2019 UNIVERSAL REGISTRATION DOCUMENT

including the
annual financial report

TIKEHAU
CAPITAL

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2019 UNIVERSAL REGISTRATION DOCUMENT

Including the annual financial report

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

The Universal Registration Document was filed on 14 April 2020 with the AMF, as the competent authority under Regulation (EU) 2017/1129, without prior approval in accordance with Article 9 of that Regulation.

The Universal Registration Document may be used for the purposes of an offer to the public of securities or the admission of securities to trading on a regulated market if it is supplemented by a securities note and, if applicable, a summary and any amendments made to the Universal Registration Document. The whole document thus constituted was approved by the AMF in accordance with Regulation (EU) 2017/1129.

The English language version of this document is a free translation from the original, which was prepared in French. All possible care has been taken to ensure that the translation is an accurate presentation of the original. However, in all matters of interpretation, views or opinion expressed in the original language version of the document in French take precedence over the translation.

IMPORTANT INFORMATION

Defined terms

In this Universal Registration Document, the term "Company" means the company Tikehau Capital SCA, a *société en commandite par actions* (partnership limited by shares) whose registered office is located at 32, rue de Monceau, 75008 Paris, registered with the Paris Trade and Companies Register under number 477 599 104. The expressions "Tikehau Capital" and the "Group" mean the Company, its consolidated subsidiaries and branches in their entirety. A glossary of the main defined terms used in this Universal Registration Document can be found in the "Glossary" section of this Universal Registration Document.

This Universal Registration Document describes Tikehau Capital on the basis of the Group's structure as at the date of this Universal Registration Document.

Accounting and financial information

This Universal Registration Document presents the consolidated financial statements of Tikehau Capital prepared in accordance with IFRS *(International Financial Reporting Standards)* as adopted by the European Union ("IFRS") for the year ended 31 December 2019. These financial statements can be found in Chapter 6 (Consolidated financial statements as at 31 December 2019) of this Universal Registration Document.

Unless otherwise stated, the figures used in this Universal Registration Document are extracted from the consolidated financial statements of the Company.

Some figures (including data expressed in thousands or millions) and percentages presented in this Universal Registration Document have been rounded. If applicable, the totals presented in this Universal Registration Document may differ slightly from what would have been obtained by adding the exact (not rounded) values of these figures.

Forward-looking information

This Universal Registration Document contains statements on the outlook and development areas of Tikehau Capital. These statements are sometimes identified by the use of the future or conditional tense and words with prospective connotations such as "consider", "envisage", "think", "target", "expect", "intend", "should", "aim", "estimate", "believe", "hope", "could" or, where appropriate, the negative form of these terms, or any other variants or similar terms. This information does not constitute historical data and must not be interpreted as a guarantee that the facts and data mentioned will actually occur. This information is based on data, assumptions and estimates considered reasonable by the Company. They may change or be modified due to uncertainties related in particular to the economic, financial, competitive and regulatory environment. This information is mentioned in various sections of this Universal Registration Document and contains data relating to Tikehau Capital's intentions, estimates and targets concerning the market, strategy, growth, results, financial position and cash of Tikehau Capital. Forward-looking statements contained in this Universal Registration Document are presented only as at the date of this Universal Registration Document. Barring any applicable legal or regulatory obligation, the Company makes no commitment to publish updates of the forward-looking information contained in this Universal Registration Document to reflect any changes in targets or events, conditions or circumstances on which the forward-looking information contained in this Universal Registration Document is based. Tikehau Capital operates in a competitive and ever-changing environment, so it may not be able to anticipate all risks, uncertainties or other factors that may affect its business, their potential impact on its business or the extent to which a risk or combination of risks might lead to significantly different results from those in any forward-looking information, and it should be noted that such forward-looking statements do not constitute a guarantee of results.

Information about the market and competition

This Universal Registration Document mainly contains information on the business segments in which Tikehau Capital operates and its competitive position. (See Section 1.4 (Tikehau Capital and its market) of this Universal Registration Document). Certain information contained in this Universal Registration Document is information publicly available that the Company believes to be reliable but which has not been verified by an independent expert. The Company cannot guarantee that a third party using different methods to gather, analyse and calculate data on these business segments would get the same results. Given the very rapid changes that characterise Tikehau Capital's business sector, it is possible that these details may be incorrect or no longer up to date. Tikehau Capital's activities could consequently evolve differently from how they are described in this Universal Registration Document. Tikehau Capital makes no commitment to publish updates on this information, except as part of any legislative or regulatory obligation that may apply to it.

The Group and the Group's asset management companies

This Universal Registration Document is in no circumstances a validation and/or updating of the programs of operations of each of the Group's asset management companies.

Risk factors

Investors are urged to consider the risk factors described in Chapter 2 (Risk Factors) of this Universal Registration Document before making any investment decision. Should all or some of those risks actually occur, they would be likely to have a negative effect on Tikehau Capital's business, financial position, financial results or targets.

A MESSAGE FROM THE MANAGER

A SOUND BALANCE SHEET TO FUEL SUSTAINABLE GROWTH

Madam, Sir, Dear Shareholders,

Asset management fulfils two major needs of our globalised ecosystems: providing returns on capital savings and financing those firms driving the economy. In a world where yields are falling to the point of turning negative, and the nature of risk is less well understood, expertise and investment discipline are increasingly essential in order to generate attractive long term returns. Tikehau Capital is a key player in European alternative asset management. Our strong, multilocal economic roots form part of our responsible approach to the risk factors and opportunities that influence our investments. Our entrepreneurial DNA guides our actions and is a unique asset helping us to efficiently manage the interests of our shareholders who put their faith in us, the partners who trust us with their capital commitments and the companies we provide finance to.

Our development relies on four essential values that are core to our investment approach: Proximity, Sustainability, Diversity and Independence. The company now comprises 532 employees working in 11 offices across Europe, USA and Asia. This global coverage allows us to stay close to our client-investors to provide quick and effective investment solutions. Our investment policy is characterised by thorough analysis that systematically integrates environmental, social and governance (ESG) criteria alongside economic, financial and operational considerations. This policy reflects our conviction that financing sustainable projects is the source of long-term growth and profitability. We invest in a wide range of asset classes, both private and listed, which allows us to pursue the most attractive investment opportunities, regardless of market conditions. Finally, independence is a core value of Tikehau Capital and our investment process is based solely on in-depth, bottom-up analysis and not on trends.

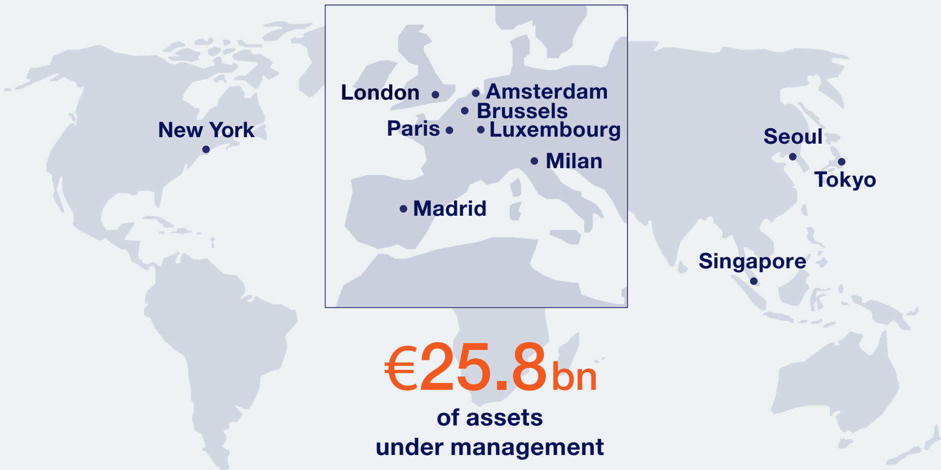
2019 was a year of strong growth for Tikehau Capital, with record net inflows of €4.6 billion and net result Group share up sharply, reaching €178.7 million compared to a €90.3 million loss the prior year. We are on track to meet our 2022 objectives. With €25.8 billion of assets under management as of the end of December 2019, we have already exceeded our 2019 target and confirmed our position as a key player in the European alternative asset management market and in financing the real economy with almost 200 European companies financed. The Group's fundraising performance was solid across all of its strategies. It included, as expected, an increasing contribution from Real Estate and Private Equity, while Private Debt and Capital Markets Strategies also continued to grow. The Group also continued to innovate in order to broaden its range of funds and to diversify its client-investor types, particularly global investors who as of the end of 2019 represented 32% of assets under management. At the same time, we are widening our offer to private investors who are increasingly allocating to alternative assets. The partnership with Intesa Sanpaolo's subsidiary Fideuram, signed at the end of 2019, gives private investors from the Italian private bank access to investment products in European Private Markets, showcasing our ability to innovate and develop our investor client base. Similarly, the success of the InCA fund, which topped €1.0 billion of assets under management this year, marks a successful step in our retail investor strategy.

We enter 2020 with strength and conviction. In today's highly uncertain and volatile international environment, further complicated by the impact of the Covid-19 crisis, we are well capitalised and positioned as a committed investor to take advantage of opportunities that arise. As of the end of 2019, the Group had a robust financial structure with more than €3.1 billion in shareholders' equity, €1.3 billion in available cash and limited financial debt. We are convinced that this strong balance sheet combined with our constant focus on prudent and selective investment decision-making, the agility core to our entrepreneurial culture, and long-term vision are instrumental to addressing the current market uncertainty and successfully continuing our profitable and sustainable growth. Building on our success, we are on track to confirm our 2022 targets of more than €35 billion of assets under management and more than €100 million in net operating profit from Asset Management activity. These targets and the close alignment of interests between our shareholders, investors and employees are the foundation of our success.

Antoine Flamarion and Mathieu Chabran
Co-Founders of Tikehau Capital
Representatives of the Manager

OUR KEY RESOURCES

A MULTI-LOCAL PLATFORM



€25.8bn
of assets under management

Assets under management
from a global base of investor-clients and savers

Global sourcing
of investment opportunities

DIVERSE AND SPECIALIST TEAMS

532 partners and employees

Average years of experience	Nationalities	Share of women in the workforce
14	25	44%

SOLID FINANCIAL STRUCTURE

Group shareholders' equity	Available cash	Net result - Group share
€3.1 bn	€1.3bn	€178.7m

A LONG-TERM FINAN

4 BUSINESS

We finance the economy

PRIVATE DEBT	REAL ESTATE
€8.6bn	€9.2bn

Assets under

A VIRTUOUS

Tikehau Capital directs global savings towards financing

A LONG-TERM

98 %
of assets under management in closed-ended funds committed for 3 years or more

DATA AS AT 31.12.2019

Leading institutional shareholders committed over the long-term

Management and employees

ENTREPRENEURIAL DNA

CIAL PARTNER

LINES

through four business lines

PRIVATE EQUITY	CAPITAL MARKETS STRATEGIES
€4.2bn	€3.8bn

management

CIRCLE MODEL

of the real economy and providing vital support for businesses

PARTNER

>220

companies financed through **our long-term strategies**

CREATING SUSTAINABLE VALUE

THREE DRIVERS FOR CREATING FINANCIAL VALUE

- **Management fees**
- **Performance fees/carried interest**
- **Dividends/ coupons/ capital gains**

SOCIETAL AND **ENVIRONMENTAL** CONTRIBUTION

Focus on 2 of the 17 United Nations Sustainable Development Goals

8 DECENT WORK AND ECONOMIC GROWTH

+ €10bn

in financing solutions to develop SMEs

13 CLIMATE ACTION

Develop a dedicated energy and ecological transition platform leveraging the 1st **major private equity fund** addressing this theme

LONG-TERM **OBJECTIVES**

By 2022

Reach over €35bn in assets under management

Achieve a net operating profit above €100m from Asset Management activity; i.e. 1.7 time the one achieved in 2019

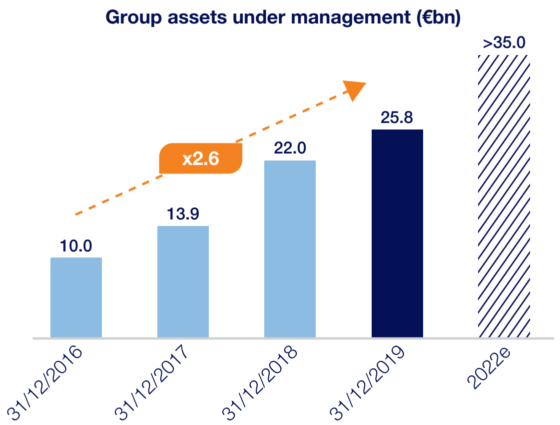
control 44% of the capital

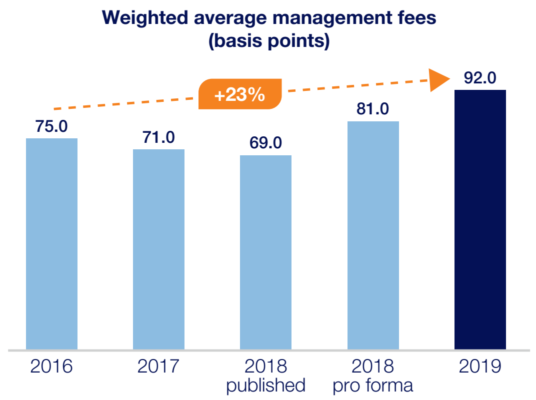
A significant portion of our portfolio (61%) is invested in our strategies alongside our clients

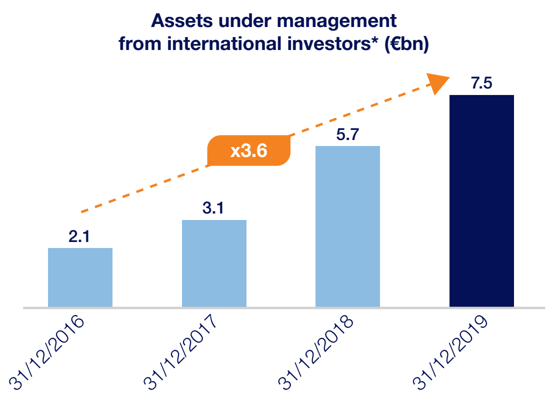
ALIGNMENT OF INTERESTS BETWEEN SHAREHOLDERS, INVESTOR-CLIENTS AND MANAGEMENT

KEY FIGURES

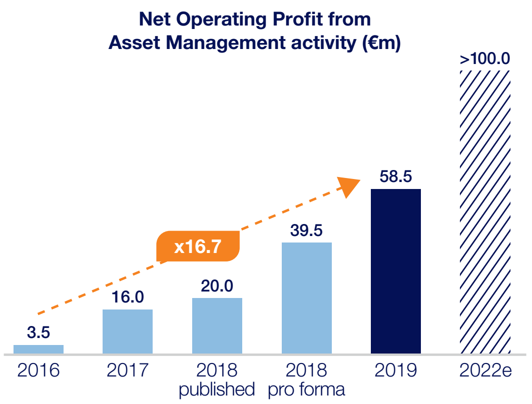
The following charts show the key financial information for the Group that the Company follows in its financial reporting.

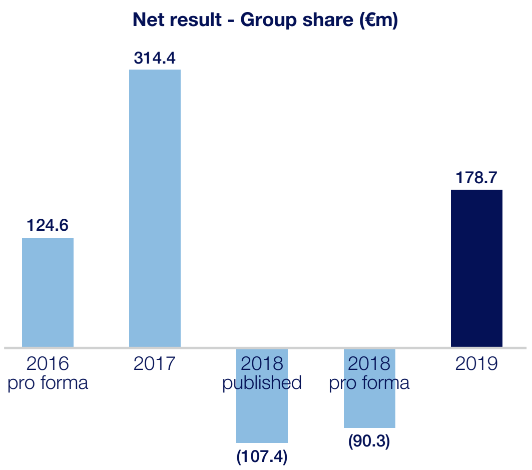


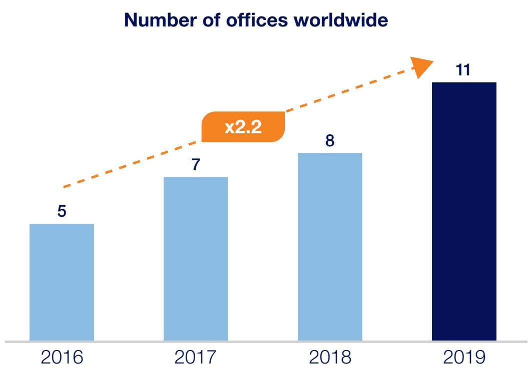


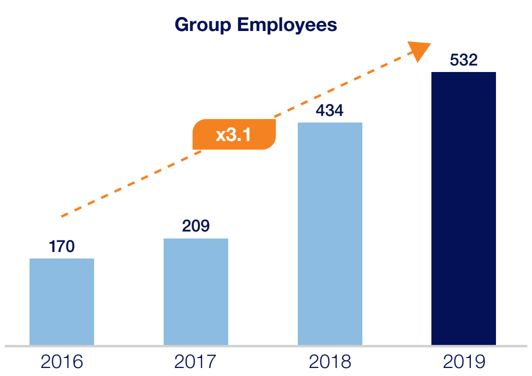


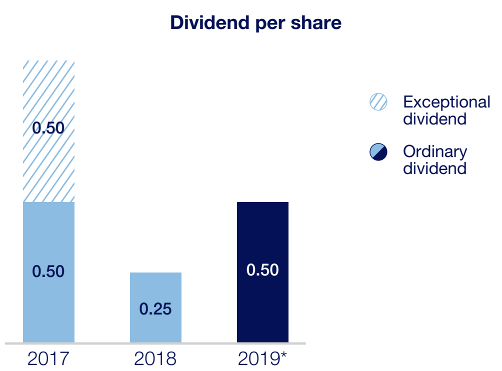
*Within the Asset Management activity.











*Proposed to the General Meeting of Shareholders of 19 May 2020.

1.

PRESENTATION OF THE GROUP AND ITS ACTIVITIES

1.1 GENERAL OVERVIEW OF TIKEHAU CAPITAL

1.1.1 General overview of Tikehau Capital

Tikehau Capital is an asset management and investment group which was set up in Paris in 2004, with shareholders' equity of €4 million, by Mr Antoine Flamarion and Mr Mathieu Chabran. Fifteen years later, having surpassed its latest targets, Tikehau Capital directly or indirectly manages assets of €25.8 billion [(1)], with shareholders' equity of €3.1 billion. The Group has expanded dynamically firstly, in its Asset Management activity comprising four business lines: Private Debt, Real Estate, Capital Markets Strategies (bond management/diversified management and equities) and Private Equity, and secondly, in its Direct Investments activity, with the Group increasingly investing in the funds managed by the Group's asset managers. The Group provides its investor-clients with alternative investment opportunities targeting long-term value creation.

Tikehau Capital's independent positioning has consolidated its value and reputation within the alternative asset management industry year after year. Its independence has enabled the Group to develop a distinctive business model through its flexible approach, allocating capital primarily across all four business lines.

By allocating its equity to support the Group's various investment strategies, Tikehau Capital creates the conditions for a clear alignment of interests between the Group's balance sheet and investments made by its investor-clients. This approach is key to building a relationship of trust with its shareholders and investor-clients. The Company is controlled by its management, which relies on leading institutional partners and operates under the oversight of a Supervisory Board 50% composed of independent members. Alignment of interests is at the heart of the Group's culture, which, since its creation, has favoured entrepreneurial values of commitment, high standards and reliability, combined with acknowledged investment skills.

Across all of its strategies, Tikehau Capital's unique approach focuses primarily on fundamental analysis and highly selective investments. Furthermore, Tikehau Capital has always focused on bespoke solutions adapted to the needs of its investor-clients.

Created in Paris, Tikehau Capital has continued its development abroad in recent years by opening offices in London, Brussels, Madrid, Milan, Seoul, Singapore, New York and in Tokyo, Luxembourg and Amsterdam in 2019.

1.1.2 Activities of Tikehau Capital

Asset Management

Within its Asset Management activity, the Group operates through four business lines:

- **Private Debt –** Tikehau Capital is one of the pioneers of Private Debt transactions in Europe and France. The Group's Private Debt teams are involved in debt financing transactions (senior debt, unitranche, mezzanine, etc.) for a size between €10 million and €300 million, as arranger or financer. This business line also includes securitisation activities dedicated to CLO (Collateralised Loan Obligations), ("CLO"), a specialised product consisting of debt securities backed by a portfolio of leveraged loans. As at 31 December 2019, assets under management in Tikehau Capital's Private Debt funds amounted to €8.6 billion, representing 33% of the Group's assets under management. (See Section 1.3.2.1 (Private Debt activity) of this Universal Registration Document);
- **Real Estate –** Tikehau Capital's Real Estate activity mainly focuses on commercial and office property through investment vehicles managed by Tikehau IM or Sofidy (See Section 1.3.2.2 (Real Estate activity) of this Universal Registration Document), which act as purchasers of high-quality assets, with a yield-generating potential as well as a potential capital gain on resale. Tikehau Capital's Real Estate investment activity has historically been developed through the establishment of dedicated acquisition vehicles for each transaction, while Sofidy's Real Estate activity has been in development since 1987, primarily through the establishment of SCPI (*société civile de placement immobilier*, Real Estate Investment Companies). As at 31 December 2019, assets under management in Tikehau Capital's Real Estate activity amounted to €9.2 billion, representing 36% of the Group's assets under management (See Section 1.3.2.2 (Real Estate activity) of this Universal Registration Document);
- **Capital Markets Strategies –** This business (formerly known as "Liquid Strategies") line comprises two activities: fixed income management, and diversified and equities management, and has the particular characteristic of being carried out through what are known as open-ended funds, *i.e.* from which investors may decide to withdraw at any time by requesting redemption of their units. As part of its fixed income management activity, Tikehau Capital invests in bonds whether or not issued by private companies (corporate bonds), as well as investment grade securities (*i.e.* corresponding to companies with a high rating) or high yield securities. As part of its diversified and equities management business, Tikehau Capital manages open-ended funds offering access to a flexible balanced management in the equity and credit markets. As at 31 December 2019, assets under management in Tikehau Capital's Capital Markets Strategies activity totalled €3.8 billion, representing 15% of the Group's assets under management. (See Section 1.3.2.3 (Capital Markets Strategies activity) of this Universal Registration Document);

(1) *Assets under management as at 31 December 2019. See Section 1.3.1.2 (Tikehau Capital's business model) of this Universal Registration Document.*

- **Private Equity –** As part of this activity and on behalf of its investor-clients (Private Equity), the Group invests in the equity capital (equity and hybrid instruments giving access to equity) of primarily non-listed companies. The Group is continuing to develop its Asset Management business on behalf of its investor-clients and as at 31 December 2019, managed €2.0 billion within this framework, representing 8% of the Group's assets under management. This proportion is expected to increase over the coming years, as new strategies are implemented (See Section 1.3.2.4 (Private Equity activity) of this Universal Registration Document).

Direct Investments

As part of its Direct Investments activity made from its balance sheet, the Group makes balanced investments in both listed and unlisted companies, or in investment vehicles. As at 31 December 2019, the Group's investments accounted for €2.2 billion in assets, representing 8% of the Group's assets under management (See Section 1.3.3 (Direct Investments activity) of this Universal Registration Document).

1.1.3 History of Tikehau Capital

2004	Tikehau Capital was founded by Mr Antoine Flamarion and Mr Mathieu Chabran with the aim of developing a proprietary investment business.
2006	Tikehau Capital created Tikehau Investment Management, an independent asset management company.
2009	Crédit Mutuel Arkéa acquired equity in the Company.
2010	Tikehau Capital entered into a strategic partnership with Crédit Mutuel Arkéa, which took a 15% interest in Tikehau IM.
2011	Tikehau Capital entered into a strategic partnership with UniCredit.
2012	Tikehau IM and Macquarie Lending announced a partnership to offer financing solutions. Tikehau Capital acquired control of the listed holding company Salvepar from Société Générale and launched a tender offer for Salvepar's equity capital. This acquisition allowed Tikehau Capital to develop a business dedicated to minority equity investment.
2013	Tikehau Capital has continued to strengthen its shareholders' equity, notably with the support of MACSF. The Group opened an office in London. Tikehau IM was selected to manage Novo, a *fonds de place* (fund sponsored by institutional investors), following a tender launched by the *Caisse des dépôts et consignations* (CDC), the French Insurance Federation (FFA) and 27 institutional investors.
2014	Tikehau Capital further strengthened its shareholders' equity and opened its first Asian office in Singapore as part of its international development strategy. The Group has signed the United Nations Principles for Responsible Investment (UN PRI).
2015	Tikehau Capital has continued its strategy of international growth and increases its presence in Europe with the opening of offices in Brussels and Milan. Tikehau Capital Europe launched its first Collateralised Loan Obligations.
2016	Tikehau Capital carried out a capital increase for an amount of €416 million and includes as its shareholders the Singaporean investment company Temasek, and the listed French investment company FFP. Tikehau Capital acquired a stake in the asset management company IREIT Global, a Singapore-listed Real Estate investment vehicle. With a view to its IPO, the Company became a *société en commandite par actions* (partnership limited by shares) and benefits from the contribution of assets enabling it to become the Group's parent company.
2017	The Company launched a stock-for-stock and cash tender offer for the securities of its listed subsidiary Salvepar and carried out capital increases in shareholders a total amount of €200 million in anticipation of the Company's IPO, and in connection with the investment by the Fonds Stratégique de Participations in the Company. On 7 March 2017, Tikehau Capital shares were listed on the regulated market of Euronext Paris. Tikehau Capital acquired approximately 96% of the capital of Credit.fr, a French specialist in crowdfunding for small and medium-sized enterprises. Tikehau Capital completed a capital increase of €702 million in July, and has continued to increase its shareholder base. Tikehau Capital strengthened its financial resources by signing an unsecured syndicated five-year loan of €1 billion and by making an inaugural issue of fixed-rate bonds for the amount of €300 million over six years.
2018	Total SA participated alongside Tikehau Capital in the creation of an investment fund dedicated to energy transition (T2 Energy Transition Fund). Tikehau Capital launched a number of Private Equity funds (including Tikehau Growth Equity II). The Group opened an office in New York. Tikehau Capital acquired Sofidy, a major player on the French market for real estate asset management. Tikehau Capital acquired ACE Management, a dedicated asset management company specialising in aerospace, defence and cyber security.

2019	Tikehau Capital obtained an Investment Grade rating (BBB-, stable outlook) from the Fitch financial rating agency and issued a €500 million seven-year bond. Tikehau Capital completed a €715 million capital increase to finance the next phase of its development in alternative asset management. Tikehau Capital acquired Homunity, the leader in real estate crowdfunding in France. Tikehau Capital and T&D Insurance Group formed a strategic partnership in Japan. Tikehau Capital partnered with Fideuram - Intensa Sanpaolo Private Banking to offer private market investment solutions to private banking clients. Tikehau Capital put a Tactical Strategies team in place to handle the management of several asset classes.
2020	Tikehau Real Estate Opportunity 2018 (TREO 2018), the Group's European value-added strategy real estate fund, completed its final closing at the end of February 2020 with a final amount raised of €560 million, bringing the fund's assets under management to €729 million.

1.2 STRATEGY AND COMPETITIVE ADVANTAGES

1.2.1 Objectives and strategy

Tikehau Capital's strategy is to position the Group as a key player in the European alternative asset management market, which has a high growth potential.

To achieve this, Tikehau Capital is relying on a differentiating business model based on its solid equity base, which gives it a major competitive advantage in its industry (see Section 1.2.2 (Competitive advantages) of this Universal Registration Document). This model enables it to be ideally positioned to capture a growing share of the alternative asset management market which benefits from favorable structural tailwinds (see Section 1.4 (Tikehau Capital and its market) of this Universal Registration Document). Since it was founded the Group shown fast, consistent and value-creating growth, demonstrating the relevance of its model and positioning, also confirmed by solid performance delivered in 2019.

In 2020, and in coming years, Tikehau Capital will pursue its strategy through the following key development areas:

- maintaining dynamic, profitable and sustainable organic growth in Asset Management;
- deploying the Group's capital to create value for stakeholders.

All of these initiatives enable the Group to set two structural objectives (excluding potential acquisitions) by 2022:

- reach over €35 billion in assets under management, more than 35% higher than the €25.8 billion under management at the end of 2019; and
- generate over €100 million of net operating profit from Asset Management, over 70% more than the €58.5 million achieved in 2019.

Maintaining dynamic, profitable and sustainable organic growth in Asset Management

Continuing growth in the Asset Management business is at the heart of Tikehau Capital's strategy and the development of its business model. The Group intends to continue its strong fundraising momentum in all the asset classes it manages. It also plans to expand its offer to new asset classes, such as infrastructure, and new types of investor-clients.

Continue to develop existing asset classes

Tikehau Capital is active in four broad asset classes: Private Debt, Real Estate, Private Equity and Capital Markets Strategies. Since its IPO, the Group has significantly grown assets under management in each of these strategies, with a particular emphasis on rebalancing its business mix toward more Real Estate and Private Equity, which have historically made up a smaller part of Group assets under management. In an environment of rising investor demand for alternative assets, each of these activities has major growth potential.

Private Debt

In Private Debt, on 12 February 2019, the Group announced that it had completed the fundraising for its fourth generation of direct lending funds: Tikehau Direct Lending (TDL) reaching a record €2.1 billion, over three times higher than the previous generation. This confirms the appeal of Tikehau Capital's Private Debt investment platform, the result of the long experience of a solid team able to fund a highly diverse range of transactions across Europe. It also allows the Group to leverage the resulting scale effects and operating leverage. The Group will continue to roll out sequential generations of Direct Lending funds. The fifth generation is due to launch in the first half of 2020.

By the same token, Tikehau Capital has issued one CLO (Collateralised Loan Obligation) per year since 2015 (for a cumulative €2.0 billion as at 31 December 2019) and plans to continue to forge ahead in this area. During summer 2019, for instance, the Group announced the completion of its 5th CLO totalling €440 million with a diversified and highly international investor base, proving the strong recognition of the Group's expertise in this activity.

In 2020, Tikehau Capital announced the launch of a secondary Private Debt fund in an as-yet immature market in which the Group can leverage its renowned expertise in Private Debt, as well as the launch of a Private Debt impact fund that offers financing solutions to companies engaged in energy transition.

Real Estate

Tikehau Capital is continuing to develop its Real Estate business in a number of areas. First, in 2019 the Group continued to market its Tikehau Real Estate Opportunity 2018 fund (TREO 2018), the first discretionary Real Estate fund dedicated to the value-add strategy launched in 2018. As of the end of December 2019, TREO 2018 had €570 million of assets under management. Marketing was completed in the first quarter 2020. The Group also continues to deploy its expertise in the launch of co-investment vehicles dedicated to specific asset portfolios. In 2019, it successfully raised close to €180 million in a co-investment fund targeting residential Real Estate in France. The Group plans to continue building up its position in this sort of transaction. The third growth area for Tikehau Capital in Real Estate is through Sofidy, a major Real Estate asset manager in France, acquired by the Group in December 2018. As the leading independent force in the SCPI (French REIT) market with €6.2 billion under management as of the end of December 2019, Sofidy continues to develop by offering savings and investment products targeting commercial and office real estate.

Finally, the Group manages two listed Real Estate permanent capital vehicles, IREIT Global based in Singapore and Sélectirente, within Sofidy's perimeter (see Section 1.3.2.2(c) (Real estate companies managed by the Group) in this Universal Registration Document). The acquisition of IREIT Global Group in 2016 allowed the Group to significantly increase its assets under management in this strategy by benefiting from an investment platform in Europe through a vehicle listed in Singapore, giving it particular visibility for Asian investors. Sélectirente, a listed Real Estate company specialising in city centre commercial real estate, whose management is delegated to Sofidy. It bolstered its capital with a successful €217 million fundraising ending in December 2019, giving it the funds to finance its future development.

Private Equity

Tikehau Capital intends to continue to increase the proportion of Private Equity in its assets under management. This is a key asset class in the Group's development plans and one where Tikehau Capital has long experience and a solid performance track record. Until 2018, Tikehau Capital's Private Equity business was carried on the Group balance sheet. Since then, Private Equity has been developed within the Asset Management activity, through closed-end funds with long investment horizons offered to third-party investors.

Assets under management increased within two years from €100 million (as of the end of December 2017) to €2.0 billion (as of the end of December 2019). As in every strategy, the Tikehau Capital balance sheet is a major investor in these funds.

The change in assets under management funds managed for third parties owed much to the commercial success of a Private Equity fund dedicated to the energy transition, T2 Energy Transition Fund, launched in partnership with Total SA. The fund's investments will concentrate on companies making progress in three areas decisive for the energy transition:

- **clean energy production:** introduction of solutions to diversify the energy mix, projects to produce energy from non-carbon resources;
- **low-carbon mobility:** development of infrastructure for electric vehicles, rise in equipment and services linked to low-carbon mobility and developments linked to the use of natural gas in transport to replace diesel and marine gas oil;
- **improved energy efficiency, storage and digitalization:** search for and implementation of solutions to introduce and optimise energy storage, optimise energy use of buildings and companies.

This fund is a perfect fit with Tikehau Capital's voluntary ESG policy, which considers equity investment as particularly relevant for an effective and long-term support of companies committed to energy transition.

Tikehau Capital also successfully launched in 2018, and continued in 2019, the fundraising for a generalist Private Equity fund to take minority investments, Tikehau Growth Equity II (TGE II). As of the end of December 2019 it had €370 million under management.

In September 2019, the Group also successfully launched its first secondary Private Equity fund, with fundraising completed in December 2019, and which was oversubscribed by a diversified base of French and international investors. The assets under management of this fund reached €240 million as of the end of December, 15% of which comes from Tikehau Capital's own balance sheet. The same investor-clients committing to this secondary fund also committed to TGE II.

These two funds rely on the track record in growth equity established by the Group with its balance sheet investments since its creation. The growth equity activity is different from majority Private Equity investment. It consists in supporting growing SMEs and mid-sized companies by providing resources while remaining a minority investor, often alongside the founders, entrepreneurs or controlling families. It means taking positions alongside high potential mid-sized companies in growing markets, whose investment needs have outstripped the resources of traditional development capital investors but are not yet big enough to attract pension funds.

This is a less competitive market than majority Private Equity investing and Tikehau Capital is offering mid-sized companies both the quality support of a committed shareholder with an international presence in 11 countries and a an active yet non-intrusive governance approach.

Finally, in December 2018, Tikehau Capital acquired ACE Management, an asset management company which for 20 years has specialised in Private Equity to drive innovation and industry. ACE Management's investors are primarily major international groups, operating across the aerospace and defence industries. ACE Management manages three major families of funds to serve its investor-clients, representing a total of around €330 million in assets as of the end of 2019: Aerofund (aerospace), Brienne (defence and security) and Atalaya (maritime). In 2019, ACE Management, completed the first closing of Brienne III, the first French Private Equity fund dedicated to cybersecurity, for €80 million.

Capital Markets Strategies

The Group sees open-ended funds as a pillar of its growth, alongside the development of closed-end funds (see Section 1.3.2.3 (Capital Markets Strategies activity) of this Universal Registration Document). Indeed, they allow the inflow of substantial subscriptions when they outperform their benchmark markets and contribute to the diversification of the Group's sources of revenue. As an illustration, in 2019, Tikehau Capital's Capital Markets Strategies assets under management grew by 15% to €3.8 billion at year-end. The construction of the range of open-ended funds managed by the Group allows it to respond to any market situation, especially in anticipation of a downward trend. In 2019, the flexible fund Tikehau Income Cross Assets (InCA) had a record year for net new money, multiplying its assets under management by more than 2.5 times during the year to €1.0 billion as of the end of December 2019 compared with around €400 million a year earlier. This success was mainly driven by subscriptions from retail investors, particularly through private bank networks.

Furthermore, during the fourth quarter, the Group expanded its product offering in this asset class by taking over the management of a €90 million fund investing in high-yield bonds of mid-sized U.S. companies. The Group thus strengthened its North American presence by bringing the fund's two managers into its New York office, each with 20 years' experience in the asset class. In addition to operating in this sector in Europe and Asia, Tikehau Capital now has global expertise in high-yield fixed income investment. Looking to the future, the Group intends to continue expanding its product line, in particular by offering its clients new funds exposed to capital markets but without daily liquidity.

Expanding the product range, client base and marketing channels

The Group is constantly examining the development of new fund ranges or strategies based on needs identified for its investor-clients and their availability to date. This approach is part of the Group's strategy to provide rapid, innovative and differentiating responses to the needs of its investor-clients. It may also lead the Group to expand its client base, particularly toward private clients, by developing specific offers tailored to these investors' profile.

Offering innovative products to new client types

Tikehau Capital's investor-client base is diversified and includes several types: insurers, asset management companies, family offices, pension funds etc. The Group is also offering a range of funds that can be accessed by private clients, notably liquid funds as part of Capital Markets Strategies and its crowdfunding businesses (Credit.fr and Homunity), but also through Sofidy's Real Estate investment products. Retail clients, particularly high net worth individuals, show growing interest in investing in one or more private asset classes where the Group is active, including through closed-end funds, *i.e* funds that do not offer investors total liquidity before the fund reaches maturity.

Tikehau Capital has decided to assign a team and specific resources to marketing solutions across several of the Group's asset classes. The team in charge of this cross-asset activity (called "Tactical Strategies") is both continuing to develop solutions that allow new types of client, particularly private clients, to invest in private asset funds, and developing a range of special situation funds, with a multi-sector opportunistic profile, some of which can invest in various asset classes.

This cross-asset initiative had its first success in 2019. In the fourth quarter 2019, Tikehau Capital launched its first fund offering a bespoke, multi-asset solution aimed at providing high net worth individuals with diversified exposure to European private markets. Launched in Italy in partnership with Fideuram – Intesa Sanpaolo Private Banking, the largest Italian private bank, this fund raised approximately €400 million from around 3,000 Italian private investors. This initiative confirms the attractiveness of Tikehau Capital's strategies and positioning, and demonstrates its ability to cater the investment needs of the fast growing private clients base.

The Group expects to continue developing this type of product in other geographical sectors in future. At the end of 2019, the Group also launched its second generation of funds dedicated to special situations, which had €210 million in assets under management as at 31 December 2019 and will continue to be marketed in 2020.

Increasing the Group's international footprint

Building on its commercial success with large institutional clients in France and Europe and against a backdrop of strong global demand for alternative assets, the Group intends to continue its expansion by venturing into new geographic areas, particularly North America and Asia.

The Group's priority is to expand coverage of local investor-clients, mainly through its different branches, in order to develop its investor-client base outside France. Although the Group's main objective is to take advantage of its existing locations in 11 countries, it may consider opening further offices. Its business strategy is based on the Group's investment history and the success of recent fundraising that generate a virtuous circle. Tikehau Capital intends to capitalise on its experience and past performance in order to present investor-clients in these regions with a differentiated investment offer. The Group also intends to benefit from the growing interest of investors in the European area. This growth will be supported by strengthening the teams in charge of development of each of these markets.

In 2019, the Group stepped up its international footprint by opening three new foreign offices: Japan, the Netherlands and Luxembourg. Also, in the course of 2019, 44% of funds raised in the Group's Asset Management activity came from international clients, who represented 32% of its assets under management as of the end of December 2019, compared to 16% five years earlier. One example was the fundraising for the fourth generation of Tikehau Direct Lending (TDL), which closed in February 2019 having collected €2.1 billion. This confirmed the accelerating international component in Tikehau Capital's investor base, with more than 70% of assets under management drawn from investors outside France and over 30% from outside Europe.

Tikehau Capital's multi-local presence also enables the Group to position itself close to investment opportunities for the funds it manages amid intensified competition to identify, select and complete transactions, whether in corporate financing, private equity or acquisition of Real Estate assets. Tikehau Capital's platform, with a presence as close as possible to the socio-economic fabric of the countries in which the Group operates, is therefore a major asset for its funds' current and future performance.

Increasing the marketing force

The Group intends to continue its commercial expansion in order to sustain the growth of its assets under management. Its sales organisation, structured around an international sales force, distribution networks and placement agents (see Section 1.3.1.3 (The operational organisation of Tikehau Capital) of this Universal Registration Document) is one of its major assets in rolling out its offer to institutional clients around the world, family offices, distribution networks and independent management consultants. The Group therefore intends to capitalise on this type of commercial leverage by, firstly, strengthening its teams in targeted geographic areas, and, secondly, by a controlled use of placement agents and adding to the number of differentiating commercial partnerships, where the Group is constantly considering new opportunities.

Investing selectively and sustainably for long-term performance

Tikehau Capital relies on its economic roots and a long-term approach to fulfil two needs: to provide returns on savings and to finance companies and projects. The Group invests on behalf of its investor-clients to provide financing solutions across the corporate capital structure, with a will to align the interests of different stakeholders. Tikehau Capital acts as a long-term financial partner. This stems from strong local roots and an entrepreneurial spirit shared by management and its employees.

The Group's independent model is based on a multi-local platform that allows it to get close to the best investment opportunities for its funds. Tikehau Capital also applies a conviction investment approach based on its robust fundamental analysis capabilities: analysis of economic, financial and operational factors as well as environmental, social and governance ("ESG") criteria. This approach, supported by major investments from the Group's balance sheet in each fund, makes Tikehau Capital especially vigilant and selective in the choice of investment opportunities for these funds. For example, the Group communicated performance indicators for several of its funds, notably in its Private Debt and Real Estate activities, to illustrate the relevance of the investment decisions made by its investment teams in a tangible manner. As a result, at the end of 2019, the gross internal rates of return (IRR) generated by the investments from which the first three generations of Tikehau Capital's Direct Lending funds exited amounted to 9.1%, 16.7% and 10.1% respectively. It should be noted that these IRRs correspond to the actual performance of the assets realised, before management fees and carried interest. Similarly, the money multiples achieved by the TRE I, TRE II, TRE III and TLP 1 real estate funds amounted to 1.9x, 1.5x, 1.7x and 2.0x respectively. These multiples correspond to the ratio of the proceeds from the disposal of assets to the value of the initial investment.

The process for incorporating ESG issues is at the core of Tikehau Capital's approach and is shared across all Group activities. Tikehau Capital has opted to systematically integrate ESG criteria into analysis of all investment opportunities, imposing a strong responsibility on investment teams for these issues. The process is applied at each key stage in the life of these investments.

The Group has defined geographical, sector and behavioural exclusions that investment teams refer to when selecting opportunities. Also, when considering a new investment, the team in charge of the analysis performs an assessment by completing a grid of questions which fall under three categories: Environment, Social and Governance. Based on a multi-criteria analysis, an overall score is then calculated for the identified risks. This score makes it possible to determine an overall ESG risk and opportunity level. The summary of this analysis grid is included in the memo submitted to the Investment Committee responsible for validating investment decisions. In addition, in order to raise awareness within portfolio companies about these issues in the early stages of the investment relationship, an ESG clause is included wherever possible in shareholders' agreements or credit documentation. Finally, throughout the lifetime of the investment, the ESG performance of portfolio companies and assets is reviewed each year. This review makes it possible to identify changes or possible deterioration regarding ESG factors and to encourage, where appropriate, the companies or assets invested in to set up a process of improvement in these matters.

The ESG Committee has nine members, mostly senior and drawn from a wide range of business activities and functions. The Committee's roadmap involves promoting sustainable development through all the Group's activities to create value for all its stakeholders (particularly its investor-clients, employees and the companies in which it invests).

Furthermore, operational ESG committees for each of the investment platforms have been set up to ensure the consistency of investment decisions with the Group's policy. Backed by their right of veto, these committees are responsible for making decisions on complex investments which may represent the high ESG risks identified by the teams. Since January 2018, 11 investment opportunities have been assessed, two of which were rejected.

Finally, the Group has taken concrete action to ensure its ESG convictions are reflected in the offer to investor-clients. Therefore, in 2018, the Group also launched a Private Equity fund dedicated to the energy transition, T2 Energy Transition Fund, in partnership with Total SA. The fund is a perfect fit with Tikehau Capital's voluntary ESG policy as the Group is convinced equity investment is a particularly effective way to achieve the energy transition, as it offers a long-term prospect for creating growth and jobs for companies.

In 2020, Tikehau Capital announced the launch of a Private Debt impact fund, embodying the Group's convictions on climate change that seeks to finance companies developing projects that contribute to a low-carbon economy.

Optimising revenue and profitability from Asset Management activity

The Group plans to improve profitability by rapidly growing its assets under management, but also by investing funds raised. Thus, Tikehau Capital considers that the gradual investment of these funds should result in (i) an automatic increase in fee-paying assets under management (to the extent that, in closed-end funds, the management fee rate generally differs between amounts committed by investors and the amounts actually invested by the funds), then (ii) later, if applicable, by the triggering of performance fees and carried interest, which will provide significant additional revenue for the Group.

As an example, as at 31 December 2019, 84% of the Group's assets under management are fee-paying, and 11% of these assets are future fee-paying (covering 95% of total assets), which leaves a significant scope to grow operating income in Asset Management simply by virtue of the future increase in the percentage of fee-paying assets. Furthermore, this is an ongoing source of revenue as, within these fee-generating assets under management at the end of 2019, 98% of closed-fund assets generated revenue over a period of more than three years. In addition, the Group's assets under management potentially eligible for carried interest grew by 27% in 2019 to reach €8.6 billion at the end of December 2019. Of this total, €5.1 billion were already invested (+31% over one year), of which €2.7 billion generated rates of return above their target rate of return (hurdle rate, *i.e.* the rate of return above which performance incentives are payable), up 19% compared to 2018.

Tikehau Capital also aims at developing products that allow higher management and performance fees to be charged, by developing recognised, differentiating and, if possible, rare expertise and capitalising on the performance of the funds it already manages and the quality of the relationship with its investor-clients. The Group is applying this strategy in Private Equity and Real Estate, for instance, both of which generate management fees above the current Group average. The primary initiative for development of these asset classes is organic growth initiatives, with the launch of new funds for investor-clients, but may also include external growth transactions. The Group's aim is to translate its expertise and the added value of its independence in current and new strategies developed to meet the expressed needs of its clients and its market expectations.

Tikehau Capital has placed the scale effect at the heart of its strategy, *i.e.* the use of operating leverage which allows a greater volume of business to be handled – including investors, amounts invested and investments - while keeping a tight grip on the costs required to continuously upgrade its Asset Management platform.

The Group believes that its growth and investment objectives must be achieved without losing sight of cost control and intends to monitor its cost/revenue ratio, making sure it remains in line with the development of profitable growth. Accordingly, the Group announced in 2019 that it had achieved an operating margin of 33.5% for Asset Management, up 2.1 points year-on-year. Adding in scale effects from the bigger asset base paying fees and the shift in the mix of Group assets under management toward higher-margin strategies, plus the controlled growth in operating costs, the Group's Asset Management business should benefit from operating leverage in the next few years as revenue growth outstrips the rise in costs.

This approach means the Group can confirm its objective of generating over €100 million in operating profit from Asset Management by 2022, compared to €58.5 million in 2019.

Deploying the Group's capital to create value for stakeholders

Increasing the Group's investments in its own funds

To position itself as a key player in the alternative Asset Management market, Tikehau Capital's strategy is based on a solid financial structure, with substantial shareholders' equity invested primarily in Group strategies alongside its investor-clients.

Thus, the successive capital increases carried out by the Company since 2016 (see Section 8.3.1 (Historical information about the share capital over the last three financial years) of this Universal Registration Document), the setting up of new financing (see Section 5.2.3 (Liquidity and Capital Resources)) plus the resources generated by rotating its investment portfolio have given the Group the substantial resources it needs to finance its development.

The Group intends to continue investing this capital substantially in the vehicles it manages, to (i) ensure their launch and marketing, (ii) to encourage an alignment of interests with those of its investor clients, and (ii) to use the returns from these vehicles as a source of recurring revenue. The gradual and steady stream of new closed-end funds should strengthen the recurrence of Group revenues, particularly those related to outperformance. Convinced of the quality of the funds it manages, the Group believes that they are a particularly suitable use for its resources.

This differentiating strategy is beneficial to the Group in two ways:

- boosting growth of its Asset Management activity, by aligning its interests with those of its investor-clients; and
- improving the visibility of its revenues and its return on equity by growing the share of portfolio revenues contributed by the performance of its own strategies.

In terms of timing, the actual pace of deployment and allocation of the Group's capital will depend on (i) the pace of investment and, in particular, the gradual marketing of new funds by the Group's asset management companies, based on the appetite of the Group's investor-clients for each asset class proposed by the Group, (ii) the turnover rate of the assets in the portfolio and (iii) the investment opportunities received by the Company, something which is inherently unknown and which will depend on various factors such as the macroeconomic environment or the attractiveness of each given asset class at any time.

As of the end of 2019, 61% of Tikehau Capital's portfolio was comprised of investments from its own equity and the Group confirmed its objective of raising this to between 65% and 75% by 2022. This priority area for allocating its capital should give Tikehau Capital additional revenue sources which will support the resilience of its activities and its return on equity. Thus, regarding investments from its own funds, the Group set the objective of achieving a 10% to 15% normalised return, an amount that can be achieved on an annual basis from 2022.

Continuing the rotation of the investment portfolio

In line with its strategy the Group actively manages its investment portfolio, which means it regularly sells directly held assets. These disposals allow the Group to realise the value created by its past investments and further rebalance the portfolio toward its own funds. Accordingly, the Group actively rotated its portfolio in 2019 by selling several listed and unlisted investments. In particular, it:

- contributed six stakes, previously held directly on the Tikehau Capital balance sheet, to the secondary Private Equity fund launched by the Group in September 2019;
- disposed of around 4.45% of the share capital of Eurazeo for total proceeds of €224.3 million;
- disposed of shares held in HDL Development, the controlling holding company of Assystem group, for a multiple of 2.5 times the initial investment, *i.e.* an IRR of 18% on this investment;
- tendered shares held in Latécoère into the public tender offer for this Group;
- sold to a group of investors its stake in JustCo, the leading supplier of high-end flexible workspaces in Asia, achieving a multiple of 8 times the initial investment.

These transactions helped reinforce the Group's financial position, giving it a strong surplus as of the end of 2019.

Making selective acquisitions

The Group favours the organic growth of its business but may selectively carry out targeted acquisitions to complement its offer and to accelerate its development.

Therefore, the Group has actively acquired new tools and platforms, such as:

- the IREIT Global Group in 2016, which filled out the Group's Real Estate investment activity by adding a permanent listed vehicle focusing on Asian investors;
- Credit.fr in 2017 and Homunity in 2019, which allowed the Group to consolidate and expand its platform for lending to the economy and expand its financing to small and medium-sized companies and real estate development;
- Sofidy and ACE Management in December 2018, which enabled the Group to expand its Asset Management platform in Real Estate and Private Equity.

Tikehau Capital also aims to give priority to targets allowing it to reap swift benefit from the effects of scale, that the Group considers a major tool for accelerating its growth. The Company intends basically to make use of external growth projects for (i) Asset managers that would complement its offer, business lines, distribution capacity and/or geographic footprint, (ii) investment companies seeking to develop in Asset Management, and/or (iii) companies active in financial services that would present synergies with the services provided by the Group.

The approach taken on external growth is one of flexibility, depending on the opportunities received or perceived and according to the strategy set by the Manager, seeking the greatest complementarity with the Group's existing activities. In each of its acquisitions, the Group is mindful of their potential for value creation in the medium term and especially of risk control in execution and integration. Fully aware of the importance of the human factor in its successful development, Tikehau Capital focuses on the integration of the teams into the culture of the Group organisation.

1.2.2 Competitive advantages

Tikehau Capital intends to be a leading player in alternative asset management in Europe and worldwide. To achieve this, the Group is relying on a differentiating business model, based on significant equity capital that it first invests in its different investment and asset management strategies, alongside its investor-clients.

Tikehau Capital claims its independence through a selective investment strategy based on in-depth fundamental analysis, *i.e.* the application of strict discipline in approaching and executing investment transactions to select investments with optimal risk-reward ratios and a promising non-financial profile. This policy allows it to grow fast, profitably and sustainably.

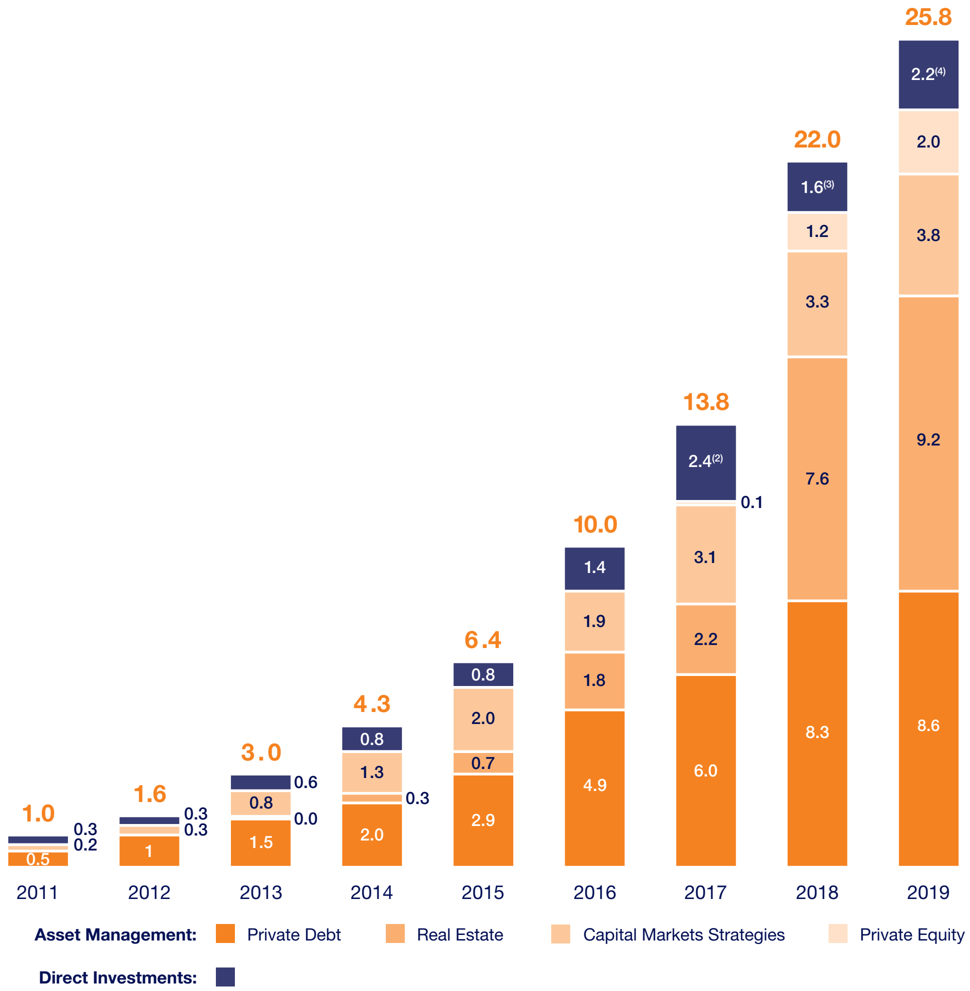
The Group already has offices around the world, in Europe, Asia and North America, and is continuing its rapid international development. At the end of 2019 it had a presence in 11 countries.

Since it was created in 2004, Tikehau Capital has seen rapid growth in assets under management (See Section (Key figures) of this Universal Registration Document), underlining the relevance of its strategy and positioning.

Strong growth potential with leading clients

Since it was founded as a dedicated vehicle investing on its own behalf, Tikehau Capital has rapidly grown its assets under management, driven mainly the strong development of its third-party Asset Management business. Total assets under management multiplied 16x in seven years. This development was made possible by a commercial approach based on the close alignment of interests, the building of privileged relations with its investor-clients and steady long-term performance, enabling the Group to position itself as a key player in the field of alternative asset management in Europe.

Evolution of the Group's assets under management since 2011



	2011	2012	2013	2014	2015	2016	2017	2018	2019
Assets under management [1] ***(as at end of period, in millions of €)***	957	1,584	2,973	4,327	6,352	9,979	13,793	21,962	25,808
Growth rate	–	66%	88%	46%	47%	57%	38%	59%	17%

(1) See Section 1.3.1.2 (Tikehau Capital's business model) of this Universal Registration Document.

(2) Direct investments of €2,386 million as at 31 December 2017 included goodwill (€318 million), investments other than in funds managed by the Group (open to third-party client-investors, for €1,063 million), cash and cash equivalents and cash management financial assets (€975 million) and accrued income related to the sale of DRT (€201 million), net of off-balance sheet commitments in funds managed by the Group (€177 million).

(3) Direct investments of €1,560 million as at 31 December 2018 included goodwill (€437 million), investments other than in funds managed by the Group (open to third-party client-investors, for €1,252 million), cash and cash equivalents and cash management financial assets (€463 million), net of off-balance sheet commitments in funds managed by the Group (€663 million).

(4) Direct investments of €2,173 million as at 31 December 2019 included goodwill (€371 million), intangible assets recognised following external acquisitions (€104 million), investments other than in funds managed by the Group (open to third-party client-investors, for €1,035 million), cash and cash equivalents and cash management financial assets (€1,307 million), net of off-balance sheet commitments in funds managed by the Group (€653 million).

At first oriented towards opportunistic investment, Tikehau Capital's strategy and performance have enabled it to attract a growing number of investors in all categories (institutions, distributors, private investors and family offices) and to offer a variety of investment vehicles, both in terms of vehicle type (closed-end or open-end funds) and asset class (Private Debt, Real Estate, Private Equity, bonds and equities). From the outset, this diversification has allowed the Group to offer its investor-clients a range of funds which meets all their needs.

This ability to position itself as an independent, differentiating player is central to Tikehau Capital's strategy. It responds to the desire of investors to find alternative investment opportunities with an appropriate risk/reward ratio while ensuring a high-level relationship with the management teams.

The presence of leading financial institutions as shareholders shows the Group can win the confidence of top players in the investment world and is a testament to the effectiveness of its business model and the confidence of its investor-clients. The Group has also forged equity and/or distribution partnerships with a number of French and international investors who wished to invest in its equity capital, again reflecting their confidence in future performance.

Tikehau Capital's ability to attract long-term shareholders was reiterated in 2019 when Morgan Stanley Investment Management bought in through its North Haven Tactical Value fund. The fund became a Tikehau Capital shareholder alongside existing investors such as Crédit Mutuel Arkéa, MACSF (mutual insurer for healthcare workers), Temasek (one of the Singapore sovereign wealth funds), FFP (the Peugeot family listed holding company) and the Fonds Stratégique de Participations. The presence of these key shareholders shows the Group can win the confidence of top-flight players in the investment world and is a testament to the effectiveness of its business model.

The Group also creates commercial partnerships as a way to broaden its distribution network. One such is the 2017 partnership agreed with Groupama, which was strengthened in 2018 by the launch of the Tikehau Diversified Debt Fund (GTDDF) to offer financing solutions to French and European SMEs. Also in 2018, Tikehau Capital acquired a 2.8% stake in DWS (Deutsche Bank's Asset Management subsidiary) as part of its IPO. This equity stake was accompanied by a partnership between the two groups concerning (i) shared opportunities for co-investment and deal flow on alternative strategies; and (ii) joint marketing initiatives. Lastly, in September 2019, four months after announcing the opening of its Tokyo office, the Group signed a marketing and financial alliance with T&D Insurance group, a leading Japanese insurance company, which will focus on the distribution of Tikehau Capital's Private Debt products and could later be extended to other asset classes managed by the Group.

The Group's geographical expansion has been supported by stakes in the Company's equity acquired by strategic partners.

As an illustration, the opening of the Singapore office in 2014 was followed by Temasek acquiring a stake in the Company and, in 2016, the buyout of IREIT Global Group, the asset manager for IREIT Global, a Singapore-listed Real Estate investment company (see Section 1.3.2.2(c) (Real Estate companies managed by the Group) of this Universal Registration Document). In addition, to strengthen the long-term strategic partnership with T&D Insurance group in Japan, T&D declared their intention to become a shareholder of Tikehau Capital by buying outstanding Tikehau Capital shares on the secondary market [(1)], which was completed during 2019.

A solid financial structure with substantial equity capital to support growth

Having built up €3.1 billion in consolidated equity by 31 December 2019 to guarantee its independence of action, the Group has a solid level of equity funding coupled with historically low leverage.

Tikehau Capital sees its equity as a substantial and differentiating competitive advantage in its growth momentum strategy, allowing it to rapidly roll out new funds, accelerate investment in its platforms or strengthen existing platforms through acquisitions. Lastly, having substantial equity is a real advantage, if needed, against adverse market conditions.

Tikehau Capital is also an investor in the vehicles managed by the Group or co-investor in the transactions that they carry out. Aware of the quality of investment vehicles offered by its Asset Management subsidiaries, the Group allocates a substantial share of its shareholders' equity to them. It also invests in new vehicles and products proposed for marketing to demonstrate its faith and to provide the seed capital customary in launching new vehicles and products. Thus, Tikehau Capital benefits from the performance of the vehicles managed by its Asset Management subsidiaries. In addition, this investment ensures the alignment of its interests with those of its investor-clients, particularly as regards capital preservation.

Having the advantage of considerable shareholders' equity also means the Group can consider external growth transactions, including, where appropriate, large-scale buyouts. This strategic option increases the potential to create value for the Group's shareholders and investor-clients. Against a background of intensifying competition, it helps differentiate the Group's commercial offering and strengthen its Asset Management platform. Therefore, the Group has already successfully completed external acquisitions, including some major acquisitions such as Salvepar in October 2012, the takeover of Lyxor's European Senior Debt business (leveraged loans) at the end of 2016, IREIT Global Group in November 2016 and the acquisition of Credit.fr in June 2017, together with the acquisitions of Sofidy and ACE Management in December 2018 (see Section 1.3.1.4 (The legal structure of Tikehau Capital) of this Universal Registration Document).

(1) Through its subsidiary T&D United Capital Co., Ltd.

In order to have additional capacity to support its strategy, in the first half of 2019 the Group completed a €715 million capital increase, the biggest in the history of Tikehau Capital and one of the biggest in France in 2019. This transaction not only strengthened the Group's financial position but also allowed it to bring in new shareholders showing the strong appetite of investors - particularly international investors - for the differentiating model developed by Tikehau Capital in its market.

The Group's strong balance sheet also allowed it to issue two bonds: the first a €300 million fixed-rate six-year bond in November 2017 and the second a €500 million, fixed-rate seven-year bond in October 2019, which was followed by the early repayment of €300 million in bank debt (and a two-year extension of the remaining bank debt). The success of these two major bond issues confirms the market's confidence in Tikehau Capital's credit quality.

Finally, in January 2019, financial ratings agency Fitch Ratings gave Tikehau Capital an inaugural Investment Grade credit rating of BBB- with a stable outlook, confirming the solidity of the Tikehau Capital financial profile.

This rating was confirmed on 27 January 2020 by Fitch Ratings during its annual review.

Accordingly, at the end of December 2019, the Group had available cash of €1.3 billion, and the average maturity of its debt was 5.6 years.

Diversified, fast-growing revenues

The revenues generated by Tikehau Capital come from its two areas of activity, which are Asset Management and Investment. In 2019, revenues from Asset Management activity stood at €174.8 million, up +39% year-on-year (*pro-forma* of the Sofidy and ACE Management acquisitions), and revenues from Investment activity reached €277.8 million (compared to negative revenues of -€31.7 million in 2018).

The Company anticipates that its revenues from Asset Management activity should see high growth in the coming years through a combination of several factors:

- first off, revenue growth from Asset Management activity will be tied to the increase in assets under management, buoyed by net new money from investor-clients, driven by strong demand for the Group's products and its track record on value creation;
- in addition, the Group is continuing to improve its product mix, intensifying its development toward asset classes with a more favourable remuneration structure, such as Real Estate and Private Equity;
- the growth in revenues will also benefit the actual investment of the capital entrusted by investor-clients in some of the Group's funds (specifically Private Debt and Real Estate), for which management fees are based on the capital actually invested, not on client commitments - see Section 5.2 (Comments on the consolidated results for the 2019 financial year) of this Universal Registration Document;
- lastly, the maturing of carried interest should afford the Group additional remuneration from the return generated by some closed-end funds (Private Debt funds, Real Estate funds, and Private Equity funds) in excess of a minimum level of IRR (see Glossary in Section 10.7) set by the fund documentation. They should start to come to fruition at the time of the maturity of the main closed-end funds currently managed by the Group (See Section 1.3.1.2 (Tikehau Capital's Business Model) of this Universal Registration Document).

These growth prospects complement the characteristics inherent in the business model of alternative managers, that benefit from a greater capacity to withstand economic downturns thanks to their ability to charge higher fees that reward the added value of their management and the lower risk of exit of investor-clients.

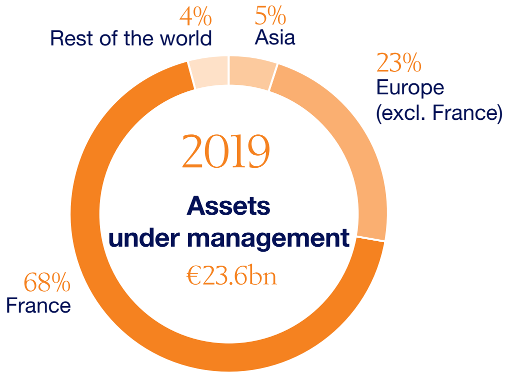
The Group intends to continue the successive launch of new funds to create a pool of assets under management at different stages of investment, in order to spread out the payment of management fees and performance-related revenues (performance fees and carried interest). This staggered launch will in the medium term also create recurring management performance-related revenue.

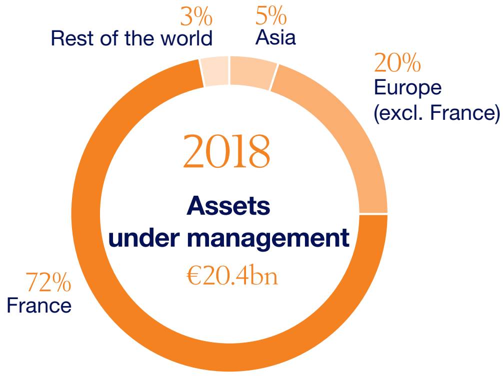
Lastly, the Group invests a significant portion of its shareholders' equity in the funds it manages and therefore benefits from their performance. It is thus a source of additional revenue, of a different type, which increases its diversification and improves its durability. At present, these revenues are of several types: firstly, dividends/distributions, coupons and interest received on investments carried on the balance sheet and, secondly, the changes in fair value of the portfolio investments recorded at each balance sheet date, plus the capital gains or losses on disposal recorded for each divestment of an asset on the balance sheet.

A geographic platform and a leading international network

Thanks to its successes and the establishment of a robust network in its main market, the Group has embarked rapidly on an active international expansion strategy. The Group therefore opened an office in London as early as 2013, before opening an office in Singapore in 2014, followed by Milan and Brussels in 2015, Madrid and Seoul in 2017, New York in 2018, and finally Tokyo, Luxembourg and Amsterdam in 2019. This strategy of setting up branches is motivated by the desire to establish a presence at the very heart of the markets targeted by the Group. It creates a closer relationship between the Group and its investor-clients and better access to investment opportunities. This approach is part of the Group's strategy to build a long-term relationship with its investor-clients and to invest in assets with higher profitability.

Across the asset-management perimeter at the 2019 year-end, 32% of the Group's assets under management came from international investor-clients, compared to 28% at the 2018 year-end and 16% at the 2015 year-end. They have therefore increased by a factor of two in the space of four years:





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This approach towards international investor-clients and investments is guided by a strong desire to preserve the value of the relationship with investor-clients and therefore judicious use of distribution networks, namely the networks of private banks, wealth management advisors, third party marketers, institutional networks or banks offering to distribute funds external to their group *via* their networks through distribution agreements. Thus, the added value of the distribution network is regularly assessed (in terms of placement volume, potential for diversification of investor-clients base, and retrocession rates) to adjust the Group's strategy in this area (selection and remuneration of distribution networks, compatibility of marketing policy with client expectations, recruitment of salespeople to cover specific markets, etc.).

Tikehau Capital has set up an advisory body – the International Advisory Board – chaired by Sir Peter Westmacott (former United Kingdom Ambassador to the United States, France and Turkey), and whose members also include: Mr Stéphane Abrial (former Chief of Staff in the French Air Force and Strategic Commander of NATO), Mr Jean Charest (former Prime Minister of Quebec), Mr François Fillon (former French Prime Minister), Ms Avril Haines (former US Deputy National Security Advisor and Deputy Director of the CIA), Mr Fu Hua Hsieh (Chairman of ACR Capital and former President of Temasek Holdings), Mr Nobuyuki Idei (former Chairman of the Sony Corporation), Ms Margery Kraus (founder and Chairman of APCO Worldwide), Mr Enrico Letta (former Italian Prime Minister), Lord Peter Levene (former Lord Mayor of London and former Chairman of Lloyd's), Mr François Pauly (Chairman of Compagnie Financière La Luxembourgeoise), Mr Kenichiro Sasae (former Japanese Ambassador), and Mr Fernando Zobel de Ayala (Chairman of Ayala Corporation).

The International Advisory Board meets several times a year to exchange views on global economic and geopolitical trends and analyse their potential impacts on the markets in which Tikehau Capital operates. Stemming from a variety of political and economic spheres, these highly experienced figures from diverse geographical regions provide Tikehau Capital with informed perspectives and recommendations to support its strategies and boost its international development.

Successful and cautious teams, guaranteeing a high quality client relationship

Since its foundation, Tikehau Capital has built top-level management and Asset Management teams. Strengthening these teams in recent years has attracted experienced professionals from diverse backgrounds who contribute a complementary perspective on the markets and their structural developments. In particular, the quality of the internal research team allows conviction-based, alpha-generating positions to be taken. These teams are all strongly imbued with the entrepreneurial values that have constituted the Group's culture since its creation: dedication, quality, and reliability. In addition, the excellent access of the management teams to ongoing transactions in the Private Debt, Real Estate, and Private Equity sectors guarantees their ability to make investments with the best risk/return profile. Tikehau Capital's activity in several segments of alternative asset classes (debt, equity, real estate, etc.) and its research team also offer the ability to combine complementary expertise that can be decisive in some investment proposals that call for multiple skills.

Tikehau Capital's team also relies on a network of senior advisors who contribute their expertise and experience in specific regions or sectors to the Group. These include Mr François Fillon (strategy and international development), Mr Pierre Vaquier (real estate), Mr Marwan Lahoud (aeronautics, defence and industry), Mr Mark Pensaert and Mr Joost Van Meerbeeck (Benelux) and Mr Ignazio Rocco di Torrepadula and Mr Fabio Corsico (Italy).

The quality of the investment teams has been recognised by investors and observers through numerous prizes and awards, such as the Golden Trophy for the best Mutual Fund (SICAV) range and European bond fund over three years in 2017 and in 2018 by Le Revenu, Private Debt Lender of the Year in 2018 for the fourth consecutive year by Private Equity Magazine, Unitranche Lender of the Year in Europe in 2015 by Private Debt Investor, Best Financial Provider in the Small-Mid Cap Category in 2015 by Private Equity Magazine, Nominated Lender of the Year in 2014 by Private Debt Investor, first prize in the "EUR Allocation Fund" category awarded to Tikehau InCA (P share) by Morningstar in 2019, and Best Debt Provider of the Year – Alternative by Private Equity Wire in 2020. In general, added value from Asset Management allows for the application of a better fee scale and the retention of investor-clients.

The Group has a strong capacity to be entrusted with the management of dedicated funds on behalf of private clients and to raise closed-end funds of increasing size over the years. As a result, the Group has been able to attract new investors in Europe and the rest of the world.

A managing and shareholding structure guaranteeing controlled, long-term development

The Group has a management team recognised for its experience and ability to successfully lead a corporate project that has grown and created value within just a few years. The founders of Tikehau Capital are for instance today its corporate officers and major shareholders. Moreover, the Group has put in place a structure that provides strong incentives for long-term value creation among its main executives, whose shareholdings in the Group represent a significant part of their own net worth. In contrast to a classic carried interest structure (*i.e.* incentives for teams to achieve the outperformance only of the funds they themselves manage), the value of the stakes held by the Group's corporate officers and senior executives fluctuates both upward and downward according to the value of the Group and is distributed across all the business lines within the Group, which creates true solidarity and cohesion between the Group's management teams (See Section 1.3 (Description of Tikehau Capital activities) of this Universal Registration Document). It follows that the Group's officers and executives have incentives to achieve high, profitable and cautious growth.

This model of aligning interests is reflected elsewhere among the Group's shareholders by the presence in its equity capital of long-term institutional shareholders, most of whom are also investors in the vehicles managed by the Group or co-investors alongside the vehicles managed by the Group. In addition, the Company's management team operates under the oversight of a Supervisory Board 50% composed of independent members.

This powerful convergence of interests between corporate officers, executives, shareholders and investor-clients consequently creates a virtuous circle for all of those actively involved in the Group.

A strong corporate culture, focused on performance

Tikehau Capital is distinguished by a culture highly focused on performance, resulting from its model that aligns interests between stakeholders and its entrepreneurial growth. Following the success of its growth strategy, the Group has succeeded in attracting and retaining persons from different backgrounds (banking and holding company senior executives, bankers and corporate lawyers, etc.) in order to build a team with a high level of expertise and entrepreneurial spirit.

The Group's teams display a strong penchant for innovation and initiative, servicing investor-clients and the Group's strategy. The concern for rigorous fundamental analysis and the practice of critical thinking ensure the independence of mind of our employees. This independent spirit has forged an investment culture of conviction, sometimes going against market trends, in keeping with the desire of Tikehau Capital to provide enhanced added value for its investor-clients. In the current more volatile economic and financial situation caused by the Covid-19 virus, the Group's fundamental, independent analysis capability is a major differentiating advantage which enables it to generate long-term performance for its investor-clients.

Among the workforce of the Group and Tikehau Capital Advisors, around 80 senior corporate members of the Group (with responsibilities in the Group's management or joint functions, and including AF&Co and MCH) have joined together to invest in a joint company which owns an equity interest in Tikehau Capital Advisors and which receives 20% of the available carried interest on the funds managed by the Group. The remaining 80% is split equally between Tikehau Capital, Tikehau Capital Advisors, and the Group's asset management company that manages the fund in question. Carried interest relate solely to certain closed-end funds (the performance-related fees on open-ended funds being received in full by Tikehau IM) and enables the collection of a portion of investor returns beyond a level of IRR (see Glossary in Section 10.7) laid down in the fund documentation (See Section 1.3.1.2 (Tikehau Capital's Business Model) of this Universal Registration Document). This structure incentivises these employees to achieve performance for the Group and creates a solidarity across all business lines, avoiding any silo effect.

In addition, a large proportion of the Group's employees are Tikehau Capital shareholders or should become shareholders through the free share and performance share plans (see Section 8.3.2.2 (Free shares and performance plans) of this Universal Registration Document).

This strong shared corporate culture boosts Tikehau Capital's brand awareness. The Group brand is already well-established in France and in the countries where it has set up local branches and has been renowned for its corporate record ever since its founding. The brand reflects a strong image of independence, excellence and innovation, and is a key asset in the Group's future development. Tikehau Capital intends to continue focusing its communication strategy on its brand to improve its renown and how it is perceived in the international markets which will drive the Group's growth in the coming years.

1.3 PRESENTATION OF TIKEHAU CAPITAL'S ACTIVITIES

1.3.1 General overview

1.3.1.1 Introduction

The Company is the parent company of a group dedicated to asset management and investment. The Group has been built up over the years to become a leading pan-European actor in alternative asset management.

At its inception in 2004, the Company was set up with a view to being an independent investment company whose purpose would be to invest in all types of asset classes without restrictions in terms of geographic region or holding period. At the same time, the Company has developed or acquired Asset Management or specialist investment platforms in specific business sectors accommodated within its subsidiaries, which allow it to create added value and generate performance-linked revenue, from which the Company also benefits as sponsor (See Section 1.3.1.4 (The legal structure of Tikehau Capital) of this Universal Registration Document).

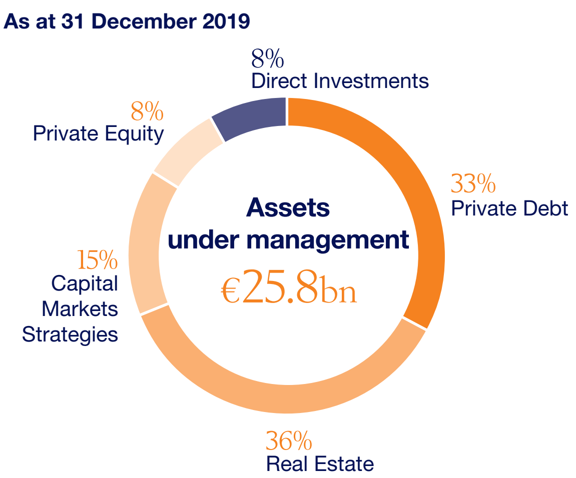
By funding the development of its platforms and acting as a sponsor for their strategies (either by investing in vehicles created by these platforms or by co-investing with these vehicles), the Company benefits from (i) the results produced by the Group's management and research teams (through revenues from its Asset Management activity: management fees, performance fees, carried interest, etc.) and (ii) the performance of its investments in the underlying asset classes (in the form of distributions, interest and capital gains). The scope of investments on the Company's balance sheet has been reduced in line with the creation of these specialised platforms, in order to protect the Group against the risks of conflicts of interest between its various investment strategies and/or stakeholders.

With €25.8 billion in assets under management as at 31 December 2019 [1], Tikehau Capital operates both within its Asset Management activity, comprised of four business lines: Private Debt (see Section 1.3.2.1 (Private Debt activity) of this Registration Document), Real Estate (see Section 1.3.2.2 (Real Estate activity) of this Universal Registration Document), Capital Market Strategies (fixed-income management/diversified management and equities) (see Section 1.3.2.3 (Capital Market Strategies activity) of this Universal Registration Document), and Private Equity (see Section 1.3.2.4 (Private Equity activity) of this Universal Registration Document), and within its Direct Investments activity (see Section 1.3.3 (Direct Investments activity) of this Universal Registration Document).

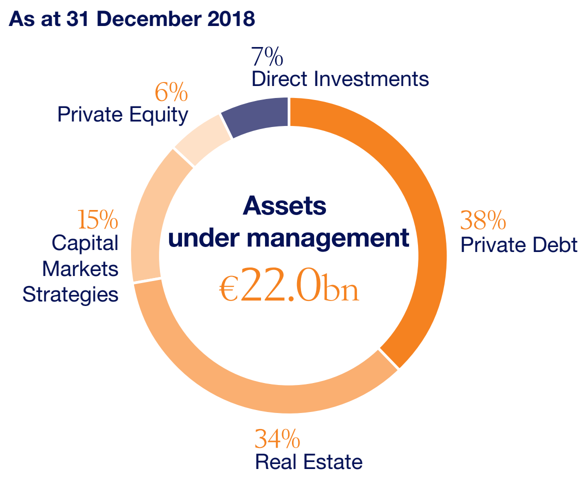
The Group aims to increase its investments through its funds. The Group provides its investor-clients with alternative investment opportunities targeting long-term value creation.

Distribution of the Group's assets under management between its Asset Management activity, comprising its four business lines, and its Direct Investments activity as shown below as at 31 December 2019 and as at 31 December 2018 [1]:

Details of the Group's assets under management as at 31 December 2019



Details of the Group's assets under management as at 31 December 2018



(1) See Section 1.3.1.2 (Tikehau Capital's Business Model) of this Universal Registration Document.

	Asset Management				
	Private Debt	**Real Estate**	**Capital Markets Strategies**	**Private Equity**	**Direct Investments**
Assets under management	**€8.6bn** (33% of assets under management)	**€9.2bn** (o/w €6.2bn from Sofidy) (*i.e.* 36% of assets under management, o/w 24% from Sofidy)	**€3.8bn** (15% of assets under management)	**€2.0bn** (o/w €0.3bn from ACE Management) (*i.e.* 8% of assets under management, o/w 1% from ACE Management)	**€2.2bn** (8% of assets under management)
Employees	62 employees (including 7 in research)	19 employees (excluding Sofidy) 194 (Sofidy)	20 employees (including 8 in research)	27 employees (excluding ACE Management) 16 employees (ACE Management)	
Investment universe	**At all levels of capital structure** Senior loans, stretched senior, unitranche, mezzanine, preferred equity **Target companies** Revenues (€30m – €2bn) Value (€50m – €2bn) All sectors in Europe	**All classes of Real Estate assets** (offices, retail, logistics, hospitality, residential), **existing or to be redeveloped** based on Core, Core+ or Value Added strategies	**Credit** High yield, Investment Grade Corporate and subordinated instruments mainly European and Asian **Equities** Selection of "Value" stocks	**Minority investor** Non-takeover situations in an extensive sector and geographic universe Special Situations	Investments in an extensive sector and geographic universe
Key differentiation factors	• A **pioneer** in alternative financing • **Solid partnerships** with banks and Private Equity funds • Capacity for **flexible and innovative** structuring	• Flexible and innovative approach • **Solid track record** • Capacity for customised financing • Cross-sourcing, local sourcing and European platform	• Allocation and selection based on conviction management • **Fundamental top-down and bottom-up analysis**	• An entrepreneurial spirit shared with companies that are invested in • Capacity for structuring ability and flexible investment • Strong origination capacity	• Strong origination capacity

The following table shows the evolution of the Group's assets under management between 31 December 2018 and 31 December 2019:

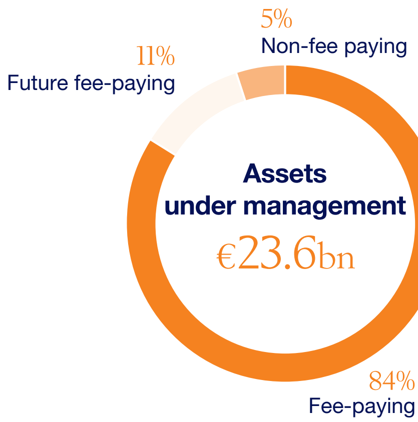
(in millions of €)	31 December 2019	31 December 2018	Annual growth rate
Private Debt	8,634	8,313	+4%
Real Estate	9,177	7,583	+21%
Capital Markets Strategies	3,810	3,258	+17%
Private Equity	2,014	1,247	+62%
Total Asset Management	**23,635**	**20,402**	**+16%**
Total Direct Investments	**2,173**	**1,560**	**+39%**
TOTAL	**25,808**	**21,962**	**+17%**

As at 31 December 2019, the Group's assets under management were divided between the Asset Management activity (€23.6 billion) [(1)] and the Direct Investments made from the Group's balance sheet (€2.2 billion).

The Group's Asset Management activity is composed of (i) fee-paying, (ii) future fee-paying, and (iii) non-fee-paying assets under management (see definitions in Section 5.1 (General overview of activities, results and financial position for 2019) of this Universal Registration Document), the breakdown of which is indicated below as at 31 December 2018 and 31 December 2019:

Breakdown of assets by type of fees generated as at 31 December 2019

(Perimeter of the Asset Management activity)

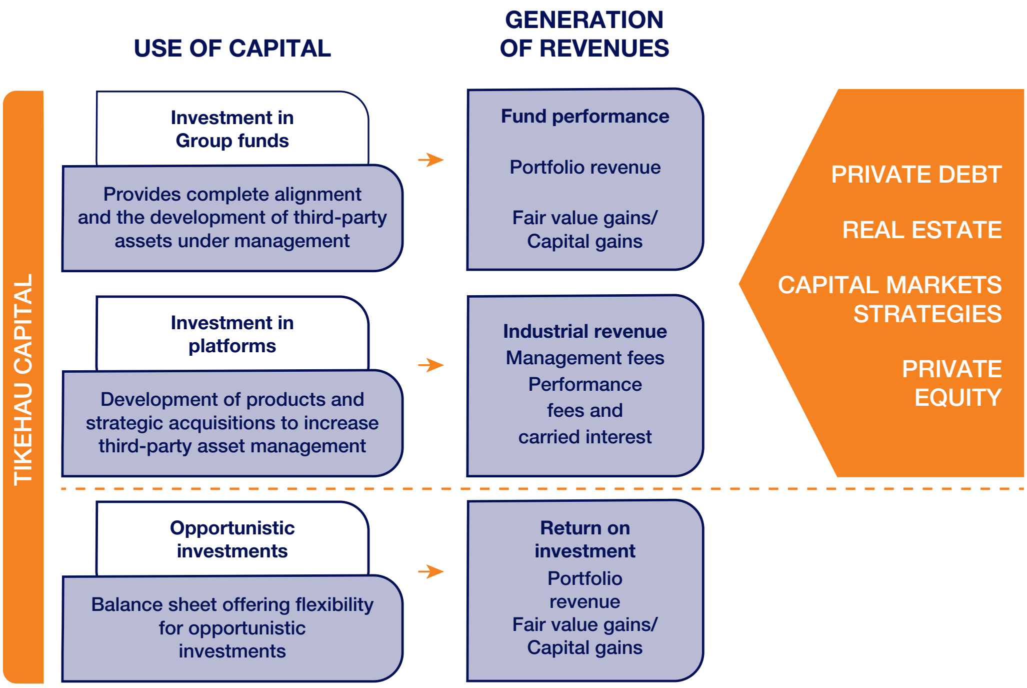


1.3.1.2 Tikehau Capital's business model

The Tikehau Capital model is based on a strong balance sheet, supported by €3.1 billion of shareholders' equity as at 31 December 2019. This supports its competitive advantage in Asset Management, enabling the Group:

- **area 1:** to invest in funds and vehicles managed by Group platforms or to co-invest alongside them, which meets the double aim of sponsoring the Group's strategies and generating recurring revenue for the Company;
- **area 2:** to finance the development of its investment platforms through organic or external growth, either through the development of existing platforms or by creating new platforms; and
- **area 3:** to make opportunistic investments outside its platforms and its business lines to seek out the best sources of value creation.

The following chart summarises these three areas of capital allocation and the expected associated revenues.



The Manager of the Company is able to flexibly and optimally allocate the Company's capital among these three areas to seek diversification and recurring revenue (See Section 1..2 (Strategy and competitive advantages) of this Universal Registration Document).

(1) *The investments made from the balance sheet in the Group's business lines are included in the Asset Management activity.*

The following table shows the distribution of Tikehau Capital's assets under management between the four business lines as at 31 December 2019:

(in millions of €)	Total assets under management	Assets under management from Tikehau Capital [(1)]	%	Third-party assets under management	%
Private Debt	8,634	505	25%	8,128	38%
Real Estate	9,177	686	34%	8,491	39%
Capital Markets Strategies	3,810	124	6%	3,686	17%
Private Equity	2,014	679	34%	1,335	6%
Total Asset Management	**23,635**	**1,994**	**100%**	**21,641**	**100%**
Direct Investment	**2,173**				
TOTAL GROUP	**25,808**				

(1) Corresponding to the investment commitments undertaken by the Group (called and uncalled) in its business lines. The amount of these investments (for the share of called and uncalled amounts) is set out under Section 5.1.2 (Activities during the year 2019).

Investments and co-investments in and with Group vehicles

Historically, the Group's shareholders' equity has helped initiate and/or sponsor certain strategies launched by the platforms through investments in such strategies, *i.e.* by investing directly in funds and vehicles dedicated to these strategies. More recently, the Group has added to this approach more regular co-investment with these strategies, that is to say, favouring balance sheet deployment within or alongside funds and vehicles managed by the Group directly in underlying assets. Indeed, the intention for the Group is to deploy its shareholders' equity in its investments that it considers profitable.

This co-investment allows a direct exposure to a particular deal that a vehicle might not wish or be unable to make in full and which it therefore offers to its investors or other third parties to make up in the form of co-investments.

These approaches create the conditions for an alignment of interest between investment strategies on behalf of investor-clients and the Company's balance sheet. They are also an attractive token of confidence for investors interested in Tikehau Capital's strategies, especially for its major investor-clients. In this respect, the Company is managed in such a way as to preserve the desired alignment of interests and to prevent conflict of interest situations.

Thus, the Company's policy is to invest almost systematically in the new investment strategies or the new products launched by the Group. As of the date of this Universal Registration Document, this means primarily (i) underwriting commitments in new funds launched by Tikehau IM, Sofidy and ACE Management, such as the commitments made by the Company in the TSO II, Tikehau FoF, Sofidy Pierre Europe and Brienne III funds, or (ii) transactions performed in the Group's investment vehicles, such as the underwriting of the Sélectirente capital increase, or (iii) the financing of the retention piece in the various CLOs launched by Tikehau Capital Europe. (*i.e.* the retention rate of 5% of the securitised assets which under the regulations is applied to the originating entities from a regulatory standpoint (see Section 1.5.3.3 (Other regulations – Capital requirements) of this Universal Registration Document). In addition, barring exceptions (particularly in Capital Market Strategies), the Company receives a percentage of the carried interest in the relevant funds and vehicles. The allocation policy for the carried interest which applies throughout the Group allows the Group to collect about 53% (*i.e.* two-thirds of 80%) of the available carried interest, the balance being distributed between Tikehau Capital Advisors and a company grouping around 80 senior corporate members of the Group as well as AF&Co and MCH (See paragraph below, "Tikehau Capital's sources of revenue").

This investment policy feeds the Company's revenue base in business lines and with teams whose quality it recognises, while creating the conditions for an alignment of interests that serves as a vector of trust for investor-clients. These factors are considered attractive for Tikehau Capital's investor-clients and seem to have contributed positively to the rapid growth of the Group's assets under management in the past. The Group also plans to make more frequent co-investments, enabling it to increase the scope of its opportunities, and the quality and diversification of its investment portfolio.

As at 31 December 2019, the value of investments and co-investments in the Group's strategies (excluding uncalled commitments) amounted to €1,425 million, or 61% of the value of Tikehau Capital's current and non-current investment portfolio, compared to €906 million and 43% of the portfolio as at 31 December 2018).

Investments in the development of platforms

Since its creation, Tikehau Capital has built and developed specialised platforms dedicated to Asset Management or investment. Group shareholders' equity has made it possible to make the necessary investments in costs and expenses to develop these platforms in France or abroad, illustrated by the organic growth experienced by Tikehau IM and Tikehau Capital Europe (see Section 1.3.1.4 (The legal structure of Tikehau Capital) of this Universal Registration Document).

The Company's shareholders' equity has also helped finance external growth transactions. The most significant recent transactions of this nature include the 2016 acquisition of Lyxor's European senior debt business (leveraged loans (see Section 1.3.2.1 (Private Debt activity) of this Universal Registration Document), the acquisition of IREIT Global Group (see Section 1.3.2.2(c) (Real Estate companies managed by the Group) of this Universal Registration Document), together with the acquisition of Sofidy (see Section 1.3.2.2 (Real Estate activity) of this Universal Registration Document) and the acquisition of ACE Management (see Section 1.3.2.4 (Private Equity activity) in December 2018.

Tikehau Capital intends to continue to use its balance sheet for the development of its activities as part of its strategy in France and abroad, within and outside its current lines of business (See Section 1.2 (Strategy and competitive advantages) of this Universal Registration Document).

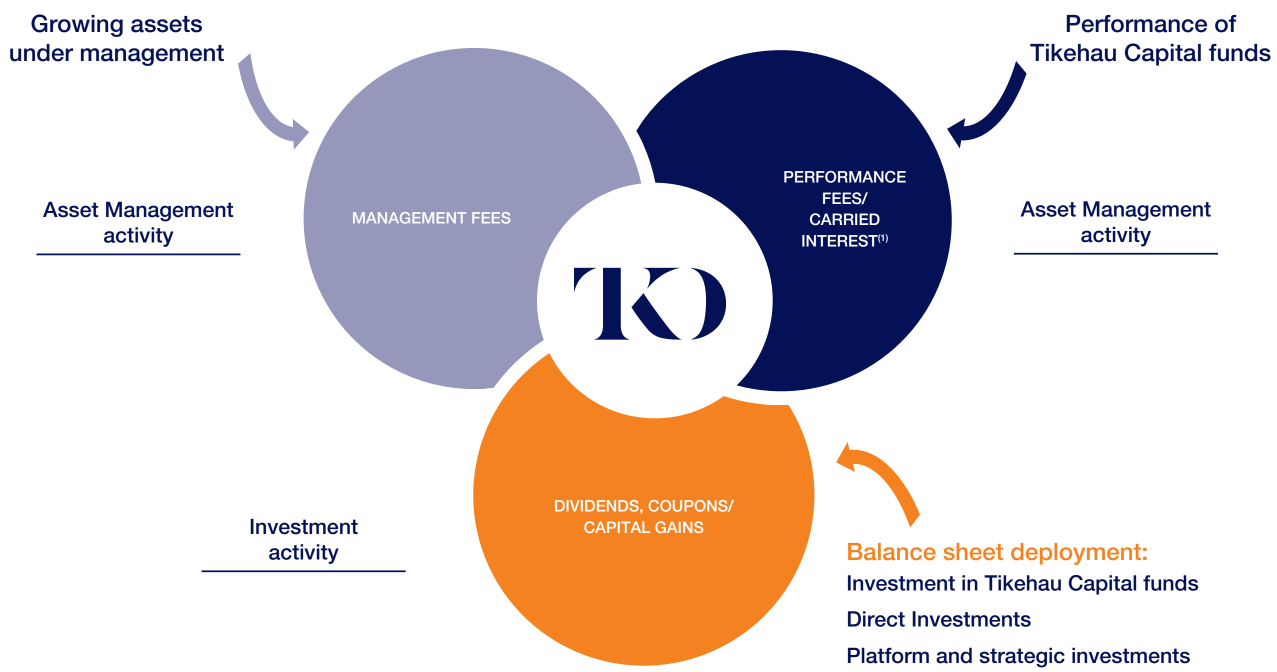
Opportunistic investments

Apart from the Group strategies, Tikehau Capital intends to continue its opportunistic investments in search of returns in line with its objectives, to create diversification, build partnerships, to position itself for future acquisitions, but also to benefit from cyclical or market effects, all of this while capitalising on the expertise and know-how of its investment teams (See Section 1.2 (Strategy and competitive advantages) of this Universal Registration Document).

Tikehau Capital's sources of revenue

Given its focus on Asset Management and investment, the Group recognises four kinds of revenue (in the consolidated financial statements under IFRS):

- recurring revenues related to its Asset Management business, which take the form of management fees (see below) and, on an occasional basis when certain financing is put in place, arrangement fees (see below);
- non-recurring revenues related to its Asset Management business, which takes the form of performance-related fees and revenues associated with its carried interest (see below);
- recurring revenues related to balance sheet deployment, corresponding, firstly, to dividends/distributions, coupons and interest received on investments carried on the balance sheet and, secondly, the result of accounting changes in fair value, *i.e.* the adjustment of the fair value of portfolio investments recorded at each balance sheet date; and
- non-recurring revenues related to balance sheet deployment, corresponding to capital gains and losses on disposals recognised at the time of each divestment of an asset carried on the balance sheet.



(1) 53.3% of carried interest are allocated to Tikehau Capital or its subsidiaries.

