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**Moderator:** Ali Raissi-Dehkordy  
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Operator: Please stand by. Good day everyone, and welcome to Petershill Partners Interim Results First Half 2025 Results call. At this time, all participants are in listen-only mode. After the speaker presentation, there will be a question-and-answer session. I would like to advise all parties that today's call is being recorded. Before we begin, I'd like to remind you that during this call, we may make a number of forward-looking statements which could differ from our results materially, and Petershill Partners assumes no obligation to update these statements. I'd like to also encourage you to take a moment to read and digest the disclaimer on slides two and three of the presentation. By attending this presentation, you will be deemed to have read and understood the terms of the disclaimer and agree to be bound by them. A replay of today's call will be available on the Investor Relations section of our website, along with a copy of our interim results and presentation. Now, I'd like to hand the conference over to Ali Raissi-Dehkordy, co-head of the Petershill Group within Goldman Sachs Asset Management. Please go ahead.

Ali Raissi-Dehkordy: Good morning, everyone, and thank you for joining us to discuss the Petershill Partners interim results covering the first half of 2025. Today I'm joined by Naguib Kheraj, chairman of the independent board for Petershill Partners plc; Robert Hamilton Kelly, co-head of the Petershill Group; and Gurjit Kambo, CFO to Petershill Partners plc. Before we discuss our financial and operational results, as you may have seen this morning, we have made an additional announcement. This sets out the board's proposal and intended recommendation for Petershill Partners to implement a return of capital to all free float shareholders, which will involve the cancellation of the free float shareholders shares and to delist from the London Stock Exchange's main market before reregistering as a privately limited company. To discuss this proposal, I'll pass you on to Naguib.

Naguib Kheraj: Thanks, Ali, and good morning. We've announced an important set of proposals today, which we believe will provide a compelling opportunity for shareholders in Petershill Partners. The proposals would deliver, with speed and certainty, a return of capital to the free float shareholders at a substantial premium to the undisturbed share price and a price which is fair to all shareholders. The consequence of the proposals would be that the free float shares would be cancelled, and the company would cease to be listed on the stock exchange. Let me take you through the key aspects and the way the board has thought about the issues in coming up with the proposals. On slide six, we set out the value proposition, which is a total payment to free float shareholders of a 420.2 cents per share. This is made up of 415 cents per share for the return of capital, and an interim dividend of 5.2 cents per share. The total payment is a 35% premium to yesterday's closing share price, and a 41% premium to the volume weighted average price for the past six months. The total value equates to a 10.6% discount to book value, as compared with the average discount to book value of 37% that the stock has traded at since January 2024, and it represents a PE multiple of 18.5 times. For a shareholder who participated at the time of the IPO, this would translate into a total return over the period of 16%. This compares to the total shareholder return for the FTSE 250 over the same period of approximately 4%.

Moving on to slide seven, I'd like to explain the background and rationale for the board's proposal. Petershill Partners was listed on the London Stock Exchange in September 2021, with the goal of providing shareholders diversified exposure to the growth and profitability in the alternative asset management industry. We've delivered on that manifesto in terms of growth of assets under management and fee-related earnings. Despite the macroeconomic headwinds and the challenging environment for alternative asset management investing, we've also increased the focus on private market strategies. And so now 95% of our AUM is in private markets with long term locked up capital.

Slide eight outlines some of the actions which the board and the operator have undertaken to drive value creation, in addition to the company's underlying performance. At the time of the IPO, we spoke about our intention to generate value through M&A activity. Over the past four years, we've invested \$1.3 billion in 14 transactions, acquiring stakes in new partner firms or adding to our existing holdings in some firms. We've also sold five partner firms stakes at premium valuations, realizing an aggregate nominal value of approximately \$1.9 billion. As a board, we're very conscious of our responsibilities as stewards of shareholder capital. In addition to the regular dividends paid out of operating earnings, we've deployed capital on share buybacks and last year made a tender offer of \$103 million at a premium.

