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Future-proofing our global platform

Economic headwinds and tighter financing markets continue to dampen investment and exit activity, and some portfolio companies are seeing the impact of the deteriorating macro environment. For EQT, the third quarter was characterized by solid fundraising activity across several investment strategies, demonstrating the support we have from clients. With BPEA, we are a stronger, more scaled and diversified leader in active ownership strategies, better able to leverage insights on a global basis to drive differentiated long-term returns.

The combination of EQT and BPEA was formally concluded in October, a milestone on our strategic journey. It strengthens our presence in Asia, a market that is expected to outgrow global private markets*. I am excited to welcome BPEA's team members to EQT, and I am delighted to have Jean Eric Salata, BPEA founder and CEO, join EQT's Executive Committee.

Three years on from our public listing, we are a global leader in active ownership, with scaled investment strategies across private equity, infrastructure and real estate. We have a global organization, and are "local-with-locals" in countries representing ~80 percent of global GDP. EQT's growing footprint allows us to leverage insights on a global scale, execute on a broader range of investment opportunities, assess risks and opportunities more effectively, and continue to attract the best talent.

The global fundraising environment remains competitive, with most large private markets firms raising capital this year. At the same time, some clients – particularly in North America – are experiencing the need to allocate less to private markets as public market valuations go down. Despite these headwinds, we have made good progress. We have closed out commitments in EQT X representing more than three quarters of the fund, EQT Growth had its final close, and we recently completed fundraisings for EQT Exeter's US

Office Value Fund and Industrial Core Fund. EQT Ventures III is well on track to meet its target. In September, BPEA Fund VIII held its final close at a hard cap of USD 11.2bn**, making it one of the largest funds ever raised by an Asia-based private equity firm. EQT's longer-hold strategies are taking longer to raise than initially expected. Altogether, EQT and BPEA raised EUR 29bn across all investment strategies in 2022 YTD. Longer term, we see structural reasons for private markets to continue to grow meaningfully, but in the short term, the fundraising market will become more challenging until macro uncertainty recedes and realizations pick up.

In recent years, we have gradually increased our focus on private wealth clients, an investor class we expect to significantly increase allocations to private markets. Given EQT's focus on active ownership strategies and strong track-record, EQT's differentiated approach to generating returns, including leadership in areas such as digitalization and sustainability, we expect broad interest from private wealth clients to invest with EQT. We are therefore in the process of evaluating structures that would facilitate for private wealth clients to access EQT's investment strategies.

The macro and geopolitical environment remains uncertain. Inflation is not yet showing signs of abating, interest rates continue to rise, consumer confidence is dropping, and European governments in particular are working to manage



* 1.8x AUM growth in private markets in Asia vs global expected between 2020 – 2025, Source: Preqin

** Of which USD 10.5bn in fee-generating commitments (AUM)

the ongoing energy crisis.

The portfolio companies have so far been largely resilient to these headwinds, with revenue growing at around 25% year-over-year in the last 12 months (until August) across the Private Equity and Infrastructure key funds. EBITDA has similarly grown at double digit levels, despite certain companies being affected by higher energy prices, wage inflation or supply chain disruptions. The strong operational performance, combined with robust exit multiples, have largely offset lower public market valuation references and higher discount rates. As a result, fund valuations continue to be largely flat.

All EQT key funds continue to develop “On plan” or “Above plan”, as value creation opportunities remain robust. In this environment, we are working proactively to support portfolio companies; extending financing structures, managing procurement, pricing, and cost, while driving aspects such as digitalization and sustainable transformation. Our objective is to position portfolio companies to be resilient through the downturn, invest and gain market share, pursue acquisitions, become more efficient, and thereby continuously drive intrinsic value creation, despite the current headwinds.

