



**abrdn Private Equity Opportunities Trust plc**  
*(formerly Standard Life Private Equity Trust plc)*

**Half-Yearly Report 31 March 2022**

Providing access to a diversified portfolio of private equity investments

**[abrdnpeot.co.uk](http://abrdnpeot.co.uk)**

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## The Company

abrdn Private Equity Opportunities Trust plc (formerly Standard Life Private Equity Trust plc) (the "Company" or "APEO") is an investment trust with a premium listing on the London Stock Exchange.

The Company provides investors with exposure to leading private equity funds and private companies, mainly in Europe. It invests through the primary and secondary funds markets, and co-investments. Its investment objective is to achieve long-term total returns for investors and its policy is to maintain a broadly diversified portfolio by country, industry sector, maturity and number of underlying investments.

The Company has appointed abrdn Capital Partners LLP (formerly SL Capital Partners LLP, a wholly owned subsidiary of abrdn plc, as its alternative investment fund manager ("AIFM") and Manager (the "Manager").

# Highlights

## Net Asset Value ("NAV") Total Return\*\*

Six months ended 31 March 2022

**6.8%**

Six months ended 31 March 2021

14.9%

Year ended 30 September 2021

37.9%

## FTSE All-Share Index Total Return

Six months ended 31 March 2022

**4.7%**

Six months ended 31 March 2021

18.5%

Year ended 30 September 2021

27.9%

## Share Price Total Return\*\*

Six months ended 31 March 2022

**5.8%**

Six months ended 31 March 2021

38.8%

Year ended 30 September 2021

60.6%

## Net Assets

31 March 2022

**£1,095.3m**

31 March 2021

£873.9m

30 September 2021

£1,036.0m

## Share Price

31 March 2022

**520.0p**

31 March 2021

437.0p

30 September 2021

498.0p

## Expense Ratio\*\*

Six months ended 31 March 2022

**1.06%**

Six months ended 31 March 2021

1.10%

Year ended 30 September 2021

1.10%

\* Considered to be an Alternative Performance Measure.

+ A Key Performance Indicator by which the performance of the Manager is measured by the Board.

# Key Features

Conviction	Focus	Diversification
<b>13</b> carefully selected core European managers which represent <b>68%</b> of portfolio NAV	<b>78%</b> of underlying portfolio companies with European Headquarters Mid-market focus since 2001	<b>600+</b> underlying portfolio companies
Responsible Investment	Evolving Portfolio	Performance
ESG is integrated into the investment philosophy and process	<b>17%</b> of portfolio NAV in co-investments	<b>11.6%</b> Annualised NAV total return since inception in 2001

## Conviction

- A listed private equity fund-of-funds offering that partners with a select group of core managers via primary funds, secondaries and co-investments
- APEO currently has 13 core European managers representing 68% of portfolio NAV. Core managers are private equity firms that APEO partners with via their most recent private equity fund and/or through co-investments
- Successful track record of selecting top performing managers and funds over many years
- 76% of our primary fund investments sit within the top or second quartile when benchmarked against private equity funds from the same vintage year.\*
- Alongside primary fund investments, APEO also acquires more targeted exposure to specific assets and managers via co-investments and secondaries

\*Based on private equity fund benchmarking data from Burgiss; data from 1999 – 2017 as at 30 June 2021 and on a Total Value to Paid In ('TVPI') basis.

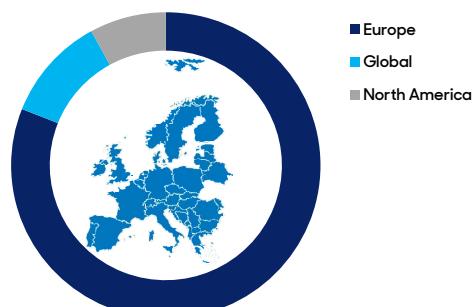
Over 65% portfolio NAV to 13 core managers...



## Focus

- Core focus on the European mid-market since the Company's inception in 2001, providing deep market intelligence, a long-term track record of performance and exposure to a segment of the market that can be hard to access
- The European private equity market has high barriers to potential new entrants, given the different languages, cultures, regulation and legislation across the continent. Therefore, accessing the best incumbent European private equity managers is important
- European headquartered portfolio companies equate to 78% of portfolio NAV, with a tilt towards North Western Europe (56% of portfolio NAV)
- APEO's portfolio is not reliant on a single country, helping to provide resilience during periods of financial market turmoil

78% of portfolio NAV with European headquartered managers...



## Diversification

- Over 600 underlying private companies, well-balanced across different geographic regions, sectors and vintages
- We have purposefully sought to invest in managers and investments focused on less cyclical sectors and sub-sectors that are subject to long-term growth
- Technology and Healthcare represent 42% of the portfolio, based on the value of underlying company exposure. When combined with Consumer Staples these less cyclical sectors equate to 53%
- 49% of the portfolio held for four or more years which will drive distributions going forward with value accretion coming from the less mature vintages

## Responsible Investment

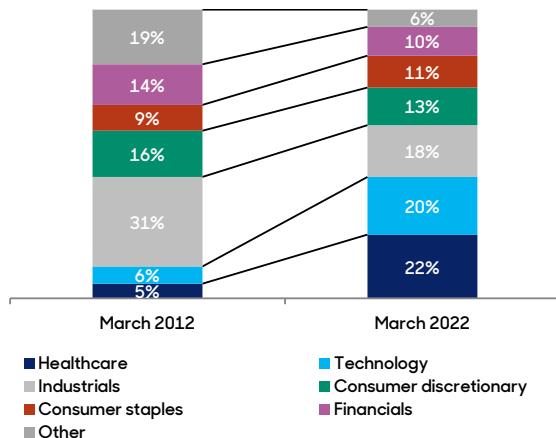
Environmental, Social and Governance ("ESG") is a key assessment of every investment made:

- APEO partners with private equity firms that the Manager rates as ESG market leaders and/or culturally committed to ESG improvement
- abrdn has been a signatory of the Principles for Responsible Investment for over 10 years, obtaining an A+ rating for strategy and governance in the most recent assessment
- All private equity firms in the Company's portfolio are subject to the Manager's annual Responsible Investment Survey. Whilst not all firms respond directly to the survey, it and ongoing questions provide a useful basis for assessing the firm's adherence to Responsible principles

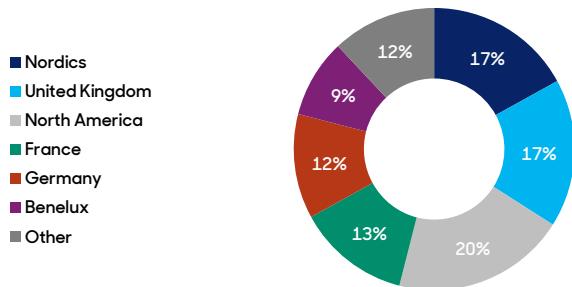
## Evolving Portfolio

- A larger share of APEO's capital is being deployed via co-investments and secondaries, bringing further control over capital deployment, sector exposure and costs of investment
- In 2019 we refined APEO's investment strategy to include co-investments which we view as complementary to investing in primary and secondary investments
- Co-investments accounted for 17% of portfolio NAV at 31 March 2022

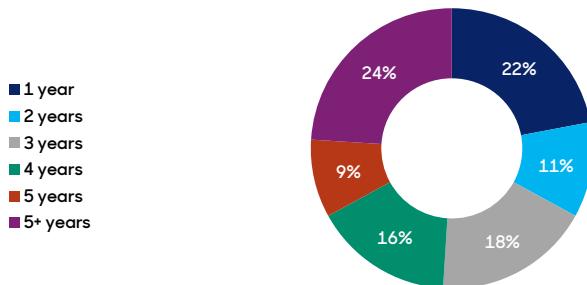
### How the sector exposure has changed over time...



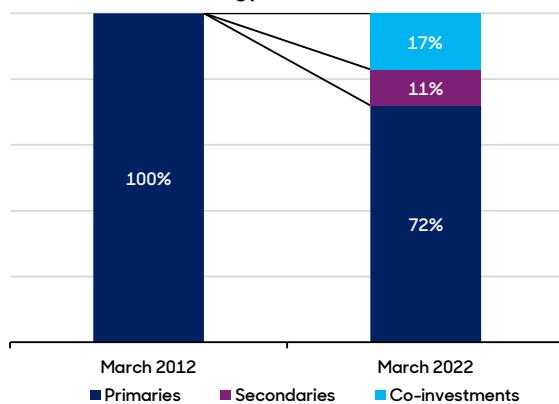
### Geographic location of the headquarters of the underlying portfolio businesses...



### Maturity of the underlying portfolio...



### How the investment strategy has evolved...



"I believe that the Company's investment strategy, the quality and diversification of the existing portfolio and private equity relationships, and its strong balance sheet will help position it well during the current ever-changing market conditions."

Alan Devine, Chair

# Chair's Statement

## Introduction

I am delighted to present the Company's Half-Yearly Report for the six months to 31 March 2022, in what has been an eventful period for APEO. This is also the first time I write to you as the Chair, having succeeded Christina McComb in March 2022. I am excited to be appointed to the role and look forward to working closely with the Company's Manager and the rest of the Board to continue to build on APEO's success.

The period under review has seen several milestones for the Company. Firstly, following shareholder approval at the Annual General Meeting ("AGM") in March, it changed its name to abrdn Private Equity Opportunities Trust plc (from Standard Life Private Equity Trust plc) to align with the rebranding of the Manager. Also in March 2022, APEO was included in the FTSE 250 Index for the first time, following sustained growth. New investment activity has also continued at pace, particularly in relation to co-investment, which now equates to around 17% of NAV (30 September 2021: 11%).

The strong underlying performance of the Company has continued during the period. I am mindful however, that the geopolitical environment and financial markets have changed materially in 2022, and I expect headwinds ahead which are likely to impact corporate earnings and valuations. The Board and the Manager are actively taking steps to prepare for these more challenging circumstances.

## Performance

For the six months to 31 March 2022, the Company's NAV total return ("TR") was 6.8% and the total shareholder return was 5.8%, as the discount at which the Company's shares were trading to NAV widened slightly to 27.0% compared with 26.1% on 30 September 2021. For comparison, the return on the FTSE All Share was 4.7% over the same period. Clearly there has been a recent shift in the sentiment of public markets, with the increase in inflation, interest rate rises and the conflict in Ukraine all weighing heavily on the global economic outlook and listed equity pricing. These factors have also impacted upon the rating of the private equity sector as a whole.

A review of the Company's performance, market background and investment activity during the period under review, as well as the Manager's investment outlook, are provided in the Manager's Review which can be found on pages 10 to 21.

## Investments and Realisations

During the period, the Company made commitments totalling £239.7 million (31 March 2021: £88.4 million). Funds were committed to eight new primary investments, nine co-investments, one follow-on investment in an existing co-investment and one secondary investment. This increased the number of co-investments in the portfolio to twenty-two and the proportion of co-investments in the portfolio now stands at 17% (30 September 2021: 11%). New underlying investments during the period have been diverse by sector and notable co-investments include NGE (infrastructure services), Suanfarma (active pharmaceutical and nutraceutical ingredients), European Camping Group (camp site operator) and ACT (environmental certification services).

The Company received distributions of £120.6 million (31 March 2021: £92.7 million) and made secondary sales equating to £15.7 million (31 March 2021: £nil). The gross realised return from divestments in the Company's portfolio equated to 2.2 times cost (31 March 2021: 2.6 times). Outstanding commitments at 31 March 2022 were £627.1 million (31 March 2021: £462.9 million).

I have already referred to the increased pace of co-investments made by the Company and the Board have decided that, in light of this, to make a non-material amendment to the Investment Policy, increasing the percentage of Total Assets that can be invested in co-investments from 20% to 25%. This change has been reflected in the Investment Policy set out on page 9.

## Dividends

The Company paid the first interim dividend for the current financial year in April 2022 of 3.6 pence per share. The Board has declared a second interim dividend of 3.6 pence per share which will be paid on 30 July 2022 to shareholders on the Company's share register at 25 June 2022. These two payments will make a total for the period of 7.2 pence per share (2021: 6.8 pence per share). The Board also expects that, in the absence of any adverse market event, further interim dividend payments of 3.6 pence per share will be made in October 2022 and January 2023. As in previous years, these dividends will be funded from both income distributions and realised capital returns.

# Chair's Statement

## Continued

### Gearing and Liquidity

The Company has £200.0 million of bank facilities and as at 31 March 2022 had £175.6 million undrawn (30 September 2021: £200.0 million). In addition, at the end of March 2022, the Company had cash and cash equivalents of £26.6 million (30 September 2021: £29.7 million), resulting in an overall net cash position of £2.2 million (30 September 2021: £29.7 million).

### Board Change

Christina McComb retired from the Board following the conclusion of the AGM in March 2022. Christina had served on the Board since 2013, the last three years as Chair. On behalf of the Board, I would like to thank her for her considerable contribution to the Company and wish her well for the future.

### Outlook

It is clear that the broader financial markets and the outlook for the global economy have shifted materially, with the developed economies of the world moving from a Covid-19 recovery phase in late 2021 to a much more challenging environment in early 2022. Both the Board and the Manager expect these tougher conditions to continue for the remainder of 2022, which will no doubt have an impact on the performance of the Company as inflation impacts the margins of underlying portfolio companies and private equity valuations experience more pressure than we have seen in the recent past.

The Board, myself included, have always viewed private equity as a long-term asset class where new investment decisions are often made with a five year time horizon in mind. Whilst the immediate road ahead appears more uncertain, the governance model of private equity has proved many times in the past, most notably during the global financial crisis of 2008-09, that its hands-on ownership model allows underlying businesses to adapt more quickly to changing market circumstances. Periods of market dislocation also tend to offer new and different opportunities for active investment, which private equity firms have proved adept at identifying, assessing, and executing sound deals.