Revenues associated with the Asset Management business is further described below:

- **Management and subscription fees –** Management fees are levied recurrently by the relevant asset management company, generating a remuneration for the day-to-day management of the various funds. In general, they are calculated by applying a percentage to the assets managed. In particular, for closed-end funds, the management fee rate is applied either to the amounts actually invested by the asset management company or to the amounts committed by the investors, according to the business lines, whereas for open-ended funds, these fees are based on the assets under management. In the Private Debt activity, management fees also include commissions received as a placement agent, representative of the body of bondholders, etc. Subscription fees are received upon completion of the subscriptions in certain funds or real estate vehicles by investors;
- **Arrangement fees –** Arrangement fees are non-recurring commissions received during the structuring of certain investment deals. They are paid by the entity that benefits from the investment at the time when the latter is made and remunerate the preparatory work done by the asset management company to set up the deal (auditing, structuring, search for partners, negotiation of financial and legal terms, etc.). They are either retained by the asset management company, or acquired by the vehicles making the investment, or shared between the asset management company and the vehicles making the investment according to the conditions laid down by the regulations of these vehicles;
- **Performance-related fees –** Performance-related fees, which relate to open-ended funds (fixed income and equities) are fees charged by the asset management company on the portion of the fund's performance that exceeds that of the fund's benchmark. All performance-related fees relating to open-ended funds are retained by the asset management company (and therefore the Group). These fees encourage the teams to generate better performance in their management of funds;
- **Carried interest –** Carried interest are the revenue received as a share of the outperformance of the funds. This mechanism, which is associated with closed-end funds, usually takes the form of securities (shares) subscribed for by the beneficiaries when the fund is set up, and confers the right to a remuneration should certain performance thresholds be exceeded when the fund is liquidated. The regulations of such funds lay down the conditions under which the remuneration is payable. It usually corresponds to a percentage of the distributions to investors when the return on their investment exceeds a level of IRR (see the Glossary in Section 10.7) laid down in the fund documentation. These revenues are paid by the funds directly to the beneficiaries. This mechanism encourages the teams to generate better performance in their management of the funds, and particularly to outperform the agreed level of IRR. The financial parameters of the carried interest depend on the nature of the asset class in question (Private Debt, Real Estate, Private Equity, etc.) and the fund's investment policy. The IRR hurdle is generally 5%-8%, and the amount of the deduction is generally 10%-20% above the agreed-upon IRR. The Group has set an internal rule for the distribution of carried interest. The Group (through the Company and Tikehau IM, or, from 2019, through the relevant Group asset management companies) retains approximately 53% (*i.e.* each of the two entities receives a third of 80%) of the available carried interest, the balance being distributed between Tikehau Capital Advisors (approx. 27%) and a shareholder structure of Tikehau Capital Advisors which covers around 80 senior Group employees as well as AF&Co and MCH (20%). This latter structure incentivises employees for the Group's performance and creates solidarity among all activities, preventing any silo effect. Additional information is provided in note 5.25(a)(v) (Carried interest) of the annual consolidated financial statements in Section 6.1 (Annual consolidated financial statements as at 31 December 2019) of this Universal Registration Document.

1.3.1.3 The operational organisation of Tikehau Capital

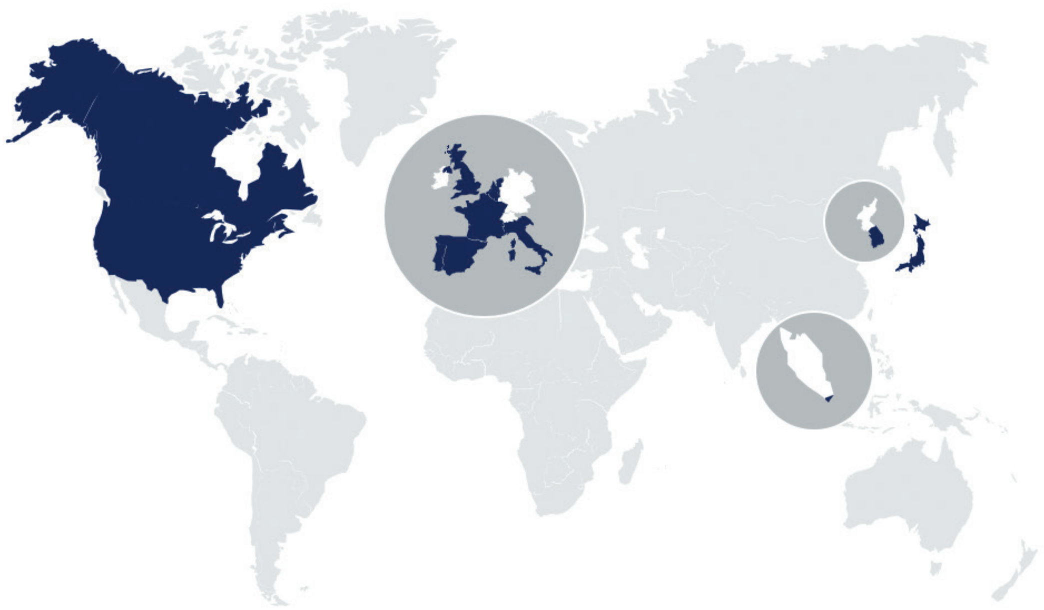
Tikehau's Capital is structured around its Asset Management activity through four business lines, partly from its Direct Investment activity, and also through its own resources (including management, research, commercial and cross-divisional functions) housed within its main subsidiaries, and with the support of the Manager of the Company – Tikehau Capital General Partner – which itself relies on the resources and teams of its 100% shareholder, Tikehau Capital Advisors.

Asset Management activity and Direct Investments activity

Tikehau Capital's operations are primarily based on its Asset Management activity, comprised of four business lines: Private Debt (see Section 1.3.2.1 (Private Debt activity) of this Registration Document), Real Estate (see Section 1.3.2.2 (Real Estate activity) of this Universal Registration Document), Capital Markets Strategies (fixed-income management/diversified management and equities) (see Section 1.3.2.3 (Capital Markets Strategies activity) of this Universal Registration Document) and Private Equity (see Section 1.3.2.4 (Private Equity activity) of this Universal Registration Document), and also its Direct Investments activity (see Section 1.3.3 (Direct Investments activity) of this Universal Registration Document).

Geographical presence

Over the years, the acceleration of Tikehau Capital's Asset Management and Direct Investments activity has been accompanied by an increase in its international presence with the opening of offices in London, United Kingdom (2013), in Singapore (2014), then in Brussels, Belgium and Milan, Italy (2015). In 2017, the Group continued to expand its international operations with the opening of offices in Madrid, Spain; Seoul, South Korea; then in 2018, New York, USA; and in 2019, Tokyo, Luxembourg and Amsterdam. Thus, as at 31 December 2019, the Group had offices in eleven countries.



Countries concerned
Paris - London - Amsterdam - Brussels - Luxembourg - Madrid - Milan - New York - Seoul - Singapore - Tokyo

All of Tikehau Capital's offices, within the regulatory framework, are intended to coordinate the marketing of the Group's products, identify investment opportunities, analyse and carry out investment transactions and monitor them to maturity.

Tikehau Capital is established in the United Kingdom, Belgium, Italy, Spain, Luxembourg, and the Netherlands through branches of Tikehau IM that have benefited from the passporting of the authorisations of Tikehau IM, regulated in France.

The Group also has a presence in the United Kingdom through Tikehau Capital Europe which is approved and regulated by the UK Financial Conduct Authority (FCA). The United Kingdom's departure from the European Union (Brexit), particularly in the case of no deal, will have impacts on the regulated activities of the Group in the UK, particularly for Tikehau Capital Europe (which is a company incorporated under the laws of England and regulated by the FCA) or the London branch of Tikehau IM (Tikehau IM's approval having been passported to the UK). The Group has prepared a range of scenarios to ensure the continuity of its operations in the United Kingdom after the United Kingdom leaves the European Union and to minimise the impacts of Brexit, particularly if the UK leaves without an agreement. These scenarios include the option for transitional or exceptional regulatory regimes, as well as changes to the organisation or functioning of local teams (including employee transfers and the introduction of delegations).

Tikehau Capital operates in Singapore through Tikehau Investment Management Asia Pte. Ltd. (Tikehau IM Asia), a wholly-owned subsidiary of Tikehau IM, which has been approved by the Singaporean Financial Supervisory Authority (Monetary Authority of Singapore, MAS), as well as, since November 2016, through the asset management company IREIT Global Group, in which Tikehau Capital directly held 50.00% (see Section 1.3.2.2 (c) (Real Estate companies managed by the Group) for more information). Lastly, since the end of 2017, the Group has had a presence in the United States through its subsidiary Tikehau Capital North America which is registered with the US regulator, the Securities and Exchange Commission (SEC).

Distribution and marketing

The purpose of the Group's Sales, Marketing and Client Services Department, is to support the growth of assets and the expansion of the investor-client base. Tikehau Capital has significantly increased its client coverage over the last few years, particularly in geographic terms, in order to support the growth of its assets. In Europe, the Group thus has a sales force covering the territories that it has identified as the most receptive to its offer. Tikehau Capital has also begun to accelerate its commercial development outside Europe, particularly in priority countries in Asia, Oceania and North America. At the date of this Universal Registration Document, Tikehau Investment Management has a sales force of 19 salespeople split among its various offices and covering institutional investors and distributors in more than 20 countries of Europe and Asia.

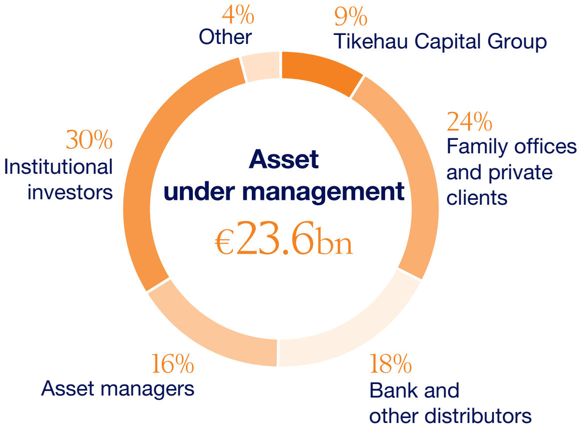
As at 31 December 2019, the investor-client base of the Group's Asset Management activities consisted of 30% institutional investors (insurance companies, pension funds and sovereign funds), 24% private investors and family offices, 18% distributors (private banks, networks of wealth management advisors, bank distribution networks, etc.) and 16% management companies.

On 2 September 2019 Tikehau Capital announced the agreement of a marketing and financial partnership with T&D Insurance Group, a leading Japanese insurance company. This agreement enables Tikehau Capital to enhance its presence in Japan, following the opening of its Tokyo office in spring 2019, and gain greater proximity to Japanese financial institutions, which have a growing interest in gaining exposure to European private markets. More specifically, Tikehau Capital will extend its client reach to Japanese pension investors, leveraging the know-how and network of T&D asset management with this type of clients. The partnership will focus on marketing Private Debt products managed by Tikehau Capital, and could potentially be extended to other asset classes in which the Group is active. In order to strengthen this long-term strategic partnership, T&D Insurance Group have become a shareholder of Tikehau Capital.

On 19 December 2019, Tikehau Capital announced it had raised over €400 million from 3,000 Italian investors (*via* Fideuram - Intesa Sanpaolo Private Banking, Italy's largest private banking network) to launch a fund offering bespoke investment solutions to private clients seeking diversified exposure to Europe's private investment markets. The transaction is another example of the confidence which Tikehau Capital's partners have in Tikehau Capital and its ability to meet the investment needs of the private client base.

Distribution of the Group's investor-client base as at 31 December 2019

(Perimeter of the Asset Management activity)



In line with the development of its international presence, the Group is gradually extending and internationalising its investor-clients base and, at the end of 2019, 32% of the Group's assets in the Asset Management activity came from an international clients base (versus 28% at the end of 2018 and 27% at the end of 2017).

The distribution agreements entered into by Tikehau Capital with distribution networks have essentially two aims: (1) to provide access to the Group's products for closed networks (such as private banking or retail banking) for which a distribution partnership with payment of retrocessions is necessary; and (2) to develop the distribution of Tikehau Capital products in certain countries where the Group wishes to present its competitive advantages with a placement agent (third party marketer) before eventually recruiting a dedicated salesperson. The sales team regularly monitors the results of the Group's distribution partnerships and the impact (actual or potential) of retrocessions on profitability. To this end, the Group's revenues are analysed net of retrocessions to distributors.

The sales team is supported by a Marketing Department in charge of the content of marketing documentation, the organisation of client events, competitive intelligence and the process for responding to tenders and due diligence. Added to this are two product specialists giving guidance to the sales team by providing expertise on their specialist asset classes and a "client service" team in charge of dedicated reporting and Know Your Customer ("KYC") processes (See Section 10.7 (Glossary) of this Universal Registration Document), as well as the monitoring of each client's investments in the Group.

Cross-divisional functions

Group operational activities receive support from joint functions: finance, treasury, tax and legal, compliance, middle office, audit, IT, human resources, communication and general services. These teams are accommodated within the subsidiaries (mainly Tikehau IM, Tikehau Capital Europe and Sofidy) in respect of the teams that are dedicated to specific business lines. The central functions are accommodated in Tikehau Capital Advisors, which supports the Manager of the Company in fulfilling its duties on behalf of the Company and the Group. The resources provided by Tikehau Capital Advisors are described and detailled in Section 3.5 (Related party transactions) of this Universal Registration Document. These teams have been heavily reinforced in recent years to support the growth of the Group's assets under management.

The management team

The role and operation of the Manager is described in Section 3.1.1 (The Manager) of this Universal Registration Document.

At the date of this Universal Registration Document, the main persons involved in the management of the Company and its subsidiary Tikehau IM in France or abroad are as follows:

- Carmen Alonso – Head of Iberia;
- Debra Anderson – Head of CLO;
- Nathalie Bleunven – Head of Corporate Lending;
- Vanessa Brathwaite – Head of Leveraged loans;
- Luca Bucelli – Head of Italy;
- Rodolfo Caceres – Head of Credit Research;
- David Charlier – Chief Risk Officer;
- Edouard Chatenoud – Head of Benelux;
- Peter Cirenza – Head of the United Kingdom, Chairman of the Private Equity activities;
- Emmanuelle Costa – Head of Human Capital;
- Jean-Marc Delfieux – Head of Fixed Income Investments;
- Jean-Baptiste Feat – Private Debt activities, Co-Head of Asia;
- Thomas Friedberger – Co-Chief Investment Officer, Chief Executive Officer of Tikehau IM;
- Frédéric Giovansili – Deputy Chief Executive Officer of Tikehau IM (Head of Sales, Marketing and Commercial Development);
- Tim Grell – Head of North America;
- Bertrand Honoré – Head of Information Technologies;
- Frédéric Jariel – Co-Head of Real Estate activities;
- Olga Kosters – Head of Secondary Private Debt funds;
- Emmanuel Laillier – Head of the Private Equity activities;
- Maxime Laurent-Bellue – Head of Tactical Strategies;
- Jérémy Le Jan – Chief Operating Officer of Tikehau Capital North America;
- Anne Le Stanguennec – Head of Internal Audit;
- Grégoire Lucas – Head of External Relations;
- Henri Marcoux – Deputy Chief Executive Officer of Tikehau Capital, Chief Executive Officer of Tikehau IM;
- Ephraïm Marquer – Head of Compliance;
- Cécile Mayer-Lévi – Head of Private Debt activities;
- Vincent Mercadier – Head of Diversified Strategies and Equities
- Laure Perréard – Chief Financial Officer;
- Bruno de Pampelonne – Chairman of Tikehau IM, Head of Asia;
- Andrea Potsios – Co-Head of Italy;
- Geoffroy Renard – General Counsel;
- Guillaume Spinner – Chief Operating Officer of Tikehau IM.

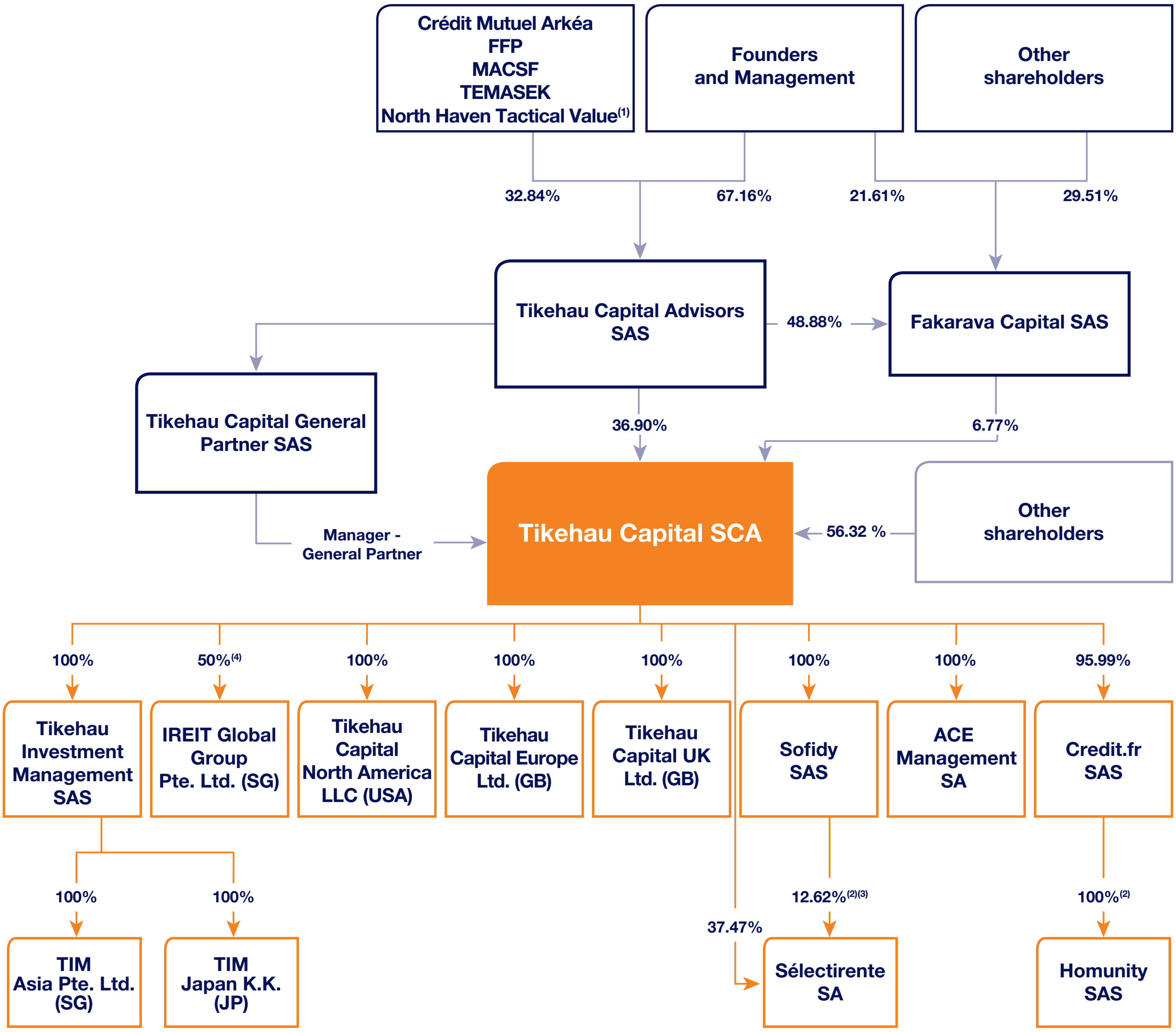
The management teams of the Group's other subsidiaries are available on the websites of these companies:

- ACE Management: www.acemanagement.fr;
- Credit.fr: www.credit.fr;
- Homunity: www.homunity.com;
- IREIT: www.ireitglobal.com;
- Sofidy: www.sofidy.com.

In addition, the decision-making process of the Company's management team is overseen by a Supervisory Board, composed of 50% of independent members.

1.3.1.4 The legal structure of Tikehau Capital

As at 31 December 2019, the Group's organisational chart is as follows.



(1) A North Haven Tactical Value investment vehicle managed by a Morgan Stanley Investment Management team.
(2) Directly or indirectly.
(3) Concert owns 52.07% (See Section 1.3.2.2(c) of this Universal Registration Document for more details).
(4) The Company holds 50.01% of the voting rights in IREIT Global Group Pte. Ltd.
NB: In this organisational chart, shareholding percentages are equivalent to voting rights percentages, unless otherwise stated. The companies are governed by French law unless otherwise stated.

The main entities of the Group, as shown in this chart, are as follows:

- **Tikehau Capital SCA** is the Group's parent company whose securities are listed on the regulated market of Euronext Paris. The Company's Manager and general partner is Tikehau Capital General Partner. The purpose of the Company is to invest, directly or indirectly, in the Group's investment platforms to support their growth. It is also a major investor in the funds and vehicles managed by the Group or as a co-investor alongside them. Lastly, it may make opportunistic investments outside its platforms and its business lines to seek out the best sources of value creation;
- **Tikehau Investment Management** ("Tikehau IM") is the Group's main platform dedicated to Asset Management. Tikehau IM has been approved by the AMF as a portfolio asset management company since January 2007. As at 31 December 2019, Tikehau IM managed €14.3 billion *i.e.* about 55% of Tikehau Capital's assets under management;
- **Tikehau Capital Europe** is a UK subsidiary of the Group, which manages securitisation vehicles dedicated to CLOs (Collateralized Loan Obligations), a specialised product consisting of debt securities backed by a portfolio of leveraged loans. This activity comes under the Group's Private Debt activity. Tikehau Capital Europe was approved by the Financial Conduct Authority (the UK financial regulator) in 2015. As at 31 December 2019, Tikehau Capital Europe managed nearly €2.0 billion, *i.e.* about 8% of Tikehau Capital's assets under management. Tikehau Capital Europe is wholly owned by the Company (See Section 1.3.2.1 (Private Debt activity) of this Universal Registration Document);
- **IREIT Global Group** ("IGG") is the Singapore asset management company of a Real Estate firm listed in Singapore: IREIT Global. Tikehau Capital holds a 50.0% stake in IGG following the sale of part of its holding to City Developments Limited in April 2019. IGG is approved as an asset management company by the Monetary Authority of Singapore (MAS, the Singaporean financial regulator). IREIT Global was the first Singapore-listed property company whose strategy is to invest in Real Estate assets located in Europe. As at 31 December 2019, based on the annual report of IREIT Global, the value of the Real Estate assets held by IREIT Global was €0.6 billion, *i.e.* about 2% of Tikehau Capital's assets under management See Section 1.3.2.2(c) (Real Estate companies managed by the Group) of this Universal Registration Document;
- **Sofidy** is an asset management company, a specialist in the management of Real Estate funds for private investors, and was acquired by the Company in December 2018. Sofidy was founded in 1987, and has been approved by the AMF as an investment management company since January 2007. As at 31 December 2019, Sofidy managed €6.2 billion *i.e.* about 24% of Tikehau Capital's assets under management; (See Section 1.3.2.2 (Real Estate activity) of this Universal Registration Document;
- **ACE Management** is an asset management company, a specialist in the aerospace, defence and cyber security sectors. ACE Management was founded in 2000, and has been approved by the AMF as an investment management company since May 2000. The Company acquired ACE Management in December 2018. As at 31 December 2019, ACE Management managed €0.3 billion *i.e.* about 1% of Tikehau Capital's assets under management; (See Section 1.3.2.4 (Private Equity activity) of this Universal Registration Document).
- **Tikehau Capital North America** is the Company's North American subsidiary, which houses the Group's teams based in the United States. It is recognised by the US Securities and Exchange Commission (SEC) as a Registered Investment Advisor. The purpose of this company is to develop asset management activity and contribute to the development of the Group's strategies in the United States.

The main limited and unlimited liability partnerships in the Group are:

- **Tikehau Capital General Partner** is the Sole Manager and sole general partner of the Company (See Section 3.1.1 (The Manager) of this Universal Registration Document). Its main business includes any provision of advice and assistance, particularly on financial and strategic matters. The Chairman of Tikehau Capital General Partner is AF&Co and its CEO is MCH. Information on AF&Co and MCH is provided respectively in Section 3.1.1 (The Manager - Information concerning AF&Co and Mr Antoine Flamarion) and in Section 3.1.1 (The Manager - Information concerning MCH and Mr Mathieu Chabran) of this Universal Registration Document. The shareholders' equity of Tikehau Capital General Partner is 100% owned by Tikehau Capital Advisors;
- **Tikehau Capital Advisors** is the main shareholder of the Company which, as at 31 December 2019, held the entire share capital and voting rights of its Manager-General Partner, Tikehau Capital General Partner. Tikehau Capital Advisors combines the central functions on which the Manager relies for the performance of its duties on behalf of the Company and the Group. Its main activity is the acquisition, holding and management of any type of equity interests and securities. The Chairman of Tikehau Capital Advisors is AF&Co and its CEO is MCH. Tikehau Capital Advisors' shareholders' equity is split between the management and founders of Tikehau Capital, who together hold 67.16% of the shareholders' equity and voting rights of Tikehau Capital Advisors, and a group of institutional shareholders: Crédit Mutuel Arkéa, FFP, MACSF, Temasek and North Haven Tactical Value, who together hold the remaining 32.84%;
- **Fakarava Capital**, whose main activity is providing services and advice in the financial and real estate fields, as well as the acquisition, holding and management of all equity interests and securities. The Chairman of Fakarava Capital is Makemo Capital (majority owned by AF&Co and MCH) and its CEOs are AF&Co and MCH. The shareholders' equity of Fakarava Capital is 48.88% owned by Tikehau Capital Advisors, 21.61% by the founders and management and 29.5% by shareholders external to the Group.

Tikehau Capital operates its Asset Management activity through dedicated platforms accommodated in its main subsidiaries. For its Direct Investments activity, the Group operates through the Company and three of its subsidiaries, with the support of its Manager and Tikehau Capital Advisors.

The companies dedicated to Asset Management

Tikehau Investment Management (Tikehau IM)

Set up by Tikehau Capital in late 2006, Tikehau IM is the main platform of Tikehau Capital dedicated to Asset Management. As at 31 December 2019, Tikehau IM had a presence in all Tikehau Capital's Asset Management activity including Private Debt, Real Estate, Capital Markets Strategies (fixed income management/diversified management and equities) and Private Equity. Tikehau IM has been approved by the AMF as an investment asset management company since January 2007 (under number GP-07000006).

In France, Tikehau IM has become one of the leading players in specialised investment in the European debt markets, covering all products in this asset class. Thus, Tikehau IM has seen its performance rewarded with various prizes and awards that have validated its expertise and development, including the most recent: Best Debt Provider of the Year – Alternative by Private Equity Wire in 2020, first prize from Morningstar in the "EUR Allocation Fund" category for Tikehau InCA in 2019 (P share), a Golden Trophy in the best European mutual fund (SICAV) and bond fund range over three years in 2017 and 2018, by Le Revenu, 2018 Private Debt Lender of the Year for the fourth year running by Private Equity Magazine, Best asset management Company in 2017 in the Global Invest Forum Awards organised by AGEFI, a Management Globe for Tikehau Income Cross Assets by Gestion de Fortune in 2017 ("Flexible" category), a Thomson Reuters Lipper fund Award for Tikehau Taux Variables in 2017 (Best fund over five years in the Bond Euro – Short Term category), Unitranche Lender of the Year in Europe in 2015 by Private Debt Investor, or The Best Financial Provider in the Small-Mid Cap Category in 2015 by Private Equity Magazine.

As Tikehau IM has grown, it has broadened the scope of its activities, expanding into new asset classes. Tikehau IM, which is the main asset management company of the Group, intends to continue its development in other asset classes (See Section 1.2 (Strategy and competitive advantages) of this Universal Registration Document).

Since 29 June 2018, Tikehau IM has been fully owned by the Company.

The approval granted to Tikehau IM by the AMF authorises it (i) to manage UCITS in accordance with Directive 2009/65/EC of 13 July 2009; (ii) to manage AIFs in accordance with Directive No. 2011/61/EU of 8 June 2011, regarding types of funds such as OPCI (French Real Estate investment vehicles), FCT (French debt securitisation funds), and FPCI (French professional Private Equity funds) (see the Glossary in Section 10.7); (iii) to market UCITS/AIFs managed by another asset manager and to conduct an investment advisory activity.

Through its various investment strategies, Tikehau IM, intends to be able to offer the best risk/return profile to its investor-clients, presenting a wide range of products in various formats and at every level of the capital structure.

This aim is based on the Group's ability (i) to identify investment opportunities due to its knowledge of the markets and its network of relationships and to perform in-depth and independent analysis of the different issuers and (ii) identify the best risk/return ratios within each asset class considered. In all its business lines, Tikehau IM relies on a conviction-based management approach (*i.e.* based on strong convictions regarding its investment projects) and seeks to be reactive and opportunistic for its investor-clients, ensuring a cross-functional approach in its management through an operational platform and solid, in-house fundamental research. The Tikehau IM teams, staffed by professionals with varied and complementary profiles, aim to promote optimal execution and monitoring of investments, as well as the most efficient access possible to the market. These teams follow an investment universe that is characterised by great diversity in terms of size (including a large number of SMEs and intermediate-sized companies (see the Glossary in Section 10.7), business sector, financial performance (growth, profitability, debt, capital structure), geographic location, underlying market, type of instrument, maturity, legal structure, seniority, covenants, and guarantee or collateral.

In the area of credit, Tikehau IM favours a direct and flexible approach in financing solutions offered to companies, corresponding to the multidisciplinary expertise of its teams, able to initiate, execute and follow up and monitor different types of investments. Tikehau IM seeks to build portfolios and implement suitable financing adaptable to market trends and to the various tax, accounting or regulatory constraints of its investor-clients. Aside from the direct, customised approach generally preferred by Tikehau Capital when investment conditions are appropriate, investments can also be made by Tikehau IM teams through market transactions, bank syndications and brokered private placements.

Over the years, the acceleration of Tikehau Capital's Asset Management activity has been accompanied by a significant increase in Tikehau IM's workforce, as well as an increased international presence, with the opening of Group offices in London, United Kingdom (2013), Singapore (2014), Brussels, Belgium and Milan, Italy (2015), and in Madrid, Spain, Seoul, South Korea (2017), New York, United States (2018) and Tokyo, Japan, Amsterdam (Netherlands) and Luxembourg (2019). Tikehau IM operates in the United Kingdom, Belgium, Italy and Spain through branches that have benefited from the passporting of Tikehau IM's authorisations. Tikehau IM operates in Singapore through its wholly-owned subsidiary (Tikehau Investment Management Asia Pte. Ltd.), which has been approved by the local regulatory authority (Monetary Authority of Singapore, MAS).

As at 31 December 2019, Tikehau IM managed €14.3 billion *i.e.* about 55% of Tikehau Capital's assets under management (€25.8 billion) [(1)]. Since its inception in 2006, Tikehau IM has enjoyed significant growth in its assets under management. The Tikehau IM investor-client base continues to develop and become more international in line with the objective that was set at the time the international offices were opened. As part of its goals, Tikehau IM works continuously to adapt its product lines and improve its methods of distribution and its presence in each of its markets.

(1) (See Section 1.3.1 (b) (Tikehau Capital's business model) of this Universal Registration Document).

Tikehau IM's business model is based on the ability of its teams to raise, invest and manage funds that will generate different types of revenues, including management fees, particularly benefiting from the effect of scale. Tikehau IM's cost base is mainly composed of fixed costs (essentially personnel expenses). The variable costs relate chiefly to retrocessions paid by Tikehau IM to the distributors that Tikehau IM uses to distribute its funds.

Tikehau IM offers its investor-clients a wide variety of funds, and manages both open-ended funds and closed-end funds, which are invested in different asset classes. Open-ended funds allow investors to enter and exit the fund at any time, while units in closed-end funds may only be subscribed to for a limited period of time (called the subscription period) and do not offer the possibility of being redeemed on demand. Therefore, the number of units of open-ended funds constantly changes during the life of the fund, and the volume of assets varies according to subscriptions and redemptions, but also according to fluctuations in the financial markets. Conversely, the liquidity of closed-end funds is lower and the number of units remains stable once the subscription period closes.

Closed-end funds guarantee revenues for the Group over the life of the fund, with these revenues generating mainly management fees at a level fixed at the time of fundraising, although the timing often depends on the rate at which they are invested. However, these funds have limited lifespans and consequently require regular phases of fundraising. Conversely, revenues from open-ended funds is more irregular because management fees are based on the net asset value of the fund, which is subject to the subscriptions and redemptions of investor-clients and to fluctuations in the financial markets. However, the lifespan of an open-ended fund is not limited and new capital inflows can occur at any time. Finally, it should be noted that the closed-end debt funds allow Tikehau IM to make a more reliable assessment of the exit horizon and the potential IRR of the fund (see the Glossary in Section 10.7). The same is true of the Real Estate funds since the buildings managed by Tikehau IM are mostly rented out on long-term leases. Once the funds are invested, the prospects of profitability and realisation of carried interest in these fund categories are therefore fairly predictable.

Tikehau Capital Europe

Since 2007, Tikehau Capital has invested in the credit markets, in particular high-yield credit, as part of its Capital Markets Strategies and its Private Debt activity, through Tikehau IM. On the strength of its expertise in these markets and against the background of renewed interest in this segment and a recovery of LBOs (see the Glossary in Section 10.7) in Europe since 2013, the Group entered the debt securitisation market in 2015 by setting up securitisation vehicles dedicated to CLOs, a specialised product consisting of debt securities collateralised by a portfolio of leveraged loans.

Tikehau Capital's CLO vehicles are structured by Tikehau Capital Europe and placed under its management. In 2015, Tikehau Capital Europe was approved by the Financial Conduct Authority ("FCA") in the United Kingdom, mainly for investment advisory, arrangement of investment transactions and investment management. In line with Tikehau Capital's announced aim of operating over the long term in the CLO market through Tikehau Capital Europe, the Group has carried out one CLO transaction per year since 2015 for a total amount of €2.0 billion as at 31 December 2019.

More information about Tikehau Capital Europe and the CLO transactions completed by this subsidiary can be found in Section 1.3.2.1(c) (CLO activity) of this Universal Registration Document.

Sofidy

See Section 1.3.2.2(c) (Real Estate funds managed by Sofidy) of this Universal Registration Document.

IREIT Global Group

See Section 1.3.2.2(c) (Real Estate companies managed by the Group) of this Universal Registration Document.

Credit.fr

In 2017, the Company completed the acquisition of approximately 96% of Credit.fr, a French specialist in crowdfunding for small and medium-sized companies. This acquisition has enabled the Group to consolidate and expand its economic development lending platform and to extend its range of business financing to small and medium-sized companies. Through Credit.fr, Tikehau Capital is now able to offer its ecosystem of investors and partners the opportunity to broaden their investment policy, at present focused on mid-market and large companies, to smaller-sized players that are rigorously selected by the teams of Credit.fr.

Credit.fr has been registered with the French insurance broking association ORIAS as an intermediary in crowdfunding since 17 October 2014 and as a crowdfunding investment advisor since 21 April 2017.

Homunity

In January 2019, the Group took 100% control of Homunity SAS, the leading specialist real estate crowdfunding platform in France, enabling the Group to strengthen its position in the crowdfunding segment, accelerate its growth and diversify its offering in the buoyant participative loan market.

ACE Management

See Section 1.3.2.4(c) (Private Equity funds managed by ACE Management) of this Universal Registration Document.

The companies dedicated to investment

At the date of this Universal Registration Document, Tikehau Capital conducts its Investment activities directly or through holding companies. In this regard, the Group is supported by its Manager, Tikehau Capital General Partner, which in turn relies on the resources and teams of Tikehau Capital Advisors.

Tikehau Capital

Tikehau Capital SCA is the Group's parent company whose securities are listed on the regulated market of Euronext Paris. The Company's Manager and general partner is Tikehau Capital General Partner (see below).

Historically, the Company was an independent investment company dedicated to investing in all types of asset classes. Although this investment mandate has been limited as dedicated platforms within the Group have been formed, the Company has focused on building a balanced portfolio of investments.

The Company is also a major investor in the funds and vehicles managed by the Group or as a co-investor in the transactions carried out by these funds and vehicles. It also invests directly or indirectly in the Group's platforms in order to support their growth. Lastly, it may make opportunistic investments outside its platforms and Asset Management activity to seek the best sources of value creation (see Section 1.2 (Strategy and competitive advantages) of this Registration Document).

Tikehau Capital General Partner

Tikehau Capital General Partner is the Manager of the Company and its purpose is the provision of advice and assistance, particularly in financial or strategic matters. In its capacity as Manager of the Company, Tikehau Capital General Partner determines and implements the Group's strategy and is able to allocate the Company's capital in a flexible and optimal manner, in line with the Group's objectives (See Section 1.2 (Strategy and competitive advantages) of this Universal Registration Document).

More information regarding Tikehau Capital General Partner is provided in Section 3.1.1 (The Manager) of this Universal Registration Document.

Tikehau Capital Advisors

Tikehau Capital Advisors supports the Manager of the Company in the performance of its duties on behalf of the Company and the Group by providing, under the terms of service contracts, material and human resources, such as a dedicated team that brings together the central functions of the Group, namely, Strategy, the Legal and Regulatory Department, the Communication and Public Affairs Department, Investor Relations, the Finance Department, the Human Resources Department, ESG Functions, the Information Systems Department, the Compliance Department, Internal Audit, M&A Advisory, and Business Development. This team enables the Company and the Group to carry out their investment activities under the best conditions and has been significantly strengthened in recent years. As at 31 December 2019, Tikehau Capital Advisors held 36.9% of the Company's capital and voting rights.

1.3.2 Asset Management activity

1.3.2.1 Private Debt activity

As at 31 December 2019

Assets under management for the Private Debt activity	€8.6 billion
Share of the activity in the Group's total assets under management	33%
Change compared to the previous financial year	4%
Employees of the Private Debt activity	62
Entities concerned	Tikehau IM Tikehau Capital Europe Credit.fr Homunity
Main types of funds	French debt securitisation fund (*Fonds commun de titrisation de droit français* or "FCT") French specialised professional fund (*Fonds professionnel spécialisé de droit français* or "FPS") Luxembourg-based open-end investment company – specialised investment fund ("SICAV-SIF") with multiple sub-funds

Tikehau Capital is one of the pioneers of Private Debt transactions in Europe. The Group's Private Debt teams are involved in debt financing deals worth between €3 million and €300 million as arranger or participant, excluding the crowdfunding activities of Credit.fr and Homunity.

Private Debt generally refers to an asset class in its own right on the credit market. This includes all business lines known as alternative financing in the form of loans and bonds subscribed by non-banking institutions. These financings are generally non-listed and illiquid, and are not actively traded on organised exchanges. Rather, they are "buy and hold" financings, held to maturity through investment vehicles structured accordingly with long-term liabilities. On the syndicated loans market (*i.e.* the most liquid segment of Private Debt), trading take place on over-the-counter markets that are characterised by high volumes and led by investment banks and other market players (market-makers and broker-dealers). Insofar as these funds are private, the corresponding documentation (prospectus, loan agreement, etc.) is not public and can only be accessed by the lenders or potential investors after signing a confidentiality agreement.

The activity of the Private Debt asset class supplements the activity of bank loan investment financing, and sees a strong growth both generally in Europe and more specifically in France, which is the second largest European market (25%) after the United Kingdom (38%) (See Section 1.4 (Tikehau Capital and its market) of this Universal Registration Document). In this context of disintermediation, a number of asset managers have designed mechanisms and structured funds so as to be able to lend directly to corporates by offering them an alternative to traditional banking channels. Apart from "syndicated" loan funds arranged by banks, institutional investors are subscribing more and more to loan funds arranged by "direct" or "alternative" lenders such as Tikehau Capital, in order to channel an increasing portion of their savings into the real economy. Some of these investors may also make selective co-investments in financing deals alongside these lenders, in order to increase the latters' financing capacity.

In the context of this activity, Tikehau Capital offers businesses a range of tailor-made solutions in order to achieve the best possible alignment of the needs of the companies, of their management teams and of their shareholders with those of Tikehau Capital's institutional investors (insurance companies, mutual funds, pension funds, sovereign wealth funds, etc.).

A single company may thus be financed by pure debt, debt securities, debt securities convertible into equity (bonds with equity warrants, convertible bonds, equity notes, etc.), by equity capital, or a combination of several of these instruments. These instruments can supplement another financing (bank or non-bank) of the borrower and can benefit from guarantees equivalent to the latter. Their varied formats (loans and bonds, redeemable or repayable at maturity, at fixed or variable rates) can be employed to best meet the business' need of flexibility in financing. The Tikehau Capital teams have developed a recognised expertise in the industry for arranging, setting-up or investing in various financing transactions, and in particular the following structures:

- **Senior Debt,** *i.e.* prime financing with collateral, the repayment of which takes priority over the subordinated debt and equity ("Senior Debt"). Senior Debt, with an average maturity of four to seven years, is generally accompanied by covenants (contractually agreed and mainly requiring the borrower to comply with certain financial ratios) that enable the lenders to regularly check-up on the evolution of the borrower's financial situation. The characteristics of these funding structures help to limit the default rate and offer creditors favourable prospects of recovery in the event of non-compliance with the ratios or of a considerable drop in performance. In general, the remuneration rates on Senior Debt are variable, consisting in a reference rate (Euribor or Libor, usually accompanied by a floor typically ranging between 0 and 1%) plus a margin (spread) which depends on the risk assessment of the borrower's credit. Accordingly, Senior Debt offers its holder a natural protection against interest rate risk;
- **Stretched Senior Debt,** *i.e.* customised senior debt financing, usually arranged by funds, with a more substantial redemption at maturity component and higher potential leverage than classic Senior Debt ("Stretched Senior"), whilst remaining a Senior Debt with its collateral and covenants, which allows the anticipation of any discrepancy against initial projections;
- **Unitranche Financing,** *i.e.* financing that combines a Senior Debt component with subordinated/Mezzanine debt in a single instrument to simplify the financing structure and its legal documentation, and therefore offer greater flexibility. This type of financing, which is fully interest-only, is a key element of the Company's continued development, whether organic or through acquisitions, and of its investment plans. Such unitranche financing is, depending on geographic jurisdiction, usually structured as bonds or loans ("Unitranche"), also collateralised, senior and subject to a set of covenants;
- **Mezzanine Financing,** *i.e.* subordinated debt financing backed by 2nd tier collateral, which ranks between Senior Debt and equity ("Mezzanine"), and which is also subject to covenants and governed by an intercreditor agreement of subordination to Senior Debt lenders.

The financing put in place is based mainly on the projected generation of future cashflows and the preservation of the ensuing value of the company in question. The Tikehau Capital teams have also developed expertise in arranging customised financing which offer a wide range of solutions in a context of business succession, reorganisation of the shareholding structure or support for a company's organic or external growth (See Section 1.3.2.1(a) (Direct lending activity) of this Universal Registration Document).

In synergy with the rest of the Private Debt team (including the direct lending and Senior Debt (Leveraged Loans) activities), the teams of Tikehau Capital Europe provide additional expertise in the CLO activity, taking part in the syndications of large European bank loans and on bond markets (See Section 1.3.2.1(b) (Senior Debt (Leveraged Loans) activities) and Section 1.3.2.1(c) (CLO Activities) of this Universal Registration Document).

In 2006, having identified the development potential of the Private Debt activity, Tikehau Capital specialised in primary and secondary market LBO acquisition financing (see the Glossary in Section 10.7). Against a background of market dislocation between 2007 and 2009, Tikehau Capital was able to seize opportunities that allowed it to accelerate its development and thus take part in the emergence of alternative Private Debt financing, which in the early days was mainly spurred by the expansion of Anglo-Saxon asset managers in Europe and especially in France. In order to follow market developments, and particularly the increase in size of financing, Tikehau Capital, among other things, entered into a business alliance with the Macquarie banking group in 2012, allowing it to structure significant financing transactions (going up to €200 million). Establishing Tikehau Capital's expertise and infrastructure in the field of Private Debt, the industry initiative NOVO (a bond fund dedicated to SMEs and intermediate-sized companies (see the Glossary in Section 10.7)), spearheaded by the *Caisse des dépôts et consignations* (CDC), the French Insurance Federation (FFA) and 27 European insurance companies as well as the Pension Reserve Fund (FRR), was entrusted in part to Tikehau Capital in October 2013 (see below). In 2015 NOVI, a second industry initiative, was also entrusted in part to Tikehau Capital (see below). The second NOVO vintage, Tikehau NOVO 2018, was also launched in 2018.

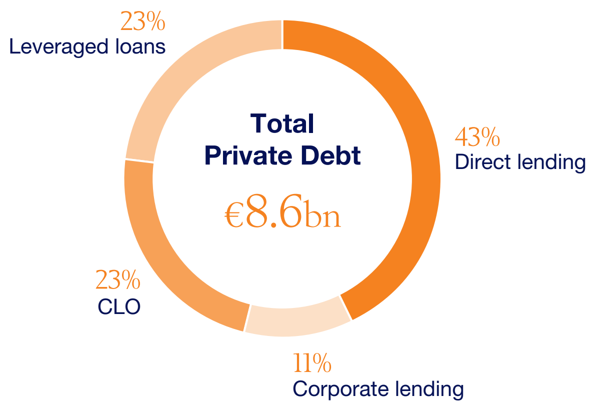
In 2015, Tikehau Capital's Private Debt team won Private Debt Investor's "Unitranche Lender of the Year" award, as well as Private Equity Magazine's "Best Financial Provider in Small-Mid Cap Category". In 2018, Tikehau Capital's Private Debt team won Private Equity Magazine's "Private Debt Lender of the Year" award for the fourth year running. In 2019, Tikehau Capital was one of four firms nominated for "Best European Private Debt provider" by PDI and won Private Equity Wire's "Best Alternative Debt Provider of the Year". In March 2020, Tikehau Capital won Private Equity Wire's "Best Alternative Debt Provider of the Year".

As part of its Private Debt activity, Tikehau Capital invests in particular in France through mutual funds (FCP) or mutual securitisation funds (FCT). Dedicated co-investment vehicles can also be set up for specific transactions. The financings in which the Group invests are placed within these vehicles managed by Tikehau Capital through its subsidiaries Tikehau IM and Tikehau Capital Europe, who receive management and arrangement fees, and carried interest revenues (See Section 1.3.1.4 (The legal structure of Tikehau Capital) of this Universal Registration Document).

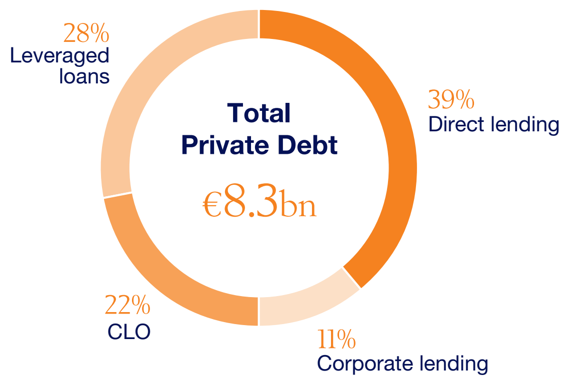
As at 31 December 2019, the assets under management in Tikehau Capital's Private Debt funds amounted to approximately €8.6 billion, representing 33% of the Group's assets under management.

In October 2016, Tikehau Capital announced an intended agreement to delegate the management of the European leveraged loans business of Lyxor UK (an asset management company belonging to the Société Générale group). This transaction boosted the Group's Senior Debt activity, especially for LBO-type transactions (see the Glossary in Section 10.7 of this Universal Registration Document). Following this operation, Tikehau IM has replaced Lyxor UK as the manager of four Lyxor European Senior Debt funds, representing a total of about €700 million in assets under management. Under this agreement, Lyxor UK's European operational Senior Debt team joined the Tikehau Capital staff based in London in order to strengthen Tikehau Capital's resources and to ensure the continuity of operations. The following charts show the breakdown of the Private Debt assets under management by asset class as at 31 December 2019 and 31 December 2018 (in %):

Breakdown of Private Debt activity as at 31 December 2019



Breakdown of Private Debt activity as at 31 December 2018



The following table shows the distribution of the assets under management between the main Private Debt funds managed by Tikehau Capital:

(in millions of €)	Assets under management as at 31 December 2019	Assets under management as at 31 December 2018
Tikehau Direct Lending IV (TDL IV)	1,317	1,096
Tikehau Direct Lending 4L (TDL 4L)	440	388
Tikehau Direct Lending III (TDL III)	325	496
Tikehau Direct Lending FL (TDL FL)	278	154
Sofiprotéol Dette Privée	205	205
Tikehau Preferred Capital	43	85
Other funds/mandates	1,103	844
Direct lending (excluding corporate lending)	**3,712**	**3,268**
NOVI 1	294	290
NOVO 2	191	235
Tikehau NOVO 2018	212	212
Groupama Tikehau Diversified Debt Fund	116	116
Other funds	154	44
Corporate lending	**967**	**897**
TOTAL DIRECT LENDING	**4,679**	**4,165**
Tikehau Senior Loan II	518	610
Tikehau Senior Loan III	297	229
Tikehau Corporate Leveraged Loan Fund	55	109
Lyxor	115	345
Other funds/mandates	980	1,040
Senior Debt (Leveraged Loans) (excluding CLO)	**1,965**	**2,333**
CLOs	1,990	1,816
TOTAL SENIOR DEBT (LEVERAGED LOANS)	**3,955**	**4,149**
TOTAL PRIVATE DEBT	**8,634**	**8,313**

Historically, as part of its balance sheet allocation policy, the Group invested in the funds and vehicles dedicated to Private Debt and managed by the Group as well as co-invested by way of transactions carried out by such vehicles. The portfolio of investments and co-investments made on the Group balance sheet in the strategies of Tikehau Capital dedicated to Private Debt reflects the history of the vehicles launched by Tikehau IM and Tikehau Capital Europe. This portfolio represented a total commitment of €450 million as at 31 December 2019. The revenues generated by this portfolio mainly take the form of distributions made by vehicles and of interest earned on co-investments.

(a) Direct lending activity

The direct lending activity enables Tikehau Capital to provide companies with flexible and tailor-made financing solutions based on a rigorous and disciplined investment process, and on a coherent risk management process, most often within the framework of LBO-type acquisition financing (see Glossary in Section 10.7) for Private Equity funds.

The direct lending market is a sub-segment of the Private Debt market. Thanks to this activity, non-bank asset manager lenders, such as Tikehau Capital, compensated thus for the contraction of bank credit following the financial crisis of 2008. Increasingly, the most important transactions are in the form of "club deals" (*i.e.* involving several direct lenders, but sometimes also banks in a partnership approach). The spectrum of instruments used in this activity is broad: Senior Debt, Stretched Senior Debt, Unitranche Financing and Mezzanine Financing (see the definition of these terms in the introduction to this Section).

The direct lending market is one in which a non-bank lender originates, arranges, completes, and makes available financing for a company (in the form of bonds or loans, depending on regulatory constraints) then monitors it regularly. This means that the lender seeks out potential borrowers likely to carry out a financing transaction, produces a rigorous analysis of the credit quality of such borrowers, and determines the necessary objective factors and conditions in order for such borrowers to be financed through a financial instrument in which a vehicle managed by the borrower might invest. In this context, the work of the asset management company is different from the usual production of an investment asset management company. Several stages in such transactions cannot be categorised as pure Asset Management functions, but rather as a complementary function as arranger: (i) the borrower audit phase (financial, legal, operational, etc.), (ii) the research in terms of structuring the transaction, (iii) the definition of the investment structure, (iv) the potential search for other financial partners according to the size and nature of both target and deal, and (v) the negotiation and implementation of the main legal and financial terms of the contractual documentation. This additional service is usually paid for by the borrower through the payment of an arrangement fee in consideration of the work done by the asset management company in addition to the interest paid by the borrower for its financing.

As at 31 December 2019, Tikehau Capital's direct lending activity (excluding corporate lending) represented total assets under management of €3.7 billion for approximately fifty portfolio investments.

Main direct lending funds (excluding corporate lending)

TIKEHAU DIRECT LENDING IV/TIKEHAU DIRECT LENDING 4L/TIKEHAU DIRECT LENDING FIRST LIEN

Inception date	July 2017
Legal form	Luxembourg SICAV-SIF
Fund size (as at 31 December 2019)	€2,035 million

Launched by Tikehau IM in 2017, Tikehau Direct Lending IV ("TDL IV") and Tikehau Direct Lending 4L ("TDL 4L") and Tikehau Direct Lending First Lien ("TDL FL") are the three main sub-funds of the fund structured in the form of a Luxembourg-based open-end investment company – specialised investment fund (SICAV-SIF) with multiple sub-funds designated as an Alternative Investment Fund ("AIF") approved by the Luxembourg regulatory supervisor (CSSF).

All of the vehicles associated with TDL IV, TDL 4L and TDL FL form together the fourth generation of the Group's direct lending funds, and in early 2019 closed on a total of €2.1 billion, more than three times greater than the previous generation.

Following in the footsteps of their predecessor TDL III (see below), TDL IV, TDL 4L and TDL FL offer alternative Senior Debt, Stretched Senior, Unitranche, Mezzanine and PIK financing in Europe, which are suitable for any situation: corporate financing or LBO acquisition financing (see the Glossary in Section 10.7). The fund mainly targets investments in companies valued at between €50 million and €1 billion, belonging to various sectors and geographic areas.

The main characteristics of these three main sub-funds are as follows:

- TDL IV (sub-fund without leverage).
  As at 31 December 2019, TDL IV had invested a total of about €1,089.8 million in 33 companies established in France, Spain, Germany, Scandinavia, Italy, the United Kingdom and Benelux. As an example, the fund made the following investments: Unitranche financing of Chevrillon's acquisition of VOIP, Unitranche financing of IDI's acquisition of Freeland, and the Unitranche financing of Esas by Buysse & Partners.

Investors committed alongside Tikehau Capital in this fund are primarily insurance companies, pension funds, private banks and family offices based in France, Spain, Italy, Belgium, Israel, Germany, Canada, Hong Kong or Finland;

- TDL 4L (sub-fund with leverage).
  As at 31 December 2019, TDL 4L had invested a total of approximately €336.9 million in 30 companies established in France, Spain, Germany, Italy, Norway and the United Kingdom. As an example, the fund made the following investments: Unitranche financing of Chevrillon's acquisition of VOIP, Unitranche financing of IDI's acquisition of Freeland, and the Unitranche financing of Esas by Buysse & Partners.

Investors committed alongside Tikehau Capital in this fund are primarily family offices and pension funds based in France, Spain, Italy, Belgium, Canada or South Korea.

- TDL FL (sub-fund without leverage)
  As at 31 December 2019, TDL FL had invested a total of about €77.7 million in 11 companies established in France and Benelux. For example, the fund made the following investments: the Unitranche financing of IDI's acquisition of Freeland, the Unitranche financing of the acquisition of Wifirst by a consortium comprised of Amundi PE and BPI, and the Unitranche financing of Esas by Buysse & Partners.

Investors committed alongside Tikehau Capital in this fund are primarily pension funds, banks and insurance companies based in South Korea, France, Italy, Japan, Spain and the United Kingdom.

TIKEHAU DIRECT LENDING III

Inception date	December 2014
Legal form	Luxembourg SICAV-SIF
Fund size (as at 31 December 2019)	€325 million

Launched by Tikehau IM in December 2014, Tikehau Direct Lending III ("TDL III") is the sub-fund of the fund structured in the form of a Luxembourg-based open-end investment company – specialised investment fund (SICAV-SIF) with multiple sub-funds designated as an Alternative Investment Fund ("AIF") approved by the Luxembourg regulatory supervisor (CSSF). TDL III offers alternative Senior Debt, Stretched Senior, Unitranche and Mezzanine financing in Europe, which are suitable for any situation: corporate financing or LBO acquisition financing (see the Glossary in Section 10.7). The fund mainly targets investments in companies valued between €50 million and €500 million, belonging to various sectors and geographic areas. The investment period for TDL III stretched from March 2015 to 31 December 2018. Since its launch, the fund has invested €720 million and still held investments of approximately €297 million in around 11 companies established in France, Spain, Italy and Luxembourg as at 31 December 2019.

The TDL III Fund closed its investment period on 31 December 2018 and called 98.6% of the amounts committed by investors. As at 31 December 2019, there are 11 companies in portfolio.

Investors committed alongside Tikehau Capital in this fund are primarily insurance companies, pension funds, private banks and family offices based in France, Spain, Italy, Belgium or Finland.

The fund matures in 2022 with an extension option of two times one year.

TIKEHAU PREFERRED CAPITAL

Inception date	June 2012
Legal form	French FCPR
Fund size (as at 31 December 2019)	€43 million

Tikehau Preferred Capital ("TPC") is a French Venture capital mutual fund ("FCPR") regulated by the AMF and set up by Tikehau IM in June 2012 to provide investors with exposure to the French and European markets in Unitranche financing and in subordinated and mezzanine debt. The fund specialises in transactions where the enterprise value is between €50 million and €500 million targeting LBO acquisition transactions (see the Glossary in Section 10.7) or acquisition financing for companies with flexible and innovative structures. With a flexible investment strategy, the fund makes use of various tools (bonds, bonds with equity warrants, convertible bonds, etc.) to build financing structures tailored to the requirements of each situation and each company and their sponsors/Private Equity fund shareholders. TPC thus favours the following assets:

- Unitranche financing;
- Mezzanine financing; and
- PIK financing (see Glossary in Section 10.7).

TPC's investment period expired on 14 June 2016 and called €130 million of the investors' commitments. TPC has a lifespan set to mature in November 2023 with an extension option of one year.

GROUPAMA TIKEHAU DIVERSIFIED DEBT FUND

Inception date	September 2018
Legal form	French FPS
Fund size (as at 31 December 2019)	€116 million

The Groupama Tikehau Diversified Debt Fund ("GTDDF") is the first fund to be created by a partnership between two asset management companies, Tikehau IM and Groupama AM, in order to support the international development, investment, growth and innovation of French and European SMEs. The GTDDF offers long-term bespoke responses to businesses requiring financing, through long-term differentiated credit solutions (bonds, euro PP, Senior Debt or Unitranche) for amounts between €1 million and €10 million.

This specialised professional fund has a 12-year maturity. The first closing for the fund of €116 million was completed in October 2018, supported in particular by the European Investment Fund (EIF), Groupama and the Company. Groupama AM has delegated the management of the fund to Tikehau IM.

As at 31 December 2019, GTDDF had invested a total of about €50.6 million in 20 companies established in France, Spain and Switzerland.

Main corporate lending funds

NOVI 1

Inception date	July 2015
Legal form	French FPS
Fund size (as at 31 December 2019)	€294 million

In 2015, Tikehau IM and La Financière de l'Échiquier, in partnership with CroissancePlus, were selected following a tender launched by the *Caisse des dépôts et consignations* (CDC), the French Insurance Federation (FFA) and 21 French institutional investors to manage a fund to finance the growth and innovation of SMEs and intermediate-sized companies (see the Glossary in Section 10.7). NOVI is a specialised professional fund ("FPS"), a French vehicle structured as a long term SICAV whose purpose is to fund organic and external growth, and the international development of French growth SMEs and intermediate-sized companies. This is the first industry vehicle allowing a joint investment in shareholders' equity and debt, and particularly meets the needs of high-growth French companies.

After NOVO in 2013 (see below), this is the second industry mandate obtained by Tikehau Capital.

This FPS aims to invest in a broad range of assets, especially in equity capital (equity securities or securities convertible into equity) and senior debt (bonds or loans). 20% of the portfolio must be invested in companies listed on the Euronext B and C markets and on Euronext Growth, and 80% of the portfolio in unlisted companies. The fund has a lifespan of 21 years.

The investment spectrum of NOVI 1 focuses on growth companies based in France with a turnover of between €30 million and €200 million, in the industrial and services sectors (excluding financial and Real Estate firms and companies under LBO (see the Glossary in Section 10.7) for financing amounts of between €3 million and €20 million. Investments in non-listed companies must prioritise sectors included in the "New Industrial France" support plan. For listed companies, the portfolio selection should be carried out according to essentially qualitative criteria, including corporate social and environmental responsibility (CSR), using a diversified portfolio approach.

NOVO 2

Inception date	October 2013
Legal form	French FCT
Fund size (as at 31 December 2019)	€191 million

In 2013, Tikehau IM was selected following a tender launched by the *Caisse des dépôts et consignations* (CDC), the French Insurance Federation (FFA) and 27 institutional investors to manage a *fonds de prêts à l'économie* ("FPE", economic development loan fund) intended for SMEs and intermediate-sized companies. This fund aims to provide loans to French intermediate-sized companies and SMEs by channelling available savings into the financing of growth companies.

This FPE manages an amount of €1.4 billion, made up of two separate sub-funds, one of which is under the management of Tikehau IM (representing an amount of €191 million as at the end of December 2019). It is structured as a French Debt Securitisation Fund ("FCT") designated as an FPE, buying bonds and issuing units as investments are made during the first three years. The "FPE" certification limits the investment period to three years, which therefore ended in November 2016. The lifespan of the fund is 10 years.

The investment spectrum of the NOVO 2 FCT focuses on the financing of French companies pursuing a commercial, industrial or agricultural activity (excluding financial and Real Estate activities and LBOs (see the Glossary in Section 10.7), of intermediate size. An entire development project can be funded for loan amounts of between €10 million and €50 million. The investment philosophy of the NOVO 2 fund is conservative (a maximum of 10% in the same company and a maximum of 20% in the same sector) and prioritises growth companies.

TIKEHAU NOVO 2018

Inception date	October 2017
Legal form	French FCT
Fund size (as at 31 December 2019)	€212 million

Tikehau IM et BNP AM (already partners in the management of NOVO 1 and NOVO 2 (see above) created the Tikehau NOVO 2018 fund ("NOVO 2018") to continue the work of traditional stakeholders on the euro PP market, for which the investment period ended in November 2016.

NOVO 2018 is structured as a French Debt Securitisation Fund ("FCT") designated as an "FPE", buying bonds and issuing units as investments are made during the first three years. The "FPE" certification limits the investment period to three years, and the lifespan of the fund is 10 years.

The NOVO 2018 fund, managed by Tikehau IM, has a total amount of €212 million, of which 61% was invested as at 31 December 2019.

The investment strategy is similar to that of the NOVO 1 and NOVO 2 funds, as it invests in receivables issued by intermediate-sized companies ("ETIs") whose registered offices are primarily located in France.

The investment spectrum of NOVO 2018 focuses on the financing of French companies pursuing a commercial, industrial or agricultural activity (excluding financial and Real Estate activities and LBOs (see the Glossary in Section 10.7), of intermediate size. An entire development project can be funded for loan amounts of between €10 million and €50 million. The investment philosophy of NOVO 2018 is conservative (a maximum of 10% in the same company and a maximum of 20% in the same sector) and prioritises growth companies.

SOFIPROTEOL DETTE PRIVEE

Inception date	June 2016
Legal form	French FCT
Fund size (as at 31 December 2019)	€205 million

Sofiprotéol Dette Privée is a debt securitisation fund ("FCT") designated as an "FPE" and created in June 2016 by Tikehau IM to finance the development of businesses of all sizes in the agro-industrial and agro-food sectors, by granting interest-only loans repayable on maturity or leveraged acquisition financing.

This FPE was created under the partnership between Tikehau IM and Sofiprotéol, a subsidiary of the Avril group which has extensive knowledge in these sectors. The Avril group is a major French industrial and financial group which operates in sectors as diverse as human nutrition, animal feed and animal sciences, and renewable energy and chemistry. Initially financed by Sofiprotéol and Tikehau Capital with a group of leading investors, the fund held close to €205 million in commitments as at 31 December 2019.

(b) Senior Debt (leveraged loans) activity

The Senior Debt (leveraged loans) activity includes both funds focused on investments in Senior Debt (*i.e.* TSL II, TSL III and TCLLF) and the CLO activity. As at 31 December 2019, this activity represented a total of assets under management of €4.0 billion.

Loan funds

At the date of this Universal Registration Document, the main Tikehau Capital loan funds are as follows:

TIKEHAU SENIOR LOAN II

Inception date	November 2015
Legal form	French FCT
Fund size (as at 31 December 2019)	€518 million

Tikehau Senior Loan II ("TSL II") is a vehicle dedicated to the European Senior Debt strategy and launched by Tikehau IM in November 2015. The fund aims to build a diversified exposure to the European senior loan market (senior loans and senior secured bonds) in companies with an EBITDA of between €20 million and €250 million, an enterprise value of between €100 million and €1.5 billion and maximum leverage set at 5.5x. The investment universe is primarily European companies in the context of LBO transactions (see the Glossary in Section 10.7) led by Private Equity funds). The approach combines participation in large European syndications and mid-market transactions initiated bilaterally by Tikehau IM. The marketing period for TSL II ended in 2017. The fund has a maturity set to 2025. As at 31 December 2019, TSL II had €518 million in assets under management.

TIKEHAU SENIOR LOAN III

Inception date	June 2018
Legal form	French FPS
Fund size (as at 31 December 2019)	€297 million

As the successor of the TSL II fund (see above), Tikehau Senior Loan III ("TSL III") is a vehicle dedicated to the European Senior Debt strategy and launched by Tikehau IM in July 2018. The fund aims to build a diversified exposure to the European senior loan market (senior loans and senior secured bonds) in companies with an EBITDA of between €20 million and €500 million, an enterprise value of between €150 million and €1 billion and maximum leverage set at 5.5x. The investment universe is primarily European companies in the context of LBO transactions (see Glossary in Section 10.7) led by Private Equity funds, which combines participation in large European or minority American syndications and mid-market transactions initiated bilaterally and locally by Tikehau IM. This results in a higher yield profile while providing better control of the key economic and legal financing terms, as well as adding a differentiating factor when building the portfolio.

As at 31 December 2019, TSL III had attracted nearly €297 million in commitments, of which €254 million had been called and invested in close to 75 companies primarily established in France, Germany, Italy, Spain, the Netherlands, the United Kingdom and Luxembourg.

1.

TIKEHAU CORPORATE LEVERAGED LOANS FUND

Inception date	November 2013
Legal form	French FCT
Fund size (as at 31 December 2019)	€55 million

Tikehau Corporate Leveraged Loans Fund ("TCLLF") allows investors to access the bank loan market in a regulatory framework that has been clarified (notably as part of the reform of the French Insurance Code in the summer of 2013 that authorized insurers to invest in debt securitisation funds (FCTs)) and benefit from attractive market conditions. The fund's portfolio consists primarily of primary investments in order to prioritise transactions including the negotiation of key terms, to benefit from new market standards and help improve end returns through customised loans. TCLLF investments in the secondary market focused on post-2008 transactions offering higher margins and clean capital structures.

To complete its portfolio in the field of leveraged loans, in late 2016 Tikehau Capital reached an agreement with Lyxor UK, a company in the Lyxor group (an asset management company of the Société Générale group) dedicated to the management of European senior debt, to carry out the delegated management of this business. This transaction boosted the Group's Senior Debt activity, especially for LBO-type transactions (see the Glossary in Section 10.7). Following this operation, Tikehau IM has replaced Lyxor UK as the manager of four Lyxor European Senior Debt funds.

(c) CLO Activities

Tikehau Capital entered the securitisation market in 2015 through the launch of securitisation vehicles dedicated to CLOs. The objective of Tikehau Capital is to become permanently established in the CLO market through Tikehau Capital Europe and to carry out one or two CLO transactions per year in the range of €300 million to €500 million. In line with this target, as at the date of this Universal Registration Document, Tikehau Capital has launched five CLO vehicles: Tikehau CLO I, Tikehau CLO II, Tikehau CLO III, Tikehau CLO IV and Tikehau CLO V. Tikehau Capital's CLO vehicles are structured by and under the management of Tikehau Capital Europe (see Section 1.3.1.4 (The legal structure of Tikehau Capital) of this Universal Registration Document).

In order to support the diversification of the Group's credit platform and to sustain the development of a debt securitisation business, Tikehau Capital has built a dedicated and experimented team which benefits from the complementary skills of its Asset Management, credit research and risk management teams and all of the Group's support services (including for administrative and compliance matters).

Following its approval by the FCA, Tikehau Capital Europe has structured:

- a first securitisation vehicle ("Tikehau CLO I"), closed in July 2015 and subsequently refinanced in December 2017 for an initial amount of approximately €355 million;
- a second CLO vehicle ("Tikehau CLO II"), closed in November 2016 for an amount of approximately €414 million;
- a third CLO vehicle ("Tikehau CLO III"), closed in November 2017 for an amount of approximately €435 million;
- a fourth CLO vehicle ("Tikehau CLO IV"), closed in September 2018 for an amount of approximately €412 million; and
- a fifth CLO vehicle ("Tikehau CLO V"), closed in September 2019 for an amount of approximately €451 million.

The bonds issued by each of the five vehicles are backed by a dynamic and diversified portfolio of syndicated loans and bond financing issued to all business sectors, mainly located in Europe, in order to finance their growth or international development projects. The different issues of bonds made by Tikehau CLO I, Tikehau CLO II, Tikehau CLO III, Tikehau CLO IV and Tikehau CLO V are rated by the ratings agencies as shown below. These ratings reflect different levels of risk, allowing investors to target their investment in a given bond issue based on their risk and return objectives. In practice, as shown by the presentation below of the liabilities of these five vehicles, the higher the risk associated with a bond issue, the higher its coupon.

In more concrete terms, banks who want to lighten their balance sheet to meet certain capital requirements imposed by the regulators, or to free more cash in order to finance other activities, may sell these debts on the market to securitisation vehicles. These vehicles finance the purchase of such debts by issuing new securities, divided into different tranches (senior, mezzanine, equity, etc.) according to the risk profile and yield. The tranche with the highest level of risk will be the subordinated or equity tranche. The vehicle receives the interest on its debt portfolio (asset side) then redistributes it to its investors (holding its liabilities), beginning with paying the most senior tranches, *i.e.* those with the highest security and least risk. The most subordinated tranche (equity) thus receives the balance of coupons once the other tranches have received all of the coupons owed to them and is the tranche most at risk of corporate default.

A company managing CLOs such as Tikehau Capital Europe has two types of revenues:

- it receives management fees;
- under applicable legislation, it is under the obligation to invest 5% (called the retention rate) in the securitisation vehicle (the retention piece principle). This investment can be made horizontally either in the highest risk tranche (subordinated tranche or equity), or vertically, by a retention of 5% of each of the tranches issued by the vehicle. The asset management company collects the coupons related to this tranche, if the other tranches have received the coupons owed to them.

As at 31 December 2019, Tikehau Capital Europe's assets under management amounted to approximately €1,990 million.

An amendment to the VAT regime in the Netherlands after 31 December 2019 will result in the application of VAT to management fees, which will reduce the distributable interest of the subordinated notes issued by the CLO vehicles. This legislative amendment could potentially have a negative impact on the investment value of fixed assets. Tikehau Capital is currently reviewing solutions that would mitigate this impact. This legislative amendment is currently being disputed and may be overturned, in which case the impact on Tikehau Capital would be minimal.

At the date of this Universal Registration Document, the CLO vehicles of Tikehau Capital are:

TIKEHAU CLO I

Settlement date	July 2015
Vehicle size	€355 million

Tikehau CLO BV ("Tikehau CLO I") is the first bond securitisation vehicle backed by a portfolio of loans (Collateralised Loan Obligations, CLO) structured by Tikehau Capital in July 2015 for €354.7 million. The deal was carried out with Goldman Sachs as arranger and placement agent and the settlement date was 15 July 2015.

With repayment on maturity after 13 years, the portfolio of the vehicle is made up for over 90% of variable rate senior secured loans granted in the form of leveraged loans or bonds.

Tikehau Capital and its subsidiaries are exposed for 11.3% of the liabilities of Tikehau CLO I, *i.e.* for a total nominal value of €32.3 million in the subordinated (equity) tranche and for €7.8 million in the F tranche as described below. This investment includes the retention piece, *i.e.* the retention rate of 5% of the securitised assets which is applied to the originating entity (in this case, Tikehau Capital Europe) under applicable regulations (See Section 1.5.3.3 (Other regulations – "Capital requirements") of this Universal Registration Document).

In December 2017, Tikehau CLO I was refinanced *via* a hybrid financing set up by Goldman Sachs as arranger, in particular in order to reduce the costs of the liabilities incurred by the vehicle and to allow Tikehau Capital Europe to change its status from sponsor to originator under the terms of this regulation.

Characteristics of the securities issued by Tikehau CLO I:

Category of bonds issued	Rating (Moody's/Fitch)	Amount *(in thousands of €)*	Coupon	Final maturity post-refinancing
A-1R.	Aaa/AAA	161,000	Euribor 6m +0.60%	11 years
A-2	Aaa/AAA	40,000	1.88% during the fixed-rate period then Euribor 6m +1.40%	11 years
B	Aa2/AA +	39,000	Euribor 6m +1.07%	11 years
C	A2/A	28,000	Euribor 6m +1.45%	11 years
D	Baa2/BBB	16,000	Euribor 6m +2.35%	11 years
E	Ba2/BB	21,200	Euribor 6m +4.60%	11 years
F	B2/B-	7,800	Euribor 6m +5.90%	11 years
Subordinated	Unrated	41,700	Not applicable	11 years
TOTAL		**354,700**		

1.

TIKEHAU CLO II

Settlement date	November 2016
Vehicle size	€414 million

Tikehau CLO II BV ("Tikehau CLO II") is a bond securitisation vehicle backed by a portfolio of loans (Collateralised Loan Obligation, CLO) structured by Tikehau Capital in November 2016 for an amount of €414.2 million. The deal was carried out with Citi as arranger and placement agent and the settlement date was 30 November 2016.

With repayment on maturity after 13 years, Tikehau CLO II is also made up for over 90% of variable rate senior secured loans. The bonds issued by Tikehau CLO II were placed with around 20 institutional investors, mainly French and European.

Tikehau Capital and its subsidiaries are exposed for 5.2% of the liabilities of Tikehau CLO II, *i.e.* for a total nominal amount of €21.6 million in the subordinated (equity) tranche as described below. This investment includes the retention piece, *i.e.* the retention rate of 5% of the securitised assets which is applied to the originating entity (in this case, Tikehau Capital Europe) under applicable regulations (See Section 1.5.3.3 (Other regulations – "Capital requirements") of this Universal Registration Document).

Characteristics of the securities issued by Tikehau CLO II:

Category of bonds issued	**Rating (Moody's/Fitch)**	**Amount** *(in thousands of €)*	**Coupon**	**Final maturity**
A	Aaa/AAA	244,000	Euribor 6m +1.06%	13 years
B	Aa2/AA	46,000	Euribor 6m +1.70%	13 years
C	A2/A	23,000	Euribor 6m +2.57%	13 years
D	Baa2/BBB	18,000	Euribor 6m +3.60%	13 years
E	Ba2/BB	28,000	Euribor 6m +6.25%	13 years
F	B2/B-	10,500	Euribor 6m +7.50%	13 years
Subordinated	Unrated	44,700	Not applicable	13 years
TOTAL		**414,200**		

TIKEHAU CLO III

Settlement date	November 2017
Vehicle size	€435 million

Tikehau CLO III BV ("Tikehau CLO III") is the third bond securitisation fund backed by a portfolio of loans (Collateralised Loan Obligations, CLO) structured by Tikehau Capital in November 2017 for €435.2 million. The deal was carried out with Citi as arranger and placement agent and the settlement date was 9 November 2017.

With repayment on maturity after 13 years, Tikehau CLO III is also made up for over 90% of variable rate senior secured loans. The bonds issued by Tikehau CLO III were placed with around 30 institutional investors, mainly French and European, half of whom had already invested in the previous CLOs.

Tikehau Capital is exposed for 6.1% of the liabilities of Tikehau CLO III, *i.e.* for a total nominal value of €22.8 million in the subordinated (equity) tranche and for €2.8 million in the E tranche as described below. This investment includes the retention piece, *i.e.* the retention rate of 5% of the securitised assets which is applied to the originating entity (in this case, Tikehau Capital Europe) under applicable regulations (See Section 1.5.3.3 (Other regulations – "Capital requirements") of this Universal Registration Document).

Characteristics of the securities issued by Tikehau CLO III:

Category of bonds issued	Rating (Moody's/Fitch)	Amount *(in thousands of €)*	Coupon	Final maturity
A	Aaa/AAA	244,700	Euribor 6m +0.87%	13 years
B	Aa2/AA	57,700	Euribor 6m +1.40%	13 years
C	A2/A	28,600	Euribor 6m +1.85%	13 years
D	Baa2/BBB	19,700	Euribor 6m +2.70%	13 years
E	Ba2/BB	26,250	Euribor 6m +4.85%	13 years
F	B2/B-	12,600	Euribor 6m +6.55%	13 years
Subordinated	Unrated	45,600	Not applicable	13 years
TOTAL		**435,150**		

1.

TIKEHAU CLO IV

Settlement date	September 2018
Vehicle size	€412 million

Tikehau CLO IV BV ("Tikehau CLO IV") is the fourth bond securitisation vehicle backed by a portfolio of loans (Collateralised Loan Obligations, CLO) structured by Tikehau Capital in September 2018 for €411.8 million. The deal was carried out with Merrill Lynch as arranger and placement agent and the settlement date was 4 September 2018.

With repayment on maturity after 13 years, Tikehau CLO IV is also made up for over 90% of variable rate senior secured loans. The bonds issued by Tikehau CLO IV were placed with around 30 institutional investors, mainly French and European, half of whom had already invested in the previous CLOs.

Tikehau Capital is exposed for 5.9% of the liabilities of Tikehau CLO IV, *i.e.* for a total nominal value of €21.6 million in the subordinated (equity) tranche and for €2.7 million in the F tranche as described below. This investment includes the retention piece, *i.e.* the retention rate of 5% of the securitised assets which is applied to the originating entity (in this case, Tikehau Capital Europe) under applicable regulations (See Section 1.5.3.3 (Other regulations – "Capital requirements") of this Universal Registration Document).

Characteristics of the securities issued by Tikehau CLO IV:

Category of bonds issued	Rating (Moody's/Fitch)	Amount *(in thousands of €)*	Coupon	Final maturity
X	Aaa/AAA	1,500	Euribor 3m +0.53%	13 years
A1	Aaa/AAA	231,000	Euribor 3m +0.90%	13 years
A2	Aaa/AAA	15,000	1.75%	13 years
B1	Aa2/AA	7,000	Euribor 3m +1.65%	13 years
B2	Aa2/AA	15,000	2.10%	13 years
B3	Aa2/AA	22,000	Euribor 3m + 1.92% during the non-repayment period then Euribor 3m +1.65%	13 years
C1	A2/A	7,000	Euribor 3m +2.15%	13 years
C2	A2/A	19,000	Euribor 3m + 2.42% during the non-repayment period then Euribor 3m + 2.15%	13 years
D	Baa2/BBB	21,000	Euribor 3m +3.30%	13 years
E	Ba2/BB	23,000	Euribor 3m +5.33%	13 years
F	B2/B-	12,000	Euribor 3m +7.36%	13 years
Subordinated	Unrated	38,300	Not applicable	13 years
TOTAL		**411,800**		

TIKEHAU CLO V

Settlement date	September 2019
Vehicle size	€451 million

Tikehau CLO V BV ("Tikehau CLO V") is the fifth bond securitisation vehicle backed by a portfolio of loans (Collateralised Loan Obligations, CLO) structured by Tikehau Capital in July 2019 for €451.2 million. The deal was carried out with Natixis as arranger and placement agent and the settlement date was 5 September 2019.

With repayment on maturity after 13 years, Tikehau CLO V is also made up for over 90% of variable rate senior secured loans. The bonds issued by Tikehau CLO V were placed with around 20 institutional investors, mainly French and European, half of whom had already invested in the previous CLOs.

Tikehau Capital is exposed for 9% of the liabilities of Tikehau CLO V, *i.e.* for a total nominal value of €39 million in the subordinated (equity) tranche and for €1.6 million in the F tranche as described below. This investment includes the retention piece, *i.e.* the retention rate of 5% of the securitised assets which is applied to the originating entity (in this case, Tikehau Capital Europe) under applicable regulations (See Section 1.5.3.3 (Other regulations – "Capital requirements") of this Universal Registration Document).

Characteristics of the securities issued by Tikehau CLO V:

Category of bonds issued	Rating (Moody's/Fitch)	Amount *(in thousands of €)*	Coupon	Final maturity
X	Aaa/AAA	2,200	Euribor 3m +0.50%	13 years
A	Aaa/AAA	272,000	Euribor 3m +1.10%	13 years
B1	Aa2/AA	36,800	Euribor 3m +1.80%	13 years
B2	Aa2/AA	5,000	Euribor 3m +2.30%	13 years
C1	A2/A	19,300	Euribor 3m +2.45%	13 years
C2	A2/A	7,100	Euribor 3m +2.95% during the non-repayment period then Euribor 3m + 2.45%	13 years
D1	Baa3/BBB	24,800	Euribor 3m +3.90%	13 years
D2	Baa3/BBB	6,000	Euribor 3m +4.40% during the non-repayment period then Euribor 3m + 3.90%	13 years
E	Ba3/BB	25,300	Euribor 3m +5.82%	13 years
F	B3/B	12,100	Euribor 3m +8.42%	13 years
Subordinated	Unrated	39,800	Not applicable	13 years
TOTAL		**451,200**		

1.3.2.2 Real Estate activity

As at 31 December 2019	
Assets under management for the Real Estate activity	€9.2 billion (of which €6.2 billion from Sofidy)
Share of the activity in the Group's total assets under management	36%
Change compared to the previous financial year	21%
Employees of the Real Estate activity	19 (excl. Sofidy) 194 (Sofidy)
Entities concerned	Tikehau IM Sofidy TREIC IREIT Sélectirente
Main types of funds	French Real Estate investment vehicles (*Organismes de placement collectif en immobilier* or "OPCI"), primarily in the form of open-ended company investing predominantly in Real Estate (*Société à prépondérance immobilière à capital variable* or "SPPICAV") Luxembourg-based special limited partnerships (*Société en commandite spéciale de droit luxembourgeois* or "SCSp") Real Estate investment companies (*Sociétés civiles de placement immobilier* or "SCPI")

As at 31 December 2019, the assets under management in Tikehau Capital's Real Estate activity amounted to approximately €9.2 billion, representing 36% of the Group's assets under management.

These assets consist of (1) Real Estate funds managed by Tikehau IM, (2) Real Estate funds managed by Sofidy, and (3) Real Estate investment companies managed by the Group.

Tikehau Capital has invested in Real Estate since its creation in 2004. In 2014, the Group recruited a dedicated team to boost the development of its Real Estate Asset Management activities. Tikehau Capital has thus focused on developing a complete Real Estate platform, in order to be able to seize the opportunities offered by a property market marked by the strong appetite of investors. This Real Estate platform has been especially strengthened in recent years, primarily through external growth, and has a solid expertise and recognised experience in property investment.

In December 2018, Tikehau Capital finalised its acquisition of Sofidy, an asset management company specialising in Real Estate assets, which held €6.2 billion in assets under management [(1)] as at 31 December 2019.

Incorporated in 1987 by Mr Christian Flamarion [(2)], Sofidy is a leading asset manager in the Real Estate Asset Management sector in France and Europe, involved in the creation and development of investment and savings products particularly focused on retail and office Real Estate. A leading independent player in the SCPI (Real Estate investment company) market and regularly singled out for the quality and consistency of its funds' performance, Sofidy manages a portfolio of over 4,000 Real Estate assets on behalf of over 50,000 individual investors and a large number of institutional investors. As at 31 December 2019, Sofidy had 194 employees (excluding its subsidiaries, fixed-term contracts (CDD), professionalisation contracts and internships).

The acquisition of Sofidy has enabled Tikehau Capital to expand its range of Real Estate funds and thus improve its business mix, to reach out to new investor categories and extend its know-how in the field of Real Estate investment solutions thanks to the strong synergies between the two groups' Real Estate activities.

As at 31 December 2019, Tikehau Capital's dedicated Real Estate teams numbered 19 employees from Tikehau IM and 194 employees from Sofidy. As of 31 December 2019, the assets under management of Tikehau Capital's Real Estate activity (excluding assets managed by IREIT) mainly included retail assets (city-centre stores, business parks, stores in commercial areas (40% of the total surface area) and shopping centres (7%), offices (43%), mixed assets (offices and business premises (3%)), residential assets (2%), hotels (less than 1%), and land for redevelopment (5%) located in France, Germany, Italy, the United Kingdom, the Netherlands, Belgium, Austria and Spain.

(1) *Amount calculated based on the definition of the Group's assets under management (see Section 1.3 (Description of Tikehau Capital's activities) of this Universal Registration Document).*

(2) *Mr Christian Flamarion is the father of Mr Antoine Flamarion, co-founder of Tikehau Capital.*

Tikehau Capital's Real Estate activity was initially developed through the establishment of dedicated acquisition vehicles for each transaction. This structuring "tailored" to each investment transaction allowed Tikehau Capital to maintain the agility and flexibility that characterises its investment strategy. Tikehau Capital manages these vehicles through its subsidiary Tikehau IM, which receives management and arrangement fees and revenues from carried interest (See Section 1.3.1.4 (The legal structure of Tikehau Capital) of this Universal Registration Document).

Tikehau Capital's Real Estate investment activities originally focused primarily on commercial and office Real Estate, in particular through sale and lease-back transactions. For such transactions, the Group's vehicles act as purchasers of portfolios sold by counterparties (who are the sellers and subsequently, after the deal, the tenants). The quality of these counterparties ensures a return potential for the duration of the investment as well as a capital gain on resale. Tikehau Capital has focused on building a diversified Real Estate investment portfolio, which as at 31 December 2019 consisted of over 415 Real Estate assets.

For its part, Sofidy uses various types of funds, which consist primarily of SCPI (representing 84% of its assets under management) but also OPCI and UCITS. Accordingly, in 2014, Sofidy decided to enlarge its range of "*pierre-papier*" investment solutions with the launch of the Sofidy Selection 1 UCITS, a conviction equity fund specialising in listed European Real Estate companies. Given the success of this first UCITS, and in the framework of developing its Asset Management business line, Sofidy launched a second equity fund in March 2018, called S.YTIC, dedicated to securities linked to the theme of the metropolis of tomorrow. In 2018, Sofidy also assumed management of a CIF (Collective Internal Fund) investing in shares of listed Real Estate companies exposed to "alternative" types of Real Estate assets (such as hotel properties, student residences, data centres, etc.).

The Sofidy group also owns a property company listed on Euronext Paris – Sélectirente – which has adopted the SIIC tax regime (see below).

Tikehau Capital intends to increase the proportion of Real Estate in its assets under management. In 2018, this was reflected in the acquisition of Sofidy as well as the fundraising for a diversified and value-added Real Estate fund (TREO 2018), targeting the highest returns, and which aims to build on the track record established by the Group through its dedicated funds.

In 2019, Tikehau Capital diversified its portfolio by completing the acquisition of its first residential portfolio from Covivio, through its Tikehau Residential 1 fund. In addition, TREO successfully rolled out in Europe in 2019 with six investments in France, the United Kingdom and Belgium.

Through the IREIT Global vehicle, Tikehau Capital also invested in four office buildings located in Madrid and Barcelona through a joint venture with the Company.

In 2019, the development of the Real Estate activity operated by Sodify resulted in raising more than €1 billion in total funds (including € 680 million from SCPIs, €332 million from other FIAs and €39 million from UCITS) and a €732 million Real Estate investment programme. The year was marked in particular by a capital increase of €217 million for the listed Real Estate company Sélectirente, enabling it to multiply its capitalization by 2.5.

The following table presents the Group's main Real Estate investment vehicles and the amount of assets under management for each one as at 31 December 2018 and 31 December 2019:

(in millions of €)	Assets under management as at 31 December 2019	Assets under management as at 31 December 2018
Tikehau Real Estate I	0	111
Tikehau Real Estate II	273	277
Tikehau Real Estate III	330	348
Tikehau Retail Properties I	149	149
Tikehau Retail Properties II	81	80
Tikehau Retail Properties III	261	255
Tikehau Logistics Properties I	40	40
Tikehau Italy Retail Fund I	95	96
Tikehau Italy Retail Fund II	71	72
Tikehau Real Estate Opportunity 2018	570	314
Tikehau Residential I	185	0
Others	0	2
Real Estate funds managed by Tikehau IM	**2,055**	**1,743**
Immorente	3,338	2,994
Efimmo 1	1,593	1,285
Others	769	555
Real Estate funds managed by Sofidy	**5,700**	**4,834**
IREIT Global	630	505
TREIC	273	250
Sélectirente [(1)]	518	252
Real Estate companies managed by the Group	**1,421**	**1,007**
TOTAL	**9,177**	**7,583**

(1) As at 31 December 2019, Sofidy controlled 12.62% of Sélectirente's share capital and managed 100% of its assets under a delegated management contract.
At the same date, Tikehau Capital directly held 37.47% of Sélectirente's share capital and 52.07% in concert with Sofidy, GSA Immobilier, Sofidiane, Makemo Capital, AF&Co, Antoine Flamarion and Christian Flamarion.

As part of its balance sheet allocation policy, the Group originally invested in vehicles dedicated to Real Estate and managed by the Group. The portfolio of investments made using the Group's balance sheet as part of Tikehau Capital's Real Estate strategies represented a total amount of €537 million as at 31 December 2019. Revenues generated by this portfolio mainly takes the form of distributions made by the vehicles.

(a) Real Estate funds managed by Tikehau IM

As at 31 December 2019, the main Real Estate transactions structured, completed and managed by Tikehau IM were:

TIKEHAU REAL ESTATE OPPORTUNITY 2018

Inception date	May 2018
Legal form	Luxembourg SCSp (special limited partnership)
Fund size (as at 31 December 2019)	€570 million

Tikehau Real Estate Opportunity 2018 ("TREO 2018") is a "value-added" Real Estate fund which targets the highest returns, and which aims to build on the track record established by the Group through its dedicated funds.

TREO 2018 invests in all classes of Real Estate assets which offer potential value creation, with a maximum leverage of 65%. The fund has a three-year investment period and an eight-year lifetime (excluding extension option).

TREO 2018 also acquired its first asset in October 2018 in partnership with Bouygues Immobilier. This was a mixed redevelopment project of approximately 200,000m^2 in Charenton. The project won the competition tender as part of the "Inventing the Greater Paris Metropolis" project, and will participate in the urban renewal of the Charenton area located on the outskirts of Paris.

In 2019, TREO made the following investments:

(i) two shopping centres, Nicholsons in Maidenhead (17,650m^2) and Wallnuts in Orpington (22,500m^2), both assets being located in the city-centre of London suburbs a few tube stations from the centre of the capital city: the strategy is to redevelop and enhance these assets in partnership with the local London boroughs;

(ii) two 3-star hotels, the Corona and the Touraine, in the 9th arrondissement of Paris, with a combined capacity of 97 rooms offering strong potential for growth in an expanding Paris hotel sector;

(iii) a mixed portfolio of around 25 assets and 30,000m^2 in the centre of Brussels with residential units, offices and ground floor retail units;

(iv) a business portfolio, most of it leased to the EDF group in France;

(v) a combined office/business asset in Clamart on the outskirts of Paris.

Tikehau Real Estate Opportunity 2018 (TREO 2018), the Group's European value-added strategy real estate fund, completed its final closing at the end of February 2020 with a final round of fundraising of €560 million, bringing the fund's assets under management to €729 million.

TIKEHAU REAL ESTATE I

Acquisition date	March 2014
Legal form	SPPICAV
Fund size (as at 31 December 2019)	Portfolio sold

Tikehau Real Estate I ("TRE I") is a vehicle set up by Tikehau IM in early 2014. This transaction initially involved the sale and lease-back of 17 French fully-owned sites mainly used for industrial laundries, leased by the Elis group, a European leader in the rental and cleaning of linen and professional clothing which is listed on Euronext Paris.

In late June 2014, TRE I acquired five additional sites in a second deal, bringing the total number of sites in the portfolio to 22. The aim is to sell the assets over time to the Elis group or to investors with a residual commitment of ten years. The initial investment was secured by firm 15-year net investor leases entered into with a quality counterparty, the Elis group. The investment was financed without borrowing.

In December 2019 Tikehau Capital and Foncière Atland sold the portfolio of 22 industrial assets held by TRE I to a fund managed by Blackstone. The closure of TRE I will offer investors a multiple on capital invested of close to 2.

TIKEHAU REAL ESTATE II

Acquisition date	December 2016
Legal form	SPPICAV
Fund size (as at 31 December 2019)	€273 million

Tikehau Real Estate II ("TRE II") was set up by Tikehau IM in December 2016 for the acquisition from the EDF group of a portfolio of 137 mixed assets consisting of office and business premises located in France. The portfolio is 93.6% occupied by affiliates of the EDF group and offers redevelopment opportunities on sites with residential potential. As at 31 December 2019 and since the fund's inception, TRE II has disposed of 20 assets for a total of €40 million. The Company has invested mainly alongside institutional investors and TREIC, the Group's Real Estate company dedicated to co-investments in Real Estate transactions (see Section 1.3.2.2(c) (Real Estate companies managed by the Group) of this Universal Registration Document).

TIKEHAU REAL ESTATE III

Acquisition date	October 2017
Legal form	SPPICAV
Fund size (as at 31 December 2019)	€330 million

Tikehau Real Estate III ("TRE III") was set up by Tikehau IM in October 2017 for the acquisition from the EDF group of a portfolio of approximately 200 mixed assets consisting of office and business premises located in France. The portfolio is 88.1% occupied by affiliates of the EDF group and has a total surface area of approximately 390,000m[2]. As at 31 December 2019 and since the fund's inception, TRE III has sold 25 assets for a total amount of €42.2 million. This acquisition forms part of the 2015-2020 overall plan of disposals announced by the EDF group, and is a continuation of the transaction carried out in December 2016 through the TRE II fund.

TIKEHAU RETAIL PROPERTIES I

Acquisition date	December 2014
Legal form	SPPICAV
Fund size (as at 31 December 2019)	€149 million

Tikehau Retail Properties I ("TRP I") was set up by Tikehau IM to acquire a portfolio of Real Estate assets from ICADE, comprising 37 sites located in France and rented by the retail chains Mr Bricolage and Gifi (for one site). Mr Bricolage is one of the leading French distributors of construction, DIY and interior design materials for individuals. The chain has about 800 stores in 14 countries, mainly in Europe. The acquisition was equity-financed without leverage.

TIKEHAU RETAIL PROPERTIES II

Acquisition date	October 2015
Legal form	SPPICAV
Fund size (as at 31 December 2019)	€81 million

Tikehau Retail Properties II ("TRP II") was set up by Tikehau IM in connection with the purchase from Hammerson and Darty of co-ownership units representing 61.5% of the surface area of the Bercy 2 shopping centre. The other co-owner is Carrefour Property. The acquisition was partially financed by bank loans. Located just outside Paris, the Bercy 2 shopping centre, which opened in 1990 and was designed by Renzo Piano, has 70 stores and a total sales surface area of approximately 40,000m[2]. It consists of food anchor with a Carrefour superstore, and a shopping mall that includes six medium-sized stores (Darty, H&M, Fitness Park, etc.). It also has 2,200 parking spaces. This shopping centre, refurbished in stages between 2011 and 2013, has a catchment area of about 675,000 inhabitants. It lies within the territory opened for urban projects under the "Inventing the Greater Paris Metropolis" call for projects and a Development of National Interest, both programs aiming to stimulate the urban transformation of this currently isolated area.

TIKEHAU RETAIL PROPERTIES III

Acquisition date	October 2015
Legal form	SPPICAV
Fund size (as at 31 December 2019)	€261 million

Tikehau Retail Properties III ("TRP III") was set up by Tikehau IM for the purpose of acquiring 35 retail properties representing about 100 rental units distributed all over France. The portfolio is geographically diversified and the assets are leased to over 40 different chains that are well established in their area and recognized nationwide. The main tenant is the Babou chain. Babou, a French market leader in the discount textile/discount store sector which was bought out during the financial year by B&M, a company listed on the London stock exchange and a leading discounter, represents approximately 61% of the rental income. As at 31 December 2019, the portfolio occupancy rate was about 95.4% for a total surface area of 200,000m^2. The acquisition was partially financed by a bank loan. The strategy is based on optimising the current rent, either by replacing certain tenants or by renegotiating existing leases for longer terms. There is also a potential to relet vacant sites and redevelopment of some sites.

TIKEHAU RESIDENTIAL I

Acquisition date	June 2019
Legal form	SPPICAV
Fund size (as at 31 December 2019)	€185 million

Tikehau Residential I ("TR I") was set up by Tikehau IM in June 2019 for the acquisition from Covivio of a portfolio of around 520 parcels spread across around one hundred addresses and approximately 60,000m^2 in France. Most of the assets are located in the Paris region, Marseille and Aix-en-Provence, offering investors a diversified product in a resilient market with exposure to major French metropolises. The acquisition was partially financed by bank debt. The strategy is to dispose of assets over time and enhance the rental value of a portfolio that offers good medium-term return. There is also a potential to relet some partially empty buildings. This is Tikehau IM's first residential Real Estate transaction.

TIKEHAU ITALY RETAIL FUND I

Acquisition date	February 2016
Legal form	Luxembourg SCSp (special limited partnership)
Fund size (as at 31 December 2019)	€95 million

Opened in 2007, the shopping centre "I Petali", located in Reggio Emilia in northern Italy, currently welcomes around 4 million visitors a year. The shopping centre covers an area of 27,900m^2 distributed over two floors, which include about 60 national and international brands, a multiplex cinema, a fitness centre and exterior parking spaces for around 1,500 vehicles. The asset was acquired from CBRE Global Investors by the fund Tikehau Italy Retail Fund I ("TIRF I"), a vehicle set up and managed by Tikehau IM, whose investors include the Company alongside leading institutional and private investors.

