

# Annual results 2021

EURAZEO

# Agenda

1

## AN OUTSTANDING YEAR

Virginie Morgon - CEO

2

## RECORD RESULTS

Philippe Audouin - CFO

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## POSITIVE OUTLOOK

Virginie Morgon - CEO

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# AN OUTSTANDING YEAR



**Virginie MORGON**  
Chief Executive Officer

# DELIVERING RECORD RESULTS IN 2021 WHILE BUILDING FOR THE FUTURE

4

## STRATEGIC DEVELOPMENTS

DEVELOP OUR ASSET  
MANAGEMENT

CREATE VALUE

INTERNATIONALIZE  
AND DEVELOP EXPERTISE

HAVE A POSITIVE IMPACT

## ACHIEVEMENTS

>

Assets Under  
Management

€31bn  
+42%

Fundraising

€5.2bn  
+80%

>

NAV per Share

€117.8  
+40%<sup>1</sup>

Cash on Cash  
multiple on exits

2.4x

>

Transition infrastructure  
Kurma Partners (Biotech)

Expanding our **London**  
and **Singapore** offices

>

High-impact thematic funds launch  
**83% of art. 8 & 9 funds** (SFDR)

**SBTi**: net zero trajectory **approved**

# Development of our asset management activity

EURAZEO

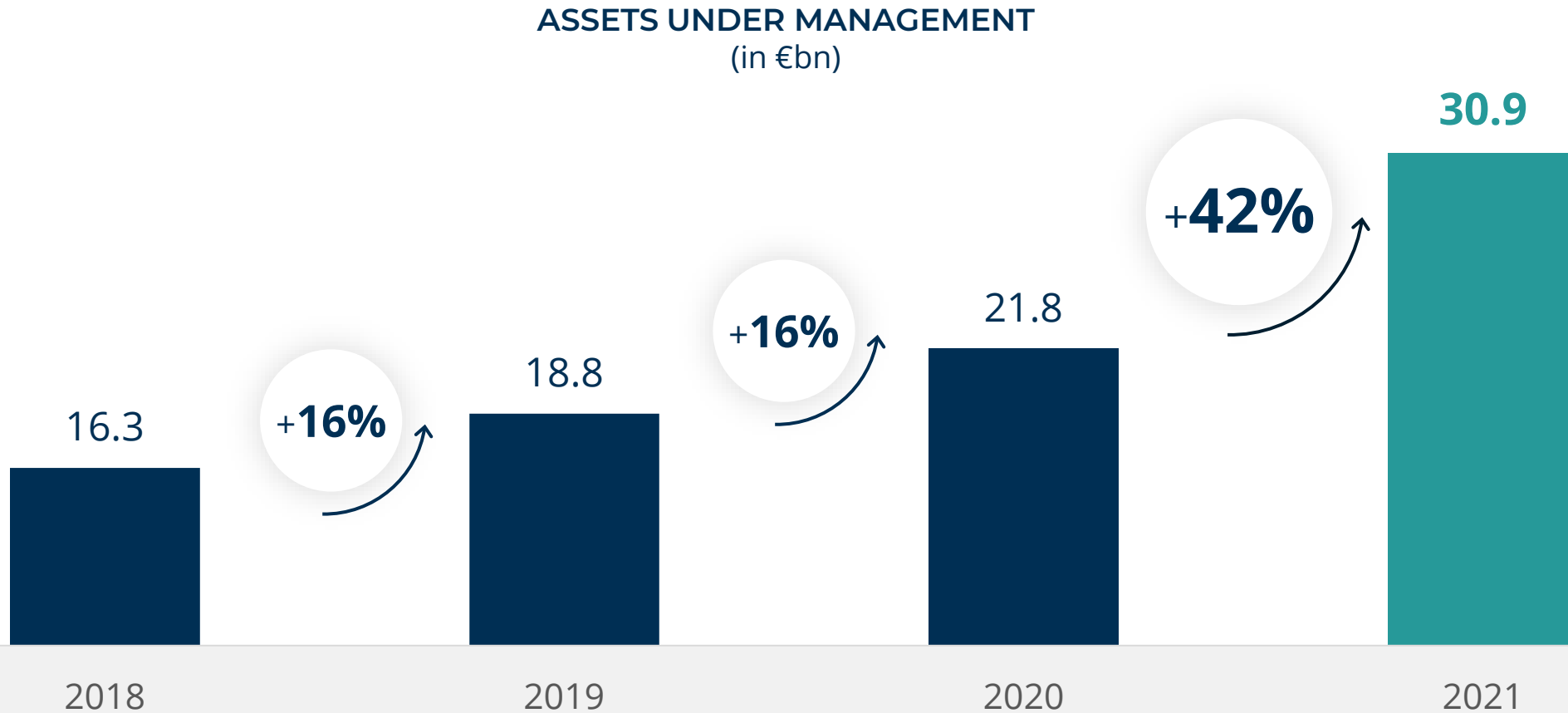


FULL YEAR 2021 RESULTS - 10.03.2022



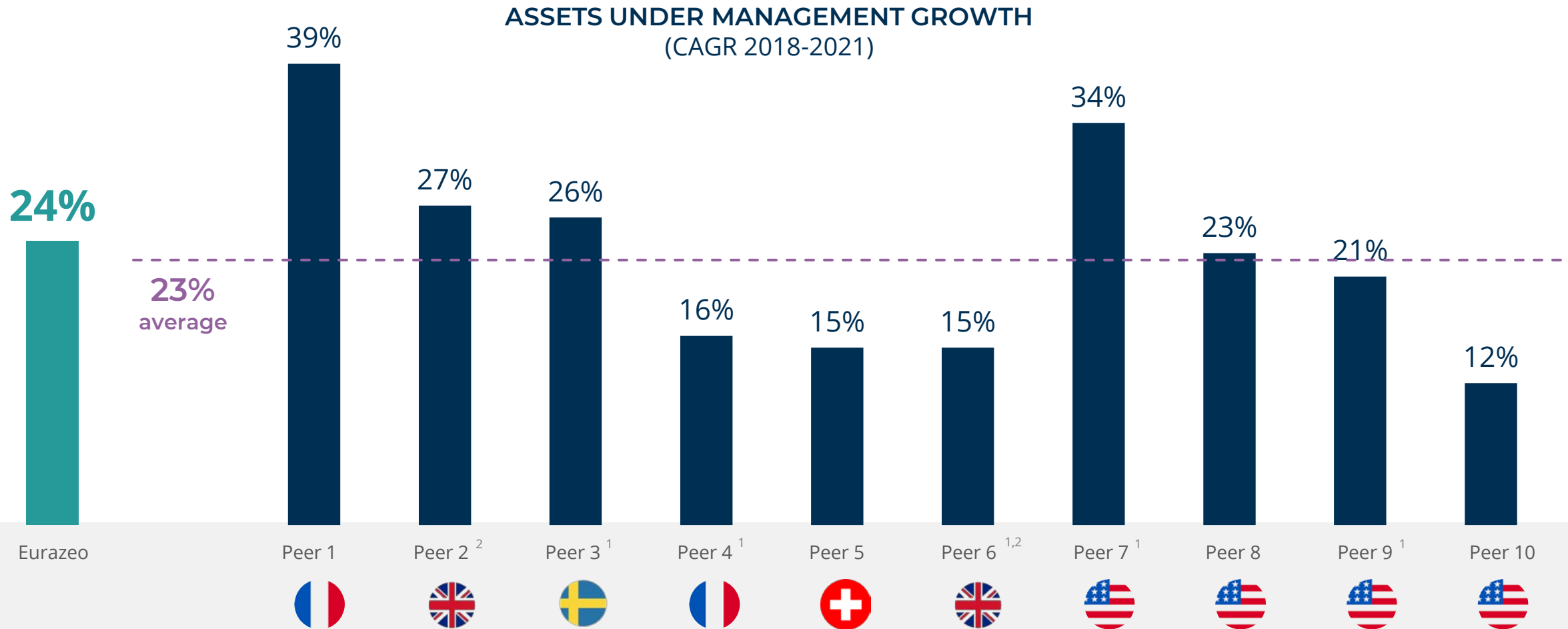
# FAST GROWING ASSETS UNDER MANAGEMENT

6



# ORGANIC AUM GROWTH POSITIONS US AS ONE OF THE MOST DYNAMIC PLAYER AMONG LISTED PEERS

7

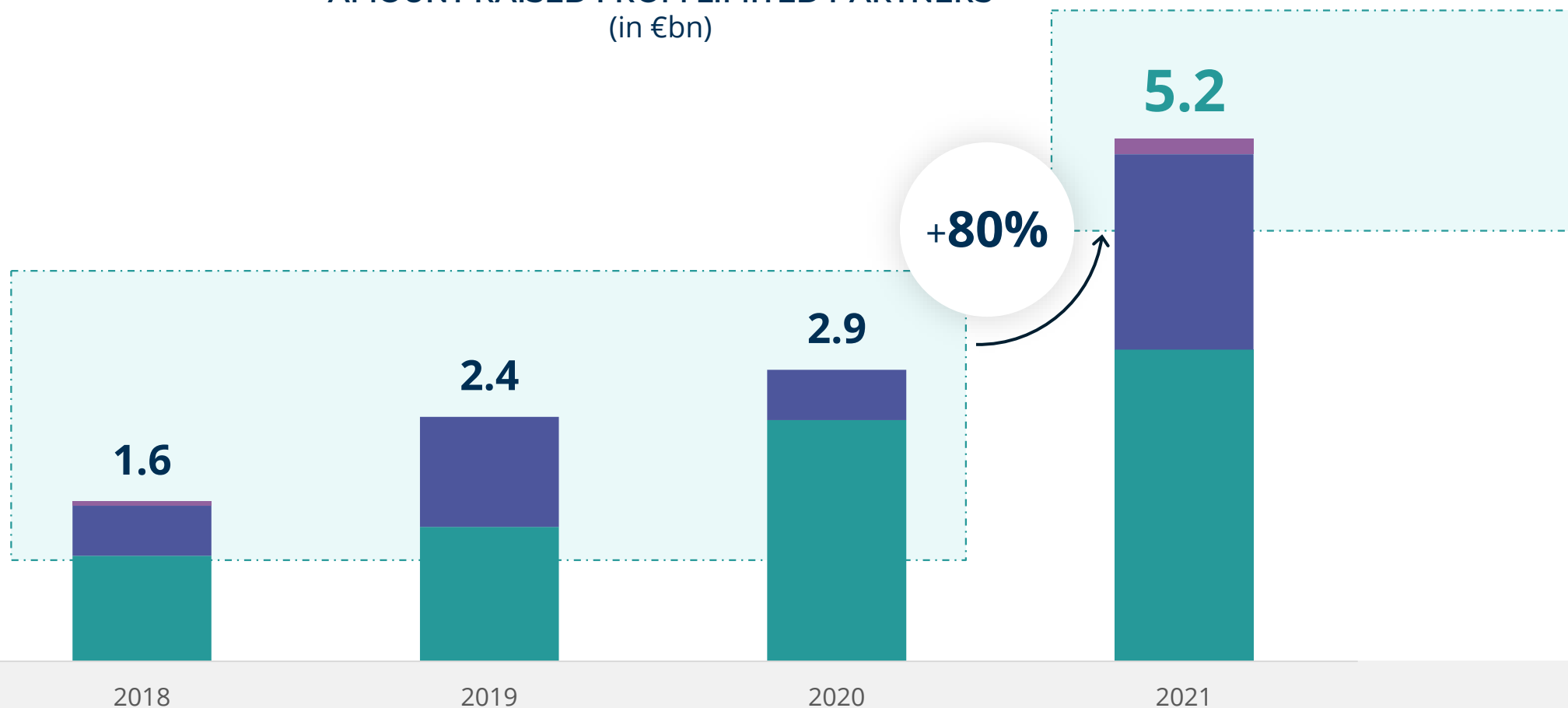


# STRONGER FUNDRAISING INFLOWS

## INCREASED COMMERCIAL STRENGTH AND ENRICHED PRODUCT LINES

8

AMOUNT RAISED FROM LIMITED PARTNERS  
(in €bn)

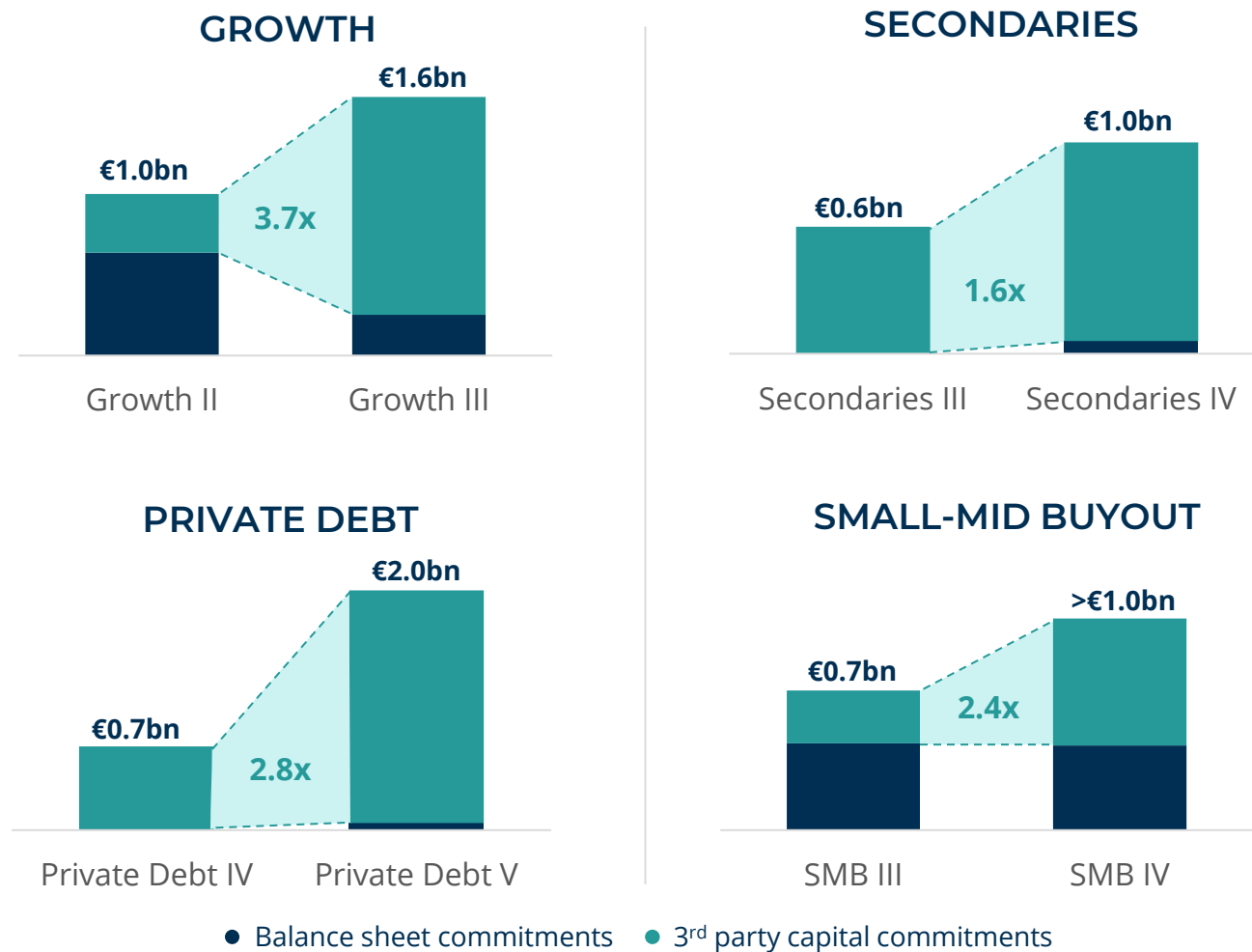


● Private Equity ● Private Debt ● Real Assets



# SCALING-UP OUR FUNDS

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## How do we scale-up?

