

## Tikehau Capital FY 2022 earnings

### Strong results supported by agile and disciplined execution

#### Growth and innovation drive strong operating performance in 2022

- **Solid deal flow** with €6.9bn deployed by Tikehau Capital's funds with high selectivity
- **Step-up in realizations** at €1.8bn (up 20% yoy) with value-creating exits across strategies
- **Robust fundraising momentum** across institutional and private clients with €6.4bn of net new money of which €7.0bn for the Group's private market strategies<sup>1</sup> (up 27% vs 2021)
- **Strong franchise recognition globally**, with 71% of net new money coming from foreign investors<sup>2</sup>
- **Impact platform expansion** with strategies tackling sustainable issues across asset classes

#### Resilient financial performance leads to strong net profit generation

- **Fee-Related Earnings of €96.5m** for 2022 with a strong second-half at €55.3m (up 10% yoy)
- **Solid performance of investment portfolio**, driven by both Tikehau Capital funds and ecosystem investments
- **Strong profit generation** with €320m of net income (Group share) for 2022
- **€3.1bn of shareholders' equity** at 31 December 2022 and €1.3bn of short-term resources
- **Dividend proposition<sup>3</sup> of €0.70 per share**, up 17%<sup>4</sup> vs 2021

#### Robust outlook highlights the firm's strong positioning in the current context

- **Healthy fundraising pipeline** for 2023 with strategies addressing key investors' focus
- **Confirmation of 2026 targets** laid out during the Group's Capital Markets Day in March 2022

### KEY FIGURES OF THE YEAR<sup>5</sup>

**€37.8bn**

Asset Management AuM<sup>6</sup>  
at 31 December 2022

**€7.0bn**

Net new money for the Group's  
private markets strategies

**€3.5bn**

Investment portfolio at  
31 December 2022

**€320m**

of net income Group  
share in 2022

**10.2%**

Return on equity in 2022<sup>7</sup>

**€0.70**

Proposed dividend per share

<sup>1</sup> Defined as Net New Money for Tikehau Capital's Asset Management business excluding Capital Markets Strategies

<sup>2</sup> 3<sup>rd</sup> party net new money excluding Sofidy funds.

<sup>3</sup> To be proposed to the General Shareholders' Meeting due to take place on 16 May 2023

<sup>4</sup> Compared to reference dividend of €0.60 per share in 2021

<sup>5</sup> Figures have been rounded for presentation purposes, which in some cases may result in rounding differences. The audit procedures have been carried out, the audit report relating to the certification is in the process of being issued

<sup>6</sup> Assets under management for the Group's asset management activity.

<sup>7</sup> Defined as Net income, Group share, divided by shareholders' equity



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

*"Tikehau Capital's business model has once again demonstrated its resilience in a challenging environment. Throughout 2022, the Group executed on its strategic plan and continued to experience strong growth in its assets under management, while generating significant value for investors with impactful exits across our various strategies.*

*We are well on track to achieve our 2026 targets, and thanks to our seasoned teams, our compounding balance sheet and the strength of our operating model, we are uniquely positioned to pursue our growth and development in a market environment where value has meaning and capital has a cost.*

*Our capacity to innovate and the discipline which has historically guided our investment decisions are key assets when entering a more complex and dislocated environment. We are convinced that Tikehau Capital's business model and unique skin in the game will continue to prove its relevance in the months and years to come."*

**“We are uniquely positioned to pursue our growth and development in a market environment where value has meaning and capital has a cost.”**

### Key operating metrics

In €bn, AM perimeter	4 <sup>th</sup> quarter		Full year		YoY change
	2021	2022	2021	2022	
Capital deployment	1.9	<b>2.0</b>	5.5	<b>6.9</b>	+24%
Realizations	0.4	<b>0.4</b>	1.5	<b>1.8</b>	+20%
Net new money (NNM)	2.6	<b>2.1</b>	6.4	<b>6.4</b>	-
<i>o/w NNM for private markets strategies</i>	2.6	<b>2.2</b>	5.5	<b>7.0</b>	+27%

		31-Dec-2016	31-Dec-2021	31-Dec-2022	2016-22 CAGR <sup>8</sup>
Group AuM	€bn	10.0	34.3	<b>38.8</b>	<b>+25%</b>
Asset Management AuM	€bn	8.6	33.0	<b>37.8</b>	<b>+28%</b>
Fee-paying AuM	€bn	6.0	28.4	<b>31.5</b>	<b>+32%</b>
Management fees and others	€m	38.6	263.6	<b>293.5</b>	<b>+40%</b>
Asset Management revenues	€m	39.4	282.8	<b>303.9</b>	<b>+41%</b>
Fee-related earnings (FRE)	€m	2.7	94.9	<b>96.5</b>	<b>+82%</b>
Asset Management EBIT	€m	3.5	114.1	<b>107.0</b>	<b>+77%</b>
Investment portfolio	€bn	0.9	2.7	<b>3.5</b>	<b>+26%</b>
Net result, Group share	€m	124.6	318.7	<b>320.2</b>	<b>+17%</b>
Shareholders' equity	€m	1,512	3,041	<b>3,144</b>	<b>n.a</b>
Return on Equity	%	8.2%	10.5%	<b>10.2%</b>	<b>n.a</b>

### Company presentation

A presentation for investors and analysts will be held at 9:00am CET today and will be broadcasted live. To watch the presentation, please connect via the following [link](#)

A recording of the presentation will be available on Tikehau Capital's [website](#) later in the day.

### Financial calendar

20 April 2023	Q1 2023 announcement (after market close)
16 May 2023	Annual General Meeting of Shareholders
27 July 2023	2023 first half results (after market close)
19 October 2023	Q3 2023 announcement (after market close)

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<sup>8</sup> Last six years CAGR (31 December 2016 to 31 December 2022).

*The Tikehau Capital Supervisory Board met on 15 February 2023 to review the consolidated financial statements<sup>9</sup> at 31 December 2022.*

## OPERATING REVIEW

In 2022, the key pillars supporting Tikehau Capital's growth model once again delivered **strong positive effects**, despite the challenging macroeconomic environment.

The Group maintained a strong pace of **capital deployment** across its asset classes while keeping a highly selective investment approach.

The level of **realizations** increased in 2022, driven by value-creating exits across asset classes. Thanks to a particular focus on investment discipline since inception, Tikehau Capital has built a **resilient and defensive portfolio** of companies and assets and is well-positioned to navigate through economic cycles.

