

# H1/2020

Half Year Results



# AGENDA

**1** // **A STABILIZING FORCE**  
VIRGINIE MORGON - CEO

**2** // **RESILIENT NET ASSET VALUE  
AND ROBUST BALANCE SHEET**  
PHILIPPE AUDOUIN - CFO

**3** // **ACCELERATING GROWTH**  
VIRGINIE MORGON - CEO

# 1/ Eurazeo: a stabilizing force



**Virginie Morgon**  
Chairwoman of the Executive Board

# An efficient business model in an unprecedented context



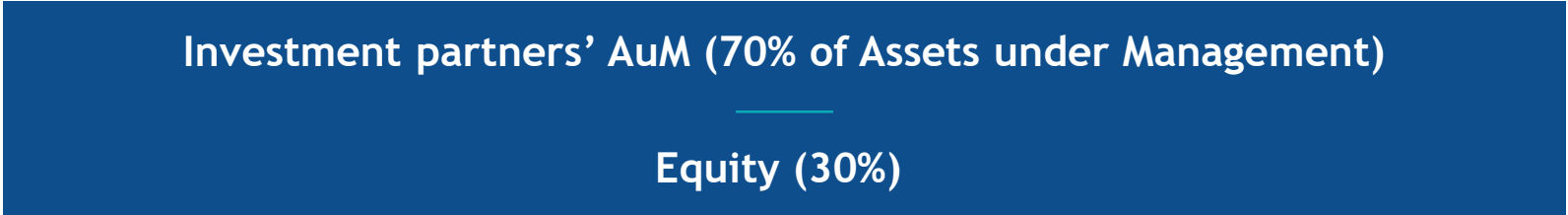
# A leading European Private Equity house



DIVERSIFICATION  
OF BUSINESSES



€18.5 BN OF  
ASSETS UNDER  
MANAGEMENT

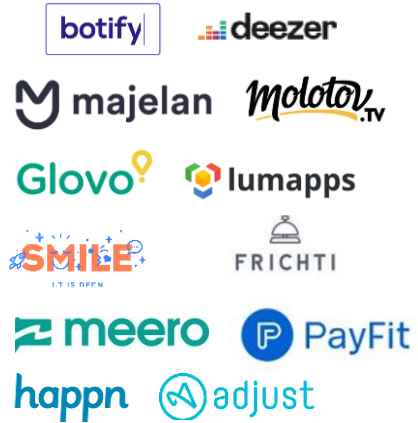


EXPERT TEAMS  
SERVING THE GROUP



# A multi-sector specialist with a diversified economic exposure

## DIGITAL



## SMART CITIES



## RETAIL



## REAL ESTATE



## HEALTHCARE



## BUSINESS SERVICES



## FINANCIAL SERVICES



## MANUFACTURING



Shareholder  
or finance  
provider to

430  
companies<sup>(1)</sup>

1) Of which 2/3 through equity investments  
and 1/3 financed through private debt

# Asset Management: a fast growing business

■ 98% of closed-end funds

> No risk of early redemption

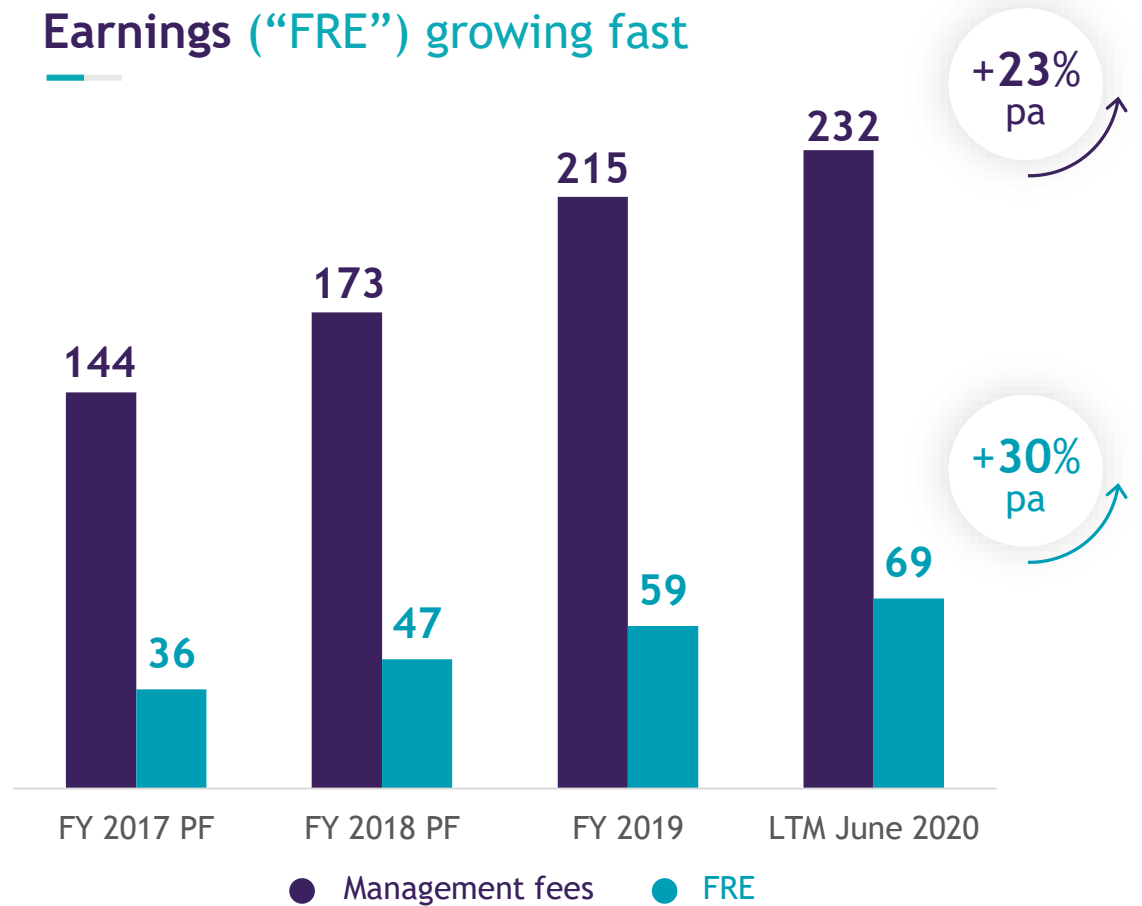
■ 10 years + 1-2 years of extension for PE