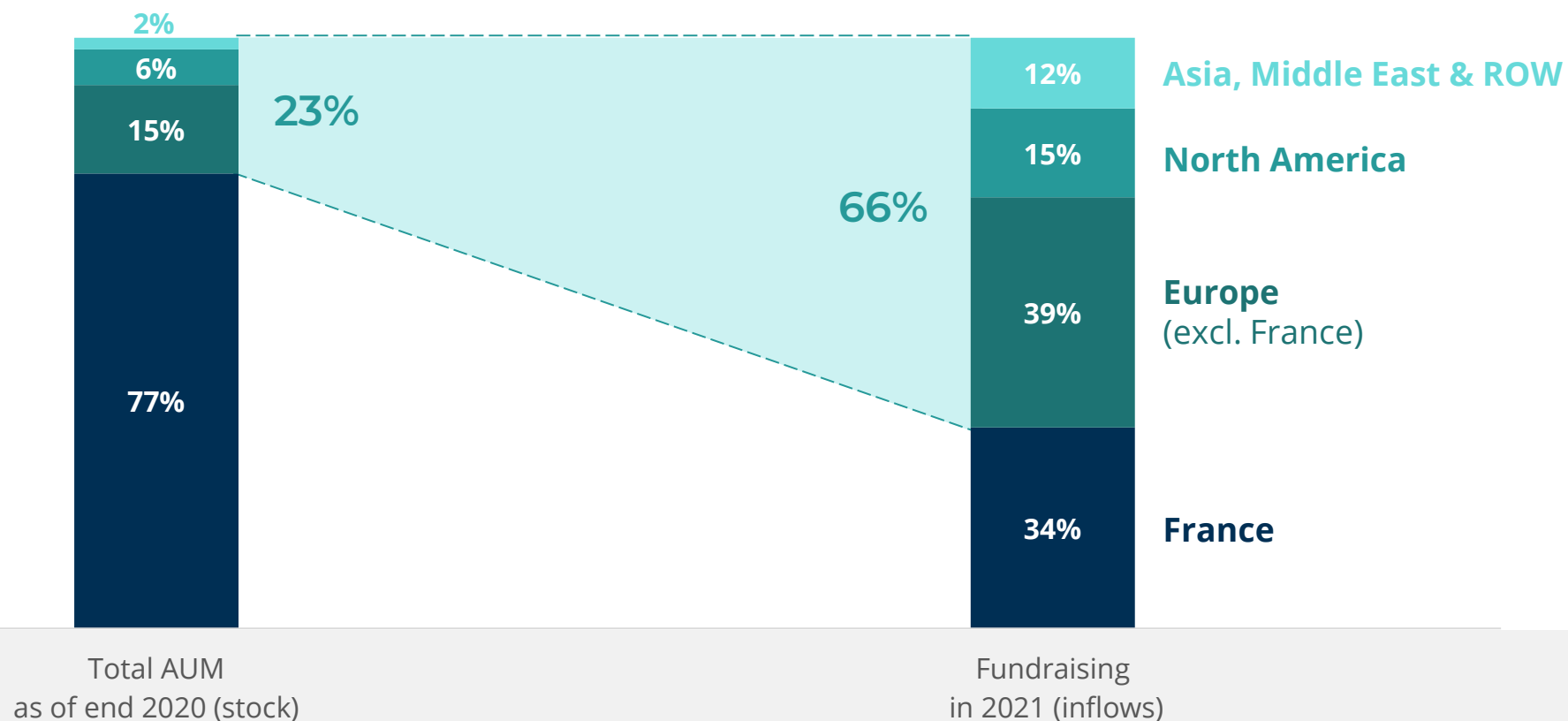
- Strong and consistent **investment performance** and **track-record**
- **Building on recognized expertise**
- **Internationalization of our teams** in Asia, Europe and the United States
- **Deal flow growth**

# AN INCREASINGLY INTERNATIONAL INVESTOR BASE

10

TOTAL AUM AS OF END 2020<sup>1</sup>  
(stock)

FUNDRAISING IN 2021<sup>1</sup>  
(inflows)

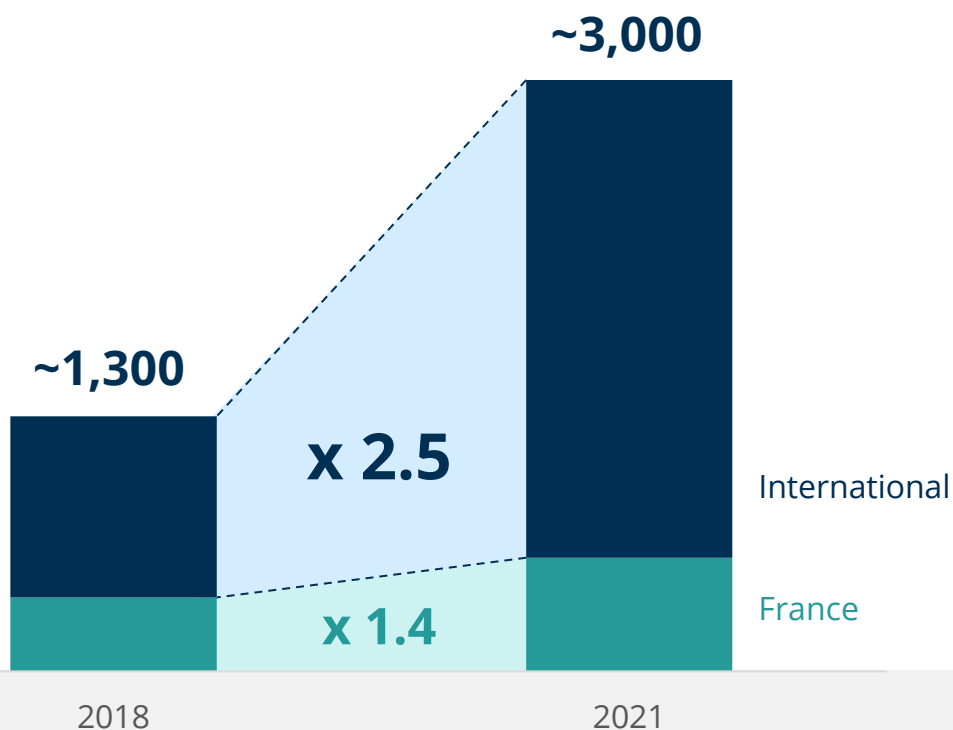


# Dynamic Asset Rotation



# OUR GLOBAL INVESTMENT PLATFORM IS KEY TO DETECT OPPORTUNITIES AND DEVELOP OUR COMPANIES 12

## INCREASE IN NUMBER OF INTERNATIONAL INVESTMENT OPPORTUNITIES



## INTERNATIONAL PORTFOLIO development

Establish  
strategic  
partnership



Cross  
border  
M&A

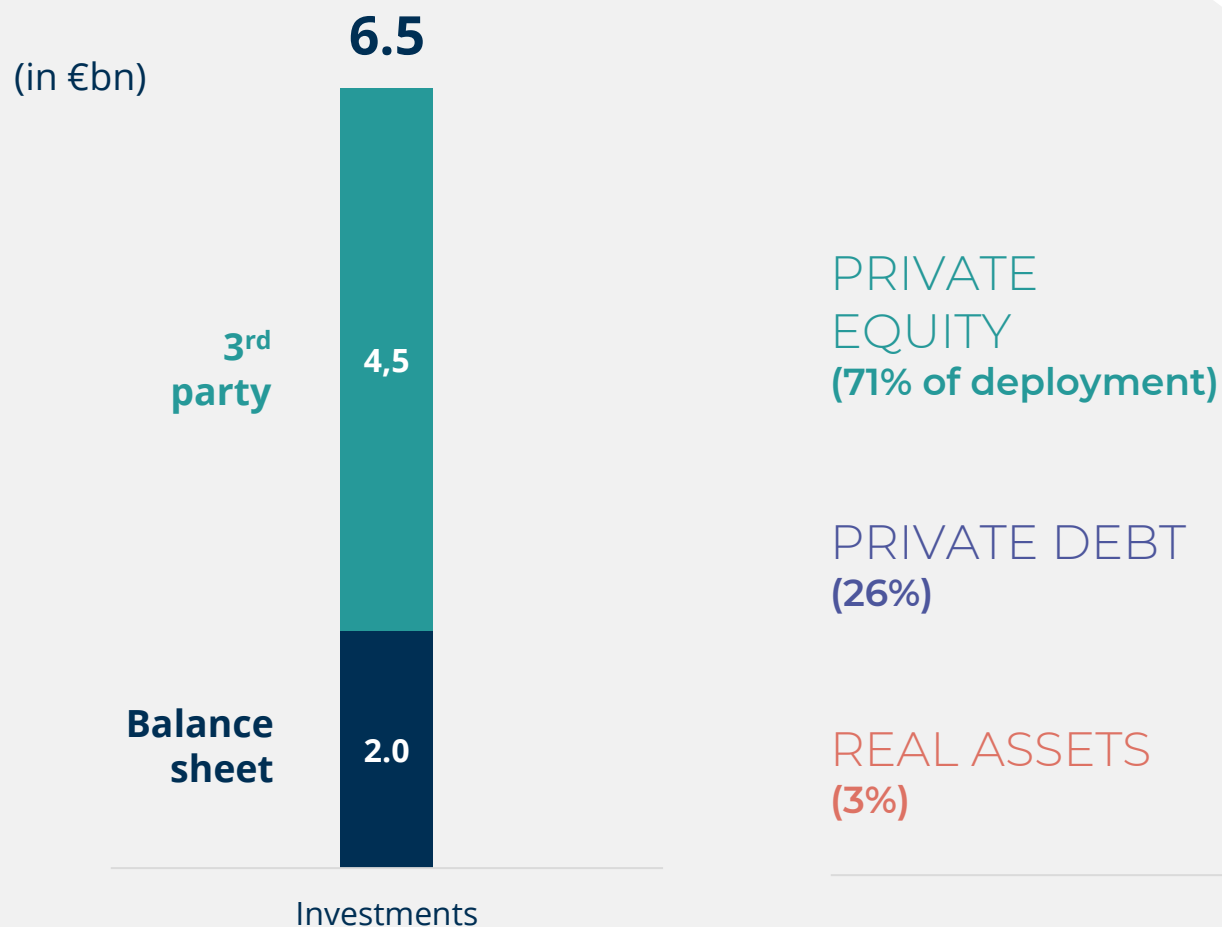


Developing in  
new  
geographies



# DEPLOYING CAPITAL IN SELECTED SECTORS

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## Core sectors

- Healthcare   
- Consumer    
- Financial Services & Fintech   
- Tech-enabled   
- Green Economy 

