

Private Equity Holding AG

January 2022



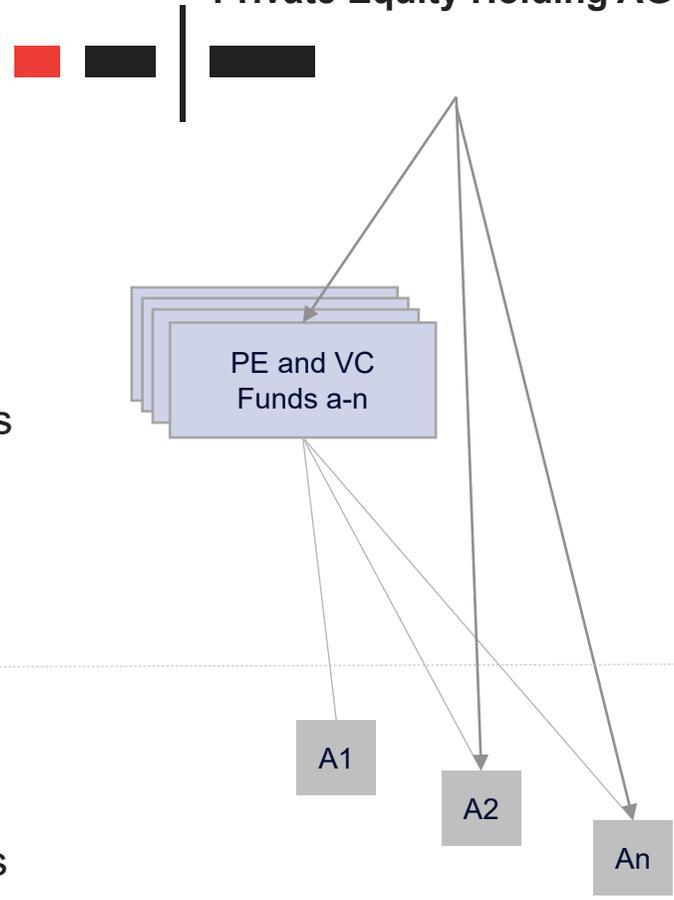


Access to Leading Private Equity & Venture Capital Funds and attractive direct Co-Investments

Private Equity Holding AG is a listed investment company for private equity and venture capital investments (SIX: PEHN). It offers institutional and private investors the opportunity to participate in a simple and tax-efficient manner in a diversified and professionally managed private equity portfolio with leading funds and attractive direct co-investments. Income from the portfolio is reinvested as well as partially passed on to the shareholders in the form of annual distributions.



Private Equity Holding AG



Private Equity & Venture Capital Fund Investments

74%*

Direct Co-Investments

26%*

Examples

Investindustrial

FIP FRANCISCO PARTNERS

abry partners

HIGHLAND EUROPE

SYCAMORE PARTNERS

Cinven

H. I. G. CAPITAL

BLOSSOM

MIDEUROPA PARTNERS

TA ASSOCIATES

ASTON MARTIN

OZON

acino

earnix

Shawbrook Bank

RENAISSANCE

DuPont Sustainable Solutions

FLOS

MORGAN

* Based on fair values as of December 31, 2021

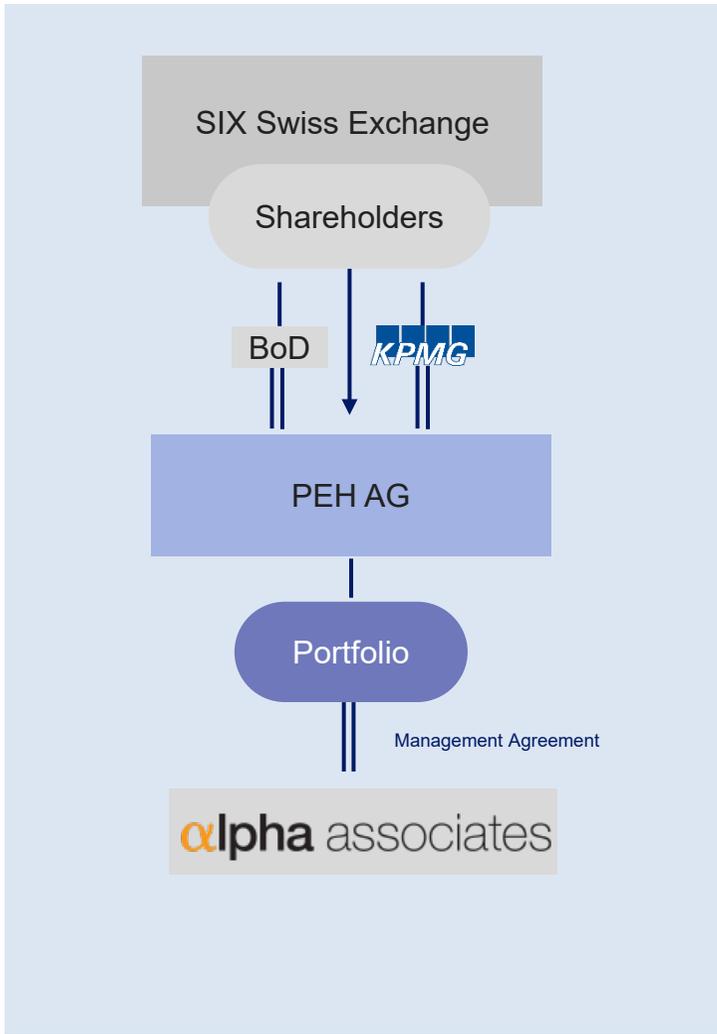


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Executive Summary

SIX-listed Investment Company for Private Equity Investments



- Private Equity Holding AG (PEH) is a SIX-listed Investment Company.
- Alpha Associates has been managing PEH’s portfolio since 2004 and re-started its investment activity in 2007; since then, the NAV per share has increased by 417% (total return).
- Alpha Associates’ investment activities are supervised by an Independent Board of Directors and audited by KPMG.
- Over time, the founders of Alpha Associates became PEH’s largest shareholders (>33.3%), which provides for a strong alignment of interest and supports the company’s long-term growth strategy.