> Extended duration - long visibility

■ 1.4% blended management fees

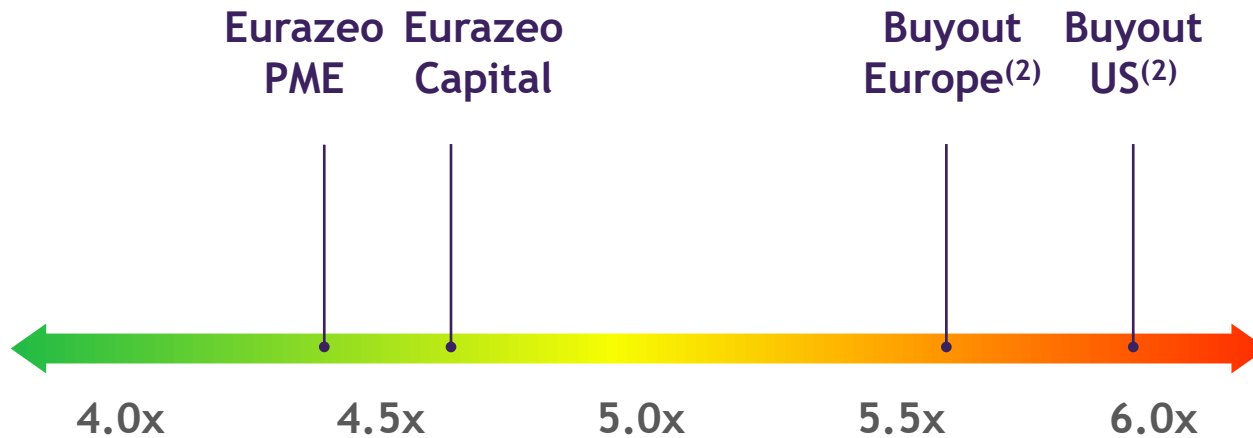
> High value-added business

## Management fees & Fee-Related Earnings (“FRE”) growing fast



# Adequate financing of our Group companies

## Cautious financial structure of PE portfolio going into the crisis<sup>(1)</sup>

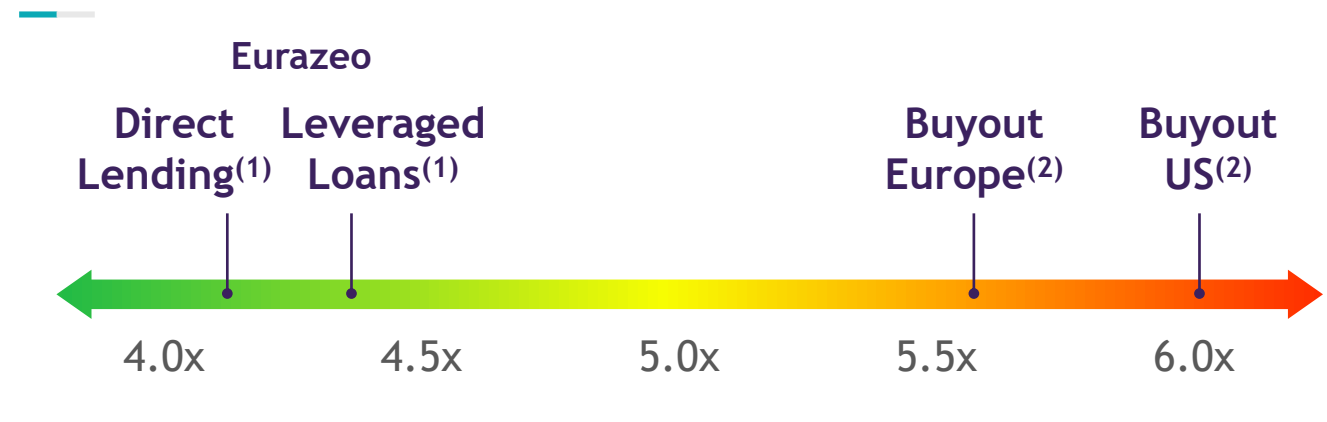


- Almost all portfolio companies had **adequate liquidity and financing opportunities** going into the crisis
- **Limited financial support needed :**
  - Enhance liquidity with limited capital injections: **Nest NY** and **Sommet Education**
  - Financial restructuring and new financing in **WorldStrides** to preserve the asset
- **c.2% of NAV** in total to be spent to support our portfolio companies

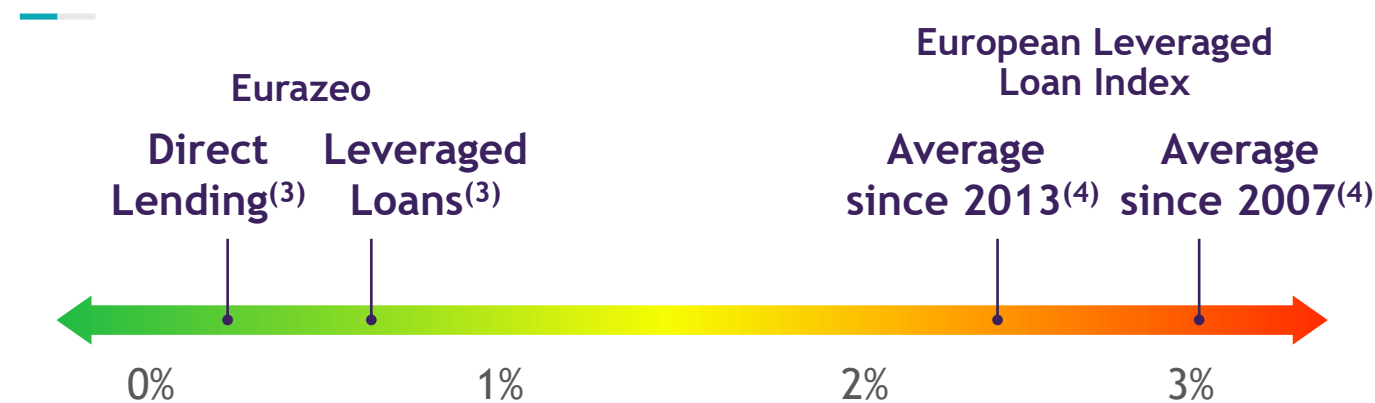


# Private Debt: a robust activity with positive outlook

## Net Debt / EBITDA of portfolio companies



## Default rate



- Resilient debt portfolio going into the crisis: **companies with low leverage and high equity contribution**
- All portfolio companies have **adequate liquidity and financing opportunities**
- Acceleration of **banks retrenchment**, leaving **opportunities for alternative lenders** with flexible and innovative tools (private debt, sale & leaseback, quasi equity...)

1) Net debt / EBITDA end Q1 2020 for current and exited companies

2) Sector 2 year average Net Debt/EBITDA of LBO. Source: Pitchbook

3) Annualized default rate since inception: direct lending created in 2007, leveraged loans in 2013

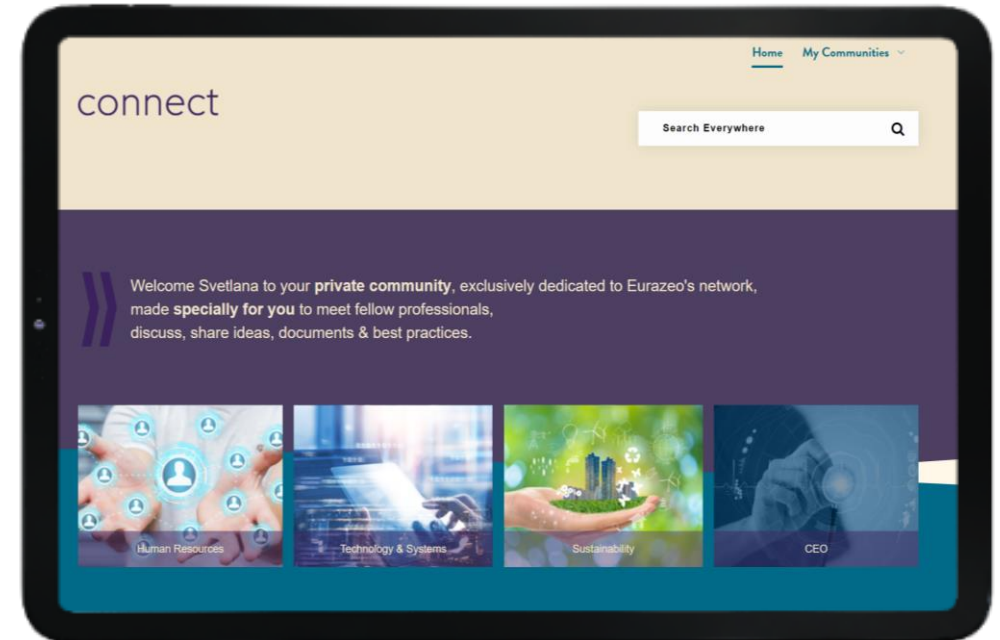
4) Source: Global Leveraged Lending Report 2020, average default rate until H1 2020

# Bringing our legal, financing, HR, IT and other operational expertise to our companies

**Direct Group support** from investment professional, operating partners and senior support functions

- **HR:** health & safety measures, furlough / state aids,...
- **Financial controlling:** cost control, business plans sensitivity analyses, reprioritization of investments, insurance claims...
- **Cybersecurity:** additional resources to cope with increased risk
- **Financing:** cash flow reforecasts, support on state guaranteed loans when needed, renegotiations...

