

Differentiation and diversification at work

In a global market environment that continues to be characterized by uncertainty, muted deal activity and fundraising headwinds, EQT had a productive third quarter. With a track record of nearly 30 years of delivering performance for our clients, our flagship fundraisings are progressing well. We are continuously refining our approach to value creation, and we have continued to build on our private wealth offering.

A diverse, resilient and differentiated platform

As EQT prepares to enter its 30th anniversary next year, we have built a global platform encompassing a range of investment strategies focused on active ownership, with on-the-ground teams in more than 20 countries on four continents.

Our diversified offering across geographies and strategies has enabled EQT to provide its clients with consistent and attractive returns for decades, through asset classes including private equity, infrastructure and real estate, with more than 50 active funds currently.

Today, we have almost 1,200 clients globally and they commit capital to the EQT funds for at least ten years. This means we can continue to scale EQT based on the certainty of stable income streams, and the expectation of material carried interest to be realized over the lifetime of the funds.

Flagship fundraising momentum

The global fundraising environment continues to face headwinds, especially for lower-return products and first-time funds. Given EQT's strong track record across asset classes, our flagship fundraisings are proceeding well. Existing clients are generally taking longer to commit, but they continue to invest with EQT across fund vintages, and are, on average, increasing the size of commitments to the latest fund generations.

EQT Exeter Industrial Value VI held a final close well above its target fund size earlier this year. EQT X has so far closed out

commitments around the target fund size of EUR 20bn, and is expected to close at or near its hard cap in Q1 2024. After the strong first close of EQT Infrastructure VI at EUR 11bn earlier this year, we are expecting the fund to reach its target fund size in 2024.

Performance first

Financial markets are seeing signs of improvement but uncertainties prevail, and realization activity is yet to pick up pace in earnest. The current environment is conducive for putting capital to work. During the quarter, the EQT funds announced investments in, among others, Dechra (UK), Indira IVF (India) and Gympass (US), and the exits of Schülke (Germany), LimaCorporate (Italy) and Coforge (India).

Value creation across portfolio companies and assets, as well as driving organic growth by deploying capital in the EQT funds, is a persistent priority. An example is the completion of the merger of Vistra and Tricor, which has created a global leader in the fund and corporate services industry, paving the way for further value creation.

Key funds are seeing robust underlying operational performance and double digit revenue and EBITDA growth. The portfolio companies have worked actively to manage the higher interest rate environment. Across the portfolio, only about 3% of company debt matures within the next two years, and we are already actively addressing future maturities.



“Go Private”

EQT Nexus, the most recent extension of our platform, captures the essence of EQT’s diversification as it offers pooled access to a range of global strategies to individual investors. Building on a promising start, EQT initiated the “Go Private” marketing campaign to connect with and educate individual investors on private markets investing. Additionally, building on EQT Exeter’s strong track record, we have just launched EQT Exeter Real Estate Income Trust (“EQRT”), which aims to acquire stable, income-generating commercial real estate in the US.

Integrated capabilities driving opportunities

October marks the anniversary of the completion of the combination between EQT and BPEA. The joint platform enjoys the full synergies and diversification offered by BPEA’s successful track record and experience of investing across Asia and EQT’s expertise in areas such as sustainability and digitalization.

We believe that our differentiated approach will allow us to capture opportunities in Asia, including in segments such as private wealth where Asia is expected to see the fastest growth in UHNWIs¹ over the next five years², and in geographies where we continue to see emerging opportunities, such as India, Japan, Australia, Singapore and South Korea.

BPEA VIII’s investment in Indira IVF, India’s largest chain of fertility clinics, demonstrates the synergies within our group at work. The platform can help Indira IVF capture potential in geographic expansion and innovation, while drawing on EQT’s deep expertise within healthcare and digitalization.

We are continuously investing in our platform. For years, we have been building capabilities in areas such as sustainability and digitalization. This encompasses Motherbrain, EQT’s proprietary platform designed to utilize AI across a wealth of data, providing a competitive edge to our investment advisory teams. We are also continuously strengthening our teams, with recent hires adding further expertise within Energy Transition and Healthcare.