TIKEHAU ITALY RETAIL FUND II

Acquisition date	May 2017
Legal form	Luxembourg SCSp (special limited partnership)
Fund size (as at 31 December 2019)	€71 million

Tikehau Italy Retail Fund II ("TIRF II") was set up by Tikehau IM in May 2017 for the acquisition of the shopping centre "Area12 Turin", then owned by the San Sisto consortium, itself controlled by Nordicad – its majority shareholder – CMB and Unieco. Nordicad, which has retained ownership of the shopping centre's superstore, works alongside Tikehau Capital to further develop the shopping centre. This deal was carried out by Tikehau IM, with the participation of several major Italian and international institutional investors. Opened in October 2011, the Area12 shopping centre is part of a 21,000m^2 complex located around the Juventus Stadium. This is the second Real Estate transaction carried out by Tikehau Capital in Italy, following the acquisition in 2016 of the I Petali shopping centre (see above).

(b) Real Estate funds managed by Sofidy

For over 30 years, Sofidy has been designing, developing and managing Real Estate funds distributed primarily to retail clients (*via* partners which include independent financial advisors, life insurance companies, banking networks, etc.) and covering the full "*pierre-papier*" range (primarily SCPIs but also public OPCIs, OPPCI, listed or dedicated Real Estate companies, Real Estate UCITS, sub-funds etc.). Although originally known for their expertise in retail assets, investment funds managed by Sofidy now invest in all asset classes (retail, offices, logistics, hospitality, residential, etc.) based in France (82%), the Netherlands (7%), Germany (5%) and Belgium (2%). The investment policy targets high-yield Real Estate assets (based on strategies known as Core/Core + strategies) which offer both investors/savers strong security on rental flows due to the high-quality of their locations and/or lessees. Leverage is usually moderate for this type of fund (15-50%). Immorente, as the flagship of the Sofidy range, is the embodiment of this diversifed and pooled investment strategy and one of the leading French SCPIs with a capitalisation of nearly €4 billion. As at 31 December 2019, Immorente is comprised of over 2,000 rental units, and has retained an IRR of 9.5% since it was incorporated in 1987.

Sofidy's performance was rewarded by various prizes and awards, the most recent of which were at the 2019 *Victoires de la Pierre-Papier* awards: Immorente was voted best SCPI (Real Estate investment trust) for its five-year performance in the category of classic diversified SCPIs with variable capital; Sofipierre was voted best SCPI for its 10-year performance in the category of commercial SCPIs with variable capital.

Further information on Sofidy's activities, results and outlook are available at its website: www.sofidy.com.

The main SCPIs managed by Sofidy are:

IMMORENTE

Inception date	1988
Legal form	Open-ended SCPI
Vehicle size	€3,338 million

Set up in 1988 and managed by Sofidy since its inception, Immorente has one fo the highest capitalisations among French SCPIs, over €3 billion.

Although it was traditionally focused on retail assets, Immorente has gradually diversified its portfolio while focusing on the faster growing areas of the country, thus ensuring an excellent pooling of rental risk. At the end of 2019, Immorente's portfolio primarily featured city centre office (36%) and retail (29%) space, out-of-town retail space (28%). In geographical terms, 81% of the portfolio is located in France and 19% abroad (mainly in the Netherlands and Germany).

Immorente is pursuing its growth based on a careful and largely pooled investment policy. Its dynamic management policy resulted in an average financial occupancy rate of 95% for 2019, and offered each of its shareholders an attractive risk/return profile characterised by a 2019 distribution rate of 4.64% and a long-term IRR (since its inception) of 9.5%.

EFIMMO 1

Inception date	1987
Legal form	Open-ended SCPI
Vehicle size	€1,593 million

Set up in 1987, Efimmo 1 has been managed by Sofidy since 2000. The SCPI holds over 950 rental units, 89% of which are invested in offices spread over the highest-growth regions based primarily in France (87.2%, of which 60% are in Paris and the surrounding metropolitan area), in Germany (7%) and in the Netherlands (3%).

The SCPI is pursuing its growth based on a careful and largely pooled investment policy and through the active management of the Real Estate assets by the asset management company. It has an excellent financial occupancy rate of 93.59% for the 2019 financial year. Efimmo 1 offers each of its shareholder an attractive risk/return profile characterised by a 2019 distribution rate of 4.97% and a long-term IRR (since its inception) of 8.8%.

SOFIDY SELECTION 1

Inception date	November 2014
Legal form	FCP
Vehicle size	€90 million

SOFIDY Sélection 1 is a conviction equity fund specialising in the European listed Real Estate sector and has invested in around 40 Real Estate companies in Europe (mainly in France, Germany and Scandinavia) selected for their ability to offer growth potential and limited volatility over time.

The fund's performance was up 23.8% in 2019 (for part I) and up 75.6% since its inception in November 2014, with outstanding sums of €90 million as at 31 December 2019.

(c) Real Estate companies managed by the Group

TIKEHAU REAL ESTATE INVESTMENT COMPANY

Inception date	December 2015
Legal form	*French Société par actions simplifiée* (simplified joint stock company)
Vehicle size	€273 million

As part of the development of its Real Estate platform, Tikehau Capital set up a Real Estate vehicle at the end of 2015, Tikehau Real Estate Investment Company ("TREIC"), a permanent capital Real Estate company dedicated to co-investments in Real Estate transactions carried out and managed by Tikehau IM. TREIC is a multi-sector investment vehicle able to invest in all types of Real Estate assets (industrial, retail, residential, offices, health facilities, etc.) throughout Europe alongside local partners for foreign investments. TREIC invests in deals that offer returns with value creation potential and little leverage. This company, approximately 30% of which capital is owned by Tikehau Capital along with leading investors and the Group's historical partners, has made four investments since it was set up.

TREIC draws on the expertise of world-renowned Real Estate professionals, and shareholder representatives involved in its governance. When TREIC invests in vehicles managed by the Group, it intends on receiving 25% of the carried interest from the vehicles concerned.

TREIC made two new investments in 2019: the acquisition of a new vacant office building in Bois-Colombes and an investment in TR I.

As at 31 December 2019, TREIC had invested €150.5 million, and uncalled commitments by investors amounted to €99.5 million.

IREIT

Inception date	2013
Legal form	Singaporean Trust
Vehicle size	€630 million

IREIT Global ("IREIT") is a Singapore Real Estate company (structured as a trust) whose securities have been listed on the Singapore Stock Exchange (SGX) since 13 August 2014 (SGX ticker: UD1U). IREIT was the first Singapore-listed property company whose strategy is to invest solely in Real Estate assets located in Europe.

In 2016, Tikehau Capital indirectly purchased 80% of the capital of IREIT Global Group Pte. Ltd. ("IGG"), the management company of IREIT, and subsequently increased its stake to 84.52% in 2018. When carrying out the transaction, Tikehau Capital also took a 2% equity stake in IREIT, which has since increased to around 8.3%. In April 2019, City Developments Limited (CDL), one of the leading listed Real Estate companies in Singapore, acquired equity stakes of 50% in IGG and 12.4% in IREIT. Tikehau Capital now directly holds 50% of the share capital of IGG and 16.4% of the share capital of IREIT. In April 2020, Tikehau Capital and CDL, together with a subsidiary of AT Capital, a Singapore-based family office, acquired a 26.04% stake in IREIT Global. This transaction enabled Tikehau Capital and CDL to respectively increase their stakes in IREIT Global from 16.64% to 29.20% and 12.52% to 20.87%. Together, Tikehau Capital and CDL now hold more than half the share capital of IREIT Global.

The purpose of IREIT is to invest in a revenue-generating Real Estate portfolio in Europe, targeting primarily office buildings and other investments with Real Estate as the underlying asset. The trust is a fiduciary relationship in which the legal ownership of assets is undertaken by the trustee (in this case, DBS Trustee Limited), who is responsible for holding it on behalf of the beneficial owners (in this case, the holders of the listed shares in the trust). The trust assets are managed by IGG. The revenues of the trust are mainly the rental revenue generated by its properties and any capital gains on disposals. This revenue is distributed to shareholders to generate a recurring return.

At the end of December, Tikehau Capital and IREIT purchased a portfolio of offices in Spain, representing a total of 72,000m^2 located in Madrid and Barcelona.

IREIT's portfolio currently comprises five wholly-owned office buildings in Germany, strategically located in Berlin, Bonn, Darmstadt, Münster and Munich, and four office buildings strategically located in Madrid and Barcelona, 40% of the latter being owned by IREIT and the remaining 60% by the Company. 94.6% of the assets are leased, mainly to high quality tenants (such as the German telecommunications operator Deutsche Telekom). Leasable space within the portfolio as at 31 December 2019 amounts to nearly 230,000m² and around 4,000 parking spaces.

As at 31 December 2019, based on IREIT's presentation of its results for the fourth quarter of 2019, the value of the Real Estate assets held by IREIT was assessed at €630.2 million. As at 31 December 2019, IREIT's market capitalisation amounted to approximately SG $516 million, *i.e.* approximately €342 million.

Since the takeover of IGG by Tikehau Capital at the end of 2016, the Group is involved in the management of the IREIT portfolio and in the development of its Real Estate investment activities, supported by the expertise of the Group's Real Estate activity teams.

As such, the fund's investment strategy and the IREIT mandate were revised to expand the scope of its investments to industrial and retail assets and to reinforce its presence in other European countries, especially France.

More information about the activities, results and prospects of IREIT is available (in English) on IREIT's website: www.ireitglobal.com.

The acquisition of IGG has enabled Tikehau Capital to strengthen its positions in Asia from Singapore, where the Group has had an office since 2014, and to further increase its Real Estate investment capacities in Europe.

SÉLECTIRENTE

Inception date	1999
Legal form	*French société anonyme* (public limited company)
Vehicle size	€518 million

Sélectirente is a Real Estate company founded in 1997 by Sofidy and various real estate professionals, which specialises in retail premises in French city centres. Sélectirente has been listed on the Euronext Paris stock exchange since October 2006 and has had SIIC status since 1 January 2007.

Sélectirente's portfolio, revalued at €315.4 million at the end of 2019, primarily comprises mixed Real Estate (offices and retail) and 382 retail premises, most of which are located in Paris (54.4%) and in the Paris metropolitan region (12.9%) and leased to well-known domestic brands and independent traders. Its average financial occupancy rate for the 2019 financial year stood at 96.7%.

The Real Estate company aims at developing and adding value to its property portfolio, thanks to the know-how of Sofidy to which it has delegated full management. It aims to manage and add value to its current portfolio, and to continue its development on the Real Estate market of city-centre retail mainly located in Paris and in the large regional metropolises, offering where possible rents below the market rate.

In early 2019, Tikehau Capital launched a public tender offer for Sélectirente's shares and OCEANE bonds. Following the reopening of the public tender offer, Tikehau Capital held, together with Sofidy, GSA Immobilier, Sofidiane, Makemo Capital, AF&Co, and Mr Antoine Flamarion and Mr Christian Flamarion, 1,250,029 shares issued by Sélectirente, representing as many voting rights, equivalent to 81.03% of the share capital and voting rights of Sélectirente.

The full details of the public tender offer are set out in the prospectus produced by Tikehau Capital (AMF approval No. 19-019 dated 23 January 2019).

Following the sale of several blocks in the autumn of 2019 and the share capital increase launched on 4 December 2019 for €217 million, Tikehau Capital holds, together with Sofidy, GSA Immobilier, Sofidiane, Makemo Capital, AF&Co, and Mr Antoine Flamarion and Mr Christian Flamarion, 52.07% of Sélectirente's share capital and voting rights. The proceeds of the share capital increase will be used to finance this strategy which, in the face of a rapidly-changing retail market, is based on two main branches: a development drive centred on ground floor retail units, where its expertise historically lies, and a more opportunistic development angle, centered on the phenomenon of the increasingly powerful metropolis. On this occasion, SCI Primonial Capimmo, Sogecap, and SC Tangram (managed by Amundi Immobilier) took an equity stake in Sélectirente.

Full details of the share capital increase are set out in the prospectus produced by Sélectirente (AMF approval No. 19-556 on 3 December 2019) and in the press release dated 16 December 2019.

More information about the activities, results and prospects of Sélectirente is available on Sélectirente's website (www.selectirente.com)

1.3.2.3 Capital Markets Strategies activity

As at 31 December 2019

Assets under management for the Capital Market Strategies activity	€3.8 billion
Share of the activity in the Group's total assets under management	15%
Change compared to the previous financial year	17%
Employees of the Capital Markets Strategies activity	20
Entity concerned	Tikehau IM
Types of funds	French mutual fund (*fonds commun de placement* or "FCP") Open-ended investment company (*Société d'investissement à capital variable* or "SICAV")

As at 31 December 2019, assets under management in Tikehau Capital's Capital Markets Strategies activity amounted to approximately €3.8 billion, representing 15% of the Group's assets under management.

As of the beginning of 2020, the "liquid strategies" activity has been renamed Capital Markets Strategies. This activity was previously called liquid strategies because it operates through open-ended funds (UCITS). Accordingly, investor-clients can decide at any time to invest in them by buying units of the funds or to withdraw from the fund by redeeming their units.

(a) Fixed income management

Tikehau Capital's fixed income management activity is conducted through Tikehau IM and includes various open-ended fixed income funds, set up in the form of mutual funds ("FCP") or investment companies with variable capital ("SICAV") managed by Tikehau IM. In remuneration for its management of these vehicles, Tikehau Capital charges management fees and performance fees (see Section 1.3.1 (General overview) of this Universal Registration Document).

As at 31 December 2019, the total of the fixed income management represented nearly €2.7 billion in assets, representing about 10% of Tikehau Capital's assets under management.

As part of its fixed income management activity, Tikehau Capital invests in bonds issued by private companies (corporate or financial bonds) and public entities, rated investment grade (*i.e.* securities of companies with a high credit rating), high yield, or unrated; this allows individual investment strategies to be adapted to the risk/return profiles sought by investor-clients.

For each investment, the research and management teams of Tikehau Capital perform an in-depth due diligence that focuses on a constant interchange between their top-down view (a directional market analysis leading to sector screening) and their bottom-up view (a fundamental analysis of each issuer leading to a selection of the securities to be held on portfolio). In addition, the team of analysts also performs an ESG analysis of each issuer, ensuring that the investments comply with Group policy in that respect.

The combination of these two analyses allows for a complete due diligence covering both the issuer and its specific characteristics (financial factors, market positioning and dynamics, outlooks, etc.) as well as macroeconomic data and external technical factors.

Through the high yield and investment grade universes, Tikehau Capital's credit research team identifies issuers that may initially correspond to the investment strategies of the management teams, based on criteria such as issue size, maturity, sector or rating. Each new issuer is subsequently studied by the analyst in charge of the sector who will issue a buy/sell recommendation based on the company's fundamental credit quality, the bond documentation and the relative value. The analysts also assign a (financial and non-financial) rating which will be used to build the portfolio. For this purpose, Tikehau Capital's teams have at their disposal a broad base of analytical and decision-support tools employed in the process used during the process as the basis for the proper selection of borrowers. Analysts also use external resources to assist them in their selection of securities (for example, services such as Capital Structure, Lucror Analytics or Covenant Review, as well as what is known as "sell-side" external research prepared by the banks and brokers). Each analyst follows approximately 40-45 issuers and in charge of monitoring news and results in the corresponding sectors. They must also make sure that recommendations are up to date. Portfolio reviews are also conducted regularly with the asset managers.

The expertise of the credit research and fixed income management teams is made available across the entire range of open-ended credit funds managed by Tikehau Capital. The fixed income management activity can accordingly use the services of a credit-research team that is spread between Paris, London and Singapore, and stengthened with the arrival of high yield specialists joining the team in New York in December 2019. This team also works on behalf of Tikehau Capital Europe, the Group's subsidiary dedicated to CLO business, on the issuers monitored by both teams.

The following table shows the breakdown of assets under management between the main fixed income funds managed by Tikehau Capital:

(in millions of €)	Assets under management as at 31 December 2019
Tikehau Taux Variables (TTV)	1,411
Tikehau Credit Plus (TC+)	537
Tikehau Court Terme (TCT)	218
Tikehau SubFin Fund (TSF)	175
Others (including mandates)	351
TOTAL ASSETS UNDER MANAGEMENT – FIXED INCOME	**2,692**

The following table shows past performances of the main funds in this business line:

	2019	2018	Past three years	Since inception
Tikehau Taux Variables (TTV) A share	+ 0.74%	- 1.55%	+ 1.14%	+ 26.32%
Tikehau Credit Plus (TC+) I share	+ 5.73%	- 1.74%	+ 8.39%	+ 28.08%
Tikehau SubFin Fund (TSF) I share	+ 11.99%	- 4.24%	+ 20.07%	+ 79.39%
Tikehau Court Terme (TCT) A share	+ 0.83%	+ 0.70%	+ 2.43%	+ 6.83%

As at 31 December 2019, the Group balance sheet had invested in Tikehau Capital strategies dedicated to liquid fixed income management for a total amount of €85 million. Revenues relating to investments in the Group's Capital Markets Strategies include, in particular, distributions (which can be capitalised) and an upward or downward change in fair value of the shares depending on the fund's net asset value.

The main funds in the Group's fixed income management activity include:

TIKEHAU TAUX VARIABLES

Inception date	November 2009
Legal form	French FCPR
Fund size (as at 31 December 2019)	€1,411 million

Created in November 2009, Tikehau Taux Variables ("TTV") is a fixed income fund of the category "bonds and other debt securities denominated in euro" seeking to maximise the return on the short end of the European credit universe while capping the non-investment grade portion at 35% and unrated at 10%, and minimising interest rate risk by using floating- and variable-rate bonds and fixed-rate bonds with short maturities.

TTV's investment strategy consists in the active and discretionary management of a diversified portfolio of bonds issued by both private and public issuers, located primarily in Eurozone countries and falling mainly in the investment grade category (*i.e.* with a rating above or equal to BBB- from Standard and Poor's/Fitch or Baa3 from Moody's). The rate risk for these bonds is minimized by using variable or adjustable-rate bonds with no maturity criteria, short-term bonds, rate hedging instruments (rate swaps or forward contracts), and inflation-linked bonds. The objective of this fund is to achieve an annualised gross return higher than 3-month Euribor plus a margin of 200 basis points.

TIKEHAU CREDIT PLUS

Inception date	June 2007
Legal form	French FCPR
Fund size (as at 31 December 2019)	€537 million

Set up in June 2007, Tikehau Credit Plus ("TC+") is a fund that invests flexibly, without rating or benchmark constraints, in debt securities issued by private and public sector companies located primarily in Europe. The fund belongs to the "bonds and other international debt securities" category and has an investment horizon of over three years. The investment strategy of TC+ consists in managing, on an active and discretionary basis, a diversified portfolio composed of bonds and other eligible debt securities issued by private or public entities, mainly of the category known as high yield (with a rating lower than BBB- from the rating agencies Standard and Poor's/Fitch and Baa3 from Moody's) located mainly in Eurozone countries without business sector restrictions. These bonds and debt securities are more speculative and incur a greater risk of default, but offer in return a higher yield.

As part of its strategy, TC+ may use financial contracts, in particular options, forward contracts and credit derivatives. TC+ may invest up to 10% of its net assets in UCITS and may also have exposure to the equity markets of up to 10% of its net assets, either directly through shares in companies of all market capitalisations and all geographic areas, or through UCITS and derivatives.

The objective of this fund is to achieve an annualised gross return higher than 3-month Euribor plus a margin of 300 basis points.

TIKEHAU SUBFIN FUND

Inception date	February 2011
Legal form	Luxembourg SICAV
Fund size (as at 31 December 2019)	€175 million

Tikehau SubFin Fund ("TSF", formerly Tikehau Subordonnées Financières) is a Luxembourg fixed income fund created by Tikehau IM in February 2011. TSF invests primarily in old- and new-generation subordinated debt securities (*Tier 1*, *Tier 2*), issued mostly by European financial institutions (banks and insurance companies). A debt is known as subordinated when its repayment depends on other creditors (senior creditors, unsecured creditors) being repaid first. The subordinated creditor will therefore be repaid after the latter but before the shareholders.

TSF prioritises investments in major financial groups from Western European countries. The TSF portfolio must have a minimum average rating of B+ (rated by Standard and Poor's/Fitch) or B1 (by Moody's). Nevertheless, Tikehau IM conducts its own analysis on the debt securities independently of the rating issued by the rating agencies.

To achieve its management and asset hedging objective, the fund may use financial contracts, such as options, forward contracts and credit derivatives. TSF may invest in UCITS up to a limit of 10% of its net assets. TSF may also have exposure to the equity markets of up to 10% of its net assets, either directly by means of shares in companies of all market capitalisations and all geographic areas, or through UCITS or derivatives.

The objective of this fund is to achieve an annualised gross return higher than the BofA ML/ICE 3-5yr Euro Government index plus a margin of 150 basis points.

TIKEHAU COURT TERME

Inception date	June 2013
Legal form	French FCPR
Fund size (as at 31 December 2019)	€218 million

Set up in June 2013, Tikehau Court Terme ("TCT") belongs the "bonds and other debt securities denominated in euro" fund category, and aims to achieve an annualised performance net of fees higher than EONIA plus 0.3% over an investment horizon of over one year. TCT invests in bonds issued by private and public issuers located primarily in the Eurozone and mainly in the investment grade category (*i.e.* with a rating above or equal to BBB- from Standard and Poor's/Fitch and Baa3 from Moody's).

TIKEHAU GLOBAL SHORT DURATION

Inception date	November 2017
Legal form	UCITS, domiciled in Luxembourg
Fund size (as at 31 December 2019)	€28 million

Tikehau Global Short Duration ("TGSD") is a sub-fund of Tikehau Fund (Luxembourg SICAV) which aims to achieve a net annual performance of 150 bps above 3M LIBOR over a minimum recommended investment period of 12 to 18 months.

TGSD's investment strategy consists in the active and discretionary management of a diversified portfolio of bonds issued by both private and public issuers, located primarily in Europe, Asia and the United States, and falling mainly in the investment grade category (*i.e.* with a rating above or equal to BBB- from Standard and Poor's/Fitch or Baa3 from Moody's). The rate risk for these bonds is minimized by using variable or adjustable-rate bonds with no maturity criteria, short-term bonds, rate hedging instruments (rate swaps or forward contracts), and inflation-linked bonds.

(b) Diversified and equities management

Since 2014, Tikehau Capital has been developing its "equities" management business with the aim of rolling out a range of global and diversified funds and equities.

This activity is mainly conducted by Tikehau IM through the open-ended investment company ("SICAV") Tikehau Income Cross Assets ("Tikehau InCA"), which was the first fund in this range. In consideration for its management of the vehicles dedicated to this strategy, Tikehau IM charges management fees and performance-related fees (See Section 1.3.1 (General overview) of this Universal Registration Document).

As at 31 December 2019 the total diversified and equities management accounted for close to €1,032 million in assets under management (versus €412 million as at 31 December 2018), representing 4% of Tikehau Capital's assets under management.

The following table shows the breakdown of assets under management between the main diversified and equity funds managed by Tikehau Capital:

(in millions of €)	Assets under management as at 31 December 2019
Tikehau InCA, I share	1,000
Tikehau Global Value	33
TOTAL ASSETS UNDER MANAGEMENT - DIVERSIFIED AND EQUITIES MANAGEMENT	**1,033**

The following table shows the past performance of the main funds in this business line:

	2019	2018	Past three years	Since inception
Tikehau InCA, I share	+ 9.70%	- 0.35%	+ 14.10%	+ 23.80%
TGV, P Unit	+ 25.21%	- 3.86%	+ 38.15%	+ 48.99%

TIKEHAU INCOME CROSS ASSETS

Inception date	August 2001
Legal form	Mutual funds (SICAV)
Fund size (as at 31 December 2019)	€1,000 million

InCA is a SICAV created in 2001, the management of which was transferred to Tikehau IM in 2011. It is managed on a discretionary basis with a reactive management approach in terms of asset allocation and stock selection, money market and fixed income securities in all economic and geographic sectors.

The Tikehau InCA management strategy is based on specialised management of the equity component and the fixed income component (long-short, global macro) and portfolio diversification (asset classes, market capitalisation, issuers) to optimise the risk/return profile.

Tikehau InCA is a conviction concentrated portfolio of stocks and bonds, based on in-depth fundamental financial and non-financial research on companies and business models carried out by Tikehau Capital's teams.

The fund seeks asymmetry between expected returns and the risks associated mainly from the selection of fixed income and equity securities based on criteria of valuation, quality of the business model and ESG analysis, and capital allocation practised by the company management.

The fund also uses financial contracts, including options and forward contracts, for purposes of hedging and exposure, particularly to manage exposure to the equity and credit markets.

The strategic allocation of the portfolio is based primarily on an analysis of the business cycle, itself based on an analytical process applied to of monetary policies, market valuations and macroeconomic data.

The objective of this fund is to outperform the composite index (consisting of 50% of the EuroStoxx 50 NR, 25% of capitalised EONIA, 25% of the BoA ML Euro HY Constrained Index DNR, and 25% of the BoA ML Euro Corporate Index DNR) over a minimum investment period of five years.

In 2018, the Tikehau IM teams were awarded a silver “Management Globe” (bronze in 2017) by Gestion de Fortune magazine (“Flexible” category) for their management of the Tikehau InCA fund. The Tikehau InCA fund won the Morningstar award in the “Allocation Fund” category. In 2019, Tikehau InCA was also awarded first prize in the "EUR Allocation Fund" category by Morningstar (P share).

TIKEHAU GLOBAL VALUE

Inception date	December 2014
Legal form	French FCPR
Fund size (as at 31 December 2019)	€33 million

Tikehau Global Value (“TGV”) is a fund of the “international equity” category, the aim of which is to generate, over a minimum investment period of five years, a performance exceeding that of the benchmark (50% made up by the S&P EUR 500 Hedged Net Total Return indicator and 50% of the Stoxx Europe 600 Net Total Return indicator).

TGV’s investment strategy consists in the active and discretionary management of a diversified portfolio of equities from all economic and geographic sectors (a fund known as “long only”).

TGV is a conviction concentrated portfolio of stocks and bonds, based on in-depth fundamental research on companies and business models conducted by the Tikehau Capital analysis teams.

Stock selection is based on criteria of valuation, quality of the business model, and capital allocation practised by the company management.

1.3.2.4 Private Equity activity

As at 31 December 2019	
Assets under management for the Private Equity activity	€2.0 billion (of which €0.3 billion from ACE Management)
Share of the activity in the Group's total assets under management	8%
Change compared to the previous financial year	62%
Employees of the Private Equity activity	27 employees (excluding ACE Management) 16 employees (ACE Management)
Entities concerned	Tikehau IM ACE Management
Main types of funds	Luxembourg SICAV-SIF Singaporian liability company French professional Private Equity fund ("FPCI")

(a) General overview

Historically, Tikehau Capital's Private Equity activity was operated primarily through Direct Investments (see Section 1.3.3 (Direct Investments activity) of this Universal Registration Document). However, in 2018, the Group initiated the development of a Private Equity activity on behalf of investor-clients, in particular by deploying new strategies as well as through the acquisition of ACE Management (see below (Private Equity funds managed by ACE Management) of this Universal Registration Document). In this context, as at 31 December 2019, it managed €2.0 billion.

Tikehau Capital is continuing its transition plan from its Direct Investments activity to a model of Asset Management on behalf of its investor-clients.

On the strength of its track record and cumulative experience in its Direct Investments activity, since its inception and through its subsidiary Tikehau IM, Tikehau Capital launched Private Equity-dedicated vehicles in 2018, to be managed on behalf of investor-clients. These vehicles focus particularly on the Group's expertise in minority Private Equity investment and international co-investments alongside leading partners. This is a further illustration of the Group's ability to evolve its strategies from a balance sheet investment model to an asset management model.

The Private Equity activity on behalf of investor-clients is led by a dedicated team of 43 Tikehau IM and ACE Management employees based mainly in Paris, London, Madrid and Milan. This team also benefits from the support of teams located in Singapore, Brussels and New York.

The implementation of this strategy also resulted in the acquisition in December 2018 of the asset management company ACE Management, an expert in the aerospace, defence and cyber security sectors, to strengthen the Group's Private Equity activity and enable Tikehau Capital to offer a new range of specialist funds to its investor-clients, alongside the new funds launched by the Group since 2018.

The transition from the Direct Investments activity toward a model of Asset Management on behalf of investor-clients is also reflected in the launch in September 2019 of a new Private Equity fund which has taken over six secondary shareholdings that had been previously directly held by Tikehau Capital.

This Private Equity activity generally takes the form of investments in listed or unlisted companies, in shares or hybrid instruments giving access to equity, but can also be made in straightforward bonds, which reflects Tikehau Capital's flexible approach.

The following table presents the Group's main Private Equity vehicles and the number of assets under management for each one as at 31 December 2019:

(in millions of €)	**Assets under management as at 31 December 2019**	**Assets under management as at 31 December 2018**
T2 Energy Transition Fund	510	350
TGE II	366	217
TGE Secondary	245	0
TSO	99	140
TSO II	216	0
TKS I	55	51
Other dedicated vehicles	196	118
Funds managed by ACE Management	327	371
TOTAL	**2,014**	**1,247**

(b) Private Equity funds managed by Tikehau IM

T2 ENERGY TRANSITION FUND

Inception date	December 2018
Legal form	French FCPI
Fund size (as at 31 December 2019)	€510 million

At the beginning of 2018, the Company announced that Total SA was working alongside Tikehau Capital to create an investment fund dedicated to energy. The T2 Energy Transition Fund ("T2"), structured as a French professional Private Equity fund (*Fonds professionnel de capital-investissement* or "FPCI") by Tikehau IM, will therefore finance the development of medium-sized energy players and support the transformation of their business models and their expansion, in particular at an international level. Based on a targeted and customised approach which aims to promote energy transition, the fund investments will focus on companies working in three determining sectors: the production of clean energy, low-carbon mobility, and the improvement of energetic efficiency, storage and digitalization. The dedicated T2 management fund is composed of Tikehau IM professionals and energy specialists seconded by Total, enabling the fund to rely on the expertise of the Tikehau IM investment team while benefiting from Total's international network and sector-specific expertise.

The fund (which includes Bpifrance and Groupama amongst its reference investors), achieved an initial closing in December 2018 for €350 million.

As at 31 December 2019, T2 had raised nearly €510 million in commitments, and had invested €87 million in two companies. In January 2020, an additional investment was made bringing the total invested to €117 million as at 31 March 2020.

TIKEHAU GROWTH EQUITY II

Inception date	March 2018
Legal form	French FCPI
Fund size (as at 31 December 2019)	€366 million

Tikehau Growth Equity II ("TGE II") is an FPCI structured by Tikehau IM in March 2018. The fund is dedicated to minority Private Equity investments in medium-sized European companies, and relies on the track record built up by the Group over recent years through its Direct Investments (see Section 1.3.3 (Direct Investments activity) of this Universal Registration Document). Based on an approach similar to that applied by the Company in the context of its investments, TGE II promotes deals enabling the fund to develop long-term partnerships, primarily by supporting growth strategies proposed by company management teams.

As at 31 December 2019, TGE II had raised nearly €366 million in commitments, and had invested €210 million in seven companies.

TIKEHAU GROWTH EQUITY SECONDARY

Inception date	September 2019
Legal form	French FCPI
Fund size (as at 31 December 2019)	€245 million

Tikehau Growth Equity Secondary ("TGES") is an FPCI structured by Tikehau IM in September 2019. The fund is dedicated to minority capital investments in medium-sized French companies. This fund acquired stakes that were held on the Company's balance sheet. TGES was marketed with investor-clients, with the Company retaining a 15% stake in TGES. The fund was fully invested (€178 million in six companies) from day one.

As at 31 December 2019, the assets under management of TGES represented €245 million, reflecting the value of the stakes contributed and the additional commitments to be called by the fund with investors.

1.

TIKEHAU SPECIAL OPPORTUNITIES

Inception date	July 2016
Legal form	Luxembourg SICAV-SIF
Fund size (as at 31 December 2019)	€99 million

In 2016, the Group launched a new special situations fund, Tikehau Special Opportunities ("TSO"), as a continuation of several vehicles managed by the Group since its inception.

TSO is a sub-fund of a Luxembourg investment fund created by Tikehau IM to offer various solutions for financing or refinancing solutions to vulnerable borrowers at a time of tightening of lending conditions and dislocation of credit markets. TSO is an opportunistic, multi-sector credit fund with a flexible mandate that benefits from the support and expertise of all of Tikehau IM's management and credit research teams. TSO aims mainly to invest in the primary and secondary markets in Europe with corporate and Real Estate as the underlying assets. As at 31 December 2019, there were around €99 million in assets under management in the TSO fund.

TIKEHAU SPECIAL OPPORTUNITIES II

Inception date	July 2019
Legal form	Luxembourg SICAV-SIF
Fund size (as at 31 December 2019)	€216 million

At the end of 2019, in anticipation of a potential market turnaround and a tightening of lending conditions, the Group launched its second special situations fund, Tikehau Special Opportunities II ("TSO II"), a vehicle set up by Tikehau IM under Luxembourg law. To underline its ambitious goal, Tikehau Capital at the same time significantly strengthened the teams dedicated to this strategy. Like the first vintage, TSO II is a credit fund with a broad investment spectrum and a flexible, agile positioning designed to utilise capital in all market environments. Principally operating on the primary and secondary markets in Europe, TSO II offers financing and liquidity solutions for complex situations or where access to the usual capital markets is difficult. As at 31 December 2019, TSO II had collected almost €216 million in commitments.

TKS 1

Inception date	January 2018
Legal form	Singaporian limited liability company
Fund size (as at 31 December 2019)	€55 million

In March 2018, Tikehau Capital and SPRIM Ventures, an international specialist in scientific and medical consulting, announced the initial closing of their first Private Equity fund, TKS1, which will focus on start-up investments in medical technology and life science companies. This unique partnership combines Tikehau Capital's proven track record and experience in innovation, with the business expertise and know-how of SPRIM Ventures across the entire healthcare industry.

The TKS1 fund is managed from Singapore and targets investments ranging from US$0.5 million to US$5 million. The strategy supports innovative companies for projects in the seed phase. The fund more specifically targets companies devising solutions that contribute to scientific progress in the health field, focusing on prevention, diagnosis and monitoring compared to curative treatments, and enabling the entire life science sector to develop sustainable and cost-effective therapies more rapidly.

As at 31 December 2019 (with the closing having taken place on 23 August 2019), there were €55 million in assets under management in the TKS1 fund.

(c) Private Equity funds managed by ACE Management

On 19 December 2018, the Company completed its acquisition of ACE Management, a dedicated asset management company specialising for 20 years in Private Equity in the aerospace, defence and cyber security sectors.

Most of ACE Management's investor-clients are major international groups in the aerospace and defence industries, including Thales, Safran and Airbus group, who until now had little presence in the Group's investor-client base.

As at 31 December 2019, ACE Management manages €327 million through nine specialist funds in each sector, divided into three main categories: Aerofund (aerospace), Brienne (defence and security) and Atalaya (maritime):

- Aerofund – In 2004, ACE Management set up the first fund in the Aerofund range (dedicated to aerospace). Following a second one-year extension, in 2014 the fund began a liquidation period. ACE Management launched its successor, Aerofund II, in 2008 with the aim of prioritising investments in companies linked to the civil aerospace sector. Aerofund III, the third vintage in this range, was created in 2013 with the aim of investing in small-, medium- and intermediate-sized companies operating in the aerospace and space sector. Targeted companies are primarily tier 1 or tier 2 in the sector's subcontracting chain. The three Aerofund funds have raised subscription commitments totalling €312 million, of which €224 million had been invested in over 40 aerospace companies as at 31 December 2019;
- Financière de Brienne – Incorporated in 1993 as a *société anonyme* (public limited company) and subsequently transformed into a *société par actions simplifiée* (simplified joint stock company) in 2005, Financière de Brienne became an FCPR comprising two sub-funds. The purpose of the first sub-fund is to take over the assets of Financière de Brienne, consisting of a diversified portfolio of 25 investments and cash. It is managed with a view to the lines being liquidated within five years. The purpose of the second sub-fund is to invest in (primarily French) advanced technology companies likely to be of interest to the defence sector in the launch, development and transmission phases. The activities of the target companies are based mainly on technology originating from the IT, electronics, telecommunications, industrial equipment and assets, and life sciences and biotechnology sectors. The two Financière de Brienne sub-funds have received €45.6 million in subscription commitments, of which €43 million had been invested in 36 companies as at 31 December 2019;
- Atalaya (Maritime) – ACE Management launched the Atalaya fund in 2010 and set up as an FCPI. The purpose of the fund is to prioritise investments linked to the whole of the French maritime economic sector. It has raised €15.8 million in subscription commitments, €10.8 million of which had been invested as at 31 December 2019;
- Brienne III – Brienne III, the first French fund entirely dedicated to cybersecurity, completed its first closing in June 2019 for €80 million, €8 million of which were invested in 3 companies as at 31 December 2019. The fund's strategy is to finance young companies offering innovative digital security technologies and to support their managers in their external growth strategy, in France and abroad.

1.3.3 Direct Investments activity

1.3.3.1 Investment strategy

Since its creation, Tikehau Capital has implemented its investment expertise from the Group's own resources (equity and debt).

Tikehau Capital has created a diversified portfolio in terms of sector and geography, which is solid (and especially composed of low-debt companies) and balanced, with a focus on transactions that allow the development of a partnership approach.

This investment portfolio enables the Company to supplement its recurring revenue base, to which are added the one-off profits from asset disposals (for example in the form of capital gains). This portfolio is highly diversified and consists of assets with attractive return potential or more defensive assets that provide recurring revenue or diversification.

The portfolio investments are generally minority interests and are made in non-listed or listed companies, usually with a view to a medium- to long-term holding, according to a plan of value creation identified from the beginning of the investment. The team maintains regular contact with the management teams of the portfolio companies.

The scope of intervention is worldwide, given that in the regions where the Group has no presence or experience, investments are carried out as co-investments with local investors known to Tikehau Capital. This co-investment strategy allows the Group to increase the spectrum of its opportunities and the quality and diversification of its investment portfolio.

In order to continue the shift from a Direct Investments activity towards an Asset Management activity on behalf of investor-clients, six investments (Groupe Verona, Neoness, DRT, Oodrive, Nexteam, Total Eren and Mériguet) were transferred to the TGES secondary fund.

As part of the buypack of the Group's interest in HDL Development (Assystem), Tikehau Capital and the FCPR Tikehau Preferred Capital received, in addition to a cash payment, Assystem shares representing 4.2% of Assystem's capital (3.67% for Tikehau Capital and 0.53% for the FCPR Tikehau Preferred Capital).

As at 31 December 2019	
Assets under management for the Direct Investments activity	€2.2 billion
Share of the activity in the Group's total assets under management	8%
Change compared to the previous financial year	31%
Employees of the Direct Investments activity	27 (same employees as for the Private Equity activity) (excluding ACE Management)
Entities concerned	Tikehau Capital

As at 31 December 2019, Tikehau Capital's Direct Investments portfolio consisted of 63% non-listed securities and 37% listed securities. It is broadly diversified (206 lines of investment in the portfolio).

The table below shows the main investments in listed and unlisted companies as at 31 December 2019:

(in millions of €)	Investment value as at 31 December 2019	Investment value as at 31 December 2018
Investment in unlisted companies		
Claranet	105.4	93.5
Investments in listed companies		
Eurazeo	246.3	444.0
DWS	188.6	139.1

1.3.3.2 Main Direct Investments

(a) Main non-listed investment on portfolio

At the date of this Universal Registration Document, the Group's main non-listed investment in terms of value is:

CLARANET

Initial investment date	May 2017
Total amount invested	£75 million
Value of equity interest (as at 31 December 2019)	€105,375,468
Location of registered offices	United Kingdom
Percentage holding (as at 31 December 2019)	17.8%

Description of the asset

Founded in 1996, Claranet is a leading European company in hosting and outsourcing services for critical applications. Claranet has developed in several European countries over the last ten years in an organic way and through an ambitious acquisition strategy. With over 2,200 employees, the Group is based in London and serves more than 6,500 clients in Europe (France, Italy, Germany, the Netherlands, Portugal, Spain and the United Kingdom) and Brazil.

Investment history

In May 2017, the Company signed an agreement to acquire a minority stake in Claranet alongside existing shareholders. Attracted by the growth profile of Claranet, its pan-European scope, its track record in integrating acquisitions and the quality of its management team, the Company entered into an agreement to support the pursuit of the Group's continuing development. The Company has invested £75 million in ordinary and preference shares alongside existing shareholders.

Tikehau Capital is a member of the Board of Directors (Director) of Claranet International Limited, parent company of the Claranet group and a member of the Board of Directors (Director) of Claranet Group Limited, Claranet group's operating company.

Current situation and future outlook

As of the beginning 2018, Claranet wanted to strengthen its cyber security solutions by offering many new services to its clients. This approach is also reflected in its acquisition of NotSoSecure (United Kingdom), a world-renowned specialist in hacking training and penetration testing. Claranet also consolidated its cloud access expertise by entering into a strategic partnership with Microsoft in January. Claranet cemented its leading position on the European public cloud outsourcing market through its acquisition of XPeppers (Italy), and following the launch of Claranet Cyber Security in October, is now able to support greater numbers of clients in achieving their digital transformation.

In January 2019, Claranet announced the launch of 3 new Solutions "as a Service": Code Review as a Service, Web Application Firewall as a Service and Scan as a Service to complement its Managed Security Services portfolio. These new offerings illustrate Claranet's desire to provide a cutting-edge offer in response to business issues, to facilitate the use of its solutions and to ensure a constant level of service.

More information about the Group is available on the Claranet website: www.claranet.fr.

(b) Main listed investments on portfolio

EURAZEO

Initial investment date	Beginning of 2017
Total amount invested	€522.7 million
Value of equity interest (as at 31 December 2019)	€246,330,627
Market capitalisation of the Company (as at 31 December 2019)	€4,804,613,089
Location of registered offices	France
Percentage holding (as at 31 December 2019)	5.13% of capital

Description of the asset

Eurazeo is a company whose shares are listed on Euronext Paris (Compartment A).

Eurazeo is one of the foremost listed investment companies in Europe, with more than €18.8 billion in diversified assets under management (including €12.5 billion on behalf of third parties) as of 31 December 2019 (with Idinvest and Rhône on a *pro forma* basis).

Eurazeo operates in almost all Private Equity segments through its five business areas: Eurazeo Capital, Eurazeo Patrimoine, Eurazeo PME, Eurazeo Croissance and Eurazeo Brands. Eurazeo has developed an active presence in Shanghai and São Paulo to promote the internationalisation of its portfolio companies as well as a network of partners around the world. Recently, the Eurazeo group has set up in the United States.

Investment history

Tikehau Capital began investing in Eurazeo in early 2017, in order to develop its exposure to majority Private Equity, following on from similar transactions carried out by the Company in the past.

On 18 October 2019, Tikehau Capital announced that it had sold a total of 3,504,640 Eurazeo shares (representing around 4.45% of the share capital of Eurazeo) with total proceeds of €224.3 million. The transaction was carried out through a private offering to institutional investors through an accelerated book building offering.

As at 31 December 2019, Tikehau Capital held a residual investment representing 5.13% of Eurazeo's capital.

Tikehau Capital does not have representation on Eurazeo's governing bodies.

Key figures for 2019

As at 31 December 2019, Eurazeo's total revenues (including consolidated revenue and the proportionate share of revenue from equity method companies) amounted to €6.1 billion, an increase of 8.8% on 2018.

The net income Group share amounted to €123 million as at 31 December 2019 (vs. €272.8 million as at 31 December 2018).

Eurazeo's net asset value per share as at 31 December 2019 stood at €80.3 per share (compared with €77.5 as at 31 December 2018, an increase of 3.6% on 2019).

In financial year 2019, Eurazeo's share price fell by 1.29%.

Breakdown of capital as at 31 December 2019

- JCDecaux Holding: 18%;
- Concert: 16.8%;
- Tikehau Capital: 5.13%;
- Richardson Family: 3,4%;
- Treasury shares: 3.2%
- Rhône: 2.6%;
- Free float: 56%.

More information about the Group is available on the Eurazeo website: www.eurazeo.com

1.

DWS

Initial investment date	March 2018
Total amount invested	€191.5 million
Value of equity interest (as at 31 December 2019)	€188,615,000
Market capitalisation of the Company (as at 31 December 2019)	€6,340,000,000
Location of registered offices	Germany
Percentage holding (as at 31 December 2019)	2.98%

Description of the asset

DWS is one of the leading asset management companies in the world. DWS provides both conventional and alternative investment solutions to institutional and individual investors, covering all asset classes.

DWS activities are based around three major areas of expertise:

- active management;
- passive management;
- real estate and infrastructure.

Investment history

In March 2018, the Company took part in the IPO of DWS for €182 million. Further acquisitions of €9.6 million were completed, resulting in a total stake of 2.98% as at 31 December 2019.

This equity interest is intended to be accompanied by a partnership between the two groups concerning (i) shared opportunities for co-investment and deal flow on alternative strategies; and (ii) joint marketing initiatives. This partnership should allow Tikehau Capital to develop its presence in Germany with a leading partner. For DWS, the partnership is part of the objective of continuing the development of alternative asset management.

DWS has invested in three Tikehau Capital funds: T2 Energy Transition Fund in Private Equity, Tikehau SubFin Fund in Capital Markets Strategies and Tikehau Special Opportunities II in Tactical Strategies. Tikehau Capital has invested in a DWS Private Equity fund through Tikehau Fund of Funds, which is managed by Tikehau IM. Tikehau Capital appointed a responsible investment specialist from DWS' teams to the Advisory Board of the T2 Energy Transition Fund.

Current situation and key figures for 2019

As at 31 December 2019, assets under management managed by DWS represented €767 billion (compared to €662 billion as at 31 December 2018).

With approximately €767 billion of assets under management as at 31 December 2019 and offices in 23 countries, DWS is one of the largest asset managers in the world. DWS was floated on the stock market in March 2018 with a market capitalisation of approximately €6.5 billion, and the company was awarded “Responsible Investor of the Year” at the Insurance Asset Risk 2018 awards.

In August 2019, DWS announced the acquisition, for 134.2 million Australian dollars, of 50% of the share capital of Super Prime Cold Storage Facility, a distribution centre and refrigerated warehouses located in Queensland. This transaction allowed DWS to strengthen its real estate strategy in Asia. DWS also announced the completion of the acquisition of a portfolio of assets held by a "Vita Student" for a total of £600 million. The agreement includes eight assets located in the United Kingdom that Vita group will continue to manage and operate on behalf of DWS. At the end of 2019, as part of an off-market transaction, DWS also acquired the four star GLAM hotel, located in the centre of Milan.

Breakdown of capital as at 31 December 2019

- Deutsche Bank AG: 79.49%;
- Nippon Life Insurance Company: 5.0%;
- Tikehau Capital: 2.98%;
- Free float: 12.53%.

Detailed information about the Group can be found on the DWS website: https: //dws.com/en-fr/.

1.3.3.3 Co-investments

Co-investment alongside the Group’s Asset Management activity

- **Tikehau Brennus –** On 24 January 2018, Tikehau Capital structured a €115 million financing for the Conforama group, over a three-year period through the Tikehau Brennus fund managed by its subsidiary Tikehau IM, in which the Company has participated in the amount of €62.5 million. This financing will allow the Conforama group to continue to carry out its multi-channel growth plans in France and in each of the countries in which it operates. The Conforama group is a major European player in home equipment, through stores and on the Internet. It operates 339 stores, including 235 in France and has 15,000 employees. Internationally, it has 104 stores in 7 countries: Spain, Switzerland, Portugal, Luxembourg, Italy, Croatia and Serbia.

1.3.3.4 Other private equity investments

The Company's portfolio is complemented by other investments, the most significant of which include:

- **Ring Capital –** On 18 January 2018, the Company announced the acquisition of a 25% equity interest in Ring Capital to support the creation of this private equity management firm specialising in technology and digital companies, founded in 2017 by Messrs Geoffroy Bragadir and Nicolas Celier (see Ring Capital's website: www.ringcp.com). Also supported by AG2R La Mondiale, BPI France, Bred and Danone, Ring Capital launched its activities with an investment capacity of more than €165.6 million, in order to bring out the futur European leader in the digital sector, alongside high-potential entrepreneurs. Ring Capital may acquire minority stakes by investing between €1 million and €15 million, alone or in co-investment, but may also participate in capital increases and acquisitions of stakes from founder and historical shareholders. Ring Capital aims to include some 15 companies in its portfolio by the end of 2021. Tikehau Capital is one of Ring Capital's largest investors and as such contribute to its governance by sitting on several committees;
- **Duke Street –** The Company also operates in the field of Private Equity through a partnership with Duke Street. Based in London, Duke Street has been a historic European player in Private Equity for more than 20 years. (See the website of Duke Street: www.dukestreet.com.) In 2013, Tikehau Capital acquired a 35% stake in the management company Duke Street LLP. Tikehau Capital benefits from a carried interest in the outperformance of the funds and transactions carried out by Duke Street and two seats on the Investment Committee;
- **Funds of funds and co-investments –** The Company has invested in around fifty private equity and real estate funds managed by French and foreign companies. The main lines for this investment category are: JC Flowers IV (a private equity fund investing in the banking and financial sectors), Alter Equity 3P I and II (two private equity fund which make responsible investments in France), Patria Private Infrastructure II, III and IV (three private equity funds managed by an asset management company based in Brazil), and CityStar (a real estate investment based in Cambodia).

1.4 TIKEHAU CAPITAL AND ITS MARKET

1.4.1 Alternative asset management: a growth market

Tikehau Capital is positioned in the global asset management market, which is a growth market.

As of the end of 2018, the global asset management market accounted for $74,000[(1)] billion in assets under management, more than 57% above the figure as of the end of 2007 and representing over double the volume of 2003. In Europe, which is historically Tikehau Capital's main investment area, assets under management have grown by nearly 50% since 2007, peaking at $20,500 billion at the 2018 year end. It is expected that this trend will continue, with assets anticipated to reach around $101,000 billion globally in 2023.

Within the asset management universe, Tikehau Capital is positioned in what are called alternative assets, as opposed to traditional asset management which is mainly comprised of active and equities and fixed income management.

Players in the asset management industry, in partrticular traditional investment managers, have in recent years experienced pressure on their profitability due, firstly, to increased regulation, resulting in additional costs and, secondly, to a low interest rate environment that negatively affects their performance. This context was conducive to the identification of new opportunities in alternative asset management, as managers and investors seek out products with higher yields.

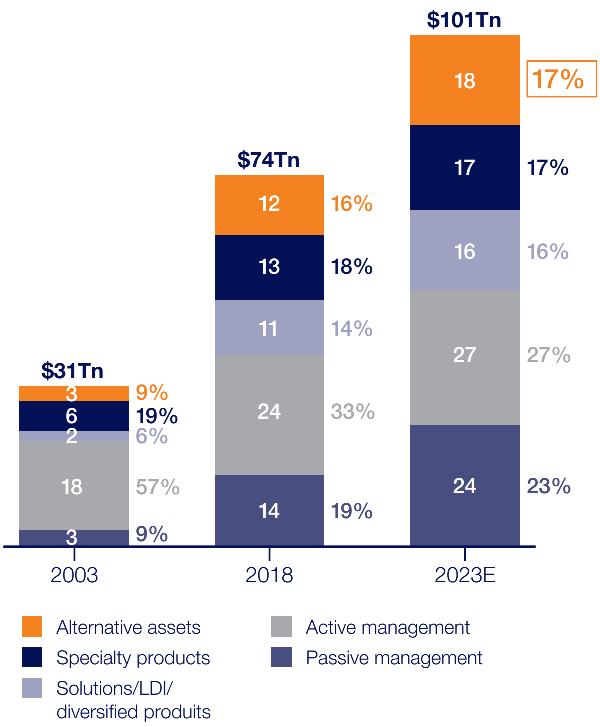
The easing of monetary policy implemented by most central banks in developed countries since the financial crisis has resulted in a considerable drop in interest rates. Thus, the interest rates of major central banks and the 10-year government bond rate in major developed countries are now close to zero or even negative.

Persistently low interest rates have prompted investors to turn to alternative asset classes providing higher returns. Indeed, in this environment, conventional assets are unable to provide the levels of performance expected by investors. The private equity and private debt segments have seen higher performance than the stock markets in recent years, confirming the higher return of these asset classes, and have also demonstrated their resilience.

Alongside the low interest rate environment, the new regulations put in place for greater transparency and control (MIFID II, the UCITS V Directive, the AIFM Directive and the EMIR Regulation – See Section 1.5 (Regulatory environment) of this Universal Registration Document) are causing players in the Asset Management industry to diversify into non-conventional assets with higher fee levels, thus offsetting the rise in regulatory costs.

Alternative asset classes have therefore demonstrated their strong momentum, with assets under management quadrupling between 2003 and 2018. At the end of 2018, these asset classes made up 16% of all managed assets, around $12,000 billion compared to just $3,000 billion in 2003 (9% of the total at the time). The alternative asset management market should continue to grow until 2023, when it should reach 17% of global assets under management with a value of more than $18,000 billion.

Breakdown of Assets under management by major asset classes.

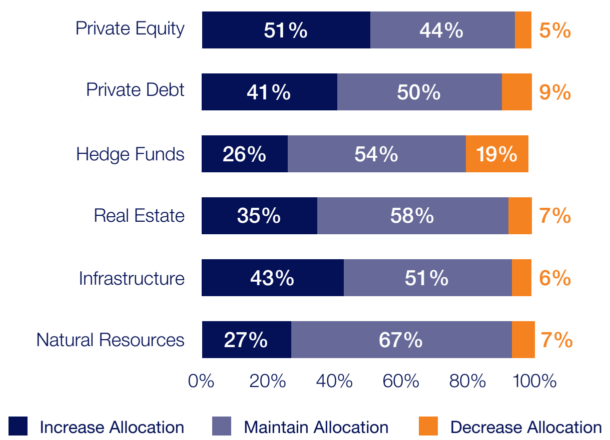


1. Alternative assets: includes alternative funds, private equity, real estate, infrastructure and commodity funds.
2. Specialty products: includes specialist equity products (non-domestic, global equities, emerging markets, small and mid-cap and sector) and specialist fixed income products (credit, emerging markets, global rates, high yield and convertible bonds).
3. Solutions/LDI/diversified products: includes absolute return, "target date", asset allocation, flexible, income, volatility, LDI products, as well as conventional diversified and balanced products.
4. Active management: includes actively managed domestic large-cap equity, actively managed government bonds, cash management and structured products.

(1) Unless otherwise indicated, all market information and projections for future years are taken from the BCG study, Global Asset Management 2019.

Demand remains strong as institutional investors continue to seek more diversity, controlled volatility, higher long-term returns and more stable revenues. A Preqin [1] report published on the allocation intentions of global institutional investors showed that 95% wanted to maintain or increase their weighting toward alternative assets. Within the alternative world, the classes that Tikehau Capital focuses on (such as Private Debt, Private Equity and Real Estate) are particularly well favoured.

Medium-term allocation intentions of institutional investors regarding alternative assets

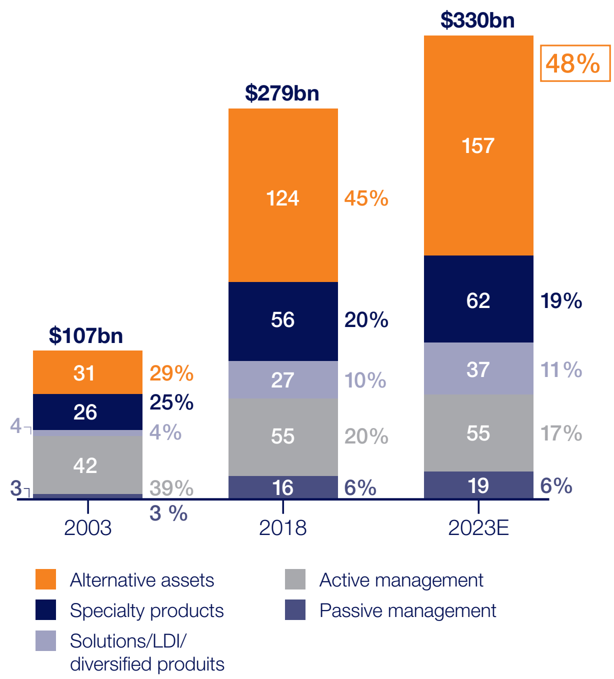


Private clients also represent an increasingly prominent reservoir of demand for alternative asset managers. The volatility of public markets and ongoing low interest rates is driving retail investors to seek investment solutions that let them tap the performance of private markets.

From asset managers' point of view, the attractiveness of taking positions in alternative assets is also demonstrated, both in terms of margins (with margins on assets significantly higher than other asset classes) and in terms of investment opportunities (in particular in the backdrop of forced withdrawal by banks and insurance companies from a number of asset classes, and in a situation of an abundance of capital to invest).

In 2018 alternative asset management made up 16% of global assets under management but generated 45% of the asset management sector's revenue. This proportion is set to continue growing to 48% by 2023.

Asset management revenue by major asset classes



1. Alternative assets: includes alternative funds, private equity, real estate, infrastructure and commodity funds.
2. Specialty products: includes specialist equity products (non-domestic, global equities, emerging markets, small and mid-cap and sector) and specialist fixed income products (credit, emerging markets, global rates, high yield and convertible bonds).
3. Solutions/LDI/diversified products: includes absolute return, "target date", asset allocation, flexible, income, volatility, LDI products, as well as conventional diversified and balanced products.
4. Active management: includes actively managed domestic large-cap equity, actively managed government bonds, cash management and structured products.

1.4.2 Competitive landscape

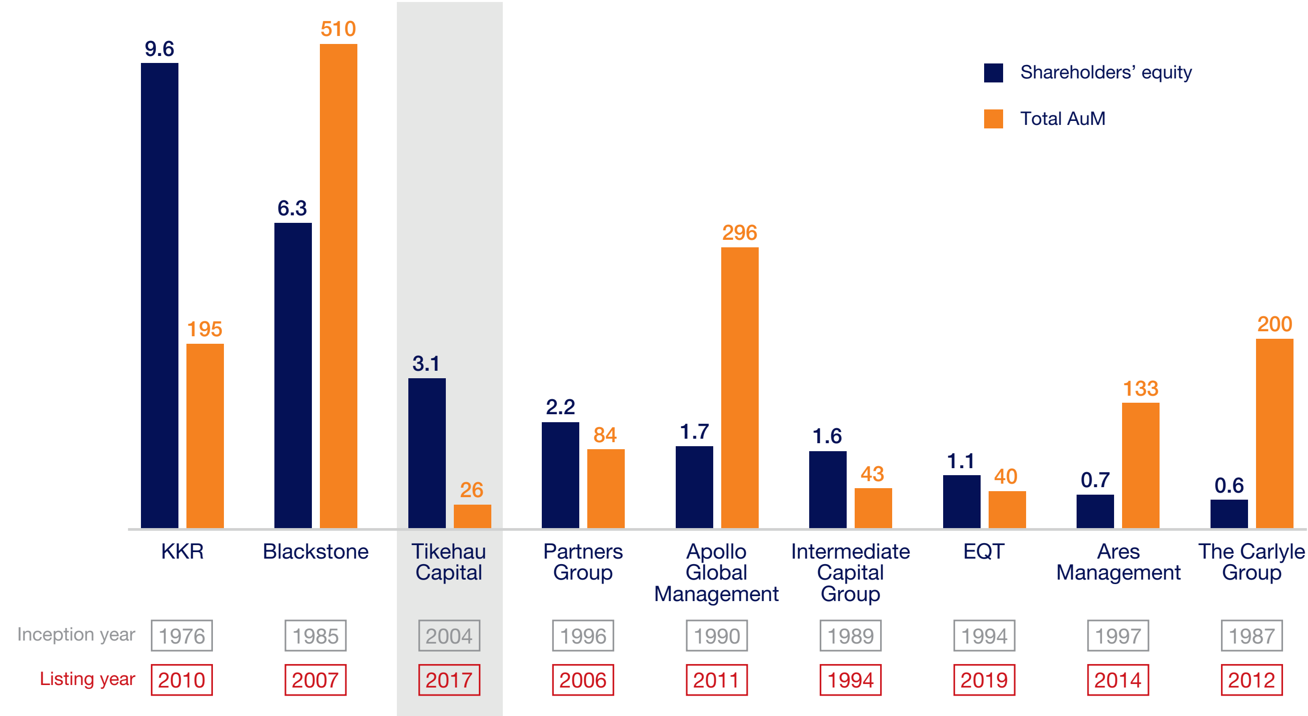
Alternative asset management was first developed in North America with a focus on the domestic market, before European players jumped on the bandwagon.

As a result, the global sector is dominated by long-standing US private equity players, who have diversified into other asset classes such as private debt, real estate and infrastructure. Big names among these US players include KKR, Blackstone, Apollo, Ares and Carlyle.

The number of listed independent alternative players in Europe is very limited. Just four European listed groups are active in alternative asset management: Partners Group (Switzerland), Intermediate Capital Group (United Kingdom), EQT (Sweden) and Tikehau Capital.

(1) Source: Preqin Investor Interviews, November 2018 – 2019.

A key differentiating factor for Tikehau Capital is its unique model based on a substantial equity base, which not only clearly aligns the interests of management, shareholders and investor-clients but also allows it to consider economic cycles with confidence. Tikehau Capital is thus one of the least mature actors by scale of assets under management, yet the Group ranks number three worldwide for the size of its shareholders' equity:



Source: public information published by the relevant companies.

As far as European actors are concerned, please note:

- Partners group is a listed Swiss group that invests primarily in Private Equity, but also in real estate, private debt and infrastructure;
- Intermediate Capital Group (ICG) is a London-listed company that invests mainly in private debt (primarily Mezzanine and CLO) and Real Estate;
- EQL is a Swedish group mainly active in private equity, infrastructure and private debt, which became listed in the third quarter of 2019;
- Tikehau Capital has a portfolio of alternative assets divided between private debt, real estate and private equity.

Any analysis of the competition must take into account the business mix specific to each player (private debt, real estate, private equity, infrastructure, etc.) and should consider the performance of each player business line by business line, which makes it difficult to compare Tikehau Capital with other European players who devote a significant portion of their business to alternative assets.

1.5 REGULATORY ENVIRONMENT

Tikehau Capital's business is governed by regulations specific to each country in which the Group operates, directly or through subsidiaries (mainly Tikehau IM, Sofidy, ACE Management, Tikehau Capital Europe, Tikehau Investment Management Asia Pte. Ltd. or Tikehau Capital North America), branches or partnerships.

Since its shares were listed on the Euronext Paris regulated market on 7 March 2017, Tikehau Capital has been subject to various obligations including (i) periodic and ongoing information, (ii) prevention of market abuse and (iii) issuance of financial securities. These obligations are laid down by French and European regulations and by the AMF, the authority in charge of the regulation and supervision of the French financial markets, in its General Regulation.

In respect of Asset Management and investment services, the relevant Group entities are subject to numerous regulations, prudential supervision and approval requirements.

Although the nature and scope of the regulations vary from country to country, the Group is subject to laws and regulations that govern Asset Management and investment activities in most countries in which it conducts its business. The governance and internal organisation of each subsidiary and branch require permanent monitoring and appropriate readjustment according to the activities carried out insofar as the applicable regulations are constantly evolving, especially in the European Union (EU) and depending on their transposition in the different Member States and their interpretation by local regulators.

This constantly changing regulatory landscape could have a significant impact on Tikehau Capital's business and operating result. However, the Group's support functions focus on anticipating and analysing all regulatory changes in order to limit their impact on the more operational activities.

1.5.1 Regulations relating to the Asset Management activity

In recent years, European authorities have kept the financial services industry under closer scrutiny and have adopted guidelines and regulations governing the Asset Management sector, the purpose of which is to protect investors and preserve financial market stability.

Tikehau Capital's Asset Management activity, conducted primarily through its subsidiaries Tikehau IM, Sofidy and ACE Management (the "Group's Asset managers"), can be divided into two main categories:

a) the collective management of funds and other undertakings for collective investment, including UCITS and Alternative Investment Funds ("AIF", see the Glossary in Section 10.7), which are principally regulated by:

- Directive 2009/65/EC of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities ("UCITS", see the Glossary in Section 10.7) as amended (the "UCITS IV Directive") and Directive 2014/91/EU strengthening certain requirements related to the management of UCITS, such as the duties of custodian, remuneration policies and sanctions (the "UCITS V Directive"), and
- Directive 2011/61/EU of 8 June 2011 on AIF managers (the "AIFM Directive");

b) individualised third-party management (through management mandates) and investment advice, activities which constitute financial services governed by Directive 2014/65/EC (the "MIFID II"), supplemented by Regulation (EC) No. 600/2014 (the "MIFIR Regulation") and amending Directive 2004/39/EC of 21 April 2004 on markets in financial instruments (the "MIFID Directive").

In addition to these main regulations and associated texts, Asset Management activities are subject to several other French or European regulations, such as Regulation (EU) No. 648/2012 of 4 July 2012 on OTC-traded derivatives, central counterparties and trade repositories (the "EMIR Regulation"). The EMIR Regulation governs compensation, reporting and risk mitigation techniques for Over-The-Counter (OTC) derivative transactions.

1.5.5.1 Key regulations applicable to Asset Management activity

Regulation applicable to UCITS managers

Tikehau IM and Sofidy manage and market UCITS in the European Union, and therefore must comply with strict rules on internal organisation, including requirements with regards to risk management and conflicts of interest, as well as rules of good conduct relating in particular to the amount of fees charged or information to be provided to clients.

In order to meet these requirements, UCITS are subject to rules relating to the allocation, diversification and custody of assets. In particular, a UCITS must not invest more than (i) 5% of its assets in securities or money market instruments issued by the same entity or (ii) 20% of its assets in deposits or cash with the same bank. The assets of a mutual fund or a SICAV must be kept by a custodian which must be a separate entity from the fund and the asset management company, to safeguard the assets and maintain the segregation of accounts.

Furthermore, the asset management company must draw up for each of the UCITS it manages a short document containing key information for investors (the Key Investor Information Document or KIID). This document must contain information on the essential details of the UCITS in question, including the identification of the UCITS, a short description of its investment objectives and the investment policy, an overview of past performance, the associated costs and fees and the risk/reward profile of the investment. The asset management company must also publish a prospectus containing the information necessary for investors to be able to make an informed judgement on the investment proposed to them and, in particular, the related risks.

In line with the UCITS Directive, the UCITS V Directive introduces new rules for UCITS custodians, such as rules on entities eligible for that function, their duties, delegation agreements and the liability of custodians and sanctions applicable in the event a breach of their obligations. More generally, the UCITS V Directive also reinforces certain requirements for asset management companies and lays down rules on remuneration policies (see Section 1.5.3.3 (Other regulations - Regulation of retrocessions)). These new requirements are mostly in line with the requirements of the AIFM Directive, which are described below.

The UCITS V Directive was transposed into French law by Order No. 2016-312 of 17 March 2016 amending the legal framework for Asset Management. The new rules resulting from the transposition thus came into force on 18 March 2016. The delegated regulation was published in the Official Journal of the EU on 24 March 2016 and came into force on 13 October 2016.

Regulation applicable to AIF managers

AIF managers, such as the Group's Asset managers, are subject to the provisions resulting from the transposition of the AIFM Directive. AIFs are defined as entities (other than UCITS) which raise capital from a number of investors, with a view to investing it in accordance with a defined investment policy. The AIFM Directive lays down requirements on organisation, governance, information, asset allocation and custody.

AIF managers must make frequent reporting to the competent authorities of their home Member State on the principal markets and instruments in which they invest on behalf of the AIFs they manage. Such reporting must cover the main instruments in which each AIF invests, (ii) the markets in which each AIF is invested or on which it is active and (iii) the largest exposures and concentrations for each AIF. In addition, AIF managers are subject to more stringent investor information requirements and, for each European Union AIF they manage and for each of the AIFs they market in the European Union, must prepare an annual report within six months of each financial year end. AIF managers must also make available to potential investors, in accordance with the regulations or statutes of the AIF and prior to their investment, a list of information on the characteristics of the AIF. This list includes, in particular, a description of the investment strategy and the objectives of the AIF, the procedures for modifying its strategy or investment policy, the procedure for valuing the AIF and its assets, the AIF's liquidity risk management and a description of all fees, costs and charges (including their maximum amounts) that are directly or indirectly borne by investors.

European managers may market units or shares in European or non-European AIFs to professional clients in the European Union through the system of passporting (see Section 1.5.3.1 (The European passporting procedure) below). Subject to obtaining the necessary authorisations in one of the Member States of the European Union, non-EU managers can also be authorised to market European and non-European AIFs within the European Union.

1.5.1.2 Other regulations applicable to Asset Management activity

The impact of MIFID II

When an asset management company is authorised to provide investment services (investment advice and/or portfolio management on behalf of third parties), it is required to apply the rules resulting from the transposition of MIFID II applicable to investment services, including "distributor rules". The obligations relating to distributors of financial products may have a significant impact for management companies when the distribution of the funds they manage involves the provision of investment service(s) entailing the application of "distributor rules" (especially should other investment service providers or financial investment advisers be used for distribution), particularly in relation to the provision of information.

MIFID II imposes the obligation on distributors (through the provision of investment services) to acquire appropriate systems to obtain relevant information relating to such financial instruments, to understand their characteristics and to assess whether each financial instrument is compatible with the needs of its clients, particularly in relation to the target market it defines. The information obtained on the product must be compared with that concerning the distributor's own clients in order to define the target market and the distribution strategy.

By reference to the UCITS and AIFM Directives, MIFID II applies whenever an investment service is carried out by the asset management company, when distributing its own products or when marketing funds managed by third party management companies.

Therefore, asset management companies that meet these criteria must implement the new requirements of MIFID II and in particular must understand the characteristics of each instrument, identify the target market and evaluate accordingly the compatibility of the instruments offered with the needs of their clients.

The impact of the EMIR Regulation

The EMIR Regulation considers UCITS and, where applicable, their authorised management companies in accordance with the UCITS Directive, as "financial counterparties", as well as AIFs managed by approved managers or registered in accordance with the AIFM Directive.

As such, UCITs and AIFs managed by asset management companies are therefore considered as "financial counterparties" within the meaning of the EMIR Regulation. Each of these entities must therefore comply with the obligations set out in the EMIR Regulation when entering into over-the-counter derivatives contracts, and in particular by: (i) offsetting OTC derivatives considered by ESMA as being eligible for offsetting, (ii) putting in place risk mitigation techniques for contracts not cleared by a central counterparty and (iii) complying with transparency requirements.

In this context, when the Group's Management Companies and the AIFs and UCITS they manage enter into derivative contracts, they are subject to the obligations of the EMIR Regulation.

1.5.2 Regulation applicable to the provision of investment services

Within the Group, the activity of investment services is mainly carried out by Tikehau Capital Europe Limited, an entity created by Tikehau Capital and regulated in the United Kingdom by the Financial Conduct Authority (the "FCA"). Tikehau Capital Europe is approved to give advice and arrange investment transactions and to manage investments for third parties. In addition, its authorisations have been issued marketing passports in Ireland and the Netherlands, enabling it to offer financial products and services, including investment advisory services (see Section 1.5.3.1 (The European passporting procedure) below). An appropriate control plan is subject to regular reporting to the management of Tikehau Capital.

The new legislative framework established by MIFID II, supplemented by MIFIR, has strengthened and extended the rules to which investment service providers are subject.

This regulation had a significant impact on the investment service providers conducting their activities in the European Union particularly by creating increased requirements regarding internal organisation, as well as in terms of information and assessment of the adequacy and appropriateness of the service to be provided to clients. MIFID II also provides for better execution and selection of clients' orders, a stronger framework for retrocessions paid as part of the provision of investment advice, and pre- and post-trade transparency requirements. Finally, the role and powers of the financial market regulators were strengthened.

In the context of Brexit, activities which Tikehau Capital Europe currently performs for other European countries using the European passporting procedure, as described below, will have to be organised based on local regulations and the outcome of Brexit-related negotiations. It should however be noted that, under the current regulations in the EU Member States in which Tikehau Capital Europe operates from its UK base, provisions are in place to allow Tikehau Capital Europe to continue its current activities even if the European passporting procedure should no longer apply.

1.5.3 Other significant regulations

1.5.3.1 The European passporting procedure

European passporting allows, under certain conditions, an asset management company which has been approved by the regulator of its country of origin to request that it be permitted to conduct its activities in the European Union or in the States that are signatory to the Agreement on the European Economic Area (the "EEA"). When an asset management company from another Member State wishes to provide its services in France, it is referred to as "passport in". When a French asset management company wishes to provide its services in the European Union or in another State party to the EEA Agreement, it is referred to as "passport out". There are two ways of exercising the European passport: through freedom to provide services or freedom of establishment. Under the freedom to provide services, the asset management company may conduct certain activities in another Member State of the European Union or a State party to the EEA Agreement other than that in which its registered office is located. Under freedom of establishment, the asset management company may establish branches in another Member State of the European Union or a State party to the EEA Agreement.

An asset management company wishing to conduct certain activities for which it has been authorised in another Member State must inform the competent authorities of its home Member State. In the host Member State, the asset management company may only conduct the activities covered by the authorisation granted in its home Member State and subject to passporting in accordance with European regulations.

In terms of Asset Management, a passport may be granted for three types of activities: (i) the management of UCITS, (ii) the management of AIFs, and (iii) third-party portfolio management. The passporting system allows entities likely to benefit from it to conduct their activities across borders within the European Union.

Tikehau Investment Management currently holds a passport to run its activities through its London branch. Following Brexit, and depending on the UK's exit terms from the European Union, it is possible that the passporting procedure may no longer apply. Tikehau Investment Management, which operates under a French authorisation and has most of its employees in France, has therefore put in place an action plan which, once activated, will enable it to continue its activities with minimum impact depending on the final terms under which the UK leaves the EU.

1.5.3.2 Combating money laundering and the financing of terrorist activities

Asset managers and investment service providers are required to report to an anti-money laundering unit under the authority of the French Minister of the Economy, Tracfin (the acronym translates as "Intelligence Processing and Action Against Circuits of Illegal Financing"), any amounts recorded in their accounts that they suspect may derive from drug trafficking or organised crime, any unusual transactions exceeding certain amounts and all amounts and transactions that they suspect to be the result of an offence punishable by a term of imprisonment for one year or which may contribute to the financing of terrorism.

Regulated institutions are subject to due diligence, including the obligation to establish procedures relating to the prevention of money laundering or the financing of terrorism and allowing the identification of the customer (as well as the beneficial owner) for any transaction ("KYC", see Glossary in Section 10.7). They must also establish systems for the evaluation and management of the risk of money laundering and terrorist financing suited to the transactions and clients involved.

1.5.3.3 Other regulations

Regulation of retrocessions

MIFID II has stepped up the protection of investors with regard to the types of payments ("retrocessions") that a company may receive or make to third parties during the provision of investment services. In general, it is forbidden for companies providing investment advisory services independently or conducting portfolio management activities, to collect fees, commissions, monetary or non-monetary benefits from third parties. Some minor benefits of a non-monetary nature are nevertheless possible, but the client must be clearly informed of these.

Regarding entities providing investment services other than portfolio management or independent investment advice, retrocessions may be levied provided that these payments are intended to improve the quality of client service provided and do not impede the service provider from compliance with its duty to act honestly, fairly and professionally in the best interests of its clients. The client must be clearly informed of the existence, nature and amount of such retrocessions, in a complete, accurate and understandable way, prior to any provision of the investment service or ancillary service.

Regulation applicable to remuneration policies

The AIFM Directive and MIFID II supervise investment service remuneration policies of AIF managers and service providers to ensure that the remuneration policy is consistent with the principles of sound risk management. In addition, Tikehau IM and Sofidy, which manage and market UCITS, must comply with the requirements of the UCITS V Directive, which includes provisions on remuneration substantially similar to those contained in the AIFM Directive.

A significant portion of the remuneration of employees whose activities could have a significant impact on risk exposure must be performance-based. A major portion of this performance-based variable compensation must be paid in the form of financial instruments. A substantial portion of this variable remuneration must be deferred over a period of at least three years. The variable remuneration, including the deferred portion, can only be paid or acquired if the amount is compatible with the financial situation of the asset management company and if it is justified by the performance observed.

The employees concerned fall within the scope of the "identified staff" within the meaning of the AIFM and UCITS V Directives, which is composed of the Asset managers' senior management, risk takers (*i.e.* portfolio managers), controlling supervisors, managers of the support functions as well as any employee who, in view of his overall compensation, is in the same salary bracket as the senior management and the risk takers, and whose professional activities have a significant impact on the risk profile of the asset management company or the risk profile of the AIFs or UCITS it manages.

Only members of the "identified staff" who receive a high variable remuneration and who influence the risk profile of the asset management company or the risk profile of the AIFs or UCITS it manages are subject to the requirements regarding the structure and conditions for acquisition and payment of variable remuneration resulting from the AIFM and UCITS V Directives.

Tikehau IM's process for identifying "identified staff" within the meaning of the AIFM and UCITS V Directives is carried out jointly by the Human Resources Department and the Compliance Department and is submitted to the Appointment and Remuneration Committee of Tikehau Capital, the parent company of Tikehau IM (see Section 3.4.2 (Committees of the Supervisory Board) of this Universal Registration Document).

Sofidy and ACE Management's process for identifying "identified staff" is carried out by the human resources and compliance teams of these two companies, and is submitted to their respective Remuneration Committees.

Regulated entities should furthermore include in their annual or management report information relating to their remuneration policy, principles and practices.

Capital requirements

In accordance with the various regulatory regimes for Asset Management, the Group's Asset managers are subject to the requirements on minimum capital, generally equal to the greater of: 25% of annual operating costs of the prior financial year, or €125,000 supplemented by 0.02% of assets under management plus 0.01% to the extent the Group's management companies are subject to the AIFM Directive.

These capital requirements are significantly more limited than those applicable to Tikehau Capital Europe with regard to its CLO activity. Indeed, under Regulation 575/2013/EU on prudential requirements for credit institutions and investment firms (the "CRR Regulation"), resulting from the Basel III Committee work, a retention rate of 5% of securitised assets is applied by law to the originating entities and therefore to Tikehau Capital Europe in the context of the management of its CLOs (the "retention piece" principle).

In accordance with the CRR Regulation, this retention is considered effective when it is applied:

a) horizontally, *i.e.* when it relates to at least 5% of the par value of each tranche sold or transferred to investors; or

b) vertically, *i.e.* when it relates to the first loss tranche and, if necessary, other tranches with the same or higher risk profile as those transferred or sold to investors so that, in total, the retention is equivalent to at least 5% of the par value of the securitised exposures.

Regulation on crowdfunding

Since 2014, crowdfunding has been subject to a new regulatory framework allowing any platform wishing to carry out a crowdfunding activity to register with ORIAS with one of the following statuses: crowdfunding investment advisor, crowdfunding intermediary or investment services provider giving advice in crowdfunding.

The Group conducts its crowdfunding activities through its two subsidiaries Credit.fr and Homunity. Credit.fr is registered with ORIAS as crowdfunding intermediary and crowdfunding investment advisor (CIP); this dual status enables it to offer the financing of projects available on the platform in the form of a loan or by subscription to financial securities. Homunity is registered with the French insurance broking association ORIAS as a crowdfunding investment advisor (CIP).

As a crowdfunding intermediary, Credit.fr must in particular comply with certain rules of good conduct and organisation taking into account the nature of the transactions carried out, based mainly on a duty of information towards (i) the public regarding the conditions of selection of projects and project developers, (ii) lenders regarding the characteristics of the project and risks of crowdfunding, and (iii) project developers on the characteristics of the deal as a whole.

As crowdfunding investment advisors, Credit.fr and Homunity are in particular subject to: (i) requirements regarding human and physical logistics enabling them to understand the characteristics and identify the target markets, (ii) requirements for the detection and control of conflicts of interest, (iii) requirements towards their clients to provide them with a service appropriate to their profiles and (iv) a duty to warn clients or potential clients about the risks.

Regulation on securitisation

Effective from January 1 2019, the Regulation (EU) 2017/2402 of 12 December 2017 (the "Securitisation Regulation") sets out a general framework for securitisation in Europe, and also introduces a European label for securities known as 'STS' securities (simple, transparent and standardised).

The Group conducts securitisation activities through Tikehau Capital Europe as part of its CLO activity. With a few exceptions, UCITS or AIFs managed by asset management companies have the option to invest in securitisation products covered by the Securitisation Regulation. Each of these entities must therefore fulfil the obligations pursuant to the Securitisation Regulation when they invest in securitisation products.

Tikehau Capital Europe is therefore required to meet obligations in relation to (i) risk retention, (ii) appropriate due diligence on the underlying risks and the parties involved in the securitisation process (iii) transparency and provision of information to investors.

Regulation applicable in Singapore

The Group operates in Singapore through Tikehau Investment Management Asia Pte. Ltd. (Tikehau IM Asia), a wholly-owned subsidiary of Tikehau IM approved by the Singaporean Financial Supervisory Authority (Monetary Authority of Singapore, MAS), as well as through the asset management company IREIT Global Group in which Tikehau Capital has a 50% holding.

As such, Tikehau IM Asia and IREIT Global Group are subject to the laws, regulations, guidelines and recommendations laid down by MAS.

Regulation applicable in the United States

Since 2017, the Group has operated in North America through Tikehau Capital North America, a wholly-owned subsidiary of the Company, which is registered as an investment advisor (Registered Investment Advisor) with the US financial supervisory authority (Securities & Exchange Commission, SEC).

As such, under the US Investment Advisory Act of 1940 of the SEC, Tikehau Capital North America is subject to: (i) fiduciary duties to clients, (ii) substantive requirements and prohibitions, (iii) contractual requirements, (iv) record-keeping requirements, and (v) administrative oversight by the SEC including through controls.

2.

RISK FACTORS

2.1 RISK FACTORS

Disclaimer

Investors should read all of the information contained or incorporated by reference in this Universal Registration Document, including the risk factors described in this section. At the date of this Universal Registration Document, these risks are those which the Group believes, should they occur, could have a material adverse effect on its business, income, financial position or prospects.

Risk management is at the heart of the Group's businesses, and the associated risk management system and internal control organisation are crucial in helping the Manager to better determine the strategy and objectives pursued by the Group and the Supervisory Board in the ongoing oversight of the Company's management.

The Manager sets the strategic objectives, including the following key aspects in its analysis:

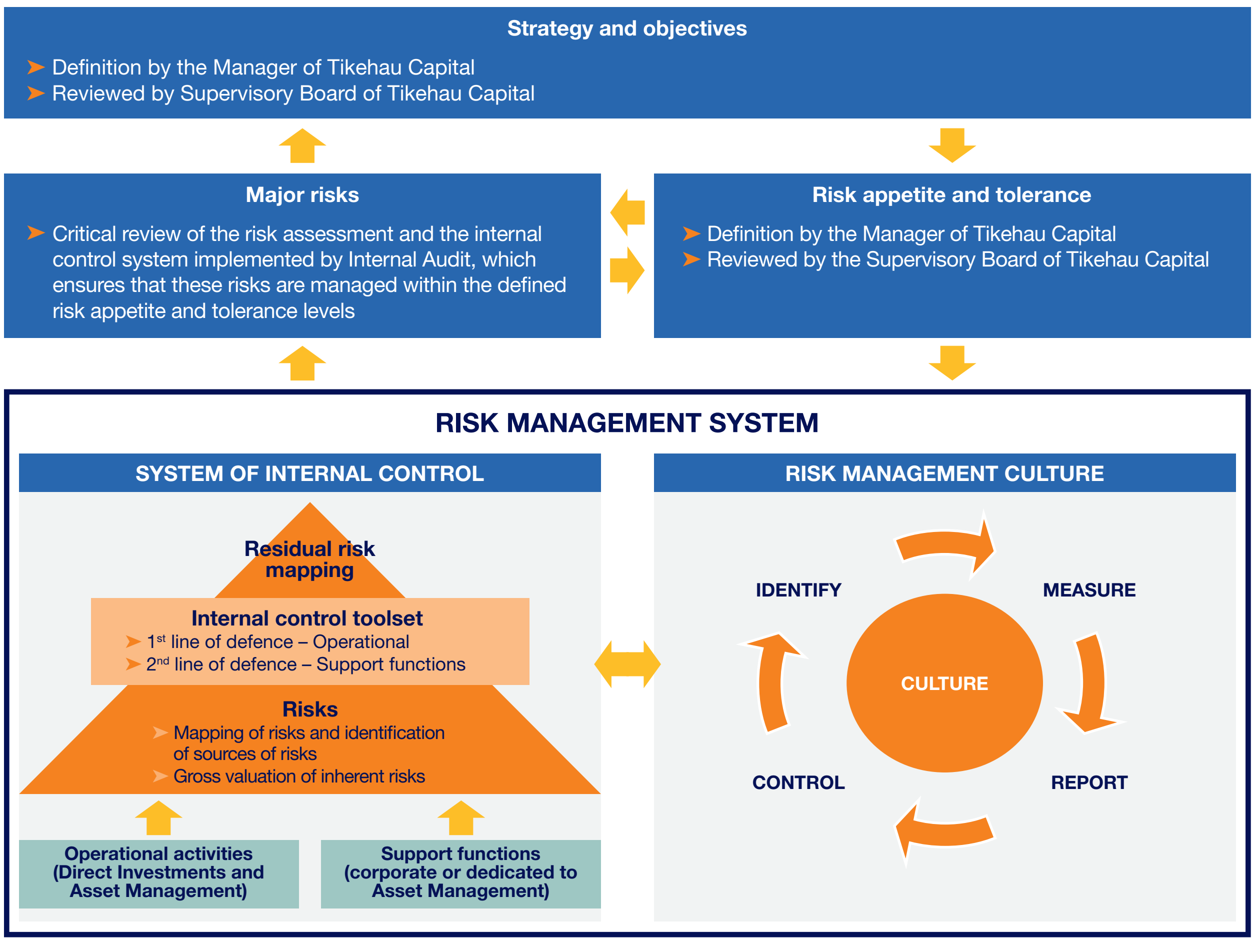
- defining the risk appetite and tolerance;
- determining the nature and scope of the risks that the Group is willing to take;
- taking decisions and making judgements to avoid unnecessary risk and maintain appropriate capital and liquidity levels.

The review of major risks is analysed each year by the Audit and Risk Committee. The work presented to this Committee is based on an assessment of the internal control mechanism and promotion of the Group's culture, whose cornerstone is an optimised risk management system.

A summary of this work was presented to the Company's Supervisory Board at its meeting on 5 December 2019.

The risk identification and management system can be summarised as follows:

RISK MANAGEMENT SYSTEM



Since 2017, an inventory of major risks at Group level has taken place each year through interviews with more than thirty heads of activities or support functions, who identified the three major risks in their activities and/or those which could impact the Group as a whole.

The main risks are determined by reviewing the Group's strategy, external risk factors and operating environment, including risks identified by the Group's peers, and analysing processes and procedures.

Risks are classified according to expected criticality level (corresponding to the estimated materiality and likelihood of each risk occurring) and the estimated level of control of each risk.

The Group's main risks are updated each year after the risk mapping has been reviewed. This review of the Group's main risks focuses on identifying risks which could threaten the Company's business model, future performance, capital or liquidity. External developments, regulatory requirements and market standards are taken into account to identify these risks.

Emerging risks are regularly monitored to assess their potential impact on the Group and to determine whether any action is necessary.

The risks described below are not the only risks that the Group faces. Additional risks and uncertainties as yet unknown to the Group, or which it considers as insignificant to date could have a material adverse effect on its business, financial position, operating income or cash flow.

Note that this mapping exercise was carried out and finalised before the emergence of the Covid-19 virus, the spread of which may have changed the risk factors identified.

The risks presented in this Section 2.1 have been reassessed following this annual mapping exercise to reflect recent developments related to the Covid-19 pandemic. They have been updated and additional information has been provided for each of the relevant risks regarding the possible impacts of the Covid-19 pandemic crisis. A risk factor has also been added relating to the consequences that this crisis could have on Tikehau Capital's assets, revenue and operating result.

The Group has identified the main categories and most significant risks, in an order that the Group considers to be of decreasing importance within each category, which corresponds to its current perception of the importance of these risk factors for the Group, based on the currently perceived probability that these risks will materialise, and the estimated extent of their negative impact. There can be no assurance that the Group's assessment of the relative importance of these risk factors will not be modified at a later date, either to take into account new information, events, circumstances or other factors, or that any of the risks that the Group currently considers less significant will not materialise and have a material adverse effect on its business.

The risk factors described in this Universal Registration Document are summarised in the table below. Within each category, the level of criticality of the risk factor is identified as follows:

***: high

**: medium

*: low

Objectives pursued	Risk factors	Order of importance depending on criticality
Non applicable	**Risks related to the Covid-19 pandemic (2.1.1)**	***
Working according to the best organisational and performance standards Behaving and being perceived as a responsible and exemplary investor	**Risks relating to Group's image, reputation or service quality (2.1.2)**	**1** ***
	• Operational risk relating to the performance and efficiency of organisational processes ensuring service quality: the failure or difficulties encountered by external or internal stakeholders involved in the Group's Asset Management activity could have a major negative impact on its reputation or business, likely to result in a decrease in its assets under management, revenues and its results.	***
	• Any smear on Tikehau Capital's reputation could be detrimental to its ability to maintain the quality of its activities, to engage in commitments and/or lead to a decrease in its assets under management, revenue and earnings.	*
	• The failure or poor performance of the products offered by competitors could affect the image of Tikehau Capital and consequently result in a reduction in assets under management on similar products.	*
	• Tikehau Capital may lose clients because of low returns on its products, causing a decline in its assets, its revenue and its earnings.	
	Risk of fraud or IT security (2.1.3)	**
	• Fraud or circumvention of control and compliance procedures, as well as risk management policies	*
	• Failure of Tikehau Capital's operating systems or infrastructure, including business continuity plans	*
	• Cyber-security risks, risks linked to information systems	
Ensuring that business is conducted in accordance with the regulations applicable to the Group	**Regulatory, legal and tax risks (2.1.4)**	**2** ***
	• Liability incurred as a result of failure to comply with regulatory and supervisory regimes applicable to Tikehau Capital	**
	• Regulatory reforms that have been undertaken or planned in the European Union and internationally (including as part of Brexit) expose Tikehau Capital and its clients to more stringent regulatory requirements and uncertainty	
	• Tax risks	*
	• The new requirements regarding tax returns resulting from programmes against tax evasion introduced worldwide will increase administrative costs for Tikehau Capital.	*

Objectives pursued	Risk factors	In ascending order of importance
Having quality human resources ("People business")	**Risks relating to the retention of teams and "key persons" (2.1.5)**	**3**
	• The inability of Tikehau Capital to recruit and retain employees could cause it to lose clients and lead to a decrease in its assets, revenue and earnings.	***
	• Tikehau Capital is dependent on an experienced and stable executive team.	**
Making quality direct balance-sheet investments, by assessing investment risks and opportunities as accurately as possible and optimising returns on investment	**Risks related to investments and their valuation (2.1.6)**	**4**
	• Risks inherent to the direct balance sheet investment activity	***
	• Tikehau Capital's balance sheet investment entails risks related to the valuation of these investments, which may differ from their realisable value.	**
	• Changes in the value of equities, bonds and other financial instruments may impact the value of Tikehau Capital's assets under management, net revenues and shareholders' equity.	**
	• Risks linked to the volatility of listed securities markets	**
	• Interest rate risk and credit risk on investments in funds managed by Tikehau Capital or its fixed interest investments	**
	• Liquidity risks related to certain equity interests, especially un-listed investments	**
	• Asset losses or concentration risks due to the composition of its investment portfolio	**
	• Changes in the value of direct investments by Tikehau Capital in its own funds and strategies could affect its earnings and shareholders' equity and increase the volatility of its revenues.	**
	• The valuation of certain products offered by Tikehau Capital may be subject to changes related to differing interpretations as to appropriate methodologies, estimates and underlying assumptions.	**
	• Income from the outperformance of certain of its funds may increase the volatility of Tikehau Capital's revenue and earnings.	**
	• Currency risk linked to its investment transactions in foreign currencies	*
	• Interest rate risk and currency risk on bank debts	*
	• Counterparty risks	*
	• Liquidity and debt risks	*

Objectives pursued	Risk factors	In ascending order of importance
Continuing the Group's growth Maximising the Group's value for its shareholders	**Risks of a halt to development (organic and/or external growth), or shrinkage of business activities (2.1.7)**	
	• Demand from Tikehau Capital's investor-clients depends on factors beyond its control and which affect the asset management market generally.	**
	• Investor-client demand for the asset classes managed by Tikehau Capital could decline.	**
	• In Capital Markets Strategies, Tikehau Capital's investor-clients may request withdrawal of their assets from its funds at any time.	**
	• The decision by Tikehau Capital of whether or not to give financial support to certain funds could expose it to significant losses.	**
	• Tikehau Capital may not be able to implement successful external growth transactions.	*
	• The Tikehau Capital development model requires the availability of its own resources, and it cannot be guaranteed that Tikehau Capital will be able to find or draw on such resources.	*
	• Tikehau Capital is exposed to a risk of fluctuation in its results.	*
	• Tikehau Capital may not be able to develop new products and services or to meet the demand of its clients-investors through the development of new products and services, which are also likely to expose it to operational risks or additional costs.	*
	• Tikehau Capital may not be able to obtain dedicated fund management from new institutional clients or may be forced to renew existing contracts on unfavourable terms.	*
	• Tikehau Capital is exposed to significant competition.	*
The control of the Group by its management ensures a better alignment of interests with the other shareholders	**Risks related to the legal form, Articles of Association and organisation of Tikehau Capital (2.1.8)**	
	• The Company's main shareholder (Tikehau Capital Advisors) controls the Company due to the Group's legal structure, and any person seeking to take control of the Company may not, in practice, do so without first securing the consent of Tikehau Capital Advisors.	*
	• The Manager of the Company has extremely broad powers.	*

2.1.1 Risk factor related to the Covid-19 pandemic

The Covid-19 pandemic crisis could adversely affect Tikehau Capital's assets, revenue and operating results.

The rapid spread of the Covid-19 pandemic throughout the world since the beginning of 2020 has led to a progressive deterioration of the economic and financial situation in many sectors of activity, major turmoil in the financial markets and significant negative consequences for the world economy and in the countries where Tikehau Capital operates.

At the date of this Universal Registration Document, the lockdown and social distancing measures imposed by a growing number of states affected by the pandemic, particularly in Europe and North America, are severely limiting a large number of activities and, more generally, having a negative impact on consumption and causing production difficulties, supply chain disruptions and a slowdown in investments.

It is difficult to predict when the peak of the Covid-19 pandemic will be reached in Europe or North America. If the pandemic is not contained quickly, and despite the support plans put in place by many states and central banks, it is likely to result in a significant decline in growth, or even recessions in several countries, the duration and severity of which are by nature difficult to anticipate.

Despite a rapid and effective response aimed at minimising the consequences of this situation on its daily activities and operating systems, Tikehau Capital could be impacted by organisational changes resulting in particular from lockdown measures (*e.g.,* remote working of its employees and service providers) that could impact the performance of its business processes.

As a result of the economic and financial crisis related to the Covid-19 pandemic and the resulting lockdown measures, the companies or assets in which the Company or the funds managed by the Group have invested could see their valuation, cash position, outlook and ability to distribute dividends, pay interest or, more generally, their ability to meet their commitments negatively affected.

This crisis could result in a deterioration of the returns generated by Tikehau Capital's products and solutions which could lead, in open-ended funds, to redemption requests from investor-clients wishing to invest their funds in products generating a better return or having occasional cash needs and, in closed-ended funds, to difficulties in attracting new investor-clients and collecting new assets. However, it should be noted that, as of the date of this Universal Registration Document, the Group has not recorded a reduction in its assets under management from redemption requests not offset by the exercise of new assets under management.

The Covid-19 crisis has also led and may continue to lead to sharp movements in the valuation of listed assets and it is likely that these movements will be accompanied by a decline in the valuation levels of certain unlisted assets.

