

Why invest in ICG

# LONG-TERM VALUE CREATION

“The Board has a long-term perspective on creating shareholder value. ICG operates in an attractive global market, and we are focused on ensuring the Group is strategically and financially positioned to execute on the exciting opportunities ahead.”

**William Rucker**  
Chair

## Attractive, structurally growing sector

### Client demand

Allocations to private markets are expected to grow in the coming years, supported by attractive returns, lower volatility, more availability of strategies, and the increasing importance of private markets in the global economy.

**\$7tn**

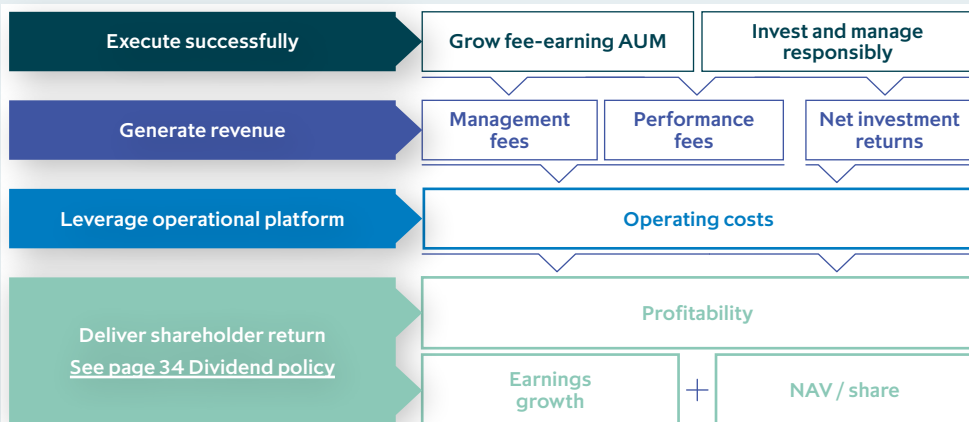
Forecast increase in private markets AUM, 2023 - 2028

Source: Prequin as of April 2024.

### Investment opportunities in private markets

An increasingly large number of businesses are looking to private markets for capitalisation to facilitate succession or invest in growth initiatives.

How we generate shareholder value



Total shareholder return since IPO

**85.8x**

(Last 10 years: 5.6x)

Source: Bloomberg as of 31 March 2024.

## Why invest in ICG continued

### Positioned to execute

#### People

Our business is deeply relationship-based. We benefit from our local teams having a strong track-record and an excellent network that enables them to originate and execute on investment and fundraising opportunities.

[Read about Our People on page 35](#)

#### Operational

##### **Broad, scaled investment strategies**

We have a diversified platform enabling our clients to invest across four asset classes.

**\$98bn**

AUM<sup>1</sup>

#### Global client footprint

Our client base is diverse and global. It includes some of the world's largest sovereign wealth funds, asset managers, pension plans and insurance companies, as well as family office and wealthy individuals.

**>680**

Clients globally

#### Financial

##### **Visible and recurring management fee income**

>90% of our AUM is in long-duration, closed-end funds. This gives us visible and recurring streams of management fee income with almost no mark-to-market exposure, enabling us to plan for the long term.

#### Strategically powerful balance sheet

Our well capitalised, robust and valuable balance sheet enables us to seed new strategies, align interests with our clients, and generate value for our shareholders.

**£3bn**

Balance sheet investment portfolio

**£1.1bn**

Total available liquidity

### Track record of growth

#### Fee-earning AUM

Our fee-earning AUM directly drives our management fees. We have developed a strong track record of raising and deploying capital, growing our fee-earning AUM substantially.

**2.2x**

Five-year growth

#### Fee income

Our management fees are visible, resilient streams of income that are generally not impacted by fund valuations. Performance fees account for 10-15% of our total fee income.

**2.6x**

Five-year growth

#### FMC PBT

There is substantial operating leverage within our business model. As our investment strategies have scaled and we have generated more fee income, our FMC PBT growth has outpaced the growth of our fee-earning AUM and fee income.

**2.6x**

Five-year growth

#### Disciplined approach to capital allocation

We balance capital allocation decisions between investing in the business and returning capital to shareholders, all underpinned by ensuring we have a robust balance sheet. Internal investment encompasses investing in our platform as well as developing new strategies and investing alongside clients in existing strategies. Our progressive dividend policy is our principal route of returning capital to shareholders.

### Drivers of future shareholder value

#### Scaling up

Our four flagship strategies account for 70% of our fee-earning AUM and generate 72% of our management fee income. We see significant opportunity for each of these strategies to grow in coming years.

**4**

Flagship strategies

#### Scaling out

We currently have 12 seeding and scaling strategies that open significant addressable markets to ICG. As these strategies scale, they will make ICG even more relevant to clients, and our fee streams will become more diversified and resilient.

**12**

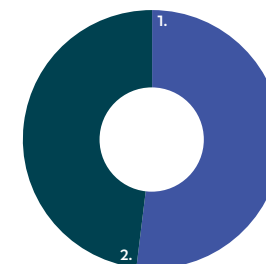
Seeding and scaling strategies

#### Invest in our platform

A world-class platform supports our client experience and product innovation, helps leverage insight from the vast amount of data across our firm, and helps protect ICG in a regulated global landscape.

#### Use of capital generated over last five years<sup>2</sup>

- 1. Dividend declared 52%
- 2. Internal investments 48%



1. During the year the Group updated its AUM measurement policy, see page 16.

2. Total EPS FY20 – FY24 inclusive, internal investments defined as cumulative APM EPS less cumulative declared dividends.