

Tikehau Capital FY 2023 earnings

A growth model that accelerates

€42.8bn¹

Asset Management AuM
at 31 December 2023

€6.5bn

Net new money
in 2023

+19%

AuM from international clients
YoY growth

+13%

Core Fee-related earnings
YoY growth²

€177m

Net income, Group share
in 2023

€0.75

Proposed dividend
per share³

Tikehau Capital delivered on all aspects of its strategy in 2023

- **Record level of net new money at €6.5bn**, an amount 37% above the 2017-22 average
- **Asset Management AuM, up 13% yoy**, reaching €42.8bn at 31 December 2023 (26% CAGR since 2016)
- **Sound deployment level at €5.9bn**, with a focus on asset selectivity, megatrends and downside protection
- Strong performance delivered on **value-creating exits** across asset classes
- **Active franchise expansion and recognition globally**, with 54%⁴ of net new money from international investors⁵
- Continued progress in expanding the Group's **sustainability-themed and impact platform**

Strong financial performance year-over-year

- **11% year-over-year growth in Fee-Paying and Future Fee-Paying AuM** securing incremental long-term revenues
- **Core Fee-Related Earnings (Core FRE)² of €123m**, a 13% growth yoy, representing a **39.4% margin**
- Increasing contribution from **Tikehau Capital strategies** to realized investment portfolio revenues
- **Net income of €177m in 2023** and €105m in H2 2023 (up 144% compared to H2 2022)
- **Dividend proposition of €0.75 per share**, up 7% vs. 2022

Tikehau Capital is ideally positioned to capture future growth

- Strong and compounding balance sheet with **€3.1bn invested** in Tikehau Capital's strategies
- **Healthy fundraising pipeline** ahead across asset classes
- **Confirmation of 2026 targets, with the additional objective to reach c.€500m of net profit, Group share**

¹ Figures have been rounded for presentation purposes, which in some cases may result in rounding differences.

² Core FRE correspond to Fee-Related Earnings excluding expenses linked to share-based payment transactions (IFRS 2), but for the social charges linked to share-based compensation.

³ To be proposed to the General Shareholders' Meeting due to take place on 6 May 2024.

⁴ Third-party net new money excluding Sofidy.

⁵ International investors refer to non-French investors.



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

“In 2023, Tikehau Capital showed remarkable resilience and adaptability. Our multi-local presence, built over the past two decades, allowed us to expand our franchise and onboard new investors from key regions of growth. This internationalization sets the stage for our future growth, bolstered by a robust and compounding balance sheet, a healthy pipeline of fundraising activities and a clear trajectory towards achieving our 2026 targets.

As we reflect on the achievements of 2023, we extend our gratitude to our teams for the pivotal role they have played. Their commitment ensures our readiness to seize opportunities in a dynamic market.”

**“Our multi-local presence, built over the past two decades,
allowed us to expand our franchise and onboard new
investors from key areas of growth.”**

Key operating metrics

In €bn, AM perimeter	4 th quarter		Full year		YoY change
	2022	2023	2022	2023	
Capital deployment	2.0	1.7	6.9	5.9	(15%)
Realizations ⁶	0.4	1.0	1.8	2.4	+33%
Net new money (NNM)	2.1	1.8	6.4	6.5	+2%

		31-Dec-2016	31-Dec-2022	31-Dec-2023	2016-23 CAGR ⁷
Group AuM	€bn	10.0	38.8	43.2	+23%
Asset Management AuM	€bn	8.6	37.8	42.8	+26%
Fee-paying AuM	€bn	6.0	31.4	34.9	+29%
Management fees and others	€m	38.6	293.5	312.3	+35%
Asset Management revenues	€m	39.4	303.9	322.3	+35%
Core Fee-Related earnings (FRE)	€m	2.7	108.6	123.0	+73%
Fee-related earnings (FRE)	€m	2.7	96.5	106.8	+69%
Asset Management EBIT	€m	3.5	107.0	116.8	+65%
Investment portfolio	€bn	0.9	3.5	3.9	+23%
Net result, Group share	€m	124.6	320.2	176.7	+5%
Shareholders' equity	€m	1,512	3,144	3,184	n.a

Company presentation

A presentation for investors and analysts will be held at 9:00am GMT / 10:00am 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

23 April 2024	Q1 2024 announcement (after market close)
6 May 2024	Annual General Meeting
30 July 2024	2024 half-year results (after market close) <i>Management presentation to be held via audiocast</i>
22 October 2024	Q3 2024 announcement (after market close)

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⁶ The figure provided on 6 February 2024 was a first estimate with available information at that time. This information has been updated with additional realizations data from transactions carried out in 2023.