**Digital platform** to connect the management of our portfolio companies and share best practices



# An ESG role model with positive implications

## A Private Equity leader in ESG

- In the 5 leading ESG benchmark indices



- Measuring socio-economic impact of our activity
- 100% of due diligence incorporate a ESG Section
- 100% of companies have ESG roadmap and reporting

Our long-standing ESG commitment is aligned with social aspirations of business today

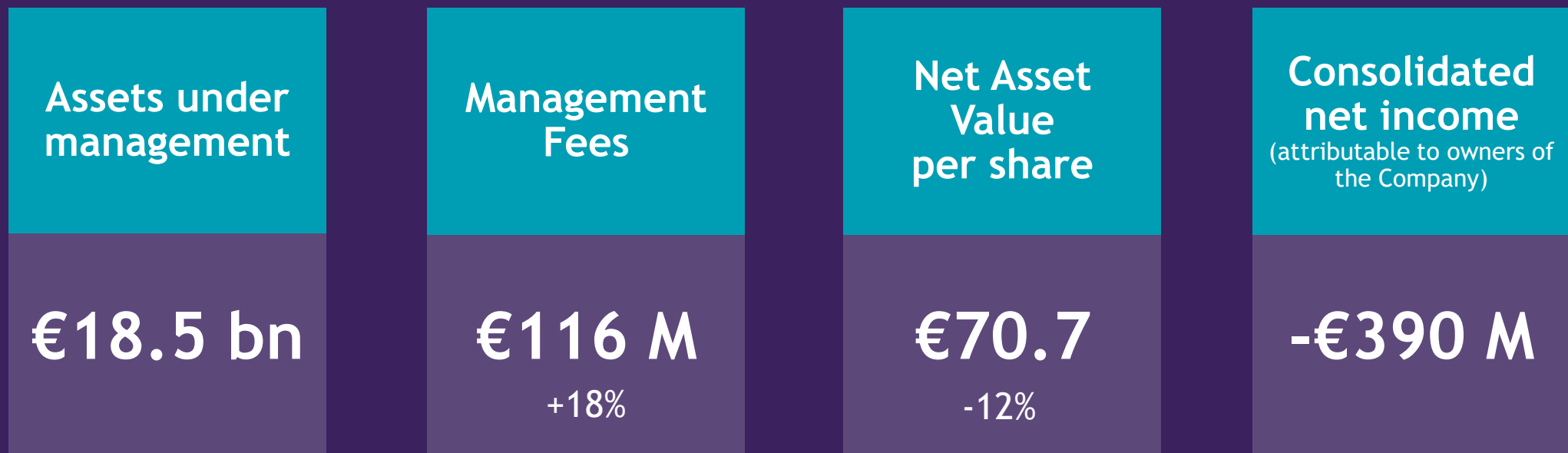
- Supply chain resilience
- Essential / useful products and services for Society
- Social responsible and accountable governance
- Anticipation of “black-swan” risks

# 2 // Resilient Net Asset Value and robust balance sheet



**Philippe Audouin**  
Directeur Général Finances - CFO

# Key figures H1 2020



# Eurazeo's diversified portfolio provides resilience in the crisis

Little impact expected in the short term due to a high level of recurring income or limited exposure to the consequences of the pandemic

## Category 1



Staples, digital platforms, solar plants and Group's asset management activities

Companies indirectly impacted by the lockdown as a result of the economic environment

## Category 2



B2B service companies, hospitality schools, clinics and residential and commercial real estate

Companies directly impacted by the widespread lockdown but expected to recover fairly quickly once the lockdown is lifted

## Category 3



Companies directly providing consumer activities or receiving the public

Companies directly impacted by the widespread lockdown, whose business recovery is expected to be more gradual

## Category 4

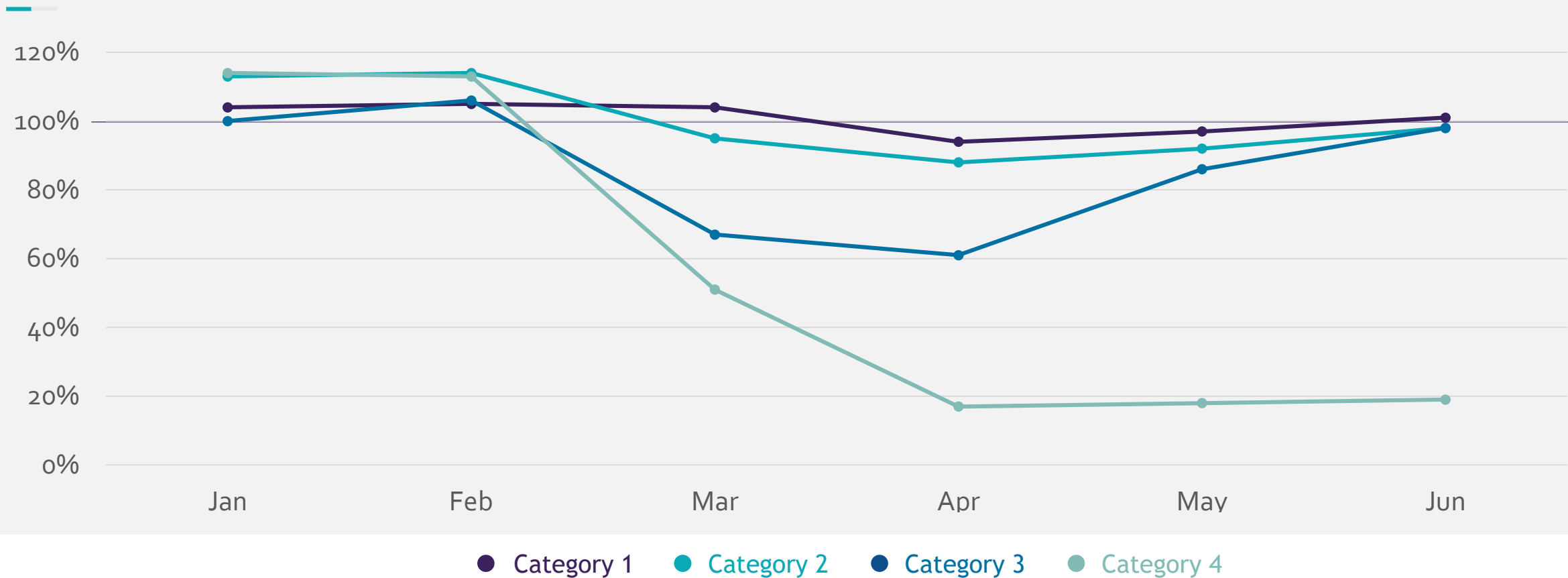


Companies exposed to Travel and Leisure

# A rapid recovery in revenue:

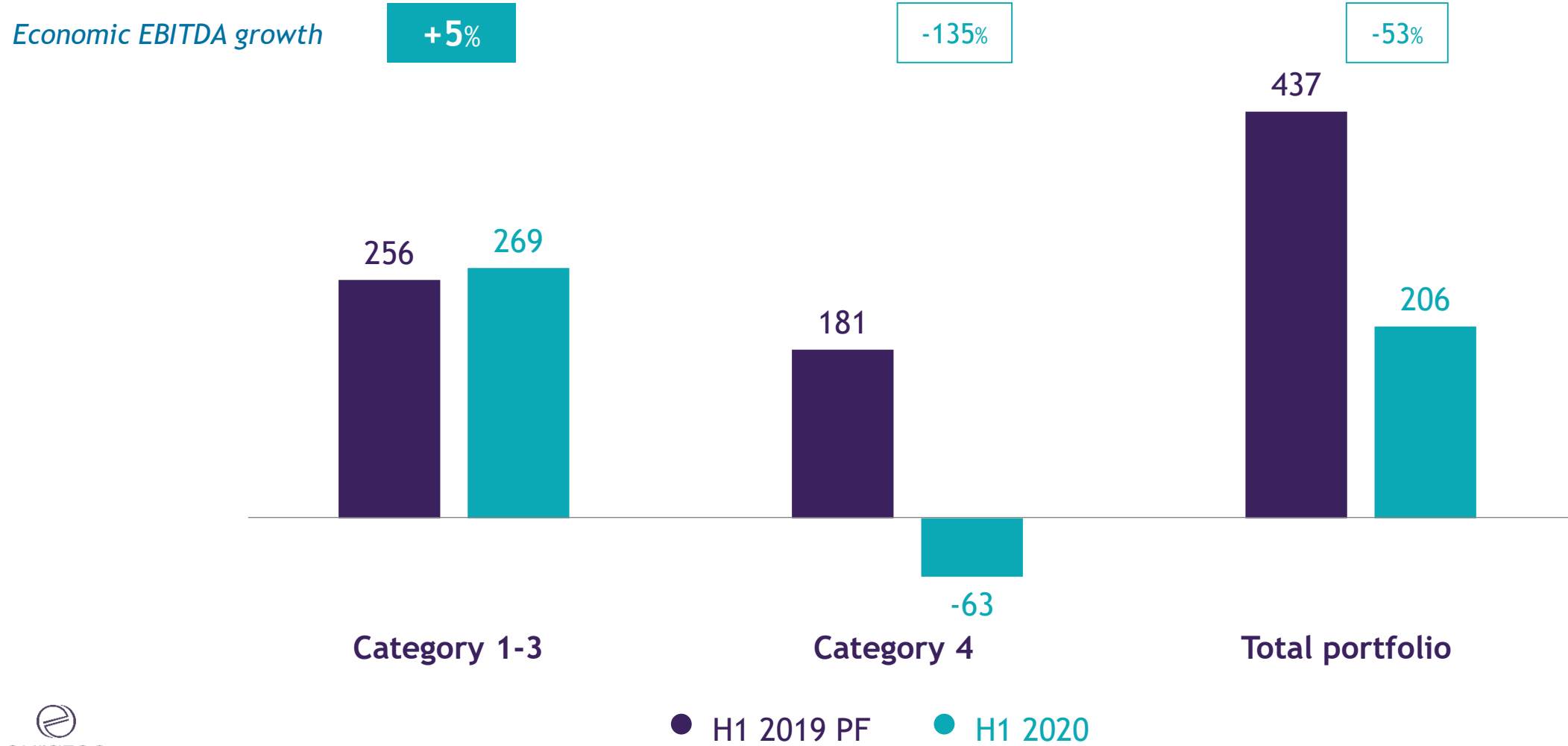
## Category 1-3 : back to pre-crisis revenues in June

