Altamir
INVEST VIA APAX PARTNERS

2018

REGISTRATION DOCUMENT

INCLUDING THE ANNUAL FINANCIAL REPORT

CONTENTS

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

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Altamir
INVEST VIA APAX PARTNERS

2018
REGISTRATION DOCUMENT

including the annual financial report

About Altamir

ACCESSING APAX PARTNERS INVESTMENTS THROUGH THE STOCK MARKET

- **Altamir** is a listed private equity company(1) (Euronext Paris-B, ticker: LTA)
- **Founded in 1995** to give all investors access via the stock market to private equity, one of the best-performing asset classes over the long term
- **Investing** via and with the funds managed by Apax Partners SAS (France) and Apax Partners LLP (London), two leading private equity firms in their respective markets
- **An investment strategy** based on financing growth and sector specialisation
- **Four sectors of specialisation:** TMT, Consumer, Healthcare, Services
- **A portfolio of growth companies,** diversified by sector, size (SMEs and large companies) and geography (Europe, North America, emerging markets)
- **Active, experienced CEO:** one of private equity's pioneers and Altamir's largest shareholder, with 65% of the share capital
- **Ambitious growth objectives:** for NAV per share and assets under management (nearly €800m as of end-2018)
- **Regular dividends:** 3% of NAV
- **Advantageous tax treatment** for long-term investors: "SCR" status (société de capital risque, or private equity company)

(1) Which invests in unlisted assets.

Conversation with Maurice Tchenio

Chairman and CEO of the Management Company

2018 WAS A VERY ACTIVE YEAR. WE SET AN ALL-TIME RECORD FOR INVESTMENTS OF €154M AND DIVESTMENTS TOTALLED €156M, OUR THIRD-HIGHEST AMOUNT EVER. THE AVERAGE EBITDA GROWTH OF OUR PORTFOLIO REACHED 25%, OF WHICH 15% WAS ORGANIC. NAV GROWTH WAS 3.8%, WHICH IS A GOOD RESULT GIVEN THAT WE DIVESTED UNDERPERFORMING ASSETS. THE STRATEGIC MOVE ANNOUNCED DURING THE TENDER OFFER MADE BY AMBOISE ON ALTAMIR HAS STARTED TO TAKE SHAPE WITH THE INVESTMENTS IN 2 FUNDS HAVING AN EXPOSURE TO FAST GROWING MARKETS: APAX LLP'S DIGITAL FUND, DEDICATED TO TECHNOLOGY COMPANIES, AND APAX DEVELOPMENT, WHICH TARGETS FRANCE'S SMALL-CAPS.

"2018 was a very active year"

48
growth companies, which are leaders in their sector

25%
weighted EBITDA growth on a residual cost basis, of which 15% organic

What were the key events for the investment portfolio over 2018?

2018 was a very active year. We set an all-time record for investments of €154m, including eight new investments, for a total of €133m. It was also a significant year in terms of divestments, with a total of €156m, our third-highest amount ever. Together, that meant we turned over almost 20% of our portfolio. Importantly, we divested mostly our least-performing assets, which should be reflected in future performance.

The third key element was the 25% average EBITDA growth of our portfolio, of which 15% was organic and 10% due to build-up deals. That performance includes, for the first time, the entire measurable portfolio and not only the 20 largest companies, which differentiates us from many of our peers, who may arrive at similar growth but typically measure only their largest assets.

The NAV growth figure of 3.8% is higher than last year, but still at the lower end of recent years.

Value creation totalled €69.5m in 2018, which translated into 7.8% gross portfolio return, from which 4% was deducted for costs to arrive at 3.8%. This includes €75.5m of unrealized gains, a small positive exchange rate impact and a €13.8m loss on the sale of the company Nowo Oni. The remaining divestitures had a net effect very close to zero, with gains balancing out losses, which was a good result given that we divested underperforming assets.

Looking at unrealized gains, we posted a strong performance, notably from INSEEC U. and Melita, while two companies, Altran and THOM Europe, contributed €53m of negative value due to a decrease in valuation multiples. That was disappointing, but we remain convinced that both investments will deliver over the longer term, and we have already seen Altran rebound strongly from its year-end valuation dip.

Such fluctuations are a natural part of private equity investment and the reason that we take the long-term view in assessing our performance. NAV growth was 2.6% in 2017 and 3.8% in 2018, but it was 19.1% and 19.2% in the prior two years. Over five and ten years we have returned respectively 11.1% and 10.4% NAV growth.

" We invested in 8 new companies, for a total amount of €133m. "

$195.5bn

invested on the European Private Equity market in 2018*

The private equity market continues to go from strength to strength. What impact is that having on Altamir and the wider market?

It is hugely pleasing to see the private equity market continue to perform so strongly across all key criteria: funds raised, amount invested and amount divested. It is attracting ever more capital, fuelled by growing acceptance that it is the best-performing asset class over the longer-term – a view we have long championed. The challenge is increasingly to put those funds to work profitably. That has been made still harder because the sector is concentrating, with the bulk of funds being taken in by the largest and most sophisticated players.

The consequence of these factors is a very competitive environment that has translated into record entry multiples. The investment thesis can no longer assume an improvement in multiples at exit, which means you need a very sound investment case. It is more important than ever to have expertise and experience in both asset selection and transformation plan execution. You need to think not just about cost cutting; operational excellence is now about top line revenue growth and expand margins, notably through improved pricing. To execute you need the right management and IT platforms, multiple successful build-ups and internationalisation that provides synergies; you also need to take advantage of the current flexibility offered by the financial markets and, above all, you need to drive digitalisation.

"The private equity market continues to perform strongly and has become very competitive. This has translated into record entry multiples and it is more important than ever to have expertise and experience in both asset selection and transformation plan execution."

Altamir has always taken advantage of new opportunities, but there was a step-change in 2018 when Amboise increased its equity stake to 65%.

It is true that Altamir has evolved and will continue to do so. At the end of 2018, 46% of our portfolio was in TMT or broadly in digital investments. This is up from 28% seven years ago, and digital will continue to grow its share because that is where the future lies. We have also shifted decisively to an international focus. In 2011, only 18% of our portfolio was outside of France, today 57% is, and even within the 43% allocated to France-based companies, most are international in scope.

My determination to continue to make changes and my belief in the direction we have chosen underpinned the decision to make the tender offer that gave Amboise 65% of Altamir.

This majority gives us the ability to drive further development. We will seize new opportunities in dynamic markets and began to do so in 2018 when we invested in Apax LLP's digital fund and Apax France's small-cap fund. I also want to increase our exposure to Asia, and that will likely mean partnering with new funds. And

*Source : MergerMarket

57%

the share of the international portfolio at the end of 2018 on a residual cost basis, compared to 18% at the end of 2011

46%

the share of the TMT and digital portfolio at the end of 2018 on a fair market value basis, compared to 28% at the end of 2011

finally, I want Altamir to enjoy the freedom to hold some of its investments for longer to secure maximum value, which means looking beyond the typical five-year investment horizon via an increased allocation to direct investment.

I made those strategic shifts clear at the time of the tender offer. This meant that investors who didn't agree with the changes had the opportunity to exit. Furthermore, with an offer at a 20% discount to NAV, compared to the typical 30-40% discount over the past 10 years, I wanted to show I am confident of where the valuation should be and will be in the future.

What are the implications of the reduced free-float on Altamir's liquidity?

I have committed to keeping the free-float at or above 35%, so there is still a considerable pool of tradeable shares, and the value of that pool will grow as Altamir's value increases. There are two elements of liquidity to consider, and they are shared by all listed private equity firms: namely the effect of liquidity on the NAV discount and the ability of investors to execute block trades, whether as buyers or sellers. We are working on those issues at Altamir. In terms of trading we are launching a new initiative to facilitate block trade matchmaking. At the same time, I am looking at a mechanism that should sharply reduce the fluctuation in the discount, allowing investors to focus on Altamir's asset growth without worrying about the discount. And, obviously, we will maintain our dividend policy.

Looking at the events since the end of 2018, how is the current year progressing?

We are very happy with the way 2019 has started. We have made three full divestments, all three at more than three times our cost, the largest being education provider INSEEC U., while the other two are companies of the Apax VIII LP fund, namely insurance broker Assured Partners and accountancy software provider Exact Software. Adding a dividend recap at communications group Marlink, we generated almost €184m of proceeds in the first quarter of 2019, a higher amount than in all of 2018.

Our 2019 target for divestments is €250m, which will be an all-time record. On the acquisitions front, I am aiming for five or six new investments for a total of €100m, while our target organic portfolio EBITDA growth is 7%.

We are still very much fully invested, and will remain so. Our cash position, which was negative at the end of 2018, will return to positive territory, where I expect it to remain through the end of 2019.

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BUSINESS DESCRIPTION AND ACTIVITIES

1.1 SELECTED FINANCIAL INFORMATION

1.1.1 2018 FINANCIAL HIGHLIGHTS

As of 31 December 2018

+3.8%

NAV growth

including dividend

+25%

growth in EBITDA (weighted by residual cost)

of which 15% organic growth

€793m

NAV

as of 31 December 2018

20.9% p.a.

TOTAL SHAREHOLDER RETURN OVER THE LAST 10 YEARS

€462m

MARKET CAPITALISATION
as of 31 December 2018

€154m

Investments and Commitments

8

NEW INVESTMENTS
in Europe, the United States and Asia-Pacific

€156m

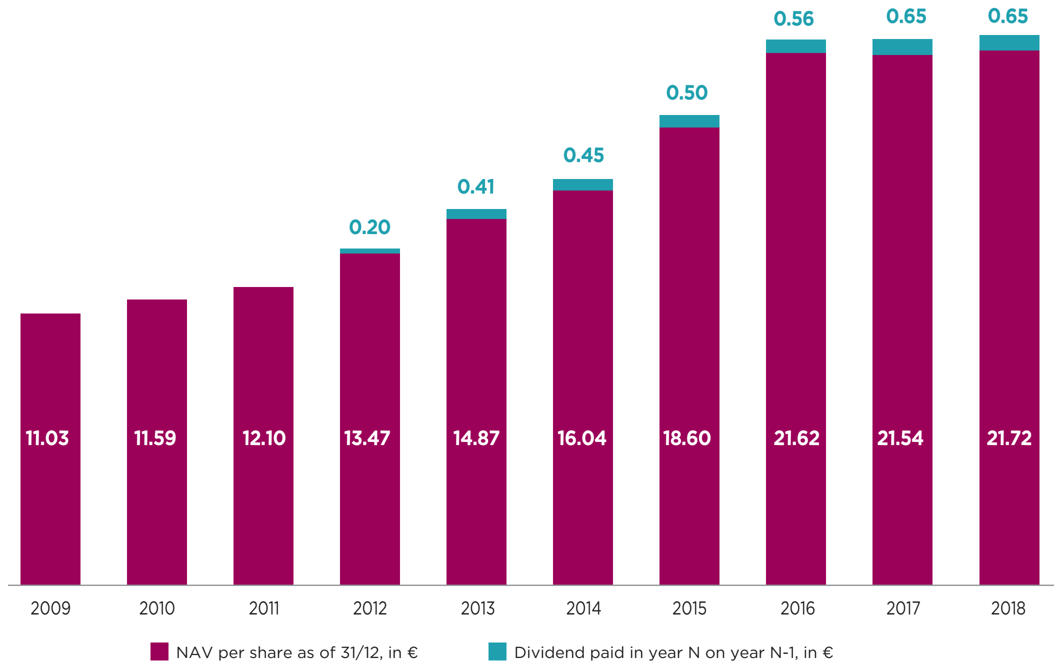
Divestments

1.1.2 PERFORMANCE

HISTORICAL NAV GROWTH

3.8% NAV growth in 2018, dividend included

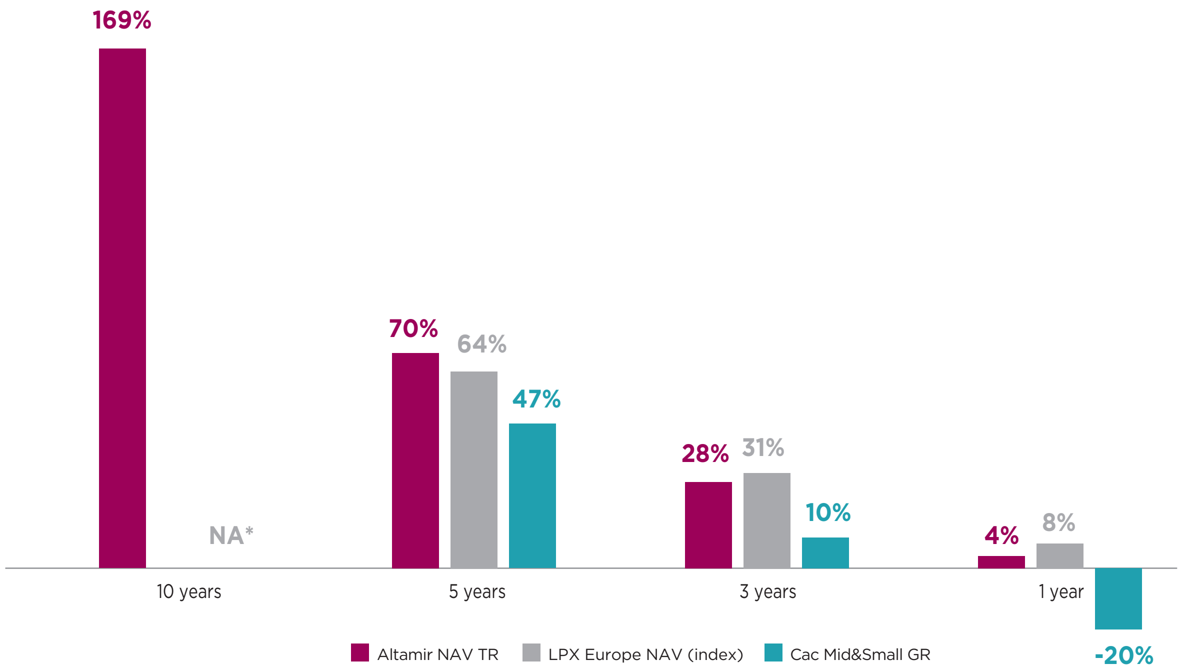
Net asset value per share in euros, at 31/12 of each year (share of limited partners holding ordinary shares)



COMPARATIVE PERFORMANCE

Altamir has outperformed its benchmark index over 5 years

NAV total return (dividends reinvested) over 1, 3, 5 and 10 years as of 31 December 2018



Sources: Altamir and LPX data as of 31 January 2019.
**LPX Europe data available since 30 September 2009. CAC Mid & Small GR data available since 2012.*

1

1.1.3 PORTFOLIO

THE 15 LARGEST INVESTMENTS

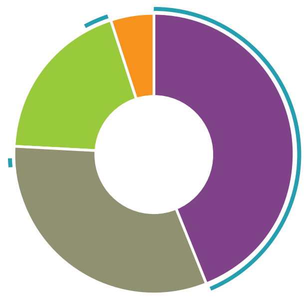
REPRESENT MORE THAN 80% OF THE PORTFOLIO AT FAIR VALUE

As of 31 December 2018	Residual cost in €m	Fair value in €m	% of the portfolio at fair value
Marlink	70.3	133.6	13%
INSEEC U.	29.2	124.9	13%
Snacks Développement	37.7	76.6	8%
Melita	33.7	71.1	7%
Ciprés	47.2	66.7	7%
SK FireSafety Group	31.5	45.3	5%
BIP	31.1	43.8	4%
THOM Europe	34.6	43.6	4%
AEB	41.4	41.4	4%
Expereo	36.3	36.3	4%
InfoVista	39.2	31.4	3%
ThoughtWorks	10.7	28.1	3%
Altran	38.9	26.4	3%
Afflelou	20.6	24.8	2%
Sandaya	20.7	22.0	2%
Total 15 largest investments	***523.1***	***816.0***	***82%***
Other TMT (10 companies)	*42.9*	*63.5*	*6%*
Other Services (10 companies)	*29.9*	*41.1*	*4%*
Other Healthcare (9 companies)	*46.5*	*54.1*	*5%*
Other Consumer (4 companies)	*13.7*	*21.7*	*2%*
Total 48 investments	***656.2***	***996.4***	***100%***

A DIVERSIFIED PORTFOLIO

BY SECTOR

% of the portfolio at fair value, as of 31/12/2018



44% TMT (17 companies)

32% Services (14 companies)

19% Consumer (8 companies)

5% Healthcare (9 companies)

46% TMT + digital companies in other sectors

BY VINTAGE

% of the portfolio at fair value, as of 31/12/2018

34.0% 2013 and earlier (9 companies)

4.6% 2014 (2 companies)

4.0% 2015 (9 companies)

28.3% 2016 (9 companies)

15.1% 2017 (12 companies)

14.2% 2018 (7 companies)

BY GEOGRAPHY

% of portfolio at cost as of 31/12/2018

43% France (9 companies)

57% International (39 companies)

PORTFOLIO PERFORMANCE

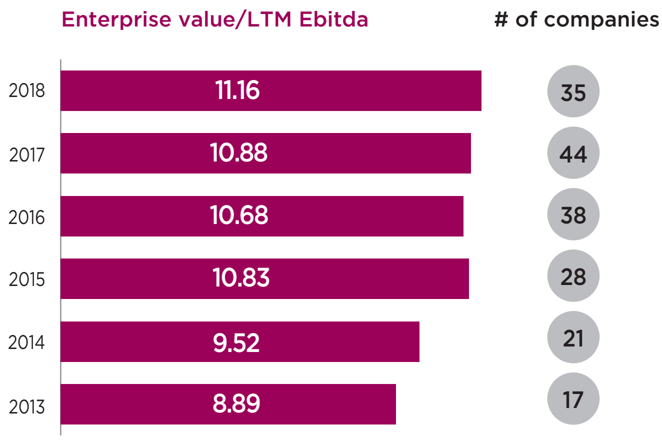
25% growth in average EBITDA in 2018

Year-on-year EBITDA growth at constant exchange rates, in %, weighted by Altamir's residual cost of each investment; CAC 40 weighted by market capitalisation

Source : Capital IQ as of 11 March 2019.

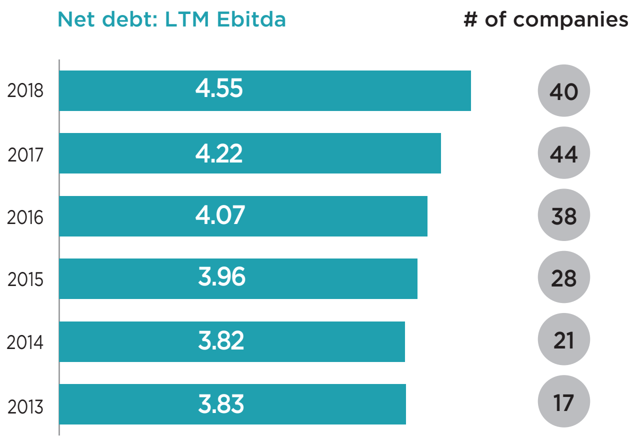
VALUATION MULTIPLES

Average multiples as of 31/12 weighted by each company's contribution to NAV



DEBT MULTIPLES

Average multiples as of 31/12 weighted by each company's contribution to NAV



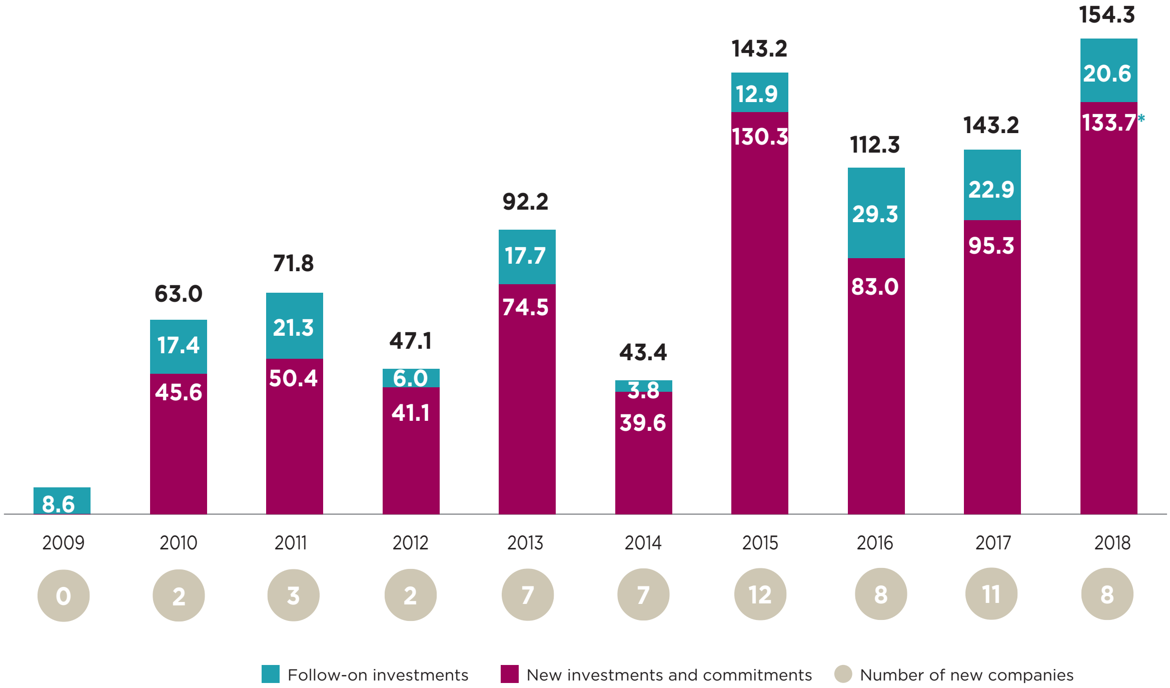
Valuation multiple: Sample of 35 companies as of 31/12/2018 (excluding financials, divested companies and companies valued by an indicator other than EBITDA).
Debt multiple: Sample of 40 companies as of 31/12/2018 (excluding financials, divested companies)

1.1.4 ACTIVITY

INVESTMENTS AND COMMITMENTS

€154.3m invested and committed in 2018

Amounts invested and committed, in €m; number of new portfolio companies per year

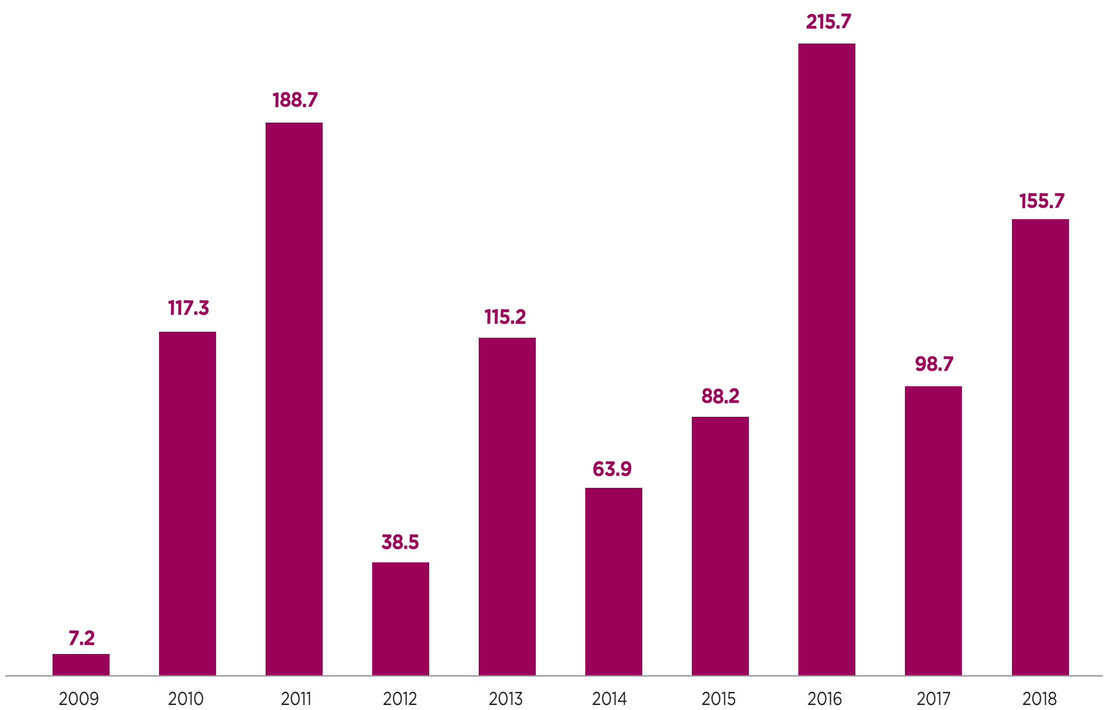


* *Including the €2.2m invested in Apax Development and Apax Digital*

DIVESTMENTS

€155.7m in divestment proceeds and revenue in 2018

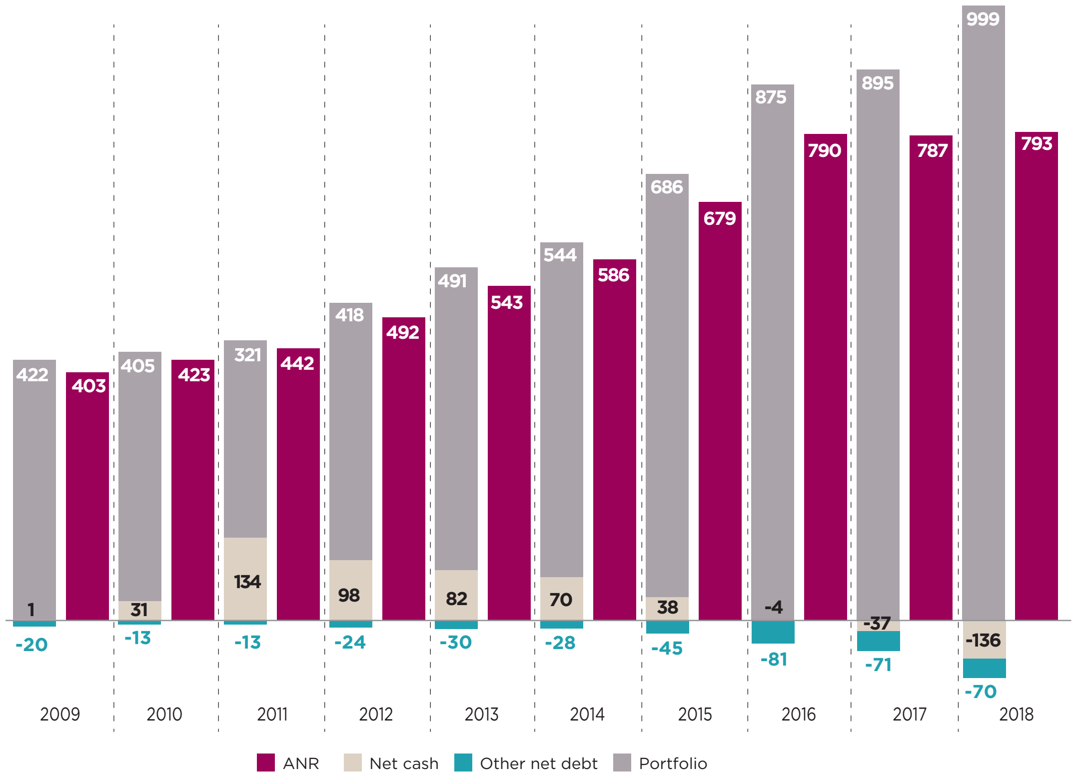
Closed and signed transactions, in €m



1.1.5 SIMPLIFIED BALANCE SHEET

KEY AGGREGATES

Consolidated (IFRS) financial statements, as of 31/12 of each year, in €m

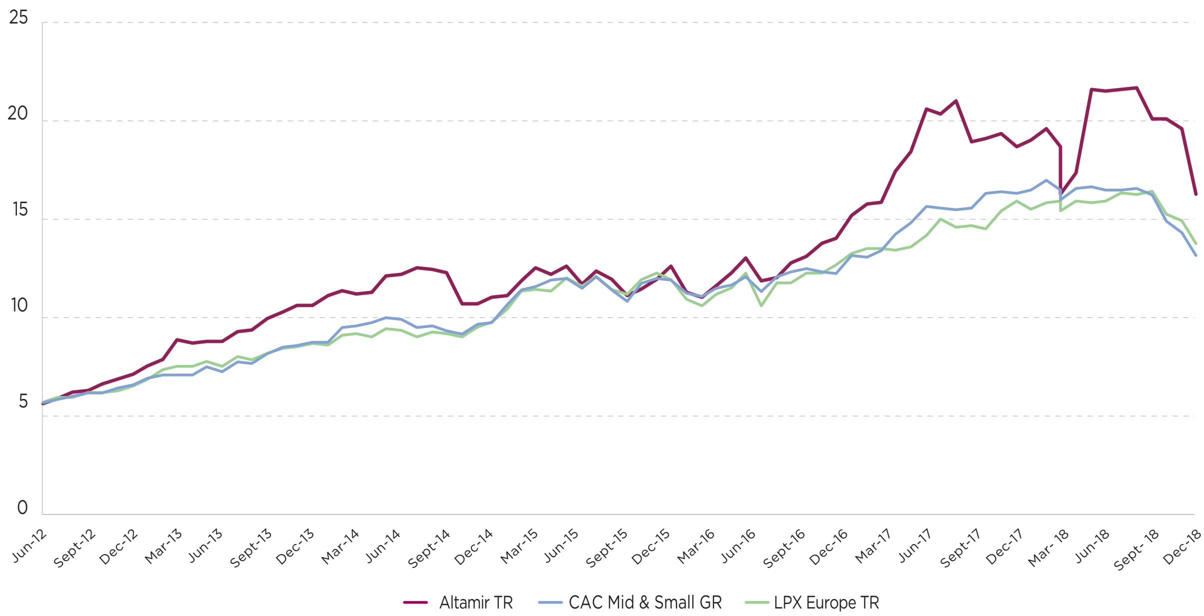


1.1.6 SHARE PRICE

SHARE PRICE PERFORMANCE

Altamir has outperformed its benchmark indices

As of 31 December 2018 (rebased 30/06/2012), in €



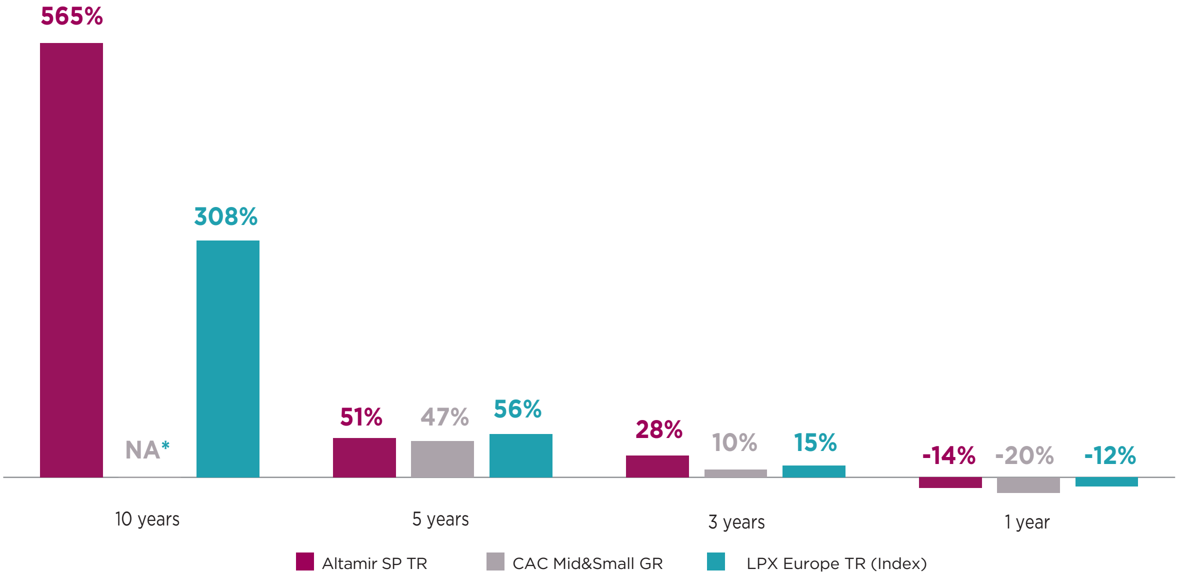
Sources: Altamir, LPX (data on a total return/gross return basis with dividends reinvested)

1

TOTAL SHAREHOLDER RETURN

Altamir has outperformed its benchmark indices

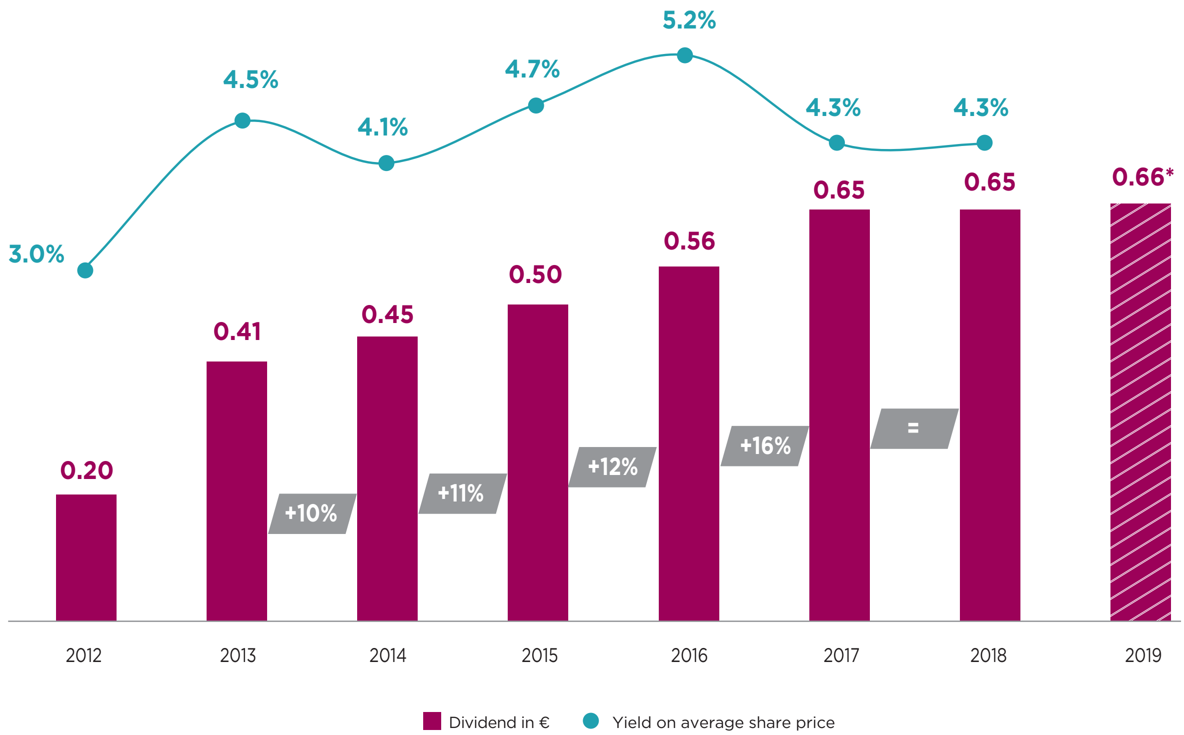
Total return over 1, 3, 5 and 10 years as of 31 December 2018



Sources: Altamir and LPX data as of 31/12/2018
** CAC Mid & Small GR index data not available before 2011*

DIVIDEND DISTRIBUTION POLICY

2-3% of NAV as of 31 December (since 2013)



**Dividend to be approved by shareholders on 29/04/2019*

1.1.7 SHAREHOLDER INFORMATION

ALTAMIR SHARES

ALTAMIR SHARES ARE LISTED ON EURONEXT PARIS:

Compartment B

ISIN code: FR0000053837

Ticker: LTA.PA

Altamir's share price is available at: www.altamir.fr

ALTAMIR IS INCLUDED IN THE FOLLOWING INDICES:

CAC All-Tradable

CAC Mid & Small

CAC Small

LPX Europe

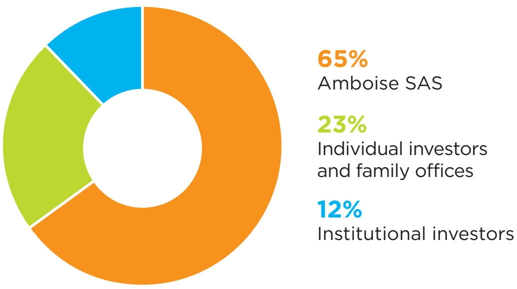
STOCK MARKET DATA

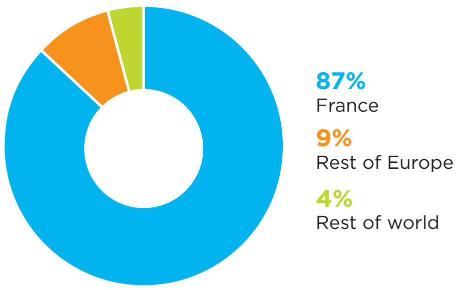
	2016	2017	2018
Opening price as of 1 January	€11.18	€12.77	€15.24
Closing price as of 31 December	€12.77	€15.24	€12.64
Highest price	€12.78 (30/12/2016)	€17.50 (17/07/2017)	€17.34 (11/05/2018)
Lowest price	€8.86 (11/02/2016)	€12.33 (06/01/2017)	€12.50 (28/12/2018)
Average closing price	€10.77	€15.10	€15.48
Average daily volume in number of shares traded *	32,665	18,926	36,023
Average daily volume *(in €)*	351,323	286,474	588,182
Number of shares as of 31 December	36,512,301	36,512,301	36,512,301
Market capitalisation as of 31 December *(in €m)*	**466.3**	**556.4**	**461.5**

* *Excluding OTC transactions and transactions on alternative platforms.*

SHAREHOLDERS

As of 28 September 2018, the shareholders were as follows:





DIVIDEND DISTRIBUTION POLICY

Since the financial year 2013, the dividend paid to ordinary shareholders has been based on NAV as of 31 December of each financial year, to which a rate between 2% and 3% is applied.

The Management Company has noted the Board's proposal to set this year's rate for calculating the dividend payable to holders of ordinary shares at 3% of NAV as of 31 December 2018. The calculation of dividends for the 2016, 2017 and 2018 financial years is shown below for illustrative purposes. The dividend of €0.66 per share represents a slight increase compared to 2017.

	2016 dividend calculation	2017 dividend calculation	2018 dividend calculation
Base	NAV as of 31/12/2016	NAV as of 31/12/2017	NAV as of 31/12/2018
Base amount (NAV)	€789.5m	€786.7m	€792.9m
Rate	3%	3%	3%
Amount of dividend on ordinary shares	€ 23,732,996	€ 23,732,996	€ 24,098,119
Dividend per ordinary share	€0.65 (1)	€0.65 (2)	€0.66 (3)

(1) 3%, rounded up to €0.65 by the Supervisory Board.
(2) 3%, rounded up to €0.65 by the Supervisory Board.
(3) 3%, rounded up to €0.66 by the Supervisory Board.

COMMUNICATION OF FINANCIAL INFORMATION

Altamir maintains regular contact with the financial community.

Every quarter, the Company publishes a press release on NAV growth. A more comprehensive report is provided at the end of each six-month and full-year accounting period, and at the same time a meeting is held for analysts and investors, organised in collaboration with the SFAF (French society of financial analysts). For international investors, a webconference is broadcast in English.

Regular meetings are held with financial analysts and investors in the form of road shows, individual meetings and conference calls. These various events enable the financial community to discuss the Company's management strategy, results and outlook with the Management Company.

Any material investment or divestment or change in the share capital is announced in a press release.

All of the information published by Altamir is available in French and English on the Company's website www.altamir.fr

Responsible persons

- Éric Sabia (Financial information)
- Claire Peyssard-Moses (Communication)
- Altamir - 1, rue Paul Cézanne - 75008 Paris (France)
- Tel. +33 (0)1 53 65 01 00

Place where legal documents can be consulted

Legal documents may be consulted at the Company's head office: 1, rue Paul Cézanne - 75008 Paris (France)

2019 FINANCIAL COMMUNICATIONS CALENDAR

29 April at 10 a.m.	Annual General Meeting of Shareholders
14 May after market close	Press release on NAV as of 31 March 2019
4 September after market close	Press release on first-half 2019 financial statements and NAV as of 30 June 2019
5 September at 8:30 a.m.	Analyst/investor meeting and webcast
7 November after market close	Press release on NAV as of 30 September 2019

The Company hereby informs the market that, as recommended by the French Financial Markets Authority, it has set the blackout period preceding the publication of annual and half-yearly results at 15 calendar days.

1.2 PRESENTATION OF THE COMPANY

1.2.1 GENERAL PRESENTATION

PROFILE

Altamir is a listed private equity company (Euronext Paris, Compartment B) with assets under management of close to €1bn. The Company was founded in 1995 to enable all investors to gain access *via* the stock market to private equity, one of the best-performing asset classes over the long term.

Altamir invests exclusively in or alongside the funds managed or advised by Apax Partners SAS and Apax Partners LLP, two leading private equity firms with more than 40 years of investing experience. As a majority or lead shareholder, the Apax funds carry out LBO and growth capital transactions and support corporate executives as they implement ambitious value-creation objectives.

In this way, Altamir offers investors access to a portfolio of companies with high-growth potential, diversified by geography and by size across the four sectors in which Apax specialises: TMT (Technologies-Media-Telecom), Consumer, Healthcare and Services.

The Company opted at inception for the status of "SCR" *(société de capital risque)* and has maintained this status ever since. As such, Altamir is exempt from corporation tax and the Company's investors may benefit from tax exemptions, subject to specific holding-period and dividend-reinvestment conditions.

Altamir is not an alternative investment fund (AIF) subject to the exemption for holding companies mentioned in para. 7 of V of Article L. 532-9 of the French Monetary and Financial Code. This does not presume, however, that the European or other competent authorities might not in future take a contrary position.

OBJECTIVES

To create value for shareholders over the long term, Altamir pursues the following objectives:

- increase Net Asset Value per share (NAV) by outperforming the benchmark indices (LPX Europe, CAC Mid & Small);
- maintain a simple, attractive, and sustainable dividend policy;
- reach a critical size of €1bn in assets under management in order to:
  - be a key partner of Apax Partners SAS and Apax Partners LLP,
  - increase the liquidity of Altamir shares, thus attracting a broader universe of investors and reducing the share price to NAV discount.

INVESTMENT POLICY

Before 2011, Altamir co-invested alongside the funds managed by Apax Partners SA[1], and still holds three investments in its portfolio from that legacy business.

Since 2011, Altamir has both invested in funds managed by Apax Partners and co-invested alongside these same funds:

- investment in funds managed by Apax Partners SAS, Paris:
  - €277m in Apax France VIII,
  - €306m committed to Apax France IX,
  - €15m committed to Apax Development;
- investment in funds managed by Apax Partners LLP, London:
  - €60m in Apax VIII LP,
  - €138m committed to Apax IX LP,
  - $5m committed to Apax Digital;
- co-investment: €62m in five investments.

In the future, Altamir will maintain its partnership with Apax Partners but the company's investment strategy might change in order to seize investment opportunities in promising markets such as Asia or in market segments whose investment horizon exceeds the customary duration (7–10 years) of private equity funds.

INVESTMENT STRATEGY

Altamir's strategy is clear, differentiated and proven. It relies on that of Apax Partners, which consists in:

- investing in **growth companies**, diversified in terms of size and geography:
  - medium-sized and small cap companies in Europe (enterprise values of €50m to €500m),
  - larger companies (enterprise values of €500m to €3bn) in Europe, North America and emerging markets (China, India and Brazil);
- investing only in **Apax's four sectors of specialisation** (TMT, Consumer, Healthcare, Services);
- carrying out LBO/growth capital investments;
- establishing positions as majority or lead shareholder;
- creating value, aiming for a multiple of two to three times the amount invested;
- carrying out responsible investments, measuring the ESG (Environment, Social, Governance) performance of each investment.

(1) *Apax Partners SA was renamed Amboise Partners SA on 1 January 2018.*

CORPORATE GOVERNANCE

Altamir is a French partnership limited by shares (*société en commandite par actions*, or SCA), which includes two categories of partners: limited partners (shareholders) and a general partner that is also the Management Company (see section 2.1.1).

The Company is run by the general partner, with the Supervisory Board, which represents shareholders, exercising oversight.

THE GENERAL PARTNER

The general partner is Altamir Gérance, a *société anonyme* (SA), whose Chairman & CEO is Maurice Tchenio.

Altamir Gérance's remit is to determine Altamir's strategy, manage its growth and take and implement the principal operating decisions.

The Board of Directors of Altamir Gérance is composed of five members who contribute their experience as private equity professionals and corporate chief executives (see their biographies in section 2.1.2):

- Maurice Tchenio, Chairman (co-founder of Apax Partners);
- Peter Gale (Head of Private Equity and Chief Investment Officer at Hermes GPE LLP);
- James Mara (previously Sr. Managing Director at General Electric Asset Management);
- Eddie Misrahi (Chairman and CEO of Apax Partners SAS);
- Romain Tchenio (Chairman & CEO of Toupargel Groupe SA).

SUPERVISORY BOARD

Altamir's Supervisory Board provides ongoing oversight of the Company's management and decides on the allocation of net income to be proposed to shareholders at their Annual Meeting. The Management Company consults the Supervisory Board on the application of valuation rules to portfolio companies and on any potential conflicts of interest.

Altamir's Supervisory Board was composed of six members as of 31 December 2018. These six members are independent and contribute their experience as corporate executives and experts in Altamir's sectors of specialisation (see their biographies in section 2.1.4). They are appointed for two-year, renewable terms.

- Jean-Hugues Loyez (Chairman)
- Jean Estin
- Sophie Etchandy-Stabile
- Marleen Groen
- Gérard Hascoët
- Philippe Santini

STATUTORY AUDITORS

Corevise

EY (formerly Ernst & Young et Autres)

APAX PARTNERS

Private equity pioneer

Apax Partners was founded in 1972 by Maurice Tchenio in France and Ronald Cohen in the UK; they subsequently partnered with Alan Patricof in the United States in 1976. The Group was composed of independent companies in each country, sharing the same strategy, corporate culture and methods, but owned by local partners managing domestic funds. It continued to grow using this model in the main European countries.

In the early 2000s, the various national entities, with the exception of France, were regrouped into a single management company, Apax Partners LLP, so as to raise large international funds and reorient their investment strategy towards transactions in excess of €1bn (large caps). The French entity opted to conserve its mid-market positioning and remain independent.

Apax Partners SA was the management company for the French private equity funds, from the first fund created in 1983 (Apax CR) through to the Apax France VII fund raised in 2006. It has been Altamir's investment advisor since its creation in 1995.

As part of the succession plan that led Maurice Tchenio, founder of Apax Partners SA, to transfer the leadership of the French fund management business to his partners at the end of 2010, a new management company was created: Apax Partners MidMarket SAS, headed by Eddie Misrahi.

The two French management companies have changed names. Apax Partners MidMarket SAS became Apax Partners SAS on 1 October 2017, and Apax Partners SA became Amboise Partners SA on 1 January 2018.

Two legal entities

Today, two distinct legal entities operate under the Apax Partners banner, with no cross-shareholding between them: Apax Partners SAS, the management company for French funds, and Apax Partners LLP, which manages international funds. Because of their common history, Apax Partners SAS and Apax Partners LLP share a strategy based on financing growth and specialising by sector while positioning themselves on markets that complement each other in terms of geography and company size.

> In the rest of this document, we will use the following terms:
>
> "Apax Partners France" to indicate the activities of the French funds managed successively by Apax Partners SA and Apax Partners SAS;
>
> "Apax Partners" or "Apax" to indicate the activities of the funds managed by Apax Partners France and Apax Partners LLP.

APAX PARTNERS SAS

Apax Partners SAS is a major private equity company in continental Europe. Based in Paris and headed by Eddie Misrahi, the Company has a team of about 30 investment professionals organised by sector.

Apax Partners SAS is the management company of the Apax France VIII fund raised in 2011 (€704m), Apax France IX raised in 2016 (€1.030bn) and Apax Development, specialised in the small-caps sector in France, which has the objective of raising €225m.

The funds managed and advised by Apax Partners SAS total around €4bn. They finance the long term growth of medium-sized (enterprise values of €100m to €500m) and small cap (€50m to €100m) companies in continental Europe.

For more information, please visit: www.apax.fr

APAX PARTNERS LLP

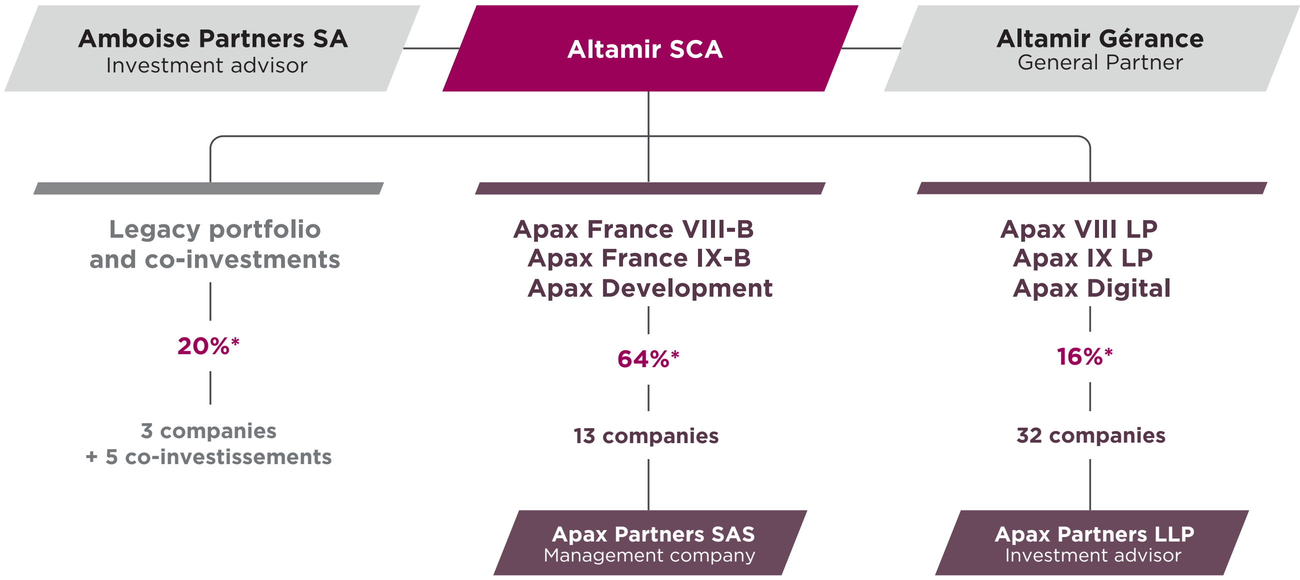
London-based Apax Partners LLP is one of the world's foremost private equity firms. Apax Partners LLP invests in Europe (outside France), North America and the principal emerging economies (Brazil, China, India). It has a team of around 120 investment professionals, organised by sector and located in seven offices (London, New York, Munich, Tel Aviv, Mumbai, Shanghai and Hong Kong).

The funds managed and advised by Apax Partners LLP total more than €50bn. They finance the long-term growth of large companies with a value between €500m and €3bn. The most-recently raised funds are Apax VIII LP, raised in 2013 ($7.5bn), Apax IX LP, raised in 2016 ($9bn) and Apax Digital, raised in 2017 (a $1.1bn fund specialising in technology-intensive companies.

For more information, please visit: www.apax.com

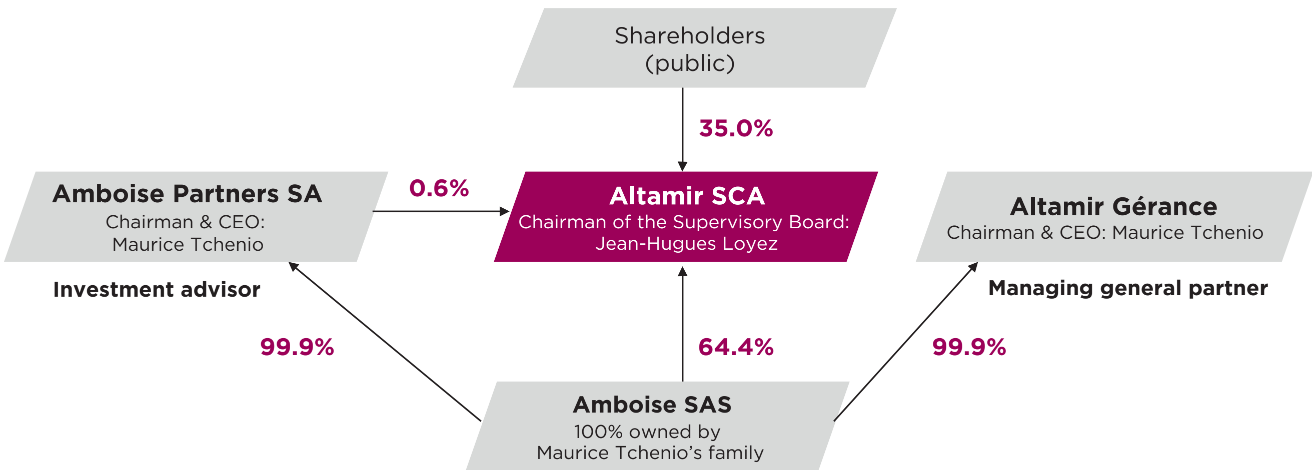
1.2.2 ORGANISATION CHARTS

OPERATIONAL ORGANISATION CHART AS OF 31 DECEMBER 2018



**% of portfolio at fair value*
NB: Apax Partners SAS and Apax Partners LLP are independent entities with no cross-shareholdings or legal relationships between them or with Altamir Gérance, Amboise Partners SA, Amboise SAS and Maurice Tchenio

SHAREHOLDERS AS OF 31 DECEMBER 2018



1.2.3 PORTFOLIO

For the year ended 31 December 2018

	Investment date	Percentage interest in the underlying operating company	Residual cost *(in €K)*	Stage of development
TMT (Technologies – Media – Telecom)				
Marlink (1a) (2)	2016	27.21%	70,261	LBO
InfoVista (1a) (2)	2016	21.48%	39,240	LBO
Altran Technologies * (3)	2008	3.60%	38,932	Growth capital
Expereo (1a)	2018	17.30%	36,294	LBO
Melita (1a)	2016	28.07%	33,744	LBO
Bip (1a)	2018	18.45%	31,078	LBO
Vocalcom (1a)	2011	17.10%	13,594	Growth capital
ThoughtWorks (1b) (2)	2017	2.25%	10,677	LBO
Paycor	2018	0.85%	8,379	LBO
ECi Software Solutions (1b)	2017	1.39%	4,343	LBO
Genius Sports Group	2018	1.39%	4,065	LBO
Attenti (1b)	2017	1.70%	3,236	LBO
Engineering Ingegneria Informatica (1b)	2016	0.49%	2,556	LBO
Exact Software (1b)	2015	0.96%	2,337	LBO
Duck Creek Technologies (1b)	2016	0.57%	2,336	LBO
Zensar * (1b)	2015	0.22%	1,126	LBO
EVRY * (1b)	2015	0.50%	955	LBO
			303,153	

	Investment date	Percentage interest in the underlying operating company	Residual cost *(in €K)*	Stage of development
Healthcare				
Amplitude Surgical * (1a)	2011	13.18%	14,041	LBO
Unilabs (1b)	2017	1.03%	9,646	LBO
Candela (1b)	2017	1.62%	5,345	LBO
Vyaire Medical (1b)	2016	0.96%	2,077	LBO
One Call Care Management (1b)	2013	0.33%	3,619	LBO
Healthium MedTech (1b)	2018	1.67%	3,169	LBO
Neuraxpharm (1b) (formerly NuPharm365)	2016	0.87%	2,874	LBO
Kepro (1b)	2017	1.42%	2,841	LBO
Ideal Protein (1b)	2015	0.63%	150	LBO
			46,502	

(1) Investments in the Apax funds.
- *1a) via the Apax France VIII and Apax France IX.*
- *1b) via the Apax VIII LP and Apax IX LP.*

(2) Co-investments (alongside the Apax France VIII, Apax France IX and Apax IX LP funds).
(3) Co-investments (legacy portfolio).
* *Listed company.*

	Investment date	Percentage interest in the underlying operating company	Residual cost *(in €K)*	Stage of development
Services				
CIPRÉS Assurances (1a) (2)	2017	16.50%	47,230	LBO
AEB Group (1a)	2018	27.51%	41,385	LBO
SK FireSafety Group (1a)	2014	37.16%	31,464	LBO
INSEEC U. (1a)	2013	25.38%	29,185	LBO
Safetykleen (1b)	2017	1.56%	4,909	LBO
Assured Partners (1b)	2015	0.60%	4,660	LBO
Authority Brands (1b)	2018	1.54%	3,808	LBO
Guotai Junan Securities * (1b)	2017	0.04%	3,800	LBO
Shriram City Union Finance * (1b)	2015	0.22%	3,143	Growth capital
Tosca Services (1b)	2017	1.47%	2,981	LBO
Quality Distribution (1b)	2015	0.72%	2,412	LBO
Boats Group (1b)	2016	1.56%	2,038	LBO
Manappuram Finance * (1b)	2017	0.17%	1,825	LBO
Huarong * (1b)	2014	n.s.	320	LBO
			179,160	
Consumer				
Snacks Développement (1a) (2)	2013	24.13%	37,681	LBO
THOM Europe (3)	2010	10.42%	34,599	LBO
Sandaya (1a)	2016	7.09%	20,736	LBO
Alain Afflelou (3)	2012	5.85%	20,617	LBO
MATCHESFASHION.COM (1b)	2017	0.91%	7,196	LBO
Wehkamp (1b)	2015	0.96%	3,273	LBO
Cole Haan (1b)	2013	1.03%	1,832	LBO
Idealista (1b)	2015	0.87%	1,431	LBO
			127,365	
Funds				
Apax Development	2018	6.67%	1,434	LBO
Apax Digital	2018	0.47%	785	LBO
			2,219	
Total			**658,399**	

(1) Investments in the Apax funds.
- *1a) via the Apax France VIII and Apax France IX.*
- *1b) via the Apax VIII LP and Apax IX LP.*

(2) Co-investments (alongside the Apax France VIII, Apax France IX and Apax IX LP funds).
(3) Co-investments (legacy portfolio).
** Listed company.*
n.s.: not significant.