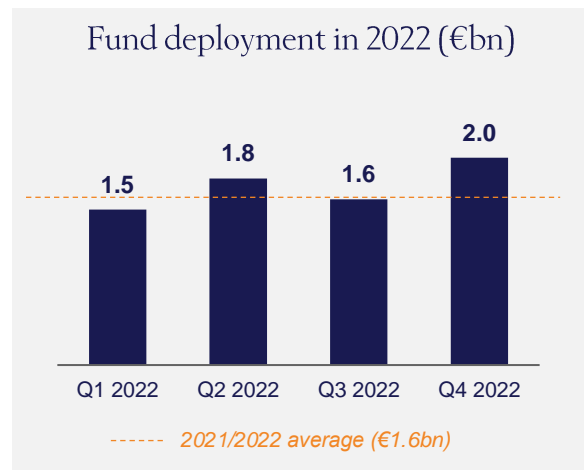
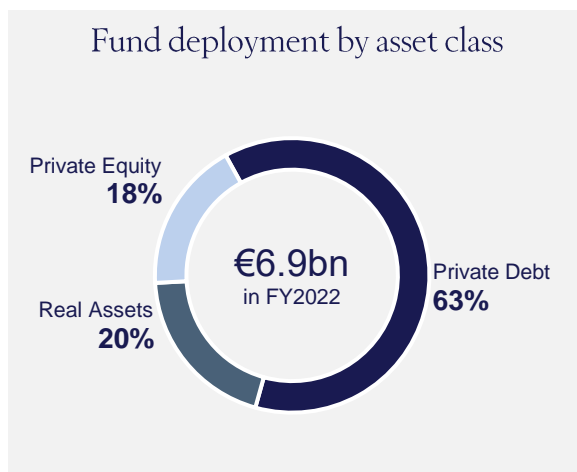
The Group achieved a **record level of fundraising for its private markets strategies**, reflecting renewed client confidence in Tikehau Capital's investment strategies.

- **Investment momentum was robust in 2022. Closed-end funds managed by Tikehau Capital deployed a total of €6.9bn, compared to €5.5bn in 2021 (+24% growth), with high selectivity**
  - Discipline remained a core focus of the investment teams, as evidenced by a selectivity rate of 97% of investment opportunities in 2022, a level in line with the historical selectivity rate of above 95% maintained since 2017.
  - **Private Debt** accounted for 63% (€4.3bn) of total deployment, driven by Direct Lending strategies and the CLO platform in Europe and in the US.
    - In **Direct Lending**, Tikehau Capital continued to benefit from an environment marked by the scarcity of debt availability while maintaining a high level of discipline. The weighted average net leverage<sup>10</sup> within the Group's 5<sup>th</sup> vintage of Direct Lending fund stood at 4.6x at 31 December 2022, a stable level compared to Q3 2022. In addition, the financings arranged by Tikehau Capital consist mainly of floating rate instruments and are secured with covenants. This offers investors a compelling investment opportunity with a balanced risk-reward approach in the current context.
  - Capital deployment across Tikehau Capital's **Real Assets** strategies amounted to €1.4bn (20% of total) and was mainly driven by Sofidy, representing c.80% of deployment. Investment teams remained prudent and selective, maintaining a selectivity rate of 97% of investment opportunities, while analyzed opportunities increased by close to 50% since 31 December 2020. In Q4 2022, the second vintage of North-American mid-market infrastructure fund managed by Star America completed an investment in the JFK Airport Terminal 6 DBFOM (Design, Build, Finance, Operate, Maintain) project in New York.
  - In **Private Equity**, capital deployment reached €1.2bn (18% of total), driven by the energy transition, growth equity, cybersecurity and special opportunities strategies:

<sup>9</sup> The audit procedures have been carried out, the audit report relating to the certification is in the process of being issued.

<sup>10</sup> Weighted average Net debt / EBITDA at closing.

- The firm acquired a 40% stake in Egis, a leading French specialist in construction engineering and mobility services via its **European energy transition** fund
  - In September 2022, the **3<sup>rd</sup> generation of the firm’s growth impact** fund carried out a first investment in Probe Test Solutions Limited, a leading semiconductor probe card manufacturer<sup>11</sup>
  - The firm’s **second vintage of special opportunities** fund provided a €33m redevelopment financing loan to a leading group of institutional investors in order to support the refurbishment of an iconic tower in La Défense
  - **The group’s aerospace strategy** completed the acquisition of Crouzet, a global designer and manufacturer of electromechanical components. With over 100 years of experience, Crouzet has developed long-standing relationships with Tier 1 customers in the aerospace, automotive and transportation industries.
- At 31 December 2022, the Group had **dry powder of €6.1bn** (compared to €5.8bn at 30 September 2022) within the funds it managed, allowing them to capture attractive investment opportunities.



- **Performance of the funds managed by Tikehau Capital remained strong in 2022, despite a challenging market environment**
  - **Asset valuations** remained resilient across the firm’s key funds with:
    - **Stable marks** across the Group’s Real Estate and Private Debt funds since 31 December 2021;
    - **Strong value appreciation** across private equity funds’ holdings (growth equity, energy transition, aerospace and cybersecurity) since 31 December 2021.

<sup>11</sup> Please refer to the dedicated press release dated 28 September 2022.

- Tikehau Capital is well-positioned to navigate the current cycle benefiting from a defensive portfolio of assets across asset classes, reflecting the Group's historically disciplined investment approach, with a focus on mitigating risks and offering downside protection:
  - In addition to the low leverage at the portfolio companies' level, more than 80% of the financings arranged by Tikehau Capital's 5<sup>th</sup> vintage of **Direct Lending** fund are first-lien debt instruments.
  - The use of leverage is conservative across the firm's **Real Estate** strategies with average loan-to-value levels standing at 25% at 31 December 2022 while the financial occupancy rate stood at 90% in 2022.
  - The Group's **Private Equity** business is focused on structurally fast-growing verticals such as energy transition, growth equity, cybersecurity or aerospace. The investment discipline is evidenced by a conservative average entry multiple of 9.8x<sup>12</sup>, and an average leverage at the portfolio companies level which remains low at 3.7x<sup>13</sup>. In addition, portfolio companies within the firm's growth equity and energy transition strategies recorded, on average over the last 12 months, revenues growth of 57% and EBITDA growth of 51%.
- **Realizations** within Tikehau Capital funds increased to €1.8bn in 2022 from €1.5bn in 2021 (+20% growth), despite the challenging macroeconomic environment:
  - Exits were driven by Private Debt (€1.0bn) followed by Real Assets (€0.5bn) and Private Equity (€0.3bn)
  - In Private Debt, c. 60% of total realizations were carried out by the firm's **Direct Lending strategies**, with for example the repayment of a Mezzanine facility arranged for **Vulcanic**, the French provider of electrical products for industrial applications. This investment generated gross IRR of 14% and multiple of 1.2x. In addition, the repayment of Unitranche financings for **Alkern**, a manufacturer of light concrete prefabricated products and **Odealim**, a French insurance broker, were carried out in Q4 2022 and generated respectively gross IRRs of 7.4% and 8.3% and gross multiples of 1.3x and 1.2x.
  - Realizations in **Real Assets** were mainly driven by asset disposals from the firm's sale and leaseback funds, Sofidy's funds as well as the firm's US infrastructure funds (managed by Star America Infrastructure Partners).
  - In Private Equity, 2022 was marked by the first exits from the firm's European energy transition fund, with notably the disposal of its investments in **Groupe Rougnon** (specialized in energy efficient refurbishment of buildings) and **GreenYellow**, a leading French developer of smart energy solutions. Both investments crystallized a 1.9x multiple and respective gross IRRs of 25% and 18%. In addition, Tikehau Capital's growth equity strategy divested its holding in **Assiteca**, the largest independent Italian insurance broker. This investment generated a gross exit multiple of 2.6x and a gross IRR of 45%.