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Strategy

Continuous Increase of the Company's NAV per Share

Long-term Growth of the Portfolio

Selective commitments to private equity & venture capital funds as well as direct co-investments

NAV Accretion

Purchase of treasury shares at discount to NAV

Current Yield

Annual dividend payments

Robust Balance Sheet & Positive Cash Flow from Portfolio



Strategy

New Investments by Alpha Associates since 2007

	Europe	North America	Asia
Buyout	Alpha CEE II BI-Invest Endowment Fund Bridgepoint Europe I (prev. earn-out), IV Capvis III Cinven VII Industri Kapital 2007 Investindustrial IV - VII Mid Europa Partners IV - V Milestone 2007 & 2008 Pollen Street III-IV Procuritas VI Gyrus Capital Principal LP Gyrus Capital Co-Investment LP	abry Partners VI - IX abry Heritage I - II abry Senior Equity VI Avista Capital Partners I - IV Eagletree III - IV TA Associates XIII - XIV Warburg Pincus X (global expansion capital) Warburg Pincus XII	Warburg Pincus China II
Venture	Emerging Managers Program Kennet III Highland Europe I-IV Undisclosed Growth Funds Evolution Technology Life Science Fund Localglobe XI Latitude II	Institutional Venture Partners XII – XIII Boulder Ventures IV Clarus Lifesciences III Clarus IV Left Lane Capital I Pelion Ventures IV - V (secondary) Pelion Ventures VI Left Lane Capital I Insight Partners XII Hoxton Ventures III Insight Partners XII Buyout Annex Fund Blossom Capital III Evolution Technology Fund II L1D Blockchain Venture I - II	



Strategy

New Investments by Alpha Associates since 2007

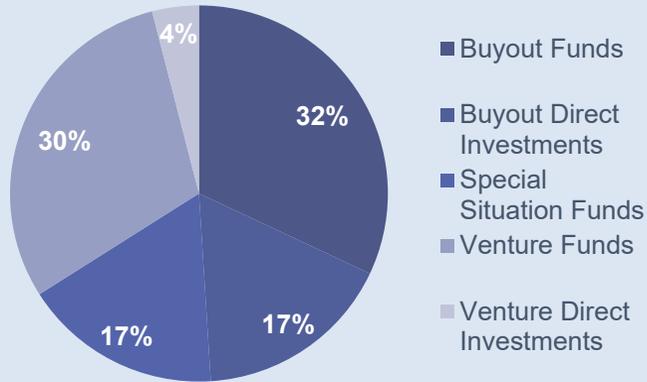
	Europe	North America	Asia
Special Situations	Alpha Russia & CIS Secondary Carmel Software Fund (secondary) DB Secondary Opportunities Fund A DB Secondary Opportunities Fund C EAC (secondary) Renaissance Ventures (secondary) 17 Capital Fund Alpha CEE Opportunity IV - V	abry Advanced Securities Fund I, III, IV abry Senior Equity IV - V Francisco Partners I (secondary) MPM BioVentures OCM European Principal Opportunities II OCM Opportunities VII, VIIb Sycamore Partners II - III WLR Recovery Fund IV HIG Middle Market LBO III	
Direct Co-Investments	Aston Martin Actano Acino Dupont Sustainable Solutions Earnix International Design Holding (Flos) Morgan Motor Shawbrook Bank Ozon Group TiaraMed Guala	Cloudflare Enanta Pharmaceuticals Jamerry Nails Neurotech Renaissance Learning M1 Finance Lignetics Inovalon	



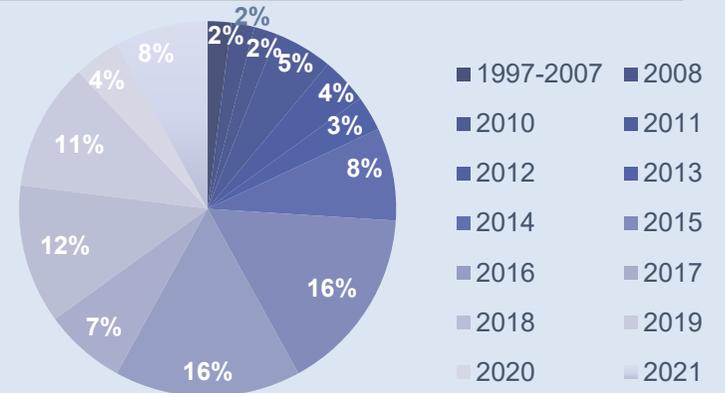
Strategy

Diversification as important complement to portfolio strategy and manager selection

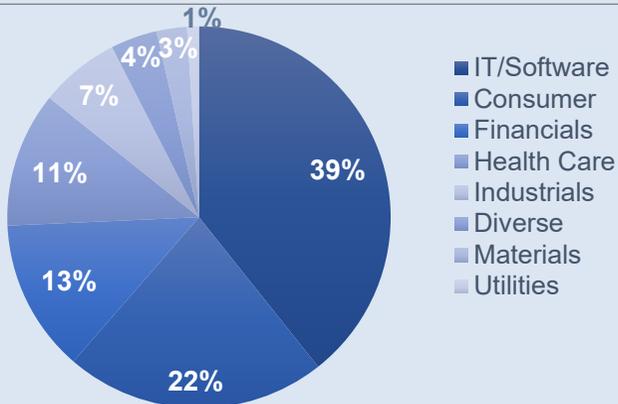
Investment Stages (Fair Value + unfunded Commitments)



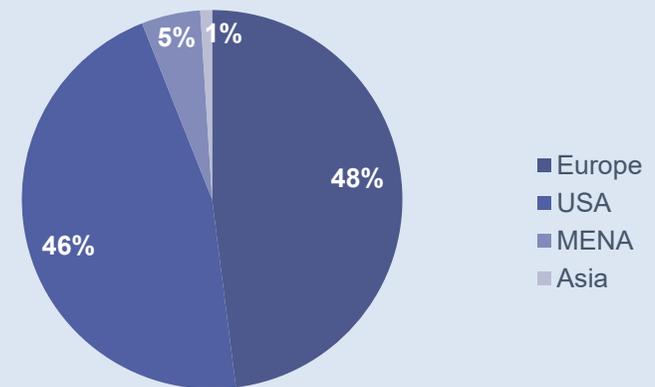
Vintage Year (Fair Value)