Economic revenue (% of previous year)



# Resilient economic EBITDA growth

## Category 1-3: +5% in H1 2020





# Contribution of the Investment Activity

IN €M	H1 2019 PF	<i>including</i>	H1 2020	<i>including</i>
Net capital gains or losses & dividends and other investment revenue	248.6	Neovia: €83 m Moncler: €54 m Eurazeo Growth <sup>(1)</sup> : €57 m	77.4	Eurazeo Growth <sup>(1)</sup> : €71 m
Impairments	-0.3		-417.0	WorldStrides: €333 m
Operating expenses & other <sup>(2)</sup>	-56.6	Incl. share of costs calculated on Eurazeo balance sheet (€35 m)	-49.1	Incl. share of costs calculated on Eurazeo balance sheet (€41 m)
<b>Contribution of the Investment Activity</b>	<b>191.6</b>		<b>-388.8</b>	

H1 2020 - HALF YEAR RESULTS - 29.07.2020

# Contribution of the Asset Management Activity

IN €M	H1 2019 PF	H1 2020	%
Management fees	98.6	116.1	+18%
• from investment partners	63.5	74.8	+18%
• calculated from Eurazeo balance sheet	35.1	41.3	+18%
Operating expenses <sup>(1)</sup>	-79.2	-87.1	+10%
Finance costs and other income	-1.3	-0.7	n.s.
<b>Fee Related Earnings (FRE)</b>	<b>18.2</b>	<b>28.2</b>	<b>+56%</b>
Performance fees, realized	49.5	12.3	n.s.
• from investment partners	2.6	2.0	n.s.
• calculated from Eurazeo balance sheet	46.9	10.3	n.s.
<b>Contribution of the Asset Management Activity</b>	<b>67.6</b>	<b>40.6</b>	<b>-40%</b>

# P&L, under IFRS standards

IN €M	H1 2019 PF	H1 2020
Adjusted EBITDA, consolidated	368	224
Adjusted EBIT, consolidated	246	83
Contribution of portfolio companies net of finance costs	127	-135
Contribution of the Investment Activity	192	-389
Contribution of the Asset Management Activity	68	41
Amortization of contracts and other assets relating to goodwill allocation	-98	-93
Income tax expense	-33	24
Non-recurring items	-63	-89
<b>Consolidated net income/(loss)</b>	<b>192</b>	<b>-641</b>
<b>Attributable to owners of the Company</b>	<b>164</b>	<b>-390</b>
Attributable to non-controlling interests	29	-251

ow WorldStrides : -€163 m  
ow Europcar: -€118 m

# Strong financial situation

Gross  
Cash position

**€587m**

(ow €400M from RCF)

Revolving  
Credit Facility

**€1.5 bn**

(ow €400M drawn)

