

Monthly report as of 31 August 2018

NAV increases by 0.2%

- Princess Private Equity Holding Limited's (Princess) net asset value increased by 0.2% to EUR 11.21 per share
- Portfolio developments (0.4%) were positive and currency movements slightly negative
- Princess received distributions of EUR 8.5 million and invested EUR 2.1 million over the month

The direct investment Universal Hospital Services (UHS), a leading US-based provider of healthcare technology management and services solutions, was the largest contributor to NAV growth during August. UHS signed a definitive agreement to merge with NASDAQ-listed Federal Street Acquisition Corp. (FSAC), a special purpose acquisition company sponsored by Boston-based private equity group Thomas H. Lee Partners. The transaction value represents an uplift for Princess of EUR 2.1 million (34%) over the carrying value as of 31 July 2018. The combined entity will operate under the name Agiliti Inc. and will apply to list its stock on the NASDAQ exchange. Existing shareholders will receive Agiliti shares and cash proceeds from this merger. Completion of the transaction is expected to occur in the fourth quarter of 2018 and is subject to regulatory approvals as well as FSAC shareholder approval.

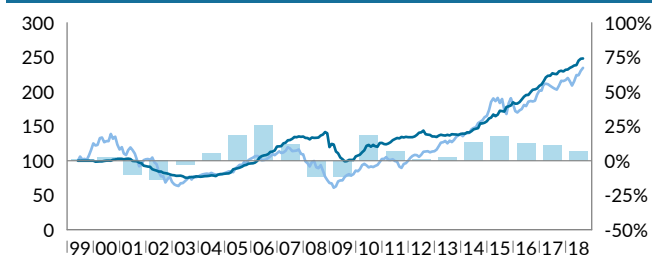
Princess received distributions of EUR 8.5 million, predominantly from Princess' mature legacy fund portfolio, and invested EUR 2.1 million during the month.

At portfolio level, KinderCare Education, the largest private early education provider in the US, closed the acquisition of Rainbow Child Care Center, the eighth largest childcare provider in the US with 150 centers across 16 states. The acquisition will expand KinderCare's national presence in the US, providing childcare services to more than 185'000 children in 40 states. The acquisition is expected to generate significant synergies and economies of scale. Rainbow is considered an attractive investment due to its compelling track record in opening new centers. Rainbow has standardized its process related to market research, site selection and build-out capabilities, allowing the company to construct and open new centers in a short timeline. As a result, the acquisition is expected to accelerate KinderCare's expansion activities by leveraging Rainbow's expertise.

Key figures			
In EUR	31.07.2018	31.08.2018	YTD
NAV per share	11.19	11.21	
NAV per share incl. dividends	18.79	18.82	7.1%
Total fund size (in million)	773.76	774.93	
Investment level	97.3%	97.0%	
Net liquidity	2.7%	3.0%	
Over-commitment ratio	10.7%	10.1%	
Over-commitment ratio incl. credit line	4.2%	3.7%	
Share price	9.98	10.20	-0.8%
Discount	-10.8%	-9.0%	

Key figures in GBP		
In GBP	31.07.2018	31.08.2018
NAV per share	9.98	10.03
Share price	8.70	9.00

NAV performance since inception (total return)



■ Princess ■ MSCI World TR ■ Performance (RHS)

In %	2013	2014	2015	2016	2017	2018	5 yr. cum.	5 yr. ann.	5 yr. Sharpe ratio
Princess	2.7	13.2	17.5	12.9	11.2	7.1	79.3	12.4	2.98
MSCI World TR	21.2	19.6	10.3	10.8	7.6	8.2	84.7	13.0	1.28

Largest ten direct investments

				% of NAV
1. Action	WEU	Consumer discretionary		8.1
2. Permotio International Learning SarL	WEU	Consumer discretionary		6.2
3. Form Technologies	NAM	Materials		4.5
4. Foncia	WEU	Financials		3.4
5. KinderCare Education	NAM	Consumer discretionary		3.3
6. GlobalLogic Inc.	NAM	Information technology		3.1
7. Fermaca	ROW	Energy		3.0
8. Techem AG	WEU	Industrials		2.9
9. Megadyne - Ammeraal Beltech	WEU	Industrials		2.7
10. Hearthside Food Solutions	NAM	Consumer staples		2.3

Monthly net performance (total return)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2013	-0.6%	1.5%	1.0%	-0.6%	-0.3%	0.8%	-0.7%	1.3%	-0.2%	-0.1%	-0.5%	1.1%	2.7%
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%					7.1%

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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 August 2018, 0 shares were repurchased under the share buyback program. As of 31 August 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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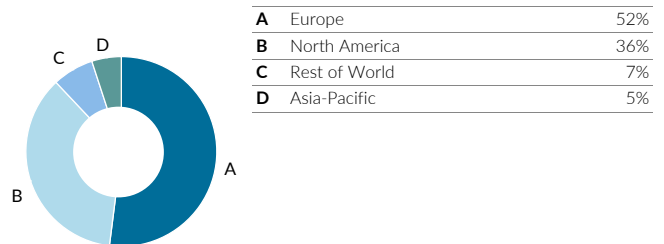
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Key facts

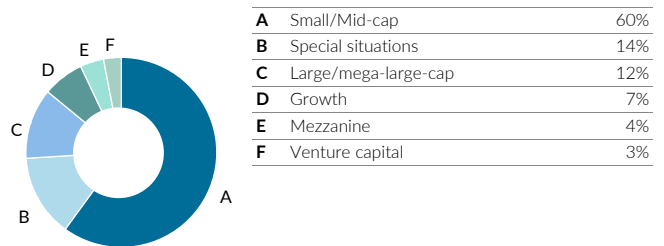
Stock exchange	London
Reuters Euro Quote	PEY.L
Reuters Sterling Quote	PEYS.L
Bloomberg Euro Quote	PEY LN
Bloomberg Sterling Quote	PEYS LN
ISIN (Euro and Sterling Quote)	GG00B28C2R28
Sedol Euro Quote	B28C2R2
Sedol Sterling Quote	BF012D4
Product life start date	12.05.1999
Dividend YTD (EUR)	0.28

Portfolio composition

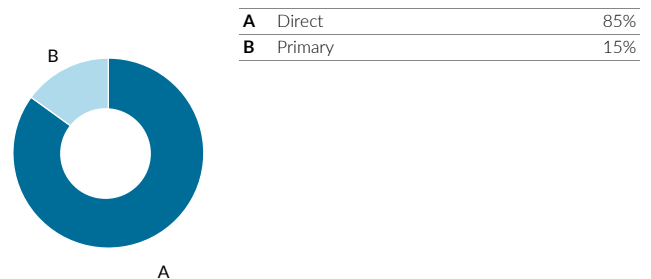
Investments by regional focus



Investments by financing category



Investments by transaction type



**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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