

THE REVIEW

NEWSLETTER // DECEMBER 2022



Contents

40 Years –
and Still Growing

This year was a key milestone for Investcorp, marking four decades of strong business and investment performance. Our mission is to enrich the lives of future generations and we continue to do this by being financial stewards of capital, but also by engaging in our local and global communities.

We recently honored the life of our late founder Nemir Kirdar at Oxford’s St. Anthony’s College. We were joined by Prince Salman bin Hamad Al Khalifa Crown Prince, Deputy Supreme Commander and Prime Minister of the Kingdom of Bahrain who shared touching words about the maverick that Nemir truly was and Investcorp’s world-class brand name. There is no better way to honor Nemir’s legacy than to have taken Investcorp to where it is today: a \$50 billion multi-asset class alternatives investment firm with over 13 offices globally.

We also launched the Nemir Kirdar Internship Program this year which is a testament to our commitment to the education of future generations. This year we had 24 interns, and we are already expanding the program through our work with the Milken Institute and offering internships to their mid-career Scholars for 2023.

Earlier in May, we held our Global Real Estate Conference in Madrid, where Spanish Prime Minister, Pedro Sanchez hosted us and our investors at the Moncloa Palace. He shared his thoughts on why Spain is ripe for opportunity and the country’s expected growth in the coming years. I also had the honor to share with him and his delegation more on Investcorp’s history in alternative investing and how we are looking at investments in Europe.

As related to performance, we consistently delivered, reaching an overall 14% growth in AUM and record high of \$42.7 billion in 2022 fiscal year. Partly driving our performance is our record global fundraising, reaching \$7.4 billion raised across private and institutional clients for new deal-by-deal offerings and fund products. We see these milestones as both a reflection of the resilience of our business model, substantiated by considered innovation, and the strength of our teams.

We look to spot lasting market trends and adapt our own investment strategy accordingly. Some highlights include our Tech Funds IV and V having invested a milestone figure of nearly \$1 billion in innovative tech companies over the past few years. As we kept our focus on thoughtful diversification of our asset classes, we invested in TrukKer and NourNet, two leading companies in Saudi Arabia as part of our Investcorp Saudi Pre-IPO Growth Fund. As we look to expand into new markets, we recently attended the Future Investment Institute in Riyadh where we announced a new \$500 million partnership which further cements our presence in China by investing in mid-cap companies across its Greater Bay Area. We are looking at furthering our footprint in Indonesia, where we closed our first Private Equity deal. Moving West, we see strong traction in our Private Equity and Real Estate businesses in North America with blue-chip institutional investors from around the globe committing to our funds – a true testament to the exceptional platform we have built and continue to grow.

As we look to better serve our clients and digitize our infrastructure, Investcorp Private Wealth launched the Investcorp Wealth mobile application. The App offers various new features and capabilities, including the ability to onboard digitally and subscribe to investment offerings.

Beyond our financial performance, we continue to grow our business using our corporate values as a north star for our wider strategy. This includes our continued focus on building and maintaining close relationships with our portfolio companies and investors – as well as doubling down on employee wellbeing. We have voiced our ambitious goal of reaching \$100 billion assets under management – and intend to reach our target responsibly.

We will continue to adopt a disciplined and rigorous approach towards assessing investment opportunities and partnerships with management teams, including an emphasized focus on the development of our internal teams.

With this investment philosophy and business strategy in mind – and a our long history to substantiate it – we are optimistic moving into the next year – and many more to come.



Mohammed Alardhi
Executive Chairman

Capitalizing
on the Opportunities
of Tomorrow, Today

This year, Investcorp is celebrating its 40th year of continued performance and service for clients, shareholders, and portfolio companies. We are committed now more than ever to being a global provider of scale in terms of private market investment solutions to investors worldwide and moving closer to our medium-and long-term goals of reaching \$50 billion and \$100 billion respectively, in AUM terms. This reflects increasing demand for our platform as we remain focused on how to best service our clients while navigating new macroeconomic challenges.

To maintain our forward-looking approach, we have carefully considered how we can participate in trends that will shape the future, such as growth opportunities in the fast-paced digital economy. Based out of Abu Dhabi, we launched our first global institutional blockchain strategy to offer investors exposure to the blockchain ecosystem. The strategy will seek to invest globally in startups that seek to shape the future of trade, payments and title – three essential pillars. In North America, we partnered with leading talent, entertainment, and sports group United Talent Agency to form a strategic partnership that is focused on the emerging digital creator economy and Web3. Through these investments, we hope to increase our opportunities to capitalize on the intersection of digital assets, technology, and finance.

Several landmark deals showcase the strong positioning and continued health of our private equity business across the globe.

In the MENA region, we announced two landmark transactions, the acquisition of Saudi’s leading internet service provider NourNet and the strategic investment in the GCC’s fastest-growing aggregator platform Trukker. In the US, we acquired CrossCountry, a business advisory firm and Sunrise Produce, a wholesale produce distribution company in Southern California. On the exits front, our technology platform made its second successful exit within 18 months with the sale of e-recruiting solution, softgarden, while the India team achieved a very successful exit from ASG Eye Hospitals. These milestone accomplishments demonstrate our team’s ability to execute at every step of the value creation cycle, to deliver attractive results for our clients.

Our Real Estate business remains active as we reach \$10 billion of assets managed globally through a recent purchase of two Brussels properties and several UK-based student housing properties in our European portfolio. Investcorp continues to expand its portfolio in the region through its strategic focus on high-quality, income-producing assets in markets with attractive supply and demand characteristics. In North America, Our US Real Estate team has been investing in residential and industrial opportunities that continue to demonstrate strong fundamentals.

