Altamir

INVEST VIA APAX PARTNERS

UNIVERSAL REGISTRATION DOCUMENT

including the Annual Financial Report

2019

CONTENTS

Items appearing in the annual financial report are cross-referenced with the following symbol AFR

UNIVERSAL REGISTRATION DOCUMENT

including the Annual Financial Report

2019

This document is an English-language translation of the French *("Document d'Enregistrement Universel")* filed with the *Autorité des Marchés Financiers* (AMF) on 7 April 2020, the competent authority under EU Regulation 2017/1129, without prior approval, pursuant to Article 9 of the same regulation.

The Universal Registration Document may be used to support a public offering of securities or to admit shares to trading on a regulated market if it is accompanied by a prospectus *(note d'opération)* and a summary of all amendments incorporated into the universal registration document. The group of documents thus formed has been approved by the AMF, pursuant to EU Regulation 2017/1129.

Altamir

INVEST VIA APAX PARTNERS

A listed Private Equity company 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.

INVESTMENTS

An investment strategy based on financing growth and sector specialisation.

Through and alongside the funds managed by two Private Equity companies, leaders on their respective markets:

Apax Partners SAS
(Paris based)

- 35 investment professionals
- Over €4bn under management
- Companies with an Enterprise Value between €100m and €500m
- Apax France VIII: €700m (2011)
- Apax France IX: €1bn (2016)
- Apax France X: €1.2bn target (2020)
- Apax Development (small caps): €255m (2019)

Apax Partners LLP
(London based)

- Over 120 investment professionals
- More than $50bn under management
- Companies with an Enterprise Value between €500m and €3bn
- Apax VIII LP: $7.5bn (2013)
- Apax IX LP: $9bn (2016)
- Apax X LP: $10.5bn (2020)
- Apax Digital *(digital companies)*: $1.1bn (2017)

2019 FIGURES

Net Asset Value
€1,013m
as of 31/12/2019

NAV
+30.8%
dividend included

EBITDA
+17%
in 2019 of which 9% organic growth

Market cap
€608m
as of 31/12/2019

Investments & Commitments
€198m

Divestments
€378m

PORTFOLIO

A portfolio of growth companies, diversified by sector, size (SMEs and large companies), and by geography (Europe, North America, Emerging countries)

4
Sectors of specialisation

TMT
47%
of the portfolio(1)
16
companies

HEALTHCARE
6%
of the portfolio(1)
8
companies

SERVICES
26%
of the portfolio(1)
17
companies

CONSUMER
21%
of the portfolio(1)
10
companies

51
companies
of which **44** non listed and **7** listed
(SMEs and large companies)

17 companies
representing
81%(1)
of total portfolio value
as of 31 December 2019

12
new companies
acquired in 2019

(1) In fair value as of 31/12/2019

STRATEGY

Grow and create value

This ambitious strategy translates into the two following objectives:

- Increase Net Asset Value (NAV) by outperforming the benchmark indices.
- Maintain a simple, attractive and sustainable dividend policy: 2 to 3% of NAV at year-end.

Mainly invest through the Apax funds

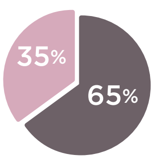
- Altamir's strategy relies on Apax: backing companies with high growth potential, in four sectors of specialisation, primarily through LBO and growth capital transactions, establishing positions as majority or lead shareholder.
- Allocation every 3 to 4 years when new funds are launched by Apax.

Seize growth opportunities through direct investments

- Reinforce the exposure to specific companies through the co-investments made alongside the Apax funds (5 companies as of 31 December).
- Invest in highly attractive segments (Apax Development, which targets small caps, and Apax Digital, a digital fund).
- Take advantage of Altamir's status as an evergreen company to hold investments for longer than the typical private equity investment horizon.

SHAREHOLDERS

Public



Maurice Tchenio,
pioneer in Private Equity,
main shareholder of the company

TAX

An attractive **tax status**
for long-term shareholders

Conversation with Maurice Tchenio

Chairman and CEO

Altamir achieved a milestone with over €1 billion of assets under management at the end of 2019, an increase of almost 31% year-on-year. The €325m value creation generated during the year derives, for one part, from a €100m increase related to divested companies, principally reflecting an increase in their valuation so as to bring them into alignment with their sale prices. For another part, €225m value creation was due to our unrealized portfolio, reflecting both the strong operating performance of our portfolio companies and increases in multiples, owing to robust stock market performance in 2019.

Looking at acquisitions, a record €198m was invested and committed over 2019, with a clear focus on the TMT and services sector. Apax and Altamir believe that these two sectors have the best growth opportunities and superior returns on investment. While Apax teams are not alone in targeting these sectors, they stand out in terms of their differentiated skill set compared to their competitors, notably in digitalization.

2020 promises to be an unusually challenging year, in the context of major uncertainty created by the Covid-19 epidemic. Altamir is entering this difficult period with a sound financial condition. Its portfolio should be resilient for the most part, because it is made up principally of growth companies that are leaders in their sector and are geographically diversified.

Altamir achieved a milestone with over €1 billion of assets under management at the end of 2019, an increase of almost 31% year-on-year.

The foundation for 2019's 31% increase in NAV was laid in 2017 and 2018, when our portfolio company EBITDA increased by 19% and 25% respectively but Net Asset Value (NAV) increased by only 2.6% and 3.8%.

The €325m value creation generated during the year derives, for one part, from a €100m increase related to divested companies, principally reflecting an increase in their valuation so as to bring them into alignment with their sale prices. These included specifically Altran, Melita and INSEEC. Among those divestments, INSEEC and Melita were planned disposals, while a third, Altran, was the result of an unexpected offer from Capgemini. All three sales were realized at multiples of near three times or more our investment.

For another part, €225m value creation was due to our unrealized portfolio, reflecting both the strong operating performance of our portfolio companies and increases in multiples, owing to robust stock market performance.

Is the increase in unrealized gains on portfolio assets simply due to buoyant markets?

It was a factor. A rising tide lifts all boats, as the saying goes, but it does not explain all of the increased value. Of the €225m of value created in the portfolio, we estimate that half was achieved from EBITDA growth, which results from the value creation strategy implemented by the Apax teams, while the other half was due to changes in multiples. There are in turn two aspects to that multiple increase: (i) an increase in market multiples in general, which benefits all companies, and (ii) an increase in the multiples specific to our companies, which is a clear goal for the Apax teams both in their investment selection process and in bringing their specialist expertise to bear to realize that potential.

That multiple expansion results from above-market EBITDA growth, increases in recurrent cash flow and, in most cases, increased size and geographical expansion.

Looking at acquisitions over 2019, the focus was clearly on the TMT and services sector.

That is a very deliberate choice. Apax and Altamir believe that these two sectors have the best growth opportunities and superior returns on investment.

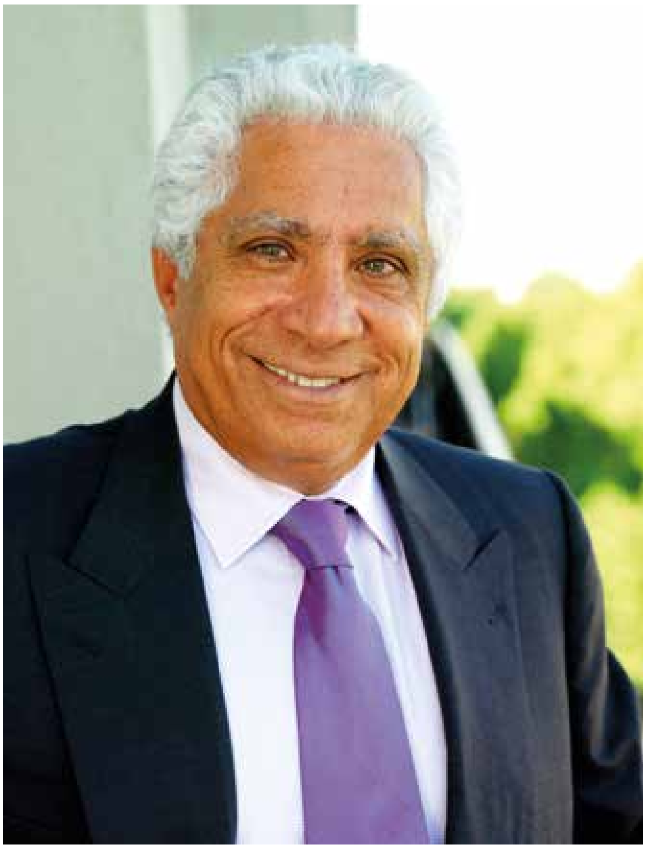
Investments in the TMT sectors are complex, and while Apax teams are not alone in targeting the sector, they stand out in terms of their differentiated skill set compared to their competitors. Apax teams have in-depth experience, acquired over more than 30 years in the TMT sector, and an excellent track record in supporting companies in the sector and helping them to achieve their potential.

Meanwhile, we believe that services companies will benefit more than others from digitalization as a key value driver. It is thus a sector where Apax can also add real value to the benefit of portfolio companies and thus drive superior growth and returns.

You purchased positions in two Apax funds during 2019. Is this a change of strategy?

The answer is yes and no. When Amboise increased its stake in Altamir to 65% in 2018, I made it clear we would take advantage of the fact that Altamir is an evergreen company. Meaning it can and should invest in a more flexible manner than a traditional private equity fund with a limited investment horizon. That was the change of policy, and within that context the acquisition of the secondary positions is an example of how we can benefit from that change.

As regards the first investment, we were presented with an unexpected opportunity to buy a secondary position in Apax France IX, when a large investor decided to sell at an attractive price. This enabled us to reinvest the cash generated by assets sales during the first half of the year, in a timely manner.



"Altamir is an evergreen company, meaning it can and should invest in a more flexible manner than a traditional private equity fund with a limited investment horizon."

The second investment, in Apax France VII, related to a legacy portfolio which I still manage through Amboise Partners. Following the sale of our investment in Altran, this fund had two companies left in its portfolio, Alain Afflelou and THOM Group, that still have great potential. As Apax France VII had reached its 13th year, Altamir made an offer to buy the limited partners' stakes in the fund, which they accepted for just over 80% of the shares. Even though the Covid-19 pandemic has forced both of the companies held by the fund (renamed AHO20) to close their stores, they should emerge stronger from the crisis.

Over the longer term, we will continue to take up those sorts of attractive opportunities when they arise and so long as they make financial and strategic sense. We also continue to work to increase our exposure to Asia, which remains a target, in line with our strategy announced in 2018.

Altamir shares outperformed their peer group over 2019 but remained at a substantial discount to net asset value.

The share price increase of over 30% in 2019 was pleasing, and that is before we consider the sharp gains early in January and February 2020 following our results announcement, and before the stock markets collapsed.

The gains during the year were, however, more than matched by the growth in NAV, meaning that the share's discount remained wide, though it narrowed to less than 25% at the end of January, before Covid-19 caused markets to tumble. Last year I announced a firm intention to put in place a mechanism to reduce that discount, but in the current environment cash is king, and using Altamir's cash to repurchase stock is not an option. So despite my desire, and conviction that the NAV gap remains unjustifiably wide, that project is at an end for the time being.

2020 promises to be an unusually challenging year.

My thoughts are first and foremost with those who have suffered as a result of this pandemic and with medical professionals and other essential workers who face challenging days ahead.

The Covid-19 epidemic is creating a situation of major uncertainty. From today's vantage point, no one can predict how long it will take to emerge from this public health crisis, what the human or economic costs will be, nor how long it will take for the economy to return to normal.

Leveraging the experience gained during the 2008 crisis, I anticipate that the private equity sector will see an almost total halt to new investments and divestments, coupled with a need to invest additional amounts in their portfolio companies. EBITDA of portfolio companies will decline, as will peer-group multiples, while indebtedness will rise.

With respect to Altamir, given the uncertainty surrounding the length and breadth of the coronavirus epidemic and its impact on the performance of the companies in the portfolio, I can no longer maintain the 2020 guidance announced when 2019 earnings were published, and I am not in a position to issue new guidance. Altamir's portfolio should be resilient for the most part, because it is made up principally of growth companies that are leaders in their sector and are geographically diversified. All the companies in the portfolio have taken measures necessary to preserve their business activity and their cash to the greatest extent possible.

Following the high level of divestment activity in 2019, Altamir is entering this difficult period with a sound financial condition. Cash totalled €79m as of 31 December 2019 and the Company is negotiating an increase in its bank lines of credit from €30m as of 31 December 2019 to €70m, or 10% of the shareholders' equity of the parent company as of that date, *i.e.* the maximum allowed under its status as an SCR *(Société de Capital Risque)*.

"Altamir's portfolio should be resilient for the most part, because it is made up principally of growth companies that are leaders in their sector and are geographically diversified."

1 Business description and activities

Items appearing in the annual financial report are cross-referenced with the following symbol AFR

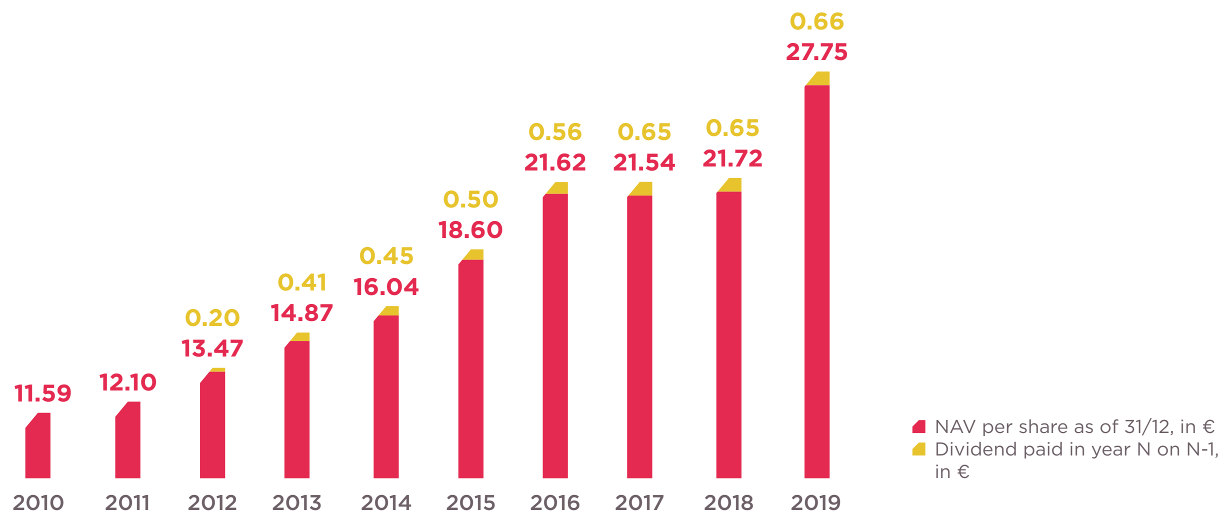
1.1 SELECTED FINANCIAL INFORMATION AFR

1.1.1 PERFORMANCE

HISTORICAL NAV GROWTH

+30.8% NAV growth in 2019, dividend included

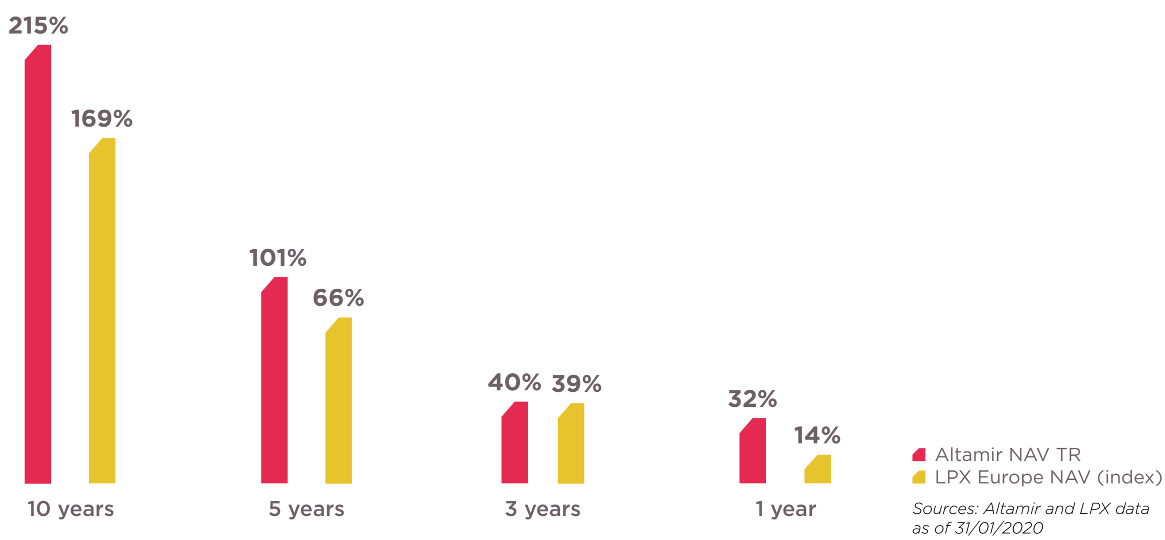
Net asset value per share in euros, at 31/12 of each year (share of limited partners holding ordinary shares)



COMPARATIVE PERFORMANCE

Altamir outperforms its benchmark index

NAV Total Return (dividends reinvested) over 1, 3, 5 and 10 years as of 31 December 2019



1.1.2 PORTFOLIO

THE 17 LARGEST INVESTMENTS

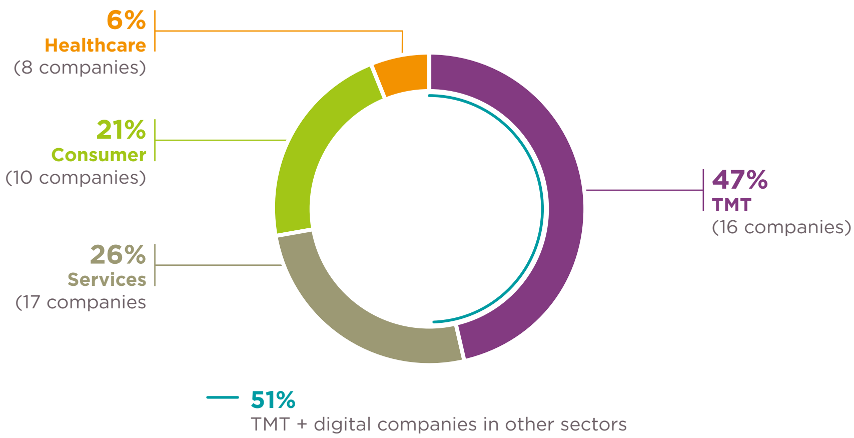
represent 81% of the portfolio at fair value

As of 31/12/2019	Residual cost in €m	Fair value in €m	% of portfolio at fair value
Marlink	47.4	162.1	16.5%
Entoria (ex-Ciprés)	48.8	83.9	8.6%
Bip	32.4	68.4	7.0%
Snacks Développement	37.7	61.6	6.3%
THOM Group	34.7	55.8	5.7%
SK FireSafety Group	12.2	50.5	5.1%
Expereo	37.8	48.0	4.9%
ThoughtWorks	6.9	44.2	4.5%
AEB	38.8	40.6	4.1%
InfoVista	40.5	39.9	4.1%
Sandaya	21.6	30.0	3.1%
Alain Afflelou	19.6	29.2	3.0%
Vocalcom	10.7	20.2	2.1%
Paycor	8.4	17.0	1.7%
Unilabs	9.6	15.8	1.6%
ECi Software Solutions	4.3	13.6	1.4%
Trade me	9.9	12.1	1.2%
TOTAL 17 LARGEST INVESTMENTS	**421.3**	**792.9**	**80.9%**
OTHER TMT (8 COMPANIES)	23.9	46.5	4.7%
OTHER CONSUMER (6 COMPANIES)	17.6	35.9	3.7%
OTHER SERVICES (13 COMPANIES)	46.0	61.1	6.2%
OTHER HEALTHCARE (7 COMPANIES)	34.3	38.2	3.9%
TOTAL 51 INVESTMENTS	**543.1**	**974.6**	**99.4%**
Funds Investments (Apax Development and Apax Digital)	5.7	5.9	0.60%
TOTAL PORTFOLIO	**548.8**	**980.4**	**100.0%**
Secondary (AHO20)	70.4	79.2	
TOTAL INVESTMENTS	**619.2**	**1,059.6**	

A WELL-DIVERSIFIED PORTFOLIO

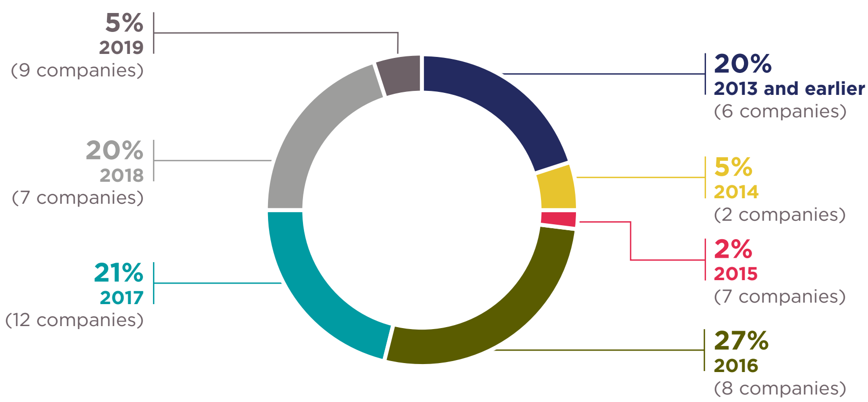
BY SECTOR

% of portfolio at fair value as of 31/12/2019



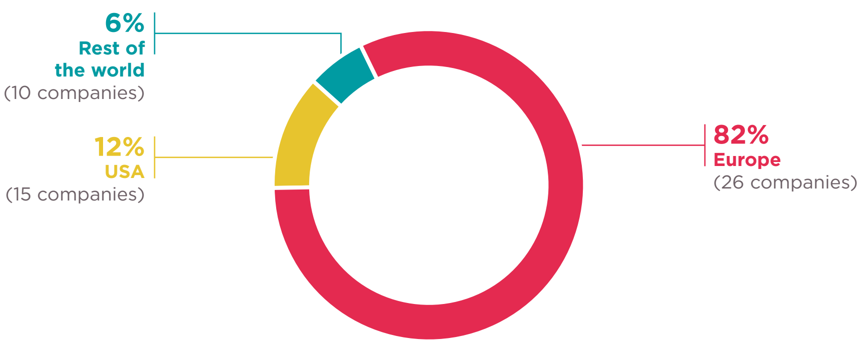
BY VINTAGE

% of portfolio at fair value as of 31/12/2019



BY GEOGRAPHY

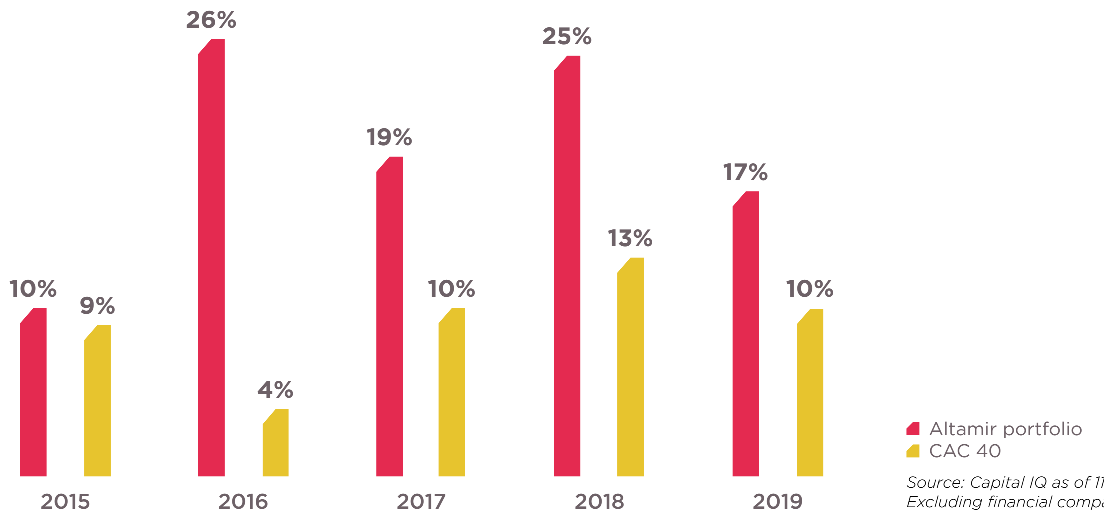
% of portfolio at cost as of 31/12/2019



PORTFOLIO PERFORMANCE

17% growth in average EBITDA in 2019

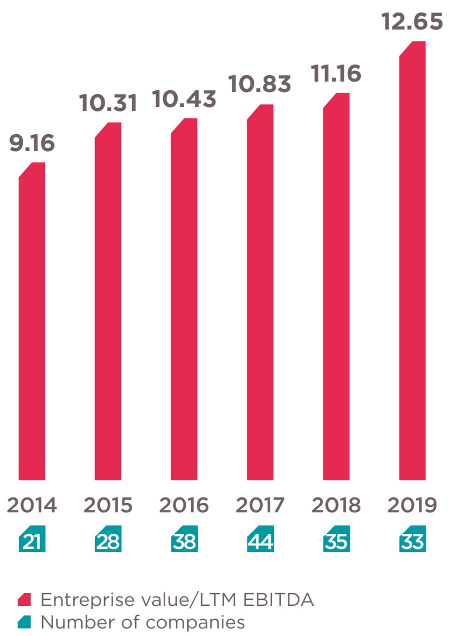
Year-on-year EBITDA growth at constant exchange rates, in %, weighted by Altamir's residual cost of each investment; CAC 40 weighted by market capitalisation



Source: Capital IQ as of 11 March 2020
Excluding financial companies

VALUATION MULTIPLES

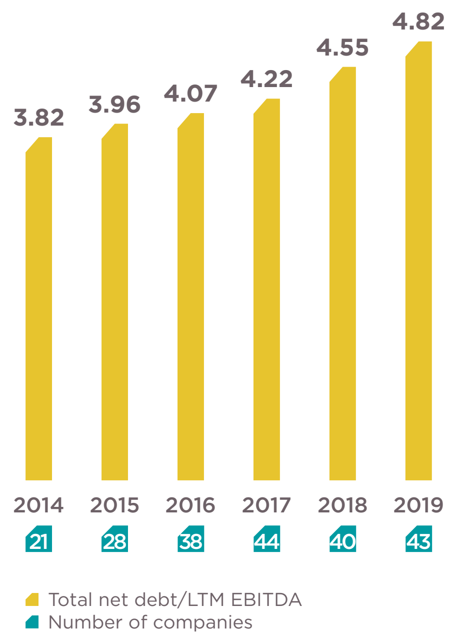
Average multiples as of 31/12 weighted by the residual amount invested in each company



Sample of 33 companies as of 31/12/2019 (excluding financial companies, companies being divested and companies where EBITDA is not relevant).

DEBT MULTIPLES

Average multiples as of 31/12 weighted by the residual amount invested in each company



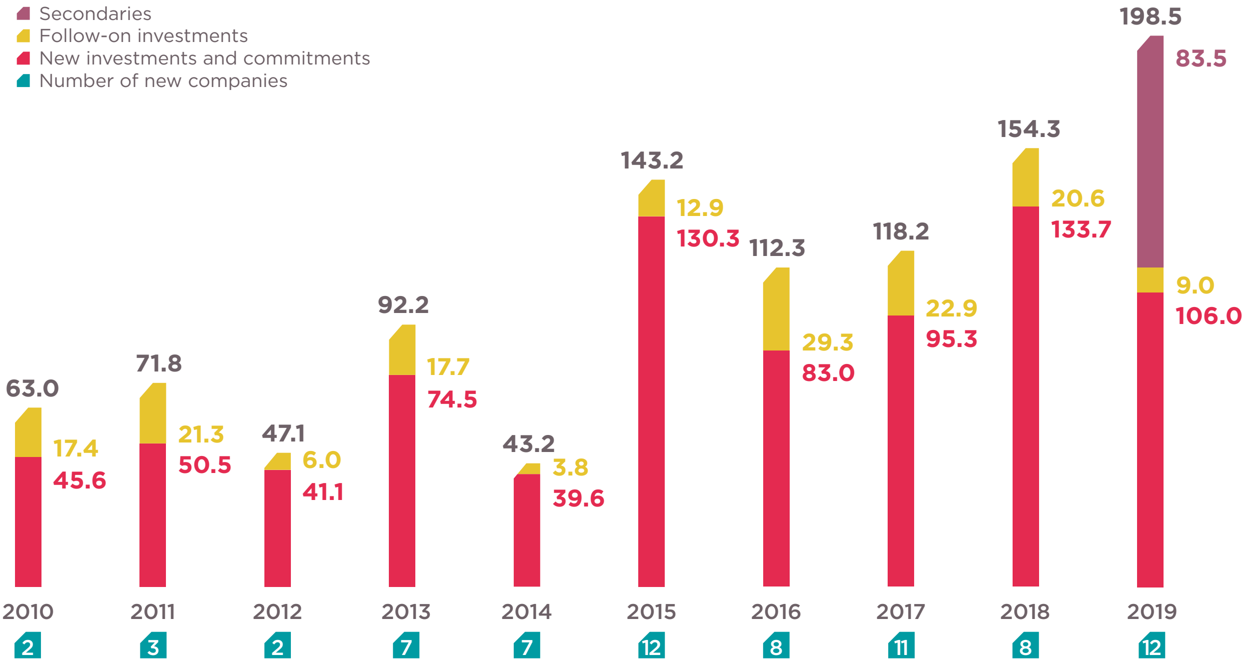
Sample of 43 companies as of 31/12/2019 (excluding financial companies and companies being divested).