Dry  
powder

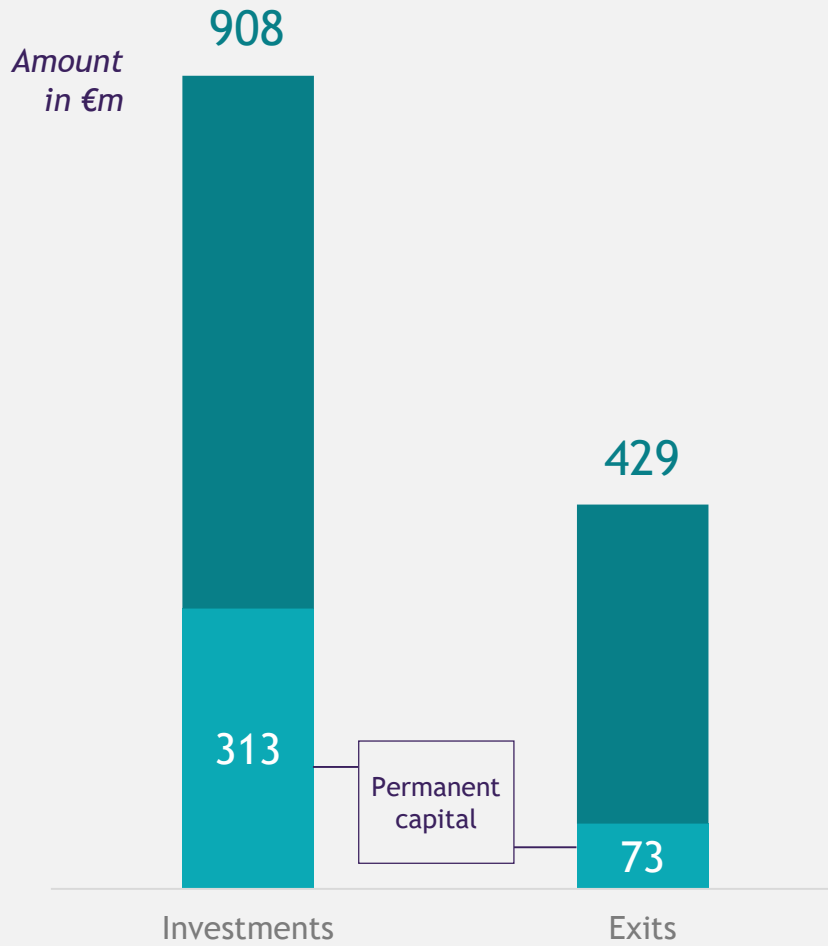
**€4.0 bn**

# AuM: €18.5 bn

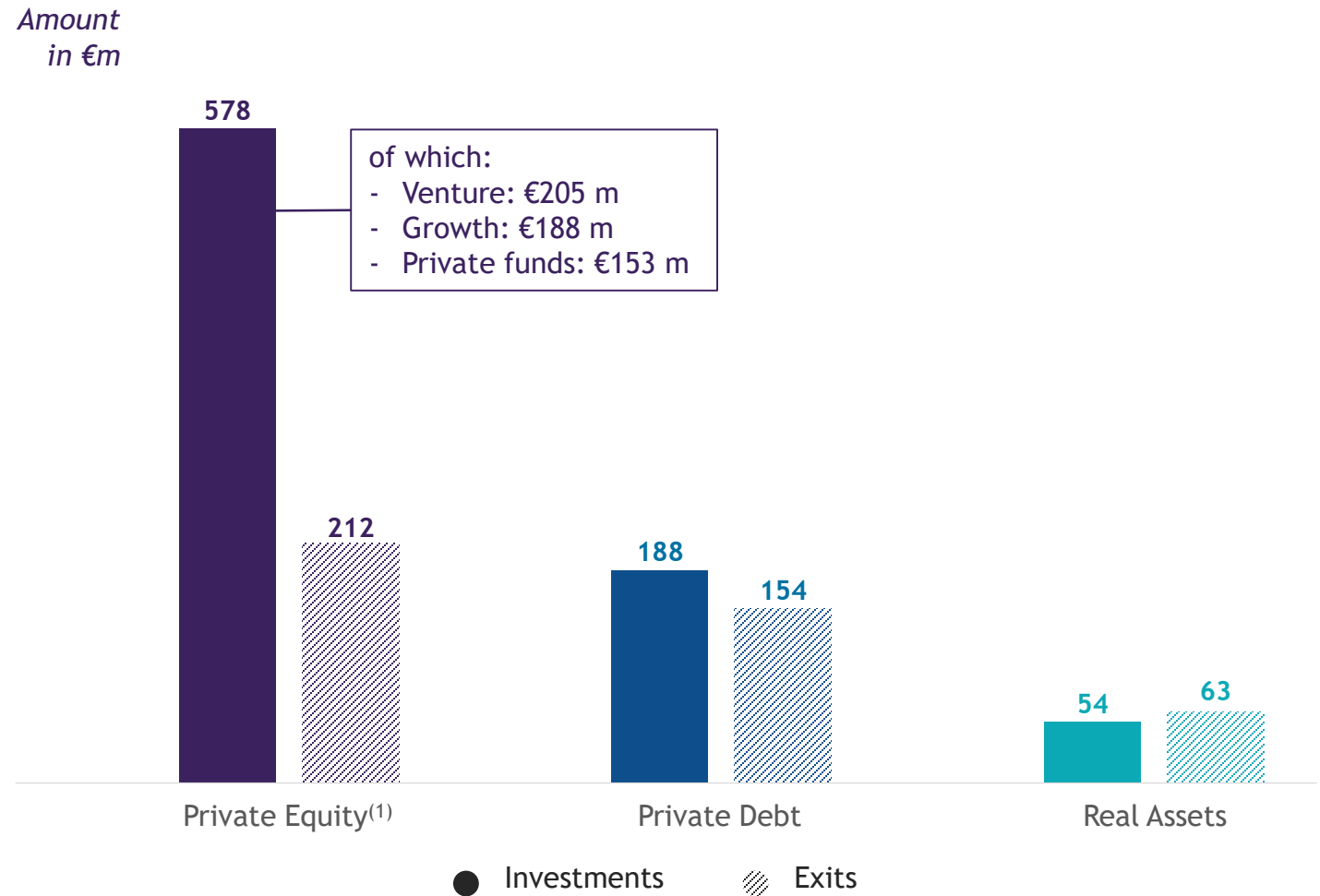
in €m



## Total



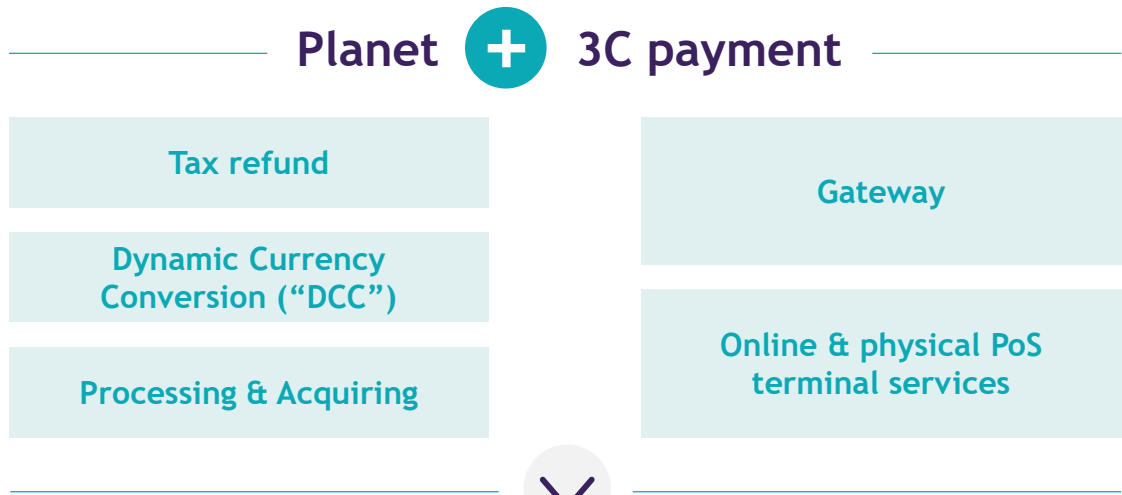
## Group asset rotation in H1 2020



# Seizing bolt-on acquisition opportunities



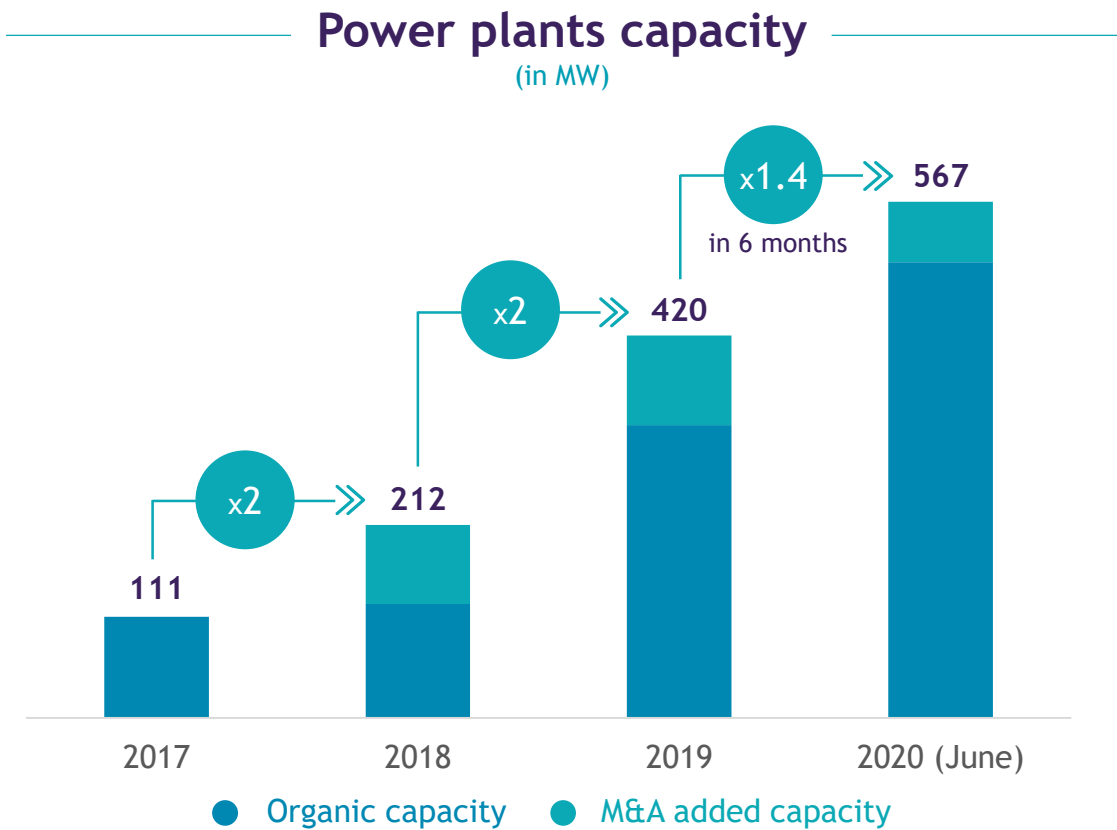
3C, another strategic M&A for Planet  
Payment to consolidate value chain



- New end-markets (hospitality, parking, food & beverage) for Planet to deploy existing payment services
- A more balanced exposure between international travel and domestic expenditure business
- A mix revenue generator of transaction volumes and recurring fees