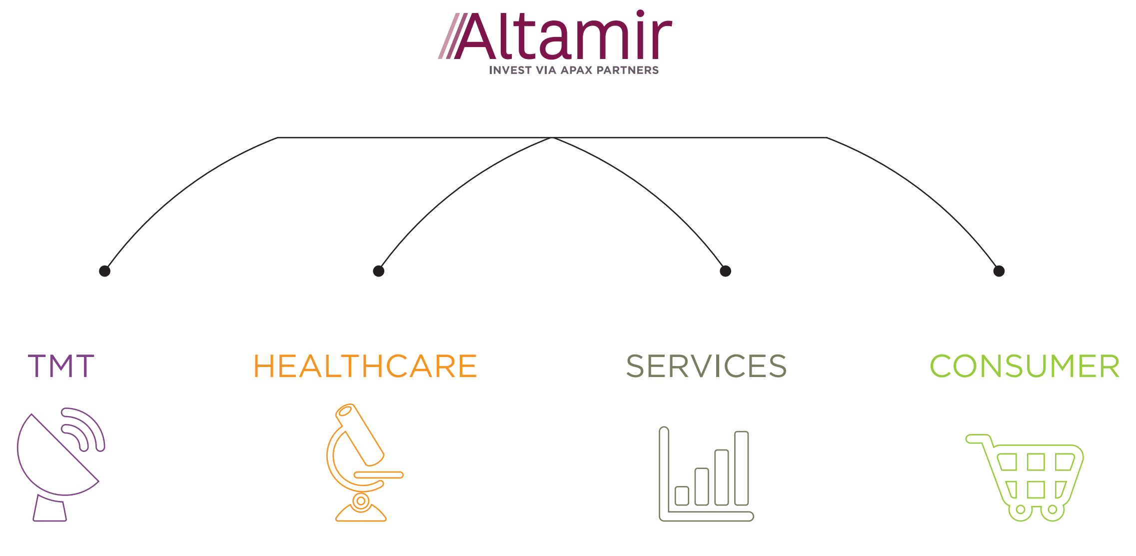
1.2.4 PORTFOLIO COMPOSITION BY SECTOR

As of 31 December 2018, Altamir's portfolio was composed of **48 companies**, including 40 unlisted (94% of the portfolio in value terms) and eight listed companies (Altran, Amplitude, EVRY, Guotai, Huarong, Manappuram, Shriram and Zensar).

Portfolio companies achieved excellent operating performances in 2018. The average EBITDA of the portfolio, weighted by the residual amount invested in each company, rose by **25%** compared to 2017. This reflected both sustained organic growth of +15% and acquisitions carried out by portfolio companies, in particular Aricent (acquired by Altran) and Axelliance (acquired by CIPRÉS Assurances).

The 15 largest investments, representing nearly **82%** of the portfolio's total value as of 31 December 2018, are as follows, in decreasing order: Marlink, INSEEC U., Snacks Développement, Melita, CIPRÉS Assurances, SK FireSafety Group, Bip, THOM Europe, AEB, Expereo, InfoVista, ThoughtWorks, Altran, Alain Afflelou and Sandaya.

They are presented below with key financial data as of 31 December 2018.



CONTENTS

PORTFOLIO COMPANIES BY SECTOR

www.marlink.com

1) Business description

Marlink is one of the world's leading providers of satellite communication services. The company serves the world's maritime sectors, in addition to thousands of users in the mining, energy and humanitarian sectors who operate in challenging environments and are in need of highly reliable mobile and fixed connectivity services. Operating in 14 countries across Europe, Asia, the Middle East and the Americas, Marlink distributes its products and services either directly or through an extensive network of approximately 400 re-sellers worldwide.

2) Investment rationale

Marlink is a world leader in commercial satellite communication services. It encompasses the commercial division of Vizada, a former portfolio company of Apax/Altamir sold to Airbus Group in 2011. The company mainly operates in the maritime business sector, where it is a global leader, but it also offers terrestrial solutions. Revenue expansion is expected though increasing exposure to the fast-growing and attractive maritime Ka- and Ku-band VSAT market. Marlink is well positioned to capture market growth through (i) an exhaustive product portfolio, (ii) a global distribution network, and (iii) a large and diversified customer base.

3) Sources of value creation

Our investment thesis is based on several drivers of value creation: (i) accelerating VSAT delivery; (ii) developing value-added services beyond connectivity to increase ARPU (Average Revenue Per User) and customer retention; (iii) focusing on Land core verticals (onshore Oil & Gas, Mining, Media and Humanitarian); (iv) driving profitability through operational efficiencies and the outsourcing of installation and maintenance activities; and (v) consolidating a highly fragmented industry.

4) Achievements

Marlink actively pursued its strategy to grow, both organically and through acquisitions. In November 2016 (6 months after its acquisition by Apax), Marlink bought the Italian company Telemar, creating the world's leading communications, digital solutions and servicing group in the maritime sector. The new group serves more than one in three vessels operating globally.

In 2017, the company acquired Palantir, the Norwegian specialist in onboard IT solutions, and two service providers: RadioHolland (400 VSAT-installed vessels in the shipping segment) and LiveWire (45 VSAT-installed vessels in the yachting segment).

In 2018, Marlink completed the acquisition of OmniAccess, the leading provider of broadband connectivity services and solutions to the superyacht and high-end boutique cruise line customers. Marlink now operates as the worldwide leader in maritime VSAT services with annual sales of close to $480m, about 1,000 employees and an installed base of more than 4,700 VSAT vessels.

5) Performance

Marlink continued to accelerate the development of higher-margin VSAT services, while the legacy, MSS-technology-based business continued to decline softly. Telemar was successfully integrated and positively contributed to Marlink's VSAT expansion through the acquisition of new subscribers and the migration of existing subscribers to Marlink's network. The Land division has been demonstrating very solid performance and strong sales momentum following the recruitment of a new manager in 2017.

In 2018, Marlink generated positive organic revenue growth thanks to the strong performance of Maritime VSAT and promising performance in the Enterprise division; the EBITDA double-digit growth trend remains in line with previous years.

6) Exit

In the context of ongoing market consolidation, Marlink could be a good candidate for a strategic buyer seeking to reinforce its presence in the maritime sector. Marlink could also be of interest to a financial investor.

SECTOR	COUNTRY	DATE OF INVESTMENT	RESIDUAL COST	FAIR VALUE	PORTFOLIO AT FAIR VALUE
	FRANCE	2016	€70.3m	€133.6m	13.4%

INSEEC U.

www.inseec.com

1) Business description

INSEEC U. is the leading for-profit post-secondary education provider in France. With the acquisition of the French activities of the US group Laureate in 2016, the INSEEC U. group now operates 16 schools in France (Paris, Bordeaux, Lyon and Chambery) and abroad (Monaco, London, Geneva, San Francisco and Shanghai), serving approximately 25,000 students.

INSEEC U. offers a wide range of programmes ranging from preparation for entrance exams to doctoral degrees. Building on its French roots, the group's strategy is to develop world-class education and distinctive expertise in five disciplines: (i) management, (ii) engineering, (iii) communication, design and digital marketing, (iv) political science and international relations, and (v) luxury goods, real estate, sports, and wine & spirits.

2) Investment rationale

INSEEC U. is a leading for-profit post-secondary education provider in France with several key strengths vis-à-vis competitors: agility and innovation, sound governance, cost efficiency, marketing skills, attractive and multi-site campuses, programme diversity and no dependency on subsidies. Corporate governance is sound.

Its Grande École is ranked among the top 25 business schools and contributes to brand building and other programmes via a halo effect. INSEEC U. also has six other leading programmes (MSc, Sup de Pub, École de Commerce Européenne, EBS, ESCE and École Centrale d'Électronique).

Growing in volume and price, and ripe for consolidation, the for-profit higher education market is attractive and has strong market intrinsics: counter-cyclicality, barriers to entry, revenue visibility, no working capital needs, high profitability and high cash conversion.

3) Sources of value creation

INSEEC U. intends to pursue its two growth objectives: (i) develop the existing core business by fostering further academic excellence and increasing the attractiveness of its schools and (ii) expand market share through new offerings. Programmes are being internationalised and expanded to other countries through new campuses and exchanges with foreign universities.

INSEEC U. also plans to crystallise significant potential for synergies with Laureate's French operations, and further optimise INSEEC U.'s existing cost structure.

4) Achievements

Since investment, the group has finished optimising its organisation and pursued its international expansion by acquiring CREA, a Geneva-based communications and design school, launching luxury brand training in Asia and opening a new campus in San Francisco. In 2015, the Ministry of Higher Education renewed INSEEC's accreditation as a "Grande Ecole" for four years, contributing to the school's attractiveness.

In July 2016, the group finalised the acquisition of the French subsidiaries of US group Laureate, nearly doubling in size as a result, and expanding its offerings in engineering and online training for executive managers.

In August 2018, the Company successfully refinanced its debt at favourable terms.

5) Performance

Five years after our investment, INSEEC U. is performing significantly better than plan owing to a transformative acquisition (Laureate France), continued innovation and double-digit growth in new enrolments each year.

Over the first half of its 2018/19 financial year (FYE 30 June), INSEEC U.'s revenue increased by 6% to €116.3m. During this period, the company continued to strengthen its leadership through several initiatives: (i) grouping all 16 schools under the new brand, INSEEC U. (for INSEEC Universitas); (ii) continuing the efforts to use the group's real estate more efficiently to create multidisciplinary campuses; (iii) launching a digital transformation project intended to create a unique student experience; and (iv) pooling resources and strengthening governance to create a platform for consolidation.

The group expects to generate double-digit growth in EBITDA for the 2018/19 financial year, spurred by double-digit total enrolment growth in September 2018 (25,000 students enroled).

6) Exit

An agreement to sell INSEEC U. was signed in March 2019.

SECTOR	COUNTRY	DATE OF INVESTMENT	RESIDUAL COST	FAIR VALUE	PORTFOLIO AT FAIR VALUE
	FRANCE	2013	€29.2m	€124.9m	12.5%

SNACKS DÉVELOPPEMENT

Snacks Développement

1) Business description

Snacks Développement is one of Europe's leading private-label savoury snacks manufacturers. The company has developed its expertise in extruded and stackable snacks and crackers over more than 20 years.

Following the acquisition of Kolak (UK) in 2016 and Ibersnacks (Spain) in October 2018, Snacks Développement now produces around 2 billion bags of savoury snacks for the leading food retail chains in Europe, with a focus on France, the UK, Spain, Italy and Benelux. Its annual production is over 90,000 tonnes.

2) Investment rationale

Snacks Développement is a leading pan-European producer of private label savoury snacks. The company produces superior quality products, has state-of-the-art production facilities and has had proven international successes.

Snacks Développement is committed to continuously launching new products through a structured innovation process. The quality of its products stands out in most blind panels.

The company operates on a large, growing and profitable European savoury snacks market with (i) common product categories across countries (e.g. stacked crisps), (ii) growing penetration of private label products and (iii) barriers to entry.

3) Sources of value creation

The investment thesis consists in creating a leading European-wide private label player in savoury snacks. Snacks Développement aims to pursue its growth in France and the rest of Europe, through intensive product innovation and investment in manufacturing facilities. The company also seeks to grow through acquisitions in Europe.

4) Achievements

Since investment, Snacks Développement has focused on a number of value creation drivers. It has increased sales in France through the development of new product categories and the penetration of new distribution channels. International sales have also grown, thanks to the development of stacked crisps volumes sold to selected European retailers.

In October 2016, the company completed the acquisition of Kolak, one of the main producers of crisps and snacks in the UK with sales of about €140m, which expanded the company's crisps and popcorn product range.

In September 2018, the company acquired the Spanish company Ibersnacks. With sales of about €80m, Ibersnacks is the preferred private label supplier in the savoury snacks category to Mercadona, Spain's leading food retailer, bringing additional scale, product diversification and a broader geographical footprint to the company. The new group employs around 1,900 people at eight production sites, with €350m in revenue and a commercial presence in 10 European countries.

5) Performance

Revenue for the 2018/19 financial year (FYE 31 January) should reach €353m, up 31% compared with the previous year (up 3% on a pro forma basis).

6) Exit

The company's leadership across Western Europe and growth profile will be attractive to both trade and financial buyers.

SECTOR	COUNTRY	DATE OF INVESTMENT	RESIDUAL COST	FAIR VALUE	PORTFOLIO AT FAIR VALUE
	FRANCE	2013	€37.7m	€76.6m	7.7%

melita

www.melita.com

1) Business description

Melita is the leading converged fixed-mobile telecoms operator in Malta. It offers broadband, pay-TV, fixed telephony and mobile services to over 120,000 unique customers. Melita also provides B2B telecom and hosting services through its own datacentre.

Melita operates a broadband network that passes through 99% of Malta's households, as well as its own mobile telephony network. The company has (i) a technological advantage in broadband internet speed vs the incumbent operator GO, which uses mostly DSL, and (ii) a fixed-mobile converged offering (over 75% of customers buy more than one service and some up to 4 services).

The company has 403 employees and a distribution network that includes 7 fully-owned shops, 3 exclusive resellers (with 3 outlets) and 1 tele-sales call centre.

2) Investment rationale

Melita is the leading converged fixed-mobile telecoms operator, the leader in the pay-TV and broadband markets and a challenger in the mobile market. It has a technological advantage over competitors, notably a faster internet speed. Melita is one of the leading converged operators in Europe providing fixed-mobile services as well as triple-play (3P) and quadruple play (4P) bundles, for which consumer demand is very high.

The Maltese market has robust fundamentals: a good macro outlook, a growing population and a buoyant economy with an increasing demand for B2B telecom and hosting services.

There is a clear path to revenue growth, driven by (i) competitive mobile/4P offers, (ii) demand for higher internet speeds, and (iii) the development of B2B activities. Meanwhile, improvements in operational efficiency are expected to lead to margin uplift.

Apax Partners SAS invested in Melita with a quality partner, Fortino, which is headed by former executives of Telenet. Fortino co-invested and helped to bring in operating advisors to work with the management team on various projects.

3) Sources of value creation

The investment thesis is to: (i) continue to invest in network infrastructure to maintain the company's broadband leadership by delivering better internet service to customers and regain television market share by improving the content and customer experience; (ii) develop mobile market share through bundling with fixed services; (iii) unlock B2B market potential; and (iv) improve customer care and operational efficiency.

4) Achievements

A new Chairman & CEO with extensive experience in telecommunications was recruited in April 2016. Previously, he served as Board member and CEO of Blizoo Media and Broadband (the largest operator in Bulgaria), as CEO of the German operator Kabel BW and as CEO of HanseNet. The new chief executive has implemented a number of measures, among which initiatives to improve brand perception and customer service.

In 2018, Melita finalised the nationwide deployment of DOCSIS 3.1 on its Fixed network and 4.5G on its mobile network to increase its technological and performance edge.

The company recently introduced its new quadruple-play offer (Flexi) featuring: i) the highest 1 Gigabit internet speed in the country, ii) the best existing Wifi technology (Plume mesh Wifi), and iii) exclusive TV football rights acquired in early 2018.

5) Performance

Melita maintained its growth momentum in 2018 by growing its revenues and EBITDA by 10% and 14%, respectively, over the period, increasing its subscriber base while reducing churn.

6) Exit

With its subscription-based business model, strong growth, excellent operational performance, and high cash flow conversion, Melita should be highly attractive to both financial and trade buyers.

SECTOR	COUNTRY	DATE OF INVESTMENT	RESIDUAL COST	FAIR VALUE	PORTFOLIO AT FAIR VALUE
	MALTA	2016	€33.7m	€71.1m	7.1%

CIPRÉS Assurances

www.cipres.fr

1) Business description

Founded in 2000, CIPRÉS Assurances is a wholesale broker specialised in supplemental insurance protection. It designs, underwrites and manages life, disability and health insurance programmes for self-employed persons as well as managers and employees of SMEs.

CIPRÉS offers a range of products and services to secure their income, safeguard their assets, preserve their health and protect them against accidents.

Supplementing its organic growth, CIPRÉS finalised the acquisition of Axelliance in August 2018, a major step in its business development strategy. Axelliance has recognized expertise in health & protection and property & casualty insurance, bringing in new expertise to CIPRÉS. It focuses on small and very small groups as well as self-employed persons, distributing its products both directly and through a network of ca. 4,500 brokers.

2) Investment rationale

CIPRÉS has an attractive business model based on recurring revenue, predictability, high profitability and strong cash generation.

In France the underlying market of wholesale supplemental insurance represents a segment worth about €1bn in a total supplemental insurance market worth €11bn. It has been growing at roughly 7% per year and has high barriers to entry.

CIPRÉS is well positioned to benefit from this market growth given its pure play positioning, leadership and excellent reputation among insurers and brokers.

3) Sources of value creation

CIPRÉS plans to digitalise all its processes, continue to expand its broker network, increase its brokers' business volumes and diversify its products internally and/or through acquisitions and joint ventures.

With these steps, CIPRÉS will initiate a new growth phase and a product diversification strategy to make it the leading multi-product player meeting all the insurance needs of entrepreneurs.

4) Achievements since the investment

A year and a half after the investment, the company is on track with its business plan. It continues to work on the complete overhaul of its back-office software, with completion scheduled for the end of 2019.

The newly combined CIPRÉS Assurances/Axelliance entity is the 2nd largest wholesale insurance broker in France, with around €500m in the portfolio and ca. 7,000 partner brokers in 2018. Its aim is to become the preferred insurer for French entrepreneurs in the near term.

5) Performance

In 2018 revenue increased by 18.5% to €62.0m, and EBITDA was up by 24%. Including Axelliance on a pro forma basis, revenue reached €103.6m.

6) Exit

CIPRÉS's asset-light structure translates into a highly cash generative business model. It has significant potential for further growth via the expansion of its broker network and new product offerings, which should attract future interest from both financial and strategic buyers.

SECTOR	COUNTRY	DATE OF INVESTMENT	RESIDUAL COST	FAIR VALUE	PORTFOLIO AT FAIR VALUE
	FRANCE	2017	€47.2m	€66.7m	6.7%

FireSafety Group

www.skfiresafetygroup.com

1) Business description

SK FireSafety Group specialises in fire safety and aeronautical safety equipment maintenance. It manufactures and maintains extinguishers, hydrants and other fire safety products and designs fire detection and extinction systems for critical environments.

Based in the Netherlands, the group is the result of the combination of several companies in the sector (ten acquisitions between 2010 and 2014) operating in the Benelux countries, in the United Kingdom and in Norway.

2) Investment rationale

The fire safety market offers robust fundamentals and recurring revenues.

SK FireSafety has developed specific know-how in the sale and maintenance of critical safety equipment in both the fire safety and the aviation industries. The company has a leadership position in the Netherlands, its domestic market, where it is positioned at the high end. The company has successfully participated in consolidating this market and is well poised to pursue other acquisitions.

SK FireSafety has a profitable, cash-generative business model, a large customer base and strong international growth potential in its various market segments.

3) Sources of value creation

SK FireSafety Group aims to become a major player in fire safety in Europe. To accomplish this, it is seeking to strengthen its leadership in its historical markets and carry out targeted acquisitions elsewhere in Europe.

In addition to these acquisitions, international expansion in selected operations (e.g. Products) and robust cash generation are driving value creation.

4) Achievements

Since investment, SK FireSafety has expanded its service offerings in the Aviation segment through the successful acquisition of Team Aero Services and most recently through the acquisition of Safetech in the United States.

The company has significantly improved the operational efficiency of its First Intervention Solutions division in Norway, which was in a turnaround phase at the time of acquisition.

In a difficult Oil & Gas market, SK FireSafety has restructured its operations and implemented significant cost savings. The division has returned to profitability.

The group has successfully rolled out its automation services across all the regional brands of its First Intervention Solutions division in the Benelux countries, which has improved profitability.

5) Performance

In 2018, SK FireSafety demonstrated its ability to generate growth across all business units (except Oil & Gas). The rationalisation of the company and its businesses has been successful, and, since 2017, SK FireSafety is back on the path to growth.

Its revenue rose by 14% to €124m and its EBITDA was up 28% (of which 20% organically) compared to 2017, thanks to the good performance of its recurring business activities across all business units.

6) Exit

The company's competitive positioning in selected market sub-segments should attract interest from strategic buyers at exit.

In December 2018, it signed a definitive agreement to sell its AeroSafety division.

SECTOR	COUNTRY	DATE OF INVESTMENT	RESIDUAL COST	FAIR VALUE	PORTFOLIO AT FAIR VALUE
	NETHERLANDS	2014	€31.5m	€45.3m	4.5%

Bip.
Business Integration Partners

www.businessintegrationpartners.com

1) Business description

BIP is a management, IT and digital transformation consulting firm, born as a spin off from Deloitte in 2003. It is the 4th largest consulting company in Italy, which still accounts for the majority of revenues. BIP serves 300 clients, with most revenues coming from large blue-chip clients in various industries including TMT, Energy & Utilities and Financial Services.

2) Investment rationale

BIP addresses a growing market, focusing notably on Italy, which is catching up with other European consulting markets with annual growth of 7% since 2013 and over 5% expected in coming years.

BIP enjoys a differentiated positioning between traditional management consulting and IT services, with a strong emphasis on digital transformation.

This has allowed it to significantly outperform growth in the Italian consulting market. Its business model is particularly efficient with high utilisation rates and limited SG&A and marketing spend. As a result, its solutions are profitable and its staff quality remains high.

Its blue-chip customer base is very loyal with an average tenure of over 13 years for the top 10 clients.

3) Sources of value creation

Our investment thesis relies on BIP's proven positioning, which it uses to outperform the Italian market while continuing to develop digital practices and an international presence, notably through bolt-on acquisitions.

4) Achievements since the investment by Apax Partners SAS in March 2018

In 2018, a strong recruiting push (+520 net FTEs *vs* 2017) enabled the company to benefit from the Italian market's strong growth while maintaining excellent service quality and healthy margins.

An M&A programme has been launched, with several sizable targets under investigation both internationally (Germany, UK, Spain, France) and in Italy (focusing on Digital).

5) Performance

In 2018 BIP's performance was significantly over budget and the business plan, with year-on-year growth in revenue and EBITDA of ca. 28% and 39%, respectively, fuelled by intensive recruiting in Italy and increasing utilisation rates.

6) Exit

The company's strong growth track record (+15% expected CAGR in revenue over 2017-22), excellent operating performance and strong cash conversion should be highly attractive at exit. Exit routes include IPO, tertiary LBO and trade sale.

SECTOR	COUNTRY	DATE OF INVESTMENT	RESIDUAL COST	FAIR VALUE	PORTFOLIO AT FAIR VALUE
	ITALY	2018	€31.1m	€43.8m	4.4%

THOM Europe

www.thomeurope.com

1) Business description

THOM Europe is a leading jewellery retailer in Europe. The Group was created in 2010 from the merger of two leading French jewellery retailers, Histoire d'Or and Marc Orian.

Since the 2016 acquisition of Stroili Oro in Italy and Oro Vivo in Germany, the group now operates in France, Italy, Germany and Belgium through a network of more than 1,000 company-owned stores, primarily located in shopping centres. THOM Europe operates under the following brands: Histoire d'Or, Marc Orian, TrésOr, Stroili Oro, Franco Gioielli and Oro Vivo.

2) Investment rationale

Having been a shareholder of Histoire d'Or for eight years, Apax had reviewed the opportunity to combine Histoire d'Or and Marc Orian several times in the past. The investment thesis is now based on the combined group.

THOM Europe is a leader in a stable, high-margin and fragmented market, in which scale provides a key competitive advantage. Its retail concepts, found in prime locations, stand out from the competition and are supported by best-in-class operations. Its outstanding, proven and highly-committed management team has a strong knowledge of both the Histoire d'Or and Marc Orian groups.

3) Sources of value creation

In addition to the synergies generated from the merger, THOM Europe shows significant growth potential via new openings in both shopping centres and city centres, development of e-commerce and international expansion.

4) Achievements

Since investment and the Histoire d'Or/Marc Orian merger, several developments have created value for the group. A few dozen stores have been opened in France and Belgium with a focus on city centres since 2013. In 2014, the group acquired 43 Piery stores and made several other small acquisitions. THOM Europe has also internationalised, acquiring two jewellery chains in Northern Italy, and opening several new stores in the country. Lastly, an e-commerce site and a digital marketing/CRM strategy were launched in 2013.

In July 2014, the group issued bonds for €345m to refinance its existing debt, finance the acquisition of the Piery stores and repay part of shareholders' convertible bonds, which allowed Altamir to recoup 40% of its initial cost.

In October 2016, THOM Europe acquired Stroili, the leading Italian jewellery retail chain (369 stores), and Oro Vivo's German subsidiary (38 stores), thereby creating Europe's largest jewellery retailer with more than 1,000 points of sale, over 5,000 employees and pro forma revenue of more than €600m.

In July 2017, the group refinanced its bond debt with a €565m term loan, significantly reducing its annual interest expense.

In April 2018, the group repurchased convertible bonds, allowing investors to recoup around 13% of their initial stake.

5) Performance

THOM Europe continued to perform well in 2017/18 (FYE September 30). Revenue rose by 4.4% to €672.7m and EBITDA was up 4.1% over the previous financial period.

This performance was the result of an increase in same-store sales in France and the continued recovery of Italian operations after a weak performance in Q1 2018.

The group continued to expand during the period with the opening of 40 new stores in Europe and a 39% increase in online sales in 2018.

6) Exit

THOM Europe has a scale and high margin profile which makes it an attractive target to large private equity groups as well as trade buyers.

SECTOR	COUNTRY	DATE OF INVESTMENT	RESIDUAL COST	FAIR VALUE	PORTFOLIO AT FAIR VALUE
	FRANCE	2010	€34.6m	€43.6m	4.4%

AEB IMPROVEMENT THROUGH BIOTECHNOLOGY

www.aebgroup.com

1) Business description

AEB Group is a worldwide leader in biotechnological ingredients and related services for wine, food and beverages. With a unique coverage across five continents, AEB Group employs more than 300 persons, including 170 agents and sales representatives in 13 countries. The company has eight production units, four R&D laboratories and seven quality control laboratories globally and collaborates with more than 20 universities and research institutes to foster continuous innovation.

It provides its clients with highly differentiated solutions based on more than 600 proprietary products and specialty equipment, especially designed for the wine, beer, juice, cider and food industry.

2) Investment rationale

AEB Group is a leading supplier of biotechnological ingredients and equipment, mainly for the wine market. This market is relatively fragmented – the top five players have a total market share of around 55% – and has potential for future consolidation. It combines resilience, low cyclicality and high barriers to entry.

AEB Group is well positioned to increase its leadership on this growing and resilient market. It enjoys a strong management team, a culture of constant innovation as well as the experience of a unique network of agents and sales representatives.

The company has an attractive business model: exceptional revenue recurrence, high profitability and strong cash conversion.

3) Sources of value creation

The investment thesis relies on AEB's expertise and innovation capabilities as well as a clear strategy for future development.

Apax intends to continue extending the company's geographical coverage and will also lead an ambitious buy and build strategy, leveraging AEB's existing worldwide sales and agents' network.

Apax will conduct a digital transformation of the company. Digital will allow the company to reduce its customer acquisition cost but also to better serve customers through data-driven solutions leveraging its worldwide team of experts.

4) Achievements since the acquisition by Apax Partners SAS (October 2018)

A new manager was appointed to the Beer division in Q4 2018 to accelerate the growth in this promising segment. A new subsidiary has been opened in China to serve local customers. In the meantime, some discussions are going on with potential M&A targets.

5) Performance

In 2018, revenue increased by 7% to €100m, driven by strong growth in core countries (Italy, France, Spain) and growth at Innotec (the specialized equipment subsidiary). EBITDA improved by 9%, driven by solid top line growth combined with strong operating leverage.

6) Exit

The investment thesis aims at creating the undisputed worldwide solution provider in natural processes for wine and beer, before selling to a strategic or a financial buyer.

SECTOR	COUNTRY	DATE OF INVESTMENT	RESIDUAL COST	FAIR VALUE	PORTFOLIO AT FAIR VALUE
	ITALY	2018	€41.4m	€41.4m	4.1%

expereo

www.expereo.com

1) Business description

Expereo is a leading global internet connectivity and managed services provider, operating in circa 11,000 enterprise and government sites across over 190 countries for more than 1,300 multinational clients.

Expereo's core business is sourcing, provisioning and managing internet connectivity from ca. 3,000 suppliers for multinational clients. Additionally, Expereo provides high value-added technology services such as cloud acceleration and SD-WAN, allowing clients to increase their network performance and flexibility.

2) Investment rationale

Expereo has leading positions in the very attractive cloud services and software defined networking global markets. These markets are growing, as they are not dependent on economic cycles but rather are supported by strong long-term trends: global shift from private networks to IP networks, increasing bandwidth consumption, expansion of multinational companies.

Expereo offers highly differentiated and innovative value propositions and technologies. It is managed by a strong team with a clear strategic vision and which has demonstrated its ability to execute it. With its unique network of local partners and its proprietary technology platform, Expereo's XDN portfolio is well positioned to help enterprises deliver on the promise of network agility to drive their digital transformation.

Expereo has a strong track record of performance, having achieved double-digit sales growth over the past five years to reach €92m in revenue in 2017. Expereo has built long-term relationships with an impressive number of blue-chip clients and business partners. Its business model is particularly resilient (more than 90% of revenue being based on subscriptions) and highly scalable with limited capex requirements.

3) Sources of value creation

The objective is to accelerate Expereo's growth by enhancing its product portfolio, realising complementary acquisitions, and delivering ever higher standards of excellence in its global go-to-market execution and service.

4) Achievements since the investment by Apax (September 2018)

Since Expereo was acquired, its performance has been perfectly on track with its business plan, notably with the current roll-out of its enhanced digital platform.

A clear value creation plan has been built with management to further accelerate growth, notably with the objective of improving Expereo's digitisation and implementing the ESG best practices that have been defined.

5) Performance

In 2018, revenue rose by 13% at constant exchange rates, driven by the continued increase in the number of sites managed and a higher revenue per site owing to the increasing success of Expereo's value added proprietary solutions. EBITDA improved by 15% at constant exchange rates, driven by higher margins per site, partially offset by investments in the sales organisation.

6) Exit

Strong growth track record, distinctive technology and strong business fundamentals (recurrence, cash conversion) should be highly attractive at exit. Exit routes include trade sale, tertiary LBO and IPO.

SECTOR	COUNTRY	DATE OF INVESTMENT	RESIDUAL COST	FAIR VALUE	PORTFOLIO AT FAIR VALUE
	NETHERLANDS	2018	€36.3m	€36.3m	3.6%

infovista

www.infovista.com

1) Business description

InfoVista is a leading software provider of network/application performance solutions to over 1,200 customers in more than 120 countries. Since the purchase of TEMS in September 2016, the company has become truly global with balanced geographical exposure between the Americas (ca. 30%), Europe (ca. 40%, of which less than 10% in France), Asia, Middle-East and Africa (ca. 30%).

InfoVista focuses on 4 main solutions:

- *TEMS*: Business acquired in September 2016 which is the worldwide software leader in network testing and measurement for mobile operators;
- *Service Assurance (SA)*: InfoVista's legacy business providing network performance visibility, monitoring and control solutions, mainly to Communication Service Providers (CSPs);
- *Network Planning & Optimisation (NPO):* Business acquired from Mentum in 2012, solutions for network design & planning, and optimisation, mainly to mobile operators; and
- *Application Performance Guarantee (APG):* Product acquired from Ipanema in 2015, solutions for application performance visibility, monitoring and control, mainly to Enterprises and Communication Service Providers.

2) Investment rationale

InfoVista is a leading worldwide software provider in network and application performance solutions with premium positioning and real value-added to clients (the top 10 world telecom operators are all clients of InfoVista).

The company addresses a growing market. Telecom operators are spending increasing amounts on network planning and optimisation as well as on service assurance due to the continued rollout of new technologies. Meanwhile, given the complex networks and multitude of applications used by IT-intensive enterprises, there is a growing need for more efficient enterprise application performance management.

InfoVista's business model is resilient, with (i) a diverse and stable client portfolio of over 1,200 customers, (ii) more than 50% of revenues generated by recurring maintenance, (iii) 70-80% penetration among Tier 1 telecom operators, and (iv) an asset-light business model with strong cash generation.

In addition, the company has an extensive international footprint, with direct presence in 20 countries and products distributed in more than 120 countries. It has a strong buy-and-build track record and numerous opportunities to acquire new technologies and/or enter adjacent markets by pursuing its build-up strategy.

3) Sources of value creation

Our investment thesis is to (i) help InfoVista further harness revenue synergies with the Ipanema business (acquired in 2015), (ii) pursue a buy-and-build strategy, and (iii) turn InfoVista into a clear market leader in mobile and fixed network performance optimisation.

4) Achievements

In September 2016, InfoVista acquired the U.S. company TEMS, worldwide software leader in mobile testing and measurement for mobile operators. As a result, the company grew significantly in size.

In 2017, the company successfully implemented a restructuring plan to (i) fully integrate TEMS's activities, (ii) generate significant cost synergies in the new organisation, and (iii) strengthen its management and sales & marketing teams, notably by appointing a new chief global sales officer.

In 2018, the company continued to focus on revamping the Sales & Marketing organization to drive the businesses back to organic growth.

5) Performance

Over the first six months of 2018/19 (FYE 30 June), InfoVista was back to topline organic growth.

In January 2019, José Duarte was appointed as the new CEO of the company to accelerate InfoVista's growth and profitability through a new strategic plan over the next few years.

6) Exit

The combination of a resilient business model, strong growth, excellent operational performance, and high cash flow conversion should be highly attractive at exit for both financial and trade buyers.

SECTOR	COUNTRY	DATE OF INVESTMENT	RESIDUAL COST	FAIR VALUE	PORTFOLIO AT FAIR VALUE
	FRANCE	2016	€39.2m	€31.4m	3.2%

ThoughtWorks®

www.thoughtworks.com

1) Business description

ThoughtWorks is a leading digital transformation and software company which helps businesses solve complex technology problems. Headquartered in Chicago, the company operates in 14 countries, with 40 offices worldwide and over 5,000 employees globally.

Specialized in the design and delivery of customised software to large companies, ThoughtWorks is considered a leader in the industry and tackles the most complex digital transformation problems for its clients. The company was an early pioneer of the 'Agile' approach and has been at the forefront of other new development methods, such as DevOps and re-factoring.

2) Investment rationale

ThoughtWorks is a leader in the attractive digital transformation sector. The industry is both large and expected to grow circa 20% per year over the next 4 years as companies increasingly invest in digital transformation to stay competitive and shift their focus from cost-cutting and efficiency initiatives to customer experience and business outcomes.

The company enjoys a differentiated position as a unique, "pure-play" digital transformation services provider with strong technical expertise. ThoughtWorks is led by a strong management team with a consistent track-record.

The investment thesis is to back a business at the forefront of digital transformation to both accelerate growth and improve margins.

3) Value creation levers

The objective is to accelerate growth, including through better account management practices, margin improvement, and a more focused commercial strategy.

4) Achievements since the acquisition

Since acquisition, Apax Partners LLP has engaged with ThoughtWorks on several initiatives.

These include: i) the improvement of account management and mining capabilities, especially among its top clients; ii) investment in new technology capabilities to ensure ThoughtWorks remains the leader in digital innovation; iii) a focus on North America to ensure it is a key strategic priority for management; and iv) improved general-and-administrative expenses efficiency and margins, a project supported by Apax Partners LLP's Operational Excellence Practice ("OEP").

5) Performance

The investment is off to a strong start with robust organic growth in 2018 and the improvement of margins. Performance in China, Germany, Brazil and the UK has been particularly strong.

SECTOR	COUNTRY	DATE OF INVESTMENT	RESIDUAL COST	FAIR VALUE	PORTFOLIO AT FAIR VALUE
	UNITED STATES	2017	€10.7m	€28.1m	2.8%

www.altran.com

1) Business description

Altrafin Participations, a holding company controlled by the Apax funds, is the principal shareholder of Altran, with 8.6% of its capital and 15.3% of its voting rights. Altran is listed on Euronext Paris, Compartment A.

Altran is a world leader in innovation and high-tech engineering consulting. Altran works with its clients over the entire value chain, from design to production. The group has been providing its expertise for over 30 years to key players in the Aerospace, Automotive, Defence, Energy, Finance, Life Sciences, Railway, Telecoms and other sectors. Altran has nearly 45,000 employees in over 30 countries.

2) Investment rationale

As the pioneer in its industry, Altran has developed the only international network with a comprehensive offering in innovation consulting. The company has a very strong brand in the industry and a diversified and well-balanced portfolio of blue-chip clients.

At the time of investment, Apax became the core shareholder that the Group needed.

3) Sources of value creation

The investment thesis is based upon growing sales and EBITDA through organic growth, increasing Altran's share of the outsourced R&D market, rationalising its portfolio of activities and geographies, taking advantage of build-up opportunities and optimising costs.

4) Achievements

Altran's portfolio of activities and geographies has been actively managed. The group has exited from loss-making countries, like Brazil, and reinforced its presence in key markets such as Germany, the UK and the US. It has also targeted investments in emerging geographies (India and China) and exited from underperforming activities that were not in line with its strategy (Arthur D. Little).

The company has implemented an active build-up strategy focused on Altran's key markets, i.e., Germany, the UK, the US, India, China, and key strategic sectors such as Embedded Software and Intelligent Systems.

In March 2018, Altran acquired the US company Aricent for €1.7bn and created the undisputed world leader in innovation and high-tech engineering consulting, with nearly 45,000 employees in some 30 countries and nearly €3bn in annual revenue. The transaction was financed in part by a €750m capital increase, to which Apax Partners and Altamir participated pro-rata to their stake in the company.

On 26 June 2018, Management unveiled "The high road, Altran 2022", its strategic plan for the four-year period from 2018 to 2022. The plan aims to grow Altran organically to €4bn in sales while reaching a 14.5% operating margin vs. ca. € 2.9bn in sales and a 12.6% pro forma operating margin as of Dec-2017.

In mid-July 2018, Altran issued a press release announcing a pre-acquisition forgery discovered at Aricent for a total amount of ca. $10m (related to one individual, in his relation to one client only and for the period Q3 2017 to Q1 2018). As a consequence, Aricent's margin was reassessed to 15.6% on a LTM basis as of Jun-2018 vs. 18.3% PF LTM Sep-2017.

This financial incident, which was an isolated event, does not affect the rationale of the acquisition of Aricent. Nevertheless, it had an impact on Altran's share price, which declined 49.5% between 31 December 2017 and 31 December 2018.

5) Performance

In 2018 Altran reported robust revenue of 2,916.4m, up 27.1% compared to 2017 (8.0% organic growth and 7.1% economic growth), with a solid momentum across regions. Revenue included €445m from Aricent whose contribution started 20 March 2018.

Operating profit amounted to €352.3m, up 40.9% compared to 2017, reaching 12.1% (+120bps compared to 2017). Aricent's operating margin was restored to 18.2% in the second half of 2018, leading to a €79m contribution (17.8% of revenues) in 2018. Excluding the contribution of Aricent, the operating margin of Altran increased by 20bps compared to 2017, notably due to progress in rebuilding the margin in Germany, where the company returned to profitability in the second half of the year.

6) Exit

The successful transformation of the group, its financial performance and its new scale following its combination with Aricent should increase market investor interest, as well as that of trade or financial buyers.

SECTOR	COUNTRY	DATE OF INVESTMENT	RESIDUAL COST	FAIR VALUE	PORTFOLIO AT FAIR VALUE
	FRANCE	2008	€38.9m	€26.4m	2.6%

ALAIN AFFLELOU

www.alainafflelou.com

1) Business description

Alain Afflelou is a leading optical retail chain in France and Spain. Since its first store opening in 1972, the group has expanded significantly and operates as an optical and hearing-aid services franchisor.

As of 31 October 2018, the company had a network of 1,462 points of sale, including 979 in France, 342 in Spain and 141 in 11 other countries.

2) Investment rationale

Operating in the large and resilient optical market, Alain Afflelou has a strong franchise business model benefiting from a highly recognized brand and know-how in marketing, communication and exclusive products. It is an attractive service and intermediation-based business model with low capital intensity and limited fixed costs. The company has a complementary and experienced team.

3) Sources of value creation

The objective is to build a leading optical and hearing-aid franchisor in Europe with a strong focus on Southern Europe. The group shows significant potential for further growth via new openings in core markets, international expansion, development of new products and business lines, as well as store refurbishments.

4) Achievements

In 2015, the group completed the acquisition of Optical Discount, a franchise discount chain of 89 stores in France.

In September 2016, the Group acquired happyview.fr and malentille.com, bringing in an experienced team of digital experts in the optical sector to support the group's omnichannel strategy, based on the relaunch of the Afflelou.com website, whose main objective is to drive in-store traffic.

In October 2017, the Group announced the successful issuance of €425m of high yield bonds, further lowering (after the 2014 refinancing) the overall weighted cost of debt to provide greater flexibility to fuel growth.

In March 2017, the Group launched a digital transformation initiative aimed at reshaping the customer journey but also at reviewing internal processes, accompanied by leading consulting firms. A Chief Digital Officer was hired in November 2018 to implement this initiative.

To focus its effort on developing its historical banners in Iberia, the group announced the sale of the Optimil banner in Spain in October 2018 and of its 34% stake in Optivisao in Portugal in January 2019.

In addition, the company continues to develop its hearing aid business, which already has approximately 300 points of sale, mostly in the form of corners in eyewear stores.

5) Performance

For the financial year ended 31 July 2018, Group revenue amounted to €380.3m (+2.5% vs. 2016-17) and EBITDA increased by 1.1%. Performance was driven by positive like-for-like growth, notably in France where Afflelou outperformed the market – as well as an effort to rationalise underperforming activities.

Over the first three months of the current financial year (Aug 2018 – Oct 2018), group network sales increased by 6.7%, a strong commercial performance mainly driven by the Smart Tonic range in France and Spain. EBITDA was up 1% over the period.

In a market environment which remains competitive, Afflelou continues to outperform its market thanks to the ramp-up of closed networks, Management's continued sales and promotional efforts, as well as product launches such as Smart Tonic or new exclusive collections.

The group continues to actively pursue its French and international expansion through store openings and acquisitions, as well as the development of its discount banners.

6) Exit

Alain Afflelou will be an attractive opportunity for a range of buyers due to its highly recognized brand, its leadership position in optical franchise retail and asset light structure translating into a highly cash-generative business model.

SECTOR	COUNTRY	DATE OF INVESTMENT	RESIDUAL COST	FAIR VALUE	PORTFOLIO AT FAIR VALUE
	FRANCE	2012	€20.6m	€24.8m	2.5%

www.sandaya.fr

1) Business description

Founded in 2011, Sandaya is an integrated premium campsite operator, which has grown through the successive acquisition of independent campsites. The group operates 21 four- and five-star campsites in France and Spain, located primarily on the seashore, with high-quality accommodation (mobile homes, lodges, chalets, empty pitches for tents, caravans and camping cars) and a wide variety of leisure activities and services (water parks, kid's activities, playgrounds, etc.).

Customers are French (53% of sales) as well as Dutch, Belgian and German.

Sandaya's business model is based on full control of the value chain of campsite operations through: (i) ownership (or long-term lease) of land with high value seafront locations; (ii) ownership of accommodation, with a frequently renewed fleet consistent with the group's premium positioning; (iii) direct management of each site, consistently applying best practices across the group and systematically monitoring customer experience; and (iv) direct distribution through an e-commerce website, a call centre, a paper catalogue and an ad hoc sales force for company work councils (Comités d'Entreprise).

2) Investment rationale

Sandaya operates on a growing, resilient and highly fragmented end market, with premiumisation and consolidation trends.

The company has a differentiated and superior offering, with an "integrated branding" business model allowing for revenue optimisation through occupancy rate and pricing management, strict control of land, operation and distribution costs, and a uniform branding strategy.

The management team includes visionary entrepreneurs, who are former CEOs of large structured players in the leisure accommodation industry (Pierre et Vacances and Center Parcs) with a proven track-record of consolidation, having successfully negotiated, integrated and optimised 20 acquisitions from 2011 to 2018.

Sandaya has strong growth potential, both organically and through acquisitions.

3) Sources of value creation

The investment strategy is based on the following drivers: (i) external growth: consolidation of a highly fragmented premium campsites market to benefit from economies of scale; (ii) optimisation of commercial methods through digitalisation: yield management, increased occupancy rates, increased online sales, etc.; (iii) internationalisation: growing sales presence in selected European countries to optimise off-peak occupancy and pricing; and (iv) optimisation of financial structure: refinancing of land-owning subsidiary to free up the necessary cash resources to finance acquisitions.

4) Achievements

By the end of 2018, Sandaya had already acquired 13 campsites (adding 5,040 pitches, +109% vs. acquired scope), with one further campsite under exclusive negotiation (710 pitches) and one operated under a management contract with an option to buy in 2021 (310 pitches). Sandaya is pursuing a number of additional acquisition opportunities for the 2019 and 2020 seasons.

The company is also working on optimising RevPar (Revenue per Available Room), at constant scope, with owned mobile homes replacing tour operators and empty pitches.

Sandaya has strengthened its management team by hiring a Managing Director in charge of sales, marketing and digital, a CFO, a build-up/M&A manager and an Operations Director. In 2018, it invested significantly in marketing and digital to grow its brand awareness and optimise online sales for the coming seasons.

5) Performance

For the 2017/18 financial year (FYE 31 October), the company generated revenue of €46.7m, up 27% compared to the prior year, owing to an increase in business at constant scope (14 campsites) and the acquisition of five campsites at the start of the season. On a pro forma basis including the acquisitions planned for the 2019 season, LTM estimated revenue is approximately €68.8m.

6) Exit

Sandaya is expected to become a leading premium campsite operator in Europe and will therefore be attractive for both European generalist outdoor accommodation players and private equity funds.

SECTOR	COUNTRY	DATE OF INVESTMENT	RESIDUAL COST	FAIR VALUE	PORTFOLIO AT FAIR VALUE
	FRANCE	2016	€20.7m	€22.0m	2.2%

OTHER COMPANIES BY SECTOR

€42.9m	€63.5m	6.3%
Residual cost *(in €m)*	Fair value *(in €m)*	% of the portfolio at fair value

TMT • 10 other companies

Company	Country	Business description	Annual turnover *(in €m)*
VOCALCOM Connecting to Customers www.vocalcom.com	FRANCE	Vocalcom is a provider of software for multi-channel customer services, including telephone calls, text messages, e-mail, video calls, web contact, social networks, point-of-sale and mobile customer management. The company is among the main providers of technological solutions for call centres, with more than 550,000 users and 3,500 corporate customers in 47 countries.	34
exact BUSINESS SOFTWARE www.exact.com	NETHERLANDS	Exact Software is the leading Dutch provider of business software for SMEs. Exact develops industry-specific on-premises and cloud-based solutions in a wide variety of industries. It has 1,400 employees in 12 countries.	205
Paycor www.paycor.com	UNITED STATES	Paycor is one of the main US providers of HR and payroll services, with a customer base of over 38,000 SMEs throughout the United States.	242
ENGINEERING www.eng.it	ITALY	Engineering Ingegneria Informatica is a leading Italian IT services provider. The group employs ca. 11,000 people in eight countries. It provides system integration services, software applications and outsourcing services. It operates in diverse business sectors ranging from public administration, healthcare, telecommunications and media and financial services.	1,170
ECi Software Solutions www.ecisolutions.com	UNITED STATES	ECi Software Solutions provides cloud-based business management software solutions and related services. For more than 30 years, the company has met the needs of SMEs in the manufacturing, wholesale and retail sales, building and construction, field services and IT services sectors. ECi has offices in the United States and also has a presence in the UK, the Netherlands, Australia and New Zealand.	192*

* *Revenues converted into millions of euros based on exchange rates at 31/12/2018.*

TMT

Company	Country	Business description	Annual turnover *(in €m)*
genius sports GROUP www.geniussports.com	UNITED KINGDOM	Genius Sports Group is the world's third-largest company providing sports organisations with software solutions for capturing and distributing sports data in real time, as well as services to prevent betting-related corruption.	72
Evry www.evry.com	NORWAY	Evry is one of the leading IT companies in the Nordic countries, with a strong local and regional presence in 50 cities and towns. Evry has some 8,800 employees and operates mainly on the Norwegian and Swedish markets.	1,298*
attenti www.attentigroup.com	ISRAEL	Attenti is a global provider of electronic monitoring systems serving hundreds of government correctional and law enforcement agencies in 30 countries. The company offers a comprehensive and differentiated range of tracking, radiofrequency and blood-alcohol testing systems, as well as monitoring solutions through an integrated software platform.)	75*
duckcreek technologies www.duckcreek.com	UNITED STATES	Duck Creek Technologies is a leading provider of modern software technology to the P&C insurance carrier market. Founded in 2000, the company is now the second-largest P&C insurance software vendor in the United States and with the acquisition of Agencyport, has around 1,200 employees, and 12 offices in the United States, the UK, Spain, India and Australia.	152*
ZenSar TECHNOLOGIES Your Transformation Partner www.zensar.com	INDIA	Zensar Technologies Ltd is a listed Indian company that provides software and infrastructure services to leading global customers in the manufacturing, retail and high-tech industries. With close to 9,000 employees, the company has a sales and operations presence in the US, the UK, continental Europe, the Middle East, South Africa, Singapore and Australia.	380*

* *Revenues converted into millions of euros based on exchange rates at 31/12/2018.*

€46.5m	€54.1m	5.4%
Residual cost *(in €m)*	**Fair value** *(in €m)*	**% of the portfolio at fair value**

HEALTHCARE • 9 other companies

Company	Country	Business description	Annual turnover *(in €m)*
www.amplitude-surgical.com	FRANCE	Amplitude Surgical is a listed French company, leader on the global surgical technology market for lower-limb orthopaedics. The company develops and markets high-end solutions for orthopaedic surgery covering the main disorders affecting the hip, knee and extremities (foot and ankle). A leading player in France, Amplitude Surgical has around 420 employees and markets its products in more than 30 countries.	103
www.unilabs.fr	SWITZERLAND	With a presence in 12 countries, Unilabs is a European leader in diagnostic services and the only provider able to offer services in laboratory medicine (80% of EBITDA), imaging and pathology. Its customers are public and private healthcare providers (hospitals, general practitioners, occupational health units), country councils, insurance companies and outpatients, as well as the pharmaceutical industry and clinical research organisations. Unilabs has around 10,500 employees (including 1,000 doctors) and generates over €900m in revenues, mainly in Switzerland, France, the Iberian Peninsula and Scandinavia.	956
www.syneron-candela.com	UNITED STATES	Based in the United States, Candela is a leading global provider of non-surgical aesthetic devices. The company offers leading-edge solutions for a wide range of medical-aesthetic treatments including body contouring, hair removal, wrinkle reduction, tattoo removal, women's health, improving skin appearance by treating benign superficial vascular and pigmentary lesions, as well as the treatment of acne, varicose veins and cellulite.	299*
www.vyaire.com	UNITED STATES	Vyaire Medical is a carve-out of the Respiratory Solutions Business of US group Becton Dickinson. Vyaire Medical is the world leader in respiratory diagnostics, ventilation and post-anaesthesia monitoring.	749*
www.neuraxpharm.com	GERMANY	Neuraxpharm (formerly NuPharm) is a pan-European leader in the manufacture of branded and generic pharmaceutical products focused on the treatment of central nervous system disorders. The company was formed from the merger of Neuraxpharm Arzneimittel in Germany and Invent Farma in Spain, and has had a presence in five European countries including France since 2018, following the purchase of Laboratoire Biodim.	216

* *Revenues converted into millions of euros based on exchange rates at 31/12/2018.*

HEALTHCARE

Company	Country	Business description	Annual turnover *(in €m)*
Healthium www.healthiummedtech.com	INDIA	Healthium MedTech is the leading independent medical devices player in India (wound closure products, minimally invasive surgical supplies, urology products, surgical gloves, etc.).	75
KEPRO INTELLIGENT VALUE www.kepro.com	UNITED STATES	Kepro is one of the main providers of care coordination and quality assurance services, primarily for US state and federal healthcare payers, as well as some unions under the Taft-Hartley Act that are self-funded. The company offers: (i) quality control services to assess whether care has been properly administered; (ii) utilisation management services, to coordinate and guarantee that the appropriate care is provided; and (iii) evaluation services to determine if patients meet the criteria for admission.	154*
onecallcare MANAGEMENT www.onecallcm.com	UNITED STATES	One Call Care Management is the market-leading provider of medical solutions for US workers' compensation. The company aims to contain medical costs for employers by leveraging a network of providers in various fields such as laboratory testing, homecare, dental care, and physical therapy.	1,367*
Ideal Protein www.idealprotein.com	CANADA	Based in Canada, Ideal Protein develops weight-loss and wellness solutions. The company has developed a comprehensive weight-loss protocol and has partnered with over 3,000 doctors' offices, medical clinics, multi-provider practices, chiropractors and pharmacies who offer the programme in the US and Canada.	145*

* *Revenues converted into millions of euros based on exchange rates at 31/12/2018.*

€29.9m Residual cost (in €m) | €41.1m Fair value (in €m) | 4.1% % of the portfolio at fair value

SERVICES • 10 other companies

Company	Country	Business description	Annual turnover (in €m)
AssuredPartners INC. www.assuredptr.com	UNITED STATES	AssuredPartners is one of the largest independent insurance brokerage firms in London and in the United States, where it has offices in over 30 states. Through its network of agencies, AssuredPartners provides property & casualty insurance brokerage services to commercial and individual customers.	883*
safetykleen www.safetykleen.eu	UNITED KINGDOM	Safetykleen Europe is a leading service provider of surface treatment and chemical application services, with operations in Europe, Turkey, Brazil and China. The company offers the largest and most innovative array of specialised industrial equipment for degreasing and washing parts, as well as chemical application management services.	276*
国泰君安证券 GUOTAI JUNAN SECURITIES www.gtja.com	CHINA	Guotai Junan Securities is one of the leading securities firms in China. Through its vast network of offices, it offers specialised financial and investment services. Guotai Junan Securities is listed in Shanghai and Hong Kong.	4,787*
tosca www.toscaltd.com	UNITED STATES	Tosca provides innovative supply chain solutions and reusable packaging for perishable products (produce, eggs, poultry, meat and cheese). Based in Atlanta, Georgia (USA), it works with growers, suppliers and distributors to better manage the flow of perishables all along the logistics chain. Tosca's reusable plastic containers, the widest range in the sector, ensure optimal protection of products, reduce costs and are more sustainable than single-use packaging.	143*
AUTHORITY BRANDS www.theauthoritybrands.com	UNITED STATES	Authority Brands is a major home services franchising company (with a network of more than 300 franchisees in the United States, Canada and Latin America), which provides residential cleaning services to over 100,000 customers across the United States, as well as at-home care services.	38

* Revenues converted into millions of euros based on exchange rates at 31/12/2018.

SERVICES

Company	Country	Business description	Annual turnover *(in €m)*
BOATS GROUP www.boatsgroup.com	UNITED STATES	Boats Group operates the leading digital classifieds marketplaces for recreational marine vehicles in North America and Europe and provides marketing software solutions to its broker and dealer customers. Its 28 websites (translated into 13 languages), principally BoatTrader.com, YachtWorld.com and Boats.com, attracted more than 140 million visitors in 2018. The company has customers in 106 countries.	47*
QD Quality Distribution www.qualitydistribution.com	UNITED STATES	Quality Distribution Inc. operates the largest bulk tank truck network in North America. The company provides transport and delivery services for each of the top 100 chemical producers in the world. It has over 125 offices across North America and more than 3,000 drivers and franchises.	945*
SHRIRAM City MONEY WHEN YOU NEED IT MOST http://shriramcity.in	INDIA	Shriram City Union Finance is a listed Indian company specialising in retail financial services: loans to small- and medium-sized enterprises, finance for two-wheelers and loans against gold. The company focuses on customer segments under-served by other mainstream lenders, and is able to effectively address these customers with a network of over 1,000 points of sale and a unique, de-centralised operating model.	491*
MANAPPURAM FINANCE LIMITED www.manappuram.com	INDIA	With a $2.4bn loan portfolio, Manappuram Finance is the second-largest lender against gold in India. The company is listed in Mumbai.	350*
中国华融资产管理股份有限公司 CHINA HUARONG ASSET MANAGEMENT CO., LTD. www.chamc.com.cn	CHINA	China Huarong Asset Management Co., Ltd ("Huarong") is the leading asset management company in China by AUM with a full set of financial services licences and a specialisation in non-performing loans processing and lending to SMEs. The company is headquartered in Beijing, with 30 branches across China and a nationwide branch network. It went public in Hong Kong in October 2015.	14,864*

* *Revenues converted into millions of euros based on exchange rates at 31/12/2018.*

€13.7m
Residual cost
(in €m)

€21.7m
Fair value
(in €m)

2.2%
% of the portfolio at fair value

CONSUMER • 4 other companies

Company	Country	Business description	Annual turnover *(in €m)*
MATCHESFASHION.COM MODERN LUXURY SHOPPING www.matchesfashion.com	UNITED KINGDOM	MATCHESFASHION.COM, a specialised online luxury clothing retailer for men and women, offers a selection from over 400 established and emerging designers. The company generates more than 90% of its revenues from online sales (of which 80% outside the UK), delivers its products to over 176 countries and offers advice 24/7 via its MyStylist fashion concierge service, as well as in its boutiques and its London store for private sales. The company has more than 500 employees.	409*
idealista.com www.idealista.com	SPAIN	Idealista is the largest online real estate marketplace in Spain with over 10 million monthly users. Delivering over 300m page views a month, idealista.com is an essential lead generation tool for real estate agents and private real estate sellers/landlords.	64
wehkamp www.wehkamp.nl	NETHERLANDS	Wehkamp is the leading online retailer in fashion, electronics and home & garden in the Netherlands. It caters for the typical middle-class family and has established itself as a household brand in the Netherlands.	588
COLE HAAN www.colehaan.com	UNITED STATES	Cole Haan, founded in 1928, is one of the leading American designers and retailers of premium men's and women's shoes, apparel and accessories. The company sells through leading department stores, its network of stores in the United States, Canada, China and Japan, and through its e-commerce site.	565*

* *Revenues converted into millions of euros based on exchange rates at 31/12/2018.*

APAX DEVELOPMENT AND APAX DIGITAL FUNDS

In 2018, reaffirming its ambitious long-term growth and value-creation strategy, Altamir decided to expand its investment policy and make commitments to two new funds: **Apax Development,** launched by Apax Partners SAS in the small-cap segment in France; **and Apax Digital,** launched by Apax Partners LLP, which invests worldwide in technology companies.

Altamir's objective is to seize new opportunities in buoyant markets, while capitalising on the competitive advantages offered by Apax Partners: sector expertise and an ability to create value through digital transformation, acquisitions and internationalisation.

APAX **Development**

- **€15m** subscribed by Altamir
- **1 company** in portfolio at 31 December 2018

With the acquisition of EPF Partners, a renowned specialist in the small-cap segment in France, Apax Partners has a team of seven professionals who are currently raising the Apax Development fund, with a goal of €225m.

