

Focus on value creation and realizations

Throughout the third quarter, we continued to execute on a strong pipeline of thematic investment opportunities, drive value creation across the portfolio and systematically pursue realizations. We are taking advantage of improving capital markets to increase exit activity, but risks remain elevated due to an uncertain geopolitical outlook.

Record investment activity

Long-term secular trends such as digitalization, health and wellbeing, energy transition, demographics, and changing value chains require substantial investments over decades to come. This presents an opportunity for experienced owners with an ability to transform companies and sectors.

Year-to-date, EQT has had one of its most active years ever, investing EUR 18 billion, while providing co-investment opportunities totaling EUR 5 billion for our clients. Our deal pipeline continues to be strong.

The following examples illustrate our investment momentum:

- in India, the BPEA Mid-Market Growth fund agreed to acquire Indostar Home Finance, an affordable housing finance company that has supported nearly 40,000 low income homeowners and small businesses;
- in Europe, EQT X and EQT Future announced the acquisition of AMCS, a performance and sustainability software provider for resource-intensive industries while EQT Infrastructure VI entered exclusive negotiations to acquire a global satellite ground station business, identifying an attractive digital infrastructure vertical;
- in the US, EQRT, our evergreen strategy focused on direct investments in commercial real estate, announced two industrial property acquisitions.

A comprehensive approach to value creation

Every fund generation experiences macroeconomic cycles, changing rate environments, and geopolitical events. As owners, we maintain a focus on what's within our control; to pursue a strategic agenda to transform our portfolio into stronger, more resilient and, over time, more valuable companies and assets.

Our companies and assets have proactively navigated the volatile macroeconomic environment in recent years. Revenue and EBITDA continues to develop well across the portfolio, and in those cases where companies have not performed according to plan, we address challenges head-on. All of EQT's key funds are developing On- or Above plan.

Systematic approach to realizations

EQT has a relatively young portfolio, with only 15 percent of investments held for five years or more. The EQT funds drove record exit volumes in 2020 and 2021. Having a proven track record of distributions and a thematically invested portfolio without legacy assets is valued by our clients, and is a competitive advantage for EQT.

Our exit and liquidity committee continues to drive a systematic approach to exits, striking a balance between continued ownership and realizations. EQT funds pursued a variety of exit avenues in the third quarter, including equity sell-downs in listed companies, realizations in mature vintages, and minority stake sales.



Examples include:

- broadening the investor base in global data center provider EdgeConneX. Since 2020, the company has more than tripled its built data center capacity and expanded its reach into Asia, Latin America and new European markets;
- equity sell-downs in listed dermatology player Galderma, which successfully debuted on the SIX Swiss Exchange in March; and Beijer Ref, a world-leading wholesaler of cooling technology and air conditioning listed on Nasdaq Stockholm; and
- the sale of Fiberklaar which became the leading independent fiber-to-the-home provider in the Flemish region of Belgium during EQT's ownership.

We have a strong pipeline of near-term realizations with several companies in advanced exit preparations. The buyer universe, including the IPO market, is still in recovery mode, and volumes remain dependent on market conditions and buyer confidence.

Constantly evolving our client offering

Despite continued headwinds in the fundraising market, we made strong progress in the third quarter, launching and preparing for new funds and expanding our private wealth distribution channels.

In August, we set the target size for BPEA IX, our flagship large-cap strategy in Asia at USD 12.5 billion, an increase of almost 20 percent on its predecessor's fee-generating commitments, reflecting our excitement about the investment universe in the Asia Pacific region.

Our flagship value-add infrastructure fund, EQT Infrastructure VI, maintained fundraising momentum and is expected to reach its EUR 20 billion target size. We recently held a final close on the EQT Active Core Infrastructure fund with fee-generating commitments totaling USD 3.2 billion, amidst a tough fundraising market for the asset class.

We also continued work to expand our offering across strategies and geographies for the private wealth segment, and expect to have five active offerings, including three US dedicated products, and two for EMEA and Asia within 6-12 months. To support our long-term ambition in this space, we continue to build the team who will drive this growth, engage with distributors, educate a broader audience about the private markets investing opportunity, and we are working actively to strengthen and position our brand.

Looking ahead

As we enter the final quarter of the year, we maintain a strong focus on realizations and our investment pipeline. We continue to progress fundraisings, as we aim to close Infrastructure VI in the first quarter of the new year, and activate BPEA IX in the first half of 2025. Looking further ahead, we are gearing up for a busy fundraising pipeline, where we expect to launch fundraisings of about EUR 100 billion over the next fundraising cycle.