A platform strengthened by multiple acquisitions



# Resilient portfolio: stability of c.90% of NAV

Net asset value (in €M)	FY 2019	H1 2020	% of NAV	Effective value creation (%)
Category 1	2,430	2,716	49%	+4%
Category 2	1,592	1,585	29%	-1%
Category 3	664	603	11%	-14%
<b>Resilient portfolio</b>	<b>4,685</b>	<b>4,904</b>	<b>89%</b>	<b>0%</b>
Category 4	1,298	569	10%	-56%
<b>Total portfolio</b>	<b>5,983</b>	<b>5,473</b>	<b>99%</b>	<b>-12.5%</b>
Net cash and other items	334	92	1%	
<b>Total Group</b>	<b>6,317</b>	<b>5,564</b>	<b>100%</b>	<b>-11.9%</b>
<b>NAV per share</b>	<b>€80.3</b>	<b>€70.7</b>		<b>-11.9%</b>



# 3// Accelerating growth



**Virginie Morgon**  
Chairwoman of the Executive Board

# Harnessing the power of Digital

## Leader in Europe on Venture and Growth

- >€4 bn in tech companies since inception
- One of the strongest current portfolio in Europe
- Outstanding track-record of value creation



## Spreading digital and tech in our portfolio

- Creation of a Digital committee at group level
- Digital roadmap built for all group companies
- Digital platform to connect venture/tech companies to other companies in the portfolio

# Eurazeo Growth, strengthened outlook in a more digital world

Strong track record and an ongoing promising portfolio

	IRR (Exits <sup>1</sup> )	IRR (all portfolio <sup>1</sup> )
<b>Eurazeo Growth Fund I</b> (Vintage 2004)	<b>27%</b>	<b>25%</b>
<b>Eurazeo Growth Fund II</b> (Vintage 2015)	<b>36%</b>	<b>21%</b>
<b>Eurazeo Growth Fund III</b> (launched in 2020)		

16% of Eurazeo's Net Asset Value<sup>2</sup>



# Our ability to support digitization is crucial in the world to come

## Digitizing sales

NEST NEW YORK BANDIER

linvosges  
L'Amour du Beau Linge



### Digital pivot

- E-commerce revenue x2 or x3 during lockdown
- From c25% to 40% of e-commerce in mix

## Process optimization

DORC Péters SURGICAL

INTECH MEDICAL  
MANUFACTURING SOLUTIONS

### Digital pivot

- Converting product demonstration to online
- Webinars with more than 1,000 contacts online in 45 countries (DORC)

## E-learning



### Digital pivot

- 4,400 new online courses created
- High attendance

## Telemedicine

Doctolib

### Digital pivot

- 32,000 doctors enrolled and >800k patients in teleconsultations
- from 1,000 to 100,000 teleconsultations per day in 1 month (2.5 M in total)

## Data analysis

'planet

### Digital pivot

- Data analysis on purchasing habits for vendors

# Preparing for the post-crisis by staying loyal to our values

## Three new flagship commitments

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- 1 Prepare for high performance in a low carbon economy:  
target of net zero emissions by 2040
- 2 Contribute to the emergence of an inclusive society:  
gender equality, sharing value-added
- 3 Commit all our companies to a CSR improvement approach

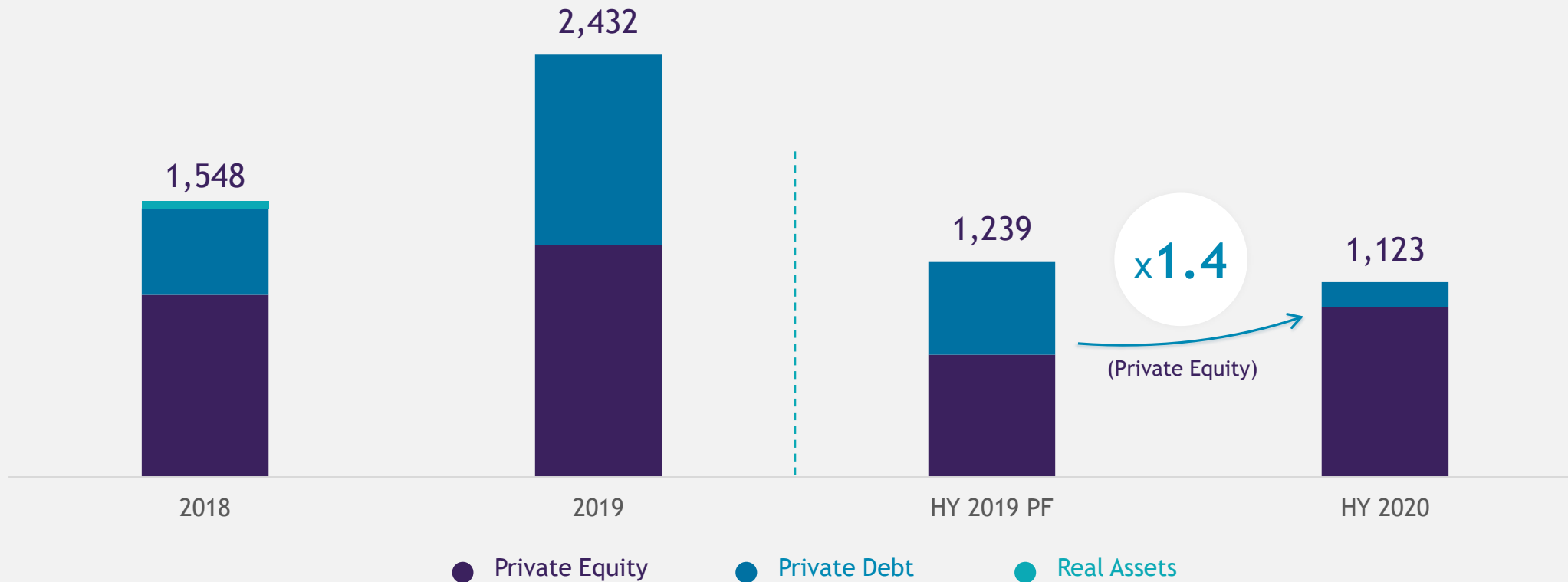
# Uninterrupted fundraising despite Covid-19 slowdown

