepass (signed and in-closing)

### Company overview



### Lead investment

Leading European provider of electronic toll road payment services

Geography	Europe
Industry	Industrials
Headquarters	Rome, Italy
Announced <sup>1</sup>	October 2020

### Value creation

- **Electronic toll collection:** Further grow the core tolling business by capturing incremental customers on a pan-European basis and by enlarging total addressable market through offer and channel segmentation
- **Mobility payments:** Grow one-stop mobility payment solution for clients e.g. fuel purchase, car park, urban mobility, taxi etc.
- **Mobility insurance:** Scale the Italian insurance model by upselling to captive customer base and implementing insurance cross-selling
- **M&A strategy:** Fully unlevered balance sheet provides opportunity to expand the asset base and network in adjacent geographies

### Investment criteria

- **Recession resilience:** Continued growth through the Global Financial Crisis ('07 & '08) and COVID-19
- **Growing customer base:** 7m+ clients underpinned by household brand status; 99% brand awareness<sup>4</sup>
- **High barriers to entry:** Strict accreditation requirements (only electronic tolling player accredited in 14 EU countries<sup>5</sup>)
- **Long-term tolling contract** regulates the electronic collection of toll payments on all Italian motorways
- **Solid cash flow profile:** Fixed monthly fees deliver 55%+ EBITDA margin

**Past performance is not indicative of future results.** For illustrative purposes only. There is no assurance that similar investments will be made. Rationale: Telepass Princess' largest new transaction signed and in-closing as of January 2020. <sup>1</sup> Announced in October 2020 and expected to close in Q1 2021, there is no assurance that investments in the pipeline will close. Source: Partners Group (2020).



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## Outlook for 2021: transformational investing is key to growth & resilience

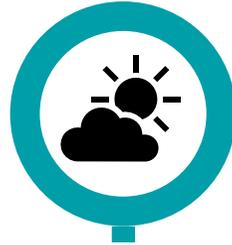


A thematic investment approach to capitalize on long-term, sustainable transformative trends



An uneven recovery with modest growth in the mid-term

- **Pre-COVID output levels within reach by late 2021 in many industries.** Downside risks persist
- **Amplification of most transformative trends,** with clear winners & losers.

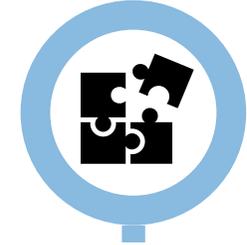


A favorable investment backdrop for private markets, with elevated public markets volatility



Interest rates will stay lower for longer

- **Unprecedented monetary and fiscal support** on a global scale: central bank target rates to remain low
- **Elevated volatility** on capital markets in light of limits to economic growth and elevated valuations



Focus on value creation and entrepreneurial ownership in private markets with continued growth potential



We are confronted with a new set of investment implications

- **From defense to offense:** we create resilience & stability through value add and platform building strategies
- **Apply asset testing scenarios** to assess downside risks (growth & valuations)



## Summary and outlook

### Portfolio

- **Resilient portfolio** providing exposure to sub-sectors benefitting from **long-term growth drivers**
- **Trading in-line or above pre-COVID levels** for majority of portfolio companies
- **Ready to re-deploy protective measures** in case of increased government restrictions but any **additional capital requirement is not expected to be material**
- **Positive outlook** with value creation initiatives back on track

### Balance sheet

- **Robust balance sheet** supports new investments and dividend payments
- **Dividend guidance for 2021: 5%** of opening NAV via semi-annual payments
- **Commitment to Partners Group Direct Equity 2019** to be deployed over next 3-4 years. Flexibility to accelerate pace of deployment through co-investment if required

### Investment outlook

- **Recovery in market transaction volumes** is expected to be sustained in 2021
- **Healthy investment pipeline** allows for careful and selective deployment in the current environment
- **Acceleration of bolt-on acquisitions** by existing portfolio companies to accelerate industry consolidation and grow market
- We continue to assess **opportunities to realize assets and crystallize value for shareholders**



