

## FY21 results announcement

### €319m of net profit in 2021

### Strong growth from top to bottom line

Tikehau Capital has been reaping the benefits of its differentiating business model and delivered strong financial results in 2021 across its businesses. The Group's asset management business delivered robust growth on all fronts from AuM to revenue while further improving its profitability. Tikehau Capital's balance sheet portfolio returns increased sharply during the year thanks to an active and relevant portfolio rotation as well as the strong ramp-up from the investments made by the Group in its own funds.

As a result of these strong performances, Tikehau Capital will propose the payment of a dividend of €1 per share for 2021, which includes a €0.60 reference dividend and €0.40 of special dividend.

Thanks to its strong balance sheet, which has been further reinforced in 2021, Tikehau Capital is well positioned to navigate current market conditions. The Group will hold its Capital Markets Day on 22 March 2022 and will outline on that occasion the key drivers supporting its next phase of profitable growth.

## KEY FIGURES OF THE YEAR

**+33%**

Management fees<sup>1</sup>  
growth

**€95m**

Fee-related  
earnings (FRE<sup>2</sup>)

**+49%**

Asset Management EBIT<sup>3</sup>  
growth

**€387m**

Investment portfolio  
revenues

**€319m**

Net result,  
Group share

**€1.0**

Dividend per share  
x2 vs 2020 distribution

**€3.0bn**

Shareholders' equity  
at 31.12.21

**€1.1bn**

Consolidated cash  
position at 31.12.21

**43%**

Gearing ratio<sup>4</sup>

<sup>1</sup> Include management fees, subscription fees, arrangement fees and other revenues, net of distribution fees

<sup>2</sup> Fee-Related Earnings, defined as management and other fees minus asset management operating costs.

<sup>3</sup> EBIT for the asset management activity, previously referred to as NOPAM (Net operating profit for the asset management activity).

<sup>4</sup> Gearing = Total financial debt / Group share shareholders' equity.



**Antoine Flamarion and Mathieu Chabran,  
co-founders of Tikehau Capital, said:**

*"2021 has been a pivotal year for Tikehau Capital. We have delivered robust growth and solid results thanks to our unique business model. Our asset management platform delivered strong performance across businesses in terms of fundraising, deployment, as well as recurring revenue and profit generation. Our investment portfolio also delivered strong returns, thanks to an active and value-creating asset rotation as well as the strong performance of our own funds in which we are increasingly investing. Tikehau Capital has built solid foundations with a future-facing organization as well as a strong and liquid balance sheet, which allows us to contend with the uncertainties linked to the current geopolitical situation. We also strongly believe that Tikehau Capital operates on structurally growing markets, and that we are in a strong position to further improve our financial performance in the years to come."*

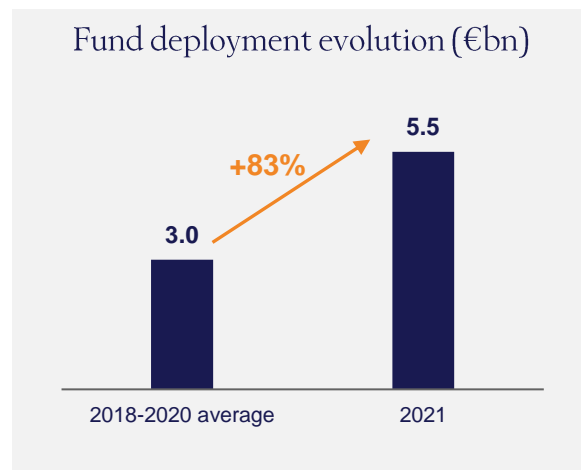
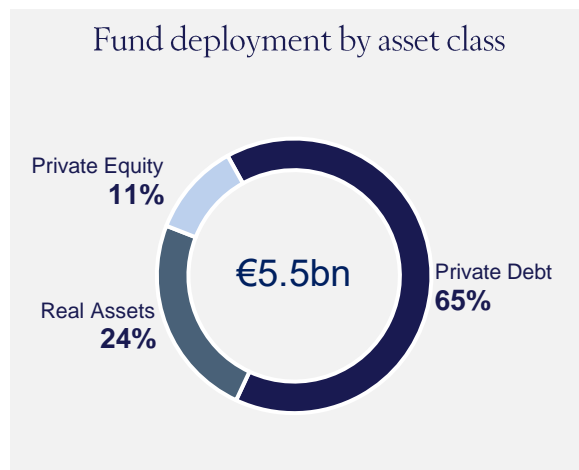
**Tikehau Capital has built solid foundations with a future-facing organization as well as a strong and liquid balance sheet, which allows us to contend with the uncertainties linked to the current geopolitical situation"**

The Tikehau Capital Supervisory Board met on 8 March 2022 to review the consolidated and statutory financial statements<sup>5</sup> at 31 December 2021.