# CREATING SIGNIFICANT VALUE THROUGH EXITS

14

## GROSS CASH-ON-CASH MULTIPLE (CoC) upon announcement dates



» Benefiting from **favourable** market conditions

» Total exits amount to **€5.1bn** now €2.7bn on balance sheet

» **8€ / share** additional value crystallized in NAV



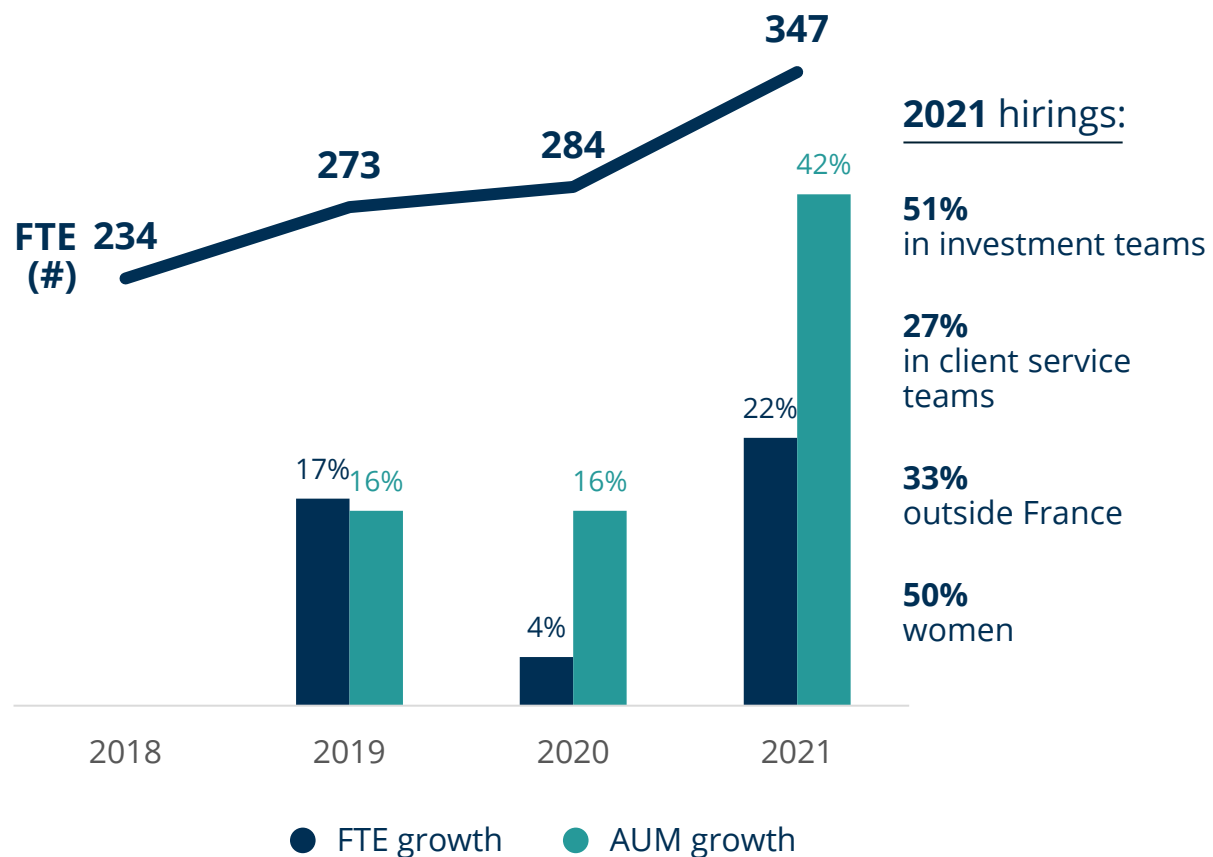
# People & Sustainability



# PEOPLE ARE OUR KEY ASSET

16

## BUILDING OUR TEAMS FOR SUSTAINED VALUE CREATION



### 2021 hirings:

51%  
in investment teams

27%  
in client service  
teams

33%  
outside France

50%  
women

## EXPANDING AND STRENGTHENING our international expertise in 2021

### United Kingdom

- Building multiple expertises (Buyout, Growth, Real Estate, Venture) and a fundraising team

### Continental Europe

- Expanding investment expertise in Europe: Buyout (Milan), Growth (Berlin)

### North America

- Reinforcing our fundraising team to address this very deep LP market
- Senior investment professional in Large Buyout

### Asia

- Accessing key limited partners in Asia through local offices
- Strengthening our Singapore and Seoul offices

# CONFIRMING OUR ESG LEADERSHIP IN 2021

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# RECORD RESULTS



**Philippe AUDOUIN**  
Chief Financial Officer

# EXCELLENT FY 2021 FINANCIALS

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## Thriving asset management development

Strong fundraising momentum

Strong AUM growth

Fast growing recurring revenue (27% management fees increase to €309m)



## Strong performance of our portfolio companies

Above pre-Covid 2019 level



## Record Net Asset Value

Solid value creation across all our strategies (leads to NAV €117.8/share)



## Historically high net income

€1,576 m

Shareholder  
VALUE  
CREATION



Dividend  
INCREASE



A decorative white line graphic consisting of a horizontal line on the left, a curved line arching upwards and to the right, and a short vertical line segment at the end.