As we seek to continue our mission of being responsible investors, we partnered with TitanCorp’s THRIVE program to give residents at Investcorp’s multifamily units opportunities to apply for scholarships to complete certifications at the schools of their choosing.

Across our portfolio, our activity reflects our ability to uncover investments that underpin the long-term trends we have conviction in from digitalization to healthcare. We have succeeded through many economic cycles through resilience, managing risks,

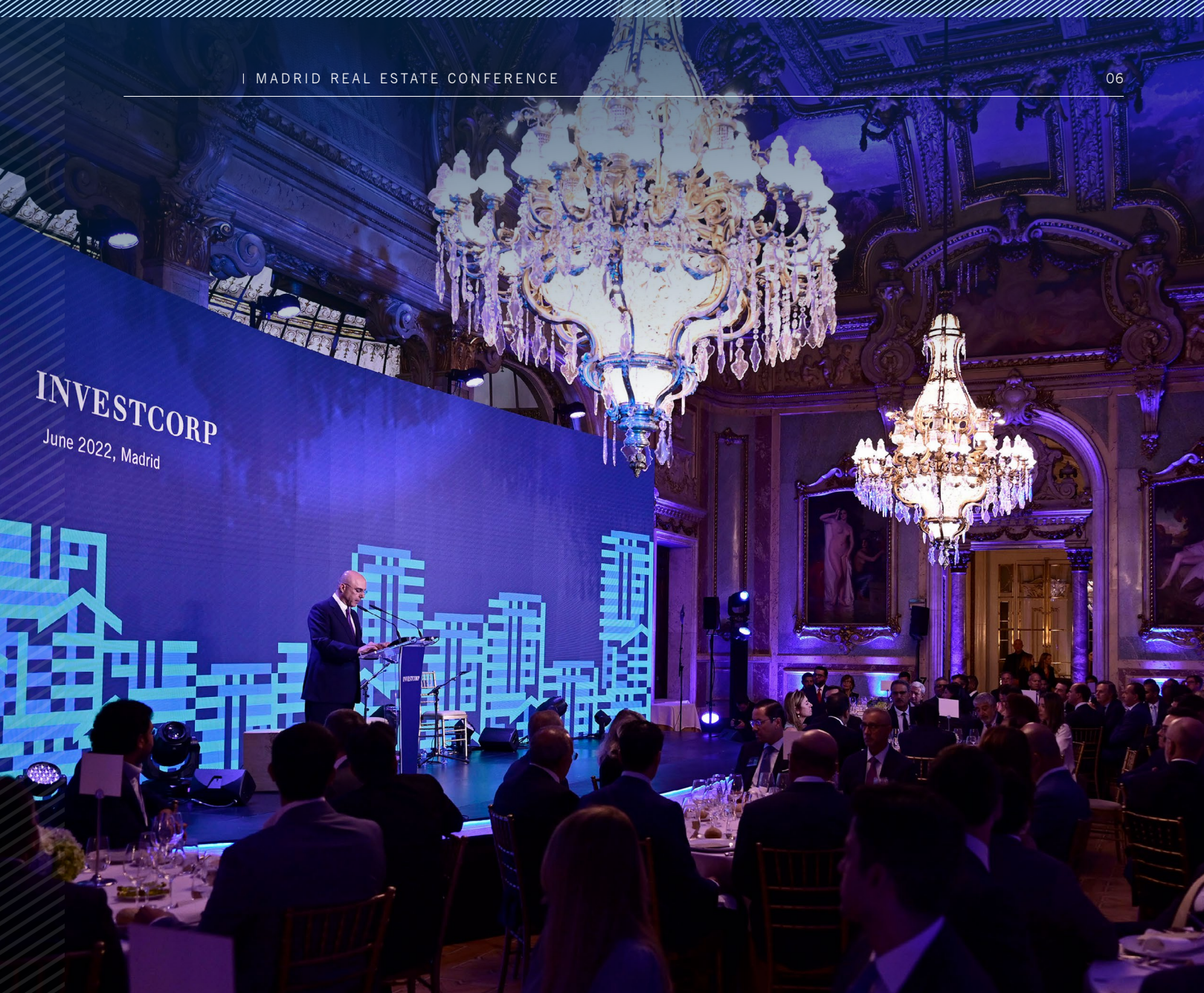
and capturing opportunities, and have full confidence that we will continue to innovate to progress against our long-term objectives.



Rishi Kapoor
Co-Chief Executive Officer



Hazem Ben-Gacem
Co-Chief Executive Officer



Investcorp Real Estate Conference in Madrid and Spanish Prime Minister Visit

Investcorp held its Global Real Estate Seminar at the majestic Casino de Madrid in June under the title “Real Estate in a Post-Covid World” to shed light on the vast opportunities within this resilient asset class. On the first night, Executive Chairman, Mohammed Alardhi spoke about Investcorp’s conviction in our global focus sectors and how we continue to act as responsible investors within the middle market.



The evening was keynoted by Jose Juan Ruiz, President of Real Instituto Elcano who shared insights on investment opportunities in Spain, especially as onshoring becomes more prevalent and there continues to be a focus on growth assets.

On the second day, experts across our Real Estate team and Advisory Board, and some of our top investors in the Gulf discussed the future of the office, rising demand for the industrial sector and why the fundamentals continue to be positive for multifamily.

Spanish Prime Minister, Pedro Sanchez and his delegation also hosted the Executive

Chairman at the Moncloa Palace, his official residence and workplace. Investcorp invited a group of clients to hear the Prime Minister’s views on opportunities in Spain despite the turmoil in Europe and insights on the Spanish economy, which is expected to have GDP growth rates over the next two years. The Executive Chairman addressed the room to share more on Investcorp’s history of investing in Spain, which began three decades ago, as well as his vision for the future.