Industry Segments (Fair Value)



Geographies (Fair Value)





Strategy

Directly and indirectly, PEH is invested in more than 800 Companies

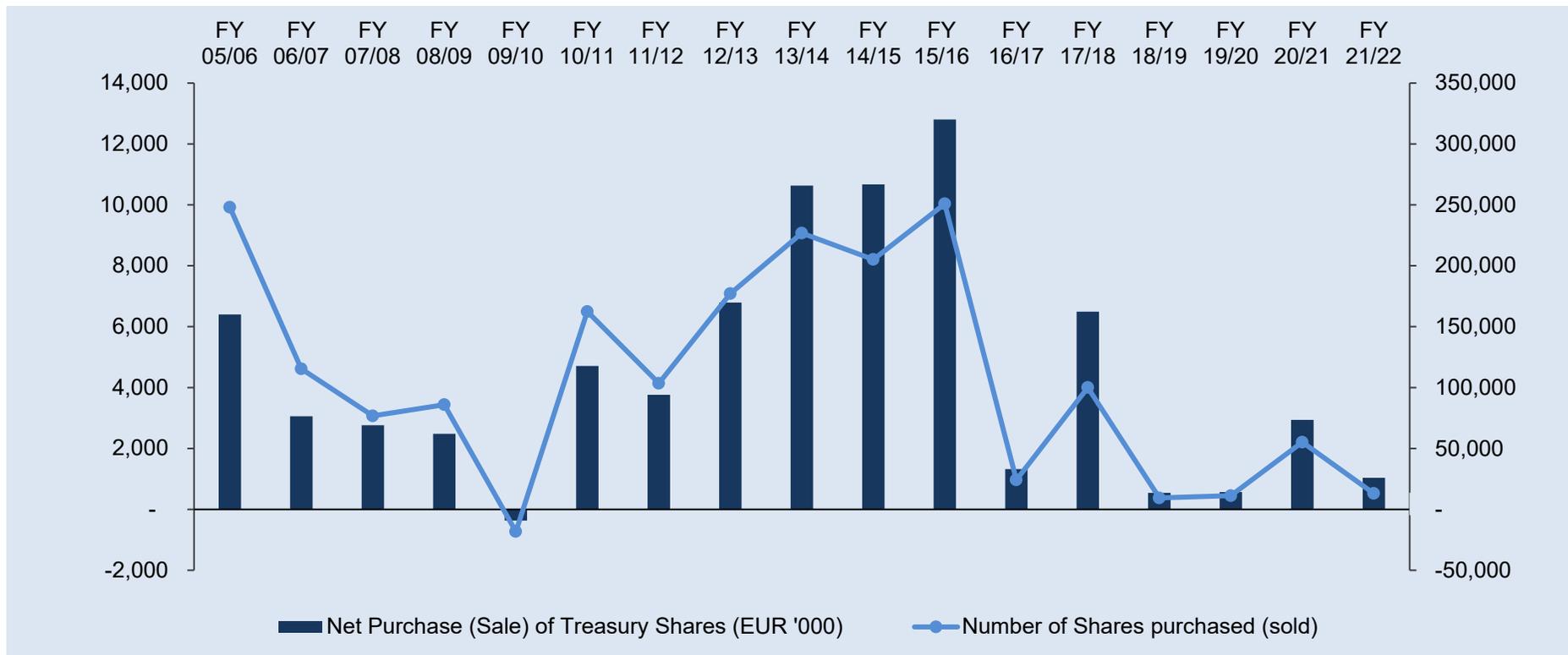


Based on fair values as of December 31, 2021



Strategy

NAV accretion has been an important pillar of the strategy since 2005



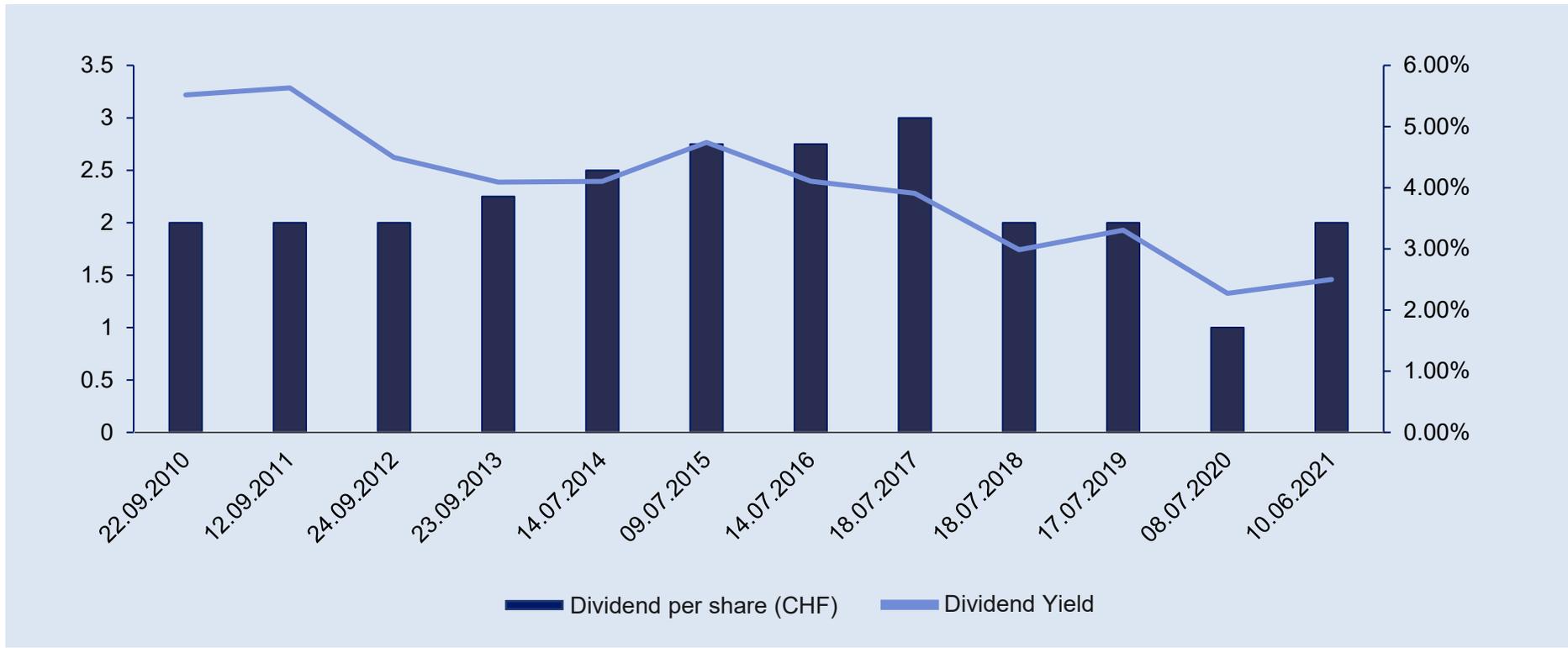
- The purchase of treasury shares at a discount to NAV is accretive for the remaining shareholders.
- Depending on the prevailing discount level, investing in treasury shares can be more attractive than making new investments.
- Since April 2004, PEH bought 1.85 million shares* for almost EUR 77 million.

