

# Monthly Factsheet

31 October 2019

Building Long-term Wealth by Investing in Private Companies

## What is HarbourVest Global Private Equity Limited?

HarbourVest Global Private Equity Limited ("HVPE" or the "Company") is a London listed, FTSE 250 private equity investment company with assets of \$2.1 billion (HVPE's functional currency is the US dollar) and a market capitalisation of approximately £1.3 billion (tickers: £ HVPE | \$ HVPD). HVPE invests in private companies and portfolios of private companies through funds managed by HarbourVest Partners, an innovative global private markets asset manager with more than 35 years of experience.

HVPE is designed to offer shareholders long-term capital appreciation by investing in a private markets portfolio diversified by geography, strategy, stage of investment, vintage year, and sector. By following a consistent and proven investment strategy, HVPE has delivered steady and robust NAV growth and has outperformed the public markets since inception, as measured by the FTSE All-World Total Return (TR) index.

## Why Invest

Holding shares in HVPE provides investors with a well-managed, ready-made global private equity programme and gives part-ownership of a diversified portfolio of underlying private companies\*, spanning investment stages from early venture to large-cap buyouts. Many of these companies have the potential to become tomorrow's household names.

## Estimated NAV per Share Reconciliation (movement through month) (\$)

25.73	0.04	0.07	(0.03)	0.13	25.94
NAV per share at 30 September	Valuations gains/(losses) Fund-of-funds	Valuations gains/(losses) Direct funds	Operating expenses	Foreign currency	NAV per share at 31 October

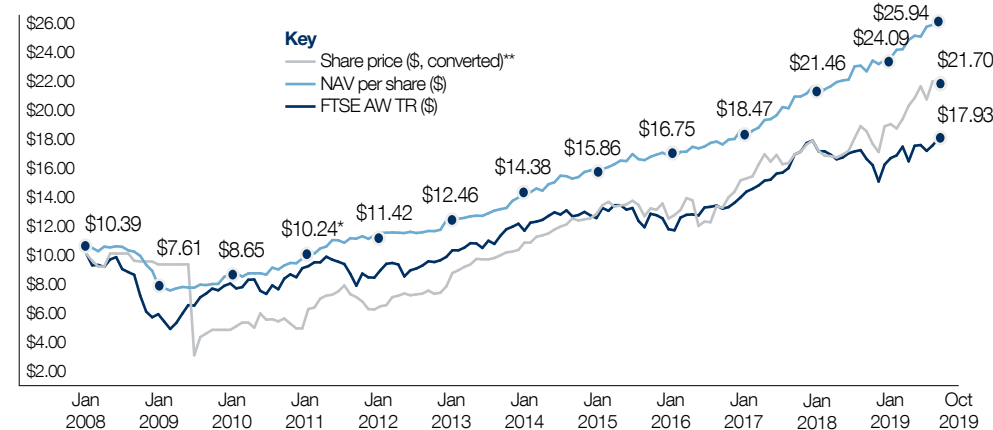
The NAV breakdown is an estimate. Please note that amounts in the month are adjusted as final valuations are received from prior quarters. See **Valuation Methodology** on page four for further details.

\* Holdings in publicly-traded companies, often resulting from IPOs in the private equity portfolio, represent 10% of HVPE's investment portfolio value.

## Summary of Estimated Net Asset Value ("NAV") at 31 October 2019

In millions except per share and last traded price data	31 October 2019	30 September 2019
Investment Portfolio	\$1,954.4	\$1,954.7
Cash and Cash Equivalents	\$110.4	\$94.2
Debt	\$0.0	\$0.0
Net Other Assets (Liabilities)	\$6.8	\$6.3
<b>Estimated NAV</b>	<b>\$2,071.6</b>	<b>\$2,055.2</b>
Remaining Available Credit Facility (undrawn)	\$600.0	\$600.0
<b>Estimated NAV per Share (\$)</b>	<b>\$25.94</b>	<b>\$25.73</b>
Estimated NAV per Share (£ equivalent)	£20.04	£20.94
<b>Share Price (LSE) (£)</b>	<b>£16.60</b>	<b>£17.82</b>
Share Price (LSE) (\$)	\$21.70	\$21.85
Discount to NAV (GBP)	17%	15%
Exchange Rate (GBP/USD)	1.2942	1.2289

## Share Price and NAV per Share Movement Since Inception



\* Economic NAV per share. See January 2011 Annual Report for details.

\*\* HVPE introduced an additional US dollar share price on 10 December 2018; from this date onwards, the actual US dollar share price, as reported by the London Stock Exchange, has been used. Prior to this date, the US dollar share price had been converted from the sterling share price at the prevailing exchange rate.

