



Bridgepoint

Bridgepoint Group plc

Half-Year Update 2021

September 2021

Significantly enhanced performance in first six months of 2021



Commenting on this performance, William Jackson, Executive Chairman, said:

"I am pleased to be sharing a strong performance for the first six months of the year following our recent IPO on the London Stock Exchange. I would like to extend my thanks to the investors who have chosen to invest in Bridgepoint and support us on the next exciting phase of our development. In line with expectations, we delivered strong growth in revenues and profits in the first six months of 2021 following the completion of the acquisition of EQT Credit in October 2020 and the start of investment activity in Bridgepoint Development Capital's new Fund, BDC IV, in January 2021.

Following the disruption caused by the COVID pandemic last year, during the first half of this year capital deployment returned to normal levels across all our strategies and we capitalised upon market conditions to deliver strong exits. We're making good progress with our current fundraising, with our new flagship equity Fund, Bridgepoint Europe VII, now in market with a €7 billion fund size target.

Looking forward, whilst we continue to expect market volatility as economic conditions recover from the initial shocks of the pandemic, we are confident in the growth prospects for our business and our ability to continue to source attractive opportunities for our Funds."

Highlights

- Good trading momentum with revenues up 55% and underlying EBITDA up 178% compared to the prior year period
- Total Assets Under Management (AUM) of €28.5 billion, an increase of 54% compared to June 2020, driven by the acquisition of EQT Credit and the launch of BDC IV
- Fee paying AUM of €17.7 billion, a 41% increase from June 2020
- Capital deployment in line with expectations: €2.7 billion invested in the first half of 2021 compared to €0.6 billion for the prior year period (which included disruption from the start of the COVID crisis). During the half-year investments were made into six companies in the United Kingdom, United States, Ireland and Switzerland
- Portfolio performed well: benefitted from continued improvement in economies across Europe and underpinned by strong realisations (€2.1 billion of gross exits completed in the period)
- Continued strong momentum in fundraising with Bridgepoint Europe VII now in market with a target fund size of €7.0 billion

Highlights

Highlights for the six months ended 30 June 2021

Financial

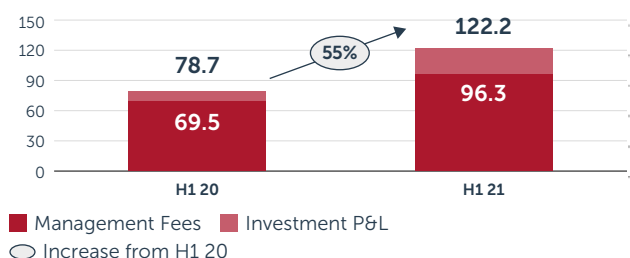
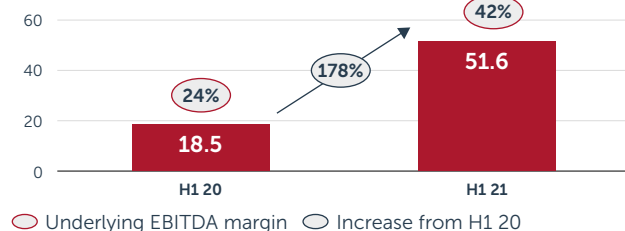
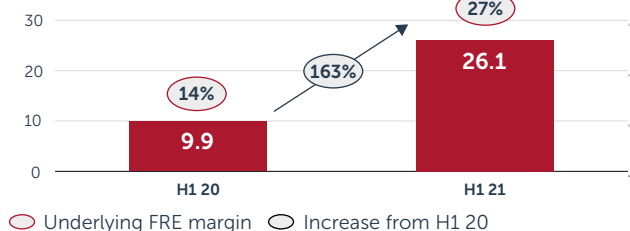
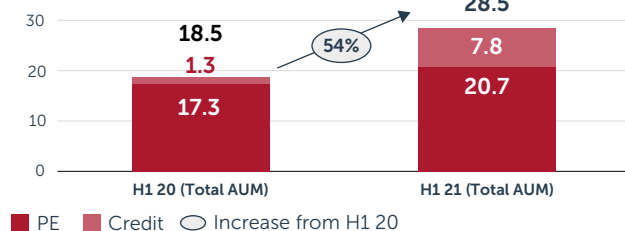
- Total revenue of £122.2m (£78.7m in H1 20) is an increase of 55%, driven by:
 - Higher management fees (+£26.8m) largely from the acquired EQT Credit business (+£15.1m) and contribution of BDC IV (£13.5m), which began earning fees from 1 January 2021
 - Greater investment profits (+£16.9m) as a result of strong underlying fund performance, in particular BE V's exit of Calypso for 6x cost
- Total operating expenses increased to £71.6m (£56.8m), primarily due to the acquisition of the EQT Credit business, and additional headcount in the professional support teams to support business growth. Travel costs, reflecting COVID restrictions, remained subdued in the first half of the year.
- Underlying EBITDA of £51.6m (£18.5m) and a margin of 42% (24%), driven by the increased revenues from the acquired EQT Credit business and the commencement of BDC IV fees, as well as greater investment profits
- Underlying FRE of £26.1m (£9.9m) and a margin of 27% (14%), driven by fees from the acquired EQT Credit business and the commencement of BDC IV fees from 1 January
- Profit after tax of £37.4m (£15.8m), an increase of 137%
- Earnings per share on a pro forma basis (post listing) would be £0.04 (£0.02)