Tikehau Capital's strategies are based on a rigorous long-term and fundamental investment approach. However, if such a trend were to continue over time, the value of the investments made by Tikehau Capital through its funds or directly on its balance sheet could be adversely affected. This could affect the amount of the Group's assets under management, income from its Asset Management activities (the basis of management fees for certain funds depends on the amount of assets under management and the Group's remuneration for performance requiring it to achieve certain levels of return) as well as income from its investment activities.

As of the date of this Universal Registration Document, it is not yet possible to assess how the Covid-19 pandemic will develop and its impact on the valuation of the Group's investments or the funds it manages.

A description of the operational measures taken by the Group to address the economic and health crisis resulting from the Covid-19 pandemic is provided in Section 2.1.9 (Management of the Covid-19 Pandemic) of this Universal Registration Document.

2.1.2 Risks relating to the Group's image, reputation or service quality

The failure or difficulties suffered by external operators taking part in the Group's Asset Management activity could have a material adverse effect on its reputation or its business, likely to cause a decrease in its assets, its revenue and its earnings.

Tikehau Capital is dependent on a number of providers assisting it in its operational and distribution activities (fund administration, accounting, custody of funds distributed through networks, risk analysis, provision of market data and market indices, funds transfer, etc.). The failure of any such provider to perform such services, including as a result of financial difficulties, or any negligence or errors committed by such parties in the performance of their services, could disrupt the business of Tikehau Capital or impact its ability to comply with regulatory requirements, which could damage its reputation and cause a decline in its assets, revenues and its results.

In addition, funds and mandates managed by the Group's asset management companies involve many other professionals as counterparties (for example, brokers, commercial and investment banks, clearing houses or institutional clients). Any failure in performance by these counterparties, in respect of their obligations, would expose the relevant funds managed by Tikehau Capital to credit risk. Such counterparties may be impacted by unexpected changes in the financial markets or otherwise, which might hinder their ability to perform their obligations, or they may face other circumstances making them unable to meet their engagements. Such a failure or difficulty could negatively affect the assets held by Tikehau Capital, the funds it manages and their performance, which could lead to dissatisfaction on the part of Tikehau Capital's clients and have a material adverse impact on its assets, revenues and results.

Tikehau Capital may suffer from a failure of the control mechanism for its operational processes by failing to avoid an error by one of its employees and which could thus disrupt the activities of Tikehau Capital or impact its ability to comply with contractual or regulatory requirements, which could damage its reputation and cause a decline in its assets under management, revenues and earnings.

To the knowledge of the Company, those risks to image, reputation or service quality did not materialise in a significant way during the 2019 financial year.

Considering the current context of lockdown and remote work imposed on the Group's employees and its service providers as part of the measures to combat Covid-19, the risk of delays or failures in the execution of operating processes could increase and have a significant adverse effect on the Group's reputation or its business, which could lead to a decline in the Group's assets, revenues and earnings.

Any smear on Tikehau Capital's reputation could be detrimental to its ability to maintain the quality of its activities, to engage in commitments and/or lead to a decrease in its assets under management, revenue and earnings.

The integrity of the brand and reputation of Tikehau Capital is critical to attracting and retaining clients, business partners and employees. Tikehau Capital's reputation could be tarnished by certain key factors such as a low return on its investments, litigation, regulatory action, misconduct or infringement of applicable laws or regulations by its managers or its distributors. Fund managers and other operational staff make daily decisions on funds managed by the Group's asset management companies and in the conduct of its business, and there can be no assurance that these managers or operational staff will not make errors or be negligent or infringe regulations or the investment policies of the funds, any of which could damage the Group's reputation. Tikehau Capital's reputation could also suffer and it could be held accountable to investors, as well as from a regulatory standpoint, should the procedures and risk management systems implemented to prevent and/or mitigate such risks fail to identify, record and manage such errors, negligence or illegal or unauthorised activity. And such failure could have a material adverse effect on the reputation, business, assets under management, earnings and financial position of Tikehau Capital. The negative publicity that would result from the occurrence of any of these events could damage the reputation of Tikehau Capital, generating a risk of regulatory sanctions and harm its relations with its current and potential clients, external distributors and other business partners. Any discredit to the "Tikehau" brand would adversely affect the Group's position in the sector and could result in a loss of business in the short and long term.

The failure or poor performance of the products offered by competitors could affect the image of Tikehau Capital and consequently result in a reduction in assets under management on similar products.

The occurrence of events affecting the performance of products competing with those of Tikehau Capital could negatively impact investor confidence in the relevant product class overall. This loss of confidence could affect investors' appetite for Tikehau Capital's products, even if it is not involved in or subject to the relevant circumstances affecting its competitors. For its Capital Markets Strategies activity (formerly known as liquid strategies), this could expose it to withdrawals, redemption requests and liquidity problems, and in its other business lines, to an inability to successfully launch new funds and strategies, which might cause a decline in its assets under management, revenue and earnings.

Tikehau Capital may lose investor-clients because of low returns on its products, causing a decline in its assets, its revenue and its earnings.

The return generated by Tikehau Capital products and solutions is critical to their commercial success, and determines the ability of Tikehau Capital to attract and retain investor-clients. The performance levels achieved by Tikehau Capital in the past do not guarantee the level of future performance. In addition, Tikehau Capital may not be able to sustain its level of performance over time. Tikehau Capital's results and performance levels for several reasons could differ significantly from those achieved by Tikehau Capital in the past (in particular due to macroeconomic factors, the performance of new funds compared to that of past or existing funds, market conditions, investments made or investment opportunities). In particular, the unfavourable evolution of the economic, commercial and financial environment and the deterioration of the economic environment because of the Covid-19 pandemic could alter the performance of Tikehau Capital's products and solutions.

If the funds managed by Tikehau Capital were to record a lower return than that anticipated by its clients or that of similar products, investors could, in Capital Markets Strategies, increase their requests for redemption in order to invest their assets in products generating better returns, and, in closed-ended funds, refuse to participate in new funds launched by Tikehau Capital. In all such cases, the reputation of Tikehau Capital and its ability to attract new clients could also be affected, and the negative impact on its open-ended or closed-ended funds could have a material adverse effect on its assets, revenues and operating income.

2.1.3 Risks of fraud or IT security

Fraud or circumvention of control and compliance procedures, and risk management policies, could have an adverse effect on the reputation, performance and financial position of Tikehau Capital.

Tikehau Capital cannot guarantee that the controls, procedures, policies and systems that it has established will identify and successfully manage all internal and external risks to its operations. Tikehau Capital is exposed to the risk that its employees, counterparties or other third parties may deliberately seek to circumvent the controls established by the Group, or otherwise commit fraud or act contrary to the policies and procedures set up by Tikehau Capital, in addition to any legal or applicable regulations, particularly in relation to money laundering, corruption, or sanctions. Any violation or circumvention of such checks, policies, procedures, laws or regulations, as well as any fraud committed or conflicts of interest, real or perceived, could have a material adverse effect on the Group's reputation, result in regulatory investigations and lead to regulatory penalties, criminal sanctions or financial losses.

The current Covid-19-related environment is giving rise to a resurgence of attempts at fraud or embezzlement, whose sophistication in terms of identity theft, strategic intelligence and cyber attacks has increased sharply. Even if, at the date of this Universal Registration Document, the Group has not been affected by an attack of this nature, it could be exposed to an attempt to embezzle funds through hacking, in particular of its payment platforms used during the closing of transactions, during the distribution of funds or more regularly for the payment of its recurring expenses. In the event of such an occurrence, this could disrupt the exercise of its activities and cause financial losses by affecting the availability, integrity and confidentiality of its data.

A failure of Tikehau Capital's operating or technology infrastructure, including business continuity plans, could disrupt operations and damage its reputation.

The infrastructure of Tikehau Capital (including its technology, databases and office space) is vital to the competitiveness of its business. The inability of Tikehau Capital to maintain infrastructure commensurate with the size and geographic presence of its activities, a loss of business or the occurrence of events beyond its control (earthquake, hurricane, fire, act of terrorism, pandemic or other disaster occurring in a geographic area where Tikehau Capital has a strong presence), could substantially affect its operations, disrupting the pursuit of its activities or inhibit its growth. If such a disruptive event were to occur, Tikehau Capital's ability to conduct its operations could be adversely affected, causing a drop in its assets, its revenues and its results, or could affect Tikehau Capital's ability to comply with its regulatory obligations, which could damage its reputation and subject it to the risk of fines and other sanctions. In addition, a breakdown or failure of the Group's information systems could impact its ability to determine the net asset values of the funds it manages or produce reliable financial or other reporting, expose it to claims from its clients, or affect its reputation, any of which could have a material adverse effect on its business, financial condition or results.

The current Covid-19-related crisis virus is testing the resilience of all the national and international infrastructures supporting the information services used by the Group. A resulting failure of the operating systems could disrupt the Group's activities or even damage its reputation.

The inability of Tikehau Capital to put in place information policies, procedures and systems and effective cyber security could disrupt the pursuit of its business and generate financial losses.

Tikehau Capital is dependent on the effectiveness of information policies, procedures and systems and cyber security introduced to protect its computer and telecommunication systems, as well as the data transiting or stored in it. An incident affecting information security, generated by an external event such as an act of piracy, virus, worm or an internal failure (failure to control access to sensitive systems), might substantially affect Tikehau Capital's activity or lead to the disclosure or modification of competitive, sensitive and confidential information. The occurrence of such events could result in substantial financial losses, a loss of competitive position, regulatory penalties, breach of client contracts, discredit to the reputation of Tikehau Capital or liabilities, which could in turn negatively impact its assets, its revenues and results.

In response to the heightened cyber risk, the Group is constantly improving its IT architecture and systems, and external intrusion tests are conducted on a regular basis to check the robustness of the Group's IT systems. The Group's IT systems are frequently targeted by malicious intrusion attempts which have so far been thwarted by the procedures in place, without any negative consequences for Tikehau Capital.

Similar to the risk of fraud or embezzlement mentioned above, the context of the current Covid-19 pandemic crisis is revealing a resurgence in attempts to attack the cyber security of companies and healthcare institutions. Even if, at the date of this Universal Registration Document, the Group has not been affected by an attack of this nature, a failure in the processes for defending against cyber attacks could disrupt the conduct of its activities and result in financial losses, affecting the availability, integrity and confidentiality of its data.

2.1.4 Regulatory, legal and tax risks

Tikehau Capital is subject to significant regulation and supervision.

Various regulatory and supervisory regimes apply to Tikehau Capital in each of the countries in which the Group conducts its business. These regulations may strongly influence the way in which Tikehau Capital operates. Tikehau Capital's operations must be organised to comply with each of these regulatory regimes, which is costly, time-consuming and complex.

Tikehau Capital's international expansion exposes it to operational, regulatory, political, reputational and currency risks in the markets into which it expands or may seek to expand, many of which are beyond its control. The failure of Tikehau Capital's internal control measures to mitigate such risks, or that of its operating infrastructure to adequately support its business worldwide and in specific markets in which it operates could create risks of non-compliance and expose Tikehau Capital to fines, regulatory sanctions or criminal penalties, any of which could negatively impact its reputation and result in a decline in its assets, revenues and results.

In particular, Tikehau Capital is subject to several regulatory regimes in connection with its Asset Management activity that enable it to engage in the management of funds and other collective investment undertakings (including UCITS and AIFs) (see the Glossary in Section 10.7 of this Universal Registration Document), portfolio management and investment advisory services.

Tikehau Capital is subject to regular checks by its supervisory authorities and may be adversely affected by any exposure to the risk of non-compliance with existing laws and regulations or by changes in the interpretation or implementation of existing laws or regulations. For example, following an investigation, a notice of grievance was sent by the AMF Board to Tikehau IM in February 2017 concerning the lack of information provided to the holders of certain funds regarding the terms and conditions for sharing arrangement fees between Tikehau IM and these funds. A settlement agreement was concluded between Tikehau IM and the AMF on 12 May 2017 and provides for the payment by Tikehau IM of €280,000 to the Treasury. This agreement has been validated by the AMF Board and approved by the AMF Sanctions Committee.

In addition, the applicable regulations could hinder the development of the Group's business, increase its operating costs or prevent it from implementing its development or reorganisation plans.

The complexity of implementing Group compliance structures consistent with existing regulations and their interpretations around the world may increase the foregoing risks, particularly to the extent that the regulators of various countries have different interpretations or publish only limited guidance with respect to such regulations. In particular, failure to comply with applicable laws or regulations could result in criminal penalties, fines, temporary or permanent prohibition on conducting certain businesses, damage to reputation and the attendant loss of clients, the suspension of employees or revocation of their licences or the licences or approvals of Tikehau Capital entities, among other sanctions, which could have a material adverse effect on the reputation of Tikehau Capital or its business and have a material adverse effect on the assets, revenues and results of Tikehau Capital.

Regulatory reforms that have been undertaken or planned in the European Union and internationally (including as part of *Brexit*) expose Tikehau Capital and its clients to growing regulatory requirements and uncertainty.

In recent years, numerous regulatory reforms have been adopted or proposed in financial and related markets, and the level of regulatory oversight to which the Group is subject may continue to intensify. Some changes in laws or regulations could require the Group to change or re-examine the way it conducts its business, which could be time-consuming and costly and affect the Group's future growth, or prevent the Group from being able to implement its future development plans. These reforms could also affect some of Tikehau Capital's clients, such as credit institutions, insurance companies or pension funds, which could prompt them to revise their short-term or long-term investment strategies and impact their willingness to invest in Tikehau Capital's strategies or products.

Moreover, the decision by the United Kingdom to leave the European Union (known as Brexit) is expected to have an impact on the regulated activities of the Group in the United Kingdom, impacting in particular Tikehau Capital Europe (which is a company incorporated under the laws of England and regulated by the Financial Conduct Authority) or the London branch of Tikehau IM (Tikehau IM's approval was passported to the United Kingdom). Although the Group has considered and is preparing various scenarios to ensure the continuity of operations in the UK after the United Kingdom leaves the European Union and to minimise the impact of Brexit, these scenarios are inherently uncertain and will depend on the outcome of the negotiations between the UK and the European Union on the terms of the UK's exit from the European Union. The precise outcome of these negotiations is difficult to anticipate, and the consequences of Brexit for the Group and its activities difficult to assess with certainty. If the scenarios prepared by the Group do not properly account for or respond to such consequences, its business in the United Kingdom and potentially in other jurisdictions could be materially adversely affected.

Tikehau Capital could be exposed to tax risks.

As an international group with activities in several countries, Tikehau Capital has structured its commercial and financial activities in accordance with various regulatory obligations to which the Group is subject and with its business and financial objectives. To the extent that the tax laws and regulations of the various countries in which Tikehau Capital entities are located or operate, do not always allow for clear or definitive guidelines, the tax regime applied to its business, operations or intra-group reorganisations (past or future) is or may sometimes be based on its interpretations of French and foreign tax laws and regulations. Tikehau Capital cannot guarantee that these interpretations will not be questioned by the competent tax authorities. More generally, any breach of the laws and tax regulations of the countries where Tikehau Capital entities are located or operate may result in adjustments or late interest payments, fines and penalties. In addition, tax laws and regulations may be amended and the interpretation and application that is made by the courts or the authorities concerned can change, especially in the framework of common initiatives at international or Community level (OECD, G20, European Union). Each of the above is likely to result in an increase in the Tikehau Capital's tax burden and have a material adverse effect on its business, financial position and earnings.

The new requirements regarding tax returns resulting from programmes against tax evasion introduced worldwide will increase administrative costs for Tikehau Capital.

Tikehau Capital is bound to comply with the new requirements regarding tax declaration obligations, and will be required to comply in future with the new obligations that are part of anti-tax evasion rules implemented globally.

These new requirements for tax declarations and, more generally, any mechanism put in place to improve cooperation between tax administrations in the fight against tax evasion, will impact the funds managed by the Group's companies worldwide, and will burden Tikehau Capital with increasing administrative charges and costly reporting requirements.

2.1.5 Risks relating to the retention of teams and "key persons"

The inability of Tikehau Capital to recruit and retain employees could cause it to lose clients and result in a decline in its assets under management, revenue and earnings.

The success of Tikehau Capital Asset Management activity depends largely on the talent and efforts of its highly skilled workforce and its ability to contribute to their development in order to support the growth of the business in the long term. Portfolio managers, financial analysts, product specialists, sales personnel and other professionals operate in a highly competitive labour market. The ability of Tikehau Capital to attract and retain excellent employees depends on the Group's reputation, the remuneration and benefits granted to its employees, and its commitment to ensuring the renewal of management positions, particularly by contributing to the development and training of qualified people. There is no guarantee that Tikehau Capital will successfully continue its efforts to recruit and retain staff, or that it will effectively manage the career development of its employees. If Tikehau Capital were unable to recruit, motivate and retain high-quality employees, its competitive strengths and its ability to retain its clients could be negatively affected.

Tikehau Capital is dependent on an experienced and stable executive team.

The success of Tikehau Capital is highly dependent on the skills and expertise of its executive and management team, the members of which have extensive knowledge of the Group's sector, its challenges and the Group's investor-clients, and who since the Group's creation have played and will continue to play a key role in its growth and continued business development. The retention mechanisms in force to retain key employees, such as participation in the performance-based incentive schemes provided by the vehicles managed by the Group, may not be sufficient to ensure the retention or motivation of its executive and management team given the competitive nature of recruiting in the Group's sector. In particular, the loss of a key member of the Group's executive and management team, especially if an adequate replacement is not found in a timely manner or at all, could have a material adverse effect on its reputation, its business, operating profit and financial position.

Tikehau Capital relies on key individuals to manage the funds during their investment periods. Many of its funds include provisions that provide that the departure (or reduction in substantial involvement with the fund) of more than a specified limited number of identified key persons connected with such fund or the Group within a given period results in a suspension of new investments by the funds until a suitable replacement has been found and required approvals have been obtained. In some funds, the departure of more than a specified number of key persons may also give rise to the replacement of the manager of the fund. Certain personnel are named as key persons under such clauses for multiple funds. As a result, the departure of certain key persons from the Group or their inability to devote time to managing the affected funds could result in the temporary or permanent termination of new investments by such funds. Any interruption to the investment periods of its funds could have a material adverse effect on the Group's reputation, growth in the Group's assets under management, the fees earned by the Group for managing such funds or the ability of the managed funds to achieve their investment objectives.

2.1.6 Risks related to investments and their valuation

Tikehau Capital is exposed to risks inherent in the balance sheet Direct Investments activity.

The Group faces the following risks in connection with investments made directly through its balance sheet, *i.e.* investments using the Group's shareholders' equity. The principal risks facing the Group's Direct Investments activity are the following:

- risks relating to the valuation of the relevant entities or financial instruments in which it invests, which can be complex (see "Tikehau Capital's balance sheet investments entail risks related to the valuation of these investments, which may differ from their realisable value");
- risks relating to changes in economic conditions worldwide or in a particular country that are likely, firstly, to affect the ability of Tikehau Capital to liquidate its investments under satisfactory terms and, secondly, to impair the value or return of its investments;
- risks relating to the evaluation of a contemplated investment, the assessment of the strengths and weaknesses of the investment, its development potential, its markets, the relevance of the strategy and the ability of the teams involved to bring it to a successful conclusion, as well as to the structuring and understanding of the investment, which may be complex or relate to complex financial instruments, or which may not include adequate protections for Tikehau Capital;
- specific risks relating to investments outside France (including in countries where the Group does not have any staff) and, in particular, understanding the issues, the operators involved, and local economic factors, structuring the investments in accordance with local rules, and the exposure to country risk, etc.;
- risks related to legal disputes that may arise with the vendors or third parties over the investment itself (for example, with regard to the accuracy of information received during the applicable investment appraisal phase) or its consequences (*e.g.*, suppliers, clients or banks terminating the contracts that bind them to the enterprise in which the investment is made); and
- risks related to the insolvency or financial difficulties of one or more companies in which Tikehau Capital has directly or indirectly invested (*e.g.*, resulting in an obligation to financially support the company concerned, a loss equal to the net book value of the financial asset concerned and, where applicable, any interest due, administration or liquidation and more generally insolvency proceedings, actions for repayment of liabilities) and the risk of any related lawsuits or legal proceedings.

As at 31 December 2019, investments made through the Group's balance sheet amounted to €2,335.3 million (*i.e.* 53.8% of the total consolidated assets). The materialisation of any of the foregoing risks could reduce the value and return of the Group's investment portfolio, which could in turn have a negative impact on its results of operations.

In particular, unfavourable changes in the economic, commercial and financial environment and the deterioration in the economic environment because of Covid-19 could affect the investments made on the balance sheet and increase the likelihood that the following risks will materialise:

- risk of a lower valuations, in a context of a sharp downturn in global activity and a significant decrease, or even a halt, in corporate transactions before a post-crisis recovery;
- risk of a general deterioration in the performance of portfolio companies or in their ability to meet their commitments, leading to a decrease in expected and achieved returns;
- risks related to disputes that may arise following the termination of supplier contracts, the implementation of protective safeguard actions or the questioning of past information in the light of the new environment;
- risks of insolvency or financial difficulties of one or more companies in which Tikehau Capital has invested directly or indirectly and the risks of litigation or related legal proceedings.

Tikehau Capital's balance sheet investment entails risks related to the valuation of these investments, which may differ from their realisable value.

Tikehau Capital conducts an analysis prior to each of its investments through its balance sheet (strategy, competitive context, financial plan, valuation, financial analysis, exit terms, social and environmental responsibility, quality of executive team, etc.), and then on a regular basis during the monitoring of its investments. Tikehau Capital relies on internal resources and external advice as needed.

With respect to the valuation of the investment portfolio (current and non-current), which amounted to €2,335.3 million (*i.e*, 53.8% of the total consolidated assets) as at 31 December 2019, each investment in the portfolio is examined twice a year at the time of the preparation of financial statements, *i.e.* as at 30 June and 31 December, except in exceptional circumstances. These valuations are based mainly on the market price if the holding is listed or on a fair value approach in the case of non-listed holdings (multiple method, discounted cash flow method, or a specific method, *e.g.,* one provided by an asset management company in the case of investments in funds). Information is also obtained from the managers of the underlying assets (company executives, asset managers, co-shareholders or co-investors, etc.).

Although the valuations prepared by Tikehau Capital are based on the most accurate estimates of the Company to the best of its knowledge, it cannot be guaranteed that they will not be revised later. Such valuations may be complex or difficult to determine for certain instruments, subject to significant fluctuations (including the loss of the entire investment for particularly risky or volatile products) or be reliant on market data with limited or no observability that may make valuation difficult. There can be no assurance that the implementation of Tikehau Capital's valuation methods will ensure that the Group's holdings are valued consistently with the value that would be obtained upon the sale of such holdings.

Changes in the value of equities, bonds and other financial instruments may impact the value of Tikehau Capital's assets under management, net revenues and shareholders' equity.

During the year ended 31 December 2019, 95.1% of the net revenues of Tikehau Capital from its Asset Management activity originated from net management fees (amounting to €166.3 million), calculated primarily on the basis of its fee-paying assets under management. In the Capital Markets Strategies business, the amount of assets under management depends mainly on the value of assets held in managed funds, including bonds, equities, currencies and Real Estate. Fluctuations in financial markets, including changes in interest rates, issuers' credit spread, currencies and equity prices, could thus cause a significant change in the value of Tikehau Capital's assets under management in Capital Markets Strategies. A tightening of monetary policy of the European Central Bank ("ECB"), or any other monetary authority, could thus lead to a decline in the assets under management of Tikehau Capital due to a combined effect of rising interest rates (likely to reduce the value of assets under management in bond funds) and a possible decline in equity markets (likely to reduce the value of assets under management in equity funds). The value of Tikehau Capital assets could also be impacted by a lack of liquidity in the markets in general or in certain asset classes. A deterioration of the financial markets could further reduce net new money as a result of a decline in demand from investors and, in Capital Market Strategies, increased requests for withdrawals from open-ended funds managed by Tikehau Capital. Finally, adverse market changes would also affect the value of the investments made by Tikehau Capital through its funds or directly from its balance sheet, and therefore, the level of its assets under management, which could have a material adverse effect on its performance (as its management fee revenue generally depends on the level of its fee-paying assets under management, on which management fees are calculated as a percentage) and net revenues from its investment activity. Any material adverse developments in the financial markets or that, more generally, impact the value of the Group's investments and the amount of its assets under management, could have a material adverse effect on the operating profit, financial position and prospects of Tikehau Capital. In addition, to the extent that the Group's financial assets have a significant investment in a particular company or a given asset class, that concentration would lead to a heightened risk of a disproportionate negative impact on the Group's investment portfolio value in the event of a drop in the value of such company's shares or securities or such asset class, which could have a material adverse impact on the Group's operating income.

In particular, in the context of the Covid-19-related economic crisis, the prices of shares, bonds and other financial instruments are changing abruptly and the support plans put in place by many states and central banks are putting monetary policies under strain. These very strong fluctuations in the financial markets may impact the value of Tikehau Capital's assets under management, net revenues and shareholders' equity.

Tikehau Capital is exposed to risks from volatility in markets for listed securities.

Tikehau Capital's business activity exposes the Group to risks from volatility in markets for listed securities, which may affect the fair value of its listed securities. As at 31 December 2019, Tikehau Capital's listed securities (including listed securities in the non-current investment portfolio and the current investment portfolio) represented around €865.0 million, or 37% of the Company's direct investments including €739.9 million in listed shares, €1.1 million in listed bonds and €124.0 million invested in Tikehau Capital Markets Strategies funds. The portfolio of listed shares of Tikehau Capital is subject to continuous monitoring and daily assessment for the management of this risk.

This risk is heightened in the context of the Covid-19 crisis, which is leading to increased volatility in markets for listed securities.

Tikehau Capital may be affected by adverse changes in the market price of its publicly traded securities. A decline in securities prices over a given period, especially at the end of the financial year, would be reflected in the financial statements as a decrease in the net value of the portfolio and consolidated shareholders' equity and could negatively impact, in particular, the ability of the Group to pay dividends.

A 10% decline in the fair value of listed shares as at 31 December 2019 would have resulted in an additional charge of €74.3 million to the Group's consolidated pre-tax earnings as at 31 December 2019. A decrease in quoted prices is also likely to impact the earnings realised at the time of any sales of the relevant securities by the Company into the market.

Furthermore, fluctuations in the equity markets may have an impact on the stock market comparables used as part of the multi-criteria valuation approach for non-listed equity securities. These fluctuations are likely to have a negative effect on the Group's consolidated shareholders' equity and on its results, without the Group being able to establish an accurate correlation between the occurrence of these fluctuations and the valuation of the securities in which it invests, as a result of which the Group's sensitivity to this risk cannot be quantified. Finally, depending on the amount of credit that it has drawn down under certain financing agreements, and depending on the magnitude of any possible price decreases impacting assets used as collateral for such financing, Tikehau Capital may have to make temporary payments and/or contributions of liquid assets as collateral in order to support such financing agreements (though there was no such requirement as of the date of this Universal Registration Document).

Tikehau Capital may also be affected by changes in the value of its unlisted assets, which amounted to a total of €1,470.3 million as at 31 December 2019.

The Company performed a sensitivity test on the unlisted assets in its investment portfolio as at 31 December 2019 (using net fair value of the related debt where applicable and excluding (i) unlisted bonds which are subjected to a sensitivity test on interest rates and (ii) assets whose value is frozen because they are subject to a sales contract). The sensitivity test on unlisted shares was performed on the basis of the income or EBITDA multiples used to value the corresponding assets as at 31 December 2019 or, when a method other than valuation by multiples was used, by using an implicit multiple. Some holdings were excluded from the sensitivity calculation basis because the EBITDA multiple approach was not representative, as the asset was of a fixed nature or in phase of rapid development. The sensitivity test thus covered 52.5% (by value) of the investments in unlisted shares in the Group's portfolio as of 31 December 2019. The sensitivity to an increase or decrease of 10% in the multiples of revenues or EBITDA of unlisted companies amounted to €15.9 million at that date.

Tikehau Capital is exposed to interest rate risk and credit risk on investments in funds managed by Tikehau Capital or its fixed interest investments.

Tikehau's investments are exposed to interest rate risk and credit risk. For its investments in Capital Markets Strategies*,* an increase or decrease of around 10% in the net asset value of funds would have an impact of €11.7 million on the value of such Tikehau Capital investments as at 31 December 2019.

For its investments in Private Debt, a change in interest rates of 100 basis points would have an impact of €14.5 million on the value of such investments as of 31 December 2019.

For its investments in Real Estate, a drop in the value of unlisted Real Estate assets of 19.7% in France, 12.3% in Italy, 20.6% in Germany, 31.1% in Belgium, 23.9% in the Netherlands (with such shocks based on scenarios defined by the European Banking Authority and the European Council on Systemic Risk, and used to calculate resistance tests at that level in 2020 for Commercial Real Estate, published on 31 January 2020), would have an impact of €85.0 million on the value of such investments.

The bonds in which Tikehau Capital has invested are issued at a fixed rate. A variation in interest rates could affect the average duration of the bonds. A sudden increase or decrease of 100 basis points in interest rates would have caused an upward or downward variation in the portfolio value of €1.3 million given the average duration of this portfolio (2.6 years).

See note 5.26(b) (Market Risks – Exposure to investment portfolio risks) to Tikehau Capital's annual consolidated financial statements in Section 6.1 (Annual consolidated financial statements as at 31 December 2019) of this Universal Registration Document.

The crisis context related to Covid-19 has led to very strong fluctuations in financial markets and an increase in credit risks, which could strongly affect the valuation of the investments of the funds managed by Tikehau Capital, to differing degrees in particular in the Private Debt or Capital Markets Strategies activities.

Tikehau Capital is exposed to liquidity risk related to certain equity interests, especially non-listed investments.

As part of its Private Equity business and Direct Investments activity, Tikehau Capital acquires stakes in companies whose shares are not listed on a public market. As of 31 December 2019, non-current financial investments held by Tikehau Capital in unlisted companies (excluding platforms or funds managed by Group asset management companies) represented 9.6% of Tikehau Capital's total assets, and 17.8% of Tikehau Capital's investment portfolio (current and non-current). These unlisted securities, together with certain securities held by Tikehau Capital that may be listed but relatively illiquid, give rise to liquidity risks, such that the recovery of amounts invested by Tikehau Capital in, and the eventual recording of profits and capital gains on, such investments will generally occur several years after the investment is made (*i.e.* at the time of the sale, redemption or liquidation of the relevant investment). It cannot be guaranteed both in the case of non-listed securities and listed but illiquid securities, that Tikehau Capital will be able to find purchasers interested in buying its shares, or that these securities will achieve a stock exchange listing or see their liquidity improved if they are already listed. In such an event, it is possible that Tikehau Capital might experience difficulties in realising gains from all or part of its investments, whether as a result of timing or the terms of its exit from such positions. This could result in Tikehau Capital facing limitations or obstacles to freeing amounts invested in such positions to make new investments (in the Group's strategies or for its own account) and may accordingly hinder the implementation of its investment strategies and negatively impact its results of operations and business.

The Covid-19 related health crisis has led to a major economic and financial crisis. The decisions taken by most states to implement lockdown and social distancing measures have directly affected many sectors of economic activity, some of which may be virtually at a standstill at the date of this Universal Registration Document. Although protective measures may have been initiated by the various state authorities, the non-listed investments in which the funds managed by Tikehau Capital as part of its Private Equity activities and the Group's direct investments may remain exposed, in this particular context, to liquidity risks. This could increase the risk that Tikehau Capital may not be able to pursue a dynamic management of its investment portfolio or may impede the implementation of its investment strategies and have a negative effect on its operating results and activities.

Tikehau Capital could be exposed to risk of asset loss or concentration related to the composition of its investment portfolio.

The Group's activity and strategy entail a risk of loss of the amounts incurred in connection with its investments on the balance sheet. For example, in the context of investments in funds (including funds managed by the Group), this would occur if the relevant fund does not achieve its objectives. In Direct Investments, there exists a risk of loss of the amounts committed if the Company in which the investment was made goes bankrupt or faces serious difficulties (related for example, to economic downturn, increased competition, unanticipated technological breakthroughs, mistaken strategic decisions by management, loss of customers, adverse regulatory developments, etc.). Accordingly, no assurance can be given regarding the realisation of profits related to investments made by the Company or the Group, or that the Company or the Group will not lose the money committed in its balance sheet deployment.

Regarding investments on the Company's balance sheet, as of the date of this Universal Registration Document, Tikehau Capital had a diversified investment portfolio both in terms of number of investments and in relevant asset classes or sectors. As at 31 December 2019, Tikehau Capital's largest financial asset represented of 5.7% Tikehau Capital's total consolidated assets. This financial asset, a 5.1% stake in Eurazeo, was itself exposed to various assets, the main one of which represented 5% of the total consolidated assets of Eurazeo as at 31 December 2019.

Changes in the value of Tikehau Capital's direct investments in its own funds and strategies could affect its earnings and shareholders' equity and increase the volatility of its revenues.

Tikehau Capital regularly invests its balance sheet resources in the launch of the funds operated by the Group to create an alignment of interests between its balance sheet and its investor-clients, and to provide its funds with sufficient assets to attract investors. For this purpose, Tikehau Capital sometimes makes significant investments to develop new products. Tikehau Capital also holds a portfolio of investments in open-ended funds managed primarily by Tikehau Capital, which correspondingly increases its financial exposure. Its exposure to its funds amounted to €2,078.3 million as at 31 December 2019 (called and uncalled amounts), the called portion of investments representing €1,425.4 million (*i.e.* 32.8% of the total consolidated assets).

Tikehau Capital's investments are recorded at fair value in the consolidated balance sheet. Any changes in interest rates, credit spreads, foreign exchange rates, or the value of listed and non-listed equity securities or Real Estate funds, could reduce the value of investments made by Tikehau Capital and its total assets under management, which could materially adversely affect its earnings (and in particular income from management fees, which generally depends on the amount of the Group's assets under management, on which management fees are calculated as a percentage), shareholders' equity and financial position.

Any change in the fair value of Tikehau Capital's direct investments, particularly in the context of the Covid-19 crisis, would affect its earnings and shareholders' equity and could increase the volatility of its revenues.

The valuation of certain products offered by Tikehau Capital may be subject to changes related to differing interpretations as to appropriate methodologies, estimates and underlying assumptions.

Products offered by Tikehau Capital for which there is no trading market or observable market data are valued using models and methodologies based on certain estimates and assumptions, and to a large extent based on the assessment of the managers. There can be no assurance that the valuations used by Tikehau Capital on the basis of these models and methodologies will always accurately reflect the actual or market value of the assets. In such circumstances, the liquidation of these assets at values below those predicted by models and methodologies may expose the funds and portfolios managed by Tikehau Capital to losses that would adversely affect its financial position, results and earnings.

The Covid-19-related financial crisis requires the various supervisory and/or reference bodies to specify the expectations and valuation methodologies expected in this particular context. Valuation models and criteria can be particularly sensitive and must therefore be subject to a detailed and appropriate review by the portfolio management and asset valuation teams in order to gain a better understanding of each asset's exposure to the crisis and the impacts on the underlying methodologies and assumptions. Given the significant evolution of the crisis in recent weeks, regular and close monitoring of investments is required and implemented.

Income from the outperformance of certain of its funds may increase the volatility of Tikehau Capital's revenue and earnings.

In addition to management fees on its assets under management, the Group's asset management companies may receive income related to the performance of the funds they manage (performance fees for open-ended funds and carried interest for closed-ended funds). This outperformance-related income is more volatile than Tikehau Capital's management fees. This type of income only rewards Tikehau Capital when the contractual terms of the fund make such provision and the fund performance exceeds objectives specified in the fund documentation. If the objectives laid down in the contract are not met, this outperformance-related income is not payable to Tikehau Capital over a given period or, when the fund is liquidated, if the objectives are based on cumulative returns over the life of the fund. Moreover, to the extent that income related to outperformance is based on objectives that are not revised downwards when market conditions become less favourable, Tikehau Capital may not achieve the objectives in question for reasons beyond its control. All these parameters promote volatility in outperformance-related income, making the amounts difficult to predict, which may well be much lower than expected. A significant or sustained inability to earn outperformance-related income could hinder the Group's development and negatively impact its prospects and profitability.

Performance fees and revenues related to carried interest have represented an amount of €8.5 million on the 2019 financial year.

Economic developments related to the Covid-19 crisis could affect the investment performance of certain funds managed by the Group and reduce their ability to generate outperformance-related revenues for Tikehau Capital.

Tikehau Capital is exposed to currency risks related to its foreign exchange investment transactions.

Tikehau Capital's exposure to currency risk relates to its investments in foreign currencies. As of 31 December 2019, Tikehau Capital was exposed to currency risk principally on the U.S. dollar, Canadian dollar, Singapore dollar and British pound sterling, as well as, to a lesser extent, the Australian dollar and the Polish zloty. As of the date of this Universal Registration Document, Tikehau Capital has no currency hedges in place.

The global macro-economic environment resulting from the Covid-19 crisis is increasing currency volatility, which could increase the risk of loss of value in currency investment transactions.

The table below shows the impact on earnings of a change +/-10% in these currencies against the euro and on the basis of the consolidated financial statements as at 31 December 2019:

(in millions of €)	Appreciation of 10% in the euro against the currency	Depreciation of 10% in the euro against the currency
As at 31 December 2019		
Pound sterling	-12.4	+15.2
US dollar	-15.4	+18.9
Singapore dollar	-5.4	+6.6
Canadian dollar	-1.3	+1.6
Australian dollar	-0.0	+0.1
Polish zloty	-0.1	+0.1
Swiss franc	-0.0	+0.0
South Korean won	-0.0	+0.0
Japanese yen	-0.0	+0.0

See note 5.26(c) (Market Risks – Exposure to currency risk) to Tikehau Capital's annual consolidated financial statements in Section 6.1 (Annual consolidated financial statements as at 31 December 2019) of this Universal Registration Document.

Tikehau Capital may be exposed to interest rate risk and currency risk on its bank debt.

As of 31 December 2019, Tikehau Capital was exposed to interest rate risk on its bank loans and related hedges in the respective amounts of €203.3 million and €403.1 million.

To manage risks on its variable rates exposure, Tikehau Capital has contracted swaps whose total notional amount represents 198.3% of the amount of variable rate borrowings as at 31 December 2019. The characteristics of these swaps are as follows:

(in millions of €)	Notional	Average fixed rate	Average maturity
As at 31 December 2019	403.1	0.50%	4.4 years
As at 31 December 2018	368.0	0.54%	5.5 years

Bank debts in foreign currencies are revalued at each close at the closing conversion rate. As at 31 December 2019, the Company was not currently exposed to currency risk on its bank debt but may become exposed to such interest rate risk in the future.

See note 5.26(a) (Market Risks – Exposure to bank debts) to Tikehau Capital's annual consolidated financial statements in Section 6.1 (Annual consolidated financial statements as at 31 December 2019) of this Universal Registration Document.

Tikehau Capital is exposed to counterparty risk.

Tikehau Capital is subject to counterparty risk related to its cash investments and transactions in marketable securities. See note 5.26(d) (Market Risks – Exposure to counterparty risk) to Tikehau Capital's annual consolidated financial statements in Section 6.1 (Annual consolidated financial statements as at 31 December 2019) for further information.

If the Group's counterparties in such transactions were to default or enter into insolvency proceedings, the Group would have to unwind such transactions and seek other counterparties in order to enter into other transactions. This situation could also result in the loss of certain assets, or even default by the Group. There can be no assurance that the Group would be able to enter into replacement transactions on the same terms or at all or mitigate such losses, which may have a negative impact on its business, financial position and results.

Tikehau Capital may be exposed to liquidity and debt risks.

Tikehau Capital's indebtedness (including the maturity of its debt) as at 31 December 2019 is described in note 5.14 (Borrowings and financial debt) to the Tikehau Capital consolidated financial statements in Section 6.1 (Annual consolidated financial statements as at 31 December 2019) of this Universal Registration Document. The main terms of this debt are described in Section 5.2.3 (Liquidity and Capital Resources) of this Universal Registration Document.

The Company has conducted a specific review of its consolidated liquidity risk. In view of its debt position and available cash as of the date of this Universal Registration Document, Tikehau Capital expects to be able to meet future payment dates and is in compliance with the covenants governing its indebtedness. However, if the Group were to maintain too high a level of cash on its balance sheet, especially in an environment of low interest rates, this could cause the performance and future earnings of the Group to be lower than they might otherwise be as a result of under-utilisation of its cash resources.

With respect to the funds managed by Tikehau Capital, the Group's policy is generally to limit the use of debt on investment operations, although certain of its Real Estate funds and certain of its Private Equity funds contemplate the use of leverage. When the funds managed by the Group have recourse to leverage for their investments, the relevant financing banks generally have a priority right to distribution of the income and assets for the relevant investments, which may be exercised should the underlying investments perform poorly. Thus, in the event of the poor performance of the assets of funds that have employed leverage, the relevant funds and their shareholders or unitholders' position (including the position of the Group, to the extent it makes direct investments in such funds) may be adversely affected by the existence of financing and the lending banks' priority rights to receive income and assets from the relevant funds. More generally, ability of the Group's leveraged funds to secure the financing contemplated by their investment strategies depends on credit being available from financing institutions on acceptable terms. A significant market decline or liquidity constraints could result in increased borrowing costs beyond acceptable thresholds and/or a loss of financing sources, as a result of which the Group's leveraged funds could be unable to contract the debt required to carry out planned investments on acceptable terms. This, in turn, could have a material adverse impact on their ability to implement their investment strategy, on their assets under management or the Group's asset management revenues earned from managing such funds.

Lastly, open-ended funds in Capital Markets Strategies managed by Tikehau Capital, that is, those from which investors may withdraw all or part of their investment at any time, could be subject to significant, even mass withdrawal requests from investors and might be unable to honour them. In that event, the Group may be faced with significant liquidity pressure and, potentially, investor claims, which could have a material adverse effect on its liquidity position, operations and results of the Group.

In the current context, Tikehau Capital has a strong balance sheet and ample available cash. The Group believes that it has the resources to face a crisis in the global economy.

2.1.7 Risks of a halt to development (organic and/or external growth), or shrinkage of business activities

Demand from Tikehau Capital's investor-clients depends on factors beyond its control and which affect the asset management market generally.

Several factors beyond the control of Tikehau Capital could significantly impact client demand for its asset management activity. Unfavourable market conditions may limit net inflows under the combined effect of a reduction of new investments in Group vehicles and, for activities carried out through open-ended funds, increased requests for withdrawal from the funds managed by Tikehau Capital. These factors include:

- the macroeconomic environment in general, or more specifically in the countries in which Tikehau Capital markets its products, which may affect the ability of investors to invest;
- the performance of markets for listed securities, in particular in countries where Tikehau Capital sells its products, which are likely to impact demand from Tikehau Capital clients and the amounts of their investments in existing or new strategies;
- the level of interest rates and the performance delivered by products in competition with those of Tikehau Capital in the countries in which Tikehau Capital operates;
- tax arrangements that favour competing products, and any change or proposed change to existing arrangements favourable to Tikehau Capital products; or
- any regulatory changes impacting the financial markets and asset managers, and in particular any regulatory requirement making Tikehau Capital products less attractive, as well as regulatory changes that impact the ability of market participants to invest in Tikehau Capital products.

If demand by Tikehau Capital clients-investors were to be adversely impacted by any of these factors, net inflows and assets of Tikehau Capital would decline accordingly, thus lowering its revenue and earnings.

Investor-client demand for the asset classes managed by Tikehau Capital could decline.

Tikehau Capital offers a wide range of solutions across its business lines. Investor demand for certain asset classes could, however, vary from one year to another and in different markets, depending in particular on the attractiveness of a particular asset class or changes in applicable regulations and tax frameworks. In addition, new attractive asset classes could emerge, some of which may not already be part of the Tikehau Capital product offering. A concentration of demand in asset classes other than those managed by Tikehau Capital could affect its competitive position, reducing its assets under management and net revenues from management, and negatively impacting its results.

As the general macro-economic environment and the volatility of the equity, fixed income and credit financial markets are strongly affected by the Covid-19 crisis, this could affect investor-client demand for the asset classes managed by Tikehau Capital.

In Capital Markets Strategies, Tikehau Capital's investor-clients may request withdrawal of their assets from its funds at any time.

Management fees accounted for 95.1% of the revenue generated by Tikehau Capital's Asset management activity in 2019 (amounting to €166.3 million); these fees are primarily calculated based on fee-paying assets under management. A significant number of the funds managed by Tikehau Capital (approximately €3.8 billion, *i.e.* 15% of Tikehau Capital's assets under management as at 31 December 2019) are open-ended, *i.e.* they are funds which investors may seek to exit by requesting the redemption of all their shares at any time. If financial markets were to deteriorate, if the return recorded on Tikehau Capital products were not sufficient, or if clients were not satisfied with the quality of the services provided by Tikehau Capital (for example with regard to the performance of products or the format of the reporting), the pace of requests for redemption or withdrawals from the funds could accelerate. These withdrawals and redemptions would have an immediate negative impact on the Group's assets under management, revenue and results.

The current context of the Covid-19 crisis and the resulting liquidity needs of certain investor-clients could increase the probability of this risk materialising.

The decision by Tikehau Capital of whether or not to give financial support to certain funds could expose it to significant losses.

Although it is under no legal or regulatory obligation to indemnify losses sustained by its funds, or to support its funds in the event of a liquidity crisis, Tikehau Capital could voluntarily decide to provide financial assistance to those of its funds which have sustained significant losses (to prevent clients from quickly withdrawing their assets) or which are encountering liquidity issues as a result of significant numbers of withdrawal requests. Any support given to these funds could consume capital and force Tikehau Capital to raise cash to meet the needs of the funds concerned. Moreover, the decision by Tikehau Capital to not provide aid to those funds or its inability to do so could damage its reputation and cause a decline in its assets, its revenue and earnings.

In the current context of the Covid-19 crisis, the risk of providing or not financial support to certain funds could expose it to significant losses even though, to the best of the Group's knowledge, no such need has arisen as of the date of this Universal Registration Document.

Tikehau Capital may not be able to implement successful external growth transactions.

Although Tikehau Capital believes that organic development constitutes its main source of future growth, the Group envisages external growth transactions in order to strengthen its management platforms and expand its geographic presence and product offering. Tikehau Capital might however not be able to identify attractive targets or conclude transactions in a timely manner and/or under satisfactory terms. Moreover, Tikehau Capital might not be able, particularly bearing in mind the competitive environment, to complete the external growth transactions that might be envisaged in light of its investment criteria, which could have a significant negative impact on the implementation of its strategy. In addition, in order to obtain the authorisations required for acquisitions from the relevant authorities in one or more countries, it is possible that Tikehau Capital would be forced to accept certain conditions, such as the sale of certain assets or branches of business and/or commitments that would restrict the pursuit of its business.

External growth entails risks, specifically: (i) the assumptions of the business plans underlying the valuations may not materialise, particularly regarding synergies, expected savings and evolution of the markets concerned; (ii) the Group may be unsuccessful in consolidating the companies acquired, their technologies, their areas of expertise and/or their employees, (iii) the Group may be unable to retain certain key employees or clients from the acquired companies; (iv) distribution partnerships may be unsuccessful in attracting clients and increasing Tikehau Capital's net inflows; (v) Tikehau Capital could increase its indebtedness in order to finance its acquisitions, or pay for acquisitions *via* the issue of new shares; (vi) the systems of the target companies and the monitoring of assets under management or even the management of assets and the internal reporting by these target companies may not be aligned with those of the Group; and (vii) Tikehau Capital may make acquisitions at an inopportune time in the market concerned. The expected benefits from future or completed acquisitions may not materialise in the timeframe and at levels expected, or at all, and could affect the financial position and earnings of Tikehau Capital, as well as its prospects.

The Tikehau Capital development model requires the availability of its own resources, and it cannot be guaranteed that Tikehau Capital will be able to find or draw on such resources.

The Tikehau Capital development model requires the availability of its own resources, in particular the resources of its balance sheet. Therefore, to drive its strategy, Tikehau Capital needs to maintain available investment capacity (particularly for investment in its new funds or strategies or to support the development of its platforms). To this end, and once Tikehau Capital has invested its available resources, it cannot be guaranteed that Tikehau Capital will be able to find or draw on new and attractive sources of capital or debt financing (due, for instance, to a contraction of the supply of bank credit or the inability to seek financing from the markets) to enable it to continue to allocate its balance sheet resources in accordance with its strategy. To continue to allocate its resources optimally, the ability to adjust portfolio investments strategically may be required to make the necessary resources available. However, it is possible that Tikehau Capital may not be able to successfully optimise its portfolio, which by nature depends on events beyond its control (for instance, opportunities to sell on favourable terms or the maturity date of the relevant funds). Conversely, in a low interest rate environment, excessive amounts of cash not invested could impact the profitability of Tikehau Capital.

Tikehau Capital is exposed to a risk of fluctuation in its results.

Tikehau Capital has experienced in the past and could experience in the future significant fluctuations in its results due to a number of factors affecting (i) its Asset Management activity, such as variations in its management or performance fees, in its operating expenses or the intensity of competition in its market, and (ii) its Direct Investments activity, such as variations in the valuation of its assets (in particular listed assets), dividends or interest received, the timing of its realisation of underlying gains and losses, its level of indebtedness, and changes in macroeconomic and market conditions (as may be the case for the macroeconomic changes resulting from the Covid-19 related crisis).

Tikehau Capital's investment activity and strategy also present a risk of loss of the amounts invested either in the Group's strategies or in direct investments, for example if the fund does not achieve the expected performance objectives or if the company in which the investment was made is bankrupt or faces serious difficulties. No guarantee can be given as to the realisation of profits from the Group's investments or even the recovery of sums invested or due. There can be no assurance that the investments made by Tikehau Capital will generate profits, nor that the amounts committed by Tikehau Capital in connection with its investments will be recovered.

Tikehau Capital may not be able to develop new products and services or to meet the demand of its clients-investors through the development of new products and services, which are also likely to expose it to operational risks or additional costs.

The performance of Tikehau Capital depends, in particular, on its ability to develop, market and manage new services and products, to be able to meet the demand of its clients-investors. The development and introduction of new products and services on the market require continuous efforts in innovation, as well as investment in time and significant resources. The introduction of new products and services is a factor for risk and significant uncertainties, requiring the introduction of new control systems adapted to meet changing demand and markets, to ensure the competitiveness of these products and services and their compliance with regulatory requirements. If Tikehau Capital were no longer able to support its efforts towards innovation, or to successfully launch new products, its assets, its revenue and earnings could be adversely affected.

Tikehau Capital may not be able to obtain dedicated fund management from new institutional clients or may be forced to renew existing contracts on unfavourable terms.

Most often, Tikehau Capital obtains the management of dedicated funds as a result of the tendering processes. Despite the significant time and resources devoted to the preparation of these tenders, unless attractive terms are offered by the Group, Tikehau Capital could fail to win new contracts. Furthermore, Tikehau Capital may fail to retain existing contracts if it does not meet certain requirements of, or objectives set out in, such contracts. To combat competitive pressure, Tikehau Capital may have to reduce the amount of its fees, which would impact its profitability. Furthermore, and in order to encourage clients to renew their contracts on expiry or prevent their termination, Tikehau Capital could be forced to revise its fee terms downward, negatively impacting revenues and margins. Otherwise, Tikehau Capital could lose its clients to competitors, resulting in a reduction in assets under management and associated revenues and a negative impact on its results.

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Tikehau Capital is exposed to significant competition.

The alternative asset management market is highly competitive with limited barriers to entry. The main competitors of Tikehau Capital are asset managers, some of which offer similar products to those of Tikehau Capital. This competition is based on a number of key factors: returns generated by investments, amount of fees charged, quality and diversity of the range of products and services, fame and reputation, efficiency of distribution channels, capacity for innovation, etc.

In the asset management industry, management fees are generally calculated by applying a percentage to the assets under management, the fee rate depending in particular on the nature of the product and other factors. Although Tikehau Capital seeks to offer customers ground-breaking solutions, a broad choice of investments remains available to investors, notably institutional investors who are the clientele mainly targeted by Tikehau Capital. Institutional clients generally use tendering processes. Unless it succeeds in providing differentiating services as part of its offer, Tikehau Capital could be forced to reduce its fee rates to address competitive pressures, avoid loss of clients and/or launch new funds and strategies, which would lead to a decrease in its assets under management, revenues and results. In addition, the entry of new players into the asset management market would increase competition, and could have a material adverse effect on Tikehau Capital's business, operating profit, financial position and prospects. Finally, asset management products compete with other types of investments offered to investors (equity, vanilla and structured bonds, regulated and non-regulated bank deposits, real estate, etc.), and investors may prefer these other investments to those provided by Tikehau Capital, adversely impacting its ability to raise funds for its investments and its performance and results.

2.1.8 Risks related to the legal form, Articles of Association and organisation of Tikehau Capital

The Company's main shareholder (Tikehau Capital Advisors) controls the Company due to the Group's legal structure, and any person seeking to take control of the Company may not, in practice, do so without first securing the consent of Tikehau Capital Advisors.

Given the legal structure of the Company as a partnership limited by shares (*société en commandite par actions*), a shareholder who might obtain control of the majority of the Company's share capital and attached voting rights, including through a tender offer, will be unable to control the Company without having received, pursuant to legal provisions and the Company's Articles of Association, the agreement of Tikehau Capital General Partner, a company wholly-owned by Tikehau Capital Advisors, acting as general partner. Such agreement would in particular be necessary for making the following decisions:

- appointment or removal of any Manager;
- amendment of the Company's Articles of Association; and
- appointment of new general partners.

As a result of the foregoing, any shareholder who is able to take control of the Company's share capital and attached voting rights and who seeks to amend the Company's Articles of Association, appoint one or more new Managers or terminate the office of Manager of Tikehau Capital General Partner will not have the practical ability to do so without the agreement of Tikehau Capital Advisors.

These provisions are thus likely to prevent the change of control of the Company without the agreement of Tikehau Capital Advisors. The shareholders' equity of Tikehau Capital Advisors is held among the founders and certain managers of Tikehau Capital, who together hold 67.16% of the share capital and voting rights of Tikehau Capital Advisors and a group of institutional investors, Crédit Mutuel Arkéa, FFP, MACSF, Temasek and North Haven Tactical Value (an investment vehicle managed by Morgan Stanley Investment Management), which together hold the remaining 32.84%.

The Manager of the Company has extremely broad powers.

The management of the Company is undertaken by a sole Manager, Tikehau Capital General Partner, also the only general partner of the Company. Tikehau Capital General Partner is wholly-owned by Tikehau Capital Advisors. The Chairman of Tikehau Capital General Partner is the company AF&Co, and the CEO is the company MCH.

The Manager of the Company has the broadest of powers to act in all circumstances on behalf of the Company. Moreover, it is clear from the legislation applicable to partnerships limited by shares and the Company's Articles of Association that removal of the Manager can be decided on by unanimous resolution of the general partners, or by the Commercial Court for a legitimate cause at the request of any partner or (pursuant to Article L.226-2 of the French Commercial Code and Article 8.1 of the Company's Articles of Association) at the request of the Company. Because Tikehau Capital General Partner is both sole general partner and Manager of the Company, any possible wish of the limited partners of the Company (even if by a wide majority) to terminate Tikehau Capital General Partner's Manager office will require an application to the courts for such dismissal. Given these conditions, there is no certainty for the shareholders that they will ba able to remove the Manager.

Moreover, the powers of the limited partners are restricted to a small number of decisions, for example, amendment of the Company's Articles of Association (such an amendment also requires the prior agreement of the general partner), approval of the financial statements and the proposal for the allocation of income, the appointment or resignation of the members of the Supervisory Board or the appointment and dismissal of the Statutory Auditors. While the Supervisory Board and its Committees exercise control of the management of the Company and, in this framework, may ensure that the Manager does not exercise its management authority abusively (within the limits of their duties of supervision), they may under no circumstances control the Manager's actions nor remove the Manager. In addition, the limited partners (*i.e.* the holders of securities subscribed for or acquired on the market) will be unable to institute effective checks and balances against the Manager (though, in the event that a fault of the Manager could be claimed, one or more limited partners could take action *ut singuli*, *i.e.* on behalf of the Company against the Manager).

As a result of the foregoing, shareholders in the Company will be limited in their ability to influence actions of the Company and may not be able to effectively counteract any decisions or strategies of the Company undertaken by the Manager with which they disagree.

2.1.9 Management of the Covid-19 pandemic

As regards the Covid-19 pandemic, the Group's priority is first and foremost the protection of its employees and partners, and a set of necessary measures have been put in place to ensure the continuity of the Group's business under the best conditions in all countries where the Group operates.

Group structure

The health and safety of everyone who works at or with the Group is of paramount importance, and steps have been taken to protect them if the situation deteriorates.

The Group endeavours to and believes that it has dealt with the epidemic in an appropriate and responsive manner. From the first signs of a risk of pandemic, strict measures were implemented first in Tikehau Capital's offices in Asia, and then very quickly in all other offices worldwide.

As part of its business continuity plan, the Group took several initiatives to minimise disruption to its day-to-day activities and to ensure that its operating systems continue to work safely as the pandemic develops.

Accordingly, the Group has adapted its organisation to ensure business continuity under the best conditions and deal with the situation caused by the pandemic:

- a supervisory committee was set up and tasked with monitoring all developments linked to the pandemic. It meets as often as necessary and adapts the prevention, organisation and (internal or external) communication measures as the situation changes. A representative has been appointed in each Tikehau Capital office. The Group's global presence enables this committee to operate 24 hours a day, 7 days a week;
- the Group's IT and Compliance teams ensured, prior to the initial lockdown measures, that the business continuity plans were fully operational and that remote working could be fully deployed for every Group employee if necessary;
- government directives are being closely monitored by the Group's teams. Advice and assistance is available to employees every day *via* their applications.

In each of the Group's offices and irrespective of their size or country of location, every team is constantly working to improve the Group's interventional capacity while making sure to reassure teams within the Company. Prevention is key, and all efforts are being made at Tikehau Capital to fight this epidemic in an organised and effective manner.

Management of portfolio investments at the level of the Tikehau Capital balance sheet or its funds under management

Portfolio companies remain the priority for the investment teams. The teams are in close contact with the management teams of these companies so as to assess the potential impacts of Covid-19 and ensure that they are anticipated and that any problems are dealt with by making operational and financial recommendations.

As regards the investment policy, and given the highly volatile markets, investments are constantly and very closely monitored, with concentrated monitoring efforts on the positions taken for Capital Markets Activities and an assessment of the potential short- and medium-term impact and recommendations on the specific steps to take is regularly updated.

As for investments in private assets, the investment teams are also in permanent contact with management of each company in which the Group or its funds are invested. The Group provides strong support to its investments by being very proactive and present alongside portfolio companies, advising them on the steps to take to protect their businesses and helping them to manage this difficult situation.

The Group remains extremely prudent regarding opportunities that present themselves and which it continues to closely examine. The uncertainty and high volatility caused by the pandemic have led the Group to continue to be prudent and rigorous in its investment choices.

Outlook

Tikehau Capital has no plan at this time to change its strategy due to the pandemic. Its strategies are based on a rigorous long-term and fundamental investment approach. As at the date of this Universal Registration Document, it was not possible to assess the likely development of this crisis and its impact on the valuations of the Group’s investments or the funds it manages.

For the time being, the Group’s priority is to preserve current portfolio investments and assess the potential impacts of Covid-19 on the economy.

Tikehau Capital has a solid balance sheet and ample available cash. The Group considers that it has the resources to face the crisis in the global economy.

Over the last few months, the Group has adopted a prudent strategy in terms of investments and risk-taking. In this new environment ordered by the spread of the Covid-19, an even more selective approach to investments is applied. The Group intends to have the ability to grasp opportunities that arise but also, and more crucially, to act as an active investor alongside the companies in which it has invested.

Finally, the current context does not call into question Tikehau Capital's 2022 targets of reaching more than €35 billion of assets under management and generating more than €100 million in net operating profit from Asset Management activity.

2.2 INSURANCE

The Group reviews the structure and extent of its insurance coverage at least annually.

Tikehau Capital benefits from insurance policies covering the general and specific risks to which its business exposes it. The implementation of insurance policies is based on determining the necessary level of cover to address the occurrence, reasonably estimated, of liability, damages or similar risks.

Accordingly, Tikehau Capital Advisors have taken out several dedicated insurance policies with leading insurance companies on behalf of all Group companies.

The main terms of these insurance policies are:

- Business and Professional Liability Insurance – This insurance policy provides worldwide coverage of up to €40 million per insurance period in 2019 and 2020 for the financial consequences of a claim lodged by a third party involving (i) the individual or joint civil liability of the insured and/or its agents, due to any professional misconduct (error, negligence or omission) committed in the exercise of the activities insured (including the acquisition of equity interests in the companies held in the portfolio, the management of securities and advisory activities), and (ii) the individual or joint civil liability of any Director or officer of a company on portfolio, due to any mismanagement committed by them in the performance of their duties. This policy also covers other specific risk strategies, such as risk of fraud (with no sub-limit since 2019) and cyber risks (a cap of €5 million per insurance period over both 2019 and 2020);
- Directors' and Officers' Liability Insurance – This insurance policy provides worldwide cover with a cap of €50 million per insurance period in 2019 and 2020, for the financial consequences of a claim involving the individual or joint civil liability of directors and Officers, individuals or legal entities, of the insured in the event of misconduct in the performance of their duties, and the costs of civil and criminal defence related thereto (excluding in particular wilful misconduct, personal benefits or remuneration wrongfully received, compensation for damage or injury).

The terms and conditions of these policies (risks covered, amounts guaranteed and deductibles) are adjusted continuously according to the opinion of an expert specialising in financial sector insurance, so that they are best suited to the risks inherent in Tikehau Capital's business.

To the knowledge of the Company, there is no risk that is uncovered, and no significant claim event that has been reported during the last three years by the Company or by one of the Group entities under its insurance contracts.

Even though Tikehau Capital has taken out professional liability insurance and the Group reviews and adjusts the adequacy of its insurance coverage on an annual basis in light of the nature of its business, its strategy and the size of its balance sheet, liability claims can sometimes result in significant payments, some of which may not be borne by insurers. Tikehau Capital cannot guarantee that its insurance policies' coverage limits will be adequate to protect the Group from all future claims following accidents or that it will in the future be able to maintain its insurance policies under favourable conditions. The Company's business, income, financial position and prospects could be significantly affected if, in the future, the Group's insurance policies were to prove inadequate or unavailable.

2.3 RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

The Group, with the support of its Manager and Tikehau Capital Advisors, closely associates the management of risk with internal control. The Group's risk management and internal control mechanisms are based on a set of resources, procedures and appropriate actions to ensure that the necessary steps are taken to identify, analyse and control:

- risks that may have a significant impact on the assets or the achievement of the Group's objectives, whether operational or financial or compliance risks with applicable laws and regulations; and
- activities, the efficiency of operations and the efficient use of resources.

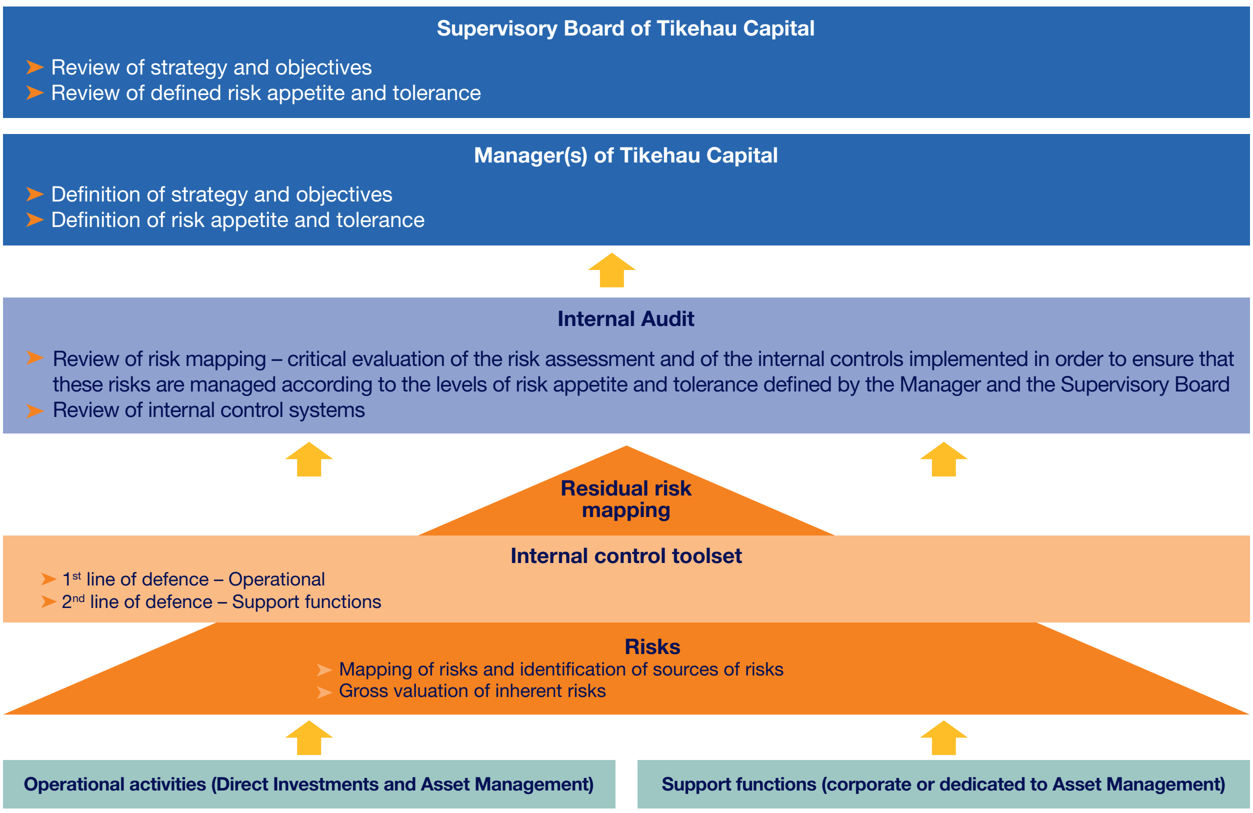
2.3.1 Definition and aims of internal control

Internal control is a procedure of the Company and its subsidiaries, defined and implemented under their responsibility, which seeks to ensure:

- compliance with the applicable laws and regulations;
- the application of instructions and guidelines issued by the Manager or the Management;
- the proper functioning of the internal processes of the Company and its subsidiaries, including those relating to the safeguarding of their assets;
- the reliability of financial and accounting information; and
- in general, contributes to the control of their activities, the efficiency of their operations and the efficient use of their resources.

Playing a part in prevention and control of risks and particularly those of failing to achieve the objectives that the Company has set itself, the internal control system plays a key role in the steering and management of its various activities. Around the first and second lines of defence, its main objective is to reduce all the risk factors inherent in the Group's activities to residual risks subject to specific control and management measures, and evaluated in regard to acceptable level of appetite or tolerance in relation to the levels defined by the Manager and reviewed by the Supervisory Board.

In essence, it is the processes implemented (i) by the Company with the support of Tikehau Capital Advisors or (ii) independently by its subsidiaries, and intended to provide the Company with reasonable assurance that transactions are actually achieved and optimised in accordance with objectives, that the financial information is reliable and that laws and regulations are respected. However, internal control cannot provide absolute assurance that the objectives of the Group will be achieved.



The internal control procedures in place are lastly intended to ensure the quality of accounting and financial information, and in particular:

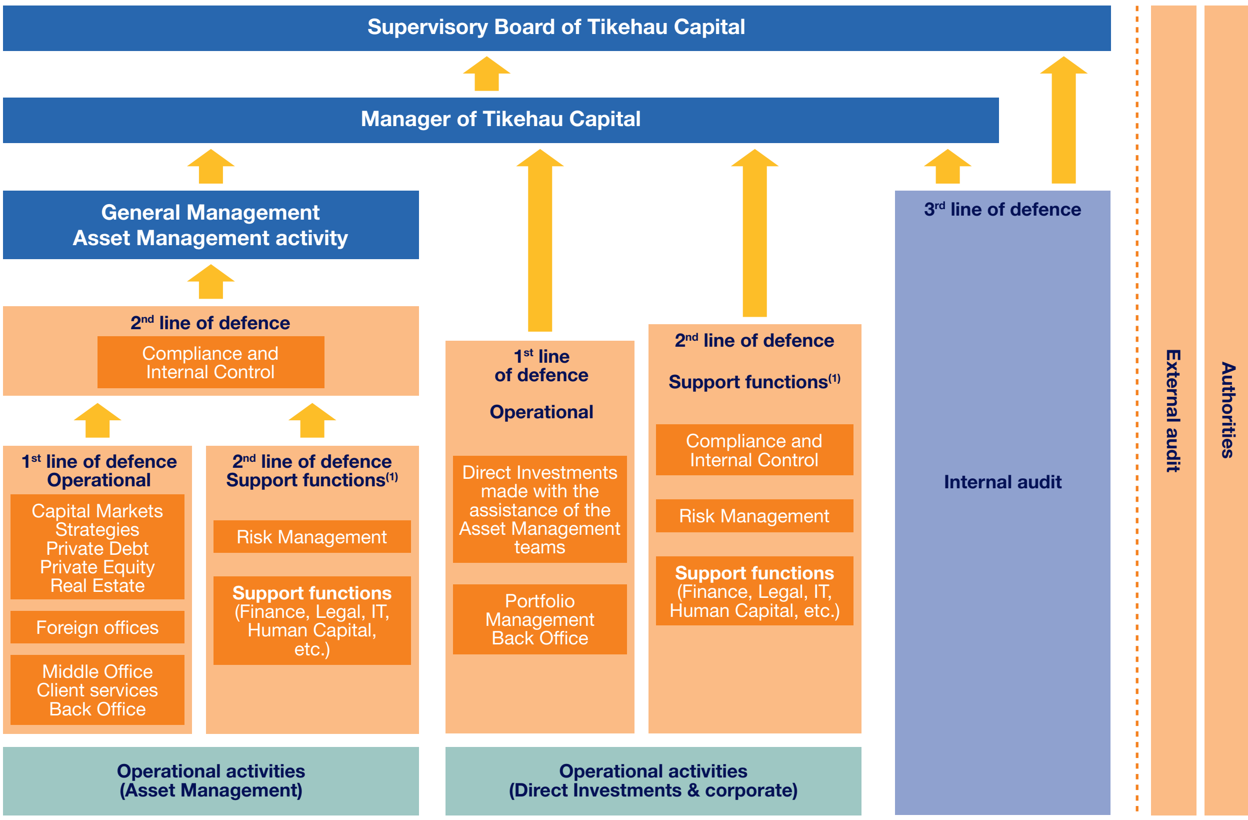
- to ensure the validity and completeness of transactions entered in the accounts of the Company and its subsidiaries;
- to ensure that management actions fall within the strategic guidelines adopted by the Managers or the Management and that they comply with the Group's Internal Rules;
- to confirm the valuation methods of certain operations and holdings;
- to ensure that transactions, including those off-balance sheet, are properly recorded in the relevant financial year and recorded in the accounts, including off-balance-sheet commitments, in accordance with current accounting standards, and that the accounting measures used for the presentation of financial statements comply with applicable regulations; and
- to check that the accounting, financial and management information fully and accurately reflects the business activity and financial situation of the Company and its subsidiaries.

2.3.2 Organisation of control functions

Internal control is everyone's business, from management and control bodies to all the employees of the Company and its subsidiaries and the employees of Tikehau Capital Advisors who support the Company and its subsidiaries.

The internal control system is organised to respond to both the specific regulations applicable to Asset Management activities and the specific obligations arising from its status as a listed company.

Each system is structured around an independent activity of its own and can be summarised as follows:



(1) The function of Corporate support can be dedicated to a company or an activity or be cross-functional for the whole Group.

The organisation of the Company's internal control is supervised by the Supervisory Board, as described below.

Supervisory Board

It is the responsibility of the Manager to report to the Supervisory Board on the main characteristics of the internal control system, its deployment within the Group and the measures implemented to improve it.

As necessary, the Supervisory Board may use its general powers to carry out any inspections and verifications it deems necessary or take any other action it considers appropriate in the matter.

In accordance with the provisions of Article L.226-9 of the French Commercial Code, the Supervisory Board assumes permanent control over the management of the Company. To this end, it has the same powers as the Statutory Auditors. It makes a report at the Annual General Shareholders' Meeting, in which it indicates in particular, the irregularities and inaccuracies noted in the annual and consolidated financial statements for the financial year. The documents placed at the disposal of the Statutory Auditors must be presented to the Supervisory Board at the same time.

Audit and Risk Committee

The Audit and Risk Committee, a specialised Committee of the Supervisory Board, has the following main responsibilities:

- review of the results of the statutory audit and the way in which the statutory audit contributed to the integrity of the financial information;
- monitoring of the financial reporting process and making recommendations or proposals to ensure its integrity;
- monitoring of the effectiveness of the Company's internal quality control and risk management systems and, where appropriate, of the Company's internal audit of financial information;
- monitoring of statutory audits of annual and consolidated financial statements and, in particular, their execution; and
- assessment and monitoring of the independence of Statutory Auditors.

(See Section 3.4.2 (Committees of the Supervisory Board - Audit and Risk Committee) of this Universal Registration Document).

The Manager

The Manager approves the internal control systems put in place according to the risk management objectives defined. He reports to the Supervisory Board on the internal control system, its deployment within the Group and the actions put in place to improve it.

The Manager also rely on *ad hoc* Committees composed of representatives of the Group's senior management, in particular the Capital Allocation Committee for investment decisions, which mode of operation is detailed below in the first-level controls on the Direct Investments activity.

Third-level controls

Internal Audit

The Internal Audit Department periodically ensures the regularity, security and efficiency of operations as well as the management of all types of risks across all Group entities. It carries out cross-functional control over all activities and business flows.

The checks take place according to a multi-year schedule covering the main identified processes at least once per three-year period. This schedule is based on (i) a full review of an independent entity (company, branch) and by country (ii) using a cross-functional Department approach (business line teams or support functions).

Its work can be organised around functions such as financial audit (review of financial statements, examination of systems and rules established to ensure the reliability of financial information), operational audit (review of main cycles of business and analysis of the organisation in place to ensure it can control risks and achieve the objectives set) or specific missions such as diagnostic or organisational assignments.

Each assessment is subject of a report and proposals for improvement, the implementation of which is monitored. The Internal Audit Department presents its findings to the Management and the relevant Audit and/or Risk Committees.

The Internal Audit Department reports to the Deputy CEO of Tikehau Capital Advisors and operationally to the Audit and Risk Committee.

Second-level control

Compliance and Internal Control

The Compliance and Internal Control Department constantly ensure, firstly, compliance with regulatory requirements in third-party management and secondly compliance on money laundering, terrorist financing, fraud, personal or professional ethics, internal and external corruption and circulation of inside or confidential information. It monitors regulatory changes and adapts and organises internal procedures so that the system is able to meet the organisational requirements of the local regulator depending on the country where the regulated activity is conducted.

As at the date of this Universal Registration Document, the Compliance and Internal Control Department reported its findings to the Compliance and Internal Control Committees. It also shares its findings with the Internal Audit Department, to which all its reports are addressed.

The compliance and internal control teams report (according to their scope of intervention) to the Chairman of each management company and functionally to the Group's compliance and internal control manager.

The compliance and Internal Control Department performs second-level controls and directs the permanent control system.

Risk management

The risk management teams carry out second-level controls, mainly on market risks, and define the values of investments made by the funds under management. Given the nature of their activities, risk management teams may sometimes be pooled between certain management companies.

As such, these teams:

- verify that the Company and its clients are not exposed to financial risks beyond their threshold of tolerance;
- check that market, liquidity, credit and counterparty risks are controlled and that management constraints are complied with; and
- independently review the valuation of investments used in the funds under management.

The risk teams report to the CEOs of each management company depending on the scope of their checks.

Finance Department and Tax Department

The Finance Department of Tikehau Capital Advisors has responsibility for the core areas of finance, treasury, accounting and financial control (particularly portfolio management).

As such, this team:

- carries out, where appropriate with the aid of external auditors, the preparation of the statutory accounting statements on a quarterly frequency and the consolidated accounting statements on a half-yearly basis;
- co-ordinates and oversees the budgeting process and monitors budgetary implementation and financial control; and
- supervises all Group financing and cash management transactions.

The Finance Department reports to the Deputy CEO of Tikehau Capital Advisors.

The Tax Department has responsibility for the core areas of tax reporting, analysis of the tax consequences of investment transactions or structuring of funds; it reports to the Deputy CEO of Tikehau Capital Advisors.

Legal Department

The Legal Department is responsible for core areas of reviewing contracts, assisting where needed in the structuring of investment or financing transactions and the monitoring of regulatory provisions applicable in all the jurisdictions where the Group operates or is present.

As such, this team:

- reviews all legal documentation for the structuring of funds or investments;
- coordinates confidentiality agreements;
- follows compliance with regulatory requirements related to listed companies;
- prepares the work documents for the various governance bodies of the Company and its subsidiaries; and
- undertakes regulatory and legal surveillance.

The Legal Department's teams report to the Group's General Counsel and are located in the operating structures, where appropriate, according to the operational requirements required.

IT Department

The IT Department has responsibility for the core areas that define the structuring of the IT system and the security of IT infrastructure or business tools.

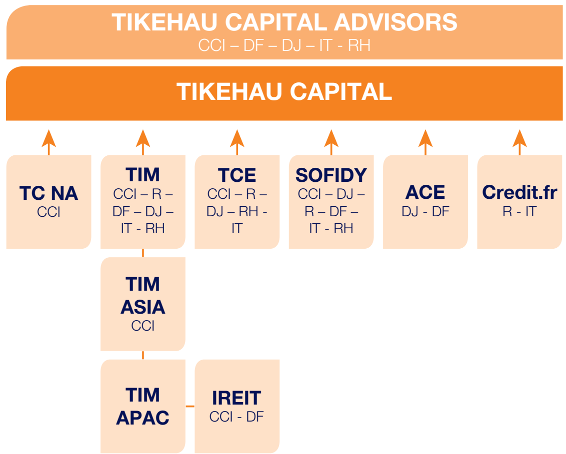
The IT teams dedicated to business line management tools and IT teams dedicated to infrastructure all report to the Group's Head of IT.

Human Resources Department

The Human Resources Department is responsible for the core areas of recruitment, career management and training, payroll management and leading internal communication activities.

Organisation by legal entity

The second-level functions are localised by company as follows:



First-level control

The first level of control is the responsibility of the operational management of the various business lines and is exercised through functions such as the front office, the middle office, the back office (which can be outsourced) or other operation support functions. This level of control must ensure that transactions are authorised by the appropriate level of delegation and observe the risk policies laid down by the Company or its subsidiaries (including investment limits and strategies).

2.3.3 Risk mapping

Since 2017, the Internal Audit Department has launched a consolidated inventory of the major risks facing the Group, applying the following methodology:

Identification and documentation of major risks

Interviews were carried out at the end of 2019 with 33 heads of activities or support functions, in order to pinpoint the three risks identified as major in the activities for which each head is responsible.

For each risk named, its nature, causes and consequences were defined in order to particularise it a precise way.

Assessment of major risks

Each risk was then assessed based on:

- quantification of the impact of the risk, using financial criteria (estimated impact on assets under management, impact on shareholders' equity or Tikehau Capital's consolidated result) or non-financial criteria (impact in terms of negative coverage in the press, level of possible impairment of activity or loss of clients);
- estimation of the probability of the risk occurring (evaluated mainly according to possible observed cases).

The scale of the risk was also assessed based on the number of times each risk was reported by the teams.

Identification of risk control and treatment mechanisms

For each risk identified, each head of activity indicated the management processes implemented and the plans for improvement that might be under way in order to make an initial evaluation of the effectiveness of the system in place.

All these results were then consolidated by theme in order to identify the major risks reported in ascending order of materiality and decreasing order of level of control of the control system.

The main risks identified in terms of materiality are the risks of means failing to match the aims, ineffectiveness of cross-business line processes, execution risks, reputation and service quality risks and compliance risks (regulatory, legal or tax).

However, this mapping and inventory exercise of the Company's major risks cannot be exhaustive, nor guarantee that the risks identified in this mapping come to occur with the predicted consequences on its activity, its results, its financial situation or its prospects. Other risks, not identified in this mapping exercise or considered insignificant by the Company, could have significant adverse effects on its business, results, financial position or prospects.

2.3.4 Internal control system for activities

The Company and its subsidiaries have defined several levels of control whose objective is to ensure compliance with internal policies and procedures and external regulations to which the Group is subject, and the identification and proper management of risks relating to Tikehau Capital's various activities.

The main control and risk management systems can be distinguished according to the activities and companies concerned:

- Asset Management; and
- investment activities of the Company and activities related to its functions as the Group's listed holding company.

For Asset Management activities, the compliance manuals of each management company are the main source of descriptions for these systems. This presentation is limited to the Group's most significant management companies in terms of contribution to its performance: *i.e.* Tikehau IM, Tikehau Capital Europe or Sofidy.

First level of internal control – Operational teams

The first level of control is the responsibility of the operational management of the various business lines and is exercised through functions such as the front office, the middle office, the back office (which can be outsourced) or other operation support functions. This level of control must ensure that transactions made are authorised by the appropriate level of delegation, and observe the risk policies laid down by the Company or its subsidiaries (including investment limits and strategies).

First-level controls carried out on the activities of Tikehau IM

First-level controls conducted by the investment teams involve checking:

- order consistency with portfolio management policies (prospectus or mandate) and company policy;
- traded price consistency with the market price; and
- *pre-trade* and *post-trade* controls (as applicable) in accordance with the rules implemented in the FusionInvest® monitoring tool for UCITS, or eFront® in the case of closed-ended funds.

First-level controls conducted by middle office teams involve checking:

- the reconciliations of cash positions;
- the valuation of financial products; and
- the validation of the net asset value (NAV) of the managed funds.

All changes are recorded in the relevant monitoring tool based on the type of fund.

First-level controls conducted by back office teams are outsourced to the custodian of the funds and involve checking:

- the correct reconciliation of assets;
- the valuation of assets;
- the administration of the funds; and
- the monitoring of investment rules and restrictions entered in the monitoring tool.

At Tikehau IM, managers input their transactions into the FusionInvest® tool under individual management or collective management. FusionInvest® also interfaces with the custodians of the Tikehau IM UCITS and the account keepers under individual management mandates.

Transactions in closed-ended funds are input to the eFront® tool. At each NAV date, information input to eFront® is reconciled with the statements drawn up by the custody account keepers.

Reconciliations between the "front" and "accounting" positions in accordance with the valuation procedure implemented by Tikehau IM which is also applied by the custodians and account keepers.

The middle office compares the valuations of portfolios in individual management or UCITS in collective management between those from front office data and those retrieved from the custodians and account keepers. FusionInvest® facilitates the monitoring and control of valuations which is, as far as possible, automated for open-ended investment funds.

First-level controls carried out on the activities of Tikehau Capital Europe

First-level controls are conducted by the person responsible for the transactions and consist in particular of carrying out the following checks:

- review of the correct recording of purchase transactions;
- control of the proper accounting of transactions by the custodian;
- an at least monthly review of the value of all assets invested by the different CLOs; and
- control of the investment rules and restrictions reported in the trustee's reporting as well as the revenues calculated for each CLO on a quarterly basis.

First-level controls carried out on Sofidy's activities

Real Estate investments

Direct Real Estate investments are carried out by the Investment Department, under the responsibility of the Investment Director.

Monthly "Investment" meetings are held according to a schedule set at the beginning of the year, and whenever necessary for specific matters. At these meetings, which are attended by senior management, employees of the Investment Department and a representative of the Real Estate Management Department, the monitoring tables are updated. These can be viewed on the Management Company's intranet:

- the monitoring table for investment projects includes their state of progress (new pre-selected investments, offer, seller agreement, notary entry, provisional sale agreement, authentic instrument, etc.);
- monitoring table for financial commitments (secured investments) taking into account each structure's available cash.

The general principles of internal control are based on the following:

- dialogue: Investment decisions are taken jointly at the "Investment" meetings with the involvement of a Real Estate Management Department representative. However, it is the Chief Executive Officer that takes the final decision. Real Estate purchase offer letters require two signatures, according to the list of authorisations regularly updated by the Company;
- prior definition of investment criteria: over and above the investment policy specific to each fund, the management company focuses on risk dispersal and managing conflicts of interest when determining the investment criteria.

Fundraising activity

The Sales Department is responsible for savings inflows.

Inflows and clients accounts are managed using a specific software installed, developed and maintained by a recognised external supplier, with tiered access that protects the confidentiality of partner information.

Monthly "Inflow" meetings are held according to a schedule set at the beginning of the year, and whenever necessary for specific matters. A report is drawn up after these meetings, which are attended by the Management Board and the Head of Sales Department.

The general principles of internal control are based on the following:

- separation of tasks between employees in relation to partners/intermediaries and the departments responsible for receiving the settlements (Accounting Department);
- automating tasks using computerised data makes it possible to limit manual interventions and the associated risks;
- payments, repayments, ownership transfers, divisions and other transactions impacting the entitlement of the units are signed according to the applicable list of authorisations.

Asset and property management

In addition to arbitrages, the Property Management Department is responsible for the following:

- monitoring the tenant relationship: rentals, re-lettings of Real Estate, removal of caps, de-specialisations, renewals, lease disposals, etc.
- monitoring the life of the building: security of assets, works, joint ownership, buildings insurance;
- expert reports, etc.

For its various tasks, the Property Management Department uses a specific software installed, developed and maintained by a recognised external supplier, with tiered access that protects data and limits the risk of errors and fraud.

A monthly "Property Management" meeting is held for each asset type (Offices, ground floor Real Estate, out-of-town Real Estate/malls) according to a schedule set at the beginning of the year, and whenever necessary for specific matters. These meetings successively cover the points above and are attended by senior management, a representative of the Investment Department and employees of the Property Management Department. Following these meetings, reports are prepared and the monitoring tables are updated. These can be viewed on the Management Company's intranet.

Depending on the asset type (multi-tenant offices with significant turnover, assets located abroad, etc.), it may be preferable to outsource the rental management to a local representative.

The general principles of internal control are based on the following:

- separation of responsibilities according to the list of authorisations;
- management of information flows: because Senior Management collects the letters and faxes received each day, it is possible to have prior information on Asset/Property Management problems, prior to forwarding to the relevant employees. Outgoing mail and the most important incoming mail is recorded;
- all tenant requests are recorded in a specific table;
- introduction of outsourced management monitoring (reporting, meeting, audit).

Commitments

The various departments of the asset management company are likely to generate commitments leading to expenses. These are approved by the chain of authorisation then recorded by the Accounting Department. Settlements (signature of cheques and payment orders) may only take place in line with the applicable list of authorisations.

The general principles of internal control are based on the following:

- compliance with expenditure and investment budgets which are set annually and updated over the course of the financial year;
- authorisation: each employee with an authorisation is limited in the amounts they are able to commit;
- separation of tasks between the Department committing the expenses, the Department that records the commitment and method of payment, and the person that signs off the payment.

First-level controls carried out on Direct Investments activity

A Capital Allocation Committee has been created to assist the Manager of the Company:

- in their investment decisions, whether these are made at the level of the Company or its subsidiaries, in funds or vehicles managed by the Group, in Direct Investments or *via* external growth transactions;
- in monitoring the financial performance expected from these investments.

The Manager may consult the Capital Allocation Committee on any decision within its competence.

The Capital Allocation Committee is chaired by representatives of the Manager. Its other members consist of the Chairman and CEOs of Tikehau IM, the Deputy CEO of Tikehau Capital Advisors, the Group's General Counsel, London Operations manager and other senior associates of the Group.

The first-level controls are performed through two stages conditional on the disbursement of the transaction.

When the conditions of an investment or disinvestment are sufficiently defined, especially if the investment decision has been issued by the Manager of the Company (if appropriate, on the recommendation of the Capital Allocation Committee), a handover meeting is organised between the teams in charge of the investment and the corporate support functions (accounting, treasury, portfolio management, tax and legal teams) to review and evaluate all aspects of the transaction and allow proper monitoring over time.

For this meeting a monitoring form is prepared, identifying the main points of attention to be addressed concerning the transaction.

Finally, as early as possible, the treasury team carries out a final check before the disbursement of an investment in the form of an investment summary, formalising the check in particular that the executed contracts have been obtained.

Second level of internal control – Risk management and Compliance and internal control teams

Second-level control defines the policies and procedures of risk management, ensures the efficiency of the system through the monitoring of a number of key indicators and checks compliance with the laws, regulations and codes of conduct in force. It performs its supervisory role through permanent controls within the different activities.

This level of control, independent of the activities, also covers the operational risk including in particular legal risk, IT risk and the business continuity plan.

Second-level controls carried out by risk management teams on activities managed by Tikehau IM

The Risk Management Department:

- controls transactions by portfolio managers and indicators for measuring risks (such as the liquidity profile, exposure and gross commitment of the portfolio);
- checks compliance with internal limits and alert thresholds; and
- reviews the valuation of the portfolios in the Valuation Committee, whose mode of operation is detailed below.

The review of financial risks by the Risk Department is structured by means of the following tools:

- financial risk mapping (at funds and management activities levels);

  risk mapping identifies, for each fund, the types of risks associated with the financial risks that are monitored, the level of risk associated, measurement indicators of the risks identified and the corresponding restrictions in order to mitigate risks;
- risk indicators;

  for each type of risk identified, qualitative and quantitative indicators are defined by the risk team and monitored constantly. These indicators mainly involve the monitoring of:
  - the overall exposure and leverage, market risks (such as credit risk, equity risk, interest rate risk, derivatives risk, currency risk, etc.),
  - liquidity risk (which is analysed daily and monthly for all Capital Markets Strategy funds and quarterly for Private Debt funds), and
  - counterparty risk, which is monitored permanently and leads to the production of a daily report.

The risk management team is informed of any alerts and breach of thresholds and limits (that it might have defined internally or that are contractual or regulatory) in the implementation of its risk monitoring.

In addition to the monitoring indicators, the risk management team conducts regular stress testing of portfolios.

The risk management team presents its work regularly and remits the results of its analyses to the Risk Committee. In particular, it draws the attention of executives to key indicators and their relevance.

The Risk Committee is responsible for:

- defining the strategic guidelines for risk management; and
- monitoring and checking the exposure of portfolios to the main risk factors (including market risk, liquidity risk, credit risk and counterparty risk).

It supervises and validates the overall monitoring of risk and evaluation. It has a decision-making and implementation role.

At the date of this Universal Registration Document, the Risk Committee consists of the Chairman of Tikehau IM, the Head of Risk, the Chief Investment Officer (CIO), the Head of Compliance, the CEOs of Tikehau IM, the Head of the Middle Office and portfolio managers.

The Risk Committee meets monthly and may be convened at any time if an exceptional situation justifies it.

Second-level controls carried out by the Compliance and internal control teams on the activities managed by Tikehau IM

The Compliance and Internal Control Department monitors compliance with regulatory and contractual constraints, the consistency of methods and the proper application of procedures.

The results of the work carried out by the Compliance Department teams are presented to the Compliance and Internal Control Committee. It meets on a quarterly basis and:

- defines the policy on compliance, validates and monitors the action plan of the compliance teams;
- ensures the consistency, efficiency and completeness of the internal control system;
- reviews and monitors the results of the checks carried out in the work of the compliance teams;
- reviews the mechanism for risk control, its status and its evolution;
- reviews the synthetic situation of the risks, its evolution, at the level of the main risk limits and their use;
- reviews the production of the annual report on the management of non-compliance risks; and
- records management decisions in the event of regulatory developments or changes which give rise to the commitment of significant resources.

The Compliance and Internal Control Committee consists of the Chairman of Tikehau IM, the Compliance Officer, the Head of Risks, the Chief Investment Officer (CIO) and Operational managers with the Group Head of Internal Audit as permanent guest member.

Second-level controls carried out by risk and compliance teams on the activities of Tikehau Capital Europe

The controls conducted by the risk team primarily involve:

- control of investment rules and exposures by rating, concentration per issuer and geographic or sector concentration;
- the regular review (at least annually) of credit risk assessment models on the issuers invested in;
- the quarterly review of the Credit Committees and investment cases, as well as review of the consistency between the investment cases and positions invested in; and
- the quarterly review, on a sample basis, of the validity of the assessments and the performance of assets relative to the rating rules implemented.

A risk log is also set up and updated if new risks are identified or have changed materially.

The Compliance Department monitors compliance with regulatory and contractual constraints, the consistency of methods and the proper application of procedures.

The results of the work undertaken by the risk and compliance teams are presented to the Risk and Compliance Committee of Tikehau Capital Europe.

The Risk and Compliance Committee is responsible for overseeing all risk management activities performed and examining the adequacy of the work relating to the Company’s business and regulation. It meets on a quarterly basis and submits a half-yearly report to the Board of Directors.

It consists of the Directors of Tikehau Capital Europe, the Head of Risks, Head of Group Compliance and Head of CLO Business; the Group Head of Internal Audit is a permanent guest member.

Second-level controls carried out by the risk management team on the activities managed by Sofidy

The risk monitoring and management process has three main focus areas:

- mapping of operational and financial risks;
- analysis of the risks identified and introduction of a tailored prevention system;
- regular checks on the adequacy and efficacy of the internal control and risk management system.

The head of risk management also monitors regulatory and statutory ratios, as well as those in the information notes/prospectuses of the various funds as part of the financial risk management approach.

The head of risk management is also responsible for:

- calculating the minimum regulatory equity for Sofidy pursuant to the AIFM Directive;
- carrying out stress tests;
- the Business continuity plan;
- managing the insurance policies taken out by Sofidy and/or the funds it manages.

Second-level controls carried out by the Compliance and Internal Control teams on the activities managed by Sofidy

The main objective of Sofidy's compliance and internal control is to manage risk linked to the Real Estate AIF (SCPI, OPCI, Real Estate companies), UCITS and third party portfolios under management and, in this regard, provide a reasonable level of assurance concerning:

- compliance with applicable laws and regulations;
- the actual implementation and optimisation of management decisions;
- protection of assets;
- reliability of financial information.

Therefore, the role of the Sofidy RCCI is to:

- identify the procedures necessary to comply with the professional obligations defined by laws, regulations and professional rules applicable to the company, and the decisions taken by the management body;
- monitore the record of all of these procedures;
- circulate all or part of said record to the corporate officers, employees and physical persons acting on the company's behalf;
- examine the compliance of new products or services prior to launch, and examine changes planned to existing products or services;
- perform advisory, training and regulatory oversight functions for the benefit of corporate officers, employees and physical persons acting on the company's behalf;
- carry out formal checks on compliance by Sofidy, its corporate officers, employees and physical persons acting on its behalf, to all of the above procedures, making proposals to resolve any malfunctions and monitor the measures taken for this purpose by the corporate officers.

The RCCI is responsible for permanent control and defines and implements an annual audit plan. This audit plan covers all of Sofidy's cycles, favouring a risk-based approach.

To carry out these second level controls, the RCCI relies on a range of first level controls performed by the operational teams.

Specifically, these controls involve:

- controls of procedures: existence of first level controls and examination of their implementation;
- checks on the IT system *via* consistency tests and random sampling;
- interviews with operational managers in charge of applying the "Book of procedures and internal control";
- checks on the monitoring of recommendations.

Second-level controls carried out on Direct Investments activity

Second-level controls mainly consist of the monitoring of valuations of portfolio assets by the teams of the Finance Department, which functions are housed within Tikehau Capital Advisors. These controls are detailed in the following section below.

Third level of internal control – Internal audit

The third level of control is exercised by the Internal Audit Department, which conducts periodic independent checks.

Third-level controls carried out on Asset Management activities

Periodic monitoring may be commissioned – if necessary – by the Internal Audit Department or external auditors depending in particular on the general assessment of internal control and the findings forwarded by the Compliance Department and the update of risk mapping monitored by the risk management teams and Compliance Department.

Most of the audits carried out in the 2019 financial year were on the subsidiaries Credit.fr and IREIT, on the Credit Research Department and execution processes (Capital Markets Strategies), and the Belgian and Spanish branches.