⁷ Last seven years CAGR (31 December 2016 to 31 December 2023).

The Tikehau Capital Supervisory Board met on 5 March 2024 to review the consolidated financial statements⁸ at 31 December 2023.

OPERATING REVIEW

In 2023, Tikehau Capital continued to reap the benefits of its growth strategy as well as its robust franchise, built over the past two decades.

Tikehau Capital's Asset Management activity delivered **solid positive flywheel effect** throughout the year:

- **Capital deployment** was healthy while remaining particularly selective. The firm's closed-end funds deployed **€5.9bn** in 2023, with an acceleration in the second half of the year, driven by private debt and megatrend investing and a continued focus on downside protection.
 - Investment teams remained laser-focused on selectivity, as evidenced by an **exclusion rate** maintained at a high level, reaching 98% in 2023 (vs. 97% in 2022).
 - At 31 December 2023, the funds managed by Tikehau Capital had **€6.9bn of dry powder⁹** (+13% compared to 31 December 2022), allowing them to capture attractive investment opportunities.
- **Realizations** within the firm's closed-end funds amounted to **€2.4bn¹⁰**, a 33% year-over-year growth, reflecting the firm's solid market positioning. Fund performance was robust across asset classes, reflecting the quality and defensiveness of the firm's portfolios of companies and assets.
 - **Levels of leverage** remained limited for portfolio companies within the firm's Direct Lending strategies and across the firm's Real Estate strategies with weighted average net leverage ratio of 4.4x¹¹ at closing and average loan-to-value levels standing at around 24%¹² respectively.
 - **Portfolios of Real Estate assets** remained highly granular with a balanced and diversified exposure to underlying sectors and geographies while maintaining a high level of financial occupancy rate of around 95% across Real Estate strategies.
 - Companies within the firm's Private Equity strategies continued to generate **solid revenue and profitability growth** and recorded, on average over the last 12 months, revenue growth of 22% and EBITDA growth of 23%.
- Tikehau Capital recorded an **unprecedented level of client** demand, reflecting the firm's robust commercial activity driven by its multi-local and diversified platform.
 - The firm attracted record levels of gross and net inflows for its Asset Management business reaching **€8.8bn** of gross new money and **€6.5bn** of net new money, a **37%** growth compared to the average 2017-22 level.

⁸ The audit procedures have been carried out, the audit report relating to the certification is in the process of being issued.

⁹ Amounts available for investment at the level of the funds managed by Tikehau Capital.

¹⁰ The figure provided on 6 February 2024 was a first estimate with available information at that time. This information has been updated with additional realizations data from transactions carried out in 2023.

¹¹ Weighted average net leverage ratio at closing is calculated for the fifth vintage of the firm's Direct Lending strategy.

¹² Across the firm's Real Estate strategies at 31 December 2023.

- The firm continued to successfully carry out the diversification of capital formation across:
 - **Asset classes, with a combination of flagship strategies as well as adjacencies and innovations.**

Tikehau Capital saw solid development for its **Yield strategies** across fund types and expertise, driven by Direct Lending, Credit Secondaries, CLOs, fixed income and dated funds as well as the launch of a Real Estate Credit strategy, in partnership with Altarea.

The firm benefitted from additional commitments for its **Value-Add strategies**, which are positioned on megatrends and themes poised for sustainable growth, such as Private Equity Decarbonization, Regenerative Agriculture, Cybersecurity and Special Opportunities.

- **Geographies, with many successes recorded in Asia, Europe, Middle East and North America.**

International investors accounted for **54% of net inflows**¹³ in 2023 and **39% of Asset Management AuM** at 31 December 2023.

The firm continued to onboard high-profile partners globally, notably in **Asia**. Within its European CLO business, Tikehau Capital successfully secured the commitment of a leading Japanese institutional investor. In addition, in December 2023, Tikehau Capital announced having entered into advanced discussion in Japan with **Nikko Asset Management**¹⁴, one of Asia's largest asset managers, with a view to forming a business and capital alliance. In February 2024, Tikehau Capital announced a regional partnership with **UOB-Kay Hian**¹⁵, the Singapore-based largest stockbroker in Southeast Asia, to jointly launch an Asia Pacific Credit strategy to tap Asia's fast-growing private credit market. Both strategic collaborations reflect Tikehau Capital's strategy to continue to expand its global footprint, particularly across Asia, deepening its presence in a region where it has 10 years of operating history and addressing underpenetrated markets. The opening of an office in **Hong-Kong** is considered as a next step to allow the firm to expand its local presence and build new institutional client relationships in the region.

