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28 November 2023

INVESTCORP CAPITAL REPORTS Q1 FY24 FINANCIAL RESULTS WITH 44% YoY NET INCOME INCREASE

Investcorp Capital plc (the “**Company**” or “**Investcorp Capital**”) (ADX symbol: “**ICAP**”/ISIN: “**AEE01354I230**”), an investor in private markets and provider of capital financing services in the alternative investments space, today announced its financial results for Q1 FY24 (“**ending 30 September 2023**”), with the Company delivering positive growth underpinned by strong business activity.

The Company posted a net profit of USD 13 million, a 44% increase compared to the same period last year. The growth demonstrates the effectiveness of management strong decision-making by Investcorp Capital in navigating the current landscape [environment?]. Return on Equity (“**ROE**”) of 10% was calculated on a Last Twelve Months (“**LTM**”) basis, and gross operating income was USD 19 million, with total operating expenses of USD 3 million. The income-to-expense ratio stands at 6.3x.

Investcorp Capital’s portfolio diversification showed that 74% of assets invested in recurring fee/yield generating assets (excluding cash), and the Company’s borrowing amount of USD 163 million results in a leverage ratio of 0.13x, indicating a conservative financial position.

KEY METRICS

	Sep ‘23	Jun ‘23
Total assets (USDm)	1,469	1,426
Gross leverage ratio	0.13x	0.03x
Co-investment / long-term capital ratio	0.60x	0.63x
Return on equity	10%	9%

Cash generating assets / total assets (%) | 74%

74%

Timothy Mattar, Chief Executive Officer of Investcorp Capital, commented: “We are delighted to announce the start of our new journey as Investcorp Capital plc, with our new public shareholders, by delivering robust financial results for the first quarter of fiscal year 2024. Our steadfast commitment remains towards the realization of our mission – to open up a world of private markets to all investors through an innovative investment vehicle.

We look forward to navigating these uncharted waters with dedication and strategic foresight.”

Abbas Rizvi, Chief Financial Officer of Investcorp Capital, added: “The results for Investcorp Capital have demonstrated a strong year on year growth of 44% and a 10% return on equity on last twelve months basis. The strong performance was anchored by strong deployment and realization activities across all asset classes, cash yield generation as per targets and a promising start to placement activity. We believe the balance sheet will deliver on the rest of year objectives.

We remain confident in our ability to deliver the targeted 8.4% dividend yield, with first payment targeted to be made soon after announcement of results for half year ending 31 December 2023.”

Investcorp Capital’s results follow the successful initial public offering and listing on the ADX on 17 November 2023. Through the IPO, the Company raised gross proceeds of approximately AED 1.66 billion (equivalent to approximately USD 451 million) from local and international professional investors.

The Company is targeting to pay dividends of at least AED 422 million (equivalent to approximately USD 114.9 million) for the financial year ending 30 June 2024, implying a dividend yield of 8.4% on an absolute and pro-rated basis and 13.5% on an annualized basis for IPO investors.

OPERATIONAL ACTIVITY

Capital Financing Services

During Q1 FY24, Investcorp Capital deployed USD 217 million across global credit, corporate investments and real estate. Realized Capital Financing Services Exposures amounted to USD 87 million in Q1 FY24 across corporate investments and real estate.

Major activities from the quarter included: deployment into PT Multitrend Indo (Mothercare Indonesia), Indonesia’s leading baby and kids omni channel platform, operating more than 126 retail stores and distributing more than 21 brands; and deployment into US light Industrial Portfolio, a real estate investment portfolio comprising of 31 buildings properties totalling approximately 1.6 million square feet across five major US markets.

Capital Deployment

In Q1 FY24, USD 45 million was invested across global credit, corporate investments, strategic capital and real estate. Proceeds from capital deployment investment realizations totalled USD 27 million during Q1 FY24 across global credit and real estate. All realizations during the quarter were equal to or above the FV marks carried at 30 June 2023.

Major activities included investment into Shearer Supply, a leading independent distributor of HVAC equipment for residential and light commercial properties in the Southern United States; Nexil, a provider of solutions for addressing construction emissions caused by the heavy use of concrete (a carbon intensive mater) and inefficient, energy intensive construction processes; Strategic Capital Fund; and Student HMO II Portfolio, a diversified real estate investment portfolio in eight individual student housing properties, located in five regional university cities and London in the United Kingdom.

-Ends-

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ABOUT INVESTCORP CAPITAL PLC

Investcorp Capital is an alternative investment company that invests in private markets and provides capital financing services. It offers investors exposure to a global portfolio of investments across various asset classes, including those that have been and will continue to be carefully selected by Investcorp Group. Investcorp Capital covers strategies across corporate investments, global credit, real estate and strategic capital, to generate value and recurring income by receiving dividends, collecting rents, financing fees and interest.

Investcorp Capital was founded by Investcorp Group, a leading independent manager of alternative investments, with approximately \$48 billion in assets under management (including assets managed by third parties). Investcorp Group has over four decades of experience and expertise in delivering attractive and consistent returns across multiple strategies, sectors and geographies.

Investcorp Capital is listed on the Abu Dhabi Securities Exchange (ADX) under the symbol "ICAP". For more information, please visit www.investcorp-capital.com.

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