## OPERATING REVIEW

In 2021, Tikehau Capital has stepped up on multiple fronts of its operating model.

- **Investment momentum was very dynamic, and funds managed by Tikehau Capital deployed a total of €5.5bn in the year while remaining highly selective**
  - This represents an **83%** increase compared to the average yearly deployment level achieved over the past 3 years.
  - Investment teams remained laser-focused on **selectivity**, as evidenced by an exclusion rate of 97%, maintained at a high level although the volume of opportunities analysed in 2021 rose by 29% compared to 2020.
  - This strong investment discipline stems from Tikehau Capital's **multilocal platform**, a critical asset to originate relevant investment opportunities, coupled with the high level of capital the firm has committed in its own funds, generating significant **skin in the game**.

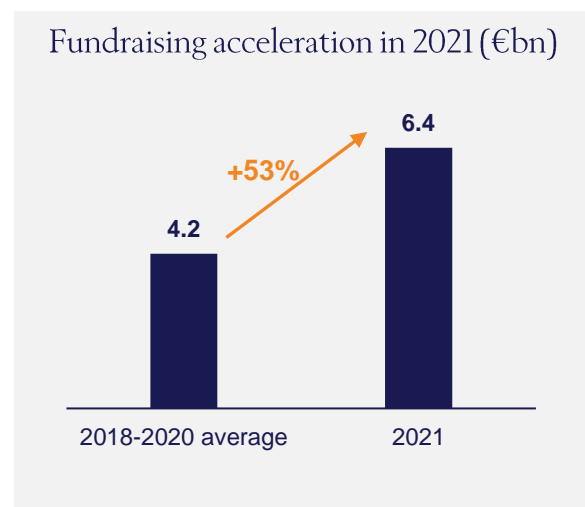
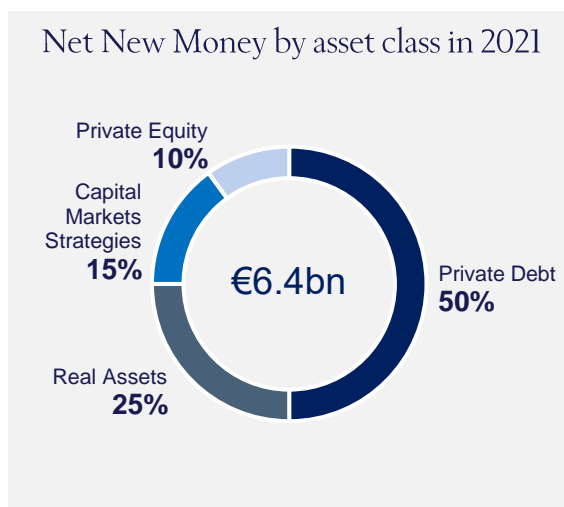


- **Performance of Tikehau Capital funds has remained strong in 2021**
  - **Realizations** within Tikehau Capital funds reached €1.5bn in 2021, which compares to €1.4bn in 2020, driven by realizations on the Group's private debt and real assets strategies.
  - **Performance** across Tikehau Capital funds remained strong, which bodes well for future fundraising and enables to generate growing returns for the Group's investment portfolio.
  - **Performance-related revenues** were multiplied by 3 in 2021 compared to 2020, reaching €19.2m primarily reflecting the strong performance generated by Tikehau Capital's UCITS.
  - The revenues from the investments of Tikehau Capital in **its own funds** more than doubled to €156m in 2021, representing 40% of total the Group's total investment portfolio revenues.

<sup>5</sup> The audit procedures have been carried out, the audit report relating to the certification is in the process of being issued.

