

Monthly report as of 31 December 2018

Princess publishes December NAV

- Princess Private Equity Holding Limited's (Princess) net asset value decreased by 1.6% to EUR 10.90 per share
- Portfolio developments (-1.3%) were negative as well as currency movements (-0.2%)
- Princess received distributions of EUR 19.7 million and invested EUR 5.0 million over the month

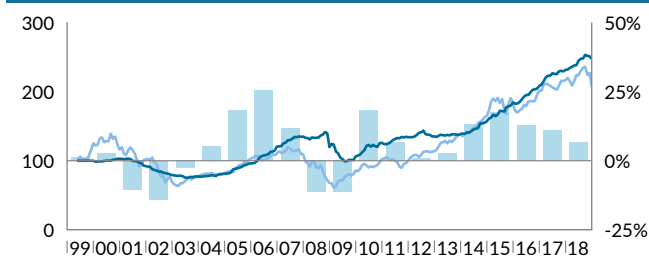
Princess received distributions of EUR 19.7 million during the month, including proceeds of EUR 3.8 million from a shareholder loan repayment from Vermaat, a leading Dutch outsourced hospitality and premium catering services provider. The proceeds allow Partners Group to partially de-risk its investment in Vermaat and return a substantial portion of cost to investors. The proceeds stemmed from a refinancing of the 2015 acquisition debt for Vermaat. The refinancing lowers the company's total annual interest expenses, while increasing the size of the company's revolving capital facility to cover working capital and to fund potential acquisitions. Since Partners Group's acquisition in December 2015, Vermaat has performed above initial expectations, with revenue and EBITDA above the base-case. EUR 2.9 million was received from Princess' mature legacy fund portfolio. Princess also received EUR 11.2 million from the sale of first lien loans.

Princess invested a total of EUR 5.0 million during the month, of which EUR 4.0 million was provided as additional capital to Permotio International Learning, an investment vehicle formed to create a leading international schools group through a 'buy and build' strategy. The capital will be used to fund future acquisition opportunities. The group is currently in exclusivity over two transactions and has a healthy pipeline of acquisitions. Permotio recently acquired US-based Baton Rouge International School in October 2018, adding 475 students to the group's portfolio. As of November 2018, Permotio had built a portfolio of 33 schools in 7 countries, educating over 27'000 students. In addition to growth from acquisitions, Permotio also achieved like-for-like revenue growth from increases in fees and student enrolments.

Key figures			
In EUR	30.11.2018	31.12.2018	YTD
NAV per share	11.07	10.90	
NAV per share incl. dividends	19.06	18.77	6.8%
Total fund size (in million)	765.56	753.65	
Investment level	105.4%	100.7%	
Net liquidity	-5.4%	-0.7%	
Over-commitment ratio	17.1%	13.1%	
Over-commitment ratio incl. credit line	16.2%	11.1%	
Share price	10.00	8.40	-16.0%
Discount	-9.7%	-22.9%	

Key figures in GBP		
In GBP	30.11.2018	31.12.2018
NAV per share	9.83	9.78
Share price	8.82	7.80

NAV performance since inception (total return)



■ Princess ■ MSCI World TR ■ Performance (RHS)

In %	2014	2015	2016	2017	2018	5 yr. cum.	5 yr. ann.	5 yr. Sharpe ratio
Princess	13.2	17.5	12.9	11.2	6.8	78.2	12.2	2.84
MSCI World TR	19.6	10.3	10.8	7.6	-4.2	50.7	8.5	0.76

Largest ten direct investments

				% of NAV
1. Action	WEU	Consumer discretionary		8.5
2. Permotio International Learning SarL	WEU	Consumer discretionary		7.6
3. Form Technologies	NAM	Materials		4.6
4. Foncia	WEU	Financials		3.6
5. Fermaca	ROW	Energy		3.6
6. KinderCare Education	NAM	Consumer discretionary		3.2
7. GlobalLogic Inc.	NAM	Information technology		3.0
8. Hofmann Menue Manufaktur	WEU	Consumer staples		2.9
9. Hearthside Food Solutions	NAM	Consumer staples		2.7
10. Envision Healthcare Holdings, Inc.	NAM	Healthcare		2.6