<sup>12</sup> EV/EBITDA entry multiple for the growth equity and energy transition strategies

<sup>13</sup> Debt/EBITDA multiple for the growth equity, energy transition, aerospace and cybersecurity strategies

- On 10 February 2023, Tikehau Capital announced the **successful IPO of EuroGroup Laminations**, the Milan-based leader in the design and production of the motor core for electric motors and generators. The IPO follows the execution of a successful growth strategy since Tikehau Capital's acquisition of a 30% stake in the company in September 2020. The investment was made mainly through its European energy transition private equity fund and generated a gross exit multiple of c.3.1x and a gross IRR of 55%<sup>14</sup>.
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- **Acceleration of net new money in 2022 for Tikehau Capital's private markets strategies, reaching €7.0bn, versus €5.5bn in 2021 (+27% growth)**
  - Net new money for the Group's asset management activities amounted to **€6.4bn** in 2022, a stable level compared to 2021, and a **+63% increase** compared to the average level of fundraising achieved between 2017 and 2020.
  - In 2022, client demand for the Group's "**Value-Add**" strategies, which generate higher returns derived from asset transformation, positioned on targeted long-term megatrends and offering strong potential for scalability represented 23% of asset management net new money, compared to 11% in 2021. In addition, the Group continued to grow its "**Yield**" strategies, which offer predictable, inflation-hedged regular returns, representing 77% of 2022 net new money, compared to 89% in 2021.
  - Net new money for Tikehau Capital's private markets strategies reached a record level of **€7.0bn** in 2022, a +27% increase compared to the amounts raised in 2021, in spite of a much more challenging macroeconomic and geopolitical backdrop.
    - **Private Debt** strategies accounted for 52% of private markets strategies fundraising driven by the final close of the Group's **5<sup>th</sup> generation of Direct Lending** strategy, which reached €3.3bn, exceeding by 57% the amount raised for the previous generation in 2019.
 

In Q4 2022, in an environment marked by continued macroeconomic volatility, the Group successfully priced **two additional CLOs** (CLO VIII in Europe and US CLO III, which was upsized from the initial target of \$400m to \$500m). The two CLOs welcomed new investors to their platform, evidencing the firm's global footprint and strong franchise.

In addition, Tikehau Capital completed the fundraising for its **private debt secondary** strategy with a total of \$0.6bn of AuM at 31 December 2022, of which \$0.4bn of capital raised for the flagship fund.

In order to provide investors with an innovative access to private debt, which is an attractive asset class in the current environment, Tikehau Capital designed a **Collateralized Fund Obligation** for \$300m. The rated debt and equity tranches of the CFO have been placed to large US institutional investors while Tikehau Capital retains part of the equity<sup>15</sup>.
    - In **Real Assets**, the real estate funds managed by **Sofidy** attracted very robust client demand, reaching a record €1.5bn of net inflows in 2022. These funds fit individual investors' willingness to invest in yielding strategies over the long-term while benefitting from some protection against inflation. In addition, notable developments for Tikehau Capital's **European value-add real estate strategy** included, on the one hand, a first closing for the second vintage of its

<sup>14</sup> Returns calculated on the realized portion equal to c. 50% of Energy transition fund stake. Please refer to dedicated press release dated 10 February 2023.

<sup>15</sup> Please refer to dedicated press release dated 26 December 2022.

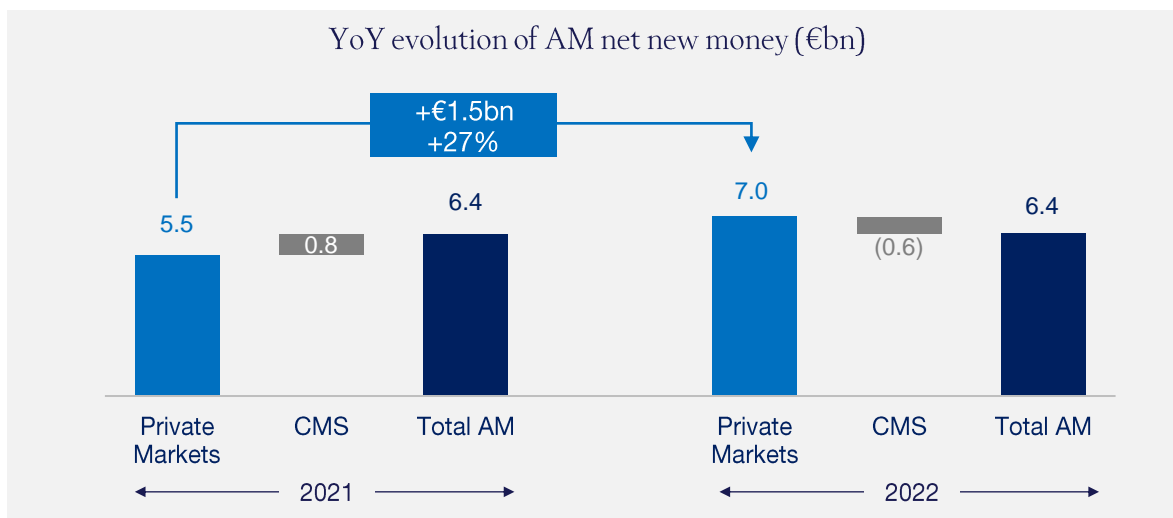
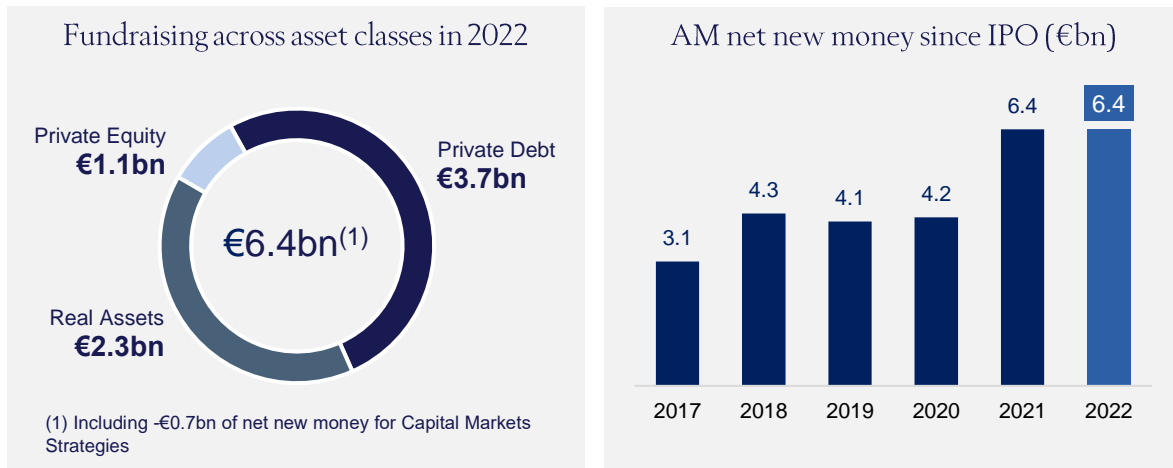
flagship fund and, on the other hand, the award of a €250m real-estate evergreen investment mandate by a leading global industrial company for its German pension fund.