* 1.85 million shares are >40% of the 4.5 million shares outstanding as at March 31, 2004



Strategy

PEH established an annual distribution policy in 2010

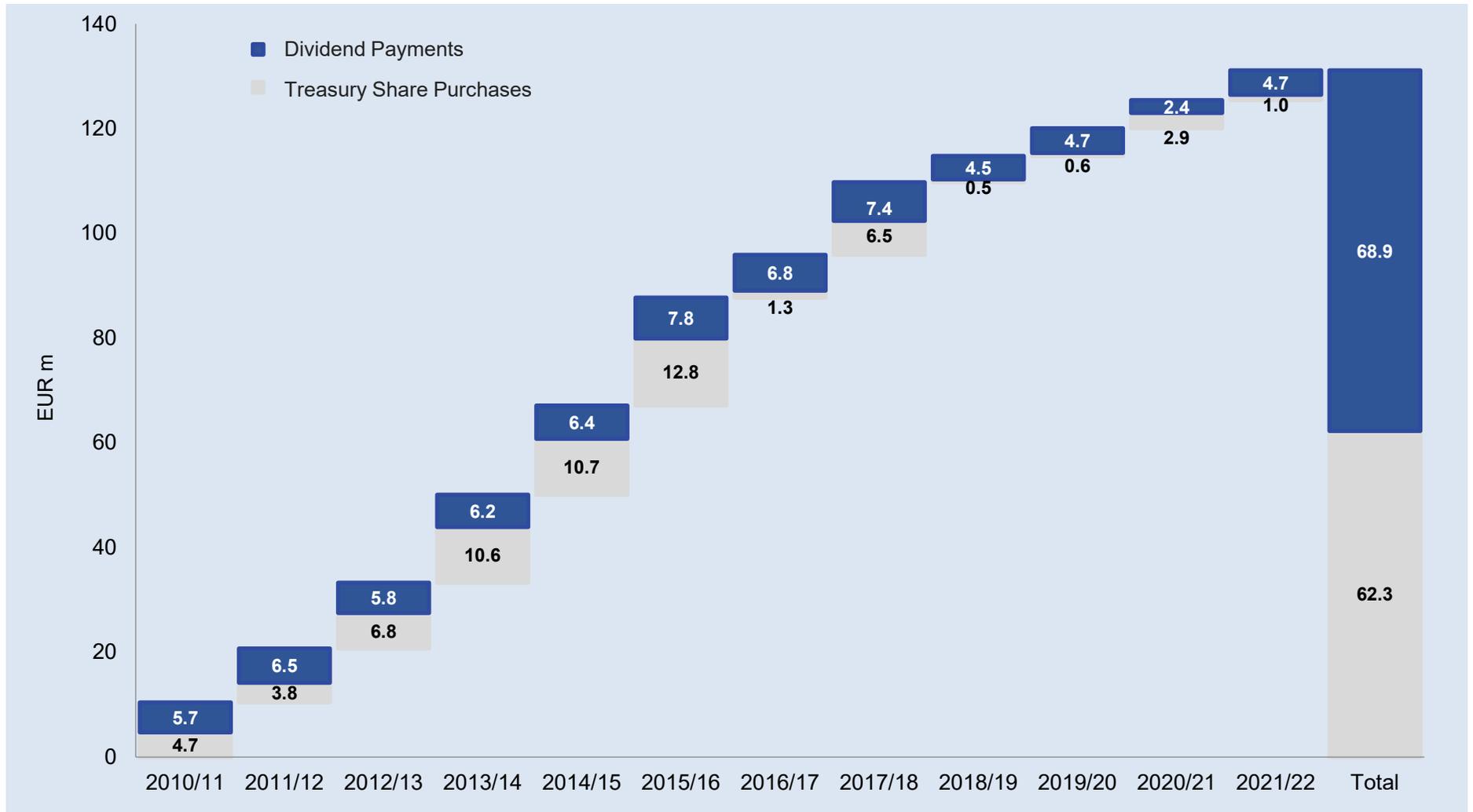


- In addition to the perspective for long-term capital gains, PEH offers its shareholders an annual dividend payment, which has been completed at levels above 2% yield of the prevailing share price since 2010.
- In 2018, the annual dividend per share was reduced to allow for an increased investment rate; this was then done again in 2020 given the uncertainty around the effects of the pandemic – in 2021, CHF 2 per share were paid again.



