

Tikehau Capital exceeds €30bn in assets under management at 30 June 2021, driven by record fundraising in Q2 2021

Tikehau Capital accelerated its growth during the first half of 2021, achieving record levels of fundraising in asset management as well as a strong step up in fund deployment, while maintaining a high level of selectivity and discipline. Driven by a strong corporate culture and entrepreneurial spirit, Tikehau Capital also strengthened its financial profile with the completion of its reorganisation and remains on track to deliver its 2022 targets.

- **Record high fundraising** over the last twelve months with **€5.5bn in net new money since 30 June 2020** for the asset management business, with:
 - **€2.4bn** in net new money for H1 2021, **twice the level of fundraising achieved during H1 2020**, with a positive contribution from all asset classes;
 - **Record quarterly fundraising in Q2 2021** with €1.9bn in net new money;
- **Group assets under management (AuM) at €30.9bn¹** (a +20.3% yoy growth and CAGR of +28.6% since 2016), **exceeding the €30bn mark**, i.e. 3x the level at IPO, of which **€29.4bn of AuM for the asset management business** (a +22.5% yoy growth and CAGR of +31.6% since 2016);
- **Acceleration in fund deployment with €1.9bn** invested by the Group's closed-end funds since 31 December 2020 (vs €0.8bn in H1 2020), including €1.0bn invested during the second quarter, while maintaining a high level of discipline and selectivity, and a strong pipeline ahead;
- **Success of the Group's reorganisation²**, finalized on 15 July 2021 and strongly supported by shareholders with close to 100% approval rate, and implementation of a **future-facing management organisation** for Tikehau Capital;
- **Further strengthening of the asset management platform** with the addition of new talents and experienced hires across all geographies;
- **Expansion of Tikehau Capital's impact platform** materialised across asset management strategies as well as Group's financing.

¹ The Group's assets under management are not included in the audit process. Figures have been rounded for presentation purposes, which in some cases may result in rounding differences.

² See press releases dated 20 May 2021 and 15 July 2021 for more information relating to the Group's operational reorganisation.

In €m	AuM at 30-Jun-2021		YoY change		QoQ change	
	Amount (€m)	Weight (%)	In %	In €m	In %	In €m
Private debt	9,865	32%	+18.4%	+1,536	+6.2%	+573
Real assets	10,934	35%	+14.4%	+1,374	+4.4%	+464
Capital markets strategies	4,679	15%	+22.0%	+843	+10.4%	+440
Private equity	3,936	13%	+71.5%	+1,641	+6.7%	+246
Asset Management	29,415	95%	+22.5%	+5,394	+6.2%	+1,723
Direct investment	1,495	5%	(11.2)%	(188)	(10.1)%	(168)
Total AuM	30,909	100%	+20.3%	+5,205	+5.3%	+1,555

1. ASSET MANAGEMENT BUSINESS: STRONG FUNDRAISING AND HEALTHLY DEPLOYMENT

Record quarter for asset management fundraising in Q2 2021

AuM for the asset management business stood at **€29.4bn** at 30 June 2021, up €5.4bn or 22.5% over the last twelve months. In Q2 2021, AuM increased by 6.2%, taking growth over the first half to 7.5%.

This increase was mainly driven by **€1.9bn** in net new money³ in Q2 2021, the highest level ever achieved by Tikehau Capital in a quarter, reflecting the strong performance of the Group's strategies and the continued interest of investors in the asset classes in which the Group is positioned. This performance further demonstrates Tikehau Capital's ability to maintain strong fundraising momentum despite the continued travel disruptions linked to the Covid-19 pandemic.