- In **Private Equity**, Tikehau Capital launched several new initiatives aiming at expanding its global impact platform with the launch of the **3<sup>rd</sup> generation of its growth equity fund** (which transitioned to a growth impact strategy) and the marketing for its **regenerative agriculture fund** launched in partnership with AXA Climate and Unilever, which targets a size of €1bn. In addition, the firm's strategy dedicated to supporting the aerospace industry reached more than €0.9bn of AuM at 31 December 2022, driven by the final close of its flagship fund. In addition, the firm's **3<sup>rd</sup> generation of special opportunities fund**, which was launched in Q3 2022, contributed close to €0.4bn to 2022 net new money. This fund is particularly well-positioned to seize investment opportunities triggered by the dislocated macroeconomic environment.
- In 2022, **Capital Markets Strategies** recorded net outflows of €(0.7)bn with an improvement in the 4<sup>th</sup> quarter, with outflows limited to €(0.1)bn for the last 3 months of 2022. Highly uncertain geopolitical and macroeconomic environment has weighed on flows for these types of products in 2022, particularly for the fixed income strategies, while the funds' performance remained solid compared to peers.
- Overall, the acceleration in client demand for Tikehau Capital's private markets strategies in 2022 reflects:
  - The relevant **positioning** and **strong performance** of the firm's investment strategies.
  - The benefits of the Group's growth model, characterized by **highly diversified and complementary** asset classes, allowing it to successfully navigate through economic cycles and offer appealing risk-adjusted returns for clients.
  - Strong domestic and global inflows, with the **continued internationalization** of the firm's client base. International investors accounted for 71% of 2022 third-party inflows<sup>16</sup> and 37% of AuM at 31 December 2022 (compared to 35% at 31 December 2021).
  - The steady ramp-up of the firm's strategies dedicated to **private investors**. Across asset classes, Tikehau Capital raised **€1.5bn** from private investors in 2022, representing 31% of total third-party inflows.

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<sup>16</sup> 3<sup>rd</sup> party net new money excluding Sofidy funds



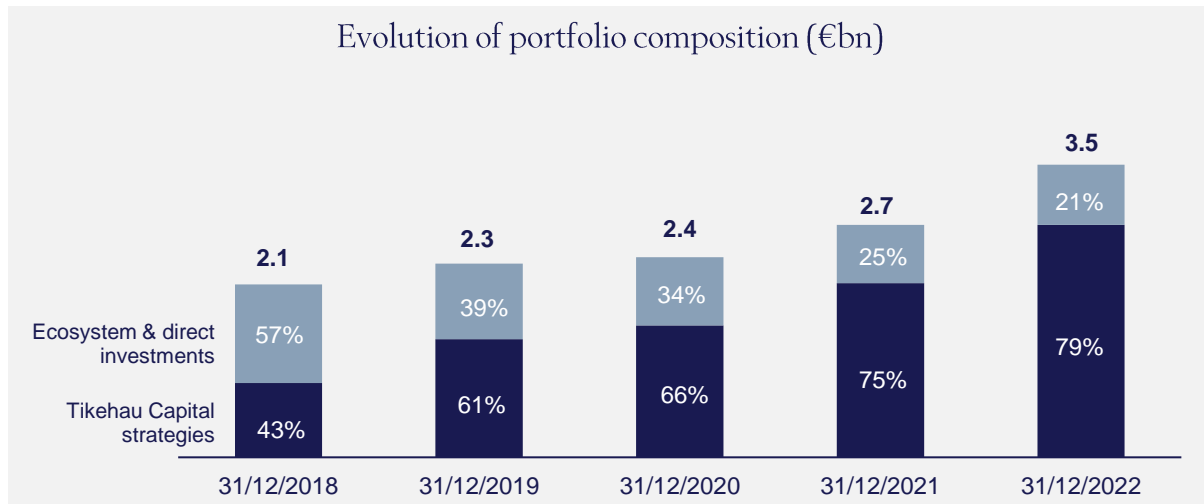


- **Total assets under management** reached €38.8bn at 31 December 2022, up +13% yoy
  - **AuM for Tikehau Capital's asset management business** amounted to €37.8bn at 31 December 2022, up 15% compared to a year ago and a compounded annual growth of 28% over the last 6 years<sup>17</sup>.
  - **Investment activity AuM** amounted to €1.0bn at 31 December 2022 (vs. €1.3bn at 31 December 2021), notably reflecting new commitments in Tikehau Capital's own asset management strategies.
- **Investment portfolio** amounted to €3.5bn at 31 December 2022, with continued investments in Tikehau Capital funds
  - Tikehau Capital's investment portfolio is primarily composed of investments in the asset management strategies developed and managed by the firm for €2.8bn (79% of total portfolio<sup>18</sup>), generating a high alignment of interests with its investor-clients.

<sup>17</sup> 31 December 2016 to 31 December 2022.