Investcorp AUM at \$50 Billion with the Acquisition of Marble Point Credit Management

Investcorp announced its acquisition of Marble Point Credit Management, a leading US-based CLO manager on December 2.

With \$7.8 billion of AUM, Marble Point is a specialist asset manager focused exclusively on managing CLOs and portfolios of broadly syndicated loans.

This marks a significant strategic milestone in Investcorp's forty-year history and will enable us to achieve our interim goal of over

\$50 billion

in total firm AUM, once the transaction closes. We are now setting our sights on the longer term \$100 billion AUM target.

Upon closing, the acquired business will be combined with Investcorp Credit Management US to create a global platform that will manage \$22 billion in assets and rank among the top 15 CLO managers globally by AUM. Marble Point is currently led by Thomas Shandell, Co-Founder, Managing Partner and highly respected 38-year veteran of the credit markets who will become the Head of Investcorp Credit Management US.

Rishi Kapoor, Co-Chief Executive Officer of Investcorp with oversight of its credit businesses said, "This is an exciting moment for us and we are looking forward to having Tom, Corey and the entire Marble Point team join us at Investcorp. This strategic acquisition reaffirms our commitment to continue to grow and expand Investcorp's credit management platform and be a leading global provider

of an array of credit-focused products and solutions to our clients."

Jeremy Ghose, Global Head of Investcorp Credit Management, added, "This acquisition will result in a \$22 billion total AUM credit management business with meaningful scale across both US and Europe, and we look forward to further growing the business."



Executive Chairman Market Visits

As we return to a more normal cadence of business travel, Mohammed Alardhi has been meeting and re-connecting with colleagues, investors and business contacts across the globe.

The Gulf

The Executive Chairman led a delegation visiting the GCC as part of a roadshow this October. They started in Doha and had various meetings with existing and prospect clients and investors as well as a media meeting with Al Rai Newspaper, one of the leading Arabic dailies in Kuwait where he discussed investment plans in the region.

Asia

The Executive Chairman led a delegation for its Asia roadshow to visit Indonesia, Singapore and Japan as part of the Firm's commitment to leveraging growth opportunities in the APAC region. He was joined by Co-CEO, Hazem Ben-Gacem, among others where they met with

important stakeholders from investors to business contacts, portfolio companies and influential media.

The first stop was Indonesia, an important market for Investcorp and held several meetings with key business contacts. Next, they visited Singapore, where Investcorp participated in the Milken Asia Summit and visited Investcorp's local office. Finally, the team visited Japan to meet representatives from the Financial Times and conducted an interview with Nikkei to discuss the value that Investcorp can bring to the Japanese market across private equity, real estate and credit.

India

The Executive Chairman led a delegation of Investcorp executives as part of a five-day trip to India in October to meet with investors, prospects, media and the India team. Delhi was the first stop where the Executive Chairman and his delegation met with the Eisenhower Fellows, a non-profit organization, where he sits on the Board of Trustees.

During this visit, Investcorp hosted a dinner at the Leela Palace in Delhi for its business partners and stakeholders. The Executive Chairman gave the opening remarks and highlighted the growth strategy and key milestones made in India, mainly getting to

\$1 billion

in AUM across our products in the Indian market in less than four years. He also hosted a dinner for investors and clients at the Taj Mahal Palace Mumbai, where he highlighted our India growth journey and the importance of the country for our business.

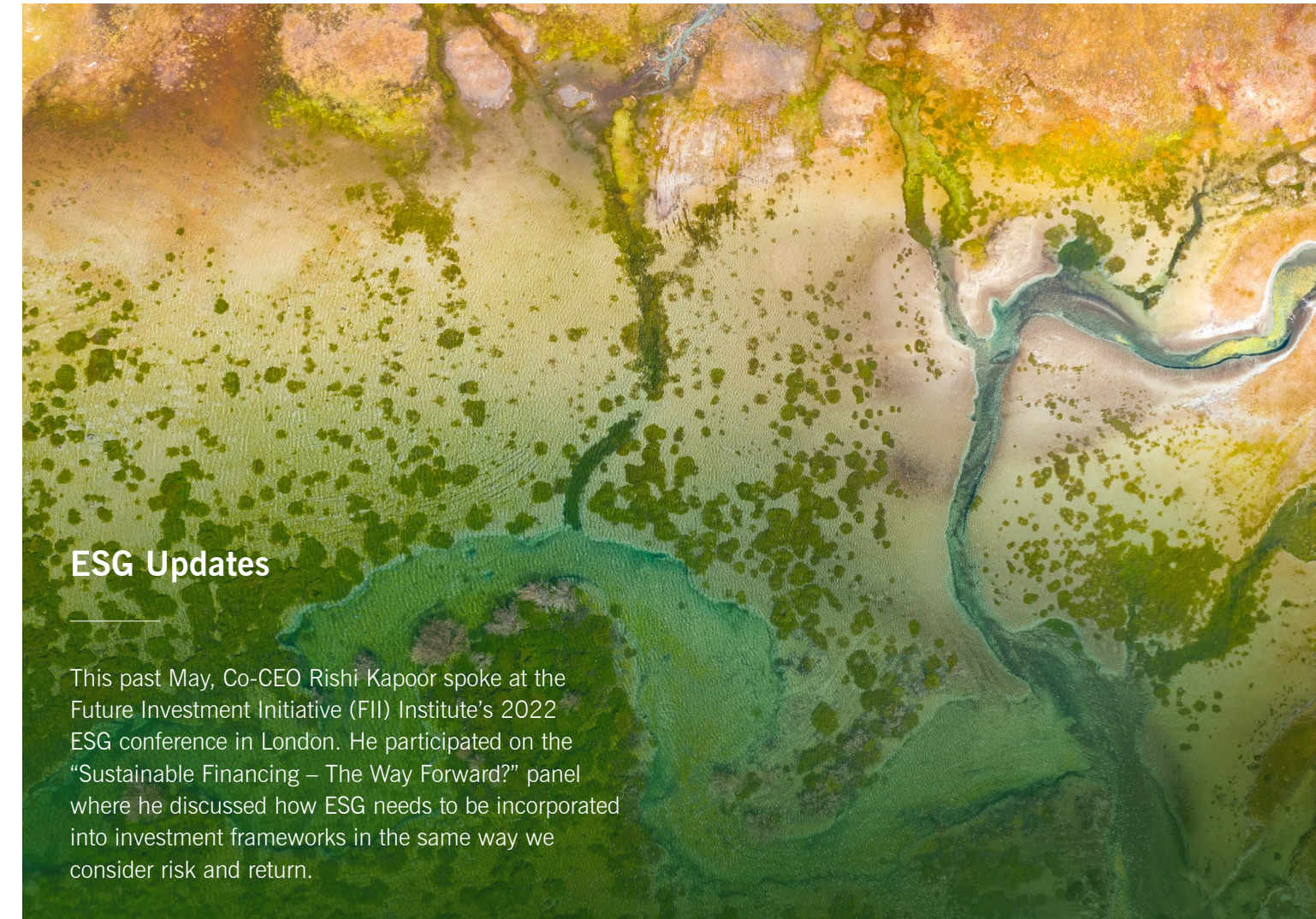
Finally, he held two townhalls, in Delhi and Mumbai, where he shared an update on our global activities with the team.