France's small-cap segment is a dynamic and attractive market in terms of price and corporate growth potential. The Apax Partners SAS strategy for Apax Development is to take majority ownership stakes in companies valued at less than €100m in its four sectors of specialisation (TMT, Consumer, Healthcare and Services). This strategy is complementary to that of its other funds, which invest in companies with valuations greater than €100m.

In October 2018, Altamir subscribed up to €15m in the Apax Development fund.

During 2018, Apax Development made its first investment in Eric Bompard, the European leader in cashmere.

Residual investment *(in €m)*	Valuation *(in €m)*
1.4	1.4

APAX **Digital**

- **$5m** subscribed by Altamir
- **4 companies** in portfolio at 31 December 2018

Drawing on more than 30 years of experience and deep investment expertise in the technology and telecommunications sectors, Apax Partners LLP has a team of 22 professionals dedicated to managing the $1.1bn Apax Digital fund.

The Apax Digital investment strategy is to take majority or minority stakes in enterprise technology and consumer internet companies that are smaller than companies in which the Apax VIII LP and Apax IX LP funds invest. The target companies are located in Apax Partners LLP's geographical scope, i.e. Europe, North America, Brazil, China, India and Israel.

Altamir's investment in the Apax Digital fund is $5m.

As of 31 December 2018, Apax Digital had made four investments. They include two consumer internet companies (B2C), US company Moda Operandi (leading luxury fashion e-commerce platform) and Chinese company So Young (aesthetic medical treatments marketplace), and two enterprise tech companies (B2B), US company Wizeline (high-end software product development) and Solita (one of Finland's largest digital transformation services companies).

Residual investment *(in €m)*	Valuation *(in €m)*
0.8	0.9

1.3 BUSINESS DESCRIPTION

1.3.1 THE PRIVATE EQUITY BUSINESS

WHAT IS PRIVATE EQUITY?

Private equity consists of investing in unlisted private companies with the intent of developing them and improving their business performance.

In the private equity model, a team of professional fund managers takes a stake in private companies, usually with a specific investment thesis and a detailed value creation plan. In general, private equity investors are able to ensure that the interests of all stakeholders in a deal are aligned, thus ensuring that the companies they invest in are managed in the best interests of the Company's management team, the private equity fund investors and the private equity fund managers.

The private equity ownership model can be applied to a wide range of company types, sizes, sectors and geographies. Private equity ownership plays a key role at many stages in a company's history: a change in the scale of a business, a required change in ownership, a change in strategic direction, or a change in the structure and operations of a business. The common factor is that all investee companies have growth potential that has not been fully developed. Private equity investment aims to unlock this potential through specific value creation plans.

Private equity performance is generally measured and evaluated in terms of multiples of the amounts invested, and the internal rate of return (IRR).

ADVANTAGES OF PRIVATE EQUITY

The private equity ownership model presents a number of advantages that facilitate value creation and the realisation of capital gains over time:

- large universe of target companies offering many opportunities;
- time and resources to study and assess investment opportunities, and to analyse and value the target companies best-positioned to grow and capitalise on the secular trends within those industries, as well as to analyse potential risks and how best to mitigate them;
- committed, long-term ownership, that is not concerned with short-term performance targets, but focused on achieving broad and long-term value creation in line with an investment thesis and with precise value creation objectives;
- the ability to modify business plans or change management teams as required in order to achieve objectives;
- clear accountability between Company executives and shareholders, combined with a precise road map and incentive measures directly linked to value creation; and
- access to the debt markets to partially finance acquisitions.

DISADVANTAGES OF PRIVATE EQUITY

- the high costs of the private equity due diligence process. Exploiting the vast and unregulated set of opportunities that private companies represent requires resources, infrastructure and expertise;
- fund performance is assessed over the long term. The normal private equity investment cycle produces significant performance principally during the last few years of the life of a fund.
- restricted access: investing in private companies is restricted to a small group of investors. The traditional way of investing in private equity is through a Limited Partnership or an FCPI (*fonds professionnel de capital investissement*, or private equity fund). These vehicles are reserved for institutional investors, i.e. financial institutions and other large, sophisticated investors, able to commit substantial capital and to forego a return on their investment for a relatively long period of time. Limited partnerships and private equity funds require investors to commit a minimum amount, usually €10m or more, which is "locked up" for several years. They are commonly structured as ten-year vehicles, during which time the investor has no access to the funds invested.

LISTED PRIVATE EQUITY FUNDS: PROVIDING SIMPLER ACCESS TO THE ASSET CLASS

Listed private equity (LPE) companies, such as Altamir, are public companies that invest in a portfolio of predominantly private enterprises. Shares of LPE companies are bought and sold on stock exchanges in the same way and alongside other public industrial and financial companies.

Listed private equity provides the same underlying returns on investment as traditional private equity, but in a way that stock market investors can access without minimum investment requirements or lock-up periods. Other benefits of LPE investing include exposure to multiple vintages, and capital being put to work immediately (rather than relying on "capital calls" when investments are identified, as is the case in traditional private equity). The shares of listed private equity companies are often priced at a discount to the underlying NAV (an advantage or a disadvantage depending on the perspective taken).

1.3.2. PRIVATE EQUITY MANAGEMENT COSTS

PRIVATE EQUITY FUND MANAGEMENT COSTS

These costs can be grouped into four categories:

- annual management fees paid to the fund management companies;
- transaction fees and/or fees for monitoring portfolio companies;
- administrative and operating costs not covered by the management fee; and
- the performance fee paid to managers, referred to as carried interest.

Annual management fees paid to the fund management companies

a) Management fees are calculated on the committed capital of the fund investment period (five to six years). For the remaining four to five years, the fees are calculated either at a declining rate on the same base or at the same or lower rate on the amount of invested capital (at cost).

During the investment period, the rates applied vary depending on the size of the fund. The rate for funds over €3bn is 1.5%, while smaller funds in the €1.5-2bn range charge 2%.

b) These management fees cover all the functions necessary for proper management of the fund, except for operating expenses, which are charged to the fund in addition to management fees.

Transaction fees and/or fees for monitoring portfolio companies

The management companies invoice these fees directly to the portfolio companies and as such they do not appear in the accounts as costs borne by the funds.

Transaction fees are invoiced when a company is acquired and/or sold by the fund and generally amount to 1% or 2% of the overall transaction amount. Monitoring fees are invoiced at a flat rate on an annual basis.

Base and rate practices vary significantly from one management company to another. The prevailing market trend is that the fees paid directly by the portfolio companies are deducted from the annual management fees paid by the fund.

Administrative and operating costs not covered by the management fees

There are three types:

- fund establishment costs, which may total several million euros;
- fund administrative costs (custodian, Statutory Auditors, “Board of Advisors” and Annual General Meeting costs, as well as legal, insurance, administration, accounting costs, etc.); and
- abort fees: these are fees incurred to perform due diligence on investment opportunities (all types of audit, accounting, strategy, environmental, tax, legal, etc.) for projects that are ultimately abandoned, regardless of the reason. For opportunities that lead to an investment, the fees incurred are included in the cost of investment and as such do not appear as fees charged directly to the fund, although it is ultimately the fund that pays them.

Carried interest

Carried interest is the share of profits that the managers of a private equity fund receive in function of the fund’s performance. It represents the portion of the fund’s capital gain attributable to its managers, typically 20%, provided a minimum annual IRR (or hurdle rate), most often 8%, is reached; it is net of management fees. If the minimum IRR is not reached, no carried interest is due. If the minimum IRR is reached, carried interest is due on the entire capital gain, net of management fees.

Today there are two major practices:

- **the American practice**, which calculates carried interest on an “investment by investment” basis, meaning that loss-making investments are segregated from profit-generating investments;
- **the European practice**, which calculates carried interest on the fund as a whole, with loss-making investments being deducted from profit-generating investments.

Specific case of private equity funds of funds

These funds bear two layers of costs:

- direct costs, i.e. the four categories of costs, as explained above, with management fees and carried interest charged at significantly lower rates than that of funds that invest directly;
- indirect costs, i.e. expenses paid by the funds in which the fund of funds has invested.

From an accounting perspective, only direct costs borne by the fund of funds are recognised. The indirect costs are accounted for in the net performance of the underlying funds.

MANAGEMENT COSTS OF LISTED PRIVATE EQUITY COMPANIES

Listed private equity companies are not a homogeneous group

Listed private equity companies have an unlimited lifespan, unlike funds, which generally have a ten-year lifespan and are designed to self-liquidate.

Naturally, these companies adapt their investment strategy and operations over time. As investments are made in unlisted companies with a long-term horizon, the time needed to transition from one configuration (resulting from the initial strategy) to another (reflecting the new strategy) is very long.

In addition, the origins of listed private equity companies are diverse. They may be traditional holding companies or financial companies that have chosen to adopt the private equity model, or companies created by asset management companies specialising in managing private equity funds, etc.

Private equity funds can be classified into clearly identified categories according to the fund's strategies, and the characteristics of the funds within each category are closely comparable. The same is not true, however, for listed companies. There are far fewer of them than there are funds, and they are generally more hybrids:

- in their operations (self-managed companies, i.e. the managers are employees of the listed entity, or companies managed like funds by a management company);
- in their investment processes: direct investment in companies, investment *via* their own funds in which other investors also participate, investment *via* funds managed by third parties. Note that these three processes can exist together;
- in the way in which the management teams are remunerated (method for calculating management fees and carried interest). The base used for calculating management fees is very heterogeneous – committed capital, gross amounts invested, statutory net book value, etc. – and rates vary depending on the nature of the investments. The same applies to the calculation of carried interest;
- in the way in which transactions are recognised for accounting purposes.

Management fee categories

Firstly, there are the same four cost categories as for private equity funds. In the administrative and operating costs category, the costs are generally higher owing to the Company's listing. There are also two additional cost categories:

- interest expense: unlike private equity funds, which leave the responsibility of managing cash to their investors, listed companies must manage their cash and the associated risks. At the very least, listed companies must set up credit lines to manage the timing differences between generating proceeds from divestments and making investments.
- taxes: the majority of funds are tax transparent. This is not the case, however, for listed companies, although the majority of them choose a favourable tax status (British trusts, French SCRs, companies based in Luxembourg or the Channel Islands).

Self-managed companies that employ management teams and bear all their own costs relating to investing, creating value and exiting investments by definition do not pay management fees. In the same vein, the carried interest allocated to managers can take a wide variety of forms, such as bonuses, bonus shares and stock options, etc.

Accounting policies and cost transparency

Companies investing part of their assets *via* funds can choose between two principal accounting methods:

a) a fully transparent presentation of the financial statements, under which investments made *via* third parties are recognised as though they had been made directly. Under this format, the Company presents gross investment performance on the one hand and all costs (1) on the other, whether these costs are borne directly by the listed entity or by the underlying funds;

b) a net presentation of the performance of investments made *via* funds, *i.e.* after deducting the management fees and carried interest paid by the funds. Companies adopting this accounting method therefore recognise only the following information in their financial statements:

- management fees charged to the listed company,
- administrative and operating costs not covered by the management fee,
- carried interest, if any, paid by the listed company;

Accordingly, the expenses and carried interest paid by the underlying funds are not directly visible in the listed company's financial statements;

c) notwithstanding the above, companies investing part of their assets in funds they manage directly, as opposed to funds managed by third-parties:

- recognise all expenses related to these funds in their statements if they invest *via* dedicated funds that they consolidate, or
- recognise part of these costs, such as management fees, which might be found only in the notes to the financial statements.

Management cost comparison

Shareholders wishing to compare total management costs among the various listed companies face a daunting task as there is currently no transparency with regard to overall costs: Altamir is, as explained hereafter, an exception.

Even a comparison of direct costs can only be made if investors have a thorough understanding of the business model (co-investments made alongside funds or investments *via* funds), the respective weightings of these two investment types, if both are used, the legal form of the entities and the accounting methods used.

(1) *Both management fees and carried interest.*

Assuming that investors have been able to calculate the overall or direct costs of the companies they wish to compare, one question still remains:

WHICH DENOMINATOR SHOULD BE USED TO COMPARE THE EXPENSES OF ONE ENTITY WITH THOSE OF ANOTHER?

a) Denominator for the overall cost approach

The ratio: $\dfrac{\text{Total costs}}{\text{Net Asset Value (NAV)}}$ is not appropriate

if the management fees paid by underlying funds are included in total costs, since the management fees are calculated based on the capital committed to the funds. There is a long lead time, generally three to four years, before this capital is put to work and a period of at least two years before an investment begins to appreciate in value. Consequently, costs increase, whereas for two or three years the NAV does not due to these investments (the J-curve effect).

For this reason, we recommend the ratio used to compare the expenses of private equity funds that invest directly:

The ratio: $\dfrac{\textbf{Total costs}}{\textbf{Committed and invested capital}}$

To use this ratio for a listed private equity company, two adjustments are necessary:

a) interest and taxes (specific to private equity companies, see above) must be deducted from overall costs. This adjustment is not necessary when comparing listed private equity companies with each other;

b) to calculate the denominator, the total co-investments at cost must be added to the capital committed to the funds. Committed capital may change during the year. In such cases, an average of starting and ending balances should be used.

b) Denominator for the direct cost approach

The following ratio is best suited: $\dfrac{\textbf{Total direct costs}}{\textbf{Average NAV}}$

where the average NAV is the average of the opening NAV and closing NAV.

1.3.3 ALTAMIR'S INVESTMENT POLICY

FROM FOUNDING UNTIL 2011

Co-investment with the funds managed by Apax Partners SA (now Amboise Partners SA), up to the Apax France VII fund

From December 1995, when it was listed on the stock exchange under the name Altamir & Cie, the Company co-invested *pari passu* with the funds managed by Apax Partners SA. On 31 March 2006, a new company, Amboise Investissement, was created and listed on the stock exchange. Also advised by Apax Partners SA, Amboise Investissement co-invested *pari passu* with the funds managed by Apax Partners SA and Altamir. As their respective portfolios were composed of the same companies, Altamir and Amboise Investissement merged on 4 June 2007, and the new company took on the name of Altamir Amboise. Altamir Amboise continued to co-invest according to the same terms and based on assets under management in every transaction in which the private equity funds managed by Apax Partners SA invested. In April 2007, the Company and Apax Partners SA (now Amboise Partners SA) signed an agreement setting out the rules of co-investment ("co-investment agreement"). This agreement allows Altamir to make use of an adjustment facility to adjust its co-investment rate at the beginning of each calendar half-year for the six months to come based on its cash flow forecast.

The Apax France VII fund has been fully invested since the end of 2012 and can therefore make no new acquisitions.

Altamir has no residual commitment alongside Apax France VII, however the Company may be required to make follow-on investments in portfolio companies. In this case, the percentages invested by Altamir and Apax France VII are the same as those of the initial investment (and not that in effect as of the date of the follow-on investment, if different).

Accordingly, Altamir invested €23.6m in Altran's holding company in 2018 to finance its proportional share of the acquisition of Aricent.

SINCE 2011

Investment *via* the funds managed by Apax Partners SAS, the first being the Apax France VIII fund, raised in 2011

At the end of 2010, as part of the Company's long-standing succession planning, Maurice Tchenio, the founder of Apax Partners SA, transferred responsibility for the future development of Apax Partners France to his partners, under the supervision of Eddie Misrahi. Accordingly, a new Management Company was created: Apax Partners MidMarket SAS (now Apax Partners SAS), approved by the AMF (l'Autorité des Marchés Financiers).

Thus, for the first time since Altamir was launched, decision-making power for Altamir Gérance and the Management Company of the Apax France VIII private equity fund were no longer vested with the same person.

Consequently, it was decided that Altamir would now invest through the Apax France VIII fund rather than in each company individually alongside the fund, as was previously the case.

In practice, in the previous configuration, Altamir's decision to invest alongside the Apax funds consisted in determining the co-investment percentage at the launch of each new fund, and in refining this percentage at the start of each half-year period based on Altamir's available cash. In the new configuration, the decisions to be made are virtually identical: on the launch of the France VIII fund, Altamir determined the minimum and maximum amounts that it wanted to invest in the fund. As in the past, Altamir has the option of refining this percentage at the start of each half-year period. In the new configuration as in the previous one, the Management Company of Altamir has no influence over investment and divestment decisions.

Altamir invests in a dedicated fund called "Apax France VIII-B", in which Altamir is the only investor. All other investors are grouped in the fund called "Apax France VIII-A". The fund operates in such a way as to enable Altamir to recognise capital gains on divestments in its income statement as soon as they are realised, thereby ensuring maximum accounting transparency.

Shareholders approved the changes to the Articles of Association resulting from these new procedures at their 29 April 2009 General Meeting. In 2011, Altamir invested in the FPCI Apax France VIII-B. All measures have been taken to ensure that there is no change regarding recognition of income nor double invoicing of management fees.

Similarly, to avoid double payment of carried interest on the performance of the Apax France VIII-B fund, the fraction of Altamir's income deriving from this fund is excluded from the calculation of payments to the general partner and Class B shareholders.

Additional amendments to the Articles of Association were approved by shareholders at their 29 March 2012 Combined General Meeting. The purpose of these new amendments is to extend the modus operandi to future funds or entities managed by Apax Partners SAS as well as those advised by Apax Partners LLP.

Altamir's total subscription in Apax France VIII-B is €277m. In 2016, Altamir, through the earmarked Apax France IX-B fund, committed €306m to Apax France IX, the new fund raised by Apax Partners SAS. This amount can be adjusted every six months based on the Company's projected cash position.

In 2018, Altamir subscribed €15m in the Apax Development fund. This fund, aims to raise €225m in the small-cap segment in France.

Investment *via* funds managed by Apax Partners LLP, the first being Apax VIII LP, raised in 2012

In 2012, Altamir expanded its international investment strategy to include investments in the funds advised by Apax LLP, which allowed the Company to:

i. **remain faithful to its investment strategy:** Apax Partners LLP and Apax Partners SAS share the same investment strategy. They invest in growth companies as the majority or lead shareholder, with ambitious value-creation objectives, and they specialise in the same sectors;
ii. **diversify geographically and in terms of transaction size:** Apax Partners LLP invests in Europe (outside France), North America and the principal emerging economies (Brazil, China, India), relying on its well-staffed team of 120 experienced professionals distributed across its seven offices worldwide. Apax Partners LLP carries out its LBO and growth capital transactions on larger companies: €500m-€3bn in enterprise value, vs. €50m-€500m for Apax Partners SAS;
iii. **capitalise on the performance of two management companies (Apax Partners LLP and Apax Partners SAS) that are leaders in their respective markets.**

In 2012, Altamir made a commitment to invest €60m in the Apax VIII LP fund, which is advised by Apax Partners LLP. In 2016, the Company made a commitment to invest €138m in the Apax IX LP fund. The half-yearly adjustment mechanism does not apply to Altamir's investment in this fund.

In 2018, Altamir also took over a $5m commitment in the Apax Digital fund. This $1.1bn fund invests in technology companies.

Occasionally, in co-investment alongside these funds

When an investment identified by Apax Partners for its funds requires a capital investment exceeding an amount that the funds want to commit out of their own capital, the funds' investors are in most cases invited to co-invest in the new portfolio companies, should they wish to. In the interest of optimising its treasury management, Altamir has informed the two management companies, Apax Partners SAS and Apax Partners LLP, of its interest in participating in co-investment transactions. The first co-investment of this kind was made in December 2013 when Altamir co-invested alongside Apax France VIII in Snacks Développement. Two additional co-investments were made in 2016, in Marlink and InfoVista, and two more in 2017, in CIPRÉS Assurances and ThoughtWorks.

1.3.4 ALTAMIR'S CASH MANAGEMENT AND PERFORMANCE OPTIMISATION STRATEGY

CASH MANAGEMENT STRATEGY

One of the key challenges for a listed private equity company is managing its cash. Unlike private equity funds, where the responsibility for cash management is left to the subscribers (each new investment is financed by a call for funds from the unitholders and divestment proceeds are distributed immediately), listed companies finance new investments through their available cash, which is generated by divestments.

A listed private equity company needs to avoid two pitfalls in its cash management: firstly, having too much cash, which could hamper its performance; and secondly, not being able to meet subscription commitments for the funds in which it has invested, which could result in the Company incurring heavy penalties or being required to seek external funds at unfavourable terms.

Borrowing is one potential solution to this problem. Altamir believes that this strategy introduces a significant risk factor. In addition, its SCR *(société de capital risque)* tax status limits its potential to take on debt to 10% of its statutory net book value (around €58m at year-end 2018). Rather, Altamir's financial strategy is to set up credit lines for the maximum amount allowed under tax regulations, but to only draw on these credit lines to meet potential timing differences arising between the receipt of divestment proceeds and investment payments.

ALTAMIR'S PERFORMANCE OPTIMISATION STRATEGY

The Management Company considers that two conditions need to be met to optimise Altamir's long-term performance:

- the ratio of the amount invested at cost/statutory net book value should be as close as possible to 100%; and
- investment quality should conform to the Company's risk/return investment strategy.

To achieve these objectives, every three to four years, when new Apax funds are launched, the Board of Directors of the Management Company and the Altamir Supervisory Board prepare a forecast of expected divestments for the next three to four years in order to determine the total amount that can be invested, taking into account requirements related to management costs and dividend policy.

In 2015/16, the Boards approved the Management Company's recommendation to invest around €500m over the period 2016-19, allocated as follows:

- €306m to the Apax France IX-B fund;
- €138m to the Apax IX LP fund; and
- €62m to co-investments.

This €500m investment does not imply that the credit lines will be used.

The divestment forecasts are clearly uncertain, while the subscription commitments in the funds are irrevocable and give rise to significant penalties if the commitments are not met. However, the Management Company can use three mechanisms to deal with these uncertainties:

- if there are insufficient divestment volumes:
  - it can use available credit lines,
  - it can decide not to use the sum available for co-investments,
  - it can reduce the commitment made in the Apax France IX-B fund from €306m to €226m;
- if there are excess divestment volumes:
  - it can increase the volume of co-investments.

Introducing co-investments into Altamir's investment strategy gives the Company additional upward and downward flexibility to achieve its objective of being invested at 100% of its statutory net book value.

In addition, the co-investments alongside the Apax funds do not bear the management fees and carried interest for these funds. Instead, they form part of the management fees and carried interest due to Altamir Gérance and to Class B shareholders.

1.3.5 ALTAMIR'S MANAGEMENT COSTS

CHARACTERISTICS OF ALTAMIR

Altamir is managed by its Management Company, Altamir Gérance, which is also the general partner. Altamir receives investment advice from Amboise Partners SA. Altamir and Altamir Gérance have no employees.

- Altamir's management costs comprise:
  - annual management fees;
  - carried interest (performance-based remuneration);
  - administrative and operating costs not covered by the management fee.

  Since their creation, Altamir, Apax Partners SA, Apax Partners SAS and Apax Partners LLP have pursued a policy of deducting the transaction and monitoring fees charged directly to the portfolio companies from the management fees charged to the funds.
- Altamir's investment process is in a transition phase. From its creation in 1995 until 2011, Altamir co-invested alongside the funds managed by Apax Partners SA. Since 2011, Altamir has invested primarily *via* the funds managed by Apax Partners SAS and Apax Partners LLP, with the option to co-invest alongside these funds when the opportunity arises. These funds are third-party funds in that Altamir has no economic ties with these two management companies.

  As of 31 December 2018, the Company's portfolio at fair value broke down as follows:
  - 20% co-investments (of which 9.5% relate to the three legacy investments alongside the Apax France VII fund and 10.5% to the five co-investments alongside the Apax France VIII, Apax France IX and Apax IX LP funds);
  - 80% investments through the funds.
- Owing to the policy change in 2011, Altamir has two layers of costs:
  - direct costs;
  - indirect costs, i.e. the costs of the Apax France VIII-B, Apax France IX-B, Apax Development, Apax VIII LP, Apax IX LP and Apax Digital funds, through which Altamir invests.
- From an accounting perspective, Altamir has opted for full transparency as described in Section 1.3.2, unlike almost all other listed companies, which have opted to present the performance of their indirect investments net of management fees and carried interest.

MANAGEMENT COSTS

Altamir's management costs have been defined in the Company's Articles of Association since the Company was founded. They include:

Direct costs:

- **Management fees:** 2% excl. VAT per year (1% per half-year). They are calculated based on statutory net book value, which differs from Net Asset Value in that it does not include unrealised capital gains. For investments made through Apax funds, the fees are reduced by an amount corresponding to the product of the amounts invested in each of the funds multiplied by the average annual rate of the management fees of each of these funds.
- **Costs specific to Altamir's operations:** primarily accounting, CFO and investor relations fees, which are supplied by Amboise group companies or by Apax Partners SAS and reinvoiced to Altamir at cost.
- **Carried interest** (in accordance with private equity industry common practice): as per the Articles of Association, the management team receives 20% of net gains, allocated as follows:
  - 2% to the general partner,
  - 18% to the Class B shareholders, who are the members of the investment team.

Carried interest at Altamir:

Class B shareholders and the general partner only receive carried interest on direct investments:

- **On legacy co-investments alongside the Apax France VII fund, with no hurdle rate * conditions;**
- **On co-investments alongside the Apax France VIII, Apax France IX, Apax VII LP and Apax IX LP funds, provided they generate an annual IRR in excess of the hurdle rate of 8%.**

Carried interest is calculated based on adjusted statutory net income. This result includes realised capital gains and unrealised capital losses (impairment of securities) but does not include unrealised capital gains, contrary to IFRS income, which is used to determine Net Asset Value (NAV). It does not include financial income from cash investments. It does, however, include total adjusted losses from previous years if the losses have not yet been offset (high water mark).

* *Shareholders have not been penalised by the lack of a hurdle rate as the gross IRR on all of the divestments of LBO and growth capital transactions from Altamir's inception to 31 December 2018 amounts to 15.7%(1) which greatly exceeds the standard minimum IRR of 8%.*

Indirect costs:

Indirect costs invoiced to the Apax funds in which Altamir invests are identical to those paid by all other investors in these funds and are therefore in line with the market conditions as of the date the funds were created. They comprise:

- **Management fees:**

  The management fees for the Apax France VIII-B, Apax France IX-B, Apax VIII LP and Apax IX LP funds were paid or recognised in 2018 at the rates indicated below.

MANAGEMENT FEES PAID IN 2018:

Fund	Management fees
Apax France VIII-B	0.97% incl. VAT on capital committed (post-investment period)
Apax France IX-B	1.57% incl. VAT on capital committed (investment period)
Apax VIII LP	1.30% incl. VAT on invested capital (post-investment period)
Apax IX LP	1.375% incl. VAT on capital committed (investment period)

- **Carried interest:**

Apax France VIII-B Apax France IX-B Apax VIII LP Apax IX LP	20% of the realised or unrealised capital gain due to the managers of these funds, i.e. Apax Partners SAS and Apax Partners LLP, provided the 8% minimum annual IRR (hurdle rate) is exceeded.

Altamir has opted for a conservative accounting policy under which it recognises a provision for carried interest, even if the hurdle rate is not achieved in a given year.

As of 31 December 2018, the IRR of the Apax France VIII, Apax France IX, Apax VIII LP and Apax IX LP funds exceeded the hurdle rate. The Apax Development and Apax Digital funds, which are at the beginning of their investment period, have no unrealised capital gains.

(1) Figure audited by Ernst & Young.

1.3.6 ALTAMIR'S INVESTMENT STRATEGY

The Company's investment strategy is based on that of Apax Partners SA. This is a consequence of the Company's co-investment in the funds Amboise Partners SA manages, in accordance with the co-investment agreement, and of the Company's investment in the Apax France VIII-B, Apax France IX-B, Apax VIII-LP and Apax IX LP funds.

GROWTH COMPANIES

The Apax Partners' strategy consists in backing companies with high growth potential, primarily through LBO and growth capital transactions.

The funds managed by Apax Partners invest in growth companies active in their sectors of specialisation, with the objective of making them leading companies in their respective sectors.

Investments are acquired with an average holding period of five years.

These companies are characterised by sound fundamentals. The key investment criteria are as follows:

- excellent entrepreneurs, with ambitious business development projects;
- competitive advantage (technology, concept, brand, etc.) or unique business model (barriers to entry, resilient profile in the event of a cyclical downturn);
- leader or the potential to become the leader in its sector at the domestic, European or worldwide level.

SECTOR SPECIALISATION

The Apax Partners strategy is to invest in four sectors of specialisation: TMT (Technologies, Media and Telecom), Consumer, Healthcare and Services.

The investment teams are organised around these sectors of specialisation. Apax Partners SAS and Apax Partners LLP have dedicated teams for each sector. With roughly 30 professionals in Paris, and around 120 professionals across the seven Apax LLP offices around the world, the Apax Partners investment teams are among the largest and most experienced private equity teams in France and worldwide.

Each investment is followed by the same team, from acquisition, through development and until divestment. Apax Partners employs experienced specialists in each sector.

Owing to this well-staffed team, Apax Partners can simultaneously (i) actively search for opportunities, (ii) conduct in-depth due diligence on various transactions, (iii) provide real assistance to companies in the portfolio and (iv) maintain an ongoing dialogue with investors.

The main competitive advantages arising from this strategy of sectoral specialisation are as follows:

- access to the best investment opportunities;
- proprietary deals;
- limited competition for acquisitions, generating better scope for return on investment;
- rigorous investment procedures; and
- value creation, strong commitment from Apax teams.

LBO/GROWTH CAPITAL OPERATIONS

Acquiring a company through an LBO-type operation is generally performed through one or more holding companies specifically created to carry out the acquisition. The acquisition is financed through a combination of long-term debt (generally with a seven-year minimum term) and equity. The majority of the debt is repayable at maturity, and a portion of the interest is also paid on the sale of the company. The assets or shares of the underlying company are the only security provided to creditors, the funds themselves provide no guarantee. Consequently, in the case of default, only the equity invested in the operation is at risk. The other assets held by the private equity funds are not at risk, as the debt is "non-recourse".

POSITION OF MAJORITY OR LEAD SHAREHOLDER

Apax Partners always focuses on taking significant majority or minority ownership stakes. As a result, it is in a strong position for negotiating terms of entry, has a more significant impact on the company's strategy and significantly influences the nature and timing of the exit process. Apax Partners considers that this approach facilitates value creation.

AMBITIOUS VALUE-CREATION OBJECTIVES

The partners can leverage their in-depth industrial and business experience to offer practical support to the executives of the companies in the portfolio as they address challenges and exploit opportunities.

The sector investment teams use their in-depth knowledge of their respective sectors to develop advice on the main strategic and operational initiatives.

Within Apax Partners LLP, they benefit from the support of the Operational Excellence team and from a dedicated ESG Committee, which together make a vital contribution to Apax's value creation strategy, in particular in areas such as strengthening the management teams, improving operational efficiency, optimising IT systems and digital transformation. Furthermore, the Company has a Capital Markets team, which creates innovative financing solutions for portfolio companies.

Within Apax Partners SAS, the sectoral investment teams rely on a debt director and a Chief Digital Officer, who is responsible for supporting portfolio companies in their digital transformation. A partner defines the key themes of the ESG policy and an ESG manager is responsible for its implementation.

1.3.7 APAX PARTNERS' INVESTMENT PROCESS

Apax Partners SAS and Apax Partners LLP are entrepreneurial firms that use proven internal procedures. 90% of their capital is held, directly or indirectly, by their partners. They are managed via permanent committees responsible for defining and tracking strategy, implementing the investment and divestment process and managing operations. They also have integrated IT systems refined over the years and based on high-quality software solutions.

Apax Partners SAS and Apax Partners LLP have committees that are distinct but similar in purpose.

COMMITTEES

- The Strategy Committee, composed of all the partners, meets once a year to define the strategic orientation. In particular, it studies the overall performance of the funds, the investment strategy and evaluates the skills of the investment teams.
- The Operations Committee includes the three or four principal shareholder-partners of Apax Partners. The Committee meets once a month and on an *ad hoc* basis to ensure the continued operational management of the Company.

The investment process is managed by three Committees:

- the Investment Committee, which makes all investment decisions. Before being presented to the Investment Committee, all investment opportunities are examined by the Approval Committee, a sub-group of the Investment Committee.
- the Divestment Committee, which makes all exit decisions.
- the Monitoring Committee. In addition, there are two annual reviews of the portfolio.

The Monitoring Committee tracks the performance of all companies in the portfolio, according to a pre-determined schedule. One or more outside specialists might be invited to sit on this Committee.

INVESTMENT PROCESS

Origination

Investment opportunities can be identified:

- principally by Apax Partners' sector teams, owing to their skills, their experience, and their contacts in the field, with the help of specific marketing programmes and tools;
- but also through the network of intermediaries set up and cultivated by Apax Partners.

Evaluating potential transactions

Once investment opportunities are identified, preparatory work begins, as determined by the head of the investment team. This first phase is intended to rapidly determine whether the transaction would be in line with the strategy and investment criteria of the funds as well as the priority and resources that should be devoted to it.

At the conclusion of this phase, either the transaction is rejected or a document is prepared containing information making it possible to validate that the transaction corresponds in principle to the investment strategy and including a recommended investment size and approach (due diligence, negotiations, structured transaction, etc.).

This document is presented and discussed at the weekly partners' meeting and results in a decision to pursue the transaction or not. If necessary, it also gives rise to an expansion in the investment team and a change in the composition of the Approval Committee that will track the investment process.

The Approval Committee, in collaboration with the investment teams, ensures that due diligence is properly carried out and that favourable terms have been negotiated for each transaction before an investment decision is taken.

As a rule, the investment teams use of a number of external advisory firms to undertake studies and due diligence procedures:

- on the markets and the competitive positioning of the company;
- validating business plan assumptions;
- validating the accounting and financial position of the company (net value, debt level, earnings quality and recurrence);
- on legal, social and environmental risks, and insurance coverage;
- on the skills of the target company's staff.

Valuation studies are undertaken with the support of specialist banks, and joint research on suitable financing, notably for LBOs, is carried out with the partner banks. Finally, the services of prominent lawyers are essential to draft the numerous legal documents required (*e.g.* share purchase agreement, shareholders' agreement, and contracts with the management team on the remuneration and incentive packages).

A summary report on the benefits, or otherwise, of the acquisition is presented by the investment team to the Investment Committee, which then decides whether or not to proceed with the acquisition.

A rigorous system for delegating authority is put in place for each stage of the process.

MONITORING INVESTMENTS

For each new investment, a value creation plan is defined and shared with the company's management team who will be responsible for implementing the plan.

The investment team monitors investments on both operational and financial levels. The team meets regularly with the management of each company in the portfolio during Board meetings or operational review meetings.

To monitor the potential, growth and valuation trends of portfolio companies, Apax Partners LLP's cross-functional team – Operational Excellence – is often called upon to bolster and optimise value creation for a given company through specific projects.

A monthly report on the main financial and operational indicators for all of the portfolio companies is prepared by the partners.

The investment team in charge of each company in the portfolio prepares a report that serves as a basis for the Monitoring Committee meetings. The Committee meets throughout the investment period. It reviews the post-acquisition plan and assesses the progress made since the investment date.

In addition, all of the partners perform a complete portfolio review twice a year. The objective of this review is to update the information on each investment as well as the expected multiples and IRRs for each company in the portfolio. These updated projections are then included in a performance report that serves as a guide for managing the overall performance of Apax Partners.

Apax Partners has also implemented a set of administrative and internal control procedures used to track, verify, manage and document all financial and administrative transactions related to the investments and to management of the funds.

The assets in the funds are valued according to the principles described in the notes to the consolidated financial statements.

1.3.8 ALTAMIR'S DECISION-MAKING PROCESS

The Board of Directors of Altamir Gérance defines Altamir's investment strategy and its three- to five-year asset allocation policy. Decisions to invest in or exit from funds are also made by the Board of Directors. Co-investment decisions are delegated to the Chairman of the Board of Directors. The Board ensures that asset allocation rules are adhered to and is responsible for monitoring the performance of the investments made.

For decisions to invest or co-invest in a fund, or exit an investment, Altamir has recourse to the services of Amboise Partners SA (see the investment advisory agreement and the co-investment charter, below).

After the proposals have been studied by its team, Amboise Partners SA's Investment Committee, composed of Maurice Tchenio and Patrick de Giovanni, formulates recommendations for Altamir Gérance.

INVESTMENT ADVISORY AGREEMENT

Under the investment advisory agreement between Altamir and Amboise Partners, authorised by Altamir's Supervisory Board at its 12 October 2006 meeting, Amboise Partners SA provides Altamir with the investment advisory services inherent in managing a private equity portfolio, including:

- advice on investment and divestment activities:
  - investment and divestment of assets held alongside the Apax funds,
  - allocation of assets in order to make subscription commitments in Apax funds and to size these commitments as a function of forecast cash flows,
  - co-investments alongside the Apax Funds to optimise portfolio performance;
- advice on value creation within the portfolio:
  - investment management,
  - participation of members of the management team in the governing bodies of portfolio companies,
  - acquisition assistance ("build-up" transactions),
  - monitoring the portfolio and providing information used in reporting;
- advice on valuations:
  - calculating the value of directly held investments,
  - reviewing the valuations applied by the funds in which Altamir has invested;
- advice on cash management and negotiation of credit lines.

Payment under the agreement is equal to 95% of the remuneration due to the Management Company under the Articles of Association *(see Section 2.2.2 for a description of the management fees).*

This investment advisory agreement was entered into for an indefinite period. Nevertheless, either party can terminate it, in accordance with the law, if the other party fails to meet one of its obligations and has not cured the breach within 30 days from formal notification.

In 2018, the investment advisory agreement covered the following transactions:

i) investments and commitments:
  - subscription commitment in the Apax Development fund,
  - subscription commitment in the Apax Digital fund,
  - study of various co-investments that were not undertaken;

ii) divestments:
  - sale of Albioma,
  - finalising the sale of Groupe Royer,
  - finalising the sale of Gfi Informatique;

iii) value creation:

- participation in the Board meetings of legacy portfolio companies,
- finalising Altran's acquisition of Aricent,
- monthly monitoring of the legacy portfolio companies,
- quarterly monitoring of the portfolio companies held through the Apax France VIII, Apax France IX, Apax VIII LP and Apax IX LP funds;

iv) valuations:

- quarterly reviews of portfolio valuations;

v) managing cash and credit lines:

- optimising investments,
- renegotiating the terms and conditions of the banking pool.

CO-INVESTMENT AGREEMENT

As previously indicated, on 23 April 2007, the Company signed a co-investment agreement with Apax Partners SA (now Amboise Partners SA). The principal features of this agreement are detailed below. As the Apax VII fund is 100% invested, this agreement now applies only to follow-on investments in the existing portfolio and to divestments.

Any change to the agreement must be authorised by a two-thirds majority of the present or represented members of the Supervisory Board, and based on a report from the Management Company.

CO-INVESTMENT AGREEMENT BETWEEN ALTAMIR AND AMBOISE PARTNERS SA

It is organised around the following general principles:

i) Amboise Partners SA agrees to invite Altamir to participate *pari passu*, at the aforementioned percentage, in any investment carried out by Apax France VII;

ii) Altamir performs every divestment, whether partial or total, that Amboise Partners SA proposes. Such divestments are realised in proportion to the respective holdings of the Amboise Partners SA funds and Altamir;

iii) Similarly, in the event of a reinvestment, the percentages invested by Altamir and the fund managed by Amboise Partners SA are the same as those of the initial investment (and not those in effect as of the date of the reinvestment, if different);

iv) Altamir shares expenses of any kind incurred during the investment or the divestment (*e.g.* due diligence, legal fees etc.) according to the same percentages, including when these expenses pertain to projects that did not come to fruition. The same applies to the cost of liability insurance for the Directors and corporate officers of portfolio companies proposed by Amboise Partners SA and to amounts claimed from them as personal liability, except in the event of serious or wilful misconduct;

v) Amboise Partners SA may invite Altamir to acquire securities from a fund it manages only if it will be a nominee for less than six months or if accompanied by the necessary precautions to ensure the independent nature of the transaction, such as an outside investor concurrently taking at least 25% of the new round of financing, an auction procedure or an independent expert valuing the transaction.

1.3.9 THE ALTAMIR TEAM

The Company has no employees. Altamir is managed by Altamir Gérance. The Board of Directors of Altamir, composed of five members and chaired by Maurice Tchenio, defines the investment and asset allocation strategies. Altamir Gérance has no employees and relies on the investment advisory agreement between Altamir and Amboise Partners SA.

Amboise Partners SA (formerly Apax Partners SA) is the Management Company for the French private equity funds, from the first fund created in 1983 (Apax CR) through to the Apax France VII fund raised in 2006. Based in Paris, Amboise Partners SA has a team of four executives, including two partners: Maurice Tchenio (Chairman) and Patrick de Giovanni.

Patrick de Giovanni (73) joined Apax Partners in 1983 as a partner, when the first fund was created. A graduate of École Polytechnique, he began his career at Cofror, a French consultancy specialised in IT systems, before serving for four years at the Neiman group (automotive equipment) as an internal controller. After three years in the industry surveys department of Société Générale, Mr de Giovanni formed a partnership with another entrepreneur to turn around Criss, an industrial valves and fittings manufacturer. At Apax Partners, he has carried out many investments in industrial and business services companies, through all types of transactions (venture capital, growth capital, LBO). He is a former president of the AFIC (Association Française des Investisseurs pour la Croissance), which became France Invest in 2018.

Claire Peyssard-Moses (45) graduated from HEC in 1996. She began her career as an analyst in the Finance Department at Lafarge. She then held various positions in the financial communication departments of different CAC 40 groups. In 2006, she joined Saint-Gobain's Financial Control department, where she participated in various projects relating to the divestment of the company's Packaging activities (Verallia). She joined Verallia in 2010, during the IPO project, where she took charge of Investor Relations and Communication. In 2015, she was appointed Director of Investor Relations and Financial Control at Verallia, where she managed successive refinancing operations as part of the LBO led by Apollo. She has been Altamir's Investor Relations and Communications Director since October 2018.

Éric Sabia (40) is a graduate of Montpellier business school and holds a BA in Management and Business Administration from the University of Reading in the United Kingdom. He began his career in 2003 at PricewaterhouseCoopers in Luxembourg and then in Paris, where he spent five years working as a Supervisor/Auditor in the Financial Services department. He has significant experience in private equity, having spent eight years at Fondinvest Capital, a fund-of-funds Management Company, where he held the position of deputy CFO from March 2008, and CFO from January 2013. He was appointed Chief Financial Officer of Altamir in August 2016.

Maurice Tchenio (75) is Chairman of Altamir Gérance, and Chairman and CEO of Amboise Partners SA. He is also Chairman of the AlphaOmega Foundation. He began his career as an assistant professor of finance at HEC, before taking a position as project leader at the Institut de Développement Industriel (IDI, Paris), an investment bank specialising in equity investments. In 1972, he founded Apax Partners with Ronald Cohen and Alan Patricof. Today, Apax Partners is a global private equity leader. From 1972 to 2010, he was the Chairman and CEO of Apax Partners SA, the Group's French arm. In 1995, he created Altamir, a listed private equity company. In 2010, he created AlphaOmega, a venture philanthropy foundation recognised for its public interest. He is the co-founder of AFIC (Association Française des Investisseurs pour la Croissance), which became France Invest in 2018, and former director of EVCA (European Private Equity and Venture Capital Association, now Invest Europe). Mr Tchenio has degrees from HEC and Harvard Business School, where he was a Baker Scholar and graduated with high distinction.

1.3.10 APAX PARTNERS TEAMS

APAX PARTNERS SAS

Apax Partners SAS is the Management Company of Apax France VIII (€704m), Apax France IX (€1.030bn) and Apax Development (objective: €225m). It is also Amboise Partners SA's investment advisor.

Headquartered in Paris and chaired by Eddie Misrahi, Apax Partners SAS has an investment team of around 30 professionals, including nine partners, who manage the Apax France VII and Apax France IX funds: Eddie Misrahi, Damien de Bettignies, Monique Cohen, Bruno Candelier, Guillaume Cousseran, Bertrand Pivin, Gilles Rigal, Thomas Simon and Thomas de Villeneuve. The partners have an average seniority at Apax of 17 years. They have in-depth knowledge of the sectors in which they invest and have previously held management positions in companies or consulting firms.

The Apax Development fund is managed by dedicated team of 11 professionals, led by Caroline Rémus. It has two other partners: Isabelle Hermetet and Olivier Le Gall.

The Apax Partners SAS investment teams are organised by sector and comprise specialists in areas such as Business Development, Financing and Investor Relations, Digital and ESG.

Eddie Misrahi (64) joined Apax Partners in 1991 as a Partner in charge of TMT investments. He has supported the growth of both young, innovative companies and more mature companies through growth financing and buyout transactions. Mr Misrahi became Deputy Chief Executive Officer of Apax Partners SA in 2007 (renamed Amboise Partners SA in 2017) and Chairman and Chief Executive Officer of Apax Partners SAS (formerly Apax Partners MidMarket) in 2008. He started his career at McKinsey & Co. in Paris then in Mexico City, before working at an American telecommunications group in the United States. He was president of the AFIC (Association Française des Investisseurs pour la Croissance) in 2007–08. Mr Misrahi is a graduate of Ecole Polytechnique and holds an MBA from Harvard Business School.

APAX PARTNERS LLP

Apax Partners LLP is the management company of Apax VII LP ($7.5bn), Apax IX LP ($9.0bn) and Apax Digital ($1.1bn).

Headquartered in London and co-managed by Andrew Sillitoe (London) and Mitch Truwit (New York), the Apax Partners LLP team comprises around 120 investment professionals, including 21 Partners, who manage the Apax VIII LP and Apax IX LP funds.

These professionals are organised in four sector teams (TMT, Consumer, Healthcare, Services) based in seven offices worldwide (London, New York, Munich, Tel Aviv, Mumbai, Shanghai and Hong Kong).

The Apax Digital fund is managed by dedicated team of 22 professionals, including two partners: Marcelo Gigliari and Dan O'Keefe.

The Apax Partners LLP teams work closely with the heads of the Operational Excellence team (17 people), who provide direct support to the management teams to accelerate value creation, and with the Capital Markets team (three people), who create innovative financing solutions for portfolio companies.

Andrew Sillitoe (46) is co-CEO of Apax Partners and a Partner in the technologies and telecommunications team. Mr Silltoe is also a member of the Executive, Investment, Approval, Portfolio Review and Exit Committees. He has been based in London since joining the firm in 1998 and has focused on the technology & telecommunications sectors in that time. Mr Silltoe has been involved in a number of deals, including King, Orange, TIVIT, TDC, Intelsat and Inmarsat. Prior to joining Apax Partners, Mr Silltoe was a consultant at LEK where he advised clients on acquisitions in a number of sectors. Mr Silltoe holds an MA in Politics, Philosophy and Economics from Oxford and an MBA from INSEAD.

Mitch Truwit (50) is co-CEO of Apax Partners and a Partner in the Services team. He is also a member of the Investment Committee and a Trustee of the Apax Foundation. Prior to joining Apax Partners in 2006, Mr Truwit was the President and CEO of Orbitz Worldwide, a subsidiary of Travelport, between 2005 and 2006, and was the Executive Vice President and Chief Operating Officer of priceline.com between 2001 and 2005. Mr Truwit is a graduate of Vassar College where he received a BA in Political Science. Mr Truwit also holds an MBA from Harvard Business School. He serves as a Board member of AssuredPartners, Bankrate, Boats Group (ex-Dominion Marine Media) and Quality Distribution Inc. He previously served as a Board member of Advantage Sales & Marketing, Dealer.com, Garda World Security Corporation, Hub International and Trader Canada. Mr Truwit is the Chairman of Street Squash, a Harlem-based urban youth enrichment program and is an honorary member of the Special Olympics of CT, an organisation providing year-round sports training and athletic competition for children and adults with intellectual disabilities. Mr Truwit was previously a member of PEC, an organisation established to provide information about the private equity industry.

1.3.11 RESPONSIBLE INVESTING

SOCIAL, SOCIETAL AND ENVIRONMENTAL INFORMATION

Altamir is a portfolio company whose purpose is to acquire, manage and dispose of French or foreign securities. Given the nature of its business and the fact that it has no employees and no buildings, the human resources information required under Article 225 of the French Commercial Code is not applicable.

Altamir is managed by Altamir Gérance SA which defines the investment policy and carries out the day-to-day management of the Company. Altamir's investment policy involves investing through or alongside funds managed by the two management companies, Apax Partners SAS and Apax Partners LLP. As such, Altamir relies on the Apax teams' expertise to identify new investment opportunities, manage the companies in the portfolio and create value.

Those companies have taken a number of measures that have contributed to making an investment in Altamir a responsible investment from a social, environmental and societal perspective.

Relationships with stakeholders

Altamir Gérance maintains, on behalf of the Company, an on-going dialogue with Company shareholders, the financial community (private and institutional investors, analysts and journalists) and the AMF. That dialogue is conducted by the Chairman of the Management Company, the Chief Financial Officer and the Head of Investor Relations and Communications.

Contact with investors and analysts occurs through one-on-one meetings or more formal gatherings such as the Annual General Meeting, the two information meetings organised with the SFAF in Paris, and two webcasts (in English) that take place at the time of the annual and half-yearly earnings releases. Altamir also participates in annual road shows and events organised by brokers and specialist companies to allow the Company to meet new French and foreign investors.

In the area of financial communication, Altamir follows the regulations and recommendations of the AMF, which ensures that investors are protected and informed. In that regard, Altamir Gérance fully discloses all regulatory information about Altamir to investors and ensures that all investors receive the same information.

Any new information about Altamir's financial statements, portfolio or regulatory requirements is published in a press release, available in French and English, which is widely distributed electronically by a recognised professional distributor, and available on the Company's website. A more comprehensive communication is produced at the close of the annual and half-yearly reporting periods (Registration Document including the annual financial report, and half-yearly report).

Altamir is a member of CLIFF (an association of French financial communication professionals), which allows it to share best practices with other listed companies.

Committed and responsible investors

To manage its portfolio, Altamir relies on the services of Apax Partners France SAS and Apax Partners LLP, which are major players of sustainable financing for companies.

Apax Partners SAS employs around 50 people, of whom roughly 30 are investment professionals, and Apax Partners LLP employs more than 230 people, of whom roughly 120 are investment professionals spread among seven offices around the world. These professionals are recruited according to criteria of excellence (i.e., prestigious universities, MBA and international experience). The two companies enjoy a strong reputation and are recognised as leaders who attract the best talent. Their employment policy is instrumental in developing the loyalty of the staff and motivating them, and includes: good working conditions, competitive remuneration policy compared to market practices and incentives (profit sharing and bonuses based on fund performance), individual and group training programs, formalised evaluation process, career development, and internal promotion.

The direct environmental footprint of the two management companies remains limited; both have conducted carbon assessments, however, which helped to heighten awareness and implement some environment-sensitive operating procedures.

At the business level, both management companies have always made sure that best practices were implemented within the companies in which they are shareholders, especially with regard to governance (alignment of interests of shareholders and the management team, Board composition, independence of Directors, Audit Committees, etc.). They have also excluded certain business sectors (such as weaponry and tobacco) from their investment universe.

For several years, they have each taken the additional step of formalising an ESG (environmental, social and governance) policy with the goals of making the companies' performance sustainable and thereby optimising the creation of value.

ESG policies

Apax Partners SAS and Apax Partners LLP signed the PRI (Principles of Responsible Investing) in 2011, committing themselves to integrate the responsibility criteria into their management and investment policies (www.unpri.org).

The two companies have the dedicated means to deploy and manage their ESG action plans: Apax Partners SAS has a partner responsible for defining the ESG policy and an ESG manager to put it in place; Apax Partners LLP has a "Sustainability Committee" composed of six members holding various positions, and the portfolio companies have installed data collection software.

Apax Partners SAS and Apax Partners LLP integrate ESG criteria at every stage of the investment cycle:

- **before an acquisition**, they conduct ESG due diligence to identify risks and potential value creation drivers;
- **throughout the investment period**, they create a road map and implement ESG reporting for the investment portfolio in order to measure the progress achieved throughout the term of the investment;
- **upon exit**, they conduct due diligence so as to assign a value to the company's ESG performance.

Since they are most often majority or lead shareholders across the funds they manage, the two companies have the ability to influence companies' strategies, and can help them implement and deploy their ESG policies. In this way, Apax Partners SAS influences about 15 companies with a total headcount of around 60,000 employees, and Apax Partners LLP about 30 companies, representing more than 150,000 employees.

The two management companies communicate the information they collect and process to their investors through biannual reporting on the performance of the funds and the companies in the portfolios. A summary is communicated to a wider audience; it is available online at www.apax.fr and www.apax.com. Apax Partners SAS publishes a Responsibility section on its website, in which it presents its ESG policy, the actions and initiatives of its portfolio companies and a HR report on all companies in its portfolio (staff, payroll, HR policies). Apax Partners LLP publishes a dedicated "Sustainability report" which also describes its ESG policy and provides an overview of the data collected from the portfolio companies on the basis of environmental, social and governance criteria.

Both companies participate actively in industry discussions and contribute to the development of these practices within the private equity profession. For example, Apax Partners SAS is a member of the steering Committee of the ESG commission of France Invest (formerly the AFIC). In 2015, Apax Partners united with four other private equity firms to launch Initiative Carbone 2020 aimed at combating the effects of climate change. This was the private equity profession's first commitment to measure, manage and reduce the greenhouse gas emissions of its portfolio companies.

They figure among the most advanced private equity companies in this field and the most widely recognised by the financial community. Apax Partners SAS received the very first prize awarded by Pantheon in 2012 (GP Responsible Investing Award), and in 2017 obtained an A+ (the highest grade) for its "strategy and governance" and an A for its "private equity" business in line with the PRI assessment report. Apax Partners LLP, meanwhile, received the Responsible Investment Award in 2015 from the British Private Equity & Venture Capital Association (BVCA) for its structured approach and commitment to its portfolio companies.

1.4 COMMENTS ON THE FINANCIAL YEAR

1.4.1. OVERVIEW AND PERFORMANCE

2018 was a mixed year. Optimism in the first half contrasted with a pessimistic second half, which stock markets amplified, becoming more volatile and ending the year with a double-digit decline.

Although the economic fundamentals remained very strong throughout 2018, the political and social environments worsened, with a trade war launched by the US against China in particular, the lack of a Brexit deal, and populist movements in Italy and France.

The private equity market once again experienced a record year in Europe, in terms of both investments and divestments realised, with the two negative factors being the fall in capital raising and the near-closure of stock markets. Valuation multiples continued to rise.

In this context, Altamir's business activity in 2018 was healthy. The Company made eight new investments in Europe, the United States and Asia. It invested a total of €154.3m and completed several divestments for €155.7m. The companies in the portfolio continued to post excellent operating performances, driven by the combined effect of organic growth and acquisitions.

NET ASSET VALUE

- Net Asset Value (NAV), calculated according to IFRS, stood at €21.72 per limited partners' ordinary share at 31 December 2018, a slight 0.8% increase from 31 December 2017 (€21.54). Including the dividend of €0.65 per share paid in May 2018, Net Asset Value per share increased by 3.8% from 31 December 2017, after rising 2.6% in 2017.

  The companies in the portfolio once again turned in excellent operating performances during the year, with the portfolio's average EBITDA, weighted by the residual amount invested in each company, increasing by 25%.

  Net Asset Value is the most relevant financial indicator for reviewing the Company's business activity. It is calculated by valuing the investments based on International Private Equity Valuation (IPEV) guidelines. This organisation includes a large number of professional associations, including Invest Europe (formerly EVCA). NAV per share is stated net of the amount attributable to the general partner and to the holders of Class B shares, as well as the carried interest provisions for the funds in which the Company invests.
- Consolidated net income totalled €30.3m as of 31 December 2018 (vs €20.9m as of 31 December 2017). It was comprised principally of all changes in the fair value of portfolio companies plus valuation differences on divestments during the period, less management and operating expenses and provisions for carried interest.

1.4.2. THE COMPANY'S ACTIVITIES

CHANGE IN ASSETS DURING FINANCIAL YEAR 2018

The figures below include Apax France VIII-B, Apax France IX-B, Apax VIII LP, Apax IX LP, Apax Digital and Apax Development, as well as the four co-investment funds – Phénix, APIA Vista, APIA Ciprés and Turing Equity Co, through which Altamir also invests.

Investments

The Company invested and committed €154.3m during 2018, vs. €118.2m in 2017.

1) €131.5m (€95.3m in 2017) in eight new investments:
   - €103.3m *via* the Apax France IX fund, in three new companies:
     - €36.2m in the Italian company AEB Group, a worldwide leader in biotechnological ingredients and related services for the wine, food and beverage industries (subject to syndication, which is in progress),
     - €36m in the Dutch connectivity solutions specialist Expereo, one of the world's largest managed internet network and cloud connectivity solutions providers to international companies and government offices, with more than 11,500 sites under management across more than 190 countries,
     - €31.1m in Business Integration Partners (Bip), a leading European consulting firm headquartered in Italy and present in 11 countries. Bip delivers management consulting, business integration and IT/digital transformation services supporting international companies in their innovation strategies and in the adoption of disruptive technologies;
   - €28.2m *via* the Apax IX LP fund, in five new companies:
     - €8.7m in Trade Me, a New Zealand operator of leading classified advertising platforms in the automotive, real estate and employment sectors and the leading marketplace for all new and used goods in New Zealand (transaction not finalised as of 31 December 2018),
     - €8.4m in Paycor, one of the main US providers of HR and payroll services, with a customer base of over 38,000 SMEs throughout the United States,
     - €4.1m in UK company Genius Sports Group, the world's third-largest company providing sports organisations with software solutions for capturing and distributing sports data in real time, as well as services to prevent betting-related corruption,
     - €3.8m in US company Authority Brands, a major home services franchising company (with a network of more than 300 franchisees in the United States, Canada and Latin America), which provides residential cleaning services to over 100,000 customers across the United States, as well as at-home care services,

- €3.2m in Healthium MedTech, the leading independent supplier of medical devices in India (suturing thread and needles, catheters, surgical gloves, etc.);

2) €20.6m in follow-on investments in portfolio companies:

- €20.2m in Altran's holding company to finance its proportional share of the acquisition of Aricent,
- €2.7m in Vyaire Medical to finance the acquisition of the portion of the company's share capital not yet held by the Apax VIII LP fund,
- €-2.3m in various follow-on investments or adjustments, mainly relating to Marlink's acquisition of OmniAccess, which ultimately required only €11.3m in equity, out of the estimated commitment of €17.2m at the end of 2017;

3) €2.2m (1.4m and 0.8m, respectively) in the Apax Development and Apax Digital funds, following new commitments made by the Company in 2018.

Divestments

The volume of sale proceeds and revenue realised or signed during the year amounted to €155.7m (€98.7m in 2017) and comprised sale proceeds of €154.9m (€97.1m in 2017) and revenues of €0.8m (€1.6m in 2017).