Over the first half and in particular during the second quarter, all asset classes contributed positively to the Group's net new money. The fundraising mix since 31 December 2020 reflects the natural fundraising cycle across strategies and asset classes:

- **Private Debt** was the leading contributor of fundraising in Q2 2021 with net new money reaching €762m, largely driven by new commitments for the 5th vintage of Tikehau Capital's direct lending flagship strategy (with AuM at 30 June 2021 exceeding €1bn). In addition, fundraising continued for the firm's other private debt funds, in particular its impact lending and secondaries strategies, both launched in Q4 2020. Fundraising for these funds develops in line with the Group's expectations and reflects investors' interest for innovative and positive impact strategies.
- Net new money for **Real Assets** amounted to €504m in Q2 2021, mainly driven by a pickup in fundraising for Sofidy's strategies (AuM for Sofidy reached €7.0bn at 30 June 2021 vs. €6.7bn at 31 December 2020) as well as the acquisition of a residential portfolio in Iberia through a dedicated co-investment fund. This dedicated strategy allows investors in the Group's funds to co-invest and thus complete their allocations.
- The **Capital Markets Strategies** business benefited from very positive demand from investor-clients. Total net new money for the strategy totalled €392m in Q2 2021, i.e. more than full year 2020 level, mainly driven by the fixed income strategies. In particular, the Tikehau Short Duration fund (formerly called Tikehau Taux Variables) has exceeded the €2bn AuM mark to date with a more diversified and international investor base.

³ Total net new money raised from third party investors and Tikehau Capital's balance sheet.

- **Private Equity** contributed €213m to the Group's net new money in Q2 2021, after a first quarter marked by the final closing of Tikehau Capital's flagship energy transition fund.
 - Net new money for the second quarter was driven by the €100m first closing of the Spain-focused aerospace and defence fund. In addition, the firm recorded further commitments for its venture and growth capital fund dedicated to cybersecurity, the largest to date in Europe.
 - In addition, the Group has recently finalised the acquisition of **Foundation Private Equity** in Singapore, focused on providing secondary solutions to GPs and LPs across Asia.
 - The **Tactical Strategies** team successfully closed the second vintage of the European Special Opportunities fund (TSO II)⁴, with total commitments of €617m, exceeding the initial target of €500m and four times larger than the previous vintage. This success illustrates the relevance of Tikehau Capital's Special Opportunities strategy, which provides opportunistic and flexible capital in situations of market dislocation and funding scarcity.

Tikehau Capital has also expanded its **product range for individual investors** with the sequential launch of two innovative strategies through unit-linked products, one in private debt with MASCF Group, the leading insurer for health professionals, and the other in private equity with CNP Assurances, the leading player in the French personal insurance market. To date, these two initiatives have attracted significant demand from individual investors. By directing global savings towards funding the real economy, Tikehau Capital's positioning efficiently addresses the growing demand from individual investors to access private markets. The Group intends to continue diversifying its offering in the short and medium-term.

Acceleration of disciplined and selective fund deployment, with a healthy pipeline ahead

Over Q2 2021, the closed-end funds managed by Tikehau Capital **deployed €1.0bn**, taking total deployment since 31 December 2020 to €1.9bn, more than twice the amount deployed over H1 2020 (€0.8bn).

The acceleration of fund deployment stems from Tikehau Capital's **multi-local platform**, leveraging its strong local presence and deal sourcing, alongside the firm's strong investment discipline and focus on ESG across asset classes. Deployment in H1 2021 was mainly driven by Private Debt funds, followed by Real Assets.

Looking ahead, the Group has a very healthy deployment pipeline across asset classes. At end-June 2021, Tikehau Capital had **dry powder of €6.4bn** within the funds it manages, enabling them to capture attractive investment opportunities. This compares to €5.9bn at 31 March 2021 and €6.2bn at 31 December 2020.

Tikehau Capital continues to strengthen and grow its asset management platform

Since the beginning of 2021, Tikehau Capital has continued to expand its teams with the **arrival of new talents and experienced hires** across all geographies. At 30 June 2021, the Group had 629 employees, up 5.9% compared to 31 December 2020.