Strategy

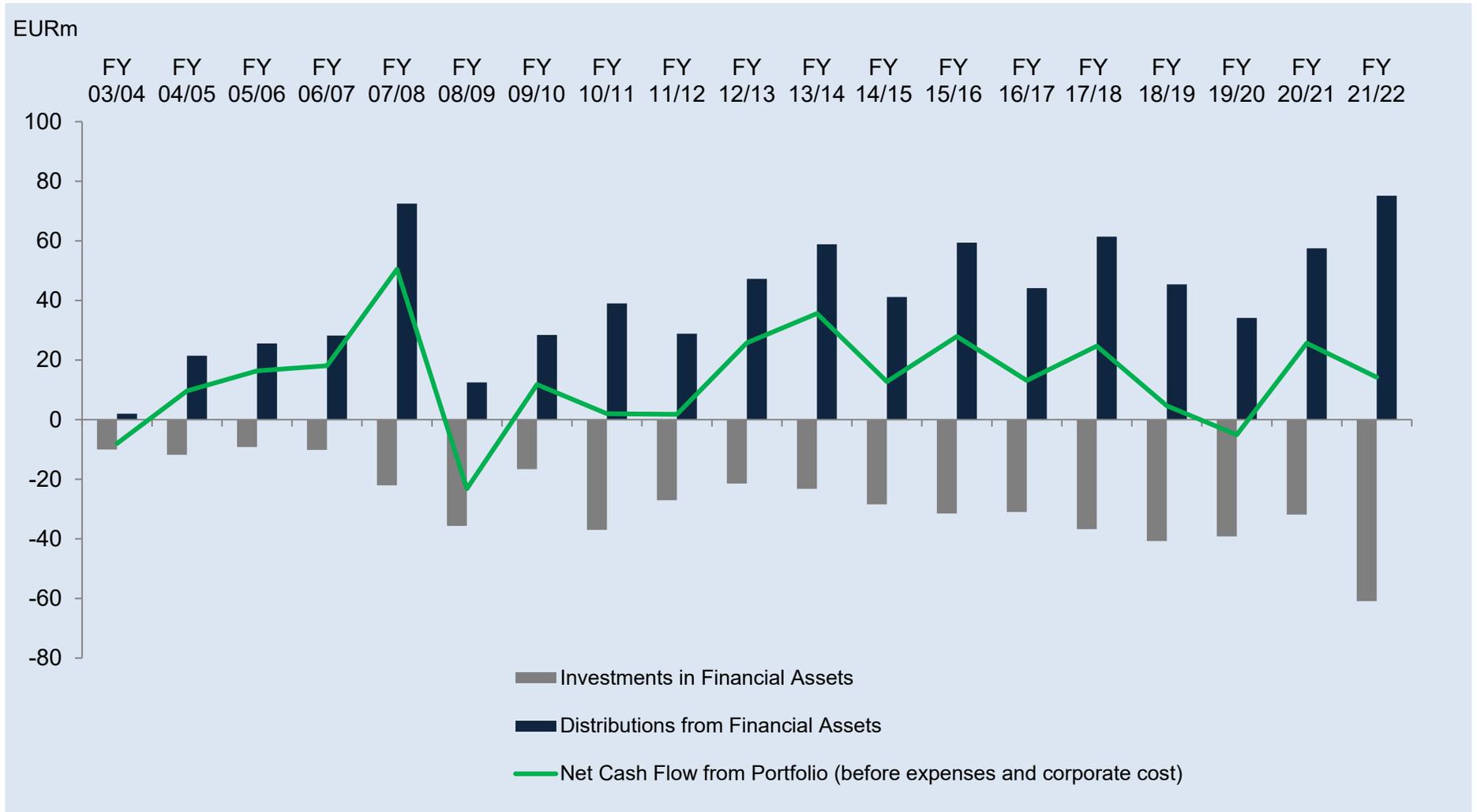
Since 2010, PEH distributed ca. EUR 131 million to its shareholders





Strategy

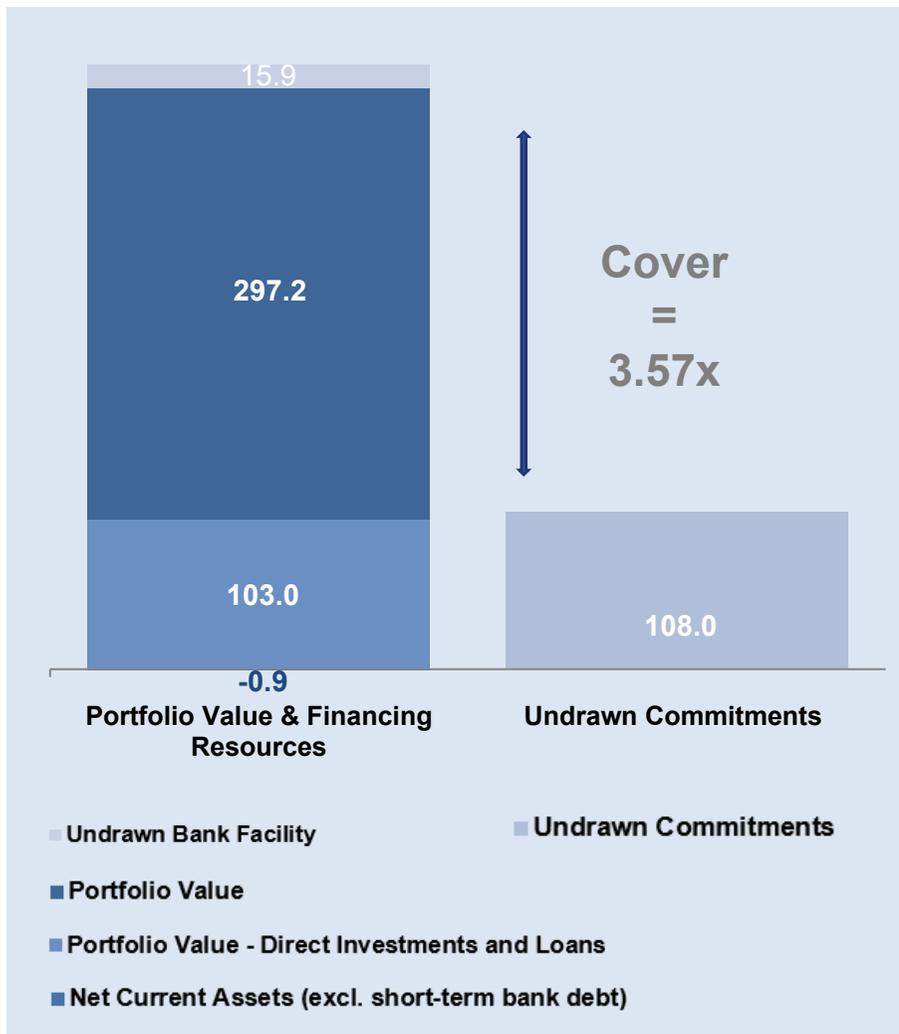
Portfolio cash flows providing for solid foundation