1.1.3 ACTIVITY

INVESTMENTS AND COMMITMENTS

€198.5m of new and follow-on investments

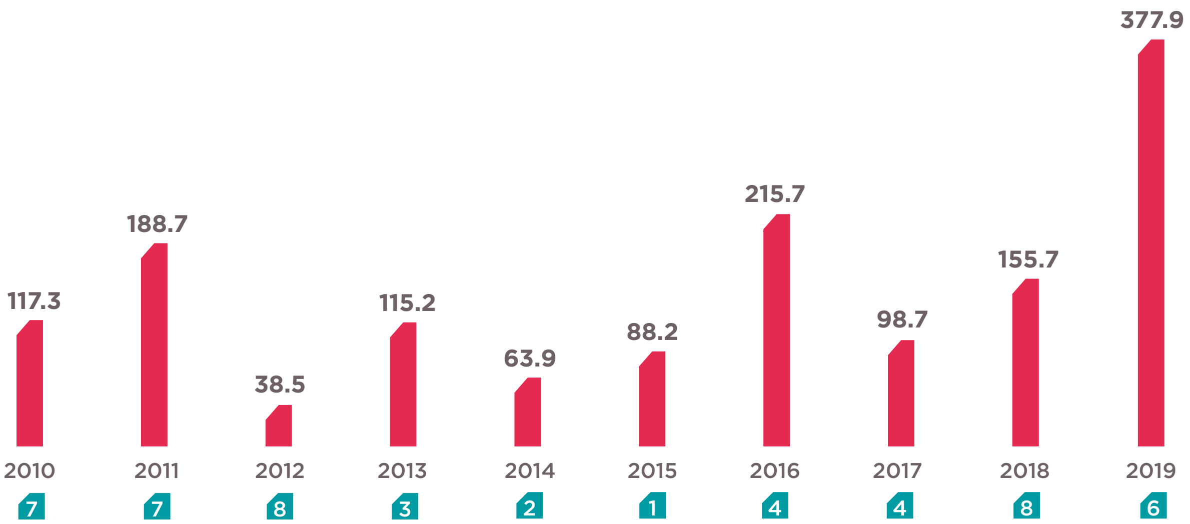
Amounts invested and committed, in €m; number of new portfolio companies per year



DIVESTMENTS

€377.9m of divestment proceeds and revenue in 2019

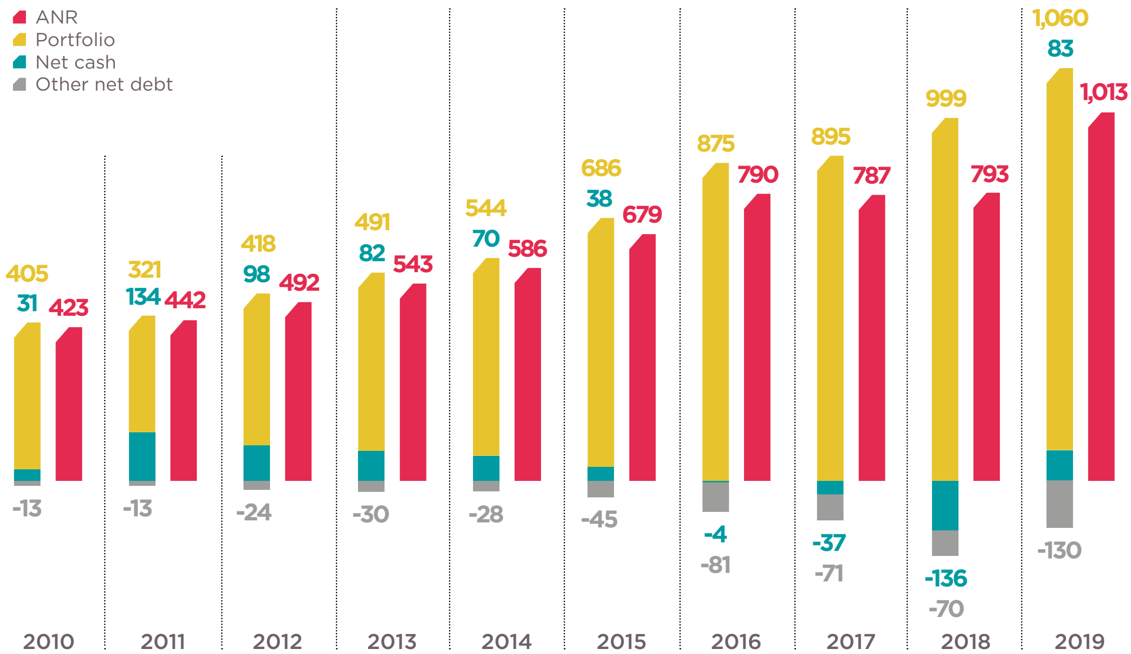
Closed and signed transactions, in €m



1.1.4 SIMPLIFIED BALANCE SHEET

KEY AGGREGATES

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

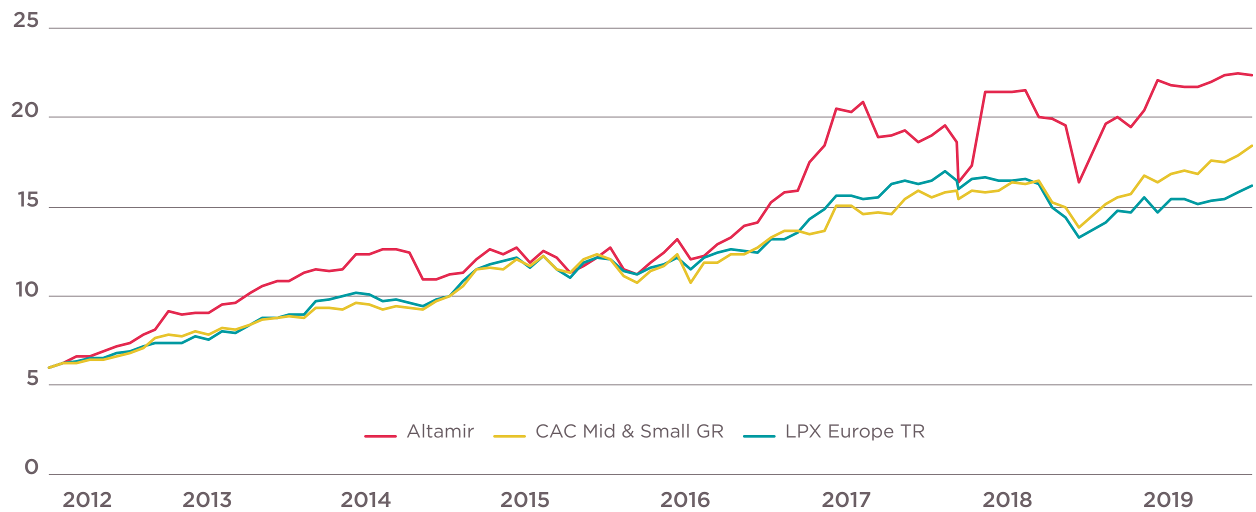


1.1.5 SHARE PRICE

SHARE PRICE PERFORMANCE

Altamir has outperformed its benchmark indices

As of 31 December 2019 (rebased: 30/06/2012), in €

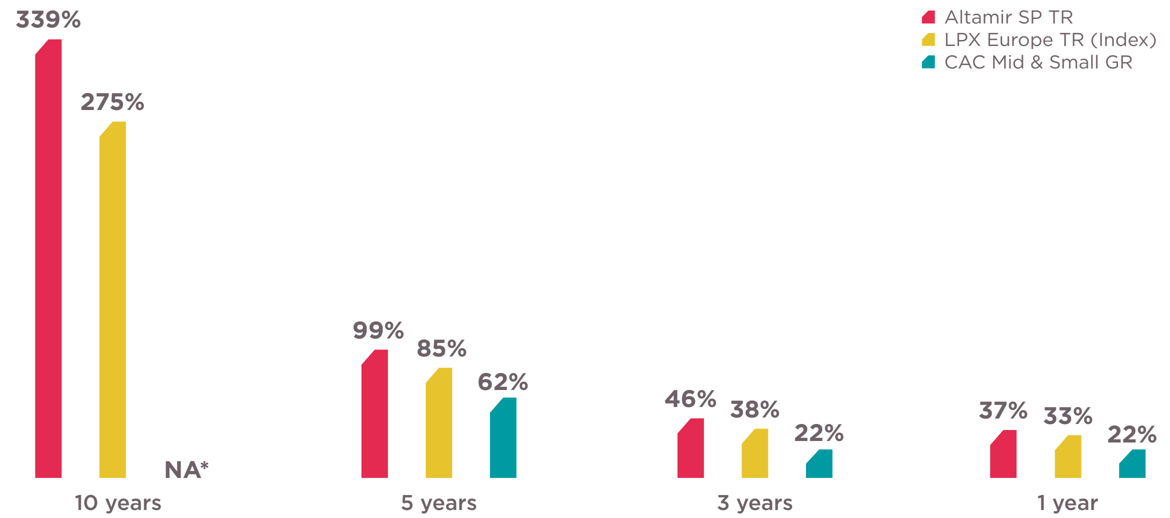


Sources: Altamir, LPX (Data on a Total Return/Gross Return with dividendes reinvested)

TOTAL SHAREHOLDER RETURN

Altamir outperforms its benchmark indices

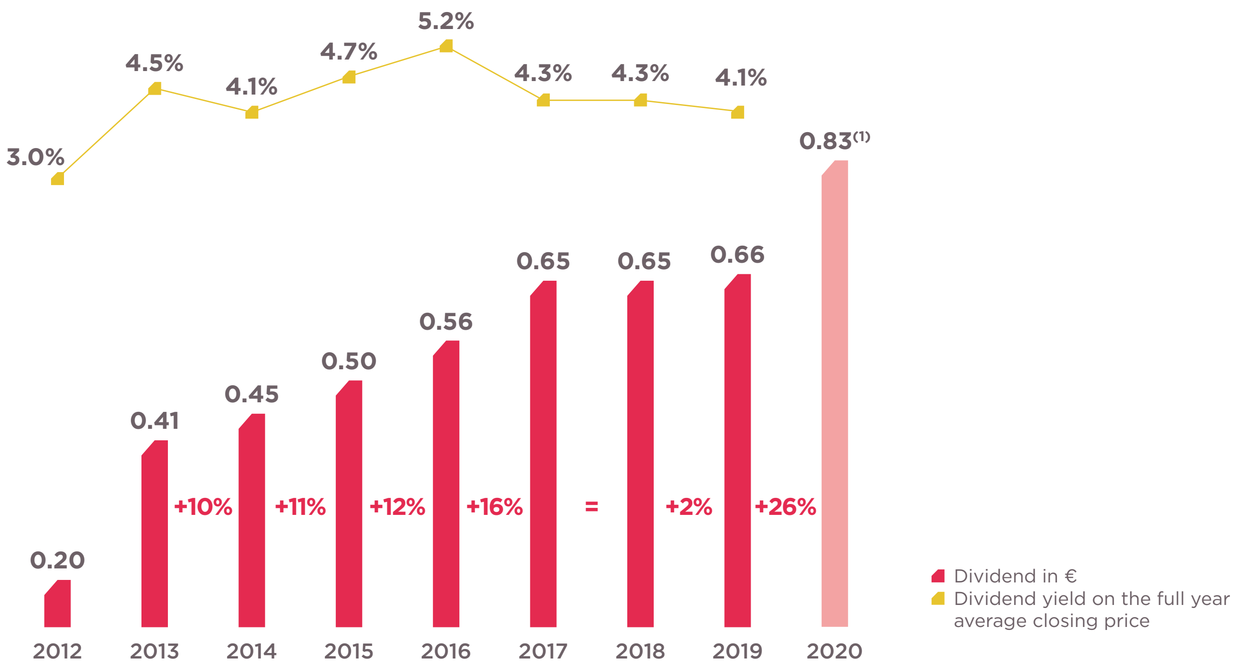
Total return over 1, 3, 5 and 10 years as of 31 december 2019



** CAC Mid & Small GR index not available before 2011.*

DIVIDEND DISTRIBUTION POLICY

2-3% of year-end NAV since 2013



(1) Against a background of very significant uncertainty caused by the Covid-19 pandemic, Altamir's Supervisory Board decided on 8 April 2020 to amend the dividend proposed to the holders of ordinary shares. The dividend would be reduced from €0.83 to €0.66 per share (more than 2% of NAV as of 31 December 2019), an amount equal to that paid in 2019. As a result, the amount of dividends disbursed in 2020 would be €24m, vs. the initially proposed allocation of €30.3m. The dividend payable to the general partner and the holders of Class B shares has been postponed sine die.

1.1.6 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 Shares
- CAC Financials
- LPX Europe

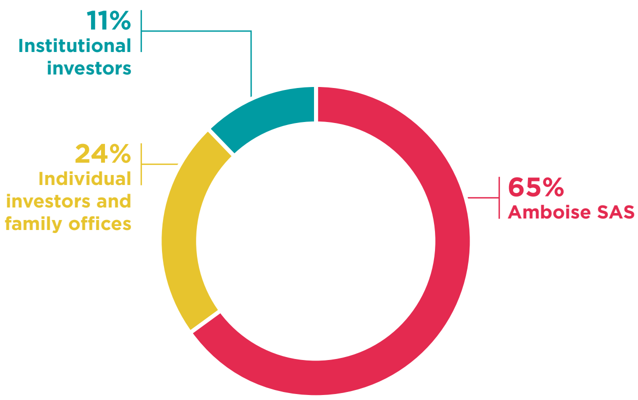
Stock market data

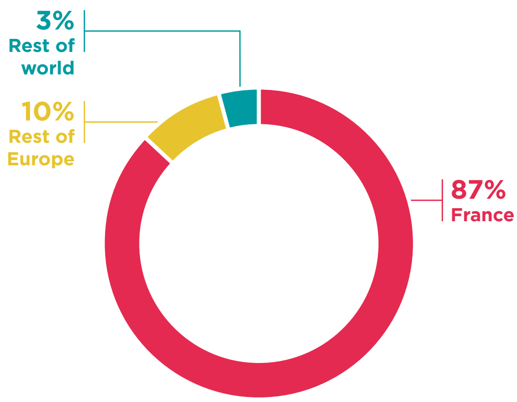
	2017	2018	2019
Opening price as of 1 January 20XX	€12.77	€15.24	€12.64
Closing price as of 31 December 20XX	€15.24	€12.64	€16.65
Highest price	€17.50 (17/07/2017)	€17.34 (11/05/2018)	€17.50 (04-07/10/2019)
Lowest price	€12.33 (06/01/2017)	€12.50 (28/12/2018)	€12.44 (07/01/2019)
Average closing price	€15.10	€15.48	€16.12
Average daily volume in number of shares traded	18,926	36,023	4,048
Average daily volume *(in €)*	286,474	588,182	64,854
Number of shares as of 31 December 20XX	36,512,301	36,512,301	36,512,301
Market capitalisation as of 31 December *(in €m)*	**556.4**	**461.5**	**607.9**

OTC transactions on alternative platforms are not included in these figures.

SHAREHOLDERS

As of 28 September 2019, the shareholders were as follows:





DIVIDEND DISTRIBUTION POLICY

Since 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 2019. The calculation of dividends for the 2017, 2018 and 2019 financial years is shown below for illustrative purposes. In consideration of the rise in NAV, the dividend(1) paid with respect to financial year 2019 is much higher than the dividend paid with respect to financial year 2018.

	2017 dividend calculation	2018 dividend calculation	2019 dividend calculation
Base	NAV as of 31/12/2017	NAV as of 31/12/2018	NAV as of 31/12/2019
Parameter	€786.7m	€792.9m	€1,013.2m
Rate	3%	3%	3%(1)
Amount of dividend on ordinary shares	€23,732,996	€24,098,119	€30,305,210(1)
Dividend per ordinary share	€0.65	€0.66	€0.83(1)

FINANCIAL COMMUNICATIONS POLICY

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 webcast 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 investment or divestment in excess of €10m 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

The information on the website is not part of this Universal Registration Document and as such has not been examined by the AMF.

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: Altamir, 1, rue Paul Cézanne, 75008 Paris (France)

2020 FINANCIAL COMMUNICATION CALENDAR

28 April at 10 a.m.	Annual General Meeting of Shareholders
12 May after market close(2)	Press release on NAV as of 31 March 2020
8 September after market close	Press release on first-half 2020 financial statements and NAV as of 30 June 2019
9 September at 8:30 a.m.	Analyst/investor meeting and webconference
5 November after market close	Press release on NAV as of 30 September 2020

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) Against a background of very significant uncertainty caused by the Covid-19 pandemic, Altamir's Supervisory Board decided on 8 April 2020 to amend the dividend proposed to the holders of ordinary shares. The dividend would be reduced from €0.83 to €0.66 per share (more than 2% of NAV as of 31 December 2019), an amount equal to that paid in 2019. As a result, the amount of dividends disbursed in 2020 would be €24m, vs. the initially proposed allocation of €30.3m. The dividend payable to the general partner and the holders of Class B shares has been postponed sine die.

(2) In order to reflect the impact of the current situation on NAV as of 31 March, the Company has decided to revalue all of its shareholdings, and not only the listed companies as it usually does at the end of the first quarter. Consequently, as announced in a press release dated 7 April 2020, the Company has postponed publication of NAV as of 31 March from 12 May, as initially planned, to 19 May 2020.

1.2 PRESENTATION OF THE COMPANY

1.2.1 GENERAL PRESENTATION

PROFILE

Altamir is a listed private equity company (Euronext Paris, Compartment B) with a net asset value (NAV) of more than €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" (*i.e. 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.

INVESTMENT POLICY

Before 2011, Altamir co-invested alongside the funds managed by Apax Partners SA[1], and still holds two 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:

/// Managed by Apax Partners SAS, France:
- €277m in Apax France VIII,
- €306m committed to Apax France IX,
- €350m in Apax France X,
- €15m in Apax Development.

/// Managed by Apax Partners LLP, London:
- €60m in Apax VIII LP,
- €138m in Apax IX LP,
- €180m in Apax X LP,
- $5m in Apax Digital.

/// Co-investments: €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:
/// 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.

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

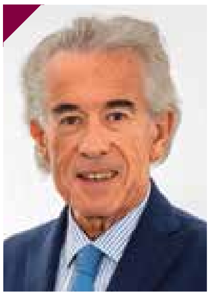
- Jean Estin
- Marleen Groen
- Anne Landon
- Jean-Hugues Loyez (Chairman)

Two observers are appointed to the Supervisory Board for a two-year term in an advisory capacity:

- Gérard Hascoët
- Philippe Santini

STATUTORY AUDITORS

RSM Paris
EY (ex-Ernst & Young et Autres)

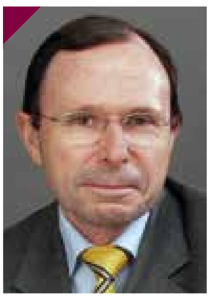


Jean Estin

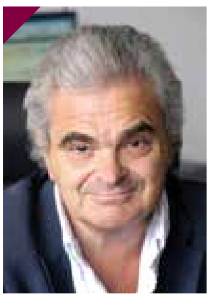
Marleen Groen

Anne Landon

Jean-Hugues Loyez
Chairman



Gérard Hascoët
Observer



Philippe Santini
Observer

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 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 Apax France VIII, raised in 2011 (€704m), Apax France IX, raised in 2016 (€1.030bn), Apax France X (target size: €1.2bn) and Apax Development, a €255m fund specialised in the small-cap segment in France.

The funds managed and advised by Apax Partners SAS total more than €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

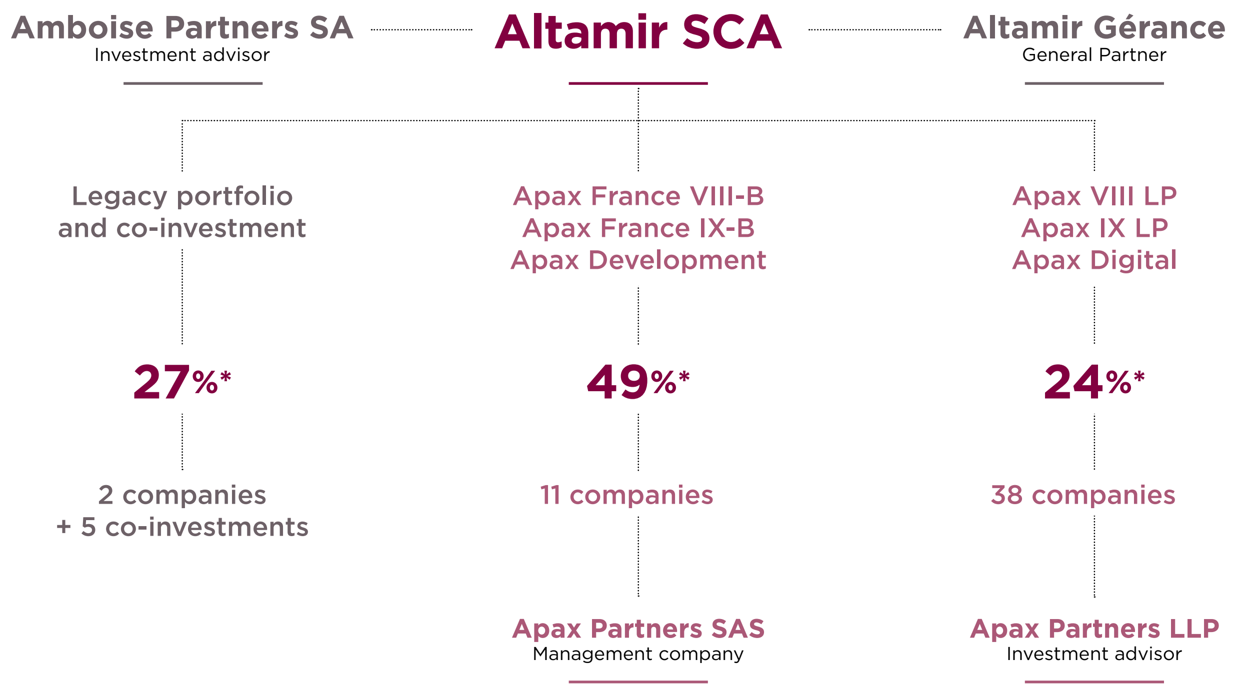
London-based Apax Partners LLP is one of the world's foremost private equity firms. Apax Partners LLP invests in Europe (outside France), North America and the principal emerging economies (Brazil, China, India). It has a team of more than 120 investment professionals, organised by sector and located 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), Apax X LP (target size: $10.5bn) and Apax Digital in 2017 (a $1.1bn fund specialising in technology-intensive companies).

For more information please visit **www.apax.com**

1.2.2 ORGANISATION CHARTS

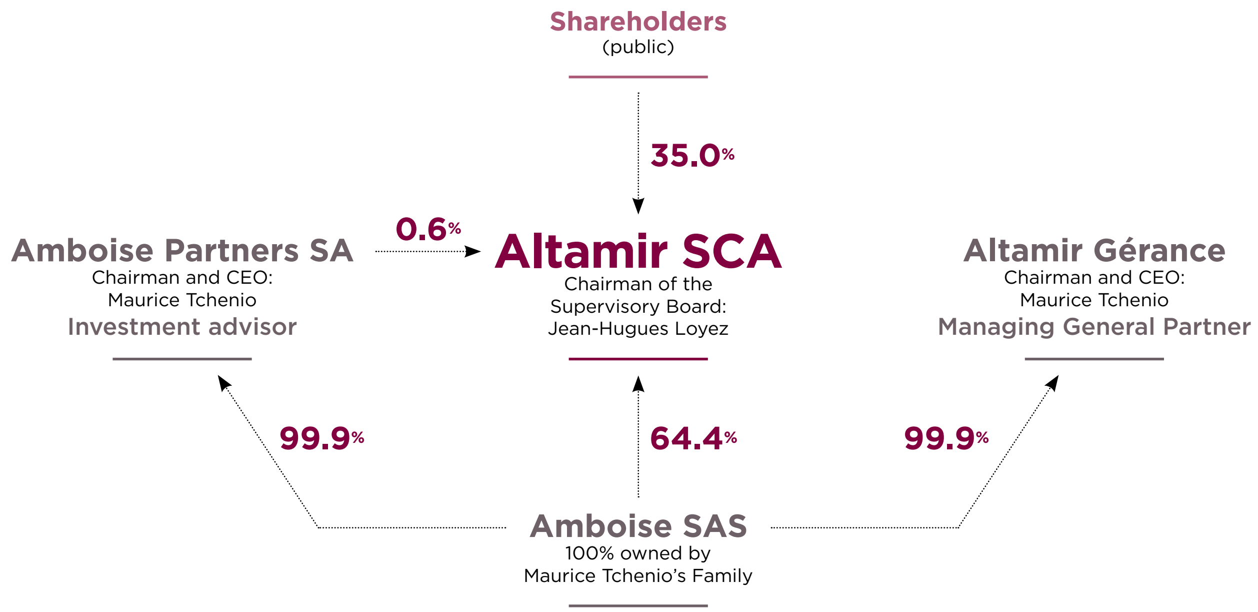
OPERATIONAL ORGANISATION CHART AS OF 31 DECEMBER 2019



*% 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 2019



Altamir
INVEST VIA APAX PARTNERS

PORTFOLIO

1.2.3 PORTFOLIO AT 31 DECEMBER 2019

As of 31 December 2019, Altamir's portfolio of residual investments broke down as follows, by company:

TMT (Technology-Media-Telecom)	**Year of investment**	**Percentage interest in the underlying operating company**	**Residual cost** *(in €k)*	**Stage of developpment**
Marlink (1)	2016	27.52%	47,375	LBO
InfoVista (1)	2016	22.44%	40,511	LBO
Expereo	2018	17.83%	37,762	LBO
Bip	2018	18.77%	32,389	LBO
Vocalcom	2011	18.54%	10,709	Growth Capital
Paycor	2018	0.85%	8,379	LBO
Inmarsat	2019	0.36%	7,623	LBO
ThoughtWorks (1)	2017	2.26%	6,942	LBO
ECi Software Solutions	2017	1.38%	4,343	LBO
Genius Sports Group	2018	1.28%	4,157	LBO
Attenti	2017	1.70%	3,005	LBO
Fractal Analytics	2019	0.87%	2,950	LBO
Engineering Ingegneria Informatica	2016	0.51%	2,555	LBO
Duck Creek Technologies	2016	0.51%	2,336	LBO
Zensar (2)	2015	0.22%	1,169	LBO
TietoEVRY (2)	2015	0.19%	6	LBO
			212,211	

HEALTHCARE				
Amplitude Surgical (2)	2011	13.17%	14,041	LBO
Unilabs	2017	1.01%	9,542	LBO
Candela	2017	1.62%	5,860	LBO
Vyaire Medical	2016	0.96%	5,412	LBO
Healthium MedTech	2018	1.67%	3,121	LBO
Neuraxpharm	2016	0.86%	2,874	LBO
Kepro	2017	1.42%	2,841	LBO
Ideal Protein	2015	0.63%	153	LBO
			43,844	

(1) Co-investments (alongside Apax France VIII and IX funds as well as Apax IX LP)
(2) Listed companies.
n.s. : not significant.

SERVICES	Year of investment	Percentage interest in the underlying operating company	Residual cost *(in €k)*	Stage of developpment
Entoria (1)	2017	17.09%	48,748	LBO
AEB	2018	24.04%	38,845	LBO
SK FireSafety Group	2014	37.34%	12,241	LBO
Trade me	2019	1.03%	9,918	LBO
Assured Partners	2019	0.42%	8,945	LBO
Authority Brands	2018	1.59%	6,470	LBO
SafetyKleen	2017	1.54%	4,902	LBO
Tosca Services	2017	1.30%	4,595	LBO
Guotai Junan Securities (2)	2017	0.04%	3,800	LBO
Shriram City Union Finance (2)	2015	0.22%	3,299	Growth Capital
ADCO Group	2019	1.21%	3,203	LBO
Lexitas	2019	1.51%	2,643	LBO
Quality Distribution	2015	0.72%	2,412	LBO
Boats Group	2016	1.56%	2,038	LBO
Manappuram Finance (2)	2017	0.17%	1,825	LBO
Gama Life	2019	1.39%	1,362	LBO
Huarong (2)	2014	n.s.	352	LBO
			155,598	
CONSUMER				
Snacks Développement (1)	2013	24.22%	37,713	LBO
THOM Group	2010	10.42%	34,731	LBO
Sandaya	2016	9.60%	21,611	LBO
Alain Afflelou	2012	5.85%	19,618	LBO
MATCHESFASHION.COM	2017	0.91%	7,240	LBO
Wehkamp	2015	0.96%	3,273	LBO
Baltic Classifieds Group	2015	0.96%	3,117	LBO
Cole Haan	2013	1.02%	1,832	LBO
Huayue Education	2019	0.49%	1,363	LBO
Idealista	2015	0.87%	747	LBO
			131,245	
FUND INVESTMENTS				
Apax Devt. Fund	2018	5.87%	3,830	
Apax Digital Fund	2018	0.47%	1,840	
			5,670	
SECONDARY				
AHO20	2019	0.47%	70,450	
			70,450	
TOTAL			**619,018**	

(1) Co-investments (alongside Apax France VIII and IX funds as well as Apax IX LP)
(2) Listed companies.
n.s. : not significant.

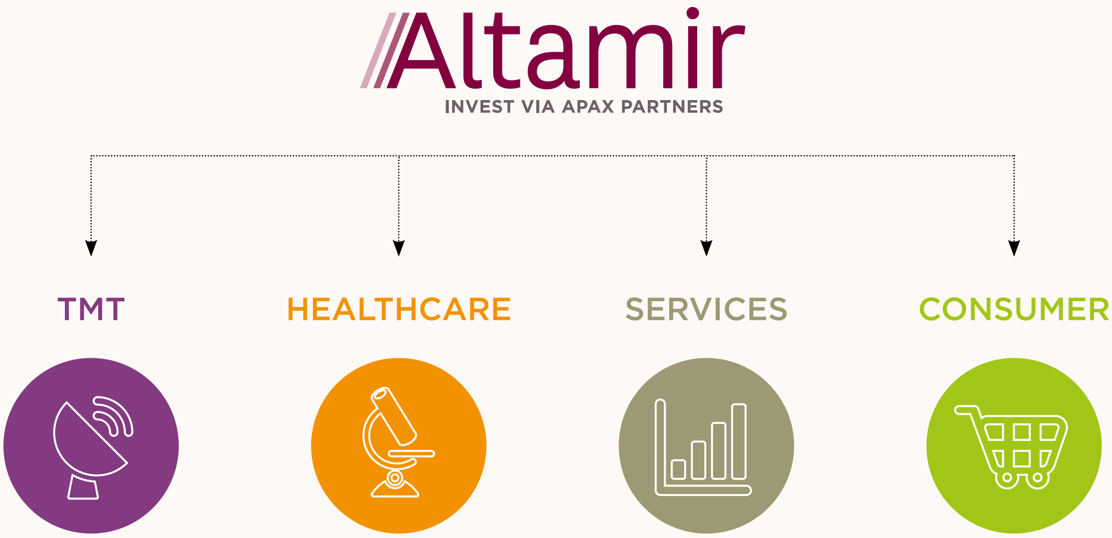
1.2.4 PORTFOLIO COMPOSITION BY SECTOR

As of 31 December 2019, Altamir's portfolio was composed of **51 companies** (vs 48 as of 31 December 2018), including 44 unlisted companies (more than 90% of portfolio value) and seven listed companies (Amplitude, TietoEVRY, Guotai, Huarong, Manappuram, Shriram, Zensar).

During 2019, these companies posted an increase of **17.2%** in their average EBITDA, weighted by the residual amount invested in each company. Organic growth and acquisitions made during the previous 12 months drove this increase.

The 17 largest investments, representing nearly **81%** of the portfolio's total value as of 31 December 2019, are as follows, in decreasing order: Marlink, Entoria (ex-Ciprés Assurances), Bip, Snacks Développement, THOM Group, SK FireSafety Group, Expereo, ThoughtWorks, AEB, InfoVista, Sandaya, Alain Afflelou, Vocalcom, Paycor, Unilabs, ECi, Trade Me.

They are presented below with key financial data as of 31 December 2019.



CONTENTS

MARLINK
Connect smarter. Anywhere.

www.marlink.com

SECTOR		DATE OF INVESTMENT **2016**	RESIDUAL COST **€47.4m**
COUNTRY **France**		FAIR VALUE **€162.1m**	% OF THE PORTFOLIO AT FAIR VALUE **16.5%**

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 Apax/Altamir portfolio company 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 has actively pursued its strategy to grow, both organically and through acquisitions. In November 2016 (six 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 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 $485m, about 1,000 employees and an installed base of more than 5,700 VSAT vessels.

5. Performance

Marlink continued to accelerate the development of higher-margin VSAT services, while the legacy, MSS-technology-based business gradually continued to decline. 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 2019, Marlink's double-digit EBITDA growth was driven by an improving Maritime VSAT mix and solid performance in the Enterprise division.

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.

ENTORIA
Assurez-vous d'entreprendre

www.entoria.fr

SECTOR

COUNTRY
France

DATE OF INVESTMENT
2017

RESIDUAL COST
€48.8m

FAIR VALUE
€83.8m

% OF THE PORTFOLIO AT FAIR VALUE
8.6%

1. Business description

Founded in 2000, Entoria (formerly 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.

The company 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 recognised expertise in health & protection and property & casualty insurance, bringing in new skills 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 brokers.

2. Investment rationale

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

In France the underlying market for 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.

Entoria 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

Entoria is in the process of digitalising all its processes, continuing to expand its broker network, increasing its brokers' business volumes and diversifying its products internally and/or through acquisitions and joint ventures.

With these steps, Entoria 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

Two and a half years after the investment, the company is on track with its business plan. In 2019, it finished integrating all claims management into its common IT system, with the full overhaul of IT back office expected to be completed over the course of 2020.

In September 2019, Ciprés announced its new corporate identity, centred around its new brand name, "Entoria", combining all its business lines after integrating Axelliance, acquired in August 2018. Entoria is now the second-largest wholesale insurance broker in France, with more than €500m in the portfolio and ca. 9,400 partner brokers in 2019. Its aim is to become the preferred insurer for French entrepreneurs in the near term.

5. Performance

For FY 2019, net revenues stood at €99.1m a decrease of 4.3% compared to 2018.

EBITDA increased by 21.5% on a proforma basis.

6. Exit

Entoria'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.

Bip.

www.businessintegrationpartners.com

SECTOR		DATE OF INVESTMENT **2018**	RESIDUAL COST **€32.4m**
COUNTRY **Italy**		FAIR VALUE **€68.4m**	% OF THE PORTFOLIO AT FAIR VALUE **7.0%**

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, the country that still generates the majority of revenues. With over 2,700 employees, BIP serves more than 300 clients, with most revenues coming from large blue-chip clients in various industries including TMT, Energy & Utilities, Public Sector 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 the 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 outpace the 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 14 years for the top 10 clients.

3. Sources of value creation

Our investment thesis relies on BIP's proven positioning and digital edge, 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

In 2019, as in previous years, BIP has been able to recruit strongly (+440 net FTEs) in order to benefit from the Italian market's growth while maintaining excellent service quality, customer satisfaction and healthy margins.

Digital revenues grew by 37% in 2019 vs. 2018, now representing ca. 24% of total revenues.

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

BIP realised its first acquisition in Brazil (FBM), a ca. €3.5m revenue business (more than 130 consultants) reinforcing its local franchise.

5. Performance

In 2019 BIP continued to outperform its budget and business plan, with year-on-year growth in revenue and EBITDA of ca. 17% and 18%, respectively.

6. Exit

The company's strong growth track record (10-15% expected CAGR in revenue over 2019-22), excellent operating performance and strong cash conversion should be highly attractive at exit. Exit routes include IPO, tertiary LBO and trade sale.

SNACKS DÉVELOPPEMENT

Snacks Développement

SECTOR		DATE OF INVESTMENT **2013**	RESIDUAL COST **€37.7m**
COUNTRY France		FAIR VALUE **€61.6m**	% OF THE PORTFOLIO AT FAIR VALUE **6.3%**

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 2.5 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 95,000 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 and has a commercial presence in 10 European countries.

5. Performance

Revenue for the 2019/20 financial year (FYE 31 January) should reach €371m, up 6% compared with the previous year's pro forma revenue.

6. Exit

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

THOM GROUP

www.thomeurope.com

SECTOR	DATE OF INVESTENT	RESIDUAL COST
	2010	€34.7m
COUNTRY France	FAIR VALUE	% OF THE PORTFOLIO AT FAIR VALUE
	€55.8m	5.7%

1. Business description

THOM Group 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 Group 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 Group 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 Group 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. In 2014, the group acquired 43 Piery stores and made several other small acquisitions. THOM Group 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 Group 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 October 2019, THOM Europe was renamed THOM Group to reflect the global ambition of the group.

5. Performance

THOM Group continued to perform well in 2018/19 (FYE September 30). Revenue rose by 4.6% to €703.8m and EBITDA was up 6.6% over the previous financial period.

This performance was mainly the result of an increase in same-store sales in all countries as well as a 32% increase in online sales.

6. Exit

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

SK FireSafety Group

www.skfiresafetygroup.com

SECTOR

COUNTRY
Netherlands

DATE OF INVESTMENT
2014

RESIDUAL COST
€12.2m

FAIR VALUE
€50.5m

% OF THE PORTFOLIO AT FAIR VALUE
5.1%

1. Business description

SK FireSafety Group specialises in fire safety. It manufactures and maintains extinguishers, hydrants and other fire safety products and designs fire detection and extinction systems for critical environments. The company used to provide these same products and services to the aeronautical sector, but that business unit was sold in December 2018.

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 revenue.

SK FireSafety has developed specific know-how in the sale and maintenance of critical safety equipment. 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 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.

In December 2018, the group signed a definitive agreement to sell its Aero Safety unit to the US private equity firm LLCP (Levine Leichtman Capital Partners). The deal was officially closed in January 2019.

5. Performance

In 2019, SK Firesafety generated €123m in revenue, growing 13% compared to 2018. The EBITDA increase of 18% vs. 2018 far exceeded the original budget. During the year, the company made four smaller acquisitions in Scandinavia to increase its presence in the region and one larger acquisition (active in defibrillators and maintenance) in the Benelux to expand the product portfolio.

6. Exit

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

www.expereo.com

SECTOR

COUNTRY
Netherlands

DATE OF INVESTMENT **2018**	RESIDUAL COST **€37.8m**
FAIR VALUE **€48.0m**	% OF THE PORTFOLIO AT FAIR VALUE **4.9%**

1. Business description

Expereo is a leading global internet connectivity and managed services provider, operating in more than 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 global, cloud services and software-defined networking 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 years. The company has built long-term relationships with an impressive group 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 acquisition by Apax Partners SAS in September 2018, Expereo's performance has been perfectly on track with its business plan. Several operational effectiveness and product enhancement initiatives have been completed, such as:

- the relocation of several functions from the Netherlands to the Dubai service centre;
- continued roll-out of cloud acceleration equipment with eight openings globally in 2019;
- the recruitment of two new board members: Jose Duarte (CEO of Infovista) and Per Borgklint (ex-SVP Ericsson).

5. Performance

2019 trading performance was very strong and confirmed our investment thesis, notably:

- direct go-to-market strategy has proven successful, with direct sales up 113% vs. 2018 and now representing 23% of revenue;
- continued traction on value-added services such as SD-WAN (up 55% vs. 2018) and XCA acceleration (up 39% vs. 2018);
- traction in US sales supported by investment in a direct salesforce.

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.

ThoughtWorks®

www.thoughtworks.com

SECTOR		DATE OF INVESTMENT **2017**	RESIDUAL COST **€6.9m**
COUNTRY **United States**		FAIR VALUE **€44.2m**	% OF THE PORTFOLIO AT FAIR VALUE **4.5%**

1. Business description

ThoughtWorks is a leading digital transformation and software company which helps businesses solve complex technology problems. Headquartered in Chicago, USA, the company operates in 15 countries with more than 40 offices worldwide and over 6,000 employees globally. Specialising in the design and delivery of customised software to *Fortune 1000* companies, ThoughtWorks is considered a thought leader in the industry and tackles the most complex digital transformation problems for its clients. The Apax Funds acquired ThoughtWorks in October 2017.