Following the tender offer, we switched to returning capital to shareholders through special dividends. So we didn't shrink the free float any further and have paid \$438 million in special dividends. Despite the underlying operating performance and these actions to create value and optimize capital efficiency, the board does not believe the company's share price and valuation has appropriately reflected the quality and value of the company's assets and its attractive growth prospects. Since the 1st of January 2024, the company has traded at an average discount of 43% to the PE multiples of listed US and European alternative asset management firms, and an average discount of 37% to reported book value. The board's view is that this valuation discount reflects the fact that investment companies are generally trading at a discount to book value, especially where their assets are illiquid. In addition, macroeconomic market, geopolitical, and industry factors have dampened interest in our kind of business and the low level of liquidity in the stock due to its limited free float has also been a factor. We believe that absent any significant catalyst, these factors and the valuation discount would endure. And at these valuation levels, the private funds managed by Goldman Sachs would not be sellers. And so the free float would remain small and the liquidity in the stock would continue to be limited. Having made a number of disposals, the company has cash available on the balance sheet and a substantial amount of near-term receivables, which are contractually binding deferred payment obligations. As a board, we've been considering how we would use that capital optimally for the benefit of shareholders.

One option would be to redeploy it into new investments. However, if the market were to continue to value the company at a large discount to book value, then every dollar of new investment may end up being valued in the stock at significantly less than a dollar. If instead we were to return the capital to shareholders, then the distributions would enable shareholders to receive cash back at full book value. But by shrinking the company, we would reduce our future growth prospects and potentially, with a smaller company, present a less attractive investment opportunity, which in turn could result in a lower valuation and a higher discount to book value. So as an alternative, we determined that we could mobilize resources in such a way as to create a near-term opportunity to provide the free float shareholders with the ability to realize their investment at a substantial premium to the current market and at a level close to book value.

Slide nine sets out the sources of funding, as well as the key factors the board considered in assessing the value at which the transaction would make sense. We have a good starting base because we regularly attribute a fair value to every partner stake as part of our financial reporting. This takes into account our assessment of future growth, and we provide extensive disclosure in our financial statements of the discount rates and other parameters which are used to come up with a fair value. We also use external valuation experts, but the financial statement values do not take into account illiquidity. By definition, all our investments are minority stakes and are inherently illiquid. We cannot control or easily drive exits or sales and have to work with the majority owners. Some of our partner stakes are very large and so would have a limited universe of potential buyers. And if we were to declare ourselves to be a seller of assets in a runoff, this could also have an impact on achievable values. So our situation is not the same as an investment company which holds a portfolio of liquid traded stocks which can easily be sold in a short space of time.

If we think about the discounted cash flow value at the level of a PLC shareholder, this is slightly different to the aggregated book value of the positions held on the balance sheet. The book value captures the gross value of the individual investments and takes a provision for taxes and

development fees, assuming those assets are sold at those marks. What the balance sheet book value doesn't capture is the present value of future operating costs of the PLC vehicle, such as the operators fees and governance costs; nor does it capture future taxes on earnings if one were to realize the underlying cash flows from holding the investments. We've taken these factors into account. Of course, all the valuations have inherent in them considerable uncertainty on timing and achievability. What we have on offer in our proposal is certainty of cash proceeds within a short period of time. We're effectively providing an acceleration of value realization. So when we look at the value being put forward in these proposals, we think that the price represents a fair price for all shareholders, and our external advisers have also come to that conclusion.

Slide ten explains the structure and the timetable. The proposal is to be implemented by a court-approved scheme of arrangement, in which the company will return capital to free, float shareholders and cancel their shares. There is no third-party offer and this is not an offer by the private funds managed by Goldman Sachs. The practical result is analogous to the free float shareholders selling their shares, and the end outcome when the free float shares are cancelled would be that the private funds managed by Goldman Sachs, which currently owns 79.5% of the company will end up owning 100% of the company. All of the resolutions involved are into conditional, and the deal will not happen unless they are all passed. For the capital return, the outcome of the shareholder vote will be determined solely by the free float shareholders. It requires 75% of the free float to vote in order to pass the resolution, and the private funds managed by Goldman Sachs will not be able to vote their shares and they will not participate in the capital return. We expect to post the documents relating to the transaction on the 7th of October, and the shareholder meetings to approve the transactions would take place on the 3rd of November. If approved by shareholders, the cancellation of the shares and delisting would happen in early December, and the cash settlement would take place shortly after that.

I hope you found this explanation helpful. As a board, we've worked very hard to ensure we optimize the outcome for all shareholders. We believe that the proposals we put forward are a good solution

which enables free float shareholders to realize a substantial premium for their shares in cash and with a high degree of near-term certainty. And the private funds managed by Goldman Sachs have confirmed that they also support the proposals. I will be available, as will other directors and the operator team, over the coming weeks to meet with shareholders and answer questions so that investors are able to make a well-informed decision ahead of the shareholder meetings. With that, I'll pass you back to Ali and Gurjit to talk through the interim results.