Amount raised

in €m

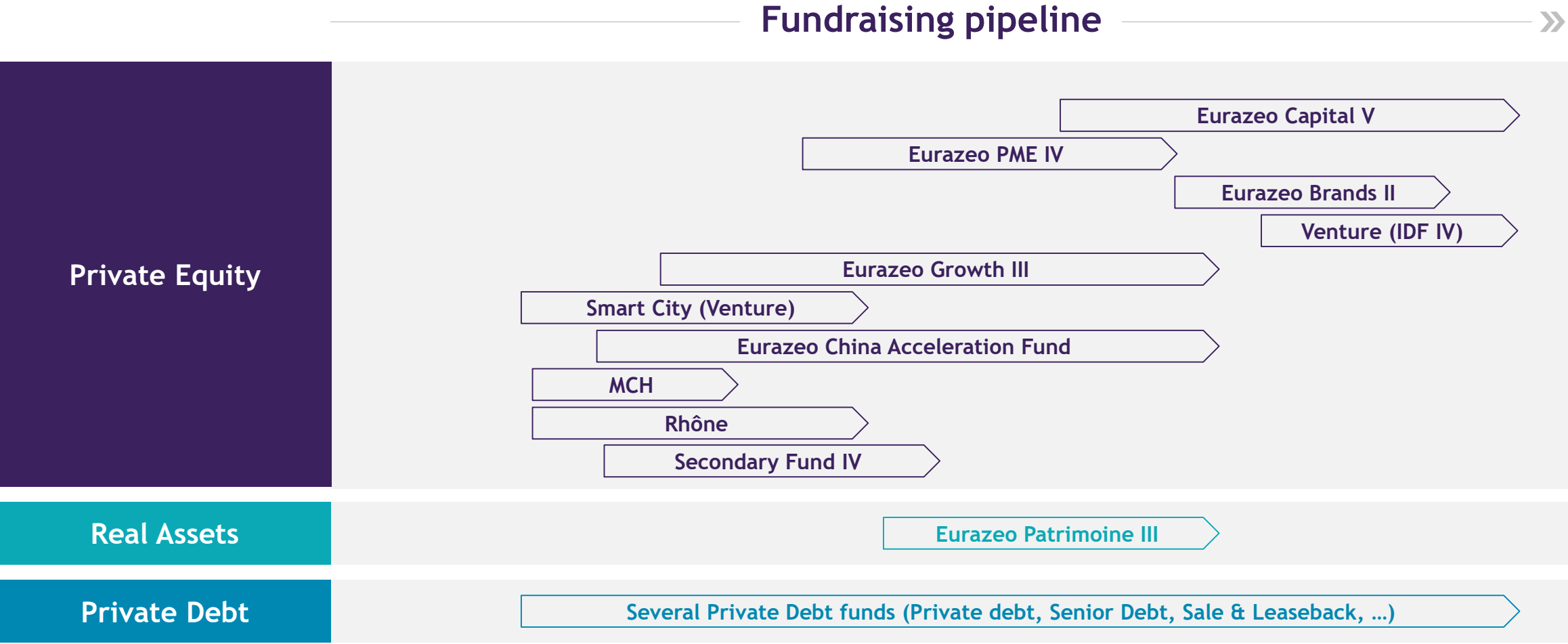
Full year

Half year



H1 2020 - HALF YEAR RESULTS - 29.07.2020

# A strong fundraising pipeline



H1 2020 - HALF YEAR RESULTS - 29.07.2020

# // What we want you to retain 3 take-aways

1

RELEVANCE OF OUR ENLARGED AND DIVERSIFIED  
PLATFORM IN A POST-COVID WORLD

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2

STRONG TRACK RECORD CREATING LONG-TERM  
VISIBILITY AND RECURRING EARNINGS

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3

ROBUST FINANCIAL POSITION AND DRY POWDER  
TO SEIZE OPPORTUNITIES



# 6

## Appendices

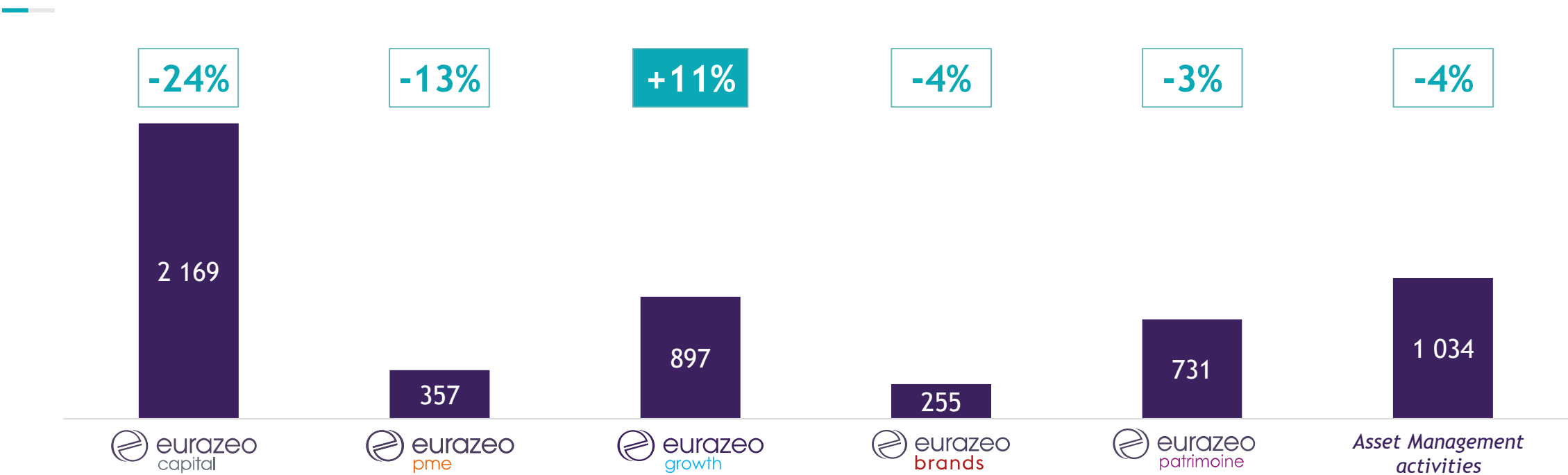
# Assets under Management

in €M

	31/12/2019			30/06/2020		
	NAV	3 <sup>rd</sup> party AuM	Total AuM	NAV	3 <sup>rd</sup> party AuM	Total AuM
Private Equity, Eurazeo	4,211	7,029	11,240	3,694	6,941	10,635
<i>Capital</i>	2,850	1,273	4,124	2,169	1,157	3,326
<i>PME</i>	410	364	774	357	382	739
<i>Growth</i>	684	565	1,249	897	431	1,328
<i>Brands</i>	259	-	259	255	-	255
<i>Venture</i>	8	2,263	2,271	16	2,220	2,236
<i>Private Funds</i>	-	2,564	2,564	-	2,751	2,751
Private Debt	13	3,648	3,661	15	3,988	4,003
Real Assets (Eurazeo Patrimoine)	760	67	826	731	55	786
Rhône <sup>1</sup> (30%)	-	1,529	1,529	-	1 725	1,725
MCH Private Equity (25%)	-	194	194	-	195	195
Asset Management <sup>2</sup>	999	-	999	1,034	-	1,034
Net cash and other items <sup>3</sup>	334	-	334	92	-	92
<b>Total</b>	<b>6,317</b>	<b>12,468</b>	<b>18,785</b>	<b>5,564</b>	<b>12,905</b>	<b>18,469</b>