In **North America**, six years after establishing a presence in New York and having launched four complementary strategies, Tikehau Capital is opening its 16th office in **Montreal**, to continue to build its strong local presence in Québec and accelerated its expansion in Canada.

In 2023, the firm continued to reinforce its presence in the **MENA region** with, in particular, the opening of an office in Abu Dhabi. Tikehau Capital has also been entrusted with the management of a €200m multi-asset mandate from a large Middle East sovereign wealth fund. In Israel, the firm benefits from a blue-chip institutional investor base, with cross asset class fundraising capabilities. Since inception in 2021, the Tel Aviv office attracted c. €1bn of AuM from Israeli investors.

- **Client types, with additional progress in democratizing private markets with strategic partners.**

The firm's **private debt unit-linked products** launched with MACSF, Société Générale Assurances and Suravenir continued to benefit from robust momentum and attracted c. €1bn since inception and approximately €450m of inflows in 2023.

¹³ Third-party net new money excluding Sofidy.

¹⁴ Please refer to press release dated 18 December 2023.

¹⁵ Please refer to press release dated 28 February 2024.

With the objective to further address private investors' demand to access private markets, Tikehau Capital launched in Q4 2023 a **Private Equity fund of funds** providing private wealth investors and high-net worth individuals with the opportunity to invest in the firm's Private Equity strategies and its ecosystem. This new initiative aims for €400m of total commitments.

Private investors accounted for **29%** of net inflows¹⁶ in 2023 and **27%** of Asset Management AuM at 31 December 2023.

In 2023, Tikehau Capital continued to use its **flexible and compounding balance sheet** to support the expansion of its Asset Management activity while ensuring alignment of interests with its shareholders and LPs. In particular, initial commitments from the firm's balance sheet allowed Tikehau Capital to:

- Launch **strategic adjacencies** (Real Estate Credit) and **new initiatives** (Private Equity fund of funds);
- Launch **new vintages of more established and scaling strategies** (such as Direct Lending, Cybersecurity, Decarbonization, Credit Secondaries and CLOs).

In addition, the firm's balance sheet played a facilitating role in executing milestone transactions, particularly within the credit secondaries space, leading to the **successful onboarding of its second Chinese LP for an investment totaling c.\$100m in 2023**.

At 31 December 2023, Tikehau Capital's **balance sheet investment portfolio reached €3.9bn**, compared to €3.5bn at 31 December 2022. The firm's investment portfolio is primarily comprised of investments in the Asset Management strategies developed and managed by the firm for €3.1bn (79% of total portfolio¹⁷), generating a high alignment of interests with its investor-clients. 21% of the portfolio or **€0.9bn**, is invested in ecosystem and direct investments, notably direct private equity investments, co-investments or investments in third-party funds, complementary to the Group's asset management strategies. These investments aim at generating strong returns for the firm while serving its asset management franchise globally.

Tikehau Capital's investment portfolio benefits from a **high level of diversification and granularity** with more than 300 investments spread across several industry sectors and geographies, thus complementing the firm's Asset Management activity exposure. On top of generating continued alignment of interests with investor-clients, the firm's investment portfolio also allows the firm to foster opportunities and long-term relationships with partners.

CONTINUED ACHIEVEMENTS ON SUTAINABILITY

- Following its commitment set in 2021 to support the goal of achieving net zero greenhouse gas emissions by 2050 or sooner, in line with global efforts to limit global warming to 1.5°C, Tikehau Capital finalized its **Net Zero Asset Manager** targets in March 2023. The firm has made an initial commitment to manage close to 40% of its AuM in line with this net zero goal. For **Real Estate** assets, the Group aims at improving energy and carbon intensity, with a focus on its assets in France. With regards to **Private Equity, Private Debt and Capital Markets Strategies**, the commitment involves financing companies that are setting decarbonization commitments and making progress towards their low-carbon transition. The proportion of AuM to be managed in line with net zero is intended to increase over time as new funds are launched with net zero strategies.