With so much new capital having flowed into private equity in recent years and some recent dramatic shifts in the shape of investor portfolios, it is inevitable that institutional investors will look to re-balance their asset allocations and portfolio weightings over the coming quarters, which in turn is likely to fuel activity in the secondary market. I am pleased to say that the Company is well placed to take advantage of such opportunities.

The Company was founded 21 years ago and has performed well through multiple market cycles during that period. I believe that the Company's investment strategy, the quality and diversification of the existing portfolio and private equity relationships, and its strong balance sheet will help position it well during the current ever-changing market conditions. Furthermore, abrdn Capital Partners LLP has been the Manager of APEO since inception, bringing a long track record and a well-resourced team of private equity investment professionals which, along with the strong engagement of the Board, further underpins my confidence in the Company's ability to generate attractive long-term returns to shareholders in the future.



Alan Devine

Chair

29 June 2022

# Interim Management Report and Directors' Responsibility Statement

## Principal Risk and Uncertainties

The Board has an ongoing process for identifying, evaluating and managing the principal risks, emerging risks and uncertainties of the Company.

The principal risks faced by the Company relate to the Company's investment activities and are set out in the Strategic Report contained within the Annual Report for the year ended 30 September 2021 (the "2021 Annual Report"). They comprise the following risk categories:

- market risk
- liquidity risk
- over-commitment risk
- credit risk
- investment selection
- operational risk

At the end of the last financial year, the Board noted that there were also a number of contingent risks associated with the continued Covid-19 pandemic that may impact the performance of the Company. Although, the rate of infection has slowed since then the Board believes that it is prudent to remain wary of the situation and that this risk is still relevant.

Geopolitical risk has increased since the last financial year, as a result of the conflict in Ukraine. The conflict has further exacerbated inflation and interest rate rises, created additional uncertainty around global economic growth and increased volatility in financial markets. These factors are addressed in the risk categories set out above and further details on how they are managed and mitigated are provided in the 2021 Annual Report. The Board will continue to assess these risks on an ongoing basis.

In all other respects, the Company's principal risks, emerging risks and uncertainties have not changed materially since the date of the 2021 Annual Report.

## Going Concern

In accordance with the Financial Reporting Council's Guidance on Risk Management, Internal Control and Related Financial and Business Reporting, the Directors have undertaken a rigorous review of the Company's ability to continue as a going concern as a basis for preparing the financial statements.

The Board has taken into account; the £200.0 million committed, syndicated revolving credit facility which matures in December 2024; the level of liquid resources, including cash and cash equivalents; the future cash flow projection; and the Company's cash flows during the period. The Directors are also mindful of the principal and emerging risks and uncertainties, as disclosed.

Having reviewed these matters, the Directors believe that the Company has adequate financial resources to continue its operational existence for the foreseeable future and for at least 12 months from the date of this Half-Yearly Report. Accordingly, they continue to adopt the going concern basis in preparing the Half-Yearly Report.

## Related Party Transactions

There have been no material changes in the related party transactions described in the 2021 Annual Report.

## Directors' Responsibility Statement

The Directors are responsible for preparing the Half-Yearly Report, in accordance with applicable laws and regulations. The Directors confirm that, to the best of their knowledge:

- The condensed set of financial statements has been prepared in accordance with Financial Reporting Standard 104 (Interim Financial Reporting) and gives a true and fair view of the assets, liabilities, financial position and profit or loss of the Company;

# Interim Management Report and Directors' Responsibility Statement

## Continued

- The Interim Management Report, together with the Chair's Statement and Investment Manager's Report, includes a fair review of the information required by DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the year; and
- The financial statements include a fair review of the information required by DTR 4.28R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the financial year and that have materially affected the financial position or performance of the Company during that period, and any changes in the related party transactions described in the last Annual Report that could do so.

The Half-Yearly Financial Report was approved by the Board and the above Directors' Responsibility Statement was signed on its behalf by the Chair.

**For abrdn Private Equity Opportunities Trust plc**

**Alan Devine**

Chair

29 June 2022

# Investment Strategy

## Investment Objective

The Company's investment objective is to achieve long-term total returns through holding a diversified portfolio of private equity funds and direct investments into private companies alongside private equity managers ("co-investments"), a majority of which will have a European focus.

## Investment Policy

The Company: (i) commits to private equity funds on a primary basis; (ii) acquires private equity fund interests in the secondary market; and (iii) makes direct investments into private companies via co-investments. Its policy is to maintain a broadly diversified portfolio by country, industry sector, maturity and number of underlying investments.

The objective is for the portfolio to comprise around 50 "active" private equity fund investments; this excludes funds that have recently been raised, but have not yet started investing, and funds that are close to or being wound up. The Company may also invest up to 25%\* of its assets in co-investments.

The Company may also hold direct private equity investments or quoted securities as a result of distributions in specie from its portfolio of fund investments. The Company's policy is normally to dispose of such assets where they are held on an unrestricted basis.

To maximise the proportion of invested assets, the Company follows an over-commitment strategy by making commitments which exceed its uninvested capital. In making such commitments, the Manager, together with the Board, will take into account the uninvested capital, the value and timing of expected and projected cashflows to and from the portfolio and, from time to time, may use borrowings to meet drawdowns. The Board has agreed that the over-commitment ratio should sit within the range of 30% to 75% over the long-term.

The Company's maximum borrowing capacity, defined in its articles of association, is an amount equal to the aggregate of the amount paid up on the issued share capital of the Company and the amount standing to the credit of the reserves of the Company. However, it is expected that borrowings would not normally exceed 30% of the Company's net assets at the time of drawdown.

The Company's non-sterling currency exposure is principally to the euro and US dollar. The Company does not seek to hedge this exposure into sterling, although any borrowings in euros and other currencies in which the Company is invested would have such a hedging effect.

Cash held pending investment is invested in short-dated government bonds, money-market instruments, bank deposits or other similar investments. Cash held pending investment may also be invested in other listed investment companies or trusts. The Company will not invest more than 15% of its total assets in such listed equities.

The investment limits described above are all measured at the time of investment.

\* non-material amendment, agreed by the Board to increase the percentage of Total Assets that can be invested in co-investments from 20% to 25%.

## Portfolio Construction Approach

Through its primary, secondary and co-investments the Company is directly and indirectly invested in a diverse range of underlying companies. At 31 March 2022, the portfolio had exposure to 617 separate underlying companies, 36 fund investments and 9 co-investments (31 March 2021: 486 separate underlying companies).

Investments made by the Company are typically with or alongside private equity firms with whom the Manager has an established relationship of more than 10 years.

The Company predominantly invests in European mid-market companies. Around 80% of portfolio NAV is invested in European domiciled operating companies and the Board expects this to remain the case over the longer term, with a weighting towards North-western Europe. This has been the geographic focus of the Company since its inception in 2001 and where it has a strong, long-term track record. However, the Company also selectively seeks exposure to North American mid-market companies, as a means to access emerging growth or investment trends that cannot be fully captured by investing in Europe alone.

The Company has a well-balanced portfolio in terms of sector exposure. As at 31 March 2022 the largest sector in terms of the total value of underlying company exposure (being Healthcare) is 22% (30 September 2021: Technology, 21%). It is expected that no single sector will be more than 30% of the portfolio over the longer term. Over time, the Manager anticipates a continuation of the recent shift toward sectors that are experiencing long-term growth (such as Technology and Healthcare) at the expense of more cyclical sectors, such as Industrial and Consumer Discretionary.

ESG is a strategic priority for the Board and the Manager. The Company aims to be an active, long-term responsible investor and ESG is a fundamental component of the Company's investment philosophy and process.

# Investment Manager's Review

## Summary

The portfolio has shown resilient performance in the first six months of the financial year, in spite of headwinds in the broader financial markets and the uncertain global economic backdrop. APEO's long-term strategy of partnering with a core relationship group of top performing private equity firms, focusing on underlying businesses in the mid-market (enterprise values between £100.0 million and £1.0 billion) and targeting diversification across a range of resilient sectors continues to position the Company well. This has been reflected in continued strong trading in the underlying portfolio and robust realisation activity, helping APEO to deliver a NAV TR of 6.8% during the period, by comparison the FTSE All-Share rose by 4.7%.

The underlying portfolio continues to see numerous success stories across a range of sectors and the average earnings growth over the last twelve months to 31 March 2022 was 25.7%, helping to underpin valuation growth during the period. Furthermore, a number of exits at above prior carrying values helped drive an uplift in valuation during the six months to 31 March 2021. Notable exits include General Life (European fertility clinic group), Sbanken (Norwegian online bank) and Vizrt (global producer of software for live video production). Portfolio company realisations during the first six months of the financial year were at a 16.1% premium to the valuation two quarters prior.

However, the part of the portfolio that has seen valuation pressure is the publicly listed company exposures. As a reminder, APEO is not a long-term holder of listed shares but has seen strong IPO activity in the portfolio in the last 18 months, with successful listings including Moonpig (UK-based online gifting business), Dr Martens (leading consumer footwear brand) and Inpost (self-service lockers for ecommerce consumers). Listed companies equated to 12.4% of the portfolio at the beginning of the financial year and this cohort of businesses declined in aggregate by 22.1% in the six months to 31 March 2022. Therefore, listed companies now equate to 8.5% of the portfolio and therefore will be a less meaningful part of the Company's portfolio in the second half of the financial year.

The conflict in Ukraine and the second order effects around inflation, monetary policy and global economic growth have so far had a minimal direct impact on the Company. APEO has no Russian, Belarussian or Ukrainian headquartered businesses in its portfolio of 617 separate underlying portfolio companies. In addition, following discussion with the private equity managers in the Company's portfolio, we estimate that revenues from these countries account for less than 1% of aggregate underlying portfolio company revenues. That said, the Manager is fully expecting an indirect impact on the portfolio to materialise in the second half of the year through the elevated inflation and interest rates, and lower global economic growth, which will impact upon the revenue growth and margins of many underlying businesses.

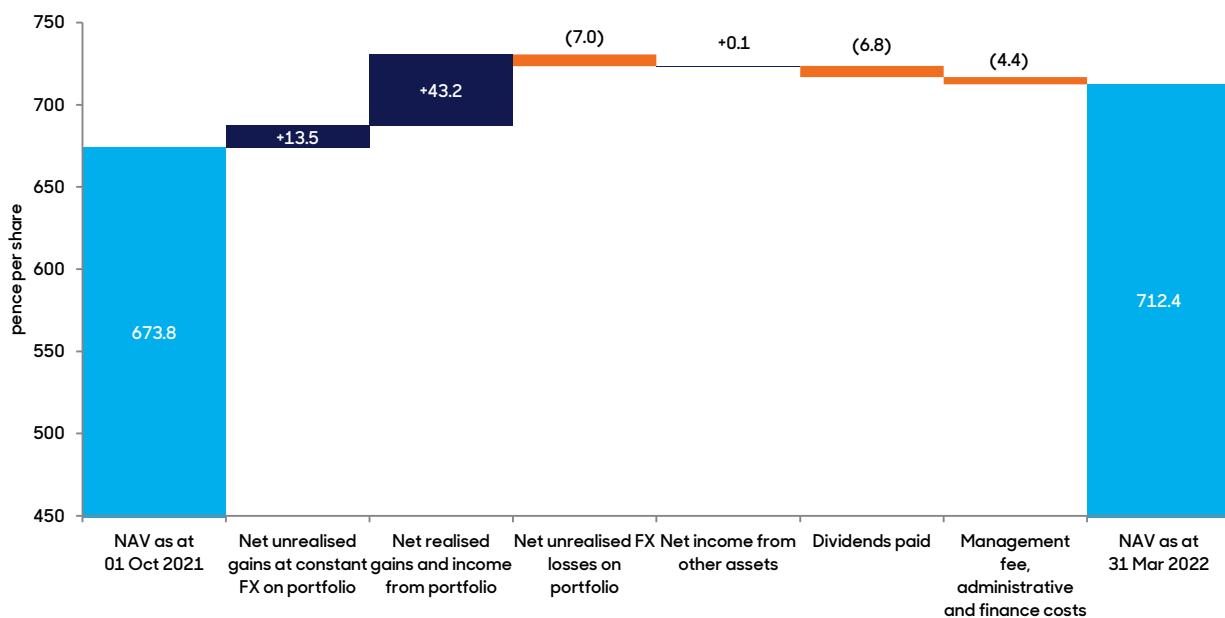
On the new investment side, APEO closed nine new co-investments and a new secondary investment during the period. Activity focused on businesses that have strong growth potential, market leading positions and resilient business models. The Company also committed to eight new primary funds that are led and managed by private equity firms with long established relationships with the Manager. These new fund commitments are aligned with our long-term strategy of backing private equity firms that have a mid-market orientation and have proven expertise within one or more specified sectors.

In terms of cashflows, the aforementioned exit activity has helped drive strong distributions in the period. Distributions received for the six months to 31 March 2022 were £120.6 million. This strong exit activity is continuing the trend seen in the prior financial year, when the £198.7 million of distributions received in the year to 30 September 2021 was the highest annual total for APEO since its inception in 2001. Furthermore, APEO completed the sales of two fund positions, contributing a further £15.7 million in proceeds and meaning that the Company received an aggregate total of £136.3 million in the six months to 31 March 2022.

Whilst the Manager has focused on reinvesting distributions into new investment opportunities during the period, the balance sheet remains in a strong position with £26.6 million of cash and £175.6 million remaining on its £200.0 million revolving credit facility providing APEO with ample firepower for new investments in the months and years ahead.