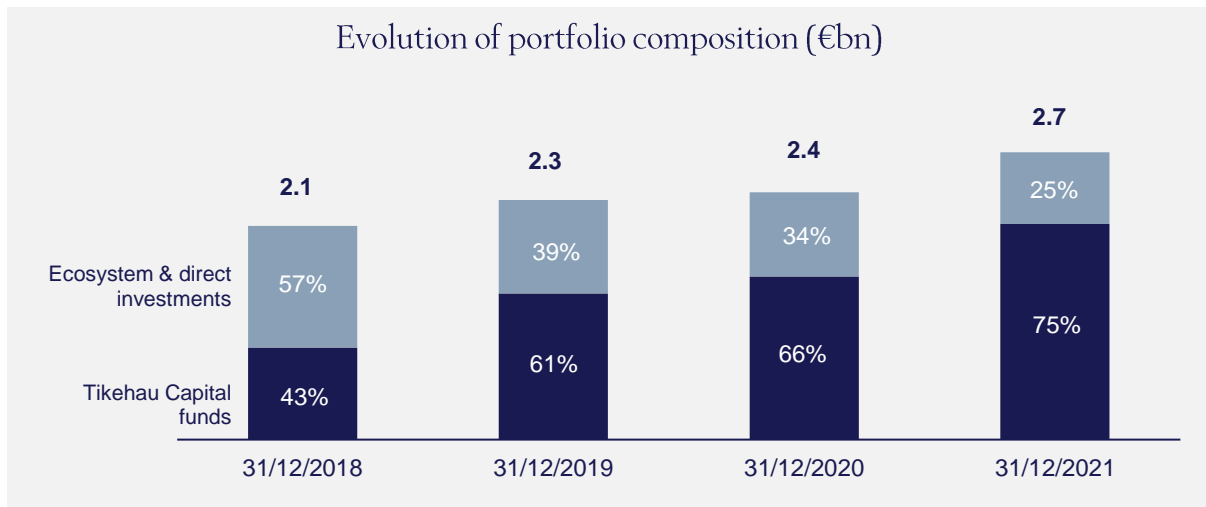
• **Fundraising accelerated sharply in 2021, validating Tikehau Capital's growth strategy**

- Net new money for the Group's asset management activities amounted to **€6.4bn** in 2021, representing a **53%** increase compared to the €4.2bn average yearly fundraising achieved over the past 3 years.
- Net new money **breakdown** by asset class in 2021 reflects the mix of strategies that were raising capital during the year. As such, Private Debt accounted for 50% of 2021 net new money, driven by the firm's flagship strategy in direct lending as well as its newly launched impact lending and secondary private debt strategies.
- The Group continued to **internationalize its client base** with AuM from international clients reaching €12.1bn, a 30.6% increase yoy, growing faster than asset management AuM.
- In addition, Tikehau Capital further expanded its client base, adding over €1.3bn of AuM in strategies dedicated to **private investors**. In that spirit, in September 2021, Tikehau Capital launched a **Private Wealth Solutions Group** within its sales and marketing team, aiming at enhancing direct access to Group funds for family offices and high net worth individuals globally. This is a new step forward in addressing a growing client category, which is becoming increasingly sophisticated and willing to raise its exposure to alternative assets. This direct initiative complements the existing intermediated private clients coverage through Private Banks, IFAs and unit-linked insurance contracts.
- The strong client demand across asset classes validates the relevance of the Tikehau Capital's model, with high **alignment of interests** and constant **innovation** at its core.