Ali Raissi-Dehkordy: Thank you, Naguib. And as the operator of Petershill partners, we acknowledge the independent board's proposal that you've set out this morning. Now, to summarize the business's interim results for the first half of the year. Starting on slide 12. The company delivered good operational and financial performance in the period, with steady growth in total AUM and fee-paying AUM and double digit fee-related earnings, FRE, growth on a pro forma basis to \$99 million when adjusted for disposals. Partner realized performance revenues of \$46 million increased relative to a lower comparable period, with tentative signs of a pickup in realizations emerging. Partner-realized performance revenues, PRE, represented around 20% of the Petershill partners total revenue during the first half. Adjusted earnings per share came in at 11.4 cents per share, 35% higher than the first half of the prior year, largely due to a significant increase in interest income related to the General Catalyst loan notes. Finally, the first half of the year's total capital return was \$265 million, which included the final dividend payment of \$114 million and the special dividend paid of \$151 million, relating to the divestment of the majority of the company's stake in General Catalyst. In addition, the board have announced today an interim dividend of 5.2 cents per share, being one third of the prior year's total ordinary dividend per the company's dividend policy. This will be paid on the 31st of October to eligible shareholders.

Before I pass on to Gurjit to go into the details of the results, on slide 13, I'll touch on the key activities across our partner firms and our interactions with partner firms during the first half of the year. Overall, asset raising and strong engagement has continued despite the volatile market backdrop, with \$19 billion of gross fee eligible assets raised in the first half. During the first six

months of the year, Petershill Partners has been active with the sale of the majority of its stake in General Catalyst for \$726 million, and the acquisition of a stake in Frazier Healthcare Partners for \$330 million. Since the end of the period, as previously announced, the disposal of the stake in Harvest Partners was completed for nominal consideration of \$561 million. In addition, the company completed a follow on acquisition for \$158 million in SDG partners. Petershill partners support to grow partner firms has continued, with 222 engagements across a diverse range of functions, with particular focus on the support for capital formation. Partnership and alignment with our GPs remains a core tenet of our business model, and we continue to roll out new initiatives to support our firms. I will now pass you on to Gurjit and our results for the half year in more detail from page 14.

Gurjit Kambo: Thank you, Ali, and good morning to you all. As Ali has previously highlighted, fee-paying AUM has grown 3% year on year and also on a year to date basis, despite the net -9 billion impact from our M&A activities and \$6 billion of realizations, as our partner firms continue to succeed in raising new assets that attracts new fees for the company. Total AUM now stands at \$351 billion, up 6%, and our ownership weighted fee-paying AUM at the end of the period stood at \$28 billion, down from the \$29 billion as at the end of 2024, impacted by disposals. Ownership weighted total AUM is unchanged at \$40 billion.

Turning to slide 15. On a reported basis, net management fees of \$177 million declined by 8%, and fee-related earnings of \$99 million declined by 12%. On a pro forma basis, adjusted for disposals, both net management fees and FRE increased by 14% year on year. The 14% growth in FRE on a pro forma basis has been driven by higher gross management fees, up \$15 million and net transaction fees \$7 million higher. Part of the firm's fee related expenses, totaling \$78 million, were down 3% year on year on a reported basis. But when adjusted for disposals in the first half of 2024, we would have seen partner firm fee-related expenses up compared to \$68 million on a pro forma basis in the first half of 2024.

On to slide 16. Partner-realized performance revenues, or PRE, totaled \$46 million during the period; higher versus the comparable period last year, driven by a pickup in the realization activity and a stronger contribution from the absolute return strategies. PRE represented 20% of the total partner revenues for the first half, which is tracking within our guidance range of 15-30% for 2025. On the right hand side of the slide, the share of partner accrued carried interest of \$774 million increased by around 11% since the end of the year, primarily driven by increase in accruals.

Moving on to slide 17 and our balance sheet. Our investments in partner firms at fair value as at 30th of June 2025 was \$5.5 billion, down from the \$5.8 billion as at the end of 2024. The change includes additions of \$275 million relating to Frazier Healthcare Partners, \$184 million change in fair value, offset by the \$730 million from disposals relating to the General Catalyst sale. The investments at fair value at 30th June 2025 excludes an amount of 509 million relating to the loan notes from the sale of General Catalyst. There was no material change in the weighted average discount rate used to value the private market, fee-related earnings and performance related earnings. The book value per share at the end of June 2025 was 470 cents and is broadly unchanged from the 471 cents as at the end of the year. The 470 cents per share is equivalent to 340 pence using the 30th June 2025 US dollar GBP exchange rate.