2. Investment rationale

The Apax Funds' track record as a large investor in the Tech-enabled Services sub-sector was critical in bringing the deal to fruition. Having supported the growth ambitions of a number of similar companies globally, Apax saw that the digital transformation sector is both large and growing fast, as companies increasingly invest in digital transformation to stay competitive. Within this market, ThoughtWorks has a differentiated, market-leading position thanks to its well-respected brand, history of being an innovative thought leader, and talent. The investment thesis is to back a business at the forefront of digital transformation to accelerate growth and capitalise on margin improvement opportunities, as well as preserving ThoughtWorks's unique culture to recruit the best talent and sustain market differentiation.

3. Sources of value creation

Apax will seek to apply the best practices developed from prior investments in this category to ThoughtWorks. In particular, Apax sees opportunities to accelerate growth, including through better account management practices, margin improvement, and a more focused sales & marketing strategy.

4. Achievements

To date, Apax has undertaken a number of initiatives in partnership with management. These include: i) the improvement of account management and mining capabilities to strengthen the demand pipeline; ii) the recruitment of best-in-class talent, including leadership upgrades to strengthen specific geographical teams; iii) focused investments in new technology capabilities to strengthen ThoughtWork's market differentiation and accelerate growth; iv) the scaling of support teams, particularly finance, to support continued growth, and v) improved efficiency in general-and-administrative expenses and better margins, a project supported by Apax's Operational Excellence Practice.

5. Performance

ThoughtWorks continues to perform very strongly, with revenue growth of 17% in 2019, ahead of the market thanks to the company's differentiated tech capabilities, investment in innovation, and best-in-class team. Improving margins are delivering impressive increases in profitability with an EBITDA growth of 17% in 2019.

IMPROVEMENT THROUGH BIOTECHNOLOGY

www.aebgroup.com

SECTOR		DATE OF INVESTMENT 2018	RESIDUAL COST €38.9M
COUNTRY Italy		FAIR VALUE €40.5m	% OF THE PORTFOLIO AT FAIR VALUE 4.1%

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 circa 170 agents and sales representatives in 15 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 further expand the international footprint of the company. It will also lead an ambitious buy and build strategy, leveraging on AEB's existing worldwide sales and agents' network.

Apax will conduct a digital transformation of the company. Digital technologies will enable 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

A new subsidiary has been opened in China to address local customers. In February 2019 AEB acquired the Danish filtration cartridge company Danmil, which offers significant upside.

Some discussions are ongoing with potential M&A targets in France and in Italy.

5. Performance

In 2019, revenue increased by 3% to €104m, driven by the Danmil acquisition and sound growth in core countries (Italy, France, Spain) despite adverse harvest conditions (ca. -20% in volume) and the underperformance of Innotec (the specialized equipment subsidiary). EBITDA improved by 2%.

6. Exit

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

infovista

www.infovista.com

SECTOR		DATE OF INVESTMENT **2016**	RESIDUAL COST **€40.5m**
COUNTRY France		FAIR VALUE **€39.9m**	% OF THE PORTFOLIO AT FAIR VALUE **4.1%**

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 North and South America (ca. 35%), Europe (ca. 40%, of which less than 10% in France), Asia, Middle-East and Africa (ca. 25%).

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 CSPs; Ipanema's SD-WAN solution launched in April 2019.

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 about 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.

Since 2018, InfoVista has been focused on revamping the Sales & Marketing organisation to invigorate the businesses.

In January 2019, Jose 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.

In July 2019, the company put in place a new sales organisation, from a geography-centric model to a customer/solution-centric one, built around two business units (Global Enterprise and Global Networks), which will scale up and take the company on the next wave of growth, notably in SD-WAN and 5G.

5. Performance

Over the first six months of 2019/20 (FYE 30 June), InfoVista's Global Network business performed in line with plan on the back of growing TEMS solutions driven by 5G, and the company invested heavily in the Global Enterprise business (new SD-WAN solution launched in April 2019).

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.

www.sandaya.fr

SECTOR		DATE OF INVESTMENT **2016**	RESIDUAL COST **€21.6m**
COUNTRY France		FAIR VALUE **€30.0m**	% OF THE PORTFOLIO AT FAIR VALUE **3.1%**

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 26 four- and five-star campsites in France, Belgium 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, kids activities, playgrounds, etc.).

Customers are French (54% of sales) as well as Dutch, Belgian, British 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 a specific 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, 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 a significant number of acquisitions from 2011 to October 2019.

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 sales & marketing 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 2019, Sandaya had already acquired 18 campsites (adding 7,515 pitches, a 162% increase vs. the initially-acquired scope), with one further campsite under a management contract with an option to buy in 2021 (325 pitches). Sandaya is pursuing a number of additional acquisition opportunities for the 2020 and 2021 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 2019, it invested significantly in marketing and digital to grow its brand awareness and optimise online sales for the coming seasons.

5. Performance

For the 2018/19 financial year (FYE 31 October), the company generated revenue of €74.1m, up 59% compared to the prior year, owing to an increase in business at constant scope (18 campsites) and the acquisition of seven campsites at the start of the season.

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.

ALAIN AFFLELOU

www.afflelou.com

SECTOR

COUNTRY
France

DATE OF INVESTMENT
2012

RESIDUAL COST
€19.6m

FAIR VALUE
€29.2m

% OF THE PORTFOLIO AT FAIR VALUE
3.0%

1. Business description

Alain Afflelou is a leading retail optical 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 30 April 2019, the company had a network of 1,424 points of sale, including 957 in France, 327 in Spain and 140 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 has 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 July 2019, the group announced the repurchase of €44.7m worth of convertible bonds.

In March 2017, the Group launched a digital transformation initiative aimed at reshaping the customer experience but also at reviewing internal processes, accompanied by leading consulting firms. A new senior Chief Digital Officer was hired in November 2019 to accelerate the plan's implementation.

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

5. Performance

During the 2018/19 financial year (FYE 31 July), Alain Afflelou's revenue was down by 2%, while EBITDA was up by 6%.

Over the first three months of the current financial year (Aug 2019 – Oct 2019), group network sales increased by 2.3%, a solid commercial performance driven by attractive store concepts and commercial offers as demonstrated by the success of the Magic range in France and Spain.

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 Magic or new exclusive collections.

The group continues to actively pursue its French and international expansion through store openings and acquisitions.

6. Exit

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

VOCALCOM
Connecting to Customers

www.vocalcom.com

SECTOR		DATE OF INVESTMENT **2011**	RESIDUAL COST **€10.7m**
COUNTRY **France**		FAIR VALUE **€20.2m**	% OF THE PORTFOLIO AT FAIR VALUE **2.1%**

1. Business description

Vocalcom is a software and multi-channel technology provider for customer contact centers.

Founded in 1995 by a visionary entrepreneur, Vocalcom currently provides a diversified set of solutions and services built around its core software product, Hermes, to over 1,000 customers across ca. 50 countries: SaaS/Cloud, license sales, maintenance, associated services (settlement, training, consulting etc.).

Headquartered in Paris the company employs over 200 people and generates more than 60% of its sales outside of France, particularly in fast-growing emerging markets such as Brazil and North Africa.

The company has experienced a positive transformation both in terms of Management reorganization and business model migration from Licence towards SaaS/Cloud.

2. Investment rationale

Vocalcom enjoys a superior software offering that allows corporate clients to:

- manage their customer contact center;
- improve their contact centers customer service quality through the integration of a range of communication channels including telephones, email, SMS, Web Chat, mobile terminals and social networks; and
- optimise the productivity of customer service teams (*e.g.* planned telemarketing campaigns).

The investment thesis was to accelerate Vocalcom's international growth and make it an internationally recognised leader in the fields of multichannel contact center management and customer relations.

3. Sources of value creation

As a reminder, at the time of the investment, Vocalcom had a Licence-based business model meaning revenues were recognised upfront when the contracts were signed while in a SaaS model, revenues are subscription-based meaning they are recognised over time over the life of the contract.

Thanks to this migration from a Licence-based model to a subscription-based model (SaaS/Cloud), recurring business now represents ca. 70% of total revenues which brings strong visibility.

Vocalcom now has a solid platform to build significant strategic value by capturing the growth in the SaaS/Cloud markets which enjoy high customer demand.

4. Realisations

Between 2012 and 2018, Apax, the Founder and managers conducted follow-on investments to accelerate the development of the company.

In 2015 a new organisation of Management was put in place with a new CEO and a new Chairman.

5. Performance

In December 2019, Vocalcom disposed of its subsidiary Opportunity (in Automated Customer Interaction) to focus on the core SaaS/Cloud business and accelerate future growth.

The 10% revenue increase in 2019 was mainly driven by the growth trajectory in Saas/Cloud.

Paycor®

www.paycor.com

SECTOR		DATE of INVESTMENT **2018**	RESIDUAL COST **€8.4m**
COUNTRY **United States**		FAIR VALUE **€17.0m**	% OF THE PORTFOLIO AT FAIR VALUE **1.7%**

1. Business description

Paycor is a leading provider of payroll and HR-related software to small and medium-sized businesses in the United States. The company's product offering includes recruitment and onboarding, benefits administration, and time and attendance tracking services to help ensure key HR processes run smoothly. Headquartered in Cincinnati, Ohio, Paycor works with over 26,000 customers and has over 1,800 employees.

2. Investment rationale

Apax has significant experience in the software sub-sector with Paycor representing the eighth Apax Funds investment in this market since 2008. Leveraging insights gained from prior investments, the team identified the payroll and human capital management software market as attractive due to its size, growth rate, fragmentation, and increasing adoption of cloud-based solutions replacing legacy and/or in-house offerings. Within this market, Paycor stood out due to the breadth of its product offering, track record of organic growth, and customer-centric approach.

3. Value creation levers

The investment thesis is to accelerate organic growth through investment in product innovation and infrastructure to capture further market share. There is also an opportunity for margin improvement as the business scales up, as well as M&A.

4. Achievements since the acquisition

The acquisition of Paycor was completed in November 2018. Since then, Apax has been engaged with the company on several key initiatives. These have included: i) building out key leadership positions (*e.g.* the CEO / Founder transitioned to Chairman and a new CEO was recruited); ii) a focus on improving sales productivity; iii) leveraging the skills of Apax's Operational Excellence Practice to accelerate its digital marketing efforts, and iv) M&A (*e.g.* the acquisition of Ximble, a cloud-based employee scheduling solution, to strengthen Paycor's time & attendance module).

5. Performance

Paycor performed very strongly in 2019, with bookings and revenue growth ahead of plan. The company continues to invest in sales & marketing initiatives and product development to drive topline growth.

Unilabs

www.unilabs.fr

SECTOR

COUNTRY
Switzerland

DATE of INVESTMENT	RESIDUAL COST
2017	€9.6m
FAIR VALUE	**% OF THE PORTFOLIO AT FAIR VALUE**
€15.8m	1.6%

1. Business description

With revenues in excess of €1 billion and more than 1,200 employees, Unilabs is one of Europe's leading diagnostics companies, offering services in laboratory medicine, imaging and pathology. Its customers are public and private healthcare providers (hospitals, general practitioners, occupational health units), county councils, insurance companies and outpatients, as well as the pharmaceutical industry and clinical research organisations.

Unilabs has made several acquisitions since it entered the Apax IX LP fund portfolio in 2017, including Alpha Medical and Base. Through these acquisitions, Unilabs has significantly strengthened its geographic footprint and is now present in 15 countries with particularly large market shares in France, Switzerland, Portugal, Sweden, the Czech Republic, Slovakia, Norway, Spain and the United Kingdom. Since it acquired TMC in 2017, Unilabs has become the European leader in digital imaging and pathology.

2. Investment rationale

The European laboratory and radiology market is highly attractive, providing both strong growth and limited volatility. The market is both defensive – its growth rate exceeds that of the population – and fragmented, presenting numerous build-up opportunities.

Unilabs offers a unique pan-European footprint with sizeable positions in its various markets. The company benefits from significant economies of scale (*e.g.* in procurement) and thereby lower costs than its competitors. In addition, Unilabs pioneered the "hub and spoke" approach to lab testing in Europe and has greatly innovated to develop its best practices, which serves to increase the company's efficiency.

3. Sources of value creation

External growth is an important source of value creation for Unilabs. There are significant opportunities for accretive add-on acquisitions in the fragmented European laboratories market. Downward pressure on reimbursement from government payers means that many less efficient operators are facing stiff competition.

Governments across Europe will continue to outsource both laboratory and radiology services, which Unilabs will be well placed to capture, owing to its scale and significant experience in public tendering.

4. Achievements

The Apax IX LP fund purchased its stake in Unilabs from Nordic Capital, Altamir and Apax France in February 2017. Since their investment, Unilabs has carried out 48 build-up transactions, including two particularly significant ones: Alpha Medical and Base.

Unilabs's senior management was strengthened and reorganised in 2018 and a new Chairman & COO was appointed in January 2019.

5. Performance

Over the first nine months of 2019, Unilabs's revenue increased by 23%, boosted by the combined effect of acquisitions and healthy conditions in the company's existing scope. In radiology, growth is being driven by the Swedish market and by digital (TMC), while the laboratory business is benefiting from very robust growth in France, Sweden and Portugal. EBITDA was up 7%, reflecting topline growth, synergies and the impact of cost-cutting measures.

www.ecisolutions.com

SECTOR	DATE OF INVESTMENT	RESIDUAL COST
	2017	€4.3m
COUNTRY United States	FAIR VALUE	% OF THE PORTFOLIO AT FAIT VALUE
	€13.6m	1.4%

1. Business Description

Headquartered in Fort Worth, TX, USA, ECi Software Solutions ("ECI") is a leading provider of enterprise resource planning ("ERP") software solutions to small-to-medium-sized businesses ("SMBs") across four verticals: Manufacturing, Building & Construction, Field & IT Services, and Wholesale/Retail Distribution. The company has more than 15,000 customers globally.

The Apax Funds completed the acquisition of ECI in September 2017. Concurrent with the transaction, Exact Software's Specialized Solutions business (US division – "Exact US") was also acquired and combined with ECi to create a larger business with greater scale and focus within Manufacturing.

2. Investment Rationale

Apax has significant experience in the software sector, specifically within vertically-focused application ERP software, through investments such as Epicor which also operates in the Manufacturing and Building & Construction verticals. This led the team to identify ECi as an attractive asset due to: i) its market-leading positions in each of its verticals, ii) the attractiveness of its platform for future M&A, given the fragmented landscape, and iii) the combination with Exact US would drive a revitalisation of the Manufacturing business though scale and focus.

3. Value Creation Levers

Since the close of the transaction, Apax Partners has supported management with a number of strategic initiatives, including:

a) Successfully integrating ECi and Exact US, with nearly all of the target synergies realised to date through consolidation of go-to-market operations and manufacturing leadership,

b) Upgrading key members of the management team and the Board,

c) Delivering an M&A programme: ECi has acquired ten additional businesses since the initial transaction at accretive multiples.

4. Performance

ECi continues to deliver strong results on both a revenue and EBITDA basis. In FY 2019, revenue saw strong organic and external growth while EBITDA, driven by operating leverage and synergy realisation from prior M&A, grew faster than revenue.

www.trademe.co.nz

SECTOR

COUNTRY
New Zealand

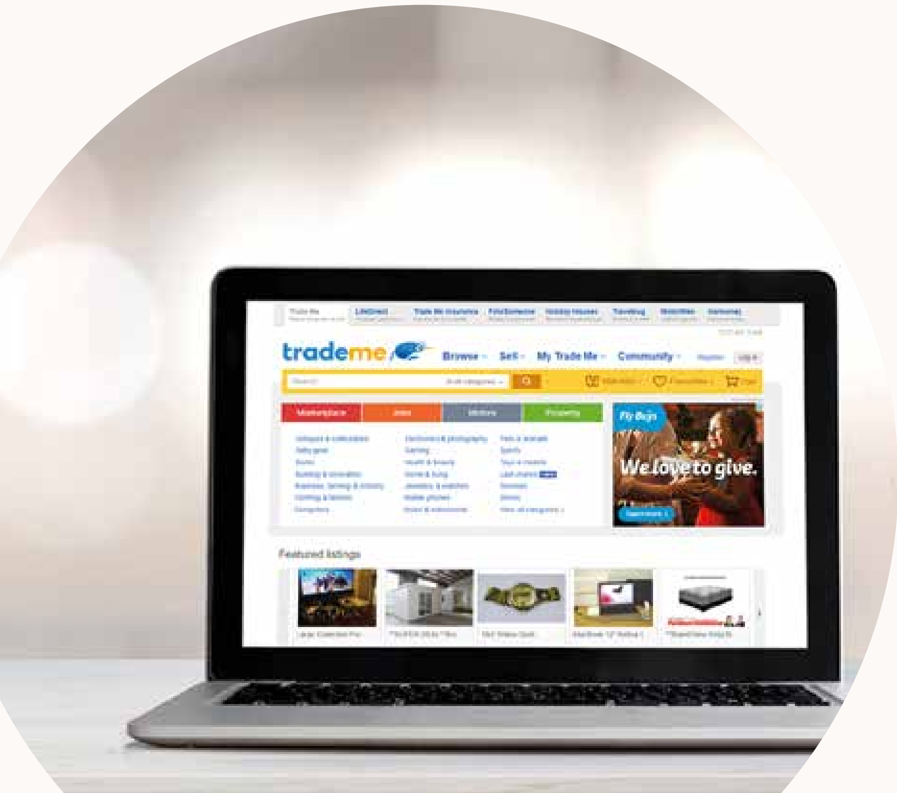
DATE OF INVESTMENT	RESIDUAL COST
2019	€9.9m
FAIR VALUE	**% OF THE PORTFOLIO AT FAIR VALUE**
€12.1m	1.2%

1. Business description

Headquartered in Wellington (New Zealand), Trade Me operates the leading online classified platform for motor vehicles, property, and jobs in New Zealand, as well as the leading generalist marketplace for new and used goods. The company's website is the fifth most visited in New Zealand and over 65% of NZ's addressable population visits the Trade Me platform each month.

2. Investment rationale

Apax's significant global experience in digital marketplaces was critical in sourcing and executing this deal. Apax identified Trade Me as an attractive opportunity given its leading market position in New Zealand, network effects inherent in the business model, strong brand, and diversification across multiple verticals including cars, property and jobs. The investment thesis is to back a high-quality market leader with a clear on-ramp for growth in an attractive, buoyant market.



3. Value creation levers

As the eighth investment by the Apax Funds in the digital marketplaces sub-sector, Apax will seek to apply the best practices developed from prior investments in this category to Trade Me. In particular, the team sees opportunities to increase yield in the property and car verticals through improved product, go-to-market, and packaging strategies.

4. Achievements since the acquisition

The acquisition of Trade Me was completed in May 2019. Since then, management has been strengthened with: i) the appointment of Anders Skoe as CEO, who brings extensive experience in the digital marketplace sector as the former CEO of Finn.no, a similar marketplace and classifieds business operating in Norway; ii) the transition of former Trade Me CEO Jon Macdonald to a non-executive director role where he remains involved with the business; and iii) the appointment of Trevor Mather, current CEO of Auto Trader, as a non-executive director.

5. Performance

The investment is off to a solid start. The platform continues to benefit from network effects and had healthy growth in both traffic and engagement vs the prior year. Revenue and EBITDA growth in calendar year 2019 was primarily driven by continued strong performance across the vertical classified marketplaces.

OTHER COMPANIES BY SECTOR

TMT
8 OTHER COMPANIES

€23.9m	€46.5m	4.7%
RESIDUAL COST (in €m)	FAIR VALUE (in €m)	% OF THE PORTFOLIO AT FAIR VALUE

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inmarsat

COUNTRY
United Kingdom

ANNUAL TURNOVER
€1,206m*

www.inmarsat.com

BUSINESS DESCRIPTION

Based in the United Kingdom, Inmarsat is the world's leading provider of global mobile satellite communications solutions (voice and data). With two geostationary constellations and 14 satellites, the company serves customers on land, at sea and in the air.

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genius sports GROUP

COUNTRY
United Kingdom

ANNUAL TURNOVER
€99m*

www.geniussport.com

BUSINESS DESCRIPTION

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.

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attenti

COUNTRY
Israel

ANNUAL TURNOVER
€96m*

www.attentigroup.com

BUSINESS DESCRIPTION

Attenti provides 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.

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fractal
INTELLIGENCE FOR IMAGINATION

COUNTRY
India

ANNUAL TURNOVER
€87m*

www.fractal.ai

BUSINESS DESCRIPTION

Based in Mumbai (India), Fractal Analytics provides solutions based on artificial intelligence and data analysis that power human decision-making. The company has more than 1,200 employees in 18 countries.

** Revenue converted into millions of euros based on exchange rates prevailing on 31 December 2019.*

ENGINEERING www.eng.it	COUNTRY **Italy** ANNUAL TURNOVER **€1,220m**	BUSINESS DESCRIPTION Engineering Ingegneria Informatica is a leading Italian IT services provider. The company has more than 11,000 employees, principally in Italy, Brazil and Germany. It offers system integration services, software applications and outsourcing services to more than 1,900 customers in five business sectors. Apax Partners LLP has announced on 5th February 2020 that it had signed an agreement to sell its stake in the company.
Duck Creek Technologies www.duckcreek.com	COUNTRY **United States** ANNUAL TURNOVER **€152m***	BUSINESS DESCRIPTION Founded in 2000, Duck Creek Technologies is the second-largest SaaS software vendor serving the US property & casualty insurance market. Duck Creek Technologies has around 1,200 employees and 11 locations in the United States, the United Kingdom, Spain, India and Australia.
ZenSar TECHNOLOGIES Your Transformation Partner www.zensar.com	COUNTRY **India** ANNUAL TURNOVER **€530m***	BUSINESS DESCRIPTION Zensar Technologies Ltd is a listed Indian company that provides software and infrastructure services – including digital-based – to leading global customers in the insurance, retail and high-tech industries. With close to 9,000 employees, the company has a sales and operations presence in the United States, the United Kingdom, continental Europe, the Middle East, South Africa, Singapore and Australia.
tieto EVRY www.evry.com	COUNTRY **Norway** ANNUAL TURNOVER **NEARLY €3,000m***	BUSINESS DESCRIPTION The merger of Tieto and EVRY has given rise to the leading IT services company in Scandinavia and the third largest in Europe, with nearly 24,000 employees. TietoEVRY offers a range of diversified services in digital transformation, software, cloud solutions and infrastructure services. The company is particularly well positioned in the Fintech segment.

* *Revenue converted into millions of euros based on exchange rates prevailing on 31 December 2019.*

HEALTHCARE

7 OTHER COMPANIES

€34.3m RESIDUAL COST *(in €m)*

€38.2m FAIR VALUE *(in €m)*

3.9% % OF THE PORTFOLIO AT FAIR VALUE

AMPLITUDE Surgical

COUNTRY
France

ANNUAL TURNOVER
€103m

www.amplitude-surgical.com

BUSINESS DESCRIPTION

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 more than 430 employees and markets its products in more than 30 countries.

SYNERON CANDELA

COUNTRY
United States

ANNUAL TURNOVER
€350m*

www.candela.com

BUSINESS DESCRIPTION

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.

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vyaire MEDICAL

COUNTRY
United States

ANNUAL TURNOVER
€659m*

www.vyaire.com

BUSINESS DESCRIPTION

Vyaire Medical, a carve-out of the respiratory solutions division of US group Becton Dickinson, is the world leader in respiratory diagnostics, ventilation and post-anaesthesia monitoring.

Healthium

COUNTRY
India

ANNUAL TURNOVER
€79m*

www.healthiummedtech.com

BUSINESS DESCRIPTION

With five production sites, a salesforce of 400 and 1,300 distributors, Healthium MedTech is the leading independent provider of medical and surgical devices in India (wound closure products, minimally invasive surgical supplies, urology products, surgical gloves, etc.). Based in Bangalore, the company is particularly well positioned in the Indian nursing homes segment.

** Revenue converted into millions of euros based on exchange rates prevailing on 31 December 2019.*

NEURAXPHARM

COUNTRY
Germany

ANNUAL TURNOVER
€271m

www.neuraxpharm.com

BUSINESS DESCRIPTION

Neuraxpharm (formerly NuPharm) is a pan-European leader in the production of branded and generic pharmaceutical products focused on the treatment of central nervous system disorders. The company was formed from the 2016 merger of Neuraxpharm Arzneimittel in Germany and Invent Farma in Spain.

KEPRO INTELLIGENT VALUE

COUNTRY
United States

ANNUAL TURNOVER
€159m*

www.kepro.com

BUSINESS DESCRIPTION

Kepro is one of the main providers of care coordination and quality assurance services, primarily for US state and federal healthcare payers. 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.

Ideal Protein

COUNTRY
Canada

ANNUAL TURNOVER
€117m*

www.idealprotein.com

BUSINESS DESCRIPTION

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 United States and Canada.

** Revenue converted into millions of euros based on exchange rates prevailing on 31 December 2019.*

SERVICES

13 OTHER COMPANIES

€46.0m	€61.1m	6.2%
RESIDUAL COST *(in €m)*	FAIR VALUE *(in €m)*	% OF THE PORTFOLIO AT FAIR VALUE

AssuredPartners INC.

COUNTRY
United States

ANNUAL TURNOVER
€1,091m*

www.assuredptr.com

BUSINESS DESCRIPTION

AssuredPartners is one of the largest independent insurance brokerage firms in the United States, with offices in over 30 states as well as in London. Through its network of 280 agencies, AssuredPartners provides property & casualty insurance brokerage services to commercial and individual customers.

AUTHORITY BRANDS

COUNTRY
United States

ANNUAL TURNOVER
€138m*

www.theauthoritybrands.com

BUSINESS DESCRIPTION

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.

safetykleen

COUNTRY
United Kingdom

ANNUAL TURNOVER
€302m*

www.safetykleen.eu

BUSINESS DESCRIPTION

Safetykleen Europe is the leading European provider of surface treatment and chemical application services. Based in London and present in Europe, Turkey and Brazil, 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.

tosca

COUNTRY
United States

ANNUAL TURNOVER
€309m*

www.toscaltd.com

BUSINESS DESCRIPTION

Tosca is a US provider of innovative supply chain and reusable packaging solutions for perishable food products. The company works with growers, suppliers and distributors to better manage the flow of perishables all along the logistics chain.

国泰君安证券 GUOTAI JUNAN SECURITIES

COUNTRY
China

ANNUAL TURNOVER
€4,431m*

www.gtja.com

BUSINESS DESCRIPTION

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.

SHRIRAM City MONEY WHEN YOU NEED IT MOST

COUNTRY
India

ANNUAL TURNOVER
€476m*

http://shriramcity.in

BUSINESS DESCRIPTION

Shriram City Union Finance is one of India's leaders in retail financial services, providing loans to small- and medium-sized enterprises, finance for two-wheelers and loans against gold. With a decentralised network of nearly 1,000 points of sale in India, the company addresses customer segments under-served by mainstream lenders.

** Revenue converted into millions of euros based on exchange rates prevailing on 31 December 2019.*

www.toitoidixi.de

COUNTRY
Germany

ANNUAL TURNOVER
€414m

BUSINESS DESCRIPTION

ADCO Group, which operates under the brand names Toi Toi and Dixi, is Europe's market leader in mobile, connection-free sanitary solutions. Present along the entire value chain (production, rental, cleaning), the company serves primarily construction companies and public event organisers. ADCO derives around 50% of its sales from Germany and the other half from elsewhere in Europe, the United States and Asia.

www.lexitaslegal.com

COUNTRY
United States

ANNUAL TURNOVER
€102m*

BUSINESS DESCRIPTION

Based in Houston, Texas, Lexitas has more than 400 employees in 35 offices in the United States. The company is one of the leading providers of technological litigation support services for law firms, insurance companies and corporate legal departments.

www.qualitydistribution.com

COUNTRY
United States

ANNUAL TURNOVER
€990m*

ACTIVITÉ

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 also manages tank-containers at 32 sites in Europe and the United States.

www.boatsgroup.com

COUNTRY
United States

ANNUAL TURNOVER
€57m*

BUSINESS DESCRIPTION

Boats Group operates the leading digital classifieds marketplaces for recreational marine vehicles in North America and Europe and provides marketing software solutions to its nautical broker and dealer customers. The company's websites, principally BoatTrader.com, YachtWorld.com and Boats.com, attract 65 million unique visitors per year

www.manappuram.com

COUNTRY
India

ANNUAL TURNOVER
€408m*

BUSINESS DESCRIPTION

With a strong presence in rural and semi-urban areas, Manappuram Finance is the second-largest lender against household gold in India and a significant microfinance lender. The company is listed in Mumbai.

www.gamalife.com

COUNTRY
Portugal

AMOUNT OF GROSS PREMIUMS WRITTEN
€502m

BUSINESS DESCRIPTION

GamaLIfe is a European platform offering savings and life insurance solutions. Formed from Portuguese company GNB Vida, a former subsidiary of the bank Novo Banco, the platform aims to grow via acquisition in a fragmented sector whose participants are mostly non-strategic subsidiaries of financial institutions.

www.chamc.com.cn

COUNTRY
China

ANNUAL TURNOVER
€14,216m

BUSINESS DESCRIPTION

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 and loans to SMEs. Huarong is headquartered in Beijing, with 31 main branches across China and a nationwide network of smaller offices, and was taken public on the Hong Kong stock exchange in October 2015.

** Revenue converted into millions of euros based on exchange rates prevailing on 31 December 2019.*

CONSUMER

6 OTHER COMPANIES

€17.6m	€35.9m	3.7%
RESIDUAL COST *(in €m)*	FAIR VALUE *(in €m)*	% OF THE PORTFOLIO AT FAIR VALUE

MATCHESFASHION.COM

MODERN LUXURY SHOPPING

www.matchesfashion.com

COUNTRY
United Kingdom

ANNUAL TURNOVER
€497m*

BUSINESS DESCRIPTION

MATCHESFASHION.COM, a specialised online luxury shopping destination for men and women, offers a selection from over 450 established and new generation designers. The company generates more than 95% of its revenues from online sales (including more than 80% outside the UK), principally in the United States, Australia and South Korea. MATCHESFASHION.COM offers advice 24/7 *via* its MyStylist fashion concierge service, as well as in its London boutiques and private shopping townhouse.

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wehkamp

www.wehkamp.nl

COUNTRY
Netherlands

ANNUAL TURNOVER
€551m

BUSINESS DESCRIPTION

Wehkamp is the leading online retailer in fashion, electronics and home & garden in the Netherlands. It caters for the middle-class family and has established itself as a household brand in the Netherlands.

BCG BALTIC CLASSIFIEDS GROUP

www.balticclassifieds.com

COUNTRY
Lithuania

ANNUAL TURNOVER
€33m

BUSINESS DESCRIPTION

Baltic Classifieds Group is a portfolio of online classified advertising platforms, specialising in the automotive, real estate, jobs, general merchandise and e-commerce sectors. With more than 50 million visitors per month, Baltic Classifieds Group's portfolio of platforms is one of the most popular in the Baltic countries.

COLE HAAN

www.colehaan.com

COUNTRY
United States

ANNUAL TURNOVER
€657m*

BUSINESS DESCRIPTION

Founded in 1928, Cole Haan 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.

华樾教育 HUAYUE EDUCATION

www.huayueeducation.com

COUNTRY
China

ANNUAL TURNOVER
€66m*

BUSINESS DESCRIPTION

Huayue Education is one of the main providers of solutions for learning Chinese, both on- and off-line. The company partners with more than 5,000 schools (2.6 million students) in 134 medium-sized Chinese cities. Huayue's solutions are designed with both teachers and students in mind, and they are aimed at bringing students' academic level up to that of the major cities.

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idealista.com

www.idealista.com

COUNTRY
Spain

ANNUAL TURNOVER
€79m

BUSINESS DESCRIPTION

Founded in 2000, Idealista is the largest online real estate marketplace in Spain with over 50 million monthly users. Idealista.com is an essential lead generation tool for real estate agents and private sellers/owners.

** Revenue converted into millions of euros based on exchange rates prevailing on 31 December 2019.*

1.2.5 INVESTMENTS IN THE 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

3 companies
in portfolio
as of 31 December 2019

With the acquisition of EPF Partners, a renowned specialist in the small-cap segment in France, Apax Partners now has a team of thirteen professionals dedicated to the small-cap segment in France. This team raised the Apax Development fund, which reached a total of €255m.

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 2018, Altamir subscribed €15m in the Apax Development fund.

During 2019, Apax Development invested in Maison Routin - 1883, a Savoie-based producer of syrups and flavoured drinks, and Rayonnance, one of the principal French specialists in business applications and mobile phone traceability. These two investments are in addition to the fund's stake in Eric Bompard.

Residual investment *(in €m)*	**Valuation** *(in €m)*
3.8	3.6

APAX Digital

$5m
subscribed by Altamir

7 companies
in portfolio
as of 31 December 2019

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 21 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 commitment to the Apax Digital fund is $5m.

During 2019, Apax Digital made three additional investments: German company Signavio (business process management software), US company MetaMetrics (provider of student reading and mathematics measurement tools) and US company Class Pass (a fitness and wellness marketplace). This brings the total amount of companies held by the fund to 7 as of 31 December 2019.

Residual investment *(in €m)*	**Valuation** *(in €m)*
1.8	2.3

1.2.6 ACQUISITION OF A SECONDARY POSITION

Through the acquisition of two secondary positions in 2019, Altamir took advantage of the cash generated by the disposals made during the first half of the year.

ACQUISITION OF A SECONDARY POSITION IN THE APAX FRANCE VII FUND, RENAMED AHO20

Altamir offered the Apax France VII investors to purchase their shares at their net asset value as of 30 June 2019. 80.4% of the shares were tender to the offer, of which 75.3% by around twenty historical institutional investors. 54.7% of the shares representing carried interest in the fund were also tendered. TotaL investment for Altamir represented €70.5m.

Renamed AHO20, the fund holds two Altamir's legacy investments: **Alain Afflelou** and **THOM Group,** and its fair value as of 31 December is €79.2m.

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ACQUISITION OF A SECONDARY POSITION IN THE APAX FRANCE IX FUND

In addition, Altamir repurchased a €13m commitment to the Apax France IX fund, bringing its percentage interest in the fund to 31.3% (vs 30.0% previously), thereby automatically increasing the amount of its investments and commitments in the companies held by the fund.

The corresponding percentage purchased in each of the companies in the Apax France IX fund is reported on a "look-through" basis in Altamir's books.

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 sectoral 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
- the ability to partially fund acquisitions by accessing debt markets.