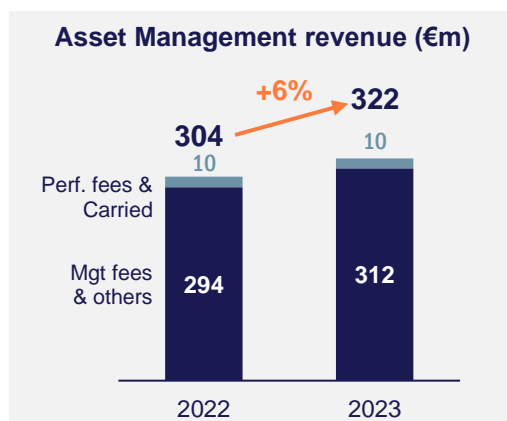
¹⁶ Third-party net new money.

¹⁷ Includes investments in funds managed by Tikehau Capital, co-investments alongside Tikehau Capital asset management strategies and SPAC sponsoring.

- In addition, Tikehau Capital has been actively developing dedicated sustainability-themed and impact strategies to finance companies contributing to address key structural issues such as decarbonization, nature & biodiversity, cyber security and resilience. At 31 December 2023, the AuM for Tikehau Capital's **sustainability-themed and impact platform dedicated to investments in companies amounted to €4.3bn, of which €3.0bn was specifically allocated to climate and biodiversity** to enable transition at scale. This puts Tikehau Capital on track to reach its target of exceeding €5bn by 2025. Additionally, over the past two years, the firm's real estate investment and ESG teams collaborated closely to launch and fortify a platform, amounting to **€7.4bn in funds earmarked for sustainable cities**.

FINANCIAL REVIEW

- Continued increase in Fee-paying AuM, securing recurring long-term management fee generation**



- Management fees¹⁸ reached €312m in 2023**, up 6% compared to 2022, driven by the continued progression in fee-paying AuM in 2023.

- Fee-paying AuM amounted to €34.9bn at 31 December 2023**, up 11% year-over-year, notably driven by Private Debt funds which have been particularly dynamic in both fundraising and deployment in Direct Lending, CLOs and Secondaries strategies, as well as inflows for Private Equity funds and Capital Markets Strategies.

- Average management fee rate** stood at 0.94% in 2023, a slight decrease compared to 2022 (-0.04%), reflecting fundraising mix as well as calendar effects.
- Performance-related revenues amounted to €10m in 2023**. They include various contributions from several historical mid-sized private equity and private debt vehicles, as well as first contributions from the firm's third vintage of Direct Lending strategy (€4m).

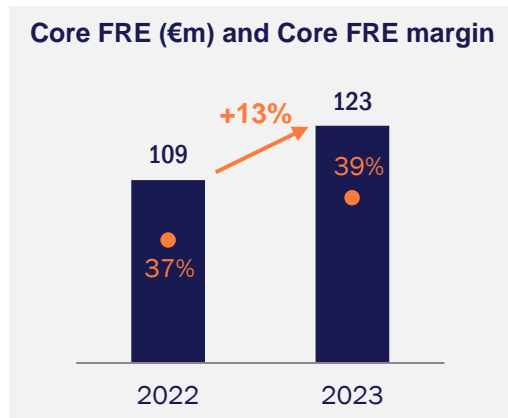
Performance-related revenues represent a significant value-creation driver embedded in Tikehau Capital's operating model with, at 31 December 2023, **€19.6bn of AuM eligible to carried interest**. This profit engine is not yet fully crystallized in its financial statements, given the firm's conservative accounting policy. The Group's funds have provisioned approximately **€180m¹⁹ of carried interest**. This amount only reflects a portion of the long-term value creation potential linked to this type of revenue and will increase as the funds approach their maturity and crystallize performance.

- As a result, **asset management revenue** increased by 6%, reaching €322m in 2023.

¹⁸ Include management fees, subscription fees, arrangement fees & structuring fees as well as incentive fees.

¹⁹ At 30 September 2023, unrealized carried interest and performance fees, share allocated to the listed firm.