Abu Dhabi Finance Week

Investcorp participated at the Abu Dhabi Finance Week, where Mohammed Alardhi led a delegation of senior executives and attended the opening ceremony alongside HH Sheikh Khaled bin Mohamed bin Zayed.

Hazem Ben-Gacem spoke in a panel titled “Investment Risk Across Asset Classes” where he discussed how the period between 2020-2022 has seen sizeable economic events and how investors adopted new strategies, during the summit. Investcorp’s participation at the summit continued with Herve Francois, Partner, Investcorp Blockchain Fund, speaking in a panel titled “Trust with Trillions” where he discussed how blockchain can bring value beyond cost cutting and operational efficiency.



ESG Updates

This past May, Co-CEO Rishi Kapoor spoke at the Future Investment Initiative (FII) Institute’s 2022 ESG conference in London. He participated on the “Sustainable Financing – The Way Forward?” panel where he discussed how ESG needs to be incorporated into investment frameworks in the same way we consider risk and return.

Habib Abdur-Rahman, Head of ESG, also spoke on a panel titled “Inclusive ESG: Why Focusing on Emerging Markets is Paramount,” where he discussed how investor perceptions of risk and value need to be enhanced, and the investment opportunities in these emerging economies.

In June, Habib was featured in Thirty to Net Zero Magazine where he discussed the current state of sustainable investing, the challenges faced by the industry and how we can take it to the next level. Habib also spoke to podcasts hosted by Linklaters and PRI about the opportunities for investors and the private sector to embed ESG in their day-to-day business operations, the role investors play in the transition to net zero and how emerging technologies are accelerating this mission.

Internally, we continue to build on our ESG data digitization strategy and most recently implemented a system that allows us to assess and more accurately report our carbon emissions globally. This builds on our first carbon footprint assessment reported earlier this year. We also launched a mandatory ESG training program for all our employees as part of an effort to continue to build knowledge of key concepts, objectives and goals around sustainable investing. Finally, we continue to work closely with the management teams of our portfolio companies to collect ESG-related data more consistently, assess current practices and improve ESG performance over time.

Honoring Nemir Kirdar

We honored the life of Investcorp's founder, Nemir Kirdar in a memorial at St. Anthony's College, Oxford. A man of principles and vision – who inherently embodied Investcorp's core values of empathy, boldness, resilience and agility and who leaves a legacy of iconic deals in the history of private equity.

A number of people spoke about their memories of Nemir including Professor Roger Goodman, Warden of St. Anthony's College, HRH Prince Salman bin Hamad Al Khalifa, Crown Prince and Prime Minister of Bahrain and Professor Margaret MacMillan, Former Warden of St. Antony's College, among others.

In June, Investcorp launched the Nemir Kirdar Global Internship Program to expand opportunities for young talent. We hosted

19 interns this year across our global offices in a 10-week program where they worked across our lines of business and gained first-hand experience of what it is like to work at a global investment firm. The program not only allowed us to give students work experience, but gave us an opportunity to learn from smart young minds that see the world in a different way.



Nemir Kirdar
Global Internship Program

Supporting Education Initiatives

Investcorp has been long committed to education and serving as a bridge of knowledge between the Gulf and the rest of the world.

TitanCorp's THRIVE Program

Our US Real Estate team announced a partnership with TitanCorp's THRIVE program, a scholarship initiative designed to give residents in our multifamily portfolio an opportunity to complete certifications at the schools of their choosing. "As we see an increased need to support US infrastructure,

a gap in skills and the increasing cost of education has been evident and there continues to be a strong need for qualified individuals with advanced degrees. We look forward to giving our residents the opportunity to reach new goals and find success in their communities," commented Michael O'Brien, Co-Head of Real Estate.