The long-term trend is clear. Private markets are set for growth, and the larger managers with a proven track record and a repeatable approach to value creation are taking share. We are continuously looking for ways to strengthen our platform organically or through acquisitions, be it by strengthening our existing capabilities or adding new ones, for example in areas such as liquidity solutions.

We also look forward to a number of events in the fourth quarter. We are pleased to be hosting our first US capital markets event in New York and, building on our work in the climate space, we are joining the upcoming UN Climate Change Conference, COP29 in Baku, Azerbaijan.

Christian Sinding,
CEO & Managing Partner

Focus on value creation and realizations

Highlights for the period Jul-Sep 2024 (Jul-Sep 2023)

Strategic

- EQT launched fundraising for EQT Private Capital Asia's BPEA IX and set the target fund size at USD 12.5bn, an increase of almost 20% compared to BPEA VIII's fee-generating commitments
- EQT prepared for additional Private Wealth products, in line with the ambition to reach a total of five products within 6-12 months
- EQT continues to assess strategic opportunities, organically or through acquisitions to strengthen its platform

Fundraising

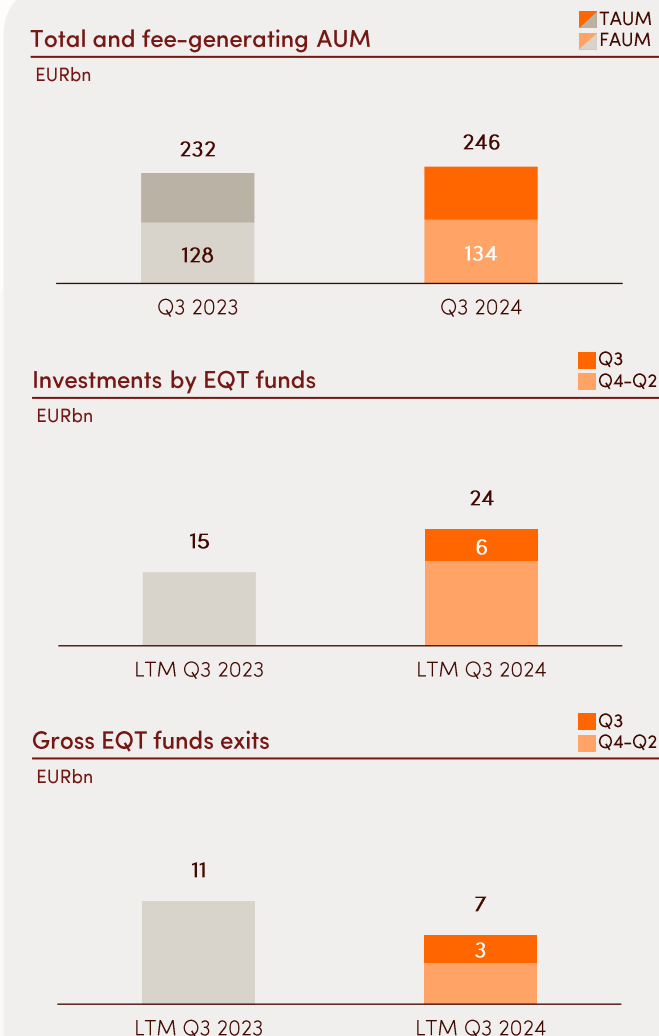
- FAUM increased to EUR 134bn (EUR 128bn). Total AUM was EUR 246bn (EUR 232bn). Gross inflows amounted to EUR 3bn, partly driven by closed out commitments from EQT Infrastructure VI
- EQT Infrastructure VI had fee-generating commitments of EUR 16.9bn. Active fundraising efforts are expected to materially conclude in 2024. The fund is expected to reach its target size upon its final close in the first quarter of 2025
- EQT Active Core Infrastructure closed at EUR 2.9bn in total fee-generating commitments, including EUR 0.3bn of fee-generating co-investments. Management fees for the fund, which is currently less than half invested, are charged on invested capital
- BPEA IX is expected to be activated in the first half of 2025, and upon activation, management fees for the predecessor fund BPEA VIII will be based on net invested capital at the fee rate applicable post the commitment period