For instance, Tikehau Capital has expanded its presence in **Germany** and its private debt platform through the opening of its Frankfurt office, led by Dominik P. Felsmann. The **Private Debt** team was reinforced by the appointment of Laura Scolan as Head of France and Chief Operating Officer as well as Christoph Zens as Head of CLO. The Group also reinforced its sales and marketing teams with experienced hires in the **UK** and **North America**.

These arrivals provide additional assets for Tikehau Capital to support the launch of new strategies, strengthen the Group's relationships with investor-clients and deepen the Group's range of expertise across asset classes.

⁴ The TSO II Fund is no longer in its commercialisation phase, see the dedicated press release dated 26 July 2021.

2. INVESTMENT PORTFOLIO

During the first half, Tikehau Capital committed **€221m in its own strategies** further increasing its alignment of interests with those of its investor-clients.

The Group's investment portfolio came in at **€2.9bn** at 30 June 2021 (€2.4bn at 31 December 2020), of which €1.8bn invested in the funds and strategies developed and managed by Tikehau Capital, representing 64.0% of the portfolio.

In addition to the €1.8bn already invested in the asset management funds and strategies, Tikehau Capital has €1.0bn of additional commitments, which will be drawn as the funds deploy their capital. Therefore, Tikehau Capital has committed a total of **€2.8bn** (drawn and undrawn) to its asset management strategies at 30 June 2021.

In April 2021, Tikehau Capital's first sponsored SPAC, Pegasus Europe, successfully raised €500m in a private placement, becoming the **largest European SPAC to date**. Tikehau Capital has invested €25m from its balance sheet into the private placement and agreed on a €50m Forward Purchase Agreement that may be called at the time of the business combination.

In addition, Tikehau Capital has invested c.€22m in **IREIT Global's S\$127m (c. €80m⁵) capital raise** on 21 July 2021 to finance the acquisition of a 27-property portfolio in France let to Decathlon.

Tikehau Capital will continue to use its balance sheet, a differentiating asset and enabler of growth, to strengthen its platform by launching new families of products and vehicles while maintaining its alignment of interests strategy.

3. TIKEHAU CAPITAL IS READY FOR ITS NEW CHAPTER OF GROWTH

Finalisation of the operational reorganisation of Tikehau Capital and implementation of a future-facing management organisation

On 20 May 2021, Tikehau Capital announced its plan to simplify its organisation based on two key pillars: (i) **regrouping** all central corporate functions and related expertise under the listed perimeter and (ii) **resetting** financial flows between Tikehau Capital and its related parties. This reorganisation, which results in a materially improved financial profile and revised dividend policy for Tikehau Capital, has gained strong support from the firm's shareholders, with an approval rate of close to 100% during the Combined General Meeting held on 15 July 2021.

The Group also announced the implementation of a **future-facing management organisation** as it enters a new phase of growth and development. As a result, Cécile Cabanis was appointed Deputy CEO to oversee the Group's Human Capital, ESG/CSR, Communications and Brand Marketing functions. She will work alongside Henri Marcoux and Thomas Frieberger, Group Deputy CEOs.

Strengthening of Tikehau Capital's impact platform

Over the past years, the firm has successfully launched several **strategies focusing on addressing the climate emergency and decarbonising the economy**, across private equity, private debt and capital markets strategies. These dedicated funds benefit from strong momentum and Tikehau Capital has additional promising strategies in the pipeline to address such critical issues.

The firm has also been active during the first half so that its **ESG strategy can be reflected within its financing**, with:

- The successful issuance of a **€500m inaugural sustainable bond** in March 2021 with an 8-year maturity and a 1.625% coupon, the lowest ever achieved by the Group. This issue is the first ever public sustainable benchmark bond issued by an alternative asset manager in Euro;

⁵ Base on a S\$/€ exchange rate of 0.62 as at 21 July 2021.