Investcorp Investments Seminars

Not only are we committing capital to education initiatives, but we are also committing our time. Co-CEO, Hazem Ben-Gacem hosted a session titled "Value Creation in Private Equity" as part of

Investcorp's Investments Seminars at the Bahrain Institute of Banking and Finance (BIBF). Over 35 students and young professionals joined in-person and over 20 participants joined virtually. Hazem presented a case study of Moneybookers "Skriil," one of Europe's leading online payment providers, and shared its growth journey from the time of Investcorp's initial investment until exit. He explained the importance of the human element in the deal process, saying: "When I look at an investment, I not only look at the deal document, I also look at the individuals involved and their characteristics, because those personal characteristics will translate into the deal itself."

Injaz Al Arab Value Creation Award

Additionally, Investcorp supported Injaz Al Arab by launching its Value Creation Award for university students. Robin Mansour and Khalifa Al Jalahma from our Private Equity MENA team conducted a workshop for students on how the firm institutionalized BinDawood Holding ahead of an Initial Public Offering (IPO). Ramzi AbdelJaber, Chief Administrative Officer of Investcorp, presented the Investcorp award for the winning team.

Diversity, Equity and Inclusion

At Investcorp, we believe that diversity leads to better outcomes for everyone, from our investors and partners to our employees and recruits. As we continue to grow and expand, the three key pillars in our DEI strategy include people, policy and practice.

This year, we launched several initiatives including our first Employee Resource Group, IWill which held its initial global meeting in July. IWill brings women at Investcorp together to collaborate, innovate and exchange ideas and experiences. We have held over 12 events across our global offices this year.

We also increased parental leave in the US and UK, and now offer coaching options for new parents.

We also continue to search for and partner with best-in-class external parties. We became members of PLAYBOOK, a digital platform that serves as a toolkit for women to design their career and enhance their well-being, and Synergist, an organization that focuses on the first decade of women's careers within finance.

Our colleagues also continue to volunteer in memberships that are furthering DEI within the finance industry. In August, Heather Mutterperl, Principal, Real Estate



Jordana Samaan
Global Head of Diversity,
Equity, and Inclusion

and Julie Welinsky, Principal, Private Equity were selected to serve as mentees at CEO Action for Diversity & Inclusion. As mentees, they will cover a range of professional development topics like networking, decision making, strategy and change management. We also partnered for the second year with Level20 and have had both mentor and mentees participate in the program. Finally, four of our colleagues attended the 12-week Great Career Academy Workshop.

By participating in these development programs, we ensure we are continuing to share knowledge, expertise and assist in the growth of our employees.

TruKKer CEO Talks with The Review

How did TruKKer grow so fast and become such a success?

Our fundamentals have always revolved around sustainable growth, being results driven and constantly innovating our processes. At the heart of TruKKer is a diversely talented workforce that not only yields limitless possibilities but also allows us to see every challenge as an opportunity. We have also been financially prudent, while successfully fundraising and partnering with premier sophisticated investors. Finally, the commercial acumen we have received pushes us to continue investing in solutions and infrastructure that create maximum impact for our users.

Why did you select Investcorp to lead the pre-IPO funding round?

We sought a partner to help us consolidate

our position in the market and accelerate our growth before considering a public market listing. Investcorp's history of investing in local champions and their recent interest in 'new-age' businesses like ours made them our investor of choice. They combine global capital market expertise with regional and local insights. We are at the right stage to benefit from a focused PE team that plays an active role in creating long-term value.

The news of the pre-IPO created quite a splash. Were you surprised at the level of interest in your story?

Our growth story garnered an overwhelming response across the tech investment world, reaching more than four hundred million views! We knew the market would react, but it was a unique experience when it exceeded our expectations. The timing



of our round's closing garnered positive attention given the notable reduction in liquidity and portfolio allocations to tech stocks and startups.

Are you sensing that more Gulf institutional investors are looking to invest locally than before?

The Gulf has been home to massive wealth and capital since the oil boom. Gulf investors have been notable LPs in international investment funds for an exceedingly long time. They are now seeing tremendous growth opportunity with regional startups that secure a greater market share and evolve like global players who are resolving chronic pain-points for consumer and enterprise users. The Saudi Vision 2030 is also helping stimulate a growth-first environment that unlocks new business opportunities and broadens the economic base. Direct investment in regional ventures by regional investors is also transforming the region into an attractive innovation and entrepreneurship hub that contributes to the long-term growth and sustainability of our markets.

There are many exciting companies out there, how fast do you think the regional ecosystem will grow?

The ecosystem represents an insatiable appetite for disruption and overwhelming growth right now. Saudi startups are on an

upward trend – and there is backing at the highest level. As a key focus of Saudi Vision 2030, the government is also investing money into the private sector via stimulus packages and other initiatives for companies that are driven by technology-based innovation with the ability to scale.

We think the current pace of evolution will continue growing in the coming years as investors and governments play a more active role in encouraging entrepreneurship and innovation from the region. Businesses like TruKKer are only beginning their journey, from GCC to the world!

TruKKer is a great sustainability story – are there any forthcoming developments on that front?

Each year, we are saving more CO2 by constantly optimizing the freight network that connects demand and capacity in the most efficient manner, powered by constant data analytics and predictive algorithms. The demand on the platform in considerable vicinity is clubbed into one job and identifies the most suitable supply. Interestingly, it is not only eliminating dead miles and supporting our sustainability goals, but the logical allocation is also cutting down any undue idling while improving vehicle lives and performance. And all this means lower emissions and a greener environment.

What are your plans going forward?