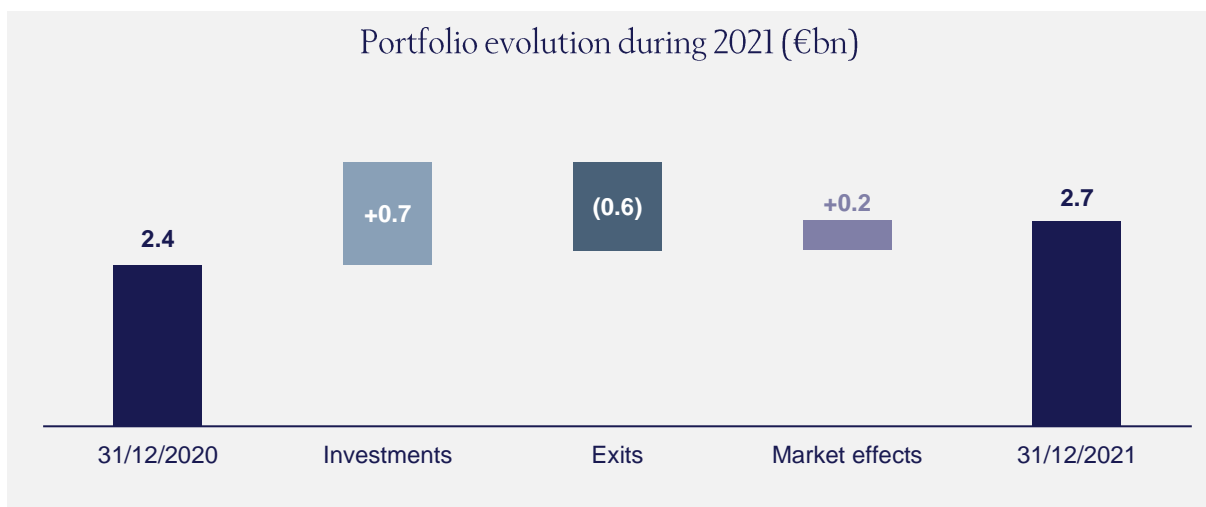


• **Investment portfolio** amounted to **€2.7bn** at 31 December 2021, with continued investment in Tikehau Capital funds as well as value-creating asset rotation.

- Tikehau Capital's investment portfolio is primarily composed of investments in the asset management strategies developed and managed by the firm for **€2.0bn** (75% of total portfolio), generating high alignment of interests with its clients.
- 25% of the portfolio, i.e €0.7bn, is invested in ecosystem and direct investments, notably direct private equity investments, co-investments or investments in third party funds, all of which aim at serving Tikehau Capital's asset management franchise globally.

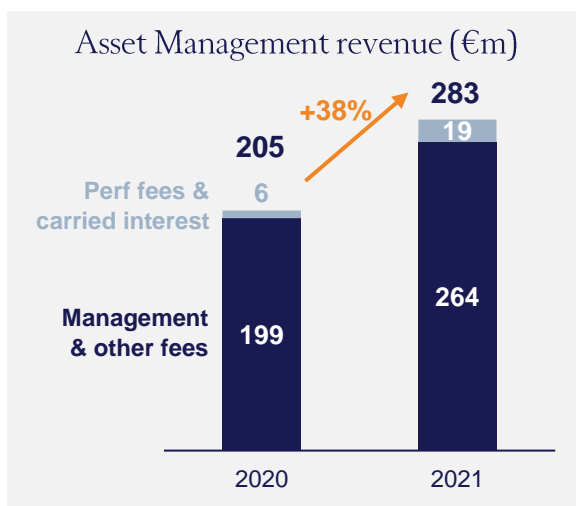


- Portfolio movements during the year are reflective of Tikehau Capital’s capital allocation policy and serve its growth strategy:
  - **€0.7bn of investments** were carried out over the full year, mainly into the Group’s own asset management strategies, alongside its clients
  - **€(0.6)bn of exits** were realized, reflecting the active and value-creating rotation of the Group’s investment portfolio, with in particular the disposal of a number of listed investments
  - **€0.2bn of positive fair value changes**, reflecting the value appreciation across portfolio assets, mainly driven by the performance of Tikehau Capital funds as well as listed investments.
  
- Tikehau Capital will continue to use its balance sheet, a differentiating factor and enabler of growth, to strengthen its platform by launching new families of products and vehicles, and also maintain a high level of alignment of interests with its shareholders and investor-clients.