- The **refinancing of the existing €700m bank loan facility** with the repayment of the €200m drawn term loan and the increase of the revolving credit facility from €0.5bn to €0.7bn. This confirmed revolving credit facility now includes ESG criteria linked to the margin with a maturity extended to 5 years with a 2-year extension option. Through this initiative, Tikehau Capital has also successfully diversified and internationalized its pool of banks with close to 50% of the financing coming from international banks.

These financing allow Tikehau Capital to extend its average debt maturity to 5.6 years at 30 June 2021 (vs. 4.4 years at 31 December 2020) and to **increase ESG-linked debt to c. 60% of the Group's total debt** at end-June 2021.

4. SHARE BUYBACK PROGRAMME

Tikehau Capital extended under the same conditions to 15 September 2021 (included), date of the 2021 first half results release, the share buyback mandate, which was signed and announced on 19 March 2020 and extended on 18 March 2021 until today.

As of today, 3,097,714 shares were repurchased under the share buyback programme. The description of the share buyback programme (published in paragraph 8.3.4 of the Tikehau Capital Universal Registration Document filed with the French financial markets authority on 1 April 2021 under number D. 21-0246) is available on the company's website in the Regulatory Information section (<https://www.tikehaucapital.com/en/finance/regulatory-information>).

CALENDAR

15 September 2021	2021 first half results (after market close)
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9 November 2021	Assets under management at 30 September 2021 (after market close)
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ABOUT TIKEHAU CAPITAL

Tikehau Capital is a global alternative asset management group with €30.9 billion of assets under management (as of 30 June 2021). Tikehau Capital has developed a wide range of expertise across four asset classes (private debt, real assets, private equity and capital markets strategies) as well as multi-asset and special opportunities strategies.

Tikehau Capital is a founder led team with a differentiated business model, a strong balance sheet, proprietary global deal flow and a track record of backing high quality companies and executives.

Deeply rooted in the real economy, Tikehau Capital provides bespoke and innovative alternative financing solutions to companies it invests in and seeks to create long-term value for its investors, while generating positive impacts on society. Leveraging its strong equity base (€2.8 billion of shareholders' equity as of 31 December 2020), the firm invests its own capital alongside its investor-clients within each of its strategies.

Controlled by its managers alongside leading institutional partners, Tikehau Capital is guided by a strong entrepreneurial spirit and DNA, shared by its 629 employees (as of 30 June 2021) across its 12 offices in Europe, Asia and North America. Tikehau Capital is listed in compartment A of the regulated Euronext Paris market (ISIN code: FR0013230612; Ticker: TKO.FP).

For more information, please visit: www.tikehaucapital.com



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APPENDIX – CHANGE IN AUM DETAILS

LTM evolution (in €m)	AuM at 30-06-2020	Net new money	Distributions	Market effects	Change in scope	AuM at 30-06-2021	Change (%)	Change (€m)
Private debt	8,329	2,177	(747)	106	-	9,865	+18.4%	+1,536
Real assets	9,560	1,067	(290)	58	539	10,934	+14.4%	+1,374
Capital markets strategies	3,836	586	(8)	266	-	4,679	+22.0%	+843
Private equity	2,296	1,621	(56)	26	49	3,936	+71.5%	+1,641
Total Asset Management	24,021	5,451	(1,101)	456	588	29,415	+22.5%	+5,394

H1 2021 (in €m)	AuM at 31-12-2020	Net new money	Distributions	Market effects	Change in scope	AuM at 30-06-2021	Change (%)	Change (€m)
Private debt	9,342	882	(384)	25	-	9,865	+5.6%	+523
Real assets	10,334	682	(144)	63	-	10,934	+5.8%	+601
Capital markets strategies	4,184	398	(6)	103	-	4,679	+11.8%	+495
Private equity	3,491	394	(33)	36	49	3,936	+12.8%	+446
Total Asset Management	27,351	2,355	(567)	227	49	29,415	+7.5%	+2,064