Concerning Tikehau Capital Europe, the audit team is required to carry out checks on some processes, where the risks are considered higher in terms of materiality or likelihood of occurrence, based in the risk mapping and the risk log. During the 2019 financial year, work was conducted on the existence and effectiveness of the management (i) of market and credit risks, (ii) regulatory risks and (iii) operational IT risk.

Third-level controls conducted on Direct Investments activity in Tikehau Capital

The Internal Audit Department is responsible for identifying and updating the risk mapping submitted to the Company's Audit and Risk Committee (See Section 2.3.3 (Risk mapping) of this Universal Registration Document).

Internal Audit sits on in the Valuation Committee and reviews the investment valuations of Tikehau Capital proposed by the investment teams and validated by the financial teams.

The Internal Audit Department controls the process of preparing financial information and follows the recommendations of the Statutory Auditors. It reports to the members of the Audit and Risk Committee on the progress of its projects and the monitoring of the implementation of any recommendations it might have made or that have been made by the Statutory Auditors or by the regulator.

A progress report on the multi-year audit plan 2019-2021 was submitted to the Audit and Risk Committee meeting of December 2019. Based on analysis of the Group's organisation and mapping of major risks, it sets out audit programmes for the independent asset management entities (company, branch or subsidiary) and the business line and back-office cross-functional activities, covering each theme over at least a three-year horizon.

2.3.5 Investment valuation activities

Valuation systems implemented for Tikehau IM's activities

The valuation tools used are eFront®, FusionInvest®, Bloomberg® (as information provider, mainly providing market offers or valuations of instruments) and Markit®, as credit data provider, mainly for liquid loans.

The valuation process involves portfolio managers, middle office teams and risk teams.

The valuation methods are defined by type of asset, mainly:

- instruments listed on a regulated or organised market are valued at the closing price on the day of the transaction;
- OTC bonds are valued based on the last mid-price available on Bloomberg;
- UCITS or AIF-type instruments (see the Glossary in Section 10.7) are valued based on the last net asset value known on the valuation date, adjusted if necessary by events (capital calls, etc.) that might have occurred between the date of net asset value publication and the valuation date;
- non-listed capital instruments are valued at the purchase price if the transaction is recent and there is no indicator of impairment. A multi-criteria valuation approach is otherwise used;
- unlisted bonds are valued on the basis of the par value plus accrued interest, in the absence of indicators of impairment;
- Real Estate assets are assessed every six months on the basis of external appraisal values; and
- the valuation of loans is based on the prices reported by Markit® when these are available, or other available brokers' valuations. In the absence of observable market data, a valuation on a marked-to-model approach is conducted.

Capital Markets Strategies

Valuations of the Capital Markets Strategies funds are checked according to their liquidity frequency (daily, weekly or even monthly). Custodians and fund administrators are involved in the valuations.

Tikehau IM teams control the values of the instruments conveyed by the fund administrator and ensure that the cash positions of each fund are properly reconciled. Work is also conducted on the calculation of management fees and performance fees applied per unit.

The Group has also set up procedures for control and documentation in the event of manual price changes.

Private Debt

The Private Debt funds mainly consist of non-liquid instruments or loans, for which the valuation principles have been detailed above.

In accordance with the principles of independence required by the AIFM Directive (see the Glossary in Section 10.7), a quarterly Valuation Committee has been established to review and monitor the values of illiquid assets that are not subject to expert assessment by an independent third party.

The Committee may meet more frequently as needed. The Valuation Committee is responsible for monitoring and validating valuations of the assets in the Private Debt funds managed by Tikehau IM. The Committee oversees the control of valuations.

The Valuation Committee consists of the Chairman of Tikehau IM, the Head of Risk, the Chief Investment Officer (CIO), the compliance officer, the CEOs of Tikehau IM, the Head of the Middle Office and the managers of Private Debt activity.

The Head of Risk is responsible for the organisation of this Committee, and in particular has the role of ensuring (i) the presence and participation of its members, (ii) the quality of the valuation documents presented and the consistency of the methods used, and (iii) that decisions on valuations adopted are written up in reports.

The middle-office teams monitor, whenever the net asset value is published, that the valuation data used by the custodian comply with decisions taken and that all closing elements have been properly integrated.

Real Estate

Valuations of Real Estate funds are based on independent external valuations received on a half-yearly frequency.

In accordance with the principles of independence required by the AIFM Directive (see the Glossary in Section 10.7), a quarterly Valuation Committee has been established to review and monitor the values of Real Estate assets invested in the funds.

The Committee may meet more frequently as needed. The Valuation Committee is responsible for monitoring and validating valuations of the assets in the Real Estate funds managed by Tikehau IM. The Committee oversees the control of valuations.

The Valuation Committee consists of the Chairman of Tikehau IM, the Head of Risk, the Chief Investment Officer (CIO), the compliance officer, the CEOs of Tikehau IM, the Head of the Middle Office and the managers of the Real Estate activity.

The Head of Risk is responsible for the organisation of this Committee, and in particular has the role of ensuring (i) the presence and participation of its members, (ii) the quality of the valuation documents presented and the consistency of the methods used, and (iii) that decisions on valuations adopted are written up in reports.

The middle-office teams monitor, whenever the net asset value is published, that the valuation data used by the custodian comply with decisions taken and that all closing elements have been properly integrated.

Private Equity

The Private Equity funds mainly consist of non-listed equity instruments, for which the valuation principles have been detailed above.

In accordance with the principles of independence required by the AIFM Directive (see the Glossary in Section 10.7), a quarterly Valuation Committee has been established to review and monitor the values of illiquid assets that are not subject to expert assessment by an independent third party.

The Committee may meet more frequently as needed. The Valuation Committee is responsible for monitoring and validating valuations of the assets in the Private Debt funds managed by Tikehau IM. The Committee oversees the control of valuations.

The Valuation Committee consists of the Chairman of Tikehau IM, the Head of Risk, the Chief Investment Officer (CIO), the compliance officer, the CEOs of Tikehau IM, the Head of the Middle Office and the managers of Private Equity activity.

The Head of Risk is responsible for the organisation of this Committee, and in particular has the role of ensuring (i) the presence and participation of its members, (ii) the quality of the valuation documents presented and the consistency of the methods used, and (iii) that decisions on valuations adopted are written up in reports.

The middle-office teams monitor, whenever the net asset value is published, that the valuation data used by the custodian comply with decisions taken and that all closing elements have been properly integrated.

Valuation systems implemented for Tikehau Capital Europe's activities

The valuation tools used are the Markit® tools, as a credit data provider, mainly for liquid loans and possibly Bloomberg® (as information provider, especially for market offers or instrument valuations).

The Valuation Committee is responsible for overseeing the investment valuation processes performed by the entities managed by Tikehau Capital Europe; it has the power of decision in cases of disagreement, although the Director of Tikehau Capital Europe retains the ultimate decision in the event of final arbitration.

The Valuation Committee meets on a monthly basis. It consists of a Director of Tikehau Capital Europe, the Head of Risks, the group Head of Compliance and the Head of Operations who presents his work.

Valuation systems implemented for Sofidy's activities

General principles

Real estate assets are valued by real estate experts mandated by each fund under management. Expert appraisals are the cornerstone of the valuation procedure. Although Sofidy has not developed a specific internal tool to value real estate assets, it systematically undertakes a critical review of appraisals (and of all of the underlying assumptions) produced by the real estate experts, in line with the process below. Sofidy occasionally carries out internal valuations using the comparables method and the discounted cashflow method.

The work of the real estate experts is forwarded as Excel-compatible computer files at least one month prior to the conclusive meetings with the experts. The critical review of the annual expert reports usually takes place between 15 November and 15 December each year. In addition to the scope checks by the Property Management Department, the critical review involves:

- a review of the assumptions used by the experts, taking into account market conditions known by the Investments Department and the Property Management Department for real estate investment and rental management;
- a review of the assumptions used by the experts taking into account all management events that have taken place since the previous campaign (re-lettings, renewals, lease disposals, works, negotiations with tenants, etc.);
- a review of the assumptions used by the experts taking into account capitalisation rates and changes in said rates; at this time the Property Management Department also interviews the Investments Department;
- a review of the "records" (lowest and highest capitalisation rates, most dramatic increases or decreases in expert valuations since the previous campaign, the most dramatic increases or decreases in market rental value since the previous expert appraisal campaigns, etc.)
- a review of the methods used by the experts.

When the net asset value of a OPCI, OPPCI or any other AIF holding real estate assets is determined more frequently than in the appraisals, and in the absence of any expert appraisal at the time the net asset value is determined, Sofidy performs a critical review of the real estate asset to identify any major changes to factors impacting the valuation of the buildings (major change to the rental situation, major works, major changes to market conditions, etc.) to adjust the values of the relevant assets. Failing this, Sofidy uses the most recent expert appraisal available.

Real state assets acquired indirectly *via* a SCI are valued by multiplying the adjusted net asset value and the current accounts of partners by the percentage ownership of the fund in the SCI.

Relations with experts

Real estate experts are selected *via* a bidding procedure and according to the "best selection" and "best execution" principle. Schematically, relations with experts are as follows:

- a contract governing their work is drafted;
- experts are provided with all of the information necessary to carry out their work (scope validation, new acquisition, rental situation, etc.);
- experts submit a table summarising their work;
- critical review by Sofidy's teams and discussion with the experts;
- final handover meeting and submission of detailed reports, check on all processes by the Valuation committee.

Procedures and periodicity

- SCPI: Expert appraisals of assets are conducted upon acquisition, and every five years thereafter. They are updated every year in line with applicable legal and regulatory provisions.
- OPCI: Expert appraisals of assets are conducted annually and updated every quarter year in line with applicable legal and regulatory provisions.
- OPPCI: Expert appraisals of assets are conducted annually and updated every half-year in line with applicable legal and regulatory provisions.
- Other Real Estate AIFs: The frequency of expert appraisals of assets is set by the Management Board in consultation with the governance bodies of the various AIFs. Expert appraisal campaigns are managed by the Property Management Department teams in partnership with the Management Board, Financial department and the Investments department.

Valuation systems implemented for Direct Investment activities

The Direct Investments portfolio undergoes a quarterly review of activity, during which an analysis is made of performance and the events that might change the appreciation of each line. This quarterly review is attended by the investment team and representatives of the Finance Department. If necessary, additional analyses are conducted to identify potential consequences and revaluations or devaluations if significant.

On a half-yearly basis, a valuation process is conducted on all of the portfolio lines.

Depending on the nature of the underlying asset, valuations are based on:

- directly observable market data such as the share price for listed companies or unlisted investments whose main underlying asset is listed;
- valuations of external experts if available;
- the latest net asset values provided by the managers of funds in which the Company has invested. This data may be audited or unaudited. These values are adjusted, if necessary, by events (capital calls, etc.) that might have occurred between the date of net asset value publication and the valuation date;
- recent transactions that can be analysed as indications of fair value; and
- internal valuation models based on multi-criteria approaches which undergo a critical review by the teams of the Finance Department.

The summary of this work is reflected in the presentation of the relevant financial statements.

In order to take into account the portfolio's high diversity, a Valuation Committee was set up to meet during the preparation of the annual and half-yearly closing of financial statements. The Valuation Committee is made up of the members of the Capital Allocation Committee. Its main responsibilities are:

- to review, assess and check the valuations of unlisted investments in the portfolio;
- to carry out the necessary arbitrations and discuss sensitive points;
- to assess the stability of valuation methods over time; and
- to assess the consistency of the valuation methods between the different holdings in the portfolio.

The Committee's findings are included in a report based on the analysis previously prepared and reviewed by the Finance Department following the analysis of the materials prepared beforehand by the investment teams or the net asset values communicated by the funds in which the Company has invested.

The Statutory Auditors have access to the analyses and documents supporting valuations, and can have discussions with the investment teams in their work of reviewing the financial statements.

As at the date of the Universal Registration Document, the Valuation Committee was composed of the members of the Capital Allocation Committee and reviewed all the fair values of the investment lines comprising Tikehau Capital's non-current portfolio.

2.3.6 IT architecture and security

Tikehau Capital's IT system is built on the following principles: availability, integrity and security:

- availability: Several known and proven technologies are used by the Group. First, service virtualisation helps to completely overcome the physical characteristics of a server. It is possible to restart a service from any server, even if a physical server fails. Secondly, clustering services can detect and automatically switch from one node to another in the cluster in the event of physical failure. Finally, all equipment has a guarantee on parts and labour with 4-hour onsite callout seven days a week, 24 hours a day;
- integrity: All data and systems information are consolidated on "SAN"-type storage (Storage Area Network). This technology consists of several servers comprising a storage farm, the whole being highly redundant with over 100 Terabytes of storage. If one of the drives malfunctions, the equipment sends alerts. The equipment is supported by the manufacturer, with parts replacement in less than four hours, every day of the year, until 2022. If one element fails, the system immediately rebuilds redundancy in the remaining elements. The system is such that an entire server can be lost without service disruption. Every day, data backups are made, thus allowing any information that might have been deleted accidentally or maliciously to be restored in minutes. Data backups are stored on a different drive array and on tape. Furthermore, each piece of equipment is twinned, with data from the Paris site, for example, being duplicated at the London site. Snapshots are replicated every day on the twinned equipment. In the event of a major system failure or theft, it is thus possible to retrieve all the information in less than half a day.
- security: Data drives are completely isolated from the computer network. Backup servers are also isolated and have specific protections. Data replication in the backup data centre is accomplished via a "LAN2LAN" dedicated link or a secure "VPN" tunnel. The hardware used to manage these secure tunnels comes from the "FortiGate" professional security range from the manufacturer FortiNet(r).

If the premises were to be completely destroyed or inaccessible, Tikehau Capital is able to restart its information system and access all of its data in less than a day.

The procedures implemented, in such a disaster, are the following:

- The twinned equipment discussed above, hosted on a separate site, containing all the data and which, until now, had been operating "passively", is now declared "active". To avoid any risk of confusion, the replication with equipment from the destroyed site is deactivated.
- Physical servers on stand-by are also present at the back-up site: these are configured to access the data equipment and ready to be activated. Using the virtualisation technology described earlier, services are restarted on these physical servers.
- Once the services are rebooted, all that remains is to redirect email traffic to the back-up site. To do this, the DNS (Domain Name Servers), whose domains belong to Tikehau Capital, are modified, in particular by informing them of the IP (Internet Protocol) addresses.
- Remote access is accomplished using Citrix® technology.
- Since some of the information used within the Group is obtained through Bloomberg®, it is possible to reinstall the application on any computer in a few minutes and access all services.

Computer systems tests are spread over the year. These consist of different topics: remote server access through secure channels (should the premises become unavailable), restoration of old backed up data (time, quality, etc.), partial interruption of machines/servers, etc.

Finally, a business continuity plan ("BCP") has been set up. The BCP outlines the procedures to be followed in the event of disaster. Depending on the severity and duration of the disaster, teams are relocated: remote work for functions that do not require access to capital markets, working from a backup site for management and middle office in particular.

2.3.7 Prevention of insider misconduct and compliance

Because of its activities, the Group, especially the regulated entities Tikehau IM, Tikehau Capital Europe and Sofidy, is subject to particularly stringent compliance obligations.

As part of the listing of the Company's shares on the regulated market of Euronext Paris, a securities market professional code was adopted by the Company's Supervisory Board. Its aim is to recall the securities market regulations applicable to corporate executives and persons of a similar level, to permanent insiders as well as occasional insiders. It recaps the laws and regulations in this area, as well as the administrative and/or criminal penalties for failure to comply with such laws and regulations, and provides for the implementation of preventive measures enabling everyone to invest in the Company securities while respecting the rules for market integrity.

An ethical code has been issued to all Group employees. It aims to specify the obligations of Group employees to comply with regulations and professional ethics for third-party managers and the environment for listed companies. This procedure is based on regulations governing Tikehau Capital's business and generally accepted professional codes of conduct, including key professional associations (AFG, France Invest) of which Tikehau Capital is a member.

The main subjects it addressed were the following:

- the procedures for protection and management of personal and/or insider data and confidentiality (including physical security, clean desk policy and professional confidentiality obligation);
- the rules for written communication and social media;
- personal transactions;
- rules, invitations and other benefits to employees;
- procedures for combating money laundering and the financing of terrorist activities and procedures for management of market abuse;
- whistle-blowing procedures for potential cases of non-compliance.

In addition, regulatory constraints (and, if applicable, the constraints specific to certain funds/mandates as may be required by the governing documents) require the regulated entities of Tikehau Capital:

- to identify conflict of interest situations;
- to manage conflict of interest situations;
- to record resolutions adopted to achieve conflict management (record of conflicts); and
- to provide the necessary transparency for investor-clients on conflict resolution.

Conflicts of interest may also arise when Group entities or their employees are in situations in which these entities or employees can obtain financial gain or avoid a financial loss at the expense of assets of the clients-investors.

Concerning in particular the conflict of interests' management, Tikehau Capital has implemented a policy to avoid situations where there is a risk of conflict of interests and to manage the various interests involved in the provision of investment services to clients-investors.

The Group Compliance and Internal Control Department sends all Tikehau Capital companies and their managers, all necessary information for the prevention of potential conflicts of interest. The Department updates this conflict of interest management and prevention procedure and records all the cases of conflict that have arisen and that have ended in resolution. If necessary, the record will be used to demonstrate that the resolution of the conflict prioritised the interests of the client. Finally, the organisation of the Group's regulated activities is carried out according to specific procedures to avoid incurring a situation of conflict of interests.

Tikehau IM and Tikehau Capital Europe have established an investment allocation process performed on managed or advised investment fund accounts and mandates that have been entrusted to them by third party investors. These allocations are documented to demonstrate that they respect the interests and rules of fair practice towards clients-investors (fund investors and mandates) and these group structures. The application of the allocation policy is validated and monitored by the compliance and internal control teams.

Where an investment opportunity is eligible for the investment strategy of several funds or mandates, the portfolio manager must prepare a pre-allocation for the various investment vehicles and mandates by applying the following rules:

- the investment capacity of each fund/mandate eligible for the investment;
- the specific management constraints of each fund/mandate (regulatory, contractual or statutory); and
- the maturity of the funds/mandates with regard to the investment period.

2.3.8 Internal control procedures relating to the preparation and processing of the financial and accounting information of Tikehau Capital

This Section describes the internal control procedures relating to the preparation and processing of Tikehau Capital's financial and accounting information as they existed on the date of this Universal Registration Document.

Teams involved in the preparation and treatment of the financial and accounting information of Tikehau Capital

Finance Department by Tikehau Capital Advisors

The Finance Department of Tikehau Capital Advisors has responsibility for the core areas of finance and treasury, financial control and internal control, second-level monitoring of the investment portfolio and internal financial control.

Use of external accountants

To prepare the statutory accounts of some of its companies, the Group uses external accounting firms, which ensures regular control, in collaboration with Tikehau Capital Advisors, of the accounting documents and the processing of transactions impacting the Group.

Reporting and disclosure

The Company draws up a schedule for each quarterly, half-yearly or annual account close that plans procedures specific to the preparation of financial and accounting information, defining the responsibilities of each stakeholder in the preparation and processing of financial information.

The quarterly accounts inform the preparation of the summarised financial statements which are analysed as a note to management.

At the annual and half-yearly close, the Finance Department teams meet with the investment teams to review the valuation proposals for Tikehau Capital's portfolio investments. These reviews are then presented to the members of the Valuation Committee of Tikehau Capital for validation (see above) by the Valuation Committee. Provisions for proceeds and expenses are booked by accounting teams based on reports sent by the teams ordering the expenses.

A cash flow analysis is prepared every week to monitor the roll out of the Company's investment and financing policy. It is reconciled with the financial statements each quarter.

IT systems

Accounting information system

The Group has rolled out the Oracle Cloud® integrated accounting and reporting tool at its main French operational companies. This IT package includes all the monthly or quarterly financial management and accounting information useful in preparing the financial statements and in operational management. The ultimate aim is to roll out an accounting tool Group-wide, that will meet with greater performance and automation the requirements of reliability, availability and relevance of accounting and financial information for the different data used for internal management (budget control, etc.) and external disclosure.

A SAP-BFC® consolidation tool was also introduced at the end of 2019 to enable the teams to prepare the consolidated financial statements internally.

Investment monitoring tools

At the end of 2019, the Group also rolled out the integration of the management of its investment portfolio in the eFront® tool.

Cash and financing monitoring tools

The Group has deployed the Sage-XRT® cash management tool in some of its entities to monitor bank flows and cash forecasts. This system interfaces with an investment monitoring tool, for the accounting treatment of these flows.

The planning, steering and processes of reporting

The process of preparing the budget is organised annually in the fourth quarter; the operational managers of each of the business lines each draw up an annual budget which is discussed with and approved by the management.

Performance monitoring is carried out on a quarterly basis (and monthly for some key aggregates) including an analysis of actual versus budgeted results.

Procedures for closing of the annual and consolidated financial statements

The financial statements of the Company and its subsidiaries are prepared either by the internal teams of Tikehau Capital Advisors and/or Tikehau Capital subsidiaries or outsourced to local external accountants.

The Group's consolidated financial statements to the end of December 2019 were prepared by the internal teams at Tikehau Capital Advisors, whereas previously, the Group would have engaged the services of an external accounting firm.

The annual financial statements of the Company are prepared in accordance with accounting principles arising from the regulations in force (Recommendation No. 99–01 of the Conseil National de la Comptabilité, the French National Accounting Council).

The consolidated financial statements are prepared in accordance with IFRS.

The Finance Department performs a review of the prepared accounts of the Group companies to validate the reliability and relevance of the accounting and financial information for the different data used for internal management and external disclosure. It ensures the compliance and consistency of accounting methods.

The Finance Department also performs a review of the data supplied for the purpose of consolidation in order to identify, if appropriate, the necessary adjustments between the individual and consolidated accounts. These adjustments are detailed by company and are subject to a review by the Finance Department teams.

The accounting principles are subject to a review every quarter under the new regulatory developments. In general, matters pertaining to legal, tax and social areas are dealt with using the support of specialised services.

Each subsidiary manages specifically local issues, carries out accounting control and meets the obligations on safeguarding the information and data contributing to the formation of accounting and financial statements, according to local regulations.

Control activities

Operations are subject to partial or extensive controls, exchange of views sessions, discussions from first level stakeholders up to the Statutory Auditors, and legal and tax experts if necessary. These stakeholders submit any remarks they may have to the relevant officers who take appropriate measures. The Finance Department ensures the consistency of information from the subsidiaries before combining results, recording the consolidation entries and restatements.

The analysis of the consolidation restatements and accounting aspects that could have a significant impact on the presentation of the financial statements are reviewed by the Finance Department and the Statutory Auditors as part of their work.

Accounting and financial disclosure

Since the listing of the Company’s shares on the regulated market of Euronext Paris, disclosure is the responsibility of the Company’s Manager who check the information before publication.

A schedule summarising these periodic obligations of the Company has been put in place and is distributed internally to teams participating more specifically in financial disclosure. Meanwhile, the Finance Department teams have implemented a formal accounting and financial schedule to ensure compliance with the announced deadlines.

The procedures for control of financial and accounting information are based on:

- quarterly checks on all accounting and financial information prepared by the accounting or Finance Department teams;
- half-year controls by the Statutory Auditors; and
- the review of financial statements by the Group Internal Audit Department.

2.4 LEGAL AND ARBITRATION PROCEEDINGS

Given the activities of Tikehau Capital and the ever-growing tendency to litigate in the business world, Tikehau Capital is exposed to the risk of litigation as defendant and may also be obliged to enforce its rights as plaintiff (for example, in the context of enforcement of guarantees furnished under an investment or divestment transaction).

To the knowledge of the Company, there are no administrative, legal or arbitration proceedings (including any pending or foreseeable proceedings) that may have or has had, over the last 12 months and on the date of this Universal Registration Document, significant impacts on the financial position or profitability of the Company and/or the Group.

3.

CORPORATE GOVERNANCE

3.1 ADMINISTRATIVE AND MANAGEMENT BODIES

The Company is a *société en commandite par actions* (partnership limited by shares). An overview of the *société en commandite par actions* (partnership limited by shares) and a description of the main provisions of the Company's Articles of Association are contained in Section 10.2 (Main provisions of the Company's Articles of Association) of this Universal Registration Document.

The Company uses the AFEP-MEDEF Code [(1)] as its Corporate Governance Code in accordance with Article L.225-68 of the French Commercial Code, with reference to Article L.226-10-1 of the French Commercial Code.

3.1.1 The Manager

The Management of the Company is undertaken by a sole Manager, Tikehau Capital General Partner, also the general partner of the Company. Tikehau Capital General Partner is wholly-owned by Tikehau Capital Advisors.

Name, registered office, legal form and number of shares held of the Company

Tikehau Capital General Partner is a *société par actions simplifiée* (simplified joint stock company) incorporated on 17 February 2014, whose registered office is located at 32, rue de Monceau, 75008 Paris – France.

Tikehau Capital General Partner, which is also the general partner of the Company, does not hold any shares in the Company.

Tikehau Capital General Partner is a company with share capital of €100,000 and equity totalling €0.4 million as at 31 December 2019. Tikehau Capital General Partner has no employees.

Corporate officers

The Chairman of Tikehau Capital General Partner is the company AF&Co, and its CEO is the company MCH.

Expiry of term of office

The office of Manager of Tikehau Capital General Partner is for an unlimited period.

Main function within the Company and the Group

General partner and Manager of the Company. The Manager does not hold any other position within the Group or outside the Group.

Main offices and positions held outside the Company and the Group during the last five years

None. The Manager has never conducted other activities before assuming office as Manager of the Company.

(1) The AFEP-MEDEF Code can be consulted online at the following address https://afep.com/wp-content/uploads/2020/01/Code-Afep_Medef-révision-janvier-2020_-002.pdf

ANTOINE FLAMARION

Information concerning AF&Co and Mr Antoine Flamarion

The company AF&Co was appointed Chairman of Tikehau Capital General Partner on 7 November 2016 for an unlimited period. AF&Co is a simplified joint stock company with registered office located at 32, rue de Monceau, 75008 Paris, France, entered in the Trade and Companies Register of Paris under number 444 427 298 and whose share capital and voting rights are 95% held by Mr Antoine Flamarion, one of the founders of Tikehau Capital. Mr Antoine Flamarion, who is Chairman of AF&Co, began his career within the Principal Investments Department (proprietary investment) at Merrill Lynch Paris, before joining the Principal Investments Department at Goldman Sachs London. Mr Antoine Flamarion cofounded Tikehau Capital in 2004.

Mr Antoine Flamarion is a graduate of the Université Paris Dauphine and the Université Paris Sorbonne.

Name, business address, age and number of shares held of the Company

Mr Antoine Flamarion

32, rue de Monceau, 75008 Paris, France

Born on 11 March 1973.

As at the date of this Universal Registration Document, AF&Co and Mr Antoine Flamarion do not hold any shares in the Company.

Nationality: French.

Expiry of term of office

Mr Antoine Flamarion's term of office as Chairman of AF&Co is for an unlimited period.

Main positions held by Mr Antoine Flamarion within the Company and the Group

Mr Antoine Flamarion is Chairman of AF&Co, which is itself Chairman of Tikehau Capital General Partner (which is Manager and general partner of the Company) and of Tikehau Capital Advisors.

Offices and positions held as at 31 December 2019:

- Chairman of AF&Co (SAS)
- Permanent representative of Tryptique on the Supervisory Board of Alma Property (SA)

Offices and positions held during the last five years:

- Permanent representative of Tikehau Capital on the Board of Directors of Salvepar (SA – listed company)
- Director of Groupe Flo (SA – listed company)
- Director of Financière Flo (SAS)
- Manager of F2 (SARL)
- Director of Tikehau Investment Limited (UK company controlled by Tikehau Capital Advisors)
- Director of Tikehau Capital UK Limited (UK company controlled by the Company)
- Director of Tikehau Capital Europe (UK company controlled by the Company)
- Permanent representative of AF&Co on the Board of Directors of Sofidy (SA)
- Director of Tikehau Investment Management Asia Pte. Ltd. (Singapore company controlled by Tikehau IM)
- Director of Tikehau Investment Management Asia Pacific Pte Ltd (Singapore company controlled by Tikehau IM)
- Manager of Takume (SARL)
- Member of the Executive Committee of Heeuricap (SAS)
- Permanent Representative of AF&Co on the Supervisory Board of Sélectirente (SA – listed company)

MATHIEU CHABRAN

Information concerning MCH and Mr Mathieu Chabran

The company MCH was appointed CEO of Tikehau Capital General Partner on 7 November 2016 for an unlimited period. MCH is a simplified joint stock company with its registered office located at 32, rue de Monceau, 75008 Paris, France, entered in the Paris Trade and Companies Register under number 480 619 337 and whose share capital and voting rights are 90% held by Mr Mathieu Chabran. Mr Mathieu Chabran began his career at Merrill Lynch in 1998, firstly in Paris within the High Yield and Real Estate teams, then in London, in the High Yield Capital Market Department. In 2000, he joined the European Leveraged Finance team. In 2002, he joined the Real Estate Debt Market & Structured Financing team at Deutsche Bank London as Vice-President and then Director. Mr Mathieu Chabran cofounded Tikehau Capital in 2004.

Mr Mathieu Chabran is a graduate of ESCP Europe and the Institute of Political Studies in Aix-en-Provence.

Name, business address, age and number of shares held of the Company

Mr Mathieu Chabran

32, rue de Monceau, 75008 Paris, France

412 West 15th ST 18th Floor, New York NY 10011 United States of America

Born on 11 December 1975.

As at the date of this Universal Registration Document, MCH and Mr Mathieu Chabran do not hold any shares in the Company.

Nationality: French.

Expiry of term of office

Mr Mathieu Chabran's term of office as Chairman of MCH is for an unlimited period.

Main positions held by Mr Mathieu Chabran within the Company and the Group

Mr Mathieu Chabran is Chairman of the company MCH, which is itself CEO of Tikehau Capital General Partner (which is Manager and general partner of the Company) and of Tikehau Capital Advisors. Mr Mathieu Chabran is CEO of Tikehau IM, Chairman of the Board of Directors of Tikehau Capital North America and oversees all of the Group's investments as Group Chief Investment Officer.

Offices and positions held as at 31 December 2019:

- Chief Executive Officer of Tikehau Investment Management (SAS)
- Chairman of MCH (SAS)
- Chairman of MC3 (SAS)
- Director of InCA (SICAV)
- Manager of Le Kiosque (SCI)
- Manager of De Bel Air (civil law partnership)
- Manager VMC3 (SCI)
- Director of Tikehau Investment Management Asia Pte. Ltd. (Singapore company controlled by the Company)
- Chairman and Sole Director of MCH North America Inc. (US company)
- Chairman of the Board of Directors of Tikehau Capital North America LLC (US company controlled by the Company)

Offices and positions held during the last five years:

- Director of Salvepar (SA – listed company)
- Director of Groupe Flo (SA – listed company)
- Director of Financière Flo (SAS)
- Director of Tikehau Investment Limited (UK company controlled by Tikehau Capital Advisors)
- Director of Tikehau Capital UK Limited (UK company controlled by the Company)
- Director of Tikehau Capital Europe (UK company controlled by the Company)
- Member of the Executive Committee of Heeuricap (SAS)
- Director of Tikehau Investment Management Asia Pacific Pte Ltd (Singapore company controlled by Tikehau IM)

3.1.2 Presentation of the Supervisory Board

Composition of the Supervisory Board

The Company's Supervisory Board was set up following the transformation of the Company into a *société en commandite par actions* (partnership limited by shares) and its composition evolved in connection with the listing of the Company's shares on the regulated market of Euronext Paris in March 2017.

The following table shows the composition of the Supervisory Board at the date of this Universal Registration Document.

	Year of birth	Date of first appointment (1)	End date of office
Members of the Supervisory Board			
Christian de Labriffe (Chairman)	1947	28 February 2017	2022 (General Meeting convened to approve the accounts for FY 2021)
Roger Caniard	1967	28 February 2017	2022 (General Meeting convened to approve the accounts for FY 2021)
Jean Charest (2)	1958	21 December 2016	2021 (General Meeting convened to approve the accounts for FY 2020)
Jean-Louis Charon (2) (3)	1957	7 November 2016	2020 (General Meeting convened to approve the accounts for FY 2019) (7)
Florence Lustman (permanent representative of Fonds Stratégique de Participations)	1961	28 February 2017	2021 (General Meeting convened to approve the accounts for FY 2020)
Remmert Laan (4)	1942	6 December 2018	2021 (General Meeting convened to approve the accounts for FY 2020)
Anne-Laure Naveos (3)	1980	7 November 2016	2020 (General Meeting convened to approve the accounts for FY 2019) (7)
Fanny Picard (2)	1968	28 February 2017	2022 (General Meeting convened to approve the accounts for FY 2021)
Constance de Poncins (2)	1969	28 February 2017	2022 (General Meeting convened to approve the accounts for FY 2021)
Léon Seynave (2) (3) (5) (permanent representative of Troismer)	1944	7 November 2016	2020 (General Meeting convened to approve the accounts for FY2019) (7)
Non-voting member (*censeur*)			
Jean-Pierre Denis (6)	1960	25 May 2018	2022 (General Meeting convened to approve the accounts for FY 2021)

(1) For members that are corporations, this is the date of appointment of the permanent representative.
(2) Independent member.
(3) The renewal of the term of office of this member of the Supervisory Board is proposed to the General Meeting called to approve the financial statements for financial year 2019.
(4) Mr Remmert Laan was co-opted by the Supervisory Board at its meeting of 6 December 2018 as a replacement for Mr Jean-Pierre Denis.
(5) Mr Léon Seynave was initially appointed at the General Meeting of 7 November 2016. He resigned with effect from 5 January 2017 and the company Troismer SPRL was co-opted in his place by the Supervisory Board at its meeting of 5 January 2017.
(6) Mr Jean-Pierre Denis resigned as member of the Supervisory Board on 25 May 2018. On the same date, he was appointed non-voting member for a term of four years, expiring at the close of the General Meeting held in 2022 to approve the financial statements for financial year 2021.
(7) The renewal of the term of office is proposed to the General Meeting called to approve the financial statements for financial year 2019 (see Section 9.4 (Draft resolutions) of this Universal Registration Document).

3.

Committees of the Supervisory Board

In accordance with the provisions of the AFEP-MEDEF Code to which the Company refers, the Supervisory Board has decided to set up two permanent Committees: an Audit and Risk Committee and an Appointment and Remuneration Committee. These Committees were set up by the Supervisory Board at its Meeting on 22 March 2017.

The composition, duties and mode of operation of these two Committees are detailed in Section 3.4 (Preparation and organisation of the work carried out by the Supervisory Board) of this Universal Registration Document.

The composition of the Committees of the Supervisory Board is as follows:

Audit and Risk Committee
Jean-Louis Charon, Chairman (independent member)
Roger Caniard
Constance de Poncins (independent member)

Appointment and Remuneration Committee
Fanny Picard, Chair (independent member)
Jean Charest (independent member)
Léon Seynave (independent member)

Presentation of the members of the Supervisory Board

Mr Christian de Labriffe was appointed as Chairman of the Company's Supervisory Board at a meeting of the Board on 22 March 2017.

The Company's Articles of Association provide that, subject to the initial appointments allowing for renewal to be staggered, the Supervisory Board be made up of members appointed for a period of four years expiring at the end of the annual General Shareholders' Meeting convening to approve the accounts for the previous year and held in the year in which the term of office of that Supervisory Board member expires. The composition of the Supervisory Board at the date of this Universal Registration Document was determined so that it could be renewed by regular and balanced rotation.

Information about members of the Supervisory Board

CHRISTIAN DE LABRIFFE

Chairman

Non-independent member

Nationality: French

Year of birth: 1947

Date of first appointment: 28 February 2017

Term of office expires: 2022 (General Meeting convened to approve the accounts for FY 2021)

Business address: 32, rue de Monceau,

75008 Paris

Current office: Chairman of the Company's Supervisory Board

Expertise and past experience in management:

Mr Christian de Labriffe is a graduate of ISC Paris Business School. He started his career at Lazard Frères & Cie in 1972 where he was appointed Managing Partner in 1987. He became Managing Partner of Rothschild & Cie in 1994. He joined the Group in 2013 as Chairman and Chief Executive Officer of Salvepar.

Offices and positions held as at 31 December 2019:

- Director of Christian Dior (SE – listed company)
- Manager of Parc Monceau (SARL)
- Chairman of TCA Partnership (SAS)
- Director of Tikehau Capital Belgium (Belgian company controlled by the Company)
- Director of the Fondation Nationale des Arts Graphiques et Plastiques
- Non-voting member and permanent representative of Parc Monceau, on the Supervisory Board of Beneteau (SA – listed company)
- Permanent representative of Tikehau Capital on the Board of Directors of "Les Dérivés Résiniques et Terpéniques — DRT" (SA)

Other offices held in the past five years and no longer held to date:

- Director of Christian Dior Couture (SA)
- Chairman and Chief Executive Officer and Director of Salvepar (SA – listed company)
- Director and permanent representative of Salvepar on the Board of Directors of HDL Development (SAS)
- Permanent representative of Salvepar on the Board of Directors of "Les Dérivés Résiniques et Terpéniques — DRT" (SA)

ROGER CANIARD

Non-independent member
Member of the Audit and Risk Committee

Nationality: French
Year of birth: 1967
Date of first appointment: 28 February 2017
Term of office expires: 2022 (General Meeting convened to approve the accounts for FY 2021)
Business address: 10, cours du Triangle-de-l'Arche,
92919 La Défense.
Current office: Head of MACSF financial management

Expertise and past experience in management:

Roger Caniard is a graduate of IEP Paris, ESCP, Université Paris-Dauphine and of the Société Française des Analystes Financiers (SFAF). He began his career as a financial analyst. After a period at La Mondiale (equity management) and KBL (merger advisory bank), he joined MACSF in 1995. Since 2014, he has been a member of the Executive Committee and CFO of MACSF.

Offices and positions held as at 31 December 2019:

- Director of Château Lascombes (SA)
- Member of the Supervisory Board of Taittinger
- Member of the Supervisory Board of Verso Healthcare
- Permanent representative of MACSF épargne retraite on the Board of Vivalto (SAS)
- Permanent representative of MACSF épargne retraite on the Board of Vivalto Vie (SAS)
- Permanent representative of MACSF épargne retraite on the Board of Destia (SAS)
- Permanent representative of MACSF épargne retraite on the Board of Pharmatis (SAS)
- Permanent representative of MACSF épargne retraite on the Board of Star Services (SAS)
- Permanent representative of MACSF épargne retraite on the Board of Cube Infrastructure I and II
- Director of MFPS
- CEO of Médiservices Partenaires
- Permanent representative of the MACSF épargne retraite on the Board of Directors of Tikehau Capital Advisors (SAS)

Other offices held in the past five years and no longer held to date:

- Permanent representative of MACSF épargne retraite on the Board of Directors of Salvepar (SA – listed company)
- Permanent representative of MACSF épargne retraite on the Supervisory Board of Korian (SA – listed company)

JEAN CHARREST

Independent member

Member of the Appointment and Remuneration Committee

Nationality: Canadian

Year of birth: 1958

Date of first appointment: 21 December 2016

Term of office expires: 2021 (General Meeting convened to approve the accounts for FY 2020)

Business address: 1000, rue de la Gauchetière-Ouest,

bur. 2500, Montreal (Québec), H3B 0A2

Current office: Partner at the McCarthy Tétrault law firm (Canada)

Expertise and past experience in management:

Mr Jean Charest was elected a member of parliament in the Canadian House of Commons in 1984, and then became the youngest ever member of the Canadian Council of Ministers when he was appointed, at 28 years of age, Minister for State & Youth. He was then appointed Minister for the Environment, Minister for Industry and Vice-Prime Minister of Canada. He held the office of Prime Minister of Quebec from 2003 to 2012. He is a partner of McCarthy Tétrault LLP and, since 1986, member of the Queen's Privy Council for Canada.

Offices and positions held as at 31 December 2019:

- Partner, Senior Lawyer and Strategic Advisor: Cabinet McCarthy Tétrault (Canada)
- Member of the Supervisory Board of Publicis Groupe (SA – listed company), Chairman of the Audit Committee and member of the Appointment Committee
- Chairman of the Board of Directors of Windiga Energie
- Member of the Board of Directors of HNT Electronics Co Ltd
- Director of the Asia Pacific Foundation of Canada
- Honorary Chairman of Canada-ASEAN Business Council (Singapore)
- Member of the Canadian Council of the North American Forum (Canada)
- Member of the Advisory Board of the Canadian Global Affairs Institute (Canada)
- Member of the Canadian Group of the Trilateral Commission (Canada)
- Member of the Advisory Group of Canada's Ecofiscal Commission
- Member of the Africa Forum Advisory Board (Canada)
- Chairman of the Board of Governors of The Federal Idea (Canada)
- Member of the Advisory Board of the Woodrow Wilson Institute (Canada)
- Member of the Board of Directors of Ondine Biomedical (Canada)
- Honorary Member of the Board of Directors of the Council of the Great Lakes Region (Canada)
- Member of Leaders for Peace (France)
- Co-Chairman of the Canada UAE Business Council (Canada)
- Chairman of Chardi Inc. (Canada)

Other offices held in the past five years and no longer held to date:

- National Co-Chairman and spokesman: Mouvement Canada 2017 Redonner (Canada)
- Steering Committee Chairman: Partnership for Natural Resource Trade (Canada)

JEAN-LOUIS CHARON

Independent member
Chairman of the Audit and Risk Committee

Nationality: French
Year of birth: 1957
Date of first appointment: 7 November 2016
Term of office expires: 2020 (General Meeting convened to approve the accounts for FY 2019) (1)
Business address: 11, rue des Pyramides,
75001 Paris
Current office: Chairman of City Star

Expertise and past experience in management:

Mr Jean-Louis Charon is a former student of École Polytechnique and École Nationale des Ponts et Chaussées. He began his career within the Ministry for Industry, and then held positions at General Electric and Thomson. In 1996, he became Managing Director of the Vivendi Universal Real Estate subsidiary CGIS group. In July 2000 he organised the LBO (see the Glossary in Section 10.7) of Nexity, sitting on its Board of Directors and then its Supervisory Board. After founding Nexstar Capital, in partnership with LBO France, he founded the City Star group in 2004 where he is the current Chairman.

Offices and positions held as at 31 December 2019:

- Director of Foncière Atland (SA – listed company)
- Chairman of SOBK (SAS)
- Chairman of City Star Property Investment (SAS)
- Manager of City Star Promotion 1 (SARL)
- Manager of Horus Gestion (SARL)
- Manager of Lavandières (SCI)
- Manager of 118 rue de Vaugirard (SCI)
- Director of City Star Private Equity Asia Pte. Ltd.
- Director of City Star Phnom Penh Property Management Pte. Ltd.
- Director of City Star Ream Topco Pte. Ltd. Ltd.
- Director of City Star Ream Holdco Pte. Ltd.
- Director of City Star Phnom Penh Land Holding Pte. Ltd.
- Director of City Star Cambodia Pte. Ltd.
- Director of City Star KRD Pte. Ltd.
- Director of City Star KRH Pte. Ltd.
- Director of Elaia Investment Spain SOCIMI S.A.

Other offices held in the past five years and no longer held to date:

- Director of Polypierre (SA)
- Chairman of City Star Capital (SAS)
- Chairman of Medavy Arts et Antiquités (SAS)
- Manager of Sekmet (EURL)
- Manager of 10 Four Charon (SCI)
- Manager of JLC Victor Hugo (SCI)
- Director of Eurosic (SA – listed company)
- Director of Fakarava Capital (SAS)
- Chairman of Valery (SAS)
- Chairman of Vivapierre (SA)
- Permanent representative of Holdaffine on the Board of Affine (SA – listed company)
- Deputy Chairman of the Supervisory Board of Sélectirente (SA – listed company)

(1) The renewal of Mr Jean-Louis Charon's term of office as a member of the Supervisory Board is proposed to the General Meeting called to approve the financial statements for financial year 2019 (see Section 9.4 (Draft resolutions) of this Universal Registration Document).

JEAN-PIERRE DENIS

NON-VOTING MEMBER (CENSEUR)

Nationality: French

Year of birth: 1960

Date of first appointment: 21 December 2016 (with effect from 9 January 2017)

Term of office expires: 2021 (General Meeting convened to approve the accounts for FY 2020)

Business address: 118, avenue des Champs-Élysées,

75008 Paris

Current office: Chairman of Crédit Mutuel Arkéa and of the Fédération du Crédit Mutuel de Bretagne

Expertise and past experience in management:

Mr Jean-Pierre Denis is a qualified Finance Inspector, who graduated from HEC and also attended ENA. He has previously held positions as Chairman and Chief Executive Officer of the Oséo group from 2005 to 2007, and was also a member of the Management Board of Vivendi Environnement which became Véolia Environnement (2000-2003), Chairman of Dalkia (Vivendi group and then Veolia Environnement) (1999-2003), Advisor to the Chairman at CGE which became Vivendi (1997-1999) and Deputy Secretary General to the President of the Republic (1995-1997). In 2008, he was appointed Chairman of Crédit Mutuel Arkéa and of the Fédération du Crédit Mutuel de Bretagne.

Offices and positions held as at 31 December 2019:

- Chairman of Crédit Mutuel Arkéa
- Chairman of the Fédération du Crédit Mutuel de Bretagne
- Director of the Caisse de Crédit Mutuel de Cap Sizun
- Chairman of Château Calon Ségur (SAS)
- Director of Kering (SA – listed company)
- Director of Nexity (SA – listed company)
- Non-voting member of the Board of Directors of Altrad Investment Authority (SAS)
- Director of Paprec Holding (SA)
- Director of Avril Gestion (SAS)
- Director of JLPP Invest (SAS)

Other offices held in the past five years and no longer held to date:

- Director of Altrad Investment Authority (SAS)
- Director of Sofiproteol (SA)
- Chairman of the Supervisory Board of New Port (SAS)
- Director and Treasurer of the Ligue de football professionnel (LFP)
- Temporary Chairman of the Ligue de football professionnel (LFP)

FONDS STRATÉGIQUE DE PARTICIPATIONS

Non-independent member represented by Ms Florence Lustman

Date of first appointment: 28 February 2017
Term of office expires: 2021 (General Meeting convened to approve the accounts for FY 2020)
Business address: 47, rue du Faubourg-Saint-Honoré,
75008 Paris
Registration: 753 519 891 RCS Paris

Offices and positions held by Fonds Stratégique de Participations as of 31 December 2019:

- Director of Seb (SA – listed company)
- Director of Arkema (SA – listed company)
- Director of Eutelsat Communication (SA – listed company)
- Director of Elior group (SA – listed company)
- Director of Neonen (SA)
- Director of Tikehau Capital Advisors (SAS)

Other offices held in the past five years and no longer held to date:

Member of the Supervisory Board of Zodiac Aerospace (SA – listed company)

FLORENCE LUSTMAN

Permanent representative of the Fonds Stratégique de Participations (non-independent member)

Nationality: French
Year of birth: 1961
Date of first appointment: 28 February 2017
Business address: 115 rue de Sèvres,
75006 Paris
Current offices: Chair of the Fédération Française de l'Assurance (French Insurance Federation)

Expertise and past experience in management:

Ms Florence Lustman is a former student of École Polytechnique and Institut d'Etudes Politiques in Paris. She is also a graduate of the IAF (Institut des Actuaires Français). She began her career as insurance supervisor at the Commission de Contrôle des Assurances. She then became General Secretary of that Commission (now the Autorité de Contrôle des Assurances et des Mutuelles). After working for the Inspection Générale des Finances (Inspectorate General of Finance), Ms Lustmann was then Chief Financial and Public Affairs Officer of La Banque Postale Group from 2012 to 2019. She has been Chair of the Fédération Française de l'Assurance (French Insurance Federation) since 2019.

Offices and positions held as at 31 December 2019:

- Chair of the Fédération Française de l'Assurance (French Insurance Federation)
- Director of Imagine (Institute for Genetic Illnesses)
- Member of the Board of the Institut Polytechnique de Paris
- Permanent representative of Fonds Stratégique de Participations on the Board of Directors of Tikehau Capital Advisors (SAS)

Other offices held in the past five years and no longer held to date:

- Member of the Executive Committee and of the General Management Committee of La Banque Postale (SA)
- Member of the Supervisory Board of La Banque Postale Financement (SA)
- Permanent representative of SF2 on the Board of Directors of La Banque Postale Prévoyance (SA)
- Member of the Supervisory Board of La Banque Postale Asset Management (SA)
- Chair of the Board of Directors of La Banque Postale Home Loan SFH (SA)
- Director of La Banque Postale IARD (SA)
- Permanent representative of LBP on the Board of Directors of La Banque Postale Assurance Santé (SA)
- Director of Sopassure (SA)
- Chief Executive Officer and member of the Board of Directors of SF2 (SA)
- Permanent representative of Sopassure on the Board of Directors of CNP Assurances (SA – listed company)
- Director of AEW Europe (SA)
- Member of the Supervisory Board of the Fonds de Garantie des Dépôts et de Résolutions (Fund)

REMMERT LAAN

Non-independent member

Nationality: French and Dutch

Year of birth: 1942

Date of first appointment: 6 December 2018 (date of co-opting by the Supervisory Board)

Term of office expires: 2021 (General Meeting convened to approve the accounts for FY 2020)

Business address: 30 rue de Miromesnil,

75008 Paris

Expertise and past experience in management:

Mr Remmert Laan holds a Civil Law degree from the University of Leiden (Netherlands) and was awarded an MBA by INSEAD in 1970. From 1970 to 1973, he was management advisor at Cresap and McCormick & Paget Inc. in New York. In 1979, he joined Lazard Frères & Cie in Paris, where he was Managing Partner from 1986 to 2002. From 2006 to 2016, he was Deputy-Chairman of Leonardo & Co. and Banque Leonardo in Paris. During his career, Mr Remmert Laan has held seats on numerous Boards of Directors, including at Alcatel, KLM NV, Vedior NV, Myoscience Inc., Forest Value Investment Management SA., Saint Louis Sucre SA, OCP SA and Laurus. He has also been a member of the Supervisory Boards of KKR Guernsey GP Limited, AB InBev SA and Patrinvest SA, and a member of the Board of Directors of the INSEAD Foundation.

Offices and positions held as at 31 December 2019:

- Director of Laan & Co BV (Dutch company)
- Chairman of Forest & Biomass S.A. (Luxembourg company)

Other offices held in the past five years and no longer held to date:

- Director of Tikehau Capital Belgium (Belgian company)
- Director of Patrinvest S.A. (Luxembourg company)
- Member of the Supervisory Board of KLM N.V. (Dutch company)
- Manager of Laan & Co Belgium B.V.B.A. (Belgian company)

ANNE-LAURE NAVEOS

Non-independent member

Nationality: French
Year of birth: 1980
Date of first appointment: 7 November 2016
Term of office expires: 2020 (General Meeting convened to approve the accounts for FY 2019) [1]
Business address: 1, rue Louis-Lichou,
29480 Le Relecq-Kerhuon
Current office: Director in charge of External Growth & Partnerships at Crédit Mutuel Arkéa

Expertise and past experience in management:

Ms Anne-Laure Naveos graduated from EM Lyon Business School. In 2005, she joined Symphonis as Internal Auditor & Head of Finance, before joining Crédit Mutuel Arkéa as Head of External Growth & Partnerships in 2008.

Offices and positions held as at 31 December 2019:

- Permanent Representative of Crédit Mutuel Arkéa on the Supervisory Board of Younited (SA)
- Non-voting member (censeur) of Vermeg Group N.V. (Dutch company)
- Permanent Representative of Crédit Mutuel Arkéa on the Supervisory Board of Yomoni (SAS)
- Permanent Representative of Crédit Mutuel Arkéa on the Supervisory Board of Wilov (SAS)
- Member of the Supervisory Board of Leetchi (SA)
- Member of the Strategic Committee of RaiseSherpas (Endowment)
- Director of the Association pour le commerce et les services en ligne (Association)

Other offices held in the past five years and no longer held to date:

- Permanent Representative of Crédit Mutuel Arkéa on the Board of Kepler Financial Partners (SAS)
- Member of the Supervisory Board of JIVAI (SAS)

(1) The renewal of Ms. Anne-Laure Naveos' term of office as a member of the Supervisory Board is proposed to the General Meeting called to approve the financial statements for financial year 2019 (see Section 9.4 (Draft resolutions) of this Universal Registration Document).

FANNY PICARD

Independent member
Chair of the Appointment and Remuneration Committee

Nationality: French
Year of birth: 1968
Date of first appointment: 28 February 2017
Term of office expires: 2022 (General Meeting convened to approve the accounts for FY 2021)
Business address: 4 ter, rue du Bouloi,
75001 Paris
Current office: Chairman of Alter Equity SAS, asset management company of the FPCI Alter Equity 3P and Alter Equity 3P II

Expertise and past experience in management:

Ms Fanny Picard is a graduate of ESSEC and SFAF with a master's degree in law and a former student at Collège des Hautes Études de l'Environnement et du Développement Durable. She began her career in the Mergers and Acquisitions Department of merchant bank Rothschild & Cie. Prior to founding and chairing Alter Equity, an investment fund, Ms Fanny Picard's roles included Director of Financial Operations, Managing Director and member of the Wendel Executive Committee, and Director of Development for Western Europe and North America at Danone Group.

Offices and positions held as at 31 December 2019:

- Chair of Alter Equity SAS, asset management company of the FPCI Alter Equity 3P and Alter Equity 3P II
- Member of the Board of Directors of GL Events (SA – listed company)
- Member of the MEDEF Governance Committee
- Member of the Committee of Experts of the Institut du Capitalisme Responsable
- Member of the Steering Committee of the fund BNP Paribas Social Business Impact France
- Member of the Steering Committee of the Siel Bleu foundation
- Vice-Chairman of the Steering Committee of the Mozaïk RH foundation

Other offices held in the past five years and no longer held to date:

- Director of Salvepar (SA – listed company)
- Member of the Strategic Committee of Bo. Ho Green (SAS)
- Member of the Strategic Committee of Eficia (SAS – formerly ECO GTB)
- Member of the Strategic Committee of Remade (SAS)

3.

CONSTANCE DE PONCINS

Independent member
Member of the Audit and Risk Committee

Nationality: French
Year of birth: 1969
Date of first appointment: 28 February 2017
Term of office expires: 2022 (General Meeting convened to approve the accounts for FY 2021)
Business address: 52, rue de la Victoire,
75009 Paris
Current office: Executive Manager of AGIPI, savers' association related to savings, pensions, provident and health insurance

Expertise and past experience in management:

Ms Constance de Poncins is a graduate of the Institute of French Actuaries (IAF) and holds a post-graduate degree in Econometrics from the Université de Paris 2 Panthéon-Assas and an Executive MBA from the Management Institute of Paris (MIP-EDHEC). She began her career in 1992, in the Axa France technical directorate of individual life assurance, before becoming Director of the Private Client Management Distributors and Partners Department, then Director of liabilities and cross-divisional projects. In 2009, she joined Neuflize Vie as Technical and Investment Director and Director of Asset/Liability Commitments. Since 2015 she has been Executive Officer of the savers' association AGIPI.

Offices and positions held as at 31 December 2019:

- Executive Officer of the savers' association AGIPI
- Chair of the SICAVs:
  - AGIPI Obligations Monde
  - AGIPI Grandes Tendances
  - AGIPI Actions Emergents
  - AGIPI Monde Durable
  - AGIPI Convictions
  - AGIPI Region
- Permanent representative of AGIPI on the Board of the SICAV AGIPI Immobilier
- Permanent representative of AGIPI Retraite on the Board of the SICAVs:
  - AGIPI Actions Monde
  - AGIPI Actions Europe
  - AGIPI Obligation Inflation
  - AGIPI Ambitions
  - AGIPI Revenus
- Director of GIE AGIPI
- Permanent representative of AGIPI Retraite within FAIDER (Fédération des Associations Indépendantes de Défense des Épargnants pour la Retraite)
- Treasurer and General Secretary of APEPTV (an organisation dedicated to the protection of the environment and heritage of the French municipalities of Villedieu les Bailleuls and Tournai sur Dives)

Other offices held in the past five years and no longer held to date:

- Director of Salvepar (SA – listed company)

TROISMER

Independent member represented by Mr Léon Seynave

Date of first appointment: 5 January 2017

Term of office expires: 2020 (General Meeting convened to approve the accounts for FY 2019) (1)

Business address: Bosweg 1 B-1860 Meise, Belgium

Registration: 0890.432.977 (BCE)

Offices and positions held by Troismer as at 31 December 2019:

- Director of Lasmer (NV – Belgian company)
- Director of De Groodt (NV – Belgian company)
- Director of Codevim (NV – Belgian company)
- Manager of Five Trees (BVBA – Belgian company)
- Director of FGM (NV – Belgian company)

Other offices held in the past five years and no longer held to date:

None

LÉON SEYNAVE

Permanent representative of Troismer (independent member)

Member of the Appointment and Remuneration Committee

Nationality: Belgian

Year of birth: 1944

Date of first appointment: 21 December 2016

Business address: Bosweg 1 B-1860 Meise, Belgium

Current office: Managing Director of an investment group

Expertise and past experience in management:

Mr Léon Seynave is a graduate of Louvain University and holds an MBA from Wharton School of Commerce and Finance at Pennsylvania University. He cofounded Mitiska, a company previously listed on the Brussels stock exchange. He is also a Director of several companies including De Persgroep, Vente-Exclusive.com, t-groep, and Stanhope Capital London. Previously, he worked as an investment banker at White, Weld & Co. in New York and in the London and Tokyo offices of Crédit Suisse First Boston.

Offices and positions held as at 31 December 2019:

- Chairman of T-Groep (NV – Belgian company)
- Permanent representative of Lasmer NV, Chairman of the Board of Directors of Stanhope Capital (LLP – British company)
- Permanent representative of Lasmer NV on the Board of Directors of Agilitas Group (NV – Belgian company)
- Director of Veepee
- Permanent representative of Lasmer NV on the Board of Directors of Vente-Exclusive (NV – Belgian company)
- Director of Lasmer (NV – Belgian company)
- Manager of Troismer (BVBA – Belgian company)
- Director of Établissement Raymond De Groodt (NV – Belgian company)

Other offices held in the past five years and no longer held to date:

- Permanent representative of Lasmer NV on the Board of Directors of De Persgroep (NV – Belgian company)
- Permanent Representative of Établissement Raymond De Groodt, Director of Fakarava Capital (SAS)

(1) *The renewal of the term of office as member of the Supervisory Board of Troismer will be submitted to the General Shareholders' Meeting called to approve the financial statements for financial year 2019 (see Section 9.4 (Draft resolutions) of this Universal Registration Document).*

3.1.3 Practices of the Supervisory Board

The practices of the Supervisory Board of the Company are governed by the law and regulations, the Company's Articles of Association (the most recent version of which is available on the Company's website (www.tikehaucapital.com)) and the Supervisory Board's Internal Rules (the most recent version of which is available on the Company's website (www.tikehaucapital.com)).

The duties and practices of the Supervisory Board are detailed in Section 3.4 (Preparation and organisation of the work carried out by the Supervisory Board) of this Universal Registration Document.

3.2 GENERAL SHAREHOLDERS' MEETINGS

3.2.1 Practices of the Shareholders' Meetings

The main provisions described below are taken from the Company's Articles of Association as in force at the date of this Universal Registration Document.

Participation in the General Shareholders' Meetings (Article 11.1 of the Articles of Association)

General Shareholders' Meetings shall be convened by the Manager or the Supervisory Board under the conditions set out by law.

General Shareholders' Meetings shall be held either at the registered office or at any other location specified in the convening notice.

Any shareholder, regardless of the number of shares he owns, may participate in General Shareholders' Meetings under the conditions set out by law and by the Articles of Association with proof of his identity and of the registration of the shares in his name or in the name of the intermediary registered on his behalf two business days before the General Shareholders' Meeting at 0.00am, Paris time:

- for holders of nominal shares on the nominal securities accounts kept on the Company's books;
- for holders of bearer shares on bearer security accounts kept by the authorised intermediary, which shall provide, electronically, if appropriate, a certificate of participation as proof of their registration.

If the shareholder is unable to attend the General Shareholders' Meeting in person or by proxy, he may choose one of the two following options:

- voting by correspondence;
- sending a proxy notice to the Company without indicating a proxy, under applicable laws and regulations.

When the shareholder has requested an admission card or certificate of participation or, if applicable, cast his vote by correspondence or sent a proxy, he may no longer choose another mode of participation in the General Shareholders' Meeting. However, he may sell all or some of his shares at any time.

If the transfer of ownership occurs more than two business days before the General Shareholders' Meeting at 0.00am, Paris time, the Company consequently nullifies or modifies the vote by correspondence, the proxy, the admission card or the certificate of participation, as applicable. To this end, the authorised intermediary and account-holder notifies the Company or its representative of the transfer of ownership and provides all necessary information.

Any transfer of ownership occurring two business days or less before the General Shareholders' Meeting at 0.00am, Paris time, shall not be notified by the authorised intermediary nor taken into account by the Company.

Shareholders that are not domiciled in France may register their shares and be represented at General Shareholders' Meetings by any intermediary registered on their behalf with a general power of attorney to manage their shares, provided that the intermediary has declared itself as an intermediary holding securities on behalf of another party upon opening its account with the Company or the account-holding financial intermediary, pursuant to applicable laws and regulations.

Shareholders may, upon a decision of the Manager published in the meeting notice and convening notice, participate in Meetings *via* video conference or any other means of telecommunication or teletransmission, including internet, under the conditions set out by applicable laws and regulations. The Manager set the corresponding terms of participation and voting to ensure that the procedures and technologies employed allow for continuous, real-time transmission of the deliberations and the voting process in its entirety.

Shareholders using the electronic form provided on the website by the Meeting centraliser, within the required time limit, have the same status as shareholders in attendance or represented. The electronic form may be filled out and signed directly on the website by any procedure decided upon by the Manager that fulfils the conditions defined in the first sentence of the second paragraph of Article 1367 of the French Civil Code, which may involve a username and password.

The proxy and the vote cast electronically before the Meeting, as well as the confirmation of receipt given, shall be deemed irrevocable written undertakings enforceable on all parties, it being noted that if a transfer of ownership occurs more than two business days before the General Shareholders' Meeting at 0.00am, Paris time, the Company will consequently nullify or modify any proxy or vote cast before this date and time.

General Shareholders' Meetings are chaired by the Manager (or any of the Managers) or, with the approval of the Manager, by the Chairman of the Supervisory Board. Failing this, the Meeting shall elect its own Chairman.

Minutes are prepared of General Shareholders' Meetings and copies are certified and issued in accordance with the law.

Approval of decisions by the general partner or partners (Article 11.1 of the Articles of Association)

Except for the appointment and removal from office of members of the Supervisory Board, the appointment and removal from office of the Statutory Auditors, the distribution of annual dividends and the approval of agreements requiring authorisation, no decision shall be validly taken by the General Shareholders' Meeting unless it is approved by the general partner (or the general partners, if several) in principle before the General Shareholders' Meeting and, in any event, no later than the close of the said Meeting.

3.2.2 General Shareholders' Meetings of the Company in 2019

In 2019, a single General Shareholders' Meetings was held (22 May 2019). During this Meeting, all resolutions recommended by the Manager were approved.

The documents relating to the General Meeting of 22 May 2019, as well as the results of the vote on each resolution, are available on the Company's website (under the heading Shareholders/AGM: http://www.tikehaucapital.com/en/shareholders/agm).

3.

3.3 REMUNERATION, ALLOWANCES AND BENEFITS

As part of the preparatory work for the Company's listing, the General Meeting of 7 November 2016 decided to convert the Company into a *société en commandite par actions* (partnership limited by shares). At the time of this conversion, Tikehau Capital General Partner took over as Manager and sole general partner of the Company. In addition, the first members of the Supervisory Board were appointed at the General Meetings of the Shareholders of 7 November 2016, 21 December 2016 and 28 February 2017 respectively.

As such, the Manager received full payment for the first time in 2017, in respect of the financial year 2017, and the members of the Supervisory Board received attendance fees for the first time in 2018 for the year 2017.

The provisions on voting on the pay of corporate officers (say-on-pay) contemplated in Law No. 2016-1691 of 9 December 2016 on transparency, anti-corruption and modernisation of the economy (known as the "Sapin 2 Law") and Decree No. 2017-340 of 16 March 2017 implementing the Sapin 2 Law did not apply to partnerships limited by shares. In accordance with the recommendations of the AFEP-MEDEF Code, the compensation of the Chairman of the Supervisory Board was submitted to an *ex post* vote at the Company's Ordinary General Meeting of the Shareholders of 22 May 2019.

The provisions on voting on the pay of corporate officers (say-on-pay) resulting from the Sapin 2 Law in addition to the consultation of shareholders on the individual remuneration of executive corporate officers set out in the AFEP-MEDEF Code were superseded by the provisions of Order No. 2019-1234 of 27 November 2019 concerning the remuneration of corporate officers of listed companies (the "Order on remuneration").

The Order on remuneration provides that following the General Meetings approving the financial statements of the financial year 2019, the remuneration policy applicable to the Manager and the members of the Supervisory Board must be the subject of a draft resolution submitted to the agreement of the general partner and the approval of the Ordinary General Meeting approving the financial statements for the financial year 2019 and then every year, as well as upon each significant amendment of this policy within the framework of an *ex ante* vote.

The Order concerning remuneration also provides that a draft resolution will be submitted to the Ordinary General Meeting approving the financial statements for the financial year 2019, within the framework of an *ex post* vote, detailing the information contained in the corporate governance report and concerning the overall remuneration and benefits of all types paid in respect of the position held during the financial year 2019 or allocated in respect of the position held during the financial year 2019, to the Manager and the members of the Company's Supervisory Board in addition to two separate draft resolutions regarding the fixed, variable and exceptional components making up the overall remuneration and benefits of all kinds paid during the financial year 2019 or allocated in respect of the financial year 2019, firstly, to the Manager and, secondly, the Chairman of the Supervisory Board.

3.3.1 Remuneration of the Manager-General Partner

3.3.1.1 Remuneration policy for the Manager

In accordance with Article L.226-8-1 I of the French Commercial Code, the components of the remuneration policy applicable the Manager are established by the general partner after an advisory opinion from the Supervisory Board and taking into account the principles and conditions set by the Articles of Association of the Company.

The remuneration policy for the Manager as presented below was the subject of a favourable advisory opinion from the Supervisory Board during a meeting held on 18 March 2020 and adopted by Tikehau Capital General Partner, the sole general partner of the Company, by a decision of 19 March 2020.

In order to determine the remuneration policy for the Manager, the general partner has taken into account the principles and conditions set down in Article 8.3 of the Articles of Association of the Company.

Pursuant to that Article, so long as the Company is managed by a single Manager, this Manager shall be entitled to remuneration before taxes equal to 2% of the total consolidated shareholders' equity of the Company, calculated on the last day of the preceding financial year. The Articles of Association stipulate that this remuneration will be paid to the Manager each year when the financial statements of the preceding year are approved.

The Manager has the option, during the financial year, to receive an interim payment of the above-mentioned remuneration. This interim payment can only be made on the basis of accounts certified by the Company's statutory auditors at the end of an interim accounting period. This interim payment is deducted from the total remuneration paid to the Manager when the financial statements of the preceding year are approved.

In the event that one or more Managers are appointed by the general partner or partners, the general partner or partners will decide whether any one of the Managers, at the choice of the general partner or partners, will retain the remuneration described above, or if the Managers will split the remuneration described above, and under what terms. If a Manager is not paid the remuneration described above, its remuneration (amount and terms of payment) will be determined by decision of the general partners, unless this Manager receives no remuneration, subject to the approval of the annual General Meeting of the Shareholders of the Company.

Pursuant to the Articles of the Association of the Company, the Manager or Managers are also entitled, upon presenting receipts, to the reimbursement of expenses incurred when working for the Company.

Inasmuch as this remuneration is statutory, it does not fall within the scope of the regime of regulated agreements contemplated under Article L.226-10 of the French Commercial Code (which refers to Articles L.225-38 to L.225-43 of the same Code). It is further stipulated that the Manager is not entitled to carried interest received by the Group (See Section 1.3.1.2 (Tikehau Capital's business model) of this Registration Document).

So long as the Company is managed by a single Manager, this Manager shall not be entitled, beyond its fixed remuneration, to any annual variable remuneration, multi-annual remuneration or exceptional remuneration.

The Manager is not entitled to any stock options, free shares, performance shares or other long-term benefits (equity warrants, etc.). The Manager is not entitled to a welcome bonus or severance pay.

As the Manager is a legal entity, it is not covered by a supplementary pension scheme.

The fixed remuneration of the Manager, *i.e.* 2% of the total consolidated shareholders' equity of the Company, is intended to remunerate the services provided for the tasks the Manager performs, with the support of its sole shareholder, Tikehau Capital Advisors, for the Company and the Group. Tikehau Capital Advisors brings together the central functions on which the Manager relies when carrying out its tasks on behalf of the Company and the Group, namely Strategy, the Legal and Regulatory Department, the Communication and Public Affairs Department, Investor Relations, the Finance Department, the Human Capital Department, ESG Functions, the Information Systems Department, the Compliance Department, Internal Audit, M&A Advisory and Business Development. Remuneration of the Manager thus covers the remuneration costs of 58 people (as at 31 December 2019), the rents for the premises housing them, IT costs, and operating expenses. The fact that the remuneration of the Manager is fixed ensures the continuity of these central functions that are essential for the Company and the Group to perform smoothly. This is a remuneration principle that is clear, simple and transparent for the Company's shareholders. In this regard, the remuneration of the Manager meets the corporate interest of the Company and supports its continuity and the implementation of the Group's strategy.

Insofar as the Company does not have any employees, the remuneration of the Manager does not take into account any remuneration and employment conditions of Company employees.

In accordance with Article L.226-8-1, II of the French Commercial Code, the remuneration policy for the Manager shall be the subject of a draft resolution submitted to the agreement of the general partner and the approval of the Ordinary General Meeting approving the financial statements for the financial year 2019 and then every year, as well as upon each significant amendment of this policy.

The remuneration policy for the Manager will be published on Tikehau Capital website (www.tikehaucapital.com) on the day following this vote and will remain available, free of charge, for the general public for at least the period during which it applies.

3.3.1.2 Remuneration of the Manager

Pursuant to Article L.226-8-2, II of the French Commercial Code, the Ordinary General Meeting of the Shareholders and the general partner shall approve the fixed, variable and exceptional components forming the overall remuneration and the benefits of all kind paid during the financial year 2019 or allocated in respect of the financial year 2019 to Tikehau Capital General Partner, as Manager of the Company.

Remuneration components put to the vote	Amounts paid in 2019	Amounts allocated in 2019	Description
Fixed remuneration 2019	€45,501,460 (excluding tax)	€45,501,460 (excluding tax)	The fixed remuneration of the Manager, corresponding to 2% of the total consolidated shareholders' equity of the Company, determined on the last day of the financial year, is presented in Section 3.3.1.1 (Remuneration policy for the Manager).
Annual variable remuneration 2019	–	–	Not applicable – The principle of allocating annual variable remuneration to the Manager is not stipulated in the remuneration policy for the Manager.
Multi-annual variable remuneration		–	Not applicable – The principle of allocating multi-annual variable remuneration to the Manager is not stipulated in the remuneration policy for the Manager.
Exceptional remuneration	–	–	Not applicable – The principle of allocating exceptional variable remuneration to the Manager is not stipulated in the remuneration policy for the Manager.
Stock options, free shares, performance shares or other such allocations (equity warrants...)	–	–	Not applicable – The Manager is not entitled to any stock options, free shares, performance shares or other such long-term benefits and the allocation of this kind of benefit is not specified in the remuneration policy for the Manager.
Director's remuneration	–	–	Not applicable – The Manager is not a Director or a Supervisory Board member.
Benefits of all kinds	–	–	Not applicable – The remuneration policy for the Manager does not provide for the Manager being entitled to any benefit.
Welcome bonus and severance pay	–	–	Not applicable – The remuneration policy for the Manager and the Articles of Association of the Company do not provide for any contractual indemnity of this kind.
Supplementary pension scheme	–	–	Not applicable – The Manager is not entitled to benefit from a supplementary pension scheme.

Table No.1[(1)]: Summary table of remuneration, stock options and shares allocated to Tikehau Capital General Partner, Manager of the Company

	FY 2018	FY 2019
Remuneration allocated in respect of the financial year (specified in table 2)	€50,593,359 (excluding tax)	€45,501,460 (excluding tax)
Valuation of the options allocated during the financial year	–	–
Valuation of the performance shares allocated during the financial year	–	–
Valuation of the other long-term remuneration plans	–	–
TOTAL	**€50,593,359 (excluding tax)**	**€45,501,460 (excluding tax)**

(1) *Table taken from Appendix 4 of the AFEP-MEDEF Code.*

Table No. 2[1] - Summary table of the remuneration of Tikehau Capital General Partner, Manager of the Company

	FY 2018		FY 2019	
	Amounts allocated	**Amounts paid**	**Amounts allocated**	**Amounts paid**
Fixed remuneration	€50,593,359 (excluding tax)	€50,593,359 (excluding tax)	€45,501,460 (excluding tax)	€45,501,460 (excluding tax)
Annual variable remuneration	–	–	–	–
Exceptional remuneration	–	–	–	–
Director's remuneration	–	–	–	–
Benefits in kind	–	–	–	–
TOTAL	**€50,593,359 (excluding tax)**	**€50,593,359 (excluding tax)**	**€45,501,460 (excluding tax)**	**€45,501,460 (excluding tax)**

3.3.1.3 Preferred dividend (*préciput*) to the general partner

Under Article 14.1 of the Company's Articles of Association, Tikehau Capital General Partner, as sole general partner of the Company, is entitled, by way of preferred dividend (*préciput*) and should there be distributable income for a financial year, to an amount equal to 12.5% of the net result of the Company as reflected in the Company's statutory financial statements at the close of each financial year.

If there is more than one general partner, they shall share this amount between themselves as they see fit. In the event of a financial year whose duration is less than a calendar year, this preferred dividend (*préciput*) shall be calculated on a *pro rata* basis for the time elapsed.

Inasmuch as this preferred dividend (*préciput*) is statutory, it does not fall within the scope of the regime of regulated agreements contemplated under Article L.226-10 of the French Commercial Code (which refers to Articles L.225-38 to L.225-43 of the same Code). It is further stipulated that the general partner is not entitled to carried interest received by the Group (See Section 1.3.1.2 (Tikehau Capital's business model) of this Universal Registration Document).

In accordance with Article L.222-4 of the French Commercial Code (which refers to Article L.226-1 of the French Commercial Code), as the preferred dividend (*préciput*) is part of the benefits determined by the Company's Articles of Association, it is by nature a dividend and not remuneration and, consequently, the General Meeting of the Shareholders is not legally competent to formulate a binding vote on the general partner's preferred dividend (*préciput*).

3.3.1.4 Other information regarding the remuneration of Tikehau Capital General Partner and its corporate officers

The cash flows received by the Manager-General Partner of the Company, Tikehau Capital General Partner, and its shareholder, Tikehau Capital Advisors, are of three kinds: (1) the remuneration of the Manager-General Partner of Tikehau Capital General Partner as described in preceding paragraphs, (2) the dividends received by Tikehau Capital Advisors as a limited partner (*actionnaire commanditaire*) of the Company, and (3) the share of about 27% received by Tikehau Capital Advisors in carried interest on the closed-ended funds managed by the Group's asset management companies (with regard to carried interest, see Section 1.3.1.2 (Tikehau Capital's business model) of this Universal Registration Document).

With the exception of the remuneration mentioned above and, more generally, the incentive schemes for outperformance detailed in the preceding paragraph or in Section 1.3.1.2 (Tikehau Capital's business model) of this Universal Registration Document, there is no mechanism or agreement for the benefit of (i) Tikehau Capital General Partner, (ii) Tikehau Capital Advisors (the sole partner of Tikehau Capital General Partner), (iii) any of their shareholders or subsidiaries or (iv) a corporate officer of these companies (including AF&Co, MCH, Mr Antoine Flamarion or Mr Mathieu Chabran) in respect of which the Company or a Group entity would be obligated to pay them sums corresponding to components of remuneration (including in the context of service agreements), indemnities or benefits due or likely to be due as a result of the assumption of, and performance in, their position, its termination or a change in their positions or subsequently, in particular pension commitments and other lifetime benefits.

Information regarding stock option plans or free share plans can be found in Section 8.3.2.2 (Free shares and performance plans) of this Universal Registration Document. It should also be made clear that Messrs Antoine Flamarion and Mathieu Chabran (and *a fortiori* AF&Co and MCH) have not benefited from any grant of free shares.

(i) Historical information on the remuneration of Tikehau Capital General Partner

Tikehau Capital General Partner became Manager-General Partner of the Company at the time of the conversion of the Company into a *société en commandite par actions* (partnership limited by shares) decided by the General Meeting of the Shareholders held on 7 November 2016. Prior to its conversion into a *société en commandite par actions* (partnership limited by shares), the Company had the legal form of a simplified joint stock company, whose Chairman (Tikehau Capital Advisors) was entitled to a fixed annual remuneration equal to 2% of the NAV of the Company and a variable annual remuneration of 12.5% of the Company's net result for each financial year. Tikehau Capital General Partner did not participate in the governance of the Company prior to its conversion into a *société en commandite par actions* (partnership limited by shares).

Pursuant to the statutory provisions set out above, for the financial year 2019, Tikehau Capital General Partner is entitled to receive a remuneration of €45,501,460 (excluding tax) for its duties as Manager of the Company.

(1) *Table taken from Appendix 4 of the AFEP-MEDEF Code.*

In respect of the financial year 2019, Tikehau Capital General Partner is entitled to a preferred dividend of €15,853,521.80 representing 12.5% of the Company's net result in its capacity as sole general partner of the Company and in accordance with the statutory provisions described above.

The table below shows the amounts received or to be received by Tikehau Capital General Partner for the years 2019, 2018 and 2017 as Manager and the sole general partner of the Company.

(in millions of €)	Amounts in respect of FY 2019	Amounts in respect of FY 2018	Amounts in respect of FY 2017
Remuneration for the duties of Manager of the Company (1)	45.5	50.6	26.8
Preferred dividend as sole general partner (2)	15.9	–	34.0
Total	61.4	50.6	60.8

(1) *This amount does not include tax and is equal to 2% of the Company's consolidated shareholders' equity, calculated on the last day of the prior financial year.*

(2) *This amount is equal to 12.5% of the Company's net result (i.e. €126.8 million for 2019, €271.9 million for 2017, while the net result for 2018 amounted to a loss).*

(ii) Information on the remuneration of the executive corporate officers of Tikehau Capital General Partner

The executive corporate officers of Tikehau Capital General Partner (*i.e.* to date, AF&Co as Chairman and MCH as CEO) receive no remuneration from Tikehau Capital General Partner.

The proprietary interests of AF&Co and MCH are in Tikehau Capital Advisors, which ultimately receives the revenue streams from Tikehau Capital General Partner as Manager-General Partner (under the service agreement described in Section 3.5.1 (Description of new or ongoing material agreements) of this Universal Registration Document or as dividend distributions) and dividend flows as limited partner (*associé commanditaire*) of the Company.

Tikehau Capital Advisors is an independent full-function company that has its own shareholding, its own investors (who are not identical to those of the Company), its own employees and its own operations. Therefore, the revenue stream that can be received by AF&Co and MCH or Mr Antoine Flamarion and Mr Mathieu Chabran, who are *inter alia* owners of a portion of the share capital of Tikehau Capital Advisors, does not reflect a managerial incentive for executives within the meaning of the AFEP-MEDEF Code.

3.3.2 Remuneration of the Supervisory Board members

3.3.2.1 Remuneration policy for Supervisory Board members

Pursuant to Article L.226-8-1, I of the French Commercial Code, the components of the remuneration policy applying to the Chairman and the members of the Supervisory Board are fixed by the Supervisory Board.

(i) Chairman of the Supervisory Board

Until 1 January 2019, Mr Christian de Labriffe, Chairman of the Company's Supervisory Board, had only received remuneration in respect of his role as a member and Chairman of the Supervisory Board (formerly referred to as attendance fees).

The rules regarding the allocation of this remuneration are set out in the paragraph below regarding the components of the remuneration policy for Supervisory Board members.

At its meeting of 20 March 2019, the Supervisory Board decided to award Mr Christian de Labriffe a fixed non-salary remuneration of €460,000 for his duties as Chairman of the Supervisory Board, based on the recommendation given by the Appointment and Remuneration Committee at its meeting of 15 March 2019. This fixed annual remuneration became payable for the first time for the financial year 2019.

The granting of a fixed remuneration of €460,000 to the Chairman of the Supervisory Board appeared to be justified, given the increased scope of the role of the Supervisory Board and, with it, that of its Chairman. The amount of this fixed remuneration was determined using a benchmark which takes into account both the remuneration of the Chairmen of the Supervisory Boards of *sociétés en commandite par actions* (partnerships limited by shares) and *sociétés anonymes duales* (private limited companies with a dual body structure) and using companies that the Company deems to be comparable in terms of size, activity and organisational complexity.

With the completion of several major external growth operations at the end of 2018, the continued internationalisation of the Group and the strengthening of its Asset Management platform, the Group accelerated implementation of its strategic plan, which altered its structure, profile and organisation, centralising more than ever the Supervisory Board's oversight functions. The Chairman of the Supervisory Board plays a key role within this organisation, and Mr Christian de Labriffe now dedicates all of his available time to his role as Chairman of the Company's Supervisory Board with a view to giving full powers to the Board to ensure permanent supervision of the management of the Company and of the Group's activities.

In this respect, the components of the remuneration policy applying to the Chairman of the Supervisory Board are in the corporate interest of the Company, contribute to its continuity and the implementation of the Group's strategy.

The Chairman of the Supervisory Board does not receive, in addition to his fixed remuneration of €460,000 and the remuneration which he is paid in respect of his role as Chairman of the Supervisory Board (formerly referred to as *jetons de presence*) any annual variable remuneration, multi-annual remuneration or exceptional remuneration. He receives no stock options, free shares, performance shares or other long-term benefits (equity warrants, etc.). He receives no welcome bonus, severance pay or supplementary pension scheme.

(ii) Members of the Supervisory Board

The Supervisory Board, pursuant to Article L.226-8-1 I of the French Commercial Code, in its meeting of 18 March 2020 agreed on the components of the remuneration of the Supervisory Board members for their activity (formerly referred to as *jetons de présence*).

According to Article 10.1 of the Company's Articles of Association, members of the Supervisory Board may receive attendance fees the total amount of which is subject to the approval of the General Meeting of the Shareholders and whose distribution is decided by the Supervisory Board on the recommendation of the Appointment and Remuneration Committee.

The amount of this annual remuneration takes into account the growth of the Group, the development of its business as well as the practices of comparable companies in terms of the remuneration of board members.

The annual General Meeting of the Shareholders of the Company held on 25 May 2018 allocated a total of €400,000 to the members of the Supervisory Board in attendance fees for each financial year.

Based on the recommendations of the Appointment and Remuneration Committee, the Supervisory Board, at its meeting of 18 March 2020, recommended proposing to the General Meeting of the Shareholders of the Company's Shareholders, which will meet on 19 May 2020, that the amount of attendance fees be increased from €400,000 to €450,000. This is in order to increase the variable part of the remuneration for participating effectively in the meetings of the Supervisory Board and/or Committees while maintaining the necessary leeway in the event of additional meetings of the Board or one of the Committees (8th resolution – see Section 9.4 (Draft resolutions) of this Universal Registration Document).

The distribution of attendance fees allocated to the Supervisory Board members takes into account, in particular, the effective participation of each member in the meetings as well as the duties performed on the Board and its Committees, and is the subject of prior discussion by the Appointment and Remuneration Committee. The share of each member of the Supervisory Board is calculated in proportion to the duration of his or her term of office during the financial year. Attendance fees are paid in the year N+1 in respect of year N.

The variable portion of the remuneration linked to effective participation in meetings of the Supervisory Board and/or Committees is intended to exceed the fixed portion of this remuneration in order to reward the regular attendance of the members of the Board and Committees.

Rules for allocating the annual amount of remuneration of the members of the Board in force during the financial years 2018 and 2019

During the meetings of 29 March and 6 December 2018, the Supervisory Board decided on the recommendation of the Appointment and Remuneration Committee to set the rules for allocating the annual amount of remuneration of the members of the Board as follows:

- a fixed portion of €7,000 per member and €25,000 for the Chairman; and
- a variable portion of €2,750 for each meeting of the Supervisory Board attended by the member or the Chairman.

The members of any Committee set up within the Board also receive remuneration allocated to them in accordance with the following rules:

- a fixed portion of €2,000 per member and €8,000 for the Chairman of each Committee; and
- a variable portion of €2,250 for each meeting of a Committee attended by the member or the Chairman of the Committee.

This allocation rule applied to the members of the a*d hoc* Committee set up within the Supervisory Board for the acquisition of Sofidy.

At its meeting of 6 December 2018, the Board decided, on the recommendation of the Appointment and Remuneration Committee, to award part of the annual remuneration allocated to it by the General Meeting to the non-voting member (*censeur*), who will receive:

- a fixed portion of €4,700; and
- a variable portion of €1,800 per Board meeting attended by the non-voting member.

Rules for allocating the annual amount of remuneration of the members of the Board in force with effect from financial year 2020

At its meeting of 18 March 2020, the Supervisory Board decided, on the recommendation of the Appointment and Remuneration Committee, to amend the rules for allocating this amount as set out below.

The fixed part of the remuneration of the Supervisory Board members, members of all Board Committees and of the non-voting member (*censeur*) will remain unchanged.

However, in order to take into account the increase in the Company's market capitalisation and its assets under management and align the remuneration of the Board members with that of the members of Supervisory Boards of comparable companies, the variable part of this remuneration was to be increased as of 1 January 2020:

- from €2,750 to €3,500 in respect of each meeting of the Supervisory Board in which a member or the Chairman participates, with a cap of €210,000 per annum applying to all Board members;
- from €2,250 to €3,000 in respect of each meeting of a Committee in which a member or the Chairman of the Committee participates, with a cap of €54,000 per annum applying to all Committee members.

The variable part of the remuneration of the non-voting member (*censeur*) is increased in the same proportion as the Supervisory Board members and increases from €1,800 to €2,300 for each Board meeting in which the non-voting member participates with a cap of €13,800 per annum.

Supervisory Board members may also receive remuneration in the event of a Board seminar.

Insofar as the Company does not have any employees, the remuneration of the Chairman and Supervisory members does not take into account any remuneration and employment conditions of Company employees.

In accordance with Article L.226-8-1, II of the French Commercial Code, the remuneration policy for the Chairman and and Supervisory Board members shall be the subject of a draft resolution submitted to the agreement of the general partner and the approval of the Ordinary General Meeting called to approve the financial statements for the year 2019 and then every year, as well as upon each significant amendment of this policy.

The remuneration policy for the Chairman and Supervisory Board members will be published on Tikehau Capital's website (www.tikehaucapital.com), the day following this vote and will remain available, free of charge, for the general public for at least the period during which it applies.

3.3.2.2 Remuneration of the Chairman of the Supervisory Board

In accordance with the recommendations of the AFEP-MEDEF Code (to which the Company refers) the Annual General Meeting of 22 May 2019 was asked to give an opinion on the remuneration components due or allocated in respect of the year 2018 to Mr Christian de Labriffe, as Chairman of the Supervisory Board. 89.973% of the votes cast were in favour.

Pursuant to Article L.226-8-2, II of the French Commercial Code, the Annual General Meeting and the general partner shall approve the fixed, variable and exceptional components making up the entire remuneration and benefits of all kinds paid during the year 2019 and allocated in respect of the year 2019 to Mr Christian de Labriffe, as Chairman of the Supervisory Board (see Section 9.4 (Draft resolutions) of this Universal Registration Document).

Total remuneration and benefits of any kind paid in compensation for duties during the financial year 2019 or awarded in compensation for duties for the financial year 2019

The details presented below form part of those put to the vote during the Annual General Meeting approving the financial statements of the year 2019 pursuant to Article L.226-8-2, II of the French Commercial Code.

Remuneration components put to the vote	Amounts paid in 2019	Amounts awarded in 2019	Description
Fixed remuneration 2019	€230,000	€460,000	The reasons for the Supervisory Board granting Mr Christian de Labriffe a fixed non-salary remuneration of €460,000 for his duties as Chairman of the Supervisory Board are presented in Section 3.3.2.1 (Remuneration policy for Supervisory Board members) in the paragraph relating to the Chairman of the Supervisory Board. €230,000 out of the €460,000 were paid during the year 2019.
Annual variable remuneration 2019	–	–	Not applicable – the principle of allocating annual variable remuneration to Mr Christian de Labriffe is not stipulated for in the remuneration policy for Supervisory Board members.
Multi-annual variable remuneration	–	–	Not applicable – the principle of allocating multi-annual variable remuneration to Mr Christian de Labriffe is not stipulated for in the remuneration policy of Supervisory Board members.
Exceptional remuneration	–	–	In accordance with the remuneration policy for Supervisory Board members, no exceptional remuneration was paid to Mr Christian de Labriffe for his duties as Chairman of the Supervisory Board since he took office on 22 March 2017.
Stock options, free shares, performance shares or other such allocations.	–	–	Not applicable – In accordance with the remuneration policy for Supervisory Board members, Mr Christian de Labriffe is not entitled to any stock options, free shares, performance shares or other such long-term benefits.
Remuneration of Supervisory Board Members	€41,500	€38,750	This remuneration of Supervisory Board members is comprised of a fixed part and a variable part dependent on the number of meetings and attendance rate. The rules for allocating the annual amount of the remuneration for Supervisory Board members are presented in Section 3.3.2.1 (Remuneration policy for Supervisory Board members).
Benefits of all kinds	–	–	Not applicable – In accordance with the remuneration policy of Supervisory Board members, Mr Christian de Labriffe is not entitled to any benefit in kind.
Welcome bonus and severance pay	–	–	Not applicable – In accordance with the remuneration policy of Supervisory Board members, Mr Christian de Labriffe is not entitled to any indemnity of this type.
Supplementary pension scheme	–	–	Not applicable – Mr Christian de Labriffe is not covered by any supplementary pension scheme.

(1) As Chairman of the Company's Supervisory Board, Mr Christian de Labriffe received attendance fees in respect of the 2017 and 2018 financial years as his sole remuneration. In addition, a remuneration was paid by the Company to Parc Monceau, a company controlled by Mr Christian de Labriffe, under a service agreement entered into with the Company on 29 March 2017 and which does not contemplate services related to the duties of Mr Christian de Labriffe as Chairman of the Supervisory Board of the Company. With respect to the developments the Group has undergone and the Company's portfolio, and insofar as this service agreement could be considered a source of conflict of interest, the Company found it best to terminate it with effect from 31 December 2018. For the financial year 2018, Parc Monceau was paid a fixed remuneration of €466,000 (excl. tax) for this agreement, of which €139,800 were disbursed in January 2019.

3.3.2.3 Remuneration for the activity as member of the Supervisory Board and other remuneration received by the Board members

According to Article 10.1 of the Company's Articles of Association, members of the Supervisory Board may receive attendance fees the total amount of which is subject to the approval of the General Meeting of the Shareholders and the distribution of which is decided by the Supervisory Board on the recommendation of the Appointment and Remuneration Committee.

The procedure for allocating the annual amount of the remuneration of the members of the Supervisory Board during the financial years 2018 and 2019 are presented in Section 3.3.2.1 (Remuneration policy for Supervisory Board members) of this Universal Registration Document.

Table No.3 [1]— Remuneration for the activity as member of the Supervisory Board and other remuneration received by the non-executive corporate officers of the Company

		Amounts in euros paid in 2018 [1]	Amounts in euros allocated in respect of 2018	Amounts in euros paid in 2019 [1]	Amounts in euros allocated in respect of 2019	Relative proportion of fixed and variable remune-ration [2]
Chairman of the Supervisory Board						
Christian de Labriffe	Remuneration for the duties	€36,000	€41,500	€271,500 [3]	€498,750 [4]	2.8%
	Other remuneration	– [5]	–	– [5]	–	
Members of the Supervisory Board						
Roger Caniard	Remuneration for the duties	€24,500	€24,000	€24,000	€24,000	166.7%
	Other remuneration	–	–	–	–	
Jean Charest	Remuneration for the duties	€27,250 [7]	€29,500	€29,500 [7]	€31,750	252.8%
	Other remuneration	– [6]	–	–	–	
Jean-Louis Charon	Remuneration for the duties	€35,500	€35,500	€35,500	€35,500	136.7%
	Other remuneration	–	–	–	–	
Jean-Pierre Denis [8]	Remuneration for the duties	€15,250	€18,314	€18,314	€13,700	191.5%
	Other remuneration	–	–	–	–	
Remmert Laan [9]	Remuneration for the duties	–	€3,249	€3,249	€15,250	117.9%
	Other remuneration	– [10]	–	–	–	
Florence Lustman (permanent representative of the Fonds Stratégique de Participations)	Remuneration for the duties	€12,500	€23,500	€23,500	€20,750	196.4%
	Other remuneration	€2,500 [11]	€26,250	€26,250	€24,500	
Anne-Laure Naveos	Remuneration for the duties	€18,000	€23,500	€23,500	€20,750	196.4%
	Other remuneration	–	–	–	–	
Fanny Picard	Remuneration for the duties	€30,500	€44,250	€44,250	€37,750	151.7%
	Other remuneration	–	–	–	–	
Constance de Poncins	Remuneration for the duties	€26,750	€41,000	€41,000	€29,500	227.8%
	Other remuneration	–	–	–	–	
Léon Seynave (permanent representative of Troismer)	Remuneration for the duties	€27,250 [7]	€32,250	€32,250 [7]	€31,750	252.8%
	Other remuneration	–	–	–	–	

(1) Table taken from Appendix 4 of the AFEP-MEDEF Code.

		Amounts in euros paid in 2018 (1)	Amounts in euros allocated in respect of 2018	Amounts in euros paid in 2019 (1)	Amounts in euros allocated in respect of 2019	Relative proportion of fixed and variable remuneration (2)
Natacha Valla (12)	Remuneration for the duties	€18,000	€5,186	€5,186	–	
	Other remuneration	–	–	–	–	

(1) For the remuneration of Supervisory Board members, the amounts paid in year N correspond to the remuneration allocated to Supervisory Board members for the financial year N-1.

(2) This column is not included in the table template included in appendix 4 of the AFEP-MEDEF Code and has been added to show the information required in application of Article L.225-37-3 I 2° of the French Commercial Code. The percentage of the fixed remuneration represented by the variable remuneration is calculated on the basis of the remuneration allocated in respect of the year 2019.

(3) This sum corresponds to part of the annual fixed non-salary remuneration of €460,000 in respect of his duties as Chairman of the Supervisory Board for the year 2019 and the sum paid corresponding to his activity as Chairman of the Supervisory Board (formerly referred to as jetons de présence) in respect of the year 2019.

(4) This sum corresponds to the annual fixed non-salary remuneration of €460,000 in respect of his duties as Chairman of the Supervisory Board allocated to him by the Supervisory Board for the year 2018 and paid in the year 2019 and the amount of his attendance fees in respect of the year 2019.

(5) A service agreement was entered into on 29 March 2017 between the Company and Parc Monceau, a company controlled by Mr Christian de Labriffe. With respect to the developments the Group has undergone and the Company's portfolio, and insofar as this service agreement could be considered a source of conflicts of interest, the Company found it best to terminate it, with effect from 31 December 2018. For the year 2018, Parc Monceau was paid a fixed remuneration of €466,000 (excl. tax) for this agreement, of which €139,800 were disbursed in January 2019.

(6) Remuneration was paid by the Company to Mr Jean Charest under a service agreement signed on 27 March 2017 and ended on 30 June 2017. An agreement with exactly similar terms was signed on 1 July 2017 with Chardi Inc., a company 50% owned by Mr Jean Charest and of which he is Chairman. Under this agreement which was cancelled with effect from 31 December 2018, the Company paid remuneration to Chardi Inc. in 2017 and 2018.

(7) A withholding tax was deducted from this amount.

