

Q3 Trading Statement

For the nine months ended 31 December 2021

Embargoed until 7:00am on 27 January 2022

Fee-earning AUM growth of 30% in last twelve months, momentum across platform underpins positive outlook

Highlights

- Fundraising of \$4.3bn during the quarter, total of \$18.1bn raised in the nine months since 31 March 2021
- Third-party AUM of \$67.2bn at 31 December 2021, an increase of 3% (\$1.9bn) in the quarter and 23% (\$12.7bn) in the last twelve months
- Third-party fee-earning AUM grew 5% during the quarter and 30% in the last twelve months, ending the period at \$58.2bn
- High levels of deployment and realisations across our asset classes continuing, strong pipeline
- Funds performing well, including a number of successful realisations anchoring attractive gains for our clients
- Senior Debt Partners V and LP Secondaries I launched in January 2022; preparations for Sale and Leaseback II started
- Sustainability and People: shareholder seminar today at 2pm GMT
- Balance sheet: total available liquidity of £746.3m at 31 December 2021, €500m inaugural sustainability-linked bond successfully priced in January 2022, providing further financial flexibility and demonstrating continued ESG leadership

Benoît Durteste

CEO and CIO

“ Positive momentum continued across the whole of the ICG platform during the quarter. We saw significant client demand for our established and new strategies, as well as high levels of deployment and realisations. We continue to hire selectively to help drive future growth, for example in Real Estate, and funds in all asset classes are performing well. The outlook remains very positive, and we have a strong pipeline of attractive opportunities to execute.

Strategically we are well placed to continue to grow. We have a powerful local sourcing network, a focus on the mid-market across a wide range of geographies, and a diversified product offering of successful investment strategies that enable us to navigate dynamic market conditions. These qualities help underpin my expectation that the growing demand from our clients will continue, supported by enduring structural tailwinds.

Our successful execution of this opportunity is founded on our exceptional people, and I look forward to discussing this important aspect of our business in more detail as part of our shareholder seminar later today.

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PERFORMANCE OVERVIEW

Three months ended 31 December 2021

	31 December 2021 (Unaudited)	30 September 2021 (Unaudited)	Change
Third-party AUM	\$67,187m	\$65,349m	3 %
Third-party fee-earning AUM	\$58,243m	\$55,647m	5 %
Third-party AUM additions during period	\$4,387m	\$5,771m	
Third-party AUM realisations during period	\$2,052m	\$1,083m	
Third-party AUM deployed during period ¹	\$4,027m	\$3,886m	

Last 12 months

	31 December 2021 (Unaudited)	31 December 2020 (Unaudited)	Change
Third-party AUM	\$67,187m	\$54,438m	23 %
Third-party fee-earning AUM	\$58,243m	\$44,789m	30 %
Third-party AUM additions during period	\$26,027m	\$9,457m	175 %
Third-party AUM realisations during period	\$10,253m	\$2,483m	313 %
Third-party AUM deployed during period	\$15,954m	\$7,363m	117 %

¹ On behalf of our direct investment funds

Last five years

Third-party AUM has grown at an annualised rate of 20% from 31 December 2016 to 31 December 2021.

This results statement has been prepared solely to provide additional information to shareholders and meets the relevant requirements of the UK Listing Authority's Disclosure and Transparency Rules. The results statement should not be relied on by any other party or for any other purpose.

This results statement may contain forward-looking statements. These statements have been made by the Directors in good faith based on the information available to them up to the time of their approval of this report and should be treated with caution due to the inherent uncertainties, including both economic and business-risk factors, underlying such forward-looking information.

ENQUIRIES

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ABOUT ICG

ICG provides flexible capital solutions to help companies develop and grow. We are a leading global alternative asset manager with over 30 years' history, managing \$71bn of assets and investing across the capital structure. We operate across four asset classes: Structured and Private Equity, Private Debt, Real Assets, and Credit.

We develop long-term relationships with our business partners to deliver value for shareholders, clients and employees, and use our position of influence to benefit the environment and society. We are committed to being a net zero asset manager across our operations and relevant investments by 2040.

ICG is listed on the London Stock Exchange (ticker symbol: ICP). Further details are available at www.icgam.com. You can follow ICG on LinkedIn.

PERIOD IN REVIEW

Business activity

Fundraising

- Fundraising of \$4.3bn during the quarter, largely driven by Europe VIII (\$0.4bn), Strategic Equity IV (\$0.5bn) and Senior Debt Partners (\$1.0bn), along with a number of CLO amendments (\$0.8bn) and new issuances (\$0.8bn)
- Europe VIII and Strategic Equity IV, amongst others, continue to fundraise
- Fundraising for Infrastructure Equity I is now materially concluded, having raised a total of \$1.0bn at 31 December 2021 (including \$0.3bn in this quarter). We expect to hold a final close in Q4 FY22
- Launched Senior Debt Partners V and LP Secondaries I during January 2022 (first close for both strategies expected later in the calendar year), and started preparations to launch Sale and Leaseback II later in the calendar year

Realisations

- Realisations of \$2.1bn during the quarter within third-party AUM (including \$0.8bn of amended CLOs)
- Our direct investment funds have continued to take advantage of the market environment to anchor fund performance and return capital to our clients

Deployment

- Deployed \$4.0bn of capital during the quarter on behalf of our direct investment funds, with particularly high activity in Senior Debt Partners, Europe VIII and Strategic Equity IV
- At 31 December 2021 we had \$16.3bn of third-party AUM available to deploy in new investments, \$8.9bn of which is not yet paying fees but will do so when the capital is invested or enters its investment period.