The investment pace has slowed down during the year. There will need to be some time for buyer and seller expectations to meet, and financing markets are restrictive. During the quarter, the EQT funds announced about EUR 3bn of investments, including the acquisitions of United Talent Agency and Billtrust, both in North America, and several portfolio companies are actively pursuing bolt-on acquisitions. With a young portfolio, we remain patient when it comes to exits. EQT Exeter announced close to EUR 2bn of exits, EQT Mid

Market Asia III realized its holding in GPA Global, and more recently, EQT Infrastructure III divested a minority stake in GlobalConnect.

Sustainable transformation is a tool for value creation across multiple dimensions. Having made over EUR 10bn of environment- & climate-related investments*, we continue to actively evaluate investment opportunities related to themes such as energy transition, with recent examples including Torghatten, Instavolt and Cypress Creek. As of today, four of the EQT funds’ portfolio companies have validated Science-Based Targets (SBTs), and a further 29 portfolio companies have so far publicly committed to set SBTs. Having closed the combination with BPEA, we will utilize EQT’s sustainability and thematic investing toolboxes to accelerate the value creation opportunity in Asia.

As of October 2022, Caspar Callerström stepped down from the Executive Committee. He will remain with the firm and move into internal advisory roles. Caspar last served as Group deputy CEO and COO. We welcomed Christina Drews, who joined EQT as Group COO in June 2022.

Our recent active hiring efforts mean we have strong teams in place across investment strategies and central functions. At the same time, activity levels are down – we therefore decided to slow the pace of hiring earlier this year, while continuing to drive efficiency through digitalization and scalable processes.

As we look ahead, we see many attractive investment opportunities, and with an expected dry powder of more than EUR 50bn available, we will be deploying capital at scale where we have conviction, based on our strict thematic approach. We remain vigilant to market conditions as we

continuously work to future-proof our portfolio companies and make a positive impact.

Christian Sinding,
CEO and Managing Partner

* Investments across the EQT platform since 2015

Future-proofing our global platform

Highlights for the period Jul-Sep 2022 (Jul-Sep 2021)

Strategic

- During the quarter, preparations continued for the closing of the combination with BPEA, set to create a scaled and diversified global leader in active ownership strategies
- EQT is evaluating fund structures that would facilitate for private wealth clients to invest in EQT funds

Fundraising

- AUM increased to EUR 92bn (EUR 70bn)
- EQT X had its first close at EUR 15bn and fundraising is expected to be concluded in 2023
- Fundraising was initiated for EQT Infrastructure VI with a target size of EUR 20bn, with the vast majority of the fundraising expected to take place in 2023
- Fundraising was initiated for EQT Exeter EU Industrial Core II, with target fund size of EUR 2.5bn
- EQT Growth had its final close at EUR 2.2bn
- Fundraising continued for EQT Future, EQT Ventures III, EQT Active Core Infrastructure and EQT Exeter US Industrial Value VI

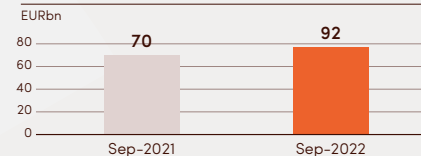
Investment activity*

- Total investments by the EQT funds in the quarter amounted to EUR 3bn (EUR 7bn), as market uncertainty and constrained financing markets hampered the investment activity during the period
- Investments during the quarter include United Talent Agency (EQT X), BTRS Holdings Inc ("Billtrust") (EQT X) and various add-ons by portfolio companies
- EQT X was activated and started charging management fees upon the close of its first investment in July 2022

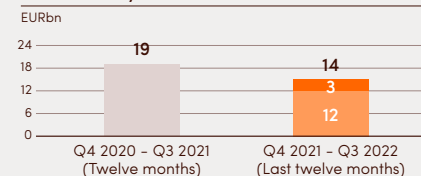
Exit activity*

- Total gross fund exits in the quarter amounted to EUR 2bn (EUR 5bn)
- Signed exits include GPA Global (EQT Mid Market Asia III), close to EUR 2bn of exits in EQT Exeter (various funds) and Risk Methods (EQT Ventures I)