Monthly net performance (total return)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2014	0.3%	-0.3%	1.6%	-0.2%	1.4%	1.9%	0.6%	0.5%	4.7%	0.0%	0.6%	1.3%	13.2%
2015	2.6%	0.8%	2.8%	-1.5%	1.4%	3.4%	-0.3%	-0.4%	3.9%	0.5%	0.7%	2.5%	17.5%
2016	-1.1%	0.1%	1.2%	2.0%	2.1%	1.3%	-0.0%	2.1%	1.8%	0.3%	0.6%	1.8%	12.9%
2017	1.0%	2.1%	2.7%	1.1%	-0.0%	1.6%	-0.4%	-0.2%	1.8%	0.4%	-0.5%	1.1%	11.2%
2018	0.2%	1.0%	0.7%	0.8%	0.2%	2.7%	1.1%	0.2%	2.1%	-0.6%	-0.2%	-1.6%	6.8%

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Princess Private Equity Holding Limited (Princess or the Company) is an investment holding company domiciled in Guernsey that invests in private equity and private debt. The portfolio includes direct, primary and secondary fund investments. Princess aims to provide shareholders with long-term capital growth as well as an attractive dividend yield. The shares are traded on the Main Market of the London Stock Exchange.

The Board of Directors of Princess passed a resolution to implement a share buyback program on 13 December 2010. During December 2018, 0 shares were repurchased under the share buyback program. As of 31 December 2018, there were 69'151'168 shares outstanding, and the NAV was thus calculated based on a total of 69'151'168 shares outstanding.

Information

For further information please visit:  
[www.princess-privateequity.net](http://www.princess-privateequity.net)

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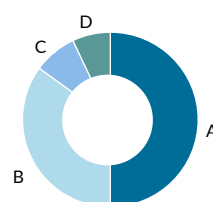
Princess Private Equity Holding Limited  
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Key facts

Stock exchange	London
Reuters Euro Quote	PEY.L
Reuters Sterling Quote	PEYS.L
Bloomberg Euro Quote	PEY LN
Bloomberg Sterling Quote	PEYS LN
ISIN (Euro and Sterling Quote)	GG00B28C2R28
Sedol Euro Quote	B28C2R2
Sedol Sterling Quote	BF012D4
Product life start date	12.05.1999
Dividend YTD (EUR)	0.56

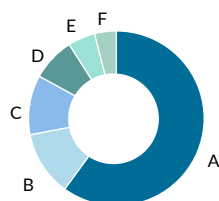
Portfolio composition

Investments by regional focus



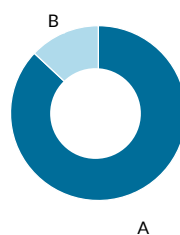
A	Europe	50%
B	North America	35%
C	Rest of World	8%
D	Asia-Pacific	7%

Investments by financing category



A	Small/Mid-cap	60%
B	Special situations	12%
C	Large/mega-large-cap	11%
D	Growth	8%
E	Mezzanine	5%
F	Venture capital	4%

Investments by transaction type



A	Direct	87%
B	Primary	13%



**Key figures** Over-commitment ratio: Unfunded commitments less the sum of net current assets divided by NAV (Over-commitment ratio incl. credit line includes undrawn balance on credit line). **Key figures in GBP** EUR NAV converted to GBP at month-end GBP/EUR exchange rate from Bloomberg. **NAV performance since inception (total return)** Indexed to 100. Since inception of Princess Private Equity Holding Limited, Princess: based on monthly total return valuations. MSCI World TR: Bloomberg NDDUWI Index in EUR. Sharpe ratio: risk-free rate based on 3-month EURIBOR (Bloomberg: ECCOTR03 Index). **Largest ten direct investments** Based on net asset value. **Monthly net performance (total return)** Based on monthly total return valuations. **Portfolio composition** Based on total value of investments.

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