The TruKKer digital freight network is creating vast amounts of data that will drive the next stage of innovation, product development and future growth here. We will continue to remain focused on the mobility sector and keep identifying automation, digitization and improved user experience opportunities across all our markets and products.

We will also keep our focus on identifying key lanes and cargo types that suffer from supply-demand mismatches due to fragmentation and inefficient transactional processes. The investment in constantly improving our operating efficiencies will help the digital freight network to scale into newer markets and lanes. We will also keep looking for opportunities to leverage data science.

Robust Activity in North America Private Equity



Acquisition of Sunrise Produce

The team in North America continues to see robust activity and announced in October its latest acquisition, Sunrise Produce, a leading wholesale produce distribution company based in Southern California.

The industry is a highly fragmented, \$70 billion national market that has consistently shown resiliency through economic cycles. Through the partnership, we seek to accelerate the Company's growth through geographic expansion and acquisitions. This builds on our long history of investing across sectors with notable recent portfolio investments in food & distribution including Fortune Fish & Gourmet, S&S Truck Parts, KSI Auto Parts, Arrowhead Engineered Products and Berlin Packaging.



Sale of United Talent Agency

Earlier in the year in July, Investcorp sold its stake in United Talent Agency, a global talent and entertainment company, to EQT Private Equity.

The sale represented a highly successful investment for Investcorp and its institutional investors, having first invested in 2018. While Investcorp has exited from UTA, it maintains a strong relationship with the team, and in October, announced the establishment of UTA.VC, a strategic partnership to invest in a diversified portfolio of high-growth startups at the intersection of culture and technology.



Sale of softgarden for €118 Million

In June, Investcorp Technology Partners (ITP) announced the sale of softgarden, the German provider of human resource software solutions for approximately €120 million and marking a 3x return made in less than four years.

Acquired in 2018, the team worked closely with softgarden's founder and CTO, Stefan Schüffler and the management team to accelerate growth through international expansion, the strategic acquisition of absence.io and the meaningful investments in product innovation.

ITP oversaw significant development and revenue acceleration at the Company, including the growth of its software revenue by more than 400%, the strategic entry into new markets such as France, Spain, and Poland as well as the Company's employee base more than doubling



Investcorp Gulf Pre-IPO Growth Fund

TruKker

Investcorp led a \$100 million pre-IPO round in privately held TruKker, MENA's largest digital freight network with a leading position across Saudi Arabia, the United Arab Emirates, Egypt and neighboring countries in September.

Investcorp led the initial close with a \$51 million investment alongside new and existing investors, marking a milestone for the pre-IPO Growth Fund.

"We are excited to add TruKker to our portfolio and are keen to work with the founders of this regional champion to explore a possible market listing, as a continuation of our strategy and in line with our history," said Walid Majdalani, Head of Private Equity MENA and Southeast Asia at Investcorp.

NourNet

Later in October, Investcorp acquired a majority stake in NourNet, one of Saudi Arabia's largest pure-play providers of connectivity and ICT services, namely cloud, cybersecurity and managed services.

NourNet specializes in Web 3.0 technologies and has a strong history with data center development, a theme that we continue to focus on across our private equity portfolio globally.

This marks the Firm's ninth investment in Saudi Arabia and the second investment for its Investcorp Saudi Pre-IPO Growth Fund

The move expands on Investcorp's increasingly diversified portfolio across next generation high-growth companies and the agreement demonstrates the growing interest in our pre-IPO offer.



Sale of ASG Eye Hospital

Investcorp sold its stake in ASG, the second-largest eye care hospital chain in India, to General Atlantic and Kedaara Capital in August.

This was part of a growth capital funding round of INR 15 billion in 2017 by Investcorp, making it the largest private equity funding in the eye care industry in India. It speaks to our thesis of investing in businesses within healthcare that are strong and furthering our responsible investing criteria.

Founded in 2005 in Jodhpur, Rajasthan by Arun Singhvi, ASG is today a strong brand in ophthalmology across North, East and West India. Post Investcorp's investment in 2017, ASG successfully implemented a domestic expansion strategy that resulted in a two-and-a-half-fold increase in the number of hospitals operated by ASG in India as well as tripling its revenue.

Closing of GP Stakes Fund



The fund closed with more than

\$800 million

surpassing the target of

\$750 million

Earlier this year, Investcorp's Strategic Capital Group closed its inaugural GP Stakes fund to identify opportunities in the middle-market.

The fund closed after 12 months of rigorous capital raising and is set to make

10-12 investments

having closed

9 deals to date

The Japanese Economy in a New Global Economic Climate



Jeremy Ghose, Global Head of Investcorp Credit Management joined Professor Heizo Takenaka, Professor Emeritus at Keio University and Former Minister of Internal Affairs and Communications of Japan in a live discussion in Japan. They discussed the Japanese economy a new global economic climate.

Outlook on the Multifamily and Industrial Sectors



Our U.S. Co-Heads of Real Estate, Michael O'Brien and Herb Myers, share their outlook on the resiliency and growth of the residential and industrial real estate sectors.

How is your team considering investment opportunities amid current macroeconomic volatility?

HM: Over the past year, our real estate portfolio has continued to experience strong operational performance with high occupancies, steady growth in rental rates and overall solid fundamentals. Despite supply chain disruptions, a tight labor market and inflationary pressures this year, residential and industrial properties have seen record demand. We are continuously monitoring the current market situation though, as things could shift and we are preparing for all scenarios that may impact our portfolio.