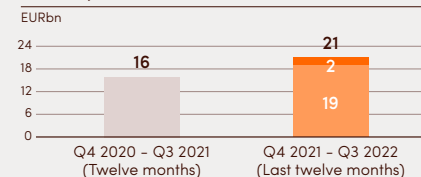
Assets under management (AUM)



Investments by EQT funds



Gross EQT funds exits



*Includes both closed and signed transactions, if not otherwise mentioned

Note: All figures are excluding Baring Private Equity Asia ("BPEA"), if not otherwise mentioned

Highlights for the period Jul-Sep 2022 (Jul-Sep 2021)

Investment performance

- All Key funds continued to perform On plan or Above plan
- In the EQT Key funds, portfolio companies overall are seeing continued sales and EBITDA growth, contributing positively to fund valuations. Certain realizations were executed above the recent fund valuation level, and FX contributed positively to the EUR denominated valuations in the third quarter. A few portfolio companies have however seen an impact on EBITDA margins as a result of e.g. energy prices, wage growth or Covid-related restrictions earlier in the year, which, together with lower share prices for listed assets, and lower public market references in multiple based valuations, had an negative impact on valuations in the key funds, primarily in Private Capital. As a result, the key fund valuations were largely stable in the third quarter

People and future-proofing

- The number of full-time equivalent employees and on-site consultants (FTE+) increased by 67 during the quarter and amounted to 1,538 (1,089), of which 1,436 (1,016) were FTEs
- EQT has slowed its hiring pace, and is continuously driving digitalization and scalability initiatives
- Caspar Callerström announced that he will step down from his role as deputy CEO and member of the Executive Committee, and will move into internal advisory roles

Other

- In September 2021, the Swedish Financial Supervisory Authority (the "SFS") started an inquiry regarding EQT's handling of information in connection with EQT's lock-up revision and related share sale by partners of the EQT AB Group. In September 2022, the SFS closed the inquiry and concluded that EQT managed its disclosure and information correctly and appropriately throughout the revision of the firm's lock-up structure

Events after the reporting period

- EQT closed the combination with BPEA, creating a scaled and diversified global leader in active ownership strategies
- Investment level in EQT key funds as of 18 October 2022, were 10-15% in EQT X and 75-80% in EQT Infrastructure V
- Exit activity after the period includes a divestment of a minority stake in GlobalConnect (EQT Infrastructure III)
- Announced that EQT Exeter Industrial Core-Plus Fund IV held its final close at USD 3.0bn

Investment performance

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

Combination with BPEA (Baring Private Equity Asia)

- On 13 September 2022, BPEA fund VIII closed at its hard cap, with USD 11.2bn in total commitments (of which USD 10.5bn in fee-generating commitments), making it one of the largest private equity funds ever raised in Asia
- As of 30 September 2022, BPEA had EUR 22bn of AUM and 225 employees
- As of 30 September 2022, BPEA reported Gross MOIC of 2.4x for BPEA fund VI, 1.8x for BPEA fund VII and 1.1x for BPEA fund VIII. The investment level in BPEA fund VIII was 15-20%

Assets under management (AUM)

Development in the third quarter 2022

AUM by segment (EURbn)	Private Capital	Real Assets	Total
At 30 June 2022	36.8	40.3	77.1
Gross inflows	15.9	2.1	18.0
Step-downs	(2.0)	-	(2.0)
Exits	(0.9)	(1.0)	(1.9)
FX and other	(0.2)	1.2	1.0
At 30 September 2022	49.7	42.6	92.3
Since 30 June 2022	35%	6%	20%

Development during the last twelve months

AUM by segment (EURbn)	Private Capital	Real Assets	Total
At 30 September 2021	32.8	37.6	70.3
Gross inflows*	22.6	7.8	30.4
Step-downs	(2.0)	(0.0)	(2.0)
Exits	(3.8)	(5.7)	(9.4)
FX and other	0.1	2.8	3.0
At 30 September 2022	49.7	42.6	92.3
Since 30 September 2021	52%	13%	31%

Note: Any investment activity in above tables (part of gross inflows and/or exits) is included based on its impact on fee-generating AUM. 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.