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 FPCI (*fonds professionnel de capital investissement,* or private equity fund. These vehicles are reserved for institutional investors, *i.e.* financial institutions and 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 SIMPLIFY ACCESS TO THE ASSET CLASS

Listed private equity (LPE) companies, such as Altamir, are public companies that invest in a portfolio of predominantly unlisted companies. 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 pay 2%.

b) These management fees cover all the functions necessary for proper management of the fund, except for operating expenses, which are detailed below.

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. In most cases, 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 fee

There are three types of such costs:

- 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 classed 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 of a more hybrid nature:

- in the way they operate:
  - companies that house both the asset maagement team and the assets in the portfolio;
  - companies in which the asset managers are employees of an entity that is distinct from the one that holds the assets;
- 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.

(1) Both management fees and carried interest.

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. As explained below, Altamir is an exception in this regard.

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.

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 : $\frac{\text{Total costs}}{\text{Net Asset Value (NAV)}}$ 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. This is because there is a long lead time, generally three to four years, before the capital is put to work, followed by at least two more years before an investment begins to appreciate in value. Consequently, costs increase, whereas for two or three years the NAV does not, because investments are still being made (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 : $\frac{\textbf{Total costs}}{\textbf{Committed and invested capital}}$

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: $\frac{\textbf{Total direct costs}}{\textbf{Average NAV}}$

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 its founding in December 1995, Altamir 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).

Following the sale of its stake in Altran to Cap Gemini, the Apax France VII fund now holds – as of 31 December 2019 – only two investments: THOM Group and Alain Afflelou.

SINCE 2011

Investment *via* funds managed by Apax Partners SAS, Paris

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, since the Apax France VIII fund was launched, decision-making power for Altamir Gérance and the management company of the Apax France VIII private equity fund has no longer been vested with the same person.

Consequently, it was decided that Altamir would now invest through the Apax France funds and no longer 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 each fund, Altamir determines the minimum and maximum amounts that it wants 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.

The Articles of Association were amended on 29 March 2012 so as to extend this 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.

Altamir had committed to invest between €226m and €306m in the Apax France IX-B fund. In December 2019, the Company completed a secondary transaction with the buyout of a €13m commitment from an investor in the Apax France IX-A fund. This brought Altamir's total commitment in the Apax France IX fund to €318.9m.

In 2018, Altamir subscribed €15m in the Apax Development fund, which targets small cap companies in France and totals €255m.

In 2019, Altamir committed to investing €350m in the Apax France X-B fund. This commitment can be adjusted every six months based on the Company's projected cash position.

Investment through funds managed by Apax Partners LLP

In 2012, Altamir expanded its investment strategy to include international through its decision to invest in the funds advised by Apax LLP. This 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 (China, India), relying on its well-staffed team of more than 120 investment 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. €50-500m 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 invested €60m in the Apax VIII LP fund. In 2016, the Company invested €138m in the Apax IX LP fund. In 2019, Altamir made a commitment to invest €180m in the Apax X LP fund.

Altamir does not benefit from a half-yearly adjustment mechanism for its investments in funds managed by Apax Partners LLP.

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

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 Entoria (formerly 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. 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 €71m at year-end 2019). Rather, Altamir's financial strategy is to set up credit lines for the maximum amount allowed under the Articles of Association, 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.

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 its commitment to the funds managed by Apax Partners SAS by €80m;
- 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 now at the end of its 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 2019, the Company's portfolio at fair value broke down as follows:

- 27.3% in direct investments (of which 15.9% relate to the two legacy investments alongside the Apax France VII fund and 11.4% to the five co-investments alongside the Apax France VIII, Apax France IX and Apax IX LP funds);
- 72.7% investments through funds.

/// Owing to the policy change in 2011, Altamir has two layers of costs:

- direct costs;
- indirect costs, *i.e.* the costs of the 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:

/// The two legacy co-investments alongside the Apax France VII fund, with no hurdle rate* conditions;

/// The co-investments alongside the Apax 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 2019 amounts to 15.3% , which greatly exceeds the generally-applied minimum IRR of 8%.*

(1) Figure audited by Ernst & Young

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, Apax IX LP, Apax Development and Apax Digital funds were paid or recognised in 2019 at the rates indicated below:

Management fees paid in 2019:

Funds	Management fees
Apax France VIII-B	1.27% incl. VAT on committed capital (post-investment period)
Apax France IX-B	1.70% incl. VAT on committed capital (investment period)
Apax VIII LP	1.25% incl. VAT on net capital invested (post-investment period)
Apax IX LP	1.06% incl. VAT on committed capital (investment period)
Apax Development	1.79% incl. VAT on committed capital (investment period)
Apax Digital	1.68% incl. VAT on committed capital (investment period)

- **Carried interest**

Apax France VIII-B Apax France IX-B Apax VIII LP Apax IX LP Apax France X-B Apax X LP Apax Development Apax Digital	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

As of 31 December 2019, the IRR of the Apax France VIII, Apax France IX, Apax VIII LP, Apax IX LP and Apax Digital funds exceeded the hurdle rate. The Apax Development fund, which is at the beginning of its investment period, has no unrealised capital gains.

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.

1.3.6 ALTAMIR'S STRATEGY

Altamir pursues an ambitious growth and value creation strategy, reaffirmed in 2018 on the occasion of the takeover bid launched on the Company by Maurice Tchenio, its principal shareholder (*via* the holding company Amboise SAS). Mr Tchenio is also Chairman & CEO of Altamir Gérance.

This strategy is made up of 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; 2-3% of NAV as of 31 December.

As Altamir invests principally *via* the Apax funds, its strategy relies on that of Apax Partners. Every four years, when the fund management companies Apax Partners SAS and Apax Partners LLP launch a new generation of funds, the Board of Directors of the Management Company and Altamir's Supervisory Board prepare a forecast of expected divestments for the next 3-4 years in order to determine the amount Altamir will invest in these new funds, 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 2016-19 period, allocated as follows:

- €444m in the funds managed by the Apax Partners management companies, including €138m to the Apax IX LP fund;.
- €56m in co-investments alongside those funds.

In 2019, the Management Company decided to invest €750m over the 2020-23 period allocated as follows:

- €530m in the two tenth-generation funds launched by Apax Partners SAS and Apax Partners LLP:
  - €350m in the Apax France X fund, which Apax Partners SAS is currently raising (as with Apax France IX, Altamir will benefit from an opt-out clause enabling it to reduce its commitment by €80m based on its available cash);
  - €180m in the Apax X LP fund, which Apax Partners LLP is currently raising.
- €200m in co-investments and strategic investments;
- €20m in the Apax Development and Apax Digital funds.

The Management Company believes that the increase in Altamir's size and the changes in the private equity industry offer new growth opportunities *via* investments in new geographical regions or in new market segments. Consequently, looking beyond the amounts allocated to the principal funds managed by Apax Partners SAS and Apax Partners LLP, the Management Company adapts Altamir's investment strategy to market developments.

Apax Partners SAS and Apax Partners LLP have already begun to broaden their strategy by expanding the range of funds they offer. Specifically, Apax Partners SAS has launched Apax Development, a private equity fund that aims to take majority stakes in French small cap companies. At the same time, Apax Partners LLP has launched Apax Digital, a fund that aims to make primarily majority investments in biotech and digital companies that are smaller than those in the Apax VIII LP and Apax IX LP funds and that are located in Apax Partners LLP's geographical scope, namely Europe, North America, Brazil, China, India and Israel.

In 2018, following consultation with the Supervisory Board, the Management Company's Board of Directors decided to invest €15m in Apax Development and $5m in Apax Digital, keeping in mind that these amounts would be invested during the 2018-21 period. Altamir's objective is to seize new opportunities in fast-growing 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.

To further the objective of increasing NAV, Altamir would like to be able to take advantage of new investment opportunities. Within the next four years, the Company could invest outside the Apax universe so as to increase its exposure to Asia. In addition, as Altamir is equivalent to an evergreen fund, *i.e.* with no maturity, it could also position itself on market segments where the investment horizon exceeds the customary 7-10 year span of private equity funds.

GROWING 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 principal 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 more than 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.

Thanks 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 principal competitive advantages arising from this strategy of sectoral specialisation are as follows:

- the best investment opportunities are targeted;
- 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, which 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.
  In addition, there are two annual reviews of the portfolio.

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.

If the proposed transaction passes this test, the team prepares a document containing the information necessary to validate that the transaction corresponds in principle to Altamir's investment strategy and including a recommended investment size and approach (due diligence, negotiations, structure, etc.).

Based on this document, which is presented at the partners' weekly meeting, the partners decide whether or not to pursue the transaction. They might also decide to expand the investment team or change 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 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 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 and the expected multiples and IRRs for each company in the portfolio. These updated projections are then included in a 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 can use the services of Amboise Partners SA. The corresponding investment advisory agreement and co-investment charter are presented below, keeping in mind that the latter will terminate when the last two portfolio companies – Alain Afflelou and THOM Group – have been sold.

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 SA, 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.

Amboise Partners SA is remunerated for these services through the payment of fees, whose amounts and calculation method can be found in Section 2.3.

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 2019, the investment advisory agreement mainly covered the following transactions:

i) investments and commitments:
- €750m in assets allocated over the 2020-23 period, with the following breakdown:
  - €530m allocated to two tenth-generation funds launched by Apax Partners SAS and Apax Partners LLP,
  - €200m allocated to co-investments and strategic investments,
  - €20m allocated to the Apax Digital and Apax Development funds,
- repurchase of another investor's commitment to the Apax France IX fund;
- offer to repurchase all of the shares of the Apax France VII fund,
- study of various co-investments that were not undertaken;

ii) divestments:
- sale of Altran;

iii) value creation:
- participation in the board meetings of the three legacy portfolio companies,
- monthly monitoring of the legacy portfolio companies,
- quarterly monitoring of the portfolio companies held through the Apax funds;

iv) valuations:
- quarterly reviews of portfolio valuations;

v) managing cash and credit lines:
- investing of cash in two tax-efficient capitalisation funds and in a high-yield bond fund invested in emerging markets,
- renegotiating the terms and conditions of the Company's financing.

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. The agreement will terminate when the last two portfolio companies – Alain Afflelou and THOM Group – have been sold.

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 – (74) joined Apax Partners in 1983 as a partner, when the first fund was created. A graduate of Ecole 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 – (46) graduated from HEC in 1996. She began her career as a management 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 – (41) 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 – (76) 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), Apax France X (target size: €1.2bn) and Apax Development (€255m). 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: 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 18 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 13 professionals, led by Caroline Rémus. It has three other partners: Aymeric de Cardes, 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 – (65) 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 (renamed Amboise Partners SA) in 2007 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, now France Invest) from 2007 to 2008. 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 VIII LP ($7.5bn), Apax IX LP ($9.0bn), Apax X LP (target size: $10.5bn) 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 more than 120 investment professionals, including 31 Partners.

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 17 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 – (47) is co-CEO of Apax Partners and a Partner in the technologies and telecommunications team. Mr Silltoe is also a member of the Executive and Investment Committees. Based in London since joining the firm in 1998, he focuses on the technology & telecommunications sectors. Mr Silltoe has been involved in a number of deals, including Inmarsat, Intelsat, King, Orange, TDC, TIVIT and Unilabs. 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 – (51) is co-CEO of Apax Partners, Chairman of Apax Digital and sits on the board 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 Boats Group, Quality Distribution Inc. and Trade Me. He previously served as a Board member of Advantage Sales & Marketing, Answers, Assured Partners, Bankrate, Dealer.com, Garda World, Hub International and Trader Canada. He is on the Board of the Apax Foundation, of Street Squash, a development program for Harlem youngsters, of the John McEnroe Tennis Project and of Posse.

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 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 (universal 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.

As of 31 December 2019, Apax Partners SAS employed around 50 people, of whom roughly 30 were investment professionals, and Apax Partners LLP employed more than 230 people, of whom more than 120 were 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 has helped to heighten awareness internally 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 more than 60,000 employees, and Apax Partners LLP about 30 companies, representing more than 100,000 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 an 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.

1.4 COMMENTS ON THE FINANCIAL YEAR

1.4.1 OVERVIEW AND PERFORMANCE

Despite a turbulent political and social environment globally during 2019, economic conditions remained extremely favourable and were welcomed by all of the world's major stock markets, which substantially erased the decline recorded in the fourth quarter of 2018.

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 a decline in capital-raising and the near-closure of stock markets. Valuation multiples continued to rise.

In this context, Altamir's business activity had a record year. The Company invested and committed €198.5m, mainly through 12 new investments – in Europe, the US and Asia – for a total of €102.5m, and *via* the repurchase of secondary positions equal to €70.5m in the Apax France VII fund (renamed AHO20) and €13m in the Apax France IX fund. The amount of total and partial divestments for the year totalled €377.9m and represents a record high. 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 €27.75 per limited partners' ordinary share at 31 December 2019, a steep 27.8% rise from 31 December 2018 (€21.72). Including the dividend of €0.66 per share paid in July 2019, Net Asset Value per share increased by 30.8% in 2019, after rising 3.8% in 2018.
  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 17.2%.
  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 €245.1m in 2019 (vs €30.3m in 2018). 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 ACTIVITIES OF THE COMPANY AFR

CHANGE IN ASSETS DURING FINANCIAL YEAR 2019

The figures below include Apax France VIII-B, Apax France IX-A, Apax France IX-B, Apax VIII LP, Apax IX LP, Apax X 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 €198.5m during 2019, vs. €154.3m in 2018.

1) €102.5m (€131.5m in 2018) in 12 new investments:
- €60.1m *via* the Apax France IX fund, in two new companies:
  - €26.8m in Destiny, a Belgian provider of secure, cloud-based communications solutions, which operates in Belgium and the Netherlands (transaction not finalised as of 31 December 2019),
  - €33.3m in GRAITEC, which offers software solutions to meet the digitalisation needs of the architecture, engineering and construction industries (transaction not finalised as of 31 December 2019);
- €42.4m in ten new companies through and alongside the Apax IX LP and Apax X LP funds:
  - €8.9m in Assured Partners, a top-tier American insurance broker,
  - €7.6m in Inmarsat, the world's leading provider of global mobile satellite communications solutions (voice and data); the acquisition was completed through a consortium of four investors,
  - €6.8m in Verint Systems, a US software company, dedicated to optimising customer engagement and to cyber intelligence; once the two activities are separated (planned for first quarter 2021), Apax Partners LLP will remain a shareholder of the company engaged in optimising customer engagement (transaction not finalised as of 31 December 2019),
  - €4.4m in Coalfire, a US company specialising in cybersecurity (transaction not finalised as of 31 December 2019),
  - €3.2m in ADCO Group, a world leader in portable toilet rentals,
  - €3.1m in Baltic Classifieds Group, which operates a portfolio of online classified advertising platforms in the Baltic countries,
  - €3.0m in Fractal Analytics, a company that provides artificial intelligence and data-based solutions that power decision-making,

- €2.6m in Lexitas, one of the main US providers of technological solutions used by law firms, insurers and in-house legal departments for litigation purposes,
- €1.4m in the Portuguese company GNB Vida, the first step in creating the Gama Life European platform, offering innovative life insurance solutions,
- €1.4m in Chinese company Huayue Education, one of the main providers of solutions for learning Chinese. The company partners with more than 5,000 schools in 134 medium-sized cities in China.

2) €3.5m in the Apax Development and Apax Digital funds (€2.4m and €1.1m, respectively), following new commitments made by the Company in 2019.

3) €9.0m in follow-on investments in portfolio companies:
- mainly to finance the acquisitions of Authority Brands (€2.7m), AEB Group (€1.8m), Tosca (€1.6m), Vyaire Medical (€0.6m) and Candela (€0.5m),
- with the balance corresponding to €1.2m in adjustments to the amount invested in Trade Me and follow-on investments in several portfolio companies (for a total of €0.6m).

4) €13.0m to take over the commitment of an investor in the Apax France IX fund. This secondary repurchase allows Altamir to increase the amount of its investments and commitments in the companies held by the funds.

5) €70.5m to buy back 80.4% of investor shares and 54.7% of shares representing carried interest in the Apax France VII fund, renamed AHO20, which holds two investments: Alain Afflelou and THOM Group.

Divestments

The volume of sale proceeds and revenue realised or signed during the year amounted to €377.9m (€155.7m in 2018) and comprised sale proceeds of €341.7m (€154.9m in 2018) and revenues of €36.2m (€0.8m in 2018).

The €341.7m in proceeds from total divestments were derived from:

- €134.4m from the sale of INSEEC U.;
- €98.7m from the divestment of Melita;
- €83.2m from the sale of Altamir's investment in Altran to Cap Gemini;
- €13.5m from the sale of Altamir's investment in Assured Partners;
- €11.9m from the sale of Exact Software.

The €36.2m in proceeds from partial divestments comprised:

- €23.9m from the refinancing of Marlink;
- €3.9m from Vocalcom's sale of one of its divisions;
- €3.8m from the refinancing of ThoughtWorks;
- €2.5m following Alain Afflelou's refinancing of part of its debt;
- €2.1m in other divestment proceeds and revenue.

Net cash holdings

Altamir's net cash was €79.1m as of 31 December 2019, vs net cash of €-13.6m as of 31 December 2018.

The Company has short-term credit lines totalling €30m. As of 31 December 2019, €7.5m of the credit lines were drawn. The company is currently working on increasing the amount of available lines.

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.* €71m as of 31 December 2019.

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.

Altamir has committed to investing between €200m and €280m in the Apax France VIII fund. As of the end of December 2019, €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 2019.

Altamir had committed to invest between €226m and €306m in the Apax France IX-B fund. In December 2019, the Company completed a secondary transaction with the buyout of a €13m commitment from an investor in the Apax France IX-A fund. This brought Altamir's total commitment in the Apax France IX fund to €318.9m. As of 31 December, the fund was fully invested, with nine investments of which seven were finalised. The closings of the last two investments occurred in January and February 2020, respectively, for a total amount of €61m, partially financed with lines of credit. As of 31 December 2019, the amount of capital called was €250.3m, and the amount remaining to be called was €68.7m. While the amount may be adjusted every six months depending on cash forecasts, the Company is committed to maintaining its maximum level for the first quarter of 2020, which will then have been the case over the fund's entire investment period.

Altamir has committed to investing €138m in the Apax IX LP fund. The fund has made 25 investments, of which only 24 have been called. The last investment totalled €7.6m and was financed by credit lines. The amount of capital remaining to be called was €11.2m as of 31 December 2019. 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. When the transaction was closed, the fund's share of the investment was paid in, leaving a residual commitment of only $0.6m (€0.5m) as of 31 December 2019.

Altamir has committed to investing €15m in the Apax Development fund. The amount called as of 31 December 2019 was €2.3m. The fund has already made three investments, of which the last two were financed by credit lines. The amount of capital remaining to be called was €12.8m as of 31 December 2019.

Altamir has committed to investing $5m in the Apax Digital fund. The fund has already made six investments, of which the last two, totalling $0.8m (€0.7m), were financed by credit lines. Residual commitments amounted to $3.8m (€3.2m) as of 31 December 2019.

Lastly, as part of the asset allocation for the 2020-23 period, Altamir has subscribed to two new 10th generation funds launched by Apax Partners SAS and Apax Partners LLP, subscribing for €350m in Apax France X and €180m in Apax X LP.

Altamir can reduce the maximum level of commitment in the Apax France X fund by up to €80m, depending on its cash forecasts. No capital call and no investment had been made as of 31 December 2019.

The Apax X LP fund announced an acquisition in December 2019, which closed in March 2020. No capital call had been made as of 31 December 2019.

The total maximum residual commitment is therefore €633.4m, of which €83.4m has already been invested but not yet called.

As of 31 December 2019, €6.7m of the distributions paid by the Apax VIII LP and Apax IX LP funds may be recalled.

Portfolio

The portfolio as of 31 December 2019 included 51 equity holdings in growth companies, distributed among Altamir's four sectors of specialisation.

1.4.3 OTHER SIGNIFICANT EVENTS DURING THE YEAR

The Company paid a dividend of €0.66 per ordinary share to limited partners on 2 July 2019.

1.4.4 POST-CLOSING EVENTS

Apax Partners LLP has signed an agreement to sell the Italian company Engineering Group.
Apax Partners LLP announced the acquisition, *via* the Apax X LP fund, of Cadence Education, a leader in the education of young children in North America. The Apax Digital fund also announced a new investment.

1.4.5 TRENDS

The private equity market has experienced strong growth in recent years. Although fundraising in 2019 represented a 5% decrease from the all-time highs in 2017 and 2018, reaching $595bn vs $628bn, the amount collected remains historically very high *(source: Prequin)*.

European LBO funds were very active in 2019, even if less than in 2018, both in investments, which totalled €€152.6bn vs. €171.6bn in 2018, and in divestments through mergers/acquisitions, which were €118.8bn vs. €137.1bn in 2018.

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.

Given the uncertainty surrounding the length and breadth of the coronavirus epidemic and its impact on the performance of the companies in the portfolio, the Management Company has suspended the 2020 guidance announced when 2019 earnings were published, and it is not in a position to issue new guidance. Altamir Gérance permanently monitors the situation, and a press release was published on the day the present document was filed[1].

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.

As of 31 December 2019, Net Asset Value (NAV), calculated according to IFRS, stood at €27.75 per limited partners' ordinary share, representing an increase of 30.8% including the dividend of €0.66 paid during the year. The year-on-year change was an increase of 27.8% (€21.72 as of 31 December 2018).

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

(1) Against a background of very significant uncertainty caused by the Covid-19 pandemic, Altamir's Supervisory Board has decided on 8 April 2020 to amend the dividend proposed to the holders of ordinary shares. The dividend would be reduced from €0.83 to €0.66 per share (more than 2% of NAV as of 31 December 2019), an amount equal to that paid in 2019. As a result, the amount of dividends disbursed in 2020 would be €24m, vs. the initially proposed allocation of €30.3m. The dividend payable to the general partner and the holders of Class B shares has been postponed sine die.

CONSOLIDATED (IFRS) FINANCIAL STATEMENTS

(in thousands of euros)	2019	2018	2017
Changes in fair value of the portfolio	234,174	79,271	45,998
Valuation differences on divestments during the year	82,123	-10,535	2,706
Other net portfolio income	130	756	1,533
INCOME FROM PORTFOLIO INVESTMENTS	**316,427**	**69,492**	**50,237**
Purchases and other external expenses	-24,034	-23,657	-25,142
Gross operating income	292,105	45,576	26,703
Net operating income	234,400	31,576	21,447
Net financial income attributable to ordinary shares	10,656	-1,270	-558
NET INCOME ATTRIBUTABLE TO ORDINARY SHARES	**245,056**	**30,306**	**20,889**

Accordingly, at their 28 April 2020 General Meeting, shareholders will be asked to approve the consolidated financial statements for the year ended 31 December 2019, showing a profit of €245,055,772.

The change in fair value of €234m derived principally from the growth in the EBITDA of portfolio companies. The sharp increase resulted from both organic growth and build-ups on companies in the portfolio.

Net capital gains on divestments totalled €82m 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 €0.1m and mainly consisted of dividends paid by companies in the Apax VIII LP fund.

Purchases and other external expenses totalled €24m (including VAT), stable compared to 2018, with decreases in fees billed by the Management Company offset by higher fees collected by the funds (see Note 19 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)	31/12/2019	31/12/2018	31/12/2017
Total non-current assets	1,060,054	999,201	895,164
Total current assets	113,352	25,375	27,864
TOTAL ASSETS	**1,173,407**	**1,024,576**	**923,028**
Total shareholders' equity	1,013,220	792,929	786,650
Carried interest provision attributable to general partner and Class B shareholders	28,743	10,157	29,695
Apax France VIII-B, IX-B, Apax VIII LP and IX LP carried interest provision	98,887	59,769	38,049
Other current liabilities	32,557	161,721	68,634
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**1,173,407**	**1,024,576**	**923,028**

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 2018	792,929
Consolidated (IFRS) earnings for the period	245,056
Transactions on treasury shares	-686
Distribution of dividends to holders of ordinary shares	-24,079
SHAREHOLDERS' EQUITY AS OF 31 DECEMBER 2019	**1,013,220**

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 financial year 2019 was €155.8m compared with net income of €11.1m for 2018.

Accordingly, at their 28 April 2020 General Meeting, shareholders will be asked to approve the statutory earnings for the year ended 31 December 2019, showing net income of €155,826,503.

Net income broke down as follows:

(in thousands of euros)	2019	2018	2017
Income from revenue transactions	-9,280	-10,568	-11,203
Income from capital transactions	164,980	21,771	77,998
Extraordinary income	131	85	3,134
Extraordinary expenses	5	149	42
NET INCOME	**155,827**	**11,139**	**69,887**

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 €9.1m (including VAT), vs €9.7m in 2018. The decrease reflects higher amounts deducted with respect to investments made through Apax funds (See Note 3.1.3 to the consolidated financial statements).

Income from capital transactions broke down as follows:

(in thousands of euros)	2019	2018	2017
Net realised capital gains	197,911	21,430	79,235
Reversals of provisions on divestments and losses	0	0	0
SUBTOTAL – GAINS REALISED DURING THE YEAR	**197,911**	**21,430**	**79,235**
Provisions on equity investments	-56,487	-27,303	-50,820
Reversals of provisions on equity investments	15,136	19,054	40,317
SUBTOTAL – UNREALISED GAINS	**-41,351**	**-8,249**	**-10,504**
Related revenue, interest and dividends	8,420	8,591	9,267
INCOME FROM CAPITAL TRANSACTIONS	**164,980**	**21,771**	**77,998**

Gross realised capital gains, which totalled €197.9m, reflect the difference between the price at which shares were sold and their cost at the time of the sale. The percentage of management fees related to the investments realised *via* the funds (recognised in expenses for an amount of €20.9m in 2019) has not been netted out, nor has the percentage of the capital gain corresponding to carried interest (recognised in liabilities for an amount of €27.9m in 2019).

STATUTORY BALANCE SHEET

The balance sheet total at 31 December 2019 was €763.6m vs €696.8m at 31 December 2018.

This item broke down as follows:

(in thousands of euros)	**31/12/2019**	**31/12/2018**	**31/12/2017**
Portfolio investments held as non-current assets	478,442	566,564	456,605
Equity investments	54,439	61,635	136,694
Receivables related to equity investments	12,300	33,484	24,223
Other non-current financial assets	71,424	904	989
SUBTOTAL – NON-CURRENT ASSETS	**616,606**	**662,586**	**618,510**
Sundry receivables	60,371	14,374	11,298
Marketable securities	81,892	15,000	15,000
Cash on hand	4,660	4,849	1,337
Prepaid expenses	25	34	31
SUBTOTAL – CURRENT ASSETS	**146,948**	**34,257**	**27,666**
TOTAL ASSETS	**763,554**	**696,843**	**646,177**

Non-current assets include all of the investments made by the Company. Sundry receivables include the difference between the amount called by the funds and the amount invested in underlying portfolio companies.

(in thousands of euros)	**31/12/2019**	**31/12/2018**	**31/12/2017**
Share capital	219,260	219,260	219,260
Share premiums	107,761	107,761	107,761
Reserves	225,156	238,023	203,688
Retained earnings	19	91	74
Net income for the year	155,827	11,139	69,887
SUBTOTAL – SHAREHOLDERS' EQUITY	**708,022**	**576,274**	**600,669**
Carried interest provision: Class B shares	43,305	15,367	11,520
SUBTOTAL – PROVISIONS	**43,305**	**15,367**	**11,520**
Other financial liabilities	7,475	33,422	9,063
Trade payables	502	1,760	189
Other liabilities	4,251	70,020	24,736
SUBTOTAL – LIABILITIES	**12,227**	**105,202**	**33,988**
TOTAL LIABILITIES	**763,554**	**696,843**	**646,177**

Other financial liabilities correspond to the credit lines used as of 31 December 2019, 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 2019, off-balance-sheet commitments amounted to €633.4m:

- a €6.9m residual commitment to the Apax France VIII fund;
- a €68.7m residual commitment to the Apax France IX fund;
- a €350m residual commitment to the Apax France X fund;
- a €11.2m residual commitment to the Apax IX LP fund;
- a €180m residual commitment to the Apax X LP fund;
- a €12.8m residual commitment to the Apax Development fund;
- a €3.2m 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 METHOD

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(1) 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.

(1) 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 2019, Altamir had authorised lines of credit totalling €30m vs. €60m at year-end 2018. The syndicated credit facility in place at year-end 2018 expired in March 2019 and was not renewed given the available cash. However, second-half activity and cash forecasts prompted the Company to raise its borrowing capacity, while staying within the maximum authorised amount of 10% of its statutory net book value, *i.e.* €71m as of 31 December 2019.

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 (in euros)	-579,950.02	1,268.68	0.00	0.00	0.00	-578,681.34						
Percentage of the total amount of purchases, incl. VAT, for the financial year	-5.97%	0,01%	0.00%	0.00%	0.00%	-5.96%						
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	31/12/2015	31/12/2016	31/12/2017	31/12/2018	31/12/2019
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	0	0	0	0
OPERATIONS AND INCOME					
Revenues (ex-tax)					
Earnings/loss before taxes, profit sharing, depreciation, amortisation & provisions	35,051,855	72,578,999	40,237,901	16,187,684	176,285,359
Income tax					
Employee profit sharing					
Earnings after taxes, profit sharing, depreciation, amortisation & provisions	38,185,670	79,331,454	69,886,629	11,139,091	155,826,503
Distributed income	25,668,465	37,474,817	34,368,928	24,098,119	
EARNINGS PER SHARE					
Earnings/loss 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	1.05	2.17	1.91	0.31	4.27
• Class B preferred shares					
Dividend distributed	0.56	0.65	0.65	0.66	
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 2019.

For all other transactions, the Company invests in the Apax France VIII, Apax France IX, Apax France X and Apax Development funds, all managed by Apax Partners SAS; it also invests in the Apax VIII LP, Apax IX LP, Apax X LP, Turing Equity Co LP and Apax Digital funds advised by Apax Partners LLP.

1.5 INTERNAL CONTROL PROCEDURES

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;*
- *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: pertinent 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 funds managed by Apax Partners SAS and the 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 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 2019

The Company made progress in several areas, including principally:

- continued periodic monitoring of internal control performed by an external team; and
- strengthening of personal data management rules.

A) CONTINUED PERIODIC MONITORING 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 corporate officer appointments;
- verifying compliance and preventing or resolving potential conflicts of interest.

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

B) COMBATING 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 made.

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 prepared each year based on data as of 31 December and duly filed with the tax authorities.

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, in 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, Apax France IX and Apax France X 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 Articles 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; and
- 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 Comptabilité 100 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 portfolio securities

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 2019, the Company pursued internal control initiatives, continued to combat money laundering and the financing of terrorism and enhanced its reporting software. It also completed a number of updates of IT security systems.

In 2020, we will continue to implement corrective actions if we or our auditors identify weaknesses or omissions.

1.6 RISK FACTORS RFA

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 work to identify the risk factors, their impact on the Company, the probability of occurrence and measures for managing these risks, as described below, was realised based on the performances and the situation of the Company as of 31 December 2019, before the outbreak of the Covid-19 epidemic. It was approved by the Audit Committee on 7 November 2019 and by the Supervisory Board on 15 January 2020.

The Company considers that, as of the date this document was filed, there are no significant risks other than those presented. Given the uncertainty of the duration and extent of the coronavirus pandemic, management has eliminated the guidance on the 2020 objectives that were announced when the 2019 annual results were published. Altamir Gérance permanently monitors the situation, and an update was released on the day the present document was filed.

1.6.2 RISKS

Summary of the five main risk categories

The following table shows the assessed risk level and trend for each of the risks identified by the Company. The net impact is calculated based on the significance of the risk for the Company, weighted by the specific factors that limit this impact. The probability of occurrence takes into account factors related to the Company's current market and environment. The risk level is assessed by weighting the net impact by the probability of occurrence. The trend indicates how the risk is expected to evolve over the next year.

Nature of risk	Net impact	Probability of occurrence	Level of risk (net impact/probability)	Trend
OPERATIONAL RISKS				
Underperformance of companies in the portfolio	Moderate	Possible	Relatively high	Stable
Illiquidity of investments (divestments)	Significant	Possible	Average	Declining
Ability to make investments	Moderate	Unlikely	Low	Rising
MARKET RISKS				
Sharp decline in multiples of the companies in the portfolio, leading to a fall in valuations	Significant	Likely	High	Rising
Illiquidity of Altamir's shares	Significant	Possible	Relatively high	Stable
FINANCIAL RISKS				
Insufficient cash	Significant	Unlikely	Low	Declining
Excess cash	Moderate	Possible	Low	Rising
Increase in interest rates	Moderate	Possible	Low	Stable
Unfavourable change in exchange rates	Moderate	Possible	Low	Stable
RISK RELATED TO KEY PEOPLE				
Departure, extended absence or death of Maurice Tchenio	Significant	Possible	Relatively high	Stable
Departure, extended absence or death of one of the members of the Apax Partners SAS or Apax Partners LLP investment teams	Moderate	Possible	Low	Stable
LEGAL AND TAX RISKS				
Challenge to SCR status	Moderate	Unlikely	Low	Stable

The following are detailed descriptions of the risks presented in the table and the measures implemented to handle each of these risks.

OPERATIONAL RISKS

Underperformance of the portfolio companies

A significant deterioration in the condition of one or more companies held in the portfolio, resulting from performance well below the business plan, could have a major impact. This is because the majority of acquisitions are made through LBOs, and the company or companies would no longer be able to service the acquisition debt under the terms originally envisioned, leading to significant impairment or total loss. Altamir's projected cash position would consequently be incorrect, since it would have been based on a miscalculation of the cash flow to be generated by the portfolio company or companies concerned. Altamir would be unable to meet its capital calls since the amount of available cash would be much lower than it had anticipated. This could also trigger a profit warning which would have a significant impact on Altamir's share price.

Risk management measures

The impact of underperformance by one or more companies is nevertheless mitigated by the diversification of Altamir's portfolio (around 50 companies).
Furthermore, the probability of this risk occurring is mitigated by the management teams' in-depth knowledge of their respective sectors, as well as by the due diligence conducted before investing in each of the target companies.

Illiquidity in the portfolio

The amount of Altamir's available cash is crucial for meeting the funds' capital calls. It depends mainly on Altamir's ability to recover both the capital invested and any capital gain resulting from the total or partial sale of investments held by the Company.

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 sold. If Altamir has difficulty selling its investments, in a reasonable timeframe and/or at satisfactory pricing terms, the company may be prevented from carrying out its investment strategy, and its performance may be adversely affected.

Over time, a decrease in performance could cause potential investors to lose interest in Altamir shares, with a potential impact on its share price.

Risk management measures

Apax's fund management companies include an analysis of the exit scenario for each potential investment in the investment process, which minimises the risk of illiquidity.

The portfolio's sectoral and geographical diversification, as well as its exposure to acquisitions made in different years, also minimises the risk of illiquidity in the portfolio.