- **Operating leverage** ramped up in 2023 driven by scalability and disciplined cost management

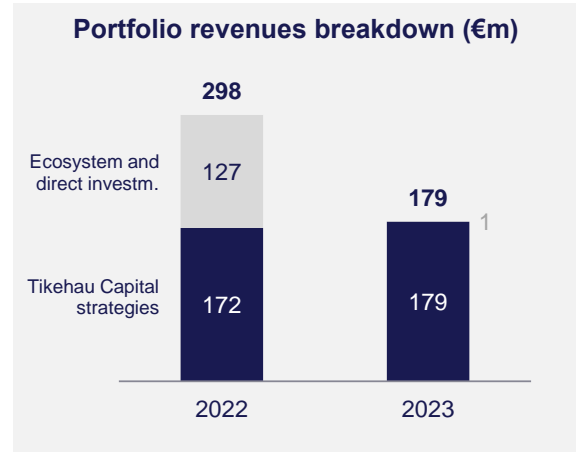
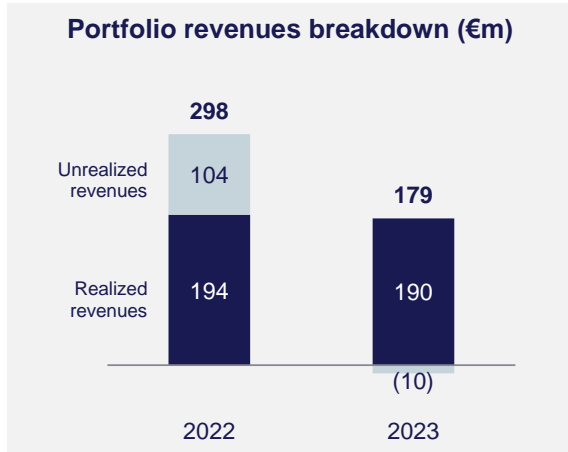


- **Asset management operating expenses²⁰** amounted to €189m in 2023, up 2% compared to 2022, with personnel expenses accounting for c.70% of operating expenses. This modest growth reflects selective investments carried out by the firm in 2023 to strengthen its asset management teams and its multi-local platform as well as the launch of initiatives to support future growth, coupled with efficient cost management.

- **Core Fee-Related Earnings²¹ (Core FRE)** amounted to **€123m in 2023**, up 13% compared to 2022, mainly driven by management fees growth and cost discipline. Core FRE margin reached 39% in 2023 (vs. 37% in 2022). In H2 2023, Core FRE grew 18% compared to H1 2023, reflecting disciplined cost management. Core FRE margin reached 43% in H2 2023 compared to 36% in H1 2023 and 41% in H2 2022.
 - **Fee-Related earnings (FRE)** stood at **€107m in 2023**, up 11% compared to 2022. FRE margin reached 34% compared to 33% a year ago.
 - **Performance-related earnings (PRE)** amounted to **€10m in 2023**. 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 €117m in 2023, up 9% compared to a year ago.
- **Increasing contribution from Tikehau Capital strategies to realized investment portfolio revenues**
 - **Tikehau Capital's investment portfolio generated €179m of revenues** in 2023, primarily driven by the investments the Group has made in its own funds and strategies. The firm's asset management strategies' contribution to total portfolio revenues reached €179m and increased by 4% year-over-year and by 10% compared to 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.

²⁰ Excluding the non-cash impact of share-based compensation

²¹ Core FRE correspond to Fee-Related Earnings excluding expenses linked to share-based payment transactions (IFRS 2), but for the social charges linked to share-based compensation.



- Portfolio revenues were mainly comprised of **realized revenues**, which stood at €190m in 2023. Realized revenues were driven by a 4% growth in dividends, coupons, and distributions, mainly coming from the firm’s own asset management strategies. The contribution from the firm’s own asset management strategies to realized revenues reached €168m, representing 88% of total realized revenues (vs. 71% in 2022) and increased by 21% year-over-year. The firm’s Private Debt and Real Assets strategies were the main contributors to realized revenues in 2023.
- **Unrealized revenues** stood at €(10)m in 2023 with €11m of positive unrealized revenues from the firm’s asset management strategies offset by €(21)m of unrealized revenues from ecosystem and direct investments. Unrealized revenues in 2023 include positive contributions from the firm’s Private Equity and Special Opportunities strategies, offset mainly by €/ \$ FX impacts and mark to market effects on the firm’s listed REITs. Of note, 2022 unrealized revenues offered a high basis of comparison as they included c.€150m of positive impact from €/ \$ FX effect and positive change in fair value for the firm’s co-investment in the US media group Univision.
- **Acceleration of profit generation in the second half of the year**
 - **Financial result reached €(40)m in 2023**, compared to €0.2m in 2022, which benefited from positive changes in swaps fair value offsetting financial interests linked to the firm’s financial debt.
 - After taking into account stable corporate expenses at €(64)m, €(0.6)m of result from non-recurring and other items, €(15)m of tax expense, and €0.1m of minority interests, **net result, Group share, reached €177m in 2023**. Net profit, Group share grew materially over the second half of the year, reaching €105m (compared to €72m in H1 2023), reflecting higher net profit generation for both Asset Management and Investment activities.
- **A robust balance sheet with substantial skin in the game**
 - At 31 December 2023, **consolidated shareholders’ equity**, Group share reached €3.2bn and consolidated cash position reached €0.2bn, compared to €0.5bn at end-December 2022, reflecting the investments carried out over the period. 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 2028.