Strategic

- The Group joined the main market of the London Stock Exchange on 26 July 2021, raising gross proceeds of £300m

Fundraising

- Total AUM at 30 June 2021 was €28.5bn (€18.5bn at 30 June 2020), the increase primarily due to Bridgepoint Development Capital IV and funds of the acquired EQT Credit business
- Fee paying AUM at 30 June 2021 was €17.7bn (€12.6bn)
- Bridgepoint CLO II was launched in June, raising €350m
- Fundraising continued during the period for Bridgepoint Credit Opportunities IV and Bridgepoint Direct Lending III and shortly after the quarter end BE VII (target size of €7.0bn) and BG II (£200m) commenced their formal fundraising

Total income (£'m)**Underlying EBITDA (£'m)****Underlying FRE (£'m)****Total AUM (€'bn)**

An explanation of the metrics and ratios referenced above can be found within the definitions section

4 Highlights continued

Investment activity

- Total investments by Bridgepoint funds during H1 21 amounted to €2.7bn (€0.6bn in H1 20)
- Total gross exits completed in the period increased to €2.1bn (€0.2bn)
- At the end of June 2021, the currently investing PE funds (where the timing of new funds will drive material step-ups in fee-charging AUM) had made the following primary capital commitments:
 - Bridgepoint Europe VI: 78% (53% at 30 June 2020)
 - Bridgepoint Development Capital IV 3% (BDC III 81% at 30 June 2020)
 - Bridgepoint Growth I 75% (60% at 30 June 2020)

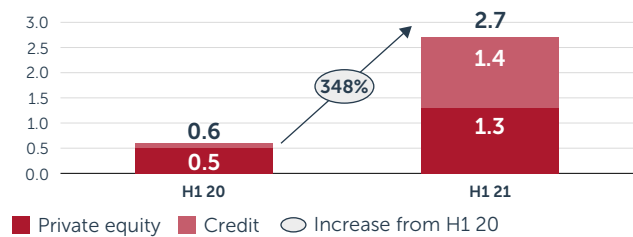
People

- The number of FTE amounted to 320 at the end of the period (30 June 2020: 262) reflecting both the EQT Credit acquisition (31 credit investment professionals at the time of the acquisition) and the continued investment in the team ahead of AUM growth

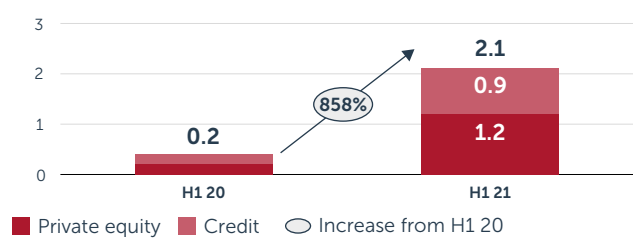
ESG

- Bridgepoint follows a long-term approach with its investments and, accordingly, has embedded ESG criteria across its investment process and portfolio management. Bridgepoint is hands-on in driving improvement in businesses' ESG-oriented measures with a philosophy of "constant improvement" and upholds a clear set of expectations with respect to the activities of its portfolio companies. Over the last six months, the company has continued to make good progress in this area, has set new metrics against which to measure its performance and it is Bridgepoint's intention to be Article 8 compliant
- Group Board – 1/3 female director representation
- 50:50 gender balance achieved for entry level recruitment (associate programme)
- Overall female diversity in the investment team currently at 25% with 40% target by 2025

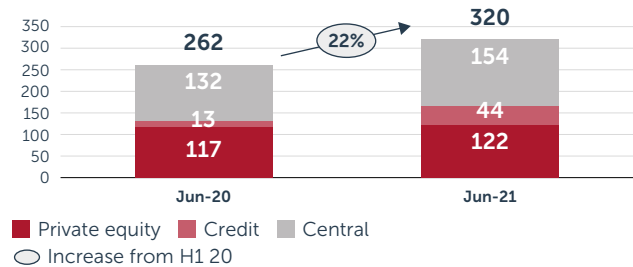
Investment by funds (€'bn)



Gross fund exits by funds (€'bn)



Headcount



An explanation of the metrics and ratios referenced above can be found within the definitions section