Today, EQT is a truly integrated, diversified and scalable global platform. Across Europe, the US and Asia, our local-with-locals teams, present in countries representing 80 percent of global GDP³, are continuously working to execute on opportunities on a global scale to keep delivering consistent, attractive returns to a growing range of clients.

Christian Sinding,
CEO & Managing Partner

1) Ultra High Net Worth Individuals

2) Knight Frank Wealth Report 2021

3) 2021 nominal GDP estimate; Source: Macroeconomics Indicators EIU via SNL as of Feb 2022

Differentiation and diversification at work

Highlights for the period Jul-Sep 2023 (Jul-Sep 2022)

Strategic

- EQT launched EQRT (EQT Exeter Real Estate Income Trust)
- EQT Nexus was launched through additional distributors in the Nordics, Australia, and selected jurisdictions in Asia

Fundraising

- Fee-generating assets under management (FAUM) increased to EUR 128bn (EUR 92bn). Total AUM¹ was EUR 232bn (EUR 165bn)
- Fundraising continued for EQT X with fee-generating commitments of EUR 19.8bn. EQT X is expected to close at or near its hard cap in Q1 2024
- EQT Infrastructure VI had its first close during the summer, with more than half the fund raised, and is next expected to complete further closings during the fourth quarter. Fundraising is set to continue well into 2024, and the fund is expected to reach its target fund size
- Fundraising continued for EQT Future, EQT Exeter US Multifamily Value II, EQT Exeter Europe Logistics Core-Plus II and EQT Active Core Infrastructure, with fundraisings generally taking longer in the current fundraising environment

Investment activity²

- Total investments by the EQT funds in the quarter amounted to EUR 2bn (EUR 3bn)
- Investments include Dechra Pharmaceuticals (EQT X), Indira IVF (BPEA VIII), the completion of the merger of Vistra and Tricor (BPEA VIII), the announced offer to take SUSE private (EQT VIII), and the investment in Gympass (EQT Growth)

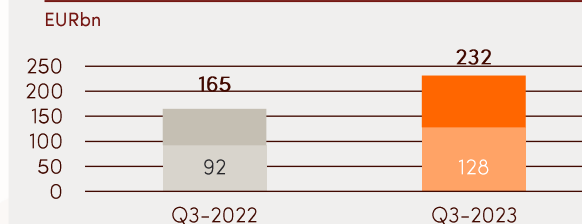
Exit activity²

- Total gross fund exits in the quarter amounted to EUR 2bn (EUR 2bn)
- Exits include Schülke (EQT VIII), Coforge (BPEA VII) and LimaCorporate (EQT VII)

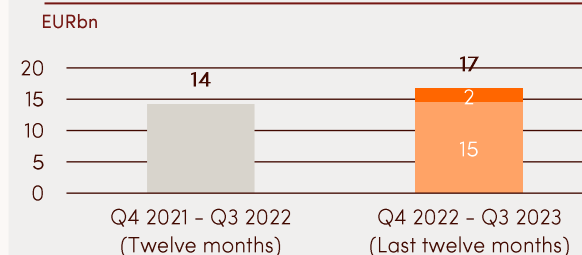
1) Total Assets Under Management ("Total AUM") represents the sum of (i) FAUM, (ii) value appreciation (depreciation) of investments in funds on which FAUM is calculated upon, (iii) fair market value of non-fee-generating co-investments as well as (iv) committed but undrawn capital from fund investors on which EQT AB Group is not currently entitled to receive management fees but that, following investment, would be fee generating

2) Includes signed transactions, if not otherwise mentioned

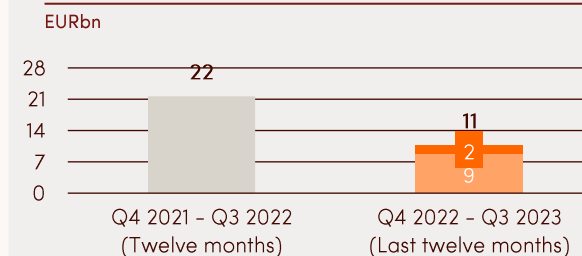
Total and fee-generating AUM (FAUM)