- Financial debt** at 31 December 2023 was stable and reached €1.5bn, with a gearing ratio of 46%. ESG-linked debt accounted for 78% of the Group's total debt at 31 December 2023. The firm has decided to exercise its pre-maturity call option with respect to all outstanding 3% bonds due 27 November 2023 issued on 27 November 2017. The redemption date occurred on 28 August 2023²². Moreover, in September 2023, Tikehau Capital successfully priced a new sustainable bond issue for €300m maturing in March 2030²³. This issue of senior unsecured sustainable bond is associated with a fixed annual coupon of 6.625%.
- In Q2 2023, the financial ratings agencies Fitch Ratings and S&P Global Ratings both confirmed Tikehau Capital's Investment Grade **credit rating** (BBB-) with a stable outlook, confirming the strength of the firm's financial profile.
- Dividend proposition of €0.75 per share for 2023**
 - A dividend pay-out of €0.75 per share for 2023 will be submitted to the General Shareholders' Meeting due to take place on 6 May 2024, which is 7% increase compared to the €0.70 reference dividend distributed in 2022. 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 9 May 2024, and the payment will take place on 13 May 2024.

SHARE BUY-BACK

- Tikehau Capital announces it has extended until 23 April 2024 (included), date of the Group's Q1 2024 announcement, the share buy-back mandate, which was signed and announced on 19 March 2020 and extended until today.
- As of 5 March 2023, 5,596,124 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 21 March 2023 under number D. 23-0120) is available on the company's website in the Regulated Information section (<https://www.tikehaucapital.com/en/finance/regulatory-information>).

GOVERNANCE AND MANAGEMENT

Supervisory Board

Tikehau Capital announces the following updates concerning its Supervisory Board, which will be proposed to the next General Shareholders' Meeting to take place on 6 May 2024:

- Troismer** (represented by Mr **Léon Seynave**) will not seek renewal of its office. Tikehau Capital and the Supervisory Board thank him for his invaluable contribution since the IPO. The candidacy of François Pauly, Chairman of Compagnie financière La Luxembourgeoise, will be proposed as a member of the Supervisory Board of Tikehau Capital. Mr Pauly qualifies as independent board member.

²² Please refer to press release dated 17 July 2023.

²³ Please refer to press release dated 8 September 2023.

- The renewals of the offices of **Crédit Mutuel Arkea** (represented by Sophie Coulon-Renouvel) and Mr **Jean-Louis Charon** will be proposed to the next General Shareholders' Meeting.

These evolutions reflect Tikehau Capital's ongoing commitment to fostering a diverse, skilled, and engaged Supervisory Board that effectively oversees the strategic direction and performance of the firm.

- **Management changes**

Tikehau Capital today announces several key management changes aimed at strengthening its executive team and positioning the firm for continued growth and success in the alternative space.

- After 3 years of dedicated service, **Cécile Cabanis**, Deputy CEO of Tikehau Capital, will be transitioning to a non-executive position by joining the board of directors of Tikehau Capital Advisors (Tikehau Capital's controlling entity). Cécile has played a pivotal role in shaping Tikehau Capital's impact and sustainability platform, and her insights and leadership will continue to be valued in her new capacity. Henri Marcoux, Deputy CEO, will assume Cécile's previous responsibilities on ESG. This change will be effective 31 March 2024.
- **Arnaud Attia** has been promoted **Chief Operating Officer (COO) of Tikehau Investment Management (TIM)**, reporting to Henri Marcoux, Deputy CEO of Tikehau Capital. Arnaud joined Tikehau Capital as Internal Audit Director in November 2018, after successively 6 years at KPMG Advisory and 6 years at Exane BNP. Since January 2022, he was acting as TIM's Deputy Chief Operating Officer. This change will be effective 11 March 2024.