## At 31 October 2019

### Estimated NAV per Share

30 September: \$25.73

**\$25.94**

### GBP Share Price

30 September: £17.82

**£16.60**

### USD Share Price

30 September: \$21.85

**\$21.70**

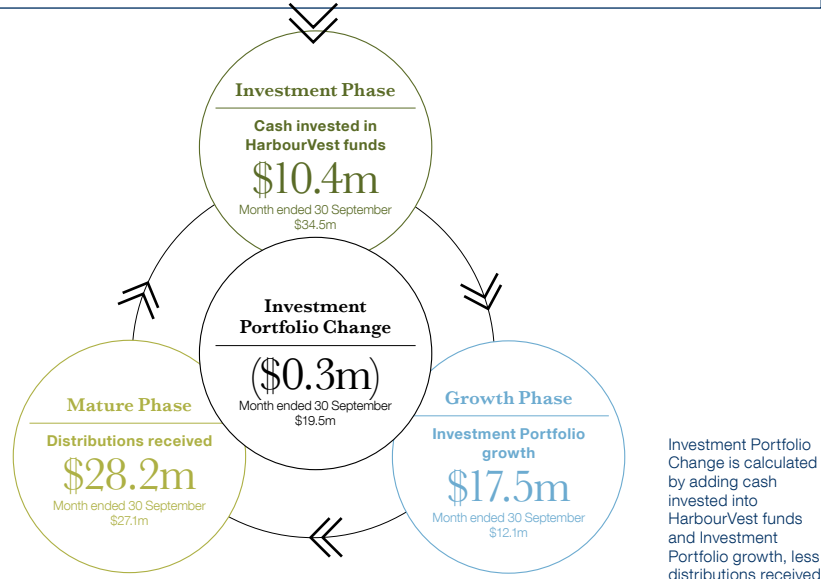
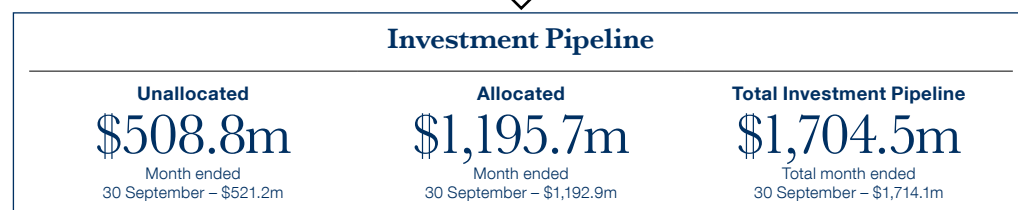
## October Highlights

On 23 October 2019, HVPE published its Semi-Annual Report for the six-months ended 31 July 2019. Highlights include an increase in NAV per share of 7.1%, weighted average uplift of 68% achieved (average multiple of 4.1x cost), and net investment over the period (capital calls exceeded distributions). The full report and results presentation are available to view online at [www.hvpe.com](http://www.hvpe.com).

## The Private Equity Cycle

HVPE invests in and alongside HarbourVest-managed funds which focus on primary fund commitments, secondary investments and direct co-investments in operating companies. These in turn drive a steady pace of direct and indirect investment into private company opportunities. These investments develop and grow over a period of several years, before being exited. Proceeds from these distributions then provide the fuel for new commitments and the lifecycle continues.

### Month ended 31 October 2019



## Investments (Investment Phase)

In October, capital calls from underlying partnerships (by value) were broadly split across buyout and venture strategies at 69% and 28%, respectively. Of the total amount called, 59% was from partnerships with a Europe investment focus.

### Top Five Investing Partnerships

Partnership	Amount invested
<b>Bridgepoint Europe Portfolio IV</b>	\$14.0m
<b>SK Capital Partners V</b>	\$2.6m
<b>Summit Partners Europe Growth Equity Fund II</b>	\$1.1m
<b>Kleiner Perkins Caufield &amp; Byers XVIII</b>	\$0.9m
<b>GTCR Fund XII</b>	\$0.8m

Please note that the amounts above represent capital calls to the underlying partnerships for investments, and may differ to the amount invested by HVPE into HarbourVest funds.

## Realisations (Mature Phase)

During October, there were a total of 38 liquidity events across HVPE's underlying portfolio compared to September's 30 events, and a last 12-month average of 29. These were broken down into 30 M&A events and 8 IPO events.