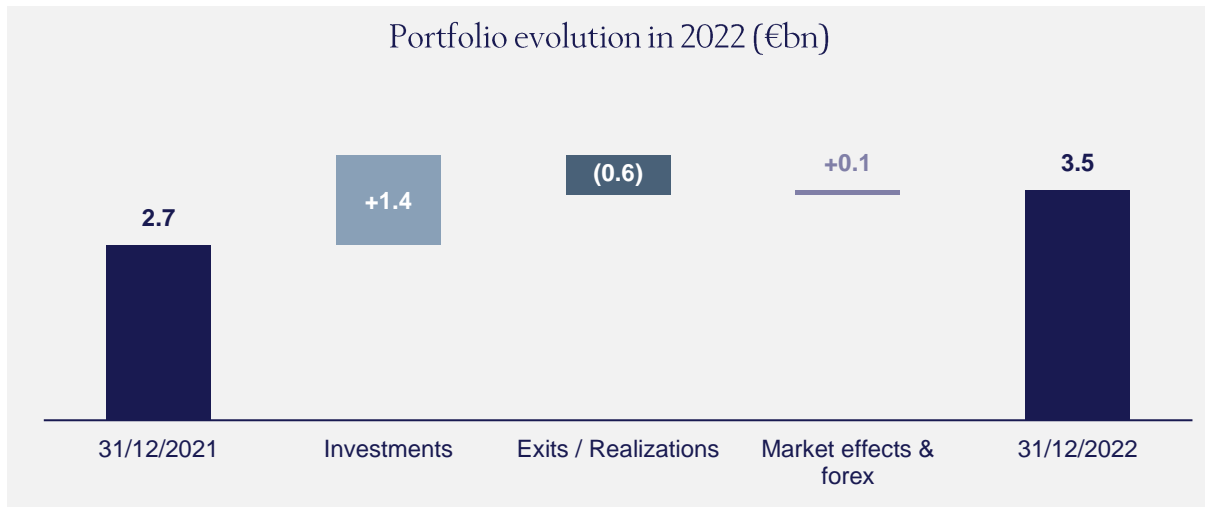
<sup>18</sup> Includes investments in funds managed by Tikehau Capital, co-investments alongside Tikehau Capital asset management strategies and SPAC sponsoring.

- 21% 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, most of which aim at serving Tikehau Capital's asset management franchise globally.



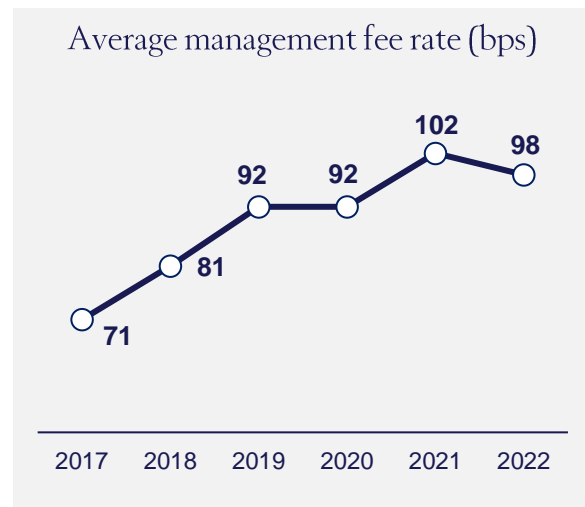
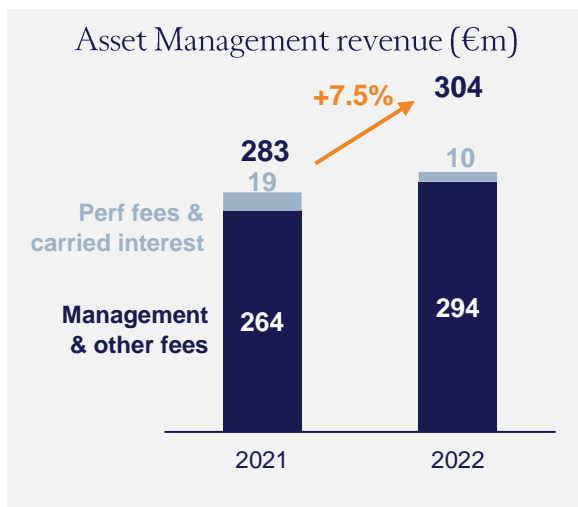
- Portfolio movements throughout the year are reflective of the firm's capital allocation policy and serve its growth strategy:
  - **€1.4bn of investments** were carried out in 2022, of which €1.2bn into the Group's asset management strategies and co-investment alongside its strategies. Around a third of investments carried out in 2022 is linked to the acquisition of an LP interest from a large Asian financial institution in a direct lending fund managed by a leading US alternative asset manager, alongside Tikehau Capital's private debt secondaries strategy<sup>19</sup>.
  - **€(0.6)bn of exits**, including returns of capital.
  - **€0.1bn of positive fair value changes**, reflecting the value appreciation across portfolio assets, driven by the performance of Tikehau Capital funds and ecosystem & direct investments, as well as positive foreign exchange effects.
- 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.

<sup>19</sup> Please refer to press release dated 22 March 2022.



## FINANCIAL REVIEW

- **Asset management revenues** reached €304m, up 7.5% yoy



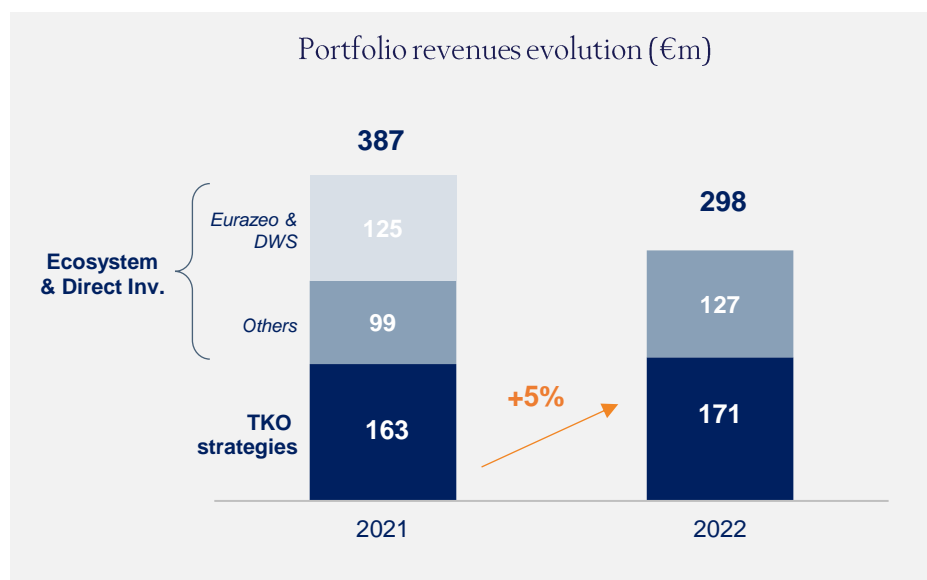
- **Management fees<sup>20</sup> reached €294m in 2022**, up 11% compared to 2021, notably thanks to the continued progression in fee-paying AuM in 2022 and despite a high basis of comparison.
  - **Fee-paying AuM amounted to €31.4bn** at 31 December 2022, up €3.1bn (+11%) year-over-year, driven notably by a €2.6bn (+27%) increase in fee-paying AUM for private debt funds which have been particularly dynamic in both fundraising and deployment in Direct Lending, CLOs and Secondaries strategies. Overall, **fee-paying AuM for private markets strategies amounted to €27.3bn** at 31 December 2022, up 18% over the year.