## Performance

The NAV TR for the six months under review was 6.8% versus 4.7% for the FTSE All-Share Index. The valuation of the portfolio at 31 March 2022 increased 8.7% from 30 September 2021 on an unrealised constant currency basis. The value earned from the portfolio on a per share basis was 49.7p. This was principally made up of realised gains and income of 43.2p, and net unrealised gains at constant foreign exchange ("FX") from the portfolio of 13.5p partially offset by net unrealised FX losses from the portfolio of 7.0p.



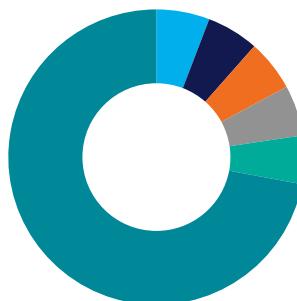
The unrealised gains in the year are attributable to the strong earnings performance of the underlying portfolio, which has helped to offset weakness in public market comparables. At 31 March 2022 the underlying portfolio exhibited average LTM revenue and EBITDA growth of 17.8% and 25.7%. Realised gains were derived from full or partial sales of companies during the period. Portfolio company realisations during the first six months were at a 16.1% premium to the valuation two quarters prior.

In the period, there has been a divergence in performance between the privately held assets (91.5% of the portfolio) and listed equities (8.5% of the portfolio). Privately held underlying investments performed well due to the aforementioned strong earnings performance and relatively stable valuation multiples. However, the Company's listed equities portfolio declined on average by 22.1% over the period, as share prices declined as part of the wider trend in public markets.

# Investment Manager's Review

## Continued

### Drawdowns

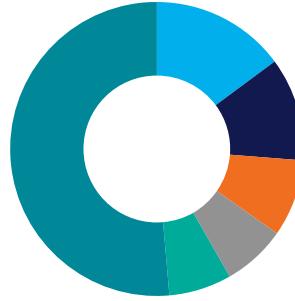


During the period £145.5 million was invested into existing and new underlying companies. Drawdowns were used to invest into a diverse set of predominantly European headquartered companies. Notable new investments included:

- Uvesco (co-investment) – food retail operator in the North of Spain;
- Medison Pharma Group (Vitruvian Fund IV) – global pharma company focused on providing access to highly innovative therapies;
- NGE (co-investment) – independent player in the construction and public works sector in France;
- ACT (co-investment) – largest specialist intermediary in the environmental certification market globally, headquartered in the Netherlands; and
- Planet (co-investment) – provider of integrated digital payment services.

The private equity funds that the Company invests into often use credit facilities to help finance investments prior to drawing the capital from investors. We estimate that the Company had around £91.9 million held on underlying fund credit facilities at 31 March 2022 (30 September 2021: £47.3 million), and we expect that this will all be drawn over the next 12 months.

### Distributions



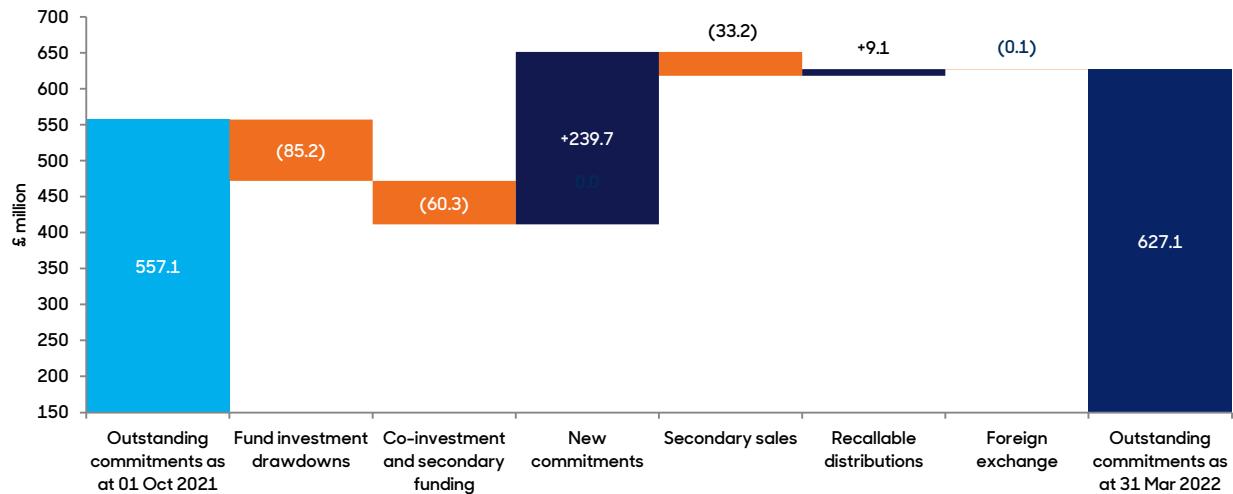
£120.6 million of distributions were received during the period. Exit activity from the private equity funds was driven by the strong market appetite for high quality private companies in resilient sectors following the global pandemic. The typical exit routes were via trade buyers and financial buyers (i.e. other private equity firms). The gross realised return from the Company's portfolio equated to 2.2 times cost (31 March 2021: 2.6 times cost). Portfolio company realisations during the year were at a 16.1% premium to the valuation two quarters prior. Notable realisations in the portfolio included:

- General Life (Investindustrial Growth Fund) – European fertility clinic group;
- Sbanken (Altor Fund IV) – Norwegian online bank;
- Vizrt (Nordic Capital Fund VIII) – global producer of software for live video production;
- Autoform (Astorg Fund VI) – global supplier of engineering software for the automotive industry;
- Atos Medical (PAI Fund VI) – global provider of laryngectomy products.

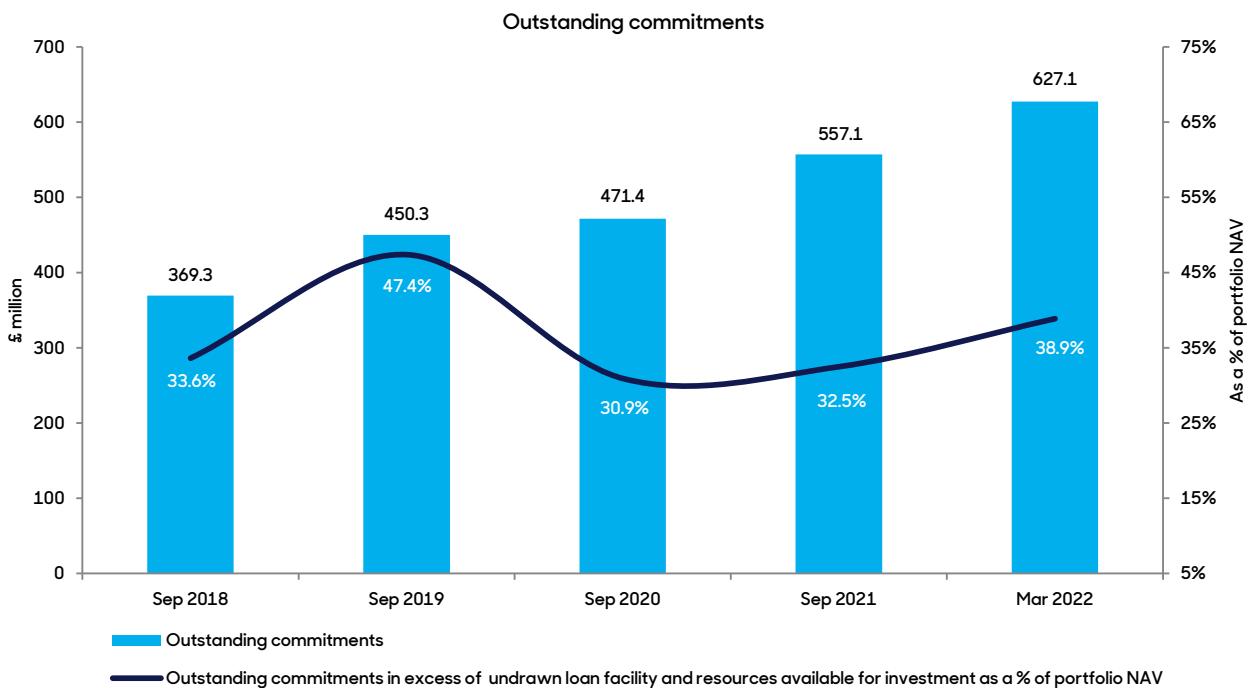
Furthermore, APEO sold its fund positions in Equistone Fund VI and IK Small Cap Fund III contributing a further £15.7m in proceeds and meaning that an aggregate total of £136.3 million was received from distributions and secondary sales during the period.

## Commitments

Movement in outstanding commitments between 01 October 2021 and 31 March 2022



During the first six months of the year, APEO completed eight primary fund commitments, nine co-investments, one follow-on investment in an existing co-investment and a new secondary investment. In total, new commitments in the period equated to £239.7 million and were offset by £145.5 million of investment drawdowns and £33.2 million of remaining outstanding commitments from the secondary sales of Equistone Fund VI and IK Small Cap Fund III. The total outstanding commitments at 31 March 2022 were £627.1 million (30 September 2021: £557.1 million).



# Investment Manager's Review

## Continued

The value of outstanding commitments in excess of liquid resources as a percentage of portfolio NAV (over-commitment ratio) increased to 38.9% as at 31 March 2022 (30 September 2021: 32.5%). This is due to the strong new investment activity in the portfolio and is as planned by the Manager, with the figure at the lower end of the long-term target range of 30%–75%. Furthermore, we estimate that £42.7 million of the reported outstanding commitments are unlikely to be drawn down, due to the nature of private equity investing with primary funds not always being fully drawn.

### Investment Activity

#### Primary Funds

£168.6 million was committed to eight new primary funds during the period. As a reminder, the Company's primary fund strategy is to partner with private equity firms, principally in Europe, that have deep sector focus and operational value creation capabilities and have a core mid-market buyout orientation, i.e. focusing on businesses with an enterprise value between £100.0 million and £1.0 billion. The firms that the Company has partnered with during the period fulfil most, if not all, of this criteria and all are relationships with whom the Manager has known for many years, often decades.

Fund	Commitment	Description
Hg Saturn 3	£25.8m	European buyout fund focused on Software and B2B Services.
Advent Global Private Equity X	£25.2m	Global buyout fund which focuses on attractive niches within business and financial services, healthcare, industrial, retail and technology sectors.
ArchiMed MP 2	£25.1m	Healthcare specialist fund, focused on European and North American mid-market companies.
PAI VIII	£25.1m	Pan-European upper mid-market fund focused on Food & Consumer, Business Services, General Industrials and Healthcare.
IK Partnership II	£20.8m	Pan-European mid-market fund focused on co-control and minority opportunities in Food & Consumer, Business Services, Healthcare and Financial Services.
Capiton VI	£16.9m	European lower mid-market fund with a focus in Pharma, MedTech, Industrial Automation and Sustainable Consumption.
Windrose Health Investors Fund VI	£15.1m	Mid-market buyout fund based in the United States, that has a specialist focus on the healthcare sector.
Great Hill Equity Partners VIII	£14.6m	Growth-focused private equity fund based in the United States.

# Primary Fund Case Study



**Capiton is a high quality private equity firm operating in the attractive German lower mid-cap segment.**

## Company overview

capiton is one of the longest established players in the German PE market, with a history spanning more than 30 years. From the mid 1980s, the Founding Partners of the Firm jointly built the private equity business of Gothaer Group, which was subsequently spun out to form capiton in 1999. Following a buy-out in 2004, the Firm is now independent.

Today, the firm has 29 employees including 16 investment professionals. Manuel Hertweck and Frank-Markus Winkler lead the firm with additional governance provided by the Supervisory Board.

capiton remains one of the top names in the German market and is known for its experienced team, conservative approach to portfolio construction and for being a trustworthy partner for entrepreneurs. capiton continues to operate effectively within one of Europe's most attractive markets and remains a safe guardian of capital with conservative structuring, a low loss ratio and a proven ability to recover capital from more difficult situations. In a market where reputation and a long and successful track record are essential, these are capiton's key points of difference.

## APEO's relationship with capiton

- abrdn have been investors with capiton for over a decade having committed to capiton IV and V. We hold Advisory Board seats on capiton IV, V and VI.
- APEO has exposure to capiton IV and V through a secondary completed in 2021 as well as a co-investment in Wundex and a commitment to a single-asset secondary in capiton IV's star asset, KD Pharma.
- Wundex is a leading German wound care management business. KD Pharma is a producer of high purity omega-3 fatty acids in pharmaceuticals and nutraceuticals. Both are performing strongly.

## Previous / Current investments



### Investment

capiton VI

### Fundsize

€504 million

### Geographic focus

German-speaking Europe

### Sectors

Healthcare, Industrials

### Investment year

2021

### APEO Commitment

€20.0 million

### Target Company Size

Lower mid-market (enterprise values between €100 million -€500 million)

### Investment strategy

Buyout

## Co-investments

During the period, the Company invested and committed £65.8 million into nine new co-investments, as well as a £0.3 million follow-on investment in an existing co-investment.