Investments by EQT funds



Gross EQT fund exits



Highlights for the period Jul-Sep 2023 (Jul-Sep 2022)

Investment performance

- All key funds continued to perform On plan or Above plan
- Fund valuations were for the most part flat during the period, underpinned by continued underlying operational performance

People and future-proofing

- The number of full-time equivalent employees and on-site consultants (FTE+) amounted to 1,832 (1,538), of which 1,752 (1,436) were FTEs
- Francesco Starace, former CEO and General Manager of Enel, who recently joined EQT as a Partner within the EQT Infrastructure Advisory Team, was appointed the chair of the Science Based Targets initiative
- Maarten de Jong and Mark Braganza joined EQT's Private Capital Healthcare team as Partners, bolstering a global team of more than 120 dedicated healthcare investment professionals that is supplemented by an advisor network of over 150 experts with operating experience in the healthcare sector
- As of the end of the period, 25 portfolio companies had validated their science-based targets, and additionally 27 had started the process to set their own science-based targets

Other

- In the third quarter, EQT completed a share buyback program of 1.8 million shares. EQT intends – over time – to repurchase shares with the objective of keeping its share count stable in relation to its equity-based incentive programs

Events after the reporting period

- Investment levels in EQT key funds as of 17 October 2023, were 20–25% in EQT X, 15–20% in EQT Infrastructure VI and 35–40% in BPEA VIII

Investment performance

	On plan	Above plan
Private Capital	EQT IX BPEA VIII EQT X	EQT VII EQT VIII BPEA VII
Real Assets	EQT Infrastructure IV EQT Infrastructure V EQT Infrastructure VI	EQT Infrastructure III

Fee-generating assets under management (FAUM)

Development during the third quarter 2023

FAUM by segment (EURbn)	Private Capital	Real Assets	Total
At 30 June 2023	71.2	54.9	126.1
Gross inflows	2.7	0.7	3.4
Step-downs	0.0	(0.6)	(0.6)
Exits	(1.8)	(0.1)	(1.9)
FX and other	0.4	0.5	0.9
At 30 September 2023	72.5	55.4	127.9
Since 30 June 2023	2%	1%	1%

Development during the last twelve months

FAUM by segment (EURbn)	Private Capital	Real Assets	Total
At 30 September 2022	49.7	42.6	92.3
Gross inflows ¹⁾	28.4	22.4	50.8
Step-downs	(0.1)	(8.0)	(8.1)
Exits	(3.6)	(1.5)	(5.2)
FX and other	(1.9)	0.0	(2.0)
At 30 September 2023	72.5	55.4	127.9
Since 30 September 2022	46%	30%	39%

Note: Any investment activity in above tables (part of gross inflows and/or exits) is included based on its impact on FAUM. Any individual deals in a period are therefore included based on remaining or realized cost, timing of transaction closing and only in funds which are charging fees based on net invested capital.

1) Gross inflow of EUR 22bn of BPEA's FAUM as of closing.

Gross investment performance of key EQT funds

As of 30 September 2023

(EURbn)	Start date	FAUM	Committed Capital	Invested capital			Value of investments			Gross MOIC
				Total	Realized	Remaining	Total	Realized	Remaining	
Private Capital										
EQT VII	Jul-15	3.1	6.9	6.1	3.0	3.1	16.1	10.7	5.4	2.6x
EQT VIII	May-18	7.8	10.9	9.8	2.2	7.6	22.1	7.1	14.9	2.3x
BPEA VII	Jul-18	4.5	5.7	5.5	2.4	3.1	10.8	4.1	6.8	2.0x
EQT IX	Jul-20	14.0	15.6	13.9	0.2	13.7	18.9	0.3	18.6	1.4x
BPEA VIII	Sep-21	9.9	9.7	2.4	0.0	2.4	3.2	0.0	3.2	1.4x
EQT X	Jul-22	19.8	19.8	2.6	0.0	2.6	3.0	0.0	3.0	1.1x
Other Private Capital		13.4		21.0			40.3			
Real Assets										
EQT Infrastructure III	Nov-16	0.7	4.0	3.7	3.0	0.7	9.9	8.3	1.7	2.7x
EQT Infrastructure IV	Nov-18	7.1	9.1	7.5	0.5	7.0	12.1	0.6	11.4	1.6x
EQT Infrastructure V	Aug-20	12.8	15.7	12.6	0.0	12.6	16.4	0.0	16.4	1.3x
EQT Infrastructure VI	Dec-22	10.9	10.9	2.5	0.0	2.5	2.5	0.0	2.5	1.0x
Other Real Assets		23.8		20.1			30.5			
Total		127.9		107.6			185.7			