## FINANCIAL REVIEW

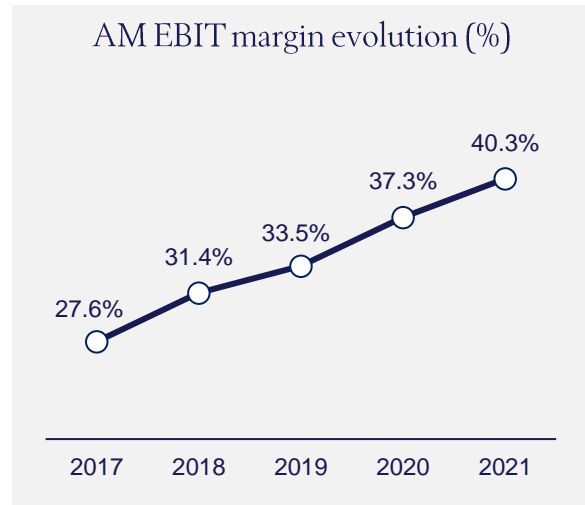
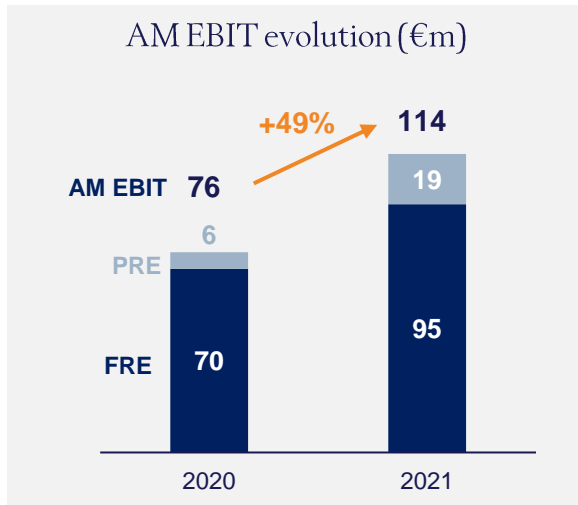
- **Asset management revenues** grew by a strong **38%** in 2021 to **€283m**
  - **Management fees<sup>6</sup>** reached **€264m**, a 33% increase thanks to the combination of:
    - **20% growth in AuM**, reaching €33.0bn at 31 December 2021. 86% of that amount are **fee-paying AuM**, representing €28.4bn (up 22% in 2021). The compelling growth in fee-paying AuM is driven by record net new money in 2021, coupled with sustained deployment momentum across strategies.
    - **+10 bps** improvement in the average **management fee rate**, reaching **1.02%** in 2021, compared to 92 bps in 2020.
  - **Performance-related revenues** amounted to **€19m**, 3 times the amount recorded in 2020, primarily driven by the strong performance of UCITS managed by the Group.



- **EBIT** for the asset management<sup>7</sup> activity posted a significant **49%** increase in 2021, reaching **€114m** for the full year. Asset management EBIT margin increased to **40.3%**, up 3 percentage points compared to 2020
  - **Fee-related earnings** (FRE) have improved by **35%** in 2021 reaching **€95m**, with a FRE margin of 36%, up 65bps over the year. This reflects the strong operating leverage sustaining Tikehau Capital's growth model in the alternative asset management space.
  - **Performance-related earnings** (PRE) of €19m. This amount is equal to performance-related revenues and thus reflects the 100% conversion of such revenues into profit.

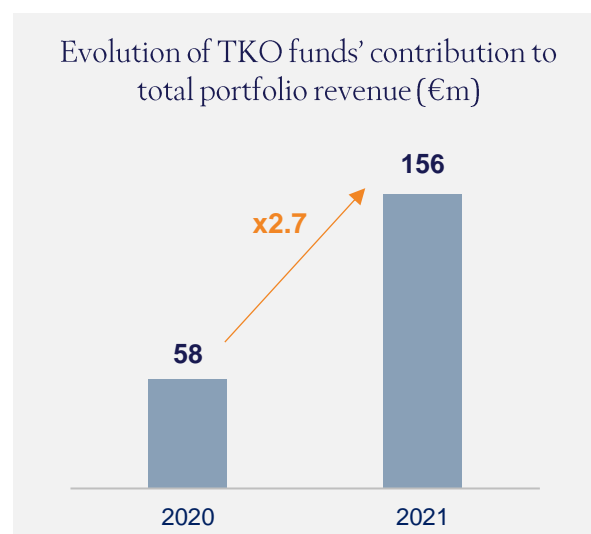
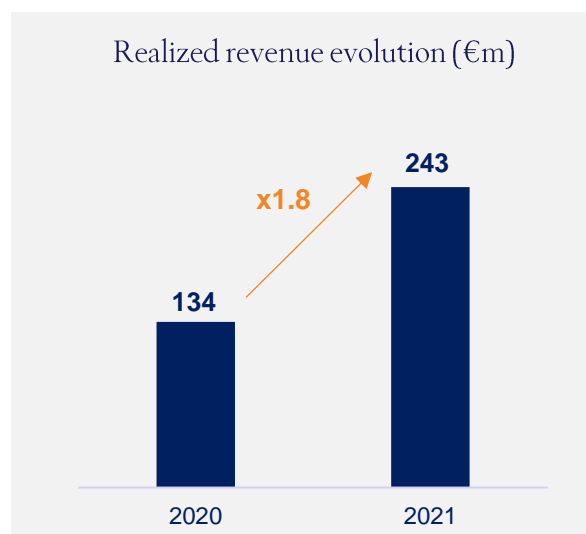
<sup>6</sup> Include management fees, subscription fees, arrangement fees and other revenues, net of distribution fees.