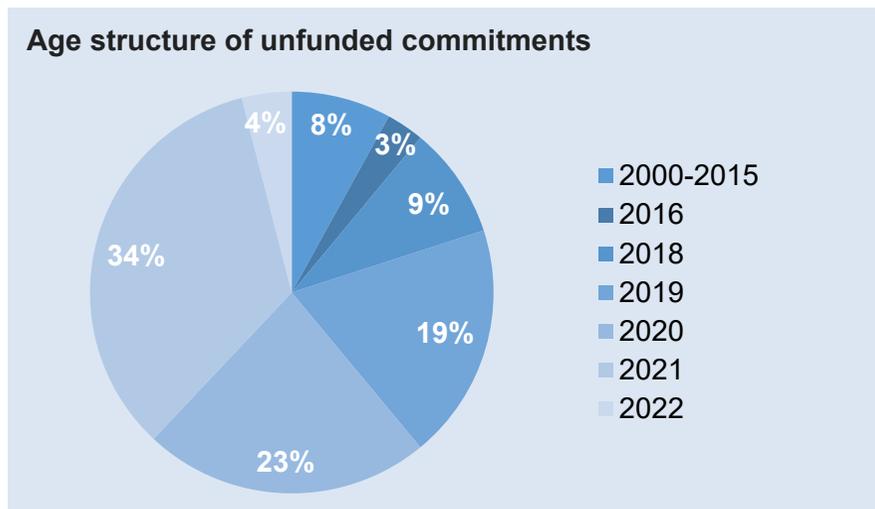


Strategy

Open commitments covered well



- Robust balance sheet (no long-term debt)
- Prudent over-commitment strategy
- Regular portfolio- and company-level cash-flow simulations to optimise investment strategy





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Profile



Description	abry Partners is a north-american investment firm focusing on mid-market companies active in media, communications and business IT-services.
Investment category	Buyout
Geography	USA & Canada
Investment year	Since 2008
Industry	Media & Communications

PEH Investment

Fund	abry Partners VIII
Fund size	USD 1.9 billion
Fair Value	EUR 2.0 million
% of PEH	0.5%

Investment examples

rackspace

Rackspace is a leading global multi-cloud solutions provider to enterprise customers. The Company provides services in more than 150 countries and serves customers from 11 data centers located on four continents.



link mobility

LINK Mobility is Europe's leading provider within mobile communications, specializing in messaging, digital services and data intelligence. LINK offers a wide range of innovative and scalable solutions across industries and sectors.



Millennium Trust is a leading provider of comprehensive, tech-enabled retirement and investment solutions for employers, financial advisors, institutions and individuals, acting as a custodian for Retirement Accounts.





Profile



Description	Highland Europe is a growth-stage technology fund that invests in European internet, mobile, and software companies.
Investment category	Venture
Geography	Europe
Investment year	2018
Industry	Technology

PEH Investment

Fund	Highland Europe III
Fund size	EUR 450 million
Fair Value	EUR 6.5 million
% of PEH	1.6%

Investment examples



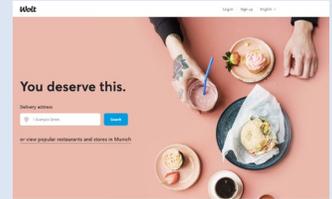
Huel is a meal replacement available in powder, liquid, or bar forms.



StarLeaf is a cloud provider for video conferencing space, offering reliable video conferencing technology, secure app-based messaging and integrated cloud-based meeting room systems.

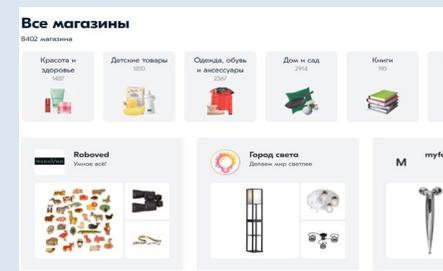


Wolt is a Finnish technology company known for its food-delivery platform. Customers can order food from the platform's restaurant partners and either pick it up or have it delivered by the platform's courier partners.





Profile		Description
		<p>OZON.ru is currently the largest hypermarket on the Russian Internet and enjoys the leading brand recognition.</p> <p>Significant growth</p> <p>Ozon achieved 142% growth in gross merchandise value in 2020 with y-o-y growth in nine months – resulting in a total of USD 2.2b.</p> <p>Large logistics network available</p> <p>The company continues to benefit from its wide recognition and superior logistics capability of more than 40% of the Russian population covered by next day delivery.</p>
Description	Russian online retailer	
Investment category	Direct Co-Investment	
Geography	Russia	
Investment year	2020	
Industry	Consumer goods/IT	
PEH Investment		
Invested amount	USD 1.4m	
Realised amount	EUR 1.4m	
Fair Value	EUR 3.7m	





Profile

RENAISSANCE®

Description	Digital learning solutions provider
Investment category	Direct Co-Investment
Geography	North America
Investment year	2018
Industry	Software

PEH Investment

Invested amount	USD 6.6m
Fair Value	EUR 20.8m

Description

Ongoing internationalization

Renaissance is a leader in pre-K–12 learning analytics, enabling educators to drive phenomenal student growth. Renaissance’s solutions facilitate the ability to analyse, customise, and plan personalized learning paths for students. Renaissance products are used in approximately one-third of U.S. schools and more than 70 countries worldwide.

Product mix enabled growth despite Corona environment

COVID-19 has led to a shift in business mix; the “at home practice” products continue to demonstrate strong momentum, compensating the “in classroom” products which were running behind in 2020.





Profile

DuPont Sustainable Solutions

Description	Health, safety and environmental consulting
Investment category	Direct Co-Investment
Geography	Global
Investment year	2019
Industry	Consulting

PEH Investment

Invested amount	USD 4.2m
Realised amount	EUR 2.0m
Fair Value	EUR 11.3

Description

Leading global consulting firm

DuPont Sustainable Solutions ('DSS') is a leader in environmental health and safety with 620 consultants worldwide in more than 30 countries.