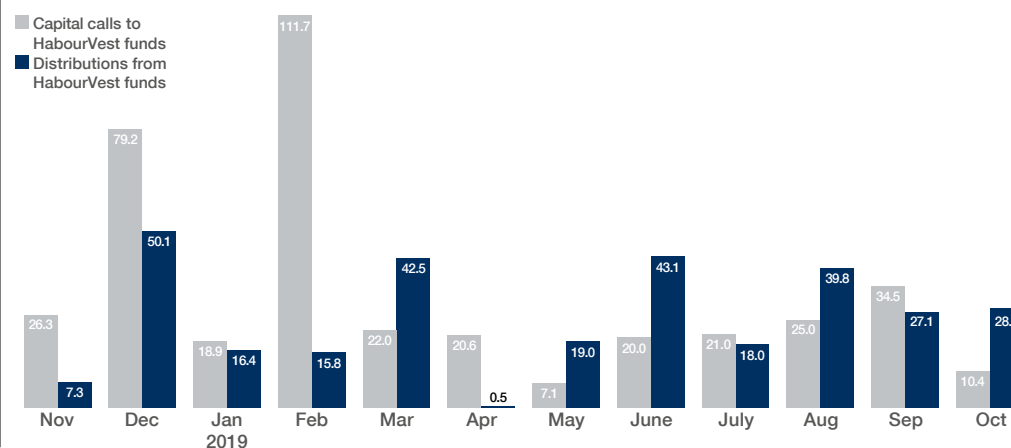
### Top Five Distributing Partnerships

Partnership	Total proceeds in month	Partnership's largest distribution in month (company)
<b>The Resolute Fund III</b>	\$3.3m	DuBois Chemicals
<b>Berkshire Fund IX</b>	\$1.0m	Curriculum Associates
<b>HgCapital Mercury 2</b>	\$1.0m	Register
<b>Thoma Bravo Special Opportunities Fund II</b>	\$0.9m	DigiCert
<b>Apax Europe VII</b>	\$0.9m	Acelity

Please note that these distributions from general partners represent proceeds to HarbourVest funds, and may differ to the amount actually received by HVPE.

## 12 Month Cash Flow (\$m)

### 1 November 2018 to 31 October 2019



## Managing HVPE

### Credit facility

If in future investments exceed distributions for a sustained period, it is important that HVPE is able to access funding as required to meet any shortfall. In addition to a cash balance of \$110.4 million, the Company had an undrawn credit facility of \$600.0 million in October.

### Investment Pipeline and commitment ratios

The Board and Investment Manager make reference to three key ratios when assessing the Company's commitment levels, as shown here.

## Total Commitment Ratio at 31 October 2019

(Total exposure to private markets investments as a percentage of NAV)

Investment Portfolio + Investment Pipeline	\$3,659
Divided by the NAV	\$2,072
(12 month range: 165% to 179%)	<b>177%</b>

## Rolling Coverage Ratio at 31 October 2019

(A measure of medium-term commitment coverage)

Cash + Available Credit Facility (\$) + Current Year Estimated Realisations (\$)	\$1,279
Divided by the Next Three Years' Estimated Investments	\$1,625
(12 month range: 72% to 79%)	<b>79%</b>

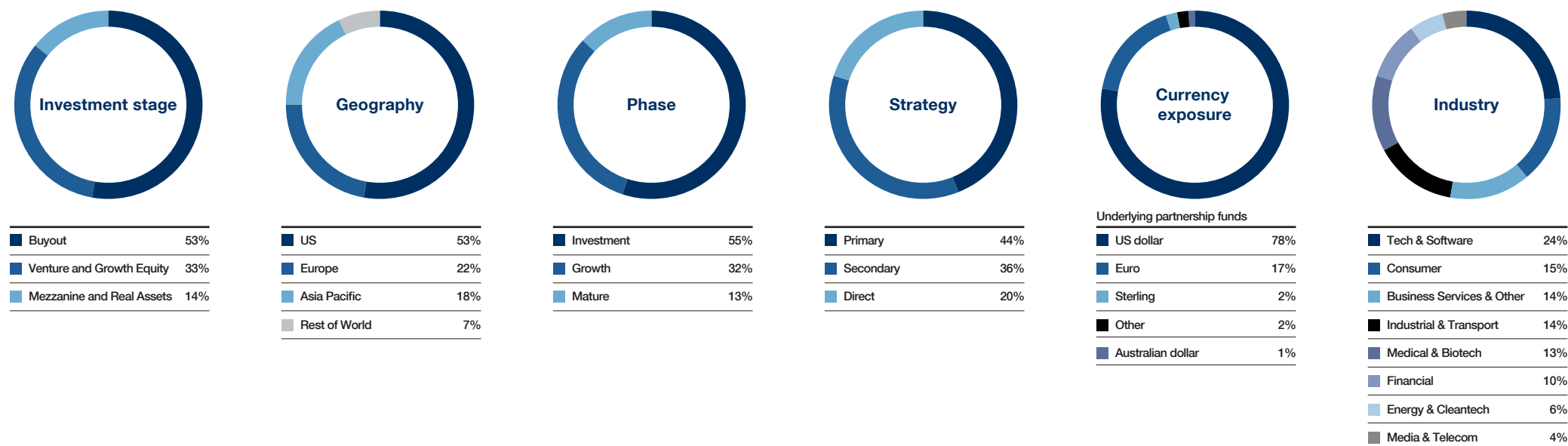
## Commitment Coverage Ratio at 31 October 2019

(Short-term liquidity as a percentage of total Investment Pipeline)

Cash + Available Credit Facility	\$710
Divided by the Investment Pipeline	\$1,705
(12 month range: 40% to 49%)	<b>42%</b>

## Diversification at 31 October 2019

Consistent with HVPE's investment objective, the Investment Manager strives to manage risk through diversification within the portfolio.