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## Key features of Princess

Structure	<ul style="list-style-type: none"> <li>Guernsey company</li> </ul>
Listing	<ul style="list-style-type: none"> <li>London Stock Exchange (main market, premium segment)</li> </ul>
Trading information (Euro Quote)	<ul style="list-style-type: none"> <li>Ticker: London: PEY</li> <li>Bloomberg: London: PEY LN</li> <li>ISIN: London: GG00B28C2R28</li> <li>WKN: London: AOLBRL</li> </ul>
Trading information (Sterling Quote)	<ul style="list-style-type: none"> <li>Ticker: London: PEYS</li> <li>Bloomberg: London: PEYS LN</li> <li>ISIN: London: GG00B28C2R28</li> <li>WKN: London: BF012D4</li> </ul>
Investment strategy	<ul style="list-style-type: none"> <li>Aim to invest up to 100% of its capital in private equity and private debt direct investments</li> </ul>
Dividend policy	<ul style="list-style-type: none"> <li>The Company intends to distribute 5% of opening net asset value, via semi-annual payments</li> </ul>
Board of Directors	<ul style="list-style-type: none"> <li>Richard Battey (Chairman)</li> <li>Steve Le Page (Chairman of Audit Committee)</li> <li>Fionnuala Carvill</li> <li>Felix Haldner</li> <li>Henning von der Forst</li> <li>Merise Wheatley</li> </ul>
Joint Corporate Brokers	<ul style="list-style-type: none"> <li>JP Morgan Cazenove</li> <li>Numis Securities</li> </ul>
Investment Manager	<ul style="list-style-type: none"> <li>Partners Group AG</li> </ul>
Management fee	<ul style="list-style-type: none"> <li>1.5% p.a.<sup>1</sup></li> </ul>
Incentive fee	<ul style="list-style-type: none"> <li>No incentive fee on primary investments</li> <li>10% incentive fee per secondary investment over a hurdle of 8% p.a.</li> <li>15% incentive fee per direct investment over a hurdle of 8% p.a.</li> </ul>

<sup>1</sup> Of the higher of (i) NAV or (ii) value of Princess' assets less any temporary investments plus unfunded commitments. Source: Partners Group information. As of 31 December 2020.



## Credit facility key terms

### Size and tenure

- EUR 80 million senior revolving multi-currency credit facility
- Maturity on 13 December 2024
- Credit facility arranged by Lloyds Bank plc
- Interest on drawn amounts charged at LIBOR +2.95% for LTV < 15% or + 3.25% per annum for LTV > 15%
- Interest on undrawn amounts charged at 0.90% per annum

### Key covenants

- Loan to value: 25%
- Minimum NAV: EUR 350 million

The credit facility provides Princess with long-term flexibility to balance short-term funding needs



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## Overview of largest portfolio companies (1)

Investment	Country	Investment year	Sector	Investment description	% of NAV
 International Schools Partnership®	UK	2013	Education	<b>Permotio</b> (trading as International Schools Partnership) was formed to create a leading international private schools group through a “buy & build” strategy, in conjunction with an experienced management team.	14.6
 FONCIA	France	2016	Financials	<b>Foncia</b> is a France-based company that offers residential property management and real estate services. The company has a network of more than 500 branches located throughout France, Switzerland, Germany and Belgium.	6.4
GlobalLogic®	USA	2018	IT	<b>GlobalLogic</b> is a leading global provider of outsourced product engineering and software development services.	5.7
 fermaca	Mexico	2014	Energy	<b>Fermaca</b> is a leading operator of gas infrastructure in Mexico, which develops, constructs, owns and operates natural gas pipelines and other related energy assets. Fermaca's customers include Mexico's state-owned electric utility and other large energy companies.	3.6
 AMMEGA	USA	2018	Industrials	<b>AMMEGA</b> is the parent company for the joint operations of Ammeraal Beltech and Megadyne, the global leader in mission critical industrial power transmission and lightweight process and conveyor belting.	3.5
<b>Top 5 largest direct investments</b>					<b>33.8</b>