<sup>20</sup> Include management fees, subscription fees, arrangement fees and other revenues, net of distribution fees.

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- **Average management fee rate** stood at 0.98% in 2022, a slight decrease compared to 2021 (-0.04%) which is due to the fundraising mix as well as calendar effects, with a strong Q4 in fundraising that contributed to increasing the fee-paying AuM base at year-end but with a limited contribution to FY 2022 revenues.
  - Of note, **future-fee-paying AuM grew by 41% in 2022 (+€1.2bn) to €4.0bn**, driven by Private Debt, Real Assets and Special Opportunities funds. These commitments are secured and will become fee-paying once deployed and therefore provide additional visibility on future revenue generation.
  - The solid 11% growth in management fees in 2022 has been achieved despite a **high comparison base** in 2021, which included late management fees linked to the private equity energy transition strategy as well as one-off arrangement fees for co-investments in the real assets business. In addition, the net outflows recorded within the Capital Markets Strategies in 2022 had a mechanical negative impact on management fee generation for that business line over the year.
- **Performance-related revenues amounted to €10m in 2022.** They include various contributions from several historical mid-sized private equity and private debt vehicles, as well as the positive impact of the business combination (in July 2022) between Pegasus Entrepreneurs, Tikehau Capital's SPAC focused on high-growth entrepreneurial businesses, and FL Entertainment, a global leader in independent content production and the fastest-growing online sports betting platform in Europe.
- **EBIT for the asset management activity amounted to €107m in 2022**
    - **Asset management operating expenses** amounted to €197m in 2022, up 17% compared to 2021. This growth reflects primarily the full-year impact of a catch-up in terms of platform investments which started in H2 2021, following the Covid pandemic. Furthermore, in 2022, the Group proactively reinforced its asset management teams and platform and accelerated the launch of growth initiatives. In H2 2022, operating expenses were stable compared to H1 2022, evidencing the Group's capacity to invest for future growth while maintaining a disciplined approach of its cost base evolution.
    - **Fee-Related earnings (FRE) stood at €97m in 2022**, with, in particular, a strong second half of the year, with €56m of FRE generated in H2 2022, an 11% increase year-over-year and a 37% increase compared to H1 2022. As such, profitability picked up materially during the second half of 2022 with a FRE margin of 36.2% in H2 2022, compared to 29.2% in H1 2022 and 35.4% in H2 2021. This is the reflection of continued management fee growth during the year coupled with efficient cost management. Overall, FRE margin for 2022 stood at 32.9%.
    - **Performance-related earnings (PRE) amounted to €10m in 2022.** This amount is equal to performance-related revenues and thus reflects the 100% conversion of such revenues into profit.
    - As a consequence, **EBIT for the asset management** business, which corresponds to the sum of FRE and PRE, amounted to €107m in 2022.

- **Group portfolio revenues reached €298m in 2022**

- **Tikehau Capital's portfolio generated €298m of revenues** in 2022, primarily driven by the investments the Group has made in its own funds and strategies:
  - **Tikehau Capital's asset management strategies'** contribution to the Group's portfolio revenues amounted to €171m, a 5% increase compared to 2021, reflecting the strong performance of the Group's funds. These revenues account for 57% of total portfolio revenues, compared to 42% in 2021. Those revenue streams will continue to grow as the Group's balance sheet invests in its own strategies and benefits from the associated returns.
  - The contribution of **ecosystem and direct investments** to the Group's portfolio revenues reached €127m, mainly driven by the contribution from Tikehau Capital's investments in the US media group Univision, Claranet and Voyage Care.



- **Realized revenues** accounted for 65% of the Group's portfolio revenues in 2022, reaching €194m, with an acceleration during the second half of the year (€116m in H2 2022 vs €78m in H1 2022). This compares to €243m of realized revenues in 2021, reflecting:
  - A high comparison basis in 2021, driven by the disposal of a number of listed investments, of which Eurazeo and DWS;
  - A 74% growth in dividends, coupons and distributions, driven by the dividends from the Group's listed REITs as well as the distributions from the Group's investment in a direct lending fund managed by a leading US alternative asset manager, alongside its private debt secondaries strategy.
- **Unrealized revenues** stood at €104m, mainly driven by the positive changes in fair value from the Group's co-investment in Univision and positive foreign exchange effects.
- **Solid net result generation in 2022**
- **Group corporate expenses for 2022 amounted to €64m**, which include in particular several expenses linked to an acceleration in the Group's brand building efforts globally.

- **Financial result reached €0.2m in 2022**, compared to -€24m in 2021. Positive changes in swaps fair value during the year have offset higher financial interests linked to the US private placement<sup>21</sup> issuance in February 2022 as well as the full impact of the inaugural sustainable bond issued in March 2021.
  - After taking into account €30m of positive result from non-recurring and other items, a -€52m tax expense and -€0.3m of minority interests, **net profit Group share for 2022 was €320m**, and return on equity stood at 10% for the year.
- **A strong balance sheet with substantial skin in the game**
    - At 31 December 2022, **consolidated shareholders' equity**, Group share came at €3.1bn and consolidated cash position reached €0.5bn, compared to €1.1bn at end-December 2021, reflecting the investments carried out over the period. Compared to 30 June 2022, the Group's consolidated cash position improved by €0.1bn. The Group also benefits from an undrawn revolving credit facility, which has been increased to €800m in March 2022 with a maturity extended to July 2027.
    - **Tikehau Capital's investment portfolio** at 31 December 2022 amounts to €3.5bn, compared to €2.7bn at 31 December 2021. This portfolio is invested at 79% in the Group's funds and strategies, which provides a strong alignment of interests with its investor-clients.
    - **Financial debt** at 31 December 2022 amounted to €1.5bn, with a gearing ratio of 47%. 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 for \$180m, ESG-linked debt accounted for 65% of the Group's total debt at 31 December 2022.
    - In January 2019, the financial ratings agency Fitch Ratings assigned Tikehau Capital an Investment Grade **credit rating** (BBB+) with a stable outlook. This rating was confirmed in December 2022. In March 2022, Tikehau Capital was assigned an Investment Grade rating by S&P Global Ratings. This BBB- rating also comes with a stable outlook and confirms the strength of Tikehau Capital's financial profile.
- **Dividend proposition of €0.70 per share for 2022**
    - A dividend pay-out of €0.70 per share for 2022 will be submitted to the General Shareholders' Meeting due to take place on 16 May 2023, which is a 17% increase compared to the €0.60 reference dividend distributed in 2021. This is in line with the Group's guidance to distribute to shareholders more than 80% of the EBIT of the asset management business .
    - Pending the approval from the General Shareholders' Meeting, the ex-date will be 18 May 2023, and the payment will take place on 22 May 2023.