*Gross inflow of EUR 2.4bn of LSP's AUM as of 28 February 2022.

Gross investment performance of key EQT funds

As of 30 September 2022

(EURbn)	Start date	AUM	Committed Capital	Invested capital			Value of investments			Gross MOIC
				Total	Realized	Remaining	Total	Realized	Remaining	
Private Capital										
EQT VII	Jul-15	2.8	6.9	5.9	3.2	2.8	15.9	10.1	5.8	2.7x
EQT VIII	May-18	7.6	10.9	9.1	1.7	7.4	21.4	5.4	16.0	2.3x
EQT IX	Jul-20	14.1	15.6	13.9	-	13.9	19.0	-	19.0	1.4x
EQT X	Jul-22	15.1	15.1	2.0	-	2.0	2.0	-	2.0	1.0x
Other Private Capital		10.2		12.9			25.0			
Real Assets										
EQT Infrastructure II	Oct-12	0.3	1.9	1.7	1.4	0.3	3.6	3.2	0.4	2.1x
EQT Infrastructure III	Nov-16	1.3	4.0	3.5	2.2	1.3	9.6	6.6	3.0	2.7x
EQT Infrastructure IV	Nov-18	7.0	9.1	7.3	0.5	6.8	11.0	0.7	10.3	1.5x
EQT Infrastructure V	Aug-20	16.9	15.7	10.5	-	10.5	11.8	-	11.8	1.1x
Other Real Assets		17.1		16.7			28.7			
Total		92.3		83.4			148.1			

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

	Gross MOIC 31 Dec 2021	Gross MOIC 31 Mar 2022	Gross MOIC 30 Jun 2022	Gross MOIC 30 Sep 2022	Expected Gross MOIC 30 Sep 2022
Private Capital					
EQT VII	2.8x	2.8x	2.7x	2.7x	Above plan
EQT VIII	2.6x	2.6x	2.4x	2.3x	Above plan
EQT IX	1.4x	1.4x	1.4x	1.4x	On plan
EQT X	-	-	-	1.0x	On plan
Real Assets					
EQT Infrastructure II	2.2x	2.2x	2.1x	2.1x	On plan
EQT Infrastructure III	2.7x	2.7x	2.7x	2.7x	Above plan
EQT Infrastructure IV	1.4x	1.5x	1.5x	1.5x	On plan
EQT Infrastructure V	1.0x	1.1x	1.1x	1.1x	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

AUM

Assets Under Management ("AUM") represents the total committed capital from fund investors and net invested capital to which the EQT AB Group is entitled to receive management fees. All of the Group's AUM is fee-generating

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

EQT

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

EQT AB Group or the Group

EQT AB and 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

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, respectively, as well as EQT Infrastructure II

Net invested capital

Total cost of investments 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 Private Equity, EQT Ventures, EQT Life Sciences, EQT Growth, EQT Public Value and EQT Future

Real Assets

Business segment comprised of business lines EQT 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

Financial calendar

- Year-end report
January–December 2022 18 January 2023
- Annual Report 2022 30 March 2023
- Quarterly announcement
January–March 2023 20 April 2023
- Annual Shareholders' Meeting
Stockholm 30 May 2023
- Half-year report
January–June 2023 14 July 2023
- Quarterly announcement
July–September 2023 17 October 2023

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 18 October 2022.

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 delivering consistent and attractive returns across multiple geographies, sectors and strategies. EQT has investment strategies covering all phases of a business' development, from start-up to maturity. As of 30 September 2022, EQT had EUR 92 billion in assets under management within two business segments – Private Capital and Real Assets, and BPEA had EUR 22 billion of assets under management.

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 and BPEA together have offices in 24 countries across Europe, Asia-Pacific and the Americas and more than 1,750 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.

Vision What we strive for

To be the most reputable investor and owner.

Mission What we do and how

With the best talent and network around the world, EQT uses a thematic investment strategy and distinctive value creation approach to future-proof companies, creating superior returns to EQT's investors and making a positive impact with everything we do.