The €155.7m primarily included:

- €70.4m from the sale of Altamir's stake in Albioma, in two transactions:
  - a private placement with institutional investors in March,
  - the sale of the remaining stake to the Impala Group in December;
- €19.2m from the sale by SK FireSafety of its AeroSafety business (transaction not finalised as of 31 December 2018);
- €19.6m from the refinancing of INSEEC U., returning to investors 46% of their initial investment;
- €13.7m from the sale of Altamir's remaining stake in Gfi Informatique, in accordance with the agreements signed with Mannai Corporation in 2017;
- €12.2m from the sale of Azelis;
- €6.4m from the sale of Altamir's remaining stake in GlobalLogic;
- €4.7m received from THOM Europe's repurchase of convertible bonds from its shareholders;
- €2.3m in earn-outs from the sale of Buy Way; and
- €2.2m from the sale of Groupe Royer;
- €0.8m from the sale of Genex Services;
- €4.2m in other divestment proceeds and revenue.

The companies Nowo/Oni and Full Beauty were divested for nil.

Net cash

Altamir's net cash on a statutory basis was €-13.6m as of 31 December 2018, vs net cash of €7.3m as of 31 December 2017.

The Company has short-term credit lines totalling €60m. As of 31 December 2018, €33.3m of the credit was drawn. These lines are currently being renegotiated.

It should be noted that, as an SCR, or "société de capital risque" (special tax status for certain private equity and other investment companies), Altamir may not borrow in excess of 10% of its net book value, i.e. €58m as of 31 December 2018.

Commitments

The Apax France VII fund is fully invested. Altamir has an obligation to make follow-on investments in portfolio companies of amounts proportional to its initial commitment. In November 2017, Altran announced the signature of an agreement to acquire Aricent. Apax Partners and Altamir, through their Altrafin holding, confirmed their support for the transaction and their intention to participate pro-rata in the planned €750m rights issue intended to finance part of the transaction. Accordingly, Altamir invested €23.6m during the year, reducing its residual commitment to co-invest with the Apax France VII fund to nil.

Altamir has committed to investing between €200m and €280m in the Apax France VIII fund. As of the end of December 2018, €6.9m of capital remained to be called, out of a total maximum commitment reduced to €276.7m.

Altamir has committed to investing €60m in the Apax VIII LP fund. The fund was fully called as of 31 December 2018.

Altamir has committed to investing between €226m and €306m in the Apax France IX fund. The amount called as of 31 December 2018 was €155.7m. The fund has already made seven investments, of which only five have been called. The latest two investments for a total of €72.2m were financed by credit lines. The amount of capital remaining to be called was €150.2m as of 31 December 2018. This amount can be adjusted every six months based on the Company's foreseeable cash position. The Company has decided to maintain its commitment for the first half of 2019, corresponding to investments made during the first half of 2018, at the maximum level of €306m. In the first half of 2019, the Management Company is exercising its right not to invest, if need be, at the upper limit of its commitment in all investments made by the Apax France IX fund during the first half of 2019, which would be called in the first half of 2020.

Altamir has committed to investing €138m in the Apax IX LP fund. The fund has made 17 investments, of which only 12 have been called. The latest five investments for a total of €28.1m were financed by credit lines. The amount of capital remaining to be called was €76.8m as of 31 December 2018. The Management Company is not able to adjust this commitment every six months.

Altamir has committed to investing $5.1m (€4.5m) in the Turing Equity Co fund, a ThoughtWorks co-investment vehicle. As of 31 December 2018, the fund's share of the investment had been paid, leaving only a residual commitment of $0.6m (€0.5m).

During the year, Altamir decided to expand its investment policy by making commitments to two new funds:

- €15m to Apax Development, launched by Apax Partners SAS in the small-cap segment in France. The fund has already made one investment, which was financed by credit lines. No capital call had been made as of 31 December 2018;

- $5m (€4.3m) to Apax Digital, launched by Apax Partners LLP, which invests worldwide in technology companies. Altamir will invest these amounts over the next 3-4 years. The fund has already made four investments, of which the latest two, totalling $0.6m (€0.5m), were financed by credit lines. Residual commitments amounted to $4.5m (€3.8m) as of 31 December 2018. This commitment results from the transfer of a commitment originally made by Amboise SAS. A regulated agreement was drawn up for this commitment and will be submitted for approval at the next AGM.

These commitments being significantly smaller than those made in other Apax France or Apax LLP funds, the Company has decided to report on the overall portfolio of the two funds.

The total maximum residual commitment is therefore €253.3m, of which €102.3m have already been invested but not yet called; €6m of the distributions paid by the Apax VIII LP and Apax IX LP may be called back, as of 31 December 2018.

Portfolio

The portfolio as of 31 December 2018 included 48 companies, excluding escrow accounts, comprised primarily of growth companies, distributed among Altamir's four sectors of specialisation.

1.4.3 OTHER SIGNIFICANT EVENTS DURING THE YEAR

On 4 May 2018, Amboise SAS filed a draft document related to a cash tender offer on the shares of the Company. The document was approved by the AMF on 10 July 2018 and the final offer was published on 12 September 2018. As a result, Amboise SAS has increased its stake in Altamir and now holds 65% of the Company's capital and voting rights.

The Company paid a dividend of €0.65 per ordinary share to limited partners on 25 May 2018.

1.4.4 POST-CLOSING EVENTS

Four transactions finalised after 31 December are expected to generate €184m in divestment proceeds:

- Apax Partners SAS has signed an agreement to sell INSEEC U., held by the Apax France VIII fund, to private equity company Cinven;
- Apax Partners LLP has signed an agreement in principle with KKR with a view to selling Exact Software, held by the Apax VIII LP fund;
- Apax Partners LLP has signed an agreement to sell Assured Partners to a consortium led by US private equity company GTCR. Apax Partners LLP, which held Assured Partners via the Apax VIII LP fund, will remain a minority shareholder of the company, as a co-investor alongside GTCR via the Apax IX LP fund; and
- Apax Partners SAS has finalised the refinancing of Marlink, which optimises the company's financing terms and will make it possible to pay dividends to shareholders.

Two transactions totalling an estimated €15m have been announced since 31 December:

- the investment in Assured Partners via the Apax IX LP fund; and
- the acquisition by Apax Partners LLP, via the Apax IX LP fund, of a significant stake in Fractal Analytics. Based in Mumbai, India, Fractal provides artificial intelligence and data-based solutions that power human decision-making.

1.4.5 TRENDS

The private equity market has experienced strong growth in recent years. Although fundraising in 2018 represented a 25% decrease from its all-time high in 2017, reaching $426bn versus $566bn, the amount collected remains historically very high (source: Preqin).

European LBO funds were very active, both for investments, which totalled $195.5bn vs. $167.4bn in 2017, and for divestments through mergers/acquisitions, which were $158.2bn vs. $188.8bn in 2017 (source: MergerMarket).

1.4.6. PROFIT FORECASTS AND ESTIMATES

Because of the nature of its activities, and because its results are highly dependent on the performance of the companies in its portfolio as well as on the amount and pace of its investments, the Company does not expect to announce any earnings forecasts or estimates.

It has, however, communicated its objectives for the current year. Barring any major external developments, the Management Company expects NAV to increase again in 2019. New investments could number six or seven, for around €100m, and divestments could total around €250m. The portfolio companies should continue to perform well, with average organic EBITDA growth of about 7%.

1.4.7. FINANCIAL POSITION

The most relevant financial information is the Net Asset Value (NAV) per share, which is obtained from the consolidated (IFRS) balance sheet.

Net Asset Value (NAV), calculated according to IFRS, stood at €21.72 per limited partners' ordinary share, representing an increase of 3.8% including the dividend of €0.65 paid during the year. Excluding the dividend, the year-on-year change was an increase of 0.8% (€21.54 as of 31 December 2017).

The main components of the consolidated (IFRS) and statutory financial statements are presented below.

CONSOLIDATED (IFRS) INCOME STATEMENT

(in thousands of euros)	2018	2017	2016
Changes in fair value of the portfolio	79,271	45,998	167,372
Valuation differences on divestments during the year	-10,535	2,706	11,133
Other net portfolio income	756	1,533	1,453
INCOME FROM PORTFOLIO INVESTMENTS	**69,492**	**50,237**	**179,959**
Purchases and other external expenses	-23,657	-25,142	-20,969
Gross operating income	45,576	26,703	156,516
Net operating income	31,576	21,447	128,569
Net financial income attributable to ordinary shares	-1,270	-558	451
NET INCOME ATTRIBUTABLE TO ORDINARY SHARES	**30,306**	**20,889**	**129,020**

Accordingly, at their 29 April 2019 General Meeting, shareholders will be asked to approve the consolidated financial statements for the year ended 31 December 2018, showing a profit of €30,306,225.

The change in fair value of €79m derived principally from the growth in the EBITDA of portfolio companies. The sharp increase resulted from both organic growth and the build-up acquisitions in the portfolio.

Net capital gains on divestments totalled €-10.5m and reflected the valuation difference between the actual sale price of the investments and their fair value under IFRS as of 31 December of the preceding year (rather than the capital gain over cost).

Other net portfolio income amounted to €0.8m and mainly consisted of dividends paid by companies in the Apax VIII LP fund.

Purchases and other external expenses totalled €23.7m including VAT, down 6% compared to 2017, reflecting decreases in fees billed by the Management Company and in fees collected by the funds (see note 17 to the consolidated financial statements).

Gross operating income is calculated after operating expenses for the year.

Net operating income amounts to gross operating income less the share of earnings attributable to the general partner, to Class B shareholders and to managers receiving carried interest from the funds through which Altamir invests.

Net income attributable to limited shareholders includes income on marketable securities and other short-term investments and related interest and expenses.

CONSOLIDATED (IFRS) BALANCE SHEET

(in thousands of euros)	31/12/2018	31/12/2017	31/12/2016
Total non-current assets	999,201	895,164	875,162
Total current assets	25,375	27,864	79,846
TOTAL ASSETS	**1,024,576**	**923,028**	**955,008**
Total shareholders' equity	792,929	786,650	789,503
Carried interest provision attributable to general partner and Class B shareholders	10,157	29,695	44,011
Carried interest provision Apax France VIII-B, IX-B, Apax VIII LP and IX LP	59,769	38,049	34,048
Other current liabilities	161,721	68,634	87,447
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**1,024,576**	**923,028**	**955,008**

The change in non-current assets, composed of the total of equity investments held, directly or through the Apax France VIII, Apax France IX, Apax VIII LP, Apax IX LP, Apax Digital and Apax Development funds, resulted principally from investments, divestments and value creation in portfolio companies.

The change in shareholders' equity for the year was as follows:

(in thousands of euros)	
Shareholders' equity as of 31 December 2017	786,650
Consolidated (IFRS) earnings for the period	30,306
Transactions on treasury shares	-311
Distribution of dividends to holders of Class A shares	-23,716
SHAREHOLDERS' EQUITY AS OF 31 DECEMBER 2018	**792,929**

THE COMPANY'S STATUTORY EARNINGS

Due to the specific nature of its business, the Company does not post sales revenues.

Statutory net income is not representative of the quality of Altamir's portfolio, nor of its performance. This is because, in contrast to IFRS, the statutory statements reflect impairment recognised against securities held, but not unrealised capital gains.

Statutory net income for the financial year 2018 was €11.1m compared with net income of €69.9m for 2017.

Accordingly, at their 29 April 2019 General Meeting, shareholders will be asked to approve the statutory earnings for the year ended 31 December 2018, showing a profit of €11,139,091.

This item broke down as follows:

(in thousands of euros)	2018	2017	2016
Income from revenue transactions	-10,568	-11,203	-9,310
Income from capital transactions	21,771	77,998	88,596
Extraordinary income	85	3,134	98
Extraordinary expenses	149	42	52
NET INCOME	**11,139**	**69,887**	**79,331**

To make the business of the portfolio companies more readily understandable, income (dividends and interest) and any allocations to interest receivable and losses on receivables are presented under "capital transactions".

A net amount of €5m was reversed in 2018 to offset accrued interest on convertible bonds or equivalent securities. This interest was already included in company valuations (under IFRS) and is also generally included in the sale price of companies, whereas the companies themselves do not pay the interest directly.

Purchases and other external expenses totalled €9.7m including VAT, vs €10m in 2017. The decrease reflects higher amounts deducted with respect to investments made through Apax funds (See Note 3.1.3 to the consolidated financial statements, in the Registration Document).

Income from capital transactions broke down as follows:

(in thousands of euros)	2018	2017	2016
Net realised capital gains	21,430	79,235	76,494
Reversals of provisions on divestments and losses	0	0	0
SUBTOTAL – GAINS REALISED DURING THE YEAR	**21,430**	**79,235**	**76,494**
Provisions on equity investments	-27,303	-50,820	-19,175
Reversals of provisions on equity investments	19,054	40,317	24,320
SUBTOTAL – UNREALISED GAINS	**-8,249**	**-10,504**	**5,145**
Related revenue, interest and dividends	8,591	9,267	6,957
INCOME FROM CAPITAL TRANSACTIONS	**21,771**	**77,998**	**88,596**

STATUTORY BALANCE SHEET

The balance sheet total at 31 December 2018 was €696.8m vs €646.2m at 31 December 2017.

This item broke down as follows:

(in thousands of euros)	31/12/2018	31/12/2017	31/12/2016
Portfolio investments held as non-current assets	566,564	456,605	291,022
Equity investments	61,635	136,694	182,730
Receivables related to equity investments	33,484	24,223	33,817
Other non-current financial assets	904	989	903
SUBTOTAL – NON-CURRENT ASSETS	**662,586**	**618,510**	**508,472**
Sundry receivables	14,374	11,298	2,404
Marketable securities	15,000	15,000	20,000
Cash on hand	4,849	1,337	47,378
Prepaid expenses	34	31	39
SUBTOTAL – CURRENT ASSETS	**34,257**	**27,666**	**69,782**
TOTAL ASSETS	**696,843**	**646,177**	**578,293**

Non-current assets include all of the investments made by the Company.

(in thousands of euros)	31/12/2018	31/12/2017	31/12/2016
Share capital	219,260	219,260	219,260
Share premiums	107,761	107,761	107,761
Reserves	238,023	203,688	163,358
Retained earnings	91	74	62
Net income for the year	11,139	69,887	79,331
SUBTOTAL – SHAREHOLDERS' EQUITY	**576,274**	**600,669**	**569,772**
Carried interest provision: Class B shares	15,367	11,520	8,183
SUBTOTAL – PROVISIONS	**15,367**	**11,520**	**8,183**
Other financial liabilities	33,422	9,063	34
Trade payables	1,760	189	303
Other liabilities	70,020	24,736	1
SUBTOTAL – LIABILITIES	**105,202**	**33,988**	**338**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**696,843**	**646,177**	**578,293**

Other financial liabilities correspond to the credit lines used as of 31 December 2018, and other liabilities are made up of debts to the Apax France IX-B, Apax IX LP, Apax Digital and Apax Development funds.

As of 31 December 2018, off-balance-sheet commitments amounted to €253.3m:

- a €6.9m residual commitment to the Apax France VIII-B fund;
- a €150.2m residual commitment to the Apax France IX-B fund;
- a €76.8m residual commitment to the Apax IX LP fund;
- a €15m residual commitment to the Apax Development fund;
- a €3.9m residual commitment to the Apax Digital fund;
- €0.6m in direct investments and €6.2m in guarantees on securities sold.

1.4.8 VALUATION METHODS

VALUATION POLICY AND METHODS

The portfolio companies, whether held directly or *via* an Apax fund, are valued by the funds' management companies, reviewed by the funds' Statutory Auditors, and finally approved by the funds' Board of Advisors.

Altamir's policy is to adopt the valuations made by the funds' management companies.

Before valuations are finalised, they are reviewed by Altamir Gérance's management, Altamir's Statutory Auditors, the Audit Committee of Altamir's Supervisory Board and the Supervisory Board in general.

VALUATION METHOD

The Apax fund management companies value their portfolios based on the principles of fair value, in accordance with International Private Equity Valuation (IPEV) recommendations.

The Apax fund managers have always pursued a conservative valuation policy, as can be seen in the uplift historically generated from divestments (selling price higher than the last valuation made before the divestiture).

Unlisted companies are valued every half-year, and listed companies are valued every quarter.

For unlisted investments held for over one year	For unlisted investments held for under one year	For listed companies
Valuations are generally based on a sample of peer-group multiples (listed companies and recent transactions). Apax Partners SAS may apply a downward adjustment * of up to 20%. In principle, Apax Partners LLP does not make any adjustments, since it invests in larger companies.	Apax Partners SAS values companies at cost, except under specific circumstances. Apax Partners LLP usually values growth capital investments close to cost; buyout investments may be revalued from the first day that they are held.	Valued at the last listed price of the period, except in the event of restrictions in tradability or other exceptional circumstances.

* *This downward adjustment corresponds to a liquidity adjustment of 0-20% based on performance quality, the position of Apax Partners/Altamir in the capital (minority vs majority, exit rights, etc.), the level of mergers & acquisitions activity in the sector, management influence and weighting at exit, and the liquidity of comparable companies.*

1.4.9 THE COMPANY'S FINANCIAL RESOURCES

As of 31 December 2018 Altamir had authorised lines of credit totalling €60m, unchanged from year-end 2017. The Company has raised its borrowing capacity to the maximum authorised amount of 10% of its statutory net book value, which was €57.7m as of 31 December 2018. As of 31 December 2018, €33.3m of the credit was drawn.

1.4.10 PAYMENT TERMS

The payment terms given to the Company's customers and suppliers are presented below, keeping in mind that the Company has no customers. At the date of the balance sheet, supplier payment terms were as follows:

	Article D. 441-4 I.-1° of the French Commercial Code: Received invoices that are past due as of the balance sheet date						**Article D. 441-4 I.-2° of the French Commercial Code: Issued invoices that are past due as of the balance sheet date**					
	0 days (approx.)	**1 to 30 days**	**31 to 60 days**	**61 to 90 days**	**91 days or more**	**Total (1 day or more)**	**0 days (approx.)**	**1 to 30 days**	**31 to 60 days**	**61 to 90 days**	**91 days or more**	**Total (1 day or more)**
(A) Breakdown by days outstanding												
Number of invoices outstanding	5					8						
Total amount of invoices outstanding, incl. VAT	€166,525.23	€1,268.68	€0.00	€0.00	€0.00	€167,793.91						
Percentage of the total amount of purchases, incl. VAT, for the financial year	1.72%	0.01%	0.00%	0.00%	0.00%	1.73%						
Percentage of revenue, excl. VAT, for the financial year												
(B) Invoices excluded from (A) which relate to disputed or unrecognised trade payables or receivables												
Number of invoices excluded												
Total amount of invoices excluded												
(C) Payment terms applied (contractual or statutory provisions – Article L. 441-6 or Article L. 443-1 of the French Commercial Code)												
Payment terms used to calculate days overdue	- Contractual payment terms indicated on each invoice											

1.4.11 STATUTORY RESULTS AND OTHER COMPANY DATA OVER THE LAST FIVE YEARS (ARTICLE R. 225-102 OF THE FRENCH COMMERCIAL CODE)

YEAR ENDED	31/12/2014	31/12/2015	31/12/2016	31/12/2017	31/12/2018
SHARE CAPITAL AT YEAR-END					
Share capital	219,259,626	219,259,626	219,259,626	219,259,626	219,259,626
Number of ordinary shares	36,512,301	36,512,301	36,512,301	36,512,301	36,512,301
Number of non-voting Class B preferred shares	18,582	18,582	18,582	18,582	18,582
Maximum number of future Class B shares to be created:					
■ through bond conversion/redemption					
■ through exercise of Class B warrants	37,164	37,164	0	0	0
OPERATIONS AND INCOME					
Revenues (ex tax)					
Earnings before taxes, profit sharing depreciation, amortisation & provisions	55,230,300	35,051,855	72,578,999	40,237,901	16,187,684
Income tax					
Employee profit sharing					
Earnings after taxes, profit sharing, depreciation, amortisation & provisions	56,014,864	38,185,670	79,331,454	69,886,629	11,139,091
Distributed income	28,250,553	25,668,465	37,474,817	34,368,928	
EARNINGS PER SHARE					
Earnings before taxes, profit sharing depreciation, amortisation & provisions					
■ ordinary shares	n.s.	n.s.	n.s.	n.s.	n.s.
■ Class B preferred shares	n.s.	n.s.	n.s.	n.s.	n.s.
Earnings after taxes, profit sharing, depreciation, amortisation & provisions					
■ Ordinary shares	1.53	1.05	2.17	1.91	0.31
■ Class B preferred shares					
Dividend distributed	0.5	0.56	0.65	0.65	
EMPLOYEES					
Average number of employees					
Total payroll					
Sums paid as employee benefits (social security and other social projects)					

n.s. (not significant): it is not meaningful to break down EPS into earnings on ordinary shares and earnings on Class B shares before taking taxes, depreciation, amortisation and provisions into account because the share of earnings attributable to Class B shares, pursuant to the Articles of Association, can only be established on the basis of net income, which is in turn adjusted.

1.4.12 ACQUISITION OF EQUITY INTERESTS AND CONTROLLING INTERESTS

The Company did not make any direct investments in 2018.

For all other transactions, the Company now invests in the Apax France VIII and Apax France IX funds, through the dedicated private equity funds Apax France VIII-B and Apax France IX-B, and in the Apax Development fund, all managed by Apax Partners SAS; it also invests in the Apax VIII LP, Apax IX LP and Apax Digital funds advised by Apax Partners LLP.

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1.5 INTERNAL CONTROL PROCEDURE IMPLEMENTED BY THE COMPANY

GENERAL FRAMEWORK

Amboise Partners SA and Altamir use the internal control principles described in the COSO (Committee of Sponsoring Organizations of the Treadway Commission) report as a guideline.

COSO defines internal control as follows:

"Internal control is a process, effected by an entity's board of directors, management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- effective and efficient operations;
- accuracy of financial reporting; and
- compliance with laws and regulations."

The report also details the components of internal control:

- "Control Environment;
- Risk Assessment;
- Control Activities: adopting standards and procedures that contribute to ensuring that management's priorities are implemented;
- Information and Communication: relevant information must be identified, captured and communicated in a form and timeframe that enables people to carry out their responsibilities;
- Monitoring: internal control systems must themselves be monitored – a process that assesses the quality of the system's performance over time."

An internal control system designed to address the objectives described above does not guarantee that the objectives set will be achieved, because any procedure has inherent limits.

Concerning effective and efficient operations, Amboise Partners SA and Altamir have a three-part objective: 1) identify and carry out the best investments possible in line with the Company's strategy, 2) oversee the performance of the companies in the portfolio and adhere to the plan approved with their managers, 3) protect its own assets or assets under management by controlling cash flows, financial instruments and securities in the portfolio.

Altamir invests either on a *pari passu* basis with the funds managed by Amboise Partners SA, or as an investor in the Apax France VIII-B, Apax France IX-B and Apax Development funds managed by Apax Partners SAS, or in the Apax VIII LP, Apax IX LP and Apax Digital funds, advised by Apax Partners LLP. Occasionally, Altamir co-invests with these funds.

The procedures relating to Altamir are therefore inextricably linked to those of Apax Partners.

In the remainder of this document, unless otherwise specified, the term "Company" refers to both Amboise Partners SA and to Altamir.

The Company keeps an internal control and procedures manual, which is reviewed and expanded on a regular basis. The latest complete revision was in December 2018. The manual continues to be updated periodically.

MEASURES TAKEN IN 2018

The Company made progress in several areas:

- an external team continued to perform periodic internal controls;
- the manual of procedures was completely updated to include processes outsourced to Apax Partners SAS;
- IT security rules were reinforced.

A) CONTINUED PERIODIC CONTROLS OF INTERNAL CONTROL AND THE CORRECT APPLICATION OF THE REGULATIONS SPECIFIC TO SCRs (QUOTAS)

Controls carried out during the year included the following:

- ensuring the staff at Apax Partners and Amboise Partners SA adhered to the Code of Ethics, especially regarding personal investments;
- monitoring legal registers;
- adhering to regulatory ratios applicable to SCRs;
- adhering to the regulations governing voting at Annual General Meetings;
- monitoring short-term investments of cash;
- ensuring compliance in how procedures for combating money-laundering and terrorist financing are applied;
- monitoring the corporate officer responsibilities of Apax Partners' staff;
- verifying that the methods used to prevent and resolve potential conflicts of interest are in compliance.

No significant anomalies were detected. The Company will continue to be vigilant and to strengthen procedures in all the areas identified.

B) COMBAT AGAINST MONEY LAUNDERING AND TERRORIST FINANCING

- As every year, Apax Partners and Amboise Partners SA employees took part in a training course on combating money laundering and terrorist financing.
- Controls suited to the nature of the transactions were performed.

Article 242 *quinquies*, paragraph II of the French Tax Code and Article 171 AS *bis* of Appendix II introduced, starting with the 31 December 2006 closing, a detailed filing requirement enabling the tax authority to check that SCRs adhere to the 50% quota imposed on them. This statement is duly filed each year with the tax authorities based on data as of 31 December and complies with the detailed calculations already made by the Company.

GENERAL ORGANISATION OF THE COMPANY'S INTERNAL CONTROL PROCEDURES REGARDING THE PREPARATION AND PROCESSING OF ACCOUNTING AND FINANCIAL INFORMATION

A) INTERNAL CONTROL PARTICIPANTS AND THEIR ACTIVITIES

The purpose of the Company is to invest, in principle, in securities of unlisted companies, either directly, or *via* investment vehicles such as French or European private equity funds.

Altamir continues to create value and divest alongside the Apax France VII fund, managed by Amboise Partners SA. Since 2011, Altamir has invested *via* Apax funds managed by Paris-based Apax Partners SAS and, since 2012, *via* the Apax funds advised by London-based Apax Partners LLP. Occasionally, the Company may co-invest with these funds. For these investments, it is assisted by investment and support teams.

With respect to accounting and financial information, the first objective of internal control is to verify cash flows and assets.

This is achieved by implementing the following processes:

- the accounting and fund administration processes are segregated;
- securities are registered in "pure" nominative form and periodically reconciled with the custodian and registrars of each company;
- payment instructions are centralised with the Chairman of the management companies in the case of the funds, and with the Chairman of the Management Company of Altamir;
- fund administration, together with the bank custodian, ensures that the legal documentation is complete before submitting the documents to the Chairman for signing;
- fund administration and the accounting department ensure the *pari passu* distribution of investments and divestments between the funds and Altamir (for investments historically made alongside funds managed by Amboise Partners SA) and between the various investment vehicles of the Apax France VIII and Apax France IX funds.

As previously reported, Altamir's Supervisory Board has created an Audit Committee, which can be assisted by the Company's Statutory Auditors.

The second objective is the accuracy of financial reporting. The objective is achieved by cross-checking accounting data with data from the securities management system. Increasingly sophisticated automation limits the risk of human error.

The third objective is compliance with laws and regulations in force. The Company does everything in its power to adhere not only to general regulations, but also to the regulations specific to SCRs (investment eligibility quotas) and to listed companies.

The two asset management companies have each appointed a Compliance and Internal Control Officer. The Code of Ethics is an integral part of the Rules of Procedure. The Compliance and Internal Control Officers have opted to outsource second-level controls relating to compliance and internal control of the management companies to PCI. This assistance falls under Article 313-72 to 313-76 of the AMF General Regulation applying to management companies that delegate or outsource certain functions.

B) EXTERNAL ACCREDITATIONS

Amboise Partners SA and Apax Partners SAS are AMF-approved portfolio management companies. They are members of France Invest, a French professional association for private equity companies. France Invest has published a Code of Ethics and reference guides. Moreover, Amboise Partners SA, Apax Partners SAS and consequently Altamir comply with the International Private Equity and Venture Capital Valuation Guidelines developed by France Invest, Invest Europe, BVCA and others, and the COSO internal control framework.

Apax Partners LLP is regulated by the FCA and is a member of the British Venture Capital Association (BVCA), whose rules and codes are equivalent to those of France Invest. It also belongs to the European private equity association Invest Europe.

C) PREPARING FINANCIAL AND ACCOUNTING REPORTS FOR SHAREHOLDERS

Systems and processes for preparing accounting and financial statements

Since 2014, two software tools have been used to manage financial and accounting data:

- Sage 100 Comptabilité, developed by Sage and used for general accounting and payroll,
- Capital Venture 3 (CV3), developed by Klee Group to manage FPCI and Altamir securities, and to prepare financial and analytical statements.

CV3 has been used with a CRM interface and outsourced hosting. All Altamir's data since its inception have been migrated into the new software, and customised reports have been developed.

The consolidated (IFRS) financial statements are generated using the statutory financial statements produced by Sage, but *via* Excel spreadsheets. A meticulous process is used to convert the statutory financial statements into consolidated financial statements and to carry out compliance analyses. The Company is still considering the purchase of software dedicated to the production of IFRS statements.

All the systems have a significant user base. The accounting system is used in France, and CV3 is used throughout the world. They are well documented.

The two transaction processing systems are used independently of each other. The accounting department uses Sage 100 Comptabilité whereas fund administration uses CV3. As a result, information must be reconciled and checked during reporting.

PCI, the firm in charge of second-level controls, regularly reviews compliance with procedures and updates them when necessary.

The Audit Committee also plays a part in ensuring that established procedures are followed. Once it has completed its investigations, the Audit Committee addresses its comments and recommendations to the Supervisory Board.

Valuation of the securities in the portfolio

For a portfolio management firm or SCR, reporting is based in particular on the valuation of the securities in its portfolio.

- For investments on a *pari passu* basis with the funds managed by Amboise Partners SA:

  A half-yearly valuation is prepared by the partner in charge of each equity holding. These proposals are reviewed and may be amended during the portfolio review meeting attended by all partners. Altamir's Audit Committee also reviews valuations and may question them.

  The valuations derived from financial models (for securities acquired in LBOs) are checked by the finance department, which carries out tests of consistency with past valuations.

  As indicated above, the process of preparing and checking valuations has been improved to include measures such as an analysis of the value created over time.

  The Statutory Auditors and the finance department review the valuations with the sector teams.

- With respect to investments made through funds managed by Apax Partners SAS or advised by Apax Partners LLP:

  The finance department and Statutory Auditors rely on the reviews performed by the Statutory Auditors of those entities, as well as on interviews directly with the investment teams.

Relationship between internal control procedures and risk factors

This report does not aim to describe the procedures in detail. The description of the organisation and internal control principles is intended to provide an outline of how the Company's internal control system functions.

In 2018, the Company pursued internal control initiatives, continued to combat money laundering and the financing of terrorism and implemented new reporting software. It also conducted a complete review of IT security systems.

In 2019, we will continue to implement corrective actions if we or our auditors identify weaknesses or omissions.

1.6 RISK FACTORS

1.6.1. INTRODUCTION – PRINCIPLES

Investors are asked to consider all the information provided in this document and presented in the Management Report before acquiring or subscribing to the Company's marketable securities. As of the date this document was filed, the risks presented below, were they to materialise, could have a significant unfavourable impact on the Company, its business activities, its financial position, its results or its growth. The Company considers that, as of the date this document was filed, there are no significant risks other than those presented. Investors should be aware that the list of risks below is not exhaustive, and that there may have been other unidentified or unforeseen risks at the date this document was filed, which may have a significant adverse risk on the Company, its business activities, financial position, results and growth.

The unitholders in the private equity funds managed by Amboise Partners SA and Apax Partners SAS and the investors in the funds managed by Apax Partners LLP are professionals investing significant amounts with a long-term horizon. They have more detailed information about the investments acquired (as co-investments alongside Altamir) than the other shareholders of the Company. This information is communicated to them in line with the rules of the funds and with common practice in the private equity industry. Should this information be privileged, however, as defined by applicable regulations, these investors must not carry out transactions on the shares of Altamir.

1.6.2. DESCRIPTION OF RISKS AND UNCERTAINTIES AND THEIR MANAGEMENT

A) RISKS INHERENT IN PRIVATE EQUITY

Investment in a company whose objective is to acquire private equity interests is intrinsically high-risk, greater than that associated with investing in listed major industrial, property or financial companies.

There is no guarantee that the investments will achieve Altamir's objectives, or even return the capital invested in the Company, and the past performance of the funds managed by Apax Partners for this type of investment offers no guarantee of the future performance of the Company.

In particular, private equity investments present the following risks:

Nature of the risk	Risk mitigation
1) Risks relating to capital calls (liquidity risks)	
The Company has commitments to the funds in which it invests (Apax France VIII-B, Apax France IX-B, Apax Development, Apax VIII LP, Apax IX LP and Apax Digital). These commitments are significant and could be called at any time with a notice period of around 10 days. The resources for meeting these commitments are held in available cash, proceeds from divestments and possibly temporary lines of credit. The Company's status as a French société de capital risque (SCR) prohibits it from borrowing in excess of 10% of statutory net assets.	The Company's commitments to the Apax Partners SAS and Apax Partners LLP funds have been set within a range enabling it to respond to capital calls based on expected cash positions. The Company has carried out a specific review of its liquidity risk and believes it can meet its forthcoming obligations. The funds in which Altamir invests have access to credit lines and so are not required to make capital calls for each investment. The duration of the credit lines is 12 months. This enables the Company to increase its visibility on future capital calls. As of 31 December 2018, the Company had a net cash position of €-13.6m and €60m in authorised lines of credit. The Company is currently renegotiating these credit lines. Furthermore, Altamir has the option to reduce the maximum level of its commitment to the Apax France IX-B fund by up to €80m (bringing the maximum commitment down from €306m to €226m). Maximum commitments are reviewed semi-annually. This mechanism gives Altamir the flexibility to significantly lower its commitments for each six-month period.

Nature of the risk	Risk mitigation
2) Risks related to the absence of investment liquidity	
Altamir aims to invest principally in unlisted companies, with a medium- to long-term investment horizon. Although the investments Altamir makes can occasionally generate recurring revenue, in the vast majority of cases, capital invested and potential capital gains are only realised when the investment is partially or fully sold, which generally only takes place several years after its acquisition. There is no guarantee that the companies in which Altamir has invested or will invest, either directly or via Apax Partners SAS and Apax Partners LLP funds, will be listed on the stock exchange or sold. Under these circumstances, Altamir may have difficulty selling its investments in a reasonable timeframe and at satisfactory pricing terms. Such a situation may restrict or prevent Altamir from making new investments and hinder the implementation of the investment strategy. Furthermore, in certain cases, Altamir may require prior authorisation of a sale from the competent authorities, or may be prohibited by contract, law or regulations, from selling an investment during a given period.	The portfolio's sectoral and geographical diversification minimises the risk of illiquidity in the portfolio. The investment processes implemented by Apax's fund management companies (see Section 1.3.6) include an analysis of exit scenarios for each potential investment. Moreover, Altamir's portfolio is well diversified in terms of acquisition dates, which facilitates a harmonious rotation of the portfolio.
3) Risks related to Altamir's investment capacity	
Altamir's success essentially depends on the capacity of the Apax management companies (Amboise Partners SA, Apax Partners SAS and Apax Partners LLP) to identify, select, acquire and sell, in a competitive market, investments that are likely to generate significant capital gains. There is an increasing number of private equity companies, and for larger transactions, the market tends to be global, thus becoming fiercely competitive. Some of these companies have a greater financial capacity than the funds managed by the Apax Partners management companies, giving them a competitive advantage for undertaking significant financial transactions. Others may have lower ROI requirements than those of the Apax Partners management companies, enabling them to offer a higher price to sellers for a given asset.	Quality, team size and Apax's strong reputation represent significant competitive advantages. Owing to the sectoral specialisation of Altamir and the Apax funds, it is often easier to identify opportunities at the outset (proprietary deals) and avoid highly competitive auction processes. By investing via funds managed by Apax Partners SAS and Apax Partners LLP, Altamir has the ability to invest worldwide, which significantly increases potential opportunities.
Altamir cannot guarantee that the Apax management companies will continue to be in a position to, or want to, study certain investment opportunities, nor can it guarantee that any acquisition proposals put together by the management companies will be accepted by the sellers.	Altamir may co-invest alongside Apax funds when the funds syndicate these opportunities to their investors.
4) Risks related to investment in funds managed by Apax Partners SAS and Apax Partners LLP	
The Apax Fund terms and conditions: ■ limit the life of the funds; ■ limit the period during which they can invest; ■ might lead to an early liquidation of the funds in certain scenarios; ■ might lead to an early termination of the investment period of the funds; ■ might lead to the Management Company being dismissed (in the event of serious misconduct).	The Apax France VIII and the Apax VIII LP funds were both fully invested as of 31 December 2018. The Apax France IX and Apax IX LP funds are in the middle stage of their investment period and have already invested 74% and 64%, respectively, of the subscribed amounts. The Apax Digital fund is 18% committed, and the Apax Development fund is 9.5% committed based on its €225m target. The latter was still in the process of raising funds as of 31 December 2018.
In such a scenario, Altamir may no longer be in a position to invest. The Company cannot exclude the possibility that it might not be able to invest the full amounts subscribed in these funds. It cannot be guaranteed that Altamir will be authorised to invest in the following funds.	The Management Company of Altamir is completely independent from the two management companies. As such, Altamir is free to invest with other partners. The historical relationship and the significant amounts invested by Altamir make such a scenario unlikely.

Nature of the risk	Risk mitigation
5) Risks related to new investments	
Altamir runs the risks inherent in acquiring new investments, specifically: ■ risks relating to assessing the strengths and weaknesses of the companies, their growth potential, the relevance of their business plan and the capacity of their managers to carry it out; ■ risks relating to an inaccurate estimate of the current value of investments held in these companies and the growth potential of these investments; ■ risks relating to the management of the company prior to its acquisition that were not identified during the pre-acquisition due diligence, or risks not guaranteed by the sellers in the asset and liability guarantees negotiated by the Company as part of the acquisition; ■ risks relating to terms and conditions governing the financing of the acquisition (e.g. increase in interest rates, activation of accelerated maturity clauses); ■ risks relating to disputes that may arise with sellers or third parties over the acquisition itself or the consequences of the acquisition (e.g. suppliers, customers or banks terminating the contracts that link them to the acquired company due to the change of control); ■ risks relating to the insolvency of one or more companies in which the Company invests (e.g. obligation to provide financial support to the company in question, loss equal to the acquisition cost, receivership or liquidation, personal liability claims) and the resulting risk of litigation.	The investment processes implemented by Altamir and the Apax fund management companies (see Section 1.3.6) and the systematic use of the services of renowned auditing and consulting firms, advisory banks and law firms, minimises the risks inherent in investing. Altamir and the Apax fund management companies have acquired deep expertise over many years, enabling them to develop and perfect the sophisticated processes mentioned above.
6) Risks related to the economic environment	
Fluctuations in the economy may i) affect Altamir's capacity to invest, either directly or via funds managed by Apax Partners, in companies meeting the selection criteria and to sell investments at satisfactory terms or ii) erode the value of investments that it has or will acquire, as the companies in question may be particularly sensitive to changes in economic indicators, depending on the business sector in which they operate.	By specialising in the economy's most promising sectors and selecting the sectors' growth companies and leaders, Altamir minimises the risks related to the economic environment. The risk is also minimised through the geographical diversification of the portfolio companies and the increasing internationalisation of their activities.
7) Special risks related to leveraged transactions	
A significant proportion of Altamir's portfolio is composed of LBO/LBI-type transactions which consist in acquiring an investment, generally through a special-purpose holding company, with a bank loan serviced by net cash flows (primarily dividends) generated by the investment. Leverage may be high on some of these transactions. These transactions are particularly exposed to phenomena such as a rise in interest rates or a deterioration of the target company or its sector, making it difficult, even impossible, to service the acquisition debt on its original terms. By their very nature, the risk they present is far higher than average.	The debt ratios (overall debt/LTM EBITDA) are very closely monitored by the investment teams and maintained at conservative levels. A significant portion of the financing invested in the holding companies (LBO) are more often than not "bullet" loans, which considerably lightens debt servicing costs during the holding period, with debt being repaid when the investment is sold. Each LBO transaction is independent of all other transactions. Any difficulties encountered with a specific transaction have no impact on the other investments. Altamir does not have recourse to debt to finance its investments. As previously indicated, its status as a société de capital risque (SCR) prohibits Altamir from incurring debt greater than 10% of its statutory equity. Its credit lines are solely used to meet potential timing differences arising between cash inflows (divestment proceeds) and outflows (investment payments).

Nature of the risk	Risk mitigation
8) Risks related to the departure of executives in the portfolio companies	
The companies in which Altamir invests may be dependent on the presence of one or more key people, whose departure or unavailability would have a significant adverse effect. Because of this, Altamir may need to postpone the sale of the investment in question or to sell it on unfavourable terms.	Evaluating the senior management (motivation, commitments, performance, etc.) is a critical factor in the investment process. Private equity relies heavily on the interests of the managers and investors being perfectly aligned. As a general rule, it is thus in the managers' interest to collaborate with the investor until the investment is exited. One of Apax Partners' essential contributions is to constantly strengthen the management teams of its portfolio companies.
9) Risks related to valuation of investments	
The unlisted investments that Altamir holds or will hold are periodically valued by the Company using the fair value method explained in the notes to the financial statements. These periodic valuations of Altamir's investment portfolio are carried out to determine Altamir's net asset value per share, which is published every quarter. Despite the care taken in performing these valuations, no guarantee can be given that each of Altamir's investments could be sold for an amount at least equal to the value determined by Altamir in this valuation. Only equity investments held directly by Altamir are valued by the Company. Valuation of the investments held via the funds managed or advised by Apax Partners SAS and Apax Partners LLP is the responsibility of those companies.	Altamir and the Apax funds apply the IPEV-recommended (International Private Equity Valuation) valuation rules, which harmonises the approach across all valuations. The valuations are reviewed by the Apax funds' Statutory Auditors, Altamir's Statutory Auditors and the Company's Audit Committee. Altamir may, via its Management Company and Supervisory Board, challenge the valuations that have been submitted to it, or modify them if it deems necessary (this has so far never occurred). For over 10 years, Altamir has monitored and published an "Uplift" indicator, which measures the spread between the price at which it sold its investments and their values used to calculate NAV in the preceding period. This indicator has always been positive, demonstrating the Company's conservative valuation approach.

B) FINANCIAL RISKS

Nature of the risk	Risk mitigation
1) Risks related to fluctuations in listed share prices	
Altamir may hold listed shares, either because its unlisted companies are floated on the stock exchange and Altamir considers it appropriate to retain its shares for a certain period of time with a view to obtaining a better valuation in the long-term – an objective having no guarantee of results – or because Altamir does not rule out investing directly or indirectly in the capital of a company on the sole grounds that it is listed on the stock exchange, provided that the company falls within the scope of its investment strategy. Altamir may therefore be affected by a downturn in the market prices of such securities. Furthermore, Altamir may finance its investment in a listed company via a special-purpose acquisition company that incurs debt. In the majority of cases, this debt is guaranteed by listed shares in underlying companies.	It is not Altamir's primary objective to invest in the shares of listed companies.
When the share price of these companies falls, and the average share price over a given period drops below a certain threshold, the holding companies become responsible for meeting collateral or margin calls. In the event of default, banks may demand repayment of all or part of the loan.	Conversely, when the share price of these companies rises, all or part of the balance in escrow with respect to some of these companies may be released.
The sensitivity calculations for margin calls in the event of a drop in the market price are presented in the notes to the financial statements. Listed companies as of 31 December 2018 made up 5.6% of the portfolio (19.8% at 31 December 2017). A 10% drop in the market prices of these listed securities would have an impact of €9.4m on the valuation of the portfolio as of 31 December 2018. In addition, most unlisted securities are valued in part on the basis of peer-group multiples, and in part on multiples of recent private transactions.	As Altamir now invests via funds, it is no longer subject to direct margin calls on its new investments. A change in the market prices of the comparable companies does not represent a risk, because although these comparables provide an element for calculating the fair value at a given date, the final value of the investments will be based on private transactions, unlisted by definition, in which the strategic position of the companies or their ability to generate cash flow takes precedence over the market comparables.
2) Interest rate risks	
Risks related to LBO transactions	
In the context of leveraged transactions, Altamir is indirectly subject to the risk of an increase in the cost of debt and the risk of not obtaining financing or being unable to finance the planned new transactions at terms that ensure a satisfactory return.	A Debt Director joined the investment teams of Apax Partners SAS in 2015. Apax Partners LLP has a dedicated debt team split between London and New York.
Risks related to short-term cash investments	
As of 31 December 2018, Altamir's statutory financial statements showed a net cash balance of €-13.6m. The Company also subscribed to a €15m tax-efficient capitalisation fund in 2013, whose capital is guaranteed. Money-market mutual funds are valued at historical cost. Capital gains on divestments are calculated based on the difference between the sale price and the weighted average purchase price. The Company recognises unrealised capital gains solely in its consolidated financial statements. The nature of the securities does not justify any impairment.	If the need for cash requires the Company to terminate its time deposits, the penalty would be a reduction in the interest earned. There is no risk of a loss of capital. The sale of marketable securities and revenue therefrom resulted in a profit of €0 in 2018. The sale of negotiable debt securities and time deposits generated a capital gain of €217,157 in 2018.
Risks related to other financial assets and liabilities	
Financial assets tied to an interest rate include shareholder loans or securities such as corporate bonds classified and held as portfolio investments or receivables related to equity investments. Altamir has €60m in lines of credit at variable rates on standard market terms. An interest rate rise would increase the cost of financing.	These financial assets are assumed to be redeemed or converted at maturity. As a result, they do not present any interest rate risk per se. As of 31 December 2018, €33.3m of the credit was drawn. They are only occasionally used.

Nature of the risk	Risk mitigation
3) Currency risk	
Existing shares in Altamir or shares to be created are denominated in euros. Accordingly, profitability for investors who bought Altamir shares using currencies other than the euro may be affected by fluctuations of that currency against the euro.	
Altamir aims to invest, either directly or indirectly through the Apax France VIII, Apax France IX and Apax Development funds, for the most part in France and in companies whose operating currency is the euro. However, some investments made by Altamir are denominated in foreign currencies, and consequently their value may vary according to exchange rates. Shares of the Apax VIII LP and Apax IX LP funds are denominated in euros. The funds themselves have a global investment strategy. Exchange rate fluctuations might affect the valuation of some of their investments at the closing date or at the date they are sold.	As of 31 December 2018, the only assets denominated in foreign currencies were the securities and receivables of 31 portfolio companies, which represented €267.5m or 26.7% of total assets.
Altamir made a foreign currency commitment in 2017 to the Turing Equity Co fund, which is the co-investment vehicle of ThoughtWorks, a company in the portfolio of the Apax IX LP fund. The commitment was for $5.1m. Immediately upon subscription, 88% of that amount was called. As of 31 December 2018, the residual commitment was $0.6m (€0.5m). Altamir also took over a $5m commitment in the Apax Digital fund. The fund was 9.8% called as of 31 December 2018, so the residual commitment is $4.5m (€3.9m). The portfolio's exposure by currency is presented in the notes to the consolidated financial statements.	Altamir does not use firm or conditional forward instruments to hedge or to gain exposure to market risks (equity markets, interest rates, exchange and credit risks).
Altamir does not hedge against currency fluctuations.	Foreign exchange impact is taken into account when a decision to invest or divest is made and is therefore factored into the calculation of expected return.

C) LEGAL AND TAX RISKS

Nature of the risk	Risk mitigation
1) Risks related to the status of partnership limited by shares (SCA)	
Altamir Gérance is the general partner of Altamir. Altamir Gérance, which is also Altamir's Management Company, is controlled by Maurice Tchenio, the founder and Chairman and CEO of Amboise Partners SA. The Management Company of Altamir has the broadest powers to act under any circumstances in the name of the Company. Moreover, legislation applicable to partnerships limited by shares and Altamir's Articles of Association states that the Management Company can be removed only by decision of the general partner (i.e. itself) or the commercial court for a legitimate cause at the request of any partner or the Company. As a result, it would be virtually impossible for the shareholders of Altamir (even an overwhelming majority) to terminate the activities of Altamir Gérance against its will. Altamir is linked to Amboise Partners SA by an investment advisory services contract.	The procedures described throughout this document, as well as the control exercised by the Audit Committee, representing the Supervisory Board, mean that the Management Company is not in a position to abuse control.
Given Altamir's status as a partnership limited by shares, and given that Maurice Tchenio holds, directly and indirectly, almost all the capital of Altamir Gérance SA, the general partner and Manager of the Company, it would in practice be virtually impossible for the shareholders of the Company to terminate this contract and the co-investment agreement – as long as they remain valid – without the approval of Altamir Gérance.	Maurice Tchenio holds 65% of the Company's equity. His interests and those of the Company's shareholders are perfectly aligned. The Supervisory Board, aided by the Audit Committee, reviews Altamir's performance, and by extension the contribution of Amboise Partners SA, every quarter. The Board of Directors of Altamir Gérance also reviews Altamir's performance.

Nature of the risk	Risk mitigation
2) Risks related to the legal and tax treatment of SCRs	
Altamir opted for the status of SCR (société de capital risque) with the sole purpose of managing a portfolio of marketable securities and unlisted shares. In this respect, it benefits from a favourable tax status. In return, it commits to abiding by certain terms, in particular the quotas of eligible securities defined in the amendment to Article 1-1 of law no. 85-695 of 11 July 1985.	
Although the majority of investments carried out by funds managed by Apax Partners SAS and Altamir respond to the eligibility criteria set forth in these provisions, Altamir cannot guarantee that it will not be required to pass up an investment opportunity, or sell one or more investments earlier than planned, in order to continue to benefit from this tax treatment. Moreover, a significant portion of the investments made by Apax Partners LLP are not eligible for this quota since they are outside Europe.	Altamir takes this factor into account when defining its commitments to the funds managed by Apax Partners SAS and Apax Partners LLP.
An SCR can only borrow up to 10% of its statutory net assets, which prevents Altamir from having financing in reserve that it could call upon if necessary. Altamir may therefore not be in a position to participate in an investment if it does not have sufficient resources to finance it. In opting for this tax regime, Altamir vigilantly adheres to the limits imposed on it. Nevertheless, failure to comply with certain conditions could lead to the loss of SCR status, and consequently, the retroactive loss of tax benefits which have been passed on to shareholders.	Altamir can reduce the maximum level of commitments in the Apax France IX-B fund by €80m. Maximum commitments are reviewed semi-annually. This mechanism gives Altamir the flexibility to significantly lower its commitments to funds for each six-month period.
Furthermore, in the past, the legal and tax regime of SCRs and private equity funds has often been changed. Altamir therefore cannot guarantee that it will not be subject to restrictions in addition to those currently in place, that the tax regime applicable to its shareholders will not change, or that it will be able to continue to enjoy the benefits of the favourable tax regime.	Altamir has a representative on the Tax Committee *of France* Invest and makes every effort to preserve the benefits of this tax regime.
3) Other legal and tax risks	
Legal, tax and regulatory changes may arise and may have an unfavourable effect on Altamir, the companies in its portfolio and its shareholders. As an example, the range of transactions to which private equity firms *have access* has in the past been affected by a lack of senior and subordinated credit facilities, given the regulatory pressure on banks to reduce their risk on this type of transaction. Furthermore, Altamir may invest in other countries that may themselves change their tax legislation, potentially with retroactive application.	Thanks to its diversification via the Apax VIII LP, Apax IX LP and Apax Digital funds, Altamir's scope is global, which minimises the impact of a legislative change in any particular region.

D) INDUSTRIAL AND ENVIRONMENTAL RISKS

N/A

E) INSURANCE

The activity of Altamir does not justify industrial-type insurance cover. Altamir has taken out third-party and D&O cover of €3m.

F) RISKS RELATED TO KEY PEOPLE

Nature of the risk	Risk mitigation
1) Risks related to the management and control of Apax Partners	
Maurice Tchenio is the founder of Apax Partners, and for more than 40 years he has played a major role in managing this company and the funds created by Apax Partners. He alone has the controlling interest in Amboise Partners SA and Altamir Gérance SA, the Management Company and general partner of the Company. His departure, extended absence or death could therefore have a significant unfavourable effect on the activity and organisation of Amboise Partners, and consequently on the activity of Altamir and its future outlook.	A succession plan is in place at the organisational level in the event that Maurice Tchenio should die or be incapacitated. The same is true with respect to its shareholdings.
Beginning with the Apax France VIII fund, management of the private equity funds has been the responsibility of Apax Partners SAS, headed by Eddie Misrahi. Equity capital is shared between the partners of this company. The operations of the asset management company would obviously be disrupted in the event of an extended absence or the death of Mr Misrahi.	The other partners would be able to implement the business continuity plan without major disruption.
The same applies to Apax Partners LLP.	The structure and size of Apax Partners LLP do not give rise to specific risks as to the smooth operation of this company in the event of the departure or death of its senior executives, of which there are now two (Mr Sillitoe and Mr Truwit), having succeeded Martin Halusa.
2) Risks related to other professionals working for Apax Partners	
Altamir's success depends to a large extent on the skills and expertise of the partners and other professionals employed by the Apax management companies, and it cannot be guaranteed that these individuals will continue to be employed by these companies.	Altamir has limited the risks mentioned above by diversifying its partnerships with Apax Partners SAS and Apax Partners LLP.
The size of the team of professionals at the management companies, the reputation of these companies, and the team-based approach to investment decisions, portfolio management and divestments tend to limit the impact for Altamir of isolated departures of one or more of the Group's employees. However, as the teams are specialised in their operational sectors, the departure of any given professional, and in particular a partner, may have a negative effect on Altamir's capacity to invest in the sector in which the professional specialised.	Since the sectors are covered by several partners, with support from experienced teams in which future partners have been identified, the risk of disruption due to the potential departure has been minimised.

G) IT RISKS

Nature of the risk	Risk mitigation
The Company's IT system may be the target of a malicious attack to commit identity theft or steal, destroy or block the use of data.	Nearly all IT systems have been migrated to cloud solutions (hosted outside the Company) to which the Company has secure access. Each cloud host implements its own security protocols and all are leading service providers and benchmark players in their respective markets. A complete audit of the IT system and intrusion tests were performed in 2018. Based on the results, an action plan to improve IT security and meet the highest standards is currently being developed. IT servers are regularly replicated to a remote location in order to withstand physical or software attacks on IT equipment.

The Company reviews risks on a regular basis. The risk map was most recently updated by the Supervisory Board in 2017. The Board made sure that all risks had been identified and that the Company had implemented the necessary measures to eliminate these risks.

The Company considers that there are no significant risks other than those presented.

2

CORPORATE GOVERNANCE
REPORT OF THE SUPERVISORY BOARD

This part of the report of the Supervisory Board on corporate governance has been prepared in accordance with Article L. 226-10-1 of the French Commercial Code.

The report was prepared by the Supervisory Board in collaboration with the Company's internal departments. It was approved by the Supervisory Board at its meeting of 12 March 2019.

Altamir applies the Afep-Medef Corporate Governance Code for listed companies, published in December 2008 and updated in June 2018. The Code can be found at: www.medef.com. The Company fully adheres to the Code's guidelines.

2.1 MANAGEMENT AND SUPERVISORY BODIES

2.1.1 SCA (*SOCIÉTÉ EN COMMANDITE PAR ACTIONS*, OR FRENCH PARTNERSHIP LIMITED BY SHARES)

As a partnership limited by shares, the Company has two categories of partners with very different rights and responsibilities:

- a general partner with unlimited liability for the Company's debts and whose rights are not freely transferable; only the general partner can appoint or dismiss the managers of the Company;
- limited partners (or shareholders), whose liability is limited to the amount of their contributions and whose rights are represented by freely transferable shares; these shareholders are divided into two categories:
  - holders of ordinary shares, who have voting rights enabling them to elect a Supervisory Board whose role is to monitor the management of the Company,
  - holders of Class B preferred shares, who do not have voting rights.

Collective decisions therefore require the approval both of the limited partners who hold ordinary shares (and vote at General Meetings) and of the general partner. However, the appointment and dismissal of Supervisory Board members are under the sole authority of the limited partners holding ordinary shares, while the appointment and dismissal of the Management Company are under the sole authority of the general partner. The appointment and dismissal of Statutory Auditors and non-voting Board members, the distribution of annual dividends, and the approval of regulated agreements also fall under the sole authority of the limited partners holding ordinary shares.

Collective decisions modifying the rights of limited partners holding Class B shares are also subject to the approval of those holders of Class B shares at a Special General Meeting.

The Management Company has the broadest powers to act on behalf of the Company in all circumstances. In its dealings with partners, the Management Company has the broadest powers to carry out all ongoing management activities. Specifically, the Management Company is responsible for identifying, evaluating and determining the Company's investments and divestments.

To perform its mission, the Management Company may call upon the experts or advisors of its choice, particularly Amboise Partners SA (the "Investment Advisor"), who will advise the Company on its investments and divestments but will not have the power to take decisions on behalf of the Company. The relationship between the Company and the Investment Advisor is governed by an investment advisory contract and a co-investment agreement, the terms of which are approved pursuant to Article L. 226-10 of the French Commercial Code.

2.1.2 THE GENERAL PARTNER AND MANAGEMENT COMPANY

The Company's general partner, which is also its Management Company, is Altamir Gérance, a French public limited company *(société anonyme)* with share capital of €1,000,000. The Company is registered under number 402 098 917 of the Paris commercial registry, and its registered office is at 1, rue Paul Cézanne, 75008 Paris (France).

The Management Company's functions are not limited in time.

During the Company's existence, the general partner has sole responsibility for appointing the Management Company.

A Manager's functions are terminated upon death, disability, prohibition, receivership or liquidation, removal from office, resignation or upon reaching the age of 75. This age limit has been extended to 80 for Maurice Tchenio, in his capacity as head of Altamir Gérance, the Company's Management Company.

Any removal of a Manager from office is decided by the general partner.

If the Manager is also the general partner and loses the status of general partner, he or she also loses, automatically and without any further procedure, the status of Manager.

Altamir Gérance has a Board of Directors whose five members contribute their experience as private equity professionals and corporate chief executives.

Peter Gale (62) is head of private equity and Chief Investment Officer at Hermes GPE. He is responsible for private equity investment decisions and for all aspects of Hermes GPE's private equity investment process. He leads the co-investment programme and is responsible for decisions taken with regard to allocation and strategy for individual client portfolio construction. He has 34 years of investment experience, including 25 years in private equity. Mr Gale is a member of the Hermes GPE Management Committee and Chairman of the Private Equity Investment Committee. Previously he was Managing Director and CIO of the Hermes GPE predecessor organisation, Gartmore Private Equity. Before that Mr Gale was Investment Manager of the National Westminster Bank Pension Fund (later known as the RBS Group Pension Fund). He was responsible for all investments, and initiated both the private equity and co-investment programmes. For 23 years, he was a director of HgCapital Trust (formerly Mercury Grosvenor Trust plc). Mr Gale holds a BA in Economics from the University of Exeter and an MSc in Economics from the University of Oxford.