On slide 18, we've set out a few of our post balance sheet events since the first half reporting period ended. On the left hand side, we highlight the previously announced disposal of our stake in Harvest Partners, which was sold for \$561 million in total consideration in July 2025.

On the right hand side, we show the acquisition of a follow on investment in STG, a technology-focused middle market private equity firm, which we completed on 18th of August for a total nominal consideration of \$158 million. I'll now pass back to Ali to make some final remarks.

Ali Raissi-Dehkordy: Thank you, Gurjit. As you've heard, Petershill Partners continues to deliver good results for the year so far, and we are pleased that our partner firms have continued to raise new

gross fee eligible assets, including some that was originally expected in the second half of this year. Our financial guidance for 2025 is unchanged, and we have continued to acquire and dispose of GP stakes at what we view as attractive valuations during the course of the year, despite a challenging external environment. Finally, as you've heard from Naguib, in addition to the interim dividend of 5.2 cents per share that will be paid at the end of October, the board intends to recommend a proposal to return 415 cents per share to free float shareholders for the cancellation of their shares, ahead of the intention to delist the Petershill Partners business, resulting in a total payment of 420.2 cents per share. As a next step, we intend to publish a shareholder circular and notice of court meeting and general meeting in October ahead of the shareholder votes in November. We note that the board is unanimous in their opinion that this proposal is in the best interests of the company, free float shareholders and all shareholders. With that, we thank you for joining the call, and we'd like to open it up for questions.

Operator: Thank you. If you would like to ask a question, please signal by pressing Star One on your telephone keypad. If you are using a speakerphone, please make sure your mute function is turned off to allow the signal to reach our equipment. Again, press Star One to ask a question. We'll pause for just a moment to assemble the queue. We will take our first question from David McCann[?] with Deutsche Bank.

David McCann: Yeah. Morning, everyone, and thanks for taking my question. Only really one to ask, please. So, I mean, what do the underlying private fund investors think about this proposal? I mean, clearly, one of the key reasons for the IPO was to provide them with an eventual exit at some point. So now I guess they're going to be waiting even longer for when that may happen. And obviously, we'll close one important source of liquidity for them. So the question really is what are their views on these proposals and what proportion of the private fund investors were in favor? Thank you.

Ali Raissi-Dehkordy: David, thanks for the question. Look, I think, as you noted, the public company was an important potential avenue of liquidity. But you also note that over the last four years that liquidity

-- that the share price would have indicated hasn't been at an attractive level that the private funds had found compelling. I think most private investors that we've engaged and clearly will continue to have conversations have recognized value in the underlying assets, and particularly the value that as sort of indicated by some of the private transactions that we've been able to undertake for the public company. And so while some of that liquidity may not be available if the company wasn't publicly listed, those shareholders continue to benefit from yield and could also benefit from any realizations along the lines of what we've been able to demonstrate over the last 18 months for the public company.

Operator: Any further questions, Mr. McCann?

David McCann: No. Thank you. That's all for me. Thank you.

Operator: As a reminder, if you would like to ask a question at this time, please press Star One and we will pause for just a moment. Again, Star One, if you would like to ask a question at this time. And we have no further questions at this time. My apologies. We did have a requeue from David McCann. Please go ahead, sir.

David McCann: Yes. And since no one else asked a question, maybe I'll ask one more then. So, I mean, you touched on in the opening remarks some of the other options you did consider as to how you might close the gap between the book value and the other measured value and the share price. I mean, did you explore any other avenues such as the disposal of the assets to another business or indeed another aggregator in the industry? Maybe you can touch on some of the other avenues which you did explore in addition to some of the measures which you have historically taken; that would just be useful to understand if there was any other thought process there.

Naguib Kheraj: Yeah. I mean, look, we did consider prevailing trends and valuation levels in the marketplace, but this is a very big portfolio. So, the gross assets in the company are over \$5 billion.

So, there are very few people that are able to write a check that size. And if you follow secondary markets in private equity, secondary market transactions typically happen at a significant discount to NAV. So we don't think that that would have achieved something like the outcome we're able to have generated by ourselves.

David McCann: Great. Thank you.

Operator: And we have no further questions at this time.

Naguib Kheraj: So, we can close the call then. And thank you very much for your participation.

Ali Raissi-Dehkordy: Thank you, everybody.

Speaker: Thanks.

Operator: This concludes today's call. Thank you for your participation. You may now disconnect.