MO: Historically, real estate has performed well during periods of high inflation and can serve as a partial hedge against inflation. We anticipate that residential and industrial properties will continue to see healthy performance in a high inflation environment due to shorter lease durations, which creates the ability to reset rents more frequently. Moreover, income growth across both multifamily and industrial real estate has been significant year-over-year and this offsets some of the greater interest expenses that are occurring with rising rates.

What are some of the key factors defining multifamily activity?

MO: Multifamily properties have been resilient during recessionary periods, and we remain confident in their stability. During the Great Financial Crisis of 2008-2009, multifamily experienced the lowest level of rent decline and the fastest recovery compared to other real estate assets.

Rental properties are experiencing stable demand because of record high home prices and elevated mortgage rates. Additionally, high inflation has led to a slowdown in new construction, which will limit future supply and allow existing assets to grow rents. Despite the potential for waning demand and more muted rental rate growth due to a potential recession, we are still seeing heightened interest from our investors in residential investments right now.

What impact have higher interest rates and a potential recession had on the industrial market?

HM: While sales transactions have slowed as a result of the interest rate environment, as stated above, industrial property fundamentals remain robust. Investcorp's portfolio remains strong and we

are optimistic around the positive secular trends that have driven growth in this asset class. The relatively short-term WALT in our industrial portfolio allows us to roll leases to the rapidly growing market rent levels.

Even if there is a recession, we believe the demand for industrial space will remain solid going into 2023, largely due to the e-commerce boom that occurred during the Covid-19 pandemic and was already developing prior. Investcorp's outlook for industrial rent growth is positive overall due to growing inventories, onshoring of manufacturing and e-commerce spending levels that we feel will continue to remain high.



European Real Estate Acquires €1.2 Billion Across the UK and Europe

The European Real Estate team remains active in the European and UK market, having acquired approximately €1.2 billion of real estate assets across the UK and Europe as of September. Its European portfolio now consists of

10 office properties

across Germany, the Netherlands, Belgium, Italy and the UK, as well as 35 industrial assets in the UK.

Some notable transactions this year included the acquisition of Luso Invest SA, the owner of Avenue de la Porte de Hal 27 and Avenue Herrmann-Debroux 2 in July. The first property was purpose built for the Flemish Government, who originally occupied it as an owner-occupier. The second property houses the Belgian Headquarters of Marsh, a global leader in insurance broking and risk management. These valuable and well-located assets demonstrate Investcorp's ability to leverage its network and long-standing relationships to source attractive opportunities for investors.

The team also announced in September the sale of the Kö3 office building, part

of the KöCampus in Eschborn, Germany, in an off-market transaction. Investcorp acquired KöCampus (Kö3, Kö10 and Kö12) in July 2018 following the refurbishment and modernization of the property by the Frankfurt-based project developer Cilon. Through Investcorp's pro-active asset management, as of August 2022 the office space in all three properties was fully leased to 40 diversified tenants. The Kö3 office building's tenant mix came to include GLS IT Services GmbH and 11 other well-known companies from growth sectors, including IT and consulting.



Future Investment Initiative in Riyadh

Investcorp participated in the 6th Edition of the Future Investment Initiative (FII) Institute conference that took place in October at the King Abdulaziz International Conference Center in Riyadh, Saudi Arabia.

The event was led by Mohammed Alardhi, and attended by Co-CEO Hazem Ben-Gacem, and a wider Investcorp delegation. On the opening day of FII, Mohammed Alardhi appeared on Bloomberg TV Acharq and Alarabiya TV networks to discuss where he sees opportunities today, global markets shifts and Investcorp's growth journey.

During the event, Investcorp announced a new \$500 million partnership with Fung Capital. Investcorp hosted a breakfast panel under the theme of "Hong Kong: The Financial Gateway to China" where the speakers discussed the catalyzing



effect of the Greater Bay Area on the future development of the Chinese economy. Speakers included Hazem Ben-Gacem, Co-CEO, Investcorp; Nicolas Aguzin, CEO of Hong Kong Exchanges and Clearing and Howard Lee, Deputy CEO of Hong Kong Monetary Authority. The morning was keynoted by Mohammed Alardhi, Executive Chairman followed by distinguished speakers, Paul Chan, Financial Secretary of the Hong Kong SAR Government and Laura M Cha, Chairman of Hong Kong Exchanges and Clearing Limited (HKEX).

Investcorp hosted a dinner on the same day on the sidelines of FII in the presence of Sir Michael Fallon, the former Secretary of State for Defense of the United Kingdom, and Chairman of Aberdeen Investcorp Infrastructure Partners. Sir Michael discussed the outlook for the global economy and the global security picture, looking ahead to the evolving geo-political situation in 2023.

On the final day of FII, Hazem spoke in a panel titled "The Golden Age of Fintech", focusing on the largest intergenerational wealth transfer in human history and its impact on the future of investments, and how asset managers need to navigate the risks of moving more and more into the digital realm.



Milken Institute: From Singapore to Los Angeles to Abu Dhabi

Mohammed Alardhi and Hazem Ben-Gacem attended the Milken Asia Summit in Singapore as part of their Asia visit.

During the Milken Summit, Hazem spoke on a panel titled "Asset Management: Are we at an Inflection Point?" focusing on energy transition, inflation, retail investors and analytics. Hazem spoke alongside Jean Hynes, CEO of Wellington Management and Jenny Johnson, President and CEO of Franklin Templeton.

During the Summit, Hazem had an interview with CNBC Asia addressing the energy crisis and another with Bloomberg TV discussing his outlook for global markets.

On the other side of the globe, a delegation of Investcorp's senior executives led by Rishi Kapoor attended the 25th annual Milken Global Conference in Los Angeles, California. Hosted by Michael Milken and the Milken Institute, the conference brought together nearly 3,500 participants including C-suite executives, global leaders and innovators from across the world for conversations addressing global and domestic trends, innovations and disruptions.