# Net asset value evolution in H1 2020

## Value creation

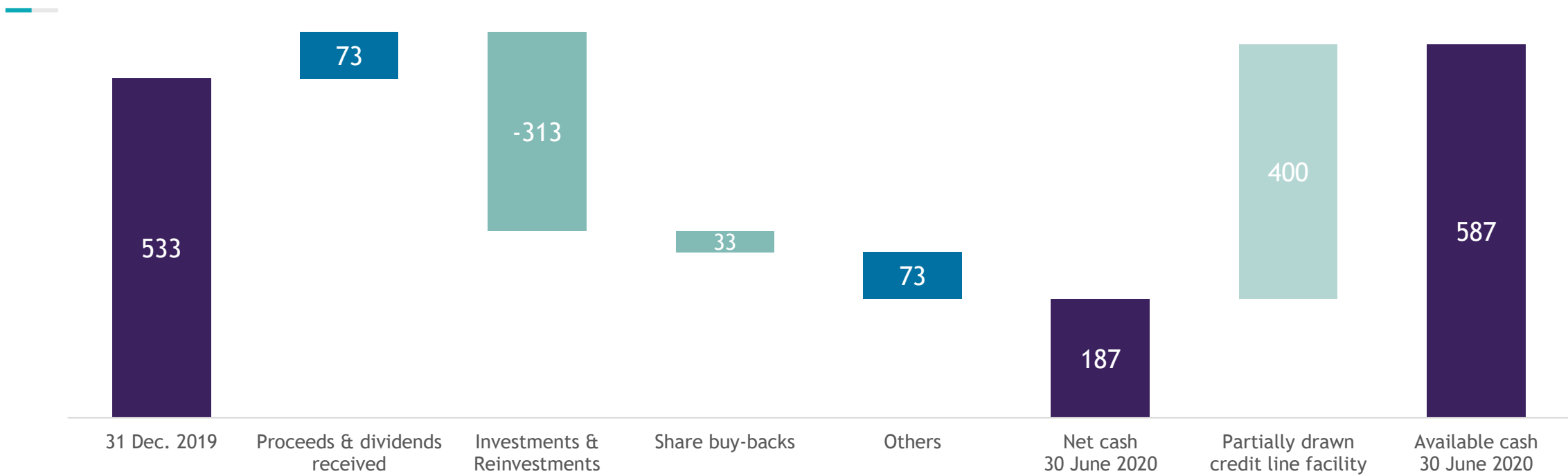


Non-listed assets in NAV > 97%

# Solid financial structure

## Cash position Eurazeo SE

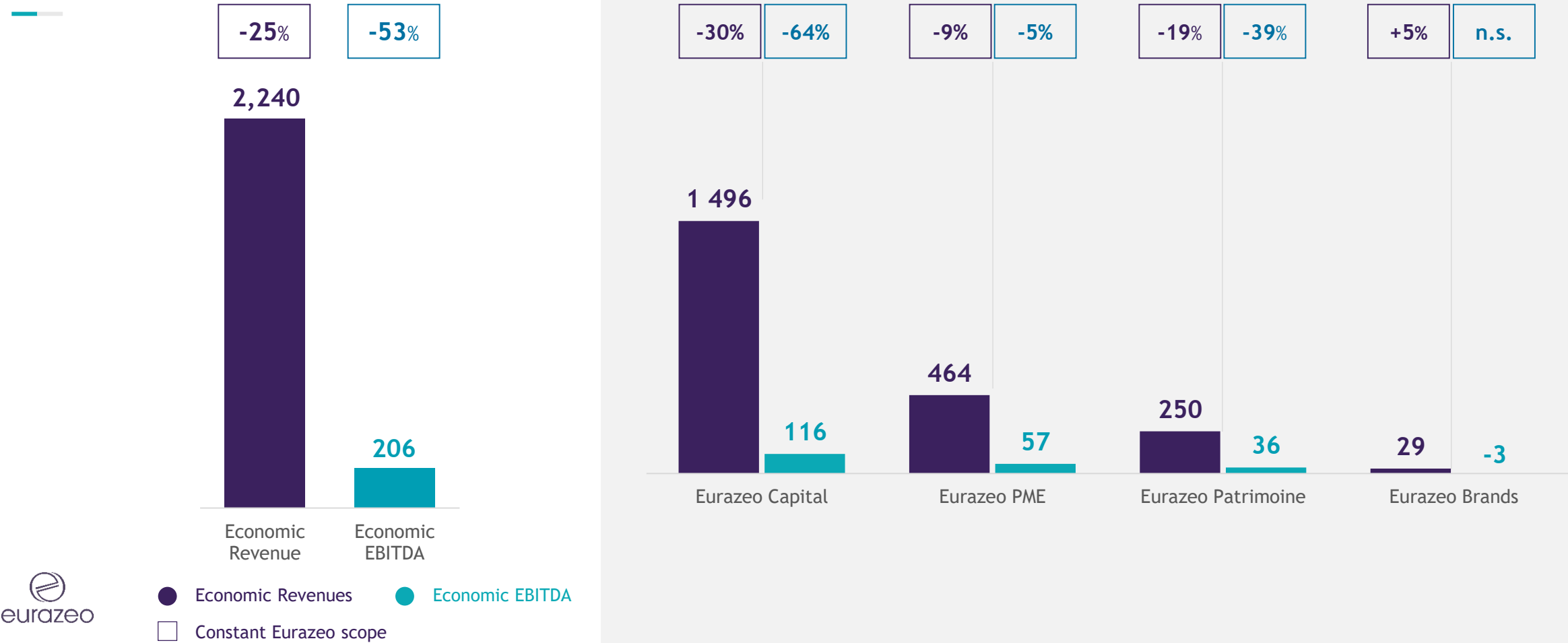
in €m



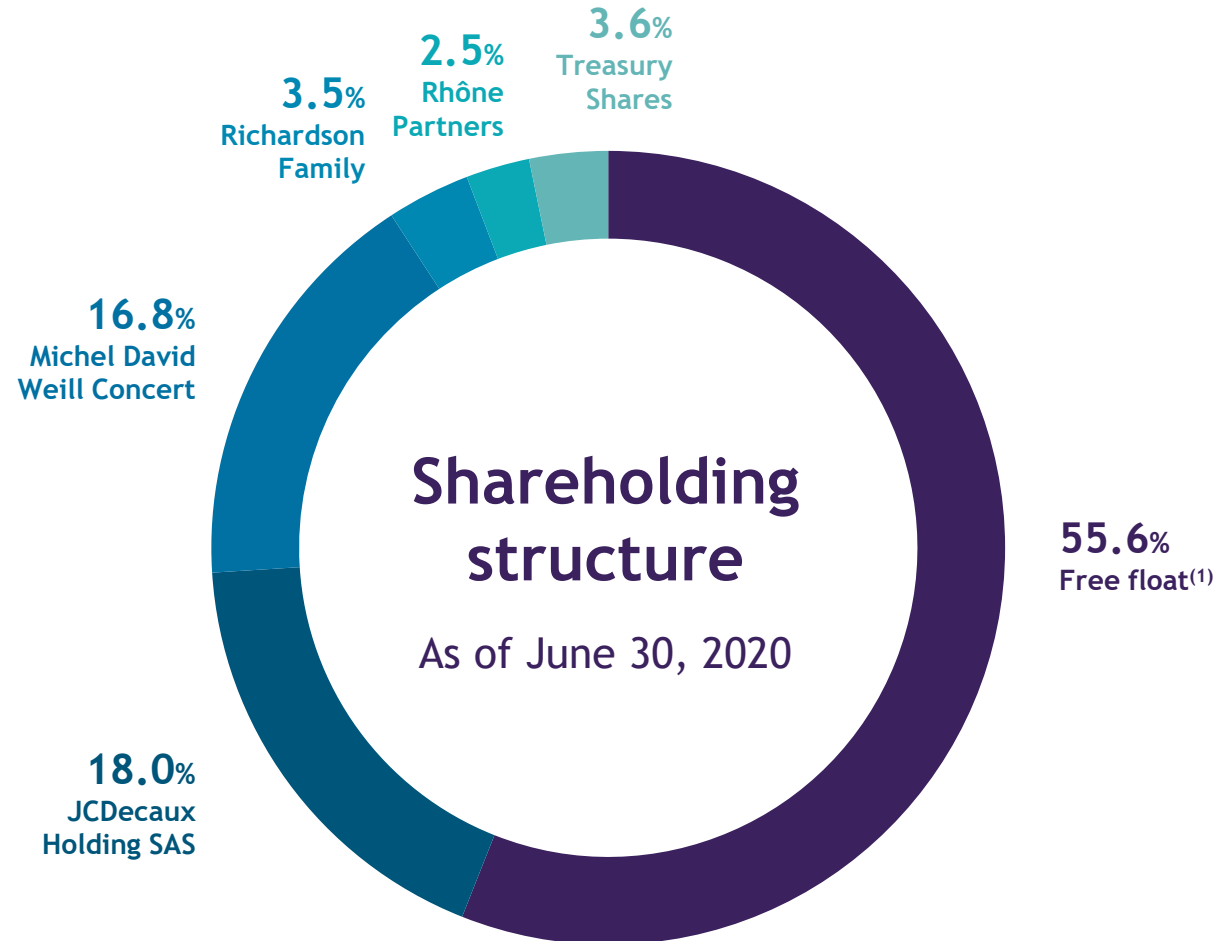
Shareholders' equity: €4.5 bn

# Portfolio economic revenues & economic EBITDA in H1 2020

in €m



# A long-term shareholder base & a strong corporate governance



## A strong corporate governance

- Separation of the roles of Chairman and CEO
- Independence of the Supervisory Board: 7 independent members out of 13<sup>(2)</sup>
- Audit Committee, Finance Committee, Compensation and Appointments Committee, CSR Committee
- Existence of shareholder agreements between main shareholders and Eurazeo

1) Including Tikehau (6.6%)  
2) Excluding honorary chairman, 2 representing employees and 2 non-voting members

# Financial Agenda

November 17, 2020

3<sup>rd</sup> Quarter 2020 Revenues  
Investor Day

March 11, 2021

2020 Annual Results

20 May, 2021

1<sup>st</sup> Quarter 2021 Revenues

H1 2020 - HALF YEARLY RESULTS - 29.07.20

# About us

## EURAZEO CONTACTS

Investor relations

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## EURAZEO SHARES

■ ISIN code:	FR0000121121
■ Bloomberg/Reuters:	RF FP, Eura.pa
■ Share capital as of Dec 31, 2019:	78,645,486
■ Statutory threshold declarations	1%

### ■ Indices:

SBF120  
DJ EURO STOXX  
DJ STOXX EUROPE 600  
MSCI  
NEXT 150  
CAC MID&SMALL  
CAC FINANCIALS

## ANALYST COVERAGE

CM-CIC	Alexandre Gérard
Exane BNP Paribas	Mourad Lahmidi
Goldman Sachs	Matija Gergolet / David Peat
HSBC	Pierre Bosset
Jefferies	Matthew Hose
JP Morgan Cazenove	Christopher Brown
Kepler Cheuvreux	David Cerdan
Oddo	Geoffroy Michalet
Société Générale	Patrick Jousseume
Bank of America	Elizabeth Miliatis
Berenberg	Christoph Greulich



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