With his extensive experience and deep understanding of the firm's operations, Arnaud is well-positioned to drive operational excellence and support the firm's continued growth initiatives. Arnaud will replace Guillaume Spinner who will be departing from Tikehau Capital to pursue new opportunities. Guillaume's departure comes with gratitude for his 5 years of invaluable contributions to the organization.

- Tikehau Capital is excited to welcome **Margaux Buridant as Co-Head of Private Wealth Solutions**. With a proven track record of success in the wealth management industry, Margaux brings her expertise in developing innovative strategies to meet the diverse needs of high-net-worth clients. Prior to joining Tikehau Capital, Margaux Buridant worked at Bank of the West (BNP Paribas, and more recently BMO) in New-York as Senior International Wealth Strategist and Wealth management Regional Manager. Margaux is based in New York.

Margaux will join **Celia Hamoum** who has been promoted to **Co-Head of Private Wealth Solutions**. Celia joined Tikehau Capital in 2015 and spent 6 years in the Sales Distribution team as a sales representative dedicated to IFAs, banks, and asset managers. In 2021, she joined the Private Wealth Solutions team dedicated to private clients and family offices in France, Belgium and Luxembourg. Her promotion reflects her exceptional leadership and dedication to delivering tailored solutions that drive value for clients. Celia is based in Paris.

Tikehau Capital's **Private Wealth Solutions Group** aims at enhancing direct access to Group funds for family offices and high net worth individuals globally, which are increasingly sophisticated and willing to increase their exposure to alternative assets.

Antoine Flamarion and Mathieu Chabran, co-founders, declared: "*These strategic leadership changes underscore our commitment to delivering excellence in alternative investments and client service. Each member of our executive team brings unique skills and perspectives that will further enhance our ability to meet the evolving needs of our clients and drive long-term success for our firm.*"

OUTLOOK: ~€500M OF NET INCOME TARGET BY 2026

- Tikehau Capital operates in structurally growing markets and has built strong positions to continue its profitable long-term growth journey:
 - **Allocations are well oriented**, with institutional and private clients still willing to allocate an increasing amount of capital to alternatives over the mid-to-long term,
 - Tikehau Capital is well positioned to **address a variety of client needs**, which are evolving to adapt to the changing macro environment. The firm's capacity to offer compelling "Yield" solutions which have appealing risk/reward characteristics as well as "Value-Add" strategies positioned on long-term megatrends is a key competitive advantage for Tikehau Capital.
- The Group remains laser-focused on delivering **strong operating leverage and profit growth**. On top of strong revenue generation, Tikehau Capital will maintain a strong discipline in its cost management policy, characterized by:
 - A focus on **international expansion**, by prioritizing markets and asset classes for strategic growth opportunities.
 - **A disciplined cost management**, with reallocation of resources to high-impact initiatives through rigorous prioritization.
 - **Selective hiring of talent** to drive efficiency and innovation, empower teams for value creation and innovation.
 - **Disciplined approach to strategic partnerships** for mutual benefit and sensible resource allocation.
- In 2024, Tikehau Capital will keep deploying its strategy by:
 - **Expanding its flagship strategies**, with typically successor vintages for private equity (decarbonization, cybersecurity), tactical strategies (special opportunities), private debt (European direct lending, credit secondaries) or real estate (European value-add).
 - **Scaling up innovations** across assets classes, with for example the first vintages ramping up in particular in private equity (regenerative agriculture, fund of funds for wealthy individuals) and real estate credit.
 - **Enhance international development and partnerships**, with the planned launch of offices in Hong Kong and Montreal, as well as the implementation of the partnerships in Asia with Nikko Asset Management and UOB-Kay Hian²⁴.
 - **Drive operating leverage and cost efficiency**, with scalability and cost discipline driving strong operating leverage in the Asset Management activity, coupled with a continued ramp up of Tikehau Capital funds within investment portfolio revenues.
- Looking ahead, **Tikehau Capital confirms its targets** to reach, by 2026, more than €65bn of AuM for its asset management business, more than €250m of Fee-Related Earnings, and increase its return on equity to mid-teens level, driven by c.€500m of net income (Group share).

²⁴ Please refer to p. 5 of this press release.

ABOUT TIKEHAU CAPITAL

Tikehau Capital is a global alternative asset management group with €43.2 billion of assets under management (at 31 December 2023).