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<sup>21</sup> Refers to the issuance of a bond.

## STRONG COMMITMENT TO SUSTAINABILITY AND IMPACT

- Tikehau Capital's mission is to direct global savings towards innovative and tailored financing solutions that create value for all stakeholders and accelerate positive change for society. As such, the Group has integrated **sustainability at the heart of its operating model**. For instance, investment opportunities reviewed by the Group's investment teams are analysed through sustainability criteria. In addition, in order to align interests, 20% of the staff variable compensation is linked to people and climate goals. Finally, at 31 December 2022, 65% of the Group's debt is linked to sustainability criteria. Tikehau Capital's responsible investment policy covers the full spectrum of responsible investing through four pillars ranging from exclusions to the development of products dedicated to sustainable themes.
- As such, Tikehau Capital has been actively developing **dedicated impact strategies** and vehicles addressing key structural issues such as decarbonization, nature & biodiversity, cyber security and resilience. At end-December 2022, the AuM for Tikehau Capital's impact platform amounted to €3bn, of which €2.3bn dedicated specifically to climate and biodiversity to enable transition at scale. This puts Tikehau Capital on track to reach its target to exceed €5bn by 2025. More globally, at 31 December 2022, more than 60% of Tikehau Capital's AuM are in funds classified article 8 or 9 as per the SFDR regulation, which indicates that ESG or sustainable objective have been formalized in their legal documentation.
- **Going forward**, Tikehau Capital intends to keep launching dedicated impact strategies, with for example in 2023 the planned launch of the second vintage of its decarbonization strategy.
- Finally, in January, Tikehau Capital has been recognised as a '2023 Top-Rated ESG Performer' by **Sustainalytics**, for the second year in a row, and ranks 33 out of an industry group of 910 companies, placing the Group in the top 4% best performers.

## SHARE BUY-BACK

- Tikehau Capital announces it has extended until 20 April 2023 (included), date of the Group's Q1 2023 announcement, the share buy-back mandate, which was signed and announced on 19 March 2020 and extended on 20 October 2022 until 15 February 2023 (included).
- As of 15 February 2023, 3,532,762 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 25 March 2022 under number D. 22-0152) is available on the company's website in the Regulated Information section (<https://www.tikehaucapital.com/en/finance/regulatory-information>).



## OUTLOOK

- The case for alternative asset classes remains structurally strong. Allocation intentions across client types and geographies remain well-oriented over the mid-term as investor-clients look for sustainability, diversification and compelling risk-adjusted returns.
- From a cyclical standpoint, persistent uncertainties on the geopolitical and macro-economic environment result in lengthier decision-making processes by institutional investors, who are increasingly selective about the GPs they work with and about their capacity to address secular and sustainable megatrends.

**Against this backdrop, Tikehau Capital is well-positioned and will continue to leverage its differentiating and selective approach in each asset class, with a continued focus on downside protection.**

- The Group's capital raising activity in 2023 will be driven, on the one hand, by new and successor vintages of some of its flagship "value-add" strategies in private equity (decarbonization, regenerative agriculture, cybersecurity), special opportunities and real estate. In addition, the Group will leverage the attractive risk-reward profile of its "Yield" strategies in the current context, in particular in private debt and real estate.
- Tikehau Capital will keep broadening its client base globally by expanding its geographical footprint and leveraging the strong local client relations built over the years with institutional and private clients.

**Going forward, the diversity and complementarity of Tikehau Capital's asset classes in terms of risk-return profile is a key asset to capture a growing share of client demand globally, across institutional and private clients.**

- Over the past decade, the Group has been consistently selective in its investment approach, allowing it to be uniquely positioned ahead of a macroeconomic downturn and the end of a benign market environment. This has been evidenced by a continued focus on high-quality assets and secular megatrends, with limited use of leverage and a permanent attention to asset-liability management across all strategies.

**Tikehau Capital is defensively positioned in the current context, with this disciplined approach remaining at the heart of the Group's DNA.**

- Tikehau Capital will leverage its strong balance sheet to align its interests and create sustainable value for all its stakeholders.

**Tikehau Capital confirms its mid-term ambitions revealed during its 2022 Capital Markets Day, to reach, by 2026, more than €65bn of AuM for its asset management business, more than €250m of Fee-Related Earnings, and drive its return on equity to mid-teens level.**





## OTHER INFORMATION

- Tikehau Capital has been informed by its main shareholder, Tikehau Capital Advisors (TCA), of transactions modifying its ownership structure, with:
  - The commitment of SFI, a subsidiary of Patrinvest (a company which holds the interests of some of the Belgian founding families of Anheuser-Busch InBev), to make an equity investment in its share capital for an amount €400m through a capital increase. SFI is a long-term investor who shares Tikehau Capital's values and entrepreneurial culture, and who wishes to support the Group's development over time. Following the transaction, SFI will indirectly own 9.3% of Tikehau Capital and will thus become one of the firm's largest shareholders. The candidacy of Maximilien de Limburg Stirum, Executive Chairman of SFI, will be proposed as a member of the Supervisory Board of Tikehau Capital. Alexandre Vandamme, Chairman of Patrinvest, will join TCA's Board of Directors<sup>22</sup>.
  - The sale by Peugeot Invest of its stake in TCA to a holding company controlled by the founders and management of Tikehau Capital.
- Tikehau Capital warmly welcomes these transactions which allow to bring onboard a new long-term investor to support Tikehau Capital. These transactions also illustrate the confidence shared by this new investor as well as by the Group's founders and management in Tikehau Capital's growth and value-creation prospects.



## CALENDAR

20 April 2023	Q1 2023 announcement (after market close)
16 May 2023	Annual General Meeting of Shareholders
27 July 2023	2023 first half results (after market close)
19 October 2023	Q3 2023 announcement (after market close)

<sup>22</sup> Refer to the dedicated press release issued by Tikehau Capital Advisors on 16 February 2022

 ABOUT TIKEHAU CAPITAL

Tikehau Capital is a global alternative asset management group with €38.8 billion of assets under management (at 31 December 2022).