James Mara (72) was a Managing Director at GE Asset Management for 20 years, until 2014. During that time he built up a $2bn international private equity business, raised and managed two international LBO funds and underwrote numerous investments in Europe, Russia, North and Southeast Asia, and Latin America. Previously Mr Mara was based in London, where he spent five years as deputy treasurer providing financing to GE's international mergers and acquisition team. Prior to joining the GE group, Mr Mara headed the treasury function of RJR Nabisco in London for four years. Before that he held several tax management and advisory positions for US corporations. Mr Mara holds an LLM in tax law from Boston University, a JD from the University of Connecticut and a BS from Fairfield University.

Eddie Misrahi (64) joined Apax Partners in 1991 as a Partner in charge of TMT investments. He has supported the growth of both young, innovative companies and more mature companies through development financing and buyout transactions. Mr Misrahi became Deputy Chief Executive Officer of Apax Partners SA in 2007 and Chairman and Chief Executive Officer of Apax Partners SAS in 2008. He started his career at McKinsey & Co. in Paris then in Mexico City, before working at an American telecommunications group in the United States. In 2007–08 he was president of the AFIC (Association Française des Investisseurs pour la Croissance, renamed France Invest in 2018). Mr Misrahi is a graduate of Ecole Polytechnique and holds an MBA from Harvard Business School.

Maurice Tchenio (75) is Chairman of Altamir Gérance, and Chairman and CEO of Amboise Partners SA (formerly Apax Partners SA). He is also Chairman of the AlphaOmega Foundation. He began his career as an assistant professor of finance at HEC, before taking a position as project leader at the Institut de Développement Industriel (IDI, Paris), an investment bank specialising in equity investments. In 1972, he founded Apax Partners with Ronald Cohen and Alan Patricof. Today, Apax Partners is a global private equity leader. From 1972 to 2010, he was the Chairman and CEO of Apax Partners, the Group's French arm. In 1995, he created Altamir, a listed private equity company. In 2010, he created AlphaOmega, a venture philanthropy foundation recognised for its public interest. He is a co-founder of AFIC (Association Française des Investisseurs pour la Croissance, renamed France Invest in 2018) and former director of EVCA (European Private Equity and Venture Capital Association, renamed Invest Europe). Mr Tchenio has degrees from HEC and Harvard Business School, where he was a Baker Scholar and graduated with high distinction.

Romain Tchenio (43) is a graduate of ESCP Europe. He began his career as a financial analyst with PricewaterhouseCoopers Corporate Finance. He joined Toupargel in 2004 as an agency manager in Marseille. He was appointed Southwest Regional Manager in 2006 then Sales Director, a position he held from 2010 to 2013. He was named CEO of Toupargel Groupe in July 2013, and Chairman and CEO in early January 2017.

Altamir Gérance has no role of corporate officer, other than that of Management Company.

In accordance with Section 14.1 of Appendix 1 of EC Regulation 809/2004, the positions and appointments held by Maurice Tchenio are listed in Section 2.1.5.

LIMITATIONS ON THE POWERS OF THE MANAGEMENT COMPANY

In accordance with the provisions of Article 20.4 of the Articles of Association and of Article 1.1 of the Supervisory Board's Rules of Procedure, any amendment to the co-investment agreement between the Company and Amboise Partners SA must be authorised by the Supervisory Board, after reviewing the management report, by a two-thirds majority vote of members present or represented.

In accordance with the provisions of Article 20.3 of the Articles of Association and of Article 1 of the Supervisory Board's Rules of Procedure, the Management Company must consult the Supervisory Board:

- on the application of valuation rules to portfolio companies; and
- on any potential conflicts of interest.

In addition, pursuant to Article 1.1 of the Supervisory Board's Rules of Procedure, the Manager must also consult the Supervisory Board prior to accepting any new appointment in another listed company.

There are no other formal limitations imposed on the Management Company. The Supervisory Board considers, however, that given the procedures in place, the Management Company is not in a position to abuse its powers.

CONFLICTS OF INTEREST

Investors should note that the Company invests *pari passu* with private equity funds managed by Amboise Partners SA. The Company also invests directly in private equity funds managed by Apax Partners SAS and in the funds advised by Apax Partners LLP.

Amboise Partners SA is headed by Maurice Tchenio, who controls and manages Altamir Gérance SA, the Company's Management Company. Potential conflicts of interest that may arise from this structure are covered by the co-investment agreement between Amboise Partners SA and Altamir, described in Section 1.3.8 of the Registration Document. Further information on conflicts of interest may be found in Section 2.1.6.

Apax Partners SAS is headed by Eddie Misrahi.

Apax Partners LLP is headed by Andrew Sillitoe and Mitch Truwit.

SUCCESSION PLAN

A management succession plan has been approved by the Supervisory Board. Meeting as Nomination and Remuneration Committee, the Board last reviewed the plan in February 2017. The succession of Maurice Tchenio has been organised for two types of situations: 1) in the event Maurice Tchenio is prevented from fulfilling his duties, succession arrangements have been made with respect to the Company's management and ownership, so as to ensure business continuity and the Company's long-term survival; 2) in view of a planned transition, Maurice Tchenio is in discussion with a number of potential successors who have all demonstrated strong interest and who meet certain criteria (*e.g.* manager/senior partner of a private equity firm, preferably with Apax experience, and with a track record of successful fund raising and deep knowledge of Altamir).

2.1.3 SUPERVISORY BOARD

ROLE OF THE SUPERVISORY BOARD

The Company's Articles of Association stipulate that the Supervisory Board shall provide ongoing supervision of the Company's management and shall decide on the allocation of net income to be proposed to shareholders. In addition, the Management Company shall consult the Supervisory Board on the evaluation rules applying to portfolio companies, and on any potential conflicts of interest. Any amendment to the co-investment agreement between the Company and Amboise Partners SA must be authorised by a two-thirds majority vote of the members of the Supervisory Board, either present or represented, after the Board has reviewed the management report (Article 20.4 of the Articles of Association).

ROLE OF THE CHAIRMAN OF THE SUPERVISORY BOARD

The role of the Chairman of the Supervisory Board is mainly to preside over meetings and to maintain regular contact with the Management Company in order to keep abreast of any exceptional events that might require a special Supervisory Board meeting. He is also very involved in preparing the Annual General Meeting of Shareholders. More recently, the Chairman was very active in Amboise SAS's takeover bid for the Company.

RULES FOR THE COMPOSITION OF THE SUPERVISORY BOARD

The composition and role of the Supervisory Board are described in Articles 18 to 20 of the Company's Articles of Association.

Summary:

- the Company has a Supervisory Board with 3-12 members. Its members are selected from among the shareholders who do not have the status of general partner, legal representative of the general partner or Management Company. The term of the members of the Supervisory Board is two years (Article 18). Nevertheless, shareholders voted at the General Meeting of 29 March 2012 to amend the Articles of Association to allow the appointment of one or more Supervisory Board members for a term of one (1) year, for the sole purpose of implementing or maintaining staggered terms for Supervisory Board members;
- no individual over the age of 70 may be appointed to the Supervisory Board if that person's appointment would bring the proportion of members over the age of 70 above one-third (Article 18);
- in the event a seat becomes vacant due to death or resignation of one or more members of the Supervisory Board, the Board may appoint a temporary replacement within three (3) months of the date the vacancy occurred (Article 18);
- the Board appoints an individual from among its members to act as Chairman. In the event the Chairman is absent, the oldest member of the Board fulfils the Chairman's role (Article 19);
- the Supervisory Board meets at the request of the Chairman or the Management Company. Notices of meetings may be communicated using any means which establish proof of notice according to commercial standards, at least five days prior to the meeting, unless the Board members unanimously agree to a shorter period. The Manager must be invited to meetings and may attend Supervisory Board meetings without having the right to vote;
- one or more non-voting members appointed by the shareholders may also attend Supervisory Board meetings in an advisory capacity (Article 19);
- the Supervisory Board may not take decisions unless at least half of its members are present or represented (Article 19).

At the General Meeting on 29 April 2019, a change in the composition of the Supervisory Board will be proposed to reduce the number of members from six to four, while maintaining the possibility of appointing non-voting members.

Shareholders will also be asked to amend the Company's Articles of Association in order to:

- raise the proportion of members of the Supervisory Board who can be over the age of 70, from one-third to one-half;
- increase to two years the term of non-voting members;
- allow for remuneration of non-voting members.

COMPOSITION OF THE SUPERVISORY BOARD AS OF 31 DECEMBER 2018

The Supervisory Board is composed of six members:

- Jean-Hugues Loyez, Chairman of the Supervisory Board;
- Marleen Groen, Chairwoman of the Audit Committee;
- Sophie Etchandy-Stabile, Member of the Audit Committee;
- Gérard Hascoët, Member of the Audit Committee;
- Jean Estin;
- Philippe Santini.

COMPOSITION OF THE BOARD AND AUDIT COMMITTEE AS OF 31 DECEMBER 2018

Board member	Age Gender Nationality	Start of 1st term Seniority End of term	Independence status	Main functions outside the Company	Expertise and experience	Number of shares held	Audit Committee
Jean-Hugues Loyez	70 French man	4 June 2007 11 years General Meeting to be held in 2020	Independent	Business Angel Chairman of A&A Partners	Expertise in Consumer sector	412,221	No
Marleen Groen	62 Dutch woman	24 April 2014 4 years General Meeting of 29 April 2019	Independent	Member of several Boards of Directors of charitable organisations	Expertise in private equity and financial services	1,000	Chairwoman
Sophie Etchandy-Stabile	48 French woman	24 April 2014 4 years General Meeting to be held in 2020	Independent	-	Expertise in finance and the Consumer sector	1,000	Member
Gérard Hascoët	69 French man	28 April 2004 14 years General Meeting of 29 April 2019	Not independent	Venture Partner in Sofinnova Partners	Expertise in private equity and the Healthcare sector	33,494	Member
Philippe Santini	75 French man	26 April 2006 12 years General Meeting of 29 April 2019	Not independent	Chairman of PHS Consultants SAS Director and Chairman of the Audit Committee of Galeries Lafayette	Expertise in the TMT sector	2,128	No
Jean Estin	68 French man	26 April 2018 1 year General Meeting to be held in 2020	Independent	Chairman and founder of Estin & Co.	Strategy consulting and M&A	1,000	No

Jean-Hugues Loyez acquired 250,123 shares on 18 October 2018. This acquisition was declared to the AMF under no. 2018DD580761.

The members of the Board held a total of 450,971 shares at the date of this report, as Gérard Hascoët had acquired 128 shares in February 2018. This acquisition was declared to the AMF under no. 2019DD595433.

No Board member is currently exercising an appointment in a listed company (outside the Group) except for Sophie Etchandy-Stabile, who is on the Boards of three listed companies, Unibail, Spie, and Ingenico. The Company does not have a dedicated Nomination and Remuneration Committee. However, Altamir's Supervisory Board has decided to meet as the Nomination and Remuneration Committee at least once a year to examine issues related to remuneration of the Management Company and the members of the Board, and to examine the composition of the Board and the Audit Committee (see section on the Nomination and Remuneration Committee).

The Board includes two women and four men, a female/male ratio that is consistent with legal provisions (Art. L. 226-4-1 of the French Commercial Code).

The members of the Supervisory Board are all French nationals except for Ms Groen, who is Dutch.

More than half of the Board members are independent, in accordance with the requirements in paragraph 8.5 of the Afep-Medef Code (see table below). Two members of the Board, Gérard Hascoët and Philippe Santini, have been members of the Supervisory Board since 28 April 2004 and 26 April 2006, respectively. Therefore they are not considered independent because they do not meet the Afep-Medef Code criterion that requires less than 12 years of seniority. However, the Supervisory Board notes that Mr Hascoët and Mr Santini have always acted independently and continue to do so, and that their contribution to the Board is essential for Altamir.

No Board member had a business relationship with the Company in 2018.

It is specifically noted that Jean-Hugues Loyez, Chairman of the Supervisory Board, is independent with regard to the Afep-Medef Code criteria. He had no business relationship with the Company during the past year. In addition, he received no variable remuneration in cash or securities, nor any remuneration tied to the Company's performance.

The composition of the Supervisory Board has changed since the General Meeting on 26 April 2018, as Mr Besson did not seek reappointment. This prompted the Nomination and Remuneration Committee to propose that shareholders at their General Meeting appoint Jean Estin as a member of the Supervisory Board. He was appointed at the General Meeting of 26 April 2018 for a two-year term, i.e. until the end of the General Meeting to be held in 2020 to approve the financial statements for the year ending 31 December 2019.

Moreover, Sophie Etchandy-Stabile announced her desire to stand down from her position as a member of the Supervisory Board as the end of the meeting held on 12 March 2019. Meeting on that date as the Nomination and Remuneration Committee, the Supervisory Board decided to co-opt Anne Landon as a member of the Supervisory Board, replacing Ms Etchandy-Stabile, until the end of Ms Etchandy-Stabile's appointment, i.e. until the end of the General Meeting to be held in 2020 to approve the financial statements for the year ended 31 December 2019. Ms Landon's appointment is subject to ratification at the General Meeting on 29 April 2019.

Pursuant to the Afep-Medef Code, the following Board members are considered independent:

Independence criteria *	Gérard Hascoët	Philippe Santini	Jean-Hugues Loyez	Sophie Etchandy-Stabile	Marleen Groen	Jean Estin	Reasons for non-compliance
The Member must not be, nor have been, in the past five years: ■ an employee or executive corporate officer of the Company, or an employee, executive corporate officer or director of either a company consolidated by the Company, or of its parent company or of a company consolidated by the parent company; ■ an executive corporate officer of a company in which the Company holds, directly or indirectly, an appointment as a Board member, or in which a Company employee or executive corporate officer holds an appointment as a Board member (either currently or in the past five years).	Yes	Yes	Yes	Yes	Yes	Yes	/
Not be a major customer, supplier, or corporate or investment banker of the Company or its Group, nor carry out a significant proportion of its business with the Company or its Group	Yes	Yes	Yes	Yes	Yes	Yes	/
Not have close family ties with a corporate officer	Yes	Yes	Yes	Yes	Yes	Yes	/
Not have been a Statutory Auditor of the Company in the past five years	Yes	Yes	Yes	Yes	Yes	Yes	/
Not be a member of the Board of the Company for more than 12 years	No	No	Yes	Yes	Yes	Yes	/
Not be a controlling shareholder of the Company or its parent company (10% threshold of share capital or voting rights)	Yes	Yes	Yes	Yes	Yes	Yes	/
CONCLUSION	**NOT INDEPENDENT**	**NOT INDEPENDENT**	**INDEPENDENT**	**INDEPENDENT**	**INDEPENDENT**	**INDEPENDENT**	

* *Executive corporate officers include the Chairman and CEO, the CEO, the deputy CEOs of public limited liability companies (sociétés anonymes) with a Board of Directors, the Chairman and members of the Executive Board of sociétés anonymes with an Executive Board and a Supervisory Board, and the Managers or Management Companies of French partnerships limited by shares.*

At their General Meeting of 29 April 2019, shareholders will be asked to renew the term of Supervisory Board member Marleen Groen, and to ratify the co-optation of Anne Landon as member of the Supervisory Board.

Anne Landon (59) is a Member of the Management Committee of Banque Transatlantique and is Head of the Corporate Advisory and Development Department. A graduate of Sciences-Po Paris, Anne Landon began her career at Banque Indosuez, where she held several positions. The first was in the Equity Investments Department, then successively she was manager of Origination in Equity Capital Markets, Head of IPOs, and the Corporate Finance manager of the Consumer Goods and Leisure sectoral group. She joined Banque Transatlantique in 2005 where she is in charge of supporting corporate executives and of Investment Solutions advisory services, which include private equity, hedging, structured products and asset allocation. Ms Landon is a member of the Boards of Banque Transatlantique Belgium and of Dubly Transatlantique Gestion.

At their General Meeting of 29 April 2019, shareholders will be asked to appoint Philippe Santini and Gérard Hascoët as non-voting members.

Each year, and every time an appointment or renewal is proposed, the Board, meeting as the Nomination and Remuneration

Committee, examines the independence of the candidates. At its meeting of 12 March 2019, the Board reviewed Anne Landon's candidacy. After confirming that Ms Landon met all criteria for independence as defined by the Afep-Medef Code (see table below), the Board concluded that she qualified as an independent candidate.

Outlined below are the Board's conclusions on the independence of current Board members whose term is to be renewed at the next General Meeting.

In accordance with the Supervisory Board's Rules of Procedure, each member holds at least 1,000 shares in the Company.

As of 31 December 2018, the Board members held, either directly or indirectly, 450,843 shares in the Company.

(number of shares)	2018	2017
Jean Estin	1,000	-
Jean Besson	-	50,749
Sophie Etchandy-Stabile	1,000	1,000
Marleen Groen	1,000	1,000
Gérard Hascoët	33,494	33,494
Jean-Hugues Loyez	412,221	162,098
Philippe Santini	2,128	2,128
TOTAL	**450,843**	**250,469**

As previously mentioned, the number of shares held by the members of the Board was 450,971 as of the date of this report.

As the Company does not have any employees, there are no employee representatives on the Supervisory Board.

For the purpose of their appointment, the members of the Supervisory Board are domiciled at the Company's principal office: 1, rue Paul Cézanne, 75008 Paris (France)

SUPERVISORY BOARD RULES OF PROCEDURE

A new procedure incorporating the new provisions applicable as a result of the market abuse and audit reforms, and of the most recent Afep-Medef Code guidelines, was submitted to the Board on 2 February 2017 and approved by the Board at its meeting on 6 March 2017. The changes concern:

- the Audit Committee's new powers to appoint Statutory Auditors and to approve services other than the certification of financial statements;
- the definition of independence with regard to Supervisory Board members;
- the change in rules related to the possession of privileged information and to the disclosure of securities transactions.

It covers the following areas:

- the role, composition and operating procedures of the Supervisory Board and Audit Committee;
- evaluation of the Supervisory Board and Audit Committee;
- remuneration;
- obligations of Supervisory Board members;
- adaptation, modification, review and publication of the Rules of Procedure.

The Rules of Procedure are available on the Company's website.

THE WORK OF THE SUPERVISORY BOARD

The Supervisory Board met 14 times in 2018. The attendance rate was 93%:

Jean Besson	100%
Jean Estin	78%
Sophie Etchandy-Stabile	79%
Marleen Groen	93%
Gérard Hascoët	100%
Jean-Hugues Loyez	100%
Philippe Santini	100%

In 2018, the Board was very active in Amboise SAS's takeover bid for the Company. The Supervisory Board met seven times in 2018 to discuss the takeover bid and the actions the Board should take.

The Board examined information in the management reports on valuations of companies in the portfolio, quarterly positions, half-year and annual closings, and analytical cost reporting. The Board also reviewed the investment and cash management strategy. In particular, it closely reviewed valuation methods against the latest IPEV (International Private Equity and Venture Capital) valuation guidelines, to which the Company adheres.

It was therefore able to examine and make informed decisions on the financial statements and financial communication.

On 8 November 2018, the Board held a meeting without the Management Company in attendance. This meeting was devoted to the functioning of the Supervisory Board. It was concluded that the Supervisory Board functions correctly, and that the documents submitted to the Board allow it to perform its work efficiently.

The Supervisory Board regularly conducts a self-assessment for which each Board member must answer a questionnaire. The most recent self-assessment was conducted in November 2017, and the next one is planned for 2019.

In accordance with the provisions of the Rules of Procedure:

- at its meetings the Supervisory Board is regularly informed of the Company's financial position, cash position and commitments;
- the members of the Supervisory Board may receive information at any time (including between Board meetings) as required by importance or urgency.

AUDIT COMMITTEE

The Supervisory Board established an Audit Committee in 2003 which comprised three members as of 31 December 2018: Marleen Groen (Chairwoman, independent member), Gérard Hascoët (non-independent member) and Sophie Etchandy-Stabile (independent member). All three are experienced in financial and accounting matters. Two of the three are considered independent according to the Afep-Medef Code criteria. The Committee systematically reports to the Supervisory Board on all work done and on remarks made.

The attendance rate at Board meetings was 100% for all members.

The composition of the Committee changed in 2018 after Jean Besson decided not to seek reappointment at the General Meeting of 2018. Consequently the Supervisory Board, at its meeting on 26 April 2018, appointed Gérard Hascoët as member of the Audit Committee.

Board member	Date	Departure	Appointment/ Renewal	Reason
Gérard Hascoët	26 April 2018		Appointment	Replaces a member who chose not to seek reappointment.
Jean Besson	26 April 2018	Resignation		

Marleen Groen is an experienced company executive, and is recognised as qualified in matters of finance and accounting. She has nearly 30 years' experience in financial services, including 18 years in the private equity secondary market. Before becoming a senior advisor at Stepstone, Ms Groen was the principal founder of Greenpark Capital Ltd, a private equity firm specialised in the secondary market.

Gerard Hascoët has more than 12 years' seniority in his position. According to Afep-Medef Code criteria adhered to by the Company, Mr Hascoët cannot therefore be considered to be independent, because of his seniority. Nevertheless, the Supervisory Board recognised that in practice Mr Hascoët has always demonstrated independence. He is considered to have the necessary skills by virtue of his experience on the Board and his knowledge of private equity investment.

Sophie Etchandy-Stabile began her career with Deloitte before joining Accor in 1999 to head the group's Consolidation and Information System Department. In 2006 she was appointed as Group Controller-General, supervising the consolidation process, the International Finance and Financial Control departments, Internal Audit, the Group Holding Company and the Financial Back-office departments. In May 2010, Ms Etchandy-Stabile was appointed Chief Financial Officer and member of the Executive Committee of AccorHotels. She was appointed Chief Executive Officer of HotelServices France on 1 October 2015, and served as Chief Executive Officer of HotelServices France and Switzerland until January 2018.

The role of the Audit Committee is detailed in the Supervisory Board's Rules of Procedure, summarised below.

Responsibilities of the Audit Committee

Pursuant to the provisions of Article L. 823-19 of the French Commercial Code and to guidelines of the Afep-Medef Code, the Committee has the following responsibilities:

- it tracks the preparation of financial information and, if necessary, makes recommendations to ensure the information's integrity;
- while ensuring that it remains independent, it monitors the efficiency of internal control and risk management systems, and, if applicable, internal audit, with regard to procedures for the preparation and processing of accounting and financial information;
- it makes a recommendation with regard to the Statutory Auditors proposed to shareholders at their General Meeting;
- it monitors the Statutory Auditors' assignment and takes into account any observations and conclusions made by the High Council of Statutory Auditors after the controls carried out pursuant to Articles L. 821-9 *et seq.* of the French Commercial Code;
- it ensures that the Statutory Auditors fulfill the conditions for independence;
- it approves the provision of any services other than the certification of financial statements, provided that the services are not prohibited by regulations;
- it informs the Board regularly on its activities. It also reports on the results of the financial statement certification process, on how this process has enhanced the integrity of the financial information, and on the role the Committee has played in the process. It informs the Board immediately of any problems encountered.

Organisation and operating procedures of the Audit Committee

In 2018, the Audit Committee met four times to verify the Company's financial statements and to review the internal control procedures implemented by the Management Company. The attendance rate at these meetings was 100%.

In fulfilment of its duties, which primarily consisted of reviewing the statutory and consolidated financial statements, the analytical cost reports, the portfolio company valuations and the management report, the Audit Committee met with the Statutory Auditors and Finance Department at the end of each quarterly financial reporting period. It also met with PCI, the company performing internal control on behalf of Apax Partners SAS and Amboise Partners SA.

The Audit Committee devoted its meetings on 4 September and 7 November to further examination of two subjects: (i) investment valuation methods, and (ii) calculation of the ratio the Company must adhere to as a *société de capital risque* (or SCR).

The Audit Committee's work covered each of the items listed in Article L. 823-19 of the French Commercial Code and the 22 July 2010 report of the AMF working group chaired by Olivier Poupart-Lafarge. This entailed overseeing:

- the procedure for preparing financial information, with particular attention to the valuation of portfolio companies;
- the effectiveness of the internal control and risk management systems;
- the audit of statutory and consolidated financial statements carried out by Statutory Auditors, by periodically interviewing the Auditors about their work, especially with regard to their review of valuations;
- the independence of the Statutory Auditors, and the process which resulted in the appointment of RSM Paris. This appointment amounts to a renewel of Corevise, as Corevise had merged with another accounting firm to form RSM Paris.

The Committee systematically reviewed:

- statutory financial statements;
- IFRS financial statements;
- analytic dashboards;
- valuation rules;
- the performance (EBITDA, debt) of portfolio companies, which underpins their valuation based on peer-group multiples;
- the correct application of internal control procedures by Amboise Partners SA for the portion of its business activity that consists of providing investment advisory services to Altamir;
- forecasts of cash positions for the next 12 months.

The Committee regularly reported its findings to the Supervisory Board. Although the Supervisory Board met shortly after the Audit Committee, the latter considers that the allotted time for examination of the financial statements was sufficient, given that some members live abroad.

In 2019, the Audit Committee will continue to meet each quarter, before the accounts are closed for that period. It will take all assignments mentioned in laws and regulations into account. The Audit Committee can request:

- a presentation by the Statutory Auditors of the complementary report to the Audit Committee; this new report includes the main characteristics of the Auditors' work and the key points of (i) the results of the legal audit and (ii) the accounting options chosen;
- a presentation by the CFO on the Company's financial results, risks and significant off-balance-sheet commitments;
- information on the selection procedure used to renew the terms of the Statutory Auditors;
- meetings with the Statutory Auditors, CFO and head of accounting;
- meetings with internal audit and risk control managers;
- advice from external experts.

NOMINATION AND REMUNERATION COMMITTEE

Altamir's Supervisory Board has decided to meet as a Nomination and Remuneration Committee at least once a year to examine issues related to the remuneration of the Management Company and the members of the Board, and to the composition of the Board and the Audit Committee.

Organisation and operating procedures of the Nomination and Remuneration Committee

The Supervisory Board met three times in 2018 as a Nomination and Remuneration Committee. The attendance rate was 95%:

Jean Besson	100%
Jean Estin	100%
Sophie Etchandy-Stabile	67%
Marleen Groen	100%
Gérard Hascoët	100%
Jean-Hugues Loyez	100%
Philippe Santini	100%

The Board held the year's first meeting as a Nomination and Remuneration Committee on 8 January 2018 and discussed several items:

- the composition of the Supervisory Board; after Mr Besson's decision not to seek reappointment at the General Meeting of 2018, the Board reviewed the composition of the Board (age, independence, gender parity);
- candidate profile;
- recruitment process.

These issues were the subject of a detailed presentation to the Board, which verified that they are in compliance with the Articles of Association.

A second meeting was held on 26 April 2018, to review the composition of the Audit Committee and to appoint Gérard Hascoët as new member of the Audit Committee, replacing Jean Besson. The Committee also named Marleen Groen as Chairwoman of the Audit Committee.

A third meeting was held on 8 November 2018. This meeting was devoted to:

- the operating procedures of the Supervisory Board;
- the composition of the Board and the next deadlines for reappointments.

2.1.4 BIOGRAPHIES OF CORPORATE OFFICERS

Jean-Hugues Loyez (70) was appointed as Chairman of the Supervisory Board on 3 March 2015. He previously served on the Supervisory Board of Amboise Investissement. A graduate of the IBM Institute, he spent his entire career with the Castorama Group, where he was Chief Executive Officer from 1984 to 1992 and Chairman and Chief Executive Officer from 1992 to 2002. Since 2002, he has been acting as a private investor and business angel. He is Chairman of A&A Partners.

Sophie Etchandy-Stabile (48) was appointed to the Supervisory Board of the Company for the first time on 24 April 2014. Ms Etchandy-Stabile is a graduate of the École Supérieure de Gestion et Finances. She began her career with Deloitte before joining Accor in 1999 to head the Group's Consolidation and Information System Department. In 2006 she was appointed as Group Controller-General, supervising the consolidation process, the International Finance and Financial Control departments, Internal Audit, the Group Holding Company and the Financial Back-office departments. In May 2010, Ms Etchandy-Stabile was appointed Chief Financial Officer and member of the Executive Committee of AccorHotels. She was appointed Chief Executive Officer of the AccorHotels Group's HotelServices France on 1 October 2015, and served as Chief Executive Officer of HotelServices Switzerland until January 2018.

Marleen Groen (62) was appointed to the Supervisory Board of the Company for the first time on 24 April 2014. Ms Groen was a Senior Advisor at Stepstone, a specialised private equity company. Ms Groen has more than 30 years' experience in financial services, including 20 years in the private equity secondary market. Prior to becoming a Senior Advisor at Stepstone, Ms Groen founded Greenpark Capital Ltd, a leading global investment firm based in London and specialised in mid-market private equity secondaries. She holds a Master's degree (Hons) from Leiden University and an MBA from Rotterdam School of Management in the Netherlands. She is a Dutch national and is fluent in English, German and French. Marleen is a member of the Boards of Directors of the following charitable organisations: the African Wildlife Foundation (AWF), the African Wildlife Foundation UK Ltd (AWF UK) and the Muir Maxwell Trust.

Gérard Hascoët (69) was appointed as a non-voting member *(censeur)* of the Board on 16 April 1996, then as a member of the Company's Supervisory Board on 28 April 2004. Mr Hascoët held management positions in the medical division of the Thomson group before founding and successively managing Technomed International, IMMI and Sometec. He then headed SpineVision. More recently, he founded MD Start. He currently serves as Venture Partner of Sofinnova Partners, Chairman of the Board of Directors of EOS Imaging, Chairman of MD Start SAS, Manager of MD Start Gmbh & Co. KG (Germany), Chairman of the Board of Directors of CorWave and Director of APD. He holds an engineering degree from ECE Paris.

Philippe Santini (75) was appointed to the Supervisory Board of the Company for the first time on 26 April 2006. Mr Santini is a graduate of IEP Paris and of the Harvard Business School's Management Development Programme. He also holds graduate degrees in literature and English, and a postgraduate degree in literature. He previously was General Manager of the Havas Group and Chairman of Avenir Havas Media. He has served as Chairman and Chief Executive Officer of Aprovia (trade press) and as Chairman and Chief Executive Officer of Groupe Industries Services Info (GISI). He currently serves as Chairman of PHS Consultants SAS. He is also a director and Chairman of the Audit Committee of Galeries Lafayette.

Jean Estin (67) is the Chairman and founder of Estin & Co, a strategy consulting firm with offices in Paris, London, Zurich, New York and Shanghai. He has 40 years' experience in strategy consulting and senior management. Before founding Estin & Co, Mr Estin worked as a consultant with Boston Consulting Group, Managing Director of Carrier SA (United Technologies Group), Managing Director of Strategic Planning Associates Inc. (France and the UK), president of the Europe division and head of general management consulting worldwide for Mercer Management Consulting Inc. (now Oliver Wyman), and director of Mercer Management Consulting Inc. and of the Mercer Consulting Group Inc. (New York). Mr Estin is a graduate of the École des Hautes Études Commerciales in Paris (HEC).

2.1.5 LIST OF POSITIONS AND DIRECTORSHIPS HELD

LIST OF POSITIONS AND DIRECTORSHIPS HELD BY THE CORPORATE OFFICERS AND THE REPRESENTATIVE OF THE MANAGEMENT COMPANY, A LEGAL ENTITY, OVER THE PAST FIVE YEARS

Expired appointments are shown in italics.

MARLEEN GROEN, BORN 15 SEPTEMBER 1956

First appointment as member of the Supervisory Board: appointed as interim member on 4 March 2014.

Most recent renewal: 28 April 2017.

Expiration of appointment: General Meeting of Shareholders to be held in 2019 to approve the financial statements for the year ended 31 December 2018.

Member of an administrative, managerial or supervisory body

- Member of Altamir's Supervisory Board and Chairwoman of the Audit Committee
- Member of the Board of FGF Management Limited

- Member of the Board of FGF Capital IV Limited
- Member of the Board of FGF Services Limited
- Member of the Board of Nanyuki Ltd
- Member of the Board, Treasurer and Chairwoman of the Finance Committee of the African Wildlife Foundation (AWF)
- Member of the Board of African Wildlife Foundation UK Ltd (AWF UK)
- Member of the Board of Trustees of the Muir Maxwell Trust
- Member of IdVectoR Capital Partners I LLP

GÉRARD HASCOËT, BORN 16 JUNE 1949

First appointment as non-voting member of the Board: 16 April 1996

First appointment as member of the Supervisory Board: 28 April 2004

Most recent renewal: 28 April 2017

Expiration of appointment: General Meeting of Shareholders to be held in 2019 to approve the financial statements for the year ended 31 December 2018.

Member of an administrative, managerial or supervisory body

- Member of Altamir's Supervisory Board and Audit Committee
- *Venture Partner in Safinnova Partners*
- Chairman of MD Start II SAS
- Chairman of the Board of Directors of EOS Imaging (France)
- *Director of SpineVision SA (France) (term ended in 2015)*
- Chairman of the Board of CorWave SA (France)
- *Chairman of MD Start SA (Switzerland) (term ended in 2015)*
- Manager and general partner of MD Start GmbH & Co KG (Germany)
- Director of APD (France)
- *Chairman of the Board of SpineVision SA (France) (term ended in 2015)*
- *Director of SpineVision Italia srl (Italy) (term ended in 2015)*
- *Director of SpineVision Ltd (UK) (term ended in 2015)*
- *Chief Executive Officer of CorWave SAS (France) (term ended in 2015)*
- Director of LimFlow SA
- Manager and general partner of MD Start GmbH (Germany)
- Manager of Lumarge (SCI)
- *Manager of Marluge (SCI) (term ended in 2016)*

JEAN-HUGUES LOYEZ, BORN 18 NOVEMBER 1948

First appointment as member of the Supervisory Board: 4 June 2007

Most recent renewal: 15 April 2018

Expiration of appointment: General Meeting of Shareholders to be held in 2020 to approve the financial statements for the year ended 31 December 2019.

Member of an administrative, managerial or supervisory body

- Chairman of the Supervisory Board of Altamir
- Chairman of A&A Partners SAS
- Director of PBI SAS
- *Member of the Supervisory Board of BFSA (term ended in 2017)*

SOPHIE ETCHANDY-STABILE, BORN 19 MARCH 1970

First appointment as member of the Supervisory Board: 24 April 2014

Most recent renewal: 26 April 2018

Expiration of appointment: General Meeting of Shareholders to be held in 2020 to approve the financial statements for the year ended 31 December 2019.

- Member of Altamir's Supervisory Board and Audit Committee
- Director and member of the Audit and Compensation Committees of SPIE (listed on Euronext)
- Member of the Supervisory Board and Audit Committee of Unibail RodamcoWestfield (listed on Euronext)
- Director and member of the Audit Committee of Ingenico (listed on Euronext)
- *Chairman of the Supervisory Board of Orbis (term ended June 2016)*

PHILIPPE SANTINI, BORN 7 DECEMBER 1943

First appointment as member of the Supervisory Board: 26 April 2006

Most recent renewal: 28 April 2017

Expiration of appointment: General Meeting of Shareholders to be held in 2019 to approve the financial statements for the year ended 31 December 2018.

Member of an administrative, managerial or supervisory body

- Member of the Supervisory Board of Altamir
- Member of the Strategy Committee of Motier
- Director and Chairman of the Audit Committee of Galeries Lafayette
- Chairman of PHS Consultants SAS
- Member of the Supervisory Board of La Redoute SA

JEAN ESTIN, BORN 29 AUGUST 1950

First appointment as member of the Supervisory Board: 26 April 2018

Most recent renewal: N/A

Expiration of appointment: General Meeting of Shareholders to be held in 2020 to approve the financial statements for the year ended 31 December 2019.

Member of an administrative, managerial or supervisory body

- Chairman of Estin & Co SAS
- Chairman of Société de Participations Estin & Co SAS
- *Managing Director Estin & Co Ltd*

All appointments of members of Altamir's Supervisory Board are exercised outside the Group.

THE MANAGEMENT COMPANY

Below is a list of directorships held by the representative of the Management Company, Maurice Tchenio, from 2013 to 2018, inclusive.

Expired appointments are shown in italics.

Chairman and CEO of Amboise Partners SA

Chairman and CEO of Altamir Gérance SA

Chairman of the Board of Directors of Fondation AlphaOmega

Chairman of Financière Helios SAS (term ended in 2016)

Vice-Chairman of Toupargel SASU (term ended in 2017)

Director of Toupargel Groupe SA (listed on Euronext Paris)

Director of Albioma SA (term ended in 2015)

Director of Financière de l'Echiquier SA

Permanent representative of Amboise Partners SA at Altran Technologies SA (listed on Euronext Paris)

Permanent representative of Financière Helios at Albioma SA (listed on Euronext Paris) (term ended in 2018)

Member of the Supervisory Board of THOM Europe SAS

Non-voting director of Lion/Seneca France 1 SAS (term ended in 2016)

Head of Alpha Omega SC

Chairman of Ambroise SAS

Manager of Société Civile Cimarosa (term ended in 2017)

Manager of Société Civile Copernic Partenaires (term ended in 2016)

Manager of Société Civile SE Wagram (term ended in 2017)

Manager of Société Civile Cimarosa II (term ended in 2017)

Manager of Société Civile Moussecarrie (term ended in 2014)

Manager of Société Civile Étoile II

Manager of Société Civile Fac&In (term ended in 2017)

Manager of Société Civile Vizasat (term ended in 2017)

Manager (representative of Amboise Partners SA) of Société Civile Capri (term ended in 2017)

Manager (representative of Amboise Partners SA) of Société Civile Firoki (term ended in 2018)

Manager (representative of Amboise Partners SA) of Société Civile TeamInvest

Co-Manager of Mauryland SCI

2.1.6 OTHER ITEMS

To the best of the Company's knowledge, and at the time of preparation of this Registration Document, Altamir Gérance, its CEO and the members of its Supervisory Board:

- had not been convicted for fraud in the past five years;
- had not been involved in a bankruptcy, sequestration of assets or liquidation in the past five years;
- had not been formally accused or publicly sanctioned by statutory or regulatory authorities in the past five years; and
- had not been prevented by a court from acting as a member of a corporate, executive or supervisory body of an issuer, or from being involved in the management or the running of the business of an issuer, in the past five years.

POTENTIAL CONFLICTS OF INTEREST BETWEEN THE MANAGEMENT COMPANY AND THE ADMINISTRATIVE, MANAGERIAL OR SUPERVISORY BODIES

The Board has no knowledge of any conflict of interest between the Company and any Board member or the Management Company.

To the best of the Company's knowledge and at the time of preparation of this Registration Document, there was no conflict of interest between the Management Company's or the Supervisory Board members' duties towards the Company and their private interests or other duties.

To the best of the Company's knowledge, there are no family ties between the members of the Company's management and supervisory bodies.

To the best of the Company's knowledge and at the time of preparation of this Registration Document, there are no arrangements or understandings with major shareholders, customers or suppliers pursuant to which a member of the Supervisory Board or the Management Company was selected in that capacity.

To the best of the Company's knowledge and at the time of preparation of this Registration Document, neither the members of the Supervisory Board nor the Management Company have accepted any restrictions on the divestment of their shareholdings in the Company.

To the best of the Company's knowledge and at the time of preparation of this Registration Document, there was no service agreement between the members of the Supervisory Board or the Management Company and the issuer or any of its subsidiaries that provides for benefits under the terms of said agreement, other than the service agreements mentioned in this document and the Manager's remuneration as described in Article 17.1 of the Company's Articles of Association (Section 2.2.2).

To the best of the Company's knowledge, the Directors have no ownership interest in the companies in Altamir's portfolio, with the exception of one company in which Altamir and the funds managed by Amboise Partners SA were minority shareholders (Aprovia, whose Chairman was Mr Santini; Altamir held only 0.55% of the capital, and the last shares were sold in 2007), and the securities of listed companies for which they filed the customary statements with the Compliance and Internal Control Officer of Apax Partners SAS.

The Supervisory Board's Rules of Procedure explain how conflicts of interest are to be avoided. They state that:

In the event that a conflict or potential conflict between the Company's interest and the Board member's direct or indirect personal interest arises, the Supervisory Board member in question must:

- disclose the conflict of interest to the Board as soon as he/she becomes aware of it; and
- fully assume any consequences this may have on his/her function. Depending on the circumstances, the Supervisory Board member must:
  - abstain from participating in the vote on the corresponding deliberation, or
  - not participate in Supervisory Board meetings as long as he/she is in a position of conflict of interest, or
  - step down as member of the Supervisory Board.

Any Supervisory Board member failing to abide by the rules of abstention or resignation from his/her functions may be held personally liable.

Furthermore, if the Chairman of the Supervisory Board and the Manager have a compelling reason to believe that one or more Supervisory Board members face a conflict of interest, they will be under no obligation to communicate to those members information or documents pertaining to the conflictual topics, and will inform the Supervisory Board that such information has not been communicated.

PROCEDURE FOR TAKING PART IN ANNUAL GENERAL MEETINGS

The procedure for taking part in Annual General Meetings is described in Article 23 of the Company's Articles of Association. Article 23 is excerpted in Section 4.4.

AUTHORISED CAPITAL

At their General Meeting on 15 April 2016, shareholders granted authorisation to the Management Company to increase capital up to €10,000 for a period of 26 months through the issuance of shares, with waiver of preferential subscription rights, for the benefit of the members of an employee savings plan pursuant to Articles L. 3332-18 *et seq.* of the French Labour Code. This authorisation was not implemented.

FACTORS THAT COULD HAVE AN IMPACT IN THE EVENT OF A TAKEOVER BID

The Company is organised as a French partnership limited by shares *(société en commandite par actions)*. In practice, the Company cannot be subject to a takeover bid which would result in the control of the Company passing to a limited partner with a majority shareholding.

Pursuant to Article L. 225-37-5 of the French Commercial Code (cross-referenced from Article L. 226-10-1 of the French Commercial Code), the following items should be noted:

- the capital structure, the direct and indirect holdings known to the Company, and all related information are provided in Section 4.2.1 of the Registration Document;
- the Articles of Association contain no restriction on the exercise of voting rights or on the transfer of ordinary shares;
- to the best of the Company's knowledge, there are no agreements or other commitments between shareholders;
- no shares carry special voting rights except for Class B preferred shares, which have no voting rights but which confer the right to a dividend, as stipulated in the Articles of Association (the list of holders of Class B shares appears in Section 4.2.1 of the Registration Document);
- there is no mechanism under which a potential employee shareholding system could exercise control rights;
- Article 15 of the Articles of Association stipulates that only the general partner is entitled to appoint and dismiss the Management Company;
- concerning the powers of the Management Company, no authorisation is currently in effect to increase capital, with the exception of that granted by shareholders at their General Meeting on 15 April 2016 authorising the Management Company to increase capital through the issuance of ordinary shares and/or securities giving access to shares with waiver of preferential subscription rights, for the benefit of the members of an employee savings plan, pursuant to Articles L. 3332-18 *et seq.* of the French Labour Code. This authorisation is valid for 26 months. The maximum par amount of authorised capital increase is €10,000 (this authorisation was not implemented);
- the powers of the Management Company with regard to share buybacks is detailed in Section 4.1.3;
- the Company's Articles of Association can be amended in accordance with legal and regulatory requirements;
- the Company is not party to any agreements that can be amended or terminated in the event of a change in control of the Company;
- there are no specific agreements providing for payments in the event the Manager's functions are terminated (note that the Company has no employees);
- the Company has no knowledge of any pledge on its share capital (paragraph 21.1.7 of the European Regulation).

AGREEMENTS MADE EITHER DIRECTLY OR THROUGH AN INTERMEDIARY BETWEEN (I) A CORPORATE OFFICER OR A SHAREHOLDER POSSESSING MORE THAN 10% OF THE VOTING RIGHTS, AND (II) A COMPANY THAT IS MORE THAN 50% OWNED, EITHER DIRECTLY OR INDIRECTLY (EXCEPT FOR AGREEMENTS WITH REGARD TO CURRENT OPERATIONS AND CONCLUDED UNDER NORMAL CONDITIONS).

A new agreement was concluded in 2018 concerning the transfer of an Amboise SAS shareholding in the Apax Digitital fund. Amboise SAS is 100% held by Maurice Tchenio, who in turn owns 65% of the Company. In July 2017, Amboise SAS committed $5m to the Apax Digital fund, which at that time was raising funds. The transfer of this shareholding consists of the return to Altamir of the $5m commitment to the Apax Digital fund. The transfer price was set at the last known valuation at the time of the transaction, that of 30 September 2018. The transaction was carried out on 1 December 2018. On that date, the transaction resulted in a loss for Amboise SAS. It has been agreed that if the valuation of Altamir's holding should exceed the cost basis, Altamir will pay Amboise SAS an earn-out equal to the loss.

There is no other agreement between (i) a corporate officer or a shareholder possessing more than 10% of voting rights and (ii) a company that is more than 50% owned by the Company, whether directly or indirectly.

2.2 REMUNERATION AND BENEFITS OF MANAGERS AND CORPORATE OFFICERS

As a French partnership limited by shares, Altamir is governed by a Management Company, Altamir Gérance, which is also its sole general partner.

The rules governing the Management Company's remuneration can be found in the Company's Articles of Association and in this Registration Document in Section 2.2.2 below.

The same is true of the rules governing the allocation of dividends to the general partner and Class B shareholders.

The Company has not implemented any stock option or bonus share plan.

2.2.1 REMUNERATION OF CORPORATE OFFICERS

In accordance with Article 21 of the Articles of Association, the Supervisory Board may be allocated an annual remuneration in the form of attendance fees. The amount of these fees is set by the shareholders at their Ordinary General Meeting and maintained unless otherwise decided by the shareholders at a General Meeting. The Board divides these attendance fees among its members in proportions that it deems appropriate.

Non-executive corporate officers receive no remuneration from the Company other than the attendance fees approved by shareholders. In addition, non-executive corporate officers receive no remuneration from Company subsidiaries or controlling companies.

Only Altamir has allocated attendance fees to the corporate officers listed below.

Attendance fees paid in 2017 and 2018 are indicated below.

ATTENDANCE FEES AND OTHER REMUNERATION PAID TO NON-EXECUTIVE CORPORATE OFFICERS

Non-executive corporate officers	Amounts paid in 2018 for the 2017 financial year	Amounts paid in 2017 for the 2016 financial year
Attendance fees only		
Jean Besson *	55,000	50,000
Sophie Etchandy-Stabile *	47,000	25,970
Marleen Groen *	47,000	42,000
Gérard Hascoët	39,000	42,000
Jean-Hugues Loyez	61,000	55,000
Philippe Santini	39,000	35,000
TOTAL	**288,000**	**249,970**

* *Member of the Audit Committee.*

RULES FOR THE DISTRIBUTION OF ATTENDANCE FEES

Attendance fees are paid according to the allocation rules approved by the Supervisory Board on 4 March 2014, as follows:

- 40% unconditionally (fixed portion);
- 60% on the basis of attendance (variable portion):
  - if the member attends more than 80% of the meetings: 100% of the variable portion,
  - if the member attends between 50% and 80% of the meetings: a *pro rata* amount based on attendance,
  - if the member attends less than 50% of the meetings: no variable portion.

The variable portion of attendance fees has a heavier weighting than the fixed portion, in accordance with Afep-Medef Code guidelines.

The performance of individual assignments may result in the payment of additional attendance fees or remuneration. Such assignments are treated as regulated agreements.

The members of the Supervisory Board received no remuneration other than the attendance fees detailed above.

There are no individual corporate officers other than the members of the Supervisory Board.

Attendance fees pertaining to 2017 and paid in 2018 totalled €288,000 (€290,000 allocated).

The remuneration paid to the Management Company and the general partner is detailed in Sections 2.2.2 and 2.2.3 of this Registration Document.

2.2.2 REMUNERATION OF THE MANAGEMENT COMPANY

MANAGEMENT FEES

Pursuant to Article 17.1 of the Company's Articles of Association, the Management Company receives annual remuneration, exclusive of tax, equal to the sum of two half-year remuneration amounts, calculated as follows:

- remuneration for the first half of the calendar year is equal to 1% of the higher of the following two amounts at the close of the previous financial year:
  - share capital plus share premiums,
  - shareholders' equity of the Company before allocation of net income.

  Should there be a capital increase during the first half of the financial year in question, first-half remuneration will be increased by 1% (exclusive of tax) of the amount of the increase, including any related premiums, calculated *pro rata* from the date of the capital increase until the end of the first half of the year;
- remuneration for the second half of the calendar year is equal to 1% of the higher of the following two amounts as of 30 June of the financial year in question:
  - share capital plus share premiums,
  - shareholders' equity of the Company before allocation of net income.

Should there be a capital increase during the second half of the financial year in question, second-half remuneration will be increased by 1% (exclusive of tax) of the amount of the increase, including any related premiums, calculated *pro rata* from the date of the capital increase until the end of the second half of the year.

A percentage (corresponding to the Company's share) of the amount of any professional fees, attendance fees and commissions received by the Management Company or by Amboise Partners SA for transactions on Company assets, and of amounts paid by portfolio companies, will be deducted from the Management Company's remuneration. Nevertheless, professional fees and reimbursement of expenses deriving from secondments of Apax Partners' salaried managers to companies in the portfolio will not be deducted from the Management Company's remuneration.

The remuneration, inclusive of tax, of the Management Company will be reduced by an amount equal to the par amount of the shares held by the Company in funds managed by Apax Partners SAS and Apax Partners LLP, and in any entity paying management fees to an Apax management entity, multiplied by the average annual rate, inclusive of tax, for calculating the management fees of these private equity funds. Should this rate vary during the year, the sum is calculated on a *pro rata* basis.

The remuneration received by the Management Company covers the Company's administrative and overhead expenses, the fees of Amboise Partners SA and of any other investment advisors, and the Company's research and investment tracking costs. As a result, the professional fees paid by the Company to the investment advisory company under the advisory agreement between them are also deducted from the Management Company's remuneration defined above.

The Management Company's remuneration is paid in four estimated amounts at the start of each calendar quarter, each equal to 25% of the previous year's remuneration. The total annual remuneration, as determined above, is adjusted at the end of the fourth quarter.

Amboise Partners SA receives 95% of the Management Company's remuneration, under the investment advisory agreement concluded in 2006 between the Company and Amboise Partners SA.

Altamir pays no remuneration directly to Apax Partners SAS or to Apax Partners LLP. The management fees are paid by the funds managed by these entities. Any additional remuneration paid to the Management Company must be decided by shareholders at their Ordinary General Meeting, with the approval of the general partner.

Remuneration paid for 2017 and 2018 to the Management Company and the advisory company Amboise Partners SA was as follows:

(in euros and exclusive of tax)	**2018**	**2017**
Gross fees (1)	11,690,877	11,700,939
Fees deducted with respect to Apax France VIII-B (2)	-1,748,064	-2,811,212
Fees deducted with respect to Apax France IX-B (3)	-2,472,627	-1,552,186
Fees deducted with respect to Apax VIII LP (4)	-488,662	-538,681
Fees deducted with respect to Apax IX LP (5)	-835,890	-243,488
Fees deducted with respect to co-investments (6)	-23,956	-17,528
SUBTOTAL OF FEES (1) + (2) + (3) + (4) + (5) + (6) = (A)	**6,121,679**	**6,537,844**
Board attendance and other fees received by Altamir Gérance (7)	0	200,000
Board attendance and other fees received by Amboise Partners SA (8)	0	6,353
NET FEES (1) + (2) + (3) + (4) + (5) + (6) + (7) + (8)	**6,121,679**	**6,331,491**
Divided between:		
Altamir Gérance 5% of (A) - (7)	306,084	126,892
Amboise Partners SA 95% (A) - (8)	5,815,595	6,204,599

SERVICE AGREEMENT FOR ACCOUNTING, INVESTOR RELATIONS AND FINANCIAL SERVICES

On 9 July 2013, the Company signed a service agreement with Altamir Gérance. The new agreement, which replaced previous agreements, covers Company accounting, portfolio accounting, CFO functions and shareholder/investor relations.

The financial terms of this agreement are as follows:

- annual fees in payment for accounting services provided to the Company and for accounting management of the portfolio are defined on the basis of the effective cost of a full-time qualified accountant and a full-time qualified administrative employee (based on actual costs determined by consulting external service providers);
- the CFO service charge is invoiced at actual annual cost (salary + benefits + *pro rata* share of business expenses) calculated on the basis of the time spent by the relevant person (according to a time sheet);
- the cost invoiced for shareholder and investor relations service charges corresponds to the actual cost of the relevant person (salary + benefits + *pro rata* share of business expenses).

The cost of these services amounted to €857,615 (inclusive of tax) for financial year 2018.

2.2.3 CARRIED INTEREST DUE TO THE GENERAL PARTNER AND CLASS B SHAREHOLDERS

In accordance with private equity industry common practice, the general partner and his teams receive 20% of net gains (carried interest) as per the Articles of Association. This 20% is allocated as follows:

a) pursuant to Article 25 of the Articles of Association, the general partner receives a dividend equal to 2% of the adjusted net income of each financial year. The formula for converting net income as reported on the statutory financial statements to adjusted net income is detailed in Section 4.4;

b) pursuant to Article 25 of the Articles of Association, holders of Class B shares are entitled to a dividend equal to 18% of the adjusted net income of each financial year. The formula for converting net income as reported on the statutory financial statements to adjusted net income is detailed in Section 4.4. All holders of Class B shares are employees or executives of Apax Partners France.

At the General Meeting of 2017, shareholders approved an amendment to the Articles of Association providing for a hurdle rate of 8% for all co-investments made by the Company alongside the various Apax funds. The hurdle rate is described in Section 25.3 of the Articles of Association.

REPURCHASE OF CLASS B SHARES

Class B shares entitle their holders to carried interest, which is remuneration intended to align the interests of shareholders and the investment team (80/20 division of adjusted statutory net income).

The allocation of this carried interest among the various individuals entitled to it will fluctuate over time because of departures, new arrivals or changes in individual Class B shareholder contributions. A new allocation is determined for each new private equity fund. For example, the Apax France VII fund has a different allocation than the France VI fund, though these two allocations can co-exist since the funds are two separate entities.

In Altamir's case, investments made alongside Apax France VI and Apax France VII are held in the same legal entity. When the carried interest allocation was determined for the Apax France VI and Apax France VII funds, the Management Company committed to allocating the carried interest paid by Altamir on the same bases as those used for the France VI and France VII funds. In practice, the method established to carry out this commitment was to use the carried interest configuration for France VI until the rights under France VI were satisfied, and then to switch to the France VII configuration.

Altamir's plan for adhering to these proportions was to repurchase at par (€10 per share), in May 2015 and before payment of dividends, 11,173 of the existing 18,582 Class B shares in various proportions from each of the Class B shareholders so as to obtain the aforementioned outcome.

To permanently switch to the France VII configuration which is now required for all future distributions, a similar repurchase transaction of 991 Class B shares at €10 par value was carried out on 28 December 2015, bringing the total number of outstanding Class B shares to 6,418.

Following these share repurchases, all Apax partners held the same proportion of carried interest on co-investments made by Altamir and the Apax France VII fund as they held on investments made by the Apax France VII fund.

This rebalancing is in the best interest of Altamir's shareholders to the extent that it allows the alignment of the economic interests of the Apax partners who manage Altamir's co-investment portfolio with the objective of creating value.

Since the Company did not intend to retain these Class B shares in the short term, shareholders were asked at the General Meeting of 15 April 2016 to approve the cancellation of the shares and the corresponding reduction of share capital. This resolution was not adopted, and the class B shares were retained.

When all investments made alongside the Apax France VII fund have been divested, a new allocation of Class B shares will be divided among the investment team. The class B shares held by Altamir will then be resold to various beneficiaries.

The reduction in the number of Class B shares in no way changes the share of earnings paid to holders of ordinary shares.

2.2.4 SUMMARY OF FEES AND DIVIDENDS PAID TO THE MANAGEMENT COMPANY, THE GENERAL PARTNER AND CLASS B SHAREHOLDERS

(in euros)	2018	2017	2016	2015	2014
Management fees (excl. tax) (Altamir Gérance)	306,084	126,892	77,942	353,206	372,646
Dividend – general partner (Altamir Gérance)	1,181,770	1,526,869	580,175	1,110,489	793,111
Dividend – Class B shareholders	10,635,932	13,741,821	5,221,576	9,994,402	7,137,999
Of which:					
■ Maurice Tchenio (*via* Altamir Gérance)	1,184,898	1,503,913	581,684	1,392,121	1,768,942

2.3 OBSERVATIONS OF THE SUPERVISORY BOARD AT THE GENERAL MEETING

This Section contains the observations made by the Supervisory Board at the General Meeting in accordance with Article L. 226-9 of the French Commercial Code.

2.3.1 ANNUAL FINANCIAL STATEMENTS

The Supervisory Board was able to perform its supervisory duties in accordance with the law and to examine the documents made available by the Management Company.

As part of its management control duties, the Supervisory Board has been informed of all investment and divestment transactions carried out during the financial year. The Supervisory Board has no observations to make with regard to those transactions, in which it does not play a direct role.

The Audit Committee and the Supervisory Board have analysed the management fees, and the Statutory Auditors have reviewed them. The management fees are detailed in this Registration Document.

The Supervisory Board has reviewed the statutory financial statements, the consolidated (IFRS) financial statements and the accounting documents; it has noted the opinion of the Statutory Auditors and the Audit Committee; and it has asked the Management Company relevant questions. The Supervisory Board has no observations to make about the statutory and consolidated financial statements for 2018.

The Board has identified no inaccuracy or irregularity in the financial statements presented by the Management Company.

2.3.2 PROPOSAL FOR THE ALLOCATION OF NET INCOME

Statutory net income for the financial year ended 31 December 2018 was €11,139,091.

A. In accordance with the Articles of Association, the dividend to be distributed to the general partner and to Class B shareholders is nil for financial year 2018.

B. At their General Meeting, shareholders will be asked to approve the distribution of a dividend of €24,098,119 to ordinary shareholders, i.e. a gross dividend of €0.66 per ordinary share. This dividend corresponds to 3% of net asset value, as presented in the consolidated financial statements.

In proposing this dividend amount, the Supervisory Board intends to continue implementing the dividend policy Altamir announced in 2013. Approved by the Supervisory Board, this policy is in line with the investment strategy implemented by the Management Company and regularly presented to the Board. This investment strategy is part of an overall growth objective.

These dividends are paid from the capital gains realised by the Company on equity investments held for more than two years. For individual shareholders resident in France, these distributed dividends do not qualify for the 40% exclusion provided for in article 158–3-2° of the French Tax Code.

The ex-dividend date for ordinary shares will be 28 June 2019, and the dividend on ordinary shares will be paid to shareholders on 2 July 2019.

In the event that the Company holds ordinary shares in treasury on the ex-dividend date, the amount corresponding to the dividends not paid in respect of these shares will be allocated to retained earnings.