Ability to invest

Altamir's performance mainly depends on the ability of the management companies of the Apax Partners funds to identify, select, acquire and sell investments that generate significant capital gains. There is a growing number of private equity companies, in particular for larger deals. The market for these transactions has become global, and competition is increasingly fierce. Some of these companies have a greater financial capacity than Apax Partners, 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. If the Apax management companies were to continually lose investment opportunities to their competitors, this would impact Altamir's performance over time.

Risk management measures

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 LLP, Altamir has the ability to invest worldwide, which significantly increases potential opportunities.

MARKET RISKS

Significant decline in valuation multiples

The unlisted companies held in Altamir's portfolio (which represented nearly all of the fair market value as of 31 December 2019) are valued in part on the basis of peer-group multiples, and in part on multiples of recent private transactions. For several years, transaction multiples have been constantly increasing and are at very high levels, especially in the Tech & Telco sector, which now represents more than half of Altamir's portfolio. A significant decline in multiples (in the event of a cyclical downturn) would have a negative impact on the valuation of Altamir's portfolio and consequently its shares; investors could lose interest in the security.

Over time, Altamir's performance could be adversely affected by smaller capital gains on the sale of investments.

Risk management measures

The value creation scenarios developed by the Apax fund management teams do not generally incorporate an increase in multiples; they are based mainly on the intrinsic improvement in the performance of the acquired companies.

In addition, while multiples provide an element for calculating the fair value at a given date, the exit value of investments is based on private transactions, in which the strategic position of the companies or their ability to generate cash flow takes precedence over the market comparables.

Illiquidity of Altamir shares

Due to a reduced free float (35%), the number of Altamir shares traded daily on the stock market is low. As such, a holder wishing to sell a large block of shares on the market may cause a significant decline in the share price. In the case of an urgent execution order, the holder could ultimately be unable to sell all of their shares, due to insufficient liquidity. Conversely, a holder wishing to buy a large block of shares on the market may cause a significant increase in the share price. In the case of an urgent execution order, the holder could ultimately be unable to buy all of the shares sought, due to insufficient liquidity.

Risk management measures

Altamir's liquidity was significantly reduced following a public offer initiated by Amboise SAS, which allowed Amboise SAS to increase its investment in the Company to 65%. Nevertheless, all private equity companies, including those with more free float than Altamir, have relatively low liquidity. Moreover, Altamir still has a considerable number of marketable shares and their value will increase in line with Altamir's increased value.

FINANCIAL RISKS

Insufficient cash

The Company has made commitments to the funds in which it invests (Apax France VIII-B, Apax France IX-B, Apax France X-B, Apax Development, Apax VIII LP, Apax IX LP, Apax X LP and Apax Digital). These commitments 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. Due to its SCR status, the company's financial debt is limited to 10% of its net assets. If the company's cash position were insufficient, it would be unable to meet its capital calls and would therefore lose a portion of its rights with respect to the funds in which it had invested.

Risk management measures

The Company's commitments to the funds managed by Apax Partners SAS and Apax Partners LLP have been set within a range enabling it to meet capital calls based on expected cash positions. Furthermore, the funds in which Altamir invests have put in place 12-month lines of credit, enabling them to avoid making capital calls for each investment, which makes it easier to anticipate future capital calls. The Company also has a line of credit equal to 10% of its net assets, which it uses only to finance the gap. Lastly, Altamir has the option to reduce the maximum level of its commitment to the Apax France X-B fund by up to €80m.

Excess cash flow

Following several divestments at very favourable terms, Altamir could be in a position to receive some very large distributions that could provide it with a significant amount of cash. The Company maximises its performance by investing at the highest possible level. Consequently, if a significant portion of its net assets were held in cash, that would dilute the company's performance.

Given that the Company's performance depends in particular on its ability to have the highest possible level of invested capital, performance could be diluted by holding an excessive amount of cash.

Risk management measures

Altamir has always ensured that its cash is invested on the best terms. Depending on short- and medium-term forecasts, the company invests its cash in various instruments so as to optimise returns. If the amount of available cash were to become structurally high, the Company would increase the amount allocated to co-investments.

Increase in interest rates

The majority of Altamir's portfolio is composed of LBO/LBI-type transactions which consist in acquiring an investment through a special-purpose holding company, with a bank loan serviced by net cash flows (primarily dividends) generated by the investment. Leverage is high on some of these transactions. An increase in interest rates would have a very moderate impact on performance. For Altamir, a rise in interest rates would increase the cost of its lines of credit.

Risk management measures

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 bullet loans (debt is repaid when the investment is sold), which considerably lightens the debt service requirement during the holding period. It is also important to note that each of the LBO transactions is independent of the others. Any difficulties encountered with a specific transaction would have no impact on the others.

Altamir does not have recourse to debt to finance its investments. Its credit lines are solely used to meet potential timing differences arising between cash inflows (divestment proceeds) and outflows (new investments). In addition, debt is limited by law to 10% of shareholders' equity.

Unfavourable exchange rate fluctuations

Altamir's objective is to invest, directly or indirectly, through funds managed by the Apax Partners management companies. The majority of private equity fund investments managed by Apax Partners SAS is carried out in France and in companies whose functional currency is the euro. However, some investments are denominated in foreign currencies, and consequently their value may vary according to exchange rates.

Commitments made in the funds managed by Apax LLP are also in euros. Nevertheless, these funds themselves have a global investment strategy and exchange rate fluctuations might affect the valuation of some of their investments at the closing date or at the date they are sold.

Risk management measures

Foreign exchange impact is taken into account when deciding to invest, and especially when deciding on divestment timing, so as to take advantage of favourable exchange rates. The share of investments denominated in foreign currencies was 35.6% as of 31/12/2019.

RISKS RELATED TO KEY PEOPLE

Departure, extended absence or death of Maurice Tchenio

Maurice Tchenio is the founder and majority shareholder of Altamir, in which he holds 65% of the capital. He alone has the controlling interest in Amboise Partners SA, Altamir's investment adviser, and Altamir Gérance SA, the management company and general partner of the Company. He therefore plays a major role in the investment decisions, in particular during the periods when Altamir sets the allocation plan for its investments for the following 4/5 years, as well as for all direct investments made (co-investments or strategic investments). Note that for the 2020-23 period, direct investments represent €200m out of a total of €750m in allocated assets.

His departure, extended absence or death could therefore have a significant unfavourable effect on the activity and organisation of Amboise Partners SA and Altamir Gérance, and consequently on the activity of Altamir and its future outlook.

Risk management measures

The amounts invested through funds (€550m for the 2020-23 period) are managed by the Apax Partners SAS and Apax Partners LLP teams. At no time do Amboise Partners SA or Altamir Gérance participate in the management decisions taken by the Apax Partners teams.

Furthermore, a succession plan is in place at the organisational level in the event that Maurice Tchenio should die or be incapacitated for a long period of time. The same is true with respect to shareholdings.

Departure, extended absence or death of a partner of Apax Partners SAS or Apax Partners LLP

Altamir's performance depends to a large extent on the ability of the Apax management company's partners to proactively identify and select target companies, successfully acquire them and negotiate exits at the best possible terms. The experience, market knowledge and sector expertise of the partners are key assets for the management companies in carrying out successful transactions.

The departure, extended absence or death of one of the partners of Apax Partners SAS or Apax Partners LLP could consequently have a significant unfavourable impact on Altamir's business activity.

Risk management measures

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 potential departures has been minimised. In addition, team size and the collegial nature of decisions about investing, monitoring and divesting tend to limit this risk.

Lastly, Altamir has also limited the risks mentioned above by diversifying its partnerships with Apax Partners SAS and Apax Partners LLP.

LEGAL AND TAX RISKS

Challenge to SCR tax status

Owing to its SCR tax status, the Company enjoys a number of benefits. 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 France meet the eligibility criteria set forth in these provisions, it is possible that Altamir could 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, while Altamir vigilantly adheres to the limits imposed on it by the SCR tax regime, failure to comply with certain terms could lead to the loss of SCR status, and consequently, the retroactive loss of tax benefits which have been passed on to shareholders.

Risk management measures

The amount of commitments made to the various Apax France and Apax LLP funds is determined above all so as to comply with SCR eligibility criteria both in the short term and in the medium and long terms.

The constraints related to the debt level are addressed in the financial risk section.

2 Corporate governance
Report of the Supervisory Board

Items appearing in the annual financial report are cross-referenced with the following symbol AFR

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 10 March 2020.
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 further 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 their approval 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. In the performance of its mission, the Management Company may call upon the experts or advisors of its choosing, 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. That agreement will terminate when the last two portfolio companies – Alain Afflelou and THOM Group – have been sold.

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 – (63) 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 takes decisions with regard to allocation and strategy for individual client portfolio construction. He has 35 years of investment experience, including 26 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 – (73) 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 – (65) 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 – (76) 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 – (44) 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 January 2017.

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

In accordance with Section 12.1 of Appendices 1 and 2 of Commission Delegated Regulation (EU) 2019/980, 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. 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 on 15 January 2020. 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.

RULES REGARDING 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. Board members are appointed for two-year terms (Article 18) except for the purpose of implementing staggered terms, in which case the shareholders at their Ordinary General Meeting can appoint one or more Supervisory Board members for a one-year term;
- 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-half (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 non-voting members are appointed for a two-year term and are paid attendance fees from the overall envelope set by shareholders at their Annual General Meeting;
- the Supervisory Board may not take decisions unless at least half of its members are present or represented (Article 19).

COMPOSITION OF THE SUPERVISORY BOARD AS OF 31 DECEMBER 2019

The Supervisory Board is composed of four members:

- Mr Jean Estin ;
- Ms Marleen Groen, Chairwoman of the Audit Committee;
- Ms Anne Landon, member of the Audit Committee;
- Mr Jean-Hugues Loyez, Chairman of the Supervisory Board.

Two non-voting members also attend Board meetings:

- Mr Gérard Hascoët;
- Mr Philippe Santini.

Composition of the Board and Audit Committee as of 31 December 2019

Board	Age, gender and 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 Estin	69 Man French	26 April 2018 2 years Annual General Meeting of 28 April 2020	Independent	Chairman and founder of Estin & Co.	Strategy consulting and M&A	1,000	No
Marleen Groen	63 Woman Dutch	24 April 2014 5 years Annual General Meeting to be held in 2021	Independent	Member of several Boards of Directors of charitable organisations	Private equity and financial services	1,000	Chairwoman
Anne Landon	60 Woman French	29 April 2019 1 year Annual General Meeting of 28 April 2020	Independent	Director of Corporate Advisory and Development at Banque Transatlantique	Finance, banking and private equity	1,043	Member
Jean-Hugues Loyez	71 Man French	4 June 2007 12 years Annual General Meeting of 28 April 2020	Not independent	Business Angel Chairman of A&A Partners	Consumer sector	412,221	No

The members of the Board held a total of 415,264 shares as of the date of this report.

No Board member is currently exercising an appointment in a listed company outside the Group. 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 two 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). That said, Jean-Hugues Loyez has been a member of the Supervisory Board since 4 March 2007 and is therefore not considered independent under the Afep-Medef Code criterion that requires less than 12 years of seniority. However, the Supervisory Board noted that Mr Loyez has always acted independently. In addition, his role as Chairman and his contribution to the Board are essential for Altamir.

No Board member had a business relationship with the Company in 2019.

More specifically, Jean-Hugues Loyez, Chairman of the Supervisory Board and not independent under the Afep-Medef Code criteria, had no business relationship with the Company in 2019. 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 changed as a result of the 29 April 2019 General Meeting. Ms Etchandy-Stabile announced that she wished to stand down from her position as a member of the Supervisory Board at the end of the meeting of 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 Annual General Meeting to be held on 28 April 2020 to approve the 2019 financial statements.

In addition, Philippe Santini and Gérard Hascoët, previously full members of the Supervisory Board, became non-voting members *(censeurs)* following the Annual General Meeting of 29 April 2019.

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

Independence criteria*	Jean-Hugues Loyez	Anne Landon	Marleen Groen	Jean Estin	Explanation in the event of 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	/
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	/
Not have close family ties with a corporate officer	Yes	Yes	Yes	Yes	/
Not have been a Statutory Auditor of the Company in the past five years	Yes	Yes	Yes	Yes	/
Not have been a member of the Board of the Company for more than 12 years	No	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	/
CONCLUSION	**Not 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 Boards of sociétés anonymes with an Executive Board and a Supervisory Board, and the Managesr or Management Companies of French limited partnerships limited by shares.*

At their General Meeting of 28 April 2020, shareholders will be asked to renew the terms of Jean-Hugues Loyez, Jean Estin and Anne Landon as members of the Supervisory Board.

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 examined Anne Landon's candidacy. After confirming that Ms Landon met all criteria for independence as defined by the Afep-Medef Code (see table above), the Board concluded that she qualified as an independent candidate.

Outlined above 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 2019, the Board members held, either directly or indirectly, 415,264 shares in the Company.

(number of shares)	2019	2018
Jean Estin	1,000	1,000
Sophie Etchandy-Stabile	-	1,000
Marleen Groen	1,000	1,000
Anne Landon	1,043	-
Jean-Hugues Loyez	412,221	412,221
TOTAL - BOARD MEMBERS	**415,264**	**415,221**
Gérard Hascoët	33,742	33,494
Philippe Santini	2,128	2,128
TOTAL WITH NON-VOTING MEMBERS	**451,134**	**450,843**

Gérard Hascoët acquired 128 shares on 18 February 2019 and 120 shares on 6 December 2019, which were reported to the AMF under nos. 2019DD661697 and 2019DD661697.

Anne Landon acquired 1,043 shares during the course of 2019, which were reported to the AMF under nos. 2019DD663174, 2019DD663175, 2019DD538379 and 2019DD663182.

As previously mentioned, the number of shares held by the full and non-voting members of the Board was 451,134 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

The most recent version of the Rules was submitted to the Board on 2 February 2017 and was approved by the Board at its meeting of 6 March 2017.

These documents have been posted on the Company's website and cover the following topics:

- 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 WORK OF THE SUPERVISORY BOARD

The Supervisory Board met seven times in 2019. The attendance rate at Board meetings was 100%:

Jean-Hugues Loyez	100%
Marleen Groen	100%
Jean Estin	100%
Anne Landon	100%
Gérard Hascoët	100%
Philippe Santini	100%

During 2019, the Board was involved in the asset allocation carried out at the end of the first half of the year, because the Company was nearing the end of its 2016-19 allocation programme. As of end-June 2019, the last two Apax funds in which it had invested were more than 70% invested. The Company has developed new projections covering the 2020-23 period so as to determine how much to commit to the two new Apax funds being raised as well as how much to allocate to strategic investments and co-investments. The Supervisory Board devoted a full meeting to the subject in June 2019 and discussed the projected investments presented by the Management Company.

The Board examined the management reports on the valuation of companies in the portfolio, quarterly positions, half-year and annual closings, and analytical cost reporting. The Board also reviewed the investment strategy and the cash projections. 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 study and take informed decisions on the Company's financial statements and financial communication.

On 7 November 2019, the Board held a meeting on how the Supervisory Board and its committees operate, without the Management Company in attendance. The Supervisory Board concluded that it functions correctly, and that the documents submitted to it allow it to function optimally.

In addition, the Supervisory Board regularly conducts a self-assessment to which each Board member contributes. The most recent self-assessment was carried out in November 2019 (see the section on how the Nomination and Remuneration Committee is organised and how it operates).

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 two members as of 31 December 2019: Marleen Groen (Chairwoman, independent member) and Anne Landon (independent member). Both members are experienced in financial and accounting matters and are considered independent under 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 Audit Committee meetings was 100% for all members.

Board member	Date	Departure	Appointment/ Renewal	Reason
Sophie Etchandy-Stabile	12 March 2019	Resignation		
Anne Landon	12 March 2019		Appointment	Replaced a resigning member
Gérard Hascoët	29 April 2019	End of appointment		End of appointment to the Supervisory Board

The composition of the Committee changed in 2019 when Sophie Etchandy-Stabile resigned. This prompted the Supervisory Board to temporarily appoint Ms Landon to the Audit Committee at the Board's 12 April 2019 meeting.

Moreover, shareholders did not renew Mr Hascoët's appointment at the Annual General Meeting of 29 April 2019. The Supervisory Board consequently noted, in their meeting on the same day, that he was no longer a member of the Audit Committee.

Marleen Groen is an experienced company executive, 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.

Anne Landon is 60 years old. She is a member of the Management Committee of Banque Transatlantique, 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.

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:

- track the preparation of financial information and, if necessary, makes recommendations to ensure the information's integrity;
- monitor 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, all the while ensuring that it remains independent;
- make a recommendation with regard to the Statutory Auditors proposed to shareholders at their General Meeting;
- monitor the Statutory Auditors' assignment and take 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;
- ensure that the Statutory Auditors meet the conditions for independence;
- approve the provision of any services other than the certification of financial statements, provided that the services are not prohibited by regulations;
- inform the Board regularly on its activities. The Audit Committee 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

The Audit Committee met four times in 2019 to review the Company's financial statements and examine 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'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 verification of security valuations;
- the independence of Statutory Auditors.

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.

In addition, the Audit Committee devoted part of its 7 November meeting to examining draft regulated agreements related to the transfer of Financière Hélios and to the repurchase of shares in the Apax France VII fund. In both cases, the Committee voted in favour of the proposed transactions. At the same meeting, the Committee also approved the work done to identify risk factors, their impact on the Company, the probability they will occur and the measures for managing them.
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 2020, the Audit Committee will continue to meet every three months, prior to the approval of each quarterly financial report. 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 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 twice in 2019 as a Nomination and Remuneration Committee. The attendance rate was 100%:

Jean Estin	100%
Sophie Etchandy-Stabile	100%
Marleen Groen	100%
Anne Landon	100%
Jean-Hugues Loyez	100%
Gérard Hascoët	100%
Philippe Santini	100%

The first meeting was held on 12 March 2019. This meeting was devoted to the composition of the Supervisory Board. Following Ms Etchandy-Stabile's resignation, the Board had to review several aspects of its composition (age, independence, gender parity). As a result of these discussions, the Board decided to:

- reduce the number of Board members from six to four;
- appoint remunerated, non-voting members;
- increase the proportion of members who can be over the age of 70 from one-third to one-half;
- co-opt Ms Landon.

These items were presented in detail to the Board, which verified that the decisions were in compliance with the Articles of Association. As certain proposals required an amendment to the Articles of Association, the Committee verified that the corresponding resolutions were on the agenda for the next Annual General Meeting.

The Committee held a second meeting on 7 November 2019, devoted to a review of the Supervisory Board's self-evaluation, which was based on a detailed questionnaire sent to each member at the beginning of October 2019. The questionnaire included questions about:

- the composition of the Supervisory Board;
- how meetings are conducted;
- the Supervisory Board's Rules of Procedure;
- the role and performance of the Committees;
- the remuneration of Supervisory Board members;
- the individual evaluation of each Board member, so as to measure his or her contribution to the Board's work.

The self-evaluation highlighted improvements made since the previous evaluation. In particular, it showed that Board members' skills are now more complementary, that information provided is now of better quality and that Board meetings now run more smoothly.

Certain improved trends were also noted, principally that the minutes of certain Committee meetings have been more formalised and that necessary changes in the composition of the Supervisory Board have been better anticipated. The Board would also like to receive information more regularly about Altamir's competitors and have access to the minutes of investor meetings.

The work of the Committees, in particular the Audit Committee, was also reviewed and it was determined that the Committees are well balanced in terms of composition and skills, and that they function well.

THE NON-VOTING MEMBERS

In its meeting of 12 March 2019, the Supervisory Board decided to reduce the number of Board members, and also to appoint non-voting members and make it possible to remunerate them. Shareholders validated this proposal at their Annual General Meeting by amending Articles 21 and 23.6 of the Articles of Association. As a result, the non-voting members are now appointed for a two-year term and are paid from the overall envelope set by shareholders at their Annual General Meeting. Non-voting members are remunerated in accordance with paragraph 2.2.1.

At the 29 April 2019 Meeting, shareholders validated the appointments of Gérard Hascoët and Philippe Santini as non-voting members for a two-year term, i.e. until the Annual General Meeting in 2021. As Messrs Hascoët and Santini were previously members of the Supervisory Board, they know the Company very well, and the Board wanted to take the opportunity to benefit from their experience, especially as the Company must determine allocations for the next four years, in particular to the new Apax funds.

2.1.4 BIOGRAPHIES OF CORPORATE OFFICERS AND NON-VOTING BOARD MEMBERS

Jean Estin (69) is the Chairman and founder of Estin & Co, a strategy consulting firm with offices in Paris, London, Zurich, New York and Shanghai. He has more than 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).

Marleen Groen (63) 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. Ms Groen is a Board member of the following charitable organisations: the African Wildlife Foundation (AWF), the African Wildlife Foundation UK Ltd (AWF UK) and the Muir Maxwell Trust.

Anne Landon (60), Member of the Management Committee of Banque Transatlantique, 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.

Jean-Hugues Loyez (71) 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.

For information, we present below the biographies of the non-voting members:

Gérard Hascoët (70) 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, Board member of Precardia SAS and Director of APD. He holds an engineering degree from ECE Paris.

Philippe Santini (76) 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.

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 LAST FIVE YEARS

Expired appointments are shown in italics.

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*
- Member of the Board of Estin & Co Ltd
- Member of the Board of Estin & Co Hong Kong Ltd
- Member of the Board of Estin & Co SA

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: 29 April 2019

Expiration of appointment: General Meeting of Shareholders to be held in 2021 to approve the financial statements for the year ended 31 December 2020

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 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

Anne Landon, born 13 August 1959

First appointment as member of the Supervisory Board: 29 April 2019

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
- Member of the Board of Dubly Transatlantique Gestion as permanent representative of CICOVAL
- Member of the Board of Banque Transatlantique Belgium
- Executive Director of Banque Transatlantique
- Director of the Corporate Advisory and Investment Solutions Departments

Jean-Hugues Loyez, né le 18 novembre 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

- Member of the Board of PBI SAS
- *Member of the Supervisory Board of BFSA (until 2017)*

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 2014 to 2019, 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
- Member of the Board of Afflelou SAS
- Chairman of Financière Helios SAS
- *Vice-Chairman of Toupargel SASU (until 2017)*
- *Member of Toupargel Groupe SA (listed on Euronext Paris) (until 2019)*
- *Member of the Board of Albioma SA (until 2015)*
- *Member of the Board of Financière de l'Echiquier SA (until 2014)*
- 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) (until 2018)*
- Member of the Supervisory Board of THOM Europe SAS
- *Non-voting director of Lion/Seneca France 1 SAS (until 2016)*
- Head of Alpha Omega SC
- Chairman of Amboise SAS
- *Manager of Société Civile Cimarosa (until 2017)*
- *Manager of Société Civile Copernic Partenaires (until 2016)*
- *Manager of Société Civile SE Wagram (until 2017)*
- *Manager of Société Civile Cimarosa II (until 2017)*
- *Manager of Société Civile Moussecarrie (until 2014)*
- *Manager of Société Civile Étoile II*
- *Manager of Société Civile Fac&In (until 2017)*
- *Manager of Société Civile Vizasat (until 2017)*
- *Manager (representative of Amboise Partners SA) of Société Civile Capri (until 2017)*
- *Manager (representative of Amboise Partners SA) of Société Civile Firoki (until 2018)*
- *Manager (representative of Amboise Partners SA) of Société Civile TeamInvest*
- *Co-Manager of Mauryland SCI*

2.1.6 OTHER ITEMS

In a ruling handed down on 22 October 2019, the Lyon Commercial Court moved Toupargel Groupe (the Company), of which Mr. Maurice Tchenio is a shareholder and director, from a "safeguard procedure" into receivership. In a ruling dated 23 December 2019, the same Court finalized plans for the sale of the Company and its subsidiaries. All of the employees of the Company and its subsidiaries (ca. 2,200 people) have been maintained by the new investor.

To the best of the Company's knowledge, and at the time of preparation of this Universal 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, except for the one mentioned above;
- 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.

A derivative action was filed by Moneta Asset Management against Altamir Gérance and Mr Maurice Tchenio concerning an alleged "double invoicing" of management fees. The procedure in the Commercial Court of Paris has ended. A decision was to be announced on 27 March 2020.

In light of the circumstances related to the Covid-19 epidemic, the Commercial Court is closed, and we do not know, as of the date this report was filed, if the decision was rendered nor the nature thereof.

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 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 29 April 2019, 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 same Code), the following items should be noted:

- the structure of the capital, the direct and indirect holdings that are known to the Company, and all related information are provided in Section 4.2.1;
- 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 4.2.2);
- 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 the one granted by shareholders at their General Meeting on 29 April 2019, valid for 26 months and 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. 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)

Four new agreements were signed in 2019.

The first agreement related to the sale of Financière Hélios, 100%-held by Altamir, to Amboise SAS, a company 100%-held by Maurice Tchenio, who in turn owns 65% of the Company. Since the liquidation of the Apax France VI fund, Altamir has been the sole shareholder of Financière Hélios, historically the holding company of the shares of listed company Albioma, which were sold in 2019. The holding company no longer has any business activity, but its annual operating expenses totalled around €10,000. Rather than liquidate the company, it was decided to sell it to Amboise SAS at its net asset value on the date of the transfer, i.e. €370.62.

Altamir proposed to repurchase the shares held by the shareholders of the Apax France VII fund at their net asset value as of 30 June 2019.

80.4% of the shares were tendered to the offer, including 75.3% by approximately 20 long-standing institutional shareholders of the Apax France VII fund, and:

- 3.54% by Amboise SAS, a company that is 100% held by Maurice Tchenio, who in turn owns 65% of the Company, for €1,878,086.46;
- 1.54% by Jean-Hughes Loyez, Chairman of the Supervisory Board of the Company, for €795,961.02;
- 0.01% by Jean Estin, member of the Supervisory Board of the Company, for €52,054.39.

A regulated agreement was signed for each of these repurchase transactions.

There is no other agreement between (i) a corporate officer or a shareholder possessing more than 10% of voting rights and (ii) Fa company that is more than 50% owned by the Company, whether directly or indirectly.

2.2 REMUNERATION OF CORPORATE OFFICERS

As a French partnership limited by shares, the Company was not previously subject to the "say on pay" rules established by French law.

Taking into consideration the Supervisory Board's advisory vote, the recommendations of the Afep-Medef Code and the provisions of the Articles of Association, the general partner has developed a remuneration policy that is aligned with the Company's interests, contributes to its business continuity and supports the investment strategy described in paragraph 1.3.6, which aims, in particular, to increase NAV.

The Management Company's remuneration policy is implemented by the Supervisory Board. Whether with regard to its advisory votes on the policy (definition, revision and exceptions) or its implementation of the policy, the Supervisory Board's opinions and decisions are made outside the presence of the Management Company.

The Supervisory Board has also set the components of the remuneration policy that apply to its members, while ensuring that the policy complies with the principles detailed above. The policy is revised and implemented by the Supervisory Board.

No remuneration of any nature can be determined, allocated or paid by the Company and no commitment can be made by the Company if it does not comply with the approved remuneration policy or, if no such policy exists, with the Company's existing remuneration practices. In special circumstances, subject to the conditions in the following paragraphs, the general partner may make a temporary exception to the remuneration policy in favour of the Management Company or the Supervisory Board may do the same in favour of its members, in accordance with the second paragraph of Section III of Article L.226-8-1 of the French Commercial Code with regard to the remuneration policy as a whole, as described below.

They must first ensure that the exception complies with the Articles of Association and the Company's interests and is needed to ensure the Company's business continuity or viability. They must also explain their final decision, so that the reason may be communicated to shareholders in the next corporate governance report.

The general partner cannot decide to make an exception to the Management Company's remuneration policy unless the Supervisory Board has recommended and duly supported the exception.

As the Company does not have any employees, there is no need to consider employee pay or working conditions when defining or revising the remuneration policy for the Management Company and members of the Supervisory Board.

2.2.1 REMUNERATION OF THE MEMBERS OF THE SUPERVISORY BOARD

2.2.1.1 REMUNERATION POLICY

In accordance with Article 21 of the Company's Articles of Association, the shareholders approved the tenth resolution at their Ordinary General Meeting of 28 April 2017, which set the total remuneration of Supervisory Board members – including non-voting members – at €290,000 for the current financial year, until a new decision is taken by the shareholders at a general meeting.

This annual remuneration for Supervisory Board members, including non-voting members, as approved by the shareholders, is distributed in the following manner, determined by the Supervisory Board:

- 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 remuneration, which is linked to attendance, 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 remuneration. Such assignments are treated as regulated agreements.

Additional remuneration is also paid to the Chairman of the Supervisory Board, in recognition of his role as chairperson. Likewise, the members of the Audit Committee receive an additional amount in return for their participation in the committee. The Audit Committee's chairwoman receives a higher amount than the other members.

In the event that an appointment, co-optation or termination occurs in the middle of a term, remuneration is paid *pro rata*.

2.2.1.2 REMUNERATION PAID AND ATTRIBUTED

Remuneration paid and attributed for 2018 and 2019 is indicated below.

Remuneration paid to board members

(in euros)	Amounts attributed in 2019 for the 2019 financial year	Amounts paid in 2019 for the 2018 financial year	Amounts paid in 2018 for the 2017 financial year
Jean Besson*	-	20,714	55,000
Jean Estin	40,000	22,286	-
Sophie Etchandy-Stabile*	7,000	47,000	47,000
Marleen Groen*	56,000	53,000	47,000
Gérard Hascoët*	34,000	45,000	39,000
Anne Landon	42,000	-	-
Jean-Hugues Loyez	62,000	61,000	61,000
Philippe Santini	33,000	39,000	39,000
TOTAL	**274,000**	**288,000**	**288,000**

** Member of the Audit Committee*

At the General Meeting of 28 April 2020, the shareholders will be asked to vote on the Chairman of the Supervisory Board's remuneration for 2019, presented in the table above (see section 2.4.8, Say on Pay).

There are no individual corporate officers other than the members of the Supervisory Board.

2.2.2 REMUNERATION OF THE MANAGEMENT COMPANY

2.2.2.1 REMUNERATION PAID AND ATTRIBUTED

Article 17.1 of the Articles of Association states that the Management Company's remuneration is equal to the difference between:

1. The gross management fees paid to the Company, equal to the sum of:

/// for the first half of the calendar year: 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;

/// for the second half of the calendar year: 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 year, a *pro rata* adjustment is made.

Since 2011, the Company's shareholders' equity has been consistently higher than the sum of share capital plus share premiums. As a result, in practice, shareholders' equity is the base for calculating the 2% gross management fees (1% of its value as of 31 December and 1% of its value as of 30 June).

2. The sum of the following amounts:

2.a) the share of management fees of the Apax funds in which the Company has invested, as determined based on the average amount of its investment during the financial year in question. This share is equal to the par value 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.

This measure aims to prevent a situation where, for the share of Company assets invested in Apax funds, management fees are paid both through the fund and at the Company level.

2.b) the professional fees paid by the Company to Amboise Partners SA under the investment advisory agreement between them (see page 64).

These fees are equal to 95% of the difference between the gross management fees, described in paragraph 1 above, and the share of management fees of the underlying Apax funds, described in paragraph 2a, after deducting, if applicable, any fees received directly by Amboise Partners SA as described in paragraph 2.3.

As a result, in accordance with the Articles of Association, the Management Company's net remuneration is equal to the gross management fees, described in paragraph 1 above, less the share of management of the underlying Apax funds, described in paragraph 2a, and less the fees paid by the Company to Amboise Partners SA, described in paragraph 2b.

Furthermore, Article 17.1 of the Articles of Association states that the percentage (corresponding to the Company's share) of the amount of any professional fees, attendance fees and commissions received by Altamir Gérance for transactions on Company assets, and of amounts paid by portfolio companies, will be deducted from the Management Company's remuneration.

The amount of any direct remuneration received by Altamir Gérance, from portfolio companies or third parties for the management of Company assets, is deducted from the amount of fees to be paid to Altamir Gérance by Altamir.

For 2018 and 2019, remuneration paid to the Management Company was calculated as follows:

(in euros and exclusive of tax)	**2019***	**2018**
Gross fees (1)	11,982,027	11,690,877
Fees deducted with respect to Apax France VIII-B (2)	-1,329,481	-1,748,064
Fees deducted with respect to Apax France IX-B (2)	-3,071,316	-2,472,627
Fees deducted with respect to Apax VIII LP (2)	-398,946	-488,662
Fees deducted with respect to Apax IX LP (2)	-1,133,932	-835,890
Fees deducted with respect to co-investments (2)	-91,717	-23,956
Net fees (3) = (1) - (2)	5,956,635	6,121,679
Deduction of fees received by Amboise Partners SA (4) = 95% (3)	-5,658,804	-5,815,594
REMUNERATION OF ALTAMIR GÉRANCE (5) = (3) + (4)	**297,832**	**306,084**
Fees and commissions received directly by Altamir Gérance	0	0
REMUNERATION PAID BY ALTAMIR TO ALTAMIR GERANCE	**297,832**	**306,084**

** These amounts were paid during the 2019 financial year and attributed for the same financial year.*

At the General Meeting of 28 April 2020, the shareholders will be asked to vote on the Management Company's remuneration for 2019, presented in the table above (see section 2.4.8, Say on Pay).

2.2.2.2 NEW REMUNERATION POLICY

Starting with the 2020 financial year, in accordance with Articles L.226-8 and L.226-8.1 of the French Commercial Code, as created by Order no. 2019-1234 of 27 November 2019, the Management Company's remuneration will be determined in accordance with a remuneration policy, as defined by the general partners after taking into consideration the Supervisory Board's advisory vote. The policy, detailed below, will be put to a vote of the shareholders at their General Meeting.

The remuneration of Altamir Gérance, paid as fees, consists solely of the payment of annual fees in the amount of €275,000 exclusive of tax, provided that the result obtained using the method described in the Articles of Association to calculate the Management Company's remuneration is at least equal to that amount. If that condition is not met, then the remuneration will be equal to the result obtained using the calculation method described in the Articles of Association.

To comply with the provisions of the second paragraph of section III of Article L.225-100 of the French Commercial Code, as created by Order no. 2019-1234 of 27 November 2019, from now on, the Management Company's remuneration for each financial year will be paid after the shareholders have approved that year's financial statements and the components of the remuneration, at their General Meeting.

2.3 MANAGEMENT FEES

This section provides information on the appointments and service agreements held by corporate officers with the Company.

INVESTMENT ADVISORY AGREEMENT

Regarding the investment advisory agreement between the Company and Amboise Partners SA, Article 17.1 of the Articles of Association provides for the payment of fees, to be calculated as described in section 2.2.2.1 above.

Furthermore, Article 17.1 of the Articles of Association states that the percentage (corresponding to the Company's share) of the amount of any professional fees, attendance fees and commissions received by Amboise Partners for transactions on Company assets, and of amounts paid by portfolio companies, will be deducted from the remuneration paid to Amboise Partners SA.