Let's review  
our results in more detail

# RECORD HIGH NET RESULT (IFRS STANDARD)

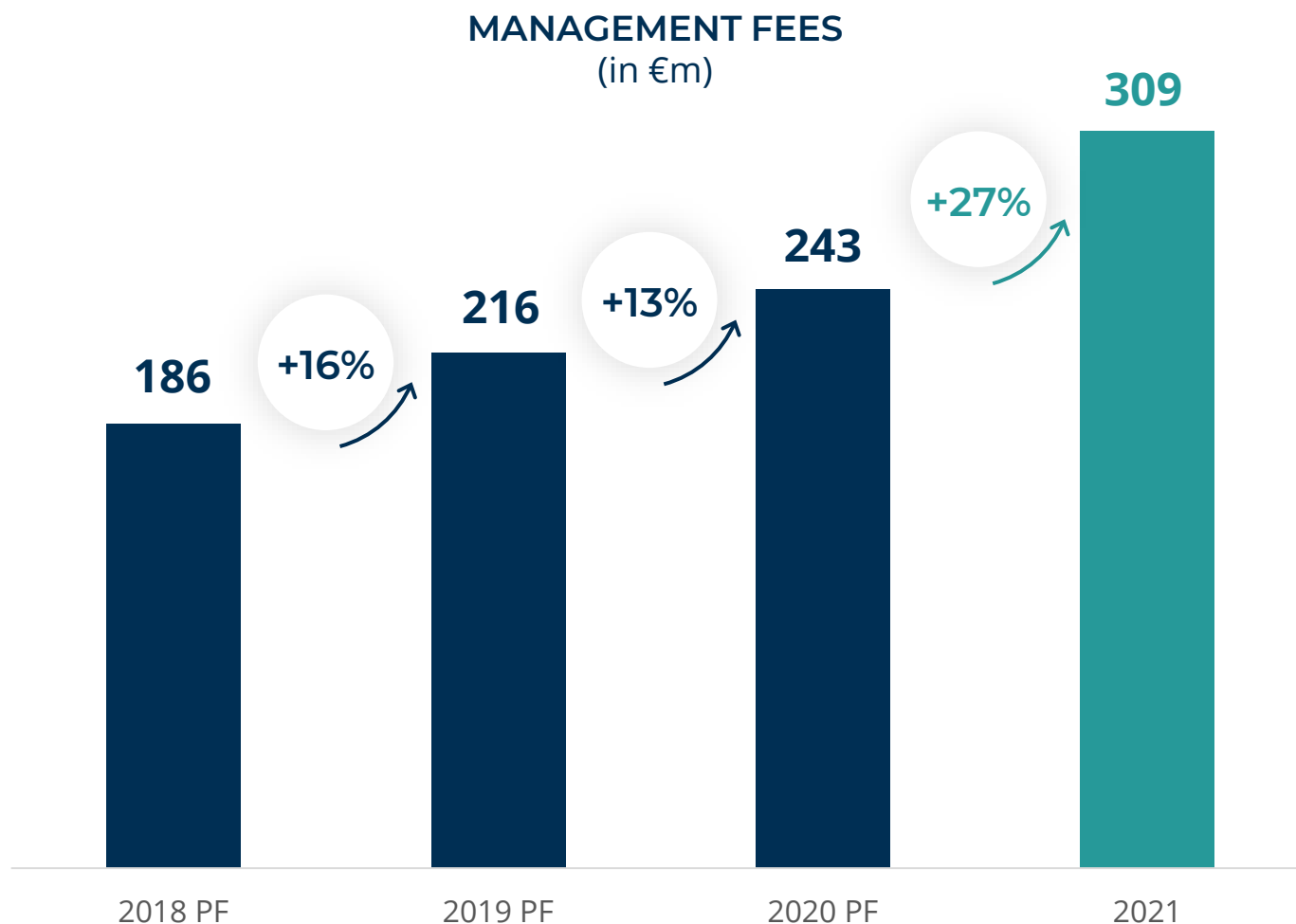
21

In €m

	FY 2019 PF	FY 2020 PF	FY 2021
<b>A. Contribution of the Asset Management Activity</b>	<b>124.5</b>	<b>121.5</b>	<b>250.2</b>
<b>B. Contribution of the Investment Activity</b>	<b>100.7</b>	<b>196.7</b>	<b>1,858.4</b>
<b>C. Contribution of portfolio companies net of finance costs</b>	<b>172.0</b>	<b>-42.3</b>	<b>185,8</b>
<i>excluding Travel &amp; Leisure</i>	<i>137.0</i>	<i>58.6</i>	<i>273,4</i>
Amortization of contracts and other assets relating to goodwill allocation	-183.1	-173.0	-174.7
Income tax expense	-5.5	-11.9	-106.7
Non-recurring items	-89.4	-170,4	-121.8
<b>Consolidated net income/(loss)</b>	<b>119.2</b>	<b>-79.4</b>	<b>1,891.2</b>
<b>Attributable to owners of the Company</b>	<b>102.9</b>	<b>35.8</b>	<b>1,576.4</b>
<b>Attributable to non-controlling interests</b>	<b>16.3</b>	<b>-115.2</b>	<b>314.8</b>

# ASSET MANAGEMENT: FAST REVENUE EXPANSION

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## GROWTH in 3<sup>rd</sup> party fees (+38%)

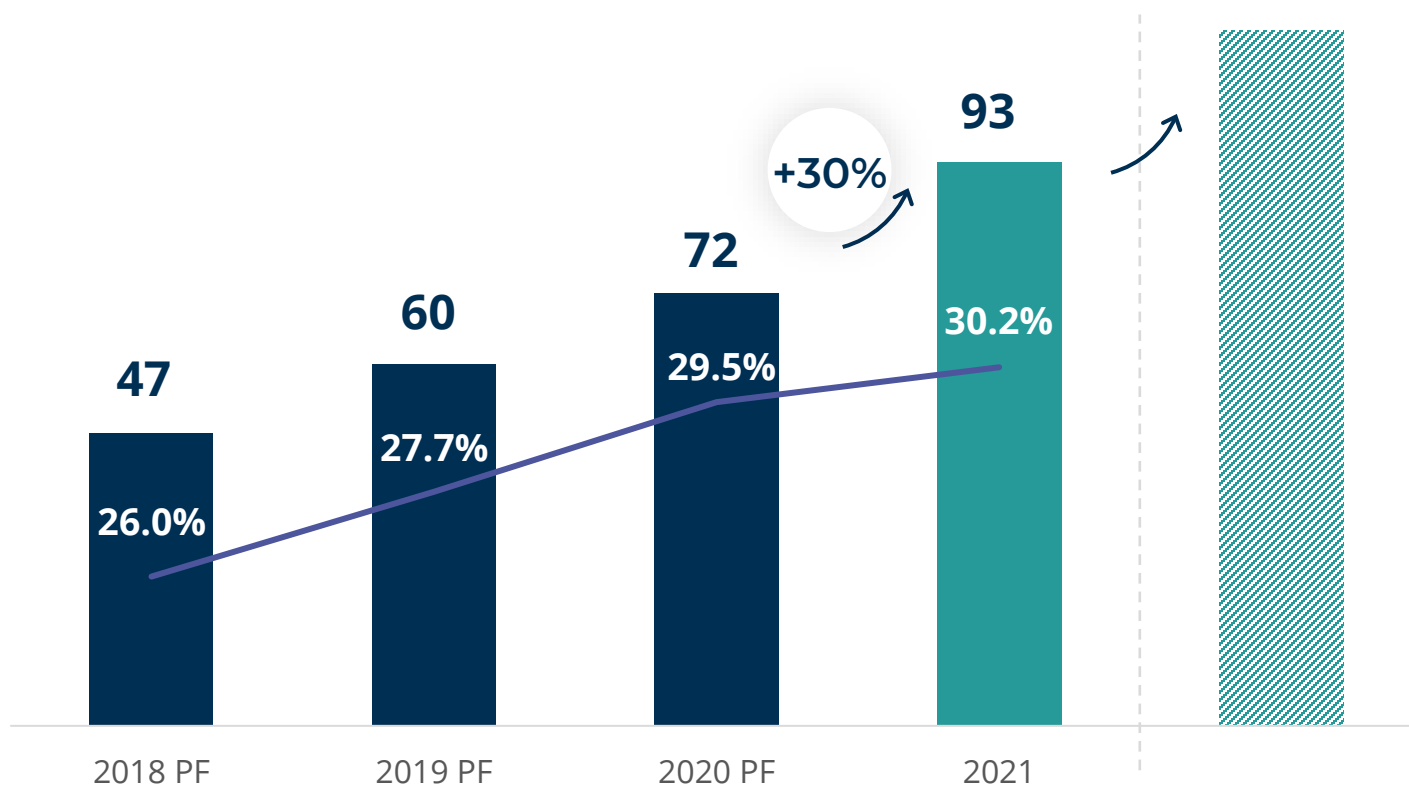
- » Fundraising inflows in 2020 and 2021: **€5.2bn** raised in 2021
- » AUM growth: **+42% at €31bn**
- » **Stable** blended fee rate



# ASSET MANAGEMENT: STRONG FRE GROWTH

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**FEE RELATED EARNINGS**  
(FRE, before finance costs & others, €m)



## FY 2021 development

- » **Margin expansion** despite significant investment for development
- » **Medium-term uplift** in FRE margin confirmed (35-40%)
- » Potentially temporarily impacted by exceptional development costs

# CONTRIBUTION OF THE ASSET MANAGEMENT ACTIVITY

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In €m	FY 2020 PF	FY 2021	%
<b>Management fees</b>	<b>242.5</b>	<b>308.6</b>	<b>+27%</b>
_ From 3 <sup>rd</sup> party limited partners	162.6	223.8	+38%
_ From calculated Eurazeo Investment Activity	80.0	84.7	+6%
<b>Operating expenses<sup>1</sup></b>	<b>171.0</b>	<b>215.4</b>	<b>+26%</b>
<b>Fee Related Earnings (FRE), before finance costs &amp; others</b>	<b>71.5</b>	<b>93.2</b>	<b>+30%</b>
<b>Performance fees, realized (PRE)</b>	<b>50.3</b>	<b>161.9</b>	<b>+222%</b>
_ From investment partners	2.5	29.6	x 12
_ From calculated Eurazeo Investment Activity	47.8	132.2	x 2.8
<b>Finance costs and other income</b>	<b>-0.4</b>	<b>-4.8</b>	
<b>Contribution of the Asset Management Activity</b>	<b>121.5</b>	<b>250.2</b>	<b>+106%</b>
<b>ow minority share (mainly iM Global Partner)</b>	<b>3.3</b>	<b>8.7</b>	