Investment activity¹

- Total investments by the EQT funds during the period amounted to EUR 6bn (EUR 2bn) driven by continued strong deal flow across regions and strategies. EQT has executed new thematic investments across cyber security, waste management, affordable housing and sustainability
- Investments include Acronis, a leading cybersecurity and data protection platform (EQT X); AMCS, a global leader in performance and sustainability software (EQT X, EQT Future); the public-to-private of PropertyGuru, a leading PropTech company in Southeast Asia (BPEA VIII); the public-to-private of Keywords Studios, a leader in gaming technology services (BPEA VIII); KJ Environment, a leading waste treatment provider in South Korea (Infrastructure VI); and GeBBS Healthcare Solutions, a leading healthcare technology solutions provider in India (BPEA VIII)

Exit activity¹

- Total gross fund exits announced during the period amounted to EUR 3bn (EUR 2bn)
- EQT has taken advantage of improving market dynamics to pursue various realizations, including full exits, equity sell-downs and stake sales in listed assets, minority stake sales, as well as certain exits in mature funds
- Exit events include the minority sale of EdgeConneX, a leading global provider of data center capacity (Infrastructure IV, Infrastructure V); the partial sell-downs in Galderma, a leader in dermatology (EQT VIII); the partial sell-down in Beijer Ref (EQT IX); and the full sale of EQT's stake in Fiberklaar, a leading independent fiber-to-the-home provider in Belgium (Infrastructure V)



¹⁾ Signed transactions, if not otherwise mentioned

Highlights for the period Jul-Sep 2024 (Jul-Sep 2023)

Investment performance

- All key funds continued to perform On plan or Above plan
- Value creation on a like-for-like basis across the Key EQT funds amounted to 4% during the quarter, following continued healthy earnings growth and a recovery in valuation multiples
- The development was consistent across business lines, with particularly strong performance in the listed portfolio companies in EQT Private Capital's key funds. Recently acquired assets in Private Capital Asia's key funds were positively impacted by performing ahead of their value creation plans

People and future-proofing

- The number of full-time equivalent employees and on-site consultants (FTE+) amounted to 1,927 (1,832), of which 1,861 (1,752) were FTEs
- Henry Steinberg was named Global Head of EQT Exeter after Ward Fitzgerald, founder of EQT Exeter, decided to step down. Since the acquisition of Exeter in 2021, EQT Exeter has doubled its fee-paying AUM, revenue, and EBITDA. Ward will work with Henry to ensure a smooth transition
- Masoud Hodayoun, Head of EQT Value-Add Infrastructure, was also appointed Head of EQT Infrastructure
- Since committing to the Science Based Targets initiative in 2021, EQT has supported 49 portfolio companies in setting science-based targets.¹ In terms of invested capital, around 57% of portfolio companies have validated science-based targets, which is about three times higher than the median alternative asset manager²

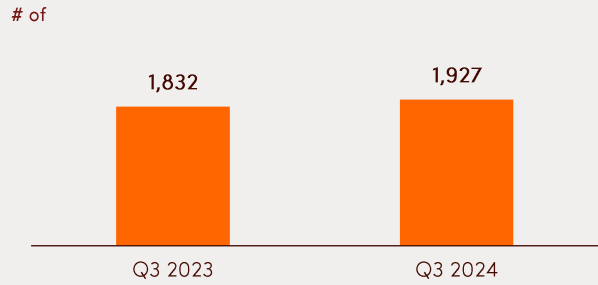
Other

- In the third quarter, EQT completed a share buyback program of 2 million ordinary shares. As previously communicated, EQT expects to execute share buyback programs twice a year to offset the dilution impact from EQT's equity incentive programs
- On October 22, EQT will host its first US capital markets event in New York
- EQT will participate in the upcoming UN Climate Change Conference, COP29 in Baku, Azerbaijan
- Lock-ups related to 12% of EQT's share capital expired during the quarter, with around 40% of released shares being owned by members of the Board or Executive Committee. Since the IPO in 2019, EQT's free float has increased from around 24% to over 40%

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

Employees (FTE+)



Events after the reporting period

- EQT Infrastructure V announced the sale of a 25% minority interest in Reworld to GIC
- Investment levels in EQT Key funds as of 17 October 2024 were 40-45% in EQT X, 45-50% in EQT Infrastructure VI and 70-75% in BPEA VIII

1) Of which five completed the validation process during the period. In addition, 22 companies are in the process of setting targets
2) BCG, May 2024

Fee-generating assets under management (FAUM)