The amount of any direct remuneration received by Amboise Partners, from portfolio companies or third parties for the management of Company assets, is deducted from the amount of fees to be paid to Amboise Partners SA by Altamir.

The investment advisory agreement was entered into for an indefinite period. It may be terminated with 30 days' notice, in the event that a party fails to perform its obligations even after a notice of breach.

For 2018 and 2019, the fees paid were as follows:

(in euros and exclusive of tax)	2019	2018
Fees paid under the advisory agreement	5,956,635	6,121,679
Fees and commissions received directly by Amboise Partners SA	0	0
REMUNERATION PAID BY ALTAMIR TO AMBOISE PARTNERS SA	**5,956,635**	**6,121,679**

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 agreement was entered into for one year and is automatically renewable. It may be terminated with three months' notice.

For 2018 and 2019, the fees paid for these services were as follows:

(in euros and exclusive of tax)	2019	2018
Fees	806,409	857,615

2.4 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.

2.4.1 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 2019.

The Board has identified no inaccuracy or irregularity in the financial statements presented by the Management Company.

2.4.2 PROPOSAL FOR THE ALLOCATION OF NET INCOME

Statutory net income for the financial year ended 31 December 2019 was €155,826,503.

A. In accordance with the Articles of Association, the dividends[1] to be distributed to the general partner and to holders of Class B shares are €10,603,402, composed of €1,060,340 and €9,543,062, respectively.

This corresponds to 20% of 2019 adjusted net income, as determined in the Articles of Association and presented in the Universal Registration Document.

The amount of dividend payable on each Class B share will be allocated among Class B shareholders of record on the ex-dividend date.

B. At their General Meeting, shareholders will be asked to approve the distribution of a dividend of €30,305,210 to ordinary shareholders, i.e. a gross dividend of €0.83 per ordinary share. This dividend corresponds to 3% of net asset value, as presented in the consolidated financial statements[1].

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 which have been 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 26 May 2020 and the dividend on ordinary shares will be paid to shareholders on 28 May 2020.

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. Lastly, shareholders will be asked to allocate the remainder of net income for the year, i.e. €114,917,891 to reserves.

(1) Against a background of very significant uncertainty caused by the Covid-19 pandemic, Altamir's Supervisory Board has decided on 8 April 2020 to amend the dividend proposed to the holders of ordinary shares. The dividend would be reduced from €0.83 to €0.66 per share (more than 2% of NAV as of 31 December 2019), an amount equal to that paid in 2019. As a result, the amount of dividends disbursed in 2020 would be €24m, vs. the initially proposed allocation of €30.3m. The dividend payable to the general partner and the holders of Class B shares has also been postponed sine die.

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**
2018	€24,098,119(1)	0	-
2017	€34,368,928(2)	€1,181,770	-
2016	€37,474,817(3)	€1,526,869	-

(1) Comprising dividends of €24,098,119 for holders of ordinary shares; this figure includes the amount of the dividend on treasury shares, which is not distributed and is instead allocated to retained earnings.

(2) Comprising dividends of €10,635,932for 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 €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.

2.4.3 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.

2.4.4 STATUTORY AUDITORS

Information on the statutory auditors can be found in Chapter 5.2 of this document.

2.4.5 CORPORATE BODIES – LENGTH OF APPOINTMENTS

At the General Meeting on 28 April 2020, shareholders will be asked to renew the terms of the following Supervisory Board members for two years: Anne Landon, Jean-Hugues Loyez and Jean Estin.

The Supervisory Board comprises two men and two women, in compliance with legal provisions concerning gender parity.

2.4.6 SHARE LIQUIDITY

In 2019, Altamir used its share repurchase programme to maintain the share's liquidity and ensure secondary market activity. A new programme will be proposed at the General Meeting on 28 April 2020. The programme will be implemented to fulfil the same purpose.

2.4.7 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 document. The Board re-examined this agreement at its meeting on 15 January 2020, determined that it was in the Company's interest to maintain it, and informed the Statutory Auditors thereof.

Four new agreements were signed in 2019.

The first agreement related to the sale of Financière Hélios, 100%-held by Altamir, to Amboise SAS, a company 100%-held by Maurice Tchenio, who in turn owns 65% of the Company. Since the liquidation of the Apax France VI fund, Altamir has been the sole shareholder of Financière Hélios, historically the holding company of the shares of listed company Albioma, which were sold in 2019. The holding company no longer has any business activity, but its annual operating expenses totalled around €10,000. Rather than liquidate the company, it was decided to sell it to Amboise SAS at its net asset value on the date of the transfer, i.e. €370.62.

Altamir proposed to repurchase the shares held by the shareholders of the Apax France VII fund at their net asset value as of 30 June 2019. 80.4% of the shares were tendered to the offer, including 75.3% by 20 of the Apax France VII fund's long-standing institutional investors, and also including:

- 3.54% by Amboise SAS, a company that is 100% held by Maurice Tchenio, who in turn owns 65% of the Company, for €1,878,086.46;
- 1.54% by Jean-Hughes Loyez, Chairman of the Supervisory Board of the Company, for €795,961.02;
- 0.01% by Jean Estin, member of the Supervisory Board of the Company, for €52,054.39.

A regulated agreement was signed for each of these repurchase transactions.

These four regulated agreements are described in the Statutory Auditors' special report.

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.

The Board has no knowledge of any conflict of interest between the Company and any Board member or the Management Company.

2.4.8 SAY ON PAY

SAY ON PAY EX-POST

At the Shareholders' Meeting of 28 April 2020, shareholders will be asked to approve the remuneration payable or attributed to Altamir Gérance, the Management Company, and to Jean-Hugues Loyez, Chairman of the Supervisory Board, for the financial year ended 31 December 2019. 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) For Altamir Gérance

Remuneration components submitted to a vote	Amounts paid during the financial year	Amounts attributed for the financial year	Presentation
Fixed remuneration	0	0	Remuneration was fully based on shareholders' equity, which varied during the financial year
Annual variable remuneration	€297,832	€297,832	Remuneration (paid as fee excluding tax) was fully based on shareholders' equity, which varied during the financial year

In accordance with Article 17.2 of the Articles of Association, the Management Company's remuneration is paid in four estimated instalments at the start of each calendar quarter, each equal to 25% of the previous year's remuneration. This amount is then adjusted at the end of the fourth quarter, in accordance with the same Article.

2) For Jean-Hugues Loyez

Remuneration components submitted to a vote	Amounts paid during the financial year	Amounts attributed for the financial year	Presentation
Remuneration as a member of the Supervisory Board	€61,000	€62,000	Mr Loyez is Chairman of the Supervisory Board and attended all of the Board's meetings in 2019

SAY ON PAY EX-ANTE

1) For Altamir Gérance

Starting with the 2020 financial year, in accordance with Articles L.226-8 and L.226-8.1 of the French Commercial Code, as created by Order no. 2019-1234 of 27 November 2019, Altamir Gérance's remuneration will be determined in accordance with a remuneration policy, as defined by the general partners after taking into consideration the Supervisory Board's advisory vote. The policy, detailed in paragraph 2.2.2 of this Universal Registration Document, will be put to a vote of the shareholders at their General Meeting.

2) For Jean-Hugues Loyez

Starting with the 2020 financial year, in accordance with Articles L.226-8 and L.226-8.1 of the French Commercial Code, as created by Order no. 2019-1234 of 27 November 2019, the remuneration of Supervisory Board members will henceforth be determined in accordance with the policy detailed in paragraph 2.2.1 of this Universal Registration Document. It will be put to a vote of the shareholders at their General Meeting.

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

Items appearing in the annual financial report are cross-referenced with the following symbol AFR

3.1 CONSOLIDATED FINANCIAL STATEMENTS AFR

3.1.1 CONSOLIDATED INCOME STATEMENT

(in euros)	Note	31/12/2019 12 months	31/12/2018 12 months
Changes in fair value		234,173,862	79,270,788
Valuation differences on divestments during the period	15	82,122,469	-10,534,622
Other portfolio income	16	130,233	755,706
INCOME FROM PORTFOLIO INVESTMENTS		**316,426,565**	**69,491,872**
Purchases and other external expenses	17	-24,034,178	-23,656,896
Taxes, fees and similar payments		-140	-161
Other income		301	29,270
Other expenses	18	-288,000	-288,000
GROSS OPERATING INCOME		**292,104,547**	**45,576,085**
Carried interest provision attributable to general partner and Class B shareholders	12	-18,586,308	7,720,309
Carried interest provision for Apax funds		-39,117,972	-21,720,138
NET OPERATING INCOME		**234,400,267**	**31,576,255**
Income from cash investments	19	2,806,949	0
Financial income	20	8,991,797	217,157
Interest and similar expenses	21	-1,143,240	-1,487,187
Other financial expenses		0	0
NET INCOME ATTRIBUTABLE TO ORDINARY SHAREHOLDERS		**245,055,772**	**30,306,225**
Earnings per share	23	6.71	0.83
Diluted earnings per share	23	6.71	0.83

3.1.2 STATEMENT OF COMPREHENSIVE INCOME

(in euros)	Note	31/12/2019	31/12/2018
NET INCOME FOR THE YEAR		**245,055,772**	**30,306,225**
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		**245,055,772**	**30,306,225**
Attributable to:			
• owners of the parent company		245,055,772	30,306,225
• non-controlling shareholders			

3.1.3 CONSOLIDATED BALANCE SHEET

(in euros)	Note	31/12/2019	31/12/2018
Non-current assets			
Investment portfolio	7	980,442,589	998,914,278
Other non-current financial assets	8	79,601,517	276,316
Sundry receivables		10,344	10,344
TOTAL NON-CURRENT ASSETS		**1,060,054,451**	**999,200,938**
Current assets			
Sundry receivables		231,163	1,872,064
Other current financial assets	9	28,252,077	19,637,044
Cash and cash equivalents	10	84,869,110	3,865,625
TOTAL CURRENT ASSETS		**113,352,349**	**25,374,734**
TOTAL ASSETS		**1,173,406,799**	**1,024,575,672**

(in euros)	Note	31/12/2019	31/12/2018
Shareholders' equity			
Share capital	11	219,259,626	219,259,626
Share premiums		102,492,980	102,492,980
Reserves		446,411,543	440,870,497
Net income for the year		245,055,772	30,306,225
TOTAL SHAREHOLDERS' EQUITY		**1,013,219,921**	**792,929,328**
Other non-current liabilities			
Provision for carried interest of general partner and Class B shareholders	12	28,743,225	10,156,916
Carried interest provision for Apax funds	13	98,886,789	59,768,816
TOTAL OTHER NON-CURRENT LIABILITIES		**127,630,013**	**69,925,732**
Other current liabilities			
Financial liabilities	14	29,793,927	159,227,011
Trade payables and related accounts		439,744	2,336,801
Other liabilities		2,323,188	156,795
TOTAL OTHER CURRENT LIABILITIES		**32,556,858**	**161,720,606**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**1,173,406,799**	**1,024,575,672**

3.1.4 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 2017	**219,259,626**	**102,492,980**	**-408,960**	**444,418,015**	**20,888,547**	**786,650,208**
Net income for the period					30,306,225	30,306,225
TOTAL INCOME AND EXPENSES RECOGNISED IN THE PERIOD	**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				-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**	**792,929,328**

(in euros)	Share capital	Share premiums	Treasury shares	Reserves	Net income for the year	TOTAL
SHAREHOLDERS' EQUITY 31 DECEMBER 2018	**219,259,626**	**102,492,980**	**-627,240**	**441,497,737**	**30,306,225**	**792,929,329**
Net income for the period					245,055,772	245,055,772
TOTAL INCOME AND EXPENSES RECOGNISED IN THE PERIOD	**0**	**0**	**0**	**0**	**245,055,772**	**245,055,772**
Transactions on treasury shares			63,428	-749,800		-686,372
Allocation of income				30,306,225	-30,306,225	0
Distribution of dividends to ordinary shareholders				-24,078,809		-24,078,809
SHAREHOLDERS' EQUITY 31 DECEMBER 2019	**219,259,626**	**102,492,980**	**-563,812**	**446,975,353**	**245,055,772**	**1,013,219,921**

3.1.5 STATEMENT OF CASH FLOWS

(in euros)	Note	31/12/2019 12 months	31/12/2018 12 months
Investments		-55,358,445	-174,293,624
Shareholder loans to portfolio companies		-1,985,435	-19,605,795
Repayment of shareholder loans by portfolio companies		12,489,575	23,467,119
TOTAL INVESTMENTS		**-44,854,304**	**-170,432,301**
Divestment of equity investments		379,622,325	134,828,452
Interest and other portfolio income received		73,943	205,919
Dividends received		56,290	549,786
Operating expenses		-24,034,178	-23,656,896
Change in working capital		-10,004,418	10,474,850
Income received on marketable securities		2,806,949	0
Sundry extraordinary income		0	29,270
CASH FLOWS FROM OPERATING ACTIVITIES		**303,666,608**	**-48,000,919**
Dividends paid to shareholders		-24,078,809	-23,715,780
Acquisition of Apax France VII shares		-70,450,824	0
Generali investment		-7,023,769	0
Apax France VIII-B capital calls		0	10,000
Apax France IX-B capital calls		851,000	793,124
Deposits and guarantees		0	-8,100
Transactions on treasury shares		0	0
Amount attributable to the general partner and Class B shareholders		0	-11,817,703
Repayment of borrowings		-138,520,031	-8,134,175
Issue of borrowings		9,086,947	101,473,667
CASH FLOWS FROM FINANCING ACTIVITIES		**-230,135,486**	**58,601,034**
NET CHANGE IN CASH AND CASH EQUIVALENTS		**73,531,122**	**10,600,115**
Cash and cash equivalents at opening		3,865,626	-6,734,489
CASH AND CASH EQUIVALENTS AT CLOSING	10	**77,396,747**	**3,865,626**

The Company wants 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.

Presenting the funds under significant influence on a net basis would have resulted in the following presentation (the Apax France VIII-B and Apax France IX-B funds being consolidated are presented on a gross basis, this presentation is therefore partial):

BALANCE SHEET

	31/12/2019		
(in euros)	Initial statements	Adjustments	Amended statements
NON-CURRENT ASSETS			
Intangible assets	0		0
Investment portfolio	980,442,589	-32,933,234	947,509,355
Other financial assets	79,601,517		79,601,517
Sundry receivables	10,344	-10,344	0
TOTAL NON-CURRENT ASSETS	**1,060,054,451**	**-32,943,578**	**1,027,110,873**
CURRENT ASSETS			
Sundry receivables	231,163	-189,825	41,338
Other current financial assets	28,252,077	-4,674,919	23,577,158
Cash and cash equivalents	84,869,110	-1,036,516	83,832,593
TOTAL CURRENT ASSETS	**113,352,349**	**-5,901,260**	**107,451,089**
TOTAL ASSETS	**1,173,406,799**	**-38,844,838**	**1,134,561,962**

	31/12/2019		
(in euros)	Initial statements	Adjustments	Amended statements
SHAREHOLDERS' EQUITY			
Share capital	219,259,626		219,259,626
Share premiums	102,492,980		102,492,980
Reserves	446,411,543		446,411,543
Net income for the year	245,055,772		245,055,772
TOTAL SHAREHOLDERS' EQUITY	**1,013,219,921**		**1,013,219,921**
Carried interest provision Class B shares	28,743,225		28,743,225
Other liabilities	98,886,789	-26,004,089	72,882,699
Provision	0		0
OTHER NON-CURRENT LIABILITIES	**98,886,789**	**-26,004,089**	**72,882,699**
Other financial liabilities	29,793,927	-12,621,564	17,172,362
Trade payables and related accounts	439,744	-209,690	230,054
Other liabilities	2,323,188	-9,494	2,313,694
OTHER CURRENT LIABILITIES	**32,556,858**	**-12,840,748**	**19,716,110**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**1,173,406,799**	**-38,844,838**	**1,134,561,961**

INCOME STATEMENT

(in euros)	2019 Initial statements	Adjustments	Amended statements
Changes in fair value	234,173,862	-14,901,300	219,272,563
Valuation differences on divestments during the period	82,122,469	-4,541,293	77,581,176
Other portfolio income	130,233	-106,713	23,521
INCOME FROM PORTFOLIO INVESTMENTS	**316,426,565**	**-19,549,306**	**296,877,259**
Purchases and other external expenses	-24,034,178	4,326,573	-19,707,605
Taxes, fees and similar payments	-140		-140
Other income	301		301
Other expenses	-288,000		-288,000
GROSS OPERATING INCOME	**292,104,547**	**-15,222,733**	**276,881,815**
Carried interest provision Class B shares	-18,586,308		-18,586,308
Carried interest provision Apax funds	-39,117,972	14,702,623	-24,415,349
NET OPERATING INCOME	**234,400,267**	**-520,109**	**233,880,158**
Income from cash investments	2,806,949		2,806,949
Financial income	8,991,797		8,991,797
Interest and similar expenses	-1,143,240	520,109	-623,130
Other financial expenses	0		0
NET INCOME ATTRIBUTABLE TO ORDINARY SHAREHOLDERS	**245,055,772**	**0**	**245,055,772**

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 99.9% stake, and the Apax France IX-B private equity fund, in which it holds a 99.0% 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 2019 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/company-reporting-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 2018 inasmuch as the new IFRSs (standards, amendments, or IFRIC interpretations) that became applicable on 1 January 2019 did not have an impact on the Group's consolidated financial statements. The Group has not early applied the standards, amendments and interpretations adopted by the European Union where application is mandatory for financial years beginning on or after 1 January 2020.

These consolidated financial statements cover the financial year from 1 January to 31 December 2019. They were approved by the Management Company on 6 March 2020.

2.2 VALUATION BASES

The financial statements established in accordance with IFRS 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 IFRS 9 (by application of the fair value option) and IAS 28 for venture capital firms 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;
- carried interest attributable to the portfolio fund managers.

The methods used to measure fair value are discussed in Note 3.

2.3 OPERATING CURRENCY AND PRESENTATION CURRENCY

The financial statements established under IFRS 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 ongoing basis. The impact of changes in accounting estimates is accounted for during the period in which the change occurs and in all subsequent periods affected.

More specifically, in Note 3 on the determination of fair value, information is provided on 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.

2.5 KEY ASSUMPTIONS

Continuity of operations is based on key assumptions including the availability of sufficient cash flow until 31 December 2020. The Company has €30m in credit lines, €84.9m in cash equivalents and €28.3m in other financial assets that it considers as cash or cash equivalents.

NOTE 3 Principal accounting methods

3.1 METHOD OF CONSOLIDATION OF EQUITY INVESTMENTS

As of 31 December 2019, Altamir exercised control over the Apax France VIII-B fund and the Apax France IX-B fund, 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 in the executive body of such companies, 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 financial statements established under IFRS. 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, and IFRS 16 and IFRIC 23, which became mandatory on 1 January 2019, 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 IFRS 9 as the method for valuing these investments. Where the Company has a significant influence, it also applies the option of recognition at fair value through profit or loss provided by IAS 28 for "venture capital organisations".

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 on the balance sheet and the impact of changes in fair value is presented under "Changes in fair value" in the income statement.

The methods for measuring fair value are detailed in Note 4.

B) Hybrid securities

In acquiring its equity interests, Altamir may subscribe to hybrid securities such as bonds that are convertible or 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 IFRS 9. At each balance sheet date, hybrid securities held are remeasured at fair value, and changes in fair value (positive or negative) are recognised in the income statement.

These hybrids are presented on the balance sheet under the line item "Investment portfolio", and the impact of changes in fair value is presented under "Changes in fair value" in the income statement.

C) Derivative instruments

Pursuant to IFRS 9, 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 under "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 IFRS 9, these investments are classified as "loans and receivables" and carried at their amortised cost. The associated interest income is recognised under "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 payable to the general partner.

Remuneration of the Class B shareholders and the general partner is considered to be payable as soon as adjusted net income has been recognised. Remuneration of these shares and the shares themselves are considered liabilities 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. 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

The Company's surplus cash is 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). They may also be invested in bonds with a longer-term investment objective.

The Company values this portfolio using the fair value option provided for by IFRS 9. 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 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 which are valued on the basis of 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 €198.5m during 2019, vs. €154.3m in 2018.

1) €102.5m (€131.5m in 2018) in 12 new investments:

- €60.1m *via* the Apax France IX fund, in two new companies:
  - €26.8m in Destiny, a Belgian provider of secure, cloud-based communications solutions, which operates in Belgium and the Netherlands (transaction not finalised as of 31 December 2019),
  - €33.3m in GRAITEC, which offers software solutions to meet the digitalisation needs of the architecture, engineering and construction industries (transaction not finalised as of 31 December 2019);
- €42.4m in ten new companies through the Apax IX and X LP funds:
  - €8.9m in Assured Partners, a top-tier American insurance broker,
  - €7.6m in Inmarsat, the world's leading provider of global mobile satellite communications solutions (voice and data). The acquisition was carried out by Apax Partners LLP as part of a consortium of four investors,
  - €6.8m in Verint Systems, a US software company, dedicated to optimising customer engagement and cyber intelligence; once the two activities are separated (planned for first quarter 2021), Apax Partners LLP will remain a shareholder of the company engaged in optimising customer engagement (transaction not finalised as of 31 December 2019),
  - €4.4m in Coalfire, a US company specialising in cybersecurity (transaction not finalised as of 31 December 2019),
  - €3.2m in ADCO Group, a world leader in portable toilet rentals,
  - €3.1m in Baltic Classifieds Group, which operates a portfolio of online classified advertising platforms in the Baltic countries,
  - €3.0m in Fractal Analytics, a company that provides artificial intelligence and data-based solutions that power decision-making,
  - €2.6m in Lexitas, one of the main US providers of technological solutions used by law firms, insurers and in-house legal departments for litigation purposes,
  - €1.4m in the Portuguese company GNB Vida, the first step in creating the Gama Life European platform, offering innovative life insurance solutions,
  - €1.4m in Chinese company Huayue Education, one of the main providers of solutions for learning Chinese. The company partners with more than 5,000 schools in 134 medium-sized cities in China;

2) €3.5m in the Apax Development and Apax Digital funds (€2.4m and €1.1m, respectively), following new commitments made by the Company in 2019;

3) €9.0m in follow-on investments in portfolio companies:

- primarily to finance the acquisitions of Authority Brands (€2.7m), AEB Group (€1.8m), Tosca (€1.6m), Vyaire Medical (€0.6m) and Candela (€0.5m),
- with the balance corresponding to €1.2m in adjustments to the amount invested in Trade Me and follow-on investments in several portfolio companies (for a total of €0.6m);

4) €13.0m to take over the commitment of an investor in the Apax France IX-A fund. This secondary repurchase allows Altamir to increase the amount of its investments and commitments in the companies held by the fund;

5) €70.5m to acquire 80.4% of the investor shares and 54.7% of the shares representing carried interest in the Apax France VII fund, renamed AHO20, which holds two investments: Alain Afflelou and THOM Group.

5.2 DIVESTMENTS

The volume of sale proceeds and revenue realised or signed during the year amounted to €377.9m (€155.7m in 2018) and comprised proceeds from total divestments of €341.7m (€154.9m in 2018) and revenues of €36.2m (€0.8m in 2018).

The €341.7m in proceeds from total divestments were derived from:

- €134.4m from the sale of INSEEC U;
- €98.7m from the divestment of Melita;
- €83.2m from the sale of Altamir's investment in Altran to Cap Gemini;
- €13.5m from the sale of Altamir's investment in Assured Partners;
- €11.9m from the sale of Exact Software;
- One Call / Align was divested for nil.

The revenues of €36.2m comprised:

- €23.9m from the refinancing of Marlink;
- €2.5m following Alain Afflelou's refinancing of part of its debt;
- €3.9m from Vocalcom's sale of its division;
- €3.8m from the refinancing carried out by ThoughtWorks;
- €5.9m in other divestment proceeds and revenue.

5.3 KEY EVENTS SINCE 31 DECEMBER 2019

Apax Partners LLP has signed an agreement to sell the Italian company Engineering Group.

Apax Partners LLP announced the acquisition, *via* the Apax X LP fund, of Cadence Education, a leader in the education of young children in North America. The Apax Digital fund also announced a new investment.

Given the uncertainty surrounding the duration and magnitude of the coronavirus epidemic and its impact on the performance of portfolio companies, the Management Company can no longer confirm that the objectives announced together with 2019 full-year results are still relevant. Altamir Gérance permanently monitors the situation, and an update was released on the day the present document was filed[1].

NOTE 6 Details of financial instruments in the consolidated balance sheet and income statement

6.1 STATEMENT OF FINANCIAL POSITION

	31 December 2019					
	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]	963,654,636		16,787,953			980,442,589
Other financial assets	79,228,853		372,665			79,601,517
Sundry receivables	10,344					10,344
TOTAL NON-CURRENT ASSETS	**1,042,893,833**	**0**	**17,160,618**	**0**	**0**	**1,060,054,451**
Sundry receivables	206,437				24,726	231,163
Other current financial assets	28,252,077					28,252,077
Cash and cash equivalents	84,869,110					84,869,110
TOTAL CURRENT ASSETS	**113,327,623**	**0**	**0**	**0**	**24,726**	**113,352,349**
TOTAL ASSETS	**1,156,221,456**	**0**	**17,160,618**	**0**	**24,726**	**1,173,406,799**

	31 December 2019					
	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 attributable to general partner and Class B shareholders	28,743,225	0	0	0	0	28,743,225
Carried interest provision for Apax funds	98,886,789					98,886,789
OTHER NON-CURRENT LIABILITIES	**127,630,013**	**0**	**0**	**0**	**0**	**127,630,013**
Other financial liabilities				29,793,927		29,793,927
Trade payables and related accounts				439,744		439,744
Other liabilities				2,323,188		2,323,188
OTHER CURRENT LIABILITIES	**0**	**0**	**0**	**32,556,858**	**0**	**32,556,858**
TOTAL LIABILITIES	**127,630,013**	**0**	**0**	**32,556,858**	**0**	**160,186,872**
(1) Investment portfolio						
Level 1 - quoted on an active market	*23,449,429*					
Level 2 - valuation based on techniques using observable market data	*951,100,443*					
Level 3 - inputs not based on observable market data	*5,892,716*					

(1) Against a background of very significant uncertainty caused by the Covid-19 pandemic, Altamir's Supervisory Board has decided on 8 April 2020 to amend the dividend proposed to the holders of ordinary shares. The dividend would be reduced from €0.83 to €0.66 per share (more than 2% of NAV as of 31 December 2019), an amount equal to that paid in 2019. As a result, the amount of dividends disbursed in 2020 would be €24m, vs. the initially proposed allocation of €30.3m. The dividend payable to the general partner and the holders of Class B shares has been postponed sine die.

(in euros)	31 December 2018 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)]	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**

(in euros)	31 December 2018 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 attributable to 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**	**161,720,606**
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*					

6.2 CONSOLIDATED INCOME STATEMENT

(in euros)	31 December 2019 Fair value through profit or loss On option	Derivatives	Loans and receivables	Debts at cost	Non-financial instruments	Total
Changes in fair value[1]	234,169,550		4,312			234,173,862
Valuation differences on divestments during the period	80,421,922		1,700,547			82,122,469
Other portfolio income	56,291		73,943			130,233
INCOME FROM PORTFOLIO INVESTMENTS	**314,647,763**	**0**	**1,778,802**	**0**	**0**	**316,426,565**
Purchases and other external expenses					-24,034,178	-24,034,178
Taxes, fees and similar payments					-140	-140
Other income					301	301
Other expenses					-288,000	-288,000
GROSS OPERATING INCOME	**314,647,763**	**0**	**1,778,802**	**0**	**-24,322,018**	**292,104,547**
Carried interest provision for Apax funds	-39,117,972					-39,117,972
Carried interest provision attributable to general partner and Class B shareholders	-18,586,308					-18,586,308
NET OPERATING INCOME	**256,943,483**	**0**	**1,778,802**	**0**	**-24,322,018**	**234,400,266**
Income from cash investments	2,806,949					2,806,949
Financial income	8,991,797					8,991,797
Interest and similar expenses	-1,143,240					-1,143,240
Other financial expenses	0					0
NET INCOME ATTRIBUTABLE TO ORDINARY SHAREHOLDERS	**267,598,988**	**0**	**1,778,802**	**0**	**-24,322,018**	**245,055,772**
(1) Changes in fair value of the portfolio						
Level 1 - quoted on an active market	*-2,147,184*					
Level 2 - valuation based on techniques using observable market data	*236,343,675*					
Level 3 - inputs not based on observable market data	*-22,629*					
Cancellation of other financial assets						

	31 December 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 period	-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 attributable to 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						

NOTE 7 Investment portfolio

Changes in the portfolio during the period were as follows:

(in euros)	Portfolio
FAIR VALUE AS OF 31 DECEMBER 2018	**998,914,278**
Investments	55,333,445
Changes in shareholder loans	-10,479,141
Divestments	-297,499,856
Changes in fair value	234,173,862
FAIR VALUE AS OF 31 DECEMBER 2019	**980,442,589**
Of which positive changes in fair value	259,521,602
Of which negative changes in fair value	-25,347,739

Changes in the Level 3 investment portfolio during the year were as follows:

(in euros)	31/12/2019	31/12/2018
FAIR VALUE AT START OF PERIOD	**2,465,381**	**39,215,523**
Acquisitions	3,655,032	4 ,317,872
Divestments	-205,068	-2,038,856
Change of category from Level 1 to Level 3	-	
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	-22,629	-13,702,122
FAIR VALUE AT END OF YEAR	**5,892,716**	**2,465,381**

Changes in the Level 2 investment portfolio during the year were as follows:

(in euros)	31/12/2019	31/12/2018
FAIR VALUE AT START OF PERIOD	**940,549,282**	**693,898,791**
Acquisitions	40,942,514	144,829,692
Divestments	-293,010,328	-52,959,298
Change of category from Level 1 to Level 2	26,275,299	
Change of category from Level 3 to Level 2	-	37,027,832
Change of category from Level 2 to Level 3	-	-11,700,797
Changes in fair value	236,343,675	129,453,061
FAIR VALUE AT END OF PERIOD	**951,100,443**	**940,549,282**

Changes in the Level 1 investment portfolio during the year were as follows:

(in euros)	31/12/2019	31/12/2018
FAIR VALUE AT START OF PERIOD	**55,899,615**	**161,459,950**
Acquisitions	256,758	21,284,736
Divestments	-4,284,460	-90,364,920
Change of category from Level 1 to Level 2	-26,275,299	
Changes in fair value	-2,147,184	-36,480,151
FAIR VALUE AT END OF PERIOD	**23,449,429**	**55,899,615**

Valuation methods are based on the determination of fair value as described in Note 3:

	31/12/2019	31/12/2018
% of listed instruments in the portfolio	2.4%	5.6%
% of listed instruments in NAV	2.3%	7.0%

Portfolio breakdown according to the degree of maturity of the investments and their business sector:

(in euros)	31/12/2019	31/12/2018
STAGE OF DEVELOPMENT		
LBO	950,579,203	950,210,754
Growth capital	29,863,386	48,703,524
PORTFOLIO TOTAL	**980,442,589**	**998,914,278**

(in euros)	31/12/2019	31/12/2018
INDUSTRY		
Services	235,952,581	328,190,925
TMT	462,303,263	426,393,270
Consumer	224,598,575	188,719,052
Healthcare	54,034,313	54,176,947
Other	3,553,857	1,434,084
PORTFOLIO TOTAL	**980,442,589**	**998,914,278**

Source: (rapports Equity)

NOTE 8 Other non-current financial assets

As of 31 December 2019, this item primarily related to units held in the Apax France VII (renamed AHO20), valued at their net asset value as of 31 December 2019, which is €43.5M€. This item also included €35.7m in units held in the *société civile* Etoile II, according to their net asset value as of 31 December 2019.

NOTE 9 Other current financial assets

Other current financial assets mainly related to two tax-efficient capitalisation funds with Allianz and Generali Vie valued at €16.5m and €7.1m, respectively, using the amortised cost method, including capitalised interest. This item also included a receivable of €4.7m 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)	31/12/2019	31/12/2018
Short-term mutual funds	62,667,348	-
Time deposits	-	-
Cash on hand	22,201,762	3,865,625
CASH AND CASH EQUIVALENTS	**84,869,110**	**3,865,625**
Bank overdrafts	-7,472,362	-
CASH SHOWN IN THE STATEMENT OF CASH FLOWS	**77,396,747**	**3,865,625**

NOTE 11 Shareholders' equity

The number of shares outstanding for each of the categories is presented below:

	31/12/2019		31/12/2018	
(number of shares)	Ordinary Shares	Class B shares	Ordinary Shares	Class B shares
Shares outstanding at start of year	36,512,301	18,582	36,512,301	18,582
Shares outstanding at end of period	**36,512,301**	**18,582**	**36,512,301**	**18,582**
Shares held in treasury	27,835	12,164	40,000	12,164
Shares outstanding at end of period	**36,484,466**	**6,418**	**36,472,301**	**6,418**
NAV PER OUTSTANDING SHARE (CONS. SHAREHOLDERS' EQUITY/NBR. OF ORDINARY SHARES)	**27.77**		**21.74**	

	31/12/2019			31/12/2018		
(in euros)	Ordinary Shares	Class B shares	Total	Ordinary Shares	Class B shares	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 2019 for financial year 2018 was €0.66 per ordinary share outstanding (excluding treasury shares). The NAV per outstanding ordinary share (excluding treasury shares) was €27.77 as of 31 December 2019 (€21.74 per share as of 31 December 2018).

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)	31/12/2019	31/12/2018
At opening	10,156,916	29,694,928
Amount paid during the financial year	-	-11,817,703
Amount attributable to general partner and Class B shareholders on earnings of the financial year	18,586,308	-7,720,309
AMOUNT ATTRIBUTABLE TO GENERAL PARTNER AND CLASS B SHAREHOLDERS	**28,743,225**	**10,156,916**

The provision increased by €18.6m over the year due to the increase in valuations and capital gains realised on investments conferring the right to carried interest.

NOTE 13 Carried interest provision for Apax funds

This provision of €98.9m relates to unrealised capital gains owing to holders of carried interest in Apax France VIII-B, Apax France IX-A, Apax France IX-B, Apax VIII LP and Apax IX LP of €52.1m, €0.9m, €20.8m, €11.6m and €13.5m, respectively, based on these funds' performance. These liabilities are due in more than one year, with the exception of the Apax France VIII-B amount, which is likely to be partially settled in financial year 2020.

NOTE 14 Other current financial liabilities

Other current financial liabilities were €29.8m for the year ended 31 December 2019. They include credit lines for Apax France IX-B (€1.7m), Apax France VIII-B (€8m), Altamir (€7.5m), Apax IX LP (€8.9m), Apax Development Fund (€2.6m) and Apax Digital (€1.1m).