C. Net income for 2018 is insufficient to pay the annual dividend in full. Shareholders will therefore be asked at the General Meeting to pay the difference between net income and the total dividend amount from Company reserves.

D. In accordance with the provisions of Article 243 *bis* of the French Tax Code, the following dividends and income were distributed in respect of the previous three financial years:

	Income not eligible for exclusion		
Financial Year	**Dividends**	**Other income distributed to the general partners**	**Income eligible for exclusion**
2017	€34,368,928 (1)	€1,181,770	-
2016	€37,474,817 (2)	€1,526,869	-
2015	€25,668,465 (3)	€580,175	-

(1) Comprising dividends of €10,635,932 for holders of Class B preferred shares, and €23,732,996 for holders of ordinary shares; the latter figure includes the amount of the dividend relating to treasury shares, which is not distributed and is instead allocated to retained earnings.

(2) Comprising dividends of €13,741,821 for holders of Class B preferred shares, and €23,732,996 for holders of ordinary shares; the latter figure includes the amount of the dividend relating to treasury shares, which is not distributed and is instead allocated to retained earnings.

(3) Comprising dividends of €5,221,576 for holders of Class B preferred shares, and €20,446,889 for holders of ordinary shares; the latter figure includes the amount of the dividend relating to treasury shares, which is not distributed and is instead allocated to retained earnings.

2.3.3 REPURCHASE OF ORDINARY SHARES

The Supervisory Board has considered the repurchase of shares by the Company.

From a legal perspective, the Supervisory Board is not authorised to approve a share repurchase. That decision is reserved for shareholders, who may grant such an authorisation to the Management Company at their Annual General Meeting.

Notwithstanding legal aspects, the Supervisory Board believes that the discount is best minimised by means of the following: steady, long-term performance; a consistent and attractive dividend; clear and open communication; rigorous valuation methods; and no leverage at the Company level.

The draft resolution related to the share repurchase programme specifies that the sole purpose of the programme is to ensure an active secondary market for the shares through a liquidity agreement.

2.3.4 STATUTORY AUDITORS

At the General Meeting on 26 April 2018, Corevise was reappointed for a period of six financial years. After Corevise merged with another firm to form RSM Paris, Corevise's appointment was assumed by RSM, and it will extend until the end of the Annual Ordinary General Meeting to be held in 2024 to approve the financial statements for the financial year ended 31 December 2023.

2.3.5 CORPORATE BODIES – LENGTH OF APPOINTMENTS

At the General Meeting on 29 April 2019, shareholders will be asked to approve the reappointment for two years of the following Supervisory Board member: Marleen Groen.

At the Supervisory Board meeting in February 2019, Sophie Etchandy-Stabile announced her desire to stand down from her position as a member of the Supervisory Board at the end of the Supervisory Board meeting on 12 March 2019. At the General Meeting on the same date, shareholders will be asked to ratify the co-optation of Anne Landon as replacement of Sophie Etchandy-Stabile until the end of her appointment, i.e. until the end of the General Meeting to be held in 2020 to approve the financial statements for the year ended 31 December 2019.

The Supervisory Board comprises four men and two women, in compliance with legal provisions concerning gender parity.

At the General Meeting on 29 April 2019, shareholders will be asked to appoint Gérard Hascoët and Philippe Santini as non-voting members *(censeurs)* of the Supervisory Board. They are currently full members.

2.3.6 SHARE LIQUIDITY

In 2018, Altamir used its share repurchase programme to maintain the share's liquidity and to ensure secondary market activity. A new programme will be proposed at the General Meeting on 29 April 2019. The programme will be implemented to fulfil the same purpose.

2.3.7 REGULATED AGREEMENTS

The Supervisory Board has established that the regulated agreement in force since 2006 (concerning the investment advisory agreement between Altamir and Amboise Partners SA) remained unchanged during the financial year under review. Detailed information about this agreement is provided in this Registration Document. The Board re-examined this agreement at its meeting on 12 March 2019, determined that it was in the Company's interest to maintain it, and informed the Statutory Auditors thereof.

A new agreement will be submitted for shareholder approval at the General Meeting on 29 April 2019. The agreement relates to the transfer to Altamir of Amboise SAS's shareholding in the Apax Digital fund, and was approved by the Supervisory Board at its meeting on 8 November 2018. These two regulated agreements are described in the Statutory Auditors' special report.

The Board has no knowledge of any conflict of interest between the Company and any Board member or the Management Company.

2.3.8 SAY ON PAY

In accordance with Afep-Medef Code guidelines, and in application of the provisions of Articles L. 225-37-4 and L. 226-10-1 of the French Commercial Code, the opinion of shareholders must be solicited concerning the remuneration payable or attributed to each executive officer of the Company for the previous financial year.

The Supervisory Board met as the Nomination and Remuneration Committee on several occasions in 2018. The Board followed recommendations 24 *et seq.* of the Afep-Medef Code of November 2016, as well as the AMF's recommendations in its Position-Recommendation 2014-14 concerning the preparation of Registration Documents.

The Board also reviewed the December 2016 Afep-Medef Code guidelines issued by the French High Commission on Corporate Governance.

As a French partnership limited by shares, Altamir is not subject to the new provision established by the Sapin II law of 9 December 2016, which requires a vote on the establishment of remuneration policy.

Shareholders will therefore be asked to approve the remuneration payable or attributed to Maurice Tchenio, legal representative of Altamir Gérance, to the Management Company, and to Jean-Hugues Loyez, Chairman of the Supervisory Board, for the financial year ended 31 December 2018.

In compliance with the Afep-Medef Code guidelines, details of the remuneration payable or attributed to each executive officer of the Company for the 2018 financial year are as follows:

1) MAURICE TCHENIO

Remuneration payable or attributed for the most recent financial year	Amounts or book value submitted to a vote	Presentation
Fixed remuneration	€292,704 (amount paid by Amboise SAS, which holds 64.38% of Altamir, 99.9% of Altamir Gérance and 99.9% of Amboise Partners SA)	Mr Tchenio receives no remuneration from Altamir, Altamir Gérance or Amboise Partners SA (the amount of his fixed remuneration has remained unchanged since 2011)
Annual variable remuneration	N/A	Mr Tchenio receives no annual variable remuneration from the Company
Long-term variable cash remuneration	N/A	Mr Tchenio receives no long-term variable remuneration
Special remuneration	N/A	Maurice Tchenio receives no special remuneration
Stock options, performance-based shares and other long-term remuneration	N/A	Mr Tchenio receives no stock options, performance-based shares or other long-term remuneration
Attendance fees	N/A	Mr Tchenio receives no attendance fees
Valuation of benefits in kind	€11,280	Maurice Tchenio receives, as a benefit in kind, the use of a company vehicle from Amboise SAS
Remuneration payable or attributed for the most recent financial year that is or has been subject to a shareholder vote at the General Meeting pursuant to the procedure for regulated agreements and commitments	**Amounts submitted to a vote**	**Presentation**
Severance pay	N/A	Mr Tchenio has no commitment from the Company with regard to the termination of his duties
Non-competition payment	N/A	Mr Tchenio is not entitled to a non-competition payment
Supplemental retirement regime	N/A	Mr Tchenio is not entitled to a supplemental retirement regime

2) JEAN-HUGUES LOYEZ

Remuneration payable or attributed for the most recent financial year	Amounts or accounting valuation submitted to a vote	Presentation
Fixed remuneration	N/A	Mr Loyez receives no fixed remuneration
Annual variable remuneration	N/A	Mr Loyez receives no annual variable remuneration
Long-term variable cash remuneration	N/A	Mr Loyez receives no long-term variable remuneration
Special remuneration	N/A	Mr Loyez receives no special remuneration
Stock options, performance-based shares and other long-term remuneration	N/A	Mr Loyez receives no stock options, performance-based shares or other long-term remuneration
Attendance fees	€61,000 (to be paid)	Jean-Hugues Loyez is Chairman of the Supervisory Board and attended all Board meetings in 2018
Valuation of benefits in kind	N/A	Mr Loyez receives no benefits in kind

Remuneration payable or attributed for the most recent financial year that is or has been subject to a shareholder vote at the General Meeting pursuant to the procedure for regulated agreements and commitments	Amounts submitted to a vote	Presentation
Severance pay	N/A	Mr Loyez has no commitment from the Company with regard to the termination of his duties
Non-competition payment	N/A	Mr Loyez is not entitled to a non-competition payment
Supplemental retirement regime	N/A	Mr Loyez is not entitled to a supplemental retirement regime

The services billed to Altamir by related companies are unrelated to the duties of Altamir's officers.

The Supervisory Board has no observations to make regarding the statutory or consolidated financial statements for the year, the content of the management report, the agenda or the draft resolutions proposed by the Management Company, and recommends that shareholders vote in favour of these resolutions.

Supervisory Board

3

FINANCIAL STATEMENTS

3.1 CONSOLIDATED FINANCIAL STATEMENTS

3.1.1 CONSOLIDATED INCOME STATEMENT

(in euros)	Note	31 December 2018 12 months	31 December 2017 12 months
Changes in fair value		79,270,788	45,997,712
Valuation differences on divestments during the year	15	-10,534,622	2,706,597
Other portfolio income	16	755,706	1,532,827
INCOME FROM PORTFOLIO INVESTMENTS		**69,491,872**	**50,237,137**
Purchases and other external expenses	17	-23,656,896	-25,141,871
Taxes, fees and similar payments		-161	-1,169,950
Other income	18	29,270	3,028,023
Other expenses	19	-288,000	-249,971
GROSS OPERATING INCOME		**45,576,085**	**26,703,369**
Carried interest provision for general partner and Class B shareholders	12	7,720,309	-952,966
Carried interest provision for Apax funds		-21,720,138	-4,303,900
NET OPERATING INCOME		**31,576,255**	**21,446,503**
Income from cash investments		0	7,729
Financial income	20	217,157	245,522
Interest and similar expenses	21	-1,487,187	-811,207
Other financial expenses		0	0
NET INCOME ATTRIBUTABLE TO ORDINARY SHAREHOLDERS		**30,306,225**	**20,888,547**
Earnings per share	23	0.83	0.57
Diluted earnings per share	23	0.83	0.57

3.1.2 STATEMENT OF COMPREHENSIVE INCOME

(in euros)	Note	31 December 2018	31 December 2017
NET INCOME FOR THE YEAR		30,306,225	20,888,547
Actuarial gains (losses) on post-employment benefits			
Taxes on items non-recyclable to profit or loss			
Items non-recyclable to profit or loss			
Gains (losses) on financial assets available for sale			
Gains (losses) on hedging instruments			
Currency translation adjustments			
Taxes on items recyclable to profit or loss			
Items recyclable to profit or loss			
Other comprehensive income			
CONSOLIDATED COMPREHENSIVE INCOME		**30,306,225**	**20,888,547**
Attributable to:			
■ Owners of the parent company		30,306,225	20,888,547
■ Non-controlling shareholders			

3.1.3 CONSOLIDATED BALANCE SHEET

(in euros)	Note	31 December 2018	31 December 2017
Non-current assets			
Investment portfolio	7	998,914,278	894,574,264
Other non-current financial assets		276,316	579,542
Sundry receivables		10,344	9,900
TOTAL NON-CURRENT ASSETS		**999,200,938**	**895,163,706**
Current assets			
Sundry receivables	8	1,872,064	3,059,460
Other current financial assets	9	19,637,044	23,558,205
Cash and cash equivalents	10	3,865,625	1,246,566
TOTAL CURRENT ASSETS		**25,374,734**	**27,864,230**
TOTAL ASSETS		**1,024,575,672**	**923,027,936**

(in euros)	Note	31 December 2018	31 December 2017
Shareholders' equity			
Share capital	11	219,259,626	219,259,626
Share premiums		102,492,980	102,492,980
Reserves		440,870,497	444,009,055
Net income for the year		30,306,225	20,888,547
TOTAL SHAREHOLDERS' EQUITY		**792,929,328**	**786,650,208**
Other non-current liabilities			
Carried interest provision for general partner and Class B shareholders	12	10,156,916	29,694,928
Carried interest provision for Apax funds	13	59,768,816	38,048,678
TOTAL OTHER NON-CURRENT LIABILITIES		**69,925,732**	**67,743,606**
Other current liabilities			
Other financial liabilities	14	159,227,011	65,887,518
Trade payables and related accounts		2,336,801	2,746,275
Other liabilities		156,795	328
TOTAL OTHER CURRENT LIABILITIES		**161,720,606**	**68,634,121**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**1,024,575,672**	**923,027,936**

3.1.4 STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(in euros)	Share capital	Share premiums	Treasury shares	Reserves	Net income for the year	Total
SHAREHOLDERS' EQUITY 31 DECEMBER 2016	**219,259,626**	**102,492,980**	**-326,343**	**339,056,485**	**129,019,766**	**789,502,514**
Net income for the year					20,888,547	20,888,547
TOTAL INCOME AND EXPENSES RECOGNISED IN THE YEAR	**0**	**0**	**0**	**0**	**20,888,547**	**20,888,547**
Transactions on treasury shares			-82,617	63,119		-19,498
Allocation of income				129,019,766	-129,019,766	0
Distribution of dividends to ordinary shareholders, May 2017				-23,721,356		-23,721,356
SHAREHOLDERS' EQUITY 31 DECEMBER 2017	**219,259,626**	**102,492,980**	**-408,960**	**444,418,015**	**20,888,547**	**786,650,208**

(in euros)	Share capital	Share premiums	Treasury shares	Reserves	Net income for the year	Total
SHAREHOLDERS' EQUITY 31 DECEMBER 2017	**219,259,626**	**102,492,980**	**-408,960**	**444,418,015**	**20,888,547**	**786,650,208**
Net income for the year					30,306,225	30,306,225
TOTAL INCOME AND EXPENSES RECOGNISED IN THE YEAR	**0**	**0**	**0**	**0**	**30,306,225**	**30,306,225**
Transactions on treasury shares			-218,280	-93,047		-311,327
Allocation of income				20,888,547	-20,888,547	0
Distribution of dividends to ordinary shareholders, May 2018				-23,715,780		-23,715,780
SHAREHOLDERS' EQUITY 31 DECEMBER 2018	**219,259,626**	**102,492,980**	**-627,240**	**441,497,737**	**30,306,225**	**792,929,329**

3.1.5 STATEMENT OF CASH FLOWS

(in euros)	Note	2018 12 months	2017 12 months
Investments		-174,293,624	-121,533,030
Shareholder loans to portfolio companies		-19,605,795	-2,098,544
Repayment of portfolio companies' shareholder loans		23,467,119	14,001,881
TOTAL INVESTMENTS		**-170,432,301**	**-109,629,693**
Divestment of equity investments		134,828,452	138,342,495
Interest and other portfolio income received		205,919	287,969
Dividends received		549,786	1,244,859
Operating expenses		-23,656,896	-25,141,871
Change in working capital		10,474,850	-13,140,709
Income received on marketable securities		0	7,729
Extraordinary income		29,270	0
CASH FLOWS FROM OPERATING ACTIVITIES		**-48,000,919**	**-8,029,222**
Dividends paid to ordinary shareholders		-23,715,780	-23,721,356
Apax France VIII-B capital calls		10,000	0
Apax France IX-B capital calls		793,124	477,058
Deposits and guarantees		-8,100	-22,500
Transactions on treasury shares		0	0
Amount attributable to the general partner and Class B shareholders		-11,817,703	-15,268,690
Repayment of borrowings		-8,134,175	-24,357,562
Issue of borrowings		101,473,667	5,997,144
CASH FLOWS FROM FINANCING ACTIVITIES		**58,601,034**	**-56,895,906**
NET CHANGE IN CASH AND CASH EQUIVALENTS		**10,600,115**	**-64,925,128**
Cash and cash equivalents at opening		-6,734,489	58,190,639
CASH AND CASH EQUIVALENTS AT CLOSING	**9**	**3,865,626**	**-6,734,489**

- The above statements have been prepared with a view to provide transparent and exhaustive information to the market on the costs and debts relating to the investments it makes both directly and through the Apax funds:
  - by presenting gross investment performance on the one hand and all costs (management fees and carried interest) on the other; and
  - by separating costs incurred directly by the Company from those related to investments made through the Apax funds.

This presentation highlights all of the costs incurred by Altamir, all financial debts, including those relating to future capital calls, and all carried interest, relating both to direct investments and to investments made through the Apax funds.

- If the financial information for the funds under significant influence had been presented on a net basis, which is the current market standard, the following figures would have been presented:

	31/12/2018		
(in euros)	Initial statements	Presentation adjustments	Net presentation
NON-CURRENT ASSETS			
Intangible assets	0		0
Investment portfolio	998,914,278	-34,836,474	964,077,804
Other financial assets	276,316		276,316
Sundry receivables	10,344	-10,344	0
TOTAL NON-CURRENT ASSETS	**999,200,938**	**-34,846,818**	**964,354,120**
CURRENT ASSETS			
Sundry receivables	1,872,064	-2,379	1,869,685
Other current financial assets	19,637,044	-3,334,323	16,302,721
Cash and cash equivalents	3,865,625	-179,326	3,686,299
TOTAL CURRENT ASSETS	**25,374,734**	**-3,516,028**	**21,858,706**
TOTAL ASSETS	**1,024,575,672**	**-38,362,846**	**986,212,826**

	31/12/2018		
(in euros)	Initial statements	Presentation adjustments	Net presentation
SHAREHOLDERS' EQUITY			
Share capital	219,259,626		219,259,626
Share premiums	102,492,980		102,492,980
Reserves	440,870,497		440,870,497
Net income for the year	30,306,225		30,306,225
TOTAL SHAREHOLDERS' EQUITY	**792,929,329**		**792,929,329**
Carried interest provision Class B shares	10,156,916		10,156,916
Other liabilities	59,768,816	-11,301,466	48,467,350
Provision	0		0
OTHER NON-CURRENT LIABILITIES	**59,768,816**	**-11,301,466**	**48,467,350**
Other financial liabilities	159,227,011	-26,907,226	132,319,785
Trade payables and related accounts	2,336,801	-150,527	2,186,274
Other liabilities	156,795	-3,627	153,167
OTHER CURRENT LIABILITIES	**161,720,606**	**-27,061,380**	**134,659,226**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**1,024,575,672**	**-38,362,846**	**986,212,826**

(in euros)	Initial statements	Presentation adjustments	Net presentation
Changes in fair value	79,270,788	-6,617,846	72,652,942
Valuation differences on divestments during the year	-10,534,622	-2,873,804	-13,408,426
Other portfolio income	755,706		755,706
INCOME FROM PORTFOLIO INVESTMENTS	**69,491,872**	**-9,491,650**	**60,000,222**
Purchases and other external expenses	-23,656,896	3,723,154	-19,933,742
Taxes, fees and similar payments	-161		-161
Other income	29,270	-4,027	25,244
Other expenses	-288,000		-288,000
GROSS OPERATING INCOME	**45,576,085**	**-5,772,523**	**39,803,563**
Carried interest provision Class B shares	7,720,309		7,720,309
Carried interest provision Apax funds	-21,720,138	5,585,151	-16,134,987
NET OPERATING INCOME	**31,576,255**	**-187,372**	**31,388,883**
Income from cash investments	0		0
Financial income	217,157		217,157
Interest and similar expenses	-1,487,187	187,372	-1,299,815
Other financial expenses	0		0
NET INCOME ATTRIBUTABLE TO ORDINARY SHAREHOLDERS	**30,306,225**	**0**	**30,306,225**

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3.1.6 NOTES TO THE CONSOLIDATED (IFRS) FINANCIAL STATEMENTS

CONTENTS

NOTE 1 Entity presenting the financial statements

Altamir (the "Company") is a French partnership limited by shares governed by Articles L. 226.1 to L. 226.14 of the French Commercial Code. Its principal activity is the acquisition of equity interests in other companies. The Company opted to become a *société de capital risque* (special tax status for certain private equity and other investment companies) as of financial year 1996.

The Company is domiciled in France.

Altamir presents its consolidated financial statements including the Apax France VIII-B private equity fund, in which it holds a 99.90% stake, the Apax France IX-B private equity fund, in which it holds a 99% stake, and Financière Hélios SASU, in which it holds a 100% stake.

NOTE 2 Basis of preparation

2.1 DECLARATION OF CONFORMITY

Pursuant to European regulation 1606/2002 of 19 July 2002, the annual consolidated financial statements of Altamir as of 31 December 2018 have been prepared in compliance with IAS/IFRS international accounting standards as adopted by the European Union and available on its website at: https://ec.europa.eu/info/business-economy-euro/companyreporting-and-auditing/company-reporting/financial-reporting_en#ifrs-financial-statements

The accounting rules and methods applied to the annual financial statements are identical to those used to prepare the consolidated financial statements for the financial year ended 31 December 2017 inasmuch as the new IFRSs (standards, amendments, or IFRIC interpretations) that became applicable on 1 January 2018 did not have an impact on the Group's consolidated financial statements.

These consolidated financial statements cover the financial year from 1 January to 31 December 2018. They were approved by the Management Company on 7 March 2019.

2.2 VALUATION BASES

The consolidated financial statements are prepared on a fair value basis for the following items:

- financial instruments for which the Company has chosen the "fair value through profit or loss" option, pursuant to the provisions of IAS 39 (by application of the fair value option) and IAS 28 for "venture capital organisations" whose purpose is to hold a portfolio of securities with a view to selling them in the short or medium term;
- derivative financial instruments;
- carried interest attributable to the general partner and Class B shareholders; and
- carried interest attributable to the portfolio fund managers.

The methods used to measure fair value are discussed in note 4.

2.3 OPERATING CURRENCY AND PRESENTATION CURRENCY

The consolidated (IFRS) financial statements are presented in euros, which is the Company's operating currency.

2.4 USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements under IFRS requires management to formulate judgements and to use estimates and assumptions that may affect the application of accounting methods and the amounts of assets, liabilities, income and expenses. Actual values may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. The impact of changes in accounting estimates is accounted for during the period of the change and in all subsequent periods affected.

More specifically, information about the principal sources of uncertainty regarding the estimates and judgements made in applying the accounting methods that have the most significant impact on the amounts recognised in the financial statements is described in note 4 on the determination of fair value.

2.5 KEY ASSUMPTIONS

Continuity of operations is based on key assumptions including the availability of sufficient cash flow until 31 December 2019. The Company has credit lines totalling €60m, which were drawn down by €33.3m as of 31 December 2018. It also has cash equivalents of €3.9m and €19.6m of other financial assets that it considers as cash.

NOTE 3 Principal accounting methods

3.1 METHOD OF CONSOLIDATION OF EQUITY INVESTMENTS

As of 31 December 2018, Altamir exercised control over the Apax France VIII-B fund, the Apax France IX-B fund and Financière Hélios SAS, in which it holds more than 50% of the units.

Apax France VIII-B and Apax France IX-B are consolidated using the full consolidation method.

Regarding equity interests in which the percentage of control held by Altamir ranges from 20% to 50%, Altamir does not have a representative on the executive body of the company and therefore does not share the control of its business activity. All such investments are therefore deemed to be under significant influence.

3.2 OTHER ACCOUNTING METHODS

The accounting methods described below have been applied consistently to all periods presented in the consolidated (IFRS) financial statements. The application of the new texts and amendments adopted by the EU, in particular IFRS 15 and IFRS 9, which became mandatory on 1 January 2018, did not have a material impact on the financial statements.

3.2.1 Investment portfolio valuation

A) EQUITY INSTRUMENTS

The performance and management of the equity instruments in which Altamir invests is monitored on the basis of fair value. The Company has therefore chosen the "fair value through profit or loss" option provided for by IAS 39 as the method for valuing these investments. Where the Company has a significant influence, the option of recognition at fair value through profit or loss provided by IAS 28 for "venture capital organisations" is also used.

Under the fair value option, these instruments are therefore carried at fair value as assets on the balance sheet with positive and negative changes in fair value being recognised in profit or loss for the period. They are presented in the "Investment portfolio" line item in the balance sheet and the impact of changes in fair value is presented under "Changes in fair value" in the income statement.

B) HYBRID SECURITY INSTRUMENTS

In acquiring its equity interests, Altamir may subscribe to hybrid instruments such as bonds convertible/redeemable in shares. For this type of instrument with embedded derivatives, Altamir has opted for recognition at fair value through profit or loss in accordance with IAS 39. At each balance sheet date, hybrid instruments held are remeasured at fair value and changes in fair value (positive or negative) are recognised on the income statement.

These hybrids are presented in the balance sheet under the "Investment portfolio" and the impact of changes in fair value is presented under "Changes in fair value" in the income statement.

C) DERIVATIVE FINANCIAL INSTRUMENTS

Pursuant to IAS 39, warrant-type instruments are classified as derivatives and carried on the balance sheet at fair value. Positive and negative changes in fair value are recognised in profit or loss for the period within "Changes in fair value". The fair value is determined in particular according to the intrinsic value of the conversion option, based on the price of the underlying shares estimated on the balance sheet date.

D) LOANS AND RECEIVABLES

Pursuant to IAS 39, these investments are classified as "Loans and receivables" and carried at their amortised cost. The associated interest income is recognised within "Other portfolio income" in profit or loss for the year according to the effective interest rate method.

3.2.2 Debt and shareholders' equity

The Company has issued Class B shares that entitle their holders to carried interest equal to 18% of adjusted net statutory income, as defined in paragraph 25.2 of the Articles of Association. In addition, a sum equal to 2% calculated on the same basis is due to the general partner.

Remuneration of the Class B shareholders and the general partner is considered to be payable as soon as an adjusted net income has been earned. Remuneration of these shares and the shares themselves are considered a debt under the analysis criteria of IAS 32.

The remuneration payable to the Class B shareholders and the general partner is calculated taking unrealised capital gains and losses into account and is recognised in the income statement. The debt is recognised as a liability on the balance sheet. Under the Articles of Association, unrealised capital gains are not taken into account in the amounts paid to Class B shareholders and the general partner.

Finally, in accordance with IAS 32, treasury shares are deducted from shareholders' equity.

3.2.3 Cash equivalents and other short-term investments

If the Company has surplus cash, this is generally invested in units of euro money-market funds (SICAVs) and time deposits that meet the definition of cash equivalents under IAS 7 (short-term, highly-liquid investments, readily convertible into known amounts of cash and subject to an insignificant risk of change in value).

The Company values this portfolio using the fair value option provided for by IAS 39. The unrealised capital gains or losses at the balance sheet date are thus recognised in profit or loss for the year. Income from time deposits and money-market funds is included in "Income from cash investments".

3.2.4 Tax treatment

The Company opted for the tax status of SCR (société de capital risque) as of the financial year ended 31 December 1996. This status requires compliance with certain criteria, in particular the limitation of debt to 10% of shareholders' equity and the eligibility of securities held. The legislation on SCRs applicable as of 2001 exempts all income from corporation tax.

The Company does not recover VAT. Non-deductible VAT is recognised as an expense in the income statement.

3.2.5 Segment information

The Company carries out only private equity activities and invests primarily in the euro zone.

NOTE 4 Determination of fair value and valuation methods employed

Altamir uses principles of fair value measurement that are in accordance with IFRS 13:

4.1 CATEGORY 1 SHARES

Companies whose shares are traded on an active market ("listed").

The shares of listed companies are valued at the last stock market price of the period.

4.2 CATEGORY 2 SHARES

Companies whose shares are not traded on an active market ("unlisted"), but are valued based on directly or indirectly observable data. Observable data are prepared using market data, such as information published on actual events or transactions, and reflect assumptions that market participants would use to determine the price of an asset or liability.

An adjustment to level 2 data that has a significant impact on fair value may cause a reclassification to level 3 if it makes use of unobservable data.

4.3 CATEGORY 3 SHARES

Companies whose shares are not traded on an active market ("unlisted"), and are valued based on unobservable data.

NOTE 5 Significant events during the year

5.1 INVESTMENTS

The Company invested and committed €154.3m during 2018, vs. €118.2m in 2017.

1) €131.5m (€95.3m in 2017) in eight new investments:

- €103.3m *via* the Apax France IX fund, in three new companies:
  - €36.2m in the Italian company AEB Group, a worldwide leader in biotechnological ingredients and related services for the wine, food and beverage industries (subject to syndication, which is in progress),
  - €36m in the Dutch connectivity solutions specialist Expereo, one of the world's largest managed internet network and cloud connectivity solutions providers to international companies and government offices, with around 11,000 sites under management across more than 190 countries,
  - €31.1m in Business Integration Partners (Bip), a leading European consulting firm headquartered in Italy and present in 11 countries. Bip delivers management consulting, business integration and IT/digital transformation services supporting international companies in their innovation strategies and in the adoption of disruptive technologies;
- €28.2m *via* the Apax IX LP fund, in five new companies:
  - €8.7m in Trade Me, a New Zealand operator of leading classified advertising platforms in the automotive, real estate and employment sectors and the leading marketplace for all new and used goods in New Zealand (transaction not finalised as of 31 December 2018),

- €8.4m in Paycor, one of the main US providers of HR and payroll services, with a customer base of over 38,000 SMEs throughout the United States,
- €4.1m in UK company Genius Sports Group, the world's third-largest company providing sports organisations with software solutions for capturing and distributing sports data in real time, as well as services to prevent betting-related corruption,
- €3.8m in US company Authority Brands, a major home services franchising company (with a network of more than 300 franchisees in the United States, Canada and Latin America), which provides residential cleaning services to over 100,000 customers across the United States, as well as at-home care services,
- €3.2m in Healthium MedTech, the leading independent supplier of medical devices in India (suturing thread and needles, catheters, surgical gloves, etc.);

2) €20.6m in follow-on investments in portfolio companies:

- €20.2m in Altran's holding company to finance its proportional share of the acquisition of Aricent,
- €2.7m in Vyaire Medical to finance the acquisition of the portion of the company's share capital not yet held by the Apax VIII LP fund,
- -€2.3m in various follow-on investments or adjustments, mainly relating to Marlink's acquisition of OmniAccess, which ultimately required only €11.3m in equity, out of the estimated commitment of €17.2m at the end of 2017;

3) €2.2m (1.4m and 0.8m, respectively) in the Apax Development and Apax Digital funds, following new commitments made by the Company in 2018.

5.2 DIVESTMENTS

The volume of sale proceeds and revenue realised or signed during the year amounted to €155.7m (€98.7m in 2017) and comprised sale proceeds of €154.9m (€97.1m in 2017) and revenues of €0.8m (€1.6m in 2017).

The €155.7m primarily included:

- €70.4m from the sale of Altamir's stake in Albioma, in two transactions:
  - a private placement with institutional investors in March,
  - the sale of the remaining stake to the Impala Group in December;
- €19.6m from the refinancing of INSEEC U., returning to investors 46% of their initial investment;
- €19.2m from the sale by SK FireSafety of its AeroSafety business (transaction not finalised as of 31 December 2018);
- €13.7m from the sale of Altamir's remaining stake in Gfi Informatique, in accordance with the agreements signed with Mannai Corporation in 2017;
- €12.2m from the sale of Azelis;
- €6.4m from the sale of Altamir's remaining stake in GlobalLogic;
- €4.7m received from THOM Europe's repurchase of convertible bonds from its shareholders;
- €2.3m in earn-outs from the sale of Buy Way;
- €2.2m from the sale of Groupe Royer;
- €1.8m following Equalliance's removal from the portfolio;
- €3.2m in other divestment proceeds and revenue, mainly from the sale of Genex Services.

The companies Nowo/Oni and Full Beauty were divested for nil.

5.3 KEY EVENTS SINCE 31 DECEMBER 2018

Four transactions finalised after 31 December are expected to generate €184m in divestment proceeds:

- Apax Partners SAS has signed an agreement to sell INSEEC U., held by the Apax France VIII fund, to private equity company Cinven;
- Apax Partners LLP has signed an agreement in principle with KKR with a view to selling Exact Software, held by the Apax VIII LP fund;
- Apax Partners LLP has signed an agreement to sell Assured Partners to a consortium led by US private equity company GTCR. Apax Partners LLP, which held Assured Partners *via* the Apax VIII LP fund, will remain a minority shareholder of the company, as a co-investor alongside GTCR *via* the Apax IX LP fund; and
- Apax Partners SAS has finalised the refinancing of Marlink, which optimises the company's financing terms and will make it possible to pay dividends to shareholders.

Two transactions totalling an estimated €15m have been announced since 31 December:

- the investment in Assured Partners *via* the Apax IX LP fund; and
- the acquisition by Apax Partners LLP, *via* the Apax IX LP fund, of a significant stake in Fractal Analytics. Based in Mumbai, India, Fractal provides artificial intelligence and data-based solutions that power human decision-making.

NOTE 6 Details of financial instruments in the consolidated balance sheet and income statement

6.1 BALANCE SHEET

	31 December 2018					
	Fair value through profit or loss					
(in euros)	On option	Derivatives	Loans and receivables	Debts, cash and cash equivalents at amortised cost	Assets outside the scope of IAS 39	Total
Assets						
Intangible assets						
Investment portfolio[1]	958,737,297		40,176,981			998,914,278
Other financial assets	93,600		182,716			276,316
Sundry receivables	10,344					10,344
TOTAL NON-CURRENT ASSETS	**958,841,241**	**0**	**40,359,697**	**0**	**0**	**999,200,938**
Sundry receivables	1,838,300				33,764	1,872,064
Other current financial assets	19,637,044					19,637,044
Cash and cash equivalents	3,865,625					3,865,625
TOTAL CURRENT ASSETS	**25,340,970**	**0**	**0**	**0**	**33,764**	**25,374,734**
TOTAL ASSETS	**984,182,211**	**0**	**40,359,697**	**0**	**33,764**	**1,024,575,672**

	31 December 2018					
	Fair value through profit or loss					
(in euros)	On option	Derivatives	Loans and receivables	Debts, cash and cash equivalents at amortised cost	Assets outside the scope of IAS 39	Total
Liabilities						
Carried interest provision for general partner and Class B shareholders	10,156,916	0	0	0	0	10,156,916
Carried interest provision for Apax funds	59,768,816					59,768,816
OTHER NON-CURRENT LIABILITIES	**69,925,732**	**0**	**0**	**0**	**0**	**69,925,732**
Other financial liabilities				159,227,011		159,227,011
Trade payables and related accounts				2,336,801		2,336,801
Other liabilities				156,795		156,795
OTHER CURRENT LIABILITIES	**0**	**0**	**0**	**161,720,606**	**0**	**161,720,607**
TOTAL LIABILITIES	**69,925,732**	**0**	**0**	**161,720,606**	**0**	**231,646,339**

(1) Investment portfolio	
Level 1 - quoted on an active market	*55,899,615*
Level 2 - valuation based on techniques using observable market data	*940,549,282*
Level 3 - inputs not based on observable market data	*2,465,381*

(in euros)	31 December 2017 Fair value through profit or loss On option	Derivatives	Loans and receivables	Debts, cash and cash equivalents at amortised cost	Assets outside the scope of IAS 39	Total
Assets						
Intangible assets						
Investment portfolio[1]	863,768,166		30,806,098			894,574,264
Other financial assets	85,500		494,042			579,542
Sundry receivables	9,900					9,900
TOTAL NON-CURRENT ASSETS	**863,863,566**	**0**	**31,300,140**	**0**	**0**	**895,163,706**
Sundry receivables	3,028,059				31,401	3,059,460
Other current financial assets	23,558,205					23,558,205
Cash and cash equivalents	1,246,566					1,246,566
TOTAL CURRENT ASSETS	**27,832,830**	**0**	**0**	**0**	**31,401**	**27,864,230**
TOTAL ASSETS	**891,696,396**	**0**	**31,300,140**	**0**	**31,401**	**923,027,936**

(in euros)	31 December 2017 Fair value through profit or loss On option	Derivatives	Loans and receivables	Debts, cash and cash equivalents at amortised cost	Assets outside the scope of IAS 39	Total
Liabilities						
Carried interest provision for general partner and Class B shareholders	29,694,928	0	0	0	0	29,694,928
Carried interest provision for Apax funds	38,048,678					38,048,678
OTHER NON-CURRENT LIABILITIES	**67,743,606**	**0**	**0**	**0**	**0**	**67,743,606**
Other financial liabilities				65,887,518		65,887,518
Trade payables and related accounts				2,746,275		2,746,275
Other liabilities				328		328
OTHER CURRENT LIABILITIES	**0**	**0**	**0**	**68,634,121**	**0**	**68,634,121**
TOTAL LIABILITIES	**67,743,606**	**0**	**0**	**68,634,121**	**0**	**136,377,727**
(1) Investment portfolio						
Level 1 - quoted on an active market	*161,459,950*					
Level 2 - valuation based on techniques using observable market data	*693,898,791*					
Level 3 - inputs not based on observable market data	*39,215,523*					

6.2 CONSOLIDATED INCOME STATEMENT

	2018					
	Fair value through profit or loss					
(in euros)	On option	Derivatives	Loans and receivables	Debts at cost	Non-financial instruments	Total
Changes in fair value[1]	69,027,816		10,242,972			79,270,788
Valuation differences on divestments during the year	-10,538,112		3,491			-10,534,622
Other portfolio income	549,786		205,919			755,706
INCOME FROM PORTFOLIO INVESTMENTS	**59,039,490**	**0**	**10,452,382**	**0**	**0**	**69,491,872**
Purchases and other external expenses					-23,656,896	-23,656,896
Taxes, fees and similar payments					-161	-161
Other income					29,270	29,270
Other expenses					-288,000	-288,000
GROSS OPERATING INCOME	**59,039,490**	**0**	**10,452,382**	**0**	**-23,915,787**	**45,576,085**
Carried interest provision for Apax funds	-21,720,138					-21,720,138
Carried interest provision for general partner and Class B shareholders	7,720,309					7,720,309
NET OPERATING INCOME	**45,039,661**	**0**	**10,452,382**	**0**	**-23,915,787**	**31,576,255**
Income from cash investments	0					0
Financial income	217,157					217,157
Interest and similar expenses	-1,487,187					-1,487,187
Other financial expenses	0					0
NET INCOME ATTRIBUTABLE TO ORDINARY SHAREHOLDERS	**43,769,631**	**0**	**10,452,382**	**0**	**-23,915,787**	**30,306,225**

(1) Changes in fair value of the portfolio	
Level 1 - quoted on an active market	*-36,480,151*
Level 2 - valuation based on techniques using observable market data	*129,453,061*
Level 3 - inputs not based on observable market data	*-13,702,122*
Cancellation of other financial assets	*0*

	2017					
	Fair value through profit or loss					
	On option	Derivatives	Loans and receivables	Debts at cost	Non-financial instruments	Total
Changes in fair value[(1)]	44,539,570		1,458,142			45,997,712
Valuation differences on divestments during the year	2,573,883		132,714			2,706,597
Other portfolio income	1,244,859		287,969			1,532,827
INCOME FROM PORTFOLIO INVESTMENTS	**48,358,312**	**0**	**1,878,826**	**0**	**0**	**50,237,137**
Purchases and other external expenses					-25,141,871	-25,141,871
Taxes, fees and similar payments					-1,169,950	-1,169,950
Other income					3,028,023	3,028,023
Other expenses					-249,971	-249,971
GROSS OPERATING INCOME	**48,358,312**	**0**	**1,878,826**	**0**	**-23,533,769**	**26,703,369**
Carried interest provision for Apax funds	-4,303,900					-4,303,900
Carried interest provision for general partner and Class B shareholders	-952,966					-952,966
NET OPERATING INCOME	**43,101,446**	**0**	**1,878,826**	**0**	**-23,533,769**	**21,446,503**
Income from cash investments	7,729					7,729
Financial income	245,522					245,522
Interest and similar expenses	-811,207					-811,207
Other financial expenses	0					0
NET INCOME ATTRIBUTABLE TO ORDINARY SHAREHOLDERS	**42,543,490**	**0**	**1,878,826**	**0**	**-23,533,769**	**20,888,547**
(1) Changes in fair value of the portfolio						
Level 1 - quoted on an active market	*15,610,995*					
Level 2 - valuation based on techniques using observable market data	*24,279,990*					
Level 3 - inputs not based on observable market data	*6,106,727*					
Cancellation of other financial assets	*0*					

NOTE 7 Investment portfolio

Changes in the portfolio during the year were as follows:

(in euros)	Portfolio
FAIR VALUE AS OF 31 DECEMBER 2017	**894,574,264**
Investments	174,293,624
Changes in shareholder loans	-3,861,324
Divestments	-145,363,074
Changes in fair value	79,270,788
FAIR VALUE AS OF 31 DECEMBER 2018	**998,914,278**
Of which positive changes in fair value	173,659,158
Of which negative changes in fair value	-94,388,370

Changes in the Level 3 investment portfolio during the year were as follows:

(in euros)	31 December 2018	31 December 2017
FAIR VALUE AT START OF YEAR	**39,215,523**	**33,108,795**
Acquisitions	4,317,872	-
Divestments	-2,038,856	-
Change of category from Level 2 to Level 3	11,700,797	
Change of category from Level 3 to Level 2	-37,027,832	
Changes in fair value	-13,702,122	6,106,727
FAIR VALUE AT END OF YEAR	**2,465,381**	**39,215,523**

Changes in the Level 2 investment portfolio during the year were as follows:

(in euros)	31 December 2018	31 December 2017
FAIR VALUE AT START OF YEAR	**693,898,791**	**644,527,483**
Acquisitions	144,829,692	103,951,109
Divestments	-52,959,298	-70,719,791
Change of category from Level 3 to Level 2	37,027,832	
Change of category from Level 2 to Level 3	-11,700,797	-8,140,000
Changes in fair value	129,453,061	24,279,990
FAIR VALUE AT END OF YEAR	**940,549,282**	**693,898,791**

Changes in the Level 1 investment portfolio during the year were as follows:

(in euros)	31 December 2018	31 December 2017
FAIR VALUE AT START OF YEAR	**161,459,950**	**196,946,477**
Acquisitions	21,284,736	5,678,585
Divestments	- 90,364,920	- 64,916,107
Change of category from Level 1 to Level 2		
Change of category from Level 1 to Level 3		
Change of category from Level 2 to Level 1		8,140,000
Changes in fair value	- 36,480,151	15,610,995
FAIR VALUE AT END OF YEAR	**55,899,615**	**161,459,950**

Valuation methods are based on the determination of fair value as described in note 4.

	31 December 2018	31 December 2017
% of listed instruments in the portfolio	5.6%	18.0%
% of listed instruments in NAV	7.0%	20.5%

Portfolio breakdown according to the degree of maturity of the investments and their business sector:

(in euros)	31 December 2018	31 December 2017
STAGE OF DEVELOPMENT		
LBO	950,210,754	828,247,972
Growth capital	48,703,524	66,326,292
PORTFOLIO TOTAL	**998,914,278**	**894,574,264**

(in euros)	31 December 2018	31 December 2017
INDUSTRY		
Services	319,512,292	297,330,355
TMT	434,158,735	347,251,188
Consumer	188,719,053	197,883,664
Healthcare	54,176,947	52,109,058
Funds	2,347,252	-
PORTFOLIO TOTAL	**998,914,278**	**894,574,264**

NOTE 8 Sundry current receivables

As of 31 December 2018, this item primarily related to a €1.8m receivable due from M Finances Capital (received in the first quarter of 2019).

NOTE 9 Other current financial assets

Other current financial assets related in particular to an Allianz tax-efficient capitalisation fund valued at €16.3m using the amortised cost method, including capitalised interest, and to a receivable of €3.3m from Apax VIII LP. This receivable relates to capital calls that have not yet been invested.

NOTE 10 Cash and cash equivalents

This item broke down as follows:

(in euros)	31 December 2018	31 December 2017
Money-market funds	-	-
Time deposits	-	-
Cash on hand	3,865,625	1,246,566
CASH AND CASH EQUIVALENTS	**3,865,625**	**1,246,566**
Bank overdraft	-	-7,981,055
CASH SHOWN IN THE STATEMENT OF CASH FLOWS	**3,865,625**	**-6,734,488**

NOTE 11 Shareholders' equity

The number of shares outstanding for each of the categories is presented below:

(in number of shares)	31 December 2018 Ordinary Shares	31 December 2018 Class B shares	31 December 2017 Ordinary Shares	31 December 2017 Class B shares
Shares outstanding at start of year	36,512,301	18,582	36,512,301	18,582
Shares outstanding at end of year	**36,512,301**	**18,582**	**36,512,301**	**18,582**
Shares held in treasury	40,000	12,164	19,139	12,164
Shares outstanding at end of year	**36,472,301**	**6,418**	**36,493,162**	**6,418**
NAV PER OUTSTANDING SHARE (CONS. SHAREHOLDERS' EQUITY/NUMBER OF ORDINARY SHARES)	**21.74**		**21.56**	

(in euros)	31 December 2018 Ordinary Shares	31 December 2018 Class B shares	31 December 2018 Total	31 December 2017 Ordinary Shares	31 December 2017 Class B shares	31 December 2017 Total
Par value at end of year	6.00	10.00		6.00	10.00	
SHARE CAPITAL	**219,073,806**	**185,820**	**219,259,626**	**219,073,806**	**185,820**	**219,259,626**

The dividend paid to the limited shareholders in 2018 for the financial year 2017 was €0.65 per ordinary share outstanding (excluding treasury shares). The NAV per outstanding ordinary share (excluding treasury shares) was €21.74 as of 31 December 2018 (€21.56 per share as of 31 December 2017).

NOTE 12 Provision for carried interest of general partner and Class B shareholders

The change in the amount attributable to the general partner and Class B shareholders during the year is detailed below:

(in euros)	2018	2017
At opening	29,694,928	44,010,653
Amount paid during the financial year	-11,817,703	-15,268,690
Amount attributable to general partner and Class B shareholders on earnings of the financial year	-7,720,309	952,966
AMOUNT ATTRIBUTABLE TO GENERAL PARTNER AND CLASS B SHAREHOLDERS	**10,156,916**	**29,694,928**

NOTE 13 Carried interest provision for Apax funds

This provision of €59.8m relates to unrealised capital gains owing to holders of carried interest in Apax France VIII-B, Apax France IX-B, Apax VIII LP and Apax IX LP of €41.8m, €6.6m, €8.3m and €3m, respectively, based on these funds' performance. These liabilities are due in more than one year.

NOTE 14 Other current financial liabilities

This item was €159.2m for the year ended 31 December 2018. It includes Apax France IX-B credit lines of €81.2m, Apax France VIII-B (€17.8m), Altamir (€33.3m), Apax IX LP (€24.8m), Apax Development (€1.5m) and Apax Digital (€0.5m).

NOTE 15 Valuation differences on divestments during the year

(in euros)	31/12/2018	31/12/2017
Sale price	134,828,452	138,342,495
Fair value at start of year	145,363,074	135,635,898
IMPACT ON INCOME	**-10,534,622**	**2,706,597**
Of which positive price spread on divestments	10,301,121	6,611,850
Of which negative price spread on divestments	-20,835,743	-3,905,253

NOTE 16 Other portfolio income

Other portfolio income is detailed as follows:

(in euros)	31/12/2018	31/12/2017
Interest and other portfolio income received	205,919	287,969
Dividends	549,786	1,244,859
TOTAL	**755,706**	**1,532,827**

NOTE 17 Purchases and other external expenses (incl. tax)

(in euros)	31/12/2018	31/12/2017	31/12/2016
Direct fees (incl. tax)(1)	**9,708,894**	**10,021,152**	**9,196,977**
Altamir Gérance management fees (excl. tax)	6,121,679	6,331,491	5,791,549
Non-recoverable VAT on Altamir Gérance management fees	1,224,336	1,266,298	1,158,310
Other fees and expenses (incl. tax)	2,362,879	2,423,363	2,247,118
■ *including recharges for accounting, financial and investor relations services*	*857,615*	*708,628*	*686,477*
■ *including fees related to overdraft lines*	*228,894*	*568,966*	*172,147*
■ *including fees related to portfolio companies held directly*	*-140,348*	*-58,986*	*133,184*
Indirect fees (incl. tax)	**13,948,001**	**15,120,717**	**11,772,021**
Management fees charged by Apax Partners SAS and Apax Partners LLP	10,198,808	11,153,958	8,188,840
Operating costs of the funds managed by Apax Partners SAS and Apax Partners LLP	3,749,193	3,966,759	3,583,181
TOTAL EXPENSES AND EXTERNAL PURCHASES(2)	**23,656,896**	**25,141,871**	**20,968,997**
Investments at historical cost	107,802,761	179,107,957	238,486,466
Apax funds invoicing basis	820,898,321	815,751,407	631,338,629
CAPITAL COMMITTED AND INVESTED	**928,701,082**	**994,859,364**	**869,825,095**
(1) Average NAV between N and N-1	*1.23%*	*1.27%*	*1.25%*
(2) Average capital committed and invested between N and N-1	*2.46%*	*2.70%*	*2.78%*

In 2018, direct fees represented 1.23% of average NAV, and total fees represented 2.46% of average committed and invested capital, vs. 1.27% and 2.70%, respectively, in 2017.

The management fees of €6.1m invoiced by the Management Company were calculated pursuant to Article 17.1 of the Company's Articles of Association. This amount is lower than in the previous year, due to an increase in the deductions made by the funds, particularly the Apax France IX-B and Apax IX LP funds.

The other fees and expenses of €2.4m include, in addition to the three items detailed in the table above, €1.3m in legal fees, statutory audit fees and listing costs. The amount of these fees and expenses has been broadly stable for the last three years.

Indirect fees fell by 8%, dropping from €15.1m as of 31 December 2017 to €13.9m as of 31 December 2018. This change is explained by the decrease in Apax France VIII-B's management fee rate, which has fallen on 1 July each year.

NOTE 18 Other income

This item reflected the variation in interest as damages on the reimbursement of the 3% tax on dividends and related to an event specific to 2017.

NOTE 19 Other expenses

Other expenses relate to attendance fees paid in 2018.

NOTE 20 Financial income

Financial income corresponded primarily to a €217k change in the unrealised gain on the Allianz tax-efficient capitalisation fund.

NOTE 21 Interest and similar expenses

This item primarily corresponded to interest paid on the drawn credit lines and on the bank overdraft.

NOTE 22 Sensitivity

Altamir does not use derivative instruments to hedge or gain exposure to market risks (equities, interest rates, currencies or credit).

22.1 RISKS RELATED TO FLUCTUATIONS IN LISTED SHARE PRICES

Risks related to listed share prices of portfolio companies

Altamir holds a large number of listed securities, either directly or indirectly through holding companies, and may therefore be affected by a downturn in the market prices of such securities. A drop in the market price at a given moment would result in the decrease of the portfolio valuation and of the Net Asset Value of the Company. Such a drop would be recognised in the income statement as a loss under "Changes in fair value of the portfolio".

A drop in market prices might also affect realised capital gains or losses when such shares are sold by Altamir.

Listed companies made up 5.6% of the portfolio as of 31 December 2018 (18% at 31 December 2017). These are shares of portfolio companies floated on the stock exchange and shares from LBOs on listed companies.

A 10% drop in the market prices of these listed securities would have an impact of €9.4m on the valuation of the portfolio as of 31 December 2018.

In addition, some unlisted securities are valued in part on the basis of peer-group multiples, and in part on multiples of recent private transactions.

The final value of the investments will be based on private transactions, unlisted by definition, in which the strategic position of the companies or their ability to generate cash flow takes precedence over market comparables. For information, valuation sensitivity to a decline of 10% of the multiples of comparable listed companies amounts to €73.9m.

22.2 INTEREST RATE RISKS

Risks related to LBO transactions

In the context of leveraged transactions, Altamir is indirectly subject to the risk of an increase in the cost of debt and the risk of not obtaining financing or being unable to finance the planned new transactions at terms that ensure a satisfactory return.

Risks related to other financial assets and liabilities

Financial assets that have an interest rate component include shareholder loans and securities such as bonds issued by companies in the investment portfolio. These financial assets are assumed to be redeemed or converted at maturity. As a result, they do not present any interest rate risk per se.

Altamir has no significant financial liabilities subject to interest rate risk.

22.3 CURRENCY RISK

The objective of Altamir is to invest primarily in France or in the euro zone. However, some investments made by Altamir to date are indirectly denominated in foreign currencies, and consequently their value may vary according to exchange rates.

As of 31 December 2018, the only assets denominated in foreign currencies were the shares and debts of 31 portfolio companies, which represented €267.5m, or 26.7% of the investment portfolio (€212.7m, or 23.8% of total assets as of 31 December 2017).

The portfolio's exposure by currency was as follows:

	31 December 2018		31 December 2017	
(in euros)	Investment portfolio US dollars (USD)	Sundry receivables US dollars (USD)	Investment portfolio US dollars (USD)	Sundry receivables US dollars (USD)
Assets	233,342,217		186,024,266	
Liabilities				
Net position before management	**233,342,217**	**0**	**186,024,266**	**0**
Off-balance-sheet position				
Net position after management	**233,342,217**	**0**	**186,024,266**	**0**
IMPACT IN EUROS OF A 10% CHANGE IN THE EXCHANGE RATE	**23,334,422**	**0**	**18,602,427**	**0**

(in euros)	31 December 2018 Investment portfolio Hong Kong dollars (HKD)	31 December 2018 Sundry receivables Hong Kong dollars (HKD)	31 December 2017 Investment portfolio Hong Kong dollars (HKD)	31 December 2017 Sundry receivables Hong Kong dollars (HKD)
Assets	3,570,401		4,413,099	
Liabilities				
Net position before management	**3,570,401**	**0**	**4,413,099**	**0**
Off-balance-sheet position				
Net position after management	**3,570,401**	**0**	**4,413,099**	**0**
IMPACT IN EUROS OF A 10% CHANGE IN THE EXCHANGE RATE	**357,040**	**0**	**441,310**	**0**

(in euros)	31 December 2018 Investment portfolio Indian rupee (INR)	31 December 2018 Sundry receivables Indian rupee (INR)	31 December 2017 Investment portfolio Indian rupee (INR)	31 December 2017 Sundry receivables Indian rupee (INR)
Assets	7,131,716		4,592,961	
Liabilities				
Net position before management	**7,131,716**	**0**	**4,592,961**	**0**
Off-balance-sheet position				
Net position after management	**7,131,716**	**0**	**4,592,961**	**0**
IMPACT IN EUROS OF A 10% CHANGE IN THE EXCHANGE RATE	**713,172**	**0**	**459,296**	**0**

(in euros)	31 December 2018 Investment portfolio Norwegian krone (NOK)	31 December 2018 Sundry receivables Norwegian krone (NOK)	31 December 2017 Investment portfolio Norwegian krone (NOK)	31 December 2017 Sundry receivables Norwegian krone (NOK)
Assets	4,142,109		4,300,822	
Liabilities				
Net position before management	**4,142,109**	**0**	**4,300,822**	**0**
Off-balance-sheet position				
Net position after management	**4,142,109**	**0**	**4,300,822**	**0**
IMPACT IN EUROS OF A 10% CHANGE IN THE EXCHANGE RATE	**414,211**	**0**	**430,082**	**0**

(in euros)	31 December 2018 Investment portfolio Pounds sterling (GBP)	31 December 2018 Sundry receivables Pounds sterling (GBP)	31 December 2017 Investment portfolio Pounds sterling (GBP)	31 December 2017 Sundry receivables Pounds sterling (GBP)
Assets	19,118,838		13,409,309	
Liabilities				
Net position before management	**19,118,838**	**0**	**13,409,309**	**0**
Off-balance-sheet position				
Net position after management	**19,118,838**	**0**	**13,409,309**	**0**
IMPACT IN EUROS OF A 10% CHANGE IN THE EXCHANGE RATE	**1,911,884**	**0**	**1,340,931**	**0**

Altamir does not hedge against currency fluctuations, because the foreign exchange impact is not material with respect to the expected gains on the securities in absolute value. It is also taken into account when decisions to invest or divest are made and is therefore factored into the calculation of expected return.

NOTE 23 Earnings per share

The weighted average number of shares outstanding reflects the exclusion of treasury shares.

Basic earnings per share	31 December 2018	31 December 2017
Numerator *(in euros)*		
INCOME FOR THE YEAR ATTRIBUTABLE TO ORDINARY SHAREHOLDERS	**30,306,225**	**20,888,547**
Denominator		
Number of shares outstanding at start of year	36,512,301	36,512,301
Effect of treasury shares	-28,542	-18,572
Effect of capital increase		
WEIGHTED AVERAGE NUMBER OF SHARES DURING THE YEAR (BASIC)	**36,483,759**	**36,493,729**
Earnings per share (basic)	0.83	0.57
Earnings per share (diluted)	0.83	0.57

NOTE 24 Related parties

In accordance with IAS 24, related parties are as follows:

24.1 SHAREHOLDERS

Amboise Partners SA, as the investment advisor, and Altamir Gérance, as the Management Company, invoiced the Company for total fees of €7,345,015 including tax in 2018 (€7,597,789 including tax in 2017).

The amount remaining payable as of 31 December 2018 was €1,489,781 (€104,808 as of 31 December 2017). The amount remaining receivable as of 31 December 2018 was €218,769 (€238,884 as of 31 December 2017).

24.2 ASSOCIATED ENTERPRISES

A significant influence is presumed when the equity interest of the Company exceeds 20%.

They constitute related parties. The closing balances and transactions for the year with these companies are presented below:

(in euros)	31 December 2018	31 December 2017
Income statement		
Valuation differences on divestments during the year	-17,146,481	-4,205,167
Changes in fair value	42,508,985	22,852,148
Other portfolio income	-	-
Balance sheet	**31/12/2018**	**31/12/2017**
Investment portfolio	408,615,831	394,829,400
Sundry receivables	-510	-

24.3 SENIOR MANAGEMENT

Attendance fees paid in 2018 to members of the Supervisory Board with respect to 2017 totalled €288,000.

NOTE 25 Contingent liabilities

The contingent liabilities of the Company broke down as follows:

(in euros)	31/12/2018	31/12/2017
Irrevocable purchase obligations (investment commitments)	515,843	515,843
Other long-term obligations (liability guarantees and other)	6,184,051	6,184,051
TOTAL	**6,699,894**	**6,699,894**
Altamir's investment commitments in Apax France VIII-B	6,887,068	16,877,068
Altamir's investment commitments in Apax France IX-B	150,161,880	228,681,131
Altamir's investment commitments in Apax IX LP	76,818,538	74,244,000
Altamir's investment commitments in Apax Digital	3,842,738	
Altamir's investment commitments in Apax Development	15,000,000	
TOTAL	**259,410,117**	**326,502,093**

The tables above show the subscription commitments not yet called as of 31 December 2018 and 31 December 2017.

Altamir has a €276.7m commitment in the Apax France VIII-B fund. As of 31 December 2018, the amount called was €269.8m.

Altamir has a €138m commitment in the Apax IX LP fund. As of 31 December 2018, the amount called was €61.2m.

Altamir has committed to invest between €226m and €306m in Apax France IX-B. As of 31 December 2018, the amount called was €155.7m. However, the amount invested but financed by credit lines and thus not called by the fund was €62.6m.