# INVESTMENT ACTIVITY: RECORD HIGH LEVEL OF CAPITAL GAINS AS A RESULT OF EXITS

25

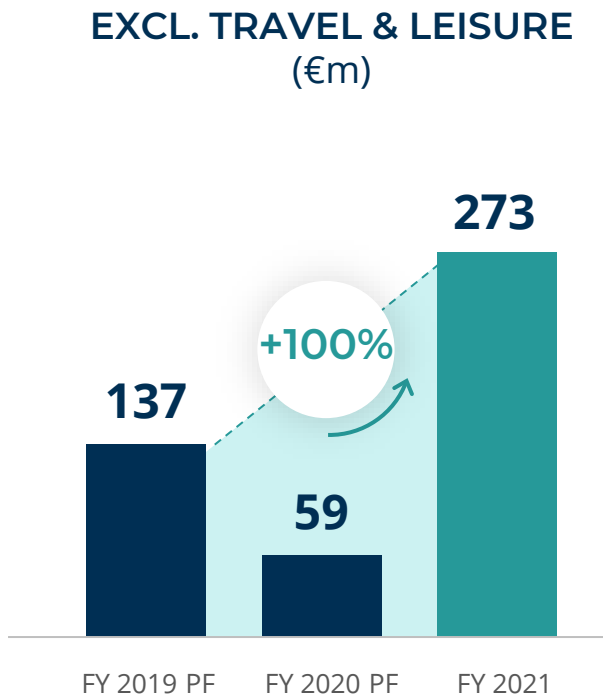
In €m	<u>FY 2019 PF</u>	<u>FY 2020 PF</u>	<u>FY 2021</u>	
Net capital gains or loss & other revenue <sup>1</sup>	411	586	2,024	» – Net of capital gains from exits – Change in fair value of Growth companies
Impairments	-195	-256	-18	
Others <sup>2</sup>	-115	-133	-148	» Incl. cost of managing the balance sheet (calculated management)
<b>Contribution of the Investment Activity</b>	<b>101</b>	<b>197</b>	<b>1,858</b>	

# STRONG GROWTH OF PORTFOLIO COMPANIES

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## Contribution of consolidated portfolio companies

(Growth companies not included)



## Growth companies

(not consolidated)

AVERAGE  
REVENUE  
GROWTH  
**+52%**  
for FY 21



Let's move on to  
the net asset value

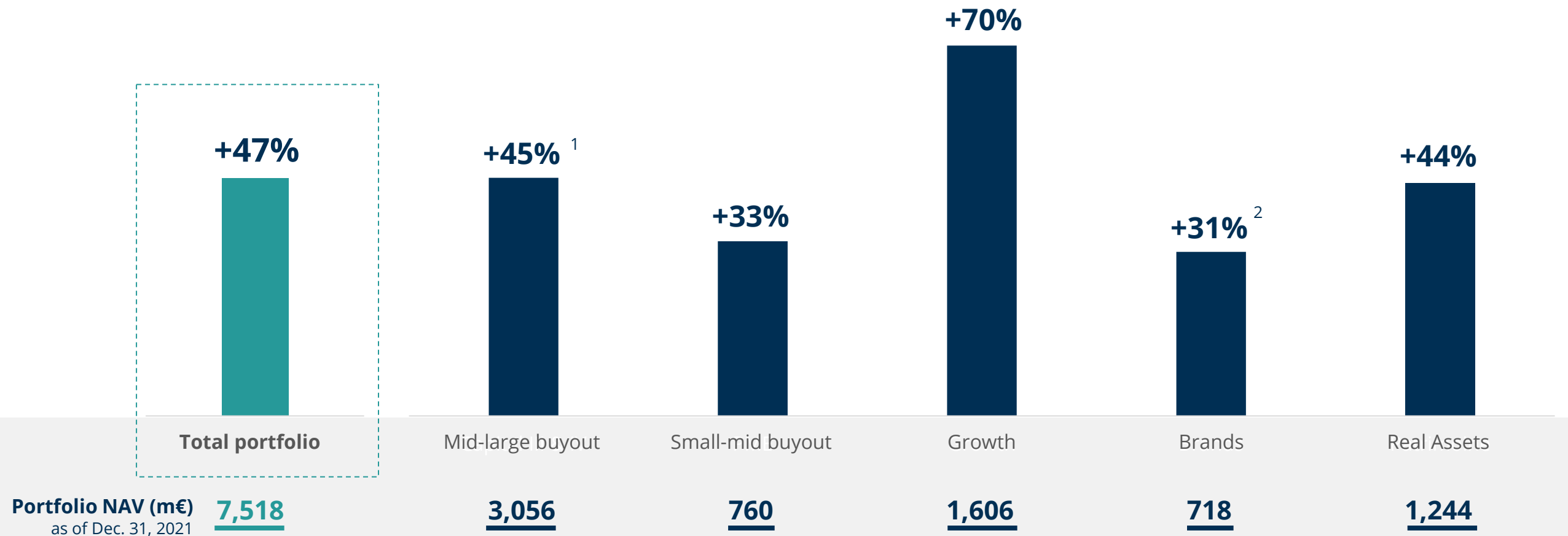
# NET ASSET VALUE PER SHARE = €117.8

28



# CONSISTENT VALUE CREATION ACROSS OUR PORTFOLIO 29

## GROSS VALUE CREATION IN FY 2021 (%)



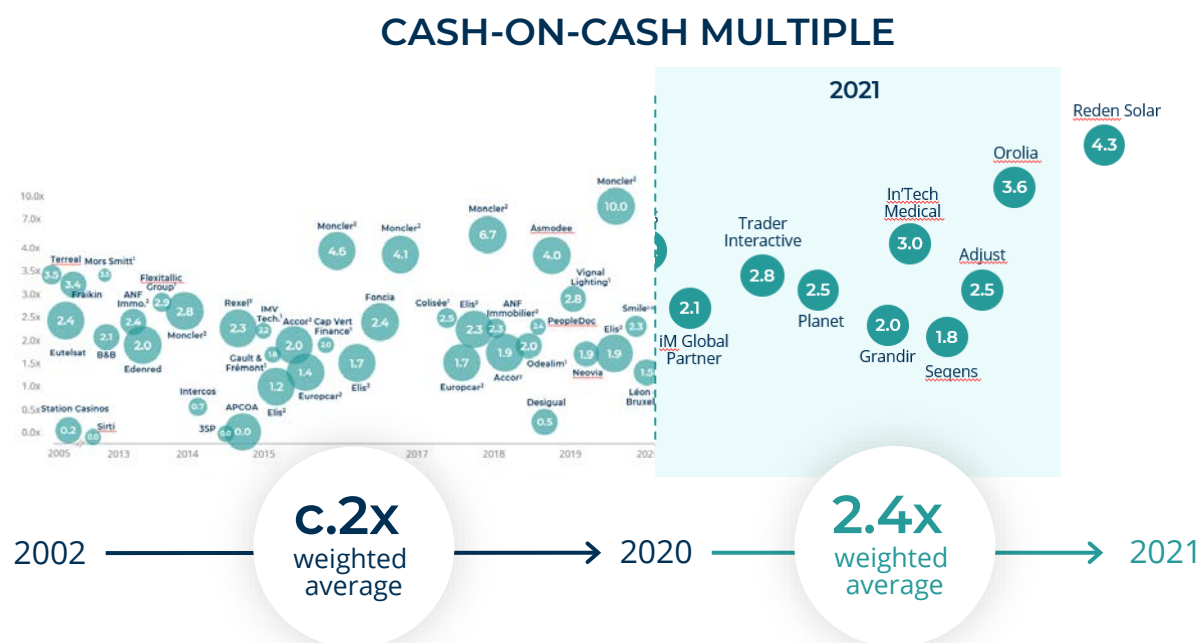


# PRUDENT PORTFOLIO VALUATION

30

TRACK-RECORD of value creation

EFFECTIVE value upside at exit



- » A cautious valuation of the more volatile assets
- » Diversified high-quality portfolio across attractive sectors
- » Very limited exposure to Russia and Ukraine
- » Several exits already signed

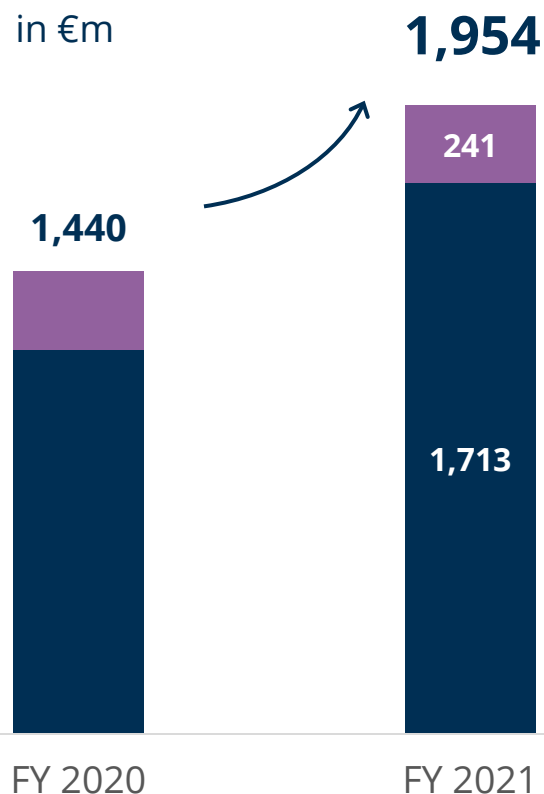
# ASSET MANAGEMENT VALUATION

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RECURRING &  
PREDICTABLE  
management fees