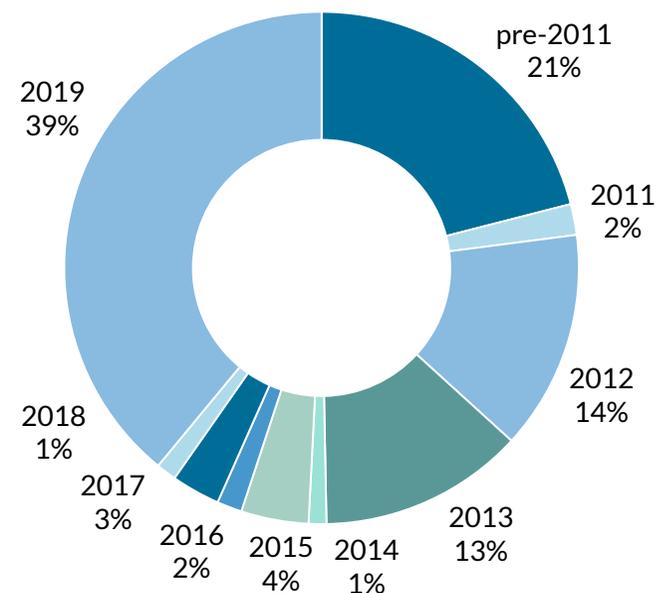
## Overview of largest portfolio companies (2)

Investment	Country	Investment year	Sector	Investment description	% of NAV
 KinderCare EDUCATION™	USA	2015	Education	<b>KinderCare</b> is the largest for-profit provider of early childhood education in the US and the parent company of KinderCare Learning Centers, as well as the brands Children's Creative Learning Centers and Champions.	3.3
 <b>techem</b>	Germany	2018	Industrials	<b>Techem</b> is one of the global provider of energy sub-metering services with operations in more than 20 countries and with a leading position in Germany, the largest cost allocation market globally.	3.2
 <b>VISHAL</b> MEGA MART	India	2018	Consumer discretionary	<b>Vishal Mega Mart</b> is the franchisor and wholesale supplier for a network of more than 350 stores across India, targeting lower middle income customers with a focus on Tier 2/3/4 cities.	3.2
 Cerba HealthCare	France	2017	Health Care	<b>Cerba HealthCare</b> is an operator of clinical pathology diagnostics laboratories. The Group operates through three main business segments: Routine Medical Biology, Specialized/Esoteric Medical Biology, and Research.	3.1
 <b>SRS</b> Distribution	USA	2018	Industrials	<b>SRS Distribution</b> is a United States-based company, which manufactures roofing products. The Company provides residential and commercial roofing designs to roofing and building contractors.	2.8
<b>Top 10 largest direct investments</b>					<b>49.4</b>

## Summary of unfunded commitments

	Unfunded commitments (EUR million)
Partners Group Direct Mezzanine 2011 Program	2.1
Partners Group Direct Equity 2012 Program	14.8
Partners Group Direct Equity 2016 Program <sup>1</sup>	4.5
Partners Group Direct Equity 2019 Program	41.3
Single line directs	21.5
<b>Total PG direct unfunded commitments</b>	<b>84.2</b>
Third party funds	22.4
<b>Total unfunded commitments</b>	<b>106.6</b>

### Unfunded commitments by vintage



- Total unfunded commitments of EUR 106.6 million (11.5% of NAV), of which EUR 62.8 million are considered "active" commitments
- Balance of unfunded commitments includes EUR 22.4 million to third party funds and EUR 21.4 million to Partners Group direct programs which have completed their investment period