Altamir has committed to investing €4.3m in the Apax Digital fund. As of 31 December 2018, the amount called was €0.4m.

Altamir has committed to invest €15m in the Apax Development fund. As of 31 December 2018, no investment had been made.

The table above does not include distributions paid by the funds, which can legally be called back by the Management Company to meet the funds' cash requirements, principally for follow-on investments in their portfolios.

As of 31 December 2018, the distributions that could be called back amounted to €4.8m (Apax VIII LP) and €1.2m (Apax IX LP).

As part of the divestment of Buy Way, Altamir provided a guarantee, capped at 15% of the sale price, i.e. €6,184,051, in order to meet any third-party claims, and to cover the sellers' filings and any tax risks.

25.1 DIRECT INVESTMENT COMMITMENTS

Companies	Commitments as of 31/12/2017	Investments during the year	Cancellation of commitments as of 31/12/2018	New commitments as of 31/12/2018	Commitments as of 31/12/2018
Listed securities	**0**	**0**	**0**	**0**	**0**
Investment commitment in Turing Equity Co LP	515,843				515,843
Unlisted securities	**515,843**	**0**	**0**	**0**	**515,843**
TOTAL	**515,843**	**0**	**0**	**0**	**515,843**

25.2 LIABILITY GUARANTEES AND OTHER COMMITMENTS

Liability guarantees / Other accrued income

None

Other off-balance-sheet commitments

Altamir carries out LBO transactions *via* special-purpose acquisition companies (SPACs).

If the underlying target company is listed, the debt is guaranteed by all or part of that company's assets. When the share price of these companies falls, and the average share price over a given period drops below a certain threshold, the SPACs become responsible for meeting collateral or margin calls. This involves putting cash in escrow in addition to the collateralised securities so as to maintain the same collateral-to-loan ratio ("collateral top-up clause"). In the event of default, banks may demand repayment of all or part of the loan. This collateral is furnished by the shareholders of the SPACs, including Altamir, in proportion to their share in the capital. They have no impact on Altamir's revenue and NAV (listed companies are valued on the last trading day of the period), but can tie up part of its cash. Conversely, when the share price of these companies rises, all or part of the balance in escrow is released, and the calls repaid.

In terms of sensitivity, a 10% or 20% drop in the average market prices of these listed securities compared to the calculation performed on 31 December 2018 would trigger a collateral call for Altamir of €2m or €6.2m, respectively.

A commitment was given to certain managers of THOM Europe, Snacks Développement, Ciprés, Melita, InfoVista and AEB to repurchase their shares and bonds in the event of their departure. These commitments were not material as of 31 December 2018.

The Apax France IX-B fund gave a security deposit to Transatlantic Bank as part of the investment in Sandaya relating to the funding of future acquisitions.

An earn-out could be due to the seller of Marlink based on the multiple achieved by the Apax France VIII-B and Apax France IX-B funds when the company is sold.

Pledged securities:

- Securities pledged to Transatlantique Bank: As of 31 December 2018, 1,111,111,112 A units in the Apax France VIII-B fund were pledged against a credit line of €8m, undrawn as of 31 December 2018. The pledged securities cover 150% of the amounts granted based on the valuation of the units in the Apax France VIII-B fund as of 31 December 2016.
- Securities pledged to LCL Bank (banking pool with LCL, BNP, Neuflize OBC, HSBC and Palatine Bank): As of 31 December 2018, 6,141,732,283 A units in the Apax France VIII-B fund and one A unit in the Apax France IX-B fund were pledged to the banking pool against a credit line of €52m, drawn down by €33.3m as of 31 December 2018. The pledged securities cover 150% of the amounts granted based on the valuation of the units in the Apax France VIII-B fund as of 31 December 2016.
- Securities pledged to ABN AMRO: With respect to a credit line, the Apax France VIII-B fund has pledged all of the financial instruments of Amplitude that it holds to ABN AMRO.

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3.1.7 AUDITORS' FEES

Pursuant to Decree No. 2008-1487 of 20 December 2008, fees paid to the statutory auditors broke down as follows:

	Ernst & Young and other members of the Ernst & Young network				RSM			
	Amount excl. taxes		%		Amount excl. taxes		%	
(in €)	**2018**	2017	**2018**	2017	**2018**	2017	**2018**	2017
Audit								
Audit, certification and examination of the statutory and consolidated financial statements								
■ Issuer	109,600	102,600	60 %	54 %	74,400	87,400	40 %	46 %
■ Fully consolidated subsidiaries	20,923	22,118	100 %	100 %				
Other duties and services directly related to the audit assignment								
■ Issuer								
■ Fully consolidated subsidiaries								
SUBTOTAL	**130,523**	**124,718**	**64 %**	**59 %**	**74,400**	**87,400**	**36 %**	**41 %**
Other services performed by the networks for the fully consolidated subsidiaries								
Legal, tax, employee-related								
Other	10,000	15,000	100 %	100 %				
SUBTOTAL								
TOTAL	**140,523**	**139,718**	**65 %**	**62 %**	**74,400**	**87,400**	**35 %**	**38 %**

3.2 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English- speaking users.
This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the information concerning the Group presented in the management report.
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Annual General Meeting of Altamir,

OPINION

In compliance with the engagement entrusted to us by your Annual General Meetings, we have audited the accompanying consolidated financial statements of Altamir for the year ended December 31, 2018.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2018 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

BASIS FOR OPINION

AUDIT FRAMEWORK

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

INDEPENDENCE

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from January 1, 2018 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 or in the French Code of Ethics (Code de déontologie) for Statutory Auditors.

JUSTIFICATION OF ASSESSMENTS - KEY AUDIT MATTERS

In accordance with the requirements of Articles L. 823-9 and R.823-7 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

INVESTMENT PORTFOLIO VALUATION

Risk identified	Our response
As at December 31, 2018, the investment portfolio amounted to M€ 998.9, or 98% of the balance sheet. This item corresponds to equity instruments, hybrid security instruments, derivative instruments and loans and receivables as indicated in Note 3.2 to the consolidated financial statements. These instruments are recognized at their fair value. Loans and receivables are valued at amortized cost. Given their significant importance in the consolidated financial statements, the complexity of the models used, their sensitivity to data variations, the assumptions on which the estimates are based and the judgment required to assess their net asset value, we considered the valuation of the investment portfolio as a key audit matter.	We obtained an understanding of the procedures implement by the Manager of your Company and managers of the professional private equity funds for the determination of the fair value of the investment portfolio. As part of our audit of the consolidated financial statements, and with the help of our valuation experts, our work on the main funds / investments consisted in: ■ assessing the specific contractual documentation to each investment; ■ asessing that the valuation method used for the main lines of the investments portfolio is appropriate; ■ assessing, on the basis of the information provided to us, that the estimation of these values is based in particular on data and quantified assumptions that are in line with the market and / or macro-economic data available at closing date; ■ testing, by sampling, the arithmetic accuracy of the inventory value calculations used by the Company. We also analyzed the appropriateness of the information presented in Note 7 to the consolidated financial statements.

RESPECT OF THE SCR TAX STATUS

Risk identified	Our response
Your Company has opted for the SCR tax status which gives it a specific legal and fiscal framework, adapted to its corporate purpose which is the management of a securities portfolio. The SCR tax status is only granted to companies that fully meet certain cumulative regulatory conditions. Given the very restrictive conditions of the SCR tax status (in particular the limitation of indebtedness and the eligibility of investments, as set out in Note 3.2.4 to the consolidated financial statement), which could, in case of non-compliance, remove the tax exemption enjoyed by the Company, we considered compliance with the regulatory conditions of the SCR tax status regime as a key audit matter.	Based on interviews with Management, we acknowledged the procedures set up by the Manager to identify the regulatory changes relating to the SCR tax status and to monitor the Company's correct compliance with the conditions. Our work consisted in assessing compliance with the criteria for eligibility for the SCR tax status, by including our tax experts.

SPECIFIC VERIFICATIONS

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the information pertaining to the Group, included in the management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

APPOINTMENT OF THE STATUTORY AUDITORS

ERNST & YOUNG et Autres was appointed as statutory auditor by the Annual General Meeting held on April 22, 1999. RSM Paris automatically replaced COREVISE as a result of a universal transfer of assets and liabilities that became final on September 29, 2018. COREVISE, previously alternate statutory auditor, had replaced the resigning firm during fiscal year 2013.

As at December 31, 2018, COREVISE, who was replaced by RSM Paris, and ERNST & YOUNG et Autres were in the sixth year and twentieth year of total uninterrupted engagement respectively.

Prior to ERNST & YOUNG et Autres (formerly Barbier Frinault et Autres), Barbier Frinault et Associés had been statutory auditor since 1993, date on which the Company was incorporated.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Manager.

STATUTORY AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OBJECTIVES AND AUDIT APPROACH

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code (Code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

REPORT TO THE AUDIT COMMITTEE

We submit to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code (Code de commerce) and in the French Code of Ethics (Code de déontologie) for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris and Paris-La Défense, April 8, 2019

The Statutory Auditors
French original signed by

COREVISE	ERNST & YOUNG et Autres	
Fabien Cregut	Henri-Pierre Navas	Marie Le Treut

3.3 STATUTORY FINANCIAL STATEMENTS

3.3.1 BALANCE SHEET – ASSETS AS OF 31 DECEMBER 2018

(in euros)	31/12/2016	31/12/2017	31/12/2018 Gross	31/12/2018 Depreciation, amortisation & provisions	31/12/2018 Net
Uncalled subscribed capital					
Non-current assets					
Intangible assets					
Set-up costs	0	0	0	0	0
Concessions, patents and trademarks	0	0	0	0	0
Property, plant & equipment					
Office equipment and furnishings	0	0	0	0	0
Transport equipment	0	0	0	0	0
Facilities and fittings	0	0	0	0	0
Net non-current financial assets					
Portfolio investments held as non-current assets	291,021,760	456,605,421	569,099,202	2,535,558	566,563,645
Other portfolio investments	0	0	0	0	0
Receivables related to portfolio investments	0	0	0	0	0
Equity investments	182,730,261	136,693,791	74,319,216	12,683,885	61,635,330
Receivables related to equity investments	33,816,815	24,222,622	33,483,545	0	33,483,545
Other receivables	0	0	35,877,805	35,877,805	0
Other non-current financial assets	902,883	988,502	972,434	68,878	903,556
TOTAL (I)	**508,471,719**	**618,510,336**	**713,752,202**	**51,166,127**	**662,586,075**
Current assets					
Sundry receivables	2,404,069	11,298,183	14,877,798	0	14,374,212
Marketable securities	20,000,376	15,000,000	15,000,000	0	15,000,000
Cash on hand	47,377,625	1,336,831	4,849,303	0	4,849,303
TOTAL (II)	**69,782,069**	**27,635,013**	**34,727,101**	**0**	**34,223,515**
Issue costs for convertible bonds (ORAs)					
Prepaid expenses	38,840	31,401	33,764		33,764
Currency translation adjustments on assets	0	0	0		0
TOTAL (III)	**38,840**	**31,401**	**33,764**		**33,764**
TOTAL ASSETS (I)+(II)+(III)	**578,292,628**	**646,176,750**	**748,513,068**	**51,166,127**	**696,843,354**
Commitments given:					
Additional commitments	0	0			0
Commitments for new investments	172,514	515,843			515,843
Other commitments	457,183,633	325,986,250			258,894,274

3.3.2 BALANCE SHEET – LIABILITIES AND SHAREHOLDERS' EQUITY AS OF 31 DECEMBER 2018

(in euros)	**31/12/2016**	**31/12/2017**	**31/12/2018**
Shareholders' equity			
Share capital	219,259,626	219,259,626	219,259,626
Share premiums	107,760,744	107,760,744	107,760,744
Reserves	163,357,778	203,687,546	238,023,476
Retained earnings	62,468	74,108	91,324
Net income for the year	79,331,454	69,886,629	11,139,091
TOTAL (I)	**569,772,069**	**600,668,652**	**576,274,260**
Provisions for risks and contingencies	**8,182,587**	**11,519,867**	**15,366,790**
TOTAL (II)	**8,182,587**	**11,519,867**	**15,366,790**
Liabilities			
Other financial liabilities	33,796	9,062,567	33,422,027
Liabilities on non-current assets	0	0	0
Trade payables and related accounts	302,875	189,181	1,760,268
Tax and social security liabilities	0	0	0
Other liabilities	1,301	24,736,484	70,020,010
TOTAL (III)	**337,972**	**33,988,231**	**105,202,304**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (I)+(II)+(III)	**578,292,628**	**646,176,750**	**696,843,354**

3.3.3 INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2018

(in euros)	31/12/2016	31/12/2017	31/12/2018
1. Revenue transactions			
Commissions and brokerage fees			
Financial income			
Income from cash investments	1,135,629	253,251	217,157
Net income from the sale of marketable securities	6	0	0
Other financial income	0	0	0
Reversals of provisions	0	0	0
Other income	**0**	**2**	**0**
Transfers of expenses	**0**	**0**	**0**
Operating expenses			
Purchases and other external expenses	9,196,977	10,021,152	9,708,894
Wages and payroll expenses	0	0	0
Taxes, fees and similar payments	787,537	1,169,950	161
Depreciation, amortisation and provisions	0	0	0
Financial expenses			
Interest and similar expenses	201,402	15,309	788,586
Net expenses from sales of marketable securities	0	0	0
Provisions for impairment	0	0	0
Other financial expenses	0	0	0
Other expenses	**260,000**	**249,972**	**288,000**
INCOME FROM REVENUE TRANSACTIONS (BEFORE CORPORATION TAX)	**-9,310,280**	**-11,203,130**	**-10,568,484**
2. Capital transactions			
Income			
Capital gains on sales of equity investments	79,065,995	85,346,176	41,471,603
Reversals of provisions	24,320,264	40,317,027	19,053,941
Other income	6,956,912	9,267,306	8,590,768
Expenses			
Losses on sales of portfolio investments	2,572,022	6,111,364	20,041,750
Provisions for impairment	17,567,809	10,668,300	24,102,534
Other expenses	1,607,442	40,152,230	3,200,677
INCOME FROM CAPITAL TRANSACTIONS	**88,595,898**	**77,998,616**	**21,771,352**
Extraordinary income	97,912	3,133,599	84,777
Extraordinary expenses	52,077	42,456	148,554
Corporation tax			
TOTAL NET INCOME	**79,331,454**	**69,886,629**	**11,139,091**

3.3.4 NOTES TO THE STATUTORY FINANCIAL STATEMENTS AS OF 31 DECEMBER 2018

CONTENTS

NOTE 1 Activity and significant events in the year

Altamir is a French partnership limited by shares (*société en commandite par actions*) governed by Articles L. 226.1 to L.226.14 of the French Commercial Code. Its principal activity is the acquisition of equity interests in other companies. The Company opted to become a *société de capital risque* (special tax status for certain private equity and other investment companies) as of financial year 1996.

Since 2011, Altamir has primarily invested through funds managed by the management companies Apax Partners SAS and Apax Partners LLP. On certain occasions, it co-invests directly with these funds. The Company may also make direct follow-on investments in its historical portfolio.

1.1 ACTIVITY IN 2018

1.1.1 Investments and divestments:

The Company invested €114.7m. The volume of divestments and revenue amounted to €136.3m during the year.

Companies/Funds	Amounts invested	Proceeds
Unlisted securities		
Apax France VIII-B	9,990,000	19,607,405
Apax France IX-B	78,519,251	
Apax VIII LP	3,865,468	21,285,273
Apax IX LP	-2,574,538	1,234,832
Apax Digital	430,767	
Phénix (Marlink)	4,263,402	
THOM Europe		4,675,720
GFI Informatique		12,758,420
Groupe Royer		2,162,459
Equalliance		1,822,647
Buy Way		2,329,115
Snacks Développement		71,222
SUBTOTAL	**94,494,350**	**65,947,093**
Listed securities		
Albioma		8,535,274
Financière Hélios / Albioma		61,825,459
Altrafin Participations	20,229,841	
SUBTOTAL	**20,229,841**	**70,360,732**
TOTAL	**114,724,191**	**136,307,825**

IMPACT OF DIVESTMENTS ON NET INCOME/LOSS:

All companies	Sale price	Gain	Loss	Provision reversals	Impact on net income/loss
Unlisted securities					
Total sale	23,899,948	16,804,029	18,067,942	18,191,544	16,927,631
Partial sale	3,558,444	6,941,850	7,754		6,934,096
Listed securities					
Total sale	12,689,675	4,376,989	0		4,376,989
Partial sale	70,842,732	13,348,735	1,966,054		11,382,681
TOTAL	**110,990,799**	**41,471,603**	**20,041,750**	**18,191,544***	**39,621,398**

* *The above provision reversals do not include reversals of accrued interest and the reversal of the provision on Apia Ciprés, i.e. €862,396.*

1.1.2 Other events

Altamir has short-term credit lines totalling €60m. It should be noted that, as an SCR, Altamir's debt may not exceed 10% of its net asset value, i.e. €57.6m as of 31 December 2018. As of that date, the Company's credit lines were drawn down by €33.3m.

1.2 KEY EVENTS SINCE 31 DECEMBER 2018

Four transactions finalised after 31 December are expected to generate €184m in divestment proceeds:

- Apax Partners SAS has signed an agreement to sell INSEEC U., held by the Apax France VIII fund, to private equity company Cinven;
- Apax Partners LLP has signed an agreement in principle with KKR with a view to selling Exact Software, held by the Apax VIII LP fund;
- Apax Partners LLP has signed an agreement to sell Assured Partners to a consortium led by US private equity company GTCR. Apax Partners LLP, which held Assured Partners via the Apax VIII LP fund, will remain a minority shareholder of the company, as a co-investor alongside GTCR via the Apax IX LP fund; and
- Apax Partners SAS has finalised the refinancing of Marlink, which optimises the company's financing terms and will make it possible to pay dividends to shareholders.

Two transactions totalling an estimated €15m have been announced since 31 December:

- the investment in Assured Partners via the Apax IX LP fund; and
- the acquisition by Apax Partners LLP, via the Apax IX LP fund, of a significant stake in Fractal Analytics. Based in Mumbai, India, Fractal provides artificial intelligence and data-based solutions that power human decision-making.

1.3 DISTRIBUTION OF DIVIDENDS

The dividend paid to the limited shareholders in 2018 for the financial year 2017 was €0.65 per ordinary share outstanding (excluding treasury shares), for a total of €23,732,995.65. In addition, dividends stipulated in the Articles of Association of €1,181,770.00 and €10,635,933.00 were paid to the general partner and to the holders of Class B shares respectively, for the financial year 2017. The total sum distributed for the financial year 2017 therefore amounted to €35,550,698.65.

1.4 CHANGES IN SHAREHOLDERS' EQUITY

(in thousands of euros)	Share capital	Share premiums	Reserves	Retained earnings	Net income for the year	Total
Shareholders' equity as of 31/12/17	**219,260**	**107,761**	**203,688**	**74**	**69,887**	**600,669**
2018 net income/loss					11,139	11,139
Allocation of 2017 net income/loss			34,336		-69,887	-35,551
Allocation of 2017 net income/loss - treasury shares				17		17
SHAREHOLDERS' EQUITY AS OF 31/12/18	**219,260**	**107,761**	**238,023**	**91**	**11,139**	**576,274**

	31/12/2016	31/12/2017	31/12/2018
Number of ordinary shares	36,512,301	36,512,301	36,512,301(1)
Par value of ordinary shares	6	6	6
Amount *(in euros)*	**219,073,806**	**219,073,806**	**219,073,806**
Number of Class B preferred shares	18,582	18,582	18,582(2)
Par value of Class B preferred shares	10	10	10
Amount *(in euros)*	**185,820**	**185,820**	**185,820**
TOTAL	**219,259,626**	**219,259,626**	**219,259,626**

(1) Including 40,000 held in treasury by Altamir as of 31 December 2018.
(2) Including 12,164 held in treasury by Altamir as of 31 December 2018.

NOTE 2 Accounting rules and methods

The statutory financial statements are presented in compliance with the legal and regulatory provisions currently in force in France and recommended in the French chart of accounts, in accordance with the French national accounting standards body (ANC) regulation N° 2016-07, approved by the decree of 26 December 2016.

2.1 NON-CURRENT FINANCIAL ASSETS

(Portfolio investments held as non-current assets and equity investments)

2.1.1 Portfolio investments held as non-current assets

Portfolio investments held as non-current assets are the investments held in the Apax France VIII-B, Apax France IX-B, Apax VIII LP, Apax IX LP, Phénix, Apia Vista, Apia Ciprés, Apax Digital and Apax Development funds. A provision for impairment was recognised as of 31 December 2018 for the Apia Vista private equity fund (€2.5m).

2.1.2 Accounting method for tracking and writing down equity investments

According to the accounting regulations for commercial companies, equity investments, portfolio investments held as non-current assets, and receivables related to equity investments are recognised at their acquisition cost. They may give rise to impairment, but not to revaluation. The manager conducts a review of the listed and unlisted securities at the end of each half-yearly and annual accounting period. If the end-of-period value of a portfolio investment or of an equity investment or its related receivable is lower than its acquisition cost, a provision for impairment is created for the difference in value. The end-of-period value for portfolio investments held as non-current assets corresponds to the end-of-period value; for equity investments and related receivables, that value is the value in use.

The provision for impairment of equity investments and related receivables amounted to €12.7m as of 31 December 2018.

Exits are calculated on a “first-in, first-out” basis.

Receivables in foreign currencies on foreign companies are valued at the exchange rate on the balance sheet date. A provision for risks and contingencies is recognised in the event of any decline in the currency concerned in relation to the euro. This rule is applied to both the book value and the estimated value.

2.1.3 Calculation method for end-of-period value

CATEGORY 1 SHARES

Companies whose shares are traded on an active market (“listed”).

The shares of listed companies are valued at the last stock market price of the period.

CATEGORY 2 SHARES

Companies whose shares are not traded on an active market (“unlisted”), but are valued based on directly or indirectly observable data. Observable data are prepared using market data, such as information published on actual events or transactions, and reflect assumptions that market participants would use to determine the price of an asset or liability.

An adjustment to level 2 data that has a significant impact on fair value may cause a reclassification to level 3 if it makes use of unobservable data.

CATEGORY 3 SHARES

Companies whose shares are not traded on an active market (“unlisted”), and are valued based on unobservable data.

2.1.4 Calculation method for end-of-period value of portfolio investments

The end-of-period value of each portfolio investment corresponds to the capital contributed less any provisions recognised on the fund.

2.2 OTHER RECEIVABLES

This account corresponds to interest accrued on equity investments.

The Company has determined that accrued interest is generally included in the acquisition price paid by third parties and is not paid by the debtor company. Consequently, it will henceforth be included in the valuation of the companies. For this reason, it is initially recognised as accrued income, then fully written down.

2.3 OTHER NON-CURRENT FINANCIAL ASSETS

The Company has given a mandate to ODDO BHF to trade shares on its behalf on the Paris market (Eurolist B by Euronext) in order to ensure secondary market activity and liquidity in Altamir shares. As of 31 December 2018, the non-current financial assets account included 40,000 shares with a value of €574.5k and €182.7k in cash and cash equivalents.

A provision of €69k was recognised as of 31 December 2018.

The account also included 12,164 Class B shares repurchased by Altamir in 2015 for €122k (par value of €10 per share).

In addition, the account included a €93.6k interim payment received in relation to an ongoing legal proceeding.

2.4 EQUITY INVESTMENTS AND PORTFOLIO INVESTMENTS HELD AS NON-CURRENT ASSETS

	Amount at start of year			Amount as of 31 December 2018		
Financial year 2018 *(in thousands of euros)*	**Gross book value**	**Net book value**	**Estimated value**	**Gross book value**	**Net book value**	**Estimated value**
Fractions of the portfolio valued:						
■ at cost	0	0	0	0	0	0
■ below cost at cost						
■ based on market price	68,768	68,768	115,732	18,716	6,032	6,032
■ based on net book value						
■ based on re-estimated net book value						
(Funds: A units)	456,602	456,593	640,221	569,086	566,550	873,931
(Funds: E and B units)	13	13	0	13	13	0
■ based on a yield or profitability measure	65,887	65,887	111,997	55,604	55,604	85,246
■ by other methods	20,230	2,039	2,039	0	0	0
TOTAL	**611,500**	**593,299**	**869,989**	**643,418**	**628,199**	**965,208**
Total related receivables	24,223	24,223	24,585	33,484	33,484	33,706
PORTFOLIO TOTAL	**635,722**	**617,522**	**894,574**	**676,902**	**661,683**	**998,914**
Provisions	18,200			15,219		
Unrealised, unrecognised gains		277,052*			337,231*	

** Unrealised, unrecognised gains include gains on investments held in the Apax France VIII-B, Apax France IX-B, Apax VIII LP, Apax IX LP, Apia Vista, Phénix, Apia Cipres, Apax Digital and Apax Development funds. As these funds have drawn down on credit lines as of 31 December 2018, the amounts used to finance these investments were not fully paid by Altamir and, accordingly, are not included in gross book value and net book value. These credit-line financed investments are, however, included in the end-of-period value figures.*

CHANGES IN VALUE OF THE PORTFOLIO (NET BOOK VALUE AND ESTIMATED VALUE)

	Value of the portfolio	
Portfolio value Changes during the year *(in thousands of euros)*	**Net book value**	**End-of-period value**
Amount at start of year	617,522	894,574
Acquisitions during the year(1)	131,782	170,432
Divestments during the year(2)	-90,603	-134,828
Reversal of impairment on securities sold		
Gains on sale of securities		
■ held at the start of the year		
■ acquired during the year		-10,535
Change in provision for impairment of the portfolio	2,981	
Other changes in unrealised gains		
■ on securities acquired during the year		
■ on securities acquired previously		79,271
Distribution by portfolio companies		
CLOSING BALANCE	**661,683**	**998,914**

(1) The "Net book value" amount indicated for the line "Acquisitions during the year" represents acquisitions made by Altamir and the difference between the capital calls and distributions made by the funds through which Altamir invests. The "End-of-period value" amount corresponds to the total investments made by Altamir and all of the funds through which Altamir invests.

(2) The amounts indicated in the line "Divestments during the year" represent, for the column "Net book value", the net book value of the assets sold and, for the column "End-of-period value", their sale price.

ANALYSIS OF CHANGE IN PROVISIONS ON EQUITY INVESTMENTS AND RELATED RECEIVABLES

(in thousands of euros)	31/12/2016	31/12/2017	Allocations	Prov. revers. on divestment	Other prov. revers.	31/12/2018
PROVISION	**21,939**	**18,192**	**12,684**	**0**	**18,192**	**12,684**

The provision reversals chiefly related to the disposal of Royer group shares.

CHANGE IN UNREALISED GAINS NOT RECOGNISED IN THE ANNUAL FINANCIAL STATEMENTS

(in thousands of euros)	31/12/2016	31/12/2017	31/12/2018
ESTIMATED VALUE	**367,014**	**277,052**	**337,231**

2.5 OTHER RECEIVABLES

STATEMENT OF CHANGES IN GROSS ACCRUED INTEREST

(in thousands of euros)	31/12/2016	31/12/2017	Increases	Reductions	31/12/2018
INTEREST ACCRUED ON RECEIVABLES RELATED TO EQUITY INVESTMENTS	**56,885**	**31,695**	**5,036**	**853**	**35,878**

STATEMENT OF CHANGES IN PROVISIONS ON ACCRUED INTEREST

(in thousands of euros)	31/12/2016	31/12/2017	Increases	Reductions	31/12/2018
PROVISIONS ON INTEREST ACCRUED ON RECEIVABLES RELATED TO EQUITY INVESTMENTS	**56,885**	**31,695**	**5,036**	**853**	**35,878**

The accrued interests on convertible bonds or equivalent securities have been fully written down. The Company has determined that accrued interest is included in the acquisition price of third parties and not paid by the debtor company.

2.6 SUNDRY RECEIVABLES

Sundry receivables consisted of two main items:

- a receivable due from portfolio funds relating to the total fees invoiced by these funds. At the close of the year, total fees paid to the various funds were higher than the share of fees that should have been borne to date (€14.2m);
- €219k of credit notes to be received on expenses incurred during the year.

2.7 CASH ON HAND

As of 31 December 2018, the balance of cash on hand amounted to €4.8m.

2.8 SHORT-TERM INVESTMENT SECURITIES

2.8.1 Gross values

Short-term investment securities are valued at historical cost. Capital gains on divestments are calculated based on the difference between the sale price and the weighted average purchase price. The Company does not recognise any unrealised capital gains in the statutory statements. However, interest not yet due as of 31 December 2018 on certificates of deposit, time deposits, negotiable debt securities, and tax-efficient capitalisation funds is recognised in accrued interest receivable.

Other current financial assets related to an Allianz tax-efficient capitalisation fund of €15m.

The unrealised gain on these investments as of 31 December 2018 was €1.3m.

No impairment of short-term investment securities was recognised at the balance sheet date.

INVENTORY OF INVESTMENT SECURITIES

	Quantity	Unit price *(in euros)*	Book value *(in thousands of euros)*	Market value as of 31/12/2018 *(in thousands of euros)*
Other marketable securities				
Allianz	1		15,000	16,303

2.8.2 Provisions for impairment of short-term investment securities

No provision was recognised as of 31 December 2018.

2.9 PREPAID EXPENSES

(in thousands of euros)	**31/12/2016**	**31/12/2017**	**31/12/2018**
Prepaid expenses	39	31	34

These consisted primarily of advertising and insurance expenses and commissions.

2.10 PROVISIONS FOR RISKS AND CONTINGENCIES

The provision for risks and contingencies related to potential carried interest on the Apax France VIII-B (€11.3m) and Apax VIII LP (€4.1m) funds.

2.11 OTHER FINANCIAL LIABILITIES

(in thousands of euros)	**31/12/2016**	**31/12/2017**	**31/12/2018**
Other financial liabilities	34	9,063	33,422
TOTAL	**34**	**9,063**	**33,422**

Other financial liabilities primarily comprised €33.3m drawn down on a credit line.

2.12 TRADE PAYABLES AND RELATED ACCOUNTS, TAX AND SOCIAL SECURITY LIABILITIES AND OTHER LIABILITIES

(in thousands of euros)	**31/12/2016**	**31/12/2017**	**31/12/2018**
Trade payables	303	189	1,760
Tax and social security liabilities	0	0	0
Other liabilities	1	24,736	70,020
TOTAL	**304**	**24,926**	**71,780**

Trade payables (€1,760k) primarily represented invoices yet to be received for fees to be paid to the Management Company, lawyers and Statutory Auditors and fees for services rendered.

Other liabilities related to the most recent investments made by the Apax funds for which capital calls have not yet been made.

All of these liabilities are due in less than one year.

2.13 OFF-BALANCE-SHEET COMMITMENTS

SUMMARY OF OBLIGATIONS AND COMMITMENTS

			Payments due by period		
Contractual obligations	**Total 31/12/2017**	**Total 31/12/2018**	**Less than one year**	**One to five years**	**More than five years**
Lease-financing obligations					
Operating leases					
Irrevocable purchase obligations (investment commitments)					
Other long-term obligations (liability guarantees and other)	326,502,093	259,410,117	106,263,727	153,146,391	
TOTAL	**326,502,093**	**259,410,117**	**106,263,727**	**153,146,391**	**0**

The above presentation shows all off-balance-sheet commitments according to accounting standards currently in force.

Irrevocable purchase obligations (investment commitments)

TRACKING OF INVESTMENT COMMITMENTS

Companies	Commitments as of 31/12/2017	Investments during the year	Cancellation of commitments as of 31/12/2018	New commitments as of 31/12/2018	Commitments as of 31/12/2018
Listed securities	0	0	0	0	0
Investment commitment in Turing Equity Co LP	515,843	0	0	0	515,843
Unlisted securities	515,843	0	0	0	515,843
TOTAL	**515,843**	**0**	**0**	**0**	**515,843**

As part of the divestment of Buy Way, Altamir provided a guarantee, capped at 15% of the sale price, i.e. €6,184,051, in order to meet any third-party claims, and to cover the sellers' filings and any tax risks.

Other off-balance-sheet commitments

Altamir carries out LBO transactions *via* special-purpose acquisition companies (SPACs).

If the underlying target company is listed, the debt is guaranteed by all or part of that company's assets. When the share price of these companies falls, and the average share price over a given period drops below a certain threshold, the SPACs become responsible for meeting collateral or margin calls. This involves putting cash in escrow in addition to the collateralised securities so as to maintain the same collateral-to-loan ratio ("collateral top-up clause"). In the event of default, banks may demand repayment of all or part of the loan. This collateral is furnished by the shareholders of the SPACs, including Altamir, in proportion to their share in the capital. They have no impact on Altamir's revenue and NAV (listed companies are valued on the last trading day of the period), but can tie up part of its cash. Conversely, when the share price of these companies rises, all or part of the balance in escrow is released, and the calls repaid.

In terms of sensitivity, a 10% or 20% drop in the average market prices of these listed securities compared to the calculation performed on 31 December 2018 would trigger a collateral call for Altamir of €2m or €6.2m, respectively.

A commitment was given to certain managers of THOM Europe, Snacks Développement, Ciprés, Melita, InfoVista and AEB to repurchase their shares and bonds in the event of their departure. These commitments were not material as of 31 December 2018.

The Apax France IX-B fund gave a security deposit to Transatlantic Bank as part of the investment in Sandaya relating to the funding of future acquisitions.

An earn-out could be due to the seller of Marlink based on the multiple achieved by the Apax France VIII-B and Apax France IX-B funds when the company is sold.

Other accrued income

None.

Pledged securities

- Securities pledged to Transatlantique Bank:

  As of 31 December 2018, 1,111,111,112 A units in the Apax France VIII-B fund were pledged against a credit line of €8m, undrawn as of 31 December 2018.

  The pledged securities cover 150% of the amounts granted based on the valuation of the units in the Apax France VIII-B fund as of 31 December 2016.

- Securities pledged to LCL Bank (banking pool with LCL, BNP, Neuflize OBC, HSBC and Palatine Bank):

  As of 31 December 2018, 6,141,732,283 A units in the Apax France VIII-B fund and one A unit in the Apax France IX-B fund were pledged to the banking pool against a credit line of €52m, drawn down by €33.3m as of 31 December 2018.

The pledged securities cover 150% of the amounts granted based on the valuation of the units in the Apax France VIII-B fund as of 31 December 2016.

NOTE 3 Notes relating to certain income statement items

3.1 REVENUE OPERATIONS

3.1.1 Financial income

(in thousands of euros)	**31/12/2016**	**31/12/2017**	**31/12/2018**
Income from cash investments	1,136	253	217
Net income from the sale of marketable securities	0	0	0
Other financial income	0	0	0
Reversals of provisions	0	0	0
TOTAL	**1,136**	**253**	**217**

3.1.2 Financial expenses

(in thousands of euros)	**31/12/2016**	**31/12/2017**	**31/12/2018**
Interest and similar expenses	201	15	789
Net expenses from the sale of marketable securities	0	0	0
Provisions	0	0	0
TOTAL	**201**	**15**	**789**

Interest amounts primarily corresponded to interest paid on the drawn credit lines during the year.

3.1.3 Other purchases and external expenses

(in thousands of euros)	**31/12/2016**	**31/12/2017**	**31/12/2018**
Altamir Gérance management fees	6,950	7,598	7,346
Other expenses	2,247	2,423	2,363
TOTAL	**9,197**	**10,021**	**9,709**

The management fees of €6.1m invoiced by the Management Company were calculated pursuant to Article 17.1 of the Company's Articles of Association. This amount is lower than in the previous year, due to an increase in the deductions made by the funds, particularly the Apax France IX-B and Apax IX LP funds.

The other fees and expenses of €2.4m include, in addition to the three items detailed in the table above, €1.3m in legal fees, statutory audit fees and listing costs.

The amount of these fees and expenses has been broadly stable for the last three years.

Indirect fees fell by 8%, dropping from €15.1m as of 31 December 2017 to €13.9m as of 31 December 2018. This change is explained by the decrease in Apax France VIII-B's management fee rate, which has fallen on 1 July each year.

Pursuant to Decree No. 2008-1487 of 20 December 2008, fees paid to the Statutory Auditors broke down as follows:

	Ernst & Young and other members of the Ernst & Young network				RSM			
	Amount excl. taxes		%		Amount excl. taxes		%	
(in €)	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**
Audit								
Audit, certification and examination of the statutory and consolidated financial statements								
■ Issuer	109,600	102,600	100%	100%	74,400	87,400		100%
■ Fully consolidated subsidiaries ■ Other duties and services directly related to the audit assignment								
■ Issuer								
■ Fully consolidated subsidiaries								
SUBTOTAL	**109,600**	**102,600**	**100%**	**100%**	**74,400**	**87,400**		**100%**
Other services performed by the networks for the fully consolidated subsidiaries								
Legal, tax, employee-related								
Other	10,000	15,000						
SUBTOTAL								
TOTAL	**119,600**	**117,600**	**100%**	**100%**	**74,400**	**87,400**		**100%**

3.1.4 Taxes

(in thousands of euros)	31/12/2016	31/12/2017	31/12/2018
Other taxes	788	1,170	0
TOTAL	**788**	**1,170**	**0**

3.1.5 Depreciation, amortisation and provisions

None.

3.2 CAPITAL TRANSACTIONS

3.2.1 Income

(in thousands of euros)	31/12/2016	31/12/2017	31/12/2018
Capital gains on sale of equity investments/portfolio investments	79,066	85,346	41,472
Reversal of provisions	24,320	40,317	19,054
Other income	6,957	9,267	8,591
TOTAL	**110,343**	**134,930**	**69,116**

Provision reversals correspond to the reversal of the provision made against the interest on the groupe Royer receivable.

3.2.2 Expenses

(in thousands of euros)	31/12/2016	31/12/2017	31/12/2018
Losses on sale of portfolio investments	2,572	6,111	20,042
Provisions for impairment	17,568	10,668	24,103
Other expenses	1,607	40,152	3,201
TOTAL	**21,747**	**56,931**	**47,345**

Other expenses related to the share of fees linked to the most recent distributions of portfolio funds.

Provisions for impairment related to a provision on the Altrafin receivable of €12.2m and to a provision for impairment for the Apia Vista private equity fund (€2.5m).

3.2.3 Corporation tax

The Company opted for the tax status of SCR (société de capital risque) as of the financial year ended 31 December 1996. This status requires compliance with certain criteria, in particular the limitation of debt to 10% of shareholders' equity and the eligibility of securities held. The legislation on SCRs applicable as of 2001 exempts all income from corporation tax.

The Company does not recover VAT. Non-deductible VAT is recognised as an expense in the income statement.

3.2.4 Extraordinary expenses

(in thousands of euros)	31/12/2016	31/12/2017	31/12/2018
EXTRAORDINARY EXPENSES	**52**	**42**	**149**

3.2.5 Extraordinary income

(in thousands of euros)	31/12/2016	31/12/2017	31/12/2018
EXTRAORDINARY INCOME	**98**	**3,133**	**85**

NOTE 4 Other information

4.1 EMPLOYEES

The Company has no employees, and no stock option plan in place.

4.2 RIGHTS OF THE GENERAL PARTNER AND CLASS B SHAREHOLDERS

The Company generated net income of €11,139,091.27 in 2018.

The Company has positive retained earnings of €91,323.68, which correspond to the undistributed income on treasury shares for the financial years 2011 to 2017.

The general partner and the Class B shareholders have the right to receive a portion of distributable earnings, calculated in accordance with the method presented in paragraph 25 of the Company's Articles of Association. The calculation made for this purpose showed a nil amount for 2018. Accordingly, no amount will be paid in 2019.

3.4 STATUTORY AUDITORS' REPORT ON THE STATUTORY FINANCIAL STATEMENTS

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users.
This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to the shareholders.
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Annual General Meeting of Altamir,

OPINION

In compliance with the engagement entrusted to us by your Annual General Meetings, we have audited the accompanying financial statements of Altamir for the year ended December 31, 2018.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2018 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

BASIS FOR OPINION

AUDIT FRAMEWORK

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Financial Statements section of our report.

INDEPENDENCE

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from January 1, 2018 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 or in the French Code of Ethics (*Code de déontologie*) for Statutory Auditors.

JUSTIFICATION OF ASSESSMENTS - KEY AUDIT MATTERS

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

VALUATION OF LONG-TERM INVESTMENTS IN THE PORTFOLIO ACTIVITY, EQUITY SECURITIES AND RECEIVABLES RELATED TO EQUITY SECURITIES

Risk identified	Our response
As at December 31, 2018, long-term investments in the portfolio activity, equity investments and receivables related to equity investments amounted to M€ 566.7, M€ 61.6 and M€ 33.5, respectively, in net value. They are accounted for at their acquisition value as indicated in Note 2.1 to the financial statements. They may give rise to depreciation but cannot be revalued. When inventory value of the security of the portfolio activity, equity security or related receivable is lower than its acquisition value, a provision for depreciation is recorded at the amount of the difference. As indicated in Notes 2.1.3 and 2.1.4 to the financial statements, the inventory value of these securities is based on complex valuation models and requires the exercise of Management's judgment. Given their significant importance in the Company's financial statements, the complexity of the models used, their sensitivity to data variations, the assumptions on which the estimates are based and the judgment required to assess their net asset value, we considered the valuation of these assets as a key audit matter.	We obtained an understanding of the procedures implemented by the Manager for the determination of the inventory value of the long-term investments in the portfolio activity, equity investments and receivables related to equity investments (hereinafter investment portfolio). As part of our audit of the financial statements, and with the help of our valuation experts, our work on the main funds / investments consisted in: ■ assessing, that the valuation method used for the main lines of the investments portfolio is appropriate; ■ assessing, based on the information provided to us, that the estimation of these values is based in particular on data and quantified assumptions that are in line with the market and / or macro-economic data available at closing date; ■ assessing the specific contractual documentation to each investment; ■ testing, by sampling, the arithmetic accuracy of the inventory value calculations used by the Company. We also analyzed the appropriateness of the information presented in Note 2.4 to the financial statements.

RESPECT OF THE SCR TAX STATUS

Risk identified	Our response
Your Company has opted for the SCR tax status which gives it a specific legal and fiscal framework, adapted to its corporate purpose which is the management of a securities portfolio. The SCR tax status is only granted to companies that fully meet certain cumulative regulatory conditions. Given the very restrictive conditions of the SCR tax status (in particular the limitation of indebtedness and the eligibility of investments, as set out in Note 3.2.3 to the financial statements), which could, in case of non-compliance, remove the tax exemption enjoyed by the Company, we considered compliance with the regulatory conditions of the SCR tax status regime as a key audit matter.	Based on interviews with Management, we acknowledged the procedures set up by the Manager to identify the regulatory changes relating to the SCR tax status and to monitor the Company's correct compliance with the conditions. As part of our audit of the financial statements, our work consisted in assessing compliance with the criteria for eligibility for the SCR tax status, by including our tax experts.

SPECIFIC VERIFICATIONS

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

INFORMATION GIVEN IN THE MANAGEMENT REPORT AND IN THE OTHER DOCUMENTS WITH RESPECT TO THE FINANCIAL POSITION AND THE FINANCIAL STATEMENTS PROVIDED TO THE SHAREHOLDERS

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report and in the other documents with respect to the financial position and the financial statements provided to the shareholders.

We attest that the information relating to payment terms referred to in article D. 441-4 of the French Commercial Code (*Code de commerce*) is fairly presented and consistent with the financial statements.

REPORT ON CORPORATE GOVERNANCE

We attest that the Supervisory Board's Report on Corporate Governance sets out the information required by Articles L. 225-37-3 and L. 225-37-4 of the French Commercial Code (*Code de commerce*).

Concerning the information given in accordance with the requirements of Article L. 225-37-3 of the French Commercial Code (*Code de commerce*) relating to remunerations and benefits received by the directors and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from controlling and controlled companies. Based on these procedures, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your Company considered likely to have an impact in the event of a public purchase offer or exchange, provided pursuant to Article L. 225-37-5 of the French Commercial Code (*Code de commerce*), we have agreed these to the source documents communicated to us. Based on our work, we have no observations to make on this information.

OTHER INFORMATION

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders or holders of the voting rights has been properly disclosed in the management report.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

APPOINTMENT OF THE STATUTORY AUDITORS

ERNST & YOUNG et Autres was appointed as statutory auditor by the Annual General Meeting held on April 22, 1999. RSM Paris automatically replaced COREVISE as a result of a universal transfer of assets and liabilities that became final on September 29, 2018. COREVISE, previously alternate statutory auditor, had replaced the resigning firm during fiscal year 2013.

As at December 31, 2018, COREVISE, who was replaced by RSM Paris, and ERNST & YOUNG et Autres were in the sixth year and twentieth year of total uninterrupted engagement respectively.

Prior to ERNST & YOUNG et Autres (formerly Barbier Frinault et Autres), Barbier Frinault et Associés had been statutory auditor since 1993, date on which the Company was incorporated.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Manager.

STATUTORY AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

OBJECTIVES AND AUDIT APPROACH

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

REPORT TO THE AUDIT COMMITTEE

We submit to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code (Code de commerce) and in the French Code of Ethics (Code de déontologie) for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris and Paris-La Défense, April 8, 2019
The Statutory Auditors
French original signed by

COREVISE	ERNST & YOUNG et Autres	
Fabien Crégut	Henri-Pierre Navas	**Marie Le Treut**

3.5 LIST OF SUBSIDIARIES AND EQUITY INVESTMENTS

(in euros)

Financial information **Subsidiaries and equity investments***	**Capital and premiums**	**Reserves and retained earnings before allocation of income**	**Share of capital (%)**	**Book value of securities held** **Gross**	**Net**	**Outstanding loans and advances granted by the Company**	**Amount of deposits and guarantees given by the Company**	**Revenues net of tax for latest financial year**	**Earnings for latest financial year**	**Dividends received by the Company over the year**	**Notes**
A – SECURITIES WHOSE GROSS VALUE EXCEEDS 1% OF THE CAPITAL OF ALTAMIR											
1. Subsidiaries (> 50% owned)											
2. Equity interests (10-50% owned)											
Altran (Altrafin Participations) 1 rue Paul Cézanne 75008 Paris N° Siren : 503 722 449	10,758,145	-140,024,962	41.29%	18,076,041	5,888,316.13	20,229,842	0	0	139,788,351	0	31/12/17*
THOM Europe (European Jewellers I SA) 41 avenue de la Gare L-1611 Luxembourg N° Siren : NA	199,572,666	-275,504	11.40%	22,751,815	22,751,815.00	149,343	0	0	-47,332	0	30/09/17*
Europe Snacks (Snacks Développement II) ZI Saint-Denis-Les-Lucs 85170 Saint-Denis-la-Chevasse N° Siren : 798 659 751	27,748,105	553,960	12.75%	3,536,588	3,536,588.34	852,811	0	0	-141,637	0	31/01/18*
B – OTHER ENTITIES MORE THAN 5% HELD OR REPRESENTING MORE THAN 5% OF THE SHARE CAPITAL OF ALTAMIR											
1. Subsidiaries (> 50% owned) None											
2. Equity interests (10-50% owned)											
Afflelou (Lion/Seneca Lux TopCo) 7 rue Lou-Hemmer L-1748 Luxembourg N° Siren : NA	119,290,948	158,109	6.95%	8,365,655	8,365,655	12,251,549	0	0	-145,568	0	31/07/18*
Altran (Altimus) 1 rue Paul Cézanne 75008 Paris N° Siren : 793 653 353	1,142,101	-2,208,197	27.76%	626,579	139,143	0	0	0	2,558,648	0	31/12/17*
C – ALL OTHER EQUITY INTERESTS				20,962,537	20,962,537	0				0	
GRAND TOTAL (€)				74,319,216	61,644,055	33,483,545				0	

** The first company named is the operational company, while the second is the holding company in which Altamir has invested. The figures given are those of the holding company.*
N/A = Not available

4

INFORMATION ABOUT THE COMPANY AND ITS CAPITAL

4.1 SHARE CAPITAL

4.1.1 AMOUNT OF SHARE CAPITAL

Following the exercise of share warrants in March and September 2008 and the partial payment of the 2007 dividend in shares, the Company's share capital was €219,259,626 on 31 December 2008. No share capital transactions have been carried out since that date.

As of 31 December 2018, the Company's share capital was composed of 36,512,301 ordinary shares with a par value €6 and 18,582 preferred shares ("Class B shares") with a par value of €10, representing 36,512,301 theoretical voting rights (Class B shares not having voting rights) and 36,472,301 actual voting rights. The difference between the number of theoretical and actual voting rights is equal to the number of treasury shares.

The Company has not granted any stock options or bonus shares.

4.1.2 CHANGES IN THE SHARE CAPITAL OF ALTAMIR

Date	Transaction	Number of shares before	Number of shares after	Par value Francs/euros	Share premium	Share capital Francs/euros
1993	Creation	2,500		FRF 100 (€15.2)	0	FRF 250,000 (€38,112)
16/05/1995	Full payment of shares	2,500		FRF 100 (€15.2)	0	FRF 250,000 (€38,112)
16/05/1995	Capital increase	2,500	3,000	FRF 100 (€15.2)	0	FRF 300,000 (€45,735)
01/06/1995	Increase in par value	3,000	3	FRF 100,000 (€15,245)	0	FRF 300,000 (€45,735)
01/06/1995	Capital increase	3	15	FRF 100,000 (€15,245)	0	FRF 1,500,000 (€228,673)
30/11/1995	Capital increase	15	815	FRF 100,000 (€15,245)	0	FRF 81,500,000 (€12,424,595)
22/04/1998	Share split	815	101,875	FRF 800 (€121.96)	0	FRF 81,500,000 (€12,424,595)
07/07/1998	Capital increase	101,875	313,875	FRF 800 (€121.96)	FRF 250 (€38.11)	FRF 251,100,000 (€38,279,948)
31/07/1999	Capital increase through exercise of Class B warrants	313,875	314,696	FRF 800 (€121.96)	0	FRF 251,756,800 (€38,380,077)
28/04/2000	Capital increase through exercise of Class B warrants	314,696	320,770	FRF 800 (€121.96)	0	FRF 256,616,000 (€39,121,109)
30/06/2000	Capital increase capital increase through the exercise of convertible bonds (ORAs)	320,770	490,361	FRF 800 (€121.96)	FRF 250 (€38.11)	FRF 392,288,800 (€59,804,427)
20/12/2000	Capital increase through exercise of Class B warrants	490,361	532,824	FRF 800 (€121.96)	0	FRF 426,259,200 (€64,982,796)
	Capital increase following the merger with Société Européenne Kléber	539,041 ordinary shares	539,041 ordinary shares	€100		
30/11/2006	Creation of 8,623 Class B preferred shares without voting rights.		8,623 Class B shares	€10		€53,990,330
	Capital increase through incorporation of share premiums and increase in the par value of ordinary shares to €102, then 17: 1 share split, bringing the par value per share to €6. Capital increase following the merger with Amboise Investment.	539,041 ordinary shares	18,968,897 ordinary shares	€6		
04/06/2007	Creation of 9,805,200 ordinary shares and 9,959 Class B preferred shares without voting rights	8,623 Class B shares	18,582 Class B shares	€10		€113,999,202
		18,968,897 ordinary shares	29,638,901 ordinary shares	€6		
10/07/2007	Capital increase in cash	18,582 Class B shares	18,582 Class B shares	€10		€178,019,226
		29,638,901 ordinary shares	31,776,725 ordinary shares	€6		
31/03/2008	Capital increase through cash payment following the exercise of 360,021 March 2008 warrants	18,582 Class B shares	18,582 Class B shares	€10		€190,846,170
		31,776,725 ordinary shares	33,064,680 ordinary shares	€6		
21/05/2008	Partial payment of the dividend in shares	18,582 Class B shares	18,582 Class B shares	€10		€198,573,900
		33,064,680 ordinary shares	36,512,301 ordinary shares	€6		
29/09/2008	Capital increase through cash payment following the exercise of 13,159,873 September 2008 warrants	18,582 Class B shares	18,582 Class B shares	€10		€219,259,626

4.1.3 POTENTIAL CAPITAL

At this time, there is no potential capital.

4.1.4 PURCHASE BY THE COMPANY OF ITS OWN SHARES

LEGAL FRAMEWORK

At their General Meeting on 26 April 2018, the shareholders authorised the Company to buy back its shares for the sole purpose of ensuring their liquidity or secondary market activity. The buyback programme is limited to 1% of the Company's capital, based on available reserves.

This programme is designed to ensure an active secondary market *via* a liquidity contract that complies with the AMAFI (Association française des marchés financiers) Code of Conduct, approved by the regulatory authorities.

The buyback programme meets the following requirements:

The total number of shares acquired through the programme may not exceed 1% of the Company's capital. As a guide, as of 31 December 2018, this percentage corresponded to 365,123 shares.

The maximum purchase price per share may not exceed €20.00 (excluding acquisition costs).

As a result, based on the example above, the maximum amount that can be paid by the Company to buy back its own shares is €7,302,460.

The share purchases may be carried out by any means, including by acquiring blocks of shares and at times determined by the Management Company. The Management Company may not, without prior authorisation from shareholders, use this authorisation during a tender offer initiated by a third party involving the Company's securities until the end of the tender offer period.

The Company does not intend to use options or derivative instruments.

This authorisation was granted for a period of 18 months.

The buyback programme is funded using the Company's existing cash resources.

DESCRIPTION OF THE SHARE BUYBACK PROGRAMME

In accordance with Article 241-2 of the AMF's General Regulation, the purpose of this presentation is to describe the objectives and terms and conditions of the Company's share buyback programme. Shareholders will be asked to approve this programme at their General Meeting on 29 April 2019. Prior notification was published in France's official gazette ("BALO") on 25 March 2019.

Breakdown of shares held by objective as of 28 February 2019

Number of shares held directly and indirectly: 33,300, representing less than 0.1% of the Company's share capital.

All of these shares are held for the purpose of ensuring active trading in the Company's shares *via* an AMAFI-compliant liquidity contract.

As previously reported, Altamir appointed Oddo BHF to implement its liquidity contract on 2 November 2009.

NEW PROPOSED PROGRAMME

Shareholders will be asked to approve a new share buyback programme at their General Meeting. Its features will be as follows:

- programme authorisation: General Meeting of 29 April 2019;
- securities included in the programme: ordinary shares;
- maximum percentage of capital that may be repurchased: 1% (i.e. 365,123 shares as of this date), with the stipulation that this limit is calculated as of the date of the buybacks so that any increases or decreases in capital that might take place during the course of the programme will be taken into account. The number of shares used to calculate compliance with the limit is the number of shares purchased less the number of shares resold during the programme, for the purpose of maintaining liquidity;
- maximum purchase price: €20 per share;
- maximum amount of programme; €7,302,460;
- repurchase procedures: the shares may be repurchased by any means, including by acquiring blocks of shares and at times determined by the Management Company. The Management Company may not, without prior authorisation from shareholders, use this authorisation during a tender offer initiated by a third party involving the Company's securities until the end of the tender offer period. The Company does not intend to use options or derivative instruments;
- objective: ensure secondary market activity and liquidity in the Company's shares *via* a liquidity contract with an investment services provider that complies with the AMAFI Code of Conduct, approved by the regulatory authorities;
- programme duration: 18 months, starting from the General Meeting of 29 April 2019, i.e. until 28 October 2020.

Results of the share buyback programme

The results of the programme for 2018 were as follows, keeping in mind that all of these transactions were carried out under the liquidity contract:

	Volume	Amount *(in euros)*	Average price *(in euros)*
Purchases	348,021	5,085,073	14.61
Sales	327,160	4,773,747	14.59

For the financial year ended 31 December 2018, these transactions resulted in a -€24,168.37 loss for Altamir, net of additions to and reversals of provisions.

The number of shares held in treasury at 31 December 2018 was 40,000, or around 0.11% of the share capital. All of the shares were allocated to maintaining a secondary market *via* the liquidity contract.

Their value at the closing price on 31 December 2018 was €505,600.

Their weighted average cost was €574,478.43.

The overall par value was €240,000.

The total amount of fees for the liquidity contract, including transaction costs, was €45,000 excl. VAT.

Shares held in treasury were not used in any way, nor reallocated during the financial year 2018.

As of 31 December 2018, the liquidity account was composed of:

- 40,000 shares;
- €182,716 in cash and money-market funds.

For information, the results of the 2017 programme were as follows:

	Volume	Amount (€)	Average price (€)
Purchases	369,501	5,505,356	14.90
Sales	366,994	5,485,858	14.95

These transactions resulted in a gain for Altamir, net of additions to and reversals of provisions, of €63,119.45.

TAX TREATMENT OF SHARE BUYBACKS

For Altamir

As SCRs are exempt from corporation tax on all capital gains, Altamir, an SCR, is not liable for tax on gains from buybacks of its own shares.

For the seller of the shares

The specific features of the various tax regimes are set out in Section 4.3.

4.1.5 DIVIDENDS

Dividends are paid at the times and places designated by the Management Company and no later than nine months from the balance sheet date, unless this deadline is extended by court order.

In accordance with legal provisions, dividends not claimed within five years of the date on which they were to be paid are forfeited and the amounts paid over to the State.

A dividend of €0.4459 was paid on each ordinary share and of €384.1 on each Class B share in respect of 2013. A dividend of €0.50 was paid on each ordinary share and of €1,348.95 on each Class B share in respect of 2014. A dividend of €0.56 was paid on each ordinary share and of €813.58 on each Class B share in respect of 2015. A dividend of €0.65 was paid on each ordinary share and of €2,141.14 on each Class B share in respect of 2016. A dividend of €0.65 was paid on each ordinary share and of €1,657.20 on each Class B share in respect of 2017.

4.2 PRINCIPAL SHAREHOLDERS

4.2.1 DISTRIBUTION OF SHARE CAPITAL AND VOTING RIGHTS FOR THE PAST THREE YEARS BASED ON THRESHOLDS CROSSED

There has been no significant change to share capital since the close of the latest financial year.