Rishi spoke on the opening "Global Capital Markets" panel, joining leading



executives for a discussion on how industry participants are responding to challenging fiscal and geopolitical issues. Dave Tayeh, Head of Private Equity North America, took the stage to discuss the role of private capital in the markets on the "Time to Shine? Private Markets in Periods of Uncertainty" panel. Additionally, Anthony Maniscalco, Head of Strategic Capital Group, participated in the "What Lies Ahead of Private Markets" panel and Jeremy Ghose, CEO of Credit Management took part in a panel session titled "The Global Credit Outlook: Finding Opportunities in Private and Public Credit Markets".

We also held our 2nd annual dinner for clients, investors and business contacts at

Hotel Bel-Air with our partners at United Talent Agency. Special guest speakers included Roy March, CEO of Eastdil Secured, Rich Paul, CEO and Founder of KLUTCH Sports Group, Matthew Le Merle, Managing Partner of Blockchain Co-investors, and Paris Hilton, American media personality and businesswoman.

Through a series of investor meetings, media interviews, panel participation and the firm's second annual dinner, Investcorp had a strong presence on the ground and continues to make inroads on elevating its brand in North America.



SuperReturn in Berlin

The Executive Chairman, Mohammed Alardhi, led the Investcorp delegation at one of the largest private capital conferences of the year, SuperReturn, in Berlin in June.

He also hosted the annual Investcorp dinner at the China Club, where General Hans-Lothar Domröse spoke about geopolitics in the current age, and what that means for the investment community.

Investcorp's Co-CEO Hazem Ben-Gacem, as well as executives Laura Coquis, Daniel Lopez-Cruz, Dave Tayeh, Gilbert Kamieniecky and Anthony Maniscalco were

on the ground. Hazem delivered a keynote on the global investment landscape, and Dave and Anthony spoke on panels about PE and GP Stakes respectively.

The conference was an excellent opportunity to meet peers, engage with LPs, and learn more about what was happening in private capital from the industry's brightest minds.



In October, the team held its inaugural True North Summit in Kennebunkport, Maine

The three-day conference saw participation from institutional investors and Investcorp's GP Staking partners for timely conversations

around the outlook for private market GPs in the current macroeconomic environment, the proliferation of private markets strategies and leadership during volatile times.

Keynote speakers included Former Governor Jeb Bush and Rob Kaplan, Former President and CEO of the Federal Reserve Bank of

Inaugural True North Summit

Dallas and Vice Chairman of Goldman Sachs, who spoke about key economic drivers today and leadership, and James Kerr, best-selling author of Legacy, which follows the success of the legendary All Blacks rugby team of New Zealand who shared powerful and practical lessons for business leaders.



Investcorp Hosts Wilson Center in London

In May, the Executive Chairman hosted a session with the Wilson Center, a non-partisan policy forum dedicated to tackling global issues through independent research and open dialogue.

The session was moderated by Jeremy Ghose and focused on the Global Credit sector and the macroeconomic conditions affecting it, providing an opportunity for international leaders to get together to discuss the future of credit in a volatile market.

The session drew many international leaders from around the globe and allowed the Investcorp team to get together with an organization with which it has many common values.



Awards and Recognitions

Andrea Davis recognized on Private Equity News Trailblazers List.

Andrea Davis was recognized by Private Equity News in its inaugural list of female trailblazers in the private equity industry. We would like to recognize her achievements and leadership both inside and outside of Investcorp. Within Investcorp, Andrea

is known for wearing multiple hats, from leading the European Private Equity operating team and overseeing successful deals such as Investcorp's exit from Dainese, to implementing global DE&I policies in the London office and establishing networks for female colleagues. Andrea's leadership also extends outside of the workforce. As a strong advocate for women in finance and STEM, Andrea is a mentor for Level 20's Mentoring Program that supports women

working in PE and is an honorary treasurer at Loughborough University, where she is involved in the promotion of STEM careers for girls.

Strategic Appointments

Investcorp appointed Mashaal AlJomaih as Managing Director of Investcorp Private Wealth for the KSA market, to be based in Riyadh.

It marks a significant development for our Saudi offering as we build out our pre-IPO Fund and look to increase our real estate presence. Prior to joining Investcorp, Mashaal held senior positions at BNP Paribas Investment Company and JP Morgan Chase. He also co-founded a UK-based real estate consulting company named Darin Partners. He holds a BSc in Business Administration from King Saud

University, KSA. He also holds an MBA, Finance and MIS concentration from Clark University, Worcester, Massachusetts. He also attended the Young Managers Program at INSEAD, France.



Mashaal AlJomaih
Managing Director,
Private Wealth KSA Market

Investcorp Launches a White Paper on the Investment Opportunities in the UK Student Accommodation Sector



Investcorp launches a white paper on the investment opportunities in the UK student accommodation sector.

Investcorp published a white paper outlining significant investment opportunities in the United Kingdom student accommodation sector. The white paper highlighted that an imbalance in demand and supply is creating an attractive investment opportunity in this asset class, particularly for House in Multiple Occupation ("HMO") student accommodation, a segment largely

overlooked by institutional investors to date.

The firm recently made its first acquisition of a portfolio of UK student HMO accommodations, building on its history of investing in student housing globally and its deep knowledge of the UK real estate market.

INVESTCORP

Los Angeles | New York | London | Bahrain | Abu Dhabi | Riyadh | Doha | Mumbai | Delhi | Beijing | Singapore

 @investcorp