(8) Mr Jean-Pierre Denis resigned as member of the Supervisory Board on 25 May 2018. On the same date, he was appointed non-voting member for a term of four years, expiring at the close of the General Meeting to be held in 2022 to approve the financial statements for the financial year 2021. Attendance fees paid in 2019 in respect of his duties as a Supervisory Board member up to 25 May 2018 and then in respect of his duties as non-voting member from that date onwards.

(9) Mr Remmert Laan was co-opted by the Supervisory Board at its meeting of 6 December 2018 as a replacement for Mr Jean-Pierre Denis.

(10) Tikehau IM paid remuneration of €100,000 (excl. tax) in respect of 2017 and, in respect of 2018, €50,000 (excl. tax) in 2018 to Laan & Co Belgium B.V.B.A. (Belgian company) that was controlled by Mr Remmert Laan and of which he was a manager, in respect of a service agreement signed with Tikehau IM on 9 February 2015 relating to the provision of advice and assistance in the drafting and implementation of Tikehau IM's development strategy in Benelux. This service agreement ended on 1 July 2018.

(11) This amount corresponds to the attendance fees paid to Fonds Stratégique de Participations (of which Ms Florence Lustman is the permanent representative) as member of the Board of Directors of Tikehau Capital Advisors.

(12) Ms Natacha Valla resigned from her office as member of the Supervisory Board on 7 May 2018.

3.3.3 Summary report on remuneration

This section sets out the information mentioned in Article L.225-37-3 I of the French Commercial Code (by reference to Article L.226-8-2 I of the French Commercial Code), This is also the information that the Ordinary General Meeting called to approve the financial statements for the 2019 financial year will be asked to approve and that the sole general partner has agreed to in a decision dated 19 March 2020.

Total remuneration and benefits of any kind paid in compensation for duties during the financial year 2019 or awarded in compensation for duties for the financial year 2019

Pursuant to Article L.225-37-3 I 1° of the French Commercial Code, the fixed, variable, and exceptional components, including in the form of capital securities, debt instruments, or securities giving access to equity or debt instruments, paid in compensation for duties during the financial year 2019 or awarded in compensation for duties for the financial year 2019 to the Company's corporate officers, are presented:

- for the Manager, in Section 3.3.1 (Remuneration of the Manager-General Partner) of this Universal Registration Document;
- for the Chairman of the Supervisory Board, in Section 3.3.2.2 (Remuneration of the Chairman of the Supervisory Board) of this Universal Registration Document; and
- for the members of the Supervisory Board, in Section 3.3.2.3 (Remuneration for the activity as members of the Supervisory Board and other remuneration received by Board members).

Relative proportion of fixed and variable remuneration

The Manager only receives fixed compensation for holding its office (see Section 3.3.1 (Remuneration of the Manager-General Partner) of this Universal Registration Document).

The variable remuneration awarded for the financial year 2019 to the Chairman of the Supervisory Board represents 2.8% of the fixed remuneration awarded for the financial year 2019 (for more details, see Section 3.3.2.2 (Remuneration of the Chairman of the Supervisory Board) of this Universal Registration Document).

The relative proportion of the fixed and variable remuneration awarded for the financial year 2019 to each member of the Supervisory Board is provided in the table on remuneration paid to non-executive corporate officers in Section 3.3.2.3 (Remuneration for the activity as members of the Supervisory Board and other remuneration received by Board members) of this Universal Registration Document.

Use of the option to request the return of variable remuneration

The option of requesting the return of variable remuneration has never been used. As a reminder, the Manager is paid no variable remuneration and the variable portion of the remuneration paid to the Chairman and Members of the Supervisory Board is based on their actual attendance at meetings of the Board and/or Committees.

Commitments made upon assuming, changing, or terminating duties

The Company has made no commitment in terms of items of remuneration, allowances, or benefits owed or that may be owed for the assumption, termination, or change of duties, or subsequent to the performance of these duties, specifically, the pension commitments and other lifetime benefits of any of its corporate officers.

Remuneration paid or awarded by a company included in the scope of consolidation

Neither the Manager, nor the Chairman of the Supervisory Board, nor the other Members of the Supervisory Board were paid during the financial year 2019 or awarded for the financial year 2019 any remuneration by a company included in the Company's scope of consolidation (except for the Company itself).

With regards to the Chairman of the Supervisory Board, please note that remuneration was paid by the Company for financial years 2017 and 2018 to Parc Monceau, a company controlled by Christian de Labriffe, under a service agreement entered into with the Company on 29 March 2017. The agreement did not provide for services related to the duties of Mr de Labriffe as Chairman of the Supervisory Board of the Company. With respect to the developments the Group has undergone and the Company's portfolio, and insofar as this service agreement could be considered a source of conflicts of interest, the Company found it best to terminate it, with effect from 31 December 2018. For the financial year 2018, Parc Monceau was paid a remuneration of €466,000 (excl. tax) for this agreement, of which €139,800 were disbursed in January 2019.

Remuneration multiples

Article L.225-37-3 I 6° of the French Commercial Code, implementing the Order on Remuneration, stipulates that the report on corporate governance should present the ratio of the remuneration of each executive corporate officer of the Company (*i.e.* the Chairman of the Supervisory Board and the Manager) to, firstly, the average remuneration (on a full-time basis) of the Company's employees other than corporate officers and, secondly, to the median remuneration (on a full-time basis) of the Company's employees other than corporate officers. These ratios are commonly referred to as "remuneration multiples".

The Company followed the AFEP guidelines on remuneration multiples (the "AFEP Guidelines") to define the procedures for calculating these ratios.

The remuneration of each of the Company's executive corporate officers (*i.e.* the Chairman of the Supervisory Board and the Manager) included in the numerator of remuneration multiples, is the remuneration paid or awarded during the financial year 2019. This was used in the interest of consistency with the method used to calculate employees' average and median remuneration.

As the Company has no employees, it was decided to use, in keeping with the AFEP Guidelines, the employees of its two main French subsidiaries, *i.e.* Tikehau IM and Sofidy who represent more than 80% of the workforce in France for the companies included in the Company's scope of consolidation. The Company acquired Sofidy in December 2018, and thus the employees of that company and its subsidiaries are taken into account only for the financial years 2018 and 2019.

Employees whose remuneration was taken into account for calculating the ratios are those who were continually employed during the financial years 2019 and 2018.

The remuneration of employees forming the denominator of the remuneration multiples is the remuneration paid in 2019, which includes the variable remuneration and the profit-sharing awarded for 2018.

The remuneration multiples for remuneration paid or awarded during the financial year 2019 are shown in the table below:

	Multiple calculated using the average remuneration of employees other than corporate officers (1)	Multiple calculated using the median remuneration of employees other than corporate officers (1)
Manager	469.3	629.7
Chairman of the Supervisory Board	5.2	6.9

(1) These employees are those of the Company's main French subsidiaries in 2019, i.e. Tikehau IM and Sofidy. The average and median remuneration are calculated on a full-time employee basis and only take account of employees who were continually employed during the financial year 2019.

Remuneration multiples between the Manager's remuneration and the remuneration of employees of the Company's main French subsidiaries are not significant, insofar as the aim of the Manager's remuneration, *i.e.* 2% of the Company's total consolidated shareolders' equity, is to remunerate the services provided as part of the tasks performed by the Manager, with the support of its sole shareholder, Tikehau Capital Advisors, on behalf of the Company and the Group. Tikehau Capital Advisors brings together the central functions on which the Manager relies when carrying out its tasks on behalf of the Company and the Group, namely Strategy, the Legal and Regulatory Department, the Communication and Public Affairs Department, Investor Relations, the Finance Department, the Human Capital Department, ESG Functions, the Information Systems Department, the Compliance Department, Internal Audit, M&A Advisory and Business Development. Remuneration of the Manager thus covers the remuneration costs of 58 people (as at 31 December 2019), the rents for the premises housing them, IT costs, and operating expenses.

Annual change in remuneration, Company performance and average employee remuneration over five years

The table below shows the annual change in remuneration, Company performance, and average remuneration, on a full-time equivalent basis, of employees of the Company's main French subsidiaries during the past five financial years.

	2015	2016	2017	2018	2019
Executive officers' remuneration					
Manager (1)	–	**€1,112,782** (2)	**€22,647,068**	**€50,593,359**	**€45,501,460**
Supervisory Board (3)					
Christian de Labriffe, Chairman of the Supervisory Board (4)	–	–	–	€36,000	€501,500(4)
Members of the Supervisory Board					
Roger Caniard (5)	–	–	–	€24,500	€24,000
Jean Charest (6)	–	–	–	€27,250	€29,500
Jean-Louis Charon (7)	–	–	–	€35,500	€35,500
Jean-Pierre Denis (non-voting member) (8)	–	–	–	€15,250	€18,314
Florence Lustman (permanent representative of the Fonds Stratégique de Participations) (9)	–	–	–	€12,500	€23,500
Remmert Laan (10)	–	–	–	–	€3,249
Anne-Laure Naveos (11)	–	–	–	€18,000	€23,500
Fanny Picard (12)	–	–	–	€30,500	€44,250
Constance de Poncins (13)	–	–	–	€26,750	€41,000
Léon Seynave (permanent representative of Troismer) (14)	–	–	–	€27,250	€32,250
Company performance					
Net result	€4,190,559	-€56,601,842	€271,894,722	-€64,455,054	€126,828,174
Asset under management	€6.4 bn	€10.0 bn	€13.8 bn	€22.0 bn	€25.8 bn
Average remuneration of employees of the Company's French subsidiaries (14)	€130,148	€107,646	€111,187	€95,710	€96,958
Remuneration multiples (15)					
Manager					
Multiple based on average remuneration	–	68.6 (17)	203.7	528.6	469.3
Multiple based on median remuneration	–	90.1 (17)	284.9	696.8	629.7
Chairman of the Supervisory Board					
Multiple based on average remuneration	–	–	–	0.4	5.2
Multiple based on median remuneration	–	–	–	0.5	6.9

(1) These amounts are exclusive of tax.
(2) This remuneration was paid for the period from 7 November 2016 to 31 December 2016.
(3) The first members of the Supervisory Board were appointed at the General Shareholders' Meetings of the Company on 7 November 2016, 21 December 2016, and 28 February 2017, respectively. Members of the Supervisory Board were paid attendance fees for the first time in 2018 for the financial year 2017.
(4) Mr Christian de Labriffe has been Chairman of the Company's Supervisory Board since 22 March 2017. As a reminder, the remuneration paid to the Chairman of the Supervisory Board during the financial year 2019 stood at €271,500.
(5) Mr Roger Caniard has been a member of the Supervisory Board since 28 February 2017. He has been a member of the Audit and Risk Committee since 22 March 2017.
(6) Mr Jean Charest has been a member of the Supervisory Board since 21 December 2016. He has been a member of the Appointment and Remuneration Committee since 22 March 2017.
(7) Mr Jean-Louis Charon has been a member of the Supervisory Board since 7 November 2016. He has been Chairman of the Audit and Risk Committee since 22 March 2017.
(8) Mr Jean-Pierre Denis resigned as member of the Supervisory Board on 25 May 2018. On the same date, he was appointed non-voting member for a term of four years, expiring at the close of the General Meeting to be held in 2022 to approve the financial statements for the financial year 2021.
(9) The Fonds Stratégique de Participations (whose permanent representative is Ms Florence Lustman) has been a member of the Supervisory Board since 28 February 2017.
(10) Mr Remmert Laan was co-opted by the Supervisory Board at its meeting of 6 December 2018, as a replacement for Mr Jean-Pierre Denis.
(11) Ms Anne-Laure Naveos has been a member of the Supervisory Board since 7 November 2016.
(12) Ms Fanny Picard has been a member of the Supervisory Board since 28 February 2017. She has been Chair of the Appointment and Remuneration Committee since 22 March 2017.
(13) Ms Constance de Poncins has been a member of the Supervisory Board since 28 February 2017. She has been a member of the Audit and Risk Committee since 22 March 2017.
(14) Mr Léon Seynave was initially appointed at the General Meeting of 7 November 2016. He resigned with effect from 5 January 2017, and the company Troismer SPRL was co-opted in his place by the Supervisory Board at its Meeting of 5 January 2017. Mr Léon Seynave has been a member of the Appointment and Remuneration Committee since 22 March 2017.
(15) As the Company has no employees, the choice was made to use, in keeping with AFEP Guidelines, the employees of its two main French subsidiaries (representing more than 80% of the workforce in France of the companies included in the Company's scope of consolidation), i.e. Tikehau IM for the financial years 2015, 2016, 2017, 2018 and 2019, and Sofidy for financial years 2018 and 2019. The average remuneration is calculated on a full-time employee basis and only takes account of employees who were continually employed during the financial year under consideration.
(16) The remuneration of the Manager and the Chairman of the Company's Supervisory Board taken into account is that paid or awarded during the financial year.
(17) The Company was converted to a société en commandite par actions (partnership limited by shares) on 7 November 2016, and at the time of this conversion, Tikehau Capital General Partner took over as Manager. The remuneration of the Manager in 2016 covers the period from 7 November to 31 December 2016. Remuneration multiples were calculated on an annualised basis.

Compliance with the remuneration policy

The remuneration of the Manager paid during the financial year 2019 and awarded for the financial year 2019 is in accordance with the remuneration policy for the Manager. It is part of the Company's long-term performance insofar as it allows the Manager to pay the costs of the tasks it carries out on behalf of the Company and the Group, as detailed in the above paragraph.

The remuneration of the Chairman and members of the Supervisory Board complies with the remuneration policy that was in effect during the financial year for which it was awarded.

Taking account of the most recent Ordinary General Meeting as set out in Article L.226-8-2 I of the French Commercial Code

The General Meeting called to approve the financial statements of the financial year 2019 will vote for the first time on the information mentioned in this remuneration report.

Deviation from the remuneration policy

There is no deviation from the remuneration policy for the Manager or the Chairman and members of the Supervisory Board.

3.3.4 Stock option plans and free share plans

At the date of this Universal Registration Document, the Company has not set up any share subscription or share purchase option plans.

On 1 December 2017, the Company set up two free share plans for the benefit of employees of the Company and related companies or corporate groups to share with them the success of the Group since its creation and in particular to take into account its exceptional growth during the 2016 and 2017 financial years. The shares allocated under one of these plans, and half of the shares allocated under the other, were effectively acquired by the beneficiaries present in the Group's workforce on 1 December 2019.

On 16 March 2018, the Company also set up two Tikehau Capital free share plans replicating the terms of the Tikehau IM free share plans that had been put in place in June 2016 within Tikehau IM. The allocation of free Tikehau Capital shares under these two plans was made in exchange for the waiver of all rights to Tikehau IM shares previously granted under the June 2016 plans.

The shares allocated under both of these plans were effectively acquired by the beneficiaries present in the Group's workforce on 1 July 2019.

In line with the Group's remuneration policy, the Company awarded free shares to Group employees as part of their variable remuneration for 2017, 2018 and 2019, under eight free share plans for eligible employees and corporate officers of the Company or related companies or corporate groups, approved by the Manager on 30 March 2018 (for the two plans corresponding to the variable remuneration in respect of 2017), and on 19 February 2019 (for the three plans corresponding to the variable remuneration in respect of 2018), and on 10 March 2020 (for the three plans corresponding to the variable remuneration in respect of 2019).

Three plans corresponding to both variable remuneration for 2019 and a retention mechanism were also instituted on 10 March 2020.

No corporate officer of the Company is a beneficiary under these free share plans. It should also be made clear that Mr Antoine Flamarion and Mr Mathieu Chabran have not benefited from any allocation of free shares.

These free share plans are described in Section 8.3.2.2 (Free shares and performance plans).

The description of the financial delegations approved by the General Shareholders' Meeting of the Company of 25 May 2018 and those proposed to the General Shareholders' Meeting of the Company on 19 May 2020 (including in regard to allocation of free shares and stock subscription and or/purchase options) can be found in Section 8.3.3 (Summary of financial delegations) of this Universal Registration Document.

None of the Company's subsidiaries have implemented stock subscription or purchase option plans or free share plans.

3.3.5 Amounts set aside or accrued by the Company or its subsidiaries to provide pension, retirement or similar benefits

The Company has neither provisioned nor recorded any sum for the purpose of paying pensions, retirement or other benefits for its management or corporate officers or those of its subsidiaries.

3.4 PREPARATION AND ORGANISATION OF THE WORK OF THE SUPERVISORY BOARD

The preparation and organisation of the work carried out by the Supervisory Board fall within the framework defined by the laws and regulations applicable to partnerships limited by shares, the Articles of Association of the Company and the Internal Rules of the Supervisory Board.

The Internal Rules of the Company, as adopted by the Company's Supervisory Board on 18 March 2020, specify:

- the duties and powers of the Supervisory Board;
- the obligations of the members of the Board (the professional ethics on stock market transactions, acting on behalf of the Company, transparency, disclosure of conflicts of interest and duty of abstention, confidentiality, etc.) and the independence criteria for its members;
- the practices of the Board (frequency of meetings, invitations to attend, information to members, use of means of video conferencing and telecommunication) and of the Committees (Audit and Risk Committee, and Appointment and Remuneration Committee); and
- the rules for determining the remuneration of Board members.

This Section 3.4 contains substantial extracts from the Internal Rules of the Company's Supervisory Board. The Internal Rules of the Company's Supervisory Board are available on the Company's website (www.tikehaucapital.com, under the heading "Governance and team").

3.4.1 Supervisory Board

Composition of the Supervisory Board

The Company's Articles of Association lay down that the Supervisory Board should be made up of between three and 18 members. At the date of this Universal Registration Document, the Supervisory Board is composed of ten members and one non-voting member, who are presented in Section 3.1.2 (Presentation of the Supervisory Board) of this Universal Registration Document.

In connection with the proposed listing of the Company's shares on the regulated market of Euronext Paris in 2017, several agreements were concluded concerning the composition of the Supervisory Board:

- Tikehau Capital Advisors, Fakarava Capital, MACSF épargne retraite, Crédit Mutuel Arkéa and Neuflize Vie entered into a shareholders' agreement concerning the Company on 23 January 2017. The agreement provides that the parties shall consult with one another prior to any meeting of the Company's Supervisory Board or General Meeting of Shareholders of the Company for the purpose of agreeing on a common general policy for the Company. This agreement lays down that the parties shall ensure that a member of the Supervisory Board is appointed on the basis of a proposal from each party to the agreement holding at least 5% of the Company's share capital (See Section 8.1.2 (Control of the Group) of this Universal Registration Document);
- on 6 January 2017, the Company and its major shareholders concluded an agreement on an investment of €50 million in the Company by the Fonds Stratégique de Participations. This agreement was accompanied by a commitment to appoint a representative of the Fonds Stratégique de Participations on the Company's Supervisory Board. (See Section 8.1 (Information on control and major shareholders) of this Universal Registration Document).

Subject to this clarification, no arrangements or agreements have been entered into with the main shareholders, or with clients or suppliers, under which a member of the Supervisory Board has been appointed as member of the Company's Supervisory Board.

The Supervisory Board is renewed each year on a rolling basis, such that a portion of the Supervisory Board members is replaced annually. The renewal of the terms of office of Mr Jean-Louis Charon, Ms Anne-Laure Naveos, and the company Troismer is proposed to the General Shareholders' Meeting called to approve the financial statements for financial year 2019 (see Section 9.4 (Draft resolutions) of this Universal Registration Document).

Under the provisions of Article 10.1 of the Company's Articles of Association, each member of the Supervisory Board is appointed for four years, subject to legal provisions allowing the extension of this term of office, and each Supervisory Board member's duties cease at the end of the General Shareholders' Meeting called to decide upon the financial statements of the year ended, convened in the year during which that Supervisory Board member's term of office expires. By way of exception, the General Shareholders' Meeting may, in order to implement or maintain the above-mentioned rolling-basis renewal, appoint one or several members of the Supervisory Board for a different duration up to five years, in order to allow for a staggered renewal of the Supervisory Board members' terms. The duties of all Supervisory Board members appointed in this manner for a term of up to five years cease at the end of the General Shareholders' Meeting called to decide upon the financial statements of the year ended and convened in the year during which that Supervisory Board member's term of office expires. As described in Section 3.1.2 (Presentation of the Supervisory Board) of this Universal Registration Document, these statutory provisions were applied when the Company's Supervisory Board was constituted in order to ensure a staggered rotation of its members' terms of office.

The number of members of the Supervisory Board over the age of seventy-five may not exceed one third of the members in office; if this proportion is exceeded, the members who must leave the Supervisory Board in order to restore compliance with this proportion will be deemed to have resigned, starting with the oldest.

If there is a vacancy as a result of death, resignation or for any other reason, the Supervisory Board may temporarily co-opt one or more members as a replacement for the remaining term of office of the replaced member; any co-option shall be approved by the next Ordinary General Shareholders' Meeting; if it is not ratified by the Ordinary General Shareholders' Meeting, the decisions of the Supervisory Board taken during the term of office of the co-opted member shall remain valid nonetheless.

The list of members of the Company's Supervisory Board, including their duties, the offices they hold in other companies, their age, the committees on which they serve, and the dates of commencement and expiry of their terms of office, is set out in Section 3.1.2 (Presentation of the Supervisory Board) of this Universal Registration Document.

It should be noted that the Supervisory Board does not include any member representing employees and/or employee shareholders and that the Company is not bound by any obligation to make such an appointment (under the provisions of Article L.226-5-1 of the French Commercial Code).

Article 3 of the Supervisory Board's Internal Rules requires that members of the Supervisory Board directly or indirectly own at least 200 shares of the Company throughout their term on the Board. The number of shares of the Company held by each member of the Supervisory Board on the date of this Universal Registration Document is set out in Section 8.1.4 (Shares held by corporate officers).

Diversity policy applied to members of the Supervisory Board

At its meeting on 29 March 2018, the Supervisory Board, after consulting the Appointment and Remuneration Committee, adopted a diversity policy defining the Company's objectives with regard to the diversified composition of its Supervisory Board and how they are implemented. This diversity policy has been included as an appendix to the Supervisory Board's Internal Rules.

The Supervisory Board's diversity policy is available on the Company's website as an appendix to the Supervisory Board's Internal Rules (www.tikehaucapital.com, under the heading "Governance and team").

The Company is aware that diversity in the composition of the Supervisory Board is an essential factor in its effectiveness because it is likely to prevent "groupthink" and to foster the expression of independent points of view that contribute to effective supervision of the Group's management and good governance of the Company.

Objectives of the Board's diversity policy

The composition of the Supervisory Board must ensure a balance between the various skills, experience and expertise relevant to understanding the Group's business, its results and outlook as well as the economic and regulatory environment in which the Group operates.

It must also reflect the diversity of the Group's stakeholders (shareholders and partners) by bringing together diverse profiles, in terms of professional experience, including international experience, as well as culture, training and gender diversity.

Criteria taken into account for the assessment of diversity on the Board

Diversity within the Supervisory Board is mainly assessed in light of the following criteria:

- **qualification and professional experience**: the Board must bring together leading personalities from diverse backgrounds (banking and financial sector, national and international institutions, entrepreneurs, etc.) who are capable of taking into account the particularities of the Group's business with, for some, an international aspect as a result of their present or past professional experience, their training or their origin.

  Through the profile of its members (presented in Section 3.1.2 (Presentation of the Supervisory Board) of this Universal Registration Document), the current composition of the Board ensures a diversity of qualifications and professional experience (including international experience) that seems suited to the Group's needs and business. Indeed, the Board includes leading figures from the banking, insurance and mutual insurance, and investment sectors, and reflects the diversity of the Group's stakeholders through its member profile and the presence of representatives of some of its shareholders and partners. The Group's entrepreneurial aspect is reflected in the presence of entrepreneurs. Four nationalities (French, Belgian, Dutch, and Canadian) are represented on the Board, and its members participate in its international aspect by their training and their past or present professional experience:
- **gender balance**: the composition of the Supervisory Board must ensure a balanced representation of men and women in proportions consistent with the applicable legal requirements.

  At the date of this Universal Registration Document, the Supervisory Board includes four women out of a total of ten members, representing a 40% rate of gender balance. It thus complies with the provisions of Article L.226-4-1 of the French Commercial Code stipulating that the proportion of men or women on the Board may not be less than 40%. In addition, there is a woman on each of the Board's Committees and the Board has appointed a woman, Ms Fanny Picard, as chair of the Appointment and Remuneration Committee:
- **age**: the composition of the Board must comply with statutory provisions requiring that the number of Supervisory Board members over the age of seventy-five may not exceed one third of the members in office and that if this proportion is exceeded, the members who must leave the Supervisory Board in order to restore compliance with this proportion will be deemed to have resigned, starting with the oldest.

  As at 31 December 2018, the average age of the members of the Supervisory Board was around 60, with Mr Remmert Laan, aged 77, being the only member above 75 years of age. The composition of the Supervisory Board thus complies with the provisions of the Articles of Association stipulating that the number of members over the age of 75 may not exceed one-third of the members in office.

Implementation of the Board's diversity policy

It is the task of the Appointment and Remuneration Committee to identify and recommend to the Supervisory Board candidates who are suitable to be appointed members of the Supervisory Board and whose candidacy is submitted to the shareholders for a vote.

To do this, the Committee determines the profile of candidates for Supervisory Board positions, taking into account the balance of knowledge, skills, experience and diversity within the Board. The Committee considers candidates from diverse backgrounds and examines them according to their merit and on the basis of objective criteria while taking into account their impact on the diversity of the Board.

Review and update

The Appointment and Remuneration Committee reviews the Supervisory Board's diversity policy and the results achieved during the past year, and presents the results of this review to the Board. The Appointment and Remuneration Committee may, if it considers it appropriate, formulate quantified objectives with regard to the various criteria to be taken into account in order to encourage the diversity of the Supervisory Board.

Every year, the Supervisory Board assesses the implementation of the Board's diversity policy as part of the annual evaluation of its practices, updates its content in line with the Group's developments and strategy, and adopts any changes that it may consider likely to enhance its effectiveness.

At its meeting of 17 January 2020, the Appointment and Remuneration Committee conducted its annual review of the Supervisory Board's diversity policy and the results obtained in 2019. The results of this review were presented to the Board at its meeting of 18 March 2020.

No changes were made to the composition of the Supervisory Board during financial year 2019. The Ordinary General Shareholders' Meeting of 22 May 2019 ratified the co-opting on 6 December 2018 of Mr Remmert Laan to replace Mr Jean-Pierre Denis for the remaining term of his office, *i.e.* until the General Meeting called to approve the financial statements for financial year 2020.

At its meeting of 17 January 2020, the Appointment and Remuneration Committee noted that, instead of relying on a single Executive Committee for assistance with management decisions, the Manager calls on several *ad hoc* committees composed of representatives of the Group's senior management, each specialised in particular fields. The Appointment and Remuneration Committee noted that the top 10% high-responsibility positions within the Group are 40% held by women.

Independence of the members of the Supervisory Board

A Board member is independent when he or she has no relationship of any kind with the Company, its Group or its Management that might compromise the independence of his or her judgement.

The criteria for independence that must be reviewed by the Supervisory Board in order to consider a member as independent and to prevent potential conflicts of interest between that member and the management, the Company, or Tikehau Capital Group, are those set out in Article 9.5 of the AFEP-MEDEF Code and which are listed in Article 1 of the Internal Rules of the Company's Supervisory Board.

These criteria include:

- not to be an employee or not to have been so in the previous five years:
  - executive corporate officer of the Company,
  - employee or executive corporate officer or Director of any company within the Company's consolidated Group,
  - employee, executive corporate officer or Director of the parent company of the Company or of a company within the consolidated scope of the parent company;
- not to be an executive corporate officer of a company in which the Company directly or indirectly holds a directorship or in which an employee designated as such or an executive corporate officer of the Company (currently or within the last five years) holds a directorship;
- not to be a client, supplier, major banker or financing banker or major advisor (i) of the Company or its Group or (ii) for which the Company or its Group accounts for a significant part of its business; it must be noted that the assessment of the criterion of whether the relationship with the Company or Group is significant must be discussed by the Supervisory Board on the proposal of the Appointment and Remuneration Committee and the criteria leading to this assessment (continuity, economic dependence, exclusivity, etc.) detailed in the corporate governance report;
- not to have close family ties with a corporate officer;
- not to have been the Company's Statutory Auditor in the last five years;
- not to be a Director of the Company for more than 12 years. The status of Independent Director lapses after 12 years.

The Supervisory Board may consider that a member of the Supervisory Board, while fulfilling the above criteria, should not be considered independent given their particular circumstances or for any other reason. Conversely, the Supervisory Board may consider that a member who does not strictly fulfil all the criteria mentioned above is nevertheless independent.

The status of each member should be discussed and reviewed annually by the Appointment and Remuneration Committee and then by the Supervisory Board in light of these independence criteria and prior to the publication of the Universal Registration Document.

At the date of this Universal Registration Document, the Supervisory Board is composed of five independent members out of its ten members, representing a proportion of independent members of 50%. The Company therefore complies with the recommendations of the AFEP-MEDEF Code which, in the case of a controlled company, require that the Supervisory Board is comprised at least one third of independent members (Article 8.3 of the AFEP-MEDEF Code).

At its meeting of 18 March 2020, the Supervisory Board reviewed the independence of each of its members on the basis of assessments conducted by the Appointment and Remuneration Committee. The following table summarises the reasons which led to the conclusion that some of its members were not independent:

Name	Independent	Reason
Roger Caniard	No	Insofar as Mr Roger Caniard is an employee of MACSF, a group that holds more than 10% of the Company's share capital and voting rights, acts in concert with the Group's controlling shareholder, and maintains a business relationship with Tikehau Capital, the Supervisory Board considered that Mr Roger Caniard did not meet the independence criteria set out in Article 9.5 of the AFEP-MEDEF Code.
Jean Charest	Yes	In the absence of significant business ties between Mr Jean Charest and Tikehau Capital, the Supervisory Board considered that all the criteria set out in Article 9.5 of the AFEP-MEDEF Code were met. As a reminder, the service agreement between the Company and Chardi. Inc, a company of which Mr. Jean Charest is an Executive Director and shareholder, was terminated with effect from 31 December 2018.
Jean-Louis Charon	Yes	In the absence of significant business ties between Mr Jean-Louis Charon and Tikehau Capital, as assessed by the Supervisory Board, the Board considered that all the criteria set out by Article 9.5 of the AFEP-MEDEF Code were met. The Board considered that Mr Jean-Louis Charon's position as Director of Fakarava Capital, from which he resigned on 8 March 2018, did not affect his independence with regard to the activities of this company. The Board also considered that the office of member and Vice-Chairman of the Supervisory Board of Sélectirente exercised by Mr Jean-Louis Charon did not affect the independence of Mr Jean-Louis Charon since (i) the Company acquired indirect control of Sélectirente *via* the acquisition of Sofidy and the Company did not consolidate it before this acquisition and (ii) Mr Jean-Louis Charon resigned on 5 April 2019 from his office within Sélectirente following the tender offer launched by Tikehau Capital for Sélectirente's shares and OCEANE bonds.
Florence Lustman (permanent representative of the Fonds Stratégique de Participations)	No	Insofar as the Fonds Stratégique de Participations, of which Ms Florence Lustman is the permanent representative, is a Director of Tikehau Capital Advisors, the controlling shareholder of the Company, the Board considered that Ms Florence Lustman did not meet the criteria of independence set out in Article 9.5 of the AFEP-MEDEF Code.
Remmert Laan	No	Insofar as Mr Remmert Laan was a Director of Tikehau Capital Belgium, a fully-owned subsidiary of the Company, until 19 August 2019, the Supervisory Board considered that Mr Laan did not meet the independence criteria set out in Article 9.5 of the AFEP-MEDEF Code.
Christian de Labriffe	No	The service agreement between the Company and Parc Monceau, a company controlled by Mr Christian de Labriffe and of which he is manager, was terminated on 31 December 2018. However, insofar as Mr Christian de Labriffe is a partner of Tikehau Capital Advisors, the controlling shareholder of the Company, the Board considered that Mr de Labriffe did not meet the independence criteria set out in Article 9.5 of the AFEP-MEDEF Code.
Anne-Laure Naveos	No	Insofar as Ms Anne-Laure Naveos is an employee of Crédit Mutuel Arkéa, a group that acts in concert with Tikehau Capital Advisors, the Group's controlling shareholder (see Section 8.1.2 (Control of the Group) of this Universal Registration Document), and maintains business relationships with Tikehau Capital, the Supervisory Board considers that Ms Anne-Laure Naveos did not meet the independence criteria set out in Article 9.5 of the AFEP-MEDEF Code.
Fanny Picard	Yes	In the absence of significant business ties between Ms Fanny Picard and Tikehau Capital, as assessed by the Supervisory Board, the Board considered that all the criteria set out in Article 9.5 of the AFEP-MEDEF Code were met.
Constance de Poncins	Yes	In the absence of any identified conflict of interest, the Supervisory Board considered that all the criteria set out in Article 9.5 of the AFEP-MEDEF Code were met.
Léon Seynave (permanent representative of Troismer)	Yes	In the absence of significant business ties between Mr Léon Seynave and Tikehau Capital, the Supervisory Board considered that all the criteria set out in Article 9.5 of the AFEP-MEDEF Code were met. The Board considered that the position as Director of Fakarava Capital, exercised by Établissement Raymond De Groodt, of which Mr Léon Seynave is the permanent representative and from which it resigned on 8 March 2018, did not affect the independence of Mr Léon Seynave with regard to the activities of this company.

To the knowledge of the Company, as at the date of this Universal Registration Document there exist no family relationships between members of the Supervisory Board or between Supervisory Board members and the representatives of the Company's Manager.

To the knowledge of the Company, in the last five years: (i) none of the above-mentioned persons have been sentenced for fraud, (ii) none of the above-mentioned persons have been involved in any bankruptcy, receivership or liquidation, (iii) no official public incrimination and/or sanction has been pronounced on any of the above-mentioned persons by any statutory or regulatory authorities (including designated professional bodies), and (iv) none of the above-mentioned persons have been disqualified by a court from acting as a member of an administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer.

Further information about the conflicts of interest risks identified and dealt with by members of the Supervisory Board is contained in Section 3.4.5 (Conflicts of interest) of this Universal Registration Document.

Organisation of the work carried out by the Supervisory Board

The procedures for the organisation and operation of the Board are governed by the Company's Articles of Association and by the Supervisory Board's Internal Rules.

In addition to the duties and responsibilities of the Supervisory Board, its Internal Rules recall the duties and obligations of its members, in particular with regard to the confidentiality of privileged information.

The Internal Rules also reiterate the obligation for each of its members to inform the Supervisory Board of any actual or potential conflict of interest with the Group in which they might be involved directly or indirectly. In such a case, they must refrain from participating in discussions and decisions on the matters in question. The Chair may also request that member does not attend the meeting.

The Internal Rules recall the rules applicable to transactions by corporate officers in the Company's shares. Every year all members of the Board receive a reminder of these provisions and *ad hoc* information in the event of significant changes. Supervisory Board members' obligations in regard to the securities markets are set out in the Company's Stock Market Professional Code adopted by the Supervisory Board at its meeting on 5 January 2017 (as amended on 10 January 2019).

The Supervisory Board shall meet as often as the interests of the Company require and at least four times a year. The Supervisory Board's Internal Rules authorise its members to participate in meetings by means of videoconferencing or telecommunications permitting their identification and guaranteeing their effective participation. The deliberations of the Supervisory Board take place under the conditions of quorum and majority required by law and, in the event of a tie, the Chairman of the meeting has the casting vote.

The Internal Rules also lay down the rules of practice of the permanently established Committees, namely the Audit and Risk Committee, and the Appointment and Remuneration Committee.

Duties and practices of the Supervisory Board

The Supervisory Board shall oversee the management of the Company at all times (in particular its individual and consolidated accounts), may convene the General Shareholders' Meeting and approves the agreements set out in Article L.226-10 of the French Commercial Code. The Supervisory Board is involved in the Group's strategy and investment policy as part of its mission of ex-post monitoring.

For the purpose of exercising its permanent monitoring powers:

- the Supervisory Board may carry out at any time of the year all checks and controls it deems appropriate. It may request any documents it needs to accomplish its mission;
- at least four times a year, or more often if requested by the Board, the Managers shall present to the Board a report on the status and progress of corporate affairs, which is to be prepared according to the terms requested by the Board;
- within three months after the close of the financial year, the Managers shall present to the Board the annual and consolidated financial statements, for the purpose of verification and control;
- the Managers shall submit to the Supervisory Board its annual operating targets and at least once a year, its long-term strategic projects;
- the Supervisory Board presents a report to the Annual General Meeting, in which it indicates, in particular, the irregularities and inaccuracies noted in the annual and consolidated financial statements for the financial year, and comments on the management of the Company;
- pursuant to Article L.226-10-1 of the French Commercial Code, the Supervisory Board establishes and approves the report on corporate governance, which contains the information mentioned in Articles L. 225-37-3 to L. 225-37-5 of the French Commercial Code;
- the Supervisory Board, pursuant to Article L.226-8-1 I of the French Commercial Code, establishes the remuneration policy applicable to its members and issues an advisory opinion on the remuneration policy applicable to the Manager, which is established by the general partner or the general partners deliberating unanimously, taking account of the principles and conditions set forth in the Articles of Association;
- the Supervisory Board, pursuant to Article L.226-8-1 III of the French Commercial Code, may waive application of the remuneration policy applicable to members of the Supervisory Board, if such waiver is temporary, conditional on the occurrence of exceptional circumstances, consistent with the corporate interest and necessary to guarantee the sustainability or viability of the Company;
- the Supervisory Board determines, allocates or takes, in accordance with article L.226-8-1 IV of the French Commercial Code, all of the elements of compensation, of any nature whatsoever, and the undertakings amounting to elements of compensation, indemnities or benefits due or likely to be due as a result of the beginning, termination or change in their functions or subsequent to the exercise such functions, from which the members of the Supervisory Board benefit;
- the Supervisory Board shall deliberate annually on the policy of the Company regarding equal employment and pay;
- the agreements referred to in Article L.226-10 of the French Commercial Code are subject to the prior approval of the Supervisory Board;

- the Supervisory Board takes note of the conclusions of the report by the internal committee on customary agreements relating to arm's length transactions. Based on the recommendation of the Audit and Risk Committee, the Board takes a decision on the potential reclassification of an unregulated agreement as a regulated agreement, or vice versa and, on an annual basis, assesses the implementation of the procedure for reviewing customary agreements relating to arm's length transactions. The Board updates that procedure in accordance with legal and regulatory developments, and adopts any amendments that it considers likely to improve its effectiveness;
- the Supervisory Board shall ensure that the formalities of amending the Company's Articles of Association are performed correctly;
- the Supervisory Board shall maintain a watch over the quality of information provided by the Group to its shareholders and the financial markets through the Company and Group financial statements published by the Managers and the annual report prepared by the Managers, or during major transactions.

The Supervisory Board may seek assistance from experts of its choice, at the expense of the Company. It has the broadest powers of investigation and may submit written questions to the Managers, or even request at any time that it submit information.

After a full year of operation to reflect on the appropriateness of appointing a lead member within the Supervisory Board, the Supervisory Board, upon advice of the Appointment and Remuneration Committee, concluded, at its meeting of 6 December 2018, that the duties that could be conferred to a lead member within the Supervisory Board seemed to be redundant with those of the Chairman of the Board. It thus decided to re-examine the matter in three years.

Activities of the Supervisory Board

The provisional schedule of meetings is sent to Supervisory Board members before the beginning of each year and notices to attend, accompanied by the agenda and technical files submitted for their consideration, are sent out observing a reasonable period of notice, generally at least one week before the date of each meeting, subject to circumstances that might dictate a shorter notice period. The technical file sent contains the items on the agenda of the meeting, the draft minutes of the previous meeting and all documents that require special analysis and prior consideration depending on the agenda.

The Company's Supervisory Board was set up following the transformation of the Company into a *société en commandite par actions* (partnership limited by shares) on 7 November 2016. The Board met five times during financial year 2019. In 2019, the average attendance rate of the members of the Supervisory Board was 92.73%.

The main points discussed during the meetings of the Supervisory Board during the 2019 financial year were the following:

- Governance:
  - approval of the 2019 report of the Supervisory Board on corporate governance,
  - review of the independence of the members of the Supervisory Board,
  - review of the application of the AFEP-MEDEF Code,
  - review of the agenda of the Annual General Shareholders' Meeting,
  - review of the work of the Audit and Risk Committee and the Appointment and Remuneration Committee,
  - termination of a regulated agreement,
  - evaluation of the composition and practices of the Supervisory Board,
  - adoption of a procedure for reviewing customary agreements relating to arm's length transactions;
- Finance:
  - approval of the annual and consolidated financial statements for the financial year ended 31 December 2019,
  - review of half-year results as at 30 June 2019,
  - overview of assets under management as at 31 March 2019 and 30 September 2019,
  - report of the Supervisory Board to the Annual Ordinary General Shareholders' Meeting;
- ESG/CSR:
  - update on the Group's ESG policy,
  - materiality matrix on non-financial performance criteria;
- Audit and risks:
  - major risk mapping;
  - progress of internal audit controls;
- Strategy and operations:
  - updates on the activity and practices of the Group in 2018 and during 2019, points of special vigilance, the results for each of the Group's business lines, the implementation of the strategy, 2019 estimated figures and outlook, and the investment projects of the Company,
  - description of a proposed capital increase,
  - review of financial debt.

Evaluation of the work carried out by the Supervisory Board

The Supervisory Board's Internal Rules lay down that at least once a year the Supervisory Board should devote an item on its agenda to a debate on its practices in order to improve its effectiveness. A formal assessment is carried out at least every three years, possibly under the direction of an independent Board member, if necessary with the help of an external consultant. Each Committee set up permanently must carry out an evaluation of its practices under the same terms and with the same frequency and must report its conclusions to the Board.

The Supervisory Board's Internal Rules specify that the Appointment and Remuneration Committee is in charge of steering the evaluation of the composition, organisation and practices of the Supervisory Board.

The annual assessment of the composition, organisation, and practices of the Board was carried out in financial year 2019 on the basis of a self-assessment questionnaire. At its meeting of 14 November 2019, the Appointment and Remuneration Committee summarised the questionnaires received. On 5 December 2019, the Board devoted an item of its agenda to an in-depth analysis of the main conclusions reached in this assessment.

This assessment showed overall satisfaction with the composition, organisation and practices of the Supervisory Board and its Committees.

The proposal to hold an off-site Board meeting was debated.

While the Board did not consider it necessary to plan an additional meeting during the year, it did want cross-cutting topics dealing with *e.g.* the human resources management policy to be added to the agenda for a Board meeting, with involvement from the Group's teams.

3.4.2 Committees of the Supervisory Board

In accordance with Article 10.3.3 of the Company's Articles of Association and a decision of the Supervisory Board of 5 January 2017, and in keeping with the undertakings made by the Company as part of its listing, the Company's Supervisory Board has decided to create two Supervisory Board Committees: an Audit and Risk Committee and an Appointment and Remuneration Committee, whose composition, powers and rules of functioning are described below.

The composition of these Committees was approved on 22 March 2017, after the listing of the Company's shares on the regulated market of Euronext Paris (See Section 3.1.2 (Presentation of the Supervisory Board - Supervisory Board Committees) of this Universal Registration Document).

Article 6 of the Supervisory Board's Internal Rules specifies the composition, meeting arrangements and powers of the Committees, which have been established in accordance with the recommendations of the AFEP-MEDEF Code.

Audit and Risk Committee

Composition, Chairmanship and meetings

The Audit and Risk Committee shall consist of at least three members (who may be non-voting) of which two thirds are independent members and should not include any executive corporate officer.

The Chair of the Audit and Risk Committee convenes the Committee and sets the agenda or main purpose of the meetings, particularly in view of the demands of its members, in accordance with the powers of this Committee as set out below. Committee members must have been provided sufficient time before the meeting with the information enabling them to make an informed opinion.

Each member of the Audit and Risk Committee may request the Chairman of the Committee to add one or various points to the agenda, in accordance with the powers of the Committee. The Chairman of the Committee leads the discussions and reports to the Supervisory Board on the recommendations made by the Committee.

The Supervisory Board may refer to the Audit and Risk Committee a specific request within the scope of its powers and request the Chairman of that Committee to convene a meeting on a specific agenda.

In order to be considered quorate, at least half of the members of the Audit and Risk Committee must be present. The opinions and recommendations that the Committee passes on to the Supervisory Board shall be adopted by a majority of its members present or represented.

Minutes are drawn up for each meeting of the Audit and Risk Committee which shall be communicated to its members. The minutes must record the opinions of any Committee member, if the latter so requests.

The Audit and Risk Committee may from time to time make use of the opinion of any person, including third parties, who might shed light on its deliberations.

Powers

Under the responsibility of the Supervisory Board, the Audit and Risk Committee has the following duties:

- to examine the draft statutory and consolidated financial statements of the Company to be submitted to the Supervisory Board, in particular to verify the conditions under which they are prepared and to ensure the relevance and consistency of the accounting principles and methods applied;
- to consider the choice of standard of the account consolidation and the scope of consolidation of Group companies;
- to study the changes and adaptations of accounting principles and rules used to prepare these financial statements and to prevent any breach of these rules;
- to examine the consistency and effectiveness of mechanisms implemented for internal control procedures, risk management, professional ethics and, where appropriate, internal auditing, as regards the procedures for the preparation and processing of accounting and financial information, without prejudice to its independence;
- to examine the section of the report concerning the main characteristics of the internal control procedures and risk management procedures put in place by the Company for the preparation and processing of accounting and financial information as contemplated in Article L.225-100-1 Part I paragraph 5 of the French Commercial Code;
- to consider, if necessary, the regulated agreements within the meaning of Article L.226-10 of the French Commercial Code that fall under its jurisdiction;
- to examine the conclusions of the report prepared by the Internal Committee on customary agreements relating to arm's length transactions concluded during the last financial year or during previous financial years but whose execution was continued during the last financial year, and present the conclusions of that report as well as any discussions within the Committee;
- to conduct an annual review of the procedure for examining customary agreements relating to arm's length transactions and the results obtained over the past financial year, and to present the results to the Board;
- to conduct the selection process for the Statutory Auditors and to give advice to the Managers on their appointment or renewal, as well as on their remuneration;
- to ensure the independence of the Statutory Auditors, in particular through a review of the breakdown of the fees paid to them and the network to which they might belong and through a prior approval of the provision of services mentioned in Article L.822-11-2 of the French Commercial Code; and
- to examine the Statutory Auditors' work programme and, in general, to follow the progress of their assignment.

Activities

The Audit and Risk Committee met three times in 2019 and the average attendance rate of the members of this Committee was 100%. The main subjects it addressed were the following:

- review of the 2018 consolidated and annual financial statements and presentation by the Statutory Auditors of the conclusions of their work;

- review of the condensed consolidated financial statements for the first half-year of 2019 and presentation by the Statutory Auditors of the conclusions of their work;
- review of the mapping of major risks;
- review of the materiality matrix on non-financial performance criteria;
- review of the procedure for reviewing current and standard agreements to be adopted by the Supervisory Board;
- presentation of the internal audit conducted in 2019;
- presentation by the Statutory Auditors of their audit plan for 2019;
- review of auditor's fees for audits and other services provided by the auditors; and
- points of vigilance for the 2019 closing.

Appointment and Remuneration Committee

Composition, chairmanship and meetings

The Appointment and Remuneration Committee shall be composed of at least three members (who may be non-voting), a majority of whom shall be independent and chaired by an independent member and may not include any executive corporate officer.

The Chairman of the Appointment and Remuneration Committee convenes the Committee and sets the agenda or main purpose of the meetings, particularly in view of the demands of its members, in accordance with the powers of this Committee as set out below. Committee members must have been provided sufficient time before the meeting with the information enabling them to make an informed opinion.

Each member of the Appointment and Remuneration Committee may request the Chairman of the Committee to add one or various points to the agenda, in accordance with the powers of the Committee.

The Chairman of the Committee leads the discussions and reports to the Supervisory Board on the recommendations made by the Committee.

The Supervisory Board may refer to the Appointment and Remuneration Committee a specific request within the scope of its powers and request the Chairman of that Committee to convene a meeting on a specific agenda.

In order to be considered quorate, at least half of the members of the Appointment and Remuneration Committee must be present. The opinions and recommendations that the Committee passes on to the Supervisory Board shall be adopted by a majority of its members present or represented.

Minutes are drawn up for each meeting of the Appointment and Remuneration Committee which are communicated to its members. The minutes must record the opinions of any Committee member, if the latter so requests.

The Appointment and Remuneration Committee may from time to time make use of the opinion of any person, including third parties, who might shed light on its deliberations.

Powers

The duties of the Appointment and Remuneration Committee, under the responsibility of the Supervisory Board, are to review annually and to prepare proposals and opinions that it will communicate to the Supervisory Board, on:

- the principles of the remuneration policy, and in particular the variable remuneration policy, of the Group as a whole, the periodic review of the appropriateness and effectiveness of this policy taking into account all the factors it deems necessary, including the Group's strategy, its monitoring for the persons concerned in accordance with the applicable regulations, the share subscription or purchase plans and free share plans as well as the principles and procedures for setting up long-term incentive plans;
- overseeing the development and implementation of the remuneration policy of the Group's portfolio management companies for the staff covered by the AIFM and UCITS V Directives, in particular for the members of the management bodies, the risk takers, managers of the control functions, in particular the Head of Risk Management and, where applicable, the Head of Compliance, the managers of the support functions and any similar staff in terms of total remuneration package;
- the review of the appointment of external pay consultants whom it may be decided to use; and
- the amount of the annual sum of attendance fees to be submitted to the General Shareholders' Meeting and the distribution of this sum among the members of the Supervisory Board and the remuneration of non-voting members.

The Committee monitors the implementation of the remuneration policy to ensure compliance with policies and regulations.

Furthermore, the Committee is responsible for:

- identifying and recommending to the Supervisory Board candidates suitable for appointment as members of the Supervisory Board and whose nomination is subject to a shareholder vote, and assessing the independence criteria for members qualified as independent;
- steering the evaluation of the composition, organisation and practices of the Supervisory Board;
- defining the diversity policy applied to the members of the Board and to undertake an annual review of this policy and the results obtained during the financial year; and
- ensuring that the Board is not dominated by one person or a small group of people, in a manner prejudicial to the interests of the Group.

Activities

The Appointment and Remuneration Committee met four times in 2019, and the average attendance rate of the members of this Committee was 100%.

The main subjects it addressed were the following:

- governance and appointments:
  - application of the AFEP-MEDEF Code,
  - review of the independence of each member of the Supervisory Board,
  - annual review of the diversity policy in the Supervisory Board and its results, review of the composition of the Supervisory Board with respect to the diversity policy including additional items on gender equality,
  - annual assessment of the Supervisory Board;

3.

- remuneration:
  - principles of the Group's remuneration policy,
  - remuneration policy regarding staff covered by the AIFM and UCITS V Directives and identification of employees subject to the requirements of the AIFM and UCITS V Directives in terms of remuneration,
  - update on the general policy for the grant of stock options and free shares, and presentation of the proposed free share plans,
  - AFEP survey on the remuneration of members of SBF 120 company Boards in 2018,
  - update on the remuneration of the Manager,
  - remuneration of Mr Christian de Labriffe in his capacity as Chairman of the Supervisory Board,
  - termination of the service agreement with Parc Monceau,
  - Long Term Incentive Plan for senior executives of Tikehau Capital and its subsidiaries.

3.4.3 Participation in General Meetings

The participation of ordinary shareholders in the General Shareholders' Meeting of the Company takes place under the conditions provided for by law and the stipulations of Article 11.1 of the Company's Articles of Association (See Section 3.2 (General Shareholders' Meetings) of this Universal Registration Document).

In accordance with Article R.225-85 of the French Commercial Code, a right of attendance shall be granted to those shareholders who prove their status by the registration of the shares in their own name or in the name of the intermediary duly registered on their behalf by the second business day preceding the Meeting, either in the registered securities accounts, or in the bearer securities accounts kept by an intermediary referred to in Article L.211-3 of the French Monetary and Financial Code.

For ordinary registered shareholders, the registration of the shares at D-2 in the registered share accounts is sufficient to enable them to attend the Meeting.

For ordinary shareholders holding bearer shares, it is the intermediaries referred to in Article L.211-3 of the French Monetary and Financial Code, which keep the bearer securities accounts, who must certify the shareholder title of their clients directly to the organiser of the Meeting by issuing a certificate of participation attached to the single form for vote by correspondence or proxy ballot or request for an admission card in the name of the shareholder or on behalf of the shareholder represented by the registered intermediary. However, if a holder of bearer shares wishes to attend the Meeting and has not received an admission card, they must ask their financial intermediary to issue a certificate of participation that will allow them to prove their shareholder title on D-2 in order to be admitted to the Meeting.

Meetings are held at the registered office or any other place specified in the convening notice.

3.4.4 Corporate governance

In accordance with the provisions of Articles L.225-37 and L.225-68 of the French Commercial Code, with reference to Article L.226-10-1 of the French Commercial Code, the Supervisory Board has decided to use a Corporate Governance Code as a standard.

In view of its size, its organisation and its business, the Company decided to adopt the principles and recommendations of the AFEP-MEDEF Code. The AFEP-MEDEF Code can be consulted online at:

https://afep.com/wp-content/uploads/2020/01/Code-Afep_Medef-révision-janvier-2020_-002.pdf

The objective of the Company is to comply with best practices in corporate governance for a company of its size and bearing in mind its legal structure. A summary of the application of the provisions of the AFEP-MEDEF Code by the Company is given in Section 3.4.6 (Application of the AFEP-MEDEF Code) of this Universal Registration Document.

3.4.5 Conflicts of interest

Management of conflicts of interest

The Internal Rules of the Supervisory Board provide that any member of the Supervisory Board in a conflict of interest, even a potential one, with the Group and in which he or she could directly or indirectly be involved, in particular because of an office he or she holds in another company, must inform the Supervisory Board. As applicable, the relevant member must abstain from taking part in the vote on the matter concerned or even in the discussion preceding the vote, must refrain from attending Board meetings during the period in which there is a conflict of interest situation, or must resign as member of the Supervisory Board. The Chair of the Board may also request that member not participate in the discussion and vote.

Furthermore, the Internal Rules also provide that the direct or indirect participation of a member of the Supervisory Board in a transaction in which Tikehau Capital is directly involved or of which he or she is aware as a member of the Board, must be brought to the attention of the Board prior to its conclusion.

A member of the Supervisory Board may not accept directorships in a personal capacity in companies or in business directly or indirectly competing with the Group without first informing the Supervisory Board.

Conflicts of interest on the Supervisory Board

To the knowledge of the Company and with the exception of the relationships described in this Section, Section 3.1 (Administrative and management bodies) or Section 8.1 (Information on control and major shareholders) of this Universal Registration Document, at the date of this Universal Registration Document, there are no conflicts of interest between the duties, with respect to the Company, of the members of the Supervisory Board and the Manager of the Company, and their private interests.

To supplement the information contained in this Universal Registration Document in Section 3.4.1 (Supervisory Board), the following information, reviewed in 2019, is specified for members of the Supervisory Board of the Company:

Name	Reason
Roger Caniard	The MACSF group, to which Mr Roger Caniard belongs, is a major investor in vehicles managed by the Group.
Jean Charest	No business relationship has been identified between the Group and Mr. Jean Charest or the law firm to which he belongs, as the service provision agreement between the Company and Chardi Inc, a company of which Mr Jean Charest is an Executive Director and shareholder, was terminated with effect from 31 December 2018.
Jean-Louis Charon	The Group has invested in various projects or companies managed by Mr Jean-Louis Charon or in which he has positions of responsibility. However, the Supervisory Board considered that these business relationships were not likely to undermine his independence (i) in view of the percentage of the amounts invested by the Group in these projects compared to the Company's assets or compared to the assets managed by Mr Jean-Louis Charon's group, and (ii) given the fact that the Group and its stakeholders have a negligible role in the management of these projects.
Jean-Pierre Denis (non-voting member)	The group Crédit Mutuel Arkéa to which Mr Jean-Pierre Denis belongs is a major investor in vehicles managed by the Group.
Florence Lustman (permanent representative of the Fonds Stratégique de Participations)	No significant business relationship has been identified between the Group and (i) Ms Florence Lustman, or (ii) the Fonds Stratégique de Participations of which Ms Florence Lustman is the permanent representative on the Supervisory Board.
Remmert Laan	No notable business relationship has been identified between the Group and Mr. Remmert Laan, the service provision agreement between Tikehau IM and Laan & Co Belgium B.V.B.A. (a Belgian company), a company which was controlled by Mr. Remmert Laan and therefore Mr Remmert Laan was the manager, having terminated with effect from 1 July 2018.
Christian de Labriffe	Mr Christian de Labriffe is a shareholder with a stake of less than 5% in Tikehau Capital Advisors, the controlling shareholder of the Company. The service agreement entered into between the Company and Parc Monceau, a company controlled by Mr Christian de Labriffe, of which he is the manager, was terminated in 2019 with effect from 31 December 2018.
Anne-Laure Naveos	The group Crédit Mutuel Arkéa to which Ms Anne-Laure Naveos belongs is a major investor in vehicles managed by the Group.
Fanny Picard	The Company has made investments in vehicles that are partly managed by Ms Fanny Picard. However, in view of the passive nature of these investments and their aggregate amount in relation to (i) the assets managed by the asset management company involved, and (ii) the Company's investment portfolio, it was considered that this business relationship would not call into question the independence of Ms Fanny Picard.
Constance de Poncins	No significant business relationship has been identified between the Group and Ms Constance de Poncins or her employer, the savers' association AGIPI.
Léon Seynave (permanent representative of Troismer)	Mr Léon Seynave has made investments in vehicles managed by the Group. However, in view of the percentage of the amounts invested compared with the assets managed by Mr Léon Seynave, it was considered that these business relationships were not likely to undermine its independence.

Potential conflicts of interest related to the structure of the Company

Given Tikehau Capital's legal form as a *société en commandite par actions* (partnership limited by shares) and its organisation, it should be noted that the Company is controlled by its main shareholder, Tikehau Capital Advisors, which as at 31 December 2019, holds 36.9% of the share capital and voting rights and 100% of the capital and voting rights of the Manager-General Partner of the Company, Tikehau Capital General Partner. Sections 8.1 (Information on control and major shareholders) and 2.1.8 (Risks related to the legal form, Articles of Association and organisation of Tikehau Capital) of this Universal Registration Document respectively include a presentation of the control of the Company and a presentation of the risks associated with the legal form of a *société en commandite par actions* (partnership limited by shares) and with the organisation of Tikehau Capital.

Restrictions on the holdings of members of the Supervisory Board

At the date of this Universal Registration Document, there are no restrictions accepted by the members of the Supervisory Board concerning the disposal of their holdings in the Company's share capital, with the exception of the rules on prevention of insider trading and the provisions of the Supervisory Board's Internal Rules requiring the members of the Supervisory Board to retain their shares.

The description of the mechanisms for prevention of insider misconduct and compliance in force within the Group is provided in Section 2.3.7 (Prevention of insider misconduct and compliance) of this Universal Registration Document.

3.4.6 Application of the AFEP-MEDEF Code

A revised version of the AFEP-MEDEF Code was published on 29 January 2020. Based on the recommendations of the Appointment and Remuneration Committee, the Supervisory Board reviewed the application of the AFEP-MEDEF Code on the basis of the previous version of the AFEP-MEDEF Code (published in June 2018) which applied during the financial year 2019.

As of 31 December 2019, the Company considers that it complies with the provisions of the AFEP-MEDEF Code after the few adjustments made necessary by its nature as a *société en commandite par actions* (partnership limited by shares) and subject to the following observations:

Recommendations of AFEP-MEDEF Code	Observations of the Company
10.3. **Organisation of a meeting of the Supervisory Board without the presence of executive corporate officers** "It is recommended that a meeting not attended by the executive corporate officers be organised each year."	A meeting of the Supervisory Board was held in 2018, partly without the presence of representatives of the Manager, on subjects relating mainly to governance. The items on the agenda of Supervisory Board meetings in financial year 2019 each time required the presence of representatives of the Manager, whose contributions to presentations and discussions are an essential asset for the quality of the Board's work. However, it is once again planned that a meeting of the Supervisory Board will be held partly without the presence of representatives of the Manager during financial year 2020.
16.2.2 **Establishment by the Appointment Committee of a replacement plan for executive corporate officers** "The Appointments Committee (or an *Ad Hoc* Committee) should design a plan for replacement of Executive Directors. This is one of the Committee's most important tasks even though it can be, if necessary, entrusted to an *Ad Hoc* Committee by the Board. The Chairman may take part or be involved in the Committee's work during the conduct of this task."	The Company's Appointment and Remuneration Committee does not have the power to draw up the plan of succession for the Manager which does not fall within the remit of the Supervisory Board in a *société en commandite par actions* (partnership limited by shares). The Company's Appointment and Remuneration Committee is kept informed of the work relating to the succession plan of the Manager's representatives which is discussed by Tikehau Capital Advisors.
22. (new paragraph 23) **Requirement for executive corporate officers to hold shares** "The Board of Directors sets a minimum number of shares that executive corporate officers must retain in registered form until the end of their duties. This decision shall be reviewed at least at each renewal of their term of office."	The Articles of Association of the Company do not require the Manager nor the general partner to hold a minimum number of Company shares. However, Tikehau Capital General Partner, the Company's Manager-General Partner, is a company wholly-owned by Tikehau Capital Advisors, which itself owns 36.9% of the share capital of the Company as at 31 December 2019.

Recommendations of AFEP-MEDEF Code	Observations of the Company
24. (new paragraph 25) **The remuneration of executive corporate officers** Article 24 of the AFEP-MEDEF Code contains provisions concerning the determination of the remuneration of executive corporate officers.	The Company's Articles of Association provide that the Manager and the General Partner each receive remuneration and set their terms and conditions (see Section 3.3.1 (Remuneration of the General Partner) of the Company's Universal Registration Document). The remuneration policy established by the general partner after an advisory opinion from the Supervisory Board and taking into account the principles and conditions set by the Articles of Association sets out the terms and conditions of the Manager's remuneration in accordance with Article L.226-8-2 I of the French Commercial Code resulting from Order No. 2019-1234 of 27 November 2019 on the remuneration of corporate officers of listed companies. Under the Articles of Association, the Manager and the general partner of the Company each receive remuneration, the amounts of which are fixed by the Company's Articles of Association. Thus, Tikehau Capital General Partner is entitled (i) as the sole Manager of the Company, to a fixed remuneration excluding tax equal to 2% of the total consolidated shareholders' equity of the Company, determined on the last day of the previous financial year, and (ii) as the sole general partner of the Company, in respect of a preferred dividend (*préciput*) and in the event of distributable income for a financial year, to an amount equal to 12.5% of the net result of the Company, as shown in the financial statements of the Company at the end of each financial year. The flows received by the Manager-General Partner of Tikehau Capital General Partner Company and its shareholder Tikehau Capital Advisors are of three kinds: (i) the remuneration of the Manager and the preferred dividend (*préciput*) to the general partner of Tikehau Capital General Partner as described above, (ii) the dividends received by Tikehau Capital Advisors as a limited partner of the Company, and (iii) the share of about 27% received by Tikehau Capital Advisors in carried interest on the Group's closed-end funds. Apart from these items, there is no mechanism or agreement for the benefit (i) of Tikehau Capital General Partner, (ii) of Tikehau Capital Advisors (the sole partner of Tikehau Capital General Partner), (iii) of any of their shareholders or subsidiaries, or (iv) of any corporate officer of these companies (including AF&Co, MCH, Mr Antoine Flamarion or Mr Mathieu Chabran) under which the Company or a Group entity would be obliged to pay them amounts corresponding to remuneration (including under service agreement), compensation or benefits due or likely to be due to the assumption, exercise, termination or change in their duties or subsequent thereto, including pension and other lifetime benefits. (See Section 3.3.1 (Remuneration of the Manager-General Partner) of this Universal Registration Document.)
25. (new paragraph 26) Information on the remuneration policy applicable to corporate officers and award of stock options and performance shares Article 25 of the AFEP-MEDEF Code contains provisions concerning information on the remuneration of executive corporate officers.	As set out in Article 24.1.3 of the AFEP-MEDEF Code, the provisions of the AFEP-MEDEF Code are not particularly appropriate to the legal and shareholder structure of the Company, which is set up as a *société en commandite par actions* (partnership limited by shares). The information reported by the Company concerning the remuneration of its corporate officers (Manager and members of the Supervisory Board) are described and justified in Section 3.3.1 (Remuneration of the Manager-General Partner) of this Universal Registration Document.
26. (this paragraph has been deleted in the revised version of the AFEP-MEDEF Code) **The consultation of shareholders on the individual Executive Directors' remuneration**	Pursuant to Article L.226-8-2 II of the French Commercial Code resulting from Order No. 2019-1234 of 27 November 2019 relating to the remuneration of corporate officers of listed companies, the fixed, variable and exceptional items making up the total remuneration and benefits of any kind paid during financial year 2019 or allocated in respect of financial year 2019 to the Manager and the Chairman of the Company's Supervisory Board will be submitted in separate resolutions to an *ex post* vote at the Company's Ordinary General Shareholders' Meeting to be held in 2020 and each year thereafter. In accordance with the recommendations of the AFEP-MEDEF Code, the remuneration of the Chairman of the Supervisory Board had already been submitted to an *ex post* vote at the Company's Ordinary General Shareholders' Meeting of 22 May 2019. Under the terms of the Company's Articles of Association, however, the General Shareholders' Meeting is not legally competent to formulate a binding vote on the preferred dividend (*préciput*) to the general partner of the Company, the terms of which are set out in the Company's Articles of Association and which constitutes a dividend and not the remuneration of a corporate officer. However, this preferred dividend is the subject of a specific communication to the shareholders of the Company and is included every year in the agenda of the Annual General Shareholders' Meeting in the draft resolution on the allocation of income for the financial year, so that the shareholders of the Company will be called upon to vote on these items.

3.5 RELATED PARTY TRANSACTIONS

Historical financial information (including the amounts involved) on transactions with related parties can be found in note 5.25 (Related parties) to the consolidated financial statements as at 31 December 2019, which are included in Section 6.1 (Annual consolidated financial statements as at 31 December 2019) of this Universal Registration Document.

3.5.1 Description of new or ongoing material agreements

Ongoing material agreements

Group premises

On 4 March 2014, Tikehau Capital Advisors and Tikehau IM, as co-tenants, entered into a commercial lease covering premises for office use located at 32, rue de Monceau, 75008 Paris, France. The Company was provided with said premises by Tikehau Capital Advisors in order to locate its registered offices under the terms of a premise-sharing agreement dated 17 March 2014. Since this agreement was entered into when the Company had the legal form of a simplified joint stock company, it was subject to the procedure applicable to regulated agreements for companies of that type.

This agreement terminated automatically following the termination by Tikehau Capital Advisors on 3 November 2019 of the head lease for the office space made available to the Company.

This regulated agreement is the only agreement entered into by the Company and was previously approved by its General Shareholders' Meeting. The agreement continued to be executed until 3 November 2019. It was examined by the Supervisory Board and notified to the Statutory Auditors (See Section 3.5.4 (Special reports of the Statutory Auditors on regulated agreements and commitments) of this Universal Registration Document).

Agreement between Tikehau Capital Advisors and Tikehau Capital General Partner

Under a service agreement which took effect on 7 November 2016 between Tikehau Capital Advisors as service provider and Tikehau Capital General Partner as beneficiary, Tikehau Capital Advisors provides and makes available to Tikehau Capital General Partner the material support necessary for achieving its corporate purpose, as well as services allowing it to exercise its role as Manager of the Company. Tikehau Capital Advisors brings together the central functions on which Tikehau Capital General Partner relies, in its capacity as Manager in the execution of its missions on behalf of the Company and the Group, namely Strategy, Legal and Regulatory Department, Communication and Public Affairs Department, Investor Relations, Finance Department, Human Capital Department, ESG Functions, Information Systems Department, Compliance Department, Internal Audit, M&A Advisory and Business Development.

Entered into for an initial period ending on 31 December 2019, this agreement was extended tacitly for three years under the same terms, barring termination by either party. This agreement has been approved by the Board of Directors of Tikehau Capital Advisors.

New material agreements

During financial year 2019 and until 18 March 2020, the Supervisory Board, in accordance with the provisions of Article L.226-10 of the French Commercial Code, authorised at its meeting of 20 March 2019, the termination of the service agreement between the Company and Parc Monceau. During this period, it was not asked to comment on any other draft regulated agreements.

Termination of the service agreement between the Company and Parc Monceau

A service agreement, authorised by the Company's Supervisory Board on 22 March 2017, was entered into on 29 March 2017 between the Company and Parc Monceau, a company controlled by Mr Christian de Labriffe, the Chairman of the Company's Supervisory Board. This agreement, which took effect on 1 April 2017, provided that Parc Monceau would carry out consulting services to the Group in the areas of the Group's strategy and partnership, investment or divestment opportunities. As part of this agreement, Parc Monceau also undertakes to inform the Group of partnership, investment or disposal opportunities that may be in line with the objectives of the Company or Group companies. As distinct from Mr Christian de Labriffe's duties as Chairman of the Supervisory Board, this agreement allowed the Group to continue to benefit from Mr Christian de Labriffe's expertise and that of his company, their accumulated experience in investment and mergers and acquisitions, their in-depth knowledge of the investment portfolio originating from Salvepar, and their network to create partnership, investment or disposal opportunities.

One of the main reasons for the agreement namely, monitoring of the residual long-term portfolio from Salvepar by Mr Christian de Labriffe in line with his former role as Chairman and Chief Executive Officer of Salvepar, had become more limited due to the increasingly marginal nature of this portfolio in the assets of Tikehau Capital. Under these conditions, the Company requested the opinion of the *Haut Comité de Gouvernement d'Entreprise* (High Committee for Corporate Governance) in early 2019 on the compatibility of this service agreement with the position of Chairman of the Supervisory Board held by Mr Christian de Labriffe. Although the combination of a service agreement and the role of Chairman of the Supervisory Board is permitted by law, the High Committee for Corporate Governance considered that an agreement of this nature was a source of conflicts of interest, and did not enable him to fulfil his duties within this in a satisfactory way with reference to the recommendations of the AFEP-MEDEF Code.

Moreover, the continuation of this agreement did not seem desirable in light of the increased scope of the role of the Supervisory Board and, with it, that of its Chairman. With the completion of several major external growth operations at the end of 2018, the continued internationalisation of the Group and the strengthening of its Asset Management platform, the Group accelerated implementation of its strategic plan, which altered its structure, profile and organisation. As the Group now consists of nine regulated entities including five asset management companies (Tikehau IM, Tikehau Capital Europe, Sofidy, ACE Management and IGG) and two listed property companies (IREIT Global and Sélectirente) (for further details on the Group's main entities, see Section 1.3.1.4 (Legal structure of Tikehau Capital) of this Universal Registration Document) and has a presence in eight countries (eleven following the opening of offices in Tokyo, Luxembourg and Amsterdam in 2019), the oversight functions of the Supervisory Board are more crucial than ever. The Chairman of the Supervisory Board plays a key role within this organisation, and Mr Christian de Labriffe now dedicates all of his available time to his role as Chairman of the Company's Supervisory Board with a view to giving full powers to the Board to ensure permanent supervision of the management of the Company and of the Group's activities.

For all these reasons, and although the agreement had mechanisms designed to prevent conflicts of interest situations and ensure the primacy of the duties of Chairman of the Supervisory Board, the Company considered it preferable to terminate it early.

Approval of these agreements by the General Shareholders' Meeting of the Company

At the outset, it must be remembered that under Article 3, paragraph 10 of the Supervisory Board's Internal Rules, a member of the Supervisory Board "*shall inform the Supervisory Board of any conflict of interest with the Tikehau Capital Group. As applicable, the relevant member must abstain from taking part in the vote on the matter concerned or even in the discussion preceding the vote, must refrain from attending Board meetings during the period in which there is a conflict of interest situation, or must resign as member of the Supervisory Board. The Chair of the Supervisory Board may also request that member does not participate in the discussion and vote*".

The termination of the service agreement entered into between the Company and Parc Monceau was included in a special additional report on regulated agreements and commitments of the Statutory Auditors dated 17 April 2019 and was submitted to and approved by the Annual General Shareholders' Meeting of 22 May 2019.

Additional information on these agreements can be found in the special reports of the Statutory Auditors in Section 3.5.4 (Special report of the Statutory Auditors on regulated agreements and commitments) of this Universal Registration Document.

3.5.2 Other related party transactions

A number of IT expenses and investments related to the operation of the Group's activities may be pooled, insofar as they are of a type to be used by all or several Group entities. This cost-pool ensures that the best rates are obtained and simplifies the Group's administrative management and purchasing. The expenses or investments concerned include: IT servers and infrastructure, office equipment, software (in particular office automation, systems, support & security), information systems used by the Finance Department, consultancy expenses associated with the implementation of projects and the salaries a team dedicated to the control and proper functioning of the systems.

These costs are then re-invoiced to the entities benefiting from these services and purchases, in total, if a single entity is the beneficiary (and did not initially bear the cost) or, partially, if a service or asset is shared among several Group entities. The re-invoicing procedures involve the setting of objective distribution keys such as the average size of each entity concerned or elements enabling the use by each entity to be measured (in particular for the information systems used by the Finance Department).

The Group's IT assets and IT purchasing policy are focused on the Company, which supports the Group's IT resources and then re-invoices to the other Group entities (including Tikehau Capital Advisors) their share of expenses on the basis of the distribution principles in force within the Group.

The IT costs incurred for the tools used by the Finance Department and business lines for the IT infrastructure were borne by the entity, before and after cost-pooling, as follows:

(in millions of €)	Before cost-pooling	After cost-pooling	Difference
Costs incurred or born by Tikehau Capital Advisors	-0.9	-1.7	-0.8
Costs incurred or born by the Company and its subsidiaries	-9.0	-8.2	0.8
TOTAL	**-9.9**	**-9.9**	**-**

3.5.3 Procedure for reviewing customary agreements relating to arm's length transactions

In accordance with Article L.225-39 of the French Commercial Code, as amended by Act No. 2019-486 of 22 May 2019 (the "Pacte Act"), the Supervisory Board adopted at its meeting of 5 December 2019, after review by the Audit and Risk Committee at its meeting of 3 December 2019, a procedure for reviewing customary agreements relating to arm's length transactions (the "Procedure").

The Procedure sets out the definitions used to distinguish between customary agreements relating to arm's length transactions ("unregulated agreements") and regulated agreements, and defines the role of each body in the assessment of unregulated agreements, the procedures and frequency of such assessment.

Definition of unregulated and regulated agreements

Regulated agreements

Pursuant to Article L.226-10 of the French Commercial Code, a regulated agreement is defined as any agreement entered into, directly or through an intermediary, between, on the one hand, the Company and, on the other hand, one of its Managers, one of the members of its Supervisory Board, one of its shareholders holding more than 10% of the voting rights or, in the case of a corporate shareholder, the company controlling it within the meaning of Article L.233-3 of the French Commercial Code, or a company if one of the Managers or one of the Company's Board members is an owner, partner with unlimited liability, manager, Director, general manager, member of the Management Board or member of the Supervisory Board of the company.

Article L.226-10 of the French Commercial Code also applies to agreements in which one of the aforementioned persons has an indirect interest.

A person with an indirect interest in an agreement to which it is not a party is, according to the definition proposed by the AMF in its Recommendation 2012-05, a person "*who, by virtue of the links it has with the parties and the powers it possesses to influence their conduct, derives or is likely to derive an advantage from it*".

Unregulated agreements

In addition to intra-group agreements entered into between the Company and one of its wholly-owned direct or indirect subsidiaries, less the minimum number of shares required to meet legal requirements, customary agreements relating to arm's length transactions are not subject to the regulated agreements procedure.

In accordance with the guide of the national auditing body (*Compagnie Nationale des Commissaires aux Comptes*) on regulated and current agreements (the "CNCC Guide") of February 2014, routine transactions are those that the Company usually carries out as part of its corporate activity. The assessment of the customary nature of the agreement is carried out objectively. Repetition is a presumption of its habitual character but is not in itself decisive.

The Procedure provides an indicative and non-exhaustive list of transactions that may be qualified as customary within the Group. This list, drawn up on the basis of agreements regularly concluded within the Group, is intended to be supplemented as the Group's practice evolves.

With respect to normal terms and conditions, the Procedure recalls that the CNCC Guide defines agreements that are entered into on arm's length terms as those entered into on terms and conditions usually granted by the Company or generally practised in the same sector of activity or for the same type of agreements. In order to assess this normal character, it is possible to refer to a market price, to usual conditions within the Group or to market standards.

The Procedure specifies that the assessment of the customary nature and arm's length terms of an agreement is re-examined at the time of any modification, renewal, extension or termination of an unregulated agreement so that an agreement previously considered as unregulated and, as such, excluded from the procedure for regulated agreements could, on this occasion, be reclassified as a regulated agreement and therefore be subject to the procedure for regulated agreements.

Competent bodies, modalities and periodicity of the review

Internal committee in charge of the evaluation of unregulated agreements

An internal committee made up of representatives of the Corporate division of the Legal Department, the Financial Control and Accounting units of the Finance Department and the Internal Audit Department is in charge of evaluating unregulated agreements.

This internal committee shall examine once a year all the unregulated agreements which were concluded during the last financial year or during previous financial years but which continued to be implemented during the last financial year in order to check whether they still meet this classification on the basis of the information transmitted by the contracting operational Departments.

It may, if it so wishes, consult the Statutory Auditors.

Once a year, it makes a report summarising its conclusions and pointing out any unregulated agreements that no longer fit this classification. This report is forwarded to the Audit and Risk Committee and its conclusions are presented at the next meeting of the Audit and Risk Committee. A summary of its conclusions is also sent to the Board.

Role of the Audit and Risk Committee

The Audit and Risk Committee examines the conclusions of the report prepared by the internal committee on unregulated agreements concluded during the last financial year or during previous financial years but whose execution was continued during the last financial year and presents the conclusions of this report as well as any discussions within the Committee on this subject at the next meeting of the Board.

The Audit and Risk Committee conducts an annual review of the Procedure and the results obtained during the past financial year and presents the results of this review to the Supervisory Board.

Role of the Supervisory Board

The Board takes note of the conclusions of the internal committee's report and decides, on the basis of the recommendation of the Audit and Risk Committee, on the possible reclassification of an unregulated agreement as a regulated agreement or vice versa.

The persons directly or indirectly concerned shall not participate, at any stage of the process, in any such reclassification. During the Board's consideration of this possible reclassification, the persons directly or indirectly concerned shall abstain from taking part in the discussions and voting.

Each year, the Board evaluates the implementation of the Procedure, updates it in accordance with legal and regulatory developments and adopts any changes that it deems likely to enhance its effectiveness.

Implementation of the Procedure

The internal committee met on 11 March 2020 and examined all the unregulated agreements currently in force within the Group. In the report summarising its findings, it stated that all unregulated agreements continue to meet this qualification. The Audit and Risk Committee reviewed the conclusions of this report at its meeting of 12 March 2020 and the Chairman of the Audit and Risk Committee presented them to the Board at its meeting of 18 March 2020.

3.5.4 Special report of the Statutory Auditors on regulated agreements and commitments

ERNST & YOUNG et Autres

Registered office: Tour First TSA 14444 –
92037 Paris-La Défense CEDEX, France

Simplified Joint-Stock Company with variable share capital -
438 476 913 Nanterre Trade and Companies Register

MAZARS

Registered office: 61, rue Henri Regnault –
92075 Paris La Defense CEDEX, France

Limited Company with Executive and Supervisory Boards and share capital of €8,320,000 - Nanterre Trade and

Limited Company with Executive and Supervisory Boards and share capital of €8,320,000 - Nanterre Trade and Companies Register No. 784 824 153

Tikehau Capital

Partnership limited by shares (*société en commandite par actions*) with share capital of €1,640,080,896

Registered office: 32, rue de Monceau, 75008 Paris, France

Paris Trade and Companies Register: 477 599 104

Special report of the Statutory Auditors on regulated agreements and commitments

General Shareholders' Meeting to approve the financial statements for the financial year ended 31 December 2019

To the General Shareholders' Meeting of Tikehau Capital,

In our capacity as your company's Statutory Auditors, we hereby present our report on regulated agreements.

It is our responsibility to report to shareholders, based on information provided to us, on the main terms, conditions and reasons underlying the benefit to the Company of the agreements that have been disclosed to us or that we may have identified as part of our engagement, without commenting on their relevance or substance or identifying any undisclosed agreements. Under the provisions of Article R.226-2 of the French Commercial Code, it is the responsibility of the shareholders to determine whether the agreements are appropriate and should be approved.

Where applicable, it is also our responsibility to provide shareholders with the information required by Article R.226-2 of the French Commercial Code in relation to the implementation during the year of agreements already approved by the General Shareholders' Meeting.

We have performed those procedures which we considered necessary in accordance with professional practices guidance issued by the national auditing body (*Compagnie nationale des commissaires aux comptes*) for this type of engagement. These procedures consisted in verifying that the information given to us is consistent with the underlying documents.

Agreements submitted to the approval of the general shareholders' meeting

We have not been informed of any agreement authorised and entered into during the financial year just-ended to be submitted to the approval of the General Shareholders' Meeting, pursuant to Article L.226-10 of the French Commercial Code.

Agreements previously approved by the general shareholders' meeting

Agreements approved in prior years where the implementation continued during the financial year just-ended

In accordance with Article R.226-2 of the French Commercial Code, we have been informed that the performance of the following agreement, approved by the General Shareholders' Meeting in previous years, continued during the year.

Provision agreement between your company and Tikehau Capital Advisors SAS

Nature and purpose

An agreement regarding the provision of premises at 32, rue de Monceau 75008 Paris France by Tikehau Capital Advisors SAS was entered into on 17 March 2014.

Persons concerned

Mr Mathieu Chabran is Chairman of the company MCH, which is itself CEO of Tikehau Capital General Partner (which is Manager and general partner of your company) and of Tikehau Capital Advisors SAS. Mr Antoine Flamarion, Chairman of the company AF&Co, which is itself Chairman of Tikehau Capital General Partner (which is Manager and general partner of your company) and of Tikehau Capital Advisors SAS.

Terms and conditions

Under this agreement, during the 2019 financial year your company incurred an expense of €99,108 (excl. tax) between 1 January 2019 and 3 November 2019.

This agreement terminated automatically following the termination by Tikehau Capital Advisors on 3 November 2019 of the head lease for the premises made available to the Company.

Paris-La Défense and Courbevoie, 25 March 2020

The Statutory Auditors

ERNST & YOUNG et Autres	**MAZARS**
Hassan Baaj	Simon Beillevaire
Partner	*Partner*

4.

SUSTAINABLE DEVELOPMENT

4.1 BACKGROUND TO THE SUSTAINABLE DEVELOPMENT APPROACH

4.1.1 Introduction

Tikehau Capital is committed to managing the long-term savings entrusted to it by financial institutions, public bodies and individuals all over the world in a sustainable, efficient and responsible manner. These savings are invested by Tikehau Capital through tailor-made and innovative business financing solutions.

The aim of creating long-term value, the cornerstone of the Group's strategy, leads the Tikehau Capital teams to provide financing and investment solutions, using equity or debt, that are tailored to the needs of companies, the lifeblood of the economy. Companies are selected on the basis of financial and operational data but also on the basis of environmental, social and corporate governance criteria. The consideration of the impacts of portfolio companies on society is an integral part of Tikehau Capital's approach and that of its employees, across all of the Group's business lines.

Building on its multi-local platform, Tikehau Capital finances the real economy[1] and provides vital support for businesses. Tikehau Capital aims at promoting the development and growth of companies by offering them tailored financing solutions (either directly or via the capital markets), by investing in their capital, and by releasing financial resources through the purchase or financing of real assets such as Real Estate. The Group thus contributes to the functioning of the economy and global prosperity.

The Group believes that a responsible investor is also a responsible employer and partner. That being said, it should be noted Tikehau Capital's social and environmental impact relates primarily to its investments and, as such, the responsible investing policy or environmental, social and governance (ESG) investment policy constitutes the backbone of the Group's approach to sustainable development.

4.1.2 Non-financial reporting framework and applicable regulations

The Group must present a statement of non-financial performance in its management report (codified under Article L.225-102-1 of the French Commercial Code) and this report includes considerations relating to both corporate social responsibility ("CSR") and ESG.

The Group is also subject to Article 173 (VI) of the French Energy Transition for Green Growth Act ("LTECV") (codified in Article L.533-22-1 of the French Monetary and Financial Code) which considers ESG issues and those pertaining to climate change (the latter being hereinafter referred to by the term "Climate" or "Climate-related"). A report dedicated to sustainable development will cover all of the provisions of Article 173.

Section 4.3 (CSR strategy) of this Universal Registration Document as well as the yet-to-be-published sustainable development report (expected no later than June 2020), also tend to incorporate the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD"), the working group on climate-related disclosures led by the G20's Financial Stability Board. A report specifically dedicated to the Climate will also be published shortly.

4.1.3 ESG and CSR policies are expressions of Tikehau Capital's DNA

The Group was founded in 2004 by entrepreneurs from the financial sector and has since seen considerable growth in its activities. Today, it continues to develop while retaining its original focus. This is expressed in the ESG and CSR policies, which are grounded in the principles of entrepreneurship, convictions-based management and an interdisciplinary outlook.

Entrepreneurship	Tikehau Capital promotes innovation, responsiveness, and accountability in its employees. All employees are encouraged to embody the sustainable development approach, in line with the Group's objectives. The investment teams are directly responsible for implementing the responsible investment policy.
Active management	The Group bases its investment and management decisions on its own convictions and has implemented a set of procedures to ensure that ESG criteria are considered in the same way as financial and operational indicators.
One team culture	Tikehau Capital seeks to implement an interdisciplinary approach amongst its teams and encourages intra-Group communication. ESG and CSR best practices are identified and shared between the teams of the Group's various business lines.

(1) *The real economy refers to economic activities that are linked to the production of goods and services or the construction and management of physical assets (Real Estate and infrastructure). Through its disintermediated investment strategies, Tikehau Capital finances companies and projects that seek to create long-term value.*

4.1.4 History and acknowledgement of Tikehau Capital's commitment

Since signing the United Nations-supported Principles for Responsible Investment ("PRI") in 2014, efforts have been deployed each year to improve the Group's approach to responsibility, both in terms of investments and in its relations with stakeholders.

	2014	2015	2016	2017	2018	2019
Responsible investment	Signature of the PRI	Publication of the responsible investment policy	First proprietary ESG grid	Update of the ESG policy Appointment of an ESG/CSR officer Publication of the first sustainable development report	Launch of the T2 Energy Transition fund ESG committee at Group level Definition of polices and procedures for each business line	A+ PRI rating for strategy & governance Set up of an ESG committee for each investment platform First impact report for the T2 Energy Transition fund Luxflag label granted to 8 main open-ended funds
CSR strategy	-	Definition of the Group's CSR approach	-	Launch of employee shareholding	First carbon footprint assessment of the Group's operations	Gaia Rating 78/100

The Group's approach is recognised by a variety of international standards.

In 2019, Tikehau Capital was awarded an A+ rating (the highest available) under the PRI for its ESG strategy and governance, and it significantly improved its performance across the different business lines. Using this annual review and in comparison with its peers, the Group is able to identify potential areas for improvement and strengthen its approach.

The year 2019 was marked by extending of the voting and engagement policy for liquid strategies with the updating of the Group's voting policy, which is available on its website. It should be noted that at the end of 2019, the eight main open-ended funds (equities and bonds) managed by the Group were granted the ESG label from the Luxembourg Finance Labelling Agency (LuxFlag), demonstrating the robustness of its ESG approach.

In addition to the recognition for its approach to responsible investing, the Group is keen to apply a market-leading CSR policy. The ESG analysis and consultancy firm EthiFinance (through the Gaia Rating) rated the performance of Tikehau Capital as being above average compared to its peers.

4.1.5 Identification of material non-financial issues

Maintaining a close relationship with stakeholders is a key factor in Tikehau Capital's approach to sustainable development. Employees, investor-clients, shareholders and civil society are included in discussions about ESG issues. This close relationship helps to identify and optimise the management of non-financial risks and to strengthen the entrepreneurial and innovative approach that is at the heart of the Group's strategy.

In this context, in 2019, the Group called upon its internal and external stakeholders to help identify its main non-financial risks and opportunities(1). Twenty-five meetings were held which contributed to the identification of Tikehau Capital's priority ESG topics at a Group level and at the level of its investments. The results of this dialogue have been consolidated in an ESG materiality matrix.

Legend

(1) *Cybersecurity is treated as a major priority, and the Group is continually strengthening its IT architecture and computer systems. External intrusion tests are regularly carried out to check the robustness of the Group's IT systems. See Section 2.1.2 (Risks of fraud or IT security) of this Universal Registration Document. Personal data has not been noted as a major priority. Nonetheless, the Group strives to guarantee the security of personal data and it complies with the European General Data Protection Regulation (GDPR). The Group undertakes to process personal data in accordance with the existing regulatory framework and to respect the fundamental rights and freedoms of natural persons, particularly their right to privacy, when it comes to the automated processing of personal data that applies to them. An independent external auditor is currently verifying the measures implemented within the Group to further strengthen the action plan that has been rolled out.*

4.1.6 Risk management and opportunities linked to our priority issues

Four main themes unite the priority non-financial risks and opportunities and are reflected in the Group's approach to sustainable development, both in terms of its Investment activity and its CSR policy.

The sustainable development goals ("SDGs") offer a reference framework that enables communication with all stakeholders. Where appropriate, the Group ensures that the link is made between ESG and CSR issues and the relevant SDG(s). Through its approach to sustainable development, the Group is committed to contributing, wherever possible, to the achievement of SDG 8 (Decent work and economic growth), 13 (Climate action) and 16 (Peace, justice and strong institutions).

RESPONSIBLE INVESTING STRATEGY

Aiming to create value for all its stakeholders, Tikehau Capital has established a responsible investment policy taking into account the specificities of all of the Group's activities

- All **four business lines are covered** by the Group's responsible investment policy
- An **ESG Committee** brings together several of the Group's senior officers and steers the responsible investment policy

GOVERNANCE AND BUSINESS ETHICS

GOVERNANCE

Promoting a strong governance and ensuring the alignment of interests are core objectives of the Group's CSR approach. Priority is given to business ethics and compliance

- The Group's management and employees hold **44% of the capital**
- **62% of Group employees are shareholders** of Tikehau Capital

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

RESPONSE TO THE CLIMATE EMERGENCY THROUGH OUR INVESTMENTS

Tikehau Capital's response to the climate emergency acknowledges the risks and opportunities related to climate change

- **T2 Energy Transition, a €510m fund,** finances mid-sized enterprises directly tackling the energy and ecological transition
- The Group has measured and published the carbon footprint of its main open-ended funds since 2016

CLIMATE CHANGE

MEASURE OF TIKEHAU CAPITAL'S CARBON FOOTPRINT

Tikehau Capital measures the carbon footprint linked to its operations and makes every effort to reduce it

- **1,846 tons of CO_2 equivalent (t CO_2e)** in 2019 (Scope 1,2 and 3 upstream)

13 CLIMATE ACTION

RESPONSIBLE INVESTING APPROACH

FINANCING GROWTH AND JOB CREATION IN THE REAL ECONOMY

Through its investment activities, Tikehau Capital finances the real economy and encourages the implementation of sustainable projects contributing to employment

- **>220 companies** financed through the private equity and private debt (non-CLO) activities
- **€9.2bn** to finance real assets through real estate activities

CUSTOMER SATISFACTION AND TRANSPARENCY

The Group pays particular attention to transparency and communicates regularly with its investor-clients

- There are **more than 1,700 investors** in Group strategies at year-end 2019, i.e. growth of almost 140% since 2015

ECONOMIC DEVELOPMENT, TALENT MANAGEMENT AND PROMOTION OF DIVERSITY

CUSTOMER SATISFACTION AND RELATIONS WITH EXTERNAL STAKEHOLDERS

DIVERSITY AND TALENT RETENTION

Diversity and talent retention are core objectives of the Group's strategy and considered to be growth drivers

- **57 net new jobs created** in 2019
- **44% of the Group's permanent workforce are women**
- **25 nationalities** represented across the teams

RESPONSIBLE PURCHASING AND SOCIETAL ENGAGEMENT

Tikehau Capital is committed to building long-term relationships with external stakeholders, in particular through its responsible purchasing policy and its commitments to various charitable associations

- **>€300k in donations** in 2019
- **Over ten projects and associations are supported** through Group donations

8 DECENT WORK AND ECONOMIC GROWTH

CSR APPROACH

4.

4.2 APPROACH TO RESPONSIBLE INVESTING

4.2.1 Governance and the pillars of the responsible investing strategy

ESG and Climate Governance

The Group firmly believes that defining a responsible investing strategy is key to creating sustainable value (*i.e.* long-term value linked to global societal and environmental challenges) for all of its stakeholders.

This belief is demonstrated through the strong involvement at all hierarchical levels - from investment and operations teams to the Manager and the Supervisory Board representatives – in the roll-out of the ESG and Climate policies.

The Supervisory Board of Tikehau Capital reviews the ESG and CSR strategy by regularly discussing this topic at its meetings.

The Group ESG committee, comprised of nine experienced members and including one of the co-founders of Tikehau Capital, sets the guidelines for the ESG and Climate policy. It meets at least twice a year and is responsible for defining and overseeing the Group's ESG and Climate policies.

The ESG Committee is also tasked with managing the CSR policy (in particular concerning the environment, corporate philanthropy and relations with external stakeholders).

Furthermore, operational ESG committees for each of the investment platforms have been set up to ensure the consistency of investment decisions with the Group's policy. Through their right of veto, these committees are responsible for making decisions on complex investments which were identified by the investment teams as potentially representing high ESG risks. Moreover, the members of these committees regularly discuss ESG priority or trending topics.

The ESG team is composed of two persons, who are responsible for supervising the integration of the ESG policy across all of the Group's activities, raising awareness of the teams on ESG, impact and Climate-related issues and to engage with portfolio companies.

Finally, the responsibility for ESG integration and engagement falls to the investment teams. As such, all investment analysts, managers and directors are responsible for integrating the ESG criteria into the fundamental analysis of investment opportunities.

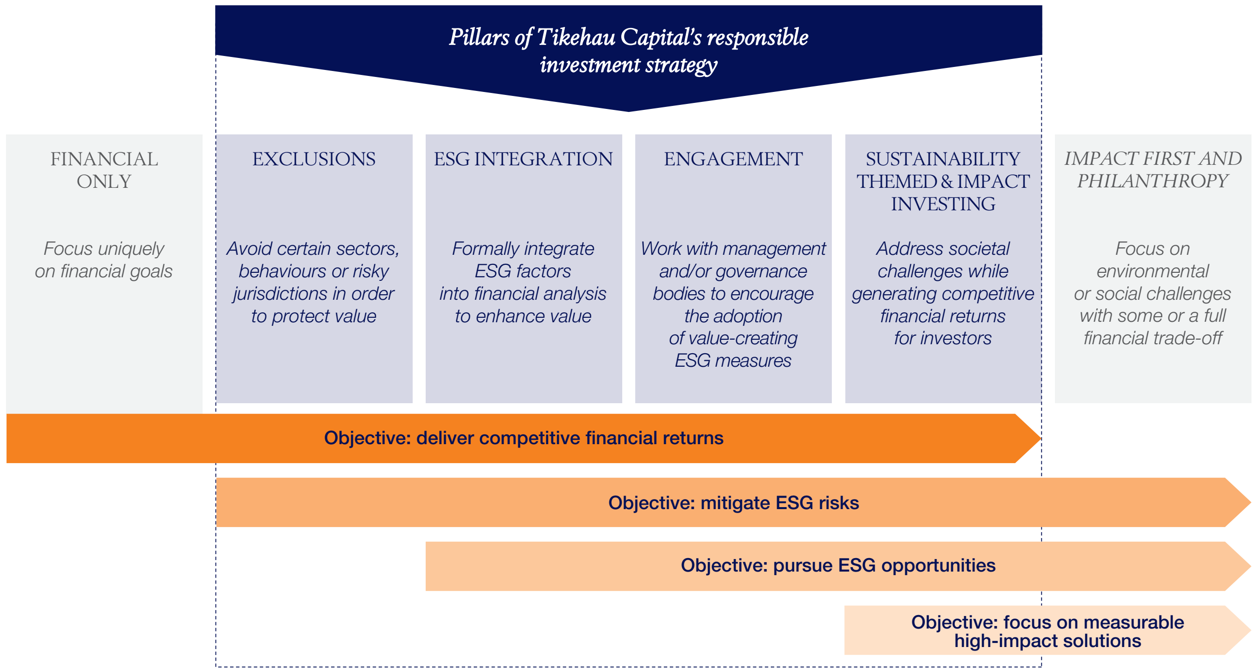
Key indicators :

Number of ESG-Climate governance bodies (one Group-level ESG committee and one for each investment platform)	**4**
Experienced members on the Tikehau Capital Group ESG committee	**9**
Full-time employees responsible for the integration of the ESG policy	**2**
ESG contacts across the Group's different business lines and subsidiaries	**13**
Reach of the ESG policy amongst investment teams members	**100%**

A responsible investment strategy integrated within all Group activities

The Group's responsible investing policy covers the full spectrum of responsible investment through four pillars ranging from exclusions to the development of sustainability-themed products.

