

Q3 Trading Statement

For the nine months ended 31 December 2022

Embargoed until 7:00am on 26 January 2023

Activity levels remain robust; maintaining fundraising guidance

Highlights

- Total AUM of \$75bn, fee-earning AUM of \$61bn – compound annual growth of 23% over the last 5 years¹
- Fundraising of \$2.8bn during the quarter, total of \$8.5bn raised in the nine months since 31 March 2022: on track to meet our accelerated fundraising target of at least \$40bn in aggregate between 1 April 2021 and 31 March 2024
- Deployed \$4.1bn during the quarter, with particularly strong activity in Strategic Equity, Senior Debt Partners and European Corporate
- Launched marketing for a number of new funds including Europe Mid-Market II, Infrastructure II and Life Sciences I
- Balance sheet: total available liquidity of £1.3bn at 31 December 2022
- Shareholder seminar on client and fundraising strategy today at 2pm GMT, [viewable here](#)

¹ 31 December 2017 to 31 December 2022. On a constant currency basis

Benoît Durteste

CEO and CIO

“ ICG has continued to raise, deploy and realise AUM during this quarter, building on our long-term track record of delivering for our clients. The benefits of our breadth and diversification in sustaining business activity across economic cycles are evermore clear in our financial performance.

Notably our flagship direct lending strategy, Senior Debt Partners, attracted \$1.8bn of fundraising from clients in these three months. It also continued to experience an attractive pipeline of investment opportunities in an environment where debt remains scarce, deploying over \$1bn.

We have launched a number of new funds during the quarter and, while they may take some time to raise, the fact that we have brought them to market underlines our confidence in the long-term prospects of those strategies.

When I look back over our three decades of history, some of our best investment vintages have been forged during periods of dislocation. Today the breadth and scale of our platform, along with our ability to invest flexibly across the capital structure, mean that we are better positioned than ever to successfully navigate these conditions, to the long-term future benefit of our clients, portfolio companies and shareholders.

”

PERFORMANCE OVERVIEW

Long-term growth

	Last five years CAGR¹
Fee-earning AUM	23% ²

¹ 31 December 2017 to 31 December 2022; ² On a constant currency basis

AUM

	31 December 2022	30 September 2022	Last three months¹	Last nine months¹	Last twelve months¹
Total AUM	\$74.5bn	\$68.5bn	2 %	7 %	11 %
Third-party AUM	\$71.4bn	\$65.6bn	3 %	8 %	12 %
Fee-earning AUM	\$60.9bn	\$57.3bn	3 %	8 %	10 %

	Three months to 31 December 2022	Nine months to 31 December 2022
Fundraising during period	\$2.8bn	\$8.5bn
Deployment during period ²	\$4.1bn	\$9.1bn
Realisations during period ³	\$1.4bn	\$3.9bn

¹ On a constant currency basis; ² From direct investment funds; ³ Realisations of third-party AUM

COMPANY TIMETABLE

Shareholder seminar on Fundraising and Client Strategy
Full year results announcement

26 January 2023, 2pm GMT
25 May 2023

ENQUIRIES

Shareholders / analysts

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ABOUT ICG

ICG is a leading alternative asset manager with over 30 years' history. We manage a range of funds on behalf of our global client base, enabling us to invest across the capital structure and to provide flexible capital solutions to help companies develop and grow. 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.

PERIOD IN REVIEW

AUM and fund activity

- Total AUM of \$74.5bn; balance sheet investment portfolio represented 4.1% of total AUM
- Third-party AUM of \$71.4bn and fee-earning AUM of \$60.9bn
- Substantial movements in FX that were seen during the second quarter of our financial year partially reversed during the period, positively impacting third-party AUM during the quarter by \$4.0bn
- At 31 Dec 2022 we had \$17.1bn of third-party AUM available to deploy in new investments (dry powder), \$10.5bn of which is not currently paying fees and will do so when the capital is invested or enters its investment period

Third-party AUM

\$m	Structured and Private Equity	Private Debt	Real Assets	Credit	Total third-party AUM
At 30 September 2022	23,302	18,485	7,402	16,382	65,571
Additions	317	2,120	376	233	3,046
Realisations	(715)	(21)	(124)	(556)	(1,416)
FX and other	1,355	1,323	594	933	4,205
At 31 December 2022	24,259	21,907	8,248	16,992	71,406
Change \$m	957	3,422	846	610	5,835
Change %	4 %	19 %	11 %	4 %	9 %
Change % (constant exchange rate)	(1)%	11 %	9 %	(1)%	3 %
LTM change % (constant exchange rate)	15 %	20 %	20 %	(4)%	12 %

Note: Additions to third-party AUM include \$218m of step-ups, which are not included within our fundraising totals