	As of 31/12/2018					
Shareholders	**Number of shares**	**% of share capital**	**Theoretical voting rights**	**% theoretical voting rights**	**Voting rights exercisable at the GM**	**% voting rights exercisable at the AGM**
Amboise SAS	23,504,862	64.34%	23,504,862	64.38%	23,504,862	64.45%
Amboise Partners SA (ex-Apax Partners SA)	226,310	0.62%	226,310	0.62%	226,310	0.62%
Subtotal: Maurice Tchenio and related companies	**23,731,172**	**64.96%**	**23,731,172**	**65.00%**	**23,731,172**	**65.07%**
Free float	10,288,527	28.16%	10,288,527	28.18%	10,288,527	28.21%
TT Investments	1,852,602	5.07%	1,852,602	5.07%	1,852,602	5.08%
Treasury shares	40,000	0.11%	40,000	0.05%	0	0%
TOTAL ORDINARY SHARES	**36,512,301**	**99.95%**	**36,512,301**	**100%**	**36,472,301**	**100%**
Class B shares	18,582	0.05%				
GRAND TOTAL	**36,530,883**	**100%**		**100%**		**100%**

	As of 31/12/2017					
Shareholders	**Number of shares**	**% of share capital**	**Theoretical voting rights**	**% theoretical voting rights**	**Voting rights exercisable at the GM**	**% voting rights exercisable at the AGM**
Amboise SAS	10,510,364	28.77%	10,510,364	28.79%	10,510,364	28.80%
Amboise Partners SA (ex-Apax Partners SA)	226,310	0.62%	226,310	0.62%	226,310	0.62%
Subtotal: Maurice Tchenio and related companies	**10,736,674**	**29.39%**	**10,736,674**	**29.41%**	**10,736,674**	**29.42%**
Free float	20,945,711	57.34%	20,945,711	57.37%	20,945,711	57.40%
Moneta Asset Management	3,320,000	9.09%	3,320,000	9.09%	3,320,000	9.10%
Treasury shares	19,139	0.05%	19,139	0.05%	0	0%
TOTAL ORDINARY SHARES	**36,512,301**	**99.95%**	**36,512,301**	**100%**	**36,493,162**	**100%**
Class B shares	18,582	0.05%				
GRAND TOTAL	**36,530,883**	**100%**		**100%**		**100%**

Shareholders	Number of shares	% of share capital	Theoretical voting rights	% theoretical voting rights	Voting rights exercisable at the GM	% voting rights exercisable at the AGM
	As of 31/12/2016					
Amboise SAS*	10,298,908	28.19%	10,298,908	28.21%	10,298,908	28.22%
Apax Partners SA	226,310	0.62%	226,310	0.62%	226,310	0.62%
Subtotal: Maurice Tchenio and related companies	**10,525,218**	**28.81%**	**10,525,218**	**28.83%**	**10,525,218**	**28.84%**
Free float	21,159,674	57.92%	21,159,674	57.95%	21,159,674	57.98%
Moneta Asset Management	3,320,000	9.09%	3,320,000	9.09%	3,320,000	9.10%
SEB Asset Management	1,490,777	4.08%	1,490,777	4.08%	1,490,777	4.08%
Treasury shares	16,632	0.05%	16,632	0.05%	0	0%
TOTAL ORDINARY SHARES	**36,512,301**	**99.95%**	**36,512,301**	**100%**	**36,495,669**	**100%**
Class B shares	18,582	0.05%				
GRAND TOTAL	**36,530,883**	**100%**		**100%**		**100%**

* *Amboise SNC changed its legal form on 1 January 2016 and is now Amboise SAS.*

4

To the Company's knowledge, no other shareholder, acting alone or in concert, directly or indirectly holds 5% or more of the Company's capital or voting rights.

DISTRIBUTION OF CLASS B SHARES FOR THE PAST THREE YEARS:

	31/12/2016	31/12/2017	31/12/2018
	Class B shares	Class B shares	Class B shares
Altamir Gérance (Maurice Tchenio)	715	715	715
Other partners	5,703	5,703	5,703
Altamir	12,164	12,164	12,164

Other partners holding Class B shares are: Martine Clavel, Monique Cohen, Hervé Descazeaux, Patrick de Giovanni, Eddie Misrahi, Alan Patricof, Bertrand Pivin, Isabelle Rambaud, Gilles Rigal and Claude Rosevègue.

A table showing changes to the Company's capital from its incorporation to the date this Registration Document was prepared is provided in Section 4.1.2.

4.2.2 THRESHOLD DISCLOSURES

SHAREHOLDERS

Pursuant to Articles L. 233-7 et seq. of the French Commercial Code, we inform you that the following cases of thresholds being crossed were reported to us during the year:

1) in a letter received on 22 August 2018, Amboise SAS, controlled by Maurice Tchenio, declared that on 20 August 2018 it moved above 30%, 1/3 and 50% of the share capital and voting rights of Altamir and that it directly or indirectly held 22,319,379 Altamir shares, representing the same number of voting rights, i.e. 61.10% of the share capital and 61.13% of the voting rights of the Company. Amboise SAS crossed these thresholds after acquiring Altamir shares under its cash tender offer (AMF notice no. 218C1491);
2) in a letter received on 14 September 2018, Moneta Asset Management (36 rue Marbeuf, 75008 Paris), acting on behalf of funds it manages, declared that on 7 September 2018 it moved below the threshold of 5% of the share capital and voting rights of Altamir, and that it held 600,000 Altamir shares on behalf of these funds, representing the same number of voting rights, i.e. 1.64% of the share capital and voting rights of the Company. Moneta Asset Management crossed this threshold as a result of Amboise SAS's acquisition of Altamir shares under its cash tender offer (AMF notice no. 218C1549);
3) in a letter received on 14 September 2018, Amboise SAS, controlled by Maurice Tchenio, declared that on 12 September 2018 it moved above 2/3 of the share capital and voting rights of Altamir and that it held 25,100,384 Altamir shares, representing the same number of voting rights, i.e. 68.71% of the share capital and 68.75% of the voting rights of the Company. Amboise SAS crossed this threshold after acquiring Altamir shares under its cash tender offer (AMF notice no. 218C1559);
4) in a letter received on 18 October 2018, TT Investissements, controlled by Roland Tchenio, declared that on 18 October 2018 it moved above the threshold of 5% of the share capital and voting rights of Altamir and that it held 1,852,602 Altamir shares, representing the same number of voting rights, i.e. 5.07% of the share capital and voting rights of the Company. TT Investissements crossed this threshold after acquiring Altamir shares off-market (AMF notice no. 218C1692);
5) in a letter received on 23 October 2018, Amboise SAS, controlled by Maurice Tchenio, declared that on 22 October 2018 it moved below 2/3 of the share capital and voting rights of Altamir and that it held 23,731,172 Altamir shares, representing the same number of voting rights, i.e. 64.96% of the share capital and 65.00% of the voting rights of the Company. Amboise SAS crossed this threshold after selling Altamir shares off-market (AMF notice no. 218C1718).

4.2.3 SECURITIES HELD BY CORPORATE OFFICERS AND EXECUTIVES

SECURITIES HELD DIRECTLY OR INDIRECTLY BY MEMBERS OF AN ADMINISTRATIVE, MANAGERIAL OR SUPERVISORY BODY AS OF 31 DECEMBER 2018

The corporate officers had the following holdings in Altamir as of 31 December 2018:

Name	Position as of 31/12/2018	Position as of 31/12/2017
Management Company		
Maurice Tchenio, Chairman and Chief Executive Officer of Altamir Gérance	23,731,172	10,736,674
Members of the Supervisory Board as of 31 December 2018		
Jean Estin	1,000	-
Sophie Etchandy-Stabile	1,000	1,000
Marleen Groen	1,000	1,000
Gérard Hascoët	33,494	33,494
Jean-Hugues Loyez (Chairman of the Supervisory Board)	412,221	162,098
Philippe Santini	2,128	2,128

TRANSACTIONS CARRIED OUT BY EXECUTIVES ON ALTAMIR SECURITIES

Due to the Cash Tender Offer made by Amboise SAS on Altamir shares, the following transactions, summarised below, were carried out by the Management Company in 2018:

Declarant's name and function	Maurice Tchenio and Amboise SAS (legal entity linked to Mr Tchenio)
Type of transaction and instruments involved	Acquisition of shares
Transaction venue	Euronext Paris
Total amount	€240,132,434.10
Average price/number of shares acquired	€16.72/14,363,710

Declarant's name and function	Maurice Tchenio and Amboise SAS (legal entity linked to Mr Tchenio)
Type of transaction and instruments involved	Sale of shares
Transaction venue	Euronext Paris
Total amount	€22,779,483.32
Average price/number of shares sold	€16.64/1,369,212

The transactions carried out by other executives on the Company's shares in 2018 are summarised below:

Declarant's name and function	Jean-Hugues Loyez, Chairman of the Supervisory Board
Type of transaction and instruments involved	Acquisition of shares
Transaction venue	Euronext Paris
Total amount	€4,079,506.13
Average price/number of shares acquired	€16.31/ 250,123

Declarant's name and function	Jean Estin, member of the Supervisory Board
Type of transaction and instruments involved	Acquisition of shares
Transaction venue	Euronext Paris
Total amount	€16,930
Average price/number of shares acquired	€16.93/1,000

4.2.4 SHAREHOLDERS' AGREEMENT AND COMMITMENTS TO HOLD SECURITIES

SHAREHOLDERS' AGREEMENT

None.

COMMITMENTS BY THE FOUNDERS

Ordinary shares held by the founders

The founders of Altamir are the general partner and the holders of B shares. The number of ordinary shares they hold is provided in Section 4.2.3 above.

Commitments to hold securities

The partners of Amboise Partners SA (ex-Apax Partners SA) and Apax Partners SAS (ex-Apax Partners MidMarket SAS) have no commitment to hold securities for a minimum period.

4.2.5 CONTROL OF THE ISSUER

Following the cash tender offer initiated in May 2018, Amboise Partners SA held, directly and indirectly *via* Amboise Partners SA, 23,731,172 ordinary Altamir shares, representing the same number of voting rights, i.e. 65% of the ordinary shares in circulation and of the voting rights of Altamir.

4.3 LEGAL AND TAX FRAMEWORK OF AN SCR

When Altamir, a French partnership limited by shares *(société en commandite par actions)* was created in 1995, it opted for the status of "SCR" *(société de capital risque)*.

Under certain conditions, this status offers tax benefits both to shareholders and the Company.

4.3.1 LEGAL AND TAX FRAMEWORK

The rules governing SCRs are defined in Act no. 85-695 of 11 July 1985, as last amended on 31 July 2014, in the regulatory provisions of the French Tax Code, and in the administrative instructions BOI-IS-CHAMP-30-50-10-20130311 issued on 11 March 2013, and BOI-IS-CHAMP-30-50-20-20130429 issued on 29 April 2013. These regulations and their interpretation are subject to change.

The following presentation summarises the main rules and restrictions that apply to SCRs as well as the measures provided for in these regulations. It is not exhaustive.

BASIC RULES AND RESTRICTIONS

- The sole purpose of the SCR, barring exceptions, must be the management of a portfolio of securities.
- The SCR must have at least **50%** (hereinafter the "**Quota**") of its net book value invested at all times in non-voting equity securities, in shares or in securities giving access to shares issued by companies (hereinafter the "**Eligible Companies**"):

(i) whose shares are not admitted for trading on a "French or foreign financial market operated by a stock exchange company or investment service provider", i.e. whose **securities are unlisted**, barring exceptions;

(ii) whose registered office is located in a **European Union Member State**, Norway, Iceland or Liechtenstein;

(iii) that are engaged in **industrial or commercial business activities** as described in Article 34 of the French Tax Code. Non-commercial activities are excluded;

(iv) that are **subject to corporation tax** or would be subject to the tax if they engaged in the same activities in France in the same conditions; newly established companies exempted from corporation tax may also be eligible.

- The SCR may not hold more than 40% of the voting rights in an **Eligible Company** as a result of its shareholding.
- An SCR may not invest more than 25% of its net book value in securities issued by any one company.
- The SCR's cash borrowings may not exceed 10% of its net asset value.
- No **individual** may have, together with the individual's spouse, ascendants and descendants, directly or indirectly, **rights to more than 30%** of the net income of the SCR.

FLEXIBILITY MEASURES

The following are also eligible for inclusion in the **Quota**:

- **shareholder loans, up to 15%** of the net book value of the SCR, granted to Quota-Eligible Companies in which the SCR holds at least 5% of the share capital. Shareholder loans to holding companies are excluded;
- **listed shares or shares giving access to the equity** of companies with a **small market capitalisation (less than €150m), up to 20%** of the net book value of the SCR;
- securities of **holding companies** established in a European Union Member State or another country or territory having signed a tax treaty with France containing an administrative assistance clause. The holding company must meet all other requirements for Eligible Companies, except the requirement relating to activities, and its purpose must be to hold equity stakes (hereinafter the "**Qualified Holding Companies**");

- rights representing a financial investment in an **entity** (including FCPI units) established in a European Union Member State or another country or territory having signed a tax treaty with France containing an administrative assistance clause (hereinafter the "**Qualified Entities**");
- securities of Qualifying Holding Companies and rights in Qualifying Entities are included in the Quota on a "look-through" basis, i.e. pro rata to the amount of their investment in securities held in Eligible Companies.

Special rules for Quota calculation provided for in the regulations

- Eligible securities sold or exchanged for non-eligible securities are included in the calculation of the Quota for two years following the date of the sale or exchange.
- Unlisted shares that are admitted for trading on a regulated or organised market for the first time are included in the calculation of the Quota for five years following the date of listing.

4.3.2 TAX RULES/TREATMENT(1)

The following summary describes the tax treatment applicable to SCRs and to investors in SCRs pursuant to the laws in force as of 1 January 2018. The summary is based on the tax advice that Altamir received from Reed Smith. Laws and their interpretations may change in the future.

This summary is provided for information purposes only and should be used in conjunction with personally sought advice so that you, with the input of your advisers, may determine the tax treatment that may apply to you as a shareholder of Altamir SCR. Under no circumstances should you regard it as an exhaustive review of the tax rules applying to investors in Altamir SCR or as comprehensive advice delivered to you by Altamir or by the Reed Smith law firm.

This document will deal solely with the tax treatments that may apply to individual or legal entity shareholders, whether resident in France or not, relating to the capital gain generated from the sale of shares in the SCR and capital gains distributions by the SCR. Currently, all dividends distributed by Altamir derive from the proceeds from the sale of investments (Note 1); the treatment of this case only will therefore be covered in the rest of this document. The treatment applicable to distributions deriving from the proceeds from the sale of other securities will not be covered in this document.

The case of non-cooperative countries and territories (Note 2) will not be covered in this document.

Likewise, holdings of more than 25% in the SCR by non-residents will not be covered, since the Company does not currently face this situation.

Any shareholder or person who is considering a shareholding in Altamir SCR must consult his or her own advisors, if deemed appropriate, before making any investment in Altamir SCR, receiving any distribution from Altamir SCR or selling any shares held in Altamir SCR, in order to determine the applicable tax treatment for amounts distributed by Altamir SCR or for gains or losses that may be realised on sales of Altamir SCR shares.

TAX RULES APPLICABLE TO THE SCR

In principle, Altamir benefits from full corporate tax exemption on the income it receives and the capital gains it realises.

The 3% corporate tax surcharge on distributed income has been discontinued for earnings distributed by the SCR from 1 January 2018. This surcharge constituted a tax expense of the Company and not a withholding tax on the shareholder (see Note 3).

(1) Section prepared by Reed Smith law firm.

TAX RULES APPLICABLE TO SHAREHOLDERS

A/ Residents in France

1) Individuals

	Gains on the sale of SCR shares and distribution of dividends by the SCR[(4)]
■ Upon acquiring the shares, the shareholder committed to a five-year holding period. This five-year commitment was fulfilled and all requirements met to reinvest distributions by the SCR, either through the purchase of shares in the SCR or via a shareholder loan to the SCR[(5)]	■ Exempted from tax on capital gains and distributions[(6)] ■ Social levies (withheld at source): **1)** gains on the sale of SCR shares: ■ in principle: 17.2% of net gains on the sale of SCR shares withheld beginning on 1 January 2018[(7)], ■ as an exception: 15.5% of net gains acquired or recognised before 1 January 2018 or during the first five years after the acquisition of or subscription to SCR shares, provided these shares were acquired or subscribed to between [1] January 2013 and 31 December 2017[(7)]; **2)** on the distribution of capital gains deriving from the sale of equity investments by the SCR: 17.2% of amounts distributed beginning on 1 January 2018[(7)].
	Gains on the sale of SCR shares and distribution of dividends by the SCR[(4) (9)]
■ Shares of the SCR (i) to which no five-year holding commitment was applied, or (ii) which were sold before the end of the five-year period despite the commitment, or (iii) which were sold without meeting the reinvestment requirement[(8)]	■ Single, flat-rate withholding tax of 30% beginning on 1 January 2018 (income tax of 12.8% plus social levies of 17.2%)[(6) (7) (10)]; or ■ Express and irrevocable option for taxation of all investment income at the standard progressive income tax rates; shares acquired before 1 January 2018 qualify for a 50% exclusion if they have been held for at least two years or 65% if they have been held for at least eight years[(6) (10)]. Social levies apply at the rate of 17.2% of the amount before exclusion[(7) (11)].

2) Legal entities subject to corporation tax

Gains on the sale of SCR shares	**Tax treatment**
■ Sale of shares held for at least five years[(12)]	
1) up to the amount represented by equity investments held by the SCR[(1)*]	0%
2) up to the amount not represented by equity investments held by the SCR	15%[(13)]
■ Sale of shares held for less than five years	33.33% or 28%, up to taxable income of €500,000 per 12-month period[(13) (14)]
Distributions of dividends by the SCR[(4)]	**Tax treatment**
■ The dividends distributed by Altamir currently derive exclusively from capital gains realised on the sale of investments[(1) (15)]	■ Fully exempt

* *This ratio was 13.6% as of 31 December 2018.*

Notes:

(1) *Equity investments are shares of portfolio companies in which the SCR held 5% of the issuing company's capital for at least two years. To calculate compliance with the 5% limit, securities held by other FPCIs or SCRs acting in concert with the SCR under the terms of an agreement to acquire these securities are also taken into account.*

(2) *The countries on the list of NCCTs since 1 January 2017 are Botswana, Brunei, Guatemala, the Marshall Islands, Nauru, Niue and Panama.*

(3) *Under the first Amended 2017 Finance Act, two new corporate income tax surcharges were created: (i) a 15% surcharge on income tax, applicable to companies with turnover of more than €1bn and (ii) a 15% surcharge on that surcharge, applicable to companies whose turnover exceeds €3bn. These surcharges are calculated on the earnings of financial years ending between 31 December 2017 and 31 December 2018 and in practice should not apply to SCRs.*

(4) *Provisions also theoretically applicable to gains realised by the SCR via an FPCI or a foreign venture-capital investment entity whose primary objective is to invest in companies whose securities are not admitted for trading on a regulated or organised market, in France or abroad, established in a OECD member state which is also a member of the European Union or has signed a tax treaty with France containing an administrative assistance clause to combat tax fraud or evasion.*

(5) *In addition, the shareholder, together with shareholder's spouse and their ascendants and descendants, may not collectively have rights, directly or indirectly, to more than 25% of the net income of companies whose securities are held in the assets of the SCR or have held this percentage at any time during the five years preceding the subscription to or acquisition of the SCR shares.*

(6) *The 3% or 4% tax surcharge on high incomes (Article 223 sexies of the French Tax Code) may be applicable.*

(7) *Under the social security financing law for 2018, the CSG tax was increased by 1.7% for all categories of income, raising the total of social levies on investment income from 15.5% to 17.2%.*
As an exception, historical tax rates will be maintained for the fraction of net gains on the sale of SCR shares recognised (i) before 1 January 2018 or (ii) during the first five years after the date the shares were acquired or subscribed to, provided the shares were acquired or subscribed to between 1 January 2013 and 31 December 2017.
The French tax authority will specify how these exceptions will be applied.

(8) *Except in the event of death, permanent disability, retirement or dismissal.*

B/ Non-residents	
1) Individuals	
Gains on the sale of SCR shares	
Rights to 25% or less of the net income of the SCR at the time of the sale or during the previous five years	■ Not taxed in France
Distributions of dividends by the SCR[4]	**Tax treatment**
■ Shareholder (i) who is resident for tax purposes in a country or territory having signed a treaty with France containing an administrative assistance clause to combat tax fraud or evasion, and (ii) who, upon acquiring shares, made and fulfilled the 5-year holding and reinvestment commitments[5]	■ Not taxed in France[6]
■ Shareholder (i) who does not make holding and reinvestment commitments, or (ii) who does not fulfil these commitments, or (iii) who is not resident in a country or territory having signed a treaty with France containing an administrative assistance clause to combat tax fraud or evasion	■ Withholding tax of 12.8% unless more favourable treaty provisions apply and on condition of compliance with treaty requirements
2) Legal entities (with no permanent establishment in France)	
Gains on the sale of SCR shares	**Tax treatment**
■ Rights to 25% or less of the net income of the SCR at the time of the sale or during the previous five years	■ Not taxed in France
Distributions of dividends by the SCR[4]	**Tax treatment**
■ The beneficiary is a UCITS or AIF that fulfils the European directive requirements(16)	0%
■ The effective beneficiary of the distribution is a legal entity having its registered office in a State that has signed a treaty with France containing an administrative assistance clause to combat tax fraud or evasion and the distribution is included in the profits declared in that State but benefits from a local exemption.	0%
■ In all other cases:	■ Withholding tax of 30%[17] unless more favourable treaty provisions apply (generally 15%) and on condition of compliance with treaty requirements

(9) The tax treatment detailed in this section applies to capital gains on the sale of SCR shares and on the distribution of dividends by the SCR that derive from capital gains triggered by an event occurring on or after 1 January 2018. Capital gains on the sale of SCR shares and on the distribution of dividends by the SCR that derive from capital gains triggered by an event that occurred during 2017 are subject to taxation at the standard progressive income tax rates plus social levies of 17.2%. The CSG tax will be deductible, up to 6.8%, from taxable income of the following year.

(10) Fines and surcharges may be added in the event that a shareholder fails to fulfil the commitments made.

(11) The CSG tax will be deductible, up to 6.8%, from taxable income of the following year (Article 67 of the 2018 Finance Act).

(12) The capital gains from the sale of SCR shares are subject to the long-term regime once the shares are have been held for a minimum of five years (taxed at a rate of 0% or 15%):
Only the capital gains realised on the equity investments portion of the SCR's total assets may be exempted from tax. To this end, investors should study the SCR's portfolio to determine the proportion of securities held by the SCR that qualify as equity investments. – As a rule of thumb, the portion of tax exempt capital gains will be proportional to the quantity of equity investments held by the SCR; The remaining portion of capital gains corresponding to securities held by the SCR that do not meet the equity investment criteria, will be taxed at a rate of 15%.

(13) Excluding tax surcharges.

(14) The 2017 Finance Act and the 2018 Finance Act provide for a gradual decrease in ordinary corporate income tax rates. For financial years starting on or after 1 January 2018, the corporate income tax rate will be set at 28% (28.92% including the 3.3% tax surcharge) up to a limit of €500,000 of taxable income and 33.33% (34.43% including the 3.3% tax surcharge) beyond that limit. For financial years starting on or after 1 January 2019, the corporate income tax rate will be set at 28% (28.92% including the 3.3% tax surcharge) up to a limit of €500,000 of taxable income and 31% (32.02% including the 3.3% tax surcharge) beyond that limit. For financial years starting on or after 1 January 2020, 1 January 2021 and 1 January 2022, the corporate income tax rates will be set at 28%, 26.5% and 25%, respectively (28.92%, 27.37% and 25.83%, respectively, including the 3.3% tax surcharge).

(15) If the securities are held through a private equity fund or a foreign venture-capital investment entity: on the condition that these structures held at least 5% of the issuing company's capital for at least two years.

(16) This exemption is applicable provided that the terms set forth in Article 119 bis, 2 of the French Tax Code are adhered to. For example, UCITS that meet the criteria set forth in Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009, and the AIF relevant to Directive 2011/61/EU of the European Parliament of 8 June 2011 are likely to be exempted from withholding tax. In this regard, the French tax authorities consider that the combination of provisions in the 2009/65/EC directive of 13 July 2009 and the 2011/61/EU directive of 8 June 2011 with administrative assistance mechanisms that link EU Member States, in particular directive 2011/16 of 15 February 2011 relating to the administrative cooperation in the area of tax, enabling it to ensure that the mutual funds having their head office in one of these States meet the rules of activity, operation and monitoring comparable to those set forth in French regulations.

(17) The withholding tax rate will be aligned with the ordinary corporate income tax rate starting on 1 January 2020. The corporate income tax rate will gradually decline from 28% on 1 January 2020 to 25% on 1 January 2022 (see Note 13). Until 1 January 2020, the applicable withholding tax rate will remain at 30%.

4.4 ARTICLES OF ASSOCIATION

NAME AND REGISTERED OFFICE (ARTICLES 3 & 4 OF THE ARTICLES OF ASSOCIATION)

Altamir – 1, rue Paul Cézanne, 75008 Paris (France)

Tel: +33 (0)1 53 65 01 00

(www.altamir.fr)

DATE OF INCORPORATION

The Company was incorporated on 15 March 1993 as a French public limited company *(société anonyme)* to enable the Company to benefit from the private equity experience and expertise of the Apax Partners teams. It was converted into a French partnership limited by shares *(société en commandite par actions)* at the Special Shareholders' Meeting of 1 June 1995.

DURATION (ARTICLE 5 OF THE ARTICLES OF ASSOCIATION)

The duration of the Company is 99 years, expiring on 27 April 2092 (unless dissolved prior thereto or extended).

LEGAL FORM (ARTICLE 1 OF THE ARTICLES OF ASSOCIATION)

The Company is a French partnership limited by shares *(société en commandite par actions)*, with share capital of €219,259,626, governed by Articles L. 226-1 et seq. of the French Commercial Code, between:

- the limited partners (or shareholders), who own the existing shares and any shares that may be issued in the future; and
- the general partner, Altamir Gérance, a French public limited company *(société anonyme)* with share capital of €1,000,000 and the Paris commercial registry number 402 098 917, whose registered office is located at 1 rue Paul Cézanne, 75008 Paris (France).

The capital is divided into 36,512,301 ordinary shares with a par value of €6 per share and 18,582 preferred shares (called "Class B shares") with a par value of €10 per share. All shares are fully paid up.

SALE AND TRANSFER OF SHARES (ARTICLE 10 OF THE ARTICLES OF ASSOCIATION)

Ordinary shares are freely transferable under the conditions stipulated by law.

Class B shares (or any securities giving access to Class B shares) may be subscribed or acquired only by the following persons:

1° the Management Company;

2° the Company's investment advisor, indicated in paragraph 16.4 of the Articles of Association;

3° natural persons who are corporate officers or have an employment contract with one of the companies mentioned in items 1° and 2° above;

4° any non-trading partnership composed exclusively of the individuals or companies mentioned in items 1°, 2° and 3° above;

5° the Company itself, under the conditions stipulated by law and by the Articles of Association.

FINANCIAL YEAR (ARTICLE 24 OF THE ARTICLES OF ASSOCIATION)

Each financial year has a duration of one calendar year, beginning on 1 January and ending on 31 December.

CORPORATE PURPOSE (ARTICLE 2 OF THE ARTICLES OF ASSOCIATION)

The purpose of the Company is as follows:

- the subscription, acquisition, management and disposal by any means of French or foreign securities, ownership rights, rights representing a financial investment or other financial rights;
- generally, any transaction related to the above purpose or enabling its achievement, including any transaction on personal or real property necessary for its operations.

COMMERCIAL REGISTRY NUMBER AND BUSINESS ACTIVITY CODE

The Company has the Paris commercial registry number 390 965 895 and the business code 6420Z.

ALLOCATION AND DISTRIBUTION OF PROFITS (ARTICLE 25 OF THE ARTICLES OF ASSOCIATION)

Shareholders approve the financial statements for the previous year and note the existence of a distributable profit. It is expressly stated that the costs incurred by the general partner in the interests of the Company shall be reimbursed upon presentation of supporting documents and included in the expenses of the Company.

For each financial year, subject to Article 25.3, the Company pays dividends to the general partner and Class B shareholders, at the times and places designated by the Management Company and no later than nine months after the balance sheet date, in an amount equal to 20% of adjusted net income for that year, according to the following breakdown: 2% is allocated to the general partner, and 18% to the Class B shareholders.

Adjusted net income, b, is calculated as follows:

$\beta = [NI - (1-\tau)\ FI] - \alpha - \gamma$

where:

- NI is equal to the net income of the financial year, as approved by shareholders at their Ordinary AGM, less net unrealised capital gains generated through internal restructuring transactions (e.g. mergers, partial asset contributions, spin-offs) concerning the Company itself or companies in which the Company holds an ownership interest;
- τ is equal to the corporate tax rate (including any tax surcharges) effectively applied to FI, as defined below;
- FI is equal to net financial income generated by short-term money-market investments and capital gains on marketable securities, less interest expense on the Company's borrowings. If FI is negative for a given year, it is not taken into account for that year and its amount is carried forward to FI of subsequent years;
- α is equal to the sum of adjusted net losses of previous years that have not already been applied to an adjusted net income;
- γ is equal to the portion of net income for the year deriving from the Company's investments in an Apax France fund and any entity paying management fees to an Apax asset management entity.

When the internal rate of return (IRR) on the full sale of an investment acquired by the Company after 19 December 2013 as a co-investment with one or more Apax funds (a "co-investment") is less than 8% (after taking into account the rights of the general partner and Class B shareholders) and if this sale has a positive impact on adjusted net income b for the year, the dividend defined in Article 25.2 above is due to the general partner and Class B shareholders only to the extent that the overall IRR realised on all co-investments sold exceeds 8%.

If it does not, the dividend defined in Article 25.2 above is not due with respect to the year of the sale and payment of it is postponed until such time as the overall IRR realised on all co-investments sold is greater than 8%.

For each financial year, the Company also pays to holders of Class B shares as dividends, at such times and places designated by the Management Company and no later than nine months after the balance sheet date, an amount equal to 18% of the adjusted net income for that year, as defined above.

The balance of the distributable profit is payable to shareholders. The allocation of this profit is decided by the shareholders at their Ordinary General Meeting, on the recommendation of the Supervisory Board.

On the recommendation of the Supervisory Board, the shareholders may decide to allocate a portion of the balance of the distributable profit, payable to shareholders, to retained earnings or to one or more extraordinary, general, or special non-interest-bearing reserves, to which the general partner, in this capacity, has no right. These reserves may also be incorporated into the capital.

Dividends are paid at the times and places designated by the Management Company and no later than nine months from the balance sheet date, unless this deadline is extended by court order.

On the recommendation of the Supervisory Board, the shareholders may grant each shareholder, whether a holder of ordinary shares or Class B shares, the option to receive payment of all or a part of the dividend or interim dividend in cash or in ordinary shares, under the conditions stipulated by law.

GAIN ON LIQUIDATION (ARTICLE 26 OF THE ARTICLES OF ASSOCIATION)

Any gains on liquidation are allocated first to shareholders of each category (ordinary or Class B). Shareholders receive up to the amount they contributed as share capital, share premiums or merger premiums.

Any remainder is then allocated to holders of ordinary shares only, up to the amount of reserves created through the allocation of earnings.

Any balance still remaining is allocated as follows: 80% to ordinary shareholders, 18% to Class B shareholders and 2% to the general partner.

FORM OF SHARES (ARTICLE 9 OF THE ARTICLES OF ASSOCIATION)

The shares issued by the Company are held in registered form until they are fully paid up. Fully paid-up shares are held in registered or – once they are admitted to trading – in bearer form, at the shareholder's option. They are recorded in securities accounts according to the procedures set down by law.

In accordance with legal and regulatory provisions, the Company may at any time request that the central depository provide information enabling the identification of holders of shares giving immediate or future voting rights at General Meetings, the number of shares held by each of these shareholders and a description of any restrictions on these shares.

Class B shares may only be held in registered form.

CONDITIONS FOR THE EXERCISE OF VOTING RIGHTS (ARTICLE 12 OF THE ARTICLES OF ASSOCIATION)

The rights and obligations attached to shares are defined by the legislation in force and the Articles of Association.

"Any amendment to the rights of holders of Class B shares must be approved by the holders of Class B shares voting in a Special Meeting."

Each ordinary share carries the right to one vote at General Meetings of Shareholders.

Fully paid-up shares registered in the name of the same shareholder for at least two years do not qualify for double voting rights.

The above paragraph was added to the Articles of Association at the Combined General Meeting of 24 April 2014 in order to confirm the right to one vote per share and the absence of double voting rights following the change in Article L. 225-123 of the French Commercial Code made by the Law 2014-384 of 29 March 2014 aimed at keeping industrial sites operating in France (known as the "Loi Florange").

Voting rights are exercisable by the beneficial owner at Ordinary General Meetings and by the registered owner at Special General Meetings.

Class B shares carry no voting rights, except at special meetings of holders of Class B shares called in accordance with Article L. 225-99 of the French Commercial Code.

GENERAL MEETINGS (ARTICLE 23 OF THE ARTICLES OF ASSOCIATION)

General Meetings are called under the conditions stipulated by law. Meetings are held at the registered office or any other location specified in the invitation to the meeting. The right to participate in the General Meeting shall be subject to the formal registration of the shares in the name of the shareholder or of the intermediary registered on their behalf (in accordance with the seventh paragraph of Article L. 228-1 of the French Commercial Code) at zero hour, Paris time, of the second business day preceding the General Meeting, either in the registered share accounts held by the Company or in the bearer share accounts held by the authorised intermediary. Meetings may also be attended by anyone invited by the Management Company or by the Chairman of the Supervisory Board.

The general partner is represented by its legal representative or by any other person it has authorised to represent it. That person need not be a shareholder.

General Meetings are chaired by the Management Company or, in order of preference, the general partner or the Chairman of the Supervisory Board.

The shareholders vote at Ordinary and Special General Meetings under the conditions stipulated by law and perform their duties in accordance with the law.

Shareholders taking part in the General Meeting *via* video-conference or telecommunication methods enabling them to be identified and guaranteeing their participation are deemed present for the calculation of the quorum and the majority.

With the exception of the appointment and dismissal of Supervisory Board members, the appointment and dismissal of Statutory Auditors, the appointment and dismissal of non-voting Board members, the distribution of dividends for the year and the approval of certain agreements requiring special authorisation, the decisions of the shareholders are not valid until approved in writing by the general partner, no later than the end of the meeting at which the shareholders voted on the decisions in question. The Management Company has full powers to note this approval and attaches the document certifying such approval to the minutes of the Meeting concerned.

4.5 REGULATED AGREEMENTS

4.5.1 REGULATED AGREEMENTS

In their special report, the Statutory Auditors mentioned no agreements of the kind described in Articles L. 226-10 et seq. of the French Commercial Code.

The Supervisory Board has established that the regulated agreement in force since 2006 concerning the investment advisory agreement between Altamir and Amboise Partners SA (ex-Apax Partners SA) remained unchanged during the financial year under review (detailed information about this agreement is provided in the Registration Document).

The Board re-examined this agreement at its meeting on 12 March 2019, determined that it was in the Company's interest to maintain it, and informed the Statutory Auditors thereof.

A new agreement will be submitted for shareholder approval at the General Meeting on 29 April 2019. The agreement is with regard to the transfer to Altamir of Amboise SAS's shareholding in the Apax Digital fund. This agreement is described in the Statutory Auditors' special report.

These two regulated agreements are described in the Statutory Auditors' special report.

The Board has no knowledge of any conflict of interest between the Company and any Board member or the Management Company.

4.5.2 STATUTORY AUDITORS' REPORT ON RELATED PARTY AGREEMENTS AND COMMITMENTS

To the Annual General Meeting of Altamir,

In our capacity as statutory auditors of your Company, we hereby present to you our report on related party agreements and commitments.

We are required to inform you, on the basis of the information provided to us, of the terms and conditions of those agreements and commitments indicated to us, or that we may have identified in the performance of our engagement, as well as the reasons justifying why they benefit the Company. We are not required to give our opinion as to whether they are beneficial or appropriate or to ascertain the existence of other agreements and commitments. It is your responsibility, in accordance with Article R. 226-2 of the French Commercial Code (*Code de commerce*), to assess the relevance of these agreements and commitments prior to their approval.

We are also required, where applicable, to inform you in accordance with Article R. 226-2 of the French Commercial Code (*Code de commerce*) of the continuation of the implementation, during the year ended 2018, of the agreements and commitments previously approved by the Annual General Meeting.

We performed those procedures which we deemed necessary in compliance with professional guidance issued by the French Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) relating to this type of engagement. These procedures consisted in verifying the consistency of the information provided to us with the relevant source documents.

AGREEMENTS AND COMMITMENTS SUBMITTED FOR APPROVAL TO THE ANNUAL GENERAL MEETING

In accordance with Article L. 226-10 of the French Commercial Code (*Code de commerce*), we have been notified of the following agreements and commitments entered during the financial year which were subject to the prior authorization of your Supervisory Board.

With Amboise S.A.S.

CONCERNED PERSON

Mr Maurice Tchenio, Manager of your Company and President of Amboise S.A.S.

NATURE AND PURPOSE

On December 1, 2018, Amboise S.A.S. entered into an agreement with your Company concerning the transfer of the interest held by Amboise S.A.S. in the Apax Digital Fund to your Company.

This agreement was authorized by the Supervisory Board of your Company at its meeting held on November 8, 2018.

TERMS AND CONDITIONS

This agreement consists in:

- resuming the commitment made by Amboise S.A.S. in the Apax Digital fund;
- the payment by your Company of an amount equal to the last known valuation of the share held (i.e. that of September 30, 2018), plus or less the capital calls made since that date (hereinafter the "transfer price"). This amount was less than the total amount of capital called during the transfer. Both parties agreed that when the valuation of the share will be at least equal to the amount subscribed, Amboise S.A.S.' capital loss (hereinafter referred to as the «additional price to be paid») will be reimbursed.

The main features of this agreement are:

- Amount of original commitment: USD 5,000,000, of which USD 4,508,746 remaining to be called during the transfer;
- Total amount of calls for capital paid by Amboise S.A.S.: USD 491,254, or EUR 443,835;
- Transfer price: EUR 430,767 ;
- Additional price to be paid: EUR 13,068.

REASONS JUSTIFYING WHY THIS AGREEMENT BENEFITS THE COMPANY

Your Board gave the following reason:

The Supervisory Board has:

- noted that this operation was part of the strategy to broaden the investment policy as presented by the Manager during Amboise S.A.S.'s takeover bid;
- examined the terms and conditions of the transfer;
- concluded that this agreement was in the interest of the Company.

AGREEMENTS AND COMMITMENTS PREVIOUSLY APPROVED BY THE ANNUAL GENERAL MEETING

In accordance with Article R. 226-2 of the French Commercial Code (Code de commerce), we have been notified that the implementation of the following agreements and commitments, which were approved by the Annual General Meeting in prior years, continued during the year ended 2018.

With Apax Partners S.A.

CONCERNED PERSON

Mr Maurice Tchenio, Manager of your Company and Chairman and Chief Executive Officer of Apax Partners S.A.

NATURE AND PURPOSE

On November 30, 2006, Apax Partners S.A. entered into an investment advisory agreement with your Company under which Apax Partners S.A. provides the following services to your Company:

- advice relating to investments and divestments, in line with the Company's investment policies;
- advisory services or other services to the companies or other entities in the Company's portfolio;
- assistance in calculating the value of your Company's investments.

This investment advisory agreement was approved by the Supervisory Board of your Company during its meeting held on October 12, 2006.

TERMS AND CONDITIONS

The payment under this agreement is equal to 95% of the remuneration due to the Manager, Mr Maurice Tchénio, provided for by the Articles of Association, it being noted that any amount paid to Apax Partners S.A. as part of transactions performed on your Company's assets or paid to Apax Partners S.A. by the portfolio companies under this agreement are deducted from the remuneration paid.

This investment advisory agreement was entered into for an indefinite period. Nevertheless, either party can automatically terminate it early, if the other party fails to meet any of its obligations and has not cured the breach within thirty days as of formal notice to pay.

Under this agreement Apax Partners S.A. invoiced your Company EUR 6,978,714 including VAT for the year ended December 31, 2018.

On March12, 2019, the Supervisory Board reexamined the economic benefits of this agreement for your Company and was in favor of its continuation.

Paris and Paris-La Défense, April 8, 2019
The Statutory Auditors
French original signed by

RSM Paris	ERNST & YOUNG et Autres	
Fabien Crégut	Henri-Pierre Navas	Marie Le Treut

5

SUPPLEMENTARY INFORMATION

5.1 PERSON RESPONSIBLE FOR THE REGISTRATION DOCUMENT

Maurice Tchenio, Chairman and Chief Executive Officer of the Management Company

CERTIFICATION OF THE PERSON RESPONSIBLE FOR THE REGISTRATION DOCUMENT AND THE ANNUAL FINANCIAL REPORT

I hereby certify, having taken all reasonable measures in this regard, that the information contained in this registration document is, to the best of my knowledge, accurate and that no information has been omitted that would be likely to alter its substance.

I hereby certify that, to the best of my knowledge, the financial statements have been prepared in accordance with applicable accounting standards and present a true and fair view of the assets, financial position and results of the Company and of its consolidated group of companies and that the management report, for which a cross-reference index appears in paragraph 5.5.2 of this registration document, presents a true and fair picture of the business, its results and the financial condition of the Company and of its consolidated group of companies, as well as a description of the principal risks and uncertainties to which they are exposed.

The Company has obtained an audit completion letter from its Statutory Auditors, wherein the auditors indicate that they have verified the information regarding the financial position and financial statements included in the Registration Document and that they have read the entire Registration Document.

Paris, 8 April 2019,

For Altamir Gérance SA

Maurice Tchenio,

Chairman and Chief Executive Officer

5.2 PERSONS RESPONSIBLE FOR THE AUDIT OF THE FINANCIAL STATEMENTS

PRINCIPAL STATUTORY AUDITORS

EY (formerly Ernst & Young et Autres), represented by Ms Marie Le Treut and Mr Henri-Pierre Navas,

1, Place des Saisons, 92400 Courbevoie (France)

Member of the Compagnie Régionale des Commissaires aux Comptes de Versailles.

The Statutory Auditors were reappointed by shareholders at their 28 April 2017 Combined General Meeting for a term of six years expiring at the end of the Ordinary General Meeting of shareholders to be held in 2023 to approve the financial statements of the financial year ending 31 December 2022.

RSM Paris, represented by Fabien Crégut,

26, rue Cambacérès, 75008 Paris (France)

Member of the Compagnie Régionale des Commissaires aux Comptes de Paris.

The Statutory Auditors were reappointed by shareholders at their 26 April 2018 Ordinary General Meeting for a term of six years expiring at the end of the Ordinary General Meeting of shareholders to be held in 2024 to approve the financial statements of the financial year ending 31 December 2023.

5.3 DOCUMENTS AVAILABLE TO THE PUBLIC

While the Registration Document is valid, the following documents can be consulted as indicated:

a) Memorandum and Articles of Association: at the Company's head office (paper versions);

b) all reports, correspondence and other documents, historical financial information, valuations and statements prepared by an expert at the request of the issuer, a part of which is included or referred to in this document: at the Company's head office (paper versions);

c) historical financial information about the issuer for each of the two financial years preceding the publication of this document: at the Company's head office (paper versions) and on its website http://www.altamir.fr.

5.4 REFERENCE TO HISTORICAL FINANCIAL STATEMENTS

Pursuant to Article 28 of EC regulation 809/2004, the following information is included by reference in this document:

- statutory and consolidated financial statements and the corresponding auditors’ reports appearing on pages 134-146, 106-129, 147 and 130 of the 2017 Registration Document filed with the AMF on 11 April 2018 under number D.18-0317;
- statutory and consolidated financial statements and the corresponding auditors’ reports appearing on pages 127-140, 102-125, 141 and 126 of the 2016 Registration Document filed with the AMF on 11 April 2017 under number D.17-0370.

5.5 CROSS REFERENCE INDEX

5.5.1 REGISTRATION DOCUMENT

The following cross-reference index, which includes the principal categories required by European Regulation 809/2004, refers to the pages of this Registration Document.

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5.5.2 ANNUAL FINANCIAL REPORT AND MANAGEMENT REPORT

The following cross-reference index for the annual financial report and the management report, which includes the principal categories required by the French Commercial Code, refers to the pages of this Registration Document.

Categories	Information for	Paragraphs	Pages
1. Certification	**AFR**	§ 5.1	172
2. Statutory financial statements	**AFR**	§ 3.3	134
3. Consolidated financial statements	**AFR**	§ 3.1	106
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5. Statutory Auditors' report on the consolidated financial statements	**AFR**	§ 3.2	130
6. Management report			
6.1. Information on the Company's business activities		§ 1.4	62
■ Situation of the company and the group during the financial year under review, foreseeable developments and significant events that have occurred since the close of the financial year Art L.232-1 II and V; Art L.233-26 of the French Commercial Code		§ 1.4.	62
■ Company and Group business activities and income by business line Art. L.233-6 of the French Commercial Code			N/A
■ Objective and comprehensive analysis of business developments, results and financial condition (including indebtedness) of the Company and the Group Art. L.225-100-1 of the French Commercial Code	AFR	§ 1.4.7	65
■ Key financial and – if applicable – non-financial indicators for the Company and the Group Art. L.225-100-1 of the French Commercial Code	AFR	§ 1.1	9
■ Principal risks and uncertainties at the company and the group Art. L.225-100-1 of the French Commercial Code	AFR	§ 1.6	74
■ Internal control and risk management procedures relating to the preparation and processing of the company's and the group's accounting and financial information Art. L.225.100-1 of the French Commercial Code		§ 1.5	71
■ Objective and policy for hedging transactions for which the Company and the Group use hedge accounting ■ Company and Group exposure to pricing, credit, liquidity and cash management risks ■ Use of financial instruments by the Company and the Group Art. L.225-100-1 of the French Commercial Code	AFR	§ 1.6	74
■ Financial risks related to the effects of climate change and presentation of measures taken by the Company and the Group to mitigate those risks (low carbon strategy) Art. L.225-100-1 of the French Commercial Code		§ 1.6	74
■ Research and development activity of the Company and the Group Art L.232-1 II and V; Art L.233-26 of the French Commercial Code		N/A	N/A
■ Branches Art. L.232-1 II and V of the French Commercial Code		N/A	N/A
6.2. Legal, financial and tax information about the company			
■ Shareholders Art L.233-13 of the French Commercial Code		§ 4.2.1	158
■ Names of controlled companies holding Altamir shares, and percentage of the shares held by them Art L.233-13 of the French Commercial Code		N/A	N/A
■ Acquisition of significant interests during the year in companies with headquarters in France Art. L.233-6 of the French Commercial Code		§ 1.4.12	70
■ Cross shareholdings Art R.233-19 of the French Commercial Code		N/A	N/A
■ Purchase and disposal by the Company of its own shares (share repurchase) Art L.225-211 of the French Commercial Code	AFR	§ 4.1.4	156
■ Status of investment by employees in the share capital, Art. L.225-102 of the French Commercial Code		N/A	N/A
■ Adjustments for securities giving access to the capital as a result of financial transactions. Art. R.228-91 of the French Commercial Code		N/A	N/A

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■ Adjustments for securities giving access to the capital and stock options in the event of share repurchases Art. R.228.90 and R.225-138 of the French Commercial Code	N/A	N/A
■ Dividends distributed for the three prior years. Art. 243 bis of the French Tax Code	§ 2.3.2	101
■ Non tax-deductible expenses and charges. Art. 223 quater of the French Tax Code	N/A	N/A
■ Financial injunctions or penalties for anti-competitive practices Art. L.464-2 I, para. 5 of the French Commercial Code	N/A	N/A
■ Payment terms and breakdown of supplier and customer account balances Art. L.441-6-1, D.441-4 of the French Commercial Code	§ 1.4.10	69
■ Amount of intercompany loans Art. L.511-6 of the French Monetary and Financial Code	N/A	N/A
■ Information related to the operation of a Seveso facility (Art. L.515-8 of the Environmental Code) Art L.225-102-4, L.225-102-5 of the French Commercial Code	N/A	N/A
■ Vigilance Plan Art L.225-102-4, L.225-102-5 of the French Commercial Code	N/A	N/A
6.3. Information on corporate officers		
■ Summary of transactions on securities by persons exercising management responsibilities and closely related persons Art. L.621-18-2 of the French Monetary and Financial Code; Art. 223-26 of the General Regulations of the French Financial Markets Authority (AMF)	§ 4.2.3	160
6.4. ESG information		
■ Social and environmental consequences of the company's business, the company's commitments to sustainable development and the circular economy, and measures to combat discrimination and promote diversity Art. L.225-102-1, para. 5-8, R.225-104, R.225-105 and R.225-105-2-II of the French Commercial Code	§ 1.3.11	60

ADDITIONAL DOCUMENTS

Categories	Paragraphs	Pages
Report on payments to governments Art L.225-102-3 of the French Commercial Code	N/A	N/A
Company results for each of the last five years Art. R.225-102 of the French Commercial Code	§ 1.4.11	70
Report on corporate governance Art L.225-37-2 to L.225-37-5, L.225-68, L.226-10-1 of the French Commercial Code	§ 2	83

5.6 GLOSSARY

NET ASSET VALUE (NAV)

Net Asset Value is the most relevant financial indicator for reviewing the Company's business activity. It corresponds to shareholder's equity, calculated in accordance with IFRS for consolidated financial statements, i.e. the total value of assets less liabilities. It is calculated by valuing investments based on International Private Equity Valuation (IPEV) guidelines. NAV includes unrealised capital gains and losses.

NAV PER SHARE

NAV per share is the value of one ordinary share of the Company's shareholder's equity, calculated in accordance with IFRS for consolidated financial statements. It is calculated by dividing the Company's shareholder's equity by the total number of ordinary shares outstanding. NAV per share is stated net of the amount attributable to the general partner and to the holders of Class B shares, as well as the carried interest provisions for the funds in which the company invests.

CLASS B SHARES

Class B shares are preferred shares allocated to members of the Apax fund management team which entitle the holder to a share in the Company's performance, called carried interest.

ORDINARY SHARES

Shares conferring the same rights (voting, preferential subscription, dividends, etc.) to all holders, in proportion to the amount of equity held.

BUILD-UP

Acquisition carried out by a company taken over through an LBO. It is intended to create a larger, more profitable group by creating synergies, and one with a higher valuation for its shareholders when it is subsequently sold.

BUSINESS PLAN

The Company's strategic development plan for three to five years, with a detailed action plan for marketing, competition, products, techniques, production methods, investments, manpower, IT, financing, etc.

WARRANTS

A warrant issued by a company gives the right to subscribe to new shares of the company.

GROWTH CAPITAL

Growth capital is a segment of private equity (like acquisition/LBO transactions) aimed at financing companies that have achieved a significant size and are profitable. The equity investment, usually a minority interest, is intended to finance the growth of the company.

PRIVATE EQUITY

Acquiring an ownership interest in companies that are generally not listed. Private equity provides vital support for an unlisted company throughout its existence. It finances the start-up (venture capital), growth (growth capital), and acquisition/LBO phases in the life of the company.

CLOSING

Final step of a transaction, with the signing by all participants (company officers and financial investors) of the legal documentation (including any shareholders' agreements) and disbursement of funds.

CARRIED INTEREST

Share of profit from performance returned to the fund management company, calculated on the basis of a private equity fund's income and capital gains (usually 20%).

In Altamir's case, carried interest is equal to 20% of net gains as per the Articles of Association, allocated as follows: 2% is allocated to the general partner, and 18% to the Class B shareholders, who are the members of the management team. Since Altamir's inception, carried interest has been calculated based on adjusted statutory net income. This result includes realised capital gains and unrealised capital losses (impairment of securities) but does not include unrealised capital gains, contrary to IFRS income, which is used to determine Net Asset Value (NAV).

CO-INVESTMENT

Direct investment in a company along with a private equity fund, with equivalent pricing, conditions and rights.

DISCOUNT

Shares of listed private equity companies often trade with a discount to NAV, i.e. at a share price less than the NAV per share. The discount is the difference between the market price and NAV per share, expressed as a percentage of NAV.

DIVIDENDS

The dividend is the remuneration paid to shareholders in exchange for their investment in the company's equity. It is the portion of distributable income that, based on the recommendation of the Supervisory Board and approval by shareholders, is paid to each shareholder.

DUE DILIGENCE

All measures taken in the analysis and review of information that allow the equity investor to make a judgment about the business, financial condition, income, growth prospects and organisation of the company being considered for acquisition.

EBIT

Earnings before interest and taxes.

EBITDA

Earnings before interest, taxes, depreciation and amortisation, including amortisation of goodwill.

LEVERAGE

Multiplier effect on the return on equity resulting from the use of external financing.

SUBSCRIPTION COMMITMENT

Equity that each investor in a private equity fund agrees to commit over the term of a fund, and which will be called as and when investments are made.

ESG

Environment, Social and Governance

EVERGREEN

An evergreen structure is an investment company with an unlimited duration, as opposed to private equity funds (FPCI) that generally have a 10-year life.

FRANCE INVEST (EX-AFIC–ASSOCIATION FRANÇAISE DES INVESTISSEURS POUR LA CROISSANCE)

Professional association established in 1984 that includes nearly all of the private equity companies in France. Its mission is to promote and develop private equity investment by federating all the players in the marketplace (www.afic-asso.fr).

FPCI FUND

FPCI (fonds professionnel de capital investissement), or private equity fund, is the new name for the former FCPR (fonds commun de placement à risque). An FPCI is an investment fund but not a legal entity. It is managed by a management company, authorised by the French financial market authority (AMF), that acts, represents and makes commitments on behalf and for the account of the FPCI. At least 50% of its assets must be composed of unlisted shares.

PRIVATE EQUITY FUND

Vehicle formed by investors for the purpose of making equity investments and sharing in the resulting income.

FUND OF FUNDS

Private equity fund whose primary activity is investing in other private equity funds. In this way, investors in funds of funds can increase their level of diversification.

BUYOUT FUND

A private equity fund that acquires majority interests in established companies.

MANAGEMENT FEES

Annual fees paid to the fund manager to cover the operating and administrative costs of the fund, typically a percentage of the committed amount of the fund.

HURDLE RATE

Minimum rate of return granted to private equity fund investors, below which no carried interest is paid to the private equity fund managers.

In Altamir's case, under its investment policy implemented in 2011, the hurdle rate is 8% for investments made via the Apax funds as well as for co-investments made alongside these funds.

INTERNATIONAL PRIVATE EQUITY AND VENTURE CAPITAL VALUATION GUIDELINES (IPEV)

Recommendations outlining best practices for valuing a portfolio of private equity investments.

IPO (INITIAL PUBLIC OFFERING)

An IPO is a financial transaction in which a company's shares are admitted to trading on a stock market. This public equity offering allows a company to raise capital, increase its profile, and tap the financial markets if necessary.

FOLLOW-ON INVESTMENT

An additional investment in an existing portfolio company.

INVEST EUROPE (EX-EVCA–EUROPEAN PRIVATE EQUITY & VENTURE CAPITAL ASSOCIATION)

European professional association of investors in private equity, venture capital and infrastructure (www.investeurope.eu).

FAIR VALUE

Fair value is an accounting standard for valuing assets and liabilities based on an appraisal of their market value.

LIMITED PARTNERSHIP (LP)

A tax-transparent investment structure, mainly used by Anglo-Saxon managers, and which generally has a 10-year life. The LP is managed by an independent management company, the General Partner (GP). Its investors are Limited Partners (LPs) who have limited liability. They are not involved in the day-to-day management of the funds but regularly receive detailed reports on the fund's investments.

LBO (LEVERAGED BUYOUT)

Acquisition of a company by equity investors and the executives of the acquired company. The financing package comprises a relatively large proportion of debt (leverage), which is to be repaid with future cash flows.

LTM

Last 12 months. Used to describe a financial indicator specifically focused on that period.

INVESTMENT MULTIPLE

Measures the performance of invested capital but unlike IRR does not include a time factor and therefore complements IRR very well in evaluating the quality of performance realised by the equity investors.

DEBT MULTIPLE

Ratio of a company's debt to its EBITDA.

VALUATION MULTIPLES

Ratio of a company's enterprise value to its EBITDA.

NAV TR (TOTAL RETURN)

NAV Total Return (NAV TR) measures the performance of NAV including dividends. It is calculated assuming that the dividend paid is reinvested in the company.

GAIN/LOSS ON SALE

A capital gain or loss on sale is the positive or negative difference between the amount received from the sale of a security and its acquisition price.

PRIVATE EQUITY

Acquiring an ownership interest in companies that are generally not listed. Private equity provides vital support for an unlisted company throughout its existence. It finances the start-up (venture capital), growth (growth capital), and acquisition/LBO phases in the life of the company.

PUBLIC-TO-PRIVATE (P TO P)

Transaction consisting of the repurchase of all shares of a listed company with the intention of delisting.

REFINANCING

Transaction consisting of modifying a company's debt structure, most often to increase the level of debt and reduce equity, so that a portion of investors' initial outlay can be returned to them.

YIELD

The annual dividend received per share, expressed as a percentage of the stock market price.

SCA (SOCIÉTÉ EN COMMANDITE PAR ACTIONS OR FRENCH PARTNERSHIP LIMITED BY SHARES)

The French partnership limited by shares allows for the management and the ownership of a company to be completely dissociated. The capital of an SCA is divided into shares, but has two categories of shareholders:

- the limited partners who are shareholders and whose liability is limited to the amount of their contribution (the SCA is similar to a société anonyme or public limited company in this regard);
- one or more general partners who are jointly and severally liable for all of the Company's debt. The Company's manager(s) are generally selected from among the general partners, and the limited partners cannot become managers.

The Articles of Association detail the methods for appointing current and future managers. The manager(s) has (have) the broadest powers to act under any circumstances in the name of the Company. They can be removed from office only in accordance with the provisions of the Articles of Association.

SCR (SOCIÉTÉ DE CAPITAL RISQUE OR PRIVATE EQUITY COMPANY)

Altamir elected the SCR status from inception. This status provides it with a specific legal and tax framework, adapted to its corporate objective, which is the management of a securities portfolio. The SCR status imposes certain requirements; chiefly that:

- at least 50% of the net assets must be composed of equity securities (or give access to equity) issued by companies not listed on a stock exchange, whose registered office is located in a European Union Member State, Norway, Iceland or Liechtenstein;
- the Company's borrowings may not exceed 10% of net statutory shareholders' equity.

In exchange for the requirements related to this status, the SCR benefits from advantageous tax treatment. Likewise, investors in SCRs benefit from favourable tax treatment, under certain conditions.

EXIT

Sale of an investment to a company with strategic goals or to a financial investor, or via an IPO.

SPIN-OFF

Creation of a new company that is legally and financially independent from its original group.

INTERNAL RATE OF RETURN (IRR)

Measures the annualised rate of return on invested capital. It is used to evaluate the performance of private equity transactions.

TOTAL SHAREHOLDER RETURN (TSR)

TSR is the rate of return on a share over a given period, including dividends and any realised capital gains.

UPLIFT

Positive difference between the sale price of an investment and the amount at which it was valued by the manager of the fund before the sale.

ENTERPRISE VALUE

The value of a company (enterprise value or EV) corresponds to the market value of the industrial and commercial facilities. It is equal to the sum of the market value of shareholders equity (market capitalisation if the company is listed) and the market value of net borrowings.

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