While ESG integration is the backbone of the Group's responsible investing strategy, engagement is held on an *ad hoc* basis with a view to helping the portfolio companies improve.



Pillar 1/ exclusions

Tikehau Capital has defined an exclusion policy that covers sectors for which negative impacts on the environment or society have been demonstrated. It should be noted that the Group's exclusion policy has been developed on the basis of the most objective criteria possible. In addition to existing regulatory and international frameworks (*e.g.* national laws and regulations, Universal Declaration of Human Rights, recommendations from international agencies, etc.), the Group consults its network of experts wherever relevant.

Focus on the exclusion of tobacco

As part of the review of an investment opportunity in an Italian cigar manufacturer, the investment team proactively consulted the ESG committee.

Based on medical research into the harmful effects of cigars (which sometimes contain as much nicotine as one packet of cigarettes) and considering the stance of the World Health Organisation (WHO) on the threat presented by tobacco products to global public health, the ESG committee decided to add the tobacco sector to its list of exclusions. In the interests of consistency, recreational cannabis has also been excluded from the investment universe.

As at 31 December 2019, four sectors were excluded from the Group's investment universe:

- controversial weapons;
- prostitution and pornography;
- thermal coal [(1)];
- tobacco and recreational cannabis [(2)].

Furthermore, the Group has defined a three-level watchlist that seeks to identify the industries, geographical areas (*e.g.* non-cooperative or sanctioned countries) and behaviours (*e.g.* allegations of corruption, tax evasion or money-laundering and other allegations of breaches of the United Nations Global Compact etc.) that may have negative external impacts on the environment or the society.

Level (1) detailed analysis by the investment teams and review by the ESG and/or Compliance teams are recommended for cases presenting moderate ESG risks.

Level (2) optional but highly recommended consultation to the platform's ESG committee on sensitive cases (risk of pollution or other at-risk activity sector).

Level (3) mandatory consultation to the platform's ESG committee on certain highly controversial sectors (*e.g*, defence, cloning) or high-risk behaviours (poor governance, disputes or allegations of violation of one of the pillars of the UN Global Compact).

Topics linked to climate change are also taken into account in the risk analysis. Finally, this watchlist is reviewed and updated periodically by the Group's ESG committee to anticipate new non-financial risks.

(1) *Companies with more than 30% of their turnover linked to thermal coal.*
(2) *Companies with more than 30% of their turnover linked to tobacco and recreational cannabis.*

Key indicators :

Investment opportunities reviewed by the ESG committee (Tikehau IM and TCE) since 2018	**11**
Investment opportunities rejected due to ESG considerations (Tikehau IM and TCE) since 2018	**2**

Moreover, the investment teams from the different business lines occasionally turn down investments for ESG reasons, even before they approach their platform's ESG Committee.

Pillar 2/ ESG integration

Beyond the exclusions, Tikehau Capital's approach is to integrate ESG criteria in its investment approach not because certain investors demand it, but because the Group believes that these criteria have a material impact on the financial risk-adjusted performance of the assets concerned.

A proprietary analysis grid

Tikehau Capital is convinced of the importance of an independent and fully embedded assessment in the fundamental research, and it has decided to formalise its approach to ESG using a proprietary non-financial analysis grid tailored to each activity.

Within the **Capital Markets Strategies, Private Equity and Private Debt** business lines, the research and investment teams consider a common series of ESG themes that affect the operations, products and services of the companies concerned.

For the **Real Estate** business line, the grids depend on the stage of progress of the project with a focus on the parties involved (builders, management companies, tenants) and their environmental and societal practices.

Proprietary ESG analysis grids tailored to the specificities of the activities of the Group's subsidiaries, ACE Management and Sofidy, were introduced in 2019.

Within each business line, ESG grids are periodically updated to ensure the monitoring of urgent ESG issues.

Key indicators :

Percentage of analysts and managers responsible for integrating ESG criteria into the fundamental analysis of investments	**100%**

Example of ESG criteria analysed:

- Governance – Analysis of the exposure to at-risk countries with regard to corruption and breaches of human rights, the quality of the management (ability to deliver the strategy, key person risk) and the governance bodies (expertise and diversity of Board members), and the commitments made to support sustainable development (signing of the Global Compact, CSR policy), or even the exposure to known or potential controversies;
- Social – Analysis of sectoral and/or business risks relating to human rights, health and safety within the supply chain but also exposure to controversies linked to the products and services, human resources and/or other stakeholders across the value chain;
- Environment – Analysis of risks associated with the type of real assets, consideration of issues relating to climate change, resource conservation and the energy transition, and even the exposure to known or potential environmental controversies.

Raising teams' awareness of ESG topics

This approach, which characterises and differentiates Tikehau Capital, is based on the corporate culture. Placing ESG at the core of the investment policy implies educating the teams (awareness-raising with experts and sharing experiences) and defining a formal approach to non-financial criteria (application of a proprietary grid and systematic summary in investment memos). With regard to the environment, financial analysts are not expected to carry out complex assessments themselves (for instance, energy audits), but rather are expected to systematically consider and identify the risks associated with the assets they are valuing. This analysis is the natural corollary to a financial appraisal.

At the beginning of 2019, 26 staff members from the investment and research teams of the Capital Markets Strategies business line took part in a presentation with S&P Trucost Limited ("Trucost"), in order to strengthen their approach to the environmental analysis of the main liquid funds. Managers were able to measure the size of the carbon footprint of certain sectors (*e.g.* raw materials) and to then develop an industry benchmark approach (e.g for steel and cement manufacturers, avoiding the most polluting businesses in their sector).

Pillar 3/ Engagement

In addition to monitoring ESG risks and opportunities, Tikehau Capital engages with certain portfolio companies. Starting at the investment decision and throughout the holding period, Tikehau Capital promotes the adoption of practices that align financial performance with social and environmental impact. The Tikehau Capital investment teams and the ESG team maintain dialogue with the portfolio companies with a view to creating sustainable value.

Voting policy

The Group believes that active shareholding stimulates communication and contributes to the creation of value. In this context, in 2019, the Group reinforced its engagement and voting policy and committed to voting at the General Shareholders' Meetings of companies held in its funds (excluding funds of funds). Portfolio managers have access to a recognised platform (Institutional Shareholder Services - ISS) to cast their votes.

With regard to **investments in listed companies** (equity funds of the Capital Markets Strategies business line and Direct Investments), the Tikehau Capital analysts and fund managers analyse the resolutions. They may use proxy advisors to help assess problematic resolutions.

With regard to **Private Equity** investments – whether Tikehau Capital has a minority or majority stake in the share capital in a given company, the teams can systematically exercise their voting rights.

Resolutions added to the agenda by external shareholders (including resolutions on ESG-related topics) are analysed on a case-by-case basis and approved if they contribute to the improvement of business practices or have the potential to create value for shareholders.

ESG monitoring

In Private Equity and Private Debt – the Group aims at working together with the management team, the equity sponsor and/or potential co-investors on ESG-related topics.

To raise the management's awareness in the early stages of the investment relationship, an ESG clause is included wherever possible in shareholders' agreements or credit documentation. This clause informs on Tikehau Capital's commitments to responsible investment and binds executives to adopt a progressive approach as far as they are able.

During the holding period, the portfolio companies are subject to an annual review of their ESG performance through a dedicated questionnaire. Thanks to companies' responses, Tikehau Capital is able to identify risks and/or opportunities relating to ESG factors. Where appropriate, the investment teams and ESG team may be encouraged to engage in dialogue with the companies to help identify the risk management strategies in place. For example, as a minimum, the Group encourages the establishment of formal codes of ethics to promote an exemplary approach within companies.

Depending on the level of proximity between the teams and management, and when the investment teams have a seat on the corporate governance bodies of portfolio companies, the most material ESG topics are included at least annually on the agendas of such bodies.

Real Estate activities – In late 2019, IREIT Global decided to work on an ESG clause inspired by France's green leases in order to increase transparency on buildings' consumption (energy, water, waste), and to identify areas for improvement. In addition, the Sofidy and IREIT Global teams took the decision to work on a best practices guide to be made available to all of their tenants.

ESG roadmap

When the teams benefit from a close relation with the management, ESG roadmaps are developed in collaboration with the portfolio companies. The definition of these plans is based on a materiality analysis of ESG topics according to the activity, size and geographical exposure of the companies. Qualitative objectives and management indicators are monitored annually.

Private Equity – In 2019, the investment teams committed to defining ESG roadmaps with all new companies.

Private Debt – Given the constraints associated with this activity, the definition of ESG roadmaps is prepared on an *ad hoc* basis depending on proximity with the management.

FOCUS ON BA&SH (PRIVATE DEBT ACTIVITY)

ba&sh

ba&sh is a Paris clothing, footwear and accessories brand, positioned in the most dynamic segment of its sector, the accessible luxury. In 2015, when the Private Equity fund L Catterton acquired a stake in the capital of ba&sh, Tikehau Capital supplied unitranche financing and contributed to the expansion and internationalisation of ba&sh. The firm's turnover reached €209 million in 2019 in comparison to €22 million six years before. The Company has a network of over 250 of its owned shops/areas in Department stores and is present in over 50 countries. It went global in 2017 with the opening of subsidiaries in New York and Hong Kong.

Activity sector: Clothing, Accessories and Luxury Goods

Number of employees: 650

A structured approach to ESG

Aware of the changes in the aspirations of its employees and the demands of its customers, ba&sh committed to a structural and in-depth "insetting" process.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Target 12.2 *By 2030, achieve the sustainable management and efficient use of natural resources*

It consists in gradually transforming the value chain to limit impacts on the ecosystems on which ba&sh depends: transformation plan for the raw materials supply chain, mapping of direct and indirect suppliers and their social and environmental initiatives through a highly traceable process, supporting new consumer trends such as integrated second-hand or sharing initiatives and even moving to a HQE-certified logistics centre.

Combining performance and sustainable development

ba&sh now incorporates sustainable development issues into its strategic thinking when launching new products and innovative business models.

Following the analysis conducted together with PUR Project to asess the environmental, social and geopolitical impacts of all of the raw materials used in the fabrics, ba&sh has selected certain labels (*e.g.* GOTS, OCS) and defined a ba&sh sustainable product specification setting a minimum percentage of certified raw materials.

- 22% of the 2020 spring-summer collection is *eco-friendly*

For example, the Teddy bag is made using artisanal and ethical processes and has an organic cotton lining. The use of vegetable leather is planned for the next version of the bag.

- A 100% eco-friendly 2021 spring-summer capsule is planned

Furthermore, ba&sh has identified development opportunities using alternative business models. In late 2019 for example, the brand launched a website in white label offering items for rent (rybc.ba-sh.com). The company is also exploring the development of second-hand commercial strategies with a view to redirecting consumers from affordable fast fashion towards more sustainable, higher-quality fashion.

The success of this approach relies particularly upon the set-up of a CSR committee comprising voluntary employees from all of the ba&sh operational divisions, at all seniority levels. This initiative will be enhanced in 2020 with the arrival of a CSR manager. In order to promote and strengthen the company's CSR culture, the ba&sh Greenletter, a monthly newsletter sent to all employees worldwide and co-created with them, has been launched to improve communication about the CSR changes occurring within the brand and its universe. The CSR culture also includes donations to organisations that focus on women empowerment and health (Cancer du Sein Parlons-en, dedicated to breast cancer, and Women for Women) and on urgent causes, such as a donation in early 2020 to Assistance Publique-Hôpitaux de Paris (the public hospital system of Paris and its suburbs) to help fight Covid-19.

Tikehau Capital support

The high level of awareness of the ba&sh management and their understanding of the tangible shift in the textile industry with regard to environmental and societal issues, combined with the experience of Tikehau Capital, have led to fruitful exchanges regarding the planned structural changes.

Since 2019, Tikehau Capital's ESG team has been offering regular support to ba&sh by sharing its convictions and resources: mapping of top priorities, implementation and tracking of KPIs linked to the United Nations Sustainable Development Goals, and dialogue on the issues related to non-financial communication and reporting.

Pillar 4/ Sustainability themed and impact investment

In order to be legitimate and effective, an impact strategy must be based on a comprehensive operational ESG approach that is fully integrated within the investment process.

Sustainability-themed and impact investing was launched in 2018 with the creation of the T2 Energy Transition fund (for more information see Sections 1.3.2 (Asset Management activity) and 4.2.2 (Response to the climate emergency through investments) of this Universal Registration Document) and the Group is currently well-positioned to develop its impact strategy across its business lines.

With a strong conviction regarding its role in helping to boost the economy, the Group has set the target of **developing a platform dedicated to impact investing and in particular to tackling climate change**.

At the end of 2019, a further milestone was achieved with the preparation for the launch of the first Tikehau Capital impact debt fund. The fund is designed to support the transition of businesses in the European real economy from an environmental, societal and economic perspective. Incentive schemes are being defined to ensure a progressive approach. For instance, the credit rate can be adjusted according to the achievement of non-financial roadmaps and targeted indicators.

What does impact investing mean to Tikehau Capital?

Tikehau Capital refers to international and recognized frameworks (*e.g.* Global Impact Investing Network or GIIN, IRIS+, SDGs, Impact Management Project, UN PRI, etc.) to define its impact approach:

- the first pillar of Tikehau Capital's impact process is demonstrating **intentionality**. This means that the Group's aim is to reconcile strong financial performance with a response to global and societal challenges such as the climate emergency. Our investment and ESG teams work hand-in-hand with experts in this sector (*e.g.* Steward Redqueen) to define the "theory of change" or logical framework to demonstrate the impact of the Group's funds;
- the second pillar of this process is **additionality**. This means that instead of waiting for automatic non-financial outcomes linked to an investment, the Tikehau Capital team seeks to provide support to scale-up a given solution or approach to transition towards a more sustainable and inclusive economy. In addition to financial support, the companies should benefit from tailored support throughout the holding period;
- finally, the third key concept of the Tikehau Capital impact approach is **impact measurement.** In addition to monitoring financial performance, impact measurement contributes to transparency for investors regarding the companies under consideration. Measuring the impact therefore has numerous advantages: i) with regard to investments, it serves as a management tool to encourage companies to take action; ii) with regard to the fund, it provides a clear and actionable view of the investment theory; iii) with regard to communication, it helps to improve transparency vis-à-vis interested stakeholders (*i.e.* subscribers, businesses, general public) on non-financial matters.

Given the increasing number of impact investing initiatives and in order to avoid "impact washing" practices, actively participating in working groups appears as essential so as to harmonise the definitions of this emerging investment practice. To that extent, members of the investment and ESG teams take part in several impact working groups within France Invest and the French Social Investment Forum (FIR).

Thematic and impact initiatives

1 private equity fund, T2 Energy Transition, which helps respond to the climate emergency by focusing on businesses that produce clean energy, develop low-carbon mobility and improve energy efficiency, from storage to digitisation (see section 4.2.2 (Response to the climate emergency through investments)). The impact data of this fund will be available within a dedicated report addressed to its investors.

A major investment in the Clean Energy & Environment Fund from DWS, which invests in Chinese companies creating solutions to mitigate climate change, held through a fund managed by the Group's team on Tikehau Capital's behalf.

1 equity fund dedicated to the sustainable city (S.YTIC) managed by Sofidy. This fund helps manage long-term urban expansion by investing in companies that are active in the vertical development of major cities and urban renovation, infrastructure management and waste disposal, the digital transformation and any other trend that may emerge in the sustainable city development ecosystem.

1 venture capital fund dedicated to biotechs in Singapore in partnership with SPRIM Ventures (TKS I) and a second vintage which is in the process of raising funds (TKS II). The funds target companies devising solutions that contribute to scientific progress in healthcare, focusing on prevention, diagnosis and monitoring related to curative treatments, and enabling the entire life science industry to develop sustainable and cost-effective therapies more rapidly.

17 PARTNERSHIPS FOR THE GOALS

Use of resources to achieve the SDGs with investments in three impact funds held through Tikehau Capital's balance sheet:

- Alter Equity 3P (People, Planet, Profit) which invests in European companies addressing a major social or environmental issue through their products and services;
- Blue Like an Orange Sustainable Capital which finances companies with positive social or environmental impacts in Latin America; and
- Essential Capital Consortium Fund from DWS that invests in social enterprises in developing countries which aim at producing goods or providing services benefiting local communities (healthcare, energy or financial services).

4.2.2 Response to the climate emergency through investments

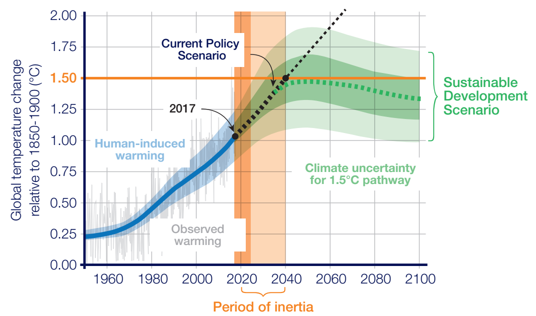
Given the massive communication on this subject, and based on the experience of a dedicated energy transition team, the Group considers that it is essential to define the emergency as Tikehau Capital sees it today.

Recent decades have been marked by rapid growth in both economic and demographic terms. More than 7.7 billion people currently live on Earth and a large proportion of the population has not yet achieved its full economic potential. As a result of increasingly "westernised" consumption patterns, the world economic and population growth has led to global warming. According to the scientists of the Intergovernmental Panel on Climate Change (IPCC), at the end of 2019, the planet was already 1°C warmer in comparison to pre-industrial levels.

Scientists remind us that the climate emergency has already been declared and that world population has only 10 years to take action if we are to maintain life on the planet as we know it. In its Special Report on Global Warming of 1.5°C, the IPCC explains that even stopping human greenhouse gas emissions would not be enough to change the direction of the temperature curve before 2040 (due to Earth system feedbacks and to reverse ocean acidification).

Immediate action is therefore essential. Tikehau Capital is keen to act today to contribute as much as possible to keeping global warming under 2°C by 2100, in line with the objectives of the Paris Agreement.

The different scenarios of global warming



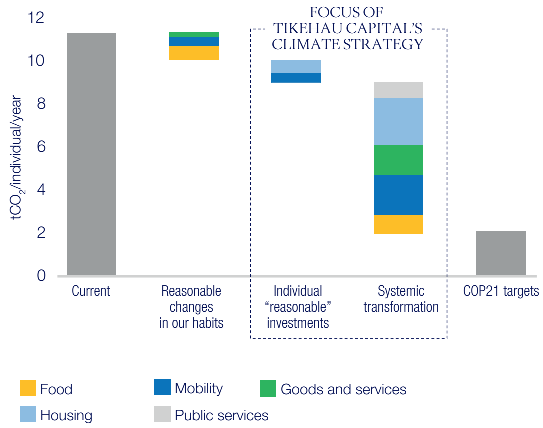
Source: *Special Report on Global Warming of 1.5°C, the IPCC, the Global Carbon Project*

In addition to this wake-up call regarding the climate emergency, it is essential to acknowledge the key levers to ensure a response that is appropriate to and aligned with the needs of the planet, humans and the economy.

In the study "Doing your fair share for the climate?" published in November 2019 and presented in the adjacent image, Carbone 4 explains that the initiatives of environmentally responsible citizens will represent only 25% of the transition necessary and that only a systemic transformation will enable us to meet the objectives of the Paris Agreement. This implies an immediate call to action to all players in the real economy but also investors, who are capable of redirecting global savings to address what we consider to be the greatest emergency facing the planet.

Contributors to reducing the average carbon footprint per inhabitant

Tonnes CO^2 equivalent (tCO2)/individual/year



Source: *Carbone 4*

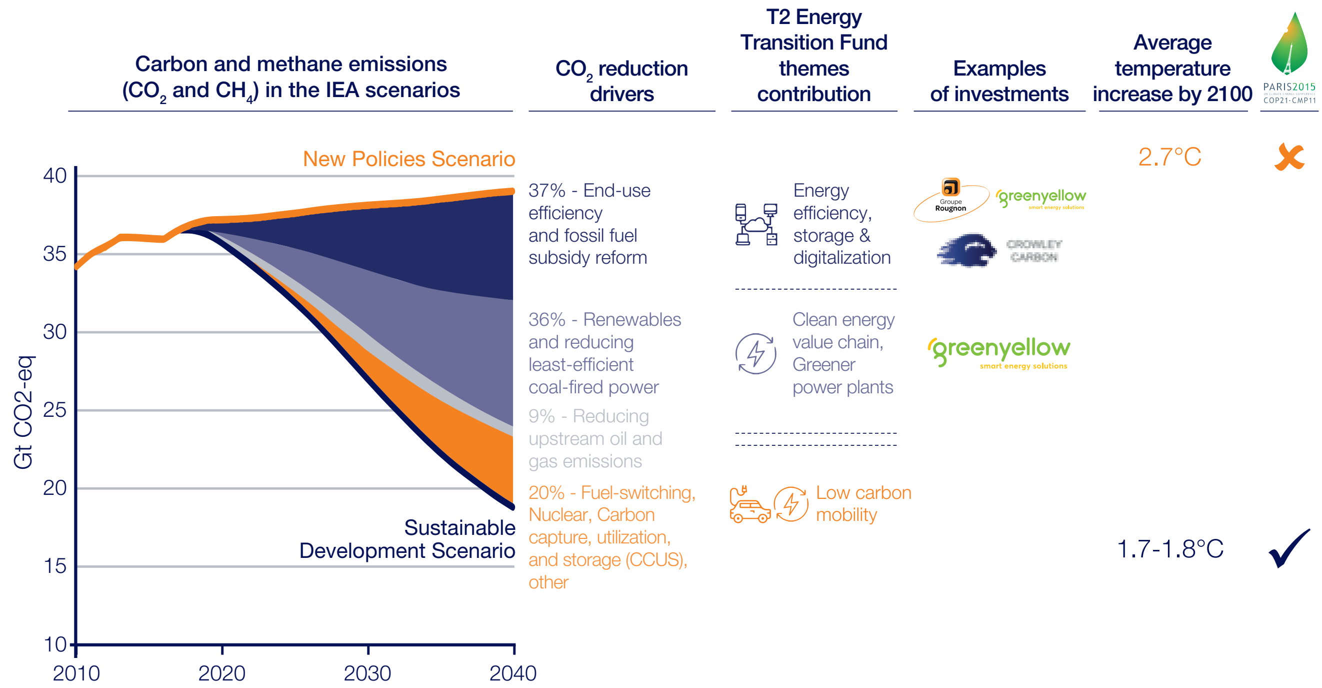
These topics are considered in the same way as other ESG risks and opportunities and are managed in a similar way by the ESG governance bodies. The Group ESG committee is responsible for defining the strategic pillars of the climate change policy.

Response to the climate emergency as an investment opportunity

Tikehau Capital has identified the response to the climate emergency as a pressing call for action in terms of risk management, but above all, as the greatest investment opportunity of recent decades. Based on its track record (with investments in Quadran Groupe Direct Energie and Eren) and its ESG-Climate expertise, the Group has set itself the target of developing a platform dedicated to financing the energy and ecological transition through its various business lines.

T2 Energy Transition Fund ("T2") is a Private Equity fund designed to support medium-sized businesses that are focused on the energy transition in the financing of their development, the transformation of their business models and their growth, especially international expansion. Based on a targeted and customised approach which aims to promote energy transition, the fund's investments will focus on companies working on three determining fronts: the production of clean energy, low-carbon mobility, storage and digitalisation.

As at 31 December 2019, T2 had made two investments in France and was finalising one transaction in Ireland. GreenYellow, Crowley Carbon and the Rougnon Group work to improve energy efficiency in three industries: retail, manufacturing and construction.



Source: Data from the IEA World Energy Outlook © OECD/IEA 2018, www.iea.org/statistics. License: www.iea.org/t&c.

In addition to financial support, T2 investment team has positioned itself as a partner to support managing directors in the incorporation of ESG-Climate issues. It helps to develop impact roadmaps designed to support the sustainable development of companies.

FOCUS ON THE MEASUREMENT OF THE IMPACT OF GREENYELLOW

In only 13 years, GreenYellow has become a major player in the energy transition in France and abroad through its presence in more than eight countries across four continents.

Activity sector: Renewable energy and energy efficiency

Number of employees: 407

GreenYellow is one of the rare players to have cross-cutting expertise in all of the components of the energy bill: decentralised energy production (in particular photovoltaic energy), guaranteed energy consumption reduction (energy efficiency), as well as energy-related services (purchasing, consumption monitoring and energy policy consulting). GreenYellow constantly enhances its know-how through the integration of innovative solutions (mobility, data, etc.) to help public and private players reduce their environmental footprint.

Tikehau Capital has acquired a stake in GreenYellow – an intrapreneurial subsidiary of the Casino Group – to accelerate its next growth phase.

Ensuring everyone access to reliable, sustainable and modern energy services

Both thanks to its products and services and its geographic exposure, GreenYellow contributes to the fight against climate change. The Company contributes directly to the achievement of the Sustainable Development Goals and in particular to the SDG 7 (Ensure access to affordable, reliable, sustainable and modern energy for all):

Target 7.1 By 2030, ensure universal access to affordable, reliable and modern energy services	More than 100 solar plants constructed in developing countries (Brazil, Colombia, Thailand, Madagascar, Morocco and Senegal)
Target 7.2 By 2030, increase substantially the share of renewable energy in the global energy mix	As at end of 2019, 1,300,000 m^2 of solar panels had been installed, with an installed capacity of 250 MWp, over half of which is in developing countries
Target 7.3 By 2030, double the global rate of improvement in energy efficiency	Over 2,500 energy efficiency contracts in 2019, representing energy savings of €77 million

Support of Tikehau Capital

Tikehau Capital supports GreenYellow in setting up an assessment of its carbon footprint and an analysis of its physical climate-related risks. With the help of a firm that specialises in the measurement of environmental footprints (Quantis), GreenYellow has been able to estimate the positive impacts linked to its activity:

In 2018, the renewable energy installed and energy efficiency projects **prevented the emission of 165,000 tCO_2e**, the equivalent of the energy consumption of a city the size of Marseille.

At the same time, and beyond the optimisation of its carbon footprint and avoided emissions, GreenYellow intends to expand its knowledge of carbon-related issues in order to better support its customers in their carbon-neutrality initiatives.

GreenYellow's CSR approach

In 2019, GreenYellow mobilised its teams to define a CSR policy that reflects its commitment to the energy and ecological transition and that involves all its stakeholders (employees, customers, suppliers, local communities and institutions). Clear objectives have been defined at an international level to accelerate the deployment of solar and energy efficiency projects, to increase diversity among the teams, to improve occupational health and well-being, to strengthen compliance, business ethics and the fight against corruption at all levels of the supply chain, to develop a spirit of innovation, and to consolidate partnerships with local non-for-profit organisations.

A climate and biodiversity strategy to roll out within the Group

The Group ESG Committee is responsible for defining the strategic pillars of the climate change policy. In late 2019, the Group instituted a task force to work on a charter that combines the Group's positions on climate and biodiversity issues.

The climate approach adopted by Tikehau Capital is grounded in its aspiration to respond to the climate emergency, and the management of climate change risks and opportunities is already central to Tikehau Capital's responsible investment strategy. These topics are considered in the same way as other ESG risks and opportunities and are managed in a similar way by the ESG governing bodies.

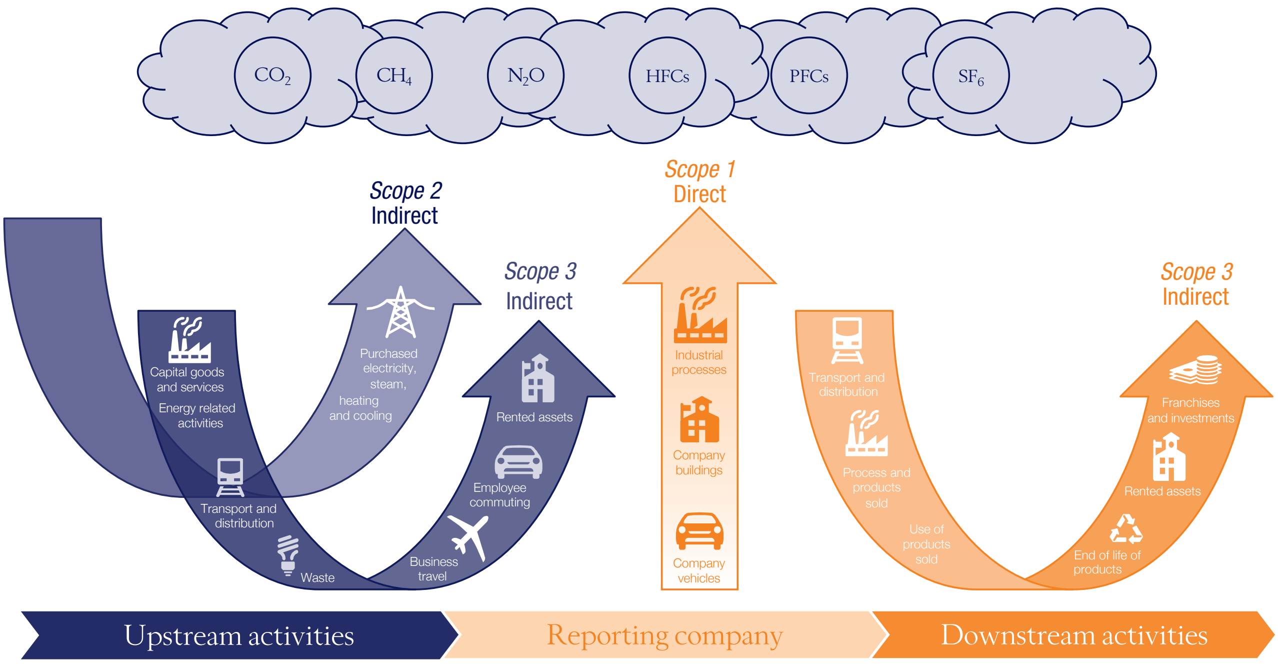
The Group has set a goal of developing a platform that focuses on impact investing and in particular, on the fight against climate change.

Measuring the carbon footprint

The carbon footprint cannot be the only indicator used to measure the environmental footprint of investments, but it has become an essential indicator.

Calculating the carbon footprint helps to estimate the quantity of greenhouse gases ("GHG") or carbon emissions, measured in tonnes of CO_2 equivalent – tCO_2e, allocated to a company or a fund across different scopes:

- greenhouse gases directly emitted by companies from their fixed or mobile facilities controlled by the organisation ("scope 1");
- indirect emissions related to energy consumption for the production of goods and services ("scope 2");
- and the other indirect emissions that take place upstream or downstream from the value chain ("scope 3").



Source: GHG Protocol

METRICS: CARBON FOOTPRINT OF THE FUNDS OF THE CAPITAL MARKETS STRATEGIES BUSINESS LINE

In line with the recommendations of the TCFD, Tikehau Capital uses three indicators to calculate the carbon footprint of its funds:

1) Relative Carbon Footprint (also called Carbon-to-Value ratio): allocated carbon footprint per € million invested that captures the absolute impact of the portfolio per € million invested;

2) Carbon Intensity (also called Carbon to Revenue ratio): allocated carbon footprint per € million of revenues held (total of the carbon emissions held divided by total revenues attributed to the portfolio) which assesses the efficiency of the portfolio;

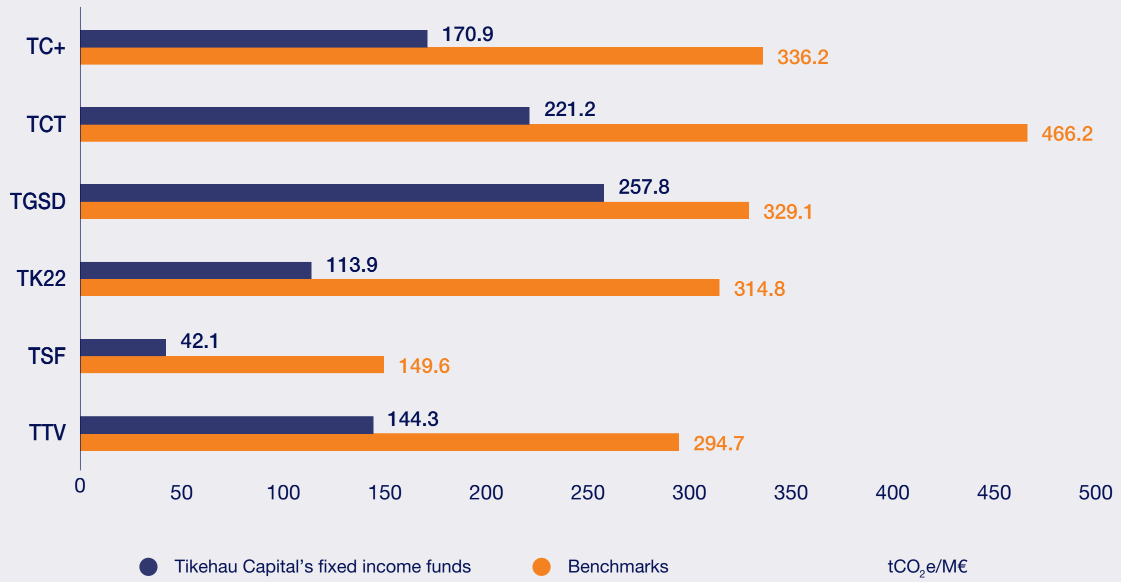
3) Weighted Average Carbon Intensity: arithmetical average carbon intensities of portfolio companies weighted by their portfolio weights which allows exposure to high emission companies to be assessed.

Tikehau Capital has appointed S&P Trucost Limited ("Trucost"), a leading expert in environmental footprint, to carry out carbon assessments of its main liquid funds as at 31 December 2019 covering scopes 1, 2 and 3 upstream.

The results of the "weighted average carbon intensity" indicator are presented below. The "relative carbon footprint" and "carbon intensity" indicators are published in the annual reports available in the "Capital Markets Strategies" section of Tikehau Capital's website.

According to the weighted average carbon intensity method, the fixed income funds managed by the Group were performing well above their benchmark as at 31 December 2019. This is due to both the sector allocation and the choice of issuers related to the fundamental-analysis approach of the Capital markets strategies team.

Weighted average carbon intensity per € million of revenues held in the main fixed income funds



Source: S&P Trucost Limited.

Rate of coverage: 72% of value positions

List of reference benchmarks:

TC+ composite benchmark: 15% ACHY ICE BofAML Asian Dollar High Yield Corporate Index, 5% HEBC ICE BofAML Euro Financial High Yield Constrained Index, 5% ELT2 ICE BofAML Euro Lower Tier 2 Corporate Index, 50% HEC0 ICE BofAML Euro High Yield Constrained Index, 10% ER00 ICE BofAML Euro Corporate Index, 15% COCO ICE BofAML Contingent Capital Index ;

TCT composite benchmark: 100% H1EC ICE BofAML BB-CCC 1-3 Year Euro Developed Markets High Yield Constrained Index ;

TGSD composite benchmark: 30% ACHY ICE BofAML Asian Dollar High Yield Corporate Index, 30% H1EC ICE BofAML BB-CCC 1-3 Year Euro Developed Markets High Yield Constrained Index, 30% HEBC ICE BofAML Euro Financial High Yield Constrained Index, 10% ELT2 ICE BofAML Euro Lower Tier 2 Corporate Index ;

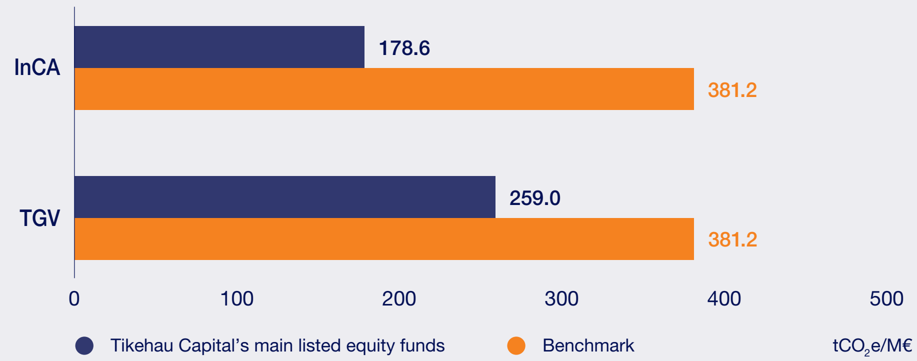
TK22 composite benchmark: 75% HEC0 ICE BofAML Euro High Yield Constrained Index, 25% COCO ICE BofAML Contingent Capital Index ;

TSF composite benchmark: 60% COCO ICE BofAML Contingent Capital Index, 30% H1EC ICE BofAML BB-CCC 1-3 Year Euro Developed Markets High Yield Constrained Index, 10% ELT2 ICE BofAML Euro Lower Tier 2 Corporate Index ;

TTV composite benchmark: 5% ELT2 ICE BofAML Euro Lower Tier 2 Corporate Index, 5% ACHY ICE BofAML Asian Dollar High Yield Corporate Index, 30% HEBC ICE BofAML Euro Financial High Yield Constrained Index, 30% H1EC ICE BofAML BB-CCC 1-3 Year Euro Developed Markets High Yield Constrained Index, 30% ER01 ICE BofAML 1-3 Year Euro Corporate Index.

According to the weighted average carbon intensity method, the two main equity funds managed by Tikehau IM were performing well above their benchmark as at 31 December 2019. This is due to both the sector exposure and the allocation choices related to the fundamental-analysis approach of the capital markets strategies team.

Weighted average carbon intensity per € million of revenues held in the main listed equity funds



Source: Trucost S&P Limited

Rate of coverage: 100% of value positions

InCA and TGV composite benchmark: the benchmark is made up of 50% S&P 500 and 50% S&P 350 Europe and has been created with the support of S&P Trucost for the sole purpose of comparing the carbon footprint of the fund with that of relevant indices.

Management of physical and transition risks

In line with the recommendations of the TCFD, Tikehau Capital considers risks related to climate change:

i. Transition risks, especially regulatory, technological, market and reputational risks, are taken into account in the basic analysis carried out by the investment teams. The T2 Energy Transition fund teams, in particular, carry out in-depth assessments of the main issues relating to climate change (*e.g.* changes in energy prices or technological changes associated with lower carbon emissions).

ii. The physical risks, defined as the exposure of real assets to physical consequences directly caused by climate change (chronic events – such as global warming and rising sea levels - and extreme events – such as fires and cyclones).
During the pre-investment stage, the ESG scoring grid comprises numerous questions relating to physical risks. A mapping of the physical risks by country is shared with the investment teams. As part of the monitoring of investments, analyses are conducted for certain assets (for Real Estate strategies) or certain funds with the help of specialised service providers.

FOCUS ON THE ANALYSIS OF PHYSICAL RISKS OF THE MAIN PRIVATE EQUITY AND PRIVATE DEBT PORTFOLIOS

Tikehau Capital has appointed INDEFI to identify the physical risks of the main Private Equity and Private Debt funds. The results of these analyses will be included in the dedicated Climate report (to be published in the near future).

Risk definition:

- Increased severity of extreme weather phenomena such as cyclones, hurricanes and floods.
- More long-term changes to climate models such as the sustained increase in temperatures and rising sea levels.

Risk identification and management strategy:

A mapping of the exposure of facilities (*e.g.* offices, production sites) is carried out for every company. The results will be communicated:

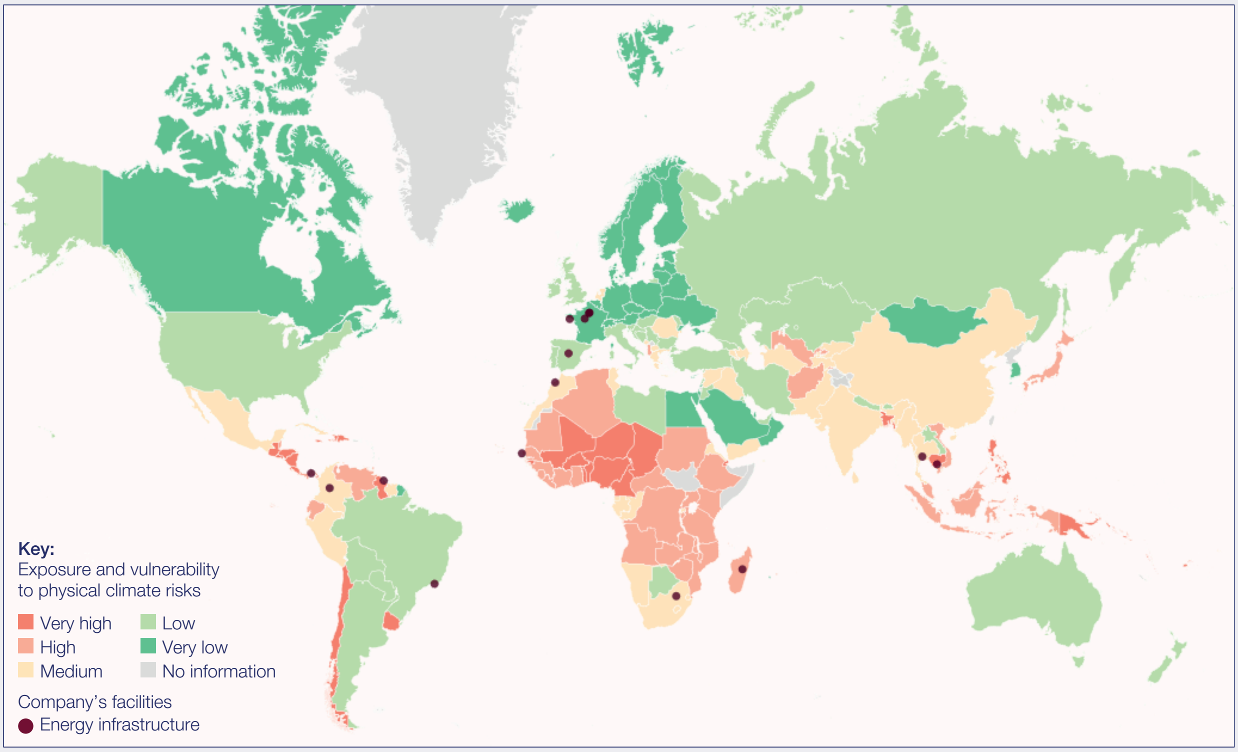
i. to the companies, to raise awareness and encourage them to adopt risk management strategies (*e.g.* insure assets with the highest exposure);

ii. to the investment teams, to improve skills relating to the identification and management of the physical risks associated with climate change;

iii. to investors, to strengthen the Group's transparency regarding climate-related issues.

For certain companies for which the management of the supply chain is a key issue, additional assessments cover the risk exposure of the main suppliers.

Example of the analysis of the physical risks of a portfolio company



Source: World Risk Index

4.2.3 Contribution to growth and employment

Tikehau Capital adheres to the principles laid down in the fundamental conventions of the International Labour Organisation ("ILO") concerning (i) respect for the freedom of association and right to collective bargaining, (ii) the elimination of discrimination in respect of employment and occupation, (iii) the elimination of forced and compulsory labour, and (iv) the effective abolition of child labour. The Group endeavours to ensure that human resources play an integral part of its own strategy and of that of the companies in which it invests. Depending on the nature of the businesses and their industries, qualitative or quantitative criteria used in regard to social aspects may vary: human resources policy, social risk, employee safety and work-related accident rates.

Tikehau Capital's approach rests on the belief that high-quality management of human resources is required for a company to be productive, reduce social risks of any kind and therefore prove to be a promising investment.

Through its Private Equity and Private Debt activities, Tikehau Capital supports employment and participates indirectly in the creation of jobs.

Key indicator:

Companies financed through Private Equity and Private Debt strategies (as at 10 December 2019)	**+220**
Amounts held to finance real assets through Real Estate activities	**€9,2 billion**

As responsible shareholder or lender, Tikehau Capital promotes, wherever relevant, diversity and gender balance within the governance bodies of its portfolio companies.

4.2.4 Investor-client satisfaction

The Group's Investor-clients are made up of institutional and private investors who may also be shareholders in Tikehau Capital. Customer satisfaction is a key factor both in terms of performance for the Group and for its Asset Management business.

Over 1,700 investors were supporting the Group's investment strategies at the end of 2019, compared with 740 five years ago. In this context of strong growth, the Group has successfully maintained long-term partnerships. Thirteen of the top 20 investors have been Tikehau Capital customers since 2015.

The Group pays particular attention to transparency and communicates regularly with investors. For all of its funds, both open-ended and closed, the Group ensures that it provides regular updates on financial performance. The Group has thus set itself the objective of sharing communications on non-financial performance at least once a year for the main open-ended and closed funds, with effect from the 2020 financial year.

In January 2020, Sofidy was named best asset manager for the 17th consecutive year in the business SCPI category of the 2019 Providers Awards handed out by Gestion de Fortune magazine. In addition to strong financial performance, this award recognised Sofidy's excellent customer service and the outstanding performance of its sales teams.

Key indicators:

Growth of the investor base between 2015 and 2019	**+139%**

Finally, the Group has articulated a responsible marketing approach that is incorporated into its compliance manuals. The Group works hard to communicate accurate, clear information that does not mislead investor-clients. The Compliance Department checks all presentations that are prepared with the purpose of promoting the Group, the Company or its funds. The financial and non-financial reports undergo an internal revision process and, in some cases, are subject to independent third-party verification.

4.3 CSR STRATEGY

In addition to a proactive ESG policy, the Group has adopted a CSR strategy whose main areas of focus were revised in 2019 following the work conducted on the Group's materiality matrix:

- **Area 1 - Governance and the alignment of interests** are at the heart of the Group's CSR approach. Paramount importance is given to business ethics and compliance.
- **Area 2 -** Tikehau Capital monitors the **environmental footprint** of its operations and makes efforts to reduce its direct impacts;
- **Area 3 - Diversity and talent retention** are at the heart of the Group's strategy and considered as growth drivers; and
- **Area 4** - Tikehau Capital is attentive to **relations with its stakeholders**, in particular through its responsible purchasing policy and its community involvement.

4.3.1 Governance and business ethics

Alignment of interests

The alignment of interests is a distinctive feature of Tikehau Capital's business model:

- investor-clients and employees are also the Group's shareholders;
- a significant portion of the Group's shareholders' equity is invested in its investment strategies alongside its investor-clients;
- the companies in the portfolio are both beneficiaries of the Group's capital and drivers of its growth.

Key indicators:

Percentage of the Company controlled by management and employees (directly or indirectly)	**44%**
Percentage of employee shareholders in the Company	**62%**

Transparency and interest representation

The Company intends to meet a high level of transparency concerning its own activities to the fullest extent compatible with its role as an asset manager and investor, so that its stakeholders can assess the developments of the Group's situation and its outlook (for an overview of employee relations, see Section 4.3.3 (Human capital: diversity, attracting and retaining talent) of this Universal Registration Document).

Tikehau Capital refrains from making political contributions, even if they are lawful in a large number of countries within a strictly-regulated framework.

Moreover, the Group is an active member in industry associations which represent its interests (AFG, France Invest, and AFEP).

Business Practices

Compliance with ethical principles is a fundamental pillar of the Group's investment and Asset Management activities and a key element for its reputation. In all of its actions, Tikehau Capital is committed to complying with rules of conduct with respect to all its stakeholders and in the way it conducts its business. These rules of conduct are laid down in the Group's Code of Ethics. One of the essential principles is combating behaviours or practices that run counter to business ethics, such as corruption or influence peddling. (See Section 2.3.7 (Prevention of insider misconduct and compliance) in this Universal Registration Document).

Tikehau Capital is fully committed to conducting its business development in compliance with the highest international anti-corruption standards (such as the French law on transparency, the fight against corruption and the modernisation of economic life (known as the "Sapin II" Act), the "Foreign Corrupt Practices Act" (FCPA) in the US, and the "UK Bribery Act"). A Code of Conduct relating to the Prevention of Corruption and Influence Peddling is being finalised at the time of publication of this Universal Registration Document. This code includes definitions of unlawful behaviours (corruption, influence peddling, abuse of office, etc.), the associated risks for the development of the Group's activities, guidelines to adopt and a procedure for implementing the anti-corruption programme (*i.e.* roles and responsibilities, whistleblowing procedure, related penalties).

The Group encourages the use of fair practices by both its teams and service providers. Similarly, the Group applies high standards of business ethics to its investees. Furthermore, Tikehau Capital is committed to adhering to demanding corporate social responsibility standards.

The Group prohibits deals or conduct which could be considered anticompetitive. Conversely, Tikehau Capital requires its suppliers, service providers, consultancy firms and other third parties to comply with applicable regulations. The Company also requires its trading partners to introduce responsible environmental and social practices (see Section 4.3.4 (Relations with external stakeholders) of this Universal Registration Document).

The teams of each of the Group’s entities are particularly trained on the risks of non-compliance of any kind and measures have been implemented to prevent some of the economic violations and breaches that might occur in the course of conducting its activities (insider misconduct, fraud, corruption, tax evasion, money laundering, financing of terrorism, etc.).

Preventative action

In the context of the listing of Tikehau Capital's shares on the Euronext Paris regulated market, a Stock Market Professional Code has been set-up. This complements all of the specific arrangements linked to Asset Management regulations, the provision of investment services and regulations on the prevention of money laundering and finance for terrorism.

Training sessions (*e.g.* prevention of money laundering or finance for terrorism) take place regularly in line with the regulatory obligations of the Group's asset management companies for all investment teams. Moreover, a whistleblowing system has been implemented and the data gathered in 2019 did not reveal any material problems.

The Group's requirements in terms of professional ethics also involve balanced governance, prevention of conflicts of interest and stringent internal control (see Section 2.3 (Risk management and internal control system) of this Universal Registration Document).

4.3.2 Measurement of Tikehau Capital's environmental footprint

2019 carbon assessment

To ensure the transparency of its environmental impact, the Group has undertaken to measure the carbon footprint of its operations every two years and to report the results of its analyses.

A service provider with a Bilan Carbone® certification from the ABC association was appointed to conduct a 2019 study for Tikehau Capital, its subsidiaries and Tikehau Capital Advisors. The perimeter includes scope 1, covering direct emissions from fixed or mobile sources controlled by the organisation, scope 2 covering indirect emissions linked to energy consumption, and scope 3 upstream, covering indirect emissions linked to the upstream value chain. Purchases of intangible goods and services (insurance, legal fees, accounting and miscellaneous consultancy services) have been excluded from scope 3 because of the high level of uncertainty surrounding the use of "monetary" emission factors. Tikehau Capital will actually benefit indirectly from its service providers' carbon offsetting plans. The 2017 carbon audit showed that purchases of financial, legal and insurance services were very significant and difficult to reduce.

	Scopes 1-2 (1)			Scope 3 upstream adjusted (2)						
				Déplacements professionnels						TOTAL
Bilan carbone 2019	Electricity and gas	Heat network	Cooling network	Air	Train	Taxis/chauffeur driven cars	IT service	Acco-mmoda-tion/cate-ring	Office opera-tions	
Emissions (in tCO^2e)	230	20	2	832	4	113	439	150	56	1 846
%	*12 %*	*1 %*	*0 %*	*45 %*	*0 %*	*6 %*	*24 %*	*8 %*	*3 %*	*100 %*

Source: CommenTerre

(1) The measurement of scopes 1 and 2 are based on the energy consumption of offices with more than five employees. The energy consumption figures of Sofidy and Credit.fr were not yet available when the analysis was finalised. As such, eight offices are covered by the measurement.
For the electricity item, the national emission factors of the Bilan Carbone® method are applied for all offices except the New York office. Because New York City's energy mix is significantly less carbonised than the average for the United States, the most recent emission factor available was applied. (https://nyc-ghg-inventory.cusp.nyu.edu/#indicators).
The emissions related to the Paris offices' heat and cooling network were calculated on the basis of the latest consumption figures available (December 2017).

(2) Upstream scope 3 includes tier 1 suppliers excluding insurance, legal and accounting fees, and miscellaneous consulting services. The business travel figures of Sofidy and Credit.fr were not yet available when the analysis was finalised. The "office operations" item includes furniture, computer hardware, telecommunication equipment and paper purchases.

Given the activity of Tikehau Capital, business travel is the study's highest emissions item. It covers scope 3 business trips by plane, train, rental car and taxi/chauffeur car. Air travel is clearly the leading item with 832 tCO_2e in 2019. For economic as well as ecological reasons, the Group encourages employees to use travel responsibly with a travel policy encouraging public transport such as the train for business trips and cycling and public transport for commutes between home and office. In accordance with legal requirements, the Group reimburses 50% of expenses for commuting by public transport for employees of the Paris office. In London, employees who wish to do so can take advantage of a “free loan” to pay for their annual public transport pass and benefit from a tax rebate when they buy a bicycle to commute between home and office.

On scope 2, the performances of the office properties in Paris and Singapore were very good. Certified “BREEAM In-Use”, the Paris office also benefits from the efficient heating and cooling network of the city of Paris. The Singapore office has been eco-designed and has received the LEED label and Singapore’s Green Mark certification.

On scope 3, information technologies and telecommunication services (IT) generated 439 tCO_2e in 2019. A "monetary" emission factor was applied to the various data digitisation and security projects. Other inputs include emissions related to purchases of hotel and restaurant services and beverage consumption, together with furniture, computers, printers and paper all grouped under "office operations".

As part of the development of the Climate and biodiversity strategy, the ESG Committee decided to study the mechanisms for compensation of the Group’s operations. Tikehau Capital also recognizes that the bulk of its carbon impact comes through its investments. On scope 3 upstream, GHG emissions are created by the holding of financial assets (see Section 4.2.2 (Response to the climate emergency through investments) of this Universal Registration Document). As at 31 December 2019, 215 $ktCO_2e$ were attributable to the main funds in the capital markets strategies business. The issue here is to understand whether the issuers held in the portfolios are aligned with the 2 Degrees strategy and Trucost was mandated to run analyses of the InCA and TTV funds. Finally, at the publication date of this Universal Registration Document, figures for induced and avoided emissions are still being compiled for some private equity investments. The results of these analyses will be published in a TCFD report dedicated to the climate which will appear by June 2020 at the latest.

Key indicators:

Carbon emissions per employee in tCO_2e (Scopes 1-2 + business trips) in 2019	**4,0**

Sustainable use of resources and circular economy

Initiatives aimed at reducing the impacts of the Group's activities are in place. All Group employees are encouraged to limit their consumption:

- of paper, avoiding printing, default printing on both sides and restricting printing to identified authorized employees. Employees are also encouraged to look at their own impact on printing using the PaperCut solution;
- of plastic bottles, by equipping offices with bottles and water fountains when the number of employees so allows.

Group employees are also encouraged to sort and recycle waste:

- in 2014, the Paris office launched the sorting, collection and recycling of paper/cardboard, plastics, metals, glass, coffee capsules, etc. with the disability-friendly company Cèdre. In 2019, the recycling of these flows made it possible to preserve 162 trees, save 5,200 kg of CO_2, 268,000 litres of water and 38,000 kWh;
- the Brussels, London, Madrid, Milan and Singapore offices also introduced recycling programmes.

Special attention is placed on the most polluting waste (electronic and IT waste, ink cartridges, batteries and light bulbs). The average lifetime of a computer is 4 years.

For offices with more than five employees, environmental indicators are monitored on an annual basis.

4.3.3 Human capital: diversity, attracting and retaining talent

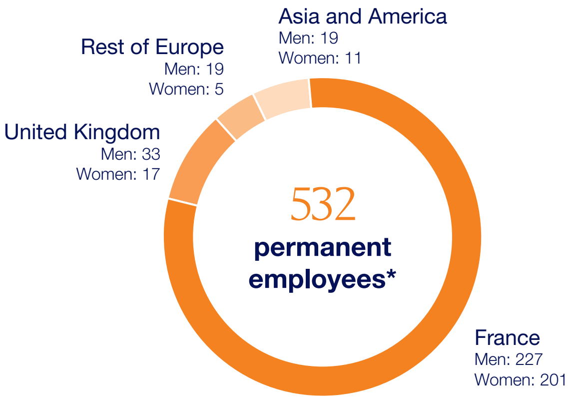
The employees

Neither the Company nor the Manager have any employees and the Group’s employees are split between:

- Tikehau IM and its subsidiaries and branches;
- Tikehau Capital Europe;
- Tikehau Capital North America;
- Credit.fr (and subsidiary Homunity);
- ACE Management;
- Sofidy and subsidiaries; and
- IREIT Global Group.

Tikehau Capital Advisors combines the central functions on which the Manager relies for the performance of its duties on behalf of the Company and the Group. For the sake of consistency, the data presented on human resources includes Tikehau Capital Advisors.

Geographical distribution of the Group’s workforce as at 31 December 2019



**As at 31 December 2019 (including representatives of the Manager).*

To support the growing assets under management, headcount has been expanded significantly in recent years. Furthermore, in December 2018, the Group completed the acquisition of Sofidy and ACE Management.

In 2018, the Group was already present in London, Brussels, Madrid, Milan, Singapore, Seoul and New York. In 2019, the Group continued to pursue its internationalisation strategy with the opening of offices in Tokyo, Luxembourg and Amsterdam.

As at 31 December 2019, the Group's permanent workforce was 532 employees, against 434 as at 31 December 2018 and the Group's total workforce (permanent and non-permanent) was 587 employees.

Permanent staff includes employees holding permanent contracts (*contrats à durée indéterminée*) for full- or part-time work. At the date of this Universal Registration Document, no corporate officer of the Company or representative of the Management was bound by a contract of employment. However, the Manager representatives are included in the permanent workforce.

Non-permanent staff includes employees holding full-time or part-time temporary contracts, including special temporary contracts such as work-study contracts (professionalisation), replacement contracts, seasonal work contracts and internships. Non-permanent staff does not include substitute workers, workers seconded by an outside company and who work at the Company's premises, or temporary workers.

Because of its complex activities, a high percentage of Tikehau Capital's employees hold advanced diplomas and a high percentage of them have managerial status. As at 31 December 2019, the average percentage of senior managers and management-level employees was close to 90%.

The table below presents the Group's permanent employees as at 31 December 2019 and any changes compared with 31 December 2018.

	As at 31 December 2019	As at 31 December 2018
Number of permanent employees	532	434
Percentage of permanent employees in total headcount	92%	94%
Percentage of women in permanent staff	44%	44%
Percentage of executives in permanent staff	89%	86%

(1) Excluding GSA Immobilier and Espace Immobilier lyonnais, Sofidy subsidiaries that accounted for approximately twenty employees as at 31 December 2018.

The table below presents hires and departures within the Group (France and internationally) in 2018 and 2019. 57 net new jobs were created in 2019, which reflects the Group's organic growth.

In addition to this net job creation, around forty permanent jobs were added in connection with the consideration of two minor entities related to Sofidy in the reporting scope and to Homunity's external growth.

	From 1 January to 31 December 2018	From 1 January to 31 December 2018 [(1)]
TOTAL HIRES (PERMANENT CONTRACTS)	**117**	**103**
Retirements and early retirements	0	0
Departures on the initiative of the employee	36	21
Departures on the initiative of the employer	9	6
Other departures [(2)]	15	10
TOTAL DEPARTURES	**60**	**37**

(1) Including Credit.fr. Excluding Sofidy and ACE Management.
(2) Other departures include ending of contracts by mutual agreement and deaths.

Key indicator:

Net new jobs created in 2019	**57**

Tikehau Capital supports adapting working conditions in response to specific situations to maintain employment. Requests to work part time and requests for specific arrangements following maternity leave or exceptional family circumstances are looked upon with care.

Health and Safety

Tikehau Capital's activities have a low level of health and safety risks and employee accident risk. Health, hygiene and well-being at work are also priorities of the Group. Tikehau Capital holds awareness meetings on these matters with managers, including training sessions on preventing psychosocial risks. Particular attention is paid to the ergonomics of workspaces and a policy to promote the practice of sport has been developed (organisation of sports events, access to gyms at reduced prices for employees, etc.). The Group incurred no material absenteeism or work-related accident during the last three financial years.

	From 1 January to 31 December 2018	From 1 January to 31 December 2018 [1]
Workplace accident frequency rate [2]	0	0
Rate of absenteeism [3]	1.7%	0.4%

(1) Including Credit.fr. Excluding Sofidy and ACE Management.
(2) Number of accidents with lost time greater than one day per million hours of work.
(3) Including hours of absence for ordinary, work-related illness.

Subsequent events – Covid-19 pandemic

At the start of the epidemic in Asia, Tikehau Capital set up an ad hoc Covid-19 Committee composed of a representative of all key relevant departments: Senior Management, Human Capital, IT, General Services, Compliance and Legal Affairs. Measures to preserve the health and safety of all those who work within or with the Group were deployed as an absolute priority.

The Group is making every effort and is tackling the epidemic in an appropriate and responsive way. See Section 2.1.9 (Management of the Covid-19 pandemic) in this Universal Registration Document.

Gender equality

The Group places particular importance in the gender balance and diversity of its teams.

Promoting diversity

The Group believes in a critical and original way of thinking. Thus promoting a culture of diversity is at the heart of its successful recruitment strategy. The teams around the world comprise 25 nationalities.

Over and above academic qualifications, the Group places great importance on the human qualities and professional behaviours of the profiles recruited as well as on the diverse range of professional backgrounds. In the United Kingdom and the United States, measures to promote diversity are formally established and the Human Capital Department is working on a Group diversity policy that will be binding on all managers.

The Group trains Human Capital Department employees and raises awareness among all managers and employees involved in recruitment processes to prevent unlawful discrimination in hiring on grounds of supposed race, colour, skin, religion or belief, gender, national or ethnic origin, disability, age, nationality, family status, pregnancy or orientation.

Gender balance

	As at 31 December 2019	As at 31 December 2018
Percentage of women in permanent staff	44%	44%
Percentage of women on the executive teams	36%	36% [1]
Proportion of women on investment teams	22%	22% [2]

(1) France scope only.
(2) Excluding Sofidy and ACE Management.

The industry in which the Group operates is marked by an over-representation of men. In this context, the Group's recruitment policy aims to promote, wherever possible, applications from women, whenever there are vacancies, and particularly for investment roles, to promote gender equality. Special attention is paid to the recruitment of trainees so that more women are welcomed into the teams, and to the development of women's careers, with measures such as wage increases and possible promotions on return from maternity leaves.

In the context of the mandatory introduction of a workplace gender equality index in France, the Human Capital team has been monitoring five indicators:

1/ the gender pay gap,
2/ the gender gap in individual pay rises,
3/ the gender gap in promotions,
4/ the number of employees that receive a pay rise on return from maternity leave, and
5/ gender parity among the ten employees with the highest remuneration.

These indicators will be tracked in entities in France and abroad. In March 2020, the scores of three French entities, with respect to the workplace gender equality index, were published: Tikehau IM (76/100), Tikehau Capital Advisors (78/100) and Sofidy (79/100). For Tikehau IM and Tikehau Capital Advisors, the average and median gender pay gaps were 17.5% and 35.3%, respectively, in 2019.

Tikehau Capital aims to improve these scores. The Group has a proactive policy to continue to increase gender balance and equality between woman and mens and the Human Capital Department is working on defining quantitative targets by 2022.

Furthermore, the Group wishes to raise the awareness of all employees about gender bias issues. Training sessions and conferences will initially be held for all managers.

Employment of people with disabilities

In France, the Group's contribution to the employment and integration of disabled people is reflected in its choice of suppliers who employ people with disabilities. The Paris office has thus selected the disability-friendly company Cèdre for recycling *or Le panier du citadin* for its fruit baskets prepared by a Sheltered Employment enterprise.

Talent recruitment, management and skills development

The recruitment and talent development policy is at the heart of the concerns of the management team and the Human Capital Department.

With regards to recruitment, the Group strives to attract a variety of profiles, with prestigious backgrounds as well as atypical ones. For the recruitment of young people, a taskforce was set up in 2019 to build ties with leading higher education institutions and universities in Europe. Moreover, Tikehau Capital has decided to support the French association Institut de l'Engagement in order to meet young people who have proven their worth through their civic or social commitment (see Section 4.3.4 (Relations with external stakeholders) of this Universal Registration Document).

The talent management and retention policy involves a range of complementary initiatives: ongoing dialogue concerning career development, training, mobility opportunities, as well as attractive compensation packages and benefits enabling employees to plan for the future.

The Group has an internal grid for classifying positions by level of responsibility and defining objective and explicit criteria. The Group thus has a clear and objective procedure for the management of talent and promotions. As part of this procedure, the management team ensures that each appointment is documented, relevant and conducive to ensuring consistency and fairness within the Group.

The promotions procedure is broken down into the following steps:

- forms are sent to managers at the beginning of October (the forms are adapted according to the level of the position applied for);
- the managers return the completed forms to the Human Capital team;
- the Human Capital team verifies that the applications are consistent and then submits them to the promotions committee;
- the promotions committee assesses each application and makes a decision;
- the manager announces the news to the employee promoted;
- the final results are published on the Tikehau Capital intranet at the end of the process.

All promotions are effective from 1 January of the following year.

Permanent dialogue and feedback

All employees have periodic individual evaluation interviews. Employees may also benefit from a mentoring programme wherein they receive advice from more experienced employees and can discuss a range of topics such as their career development or the business culture.

To respond to the expectations of numerous employees on qualitative feedback from their managers, the Group has introduced a pioneering digital tool that promotes and facilitates ongoing feedback and:

- a culture of ongoing dialogue, throughout the year, between managers and their teams;
- qualitative exchanges (regular performance interviews, project monitoring interviews) as part of a joint development approach to ensure personalized and flexible monitoring; and
- teamwork on multi-disciplinary projects, improving overall cohesion.

The Human Capital team manages ongoing feedback through indicators such as the frequency of exchanges.

Training

The training delivered is designed to ensure that employees can adapt to their roles and develop their skills. As part of its training plan, the Group works to provide employees with a diverse range of training options.

During the 2019 financial year, 6,667 external training hours (952 days) were provided at across all of the Group's entities (the information available in 2018 was for a limited scope).

	From 1 January to 31 December 2019	From 1 January to 31 December 2018 (1)
Training (permanent and non-permanent staff)		
Total number of training hours (2)	6,667	3,385
Proportion of employees having followed at least one training course during the year	59%	55%
Annual training expenditure, excluding salaries paid (in thousands of euros)	449.8	172.1
Annual training expenditure, including wages paid (in thousands of euros) (3)	626.1	Unavailable

(1) Excluding Sofidy and ACE Management. Rest of the France scope, United Kingdom, Belgium with Credit.fr (France) and IREIT (Singapore).
(2) Internal training hours are not included.
(3) Excluding ACE Management and Credit.fr.

Internally, presentations and training are delivered by Group employees and cover awareness on compliance, cybersecurity, explanation of the various business lines and Group products, talent management (management, annual interviews, best recruitment and mentoring practice, welcome meetings for new recruits and business culture, etc.). Finally, ESG and CSR training is organised for all employees, irrespective of rank or activity.

Externally, the 2019 training plan has made it possible to finance training initiatives:

- technical and certification-based, enabling the upgrading and/or development of the skills required by the positions, including the obligatory certifications to occupy certain regulated positions;
- the development of interpersonal “soft skills”, including training on public speaking;
- managerial, to improve knowledge of Positive Leadership to boost the performance and workplace well-being of teams; and
- individual coaching offered to certain employees (new starters, management development).

The Tikehau Graduate Program is for young promising graduates and involves immersion in the different investment teams within several offices over a nine to 12 month period. Young analysts on this programme also have access to training from internationally renowned universities, particularly on alternative strategies.

Lastly, the Group has introduced a series of presentations called “Tikehau 360°” calling on high-level external stakeholders from all walks of life to broaden the perspectives of their employees and enrich their general culture. These conferences are an opportunity to discuss various topics such as finance, news, sport, culture, security, but also societal topics such as the environment, well-being at work or the reintegration of former detainees. Other conferences are also presented by Group employees who discuss their activities, strategies and challenges and promote a better overall understanding of the Group’s various activities in France and abroad and thus permit intra-business cross fertilisation.

Mobility

Tikehau Capital is an organisation which promotes internal mobility:

- horizontal mobility (also called transversal mobility or functional mobility) is characterised by a change in job or business line but maintaining the same rank (13 cross-entity movements during 2019);
- vertical mobility refers to the situation of an employee who changes position in order to benefit from increased responsibilities; and
- geographic/international mobility refers to employees who change geographical location.

At a time when organisations and professions are constantly evolving, internal mobility is a key issue whether it is initiated by the employee or proposed by the employer. It fosters employee loyalty and talent retention and is a way to keep up the Group’s competitiveness and level of performance. Mobility is not only a motivational factor for employees, increasing their investment in the workplace, but also an excellent way to develop new skills and learn. It is also an indicator of health and well-being within the Group.

The degree of involvement and the level of skill of the employee who applies for a job internally are already known or recognised and most importantly, the internal candidate has already absorbed the culture of the Company during their previous position, allowing a faster adaptation on the new position they take on. It allows the Group to convey its corporate culture to new structures opened abroad, for example, and offers diversified career paths valued by employees.

Remuneration and Benefits

The remuneration policy has several goals:

- ensure coherent remuneration within business lines and countries;
- be competitive as regards local market practices, to attract talent and retain loyalty while maintaining the Group’s economic competitiveness;
- encourage and recognise collective and individual contributions; and
- promote fair remuneration and build trust.

Tikehau Capital must reconcile the demands of a highly competitive market with the expectations of investors, clients, shareholders and Group employees by ensuring the consistency of the remuneration policy with the Group’s strategy and compliance with applicable regulations.

Human capital plays a key role in the Group’s activities and the remuneration policy has a strong impact on competitiveness, allowing to both recruit and retain high-quality professionals.

The remuneration policy defines effective and responsible remuneration practices to avoid conflicts of interest, protect the interests of the Group's investor-clients and ensure there is no encouragement to take excessive risk.

Tikehau Capital pays particular attention to the alignment of long-term interests especially for investment teams and senior managers. The variable remuneration of senior managers is thus directly impacted by the attention they have paid to managing risks within their businesses and strict respect for internal procedures and compliance regulations. The remuneration policy must promote such an alignment.

Tikehau Capital has decided to set up a 2022 long-term incentive plan for some Group senior executives that will be paid out in cash based on the fulfilment of quantitative and qualitative criteria reflecting the Group's main financial and non-financial objectives (including ESG).

The motivation and commitment of employees are ensured by a policy of collaboration, shareholding and strong incentives that allow each one to benefit from Tikehau Capital’s creation of shareholder value. The Group’s employees based in France benefit from a profit-sharing agreement.

Remuneration and benefits in thousands of euros (permanent and non-permanent staff)	From 1 January to 31 December 2019	From 1 January to 31 December 2018
Total payroll [(1)]	84,968	42,964
Percentage of employees benefiting from a profit-sharing and collective bonus arrangement [(2)]	83%	42%
Percentage of employee shareholders	62%	68%

(1) Consolidated Group (excl. Tikehau Capital Advisors), Sofidy and ACE Management were not consolidated in 2018.
(2) France scope.

On 1 December 2017 the Company introduced two free share plans for the benefit of all employees of the Company and related companies or corporate groups in order to include them in the success of the Group since its creation and in particular to take into account its exceptional growth during the 2016 and 2017 financial years.

On 16 March 2018, the Company put in place two Tikehau Capital free share plans replicating the terms of the Tikehau IM share plan that had been introduced in June 2016 in Tikehau IM. The allocation of Tikehau Capital free shares under these replacement plans was made in exchange for the waiver of all rights to Tikehau IM shares previously granted under the June 2016 plan.

The Company granted free shares to employees of Credit.fr on 4 July 2018 and Sofidy on 21 December 2018 as part of their initial consolidation.

On 30 March 2018 and 18 February 2019, the Company also set up a free share plan for the benefit of employees of the Company or companies or groups related to it as part of the variable remuneration for the 2017 and 2018 financial years.

On 10 March 2020, the Company introduced a free share plan and two performance share plans for certain employees of the Company and related companies or corporate groups as part of the variable compensation awarded for 2019. Three performance share plans for certain senior managers, business line managers, heads of regions, and managers of the Group's key support functions, were also introduced as part of the variable compensation awarded for 2019 and the talent retention mechanism put in place. These free share plans and performance share plans are described in Section 8.3.2.2 (Free shares and performance plans) of this Universal Registration Document. None of the Group subsidiaries have implemented stock subscription or purchase option plans or free share plans.

None of the Group subsidiaries have implemented stock subscription or purchase option plans or free share plans.

Lastly, it should be stated that around 80 senior corporate members have joined together to invest in a structure which owns an equity interest in Tikehau Capital Advisors and which receives 20% of the carried interest available from the funds managed by the Group. The remaining 80% is split equally between Tikehau Capital, Tikehau IM (or the Group's relevant asset management company) and Tikehau Capital Advisors. These carried interest exclusively concern some closed funds (performance fees for open funds are received in full by Tikehau IM (or the Group's relevant asset management company)) and enable receipt of a portion of the investor yields over and above an internal profitability level set out in the fund documentation. This structure incentivises these employees to achieve performance for the Group and creates solidarity across all business lines, avoiding any silo effect.

Employee relations

Within the Group, discussion is facilitated *via* hands-on management which is accessible and attentive. The survey described in paragraph (Talent recruitment, management and skills development) above confirmed the strong commitment by employees and support for the Group's culture.

The Group respects the freedom of association and, in compliance with legal requirements, promotes the establishment of bodies tasked with encouraging employer-employee relations.

In June 2019, professional elections led to the establishment of social and economic committees (*Comité social et économique* - CSE), uniting all of the employee representative bodies. A Social and economic committee was elected for Tikehau IM, Tikehau Capital Advisors, and Sofidy.

Moreover, around 50% of Group employees are covered by collective agreements, especially in France, Italy and Spain.

4.3.4 Relations with external stakeholders

Responsible purchasing policy

Given its activity in the service industry, the Group has very little exposure to issues related to the infringement of social rights or environmental risks at the level of its first rank suppliers. On the other hand, for investment and Asset Management activities, a responsible purchasing policy is a key ESG issue. Such a policy makes it possible to mitigate a large number of non-compliance risks, reputational risks and supply chain risks in business sectors such as the manufacturing industry, agro-food, the textile industry or the healthcare and pharmaceutical industry.

With an internal requirement level similar to that of its investments, the Group wishes to adopt a stringent policy based on high standards.

The French law on duty of care, adopted in February 2017, requires large French companies (employing over 5,000 staff, which the Group does not) to implement and publish a vigilance plan. This plan seeks to identify and prevent serious breaches of human rights and fundamental freedoms or harm to the health and safety of people, or the environment, as a result of their activity or that of their suppliers or subcontractors. As such it falls to the buyer to ensure that suppliers and their subcontractors apply anti-corruption measures, respect human rights and ensure their employees are provided with satisfactory working conditions. The Group is not subject to the law on duty of care but nevertheless strives to ensure it applies an exemplary policy. As a result, the responsible purchasing policy is currently under review.

Inspired by this law on the duty of vigilance, the responsible purchasing policy is currently under revision and will, in particular, cover the following:

- Human rights, employment rights and the development of human potential,
- Business ethics,
- Confidentiality and intellectual property,
- Environment, and
- Supply chain.

This policy will be shared with the Group's buyers and suppliers in 2020.

Partnership and philanthropy initiatives

Through its policy of partnership and philanthropy, the Group proactively supports initiatives and projects that reflect its values or pressing issues. A dedicated philanthropy working group has identified youth and social entrepreneurship as being priority issues, and seeks to build partnerships between Tikehau Capital and organisations working in this area.

Solidarity days for young people

Since 2014, around twelve solidarity days have been held, which have attracted over 170 participants. In 2019, Group employees held events in Paris, London, Madrid and Singapore. In London, the Group's employees renewed their support for Bright Centres in 2019. This organisation helps young people from London's disadvantaged districts resume their studies and find jobs. In Singapore, the Tikehau Capital and IREIT teams once again welcomed autistic children from the Pathlight School, enabling them to take part in an extra-curricular cooking activity.

Employees in Madrid launched a partnership with *Fundación Exit* to support young school drop-outs. Following the commitment of numerous employees, the Paris office decided to support the *Institut de l'Engagement* which enables thousands of young volunteers (*e.g.* in the area of civic service) to make good their commitments and help organise their future projects though individual support.

Supporting the independence of the most vulnerable with CARAC

In June 2011, Tikehau IM and the *Mutuelle d'Epargne, de Retraite and de Prévoyance CARAC* ("CARAC"), partnered for the purpose of setting up the bond component of a savings product *via* the *Tikehau Entraid'Epargne Carac* fund ("TEEC"). TEEC is a bond fund invested mostly in investment grade bonds issued by private- and public-sector companies located in the euro zone except for Greece and Portugal. A maximum of 35% of the fund may be exposed in net asset terms to the high-yield bond category. Under the project, 1% of client deposits and 50% of management fees are donated to the five CARAC-partnered non-profit and general-interest associations: *Mécénat Chirurgie Cardiaque Enfants du Monde* (paediatric heart surgery), *Association Arc en Ciel* (realising the dreams of children with cancer), *Association Solidarités Nouvelles face au Chômage* (unemployment solidarity), *Association des Paralysés de France* (paralysis) and the French firefighters' mutual fund (*Fonds d'Entraide*) and orphans' fund (*L'Œuvre Pupilles Orphelins*).

Social entrepreneurship - imparting the courage of entrepreneurship for the common good

In 2018, the Group decided to offer its support for two years to *Entrepreneurs du Monde* (EDM) which supports the economic integration of highly vulnerable families by offering microfinance services, supporting the creation of small businesses and facilitating access to clean energy. Autonomy and sustainability are at the heart of EDM's model which empowers families and local support structures created by the association. The idea is to help the disadvantaged over the long term.

Support to speed up research on Covid-19

In early March 2020, Tikehau Capital sought to provide substantial support to Assistance Publique-Hôpitaux de Paris (the public hospital system of Paris and its suburbs) to speed up Covid-19 research and enable the testing of innovative organisational solutions for monitoring homebound patients in order to respond more quickly and effectively to new epidemics.

Finally, along the same lines, the Group is proud to share an initiative that is unrelated to philanthropy initiatives. In early April 2020, ObvioHealth, a specialist in virtual health research that is supported by Tikehau Capital (through its Singapore venture capital fund dedicated to medtechs), introduced a register in the United States to track the prevalence of Covid-19 along with the symptoms and acquired immunity. The purpose of the ObvioHealth study is to offer a meaningful contribution to the body of data used to determine the best way to prevent Covid-19 transmission, manage the impact of asymptomatic carriers and protect at-risk populations with pre-existing conditions.

4.4 CONCORDANCE TABLE (ART. L.225-102-1 OF THE FRENCH COMMERCIAL CODE)

The following table presents a cross-referencing of the information published in this Universal Registration Document with the provisions of Art. R.225-102-1 of the French Commercial Code (as amended by law No 2018-938 of 30 October 2018 - Art. 55).

Headings in the regulation	Relevant section
Description of the main non-financial risks	Section 4.2
Description of the impact of non-financial risks on categories mentioned in paragraph III of Article L.225-102-1	See details below

Theme	Description of the strategy put in place	RELEVANT SECTION
The way in which the Company takes into account the social and environmental consequences of its activity	The Group's responsible investment strategy details the consideration of social/societal and environmental factors.	Section 4.2
The effects of its activity on respect for human rights	In its Investment activity, the Group carries out reasonable due diligence regarding the compliance with the provisions of the International Labour Organisation's fundamental conventions. Where relevant, the Group supports the portfolio companies in formally establishing codes of ethics. Furthermore, the Group is vigilant in the selection of its suppliers and is working on a Sapin II code.	Section 4.2
The effects of its activity on the fight against corruption	Since July 2011, Tikehau Capital has incorporated the principles included in the "UK Bribery Act", which seeks at fighting against corruption and is applied internationally, in its various compliance manuals. In 2019, the professional code of ethics reinforced these principles, reminding people that Tikehau Capital is fully committed to managing its development in accordance with the highest anti-corruption standards at an international level. It takes into account the regulatory framework dictated by the Law Sapin II. A Code of Conduct relative to the Prevention of Corruption and Influence Peddling is being finalised at the date of the Universal Registration Document. The employees of each of the Group's entities are especially aware of the risks of non-compliance of all kinds and of corruption.	Section 4.3.1
The effects of its activity on tax evasion	In terms of the fight against tax evasion, Tikehau Capital has set measures to ensure that its operations comply with tax laws and regulations. Tikehau Capital is bound to comply with the new requirements regarding tax declaration obligations, and will work to implement the new obligations that are part of anti-tax evasion rules implemented globally. The teams of each of the Group's entities are especially aware of the risks of non-compliance, including risks relating to tax evasion. For its investment activities, the Group has defined a three-tier ESG watchlist. Any company exposed to tax havens is scrutinised by the compliance team.	Section 4.2
Information related to the consequences on climate change of the Company's activity and the use of the goods and services it produces	Tikehau Capital is in the process of formalizing a climate and biodiversity policy and is actively working on assessing climate-related risks (physical and transition risks).	Section 4.2.2
Its societal commitments in favour of sustainable development	Tikehau Capital is committed to financing the real economy and financing the growth of companies that have immediate mechanisms for contributing to the energy and environmental transition.	Sections 4.1.1 and 4.2.3

4.

Theme	Description of the strategy put in place	RELEVANT SECTION
The circular economy	All Group employees are encouraged to limit their consumption and to sort recyclable waste materials and packaging. The circular economy impacts the activities and assets of the Group's four business lines in a wide variety of ways.	Section 4.3.2
Combating food waste	Given its activity and the nature of its investments, the Group is not heavily exposed to food precarity-related issues.	Not applicable
Combating food insecurity	Given its activity and the nature of its investments, the Group is not heavily exposed to food waste-related issues	Not applicable
Respect for animal well-being	The Group's ESG watchlist refers to offences against animal welfare and asks investment teams to seek advice from their entity's ESG committee in the event of any doubt (*e.g.* activity linked to exotic leather). However, because of its activity and the nature of its investments, the Group is not heavily involved in animal welfare issues.	Not applicable
Responsible, fair-trade and sustainable food	Given its activity and the nature of its investments (low exposure to the agri-food sector), the Group is not heavily involved in issues related to equitable and sustainable food. Nevertheless, the Group chooses its suppliers mindfully. For example, Le Cercle was chosen as the caterer to supply the meal trays for the Paris office. Le Cercle offers local, seasonal products, and it has developed a partnership with the Bec Hellouin permaculture farm.	Not applicable
Collective agreements within the Company and their impacts on the Company's economic performance	The Group pays special attention to employee dialogue and, in accordance with the regulations, has established a social and economic committee within the relevant French entities. In particular, the Group has established a profit-sharing agreement. More information on the list of collective agreements is available on request.	4.3.3
Employee working conditions	Employee well-being is at the heart of the Group's CSR strategy. Health and safety indicators are monitored.	4.3.3
Action against discrimination and to promote diversity	The Group believes in a critical and original way of thinking. Thus promoting a culture of diversity is at the heart of its successful recruitment strategy. The Group trains Human Capital Department employees and raises awareness among all managers and employees involved in recruitment processes to prevent unlawful discrimination in hiring on grounds of supposed race, colour, skin, religion or belief, gender, national or ethnic origin, disability, age, nationality, family status, pregnancy or orientation. The Group also encourages the promotion of diversity within the companies it finances, where proximity to the Company allows, and the Group promotes the appointment of women to governance bodies.	4.3.3
Measures taken in favour of people with disabilities	In France, the Group's contribution to the employment and integration of disabled people is reflected in its choice of suppliers who employ people with disabilities. The Paris office has thus selected the disability-friendly Company Cèdre for recycling or *Le panier du citadin* for its fruit baskets prepared by a Sheltered Employment enterprise.	4.3.3

4.5 EXTERNAL AUDITOR'S REPORT

The below report is a free translation into English of the CSR auditor FINEXFI's report on the consolidated Statement of non-financial performance of Tikehau Capital SCA presented in its 2019 Universal Registration Document issued in the French language. It is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

FINEXFI

Head office: 96 Boulevard Marius Vivier Merle
69003 LYON

Limited liability company (S.A.R.L.) with capital of €40,000.
537 551 434 Lyon

Trade and Companies Register

To the shareholders of Tikehau Capital,

Following the request made to us by the company TIKEHAU CAPITAL SCA (hereafter, the "Entity") and in our capacity as an independent external auditor, operating under COFRAC registration no. 3-1081 (whose scope can be viewed at www.cofrac.fr), we present our report on the Statement of non-financial performance for the year ended 31 December 2019 (hereafter, the "Statement"), presented in the Group's management report pursuant to the laws and regulations in Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code.

The Entity's responsibility

It is the Managers' responsibility to produce a Statement that complies with the legal and regulatory provisions, including a business model, a description of the main non-financial risks, a presentation of the policies implemented to manage these risks and the results of these policies, including key performance indicators. The Statement was drawn up by the Entity in accordance with the framework used (the "Framework"), the key points of which are set out in the Statement.

Independence and quality assurance

Our independence is defined as required by Article L.822-11-3 of the French Commercial Code and the professional code of ethics. We have implemented a quality control system that includes documented policies and procedures to ensure compliance with ethical rules, professional doctrine and applicable law and regulations.

Responsibility of the independent external auditor

Based on our work it is our responsibility to express a reasoned opinion with moderate assurance on:

- the Statement's compliance with the provisions of Article R. 225-105 of the French Commercial Code;
- the fairness of the information provided pursuant to paragraphs I.3 and II of the Article R. 225-105 of the French Commercial Code, *i.e.* the *outcomes* of policies, including key performance indicators and actions taken to address the main risks, (the "Information").

It is not our responsibility to express an opinion on:

- the Entity's compliance with other applicable laws and regulations, including those on the plan for vigilance and combating corruption and tax evasion;
- the compliance of products and services with applicable regulations.

Nature and scope of work

We conducted the work in accordance with the standards applicable in France determining the conditions under which the independent external auditor conducts its assignment and the ISAE 3000 international standard.

Our work was carried out between 1 March 2020 and 25 March 2020 and lasted approximately 10 person-days.

We conducted 10 interviews with the people responsible for the Statement.

Based on our work we are able to express an opinion on the Statement's compliance with the regulations and the fairness of the Information:

- we have reviewed the activities of all companies in the scope of consolidation, the presentation of the main corporate and environmental risks related to these activities, and, their effects on human rights and combating corruption and tax evasion as well as the resulting policies and their outcomes;
- we assessed the appropriateness of the Group Framework as regards its relevance, completeness, reliability, neutrality and comprehensibility, considering where applicable best practice in the sector;
- we verified that the Statement covers each information category required as per paragraph III of Article L. 225-102-1 on social and environmental matters and respect for human rights and combating corruption and tax evasion;
- we verified that the Statement includes the business model and main risks inherent in the activities of all entities in the consolidation scope including, where relevant and proportionate, the risks generated by their business relations, products and services and also the policies, actions and results, including the key performance indicators;

- we verified, where relevant in terms of the key risks or policies listed, that the Statement contains the information required by paragraph II of Article R. 225-105;
- we reviewed the process of identification and validation of principle risks;
- we inquired into the existence of internal control and risk management procedures put into place by the Entity;
- we reviewed the consistency of the results and key performance indicators with the principle risks and policies presented;
- we verified that the Statement covers the scope of consolidation, *i.e.* all companies included in the scope of consolidation in accordance with Article L.233-16;
- we reviewed the data collection process put in place by the Entity to verify the exhaustiveness and fairness of the Information;
- for the key performance indicators and other quantitative results that we considered most important, we carried out:
  - analytical procedures, consisting of verifying the correct consolidation of the data collected and the consistency of their treatment;
  - detailed tests, on a sample basis, consisting of verifying the correct application of definitions and procedures and reconciling the data with the supporting documentation. This work was conducted on a selection of contributing entities[(1)] and covers between 22% and 90% of the consolidated data of the key performance indicators selected for these tests[(2)];
- we consulted the documentary sources and conducted interviews to corroborate the qualitative information (actions and outcomes) which we considered most important;
- we reviewed the overall consistency of the Statement in light of our knowledge of all companies in the scope of consolidation.

We consider that the work we have done, in our professional judgement, allows us to form a conclusion with moderate assurance. A higher level of assurance would have required a more extensive audit process.

Because of the use of sampling techniques as well as other limits inherent to the functioning of any internal information and control system, the risk of not detecting a material misstatement in the Statement cannot be eliminated completely.

Comments on the Information

In connection with its Investor activity, the Tikehau Capital group included its responsible investor policy and ESG policies in its consolidated Statement of Non-Financial Performance.

Conclusion

Based on our work, with the exception of the points raised above, we have not identified any material misstatements likely to call into question the fact that the Statement of non-financial Performance and Information, taken as a whole, are presented fairly and in accordance with the Group Framework.

Lyon, 25 March 2020

FINEXFI

Isabelle Lhoste, Partner

(1) Entities selected: Tikehau Capital, Tikehau Investment Management, Tikehau Capital Advisors, ACE Management

(2) Indicators verified in the statement: Sections 4.2.1 (Governance and pillars of the responsible investing strategy), 4.2.2 (Response to the climate emergency through investments), 4.3.2 (Measurement of Tikehau Capital's environmental footprint), 4.3.3 (Human capital: diversity, attracting and retaining talent), excluding remuneration and benefits in kind.

5.

COMMENTS ON THE ACTIVITIES, RESULTS AND FINANCIAL POSITION

5.1 GENERAL OVERVIEW OF ACTIVITIES, RESULTS AND FINANCIAL POSITION FOR THE YEAR 2019

5.1.1 Key figures for the year 2019

Net result - Group share for FY 2019 was a €178.7 million profit compared to a loss of €90.3 million for 2018 on a like-for-like basis (including full-year contribution of Sofidy and ACE Management).

2019 net result reflects, on the one-hand, the result of Asset Management activity which rose from €39.5 million in 2018 on a like-for-like basis to €58.5 million in 2019, and on the other hand, the result of the Investment activity of €199.6m (compared to -€108.5 million, on a like-for-like basis).

The increase of Investment activity results reflects a positive change in fair value of €188.8 million in 2019 (compared to -€104.9 million in 2018 on a like-for-like basis) and other portfolio revenues (including dividends, coupons and distributions) which rose from €73.3 million in 2018 on a like-for-like basis to €89.0 million in 2019. Operating expenses from the Investment activity remained stable at -€78.0 million in 2019 compared to -€78.1 million in 2019 on a like-for-like basis).

Key figures for the year 2019

	Items from the consolidated income statement	
(in millions of €)	**31 December 2019**	**31 December 2018 (*pro forma*)**
Net revenues from Asset management activity [1]	174.8	125.8
Operating expenses from Asset management activity [2]	(116.3)	(86.3)
Net operating profit from Asset management activity	**58.5**	**39.5**
Revenues from Investment activity [3]	277.8	(31.7)
Operating expenses from Investment activity [2]	(78.0)	(78.1)
Share of net results from equity affiliates	(0.2)	1.3
Net operating profit from Investment activity	**199.6**	**(108.5)**
Financial result	(33.3)	(23.7)
Non-recurring free share allocation expense [4]	(5.8)	(5.7)
Corporate income tax	(39.7)	8.1
Non-controlling interests	(0.6)	(0.0)
NET RESULT - GROUP SHARE	**178.7**	**(90.3)**

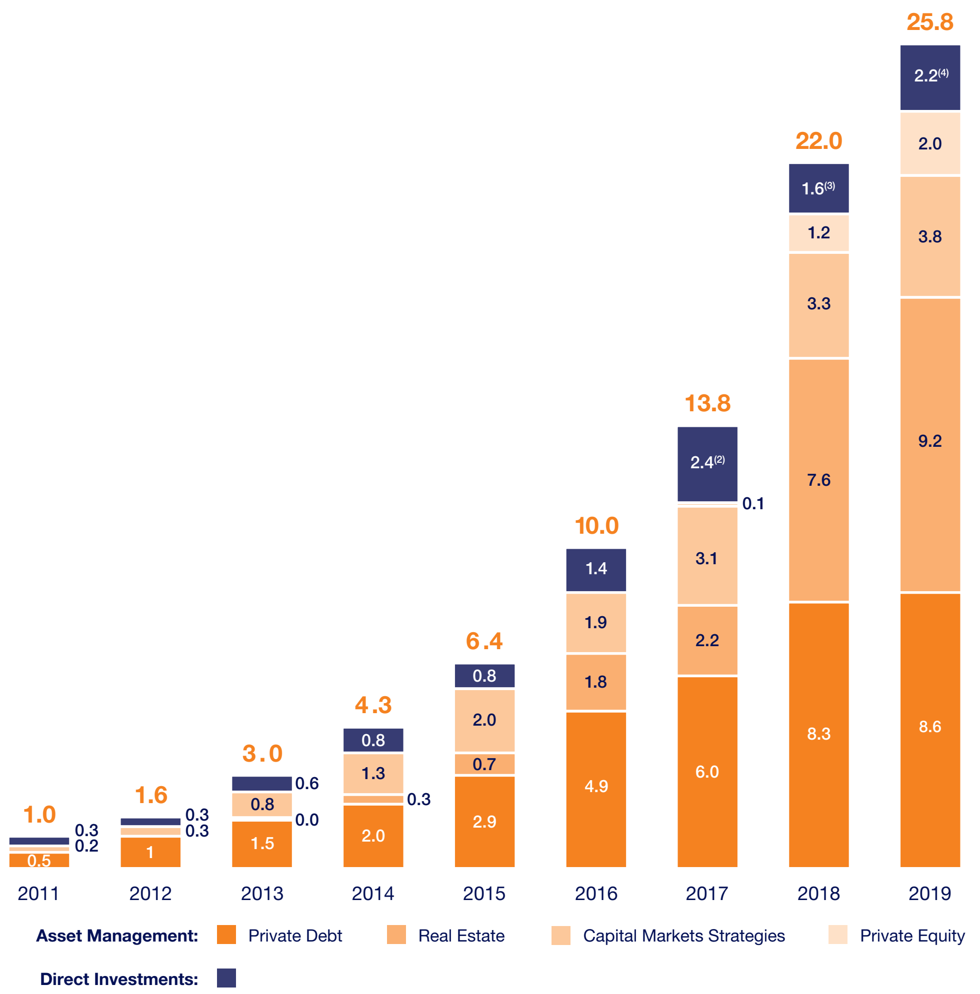
(1) Net revenues from the Asset management activity consist of management, subscription and arrangement fees, performance fees and carried interest.
(2) These operating expenses do not include the non-recurring free share allocation expense in respect of the "All Plan" and "One-Off Plan" of 1 December 2017 subsequent to the Company's listing for an amount of €5,844 thousand as at 31 December 2019. This restatement will be continued up to the definitive vesting date. Operating expenses for the Investment activity include the remuneration of the Manager.
(3) Revenues from the Investment activity consist of the positive or negative changes in fair value, plus revenues from the investment activities (dividends, interest, fees, etc.).
(4) Non-recurring free share allocation expense in respect of the "All Plan" and "One-Off Plan" of 1 December 2017 subsequent to the Company's listing for an amount of €5,844 thousand as at 31 December 2019.

	Consolidated balance sheet items	
(in millions of €)	**31 December 2019**	**31 December 2018**
Total consolidated shareholders' equity	3,145.6	2,275.1
Consolidated shareholders' equity – Group share	3,138.8	2,274.3
Gross cash [1]	1,307.2	463.2
Gross debt [2]	997.2	795.9
Gearing [3]	*32%*	*35%*

(1) Gross cash includes cash and cash equivalents (consisting primarily of marketable securities including cash management and financial assets).
(2) Gross debt consists of current and non-current borrowings and financial debt (including bank overdrafts).
(3) Gearing ratio reflects Gross debt on Total consolidated shareholders' equity.