Co-investment	Investment	Description
CFC	£9.0m	Tech-led insurance platform, who are a global leader and category innovator in the cyber market. The co-investment was made alongside Vitruvian Partners.
NGE	£8.9m	The leading independent player in the construction and public works sector in France. The co-investment was made alongside Montefiore Investment.
Tropicana	£8.6m	A portfolio of well-known beverage brands, including Tropicana and Naked. The co-investment was made alongside PAI Partners.
ACT	£8.4m	The largest specialist intermediary in the environmental certification market globally, headquartered in the Netherlands. The co-investment was made alongside Bridgepoint.
Uvesco	£8.3m	Leading food retail operator in the North of Spain. The co-investment was made alongside PAI.
European Camping Group	£6.7m	European leader in the premium outdoor vacation accommodation market. The co-investment was made alongside PAI Partners.
SuanFarma	£6.3m	Manufacturer, CDMO and distributor of active pharmaceutical and nutraceutical ingredients. The co-investment was made alongside ArchiMed SaS.
CDL Nuclear Technologies	£5.2m	Provider of turnkey cardiac PET / PET-CT imaging technology solutions and radioisotope delivery to independent cardiology practices and hospitals in the US. The co-investment was made alongside Excellere Partners.
SportPursuit	£4.2m	Flash sale e-commerce business which sells clearance stock from leading sports and outdoor brands. The co-investment was made alongside bd-capital Partners.

At 31 March 2022 there were twenty-two co-investments in the Company's portfolio, equating to 17% of portfolio NAV (30 September 2021: 11%), and the co-investment portfolio is performing well to date. As a reminder, co-investments were introduced to the Company's investment objective in 2019 and bring a number of advantages, most notably greater control over portfolio construction and lower associated costs (and therefore higher return potential). Over the longer term the Manager expects co-investments to equate to around 25% of the portfolio.

# Co-Investment Case Study



**ACT is a leading global provider of market-based environmental solutions.**

## Company overview

- ACT is the largest specialist intermediary in the environmental certification market globally, offering 80 products across five core markets, with its headquarters in the Netherlands and hubs across Europe, the US and China.
- ACT intermediates between sellers of certificates / offsets (e.g. renewable energy producers) and buyers (e.g. businesses with a need to prove compliance with a regulatory standard or offset emissions), leveraging its large network and technical and regulatory know-how to advise companies and trade certificates, often 'making a market' in new areas as a first mover.
- Environmental certificates are an increasingly important instrument in successfully managing climate change and are becoming essential for organisations that are required to reduce greenhouse gases from operations.
- The company delivered full year EBITDA of over €100 million in the year to March 2022, with strong levels of cash generation.

## The opportunity

- After tracking the company for many years and getting to know the founders, Bridgepoint was successful in agreeing to acquire a large minority shareholding in ACT in Q4 2021 (APEO subsequently invested in early 2022).
- Led by one of the original founders and his highly entrepreneurial management team, ACT is well positioned in a highly attractive market, benefitting from megatrend environmental tailwinds, that is forecast to grow at 15%+ per annum.
- Supported by Bridgepoint, management is planning to develop further its core products (such as guarantee of origin certificates and biomethane) and take them into new geographies; grow recently established products (such as bio certificates) and capture more of the value chain; add new products; and develop digital solutions to increase efficiency and reduce cost of settling trades.
- There is also potential to pursue targeted M&A.

## Lead Manager

Bridgepoint

## APEO's investment

€10.0 million

## Investment year

2022

## Company size

Large (enterprise value >€1 billion)

## Geographic focus

Global

## Sector

Technology/Services

# Investment Manager's Review

## Continued

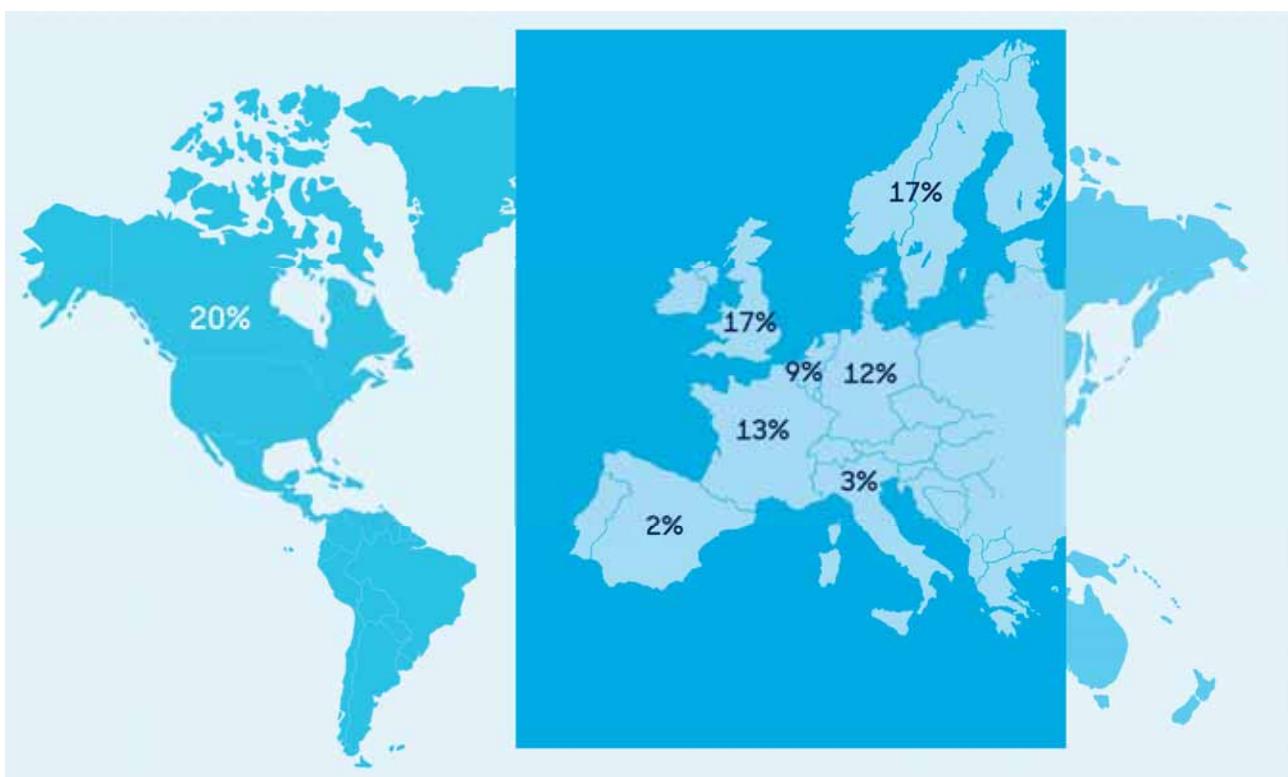
### Secondary Investments

£5.1 million was invested into a new secondary investment during the period. This investment was part of a larger secondary transaction, Project Concorde and the remainder of the transaction is expected to conclude in the second half of the year.

### Portfolio Construction

The underlying portfolio includes 617 separate underlying portfolio companies, largely within the European mid-market and spread across different countries, sectors and vintages. At 31 March 2022, only 9 companies equated to more than 1.0% of portfolio NAV (30 September 2021: 7), with the largest single underlying company exposure equating to 4.5% (Action).

### Geographic exposure<sup>1,2</sup>



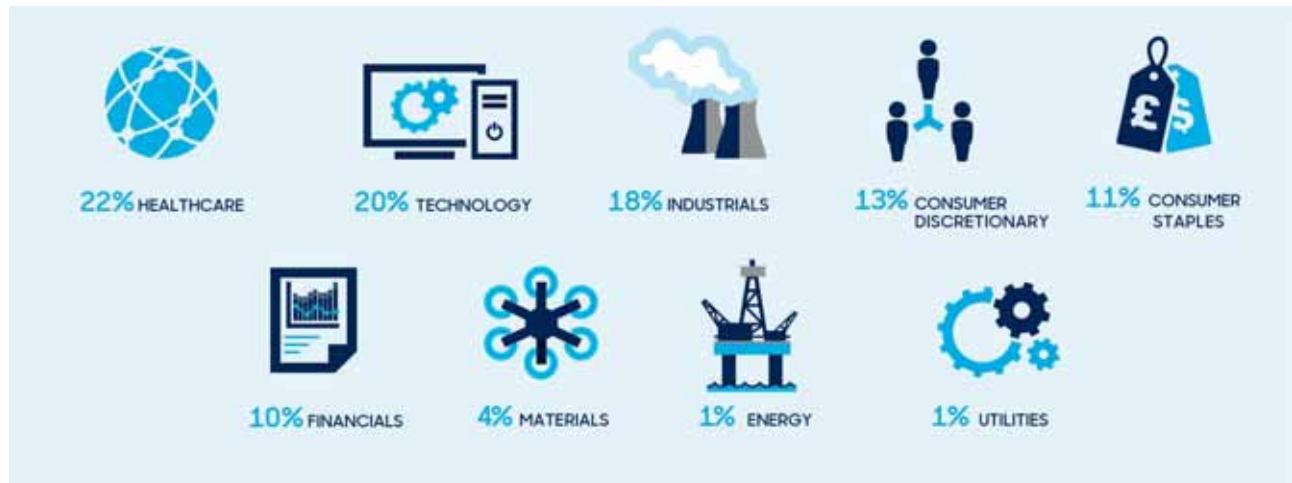
1 Based on the latest available information from underlying managers. Geographic exposure is defined as the geographic region where underlying portfolio companies are headquartered. This excludes any underlying fund and co-investments held through the Company portfolio.

2 In addition to the above, 5% of underlying portfolio companies are based in European countries not separately disclosed above, while 2% are based in countries out with of Europe, excluding North America.

At 31 March 2022, 78% of underlying portfolio companies were headquartered in Europe (30 September 2021: 79%). The Company's underlying portfolio remains largely positioned to North Western Europe, with only 5% of underlying company exposure in Italy and Spain (30 September 2021: 5%).

APEO is well diversified by region across North Western Europe, with the Nordics equating to 17% of the underlying company exposure (30 September 2021: 18%). North America is the highest exposure at 20% (30 September 2021: 19%).

## Sector Exposure<sup>1</sup>



<sup>1</sup> Based on the latest available information from underlying managers. This excludes underlying fund and co-investments held through the Company portfolio.

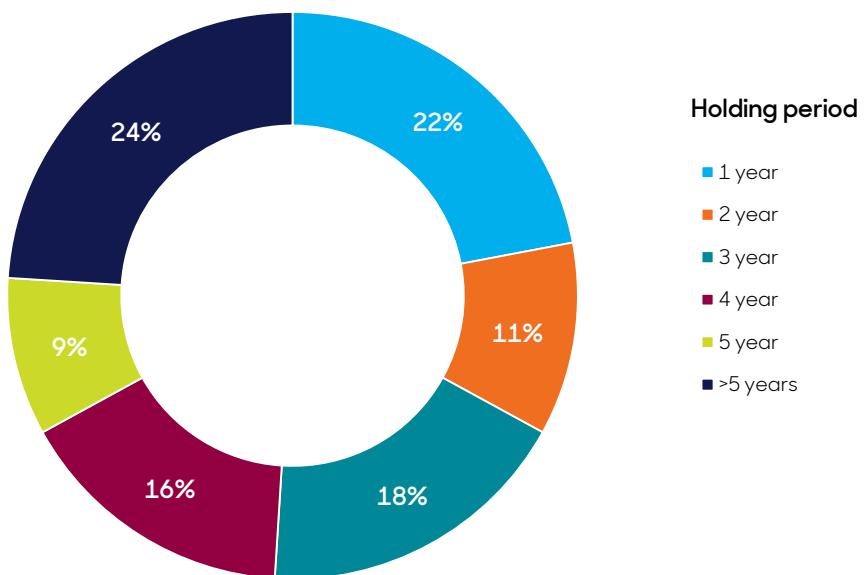
At 31 March 2022 Technology and Healthcare represent a combined 42% of the portfolio (30 September 2021: 41%). When combined with Consumer Staples, these more stable, less cyclical sectors equate to over half of the Company's portfolio at 53% (30 September 2021: 53%). It is worth noting the Company generally invests in Information Technology businesses that are profitable and B2B-focused and therefore has relatively low exposure to higher growth, unprofitable technology businesses that have been particularly out of favour in the public markets during 2022.

The other half of the portfolio is exposed to more cyclical sectors, notably Industrials, Consumer Discretionary and Financials. That said, there are sub-sectors within these areas that provide growth opportunities, such as Fintech, ecommerce and B2B Services, where businesses often have a valuable product or an essential service offering with a strong digital component. Some examples within our top 50 companies by value include Benvic (producer of PVC compounds), Trustly (digital account-to-account payments platform) and Asmodee (games publisher and distributor).

# Investment Manager's Review

## Continued

### Maturity Analysis<sup>1</sup>



<sup>1</sup> Based on the latest available information from underlying managers. This excludes underlying fund and co-investments held through the Company portfolio. The holding period is the length of time that an underlying portfolio company has been held since its initial investment date by the Company.

A large proportion of the portfolio is reaching maturity, with 49% being in vintages of four years and older (30 September 2021: 55%). This should underpin consistent distribution activity moving forward.

### Outlook

We are delighted by the Company's recent strong performance, particularly given the disruptive backdrop of the global pandemic. However, we are mindful that the macroeconomic environment and financial markets have changed materially in 2022, with significant headwinds in the form of higher inflation, interest rate rises and the conflict in Ukraine creating a higher degree of uncertainty and volatility in financial markets. We see a period of lower economic growth and greater uncertainty ahead, and assume that both private equity and the Company's underlying portfolio may not be immune to the increasingly challenging market environment.

Against this outlook, we expect some downward pressure on the valuation of the Company's portfolio in the second half of the year as, (i) the share prices of recently listed businesses experience further pressure; and (ii) the downward trend we are seeing in public market valuations feeds into private valuations. The revenue and earnings growth of the portfolio's underlying businesses have remained relatively strong to date, but we expect slowing economic growth and inflation to begin to have an impact upon the profitability of businesses as we move into the next 6-12 months. That said, we fully expect the private equity managers to be active and managing their investments very closely to defend and maintain profit margins.