Sustainability and People

- ICG committed to be net zero by 2040 across its operations and relevant investments, supported by two ambitious emissions reduction targets by 2030. These have been approved and validated by the Science Based Targets initiative
- At 2pm GMT today (27 January 2022) we will be hosting a shareholder seminar online focusing on how our work on sustainability and people positively impacts the growth opportunities and long-term prospects of our business. Details, including a link to the seminar, are available on our website: www.icgam.com/shareholders/results-centre/fy22

AUM

- At 31 December 2021 we managed Total AUM of \$71bn; balance sheet investment portfolio represented 5.2%

Third-party AUM

\$m	Structured and Private Equity	Private Debt	Real Assets	Credit	Total third-party AUM
At 30 September 2021	21,788	18,560	7,012	17,989	65,349
Additions	1,055	1,056	595	1,681	4,387
Realisations	(507)	(190)	(25)	(1,330)	(2,052)
FX and other	(273)	(192)	(22)	(10)	(497)
At 31 December 2021	22,063	19,234	7,560	18,330	67,187
Change \$m	275	674	548	341	1,838
Change %	1 %	4 %	8 %	2 %	3 %
Change % (constant exchange rate)	2 %	5 %	8 %	3 %	4 %

Third-party fee-earning AUM

\$m	Structured and Private Equity	Private Debt	Real Assets	Credit	Total third-party fee-earning AUM
At 30 September 2021	21,122	11,049	6,269	17,207	55,647
<i>Additions: fees on committed</i>	957	—	334	—	1,291
<i>Additions: fees on invested</i>	186	1,417	530	1,723	3,856
Total Additions	1,143	1,417	864	1,723	5,147
Realisations	(446)	(302)	(222)	(1,330)	(2,300)
FX and other	(142)	(55)	(40)	(14)	(251)
At 31 December 2021	21,677	12,109	6,871	17,586	58,243
Change \$m	555	1,060	602	379	2,596
Change %	3 %	10 %	10 %	2 %	5 %
Change % (constant exchange rate)	4 %	11 %	10 %	3 %	6 %

Note: Additions to third-party AUM include \$62m of step-ups, which are not included within our fundraising totals

Deployment levels of key funds

\$m	Third-party AUM at 31 December 2021	Total third-party capital deployed at 31 December 2021	%age deployed at 31 December 2021
Fees charged on committed capital			
Structured and Private Equity			
Europe VIII ¹	6,872	2,038	30 %
Asia Pacific IV ¹	442	196	44 %
Europe Mid-Market	1,014	665	66 %
Strategic Equity IV ¹	2,361	1,692	72 %
Real Assets			
Infrastructure Equity I ¹	1,044	266	25 %
Sale and Leaseback I	1,138	711	62 %
Fees charged on invested capital			
Private Debt			
North American Private Debt II	1,200	811	68 %
Senior Debt Partners IV	5,501	3,407	62 %
Real Assets			
Real Estate Partnership Capital V	1,255	1,114	89 %
Real Estate Partnership Capital VI ¹	356	136	38 %

¹Fund was continuing to raise third-party AUM at period-end; percentage deployed is shown as a proportion of third-party AUM at 31 December 2021
Note: co-mingled fund, excluding mandates and undrawn commitments for all funds. % deployed calculated in underlying fund currency

Balance sheet investment portfolio

- At 31 December 2021 the balance investment portfolio (including warehoused investments) was valued at £2.8bn (30 September 2021: £2.7bn)
- The increase was due to continued underlying performance of our third-party funds along with new seed investments made on behalf of our LP Secondaries and Life Sciences strategies
- The breakdown of the balance sheet investment portfolio at 31 December 2021 was as follows:

£m	As at 31 December 2021	As at 30 September 2021
Structured and Private Equity	1,787.3	1,653.1
Private Debt	140.6	152.7
Real Assets	303.9	305.0
Credit	462.7	494.7
Balance sheet investment portfolio (excluding warehoused investments)	2,694.5	2,605.5
<i>Warehoused investments</i>	<i>147.7</i>	<i>126.5</i>
Balance sheet investment portfolio (including warehoused investments)	2,842.2	2,732.0

Liquidity

- At 31 December 2021, the Group had total available liquidity of £746.3m
- On 20 January 2022, the Group successfully priced a €500m 8-year sustainability-linked bond at a coupon of 2.5%, with the proceeds to be used for general corporate purposes, including to repay certain existing debt facilities as they mature in the coming years