Development during Jul-Sep 2024

FAUM by segment (EURbn)	Private Capital	Real Assets	Total
At 30 Jun, 2024	72.8	60.3	133.1
Gross inflows	1.1	2.2	3.2
Step-downs	0.0	0.0	0.0
Exits	-0.6	0.0	-0.7
FX and other	-1.0	-1.0	-2.1
At 30 Sep, 2024	72.2	61.4	133.6
Since 30 Jun, 2024	-1%	2%	0%

Development during the last twelve months

FAUM by segment (EURbn)	Private Capital	Real Assets	Total
At 30 Sep, 2023	72.5	55.4	127.9
Gross inflows	5.1	9.3	14.4
Step-downs	-0.4	-0.7	-1.1
Exits	-3.0	-0.8	-3.9
FX and other	-2.0	-1.7	-3.8
At 30 Sep, 2024	72.2	61.4	133.6
Since 30 Sep, 2023	0%	11%	4%

Note: Any investment activity in above tables (part of gross inflow 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.

Gross investment performance of key EQT funds

As of 30 Sep 2024

(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	2.6	6.9	6.4	3.9	2.6	16.1	11.4	4.6	2.5x
EQT VIII	May-18	7.4	10.9	10.1	2.8	7.2	22.6	9.2	13.3	2.2x
BPEA VII	Jul-18	4.0	5.7	3.7	0.9	2.7	9.1	2.8	6.4	2.5x
EQT IX	Jul-20	14.3	15.6	14.2	0.3	13.9	19.9	0.7	19.2	1.4x
BPEA VIII	Sep-21	9.4	9.7	4.9	0.0	4.9	6.5	0.0	6.5	1.3x
EQT X	Jul-22	21.6	21.7	7.5	0.0	7.5	8.2	0.0	8.2	1.1x
Other Private Capital		12.9		20.5			40.3			
Real Assets										
EQT Infrastructure III	Nov-16	0.7	4.0	3.8	3.1	0.7	10.2	8.4	1.8	2.7x
EQT Infrastructure IV	Nov-18	7.1	9.1	7.4	0.6	6.9	13.4	0.7	12.7	1.8x
EQT Infrastructure V	Aug-20	13.0	15.7	12.6	0.0	12.6	18.8	0.1	18.7	1.5x
EQT Infrastructure VI	Dec-22	16.9	16.9	5.4	0.0	5.4	5.8	0.0	5.8	1.1x
Other Real Assets		23.6		23.3			33.2			
Total		133.6		119.9			204.2			

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

	Gross MOIC 30 Sep 2023	Gross MOIC 31 Dec 2023	Gross MOIC 31 Mar 2024	Gross MOIC 30 Jun 2024	Gross MOIC 30 Sep 2024	Expected Gross MOIC 30 Sep 2024
Private Capital						
EQT VII	2.6x	2.6x	2.5x	2.5x	2.5x	Above plan
EQT VIII	2.3x	2.2x	2.2x	2.2x	2.2x	Above plan
BPEA VII	2.4x	2.4x	2.4x	2.4x	2.5x	Above plan
EQT IX	1.4x	1.3x	1.4x	1.4x	1.4x	On plan
BPEA VIII	1.4x	1.3x	1.2x	1.3x	1.3x	On plan
EQT X	1.1x	1.1x	1.1x	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	1.6x	1.6x	1.7x	1.8x	1.8x	On plan
EQT Infrastructure V	1.3x	1.3x	1.4x	1.5x	1.5x	On plan
EQT Infrastructure VI	1.0x	1.0x	1.0x	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.

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 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).

Adjusted Effective Tax Rate

Adjusted income taxes in relation to Adjusted EBT excluding carried interest and investment income.

Exits (FAUM table)

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 last date determined for each fund upon which admissions of investors to the fund are 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 Healthcare Growth, EQT Growth, EQT Private Equity, EQT Private Capital Asia, 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.

Value creation

Change in value between opening and closing balance, excluding any added or deducted invested capital during the period, equivalent to the like-for-like fund performance.

Financial calendar

■ Year-end report January–December 2024	23 January 2025
■ Annual and Sustainability Report 2024	13 March 2025
■ Quarterly announcement January–March 2025	16 April 2025
■ Annual Shareholders’ Meeting 2025, to be held in Stockholm	27 May 2025
■ Half-year report January–June 2025	17 July 2025

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Auditor’s review

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

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 07:00 CEST on 17 October 2024.

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 246 billion in total assets under management (EUR 134 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 25 countries across Europe, Asia and the Americas and has more than 1,900 employees.

More info: www.eqtgroup.com

Follow EQT on LinkedIn, X, 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.