NOTE 15 Valuation differences on divestments during the period

(in euros)	31/12/2019	31/12/2018
Sale price	379,622,325	134,828,452
Fair value at start of period	297,499,856	145,363,074
IMPACT ON INCOME	**82,122,469**	**-10,534,622**
• Of which positive price spread on divestments	93,965,631	10,301,121
• Of which negative price spread on divestments	-11,843,162	-20,835,743

NOTE 16 Other portfolio income

Other portfolio income is detailed as follows:

(in euros)	2019	2018
Interest and other portfolio income received	73,943	205,919
Dividends	56,290	549,786
TOTAL	**130,233**	**755,706**

NOTE 17 Purchases and other external expenses (incl. tax)

(in euros)	2019	2018	2017
Direct fees (incl. tax)[(1)]	**9,079,948**	**9,708,894**	**10,021,152**
Altamir Gérance remuneration (excl. VAT)	297,831	306,084	126,892
Amboise Partners SA fees (excl. VAT)	5,658,804	5,815,595	6,204,599
VAT on Altamir Gérance remuneration and Amboise Partners SA fees	1,191,327	1,224,336	1,266,298
Other fees and expenses (incl. tax)	1,931,986	2,362,879	2,423,363
• including recharges for accounting, financial and investor relations services	806,409	857,615	708,628
• including fees related to overdraft lines	83,868	228,894	568,966
• including fees related to portfolio companies held directly	38,114	-140,348	-58,986
Indirect fees (incl. tax):	**14,954,230**	**13,948,001**	**15,120,717**
Management fees charged by Apax Partners SAS and Apax Partners LLP	11,446,902	10,198,808	11,153,958
Operating costs of the funds managed by Apax Partners SAS and Apax Partners LLP	3,507,328	3,749,193	3,966,759
TOTAL EXPENSES AND EXTERNAL PURCHASES[(2)]	**24,034,178**	**23,656,896**	**25,141,871**
Investments at historical cost	137,190,496	107,802,761	179,107,957
Apax fund subscription commitments	851,557,199	820,898,321	815,751,407
CAPITAL COMMITTED AND INVESTED	**988,747,694**	**928,701,082**	**994,859,364**

(1) Average NAV between N and N-1	*1.01%*	*1.23%*	*1.27%*
(2) Average capital committed and invested between N and N-1	*2.51%*	*2.46%*	*2.70%*

For the year ended 31 December 2019, direct fees represented 1.01% of average NAV, and total fees represented 2.51% of average committed and invested capital, *vs.* 1.23% and 2.46%, respectively, in 2018.

The Management Company’s remuneration (€0.3m excl. tax) and the fees received by Amboise Partners SA (€5.7m excl. tax), totalling €7.1m incl. tax, 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.

In addition to the three items detailed in the table above, the other fees and expenses of €1.9m include €1.0m 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, apart from the fees relating to overdraft lines, which have fallen significantly due to the non-renewal of the banking pool.

Indirect fees rose by 7.2%, increasing from €13.9m as of 31 December 2018 to €14.9m as of 31 December 2019. This variation is primarily explained by the increase in Apax France IX-B fees linked to the decrease in off-set fees over the year 2019. The off-sets fees related to the investments in GRAITEC and Destiny will be accounted for in 2020.

Pursuant to Decree no. 2008-1487 of 20 December 2008, fees paid to the Statutory Auditors broke down as follows:

	Members of the Ernst & Young network				RSM France			
	Amount excl. taxes		%		Amount excl. taxes		%	
(in euros)	2019	2018	2019	2018	2019	2018	2019	2018
Audit								
Audit, certification and examination of the statutory and consolidated financial statements								
• Issuer	122,800	109,600	62%	60%	76,500	74,400	38%	40%
• Fully consolidated subsidiaries								
Other duties and services directly related to the audit assignment								
• Issuer								
• Fully consolidated subsidiaries								
SUBTOTAL	**122,800**	**109,600**	**62%**	**60%**	**76,500**	**74,400**	**38%**	**40%**
Other services performed by the networks for the fully consolidated subsidiaries								
Legal, tax, employee-related								
Other	10,000	10,000	100%	100%				
SUBTOTAL								
TOTAL	**132,800**	**119,600**	**63%**	**62%**	**76,500**	**74,400**	**37%**	**38%**

NOTE 18 Other expenses

Other expenses relate to attendance fees paid in 2019.

NOTE 19 Income from cash investments

Income from cash investments primarily related to the unrealised gain of €2.8m on the IVO investment.

NOTE 20 Financial income

Financial income primarily related to the unrealised gain of €8.7m on the Apax France VII and Etoile II funds and to variations in the unrealised gains on the tax-efficient capitalisation funds with Allianz and Generali of €205k and €47k, respectively.

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 2.4% of the portfolio as of 31 December 2019 (5.6% at 31 December 2018). 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 €2.3m on the valuation of the portfolio as of 31 December 2019.

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 €84.2m.

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 2019, the assets denominated in foreign currencies were the shares and debts of 32 portfolio companies, which represented €377.6m, or 32.2% of total assets (€133.7m, or 13.1% of total assets as of 31 December 2018).

The portfolio's exposure by currency was as follows:

	31/12/2019		31/12/2018	
(in euros)	**Investment portfolio** *US Dollars (USD)*	**Sundry receivables** *US Dollars (USD)*	**Investment portfolio** *US Dollars (USD)*	**Sundry receivables** *US Dollars (USD)*
Assets in euros	328,389,118		233,342,217	
Liabilities				
Net position before management	**328,389,118**	**0**	**233,342,217**	**0**
Off-balance-sheet position				
Net position after management	**328,389,118**	**0**	**233,342,217**	**0**
IMPACT IN EUROS OF A 10% CHANGE IN THE EXCHANGE RATE	**32,838,912**	**0**	**23,334,222**	**0**

(in euros)	31/12/2019 **Investment portfolio** *Hong Kong Dollars (HKD)*	31/12/2019 **Sundry receivables** *Hong Kong Dollars (HKD)*	31/12/2018 **Investment portfolio** *Hong Kong Dollars (HKD)*	31/12/2018 **Sundry receivables** *Hong Kong Dollars (HKD)*
Assets in euros	2,951,068		3,570,401	
Liabilities				
Net position before management	**2,951,068**	**0**	**3,570,401**	**0**
Off-balance-sheet position				
Net position after management	**2,951,068**	**0**	**3,570,401**	**0**
IMPACT IN EUROS OF A 10% CHANGE IN THE EXCHANGE RATE	**295,107**	**0**	**357,040**	**0**

(in euros)	31/12/2019 **Investment portfolio** *Indian rupee (INR)*	31/12/2019 **Sundry receivables** *Indian rupee (INR)*	31/12/2018 **Investment portfolio** *Indian rupee (INR)*	31/12/2018 **Sundry receivables** *Indian rupee (INR)*
Assets in euros	8,309,186		7,131,716	
Liabilities				
Net position before management	**8,309,186**	**0**	**7,131,716**	**0**
Off-balance-sheet position				
Net position after management	**8,309,186**	**0**	**7,131,716**	**0**
IMPACT IN EUROS OF A 10% CHANGE IN THE EXCHANGE RATE	**830,919**	**0**	**713,172**	**0**

(in euros)	31/12/2019 **Investment portfolio** *Norwegian krone (NOK)*	31/12/2019 **Sundry receivables** *Norwegian krone (NOK)*	31/12/2018 **Investment portfolio** *Norwegian krone (NOK)*	31/12/2018 **Sundry receivables** *Norwegian krone (NOK)*
Assets in euros	0		4,142,109	
Liabilities				
Net position before management	**0**	**0**	**4,142,109**	**0**
Off-balance-sheet position				
Net position after management	**0**	**0**	**4,142,109**	**0**
IMPACT IN EUROS OF A 10% CHANGE IN THE EXCHANGE RATE	**0**	**0**	**414,211**	**0**

(in euros)	31/12/2019 **Investment portfolio** *Pounds sterling (GBP)*	31/12/2019 **Sundry receivables** *Pounds sterling (GBP)*	31/12/2018 **Investment portfolio** *Pounds sterling (GBP)*	31/12/2018 **Sundry receivables** *Pounds sterling (GBP)*
Assets in euros	24,299,707		19,118,838	
Liabilities				
Net position before management	**24,299,707**	**0**	**19,118,838**	**0**
Off-balance-sheet position				
Net position after management	**24,299,707**	**0**	**19,118,838**	**0**
IMPACT IN EUROS OF A 10% CHANGE IN THE EXCHANGE RATE	**2,429,971**	**0**	**1,911,884**	**0**

	31/12/2019		31/12/2018	
(in euros)	**Investment portfolio** *Chinese yuan (CNY)*	**Sundry receivables** *Chinese yuan (CNY)*	**Investment portfolio** *Chinese yuan (CNY)*	**Sundry receivables** *Chinese yuan (CNY)*
Assets in euros	1,492,687		0	0
Liabilities				
Net position before management	**1,492,687**	**0**	**0**	**0**
Off-balance-sheet position				
Net position after management	**1,492,687**	**0**	**0**	**0**
IMPACT IN EUROS OF A 10% CHANGE IN THE EXCHANGE RATE	**149,269**	**0**	**0**	**0**

	31/12/2019		31/12/2018	
(in euros)	**Investment portfolio** *New Zealand Dollars (NZD)*	**Sundry receivables** *New Zealand Dollars (NZD)*	**Investment portfolio** *New Zealand Dollars (NZD)*	**Sundry receivables** *New Zealand Dollars (NZD)*
Assets in euros	12,140,524		0	0
Liabilities				
Net position before management	**12,140,524**	**0**	**0**	**0**
Off-balance-sheet position				
Net position after management	**12,140,524**	**0**	**0**	**0**
IMPACT IN EUROS OF A 10% CHANGE IN THE EXCHANGE RATE	**1,214,052**	**0**	**0**	**0**

Altamir does not hedge against currency fluctuations. The foreign exchange impact is taken into account when decisions to invest or divest are made and is therefore factored into the calculation of expected return. It is not material with respect to the expected investment gains.

NOTE 23 Earnings per share

The weighted average number of shares outstanding reflects the exclusion of treasury shares.

	2019	2018
Basic earnings per share		
Numerator (in euros)		
INCOME FOR THE PERIOD ATTRIBUTABLE TO ORDINARY SHAREHOLDERS	**245,055,772**	**30,306,225**
Denominator		
Number of shares outstanding at start of year	36,512,301	36,512,301
Effect of treasury shares	-32,335	-28,542
Effect of capital increase		
WEIGHTED AVERAGE NUMBER OF SHARES DURING THE YEAR (BASIC)	**36,479,966**	**36,483,759**
Earnings per share (basic)	6.72	0.83
Earnings per share (diluted)	6.72	0.83

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 €5,658,804 excl. tax and €297,831 excl. tax, respectively, giving a total of €7,147,963 including tax in 2019 (€7,345,015 including tax in 2018).

No amount remained payable as of 31 December 2019 (€1,489,781 as of 31 December 2018). The amount remaining receivable as of 31 December 2019 was €388,349 (€218,769 as of 31 December 2018).

24.2 ASSOCIATED ENTERPRISES

Significant influence is presumed when the equity interest of the Company exceeds 20%.

They are related parties. The closing balances and transactions for the year with these companies are presented below:

(in euros)	31/12/2019	31/12/2018
Income statement		
Valuation differences on divestments during the period	44,003,337	-17,146,481
Changes in fair value	111,074,528	42,508,985
Other portfolio income	-	-
Balance sheet		
Investment portfolio	445,443,561	408,615,831
Sundry receivables	-	-510

24.3 SENIOR MANAGEMENT

Attendance fees paid in 2019 to members of the Supervisory Board with respect to 2018 totalled €288,000.

NOTE 25 Contingent liabilities

The contingent liabilities of the Company broke down as follows:

(in euros)	31/12/2019	31/12/2018
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	6,887,068
Altamir's investment commitments in Apax France IX-A	2,771,663	0
Altamir's investment commitments in Apax France IX-B	65,912,880	150,161,880
Altamir's investment commitments in Apax IX LP	11,220,796	76,818,538
Altamir's investment commitments in Apax Digital	3,240,862	3,842,738
Altamir's investment commitments in Apax Development	12,750,000	15,000,000
Altamir's investment commitments in Apax France X-B	350,000,000	0
Altamir's investment commitments in Apax X LP	180,000,000	0
TOTAL	**639,483,163**	**259,410,117**

The tables above show the subscription commitments not yet called as of 31 December 2019 and 31 December 2018.

Altamir has a €276.7m commitment in the Apax France VIII-B fund. As of 31 December 2019, the amount called was €269.8m.

Altamir had committed to invest between €226m dans €306m in the Apax France IX fund. In December 2019 the company took over the €13m commitment of an Apax France IX-A investor, bringing its total commitment in Apax France IX to €318.9m. The fund was fully invested as of 31 December 2019, with nine investments, seven of which were finalised. The closings of the last two investments occurred in January and February 2020, respectively, for a total amount of €55.1m, partially financed with lines of credit. As of 31 December 2019, the amount of capital called was €250.2m, so the amount remaining to be called was €68.7m.

Altamir has a €138m commitment in the Apax IX LP fund. As of 31 December 2019, the amount called was €126.8m. However, the amount invested but financed by credit lines, and thus not called by the fund, was €7.7m.

Altamir has committed to invest €15m in the Apax Development fund. As of 31 December 2019, the amount called was €2.3m. However, the amount invested but financed by credit lines, and thus not called by the fund, was €2.6m.

Altamir has committed to invest €4.3m in the Apax Digital fund. As of 31 December 2019, the amount called was €1.0m. However, the amount invested but financed by credit lines, and thus not called by the fund, was €0.7m.

The table above does not include distributions paid by the funds, which legally can 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 2019, the distributions that could be called back amounted to €3.0m (Apax VIII LP) and €3.7m (Apax IX LP).

25.1 DIRECT INVESTMENT COMMITMENTS

Companies	Commitments as of 31/12/18	Investments during the year	Cancellation of commitments as of 31/12/2019	New commitments as of 31/12/2019	Commitments as of 31/12/2019
Listed securities	**0**	**0**	**0**	**0**	**0**
Investment commitment in Turing Equity Co LP (ThoughtWorks)	€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

None.

Other off-balance-sheet commitments

A commitment was made to certain managers of THOM Group, Snacks Développement, Entoria, InfoVista and AEB to repurchase their shares and bonds in the event of their departure. These commitments were not material as of 31 December 2019.

The Apax France IX-B fund gave a security deposit to Transatlantic Bank as part of its investment in Sandaya for the funding of future acquisitions.

An earn-out could be payable to the seller of Marlink on the basis of 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 2019, 25,000,000 A units in the Apax France IX-B fund were pledged against a credit line of €10m, undrawn as of 31 December 2019.
  The pledged securities cover 150% of the amounts granted based on the valuation of the Apax France IX-B fund units as of 30 June 2019.

- Securities pledged to UBS Bank:
  As of 31 December 2019, the two tax-efficient capitalisation funds with Allianz and Generali were pledged to UBS to support a credit line of €20m.
  The pledged securities cover 120% of the amounts granted based on the valuation of the funds as of 30 November 2019.

3.2 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS AFR

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, 2019. These financial statements were approved by the management on March 6, 2020 on the basis of the elements available at that date, in the evolving context of the health crisis related to Covid-19.

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, 2019 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, 2019 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, as approved in the above-mentioned context, 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, 2019, the investment portfolio amounted to M€ 980.4, or 84% of the balance sheet. This item corresponds to equity instruments, hybrid security instruments, derivative instruments and loans and receivables as indicated in Note 3.2.1 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; /// assessing 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.

COMPLIANCE WITH THE VENTURE CAPITAL COMPANY STATUS

Risk identified	Our response
Your Company has opted for the venture capital company system which gives it a specific legal and fiscal framework, adapted to its corporate purpose which is the management of a securities portfolio. The venture capital company status is only granted to companies that fully meet certain cumulative regulatory conditions. Given the very restrictive conditions of the venture capital company 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 venture capital company 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 venture capital company status and to monitor the Company's correct compliance with the conditions. Our work consisted in assessing the analysis performed by your Company with regard to the compliance with the criteria for eligibility for the venture capital company 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 as approved on March 6, 2020. Regarding the events that occurred and the elements known after the date of approval of the consolidated financial statements relating to the effects of the Covid-19 crisis, Management has informed us that such events and elements will be communicated to the Annual General Meeting called to decide on these financial statements.

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 replaced the resigning statutory auditor during the 2013 financial year.

As at December 31, 2019, RSM Paris and ERNST & YOUNG et Autres were in the seventh year and twenty first 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 3, 2020
The Statutory Auditors
French original signed by

RSM Paris	ERNST & YOUNG et Autres	
Ratana Lyvong	Henri-Pierre Navas	Marie Le Treut

3.3 STATUTORY FINANCIAL STATEMENTS AFR

3.3.1 BALANCE SHEET – ASSETS AS OF 31 DECEMBER 2019

(in euros)	31/12/2017	31/12/2018	31/12/2019 Gross	31/12/2019 Depreciation, amortisation & provisions	31/12/2019 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	456,605,421	566,563,645	479,445,830	1,003,671	478,442,159
Receivables related to portfolio investments	0	0	0	0	0
Equity investments	136,693,791	61,635,330	54,439,307	0	54,439,307
Receivables related to equity investments	24,222,622	33,483,545	12,300,365	0	12,300,365
Other receivables	0	0	42,614,340	42,614,340	0
Other non-current financial assets	988,502	903,556	71,424,200	0	71,424,200
TOTAL (I)	**618,510,336**	**662,586,075**	**660,224,043**	**43,618,011**	**616,606,032**
CURRENT ASSETS					
Sundry receivables	11,298,183	14,374,212	60,371,438	0	60,371,438
Marketable securities	15,000,000	15,000,000	81,892,161	0	81,892,161
Cash on hand	1,336,831	4,849,303	4,659,769	0	4,659,769
TOTAL (II)	**27,635,013**	**34,223,515**	**146,923,368**	**0**	**146,923,368**
Issue costs for convertible bonds (ORAs)					
Prepaid expenses	31,401	33,764	24,726		24,726
Currency translation adjustments on assets	0	0	0		0
TOTAL (III)	**31,401**	**33,764**	**24,726**		**24,726**
TOTAL ASSETS (I)+(II)+(III)	**646,176,750**	**696,843,354**	**807,172,136**	**43,618,011**	**763,554,125**
Commitments given:					
Additional commitments	0	0			0
Commitments for new investments	515,843	515,843			515,843
Other commitments	325,986,250	258,894,274			638,967,320

3.3.2 BALANCE SHEET – LIABILITIES AND SHAREHOLDERS’ EQUITY AS OF 31 DECEMBER 2019

(in euros)	31/12/2017	31/12/2018	31/12/2019
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	203,687,546	238,023,476	225,155,772
Retained earnings	74,108	91,324	19,309
Net income for the year	69,886,629	11,139,091	155,826,503
Allocation of income - suspense account	0	0	0
Dividend payable	0	0	0
TOTAL (I)	**600,668,652**	**576,274,260**	**708,021,954**
Other equity			
Convertible bonds (ORA)			
TOTAL (II)			
Provisions for risks and contingencies	11,519,867	15,366,790	43,304,883
TOTAL (III)	**11,519,867**	**15,366,790**	**43,304,883**
Liabilities			
Other financial liabilities	9,062,567	33,422,027	7,474,583
Liabilities on non-current assets	0	0	0
Trade payables and related accounts	189,181	1,760,268	501,767
Tax and social security liabilities	0	0	0
Other liabilities	24,736,484	70,020,010	4,250,939
TOTAL (IV)	**33,988,231**	**105,202,304**	**12,227,288**
TOTAL LIABILITIES AND SHAREHOLDERS’ EQUITY (I)+(II)+(III)+(IV)	**646,176,750**	**696,843,354**	**763,554,125**

3.3.3 INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

(in euros)	2017	2018	2019
1. REVENUE TRANSACTIONS			
Commissions and brokerage fees			
Financial income			
Income from cash investments	253,251	217,157	258,661
Net income from sale of marketable securities	0	0	0
Other financial income	0	0	0
Reversals of provisions	0	0	0
Other income	2	0	301
Transfers of expenses	0	0	0
Operating expenses			
Purchases and other external expenses	10,021,152	9,708,894	9,079,948
Wages and payroll expenses	0	0	0
Taxes, fees and similar payments	1,169,950	161	140
Depreciation, amortisation and provisions	0	0	0
Financial expenses			
Interest and similar expenses	15,309	788,586	170,567
Net expenses from sales of marketable securities	0	0	0
Provisions for impairment	0	0	0
Other financial expenses	0	0	0
Other expenses	249,972	288,000	288,000
INCOME FROM REVENUE TRANSACTIONS (BEFORE CORPORATION TAX)	**-11,203,130**	**-10,568,484**	**-9,279,695**
2. CAPITAL TRANSACTIONS			
Income			
Capital gains on sales of equity investments	85,346,176	41,471,603	226,423,610
Reversals of provisions	40,317,027	19,053,941	15,136,414
Other income	9,267,306	8,590,768	8,420,307
Expenses			
Losses on sales of portfolio investments	6,111,364	20,041,750	28,513,530
Provisions for impairment	10,668,300	24,102,534	35,595,270
Other expenses	40,152,230	3,200,677	20,891,853
INCOME FROM CAPITAL TRANSACTIONS	**77,998,616**	**21,771,352**	**164,979,678**
Extraordinary income	3,133,599	84,777	131,139
Extraordinary expenses	42,456	148,554	4,618
Corporation tax			
TOTAL NET INCOME	**69,886,629**	**11,139,091**	**155,826,503**

3.3.4 NOTES TO THE STATUTORY FINANCIAL STATEMENTS AS OF 31 DECEMBER 2019

CONTENTS

NOTE 1 Activity and significant events during 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 2019

1.1.1 Investments and divestments

The Company invested €164.7m. The volume of divestments and revenue amounted to €338.7m during the year.

Companies/Funds	Amounts invested (€)	Divestments (€)
THOM Group	130,758	1,003
Alain Afflelou		2,451,771
Turing EquityCo LP (ThoughtWorks)		1,314,073
Apax France VIII-B		234,660,000
Apax France IX-A	10,042,878	
Apax France IX-B	84,249,000	4,455,000
Apax VIII LP	1,742,392	26,294,386
Apax IX LP	65,597,742	2,468,930
FPCI Phénix (Marlink)		9,005,205
Apax Development	2,250,000	
Apax Digital	653,788	
SUBTOTAL	**164,666,558**	**280,650,368**
Listed securities		
Financière Hélios (Albioma)	25,000	371
Altrafin Participations (Altran)		58,036,639
SUBTOTAL	**25,000**	**58,037,010**
TOTAL	**164,691,558**	**338,687,377**

Impact of divestments on net income/loss

All companies *(in euros)*	**Sale price**	**Gain**	**Loss**	**Provision reversals**	**Impact on net income/loss**
Unlisted securities					
Total sale	156,474,191	123,805,498	28,445,051		95,360,447
Partial sale	122,481,411	63,060,032	2,056		63,057,976
Listed securities					
Total sale	371	0	37,533	8,724	-28,809
Partial sale	68,325,494	39,558,081	28,890	12,675,161	52,204,352
TOTAL	**347,281,467**	**226,423,611**	**28,513,530**	**12,683,885***	**210,593,966**

** The above provision reversals do not include reversals of accrued interest and the reversal of the provision on Apia Vista, i.e. €2,452,528.*

1.1.2 Other events

Altamir has short-term credit lines totalling €30m that expire at the end of 2021. It should be noted that, as an SCR, Altamir's debt may not exceed 10% of its net asset value, *i.e.* €70.8m as of 31 December 2019.

1.2 KEY EVENTS SINCE 31 DECEMBER 2019

Apax Partners LLP has signed an agreement to sell the Italian company Engineering Group.

Apax Partners LLP announced the acquisition, *via* the Apax X LP fund, of Cadence Education, a leader in the education of young children in North America. The Apax Digital fund also announced a new investment.

Given the uncertainty surrounding the length and breadth of the coronavirus epidemic and its impact on the performance of the companies in the portfolio, the Management Company has suspended the 2020 guidance announced when 2019 earnings were published, and it is not in a position to issue new guidance. Altamir Gérance permanently monitors the situation, and a press release was published on the day the present document was filed[1].

1.3 DISTRIBUTION OF DIVIDENDS

The dividend paid to the limited shareholders in 2019 for financial year 2018 was €0.66 per ordinary share outstanding (excluding treasury shares), for a total of €24,098,118.66. No statutory dividends were paid to the general partner nor to holders of Class B shares in respect of financial year 2018. The total sum distributed for financial year 2018 therefore amounted to €24,098,118.66.

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 31/12/18	**219,260**	**107,761**	**238,023**	**91**	**11,139**	**576,274**
2019 net income/loss					155,82	155,827
Allocation of 2018 net income/loss			-12,868	-91	-11,139	-24,098
Allocation of 2018 net income/loss - treasury shares				19		19
SHAREHOLDERS' EQUITY AS OF 31/12/19	**219,260**	**107,761**	**225,155**	**19**	**155,827**	**708,022**

(1) Against a background of very significant uncertainty caused by the Covid-19 pandemic, Altamir's Supervisory Board has decided on 8 April 2020 to amend the dividend proposed to the holders of ordinary shares. The dividend would be reduced from €0.83 to €0.66 per share (more than 2% of NAV as of 31 December 2019), an amount equal to that paid in 2019. As a result, the amount of dividends disbursed in 2020 would be €24m, vs. the initially proposed allocation of €30.3m. The dividend payable to the general partner and the holders of Class B shares has been postponed sine die.

	31/12/2017	31/12/2018	31/12/2019
Number of ordinary shares	36,512,301	36,512,301	36,512,301*
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**
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**

** Including 27,835 held in treasury by Altamir as of 31 December 2019.*
*** Including 12,164 held in treasury by Altamir as of 31 December 2019.*

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° 2014-03 of 5 June 2014, as amended.

2.1 NON-CURRENT FINANCIAL ASSETS (PORTFOLIO INVESTMENTS HELD AS NON-CURRENT ASSETS, EQUITY INVESTMENTS AND RECEIVABLES RELATED TO 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-A, Apax France IX-B, Apax VIII LP, Apax IX LP, Phénix, Apia Vista, Apia Ciprés, Apax Digital and Apax Development funds. As of 31 December 2019, the impairments recognised for the Apia Vista and Apax Development funds, calculated on the basis of their net asset value at that date, amounted to €0.2m and €0.8m, respectively, *i.e.* a total of €1m.

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.

No provision for impairment of equity investments and related receivables was recognised as of 31 December 2019.

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.

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2.1.3 Calculation method for end-of-period value of equity investments

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 which are valued on the basis of 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. Accordingly, it is 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 2019, the non-current financial assets account included 27,835 shares with a value of €442.2k and €372.7k in cash and cash equivalents. No provision was recognised as of 31 December 2019.

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 €36.9k interim payment received in relation to an ongoing legal proceeding.

Other non-current financial assets also included units in the Apax France VII fund (renamed AHO20) acquired as part of the offer to all of the fund's unitholders to repurchase their units at their net asset value as of 30 June 2019. The Company accordingly acquired 80.4% of the fund's B units and 54.7% of the C units. These non-current financial assets were valued at their net asset value as of 31 December 2019 and were not subject to any provision.

2.4 EQUITY INVESTMENTS AND PORTFOLIO INVESTMENTS HELD AS NON-CURRENT ASSETS

	Amount at start of year *(in euros)*			Amount as of 31 December 2019 *(in euros)*		
Financial year 2019	**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						
• based on market price	18,716	6,032	6,032	0	0	0
• based on net book value						
• based on re-estimated net book value						
(Funds: A units)	569,086	566,550	873,931	479,432	478,429	859,886
(Funds: E and B units)	13	13	0	13	13	0
• based on a yield or profitability measure	55,604	55,604	85,246	54,439	54,439	108,171
• by other methods	0	0	0	0	0	0
TOTAL	**643,418**	**628,199**	**965,208**	**533,885**	**532,881**	**968,058**
Total related receivables	33,484	33,484	33,706	12,300	12,300	12,385
PORTFOLIO TOTAL	**676,902**	**661,683**	**998,914**	**546,186**	**545,182**	**980,443**
Provisions	15,219			1,004		
Unrealised, unrecognised gains		337,231*			435,261*	

** Unrealised, unrecognised gains include gains on investments held in the Apax France VIII-B, Apax France IX-B, Apax France IX-A, Apax VIII LP, Apax IX LP, Apia Vista, Phénix, Apia Cipres, Apax Digital and Apax Development funds. As these funds had drawn down on credit lines as of 31 December 2019, 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)

Changes during the year *(in thousands of euros)*	Portfolio value	
	Net book value	End-of-period value
Amount at start of year	661,683	998,914
Acquisitions during the year*	-99,775	44,854
Divestments during the year**	-30,941	-379,622
Reversal of impairment on securities sold		
Gains on sale of securities		
• held at the start of the year		
• acquired during the year		82,122
Change in provision for impairment of the portfolio	14,216	
Other changes in unrealised gains		
• on securities acquired during the year		
• on securities acquired previously		234,174
Distribution by portfolio companies		
CLOSING BALANCE	**545,182**	**980,443**

** 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.*

*** 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)	31/12/2017	31/12/2018	Allocations	Prov. revers. on divestment	Other prov. revers.	31/12/2019
PROVISION	**18,192**	**12,684**	**0**	**9**	**12,675**	**0**

The provision reversals chiefly related to the disposal of Altrafin shares.

Change in unrealised gains not recognised in the annual financial statements

(in thousands of euros)	31/12/2017	31/12/2018	31/12/2019
ESTIMATED VALUE	**277,052**	**337,231**	**435,261**

2.5 OTHER RECEIVABLES

Statement of changes in gross accrued interest

(in thousands of euros)	31/12/2017	31/12/2018	Increases	Reductions	31/12/2019
Interest accrued on receivables related to equity investments	**31,695**	**35,878**	**6,894**	**157**	**42,614**

Statement of changes in provisions on accrued interest

(in thousands of euros)	31/12/2017	31/12/2018	Increases	Reductions	31/12/2019
Provisions on interest accrued on receivables related to equity investments	**31,695**	**35,878**	**6,894**	**157**	**42,614**

The accrued interest on convertible bonds or equivalent securities has 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 corresponding to the difference between the amounts called by the funds and the amounts invested in their portfolio, totalling €59.8m.
- Suppliers – advances and payments on account, totalling €0.6m.

2.7 CASH ON HAND

As of 31 December 2019, the balance of cash on hand amounted to €4.7m.

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 2019 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 and a Generali tax-efficient capitalisation fund of €7m. As of 31 December 2019, the unrealised gain recognised on these investments was €1.6m.
Investment securities also included the IVO Fixed Income securities (€59.9m).

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 31/12/2019 *(in thousands of euros)*
Other marketable securities				
IVO Fixed Income	592,543		59,868	62,667
Generali	1		7,024	7,071
Allianz	1		15,000	16,507

2.8.2 Provisions for impairment of short-term investment securities

No provision was recognised as of 31 December 2019.

2.9 PREPAID EXPENSES

(in thousands of euros)	31/12/2017	31/12/2018	31/12/2019
Prepaid expenses	31	34	25

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 (€36.6m) and Apax VIII LP (€6.7m) funds. The provision is calculated based on all the disposals undertaken by the funds. Since the carried interest has not yet been paid to the unitholders concerned, the provision has yet to be used.

2.11 OTHER FINANCIAL LIABILITIES

(in thousands of euros)	31/12/2017	31/12/2018	31/12/2019
Other financial liabilities	9,063	33,422	7,475
TOTAL	**9,063**	**33,422**	**7,475**

Other financial liabilities primarily comprised a bank overdraft of €7.5m.

2.12 TRADE PAYABLES AND RELATED ACCOUNTS, TAX AND SOCIAL SECURITY LIABILITIES AND OTHER LIABILITIES

(in thousands of euros)	31/12/2017	31/12/2018	31/12/2019
Trade payables	189	1,760	502
Tax and social security liabilities	0	0	0
Other liabilities	24,736	70,020	4,251
TOTAL	**24,925**	**71,780**	**4,753**

Trade payables (€502k) 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 STATEMENT OF MATURITIES OF RECEIVABLES AND LIABILITIES AT YEAR END

	Liquidity of assets				Due dates of liabilities			
		Due				Due		
Receivables (a) ***(in euros)***	**Gross amount**	**in less than one year**	**in more than one year**	**Liabilities (b)** ***(in euros)***	**Gross amount**	**in less than one year**	**in more than one year**	**in more than five years**
Non-current receivables:				Convertible bonds[1]				
Receivables related to investments	54,914,705	21,592,158	33,322,547	Other bonds[1]				
Loans[1]				Borrowings[1] and debts with credit institutions, of which:				
Other non-current financial assets	70,860,388	372,665	70,487,724	• up to one year at outset	7,474,583	7,474,583		
Current receivables:				• more than one year at outset				
Trade receivables and related accounts				Other borrowings and financial debt[1] [2]				
Tax and social security receivables				Trade payables and related accounts	501,767	501,767		
Group and partners				Tax and social security liabilities				
Sundry receivables	59,781,480	59,781,480		Liabilities on non-current assets and related accounts				
Subscribed capital - called, unpaid				Group and partners	28	28		
Prepaid expenses	24,726	24,726		Other liabilities[1]	4,250,911	4,250,911		
				Deferred income				
TOTAL	**185,581,299**	**81,771,028**	**103,810,271**	**TOTAL**	**12,227,288**	**12,227,288**		
(1) Loans granted during the year				*(1) Borrowings taken out during the year*	*25,000,000*			
Loans recovered during the year				*Borrowings repaid during the year*	*58,300,000*			
				(2) Of which to partners (indicate the item concerned)	*0*			

(a) Excluding advances and deposits paid on contracts in progress.

(b) Excluding advances and deposits received on contracts in progress.

2.14 OFF-BALANCE-SHEET COMMITMENTS

Summary of obligations and commitments

Contractual obligations	Total 31/12/2018 *(in euros)*	Total 31/12/2019 *(in euros)*	Payments due by period *(in euros)* 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)	259,410,117	639,483,163	66,629,234	572,853,929	
TOTAL	**259,410,117**	**639,483,163**	**66,629,234**	**572,853,929**	**0**

The above presentation shows all off-balance-sheet commitments according to accounting standards currently in force. The table below details the irrevocable purchase obligations included in the above table.

Irrevocable purchase obligations (investment commitments)

Tracking of investment commitments

Company	Commitment as of 31/12/2018	Investments during the year	Cancellation of commitments as of 31/12/2019	New commitments as of 31/12/2019	Commitment as of 31/12/2018
Investment commitment in Turing Equity Co LP (ThoughtWorks)	€515,843				€515,843
TOTAL	**€515,843**	**0**	**0**	**0**	**€515,843**

Other off-balance-sheet commitments

A commitment was made to certain managers of THOM Group, Snacks Développement, Entoria, InfoVista and AEB to repurchase their shares and bonds in the event of their departure. These commitments were not material as of 31 December 2019.