Note: Invested capital and value of investments reflect only closed transactions as per the reporting date.

	Gross MOIC 30 Sep 2022	Gross MOIC 31 Dec 2022	Gross MOIC 31 Mar 2023	Gross MOIC 30 Jun 2023	Gross MOIC 30 Sep 2023	Expected Gross MOIC 30 Sep 2023
Private Capital						
EQT VII	2.7x	2.6x	2.7x	2.7x	2.6x	Above plan
EQT VIII	2.3x	2.3x	2.3x	2.2x	2.3x	Above plan
BPEA VII	1.8x	2.0x	2.0x	2.0x	2.0x	Above plan
EQT IX	1.4x	1.3x	1.4x	1.4x	1.4x	On plan
BPEA VIII	1.1x	1.2x	1.3x	1.3x	1.4x	On plan
EQT X	1.0x	1.0x	1.0x	1.1x	1.1x	On plan
Real Assets						
EQT Infrastructure III	2.7x	2.7x	2.7x	2.7x	2.7x	Above plan
EQT Infrastructure IV	1.5x	1.5x	1.5x	1.6x	1.6x	On plan
EQT Infrastructure V	1.1x	1.2x	1.2x	1.3x	1.3x	On plan
EQT Infrastructure VI	-	1.0x	1.0x	1.0x	1.0x	On plan

Note: Data for current Gross MOIC reflect only closed investments and realizations. For Private Equity funds (part of segment Private Capital), "On Plan" refers to expected Gross MOIC between 2.0-2.5x. For Infrastructure funds (part of segment Real Assets), "On Plan" refers to expected Gross MOIC between 1.7-2.2x.

Definitions

Active funds

Funds currently investing or with not yet realized investments.

Committed capital

The total amounts that fund investors agree to make available to a fund during a specified time period.

Commitment period / Investment period

First phase of a fund lifecycle after fundraising, in which most of a fund's committed capital is invested into portfolio companies. Management fees are normally based on committed capital during this period.

Current Gross MOIC (Multiple of Invested Capital)

A fund's Gross MOIC based on the current total value and invested capital.

Effective management fee rate

Weighted average management fee rate for all EQT funds contributing to FAUM at a specific date.

EQT

Where used on its own, is an umbrella term and may refer interchangeably to the EQT AB Group, SEP Holdings Group and/or EQT funds, as the context requires.

EQT AB Group or the Group

EQT AB and/or any one or more of its direct or indirect subsidiaries (for the avoidance of doubt excluding the EQT funds and their portfolio companies).

Exits

Cost amount of realized investments (realized cost) from an EQT fund.

Expected Gross MOIC

A fund's expected Gross MOIC at termination, when a fund is fully realized, based on the estimated total value and invested capital upon realization.

FAUM

Fee-generating Assets Under Management ("FAUM") represents the total assets and commitments from fund investors based on which the EQT AB Group is entitled to receive management fees.

Final close

The date determined for each fund upon which admissions to the fund by investors are last accepted by the fund manager.

FTE

The number of full-time equivalent personnel on EQT AB Group's payroll.

FTE+

The number of full-time equivalent personnel and contracted personnel working for EQT AB Group.

Fund size

Total committed capital for a specific fund.

Gross inflows

New commitments through fundraising activities or increased investments in funds charging fees on net invested capital.