BOARD

- Effective from 1 July 2022, Matthew Lester will become Chair of the Audit Committee, replacing Michael (Rusty) Nelligan who has chaired the Audit Committee since September 2016. Rusty will continue to be a member of the Board and a member of the Audit Committee

OTHER

Foreign exchange rates

The following foreign exchange rates have been used throughout this review:

	Three months ended 31 December 2021 Average	Three months ended 31 December 2020 Average	Nine months ended 31 December 2021 Average	Nine months ended 31 December 2020 Average	31 December 2021 period end	31 December 2020 period end
GBP:EUR	1.1822	1.1160	1.1695	1.1164	1.1895	1.1186
GBP:USD	1.3504	1.3313	1.3724	1.2962	1.3532	1.3670
EUR:USD	1.1423	1.1929	1.1737	1.1612	1.1376	1.2221

At 31 December 2021 our third-party AUM was \$67.2m. If GBP:USD had been by 5% higher (1.4208) our reported third-party AUM would have been \$469m higher. If EUR:USD had been 5% higher (1.1945) our reported third-party AUM would have been \$1,957m higher.

Where noted, this review presents changes in AUM on a constant-exchange-rate basis. For the purposes of these calculations, opening AUM numbers have been translated from their underlying fund currencies to USD at the respective period-end exchange rates. This has then been compared to the AUM at the period end to arrive at the change on a constant-exchange-rate basis.

COMPANY TIMETABLE

Shareholder seminar on Sustainability and People	27 January 2022, 2pm GMT
Full year results announcement	26 May 2022

GLOSSARY

Term	Short Form	Definition
Additions (of AUM)		<u>Within third-party AUM</u> : the aggregate of new commitments of capital by clients, and calls of capital from funds that have previously had a step-down and are therefore reflected in third-party AUM on a net invested capital basis. <u>Within third-party fee-earning AUM</u> : the aggregate of new commitments of capital by clients that pay fees on committed capital, and deployment of capital that charges fees on invested capital (including calls of capital from funds that have previously had a step-down and therefore charge fees on a net invested capital basis).
Balance sheet investment portfolio		Balance sheet investments made alongside funds, or where the balance sheet is seeding investments for new strategies. The balance sheet investment portfolio is revalued at each reporting date.
Catch-up fees		Fees charged to investors who commit to a fund after its first close. This has the impact of backdating their commitment thereby aligning all investors in the fund.
Client base		Client base includes all direct investment fund and liquid credit fund investors.
Close (of a fund)		A stage in fundraising whereby a fund is able to release or draw down the capital contractually committed at that date.
Closed-end fund		A fund where investor's commitments are fixed for the duration of the fund and the fund has a defined investment period.
Co-investment	Co-invest	A direct investment made alongside or in a fund taking a pro-rata share of all instruments.
Collateralised Loan Obligation	CLO	CLO is a type of investment grade security backed by a pool of loans.
Close		A stage in fundraising whereby a fund is able to release or draw down the capital contractually committed at that date.
Deployment		Investment of AUM on behalf of our direct investment funds
Direct investment funds		Funds which invest in self-originated transactions for which there is a low volume, illiquid secondary market. Specifically, this excludes Credit and ICG Enterprise Trust within Structured and Private Equity.
Fund		A pool of third-party capital allocated to a specific investment strategy or strategies, managed by ICG plc or its affiliates.
Fund Management Company	FMC	The Group's fund management business, which sources and manages investments on behalf of the IC and third-party funds.
Gross money on invested capital	Gross MOIC	Total realised and unrealised value of investments (before deduction of any fees), divided by the total invested cost.
Liquid assets		Asset classes with an active, established market in which assets may be readily bought and sold.
Open-ended fund		A fund which remains open to new commitments and where an investor's commitment may be redeemed with appropriate notice.
Realisation		The return of invested capital in the form of principal, rolled-up interest and/or capital gain.
Realisations (of AUM)		Reductions in AUM due to capital being returned to investors and / or no longer able to be called by the fund, and the reduction in AUM due to step-downs.
Recycle (of AUM)		Where the fund is able to re-invest capital that has previously been invested and then realised. This is typically only within a defined period during the fund's investment period and is generally subject to certain requirements.
Separately Managed Account	SMA	Third-party capital committed by a single investor allocated to a specific investment strategy or strategies, managed by ICG plc or its affiliates.
Step-down / step-up		A reduction in AUM resulting from the end of the investment period in an existing fund or when a subsequent fund starts to invest. Funds that charge fees on committed capital during the investment period will normally shift to charging fees on net invested capital post step-down. There is generally the ability to continue to call further capital from funds that have had a step-down in certain circumstances. In this instance, fees will be earned on that invested capital and it will be added to AUM through Additions and this is termed as step-up.
Total AUM		The aggregate of the Third Party AUM and the Balance Sheet investment portfolio.
Warehoused investments		Investments within the balance sheet investment portfolio that the Group anticipates transferring to a fund in due course, typically made where the Group is seeding new strategies in anticipation of raising a fund.