The Apax France IX-B fund gave a security deposit to Transatlantique Bank as part of its investment in Sandaya for the funding of future acquisitions.

An earn-out could be payable to the seller of Marlink on the basis of 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 2019, 25,000,000 A units in the Apax France IX-B fund were pledged against a credit line of €10m, undrawn as of 31 December 2019.

  The pledged securities cover 150% of the amounts granted based on the valuation of the units in the Apax France IX-B fund as of 30 June 2019.

- Securities pledged to UBS Bank:

  As of 31 December 2019, the two tax-efficient capitalisation funds with Allianz and Generali were pledged to UBS to support a credit line of €20m, of which €7.5m was drawn down as of 31 December 2019.

  The pledged securities cover 120% of the amounts granted based on the valuation of the funds as of 30 November 2019.

NOTE 3 Notes relating to certain income statement items

3.1 REVENUE OPERATIONS

3.1.1 Financial income

(in thousands of euros)	2017	2018	2019
Income from cash investments	253	217	259
Net income from the sale of marketable securities	0	0	0
Other financial income	0	0	0
Reversals of provisions	0	0	0
TOTAL	**253**	**217**	**259**

Financial income comprised accrued interest on the tax-efficient capitalisation funds and time deposits.

3.1.2 Financial expenses

(in thousands of euros)	2017	2018	2019
Interest and similar expenses	15	789	171
Net expenses from the sale of marketable securities	0	0	0
Provisions	0	0	0
TOTAL	**15**	**789**	**171**

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)	2017	2018	2019
Altamir Gérance remuneration (1)	127	306	298
Amboise Partners SA fees (2)	6,205	5,816	5,659
VAT on (1) and (2)	1,266	1,224	1,191
Other expenses	2,423	2,363	1,932
TOTAL	**10,021**	**9,709**	**9,080**

The Management Company's remuneration (€0.3m excl. tax) and the fees received by Amboise Partners SA (€5.7m excl. tax), totalling €7.1m incl. tax, 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 €1.9m (including VAT) included:

- €0.8m (including VAT) for accounting, financial, and investor relations services provided to the Company by Altamir Gérance in accordance with a services agreement dated 9 July 2013;
- fees of €38k relating to credit lines (structuring costs and non-use fees);
- external consulting and statutory audit fees of €1.1m.

Pursuant to Decree No. 2008-1487 of 20 December 2008, fees paid to the statutory auditors broke down as follows:

	Members of the Ernst & Young network				RSM France			
	Amount excl. taxes		%		Amount excl. taxes		%	
(in euros)	**2019**	**2018**	**2019**	**2018**	**2019**	**2018**	**2019**	**2018**
Audit								
Audit and certification of the statutory and consolidated financial statements								
• Issuer	122,800	109,600	62%	60%	76,500	74,400	38%	40%
• Fully consolidated subsidiaries								
Other duties and services directly related to the audit assignment								
• Issuer								
• Fully consolidated subsidiaries								
SUBTOTAL	**122,800**	**109,600**	**62%**	**60%**	**76,500**	**74,400**	**38%**	**40%**
Other services performed by the networks for the fully consolidated subsidiaries								
Legal, tax, employee-related								
Other	10,000	10,000	100%	100%				
SUBTOTAL								
TOTAL	**132,800**	**119,600**	**63%**	**62%**	**76,500**	**74,400**	**37%**	**38%**

3.1.4 Taxes

(in thousands of euros)	**31/12/2017**	**31/12/2018**	**31/12/2019**
Other taxes	1,170	0	0
TOTAL	**1,170**	**0**	**0**

3.1.5 Depreciation, amortisation and provisions

None

3.2 CAPITAL TRANSACTIONS

3.2.1 Income

(in thousands of euros)	**2017**	**2018**	**2019**
Capital gains on sale of equity investments/portfolio investments	85,346	41,472	226,424
Reversal of provisions	40,317	19,054	15,136
Other income	9,267	8,591	8,420
TOTAL	**134,930**	**69,116**	**249,980**

Provision reversals included €12.7m relating to the reversal of the provision made against the Altrafin and Altimus shares and €2.3m for the Apia Vista fund.

3.2.2 Expenses

(in thousands of euros)	2017	2018	2019
Losses on sale of equity investments/portfolio investments	6,111	20,042	28,514
Provisions for carried interest	3,337	3,847	27,938
Provisions for impairment	39,744	20,255	7,657
Other expenses	7,739	3,201	20,892
TOTAL	**56,931**	**47,345**	**85,001**

The carried interest provision comprised the share of the capital gains owing to holders of carried interest in the Apax France VIII-B (€25.3m) and Apax VIII LP (€2.6m) funds.

Other expenses comprised the share of management fees relating to disposals of investments made through the funds.

3.2.3 Corporation tax

The Company opted for the status of SCR *(société de capital risque)* as of 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 therefore recognised as an expense in the income statement.

3.2.4 Extraordinary expenses

(in thousands of euros)	2017	2018	2019
EXTRAORDINARY EXPENSES	**42**	**149**	**5**

3.2.5 Extraordinary income

(in thousands of euros)	2017	2018	2019
EXTRAORDINARY INCOME	**3,133**	**85**	**131**

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 €155,826,503.26 in 2019.

The Company has positive retained earnings of €19,309.3, which correspond to the undistributed income on treasury shares for financial year 2018.

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, specifically an amount of €10,603,402 for financial year 2019.

3.4 STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS AFR

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, 2019. These financial statements were approved by the management on March 6, 2020 on the basis of the elements available at that date, in the evolving context of the health crisis related to Covid-19.

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, 2019 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, 2019 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, as approved in the above-mentioned context, 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, 2019, long-term investments in the portfolio activity, equity investments and receivables related to equity investments amounted to M€ 549.9, M€ 54.4 and M€ 12.3, 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 Note 2.1 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 consisted in: /// examining the specific contractual documentation to each investment; /// 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; /// 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.

COMPLIANCE WITH THE VENTURE CAPITAL COMPANY STATUS

Risk identified	Our response
Your Company has opted for the venture capital company system which gives it a specific legal and fiscal framework, adapted to its corporate purpose which is the management of a securities portfolio. The venture capital company status is only granted to companies that fully meet certain cumulative regulatory conditions. Given the very restrictive conditions of the venture capital company 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 venture capital company 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 venture capital company 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 venture capital company 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 approved on March 6, 2020 and in the other documents with respect to the financial position and the financial statements provided to the shareholders. Regarding the events that occurred and the elements known after the date of approval of the financial statements relating to the effects of the Covid-19 crisis, Management has informed us that such events and elements will be communicated to the Annual General Meeting called to decide on these financial statements.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in Article D. 441-4 of the French Commercial Code *(Code de commerce)*.

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, or allocated 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 companies controlled thereby, included in the consolidation scope. 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 takeover bid or exchange offer, provided pursuant to Article L.225-37-5 of the French Commercial Code *(Code de commerce)*, we have agreed this information to the source documents communicated to us. Based on these procedures, 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 replaced the resigning statutory auditor during the 2013 financial year.

As at December 31, 2019, RSM Paris and ERNST & YOUNG et Autres were in the seventh year and twenty first 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 3, 2020
The Statutory Auditors
French original signed by

RSM Paris	ERNST & YOUNG et Autres	
Ratana Lyvong	Henri-Pierre Navas	Marie Le Treut

3.5 LIST OF SUBSIDIARIES AND EQUITY INVESTMENTS

(in euros) Subsidiaries and equity investments*	Capital and premiums	Reserves and retained earnings before allocation of income	Share of capital (%)	Book value of securities held: Gross	Book value of securities held: 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)											
None											
2. Subsidiaries (10-50% owned)											
THOM Group (European Jewellers I SA) 41 av. de la Gare L-1611 Luxembourg N° Siren : NA	199,572,666	-322,837	11.40%	22,751,815	22,751,815	194,944	0	0	-22,407,624	0	30/09/18*
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	528,890	0	31/01/19*
B - OTHER ENTITIES MORE THAN 5% HELD OR REPRESENTING MORE THAN 5% OF THE SHARE CAPITAL OF ALTAMIR											
1. Subsidiaries (>50% owned)											
None											
2. Subsidiaries (10-50% owned)											
Afflelou (Lion/ Seneca Lux TopCo) 7 rue Lou-Hemmer L-1748 Luxembourg N° Siren : NA	119,260,948	11,541	6.95%	8,365,655	8,365,655	11,252,610	0	0	-124,544,248	0	31/07/19*
Altran (Altrafin Participations) 1 rue Paul Cézanne 75008 Paris N° Siren : 503 722 449	10,758,145	-236,611	42.32%	41,011	41,011	0	0	0	722,507	0	31/12/18*
C - ALL OTHER EQUITY INVESTMENTS				**19,744,238**	**19,744,238**	**0**				**0**	
GRAND TOTAL (€)				**54,439,307**	**54,439,307**	**12,300,365**				**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

Items appearing in the annual financial report are cross-referenced with the following symbol AFR

4.1 SHARE CAPITAL

4.1.1 AMOUNT OF SHARE CAPITAL

No share capital transactions have been carried out since September 2008.

As of 31 December 2019, the Company's share capital was composed of 36,512,301 ordinary shares with a par value of €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 do not have voting rights) and 36,484,466 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

	Transaction	Number of shares before	Number of shares after	Valeur nominale Francs/Euros	Share premium	Share capital Francs/euros
1993	Creation	2,500		FF100 (€15.2)	0	FF250,000 (€38,112)
16/05/1995	Full payment of shares	2,500		FF100 (€15.2)	0	FF250,000 (€38,112)
16/05/1995	Capital increase	2,500	3,000	FF100 (€15.2)	0	FF300,000 (€45,735)
01/06/1995	Increase in par value	3,000	3	FF100,000 (€15,245)	0	FF300,000 (€45,735)
01/06/1995	Capital increase	3	15	FF100,000 (€15,245)	0	FF1,500,000 (€228,673)
30/11/1995	Capital increase	15	815	FF100,000 (€15,245)	0	FF81,500,000 (€12,424,595)
22/04/1998	Share split	815	101,875	FF800 (€121.96)	0	FF81,500,000 (€12,424,595)
07/07/1998	Capital increase	101,875	313,875	FF800 (€121.96)	250FF (38,11€)	FF251,100,000 (€38,279,948)
31/07/1999	Capital increase through exercise of Class B warrants	313,875	314,696	FF800 (€121.96)	0	FF251,756,800 (€38,380,077)
28/04/2000	Capital increase through exercise of Class B warrants	314,696	320,770	FF800 (€121.96)	0	FF256,616,000 (€39,121,109)
30/06/2000	Capital increase capital increase through the exercise of convertible bonds (ORAs)	320,770	490,361	FF800 (€121.96)	250FF (38,11€)	FF392,288,800 (€59,804,427)
20/12/2000	Capital increase through exercise of Class B warrants	490,361	532,824	FF800 (€121.96)	0	FF426,259,200 (€64,982,796)
30/11/2006	Capital increase following the merger with Société Européenne Kléber	539,041 ordinary shares	539,041 ordinary shares	€100		€53,990,330
	Creation of 8,623 Class B preferred shares without voting rights		8,623 Class B shares	€10		
04/06/2007	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		€113,999,202
	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		
10/07/2007	Capital increase in cash	18,968,897 ordinary shares	29,638,901 ordinary shares	€6		€178,019,226
		18,582 Class B shares	18,582 Class B shares	€10		
31/03/2008	Capital increase through cash payment following the exercise of 360,021 March 2008 warrants	29,638,901 ordinary shares	31,776,725 ordinary shares	€6		€190,846,170
		18,582 Class B shares	18,582 Class B shares	€10		
21/05/2008	Partial payment of the dividend in shares	31,776,725 ordinary shares	33,06, 680 ordinary shares	€6		€198,573,900
		18,582 Class B shares	18,582 Class B shares	€10		
29/09/2008	Capital increase through cash payment following the exercise of 13,159,873 September 2008 warrants	33,064,680 ordinary shares	36,512,301 ordinary shares	€6		€219,259,626
		18,582 Class B shares	18,582 Class B shares	€10		

4.1.3 POTENTIAL CAPITAL

There is no potential capital at this time.

4.1.4 PURCHASE BY THE COMPANY OF ITS OWN SHARES AFR

LEGAL FRAMEWORK

At their General Meeting on 29 April 2019, the shareholders authorised the Company to buy back its shares for the sole purposes of ensuring liquidity and maintaining an active secondary market. The buyback programme is limited to 1% of the Company's capital, based on available reserves.

It 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 programme meets the following requirements:

The total number of shares acquired through the programme may not exceed 1% of the Company's capital. As of 31 December 2019, 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 description is to specify 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 28 April 2020. Prior notification was published in France's official gazette ("BALO") on 23 March 2020.

Breakdown of shares held by objective as of 28 February 2020

Number of shares held directly and indirectly: 21,800, 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 28 April 2020.
- 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: €22 per share.
- Maximum amount of programme; €8,032,706.
- 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 28 April 2020, *i.e.* until 27 October 2021.

Results of the share buyback programme

The results of the programme for 2019 were as follows, keeping in mind that all of these transactions were carried out under the liquidity contract:

	Volume	Amount (€)	Average price (€)
Purchases	46,982	752,389	16,01
Sales	59,147	942,338	15,93

For the financial year ended 31 December 2019, these transactions resulted in a €57,642.35 loss, net of additions to and reversals of provisions.

The number of shares held in treasury at 31 December 2019 was 27,835, or around 0.08% 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 2019 was €463,452.75.

Their weighted average cost was €442,172.04.

The total par value was €167,010.

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 2019.

As of 31 December 2019, the liquidity account was composed of:

- 27,835 shares;
- €372,664.52 in cash and money-market funds.

For information, the results of the 2018 programme were as follows:

	Volume	Amount (€)	Average price (€)
Purchases	348,021	5,085,073	14.61
Sales	327,160	4,773,747	14.59

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

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. 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 private equity industry common practice, the general partners and his teams receive as a dividend 20% of net gains (carried interest) on the investments not made through the Apax funds. Pursuant to Article 25 of the Articles of Association, the general partner receives 2% of the net income and holders of Class B shares are entitled to 18%. The formula for converted net income as reported on the statutory financial statements to adjusted net income is detailed in Section 4.4. The 20% carried interest on co-investments is served, provided these investments generate an annual IRR in excess of the hurdle rate of 8%.

The dividends paid to ordinary and Class B shares over the 5 last financial years are indicated below:

€/Share	2014	2015	2016	2017	2018
Ordinary shares	0.50	0.56	0.65	0.65	0.66
Class B shares	1,348.95	813.58	2,141.14	1,657.20	-

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.

4.2 PRINCIPAL SHAREHOLDERS

4.2.1 DISTRIBUTION OF SHARE CAPITAL AND VOTING RIGHTS FOR THE PAST THREE YEARS BASED ON THRESHOLDS CROSSED AFR

There has been no significant change to share capital since the close of the latest financial year.

	As of 31/12/2019					
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	64.42%
Amboise 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**	**65.04%**
Free float	10,900,692	29.84%	10,900,692	29.85%	10,900,692	29.88%
TT Investments	1,852,602	5.07%	1,852,602	5.07%	1,852,602	5.08%
Treasury shares	27,835	0.08%	27,835	0.08%	0	0%
TOTAL ORDINARY SHARES	**36,512,301**	**99.95%**	**36,512,301**	**100%**	**36,484,466**	**100%**
Class B shares	18,582	0.05%				
GRAND TOTAL	**36,530,883**	**100%**		**100%**		**100%**

	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	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	10,888,527	29.81%	10,888,527	29.82%	10,888,527	29.85%
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	0.11%	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%**

Shareholders	As of 31/12/2017 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	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%**

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.

4.2.2 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).

REPURCHASE OF CLASS B SHARES

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.

Distribution of Class B shares for the past three years

	2017	2018	2019
	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.

4.2.3 THRESHOLD DISCLOSURES

SHAREHOLDERS

Pursuant to Articles L. 233-7 *et seq.* of the French Commercial Code, we inform you that no cases of thresholds being crossed were reported during the year.

4.2.4 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 2019

The corporate officers had the following holdings in Altamir as of 31 December 2019:

Name	**Position as of 31/12/2019**	**Position as of 31/12/2018**
Management Company		
Maurice Tchenio, Chairman and Chief Executive Officer of Altamir Gérance	23,731,172	23,731,172
Members of the Supervisory Board as of 31 December 2019		
Jean-Hugues Loyez (Chairman of the Supervisory Board)	412,221	412,221
Jean Estin	1,000	1,000
Anne Landon	1,043	-
Marleen Groen	1,000	1,000
Gérard Hascoët (non-voting member)	33,742	33,494
Philippe Santini (non-voting member)	2,128	2,128

TRANSACTIONS CARRIED OUT BY EXECUTIVES ON ALTAMIR SECURITIES

The transactions carried out by other executives on the Company's shares in 2019 are summarised below:

Declarant's name and function	Anne Landon, Member of the Supervisory Board
Type of transaction and instruments involved	Acquisition of shares
Transaction venue	Euronext Paris
Total amount	€17,187.55
Average price/number of shares acquired	€16.48/1,043

Declarant's name and function	Gérard Hascoët, Member and Non-voting member of the Supervisory Board
Type of transaction and instruments involved	Acquisition of shares
Transaction venue	Euronext Paris
Total amount	€3,864
Average price/number of shares acquired	€15.58/248

4.2.5 SHAREHOLDERS' AGREEMENT AND COMMITMENTS TO HOLD SECURITIES

SHAREHOLDERS' AGREEMENT

None.

COMMITMENTS BY THE FOUNDERS

Ordinary shares held by the founders

The chief executive and founder of Altamir is the general partner of the Company. The number of ordinary shares he holds is indicated in paragraph 4.2.4 above.

Commitments to hold securities

To the Company's knowledge and at the time of preparation of this document, there are no commitments to hold Altamir shares.

4.2.6 CONTROL OF THE ISSUER

Following the cash tender offer initiated in May 2018, Amboise SAS 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*

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 2019. The summary is based on the tax advice that Altamir received from DLA Piper. 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 DLA Piper 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(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(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.

** Section prepared by DLA Piper law firm.*

(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 list of countries NCCTs has been updated by Ministerial decree on 8 January 2020. Until 7 January 2020 the countries on the list of NCCTs were Botswana, Brunei, Guatemala, the Marshall Islands, Nauru, Niue and Panama.
Following the decree published on 6 January 2020:
- *Six countries have been removed as of the date of release of the decree, ie 7 January 2020 : Botswana, Brunei, Guatemala, Marshall islands, Nauru, Niue.*
- *As a consequence, Panama is the only remaining country on the list NCCTs as of 7 January 2020 and until 1 April 2020.*
- *As of 1 April 2020, the following countries will be added:*
  - *Anguilla, the Bahamas, British Virgin Islands, the Seychelles ; and*
  - *Countries which are on the European Union's blacklist (updated on 8 November 2019): American Samoa, Fidji, Guam, Oman, Samoa, Trinidad and Tobago, US Virgin Islands and Vanuatu.*
- *As a consequence, as of 1 April 2020, the countries on the list of NCCTs will be: Anguilla, the Bahamas, British Virgin Islands, the Seychelles, Panama, American Samoa, Fidji, Guam, Oman, Samoa, Trinidad and Tobago, US Virgin Islands and Vanuatu.*

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[3]

// 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[4]	// Exempted from tax on capital gains and distributions[5]
	// Social levies (withheld at source):
	• Gains on the sale of SCR shares:
	- In principle: 17.2% of net gains on the sale of SCR shares
	- 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[6]
	• On the distribution of capital gains deriving from the sale of equity investments by the SCR: 17.2%

	Gains on the sale of SCR shares and distribution of dividends by the SCR[3]

// 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[7]	// Single, flat-rate withholding tax of 30% beginning on 1 January 2018 (income tax of 12.8% plus social levies of 17.2%)[5] [8]
	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[5] [8]. Social levies apply at the rate of 17.2% of the amount before exclusion[9]

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[10] :	
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%[11]
// Sale of shares held for less than five years	28%[11] [12]
Distributions of dividends by the SCR[3]	**Tax treatment**
// The dividends distributed by Altamir currently derive exclusively from capital gains realised on the sale of investments[13]	// Fully exempt

**This ratio was 8.7% as of 31 December 2019.*

Notes

(3) 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.

(4) 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.

(5) The 3% or 4% tax surcharge on high incomes (Article 223 sexies of the French Tax Code) may be applicable.

(6) 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 has not yet specified how these exceptions will be applied.

(7) Except in the event of death, permanent disability, retirement or dismissal.

(8) Fines and surcharges may be added in the event that a shareholder fails to fulfil the commitments made.

(9) The CSG tax will be deductible, up to 6.8%, from taxable income of the following year (Article 154 quinquies, II of the General Tax Act).

(Continued on page 174)

B/NON-RESIDENTS	
1) Individuals	
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[3]	**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[4]	// Not taxed in France[5]
// 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[3]	**Tax treatment**
// The beneficiary is a UCITS or AIF that fulfils the European directive requirements[14]	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 28%[15] unless more favourable treaty provisions apply (generally 15%) and on condition of compliance with treaty requirements

(10) 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%.

(11) Excluding tax surcharge of 3.3%.

(12) For financial years starting on or after 1 January 2020, the corporate income tax rate will be set at 28% (28.92% including the 3.3% tax surcharge) for companies having a revenue below €250m. For financial years starting on or after 1 January 2021 and 1 January 2022, the corporate income tax rates will be set at 26.5% and 25%, respectively (27.37% and 25.83%, respectively, including the 3.3% tax surcharge). For companies having a revenue equal or higher than €250m, the corporate income tax rate is 28% up to a limit of €500,000 of taxable income and 31% beyond that limit (excluding the 3.3% tax surcharge) as of 1 January 2020. For financial years starting on or after 1 January 2021 and 1 January 2022, the corporate income tax rates will be set at 27.5% and 25%, respectively (excluding the 3.3% tax surcharge).

(13) 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.

(14) 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.

(15) As of 1 January 2020 the withholding tax rate has been aligned with the ordinary corporate income tax rate. The corporate income tax rate will gradually decline from 26.5% on 1 January 2021 to 25% on 1 January 2022 (see footnote 12).

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.

LEGAL ENTITY IDENTIFIER (LEI)

The Company's legal entity identifier number is 969500U4BPYFRAOQ3Z75.

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, β, 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 β 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, which has to be attached 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 Section 1.3.8 of the present document).

The Board re-examined this agreement at its meeting on 15 January 2020, determined that it was in the Company's interest to maintain it, and informed the Statutory Auditors thereof.

The Supervisory Board also noted that the regulated agreement regarding the transfer to Altamir of Amboise SAS's shareholding in the Apax Digital fund was terminated during the year. The transfer of the shareholding included an earn-out clause subject to certain conditions. As these conditions were met, the Company paid the agreed-upon amount of €13,068.

The Board re-examined this agreement at its meeting on 10 March 2020, determined that it was in the Company's interest to maintain it, and informed the Statutory Auditors thereof.

Four new agreements will be submitted for shareholder approval at the General Meeting on 28 April 2020. The first agreement relates to the sale of Financière Hélios by Altamir to Amboise SAS. The other three agreements relate to Altamir's offer to purchase all of the Apax France VII fund. As a result, the Company acquired all the shares held by Amboise SAS, Jean-Hugues Loyez and Jean Estin.

These six 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

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.

We are required to inform you, on the basis of the information provided to us, of the terms and conditions of those agreements 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. 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 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 December 31, 2019, of the agreements 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 SUBMITTED FOR APPROVAL TO THE ANNUAL GENERAL MEETING

Agreements authorized and concluded during the year

In accordance with the Article L.226-10 of the French Commercial Code, of the French Commercial Code *(Code de commerce),* we have been notified of the following agreements which received prior authorization from your Supervisory Board.

With Amboise SAS

Persons concerned

Mr. Maurice Tchenio, Chairman and Chief Executive Officer of the companies Amboise SAS and Altamir Gérance, Manager of your company.

a) Nature and purpose
Amboise SAS entered into a contract with your Company on November 18, 2019 to sell 100% of the shares and voting rights of Financière Hélios.

Financière Hélios, a wholly-owned subsidiary by your Company, was the holding company for the Albioma listed securities that were sold by your Company in the early 2019. Since June 2019, Financière Hélios has had no activity, but continued to bear operating costs. Therefore, Altamir Gérance, the Manager of your Company, decided to sell it to Amboise SAS.

This agreement was authorized by the Supervisory Board of your Company at its meeting held on November 7, 2019.

Conditions

The sale was made at the value of the net assets recorded on the day of the transfer, *ie* €370.62.

Reasons justifying why the Company benefits from this agreement

Your Supervisory Board gave the following reason:
The sale to Amboise SAS allows your Company to avoid the delays and costs associated with a liquidation transaction.

b) Nature and purpose
Amboise SAS entered into with your Company on November 22, 2019 the redemption of the units of Apax France VII fund held by Amboise SAS.

As part of the buyout offer for the entire Apax France VII fund (accepted by more than 73% of unit holders), your Company acquired from Amboise SAS all of the shares it held, or 3.54% of the fund's units.

This agreement was authorized by the Supervisory Board of your Company at its meeting held on November 7, 2019.

Term and conditions

The transaction was carried out on the basis of net assets as at June 30, 2019, *i.e.* € 1,878,086.46.

Reasons justifying why the Company benefits from this agreement

Your Supervisory Board gave the following reason:

This operation allows your Company to optimize its cash management in the medium term.

With Mr Jean Estin, member of the Supervisory Board of your Company

Nature and purpose

Mr. Jean Estin entered into with your Company on November 27, 2019, the redemption of the units of Apax France VII fund which he held.

As part of the buyout offer for the entire Apax France VII fund (accepted by more than 73% of unit holders), your Company acquired all of the units it held from Mr. Jean Estin, or 0.1% of the fund units.

This agreement was authorized by the Supervisory Board of your Company at its meeting held on November 7, 2019.

Term and conditions

The transaction was carried out on the basis of net assets as at June 30, 2019, *i.e.* €52,054.39.

Reasons justifying why the Company benefits from this agreement

Your Supervisory Board gave the following reason:

This operation allows your Company to optimize its cash management in the medium term.

With Mr Jean-Hugues Loyez, member of the Supervisory Board of your Company

Nature and purpose

Mr. Jean-Hugues Loyez entered into with your Company on November 27, 2019 the redemption of the units of Apax France VII fund which he held.

As part of the tender offer for the entire Apax France VII fund (accepted by more than 73% of unit holders), your Company acquired from Mr. Jean-Hugues Loyez all of the units it owned 1.5% of the fund's units.

This agreement was authorized by the Supervisory Board of your Company at its meeting on November 7, 2019.

Term and conditions

The transaction was carried out on the basis of net assets as at June 30, 2019, *i.e.* € 795,961.02.

Reasons justifying why the Company benefits from this agreement

Your Board gave the following reason:

This operation allows your Company to optimize its cash management in the medium term.

AGREEMENTS 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, which were approved by the Annual General Meeting in prior years, continued during the year ended December 31, 2019.

With Amboise Partners SA (formerly Apax Partners SA)

Concerned Person

Mr. Maurice Tchenio, Chairman and Chief Executive Officer of Amboise Partners S.A. and Altamir Gérance, manager of your Company.

Nature and purpose

On November 30, 2006, Amboise 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, provided for by the Articles of Association, it being noted that any amount paid to Amboise 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 Amboise Partners S.A. invoiced your Company € 6,790,564 including VAT for the year ended December 31, 2019.
On November 7, 2020, the Supervisory Board reexamined the economic benefits of this agreement for your Company and was in favor of its continuation.

With Amboise SAS

Concerned person

Mr Maurice Tchenio, Chairman and CEO of Amboise SAS and Altamir Gérance, Manager of your Company.

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 SAS in 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 residual commitment subscribed by Amboise SAS in Apax Digital fund against the payment by your Company to Amboise SAS of an amount equal to the last known valuation of the stake. This amount being lower than the total amount of capital called during the transfer, both parties had agreed that, when the valuation of the share would be at least equal to the amount subscribed, Amboise SAS' capital loss would be reimbursed, *i.e.* an additional price to be paid of €13,068.

As the valuation of your Company's share in the fund was on June 30, 2019 higher than the amount subscribed, the additional payment was made, *i.e.* €13,068.

Paris and Paris-La Défense, April 3, 2020
The Statutory Auditors
French original signed by

RSM Paris	ERNST & YOUNG et Autres	
Ratana Lyvong	Henri-Pierre Navas	Marie Le Treut

5 Supplementary information

Items appearing in the annual financial report are cross-referenced with the following symbol AFR

5.1 PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT AFR

Maurice Tchenio, Chairman and Chief Executive Officer of the Management Company.

CERTIFICATION OF THE PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT AND THE ANNUAL FINANCIAL REPORT

I hereby certify, having taken all reasonable measures in this regard, that the information contained in this universal 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 Universal Registration Document and that they have read the entire Universal Registration Document.

Paris, 7 April 2020,

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), 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 Mr Ratana Lyvong,

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 Universal 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 and the most recently updated version of the Company's Articles of Association: at the Company's head office (paper versions) and on its website www.altamir.fr.

5.4 REFERENCE TO HISTORICAL FINANCIAL STATEMENTS

Pursuant to Article 19 of EC regulation 2017/2019, the following information is included by reference in this Universal Registration Document:

- statutory and consolidated financial statements and the corresponding auditors' reports appearing on pages 134-146, 106-129, 147 and 130 of the 2018 Universal Registration Document filed with the AMF on 10 April 2019 under number D19-0303;
- statutory and consolidated financial statements and the corresponding auditors' reports appearing on pages 133-146, 106-129, 147 and 130 of the 2017 Registration Document filed with the AMF on 11 April 2018 under number D18-0317.

5.5 CROSS REFERENCE INDEX

5.5.1 UNIVERSAL REGISTRATION DOCUMENT

To assist the reader of this Universal Registration Document, the cross reference table presented below can be used to identify the main information required by Appendices 1 and 2 of Commission Delegated Regulation 2019/980 of 14 March 2019.

5

New URD references	SECTIONS/CATEGORIES	Reference	Pages
18.1.6	*Consolidated financial statements*	*3.1*	*110*
18.1.7	*Date of most recent financial information*	*Statutory financial statements* *Statutory Auditors' report on the statutory financial statements* *Consolidated financial statements* *Statutory Auditors' report on the consolidated financial statements*	*141, 156, 110, 137*
18.2	Interim and other financial information		N/A
18.2.1	*Quarterly or half-yearly financial information*		*N/A*
18.3	Auditing of historical annual financial information	Statutory Auditors' report on the statutory financial statements Statutory Auditors' report on the consolidated financial statements	
18.3.1	*Audit Report*	*Statutory Auditors' report on the statutory financial statements* *Statutory Auditors' report on the consolidated financial statements*	
18.3.2	*Other audited information*		*N/A*
18.3.3	*Unaudited financial information*		*N/A*
18.4	Pro forma financial information		
18.4.1	*Significant changes to the gross values*		*N/A*
18.5	Dividend policy		
18.5.1	*Description*	*1.1.6*	*18*
18.5.2	*Dividend per share*	*1.1.6*	*18*
18.6	Legal and arbitration procedures	2.1.6	98
18.6.1	*Significant procedures*	*2.1.6*	*98*
18.7	Significant changes in the issuer's financial condition	1.4.7	71
18.7.1	*Significant changes since the end of the financial year*		*N/A*
19	**SUPPLEMENTARY INFORMATION**		
19.1	Share capital		
19.1.1	*Amount of share capital issued*	*4.1.1*	*162*
19.1.2	*Shares not representing capital*		*N/A*
19.1.3	*Treasury shares*	*4.1.4*	*164*
19.1.4	*Marketable securities*		*N/A*
19.1.5	*Terms of acquisition rights and/or any obligation*		*N/A*
19.1.6	*Option or agreement*		*N/A*
19.1.7	*Historical share capital information*	*4.1.2*	*163*
19.2	Memorandum and Articles of Association		
19.2.1	*Registration number and purpose*	*4.4*	*175*
19.2.2	*Classes of existing shares*	*4.4*	*175*
19.2.3	*Provisions impacting a change in control*		*N/A*
20	**SIGNIFICANT CONTRACTS**		
20.1	Summary of each contract		N/A
21	**AVAILABLE DOCUMENTS**		
21.1	Statement on available documents	5.3	164

5.5.2 ANNUAL FINANCIAL REPORT AND REPORT OF THE MANAGEMENT COMPANY

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 Universal Registration Document.

Categories	Information for	Paragraphs	Pages
• Dividends distributed for the three prior years Art. 243 *bis* of the French Tax Code		§ 2.4.2	105
• 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	76
• 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.515-8C 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	169
6.4. ESG information		§ 1.3.11	66
• 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, paragraphs 5-8, R.225-104, R.225-105 and R.225-105-2-II of the French Commercial Code		§ 1.3.11	66

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	77
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	87

5.6 GLOSSARY

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.

Buyout fund

A private equity fund that acquires majority interests in established companies.

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).

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.

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.

Co-investment

Direct investment in a company alongside a private equity fund, with equivalent pricing, conditions and rights.

Debt multiple

Ratio of a company's debt to its EBITDA.

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 judgement 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.

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.

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.

Exit

Sale of an investment to a company with strategic goals or to a financial investor, or *via* an IPO.

Fair value

Fair value is an accounting standard for valuing assets and liabilities based on an appraisal of their market value.

Follow-on investment

An additional investment in an existing portfolio company.

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.

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).

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.

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.

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.

Hurdle rate

Minimum rate of return granted to private equityfund 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.

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.

International Private Equity and Venture Capital Valuation Guidelines (IPEV)

Recommendations outlining best practices for valuing a portfolio of private equity investments.

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).

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.

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.

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.

Leverage

Multiplier effect on the return on equity resulting from the use of external financing.

Limited partnership (LP)

A tax-transparent investment structure, mainly used by US and UK 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.

LTM

Last 12 months. Used to describe a financial indicator specifically focused on that period.

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.

NAV per share

NAV per share is the value of one ordinary share of the Company's shareholders' equity, calculated in accordance with IFRS for consolidated financial statements. It is calculated by dividing the Company's shareholders' 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.

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.

Net Asset Value (NAV)

Net Asset Value is the most relevant financial indicator for reviewing the Company's business activity. It corresponds to shareholders' 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.

Ordinary shares

Shares conferring the same rights (voting, preferential subscription, dividends, etc.) to all holders, in proportion to the amount of equity held.

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.

Private equity fund

Vehicle formed by investors for the purpose of making equity investments and sharing in the resulting income.

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.

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.

Spin-off

Creation of a new company that is legally and financially independent from its original group.

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.

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.

Valuation multiples

Ratio of a company's enterprise value to its EBITDA.

Warrants

A warrant issued by a company gives the right to subscribe to new shares of the company.

Yield

The annual dividend received per share, expressed as a percentage of the stock market price.

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