<sup>7</sup> Previously referred to as NOPAM.



- **Strong portfolio performance compounding value creation**

- **Group portfolio revenue** reached €387m compared to €85m in 2020. The increase was driven by both **realized revenue**, reaching €243m, up €109m compared to 2020, as well as **unrealized revenue**, amounting to €144m, resulting from value-creation across Group portfolio.
- **Tikehau Capital's asset management strategies'** contribution to Group portfolio revenue more than doubled year-over-year and amounted to **€156m**, representing **40% of total portfolio revenue**. Those revenue streams will continue to grow as the Group's balance sheet invests in its own strategies.
- The contribution of **ecosystem and direct investments** to Group portfolio revenue reached **€231m**, mainly driven by the disposal of the Group's investments in several listed assets as well as positive unrealized changes in fair value.



- **Net result group share reached €319m**
  - **Group corporate expenses** for 2021 amounted to €44m. These expenses have been reduced by €55m (i.e 56%) compared to the €98.5m costs published in 2020, as a consequence of the Group's reorganisation, which became effective as of 15 July 2021 and was retroactive to 1 January 2021.
  - **Financial interest expense** decreased to -€24m (-33% yoy) in 2021, compared to -€36m in 2020, reflecting the Group's relevant debt management policy.
  - **Net profit Group share** for 2021 was €319m, a significant improvement compared to 2020 reflecting the strong momentum across the business lines.
  
- **Strong and liquid balance sheet, further reinforced in 2021**
  - At 31 December 2021, **consolidated shareholders' equity, Group share** came at €3.0bn and consolidated cash position reached €1.1bn, compared to €845m at end December 2020. The Group also benefits from an undrawn revolving credit facility, which has been increased to €725m on 15 July 2021.
  - **Financial debt** at end-December 2021 amounted to €1.3bn, with a gearing ratio of 43%. Following the successful issuance of a €500m inaugural sustainable bond in March 2021 and the launch of an inaugural sustainable US Private Placement in February 2022, **ESG-linked debt** will account for 63% of the Group's total debt.
  
- **Dividend proposition of €1 per share, twice the amount distributed in 2020**
  - A dividend pay-out of **€1 per share** for 2021 will be submitted to the General Shareholders' Meeting due to take place on 18 May 2022, which is twice the €0.50 distributed for 2020.
  - The total dividend includes a **€0.60 reference dividend**, a **20% increase** compared to the 2020 distribution. This represents 92% of Tikehau Capital's asset management EBIT, in line with the Group's guidance to distribute more than 80% of that metric to shareholders.
  - The €1 per share proposed dividend also includes **€0.40 of special dividend**, linked to the strong value creation in 2021 coming from the active rotation of Tikehau Capital's investment portfolio.
  - The ex-date will be 20 May 2022, and the payment will take place on 24 May 2022.
  
- **Share buy-back**
  - Tikehau Capital extended the share buy-back mandate, which was signed and announced on 19 March 2020 and extended on 15 September 2021 until today, under the same conditions until 21 April 2022 (included), date of the Group's Q1 2022 AuM release.
  - As of 8 March 2022, 3,317,091 shares were repurchased under the share buy-back mandate. The description of the share buy-back program (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 Regulated Information section (<https://www.tikehaucapital.com/en/finance/regulatory-information>).