It is worth reiterating that the Company has navigated multiple economic cycles over a 21 year period and the strategy has remained consistent since its inception in 2001. We take comfort in the quality of the private equity firms that APEO partners with, verified by the thorough due diligence we undertake prior to the Company's investment. Furthermore, the broad diversification of APEO's underlying portfolio by sector, geography and maturity, and its strong balance sheet position, position it well.

More specifically, the governance model of private equity, through majority control and active ownership, provides the opportunity for hands-on value creation in response to changing market circumstances. The private equity firms that the Company partners with are now far more sector specialised with stronger portfolio management toolkits having learned from the global financial crisis.

Furthermore, market volatility does invariably provide attractive new investment opportunities and we believe that private equity particularly thrives in these periods. In addition, we also expect interesting opportunities to emerge in the secondary investment market as investors look to rebalance their core portfolios and sell non-core assets. The Company's balance sheet is in a strong position and we therefore believe that the Company is well positioned to take advantage of opportunities through the remainder of 2022 and beyond.

In summary, we believe that private equity is a long-term asset class and we expect it to continue to deliver outperformance on both absolute and relative bases. Whilst the period ahead appears to be more challenging in terms of financial markets and the global economy, we take comfort in the private equity governance model, the quality of the Company's current portfolio and its set of core managers, and the opportunity to make attractive new investments during this period of greater uncertainty.



**Alan Gauld**  
Lead Portfolio Manager  
29 June 2022

# Ten Largest Investments

**1**

**4.6%  
of NAV**

(30 September 2021: 5.4%)



**Fund Size:** €13.0bn  
**Strategy:** Mid to large buyouts  
**Enterprise Value of investments:** \$200m-\$3bn  
**Geography:** Global with a focus on Europe and North America  
**Website:** [www.adventinternational.com](http://www.adventinternational.com)

Invests in attractive niches within business & financial services, healthcare, industrial, retail and technology sectors

Advent International Global Private Equity VIII	31/3/22	30/9/21
Value (£'000)	50,279	55,818
Cost (£'000)	31,652	31,102
Commitment (£'000)	45,000	45,000
Amount Funded	100.0%	95.2%
Income (£'000)*	-	-

**2**

**4.5%  
of NAV**

(30 September 2021: 4.0%)



**Co-investment Size:** €2.5bn  
**Sector:** Consumer staples  
**Location:** Netherlands  
**Year of investment:** 2020  
**Private Equity Manager:** 3i Group plc  
**Investment:** Co-investment  
**Website:** [www.action.nl](http://www.action.nl)

Since its establishment in 1993, Benelux-based Action has grown into the leading non-food discount retailer in the region with more than 2,000 stores and over 65,000 employees

3i 2020 Co-investment 1 SCSp	31/3/22	30/9/21
Value (£'000)	48,897	41,454
Cost (£'000)	22,630	22,630
Commitment (£'000)	26,540	26,540
Amount Funded	100.0%	100.0%
Income (£'000)*	1,771	-

**3**

**4.1%  
of NAV**

(30 September 2021: 4.9%)



**Fund size:** €2.1bn  
**Strategy:** Mid-market buyouts  
**Enterprise Value of investments:** €50m-€500m  
**Geography:** Northern Europe  
**Website:** [www.altor.com](http://www.altor.com)

Focuses on investing in and developing medium-sized companies with a Nordic origin that offer potential for value creation through revenue growth, margin expansion, improved capital management and strategic re-positioning

Altor Fund IV	31/3/22	30/9/21
Value (£'000)	44,507	51,229
Cost (£'000)	27,960	30,679
Commitment (£'000)	55,000	55,000
Amount Funded	71.7%	69.7%
Income (£'000)*	794	2,614

**4**

**3.8%  
of NAV**

(30 September 2021: 3.4%)



**Fund Size:** €1.9bn  
**Strategy:** Mid-market buyouts  
**Enterprise Value of investments:** €100m-€500m  
**Geography:** Northern Europe  
**Website:** [www.ikinvest.com](http://www.ikinvest.com)

Invests in growth strategies supporting business transformation. Unique Northern Continental European footprint

IK Fund VIII	31/3/22	30/9/21
Value (£'000)	41,206	35,006
Cost (£'000)	27,953	28,909
Commitment (£'000)	46,000	46,000
Amount Funded	94.7%	94.7%
Income (£'000)*	4	391

**5**

**3.8%  
of NAV**

(30 September 2021: 4.2%)



**Fund Size:** €4.3bn  
**Strategy:** Mid to large buyouts  
**Enterprise Value of investments:** €200m-€800m  
**Geography:** Northern Europe (Global in Healthcare)  
**Website:** [www.nordiccapital.com](http://www.nordiccapital.com)

Invests in medium to large-sized buyout deals in Northern Europe, through five dedicated sector teams, with the ability to invest in healthcare companies on a global basis

Nordic Capital Fund IX	31/3/22	30/9/21
Value (£'000)	41,186	43,119
Cost (£'000)	21,447	21,065
Commitment (£'000)	30,000	30,000
Amount Funded	89.1%	79.3%
Income (£'000)*	-	-

# 6

## 3.7% of NAV

(30 September 2021: 2.8%)



**Fund size:** €16.4bn  
**Strategy:** Mid to large buyouts  
**Enterprise Value of investments:** €500m-€5bn  
**Geography:** Europe and North America  
**Website:** [www.cvc.com](http://www.cvc.com)

Undertakes medium and large sized buyout transactions across a range of industries and geographies

CVC Capital Partners VII	31/3/22	30/9/21
Value (£'000)	40,132	28,902
Cost (£'000)	24,960	18,616
Commitment (£'000)	35,000	35,000
Amount Funded	84.1%	64.3%
Income (£'000)*	31	101

# 7

## 3.5% of NAV

(30 September 2021: 3.5%)

## TOWERBROOK

**Fund Size:** \$3.6bn  
**Strategy:** Mid-market buyouts  
**Enterprise Value of investments:** \$200m-\$1bn  
**Geography:** Europe and North America  
**Website:** [www.towerbrook.com](http://www.towerbrook.com)

Control-oriented private equity investments in mid-market companies in Europe and North America, principally on a proprietary basis and in situations characterized by complexity.

TowerBrook Investors IV	31/3/22	30/9/21
Value (£'000)	38,248	35,816
Cost (£'000)	17,266	16,947
Commitment (\$'000)	36,561	36,561
Amount Funded	60.8%	59.9%
Income (£'000)*	40	456

# 8

## 3.3% of NAV

(30 September 2021: 3.6%)

## Exponent

**Fund Size:** \$1.0bn  
**Strategy:** Mid-market buyouts  
**Enterprise Value of investments:** £75m-£350m  
**Geography:** UK  
**Website:** [www.exponentpe.com](http://www.exponentpe.com)

Target businesses have strong market positions, evidence of historical constraints and are capable of transformation. Companies often have a significant international footprint

Exponent Private Equity Partners III, LP.	31/3/22	30/9/21
Value (£'000)	35,788	37,704
Cost (£'000)	24,927	25,262
Commitment (£'000)	28,000	28,000
Amount Funded	87.8%	87.8%
Income (£'000)*	252	348

# 9

## 3.1% of NAV

(30 September 2021: 3.5%)



**Fund Size:** €7.0bn  
**Strategy:** Mid to large buyouts  
**Enterprise Value of investments:** €250m - €6bn  
**Geography:** Europe and North America  
**Website:** [www.cinven.com](http://www.cinven.com)

Targets companies that have the ability to deploy clearly identified sector strategies to accelerate growth in Europe or globally

Sixth Cinven Fund	31/3/22	30/9/21
Value (£'000)	34,482	35,978
Cost (£'000)	19,764	21,477
Commitment (£'000)	26,000	28,100
Amount Funded	89.6%	88.2%
Income (£'000)*	622	-

# 10

## 3.1% of NAV

(30 September 2021: 2.7%)

### Structured Solutions IV Primary Holdings

**Fund size:** \$125m  
**Strategy:** Various  
**Enterprise Value of investments:** \$500m - \$5bn  
**Geography:** Europe and North America

A diversified secondary transaction comprising large cap buyout funds in Europe and the US

Structured Solutions IV Primary Holdings	31/3/22	30/9/21
Value (£'000)	34,296	28,507
Cost (£'000)	28,139	28,093
Commitment (\$'000)	62,500	62,500
Amount Funded	61.5%	61.5%
Income (£'000)*	-	-

#### Notes:

Performance information has been prepared by APEO and has not been approved by the General Partners of the funds or any of their Associates.

\*Income figures are for the six months ended 31 March 2022 and 31 March 2021 respectively.

The Company's position in Action is held through 3i 2020 Co-investment 1 SCSp (formerly known as 3i Venice SCSp, a special purpose vehicle managed by 3i as co-investment lead.

# Investment Portfolio

Vintage	Investment	Number of investments	Outstanding commitments		Cost £'000	Valuation £'000 <sup>1</sup>	Net multiple <sup>2</sup>	% of NAV
			£'000	£'000				
2016	Advent International Global Private Equity VIII	30	-	31,652	50,279	1.9x	4.6	
2020	3i 2020 Co-investment 1 SCSp (Action) <sup>3,4</sup>	1	-	22,630	48,897	2.2x	4.5	
2014	Altor Fund IV	16	13,167	27,960	44,507	2.0x	4.1	
2016	IK Fund VIII	12	2,070	27,953	41,206	1.7x	3.8	
2018	Nordic Capital Fund IX	14	2,752	21,447	41,186	1.9x	3.8	
2017	CVC Capital Partners VII	33	4,702	24,960	40,132	1.6x	3.7	
2013	TowerBrook Investors IV	13	10,887	17,266	38,248	2.3x	3.5	
2015	Exponent Private Equity Partners III, LP.	10	3,426	24,927	35,788	1.7x	3.3	
2016	Sixth Cinven Fund	15	2,280	19,764	34,482	1.9x	3.1	
2021	Structured Solutions IV Primary Holdings*	45	18,276	28,139	34,296	1.2x	3.1	
2017	HgCapital 8	12	7,435	10,900	33,626	2.4x	3.1	
2014	CVC VI	23	2,614	16,345	33,374	2.2x	3.0	
2014	Permira V	12	712	14,252	32,344	3.5x	3.0	
2019	Advent International Global Private Equity IX	31	6,458	14,506	28,913	2.0x	2.6	
2013	Nordic Capital VIII	14	3,914	18,385	27,300	1.8x	2.5	
2014	PAI Europe VI*	13	2,244	16,422	25,792	1.9x	2.4	
2015	Bridgepoint Europe V	10	2,456	14,978	22,723	2.0x	2.1	
2018	Bridgepoint Europe VI	16	8,050	17,223	22,375	1.4x	2.0	
2018	Investindustrial Growth	5	6,051	14,201	22,328	2.4x	2.0	
2015	Equistone Partners Europe Fund V	16	2,264	18,442	19,419	1.6x	1.8	
2018	Triton Fund V	16	11,382	14,361	18,156	1.3x	1.7	
2018	PAI Europe VII*	14	12,495	13,459	16,035	1.4x	1.5	
2019	Altor Fund V	15	19,507	10,077	15,679	1.6x	1.4	
2015	Nordic Capital VII	4	1,840	13,838	14,505	1.4x	1.3	
2020	MPI-COI-NAMSA SLP (NAMSA) <sup>3</sup>	1	2,518	4,863	14,393	2.5x	1.3	
2019	Cinven 7	12	8,933	12,362	13,812	1.1x	1.3	
2016	Astorg VI	7	3,884	2,047	13,249	1.7x	1.2	
2019	IK IX	9	10,147	11,095	12,221	1.1x	1.1	
2019	Vitruvian I CF LP	5	7,986	9,119	12,188	1.3x	1.1	
2019	American Industrial Partners VII	10	4,584	10,493	11,852	1.1x	1.1	
2017	Onex Partners IV LP	9	969	10,982	11,635	1.4x	1.0	
2020	Vitruvian IV	22	11,115	9,961	11,096	1.1x	1.0	
2012	IK Fund VII	4	1,689	10,130	10,419	2.1x	1.0	
2021	Arbor Co-Investment LP (ACT) <sup>3</sup>	1	271	8,058	10,222	1.3x	0.9	

