

Investcorp's full year results for the fiscal year ended 30 June 2022

Solid performance across all business lines delivers a 9% increase in net profit attributable to the equity holders of the parent to US\$ 135 million

Continued growth in Assets Under Management (AUM) to a record high of US\$ 42.7 billion, driven by strong demand for Investcorp's product offerings

Investcorp has released its fiscal year results for the twelve months ended 30 June 2022 (FY22). The full set of financial statements are available on Investcorp's website at www.investcorp.com.

Investcorp's FY22 results were driven by good levels of activity across the core businesses of private equity, real estate, credit management and absolute return investments. This resulted in delivering a net profit attributable to the equity holders of the parent of US\$ 135 million compared to US\$ 124 million in FY21.

Total shareholders' equity (excluding non-controlling interest) as of June 30, 2022 increased 3% to US\$ 1,314 million (FY21: US\$ 1,270 million) and total assets were US\$ 2,295 million (FY21: US\$ 2,391 million). The FY22 recommendation for distribution of preferred and ordinary dividends is US\$ 57 million in aggregate (including interim dividends on preference shares), with the proposed ordinary dividend being US\$ 0.30 per share.

Financial and operational highlights

- Continued progress on strategy to drive greater recurring fee revenues and enhance earnings profile. AUM fees, transaction and advisory income of US\$ 411 million increased by 15% compared to US\$ 356 million in FY21. Recurring AUM fees of US\$ 240 million grew by 11% compared to US\$ 217 million in FY21, reflecting a higher level of client assets under management and strong fundraising during the year. Transaction and advisory income of US\$ 171 million grew by 23% compared to US\$ 139 million in FY21, driven primarily by good levels

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of transactional and fundraising activity and performance of the underlying assets under management.

- AUM grew to a record high of US\$ 42.7 billion, a 14% increase compared to US\$ 37.6 billion as of June 30, 2021, driven by the broad-based diversification of the franchise across geographies, clients, and products.
- Asset-based income from co-investment business and others of US\$ 109 million for FY22 was up 2% compared to US\$ 107 million in FY21. The results reflect good performance of the underlying investments across all asset classes.
- Activity metrics were solid with investment activity of US\$ 4.9 billion (FY 21: US\$ 3.3 billion), total fundraising of US\$ 7.4 billion (FY 21: US\$ 4.3 billion) and distributions of US\$ 4.5 billion (FY21: US\$ 3.0 billion).
- Investment activity of US\$ 4.9 billion includes US\$ 1.2 billion for private equity and strategic capital, US\$ 1.2 billion for real estate, US\$ 2.4 billion for various CLOs and US\$ 120 million into an insurance business in the U.S. providing fixed annuities. Private equity investments included five new investments in the US and Europe and four new investments in Asia.
- Exit activities included the full realization of eight private equity investments in the US, Europe and MENA, the partial realization of one private equity investment in the US, and the sale of multiple real estate properties in the US and Europe, including the first exit from Investcorp's European (ex-UK) portfolio with the sale of Bürocampus Wangen in Stuttgart, Germany.
- Total fundraising reached a record high of US\$ 7.4 billion raised across private and institutional clients for new deal-by-deal offerings, fund products and SPAC IPOs, as well as the pricing/issuance and resets of several CLOs.
- As of June 30, 2022, total equity (excluding non-controlling interests) was US\$ 1,314 million and total accessible liquidity was US\$ 1.3 billion. The increase in equity (excluding non-controlling interests) is largely due to the strong results for the year partially offset by the payment of FY21 dividends and purchase of treasury shares during the year.
- The size of the balance sheet decreased by 4% to US\$ 2.3 billion from US\$ 2.4 billion as a result of strong business and fundraising activities which translated into lower underwriting

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and lower working capital that was partially offset by fair value gains and higher co-investment balances in line with the AUM growth as new products/offering are launched.

- Net debt declined to US\$ 353 million in FY22 from US\$ 443 million in FY21. The improved net debt position together with a high level of equity and liquidity puts the balance sheet in a strong position heading into the next fiscal year.

Investcorp also continued to make progress on a number of key strategic initiatives:

- Successfully concluded the Firm's first Murabaha facility which was oversubscribed with a final participation of US\$ 440 million.
- Successfully sponsored the IPOs of two SPACs, one focused on European investments and one focused on Indian investments. Both SPACs are listed on NASDAQ. The gross proceeds from both offerings were in excess of US\$ 600 million and were heavily oversubscribed. The successful IPOs reflect the confidence of market participants in Investcorp as an institutional sponsor and are a testament to Investcorp's history and track record in acquiring good businesses and helping them deliver sustainable long-term value to shareholders.
- Announced the launch of eLydian Lion 1, the first dedicated institutional blockchain and Shariah-compliant fund based in the GCC, with a global investment mandate. The Fund – which will be led from Investcorp's Abu Dhabi office – is expected to be deployed globally and will focus on investments in companies leading the next digital evolution driven by blockchain technology.
- Launched a private infrastructure investment business in North America. The new platform will apply the Firm's global expertise and track record in real estate and private equity to make investments in critical infrastructure companies and projects across North America.
- Held the final close of the Investcorp Strategic Capital Partners Fund with capital commitments of US\$ 620 million.
- Led a US\$ 55 million investment in NDR Warehousing Private Limited, one of the largest Indian warehousing platforms. This was the first India domestic fundraising by the Firm, which was anchored by BAE.

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- Released its 2021 Responsible Business Report. The report includes Investcorp's Environmental, Social, and Governance (ESG) highlights for 2021 and specific initiatives the Firm implemented to meet its goals, as well as some case studies illustrating areas where the firm has demonstrated its commitment to responsibility as a core component of its values and culture. The full report is available on the website: <https://www.investcorp.com/esg/>
- Announced the growth of its footprint in the United States with the opening of its Los Angeles office. As part of the expansion, Scott Goldchain was hired as a senior relationship manager in charge of the West Coast who will be responsible for growing the firm's LP relationships in the region.
- Announced the formation of a new venture to acquire industrial real estate assets in the United States, in partnership with two leading sovereign wealth funds.
- Launched the Investcorp Insurance Solutions platform, the firm's newly formed business that will focus on providing investment management services to meet the unique investment needs of insurers.
- Launched a Saudi focused Pre-IPO Growth Fund, dedicated to investing in a diversified portfolio of companies at a "pre-IPO" stage of development in Saudi Arabia.
- The Asian Infrastructure Investment Bank announced that it will anchor the Aberdeen Standard Investcorp Infrastructure Partners' (ASIIP) new regional fund by committing US\$ 90 million to its first close. ASIIP had also received a capital commitment from the Public Investment Fund (PIF) for up to 20% of the Fund's total size.

Signed on behalf of the Board of Directors



Dr. Yousef Hamad Al-Ebraheem
Chairman



Mohammed Mahfoodh Saad Alardhi
Executive Chairman

July 28th, 2022