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 (€3.1 billion of shareholders' equity at 31 December 2022), 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 742 employees (at 31 December 2022) across its 14 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-2022		YoY change		QoQ change	
	Amount (€m)	Weight (%)	In %	In €m	In %	In €m
Private Debt	14,793	38%	+26%	+3,084	+6%	+813
Real Assets	13,739	35%	+15%	+1,750	+1%	+150
Capital Markets Strategies	4,146	11%	(19%)	(978)	(2%)	(71)
Private Equity	5,162	13%	+25%	+1,024	+11%	+512
<b>Asset Management</b>	<b>37,841</b>	<b>98%</b>	<b>+15%</b>	<b>+4,880</b>	<b>+4%</b>	<b>+1,403</b>
Investment activity	954	2%	(27%)	(350)	(11%)	(115)
<b>Total AuM</b>	<b>38,794</b>	<b>100%</b>	<b>+13%</b>	<b>+4,530</b>	<b>+3%</b>	<b>+1,288</b>

LTM evolution In €m	AuM at 31-12-2021	Net new money	Distri- butions	Market effects	Change in scope	AuM at 31-12-2022
Private Debt	11,709	+3,657	(682)	+146	(37)	14,793
Real Assets	11,989	+2,290	(377)	(164)	-	13,739
Capital Markets Strategies	5,124	(651)	(2)	(325)	-	4,146
Private Equity	4,139	+1,093	(271)	+202	-	5,162
<b>Total Asset Management</b>	<b>32,961</b>	<b>+6,390</b>	<b>(1,332)</b>	<b>(140)</b>	<b>(37)</b>	<b>37,841</b>

Q4 2022 evolution In €m	AuM at 30-09-2022	Net new money	Distri- butions	Market effects	Change in scope	AuM at 31-12-2022
Private Debt	13,980	+1,084	(219)	(52)	-	14,793
Real Assets	13,589	+597	(170)	(277)	-	13,739
Capital Markets Strategies	4,218	(128)	-	57	-	4,146
Private Equity	4,650	+547	(94)	59	-	5,162
<b>Total Asset Management</b>	<b>36,437</b>	<b>+2,099</b>	<b>(483)</b>	<b>(213)</b>	<b>-</b>	<b>37,841</b>

In €m	Amount	YoY change	
		In %	In €m
Fee-paying AuM	31,418	+11%	+3,052
Future fee-paying AuM	3,972	+41%	+1,151
Non-fee-paying AuM	2,451	+38%	+677
<b>Asset Management AuM at 31-Dec-2022</b>	<b>37,841</b>	<b>+15%</b>	<b>+4,880</b>

### Fee-paying assets under management

In €m	31-Dec-2020	31-Dec-2021	31-Dec-2022
Private Debt	7,269	9,670	12,255
Real Assets	8,925	10,188	11,207
Capital Markets Strategies	4,184	5,124	4,078
Private Equity	2,866	3,383	3,877
<b>Fee-paying AuM</b>	<b>23,245</b>	<b>28,366</b>	<b>31,418</b>

### Weighted average management fee rate

In bps	31-Dec-2020	31-Dec-2021	31-Dec-2022
Private Debt	76	84	91
Real Assets	96	111	108
Capital Markets Strategies	60	53	45
Private Equity	>150	>150	>150
<b>Management fees<sup>23</sup></b>	<b>92</b>	<b>102</b>	<b>98</b>
Performance-related fees	3	7	4
<b>Total weighted average fee-rate<sup>24</sup></b>	<b>95</b>	<b>108</b>	<b>102</b>

### Portfolio revenues breakdown

In €m	31-Dec-2021	31-Dec-2022
Tikehau Capital funds	154.0	161.3
SPACs	(0.5)	2.3
Investments alongside Tikehau Capital funds	9.2	8.2
<b>Tikehau Capital AM strategies</b>	<b>162.7</b>	<b>171.8</b>
Ecosystem investments	80.5	122.4
Other direct investments	143.9	4.2
<b>Ecosystem and direct investments</b>	<b>224.4</b>	<b>126.6</b>
<b>Total portfolio revenues</b>	<b>387.1</b>	<b>298.4</b>

In €m	31-Dec-2021	31-Dec-2022
Dividends, coupons and distributions	104.8	182.2
Realized change in fair value	138.3	12.2
<b>Realized portfolio revenues</b>	<b>243.1</b>	<b>194.3</b>
<b>Unrealized portfolio revenues</b>	<b>144.0</b>	<b>104.1</b>
<b>Total portfolio revenues</b>	<b>387.1</b>	<b>298.4</b>

<sup>23</sup> Corresponding to management fees, subscription fees and arrangement fees.

<sup>24</sup> Implied fee rates are calculated based on average fee-paying AuM over the last 12 months.

### Simplified consolidated P&L

In €m	Published	
	FY2021	FY2022
Management fees & other revenues	263.6	293.5
Operating costs	(168.7)	(196.9)
<b>Fee Related Earnings (FRE)</b>	<b>94.9</b>	<b>96.5</b>
<i>FRE margin</i>	36.0%	32.9%
Realized Performance-related earnings (PRE)	19.2	10.5
<b>Asset Management EBIT</b>	<b>114.1</b>	<b>107.0</b>
<i>AM EBIT margin</i>	40.3%	35.2%
<b>Group portfolio revenues<sup>25</sup></b>	<b>386.9</b>	<b>298.4</b>
<i>of which Realized portfolio revenues</i>	243.1	194.3
<i>of which Unrealized portfolio revenues</i>	143.8	104.1
Group corporate expenses	(43.6)	(63.5)
Financial interests	(24.4)	0.2
Non-recurring items and others <sup>26</sup>	(60.8)	30.4
Tax	(52.5)	(52.1)
Minority interests	(1.1)	(0.3)
<b>Net result, Group share</b>	<b>318.7</b>	<b>320.2</b>

<sup>25</sup> Group portfolio revenues are broken down between €172m (€163m in 2021) generated from Tikehau Capital's asset management strategies and €127m (€224m in 2021) from ecosystem and other investments.

<sup>26</sup> Include net result from associates, derivatives portfolio result and non-recurring items.

**Simplified consolidated balance sheet**

In €m	Published	
	31-Dec-2021	31-Dec-2022
Investment portfolio	2,685	3,527
Cash & cash equivalents	1,117	522
Other current and non-current assets	811	844
<b>Total assets</b>	<b>4,614</b>	<b>4,893</b>
Shareholders' equity, Group share	3,041	3,144
Minority interests	7	7
Financial debt	1,301	1,472
Other current and non-current liabilities	265	270
<b>Total liabilities</b>	<b>4,614</b>	<b>4,893</b>
<i>Gearing<sup>27</sup></i>	43%	47%
<i>Undrawn credit facilities</i>	725	800

<sup>27</sup> Gearing = Total financial debt / Shareholders' Equity, Group share.