Vintage	Investment	Number of investments	Outstanding commitments		Cost £'000	Valuation £'000 <sup>1</sup>	Net multiple <sup>2</sup>	% of NAV
			£'000	£'000				
2021	IK Co-invest Questel (Questel) <sup>3</sup>	1	-	8,554	9,813	1.1x	0.9	
2021	Hg Isaac Co-Invest LP (Insightsoftware) <sup>3</sup>	1	147	7,452	8,873	1.2x	0.8	
2018	MSouth Equity Partners IV	8	7,531	8,767	8,811	1.0x	0.8	
2019	PAI Strategic Partnerships SCSp	2	260	6,516	8,501	1.3x	0.8	
2022	Uvesco Co-invest SCSp (Uvesco)* <sup>3</sup>	1	-	8,451	8,476	1.0x	0.8	
2019	Investindustrial VII	11	13,965	7,839	8,209	1.1x	0.7	
2021	Capiton VI Wundex Co-Investment (Wundex) <sup>3</sup>	1	3,142	5,352	8,069	1.5x	0.7	
2021	MI NGE S.L.P. (NGE) <sup>3</sup>	1	816	8,153	8,046	1.0x	0.7	
2021	Hg Riley Co-Invest LP (Riskalyze) <sup>3</sup>	1	-	6,836	7,969	1.2x	0.7	
2020	Hg Vardos Co-invest L.P. (Visma) <sup>3</sup>	1	-	4,871	7,951	1.6x	0.7	
2020	Hg Saturn 2	6	7,859	4,080	7,881	1.7x	0.7	
2020	Vitruvian III	28	1,840	4,701	7,753	1.8x	0.7	
2021	Eurazeo Payment Luxembourg Fund SCSp (Planet) <sup>3</sup>	1	1,155	7,702	7,671	1.0x	0.7	
2021	MPI-COI-PROLLENIUM SLP (Prolleium) <sup>3</sup>	1	1,403	7,124	7,470	1.0x	0.7	
2011	Montagu IV	5	991	5,388	7,253	1.9x	0.7	
2015	Capiton V	10	896	6,929	7,209	1.0x	0.7	
2012	Equistone Partners Europe Fund IV	8	624	9,393	7,060	2.2x	0.6	
2020	Capiton VI	9	11,173	5,802	6,999	1.2x	0.6	
2020	Nordic Capital X	13	16,657	4,523	6,992	1.5x	0.6	
2021	Bengal Co-Invest SCSp (Tropicana Brands Group)* <sup>3</sup>	1	2,330	6,198	6,405	1.0x	0.6	
2020	Hg Genesis 9	10	8,170	4,580	6,259	1.3x	0.6	
2019	Great Hill Partners VII	18	4,010	4,427	5,701	1.6x	0.5	
2021	ECG Co-invest SLP (European Camping Group)* <sup>3</sup>	1	1,336	5,485	5,408	1.0x	0.5	
2021	MPI-COI-SUAN SLP (Suanfarma) <sup>3</sup>	1	976	5,428	5,360	1.0x	0.5	
2021	CDL Coinvestment SPV (CDL) <sup>3</sup>	1	-	5,294	5,337	1.0x	0.5	
2021	Latour Co-invest Funecap (Funecap) <sup>3</sup>	1	2,080	4,287	4,760	1.1x	0.4	
2012	Advent International Global Private Equity VII	19	1,183	5,115	4,324	2.2x	0.4	
2020	PAI Mid-Market I*	3	16,164	4,987	4,310	0.9x	0.4	
2021	bd-capital Partners Chase (Sport Pursuit) <sup>3</sup>	1	-	4,279	4,250	1.0x	0.4	
2019	Alphaone International S.à.r.l. (Mademoiselle Desserts) <sup>3</sup>	1	1,675	3,522	3,595	1.0x	0.3	
2020	Hg Mercury 3	7	7,630	2,846	3,236	1.1x	0.3	
2021	Nordic Capital WH1 Beta, L.P. (Boost.ai) <sup>3</sup>	1	1,832	1,841	2,606	1.2x	0.2	
2020	Seidler Equity Partners VII L.P.	3	12,294	2,757	2,554	1.0x	0.2	

# Investment Portfolio

## Continued

Vintage	Investment	Number of investments	Outstanding commitments		Cost £'000	Valuation £'000 <sup>1</sup>	Net multiple <sup>2</sup>	% of NAV
			£'000	£'000				
2021	Advent Technology II	6	21,532	2,319	2,172	0.9x	0.2	
2020	Triton Smaller Mid-Cap Fund II	3	18,162	2,955	2,093	0.7x	0.2	
2001	CVC III*	1	395	4,283	1,926	2.7x	0.2	
2022	AV Invest B3	1	3,307	1,803	1,806	1.0x	0.2	
2019	ASI Omega Holdco Limited (KD Pharma) <sup>3</sup>	1	2,727	1,462	1,726	1.2x	0.2	
2013	Bridgepoint Europe IV	5	764	2,920	1,668	1.6x	0.2	
2008	CVC V*	1	421	4,411	1,593	2.4x	0.1	
2021	WindRose Health Investors Fund VI	1	13,632	1,556	1,518	1.0x	0.1	
2006	3i Eurofund V	1	-	11,308	769	2.7x	0.1	
2019	Gilde Buy-Out Fund IV	2	-	2,262	408	1.2x	0.0	
2007	Industri Kapital 2007 Fund	0	1,467	5,545	69	1.4x	0.0	
2009	Capiton IV GmbH & Co. Beteiligungs KG	5	144	241	65	1.1x	0.0	
2019	Borromin Capital Fund III L.P	0	204	808	8	1.6x	0.0	
2006	HgCapital 5	1	-	5,958	7	1.6x	0.0	
2022	Advent International Global Private Equity X	0	25,352	-	-	0.0x	0.0	
2022	ArchiMed – Med Platform 2	0	25,352	-	-	0.0x	0.0	
2021	ArchiMed III	1	12,635	42	-	0.0x	0.0	
2022	VIP SIV I LP (CFC) <sup>3</sup>	1	9,000	-	-	0.0x	0.0	
2021	Excellere Partners Fund IV	2	26,583	-	-	0.0x	0.0	
2021	Great Hill Equity Partners VIII	0	15,190	-	-	0.0x	0.0	
2022	Hg Saturn 3	0	26,583	-	-	0.0x	0.0	
2021	IK Partnership II	0	21,126	-	-	0.0x	0.0	
2021	Nordic Capital Evolution Fund	4	25,352	-	-	0.0x	0.0	
2022	PAI Europe VIII	0	25,352	-	-	0.0x	0.0	
2021	Permira Growth Opportunities II	7	26,583	-	-	0.0x	0.0	
<b>Total investments<sup>5</sup></b>		<b>690</b>	<b>627,080</b>	<b>780,549</b>	<b>1,093,616</b>		<b>99.8</b>	
<b>Non-portfolio assets less liabilities</b>					<b>1,676</b>		<b>0.2</b>	
<b>Total shareholders' funds</b>					<b>1,095,292</b>		<b>100.0</b>	

<sup>1</sup> All funds are valued by the manager of the relevant fund or co-investment as at 31 March 2022, with the exception of those funds suffixed with an \* which were valued as at 31 December 2021 or initial funding amount paid

<sup>2</sup> The net multiple has been calculated by the Manager in sterling on the basis of the total realised and unrealised return for the interest held in each fund and co-investments. These figures have not been reviewed or approved by the relevant fund or its manager.

<sup>3</sup> Co-investment position. The name of the underlying co-investment which is indirectly held by the Company has been included within the bracketed text.

<sup>4</sup> Formerly known as 3i Venice SCSp.

<sup>5</sup> The 690 underlying investments represent holdings in 617 separate companies as well as 36 fund investments and 9 co-investments which are held through Structured Solutions IV Primary Holdings.

# Condensed Statement of Comprehensive Income (unaudited)

		For the six months ended 31 March 2022			For the six months ended 31 March 2021		
	Notes	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
<b>Total capital gains on investments</b>		-	71,998	71,998	-	117,485	117,485
Currency gains / (losses)		-	131	131	-	(2,852)	(2,852)
Income	4	4,750	-	4,750	4,760	-	4,760
Investment management fee	5	(516)	(4,646)	(5,162)	(407)	(3,665)	(4,072)
Administrative expenses		(520)	-	(520)	(499)	-	(499)
<b>Profit before finance costs and taxation</b>		3,714	67,483	71,197	3,854	110,968	114,822
Finance costs		(153)	(875)	(1,028)	(153)	(783)	(936)
<b>Profit before taxation</b>		3,561	66,608	70,169	3,701	110,185	113,886
Taxation		(544)	154	(390)	(605)	520	(85)
<b>Profit after taxation</b>		3,017	66,762	69,779	3,096	110,705	113,801
<b>Earnings per share - basic and diluted</b>	7	1.96p	43.42p	45.38p	2.01p	72.00p	74.01p

The Total column of this statement represents the profit and loss account of the Company.

There are no items of other comprehensive income, therefore this statement is the single statement of comprehensive income of the Company.

All revenue and capital items in the above statement are derived from continuing operations.

No operations were acquired or discontinued in the period.

# Condensed Statement of Financial Position (unaudited)

		As at 31 March 2022	As at 30 September 2021
	Notes	£'000	£'000
<b>Non-current assets</b>			
Investments	8	1,093,616	1,007,843
		1,093,616	1,007,843
<b>Current assets</b>			
Receivables		3,094	1,144
Cash and cash equivalents		26,605	29,714
		29,699	30,858
<b>Creditors: amounts falling due within one year</b>			
Payables		(3,622)	(2,734)
Revolving credit facility	10	(24,401)	-
<b>Net current assets</b>		<b>1,676</b>	28,124
<b>Total assets less current liabilities</b>		<b>1,095,292</b>	1,035,967
<b>Capital and reserves</b>			
Called-up share capital		307	307
Share premium account		86,485	86,485
Special reserve		51,503	51,503
Capital redemption reserve		94	94
Capital reserves		956,903	897,578
Revenue reserve		-	-
<b>Total shareholders' funds</b>		<b>1,095,292</b>	1,035,967
<b>Net asset value per equity share</b>	9	<b>712.4p</b>	673.8p

The Financial Statements of abrdn Private Equity Opportunities Trust plc, registered number SC216638 were approved and authorised for issue by the Board of Directors on 29 June 2022 and were signed on its behalf by Alan Devine, Chair.

**Alan Devine**  
Chair  
29 June 2022

# Condensed Statement of Changes in Equity (unaudited)

For the six months ended 31 March 2022

Notes	Called-up share capital £'000	Share premium account £'000	Special reserve £'000	Capital redemption reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
<b>Balance at 1 October 2021</b>	307	86,485	51,503	94	897,578	-	1,035,967
Profit after taxation	-	-	-	-	66,762	3,017	69,779
Dividends paid	6	-	-	-	(7,437)	(3,017)	(10,454)
<b>Balance at 31 March 2022</b>	307	86,485	51,503	94	956,903	-	1,095,292

For the six months ended 31 March 2021

Notes	Called-up share capital £'000	Share premium account £'000	Special reserve £'000	Capital redemption reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
<b>Balance at 1 October 2020</b>	307	86,485	51,503	94	631,904	-	770,293
Profit after taxation	-	-	-	-	110,705	3,096	113,801
Dividends paid	6	-	-	-	(7,051)	(3,096)	(10,147)
<b>Balance at 31 March 2021</b>	307	86,485	51,503	94	735,558	-	873,947

# Condensed Statement of Cash Flows (unaudited)

		For the six months ended 31 March 2022	For the six months ended 31 March 2021
	Notes	£'000	£'000
<b>Cashflows from operating activities</b>			
Profit before taxation		70,169	113,886
Adjusted for:			
Finance costs		1,028	936
Gains on disposal of investments	8	(63,774)	(53,272)
Revaluation of investments		(8,438)	(64,325)
Currency (gains) / losses		(131)	2,852
(Increase) / decrease in debtors		(308)	202
Increase in creditors		840	520
Tax deducted from non-UK income		(390)	(85)
Interest paid and arrangement fees		(797)	(734)
<b>Net cash outflow from operating activities</b>		<b>(1,801)</b>	<b>(20)</b>
<b>Investing activities</b>			
Purchase of investments	8	(145,453)	(63,248)
Distributions of capital proceeds by investments	8	116,178	88,247
Distributions receivable from investments		(1,825)	-
Disposal of quoted investments		-	2,193
Receipt of proceeds from disposal of unquoted investments	8	15,714	15,148
<b>Net cash (outflow) / inflow from investing activities</b>		<b>(15,386)</b>	<b>42,340</b>
<b>Financing activities</b>			
Revolving credit facility	10	24,401	-
Ordinary dividends paid	6	(10,454)	(10,147)
<b>Net cash inflow / (outflow) from financing activities</b>		<b>13,947</b>	<b>(10,147)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(3,240)</b>	<b>32,173</b>
Cash and cash equivalents at the beginning of the period		29,714	33,135
Currency gains / (losses) on cash and cash equivalents		131	(2,852)
<b>Cash and cash equivalents at the end of the period</b>		<b>26,605</b>	<b>62,456</b>
<b>Cash and cash equivalents consist of:</b>			
Money-market funds		-	42,019
Cash		26,605	20,437
<b>Cash and cash equivalents</b>		<b>26,605</b>	<b>62,456</b>

# Notes to the Financial Statements (unaudited)

For the six months ended 30 March 2022

## 1 Financial Information

The financial information for the year ended 30 September 2021 within the report is considered non-statutory as defined in sections 434-436 of the Companies Act 2006. The financial information for the six months ended 31 March 2022 and 31 March 2021 has not been audited. The financial information for the year ended 30 September 2021 has been extracted from the published accounts that have been delivered to the Registrar of Companies and on which the report of the auditor was unqualified under section 498 of the Companies Act 2006.

## 2 Basis of preparation and going concern

The condensed financial statements for the six months ended 31 March 2022 have been prepared in accordance with Financial Reporting Standard 104 (Interim Financial Reporting) and with the Statement of Recommended Practice for 'Financial Statements of Investment Trust Companies and Venture Capital Trusts'.

The condensed financial statements for the six months ended 31 March 2022 have been prepared using the same accounting policies as the preceding annual financial statements. This is available at [www.abrdnpeot.co.uk](http://www.abrdnpeot.co.uk) or on request from the Company Secretary.

The Board have made an assessment of the Company's ability to continue as a going concern and are satisfied that the Company has the resources to continue in business for a period of at least 12 months from the date of these condensed financial statements. In preparing these condensed financial statements, the Board have considered:

- the remaining undrawn balance of the £200.0 million committed, syndicated revolving credit facility with a maturity date in December 2024;
- the level of cash balances. The Manager regularly monitors the Company's cash position to ensure sufficient cash is held to meet liabilities as they fall due;
- the future cash flow projections (including the level of expected realisation proceeds, the expected future profile of investment commitments and the terms of the revolving credit facility); and
- the Company's cash flows during the period.