Attractive transaction

DSS was established under the DuPont umbrella more than 50 years ago; the complex carve out to a stand-alone entity was made possible by longstanding relationships with management and offered an attractive entry valuation.

Megatrends offer potential

Regulatory compliance and sustainability efforts deliver sustainable growth opportunities for the company.



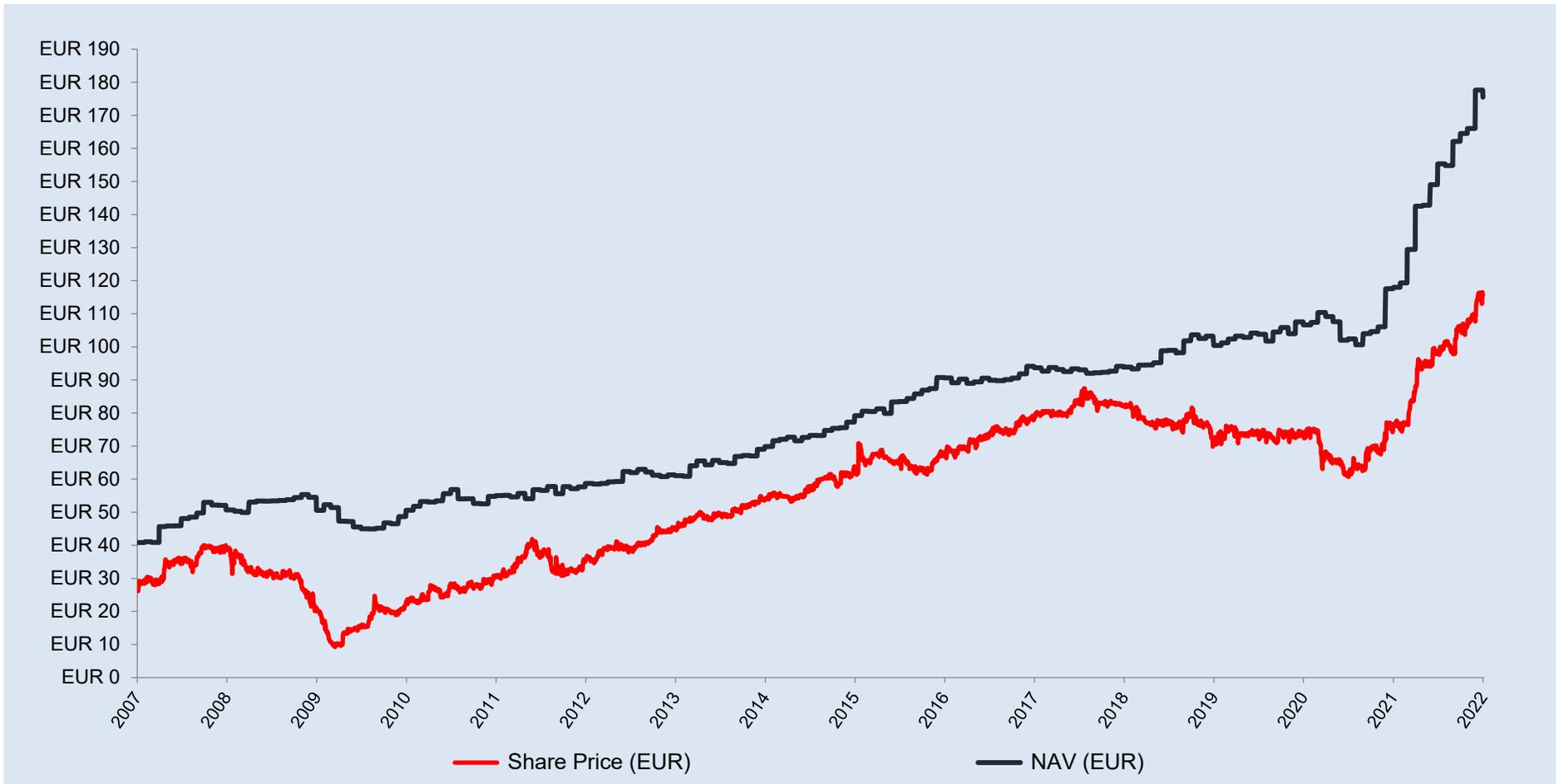


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Performance

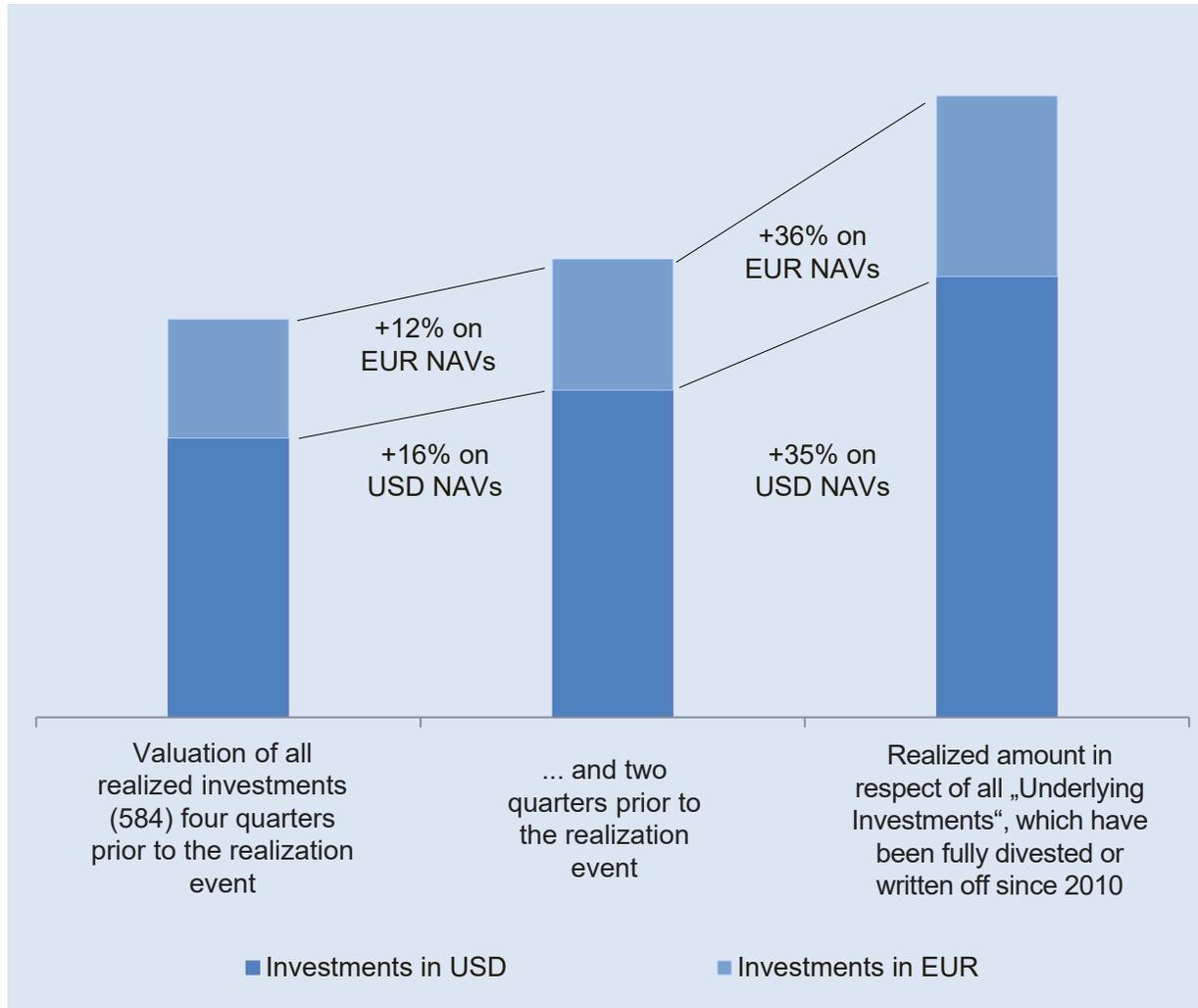
Monthly NAV and Share Price January 2007 – December 2021





Performance

Conservative valuation policy provides for upside at exit



- Between 2010 and 2020, the realised amounts in respect of underlying portfolio investments have been consistently higher than their valuations six and 12 months prior to the respective exit event.
- Our sample is based on 584 realisations including 66 write-offs.
- This analysis shows that private equity portfolios are valued prudently and, on average, significantly below their future potential.



Appendix



Key figures

As of December 31, 2021

Structure	Swiss investment company (AG/Ltd)
Investment focus	Globally diversified portfolios of private equity funds, incl. secondary market investments and selected direct co-investments
Listing	SIX Swiss Stock Exchange (SIX: PEHN)
Total Equity	EUR 385.2
NAV per Share	EUR 152.48 / CHF 157.99
Share Price	EUR 92.65 / CHF 96.00
Discount	(39.2%)
Number of Shares Issued	2'750'000 registered shares (nominal value: CHF 6)
Number of Shares Outstanding	2'526'064
Distribution Policy	Annual distribution to shareholders
Shareholders > 3%	Partners of Alpha Associates AG (>33.3%), Dr. Hans Baumgartner, Chairman (>5%)
Auditors	KPMG AG, Zurich
Portfolio Manager / Advisor	Alpha Associates (Cayman) L.P. / Alpha Associates AG
Fees	1.5% * 75% * NAV plus 2% * 25% * market capitalization plus 1% of direct investments; 10% performance fee with 6% hurdle and HWM CHF 500k Administration fee



Dr. Hans Baumgartner, Chairman & Delegate

Elected in December 2006, Dr. iur, LL.M., attorney-at-law, Swiss national, Senior Partner Baumgartner Mächler.



Martin Eberhard