Financial Information

Key Group financial metrics and ratios¹

for the six months ended 30 June 2021

Key financials

GBPm	H1 2021	H1 2020	FY 2020
Management fees	96.3	69.5	148.6
Profits from co-investment and carried interest	25.5	8.6	42.3
Total income	122.2	78.7	191.8
EBITDA	51.6	18.5	58.7
Underlying EBITDA*	51.6	18.5	66.1
Profit before tax	40.4	16.0	48.5
Tax	(3.0)	(0.2)	(0.8)
Profit after tax	37.4	15.8	47.7
Profit attributable to equity holders ³	29.1	13.9	36.5

KPIs

	H1 2021	H1 2020	FY2020
Total AUM (€bn)	28.5	18.5	26.6
Fee paying AUM (€bn)	17.7	12.6	16.1
Management fee margin on fee paying AUM*	1.23%	1.24%	1.22%
Underlying EBITDA margin*	42%	24%	34%
Underlying FRE (€m)*	26.1	9.9	23.8
Underlying FRE margin*	27%	14%	16%
Pro forma basic and diluted EPS (€) ⁴	0.04	0.02	0.04
FTEs	320	262	310

1. These H1-21 and H1-20 figures are all unaudited, however the accounting policies applied in this half year update are the same as those applied in the audited Historical Financial Information included within the Prospectus published on 21 July 2021.

2. The metrics denoted with a * are alternative performance metrics used by the Group. The calculations are explained within the definitions section of this announcement

3. Prior to the IPO, Dyal IV Equity Fund's interest ("Dyal") was held at a level below Bridgepoint Group plc resulting in a non-controlling interest share of profit. Following the IPO Dyal's interest was consolidated into Bridgepoint Group plc. EPS has been calculated using profit attributable to all equity holders, consistent with the requirements of IFRS.

4. Pro forma EPS is calculated using post IPO number of shares and profit after tax attributable to the shareholders of Bridgepoint Group plc.

An explanation of the metrics and ratios referenced above can be found within the definitions section.

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Financial Information continued

Key fund metrics and ratios

AUM and investment activity

Assets under management

EURbn	30 June 2021	30 June 2020	31 December 2020
Total AUM	28.5	18.5	26.6
Fee paying AUM	17.7	12.6	16.1

Total AUM development during the last twelve months

EURbn	Private equity	Credit	Total
30 June 2020	17.3	1.3	18.5
Fundraising	2.2	0.9	3.1
Acquired Funds	–	5.9	5.9
Divestments	(2.5)	(0.5)	(3.0)
Revaluations	3.7	0.2	3.9
30 June 2021	20.7	7.8	28.5

Total Fee Paying AUM development during the last twelve months

EURbn	Private equity	Credit	Total
30 June 2020	12.2	0.4	12.6
Fundraising / invested	2.0	1.2	3.2
Acquired Funds	–	3.5	3.5
Divestments	(0.4)	(0.6)	(1.0)
Step down	(0.1)	(0.4)	(0.5)
30 June 2021	13.7	4.0	17.7

Investment activity by Bridgepoint funds

As at 30 June 2021, fund returns continued to be strong and in line with or ahead of prior performance.

EURbn	H1 2021	H1 2020	FY 2020
Investments by funds	2.7	0.6	1.8
Gross fund exits	2.1	0.2	2.1

An explanation of the metrics and ratios referenced above can be found within the definitions section

Definitions

Term	Definition
Central	Central represents the support functions of the Group including investor relations, head office, finance, human resources, IT, legal and marketing
Credit	The Bridgepoint Credit business segment, comprising the Direct Lending, Opportunities and Senior Debt strategies
EBITDA margin	EBITDA as a percentage of total income
EPS	Earnings per share (quoted in this announcement as pro-forma using post IPO number of shares and profit after tax attributable to the shareholders of Bridgepoint Group plc)
Fee paying AUM	Assets under management, excluding CLOs and certain co-investments, upon which management fees are charged by the Group
FRE	Fee related earnings
FTE	Full time employee
Management fee margin on fee paying AUM	Is the weighted average management fee rate, excluding structural and accounting impacts, for all Bridgepoint Funds contributing to AUM in a specific period (excluding co-investment vehicles)
Private Equity	The Bridgepoint Private Equity business segment comprised of the Bridgepoint Europe, Bridgepoint Development Capital and Bridgepoint Growth strategies
Total AUM	Total value of unrealised assets as of the relevant date plus undrawn commitments managed by the Group
Underlying EBITDA	Is calculated by excluding exceptional items from EBITDA
Underlying EBITDA Margin	Underlying EBITDA as a percentage of total income
Underlying FRE	Underlying EBITDA, less carried interest and co-investment profits
Underlying FRE Margin	Underlying FRE as a percentage of total income excluding carried interest and co-investment profits

Note: percentages are calculated using actual figures (not rounded figures as shown in graphics)