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## OUTLOOK

- Building on a strong set up and robust performances across its activities, Tikehau Capital achieved in 2021 over **95% of each of its 2022 guidance**, which had been communicated in 2019:
  - **Group AuM** reached €34.3bn, representing 98% of 2022 target,
  - **Fee-related earnings** reached €95m, representing 95% of 2022 target,
  - The **investment portfolio** was 75% exposed to Tikehau Capital's own strategies, achieving one year earlier, the high range of its 2022 target.
- Tikehau Capital is closely monitoring how the current **geopolitical situation** unfolds, and highlights that across all business units, there are no portfolio companies domiciled in Ukraine or Russia, and total portfolio companies' exposure to revenue generated from those countries has been reviewed in detail and is very limited. The risk assessment work continues as the political and now economic crisis evolves.
- The current geopolitical crisis is set to undoubtedly accelerate some of the **megatrends** on which the Group has built a growing exposure over the recent years, with in particular:
  - investments in **energy transition** and **cybersecurity**, which are expected to increase sharply,
  - an increasing search for supply chain resilience from corporates, through **re-onshoring** and **digitalisation**,
  - anticipated growing needs for **special financings** and hybrid capital,
  - volatility and liquidity gaps that may trigger opportunities in private assets **secondary** as well as **liquid credit and equities**.
- Tikehau Capital benefits from a **strong balance sheet** with €3.0bn of shareholders' equity and €1.1bn of cash at 31 December 2021, allowing the Group to navigate the current context with confidence. At 31 December 2021, Tikehau Capital had **dry powder** of € 6.2bn within the funds it manages, enabling investment opportunities provided by market dislocations to be seized upon.
- Tikehau Capital will provide an updated mid-term outlook during its **Capital Markets Day** to take place on 22 March 2022 in London.



## CALENDAR

22 March 2022                      2022 Capital Markets Day

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21 April 2022                      Q1 2022 announcement (after market close)

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28 July 2022                      2022 first half results (after market close)

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 ABOUT TIKEHAU CAPITAL

Tikehau Capital is a global alternative asset management group with €34.3 billion of assets under management (at 31 December 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 (€3.0 billion of shareholders' equity at 31 December 2021), 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 683 employees (at 31 December 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](http://www.tikehaucapital.com)

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*Certain statements and forecasted data are based on current forecasts, prevailing market and economic conditions, estimates, projections and opinions of Tikehau Capital and/or its affiliates. Due to various risks and uncertainties, actual results may differ materially from those reflected or expected in such forward-looking statements or in any of the case studies or forecasts. All references to Tikehau Capital's advisory activities in the US or with respect to US persons relate to Tikehau Capital North America.*

## APPENDIX

### Assets under management

In €m	AuM at 31-Dec-2021		YoY change		QoQ change	
	Amount (€m)	Weight (%)	In %	In €m	In %	In €m
Private debt	11,709	34%	+25%	+2,366	+15%	+1,526
Real assets	11,989	35%	+16%	+1,656	+7%	+735
Capital markets strategies	5,124	15%	+23%	+940	+1%	+34
Private equity	4,139	12%	+19%	+648	+4%	+144
<b>Asset Management</b>	<b>32,961</b>	<b>96%</b>	<b>+21%</b>	<b>+5,610</b>	<b>+8%</b>	<b>+2,440</b>
Direct investment	1,304	4%	+11%	+124	+2%	+28
<b>Total AuM</b>	<b>34,265</b>	<b>100%</b>	<b>+20%</b>	<b>+5,734</b>	<b>+8%</b>	<b>+2,468</b>

Q4 2021 (in €m)	AuM at 30-09-2021	Net new money	Distributions	Market effects	Change in scope	AuM at 31-12-2021
Private debt	10,182	+1,767	(249)	+8	-	11,709
Real assets	11,254	+641	(133)	+227	-	11,989
Capital markets strategies	5,090	+20	(1)	+16	-	5,124
Private equity	3,995	+165	(6)	(15)	-	4,139
<b>Total Asset Management</b>	<b>30,521</b>	<b>+2,593</b>	<b>(389)</b>	<b>+236</b>	<b>-</b>	<b>32,961</b>