STRONG GROWTH,  
among best-in-class

INCREASING  
diversification



iM Global Partner

Based on January 2021 transaction

Consolidated  
GP

Eurazeo **GP valuation** =  
20x FRE of 2021 (LTM)  
+ 6x PRE of 2021 (LTM)

Current average **peers valuation**<sup>1</sup> (as of 4 March 2022) =  
19x FRE expected in 2023  
+ 11x PRE expected in 2023

+ 2 years  
compounded growth

Peers reverse SOTP on 2023e figures<sup>2</sup>

											avg.
FRE	15x	15x	19x	17x	22x	14x	30x	13x	23x	15x	19x
PRE	11x	9x	12x	10x	15x	8x	18x	9x	14x	9x	11x

# A ROBUST FINANCIAL STRUCTURE AT OUR CORE

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EURAZEO

NET CASH  
position<sup>1</sup>

€550m

REVOLVING  
credit facility (undrawn)

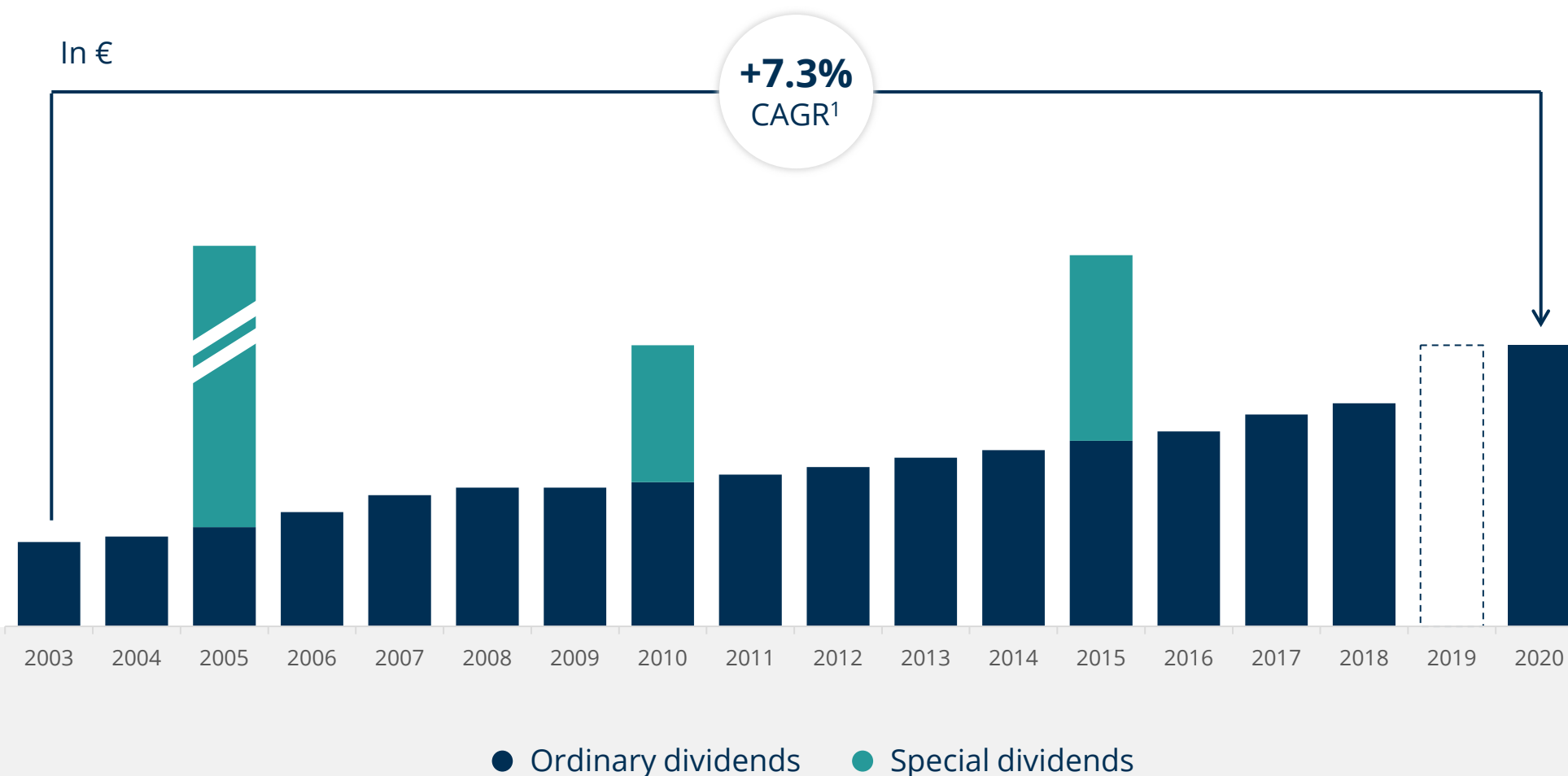
€1.5bn

DRY  
powder

€4.7bn

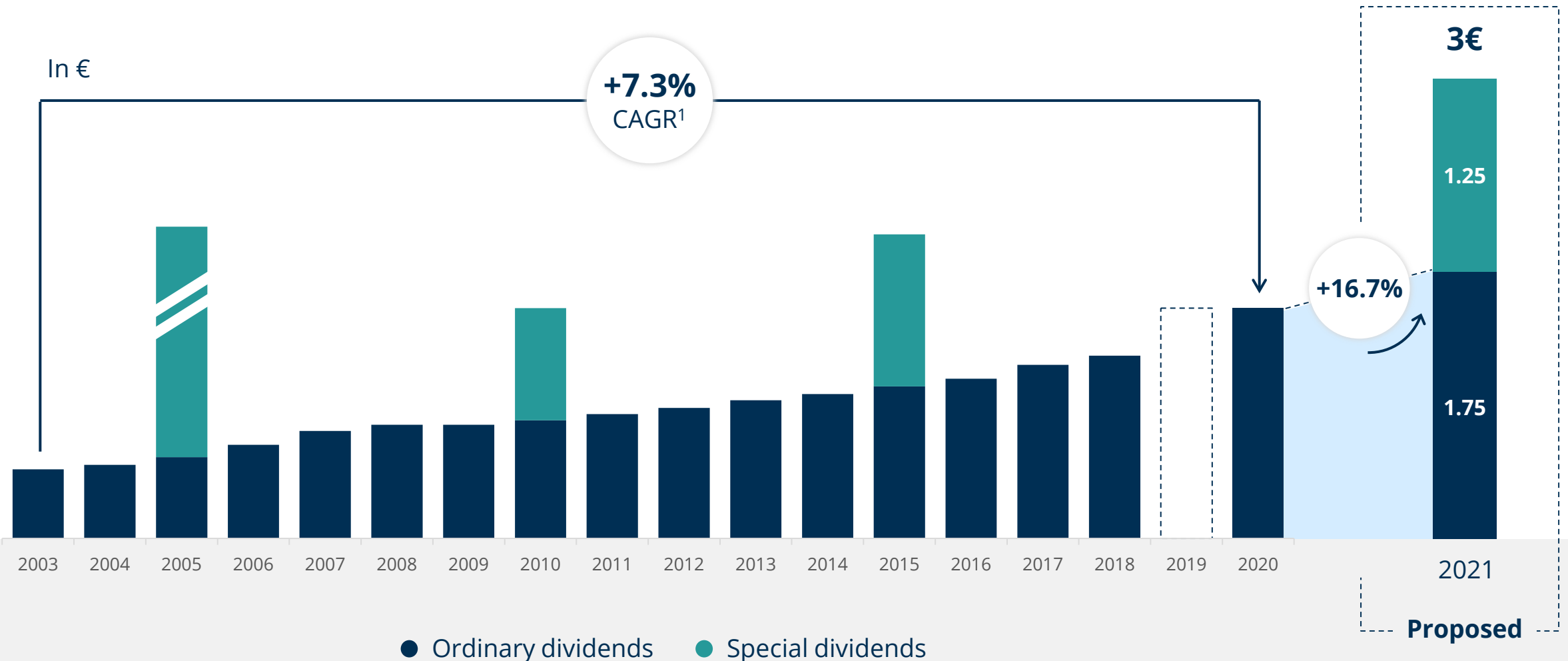
1. Net cash position proforma as of December 31, 2021

# INCREASED DIVIDEND SUPPORTED BY RECORD RESULTS AND GROWTH IN RECURRING REVENUES



# INCREASED DIVIDEND SUPPORTED BY RECORD RESULTS AND GROWTH IN RECURRING REVENUES

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# POSITIVE OUTLOOK



**Virginie MORGON**  
Chief Executive Officer

# STRONG FUNDRAISING PIPELINE IN 2022

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Institutional **Limited partners**