Gross fund exits

Value of realized investments (realized value) from an EQT fund. Refers to signed realizations in a given period.

Gross MOIC

Total value of investments divided by total invested capital.

Invested capital

Committed capital that fund investors have invested in a fund.

Investment level / % Invested

Measures the share of a fund's total commitments that has been utilized. Calculated as the sum of (i) closed and/or signed investments, including announced public offers, (ii) any earn-outs and/or purchase price adjustments and (iii) less any expected syndication, as a % of a fund's committed capital.

Investments

Signed investments by an EQT fund.

Key funds

Funds with commitments that represent more than 5% of total commitments in active funds.

Net invested capital

Invested capital not yet realized (remaining cost). Management fees are generally based on net invested capital after the commitment period / investment period.

Post-commitment period / Divestment period

Phase of a fund lifecycle after the commitment period, in which most of a fund's investments are realized. Management fees are normally based on the net invested capital during the period.

Private Capital

Business segment comprised of business lines EQT Ventures, EQT Life Sciences, EQT Growth, EQT Private Equity, BPEA EQT, EQT Public Value and EQT Future.

Real Assets

Business segment comprised of business lines EQT Value-Add Infrastructure, EQT Active Core Infrastructure and EQT Exeter.

Realized value / (Realized cost)

Value (cost) of an investment, or parts of an investment, that at the time has been realized.

Remaining value / (Remaining cost)

Value (cost) of an investment, or parts of an investment, currently owned by the EQT funds.

Start date

A fund's start date is the earlier of the first investment or the date when management fees are charged from fund investors.

Step-down

Step-downs in AUM generally resulting from the end of the investment period in an existing fund or when a subsequent fund starts to invest. Fees in a specific fund will normally be charged on net invested capital post step-down.

Target Gross MOIC

Measure used in fundraising of an EQT fund as a fund's target level of investment return based on Gross MOIC.

Total AUM

Total Assets Under Management ("Total AUM") represents the sum of (i) FAUM, (ii) value appreciation (depreciation) of investments in funds on which FAUM is calculated upon, (iii) fair market value of non-fee-generating co-investments as well as (iv) committed but undrawn capital from fund investors on which EQT AB Group is not currently entitled to receive management fees but that, following investment, would be fee generating.

Financial calendar

- Year-end report
January-December 2023 18 January 2024
- Annual report 2023
18 March 2024
- Quarterly announcement
January-March 2024 18 April 2024
- Annual Shareholders' Meeting
Stockholm 27 May 2024

Auditor's review

This quarterly announcement has not been reviewed by EQT AB's auditors.

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This is information that EQT AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons, at 07:30 CEST on 17 October 2023.

About EQT

EQT is a purpose-driven global investment organization focused on active ownership strategies. With a Nordic heritage and a global mindset, EQT has a track record of almost three decades of developing companies across multiple geographies, sectors and strategies. EQT has investment strategies covering all phases of a business' development, from start-up to maturity. EQT has EUR 232 billion in total assets under management (EUR 128 billion in fee-generating assets under management), within two business segments – Private Capital and Real Assets.

With its roots in the Wallenberg family's entrepreneurial mindset and philosophy of long-term ownership, EQT is guided by a set of strong values and a distinct corporate culture. EQT manages and advises funds and vehicles that invest across the world with the mission to future-proof companies, generate attractive returns and make a positive impact with everything EQT does.

The EQT AB Group comprises EQT AB (publ) and its direct and indirect subsidiaries, which include general partners and fund managers of EQT funds as well as entities advising EQT funds. EQT has offices in more than 20 countries across Europe, Asia and the Americas and has more than 1,800 employees.

More info: www.eqtgroup.com

Follow EQT on LinkedIn, Twitter, YouTube and Instagram

Our values What we stand for

High performing
Respectful
Entrepreneurial
Informal
Transparent

Purpose

Why we exist

To future-proof companies and make a positive impact for all.

Vision

What we strive for

To be the most reputable investor and owner.

Mission

What we do and how

With differentiated talent and the best global network, EQT uses a thematic investment strategy and distinctive value creation approach to create superior returns for EQT's investors.