Elected in June 2010, Swiss Banking School, Kellogg Graduate School of Management (AEP), Swiss national, Co-Founder and former CEO NZB Neue Zürcher Bank.



Dr. Petra Salesny

Elected in July 2018, Dr. iur, LL.M., Austrian national; Founding Partner of Alpha Associates and responsible for the structuring and raising of Alpha's funds-of-funds and investment programs, investor relations and marketing.



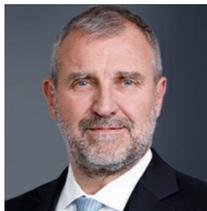
Fidelis Götz

Elected in July 2018, lic.rer.publ HSG, Liechtenstein national; Partner at Daniel Gresch & Partner, prior Co-Head Private Banking at Bank Sarasin & Cie and Head Private Banking North Asia at Credit Suisse



Experienced Team with Strong Track-Record in the Industry

Alpha Associates AG



Dr. Peter Derendinger, Partner, CEO; Swiss; Dr. iur., LL.M. (Northwestern University, Chicago), attorney; career at Credit Suisse as General Counsel, Head Corporate Centre and CFO Private Banking; member of the board of directors of a number of private companies and Chairman of Credit Suisse (Switzerland) AG.



Dr. Petra Salesny, Partner, COO; Austrian; Dr. iur, LL.M., admitted to the NY bar; career in law and M&A; active in private equity investing since 2001; due diligence, negotiation, structuring and execution of fund and direct investments and secondary acquisitions.



Petr Rojicek, Partner, CIO; Czech; Dipl.Ing., MBA; career in engineering and corporate finance, at UBS and Bank Vontobel; worked on corporate finance transactions in Emerging Europe since 1995; active in private markets since 1998; strong relationship network in the industry; close ties to CEE private equity community.



Jürg Kägi, Partner, CFO, Swiss, MA Econ., CPA. Joined Alpha in February 2018. Previous work experience include Head Finance of Itaú Private Bank Switzerland, Senior Manager Ernst & Young and Audit Manager at PwC.



Peter Wolfers, Partner, CRO & Head Compliance, German, MA Econ., LL.M. Joined Alpha Associates in 2005 and again in 2010, having spent two years at Horizon21, a Swiss investment manager. Guest lecturer on private equity and member of the managing board of the Swiss Association of Investment Companies.



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