In €m	Amount	YoY change	
		In %	In €m
Fee-paying AuM	28,366	+22%	+5,121
Future fee-paying AuM	2,821	(6)%	(191)
Non-fee-paying AuM	1,774	+62%	+679
<b>Asset Management AuM</b>	<b>32,961</b>	<b>+21%</b>	<b>+5,610</b>

### Fee-paying assets under management

In €m	31-Dec-2019	31-Dec-2020	31-Dec-2021
Private debt	6,727	7,269	9,670
Real assets	7,775	8,925	10,188
Capital markets strategies	3,810	4,184	5,124
Private equity	1,637	2,296	3,383
<b>Fee-paying AuM</b>	<b>19,949</b>	<b>23,245</b>	<b>28,366</b>

### Weighted average management fee rate

In bps	31-Dec-2019	31-Dec-2020	31-Dec-2021
Private debt	73	76	84
Real assets	110	96	111
Capital markets strategies	53	60	53
Private equity	>150	>150	>150
<b>Management fees<sup>8</sup></b>	<b>92</b>	<b>92</b>	<b>102</b>
Performance-related fees	5	3	7
<b>Total weighted average fee-rate<sup>9</sup></b>	<b>97</b>	<b>95</b>	<b>108</b>

### Simplified consolidated P&L

In €m	FY2020		FY2021
	Published	Proforma <sup>10</sup>	Published
Management fees & other revenues	198.6	198.6	263.6
Operating costs	(128.4)	(128.4)	(168.7)
<b>Fee Related Earnings (FRE)</b>	<b>70.2</b>	<b>70.2</b>	<b>94.9</b>
<i>FRE margin</i>	35.3%	35.3%	36.0%
Realized Performance-related earnings (PRE)	6.3	6.3	19.2
<b>Asset Management EBIT</b>	<b>76.4</b>	<b>76.4</b>	<b>114.1</b>
<i>AM EBIT margin</i>	37.3%	37.3%	40.3%
<b>Group portfolio revenues<sup>11</sup></b>	<b>84.9</b>	<b>84.9</b>	<b>386.9</b>
<i>of which Realized portfolio revenues</i>	133.9	133.9	243.1
<i>of which Unrealized portfolio revenues</i>	(49.0)	(49.0)	143.8
Group corporate expenses	(98.5)	(48.9)	(43.6)
Financial interests	(36.1)	(36.2)	(24.4)
Non-recurring items and others <sup>12</sup>	(291.5)	(292.6)	(60.8)
Tax	58.6	48.3	(52.5)
Minority interests	(0.5)	(0.5)	(1.1)
<b>Net result, Group share</b>	<b>(206.6)</b>	<b>(168.6)</b>	<b>318.7</b>

<sup>8</sup> Corresponding to management fees, subscription fees and arrangement fees.

<sup>9</sup> Implied fee rates are calculated based on average fee-paying AuM.

<sup>10</sup> Financial information pro forma the reorganisation dated 15 July 2021 and retroactive to 1 January 2021.

<sup>11</sup> Group portfolio revenues is broken down between €156m (€58m in 2020) generated from Tikehau Capital's asset management strategies and €231m (€27m in 2020) from ecosystem and other investments.

<sup>12</sup> Include net result from associates, derivatives portfolio result and non-recurring items, including the residual part of non-recurring share-based payments of 1 December 2017, including social security costs, put in place following the IPO.

**Simplified consolidated balance sheet**

In €m	31-Dec-2020		31-Dec-2021
	Published	Proforma	Published
Investment portfolio	2,410	2,508	2,685
Cash & cash equivalents	845	845	1,117
Other current and non-current assets	764	672	811
<b>Total assets</b>	<b>4,018</b>	<b>4,025</b>	<b>4,614</b>
Shareholders' equity, Group share	2,797	2,792	3,041
Minority interests	7	7	7
Financial debt	999	999	1,301
Other current and non-current liabilities	216	228	265
<b>Total liabilities</b>	<b>4,018</b>	<b>4,025</b>	<b>4,614</b>
<i>Gearing<sup>13</sup></i>	36%	36%	43%
<i>Undrawn credit facilities</i>	500	500	725

<sup>13</sup> Gearing = Total financial debt / Shareholders' Equity, Group share.