Fee-earning AUM

\$m	Structured and Private Equity	Private Debt	Real Assets	Credit	Total third-party fee-earning AUM
At 30 September 2022	23,085	11,832	6,318	16,035	57,270
<i>Funds raised: fees on committed capital</i>	130	—	54	—	184
<i>Deployment of funds: fees on invested capital</i>	229	1,053	210	233	1,725
Total additions	359	1,053	264	233	1,909
Realisations	(785)	(327)	(199)	(556)	(1,867)
FX and other	1,420	735	447	968	3,570
At 31 December 2022	24,079	13,293	6,830	16,680	60,882
Change \$m	994	1,461	512	645	3,612
Change %	4 %	12 %	8 %	4 %	6 %
Change % (constant exchange rate)	3 %	6 %	— %	2 %	3 %
LTM change % (constant exchange rate)	17 %	15 %	9 %	(1)%	10 %

Fundraising

- Fundraising of \$2.8bn during the quarter, including Senior Debt Partners (\$1.8bn) and the first close for North American Credit Partners III¹ (\$0.3bn). We also raised for Real Estate debt (\$0.3bn), had a second final close for Strategic Equity IV (raising a further \$0.1bn) and raised \$0.2bn in liquid credit
- At 31 December 2022, funds that were actively fundraising (and which had already had a first close) included: SDP V and associated SMAs; North American Private Credit Partners III; Sale and Leaseback II; LP Secondaries I; and various credit strategies
- During period we launched marketing for a number of new funds including Europe Mid-Market II, Infrastructure II and Life Sciences I, all of which will charge fees on committed capital from the date of their first close. The timing of the first closes of these funds depends on a number of factors including the deployment pace of existing funds and the prevailing market conditions

Realisations

- Realisations of \$1.4bn during the quarter within third-party AUM and \$1.9bn within third-party fee-earning AUM² (of which \$1.3bn was from direct investment funds)

¹ Formerly North America Private Debt

² The difference between the two is predominantly Private Debt, in which the majority of realisations were from funds and mandates within Senior Debt Partners where we can re-deploy the capital we realised. We do not earn fees on uninvested capital on these funds and mandates, and so it is no longer within third-party fee-earning AUM. However, it remains within our third-party AUM (and we will earn fees on the capital once it is re-deployed)

Deployment

- We deployed \$4.1bn of capital during the quarter on behalf of our direct investment funds as follows:

\$m	Q3 FY23
Structured and Private Equity	2,640
Private Debt	1,053
Real Assets	415
Total	4,108

- Structured and Private Equity: Strategic Equity deployed \$1.5bn and European Corporate deployed \$1.0bn
- Private Debt: our flagship direct lending strategy, Senior Debt Partners, continued to benefit from an attractive environment, deploying \$1bn
- Real Assets: Infrastructure Equity I and Real Estate Debt each deployed over \$200m

Balance sheet investment portfolio

- At 31 December 2022 the balance investment portfolio was valued at £2.8bn
- Portfolio company performance remains strong, with valuations of our closed-ended funds broadly in line with 30 September 2022. The decline in the value of the balance sheet investment portfolio during the quarter was largely due to net realisation proceeds and the impact of FX movements
- The breakdown of the balance sheet investment portfolio at 31 December 2022 was as follows:

£m	31 December 2022	30 September 2022
Structured and Private Equity	1,725	1,771
Private Debt	166	171
Real Assets	325	300
Credit	336	401
Seed investments ¹	224	224
Total Balance Sheet Investment Portfolio	2,776	2,867

¹ Formerly referred to as Warehouse investments

Liquidity

- At 31 December 2022, the Group had total available liquidity of £1,337m
- In March 2023, a £160m EMTN bond with an annual coupon of 5.00% matures, which we expect to repay out of existing cash resources

Sustainability and People

- ICG published its 2022 Sustainability and People report in January 2023, which includes an update on our progress towards net zero and a summary of our third-party ESG ratings
- The report is available on our website: <https://www.icgam.com/sustainability-esg/sustainability-and-people-reports/>

BOARD

- As previously announced William Rucker has been appointed as a Non-Executive Director and Chair of ICG plc effective 31 January 2023, and will succeed Andrew Sykes who has acted as interim Chair since March 2022. Mr Sykes will continue to serve as a Non-Executive Director of the Company, and will return to his role as Senior Independent Director

OTHER

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.

Foreign exchange rates

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

	Three months ended 31 December 2022 Average	Nine months ended 31 December 2022 Average	12 months ended 31 March 2022 Average	31 December 2022 period end	30 September 2022 period end	31 March 2022 period end
GBP:EUR	1.1496	1.1626	1.1755	1.1300	1.1394	1.1876
GBP:USD	1.1870	1.1992	1.3626	1.2083	1.1170	1.3138
EUR:USD	1.0329	1.0314	1.1595	1.0693	0.9803	1.1063

At 31 December 2022, our third-party AUM was \$71.4m. If EUR:USD had been 5% higher (1.228) our reported third-party AUM would have been \$1,027m higher. If GBP:USD had been 5% higher (1.2687) our reported third-party AUM would have been \$450m higher.

Where noted, this review presents changes in AUM on a constant exchange rate basis. For the purposes of these calculations, prior period AUM numbers have been translated from their underlying fund currencies to dollars at the respective current period end exchange rates. These have then been compared to the current closing AUM to arrive at the change on a constant currency exchange rate basis.