**Notes:** The diversification by net asset value analysis is based on the fair value of the underlying investments, as estimated by the investment manager. Diversification by stage, phase, and geography is based on the estimated net asset value of partnership investments within HVPE's fund-of-funds and company investments within HVPE's co-investment funds. Industry diversification is based on the reported value of the underlying company investments for both fund-of-funds and co-investment funds. Some of the funds held in HVPE have not been fully invested. The composition of investments by phase, stage, geography, strategy, and industry may change as additional investments are made and existing investments are realised. By phase, mature includes vintage years pre-2010, growth includes vintage years 2010 to 2014, and investment includes vintage years 2015 to 2019.

Performance as at 31 October 2019

	1 year	3 years	5 years	10 years*	Since Inception (2007)
NAV per share (\$)	15.1%	48.2%	70.0%	227.9%	159.4%
Share price total return (\$)	23.9%	64.9%	76.9%	351.3%	114.4%
Share price total return (£)	21.0%	54.4%	116.4%	465.3%	231.6%
FTSE All-World TR (\$)	13.2%	40.3%	45.1%	145.7%	79.3%

HVPE introduced an additional US dollar share price on 10 December 2018; from this date onwards, the actual US dollar share price, as reported by the London Stock Exchange, has been used. Prior to this date, the US dollar share price had been converted from the sterling share price at the prevailing exchange rate.

\*It is important to note that the exceptionally high 10-year share price returns this month (USD and GBP) are a result of the starting point for the 10-year period, which currently captures the trough that HVPE's share price traded at during the financial crisis in 2009.

Key Information

<b>Exchange</b>	London Stock Exchange
<b>Tickers (£   \$)</b>	HVPE   HVPD
<b>Market capitalisation</b>	£1.3 billion
<b>Shares in issue</b>	79.9 million
<b>Listing date</b>	6 December 2007 (Euronext)* 9 September 2015 (LSE MM)
<b>Financial year end</b>	31 January
<b>ISIN</b>	GG00BR30MJ80
<b>SEDOL (£   \$)</b>	BR30MJ8   BGT0LX2
<b>Base currency</b>	US Dollar

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**Valuation Methodology:** HVPE carries its investments at fair value in accordance with US generally-accepted accounting principles. HVPE's Investment Manager uses the best information it has available to estimate fair value. Fair value for private equity assets is based on the most recent financial information provided by the Investment Manager, adjusted for known investment operating expenses and subsequent transactions, including investments, realisations, changes in foreign currency exchange rates, and changes in value of public securities. Valuation adjustments are made for known significant events, if any, that affect the fair value of the investments. The 31 October 2019 estimated NAV is based on final investment values at 30 September 2019 for approximately 5% of the HarbourVest funds in the portfolio. This includes a split of 30 September 2019 and 30 June 2019 valuations at approximately 25% and 75%, respectively, for company investments within the direct co-investment portfolio. Partnership valuations within the fund-of-funds are 100% at 30 June 2019. Note: 10% of the investment portfolio is represented by public companies and these have been updated to reflect 31 October 2019 public market prices. Consistent with previous estimated NAV reports, valuations are also adjusted for foreign exchange movements, cashflows, and any known material events to 31 October 2019. All investments are subject to risk. Past performance is no guarantee of future returns. Prospective investors are advised to seek expert legal, financial, tax, and other professional advice before making any investment decision. The value of investments may fluctuate. Results achieved in the past are no guarantee of future results. This document is not intended to be an investment advertisement or sales instrument; it constitutes neither an offer nor an attempt to solicit offers for the securities described herein. This report was prepared using financial information contained in HVPE's books and records as of the reporting date. This information is believed to be accurate but has not been audited by a third party. This report describes past performance, which may not be indicative of future results. HVPE does not accept liability for actions taken on the basis of the information provided. The representative of HVPE in Switzerland is Hugo Fund Services SA, 6 Cours de Rive, 1204 Geneva. The Paying Agent in Switzerland is Banque Cantonale de Genève, 17 Quai de l'Île, CH-1211 Geneva 2, Switzerland. The distribution of Interests in Switzerland must exclusively be made to qualified investors. Copies of the Prospectus, Articles of Association and annual and semi-annual reports can be obtained free of charge from the Representative. The place of performance for Interests of HVPE offered or distributed in or from Switzerland is the registered office of the Representative.\* Delisted from Euronext in October 2016.