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 (€3.2 billion of shareholders' equity at 31 December 2023), 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 758 employees (at 31 December 2023) across its 15 offices in Europe, Middle East, 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.

DISCLAIMER

This document does not constitute an offer of securities for sale or investment advisory services. It contains general information only and is not intended to provide general or specific investment advice. Past performance is not a reliable indicator of future earnings and profit, and targets are not guaranteed.

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

Fee-paying assets under management

In €m	31-Dec-2021	31-Dec-2022	31-Dec-2023
Private Debt	9,670	12,255	14,573
Real Assets	10,188	11,207	11,141
Capital Markets Strategies	5,124	4,078	4,644
Private Equity	3,383	3,877	4,589
Fee-paying AuM	28,366	31,418	34,947

Weighted average management fee rate

In bps	31-Dec-2021	31-Dec-2022	31-Dec-2023
Private Debt	84	91	84
Real Assets	111	108	100
Capital Markets Strategies	53	45	50
Private Equity	>150	>150	>150
Management fees²⁵	102	98	94
Performance-related fees	7	4	3
Total weighted average fee-rate²⁶	108	102	97

Portfolio revenues breakdown

In €m	31-Dec-2022	31-Dec-2023
Tikehau Capital funds	161.3	168.9
SPACs	2.3	(3.3)
Investments alongside Tikehau Capital funds	8.2	13.1
Tikehau Capital AM strategies	171.8	178.7
Ecosystem investments	122.4	9.9
Other direct investments	4.2	(9.4)
Ecosystem and direct investments	126.6	0.5
Total portfolio revenues	298.4	179.2

In €m	31-Dec-2022	31-Dec-2023
Dividends, coupons and distributions	182.2	189.5
Realized change in fair value	12.2	(0.2)
Realized portfolio revenues	194.3	189.3
Unrealized portfolio revenues	104.1	(10.3)
Total portfolio revenues	298.4	179.2

²⁵ Include management fees, subscription fees, arrangement fees & structuring fees as well as incentive fees.

²⁶ Implied fee rates are calculated based on average fee-paying AuM over the last 12 months.

Simplified consolidated P&L

In €m	Published	
	FY2022	FY2023
Management fees & other revenues ²⁷	293.5	312.3
Operating costs	(184.9)	(189.3)
Core Fee Related Earnings (FRE)²⁸	108.6	123.0
Core FRE margin	37.0%	39.4%
Share-based compensation (non-cash)	(12.1)	(16.2)
Fee Related Earnings (FRE)	96.5	106.8
Realized Performance-related earnings (PRE)	10.5	10.0
Asset Management EBIT	107.0	116.8
AM EBIT margin	35.2%	36.2%
Group portfolio revenues²⁹	298.4	179.2
of which Realized portfolio revenues	194.3	189.5
of which Unrealized portfolio revenues	104.1	(10.3)
Group corporate expenses	(63.5)	(63.8)
Financial interests	0.2	(40.2)
Non-recurring items and others ³⁰	30.4	(0.6)
Tax	(52.1)	(14.9)
Minority interests	(0.3)	0.1
Net result, Group share	320.2	176.7

²⁷ Include management fees, subscription fees, arrangement fees & structuring fees as well as incentive fees.

²⁸ Core FRE correspond to Fee-Related Earnings excluding expenses linked to share-based payment transactions (IFRS 2), but for the social charges linked to share-based compensation.

²⁹ Group portfolio revenues are broken down between €179m (€172m in 2022) generated from Tikehau Capital's asset management strategies and €0.5m (€127m in 2022) from ecosystem and other investments.

³⁰ Include net result from associates, derivatives portfolio result and non-recurring items.

Simplified consolidated balance sheet

In €m	Published	
	31-Dec-2022	31-Dec-2023
Investment portfolio	3,526	3,858
Cash & cash equivalents	522	228
Other current and non-current assets	844	818
Total assets	4,893	4,905
Shareholders' equity, Group share	3,144	3,184
Minority interests	7	5
Financial debt	1,472	1,470
Other current and non-current liabilities	270	245
Total liabilities	4,893	4,905
<i>Gearing³¹</i>	<i>47%</i>	<i>46%</i>
<i>Undrawn credit facilities</i>	<i>800</i>	<i>800</i>

³¹ Gearing = Total financial debt / Shareholders' Equity, Group share.