Based on a review of the above, the Board are satisfied that the Company has, and will maintain, sufficient resources to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the condensed financial statements. Accordingly, the condensed financial statements have been prepared on a going concern basis.

## 3 Exchange rates

Rates of exchange to sterling were:

	As at 31 March 2022	As at 30 September 2021
Euro	<b>1.1834</b>	1.1635
US dollar	<b>1.3167</b>	1.3484
Canadian dollar	<b>1.6446</b>	1.7082

# Notes to the Financial Statements (unaudited)

## Continued

### 4 Income

	Six months ended 31 March 2022 £'000	Six months ended 31 March 2021 £'000
Income from fund investments	4,748	4,756
Interest from cash balances and money-market funds	2	4
<b>Total income</b>	<b>4,750</b>	<b>4,760</b>

### 5 Investment management fee

	Six months ended 31 March 2022			Six months ended 31 March 2021		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Investment management fee	516	4,646	5,162	407	3,665	4,072

The Manager of the Company is abrdn Capital Partners LLP. In order to comply with the Alternative Investment Fund Managers Directive, the Company appointed abrdn Capital Partners LLP as its Alternative Investment Fund Manager from 1 July 2014. The Manager was renamed as abrdn Capital Partners LLP as of 29 November 2021.

The investment management fee payable to the Manager is 0.95% per annum of the NAV of the Company. The investment management fee is allocated 90% to the realised capital reserve – gains/(losses) on disposal and 10% to the revenue account. The management agreement between the Company and the Manager is terminable by either party on twelve months written notice.

Investment management fees due to the Manager as at 31 March 2022 amounted to £3,037,000 (30 September 2021: £2,227,000).

### 6 Dividend on ordinary shares

In respect of the year ended 30 September 2021, the third quarterly dividend of 3.4p per ordinary share was paid on 29 October 2021 (2020: dividend of 3.3p per ordinary share paid on 30 October 2020). The fourth quarterly dividend of 3.4p per ordinary share was then paid on 25 January 2022 (2020: dividend of 3.3p per ordinary share paid on 29 January 2021).

For the financial period ending 31 March 2022, the first quarterly dividend of 3.6p per ordinary share was paid on 23 April 2022 (2021: dividend of 3.4p was paid on 23 April 2021). A proposed dividend of 3.6p per share is due to be paid on 30 July 2022 (2021: dividend of 3.4p was paid on 30 July 2021).

## 7 Earnings per share – basic and diluted

	Six months ended 31 March 2022		Six months ended 31 March 2021	
	p	£'000	p	£'000
The net return per ordinary share is based on the following figures:				
Revenue net return	1.96	3,017	2.01	3,096
Capital net return	43.42	66,762	72.00	110,705
<b>Total net return</b>	<b>45.38</b>	<b>69,779</b>	<b>74.01</b>	<b>113,801</b>
<b>Weighted average number of ordinary shares in issue:</b>		<b>153,746,294</b>		<b>153,746,294</b>

There are no diluting elements to the earnings per share calculation in the six months ended 31 March 2022 (2021: none).

## 8 Investments

	Six months ended 31 March 2022			Year ended 30 September 2021		
	Quoted Investments £'000	Unquoted Investments £'000	Total £'000	Quoted Investments £'000	Unquoted Investments £'000	Total £'000
<b>Fair value through profit or loss:</b>						
Opening market value	-	1,007,843	1,007,843	-	721,650	721,650
Opening investment holding gains	-	(304,629)	(304,629)	-	(108,790)	(108,790)
<b>Opening book cost</b>	<b>-</b>	<b>703,214</b>	<b>703,214</b>	<b>-</b>	<b>612,860</b>	<b>612,860</b>
<b>Movements in the period / year:</b>						
Additions at cost	-	143,650	143,650	2,422	147,656	150,078
Secondary purchases	-	1,803	1,803	-	35,260	35,260
Distribution of capital proceeds	-	(116,178)	(116,178)	-	(187,772)	(187,772)
Disposal of quoted investments	-	-	-	(2,193)	-	(2,193)
Secondary sales	-	(15,714)	(15,714)	-	(1,084)	(1,084)
	-	<b>716,775</b>	<b>716,775</b>	229	606,920	607,149
Gains on disposal of underlying investments	-	63,774	63,774	-	96,294	96,294
Losses on disposal of quoted investments	-	-	-	(229)	-	(229)
<b>Closing book cost</b>	<b>-</b>	<b>780,549</b>	<b>780,549</b>	<b>-</b>	<b>703,214</b>	<b>703,214</b>
Closing investment holding gains	-	313,067	313,067	-	304,629	304,629
<b>Closing market value</b>	<b>-</b>	<b>1,093,616</b>	<b>1,093,616</b>	<b>-</b>	<b>1,007,843</b>	<b>1,007,843</b>

# Notes to the Financial Statements (unaudited)

## Continued

The total capital gain on investments of £71,998,000 (2021: £117,485,000) per the Condensed Statement of Comprehensive Income for the six months ended 31 March 2022 also includes transaction costs of £214,000 (2021: £112,000).

### 9 Net asset value per equity share

	As at 31 March 2022	As at 30 September 2021
<b>Basic and diluted:</b>		
Ordinary shareholders' funds	£1,095,291,766	£1,035,967,006
Number of ordinary shares in issue	153,746,294	153,746,294
Net asset value per ordinary share	712.4p	673.8p

The net asset value per ordinary share and the ordinary shareholders' funds are calculated in accordance with the Company's articles of association.

There are no diluting elements to the net asset value per equity share calculation in the six months ended 31 March 2022 (2021: none).

### 10 Revolving credit facility

	As at 31 March 2022 £'000	As at 30 September 2021 £'000
Revolving credit facility	24,401	-

As at 31 March 2022, the Company had a £200.0 million (30 September 2021: £200.0 million) committed, multi-currency syndicated revolving credit facility. The facility is provided by Citi, Société Générale and State Street Bank International. The facility expires on 6 December 2024.

The interest rate on this facility is calculated as the defined reference rate of the currency drawn plus 1.625%, rising to 2.0% depending on the level of facility utilisation. The commitment fee rate payable on non-utilisation is 0.7% per annum.

### 11 Commitments and contingent liabilities

	As at 31 March 2022 £'000	As at 30 September 2021 £'000
Outstanding calls on investments	627,080	557,051

This represents commitments made to fund and co-investment interests remaining undrawn.

## 12 Fair Value hierarchy

FRS 104 requires an entity to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following classifications:

- Level 1: The unadjusted quoted price in an active market for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e., developed using market data) for the asset or liability, either directly or indirectly.
- Level 3: Inputs are unobservable (i.e., for which market data is unavailable) for the asset or liability.

The Company's financial assets and liabilities, measured at fair value in the Condensed Statement of Financial Position, are grouped into the following fair value hierarchy at 31 March 2022:

	Level 1	Level 2	Level 3	Total
<b>Financial assets at fair value through profit or loss</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Unquoted investments	-	-	1,093,616	1,093,616
<b>Net fair value</b>	<b>-</b>	<b>-</b>	<b>1,093,616</b>	<b>1,093,616</b>

As at 30 September 2021

	Level 1	Level 2	Level 3	Total
<b>Financial assets at fair value through profit or loss</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Unquoted investments	-	-	1,007,843	1,007,843
<b>Net fair value</b>	<b>-</b>	<b>-</b>	<b>1,007,843</b>	<b>1,007,843</b>

### Unquoted investments

Unquoted investments are stated at the directors' estimate of fair value and follow the recommendations of the EVCA and the BVCA (European Private Equity & Venture Capital Association and British Private Equity & Venture Capital Association). The estimate of fair value is normally the latest valuation placed on an investment by its manager as at the Condensed Statement of Financial Position date. The valuation policies used by the manager in undertaking that valuation will generally be in line with the joint publication from the EVCA and the BVCA, 'International Private Equity and Venture Capital Valuation guidelines'. Fair value can be calculated by the manager of the investment in a number of ways. In general, the managers with whom the Company invests adopt a valuation approach which applies an appropriate comparable listed company multiple to a private company's earnings or by reference to recent transactions. Where formal valuations are not completed as at the Condensed Statement of Financial Position date, the last available valuation from the manager is adjusted for any subsequent cash flows occurring between the valuation date and the Condensed Statement of Financial Position date. The Company's Manager may further adjust such valuations to reflect any changes in circumstances from the last manager's formal valuation date to arrive at the estimate of fair value.

# Notes to the Financial Statements (unaudited)

## Continued

### 13 Parent undertaking, related party transactions and transactions with the Manager

The ultimate parent undertaking of the Company is Phoenix Group Holdings. The results for the period from 1 October 2021 to 31 March 2022 are incorporated into the group financial statements of Phoenix Group Holdings, which will be available to download from the website [www.thephoenixgroup.com](http://www.thephoenixgroup.com).

Standard Life Assurance Limited ("SLAL", which is 100% owned by Phoenix Group Holdings), and the Company have entered into a relationship agreement which provides that, for so long as SLAL and its Associates exercise, or control the exercise, of 30% or more of the voting rights of the Company, SLAL and its Associates, will not seek to enter into any transaction or arrangement with the Company which is not conducted at arm's length and on normal commercial terms, take any action that would have the effect of preventing the Company from carrying on an independent business as its main activity or from complying with its obligations under the Listing Rules or purpose or procure the proposal of any shareholder resolution which is intended or appears to be intended to circumvent the proper application of the Listing Rules. During the period ended 31 March 2022, SLAL received dividends from the Company totalling £5,855,000 (31 March 2021: £5,683,000).

During the period ended 31 March 2022, the Manager charged management fees totalling £5,162,000 (31 March 2021: £3,987,000) to the Company in the normal course of business. The balance of management fees outstanding at 31 March 2022 was £3,037,000 (30 September 2021: £2,227,000).

abrdn Investment Management Limited (formerly Standard Life Investments Limited), which shares the same ultimate parent as the Manager, received fees for the provision of promotional activities of £60,000 (31 March 2021: £60,000) during the period. The balance of promotional fees outstanding at 31 March 2022 was a payable of £300,000 (30 September 2021: £180,000).

The Company Secretarial services for the Company are provided by Aberdeen Asset Management PLC, which shares the same ultimate parent as the Manager. During the period ended 31 March 2022, the Company incurred secretarial fees of £35,000 (31 March 2021: £36,000). The balance of secretarial fees outstanding at 31 March 2022 was £70,000 (30 September 2021: £35,000)

The Company previously invested in liquidity funds managed by Aberdeen Standard Investments (Lux), which share the same ultimate parent as the Manager. During the period ended 31 March 2022, the Company received interest amounting to £2,000 (31 March 2021: £4,000) on sterling denominated positions. There was no interest on euro denominated positions (31 March 2021: £nil). The Company realised its holding in the liquidity funds in November 2021.

No other related party transactions were undertaken during the six months ended 31 March 2022.

# Alternative Performance Measures

Alternative performance measures ("APMs") are numerical measures of the Company's current, historical or future performance, financial position or cash flows, other than financial measures defined or specified in the applicable

financial framework. The Company's applicable financial framework includes FRS 102 and the AIC SORP. The directors assess the Company's performance against a range of criteria which are viewed as particularly relevant for closed-end investment companies.

## Discount

The amount by which the market price per share is lower than the net asset value per share of an investment trust. The discount is normally expressed as a percentage of the net asset value per share.

	As at 31 March 2022	As at 30 September 2021
Share price (p)	520.0	498.0
Net Asset Value per share (p)	712.4	673.8
Discount (%)	27.0	26.1

## Dividend yield

The total dividend per ordinary share in respect of the financial year divided by the share price, expressed as a percentage, calculated at the year end date of the Company:

	Year ended 30 September	
	2021	2020
Dividend per share (p)	13.6	13.2
Share price (p)	498.0	320.0
Dividend yield (%)	2.7	4.1

## NAV total return

NAV total return shows how the NAV has performed over a period of time in percentage terms, taking into account both capital returns and dividends paid to shareholders. This involves reinvesting the net dividend into the NAV at the end of the quarter in which the shares go ex-dividend. Returns are calculated to each quarter end in the year and then the total return for the year is derived from the product of these individual returns.

	NAV per share (p)	Dividend pershare (p)
30 September 2021	673.8	
31 December 2021	705.2	3.4
31 March 2022	712.4	3.6
NAV total return	6.8%	

## Ongoing charges ratio/expense ratio

The ongoing charges ratio is calculated as management fees and all other recurring operating expenses that are payable by the Company, excluding the costs of purchasing and selling investments, performance fees, finance costs, taxation, non-recurring costs, and the costs of any share buy-back transactions, expressed as a percentage of the average NAV during the period. The ratio also includes an allocation of the look-through expenses of the Company's underlying investments, excluding performance-related fees.

The ongoing charges ratio has been calculated in accordance with the applicable guidance issued by the Association of Investment Companies ("AIC"), which was last updated in October 2020.

	Six months ended 31 March 2022 £'000	Year ended 30 September 2021 £'000
Investment management fee	5,162	8,843
Administrative expenses	520	1,020
Ongoing charges*	11,364	9,863
Average net assets	1,071,833	899,097
Expense ratio	1.06%	1.10%
Look-through expenses	1.69%	1.69%
Ongoing charges ratio	2.75%	2.79%

\* As at 31 March 2022. The 2022 interim ongoing charges figure is calculated using actual costs and charges to 31 March 2022, annualised for the full financial year, divided by average net assets.