## Portfolio metrics

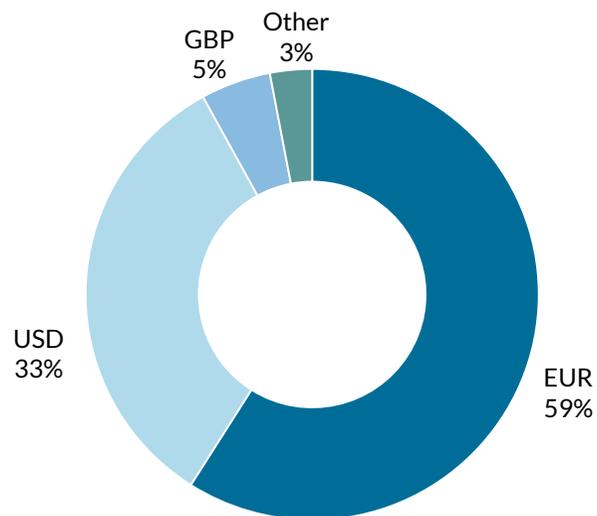
	Top 10	Top 20	Full sample
EV/EBITDA	17.0x	16.8x	15.7x
Net debt/EBITDA	5.4x	5.5x	5.2x
Net debt/EV	33.8%	34.8%	35.4%
Weighted average EV	3.2bn	3.1bn	2.8bn
EBITDA margin	22.5%	22.4%	20.7%
LTM Revenue growth	5.5%	4.6%	4.2%
LTM EBITDA growth	7.9%	7.8%	7.7%

**Past performance is not indicative of future results.** For illustrative purposes only. Actual performance may vary. Weighted average figures for a sample of direct equity investments based on available information. Valuation metrics include all direct equity investments valued based on EV/EBITDA (full sample represents 42 companies; 80.8% of NAV). Performance metrics include acquired EBITDA but exclude certain direct equity investments where new capital was required to fund transformational M&A, or for which comparable annual figures are not available (sample represents 40 companies; 78.0% of NAV). Source: Partners Group information. As of 31 December 2020.

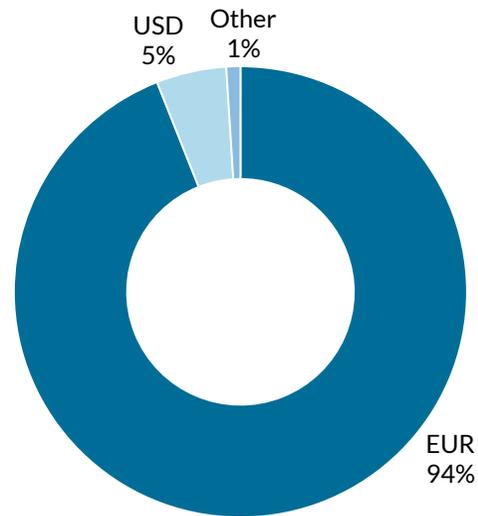


## Currency hedging and foreign exchange impact on Princess' NAV

### Currency exposure before hedging



### Currency exposure after hedging



### Currency hedging strategy

- Princess applies a hedging strategy to help reduce the impact fluctuating foreign exchange rates have on performance
- Princess currently uses a hedging strategy utilizing instruments including options and forward contracts aimed at limiting negative effects, primarily from currency movements between the US dollar and the Euro

## Contacts

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Email: [princess@partnersgroup.com](mailto:princess@partnersgroup.com)

### Trading Information (Euro Quote)

Listing: London Stock Exchange

Ticker: PEY

ISIN: GG00B28C2R28

SEDOL: B28C2R2

Bloomberg: PEY LN

Reuters: PEY.L

### Trading Information (Sterling Quote)

Listing: London Stock Exchange

Ticker: PEYS

ISIN: GG00B28C2R28

SEDOL: BF012D4

Bloomberg: PEYS LN

Reuters: PEYS.L

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