PRIVATE  
**Equity**

Digital  
IV

Smart  
City II

Capital  
V

Growth  
IV

PRIVATE  
**Debt**

Private  
Debt VI

ESIA  
II

ESMI

REAL  
**Assets**

Transition  
Infrastructure

Real  
Estate

W  
E  
A  
L  
T  
H  
  
M  
G  
M  
T



# STRENGTHENING OUR ESG FUNDS

37

€4bn

invested in **the transition to a more inclusive, low-carbon economy**  
(as of 31 December 2021)

## Launching high-impact funds

Article 9 **Eurazeo Sustainable Maritime Infrastructure**



Article 9 **NovSanté**



Article 9 **Eurazeo Transition Infrastructure**  
(on-going)



Article 8 **Smart City II**  
(on-going)



Article 8 **Kurma Growth Opportunities**  
(on-going)



# NEW TRAJECTORY TO DOUBLE AUM WITHIN 5-7 YEARS

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## Positive

Market outlook  
for private capital



## Accelerating

Fundraising



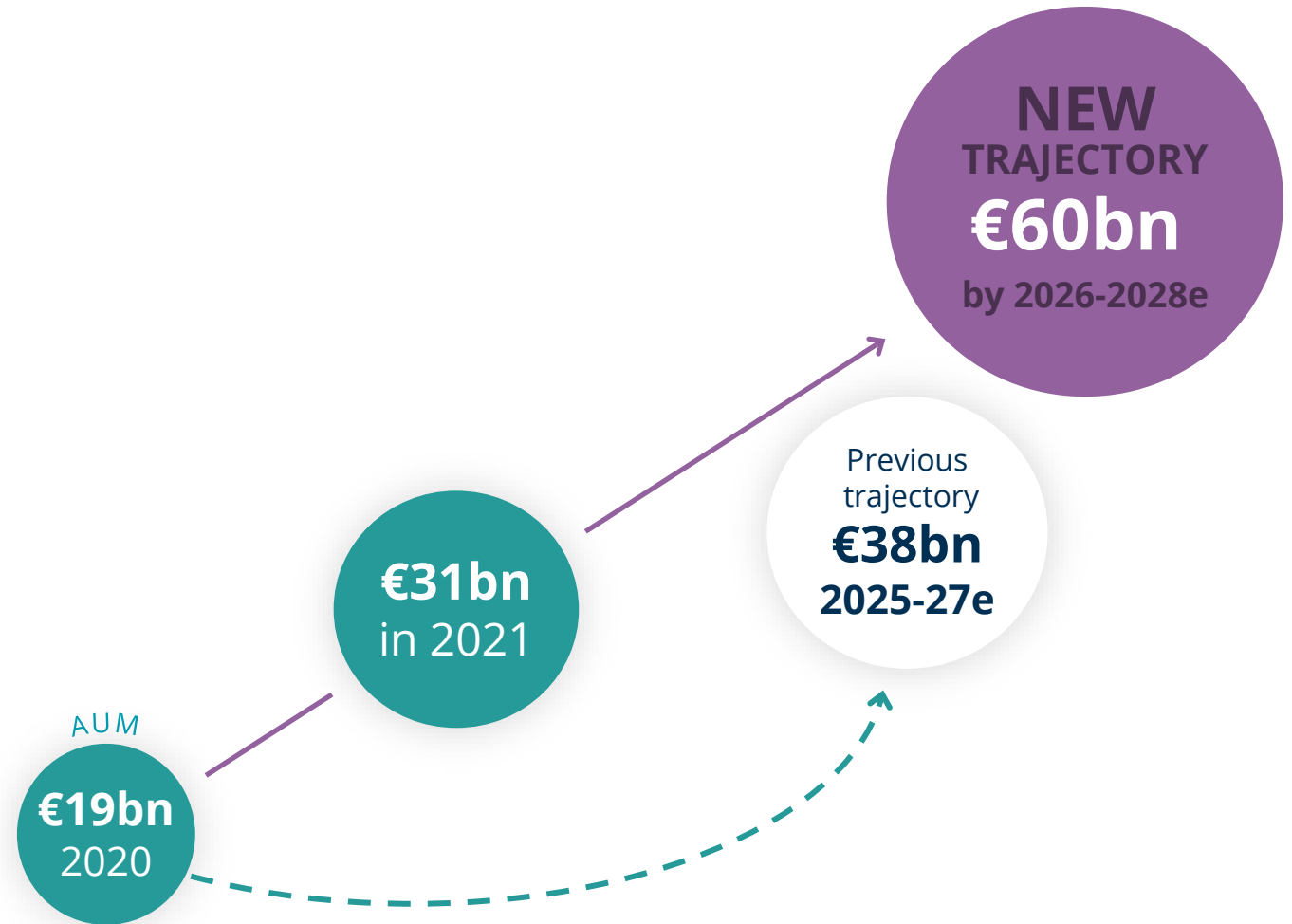
## Scaling up

Investment divisions



## Value creation

In our investments





## **Very solid foundations**

ESG, diversification, key sectors, internationalization, balance sheet

## **Strong AUM growth trajectory**

and medium-term upside on FRE margin

## **Conservative NAV on portfolio and Asset Management**

## **Monitoring closely impact of international situation on portfolio and fundraising**



# Q&A



# APPENDICES

# ASSETS UNDER MANAGEMENT

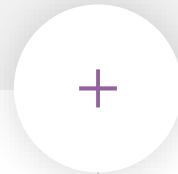
42

In €m	31/12/2020			31/12/2021			Change (%)
	NAV	3 <sup>rd</sup> party AUM	Total AUM	NAV	3 <sup>rd</sup> party AUM	Total AUM	vs. 31/12/2020
Private Equity, Eurazeo	4,536	8,465	<b>13,001</b>	6,192	12,677	<b>18,869</b>	45%
<i>Mid-large buyout</i>	2,523	1,226	3,749	3,056	1,818	4,874	30%
<i>Small-mid buyout</i>	570	470	1,040	760	1,110	1,870	80%
<i>Growth</i>	1,000	845	1,845	1,606	2,596	4,203	126%
<i>Brands</i>	425	-	425	718	-	718	69%
<i>Healthcare</i>	-	415	415	-	413	413	n.s.
<i>Venture</i>	18	2,472	2,490	47	3,086	3,133	26%
<i>Private Funds</i>	-	3,038	3,038	5	3,654	3,659	20%
Private Debt	21	4,308	<b>4,329</b>	83	5,886	<b>5,968</b>	38%
Real Assets, Eurazeo	1,020	51	<b>1,071</b>	1,244	221	<b>1,464</b>	37%
Rhône (30%)	-	1,839	<b>1,839</b>	-	2,097	<b>2,097</b>	14%
MCH Private Equity (25%)	-	220	<b>220</b>	-	280	<b>280</b>	27%
Kurma (100%)	-	132	<b>132</b>	-	383	<b>383</b>	190%
<b>Total Portfolio</b>	<b>5,577</b>	<b>15,015</b>	<b>20,592</b>	<b>7,518</b>	<b>21,543</b>	<b>29,061</b>	<b>41%</b>
<b>Asset Management<sup>1</sup></b>	<b>1,440</b>	-	<b>1,440</b>	<b>1,954</b>	-	<b>1,954</b>	<b>36%</b>
<b>Net cash and other items<sup>2</sup></b>	<b>-271</b>	-	<b>-271</b>	<b>-143</b>	-	<b>-143</b>	n.s.
<b>Total</b>	<b>6,746</b>	<b>15,015</b>	<b>21,760</b>	<b>9,329</b>	<b>21,543</b>	<b>30,872</b>	<b>42%</b>

May 19, 2022

July 27, 2022

November 08, 2022



1<sup>ST</sup> QUARTER 2022

**REVENUES**

HALF YEAR 2022

**RESULTS**

3<sup>rd</sup> QUARTER 2022

**REVENUES**

# 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 December 31, 2021:** 79,224,529

**Statutory threshold  
declarations** 1%

#### Indices:

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

**EURAZEO**

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## ANALYST COVERAGE

<b>Bank of America</b>	Philip Middleton
<b>Berenberg</b>	Christoph Greulich
<b>CM-CIC</b>	Alexandre Gérard
<b>Degroof Petercam</b>	Joren Van Aken
<b>Exane BNP Paribas</b>	Mourad Lahmidi
<b>Jefferies</b>	Matthew Hose
<b>JP Morgan Cazenove</b>	Christopher Brown
<b>Kepler Cheuvreux</b>	David Cerdan
<b>ODDO BHF</b>	Geoffroy Michalet
<b>Société Générale</b>	Patrick Jousseume



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