# Alternative Performance Measures

## Continued

The look-through expenses represent an allocation of the management fees and other expenses charged by the underlying investments held in the portfolio of the Company. Performance related fees, such as carried interest, are excluded from this figure. This is calculated over a five year historic average, and is recalculated on an annual basis based on the previous calendar year.

### Over-commitment ratio

Outstanding commitments less cash and cash equivalents and the value of undrawn loan facilities divided by portfolio NAV.

	As at 31 March 2022 £000s	As at 30 September 2021 £000s
Undrawn commitments	<b>627,080</b>	557,051
Less undrawn loan facility	<b>(175,599)</b>	(200,000)
Less cash and cash equivalents	<b>(26,605)</b>	(29,714)
Net outstanding commitments	<b>424,876</b>	327,337
Portfolio NAV	<b>1,093,616</b>	1,007,843
Over-commitment ratio	<b>38.9%</b>	32.5%

### Total shareholder return

The theoretical return derived from reinvesting each dividend in additional shares in the Company on the day that the share price goes ex-dividend.

Date	Share price (p)	Dividend per share (p)
30 September 2021	<b>498.0</b>	
23 December 2021	<b>548.0</b>	3.4
17 March 2022	<b>520.0</b>	3.6
31 March 2022	<b>520.0</b>	
Total shareholder return	<b>5.8%</b>	

# Glossary of Terms and Definitions

## **Buy-out fund**

A fund which acquires controlling stakes in established private companies.

## **Cash realisation / Distribution**

A return that an investor in a private equity fund receives. The terms "cash realisations" and "distributions" are used interchangeably, the figure being derived as follows: proceeds from disposal of underlying investments by funds, plus income from those fund investments less overseas withholding tax suffered.

## **Co-investment**

An investment made directly into a private company alongside other private equity managers.

## **Commitment**

The amount committed by the Company to an investment, whether or not such amount has been advanced in whole or in part by or repaid in whole or in part to the Company (see also Over-commitment).

## **Drawdown**

A portion of a commitment which is called to pay for an investment.

## **EBITDA**

Earnings before interest expense, taxes, depreciation and amortisation.

## **Enterprise value ("EV")**

The value of the financial instruments representing ownership interests in a company plus the net financial debt of the company.

## **IPO**

Initial Public Offering, the first sale of stock by a private company to the public market.

## **Net Asset Value ("NAV")**

The value of total assets less liabilities. Liabilities for this purpose include current and long-term liabilities. The net asset value divided by the number of shares in issue produces the net asset value per share.

## **Outstanding commitments**

The outstanding commitments represents the sum of the promises the Company has made to invest in particular funds at the launch of those funds, with the expectation that the underlying manager will call on the Company at different times in the future. The Manager works on the basis that these commitments, which may not be called upon for up to five years, will be funded by the distributions from existing funds in which the Company has been invested.

## **Over-commitment**

Where the aggregate commitments to invest by the Company exceed the sum cash and cash equivalents plus the value of any undrawn loan facilities.

## **Primary investment / primary funds**

The managers of private equity funds look to raise fresh capital to invest, typically every five years, and the Company commits to investing in such funds. The capital committed to a fund will generally be drawn over a five year period as investments in private companies are made.

## **Portfolio NAV**

The total value of the portfolio of the Company.

## **Secondary transaction / secondary funds**

The purchase or sale of a commitment to a fund or collection of fund interests in the market. Once a private equity fund is raised, new investors are typically not permitted into the fund. However, an existing investor may exit by selling their interest to another investor. The Company can negotiate to acquire such an interest as a secondary buyer. Within this report, the terms "Secondary transaction" and "Secondary investment" are used interchangeably.

## **Total Value to Paid In ("TVPI")**

The ratio of the current value of the remaining investments within a fund, plus the total value of all distributions to date, relative to the total amount of capital paid into the fund to date.

## **Vintage year**

Refers to the year in which the first influx of investment capital is delivered to a fund.

# Information for Investors

## Registered Address

This Half-Yearly Report has been mailed to shareholders at the address shown on the Company's share register. Any change of address should be advised to the Registrars at the following address under the signature of the shareholder:

**Equiniti Limited**  
Aspect House  
Spencer Road  
Lancing  
West Sussex  
BN99 6DA

Registrars' shareholder helpline: **0371 384 2618**

Registrars' broker helpline: **0906 559 6025\***

\* Calls cost £1.10 per minute plus your phone company's access charge.

If your shares are held via nominees you should contact them with any change of address.

If you hold your shares through the abrdn Investment Plan for Children or the abrdn Investment Trust Share Plan or if you have any general questions about the Company, the Manager or performance, please telephone the abrdn Customer Services Department, send an email to [inv.trusts@abrdn.com](mailto:inv.trusts@abrdn.com) or write to:

**abrdn Investment Trusts**  
PO Box 11020  
Chelmsford  
Essex CM99 2DB

## Dividends

Ordinary dividends are expected to be paid in January, April, July and October each year. Shareholders who wish to have dividends paid directly into a bank account rather than by cheque to their registered address can complete a mandate form for this purpose. Mandates may be obtained from Equiniti at the address above. The Company operates the BACS system for the payment of dividends. Where dividends are paid directly to shareholders' bank accounts, dividend tax vouchers are sent to shareholders' registered addresses.

## Dividend Reinvestment Plan

Shareholders who wish to use their dividends to purchase further shares in the Company by participating in the Company's Dividend Reinvestment Plan can complete a mandate form which may be obtained from Equiniti Limited at the above address.

## Dividend Tax Allowance

The annual tax-free personal allowance for dividend income for UK investors is £2,000 for the 2022/23 tax year. Above this amount, individuals pay tax on their dividend income at a rate dependent on their income tax bracket and personal circumstances. The Company provides registered shareholders with a confirmation of dividends paid and this should be included with any other dividend income received when calculating and reporting to HMRC total dividend income received. It is the shareholder's responsibility to include all dividend income when calculating any tax liability.

## How to Invest

Investors can buy and sell shares in the Company directly through a stockbroker or indirectly through a lawyer, accountant or other professional adviser. Alternatively, for retail clients, shares can be bought directly through the abrdn Investments Children's Plan, Investment Trust Share Plan or Investment Trust Individual Savings Account ("ISA").

## abrdn Investment Plan for Children

abrdn runs an Investment Plan for Children (the "Children's Plan") which covers a number of investment companies under its management including the Company. Anyone can invest in the Children's Plan, including parents, grandparents and family friends (subject to the eligibility criteria as stated within the terms and conditions). All investments are free of dealing charges on the initial purchase of shares, although investors will suffer the bid-offer spread, which can, on some occasions, be a significant amount. Lump sum investments start at £150 per trust, while regular savers may invest from £30 per month. Investors simply pay Government Stamp Duty (currently 0.5%) on all purchases. Selling costs are £10 + VAT. There is no restriction on how long an investor needs to invest in the Children's Plan, and regular savers can stop or suspend participation by instructing abrdn in writing at any time. In common with other schemes of this type, all investments are held in nominee accounts. Investors have full voting and other rights of share ownership.

## **abrdn Investment Trust Share Plan**

abrdn runs a Share Plan (the "Plan") through which shares in the Company can be purchased. There are no dealing charges on the initial purchase of shares, although investors will suffer the bid-offer spread, which can, on some occasions, be a significant amount. Lump sum investments start at £250, while regular savers may invest from £100 per month. Investors simply pay Government Stamp Duty (currently 0.5%). Selling costs are £10 + VAT. There is no restriction on how long an investor needs to invest in a Plan, and regular savers can stop or suspend participation by instructing abrdn in writing at any time. In common with other schemes of this type, all investments are held in nominee accounts. Investors have full voting and other rights of share ownership.

## **Stocks and Shares ISA**

An investment of up to £20,000 can be made in the tax year 2022/23. The annual ISA administration charge is £24 + VAT, calculated annually and applied on 31 March (or the last business day in March) and collected soon thereafter either by direct debit or, if there is no valid direct debit mandate in place, from the available cash in the Plan prior to the distribution or reinvestment of any income, or, where there is insufficient cash in the Plan, from the sale of investments held in the Plan. Investors have full voting and other rights of share ownership. Under current legislation, investments in ISAs can grow free of capital gains tax.

## **ISA Transfer**

You can choose to transfer previous tax year investments to us which can be invested in the Company while retaining your ISA wrapper. The minimum lump sum for an ISA transfer is £1,000, subject to a minimum per trust of £250.

## **Nominee Accounts and Voting Rights**

All investments in the abrdn Investment Plan for Children and the Investment Trust Share Plan are held in nominee accounts and investors are provided with the equivalent of full voting and other rights of share ownership.

## **Keeping You Informed**

Further information about the Company may be found on its dedicated website: [abrdnpeot.co.uk](http://abrdnpeot.co.uk). This provides access to information on the Company's share price performance, capital structure, London Stock Exchange announcements, current and historic Annual and Half-Yearly Reports, and the latest factsheet on the Company issued by the Manager.

### **Twitter:**

@abrdnTrusts

### **LinkedIn:**

abrdn Investment Trusts

Alternatively, please call **0808 500 0040** (Freephone), email [inv.trusts@abrdn.com](mailto:inv.trusts@abrdn.com) or write to the address for abrdn Investment Trusts stated above.

Details are also available at: [invtrusts.co.uk](http://invtrusts.co.uk).

## **Other Information**

The Company is a member of The Association of Investment Companies (AIC). The AIC publishes a Monthly Information Service which contains a wide range of detailed information including statistical and performance data on all its members. A sample copy can be obtained free of charge from **The AIC, 9th Floor, 24 Chiswell Street, London EC1Y 4YY** (tel: **020 7282 5555**) along with full details of other publications available from The AIC. Alternatively, visit their website: [theaic.co.uk](http://theaic.co.uk).

## **Packaged Retail and Insurance-based Products (PRIIPs) Regulation**

The Packaged Retail and Insurance-based Investment Products (PRIIPs) Regulation requires a Key Information Document (KID) to be published for the Company. A copy of the Company's KID is available to view on the Company's website: [abrdnpeot.co.uk](http://abrdnpeot.co.uk).

It should be noted that the form and content of the KID is strictly prescribed and includes specific information on investment risks, performance and costs, which must be provided to all potential investors before they can purchase shares in the Company to enable them to compare the performance of different investment companies.

## **Literature Service Request**

For literature and application forms for abrdn investment trust products, please contact us through: [invtrusts.co.uk](http://invtrusts.co.uk). Or telephone: **0808 500 4000**. Or write to: **abrdn Investment Trusts, PO Box 11020, Chelmsford, Essex CM99 2DB**.

## **Terms and Conditions**

Terms and conditions for abrdn managed savings products can also be found under the Literature section of our website at: [invtrusts.co.uk](http://invtrusts.co.uk).

# Information for Investors

## Continued

### Suitable for Retail/NMPI Status

The Company's shares are intended for investors, primarily in the UK, including retail investors, professionally-advised private clients and institutional investors. Investors should consider consulting a financial adviser who specialises in advising on the acquisition of shares and other securities before acquiring shares. Investors should be capable of evaluating the risks and merits of such an investment and should have sufficient resources to bear any loss that may result.

The Company currently conducts its affairs so that the securities issued by the Company can be recommended by a financial adviser to ordinary retail investors in accordance with the Financial Conduct Authority's rules in relation to non-mainstream pooled investments ("NMPIs") and intends to continue to do so for the foreseeable future. The Company's securities are excluded from the Financial Conduct Authority's restrictions which apply to NMPIs because they are securities issued by an investment trust.

### Online Dealing

There are a number of online dealing platforms for private investors that offer share dealing, ISAs and other means to invest in the Company. Real-time execution-only stockbroking services allow you to trade online, manage your portfolio and buy UK listed shares. These sites do not give advice. Some comparison websites also look at dealing rates and terms.

### Discretionary Private Client Stockbrokers

If you have a large sum to invest, you may wish to contact a discretionary private client stockbroker. They can manage your entire portfolio of shares and will advise you on your investments. To find a private client stockbroker visit The Personal Investment Management & Financial Advice Association at: [pimfa.co.uk](http://pimfa.co.uk).

### Independent Financial Advisers

To find an adviser who recommends on investment trusts, visit [unbiased.co.uk](http://unbiased.co.uk).

### Regulation of Stockbrokers

Before approaching a stockbroker, always check that they are regulated by the Financial Conduct Authority:

Tel: **0800 111 6768**

or at [register.fca.org.uk](http://register.fca.org.uk)

or email: [register@fca.org.uk](mailto:register@fca.org.uk)

### Note

Please remember that past performance is not a guide to the future. Stock market and currency movements may cause the value of shares and the income from them to fall as well as rise and investors may not get back the amount they originally invested.

As with all equity investments, the value of investment trusts purchased will immediately be reduced by the difference between the buying and selling prices of the shares, the market maker's spread.

Investors should further bear in mind that the value of any tax relief will depend on the individual circumstances of the investor and that tax rates and reliefs, as well as the tax treatment of ISAs may be changed by future legislation.

### Financial Calendar

Financial year end	<b>30 September</b>
Expected payment dates of future interim dividends for the financial year to 30 September 2022	<b>April 2022</b> <b>July 2022</b> <b>October 2022</b> <b>January 2023</b>
Expected announcement of results for year ending 30 September 2022	<b>January 2023</b>
Annual General Meeting (London)	<b>March 2022</b>





# Contacts and Addresses

## Directors

Alan Devine, Chair  
Dugald Agble  
Diane Seymour-Williams  
Yvonne Stillhart  
Calum Thomson

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United Kingdom

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For more information visit [abrdnpeot.co.uk](http://abrdnpeot.co.uk)

**abrdn.com**