Non-accounting information

The following chart and table show the changes in the Group's assets under management (as defined below) since 2011 (in billions of euros):



(in billions of €)	2011	2012	2013	2014	2015	2016	2017	2018	2019
Assets under management (as at 31 December)	1.0	1.6	3.0	4.3	6.4	10.0	13.8	22.0	25.8
Change in the year (12 months)	–	0.6	1.4	1.4	2.0	3.6	3.8	8.2	3.8
Net new money [1] over the year			1.2	1.5	2.0	2.3	3.9	3.7	4.6

(1) *This corresponds to (i) total subscriptions, less redemptions of open-ended funds and (ii) acquisition costs of assets financed by debt (net of repayments) or the target leverage expected in the case of some leveraged funds. A positive flow means that the total amount of inflows (subscriptions net of redemptions) and share of acquisition costs of assets financed by debt are higher than recorded outflows. Conversely a negative flow means that total redemptions are higher than inflows from subscriptions and share of acquisition costs of assets financed by debt.*

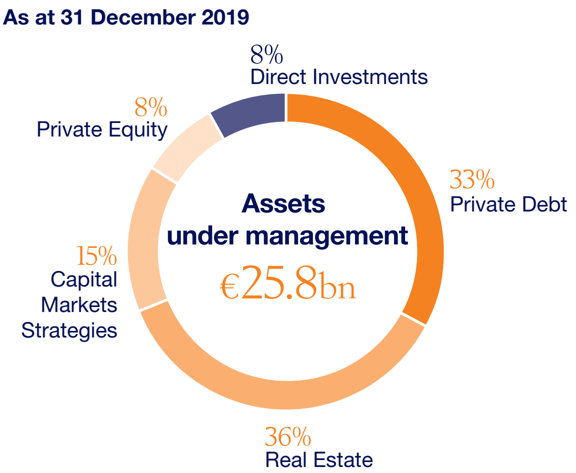
(2) *Direct investments of €2,386 million as at 31 December 2017 included goodwill (€318 million), investments other than in funds managed by the Group (open to third-party investor-clients), for €1,063 million, cash and cash equivalents and cash management financial assets (€975 million) and accrued income related to the sale of DRT (€201 million), net of off-balance sheet commitments in funds managed by the Group (€177 million).*

(3) *Direct investments of €1,560 million as at 31 December 2018 included goodwill (€437 million), investments other than in funds managed by the Group (open to third-party investor-clients), for €1,252 million, cash and cash equivalents and cash management financial assets (€463 million), net of off-balance sheet commitments in funds managed by the Group (€663 million).*

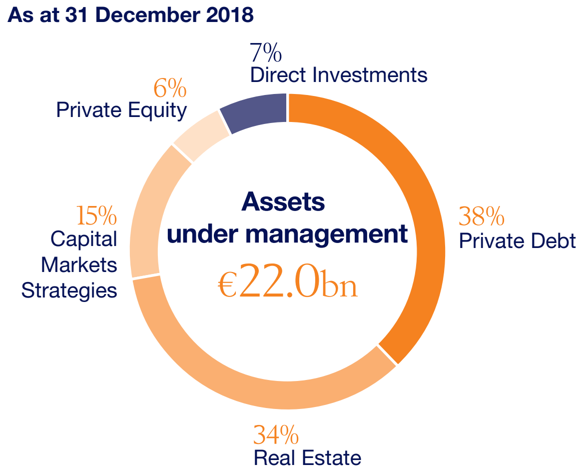
(4) *Direct investments of €2,173 million as at 31 December 2019 included goodwill (€371 million), intangible assets recognised following external acquisitions (€104 million), investments other than in funds managed by the Group (open to third-party investor-clients), for €1,035 million, cash and cash equivalents and cash management financial assets (€1,307 million), net of off-balance sheet commitments in funds managed by the Group (€653 million).*

The following charts show the breakdown of the Group's assets under management as at 31 December 2019 (€25.8 billion) and as at 31 December 2018 (€22.0 billion) between the Group's four Asset Management business lines: (i) Private Debt, (ii) Real Estate, (iii) Capital Markets Strategies, (iv) Private Equity and the Direct investments activity:

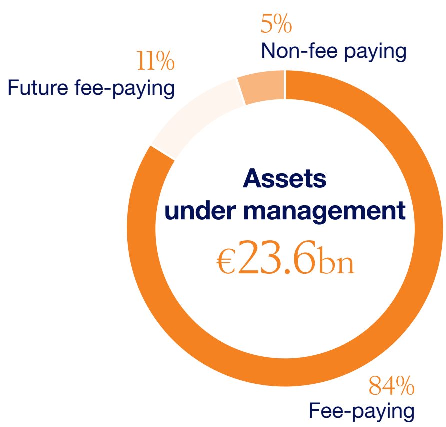
Details of the Group's assets under management as at 31 December 2019

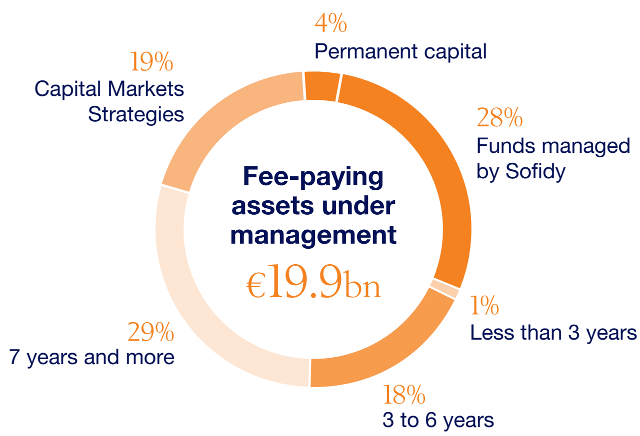


Details of the Group's assets under management as at 31 December 2018



The following charts show (i) the breakdown of assets under management of the Group's Asset Management segment between the fee-paying, future fee-paying, and non-fee paying assets under management as at 31 December 2019 and; (ii) the anticipated duration of this generation of revenues among the €19.9 billion of fee-paying assets under management as at 31 December 2019.





As at 31 December 2019, amounts available for investment in the funds managed by the Group (commonly referred to as "dry powder") amounted to approximately €5.2 billion, which enable to seize any investment opportunities deriving from market dislocations. This amount represents the capital that can be deployed by the funds managed by the Group's asset managers. This aggregate mainly corresponds to uncalled commitments in closed-ended funds and cash and cash equivalents in open-ended funds and funds managed by Sofidy.

Operational indicators reflected in the consolidated financial statements of Tikehau Capital

Gross revenues from Asset Management activity – These comprise:

- management and subscription fees which correspond to management fees collected or to be collected by asset managers, whether for the management of assets under management or for arranging or structuring portfolio transactions. Management fees are generally recognised as each service is rendered and are calculated based on the contractual documentation, usually by applying a percentage to the called assets under management, but they can also partially apply to the portion of assets under management committed but not called. Subscription fees are recognised when investors subscribe to the funds. Arrangement fees and structuring fees are usually recognised when the investment is made. The level of management fees depends both on the type of client and type of products;
- performance fees or carried interest can be collected when performance thresholds are exceeded during the lifetime of the fund (open-ended funds managed under capital markets strategies activity) or on the liquidation of the fund (closed funds managed under Private Debt, Real Estate or Private Equity activities). This revenue is paid by the funds directly to the beneficiaries and is recognised in the income statement when this variable consideration can be accurately estimated and when it is highly likely that no reversal will be made. Such revenue is recognised in gross revenues from Asset Management activity, but may also be received in part by the asset management company and/or by Tikehau Capital in accordance with the terms and conditions of the fund regulations.

Net revenues from Asset Management activity are calculated by deducting retrocession of fees due from gross revenues from Asset Management activity.

These retrocession of fees mainly correspond to retrocession arrangement fees owed to the funds managed by the Group's asset managers and retrocessions contractually owed to distributors, generally based on a percentage of management fees on the funds collected by these distributors.

Revenues from the Investment activity – This corresponds to changes in the fair value of the Company's current and non-current portfolio plus other revenues generated by the portfolio over the period in question (*i.e.* including dividends and interest received).

- **Net revenues** – Net revenues correspond to the revenues from the investment activity (see above) plus revenues from the Asset Management activity (see above); this aggregate contains elements affecting cash and others recorded in the accounts that have no impact on cash.
- **Net operating profit from Asset Management and Investment activities** – Net operating profit from Asset Management and Investment activities (after the share of net results from equity affiliates) consists of the revenues from Investment activity, (i) plus revenues from fully-consolidated asset managers, (ii) plus the share of net results from equity affiliates, (iii) plus derivative portfolio revenues and operating expenses, but before taking into account the financial result, taxes and net results from equity affiliates. Operating expenses consist primarily of personnel expenses and other operating expenses (including fees, IT expenditure, etc.).
- **Net result** – Net result is net operating profit from Asset Management and Investment activities (after the share of net results from equity affiliates) plus net financial result (or minus if the latter is negative), less or plus current or deferred corporate income tax expense/income. The net result is then divided between the Group share and the minority interests.

Operational indicators not reflected in the consolidated financial statements of Tikehau Capital

In order to take into account certain specific features in the breakdown of assets under management, the definitions of the operating indicators not reflected in the consolidated financial statements of Tikehau Capital that the Company monitors (and intends to monitor) have been slightly modified and now read as follows:

Assets under management – Depending on the different strategies, assets under management correspond mainly:

a) for Capital Markets Strategies activity: to the net asset value (net asset value of each unit by share class multiplied by the number of issued units);

b) for Private Debt activity: (i) to the commitments of subscribers and target expected leverage for certain leveraged funds during the periods of fundraising and investment, (ii) to the net asset value of the funds or to gross asset value for certain leveraged funds once the investment period has ended, (iii) to the valued assets of CLO vehicles (including cash), (iv) to subscribers' commitments less commitments allocated to other strategies and (v) to the capital outstanding for crowdfunding platforms;

c) for Real Estate activity: (i) during fundraising then investment periods, to the available appraisal value of the assets held by the funds (or, failing that, to the acquisition cost of the assets) plus uncalled commitments, cash and the fund's other assets, if any, or to the net asset value plus uncalled commitments and (ii) once the investment period has ended, to the available appraisal value of the assets held by the funds (or, failing that, to the acquisition cost of the assets);

d) for Private Equity activity: (i) during the fundraising then investment periods, to subscriber commitments or to called revalued commitments plus uncalled subscriber commitments, and (ii) once the investment period has ended, generally to the latest valuation of the fund assets.

The change in assets under management from one year to another can be explained by (i) the net new money effect (see below), (ii) the market effect, which is the sum of the positive and negative changes in the performance of the portfolio during the period, (iii) the distributions made during the period, and (iv) the scope effect, *i.e.* when asset managers are acquired or sold during a financial year but also when the holding rate changes so that the holding becomes majority or minority. In both cases, the assets under management are either added to (acquisition, increase to a majority holding) or deducted from (sale, change to a minority holding) Tikehau Capital's total assets as from the date of acquisition, sale, reduction or increase.

Fee-paying assets under management – Depending on the different business lines, fee-paying assets under management correspond mainly to:

a) for Capital Markets Strategies activity: (i) the net asset value of the funds, and (ii) for mandates and certain dedicated funds, the valuation of the securities held in the portfolio minus investments in certain funds managed by the Group's asset managers and cash;

b) for Private Debt activity: (i) during the periods of fundraising and investment, net asset of the funds, the commitments called, or the total commitments according to fund subscription terms, and (ii) once the investment period has ended, the net asset value of the funds or the uncalled unredeemed commitment;

c) for Real Estate activity: the acquisition cost or latest available appraisal value of the assets held by the funds (or, failing that, the historical cost of the assets) plus cash and the fund's other assets, if any;

d) for Private Equity activity: on behalf of investor-clients of the Group's asset managers : (i) during the periods of fundraising and investment, the total commitments according to fund subscription terms or amounts invested and (ii) once the investment period has ended, the net asset value of the funds, the total commitment or the total commitment or amounts invested less acquisition costs of sold assets.

Future fee-paying assets under management – depending on the business line, future fee-paying assets under management correspond to (i) either investor commitments which have not yet been called, (ii) or cash available to invest in certain funds (iii) or commitments or unit classes which do not yet generate management fees but will do so under certain conditions (*e.g.* after a given proportion of the commitments have been called or after a given unit holding period).

Non-fee paying assets under management – Non-fee paying assets under management correspond to the share of assets under management that, by their nature, do not generate management fees and are not intended to do so. Depending on the different business lines, these are mainly:

a) for Capital Markets Strategies activity: to investments in certain funds managed by the Group's asset managers and available cash;

b) for Private Debt activity: mainly unit classes, whether called or not, which, by their nature do not generate management fees and are not intended to do so;

c) for Real Estate activity: mainly the difference between (i) the most recent available appraisal value of the assets of the Real Estate funds in the portfolio and (ii) the acquisition cost of these assets in the case of certain funds and the acquisition cost of debt-financed assets in the case of some leveraged funds;

d) for Private Equity activity: on behalf of the investor-clients of the Group's asset managers: unit classes, whether called or not, which by their nature, do not generate management fees and are not intended to do so.

Average fee-paying assets under management – this is the average between the amount of fee-paying assets under management as at 31 December of year N - 1 and 31 December of year N.

Weighted average fee rate – This is the average fee rate weighted by the weight of each of the Group's four Asset Management business lines applied to fee-paying assets under management, *i.e.* the ratio, for each of the four business lines, between:

a) total management fees generated by business line, based on the Group's consolidated financial statements; and

b) average fee-paying assets under management;

For the purposes of the definitions of the five operational indicators above, the term "management fees" covers the following concepts:

a) management fees, subscription fees (and assimilated fees);

b) other fees including waiver fees, agency fees, assimilated fees and Real Estate asset fees; and

c) arrangement fees.

Net new money – This corresponds to (i) total subscriptions, less redemptions of open-ended funds and (ii) acquisition costs of assets financed by debt (net of repayments) or the target leverage expected in the case of some leveraged funds. A positive flow means that the total amount of inflows (subscriptions net of redemptions) and share of acquisition costs of assets financed by debt are higher than recorded outflows. Conversely a negative flow means that total redemptions are higher than inflows from subscriptions and share of acquisition costs of assets financed by debt.

5.1.2 Activities during the year 2019

As at 31 December 2019, Tikehau Capital's assets under management amounted to €25.8 billion (compared to €22.0 billion as at 31 December 2018), representing growth of 17% over the year 2019.

This growth was mainly the result of net new money of €4.6 billion, plus positive market effects of €0.6 billion, less distributions for -€1.4 billion.

During the year 2019, the Asset Management activity was driven by the growth in Real Estate and Private Equity strategies, which represented nearly 60% of the net new money generated by the Group. The Private Debt activity recorded a growth of its assets under management of €0.3 billion during the year 2019 thanks to net new money of €1.2 billion and positive market effects of €0.1 billion offset by -€1.0 billion of distributions during the period. Finally, Capital Markets Strategies' assets under management increased by €0.6 billion over the period thanks principally to net new money of €0.3 billion and positive market effects of €0.1 billion.

As at 31 December 2019, the Group's assets under management were divided between Asset Management (€23.6 billion) and Direct Investments made from the Group's balance sheet (€2.2 billion) and were broken down as follows:

(in billions of €)	Assets under management as at 31 December 2019	Percentage of Group's assets under management	
		31 December 2019	31 December 2018
Private Debt	8.6	33%	38%
Real Estate	9.2	36%	35%
Capital Markets Strategies	3.8	15%	15%
Private Equity	2.0	8%	5%
TOTAL ASSET MANAGEMENT	**23.6**	**92%**	**93%**
TOTAL DIRECT INVESTMENTS MADE FROM THE GROUP'S BALANCE SHEET	**2.2**	**8%**	**7%**
TOTAL	**25.8**	**100%**	**100%**

Asset Management activity

As at 31 December 2019, Tikehau Capital's Asset Management activity represented assets of €23.6 billion and comprised:

- 84% of fee-paying assets under management (*i.e.* €19.9 billion at the end of 2019 compared to €16.2 billion at the end of 2018);
- 11% future fee-paying assets under management (*i.e.* €2.6 billion at the end of 2019 compared with €3.0 billion at end 2018); and
- 5% non-fee paying assets under management (*i.e.* €1.1 billion at the end of 2019 compared to €1.2 billion at the end of 2018).

During the year 2019, closed-ended funds (namely, all of the funds managed by the Group, excluding Capital Markets Strategies) invested a total amount of €3.6 billion (compared with €2.7 billion in 2018 on a like-for-like basis).

Private Debt: €8.6 billion in assets under management as at 31 December 2019

The growth of €0.3 billion in assets under management during the year 2019 (*i.e.* 3.9% growth over the year) was the result of €1.2 billion in net new money and a positive market effect of €0.2 billion offset by distributions of €1.0 billion. During the first quarter of the year 2019, the Group notably completed fundraising for its fourth generation of Direct Lending funds, achieving a record total of €2.1 billion, over three times the previous generation. Furthermore, in September 2019, the Group announced the completion of a fifth CLO (Collateralised Loan Obligation) for a total amount of €0.4 billion, with a diversified and highly international investor base. In January 2019, through its Credit.fr subsidiary, the Group also completed the acquisition of Homunity, leader in Real Estate crowdfunding in France. Lastly, Private Debt assets under management as at 31 December 2019 reflected €380 million of net new money from the private clients of *Fideuram – Intesa Sanpaolo Private Banking*.

Detailed information is provided in Section 1.3.2.1 (Private Debt activity) of this Universal Registration Document.

Real Estate: €9.2 billion in assets under management as at 31 December 2019

The growth of €1.6 billion in assets under management during the year 2019 (*i.e.* 21.0% growth compared with 2018 on a like-for-like basis) is the result of €1.6 billion in net new money and a positive market effect of €0.2 billion offset by €0.2 billion in distributions. This growth reflects, on the one hand, the strong commercial buoyancy of Sofidy, which recorded net new money of €1.1 billion in 2019 and a 22% increase in assets under management over one year, totalling €6.2 billion. On the other hand, 2019 was also marked by the continued marketing of the Group's value-added discretionary Real Estate fund, for which assets under management stood at €570 million as at 31 December 2019.

Detailed information is provided in Section 1.3.2.2 (Real Estate activity) of this Universal Registration Document.

Capital Markets Strategies: €3.8 billion in assets under management as at 31 December 2019

The growth of €0.6 billion in assets under management during the year 2019 (*i.e.* growth of 16.9% over the year) is the result of net new money of €0.3 billion, a positive market effect of €0.1 billion and a change in scope representing €0.1 billion following the Group's takeover during the fourth quarter of 2019 of the management of a €90 million fund size, specialised in investment in high-yield bonds issued by medium-sized US companies. Lastly, the performances of liquid funds managed by the Group remained robust in 2019, particularly regarding the InCA fund for which assets under management increased by €0.6 billion in 2019 to reach €1.0 billion as at 31 December 2019.

Detailed information is provided in Section 1.3.2.3 (Capital Markets Strategies activity) of this Universal Registration Document.

Private Equity: €2.0 billion in assets under management as at 31 December 2019

The growth of €0.8 billion in assets under management during the 2019 financial year (*i.e.* growth of 61.5% over the year) particularly comprises a strong net new money of €0.9 billion, partially offset by distributions of €0.1 billion. Growth in assets under management in 2019 was driven by the launch of a first secondary Private Equity fund. Commitments to this secondary fund are supplemented by commitments made by these same clientsin the generalist growth equity fund launched by Tikehau Capital in 2018 and which reached €0.4 billion of assets under management as at 31 December 2019. Furthermore, the Private Equity fund dedicated to the energy transition and launched in partnership with Total continued its dynamic inflow in 2019, taking its assets under management to €0.5 billion as at 31 December 2019. Finally in 2019, through its subsidiary ACE Management, the Group completed the first closing of the first French Private Equity fund dedicated to cybersecurity, for €80 million.

Detailed information is provided in Section 1.3.2.4 (Private Equity activity) of this Universal Registration Document.

Direct Investments activity

As at 31 December 2019, Direct Investments made from the Group's balance sheet amounted to €2.2 billion in assets compared with €1.6 billion as at 31 December 2018. This increase of €0.6 billion in one year takes into account the increase in consolidated cash and cash equivalents following the Group's capital increase of €0.7 billion completed on 25 June 2019 and the successful placement of a €0.5 billion bond issue in the fourth quarter of 2019 followed by an early repayment of €0.3 billion of bank debt (with a two-year maturity extension).

In 2019, the Company continued the active rotation of its investment portfolio held on the balance sheet in its three strategic areas of allocation, namely (i) investments in funds managed by the Group and co-investments alongside these, (ii) investments in the Group's platforms and (iii) opportunistic investments (see Section 1.3.3 (Direct Investments activity) of this Universal Registration Document).

The following table presents, as at 31 December 2019, the major investments and co-investments made by Tikehau Capital and its consolidated subsidiaries in the Group's strategies (vehicles managed by Tikehau IM, Tikehau Capital Europe, IREIT Global Group, Sofidy and ACE Management) which are described in the sections below:

The Group's investments in its own strategies

(in millions of €)	Amount called [(1)]	Amount uncalled	Total amount
Tikehau Direct Lending IV	37.8	14.4	52.2
Tikehau Direct Lending 4L	34.0	17.7	51.6
Tikehau Senior Loan III	47.0	4.4	51.3
Tikehau CLO V	34.5		34.5
Tikehau Direct Lending III	25.3	1.2	26.4
Tikehau CLO I	26.2		26.2
Tikehau CLO III	21.9		21.9
Tikehau Senior Loan II	21.2		21.2
Tikehau CLO IV	20.7		20.7
Tikehau CLO II	16.8		16.8
Other funds [(2)]	164.7	96.4	261.1
Total Private Debt	**450.0**	**134.0**	**584.0**
Sélectirente	189.1		189.1
Tikehau Real Estate Opportunity 2018	30.3	119.1	149.5
Tikehau Real Estate Investment Company	50.7	29.8	80.5
IREIT Global	56.5		56.5
IREIT Global Holdings 5	46.2		46.2
Tikehau Retail Properties III	35.2		35.2
Tikehau Retail Properties I	25.6		25.6
Tikehau Real Estate II	24.5		24.5
Tikehau Retail Estate III	18.2		18.2
Other funds [(2)]	60.5		60.5
Total Real Estate	**536.8**	**149.0**	**685.8**
Tikehau Subordonnées Financières	28.0		28.0
Tikehau Global Short Duration	25.8		25.8
Tikehau Income Cross Assets	23.7		23.7
Tikehau Global Value	15.3		15.3
Other funds [(2)]	31.2		31.2
Total Capital markets strategies	**124.0**		**124.0**
Tikehau Growth Equity II	166.1	30.9	197.1
Tikehau Special Opportunities II	0.0	150.0	150.0
T2 Energy Transition Fund	18.8	78.3	97.0
Tikehau Fund of funds	44.7	43.8	88.6
Tikehau Special Opportunities	34.3	16.1	50.5
Brienne III	5.2	34.9	40.2
Tikehau Growth Equity Secondary	32.6	6.8	39.4
Other funds	12.8	9.1	21.8
Total Private equity	**314.6**	**369.9**	**684.5**
TOTAL ASSET MANAGEMENT - 31 DECEMBER 2019	**1,425.4**	**652.9**	**2,078.3**
TOTAL ASSET MANAGEMENT - 31 DECEMBER 2018	**906.0**	**662.6**	**1,568.6**

(1) Amount called adjusted at fair value.
(2) For Private Debt, Real Estate and Capital Markets Strategies, other funds include all funds below €15.0 million of amount called adjusted at fair value.

5.

The main investments carried out by the Company during the 2019 financial year consisted of the following:

Sélectirente (€145 million)

- On 21 December 2018, Tikehau Capital filed a public tender offer for Sélectirente's shares and OCEANE bonds. Tikehau Capital irrevocably agreed to acquire:
  - at a unit price of €86.80 ex the interim dividend of 2 January 2019), (i) all outstanding Sélectirente shares not already held by it or members of its concert, and the 45,255 Sélectirente shares held by Sofidiane which had already been committed to the offer, totalling 1,094,590 shares representing 70.95% of the capital and votes, and (ii) the 47,168 Sélectirente shares to be issued on conversion of the OCEANE bonds not held by concert party members,
  - at a unit price of €87.25 ex the coupon paid on 2 January 2019, all the OCEANE bonds issued by Sélectirente not already held by it or members of its concert and the 11,899 Sélectirente OCEANE bonds held by the company Sofidiane which had already been committed to the offer, giving a total of 58,832 OCEANEs.

Euronext market notified the AMF that on 4 March 2019, the closing date for brokers to deposit securities in respect of orders for the public tender offer launched by Tikehau Capital for securities in Sélectirente, 777,435 Sélectirente shares and 54,195 OCEANE bonds had been deposited.

Following the settlement of the public tender offer on 12 April 2019, Tikehau Capital held 1,250,029 shares, equivalent to 81.0% of the share capital and voting rights of Sélectirente including the holdings of the concert party with which Tikehau Capital is acting, and 128,579 Sélectirente OCEANE bonds, 97.5% of those in circulation:

- in December 2019, Sélectirente carried out a capital increase of €86.80 per share, for a total amount of €217 million. Tikehau Capital took part in this capital increase for a total amount of €82.7 million;
- in June, October and November 2019, Tikehau Capital sold Sélectirente shares for a total amount of €27.0 million at the price of €86.80 per share.

Tikehau Growth Equity II (€74 million) – Tikehau Capital continued its minority Investment activity through the dedicated fund Tikehau Growth Equity II in which the Company has committed €201 million. As at 31 December 2019, €170 million was called, of which €74 million mobilized by the Group for investment in four new companies: ADDEV Materials, Medtrade, DoveVivo and Assiteca.

IREIT Global Holdings 5 (€46 million) – In December 2019, the Group bought 4 office buildings located in Barcelona and Madrid for a total net purchase price of €134 million, to which Tikehau Capital contributed €46 million.

The main divestments carried out by the Company during the 2019 financial year consisted of the following:

Eurazeo (€224 million) – On 18 October 2019, Tikehau Capital announced that it has sold a total of 3,504,640 Eurazeo shares (representing 4.45% of the share capital of Eurazeo) with total proceeds of €224.3 million. At the end of this private placement with institutional Investors through an accelerated bookbuilding process, Tikehau Capital still holds a residual stake of 5.1% in the share capital of Eurazeo.

TGE Secondary (€150 million) – During September 2019, six lines of unlisted assets previously managed through the Tikehau Capital balance sheet were transferred to create a secondary French Private Equity fund (Tikehau Growth Equity Secondary) of €177.8 million. Tikehau Capital then proceeded to sell its shares to third parties for a total sum of €150.0 million.

Latécoère (€19 million) – On 9 December 2019, Tikehau Capital declared to the AMF (*Autorité des marchés financiers*) that on 4 December 2019, it had fallen below the thresholds of 5% of the share capital and voting rights in the company Latécoère, and that it no longer held any shares in this company. This threshold disclosure is the result of the contribution of all Latécoère shares held by the reporting company as part of the public tender offer initiated by SCP SKN Holding I.

HDL-Assystem (€48 million) – In November 2019, Tikehau Capital sold its entire stake in HDL-Assystem for a cash payment of €48.0 million and the payment in shares of 575,659 Assystem shares at the price of €38 per share, *i.e.* a total amount of €21.9 million.

Spie Batignolles (€25 million) – On 24 January 2019, Tikehau Capital sold its holding in Spie Batignolles, a major player in the construction, infrastructure and services sectors, for 2.3 times the amount of the initial investment. The sale coincided with Asset Management subsidiary Tikehau IM's arrangement of financing for 200 of the Company's managers to buy shares alongside the management team.

Highlights of the year 2019

Company capital increase – On 25 June 2019, Tikehau Capital completed the capital increase in cash without shareholders' preferential subscription rights by way of public offer and with a priority subscription period, for a final gross amount of €715 million, through the issuance of 32,500,000 new shares, representing 31.4% of Tikehau Capital's existing share capital. This capital increase showed the strong appetite of international investors for the model developed by Tikehau Capital and thus confirmed the Group's growing footprint on a global scale.

The proceeds from the capital increase will be used to finance the next phase of the Company's development, in particular by (in order of priority):

- increasing its investments through its balance sheet in the Group's funds or co-investments with the Group's funds to create an alignment of interests between its balance sheet investments and the investments of its investor-clients, and to contribute to the growth of its Asset Management activity;
- providing it with the additional financial resources to seize potential external growth opportunities in order to accelerate the growth of its asset management platform;
- enabling it to expand into new geographies;
- enabling it to continue to rebalance its business towards its Real Estate and Private Equity business lines; and
- expanding its product offering to incorporate additional alternative assets.

Tikehau Capital has agreed to a lock-up period of 180 calendar days after the settlement and delivery date of the Share Capital Increase, subject to certain customary exceptions.

As per their subscription commitments, the existing shareholders and investors delivering such commitments have each agreed to a lock-up period of 180 calendar days as from the settlement and delivery date (subject to certain customary exceptions) with respect to the shares for which they subscribe in the share capital increase.

Company bond issue - On 9 October 2019, Tikehau Capital successfully placed a bond issue of €500 million, with maturity in October 2026. Settlement took place on 14 October 2019. This issue of senior unsecured bonds is associated with a fixed annual coupon of 2.25%. The issue was placed with a diversified base of around one hundred institutional investors, and has been subscribed at 70% by international investors. The bonds are rated BBB- by Fitch Ratings and listed on the Euronext Paris market.

Tikehau Capital obtained an Investment Grade rating (BBB-, stable outlook) – On 30 January 2019, Tikehau Capital was assigned its inaugural rating by financial rating agency Fitch. Supported by a stable outlook, this Investment Grade rating (BBB-) confirms the strength of Tikehau Capital's financial profile. In its statement, Fitch Ratings highlighted the strength of Tikehau Capital's balance sheet and expressed its confidence in the Group's ability to keep financial ratios at levels consistent with an investment grade profile as Tikehau Capital pursues its strategy.

Sélectirente capital increase – On 17 December 2019, Tikehau Capital announced the successful capital increase of its listed subsidiary Sélectirente, for an amount of €217 million, and that as a result it holds 50.1% (of which 37.5% is held by Tikehau Capital SCA and 12.6% is held by Sofidy) of the Company's capital following this transaction. Tikehau Capital contributed €82.7 million to this transaction.

IREIT Global – On 30 April 2019, Tikehau Capital announced the arrival of City Developments Limited (CDL) as a shareholder in IREIT Global Group Pte. Ltd with an investment representing 50.0% of the share capital and a 12.4% stake in IREIT Global. Tikehau Capital's stakes in IREIT Global Group Pte. Ltd and in IREIT Global thus fell from 84.6% to 50.0% and rose from 8.4% to 16.4% respectively.

The arrival of CDL, one of the leading listed Real Estate companies in Singapore, with a global network of 103 offices across 29 countries in multiple geographical areas, as a new shareholder is another positive step in the development of IREIT Global's activities.

Acquisition of Homunity – In January 2019, Credit.fr acquired 100% of Homming SAS for an amount of €4 million, excluding earn-out. As a result of this transaction, Credit.fr owns 100% control of Homunity SAS. The latter is the leading specialist Real Estate crowdfunding platform in France, enabling Credit.fr to strengthen its position in *the* crowdfunding sector, accelerate its growth and diversify its offering in the buoyant participative loan market.

Opening of an office in Asia – The opening of an office located in Tokyo aligns with the internationalisation strategy announced at the time of the listing of Tikehau Capital. It is intended to enable the Group to develop in Asia, a natural growth zone because of the size of the local market, by getting closer to its prospective client base and by being in a position to seize the best investment opportunities.

Entry into three Euronext Paris indices – On 14 June 2019, Tikehau Capital joined the stock market indices CAC SMALL, CAC MID & SMALL and CAC ALL TRADABLE from 21 June 2019.

LuxFLAG ESG – On 24 June 2019, LuxFLAG, an international independent not-for-profit organisation which aims to promote the mobilisation of capital for sustainable investment, awarded the LuxFLAG ESG label to 2 diversified and share management funds, Tikehau Income Cross Assets and Tikehau Global Value, as well as to 5 bond management funds, Tikehau Taux Variables, Tikehau SubFin Fund, Tikehau Court Terme, Tikehau 2022 and Tikehau Global Short Duration. Tikehau Credit Plus received the label on 1 April 2019. The use of the LuxFLAG ESG label is granted to the labelled funds for a period from 1 July 2019 to 30 June 2020.

Exercise of the call option on Sofidy shares held by the remaining shareholder – The call option on the Sofidy minority shares was exercised on 11 January 2019 on 488 shares for an amount of €3.0 million. This transaction had no impact on the percentage of holding as at 31 December 2019 due to the consideration of the call option as at 31 December 2018. Tikehau Capital held 100.0% of the share capital of Sofidy as at 31 December 2019.

5.2 COMMENTS ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE 2019 FINANCIAL YEAR

5.2.1 Comments on the consolidated results for the year 2019

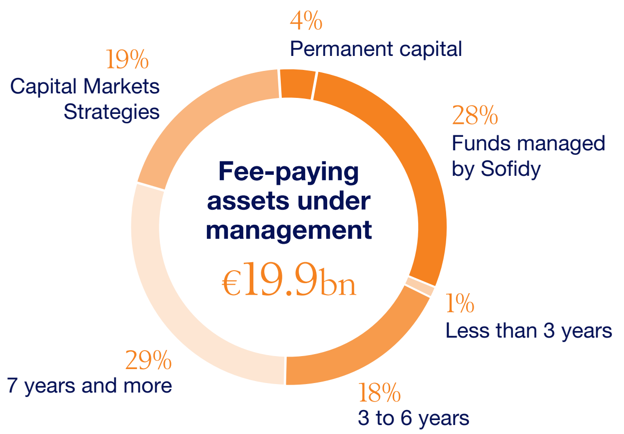
5.2.1.1 Net operating profit from the Asset Management activity

As at 31 December 2019, the net operating profit of the Asset Management activity amounted to €58.5 million, a strong increase compared to 2018 year, on a like-for-like basis [1] (€39.5 million). The net operating margin for this activity stood at 33.5% as at 31 December 2019, compared to 31.4% as at 31 December 2018 on a like-for-like basis.

Net revenues from the Asset Management activity in 2019 amounted to €174.8 million, representing an increase of €49.0 million (+28.0%) compared to 2018 (on a like-for-like basis).

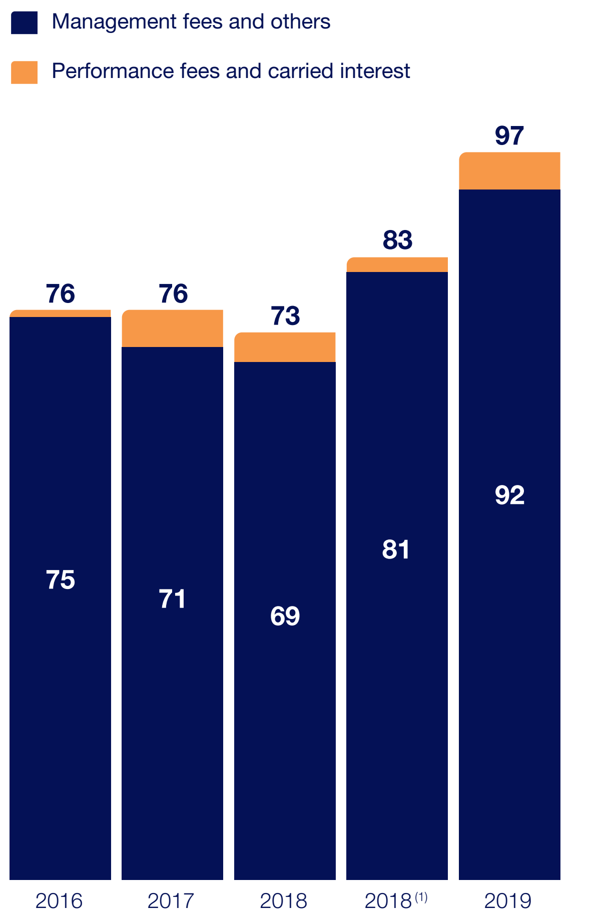
These revenues mainly derived from management, subscription, arrangement and other fees received by the Group's asset management companies for an amount of €166.3 million, compared with €122.3 million in 2018, on a like-for-like basis. These revenues are supplemented by performance fees and carried interest for an amount of €8.5 million (compared to €3.5 million as at 31 December 2018 on a like-for-like basis).

This significant growth in net revenues reflects both the growth of the Group's assets under management and the growth of fee-paying assets under management. As at 31 December 2019, fee-paying assets under management amounted to €19.9 billion and within these fee-paying assets under management, 98% of the assets of the closed-ended funds generate revenues over a period of more than three years:



Average fee-paying assets under management [2] rose from €12.7 billion as at 31 December 2018 to €18.1 billion as at 31 December 2019.

Based on this average amount and on management and arrangement fees collected as part of the Asset Management activity, the weighted average fee rate was 92 basis points for 2019 (compared to 81 basis points for 2018 on a like-for-like basis:



The weighted average fee rate is an indicator that allows the Group to monitor the evolution of its net revenues in relation to its assets under management.

(1) *Including the contribution of Sofidy and its subsidiaries as well as ACE Management.*

(2) *Average assets under management as at 31 December 2019 is measured as the average of assets under management as at 31 December 2018 and as at 31 December 2019.*

As at 31 December 2019, the weighted average fee rates [1] for each of the Group's four Asset Management business lines are as follows:

	Weighted average fee rate [1] as at 31 December 2019	Weighted average fee rate [1] as at 31 December 2018 *(like-for-like basis)*	Weighted average fee rate [1] as at 31 December 2018
Private Debt	73 basis points	70 basis points	70 basis points
Real Estate	110 basis points	93 basis points	69 basis points
Capital Markets Strategies	53 basis points	58 basis points	58 basis points
Private Equity	More than 150 basis points	More than 150 basis points	More than 150 basis points
ASSET MANAGEMENT ACTIVITY	**92 BASIS POINTS**	**81 BASIS POINTS**	**69 BASIS POINTS**

(1) Excluding performance fees and carried interest

This assessment reflects a change in the Company's business mix thanks to sharp organic growth in the Private Equity activity and stronger Real Estate business following the strategic acquisition of Sofidy at the end of December 2018.

On this basis, the operating margin for the Asset Management activity stood at 33.5% as at 31 December 2019. The operating margins for the Group's Asset Management activity as at 31 December 2019, 2018 (in published reported data and on a like-for-like basis) and 2017 were as follows:

(in millions of €)	2019	2018 [1]	2018	2017
Revenues from Asset Management activity	174.8	125.8	75.2	57.9
Operating expenses and others	(116.3)	(86.3)	(55.2)	-41.9
NET OPERATING MARGIN FROM ASSET MANAGEMENT ACTIVITY	**58.5**	**39.5**	**20.0**	**16.0**
Net Operating margin from Asset Management activity (as a percentage of revenues)	+33.5%	+31.4%	+26.6%	+27.6%

(1) Including full-year contribution of Sofidy and its subsidiaries and ACE Management.

5.

5.2.1.2 Net operating profit from the Investment activity (after share of net results from equity affiliates)

Net operating profit from Investment activity (after share of net results from equity affiliates) for the year 2019 was €199.6 million, compared to a loss of €108.5 million recorded in 2018 on a like-for-like basis.

Revenues from the Company's investment portfolio rose from -€31.7 million in 2018 to €277.8 million, on a like-for-like basis. These revenues from the investment portfolio in 2019 comprised a positive change in fair value of €188.7 million (compared with a negative change in fair value of -€104.9 million in 2018, like-for-like) and other portfolio revenues for €89.0 million (compared with €73.3 million in 2018, on a like-for-like basis).

The positive change in fair value of €188.7 million mainly derived from the non-current investment portfolio for €178.8 million including, €85.6 million on listed investments (of which DWS for €49.6 million and Eurazeo for €26.7 million), €40.2 million on non-current investments (of which HDL-Assystem for €16.5 million and Just Office for €14.3 million), and €22.7 million from non-current investments in the funds managed by the Group's asset management companies.

Other portfolio revenues comprise dividends, coupons and distributions for a total of €89.0 million in respect of 2019, an increase of €15.7 million compared to 2018, on a like-for-like basis.

Operating expenses from the Investment activity were stable at €78.0 million in 2019 (compared to €78.1 million in 2018, on a like-for-like basis) and mainly comprise the remuneration of the Manager of €51.1 million.

5.2.1.3 Net operating profit from Asset Management and Investment activities (after share of net results from equity affiliates)

Net operating profit from Asset Management and Investment activities after share of net results from equity affiliates in 2019 was €252.2 million (compared to a loss of €69.0 million for 2018 on a like-for-like basis).

As at 31 December 2019, the share of net results from equity affiliates amounted to -€0.2 million, compared to €1.3 million as at 31 December 2018 on a like-for-like basis.

Operating expenses for the year 2019 amounted to €194.3 million compared to €164.4 million for the year 2018. On a like-for-like basis, the increase in operating expenses was mainly due to the impact of the growth in headcount for the Group's asset management companies as well as the Company's organic growth.

5.2.1.4 Net result

As at 31 December 2019, net income on cash equivalents amounted to €1.2 million, compared with €0.2 million as at 31 December 2018 on a like-for-like basis.

Financial expenses totalled €34.5 million as at 31 December 2019, up €23.5 million compared to 31 December 2018, on a like-for-like basis, notably due to the change in fair value of interest rate derivatives (€7.5 million, +€3.1 million compared to 31 December 2018 on a like-for-like basis), interest paid on interest rate derivatives (€5.2 million, +€2.5 million compared to 31 December 2018 on a like-for-like basis) and borrowing-related expenses (€21.4 million, +€5.2 million compared to 31 December 2018 on a like-for-like basis).

As at 31 December 2019, current and deferred tax corresponded to an expense of €39.7 million (compared to an income of €8.1 million as at 31 December 2018), notably including €30.7 million in deferred tax, mainly related to deactivating tax losses that may be carried over and unrealised gains on the investment portfolio.

On this basis, the net result - Group share, as at 31 December 2019 amounted to a profit of €178.7 million, compared to a loss of €90.3 million as at 31 December 2018, on a like-for-like basis.

5.2.1.5 Net revenues – Segment information

Net revenues from the Asset Management activity

As at 31 December 2019, net revenues from the Asset Management activities were €174.8 million, representing growth of 39% over the period on a like-for-like basis (€125.8 million as at 31 December 2018).

The Company's net revenues are presented in accordance with the four business lines in its Asset Management activity, namely: Private Debt, Real Estate, Capital Markets Strategies and Private Equity.

	Asset management activity				
(in thousands of €)	**Private Debt**	**Real Estate**	**Capital Markets Strategies**	**Private Equity**	**Revenues from Asset Management activity as at 31 December2019**
Net revenues	**45,797**	**83,395**	**21,532**	**24,028**	**174,753**
Management, subscription, arrangement and other fees	45,121	78,290	18,822	24,028	166,261
Performance fees and carried interest	676	5,105	2,710	–	8,492

	Asset management activity				
(in thousands of €)	**Private Debt**	**Real Estate**	**Capital Markets Strategies**	**Private Equity**	**Revenues from Asset Management activity as at 31 December 2018 *(like-for-like basis)***
Net revenues	**34,655**	**61,624**	**18,913**	**10,657**	**125,850**
Management, subscription, arrangement and other fees	34,632	58,704	18,351	10,657	122,344
Performance fees and carried interest	23	2,920	562	–	3,506

(in thousands of €)	Asset management activity				Revenues from Asset Management activity as at 31 December 2018
	Private Debt	Real Estate	Capital Markets Strategies	Private Equity	
Net revenues	**34,655**	**16,447**	**18,913**	**5,183**	**75,199**
Management, subscription, arrangement and other fees	34,632	13,527	18,351	5,183	71,694
Performance fees and carried interest	23	2,920	562	–	3,506

With consolidation over the full year of Sofidy and its subsidiaries as well as ACE Management.

Private Debt activity

As at 31 December 2019, the Group's net revenues attributable to the Private Debt activity totalled €45.8 million (compared to €34.7 million as at 31 December 2018). These revenues derive from assets under management amounting to €8.6 billion as at 31 December 2019, compared to €8.3 billion as at 31 December 2018.

Net revenues from this activity correspond to management fees of €45.1 million and performance revenue for €0.7 million as at 31 December 2019.

Real Estate activity

As at 31 December 2019, the Group's net revenues attributable to the Real Estate activity totalled €83.4 million (compared to €61.6 million as at 31 December 2018 on a like-for like basis). These revenues derive from assets under management amounting to €9.2 billion as at 31 December 2019 (compared to €7.6 billion as at 31 December 2018 on a like-for-like basis).

The net revenues from this activity correspond to management fees of €78.3 million and performance revenue for €5.1 million as at 31 December 2019, mostly generated by the disposal in December 2019, by Tikehau Capital and Foncière Atland, of a portfolio of 22 industrial assets owned by the TRE I fund to a fund managed by Blackstone.

Capital Markets Strategies activity

As at 31 December 2019, the Group's net revenues attributable to the Capital Markets Strategies activity totalled €21.5 million (compared with €18.9 million as at 31 December 2018). These revenues derive from assets under management amounting to €3.8 billion as at 31 December 2019, compared with €3.3 billion as at 31 December 2018.

The net revenues from this activity correspond to Management fees of €18.8 million and performance-related fees of €2.7 million as at 31 December 2019.

Private Equity activity

As at 31 December 2019, the Private Equity asset management activity generated fees of €24.0 million (compared with €10.7 million as at 31 December 2018 on a like-for-like basis). These revenues derive from assets under management amounting to €2.0 billion as at 31 December 2019 (compared to €1.2 billion as at 31 December 2018 on a like-for-like basis).

Net revenues from Investment activity

As at 31 December 2019, the Group's net revenues attributable to the Investment activity totalled €277.8 million (compared to -€31.7 million as at 31 December 2018 on a like-for like basis).

Revenues related to changes in fair value amounted to €188.8 million (compared to a negative contribution of -€104.9 million as at 31 December 2018 on a like-for-like basis), mainly due to the positive change in fair value of €85.6 million on the listed investment portfolio (mainly the revaluation of listed DWS and Eurazeo investments), from the unlisted investment portfolio (€71.0 million) and from the investment portfolio in the Group's funds (both non-current (€22.7 million) and current (€10.3 million) investments).

Revenues from dividends, coupons and interests on receivables attached to these investments totalled €89.0 million (€73.3 million as at 31 December 2018, on a like-for-like basis).

5.2.2 Consolidated non-current assets

The Company's non-current assets mainly consist of its investment portfolio, goodwill, intangible (excluding goodwill) and tangible assets, deferred tax assets and investments in equity affiliates.

The value of the Company's non-current investment portfolio was €2.2 billion as at 31 December 2019, compared to €2.0 billion as at 31 December 2018. This €0.2 billion increase mainly reflects investments made during the year 2019 for €0.7 billion, disposals and repayments for -€0.6 billion as well as a positive change in fair value of €0.2 billion (See Section 5.1.2 (Activities during the year 2019) of this Universal Registration Document).

5.2.3 Liquidity and Capital Resources

Changes in financial debt during financial year 2019

As at 31 December 2019, the Group's gross nominal debt was €1,003 million against €803 million as at 31 December 2018. The change is mostly explained by the combination of a new €500 million senior unsecured bond, issued October 2019 and maturing 2026, and a €300 million early repayment of the Syndicated Credit Agreement (see below for details).

Syndicated Credit Agreement

The Syndicated Credit Agreement had an initial maturity of five years and consists of two tranches: an A tranche of €500 million, in the form of a loan repayable over time, and a B tranche of €500 million in the form of a revolving credit facility.

The drawdowns are made in euros and bear interest at a rate equal to the sum (i) of a base rate determined by reference to Euribor (with a floor set at zero) and (ii) a margin that is revised half-yearly based on a Loan To Value ratio (as defined below). The Syndicated Credit Agreement provides for a non-utilisation fee equal to 35% of the above-mentioned margin applied to the undrawn portion.

Following two drawdowns of €250 million each on 28 December 2017 and 14 December 2018, all of the maximum amount committed under Tranche A of the Syndicated Credit Agreement had now been drawn.

The early repayment of €300 million on 29 November 2019 reduced the A tranche outstanding to €200 million all of which was drawn. The B tranche remains unchanged.

At the same time as the repayment, the lending banks unanimously agreed to extend the maturity of the Syndicated Credit Agreement (A and B tranches) from November 2022 to November 2024. The remaining A tranche will now be repaid in full at the final maturity.

The whole of the B tranche will be available until the maturity date, 25 November 2024, and can be drawn until one month before this date. No security has been furnished as guarantee for the Syndicated Credit Agreement.

The Syndicated Credit Agreement contains the clauses customary for this type of financing, including the following:

- **financial commitments** – Subject to a rectification period:
  - Tikehau Capital's Loan to Value ratio, tested half-yearly, must be less than or equal to 47.5%,
  - Tikehau Capital's Minimum Liquidity ratio, tested half-yearly, must be, at any time, greater than or equal to €150 million,
  - limiting the Company's secured debt to 12.5% of total consolidated assets,
  - limiting unsecured debt at the level of the Company's subsidiaries to 12.5% of total consolidated assets.

  These financial commitments became applicable upon the signing of the Syndicated Credit Agreement: the "Loan to Value" ratio, the limitation of the Company's secured debt and the limitation of the unsecured debt at the level of the Company's subsidiaries were tested for the first time on 31 December 2017. All of these financial commitments were met as at 31 December 2019;
- **affirmative and negative covenants** – These are undertakings providing for certain restrictions related mainly to the furnishing of security or collateral, to carrying out mergers or restructuring, change of activity, or interest rate hedging. The Company is in particular committed to maintaining interest rate hedging greater than or equal to 50% of the amounts used under Tranche A of the Syndicated Credit Agreement for the duration of the loan;
- **change of control** – The Syndicated Credit Agreement provides for the option for each lender not to finance its participation in the event of drawdown and to terminate its commitment in the event of a change of control of the Company;
- **early repayment** – Under the Syndicated Credit Agreement, the majority of the lenders (*i.e.* lenders representing more than 2/3 of commitments) can decide to demand the total or partial early repayment of the amounts due under the Syndicated Credit Agreement in certain cases limited to those stipulated, which include non-payment, non-compliance of the commitments described above, the occurrence of a cross default or the occurrence of events having a material adverse effect on the assets and financial position of the Company or its ability to meet its payment obligations or any of its financial commitments. Some of these cases of default cover not only the Company but also its subsidiaries (including cases of default relating to cases of cross default, bankruptcy procedures and enforcement proceedings).

Bond issue

On 24 November 2017, the Company announced that it had placed a bond issue of €300 million, maturing in November 2023. Settlement took place on 27 November 2017 and the bonds are listed on the Euronext Paris market.

On 7 October 2019, the Company announced that it had placed a second bond issue of €500 million, maturing in October 2026. Settlement took place on 14 October 2019 and the bonds are listed on the Euronext Paris market.

These two senior unsecured bond issues return fixed annual coupons of, respectively, 3% and 2.25%, paid in arrears on 27 November and 14 October each year starting 27 November 2018 and 14 October 2020.

The bonds will be redeemed on 27 November 2023 and 14 October 2026, respectively, unless redeemed early. Fitch Ratings gave both bonds long term ratings of BBB- on 11 March 2019 and 14 October 2019, respectively.

Proceeds from the second issue are intended to cover the general needs of the Company while diversifying and sustainably reinforcing the Group's financial resources. The Company also used part of the issue proceeds to make an early repayment of €300 million from the A tranche of its Syndicated Credit Agreement.

The bond issue agreement contains the clauses customary for this type of financing, including the following:

- **financial commitment** (solely related to the €300 million bond issue of 27 November 2017) – The value of the uncollateralised assets must not fall below the amount of the secured debt;
- **event of default** – The occurrence of an event of default provided for in the issue agreement requires the immediate redemption of all the bonds at a price equal to the par value of the bonds plus accrued interest up to the date of redemption;
- **change of control** – Any bondholder may obtain early redemption or repurchase of all or part of the bonds he owns at a price equal to the par value of the bonds (or, where applicable, the redemption price) plus accrued interest;
- **negative covenants** – These are commitments relating mainly to the furnishing of security or collateral by the Company or one of its affiliated companies.

Declaration on other loans taken out by the Group

On 31 December 2019 the Company terminated its €150 million credit agreement with UBS and terminated the associated pledged securities account has been released. This credit agreement was not drawn as at 31 December 2019.

At the date of this Universal Registration Document, the Company is in compliance with all covenants provided for in the bank documentation by which it is bound (see note 5.14 (Borrowings and financial debt) to the annual consolidated financial statements as at 31 December 2019 in Section 6.1 (Annual consolidated financial statements as at 31 December 2019) of this Universal Registration Document).

Capital resources

Tikehau Capital's gross debt totalled €997.2 million as at 31 December 2019, against €795.9 million as at 31 December 2018 and €547.7 million as at 31 December 2017.

The table below summarises the distribution of the Company's gross debt:

Under IFRS standards ***(in millions of €)***	**31 December 2019**	**31 December 2018**	**31 December 2017**
Bonds	800.0	300.0	300.0
Bank debt (including accrued interest)	207.2	504.6	256.9
Bank loans	0.0	–	0.0
Amortisation of issue costs on borrowings	(10.0)	(8.7)	(9.1)
GROSS DEBT	**997.2**	**795.9**	**547.7**

During the years ended 31 December 2019 and 2018, all the Group's credit lines were contracted in euros.

The Company's debt, its maturity and the proportion that was fixed rate/variable rate as at 31 December 2019, is described in more detail in note 5.14 (Borrowings and financial debt) to the consolidated financial statements as at 31 December 2019, set out in Section 6.1 (Annual consolidated financial statements as at 31 December 2017) of this Universal Registration Document).

Finally, on 30 January 2019, the Group was assigned its inaugural rating by financial ratings agency Fitch Ratings. Supported by a stable outlook, this investment grade rating (BBB-) confirms the strength of Tikehau Capital's financial profile.

This inaugural financial rating represents another milestone for Tikehau Capital following its listing on Euronext in 2017. It also represents a recognition of the relevance of its model and financial structure.

In its statement, Fitch Ratings underscored the strength of Tikehau Capital's balance sheet and its trust in the Group's capacity to maintain financial ratios in line with an Investment Grade profile as it deploys its strategy.

In addition, Fitch Ratings endorses the Group's strategy for accelerating its development in alternative Asset Management, a business where it is positioned in growth markets and has a solid track record of fundraising.

Following its annual review, on 27 January 2020 Fitch Ratings confirmed this Investment Grade rating (BBB-) with a stable outlook.

Cash

As at 31 December 2019, the Company's cash holdings amounted to €1,307.2 million in cash and cash equivalents and cash management financial assets (compared with €463.2 million as at 31 December 2018). The Company also had a current investment portfolio (consisting of bonds, marketable securities and UCITS) of €125.1 million, compared to €110.5 million as at 31 December 2018.

The following table presents the available liquidity of the Group as at 31 December 2019, 2018 and 2017 and the Company's net debt, in each case, calculated as the sum of cash and cash equivalents, plus the current investment portfolio less current and non-current borrowings and financial debt:

Under IFRS standards ***(in millions of €)***	**31 December 2019**	**31 December 2018**	**31 December 2017**
Gross debt	997.2	795.9	547.7
Cash	1,432.3	573.7	1,084.6
of which: cash and cash equivalents	1,175.4	436.3	908.6
of which: cash management financial assets	131.8	26.9	66.9
of which: current investment portfolio	125.1	110.5	109.1
NET DEBT (NET CASH)	**-435.1**	**222.2**	**-536.9**

5.2.4 Changes in consolidated shareholders' equity

Consolidated shareholders' equity - Group share, amounted to €3.1 billion as at 31 December 2019, €2.3 billion as at 31 December 2018 and €2.5 billion as at 31 December 2017, and broke down as follows:

Under IFRS standards ***(in millions of €)***	**31 December 2019**	**31 December 2018**	**31 December 2018**
Share capital	1,640.1	1,241.7	1,233.6
Premiums	1,158.7	849.3	840.6
Reserves and retained earnings	161.4	290.6	110.9
Net result for the year (Group share)	178.7	(107.4)	314.4
CONSOLIDATED SHAREHOLDERS' EQUITY - GROUP SHARE	**3,138.8**	**2,274.3**	**2,499.5**

5.2.5 Carried interest

In some funds, carried interest can be paid if a fund exceeds a performance hurdle rate on liquidation. This mainly applies to Real Estate, Private Debt and Private Equity funds.

Since April 2014, carried interest is broken down as follows: 20% of the available carried interest is paid to a company that is a shareholder of Tikehau Capital Advisors comprising the senior employees of the Group; the remainder is distributed one-third each to Tikehau Capital, Tikehau IM and Tikehau Capital Advisors.

Carried interest is paid by the funds directly to the beneficiaries and recognised in the income statement when this variable consideration can be accurately estimated and when it is highly likely that no reversal will be made.

Tikehau Capital and its fully consolidated subsidiaries have recognised carried interest of €8.5 million in respect of the financial year 2019 (€2.9 million in 2018).

As at 31 December 2019, 90% of Private Debt assets under management – Direct lending, and multi-assets, Real-Estate funds and Private Equity funds – are eligible for carried interest, in an amount totalling €8.6 billion.

Of this, as at 31 December 2019, invested assets under management made up €5.1 billion, €2.7 billion of which (a 19% increase compared to 31 December 2018) are above their hurdle rate.

(in millions of €)	**31 December 2019**	**31 December 2018**
Assets eligible for carried interest	**8,641**	**6,782**
Direct lending and multi assets	3,709	3,146
Real Estate	2,958	2,498
Private Equity	1,973	1,138
Asset under management	**9,652**	**7,909**
Direct lending and multi assets	4,679	4,164
Real Estate	2,958	2,498
Private Equity	2,014	1,247

5.3 ANNUAL RESULTS OF THE COMPANY

5.3.1 Annual financial statements for the year 2019

5.3.1.1 Income statement for the year 2019

The analysis of changes in the Company's main accounting aggregates for the year 2019 is presented below.

Operating result

In 2019, operating income amounted to €17.1 million, compared to €5.4 million for 2018. The increase is mainly explained by growth in know-how and brand royalties, performance fees and carried interest booked in 2019 and higher transfers of charges and re-invoicings.

In 2019, the opearting expenses of the Company were €82.2 million, which represent an increase compared to 2018 (€74.2 million). In 2019, operating expenses mainly related to the remuneration of the Manager (€51.1 million), legal fees on investment and divestment deals in 2019 (€6.8 million), bank fees (€5.5 million) and growth in other operating expenses related to Tikehau Capital's business.

Operating result for the year 2019 subsequently amounted to a loss of €65.0 million compared to a loss of €68.8 million in 2018.

Financial result

The financial result in 2019 was a €137.1 million profit, against a €21.1 million loss in 2018. Financial income in 2019 was €195.9 million (compared to €82.7 million in 2018). The €113.2 million increase was mainly attributable to €96.4 million in financial income on investments, up from €30.0 million in 2018, and higher reversals of provisions on long-term securities holdings, €59.9 million in 2019 compared to €16.4 million in 2018. Financial expenses in 2019 were €58.8 million (compared to €103.8 million in 2018). The €45.0 million fall mainly reflects a reduction in provisions on securities in 2019 to €33.2 million (compared to €84.8 million in 2018).

Exceptional result

Exceptional result in 2019 was a €40.3 million profit (compared to €21.8 million profit as at 31 December 2018) and reflects the proceeds from selling of some investments during the year.

Net result

Total incomes were €1,018.3 million as at 31 December 2019 compared to €281.0 million for 2018. Total expenses in 2019 were €891.5 million compared to €345.4 million in 2018. On this basis, net result for the year 2019 amounted to a profit of €126.8 million compared to a loss of €64.4 million in 2018.

5.3.1.2 Balance sheet for the year 2019

The Company's balance sheet total as at 31 December 2019 amounted to €4.3 billion, compared to €3.3 billion as at 31 December 2018.

Financial assets were €2,962.1 million as at 31 December 2019 (compared to €2,876.5 million as at 31 December 2018). This increase of €85.6 million reflects 2019 investments (Tikehau Capital invested €82.7 million in Sélectirente capital increase, €74 million in the Tikehau Growth Equity II fund and €46 million in to buy Spanish office buildings) and divestments (including the part-sale of Eurazeo shares and exits from HDL-Assytem, Latécoère and Spie Batignolles).

The Company's shareholders' equity was €2,955.6 million as at 31 December 2019, compared to €2,146.1 million as at 31 December 2018. The rise of shareholders' equity mainly reflects capital increase of 27 june 2019 for a net amount of €707.7 million, net profit of the year 2019 for €126.9 million and dividends payment for €25.9 million.

Financial debt amounted to €1,003.8 million as at 31 December 2019 (compared to €801.4 million in 2018). The increase mainly reflected the second bond issue in October 2019 for €500 million (maturing 2026) and early repayment of €300 million from the €1.0 billion Syndicated Credit Agreeent originally arranged on 23 November 2017.

The following information is disclosed pursuant to Article L.441-14 of the French Commercial Code. Overdue trade payables amounted to €0.2 million including taxes as at 31 December 2019 compared with €0.7 million including taxes as at 31 December 2018. The average payment deadline for suppliers is between 31 days and 60 days.

5.3.2 The Company's Financial results for the last five years

(in €)	31/12/2019 12 months	31/12/2018 12 months	31/12/2017 12 months	31/12/2016 12 months	31/12/2015 12 months
I - FINANCIAL POSITION AT YEAR END					
a) Share capital	1,640,080,896	1,241,731,188	1,233,596,976	650,097,864	260,278,056
b) Number of shares issued	136,673,408	103,477,599	102,799,748	54,174,822	21,689,838
II - COMPREHENSIVE INCOME FROM OPERATIONS					
a) Net revenues excluding tax	11,097,607	4,144,433	2,990,763	1,078,279	1,199,361
b) Result before tax, depreciation and provisions	89,505,245	3,067,545	291,012 585	-35,994,881	-10,831,190
c) Corporate income tax	-14,511,938	-3,642,116	4,230,431		
d) Result after tax, depreciation and provisions	126,828,174	- 64,455,054	271,894,722	-56,601,842	4,190,559
e) Amounts of profits distributed	68,336,704		102,799,748		
III - INCOME FROM OPERATIONS PER SHARE					
a) Result after tax before depreciation & provisions	0.76	0.06	2.78	-1.04	-0.50
b) Result after tax, depreciation and provisions	0.93	-0.62	2.64	-0.66	0.19
c) Dividend per share	0.50	0.25	1.00		

5.4 SIGNIFICANT EVENTS SINCE 31 DECEMBER 2019

Investment Grade (BBB-, stable outlook) rating confirmed by Fitch Ratings financial rating agency

On 27 January 2020, Tikehau Capital had its financial rating confirmed by the financial rating agency Fitch Ratings. Supported by a stable outlook, this investment grade rating (BBB-) confirms the strength of Tikehau Capital's financial profile. In its statement, Fitch Ratings highlighted the strength of Tikehau Capital's balance sheet and expressed its confidence in the Group's ability to keep financial ratios at levels consistent with an investment grade profile as Tikehau Capital pursues its strategy.

Capital increase of 31 March 2020

On 31 March 2020, Tikehau Capital carried out a capital increase for an amount of around €1.4 million through a deduction from the "share premium" account and by the creation of 120,722 shares. The aim of this capital increase was to deliver free shares allocated under the 2018 FSA Plan and the 2018 Performance Share Plan.

As at 31 March 2020, the share capital of the Company amounted to €1,641,529,560 and was divided into 136,794,130 shares.

Covid-19

The Group began 2020 in a robust financial position based on consolidated shareholders' equity of €3.1 billion and cash and cash equivalents (including cash management financial assets) of €1.3 billion and €500 million of undrawn credit lines as at 31 December 2019. The Group is therefore well positioned to confront economic shocks and particularly the current uncertainties about the Covid-19 pandemic, which are difficult to quantify with any precision as yet.

The Group took necessary measures to continually monitor and support the companies in which it is invested directly or via its funds. It is however premature to determine what impact the current situation could have on their business and results and hence on the performance of the funds which hold these investments.

Increase in Tikehau Capital's investment in IREIT Global

On 6 April 2020, Tikehau Capital, the alternative asset management and investment group, together with City Developments Limited (CDL), a leading Singapore-listed real estate company, announced the increase of their respective stakes in IREIT Global, a Singapore-listed real estate investment trust focused on the European real estate market, in which Tikehau Capital invested in November 2016.

The acquisition, alongside a subsidiary of AT Capital, a Singapore-based family office, of a 26.0% stake in IREIT Global, allows Tikehau Capital and CDL to increase their investment in IREIT Global respectively from 16.6% to 29.2% and from 12.5% to 20.8% upon completion of the transaction. Together, Tikehau Capital and CDL now hold more than half the share capital of IREIT Global. For Tikehau Capital, this acquisition represents a cash investment of approximately €25 million.

6.

ANNUAL CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2019

6.1 ANNUAL CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2019

1. Consolidated balance sheet

Assets *(in thousands of €)*	*Notes*	**31 December 2019**	**31 December 2018**
Non-current assets			
Tangible and intangible assets [(1)]	5.7 & 5.28	535,046	468,136
Non-current investment portfolio	5.8	2,210,181	1,972,809
Investments in equity affiliates	5.9	9,261	7,236
Deferred tax assets	5.15	25,921	28,431
Other non-current assets		3,901	2,248
Total non-current assets		**2,784,309**	**2,478,859**
Current assets			
Trade receivables and related accounts	5.10	59,877	36,600
Other receivables and financial assets	5.10	64,730	57,523
Current investment portfolio	5.11	125,087	110,483
Cash management and financial assets	5.12	131,806	26,852
Cash and cash equivalents	5.12	1,175,429	436,347
Total current assets		**1,556,930**	**667,804**
TOTAL ASSETS		**4,341,239**	**3,146,663**

(1) The Group applied IFRS 16 at 1 January 2019 using the modified retrospective method. Accordingly, the comparative information presented for 2018 has not been restated and is therefore presented, as it was previously, in accordance with the principles of IAS 17 and its interpretations. The items recognised on the balance sheet and income statement are presented in note 5.28 (IFRS 16 Leases).

Liabilities *(in thousands of €)*	***Notes***	**31 December 2019**	**31 December 2018**
Share capital	5.13	1,640,081	1,241,731
Premiums		1,158,664	849,338
Reserves and retained earnings		161,402	290,600
Net result for the period		178,685	-107,362
Shareholders' equity - Group share		**3,138,833**	**2,274,307**
Non-controlling interests	5.18	6,770	766
Shareholders' equity	3.	**3,145,603**	**2,275,073**
Non-current liabilities			
Non-current provisions		2,390	1,080
Non-current borrowings and financial debt	5.14	993,338	794,162
Deferred tax liabilities	5.15	60,370	6,077
Non-current financial derivatives	5.16	12,896	5,399
Other non-current liabilities (1)	5.28	26,507	65
Total non-current liabilities		**1,095,501**	**806,783**
Current liabilities			
Current borrowings and financial debt	5.14	3,851	1,698
Trade payables and related accounts	5.10	34,469	16,695
Tax and social security payables		39,373	25,089
Other current liabilities (1)	5.10 & 5.28	22,443	21,325
Total current liabilities		**100,135**	**64,806**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**4,341,239**	**3,146,663**

(1) The Group applied IFRS 16 at 1 January 2019 using the modified retrospective method. Accordingly, the comparative information presented for 2018 has not been restated and is therefore presented, as it was previously, in accordance with the principles of IAS 17 and its interpretations. The items recognised on the balance sheet and income statement are presented in note 5.28 (IFRS 16 Leases).

2. Consolidated statement of income

(in thousands of €)	*Notes*	2019 (12 months)	2018 (12 months)
Net revenues from asset management activity	5.19	**174,753**	**75,199**
Change in fair value of the non-current investment portfolio		178,753	-105,855
Change in fair value of the current investment portfolio		10,034	-3,724
Change in fair value	5.20	**188,787**	**-109,579**
Other revenues from the non-current investment portfolio		89,005	69,607
Other revenues from the current investment portfolio		43	143
Other portfolio revenues from the investment activities	5.21	**89,048**	**69,750**
Revenues from the investment activities		**277,835**	**-39,829**
Purchases and external expenses		-103,558	-90,308
Personnel expenses		-84,968	-42,964
Other net operating expenses		-11,586	-2,126
Operating expenses	5.22	**-200,113**	**-135,398**
Net operating profit from asset management and investment activities before share of net results from equity affiliates		**252,476**	**-100,028**
Share of net results from equity affiliates		-239	1,253
Net operating profit from asset management and investment activities after share of net results from equity affiliates		**252,237**	**-98,775**
Net income on cash equivalents	5.23	1,196	100
Financial expenses	5.24	-34,532	-23,926
Financial result		**-33,336**	**-23,825**
Result before tax		**218,901**	**-122,600**
Corporate income tax	5.15	-39,666	15,232
Net result		**179,235**	**-107,368**
Non-controlling interests	5.18	550	-6
Net result - Group share		**178,685**	**-107,362**
Earnings per share ***(in €)***			
Weighted average number of outstanding ordinary shares		120,323,595	103,154,685
Earnings per share ***(in €)***		€1.49	€-1.04
Weighted average number of shares after dilution	5.13	123,080,510	105,654,077
Diluted earnings per share ***(in €)***		€1.46	€-1.04

Consolidated statement of comprehensive income

(in thousands of €)	*Notes*	2019 (12 months)	2018 (12 months)
Net result		**179,235**	**-107,368**
Currency translation adjustment (1)		366	1,358
Related taxes		-	-
Consolidated comprehensive income		**179,601**	**-106,010**
Of which non-controlling interests		550	-6
Of which Group share		179,051	-106,004

(1) Item that can be recycled through the income statement.

3. Change in consolidated shareholders' equity

(in thousands of €)	Share capital	Premiums	Group reserves	Own shares	Translation differences	Net result for the period	Share-holders' equity Group share	Non-con-trolling interests	Consoli-dated share-holders' equity
Situation as at 31 December 2017	**1,233,597**	**840,567**	**113,369**	**-1,025**	**-1,422**	**314,383**	**2,499,468**	**30,200**	**2,529,668**
Allocation of net result	-	-	177,277	-	-	-314,383	-137,106	-69	-137,175
Capital increase of 4 January 2018	4,158	3,466	-	-	-	-	7,623	-	7,623
Capital increase of 17 December 2018	2,937	3,881	-	-	-	-	6,818	-	6,818
Capital increase of 19 December 2018	1,040	1,366	-	-	-	-	2,406	-	2,406
Share-based payment (IFRS 2)	-	-	7,335	-	-	-	7,335	9	7,344
Purchase of non-controlling interests	-	-	-3,840	-	-	-	-3,840	-29,396	-33,236
Other movements in reserves	-	58	-2,311	-141	1,358	-	-1,036	29	-1,007
Net result for the period	-	-	-	-	-	-107,362	-107,362	-6	-107,368
Situation as at 31 December 2018	**1,241,731**	**849,338**	**291,830**	**-1,166**	**-64**	**-107,362**	**2,274,307**	**766**	**2,275,073**
Allocation of net result	-	-	-133,220	-	-	107,362	-25,858	-85	-25,944
Capital increase of 27 June 2019 (1)	390,000	317,676	-	-	-	-	707,676	-	707,676
Capital increase as at 1 July 2019 (2)	3,954	-3,954	-	-	-	-	-	-	-
Capital increase of 1 December 2019 (2)	4,396	-4,396	-	-	-	-	-	-	-
Share-based payment (IFRS 2)	-	-	9,306	-	-	-	9,306	37	9,344
Other movements in reserves (3)	-	-	1,992	-7,643	366	-	-5,285	5,502	218
Net result for the period	-	-	-	-	-	178,685	178,685	550	179,235
SITUATION AS AT 31 DECEMBER 2019	**1,640,081**	**1,158,664**	**169,909**	**-8,809**	**302**	**178,685**	**3,138,832**	**6,770**	**3,145,603**

(1) Tikehau Capital carried out a capital increase of €715 million at a price of €22 per share, through the creation of 32.5 million new shares. Costs related to the capital increase were deducted from the issue premium for €7.3 million.

(2) As part of the definitive grant of free shares under the "2016 TIM Replacement Plans", Tikehau Capital carried out a capital increase on 1 July 2019 by capitalisation of the issue premium for €3.9 million. On 1 December 2019, for the definitive grant of free shares under the "All Plan" and the first tranche of the "One Off Plan", Tikehau Capital also carried out a capital increase by capitalisation of the issue premium for €4.4 million.

(3) The impact on "Consolidated Reserves" of various transactions related to the IREIT Global Group share capital is amounted to €8.6 million (see note 5.3.c (Change in scope of consolidation)).

6.

4. Consolidated cash flow statement

(in thousands of €)	*Notes*	2019 (12 months)	2018 (12 months)
Revenues from asset management activity		**160,479**	**67,747**
Non-current investment portfolio		**23,948**	**-503,983**
Acquisitions	5.8	-697,377	-778,029
Disposals		641,145	213,785
Income		80,180	60,261
• Dividends		56,204	21,068
• Interest and other revenues		23,976	39,192
Current investment portfolio		**-997**	**-801**
Acquisitions	5.11	-5,229	-1,108
Disposals		4,187	1
Income		45	306
• Dividends		28	-
• Interest and other revenues		17	306
Other investments in companies in the scope of consolidation [(1)]		**2,621**	**-182,921**
Portfolio payables, portfolio receivables and financial assets in the investment portfolio	5.10	**-9,601**	**156,387**
Net income/expenses on cash equivalents		**1,196**	**-2,993**
Operating expenses and change in working capital requirement		**-194,580**	**-130,499**
Tax	5.15	**-2,463**	**-2,470**
Net cash flows from operating activities		**-19,397**	**-599,534**
Capital increases in cash		**707,676**	**-**
Dividends paid		**-25,943**	**-137,279**
Borrowings	5.14	**173,731**	**224,860**
Bank overdrafts		**-**	**-73**
Cash management and financial assets		-104,894	40,000
Other financial flows		7,741	-205
Net cash flows from financing activities		**758,310**	**127,304**
Change in cash flow (excl. impact of foreign currency translation)		**738,914**	**-472,230**
Impact of foreign currency translation		**168**	**-**
Cash and cash equivalents at the beginning of the period		436,347	908,577
Cash and cash equivalents at the end of the period		1,175,429	436,347
Change in cash-flow		739,082	-472,230

(1) In 2019, cash flow mainly corresponded to the takeover of Homming and Homunity for an amount of €(3.6) million net of cash acquired of €0.4 million, to the exercise of the put option on the Sofidy SA shares for an amount of €(3.0) million, and to the acquisition and disposal of IREIT Global Group shares for a net amount of €8.3 million. Cash flows in 2018 mainly correspond to the acquisition of Sofidy and ACE Management shares for €218.4 million net of €55.2 million of cash acquired.

5. Notes to the consolidated financial statements prepared under IFRS

5.1 Entity presenting the consolidated financial statements

Tikehau Capital is a *société en commandite par actions* (partnership limited by shares) which has its registered office at 32, rue de Monceau, 75008 Paris (France).

Tikehau Capital is an asset management and investment group. It meets the definition of an "investment entity" under IFRS 10.

Its corporate purpose includes all forms of investment, with no specific restrictions or constraints in terms of the target asset classes, or their sector or geographic allocation. Accordingly, under the terms of its Articles of Association, Tikehau Capital's corporate purpose, in France and abroad is:

- "the direct or indirect acquisition of stakes, the arrangement and structuring of investment transactions in all sectors and involving all asset classes, the Real Estate sector, and small and mid-cap companies;
- the management, administration and disposal or liquidation of these stakes, under the best possible conditions;
- all of the above, directly or indirectly, on its behalf or on behalf of a third party, alone or with a third party, through the creation of new companies, contribution, partnership, subscription, purchase of securities or rights, merger, alliance, special partnership (*société en participation*), leasing or leasing out or the management of assets or other rights in France and abroad;
- and, generally, any financial, commercial, industrial, security or property transactions that may relate directly or indirectly to the above corporate purpose, or to any similar or related purposes, so as to promote its expansion and development".

The changes in scope in the consolidated group (the "Group") are detailed in note 5.3 (Scope of consolidation).

The Tikehau Capital consolidated financial statements for the financial year ended 31 December 2019 were approved by the Company's Supervisory Board on 18 March 2020.

5.2 Basis of preparation

(a) Accounting standards and Declaration of compliance

In application of EC Regulation No. 1606/2002, Tikehau Capital's consolidated financial statements are drawn up in accordance with international financial reporting standards (IFRS) and IFRIC interpretations applicable as at 31 December 2019 and as adopted by the European Union.

The standards are available at the European Commission website:

http://ec.europa.eu/finance/company-reporting/standardsinterpretations/index_en.htm.

The accounting principles used as at 31 December 2019 are the same as those used for the consolidated financial statements as at 31 December 2018.

They have been supplemented by the provisions of the IFRS standards and interpretations as adopted by the European Union as at 31 December 2019 and for which application is mandatory for the first time for the financial year 2019.

These concern:

New standards, amendments and interpretations applicable from 1 January 2019

- IFRS 16 "Leases" for accounting periods beginning on or after 1 January 2019. This standard replaces IAS 17. Application of the standard has not had a significant impact (see note 5.2.b (Changes in main accounting methods)).
- Amendment to IAS 19 "Employee Benefits: plan amendment, curtailment or settlement". Application of this amendment has not had a significant impact.
- Amendment to IAS 28 "Investments in Associates and Joint Ventures". Application of this amendment has not had a significant impact.
- Amendment to IFRS 9 "Prepayment features with negative compensation". Application of this amendment has not had a significant impact.
- Interpretation IFRIC 23 "Uncertainty over Income Tax Treatments" for accounting periods beginning on or after 1 January 2019. IFRIC 23 clarifies the application of the provisions of IAS 12 "Income Taxes" for accounting and measurement, when there is uncertainty over income tax treatments. Furthermore, as part of the first application of interpretation IFRIC 23, the Group reviewed its methodology for the measurement of tax liabilities relating to improbable risks. This change in method is reflected in the recognition of an additional liability of €1.7 million at 1 January 2019, offset against shareholders' equity.

Standards published by the IASB and adopted by the European Union as at 31 December 2019

The Group has applied no standard and/or interpretation that could concern it and for which application is not mandatory as at 1 January 2019.

(b) Changes in main accounting methods

The Group applied IFRS 16 "Leases" from 1 January 2019. A number of other new standards are effective from 1 January 2019 but they do not have a material effect on the Group's financial statement.

The Group has applied IFRS 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 January 2019. Accordingly, the comparative information presented for 2018 has not been restated and is therefore presented, as it was previously, in accordance with the principles of IAS 17 and its interpretations. The details of the changes in accounting policies are disclosed below.

Definition of a lease

Previously, the Group determined at contract inception whether an arrangement was or contained a lease under IFRIC 4 "Determining whether an Arrangement Contains a Lease". The Group now assesses whether a contract is or contains a lease based on the new definition of a lease. Under IFRS 16, a contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

On transition to IFRS 16, the Group elected to apply the practical expedient to grandfather the assessment of which transactions are leases. It applied IFRS 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under IAS 17 and IFRIC 4 were not reassessed. Therefore, the definition of a lease under IFRS 16 has been applied only to contracts entered into or changed on or after 1 January 2019.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices.

As a lessee

The Group leases mainly Real Estate assets. As a lessee, the Group previously classified leases as operating or finance leases based on its assessment of whether the lease transferred substantially all of the risks and rewards of ownership. In accordance with IFRS 16, the Group records a "right-of-use" asset and a lease liability for most of its leases and these are now presented on the balance sheet.

However, the Group has elected not to recognise "right-of-use" assets and lease liabilities for some leases of low-value assets (*e.g.* IT equipment). The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. Short-term leases (<12 months) are recognised in lease expenses as operating leases.

The Group presents the "right-of-use" asset on the same line as underlying assets of the same nature that it owns.

The Group presents lease liabilities under "Other non-current liabilities" and "Other current liabilities" on the balance sheet as detailed in note 5.28 (IFRS 16 Leases).

(c) Basis for measurement

The consolidated financial statements include the financial statements of Tikehau Capital and its subsidiaries for each of the financial years presented. The financial statements of subsidiaries have been prepared over the same reference period as those of the parent company, on the basis of homogeneous accounting methods. The consolidated financial statements are expressed in thousands of euros rounded off to the closest thousand euros. Rounding gaps may result in minor differences regarding certain totals in the tables presented in the financial statements.

Portfolio assets and financial derivatives are measured at fair value in accordance with IFRS 13. The methods used to measure fair value are discussed in note 5.5 (Determining fair value). The other balance sheet items (in particular tangible and intangible assets, and loans and receivables) have been drawn up on the basis of historical cost.

(d) Functional and presentation currency, conversion of financial statements

The presentation currency of the consolidated financial statements is the euro, accounts of consolidated entities using a different functional currency are converted into euros:

- at the closing rate for balance sheet items;
- at the average rate of the period for income statement items.

Conversion differences resulting from the use of these exchange rates are recognised under shareholders' equity in "Currency translation adjustment".

(e) Transactions in currencies other than the functional currency

Transactions by consolidated companies in currencies other than their functional currency are converted into their functional currency at the prevailing exchange rate on the date of the transactions.

Receivables and debts denominated in currencies other than the functional currency of the Company concerned are converted at the prevailing exchange rate of these currencies on the closing date. Unrealised losses and gains resulting from this conversion are recognised on the income statement.

(f) Use of estimates and judgements

The preparation of the consolidated financial statements requires that assumptions and estimates that affect the reported amounts of assets and liabilities on the balance sheet and the reported amounts of revenues and expenses for the year being taken into consideration. The Management review their estimates and assessments on an ongoing basis, based on their previous experience, as well as on various other factors that they consider reasonable, which form the basis for their assessment of the book value of the assets and liabilities. Actual results may differ materially from these estimates depending on different assumptions or conditions.

Judgements made by the Management in preparing the consolidated financial statements mainly concern the estimated fair value of investments in unlisted portfolios and the estimated amounts of deferred tax assets recognised in tax loss carry forwards.

5.3 Scope of consolidation

(a) Consolidation method

Tikehau Capital's consolidated financial statements have been prepared using the IFRS 10 exemption for investment entities.

The criteria used to classify a company as an investment entity under IFRS 10 are as follows:

- the entity is a company holding, *inter alia*, minority stakes in listed and non-listed companies. The entity benefits chiefly from funds from its shareholders to invest in a portfolio of equity interests and investments with significant sector diversification;
- the entity aims to build up a solid and balanced portfolio that includes sector and geographic diversification. The entity thus expects to generate from its investments (i) a capital gain, (ii) financial income, such as dividends, coupons, interest, etc., or both at the same time;
- the entity mainly measures and assesses the performance of its investments on the basis of the portfolio's fair value.

Given its activities, Tikehau Capital meets the definition of an "investment entity" under IFRS 10:

- Tikehau Capital is a company that invests directly or indirectly through other investment management companies. Among other activities, it invests its shareholders' funds in a broadly diversified portfolio of equity interests and investments;
- Tikehau Capital aims to build a portfolio that is diversified and thus aims to generate from its investment (i) a capital gain, (ii) financial income, such as dividends, coupons, interest, etc., or both at the same time;
- Tikehau Capital measures and assesses the performance of its investments on the basis of their fair value.

The subsidiaries in which Tikehau Capital exercises exclusive control, either directly or indirectly and either *de jure* or *de facto*, are fully consolidated, with the exception of interests held by investment entities under the IFRS 10 exemption. Subsidiaries that perform services related to these investment activities and that are not themselves investment management companies are therefore part of the consolidation perimeter.

The entities in which Tikehau Capital exercises significant influence are accounted for using the equity method with the exception of investments for which Tikehau Capital has opted for the IAS 28 exemption and that are accounted for on the basis of the fair value through profit or loss option.

Furthermore, for structured entities or *ad hoc* entities as defined by IFRS 10, the Group assesses the notion of control with regard to the following aspects, among others:

- whether it is able to control the entity's activity;
- whether it is paid variable revenues by this entity or is exposed to its risks;
- whether it collects variable revenues or is exposed to risks from this entity.

This concerns, in particular, investments in investment funds classified under the current or non-current investment portfolio.

(b) Scope of consolidation

Parent company

Company	Form	Address	Method of consolidation
Tikehau Capital [1]	SCA	32, rue de Monceau, 75008 PARIS, France	Parent company

(1) TC.

Fully consolidated subsidiaries or entities accounted for under the equity method

Fully consolidated entities	Form	Address	% of interest 31 December 2019	31 December 2018
Tikehau Green Properties Fund (1)	SAS	32, rue de Monceau, 75008 PARIS, France	n.a.	100.0%
Tikehau Capital UK (2)	Ltd.	30 St. Mary Axe EC3A 8BF, LONDON, England	100.0%	100.0%
Tikehau Capital Europe	Ltd.	30 St. Mary Axe EC3A 8BF, LONDON, England	100.0%	100.0%
Tikehau Investment Management (3)	SAS	32, rue de Monceau, 75008 PARIS, France	100.0%	100.0%
Tikehau Investment Management APAC (wholly-owned subsidiary of TIM) (4)	Pte. Ltd.	8 Marina View #15-07A – Asia Square Tower 1 SINGAPORE 018960, Singapore	100.0%	100.0%
Tikehau Investment Management Asia (wholly-owned subsidiary of TIM) (5)	Pte. Ltd.	8 Marina View #15-07A – Asia Square Tower 1 SINGAPORE 018960, Singapore	100.0%	100.0%
Tikehau Investment Management Japan (wholly-owned TIM subsidiary)	K.K.	PMC Bldg.,1-23-5 Higashi Azabu, Mina-to-ku, Tokyo, Japan	100.0%	n.a.
IREIT Global Group	Pte. Ltd.	8 Marina View #15-07A – Asia Square Tower 1 SINGAPORE 018960, Singapore	50.0%	84.5%
Credit.fr	SAS	140, rue Victor Hugo, 92300 LEVALLOIS-PERRET, France	96.0%	96.0%
Homming (wholly-owned Credit.fr subsidiary)	SAS	42 rue du Faubourg Poissonnière 75010 PARIS, France	96.0%	n.a.
Homunity (wholly-owned Homming subsidiary)	SAS	42 rue du Faubourg Poissonnière 75010 PARIS, France	96.0%	n.a.
Tikehau Capital North America	LLC	412W 15th St - 10011 New York, NY, United States of America	100.0%	100.0%
Sofidy (6)	SA	303, Square des Champs Elysées, 91026 EVRY, France	100.0%	100.0%
Alma Property (84.6% subsidiary of Sofidy)	SAS	303, Square des Champs Elysées, 91026 EVRY, France	84.6%	84.6%
Espace Immobilier Lyonnais (51.0% subsidiary of Sofidy)	SA	103, avenue du Maréchal de Saxe, 69003 LYON, France	51.0%	51.0%
GSA Immobilier (50.1% subsidiary of Sofidy)	SA	307, Square des Champs Elysées, 91026 EVRY, France	50.1%	50.1%
Tridy (65.0% subsidiary of Sofidy)	SAS	303, Square des Champs Elysées, 91026 EVRY, France	65.0%	65.0%
ACE Partners (7)	SAS	10-12, avenue Messine, 75008 PARIS, France	n.a.	100.0%
ACE Management (8)	SA	10-12, avenue Messine, 75008 PARIS, France	100.0%	100.0%

(1) Entity merged ("Transmission Universelle de Patrimoine") with Tikehau Capital on 8 December 2019.
(2) TC UK.
(3) Tikehau IM or TIM.
(4) TIM APAC.
(5) TIM ASIA.
(6) Tikehau Capital acquired 98.62% of the shares through a purchase on 17 December 2018, and 1.38% through exercise of the sale and purchase agreement concluded with the residual shareholder in January 2019.
(7) Entity merged ("Transmission Universelle de Patrimoine") with Tikehau Capital on 27 June 2019.
(8) As at 31 December 2018, TC held directly 70.0% of ACE Management SA shares and ACE Partners held 30.0%. Following the merger ("Transmission Universelle de Patrimoine") of the company ACE Partners SAS to Tikehau Capital, completed on 27 June 2019, Tikehau Capital directly owns 100% of the share capital of ACE Management.

Entities consolidated using the equity method	Form	Address	% of interest	
			31 December 2019	31 December 2018
Letus Private Office	SAS	11, avenue d'Iéna, 75116 PARIS, France	20.0%	20.0%
Duke Street (*via* TC UK)	LLP	Nations House, 103 Wigmore Street W1U 1QS LONDON, England	34.6%	35.0%
Ring Capital	SAS	11, bis rue Portalis, 75008 PARIS, France	25.0%	25.0%
Neocredit.ch (1)	AG	Wankdorffeldstrasse 64, 3014 BERN, Switzerland	50.0%	n.a.

(1) The joint venture Neocredit.ch was created on 19 December 2018. It began operations during the first half of 2019. As at 31 December 2019, this company is accounted for using the equity method.

Subsidiaries of Tikehau Capital meeting the conditions of the IFRS 10 exemption and affiliates meeting the IAS 28 exemption conditions estimated at fair value

These entities are recognised in the non-current investment portfolio and are estimated at fair value through profit or loss. They are identified below:

Investment entities at fair value	Form	Address	% of interest 31 December 2019	% of interest 31 December 2018	Level of control
Tikehau Venture	SAS	32, rue de Monceau, 75008 PARIS, France	100.0%	100.0%	Control
Tikehau Capital Belgium	SA	Avenue Louise 480 - B 1050 Brussels, Belgium	100.0%	100.0%	Control
Heeuricap (1)	SAS	32, rue de Monceau, 75008 PARIS, France	n.a.	90.0%	Control
Cimes & Cie (2)	SAS	32, rue de Monceau, 75008 PARIS, France	n.a.	72.2%	Control
Zephyr Investissement (3)	SAS	32, rue de Monceau, 75008 PARIS, France	0.0%	53.3%	Control
IREIT Global Holdings 5	Pte. Ltd	8 Marina View #15-07A – Asia Square Tower 1 SINGAPORE 018960, Singapore	60.0%	n.a.	Control
AR Industries	SAS	65 A Bld du Cdt Charcot 92200 NEUILLY S/ SEINE, France	49.0%	49.0%	Significant influence
Tikehau Real Estate Investment Company (4)	SAS	32, rue de Monceau, 75008 PARIS, France	30.0%	30.0%	Significant influence
Verona (3)	SAS	3 boulevard Sébastopol 75001 PARIS, France	0.0%	24.6%	Significant influence
HDL Development (5)	SAS	Rue Victor Pagès 26701 PIERRELATTE, France	0.0%	23.1%	Significant influence
Navec	SL	Carretera Madrid, 5, 30319 Cartagena, MURCIA, Spain	21.6%	21.7%	Significant influence
AFICA	SA	19, rue de Bazancourt, 51110 ISLES-SUR-SUIPPE, France	20.0%	20.0%	Significant influence
Holding Quintric	SAS	Parc Edonia Bâtiment L, rue de la Terre Adelie 35760 SAINT-GREGOIRE, France	14.2%	14.2%	Significant influence
Foncière Atland	SA	40 avenue Georges V 75008 PARIS, France	21.1%	17.7%	Significant influence
Sélectirente (6)	SA	303, Square des Champs Elysées, 91026 EVRY, France	50.1%	22.98%	Significant influence

(1) Entity merged ("Transmission Universelle de Patrimoine") with Tikehau Green Properties Fund on 7 December 2019.
(2) Entity merged ("Transmission Universelle de Patrimoine") with Tikehau Capital on 7 December 2019.
(3) Entity forming part of the assets contributed to the Tikehau Growth Equity Secondary fund in September 2019.
(4) TREIC.
(5) The equity interest held in this entity was sold in September 2019. A portion of the payment for this transaction was made in cash and the other portion in shares of the listed company Assystem SA.
(6) Indirectly held through Sofidy SA and GSA Immobilier as at 31 December 2018. At 31 December 2019, Tikehau Capital held 37.47% of the share capital, and 52.07% in concert with Sofidy SA and GSA Immobilier.

Non-consolidated subsidiaries

Non-consolidated entities	Form	Address	% of interest 31 December 2019	% of interest 31 December 2018
ACE Canada Conseils et Services (1)	Inc.	1010, rue Sherbrooke Ouest, bureau 1800 Montreal, Québec H3A 2R7, Canada	100.0%	100.0%
Neocredit.ch (2)	AG	Wankdorffeldstrasse 64, 3014 BERN, Switzerland	n.a.	50.0%
Takume	SAS	32, rue de Monceau, 75008 PARIS, France	100.0%	100.0%
TK Solutions	SAS	32, rue de Monceau, 75008 PARIS, France	100.0%	100.0%
Rocket Immo (3)	SASU	42 rue du Faubourg Poissonnière 75010 PARIS, France	100.0%	n.a.

(1) Through ACE Management.
(2) Through Credit.fr. The joint venture Neocredit.ch was created on 19 December 2018. It began operations during the first half of 2019. As at 31 December 2019, this company is accounted for using the equity method.
(3) Rocket Immo was created in 2019 and is owned by Homming.

The companies ACE Canada Conseils & Services, Rocket Immo, Takume, and TK Solutions are not consolidated, as they are immaterial.

Investments in funds managed by Group companies or third parties

Tikehau Capital and its subsidiaries may invest in funds managed by Tikehau IM, Tikehau Capital Europe, Sofidy or ACE Management or companies outside of the Group. Whether or not these funds should be consolidated is assessed on the basis of a number of criteria, and in particular, the IFRS 10 criteria applicable to *ad hoc* entities (see above).

Regarding fund units held by Group companies, the percentage of control of the funds in which the Company has invested is also assessed to determine whether a fund must be consolidated.

The analysis conducted by the Group on the funds managed by Tikehau IM and those managed by Tikehau Capital Europe (CLO), Sofidy and ACE Management confirms the absence of control with respect to the criteria of IFRS 10 or classification as an investment company leading to the non-consolidation of these funds.

The following table presents the list of closed-end funds in which Tikehau Capital or one of its subsidiaries own a share equal to or greater than 20% and in which the amount invested is in excess of €5 million. These funds also meet the conditions for IFRS 10 exemption.

Investments in the funds as at 31 December 2019 *(in millions of €)*	Investing company	Business line	% holding	
			31 December 2019	31 December 2018
Tikehau Brennus	TC	Private Debt	54%	54%
Tikehau Credit.fr	TC	Private Debt	38%	45%
TDL IV L	TC UK & TIM	Private Debt	21%	39%
TSL III	TC UK	Private Debt	17%	22%
Tikehau Homunity Fund	TC	Private Debt	55%	19%
MTDL	TC UK & TIM	Private Debt	51%	-
TIRF I (I-Petali)	TC & TC UK & TIM	Real Estate	27%	26%
TLP I (Escoffier)	TC	Real Estate	15%	23%
TRE III feeder (Optimo 2)	TC UK	Real Estate	28%	29%
TRP II (Bercy 2)	TC	Real Estate	28%	28%
TREO	TC & TIM	Real Estate	37%	51%
TSO	TC UK & TIM	Private Equity	36%	35%
TSO II	TC UK	Private Equity	70%	-
TKS II	TC & TIM	Private Equity	65%	-
Tikehau Sequoia	TC	Private Equity	-	58%
TGE II	TC & TIM	Private Equity	55%	92%
Tikehau Green I	TC & TIM	Private Equity	22%	78%
Tikehau Wing	TC & TIM	Private Equity	0.0%	40%
Tikehau Fund of Funds	TC UK	Private Equity	90%	-
Brienne III	TC & ACE	Private Equity	50%	-

Collateralised Loan Obligation ("CLO") activities

Through its subsidiary Tikehau Capital Europe, Tikehau Capital entered the securitisation market in 2015 through the launch of securitisation vehicles dedicated to CLOs.

A company managing CLOs such as Tikehau Capital Europe has two types of revenues:

- it receives management fees like any asset management company;
- it has an obligation to invest up to 5% in the securitisation vehicle under applicable law (the principle of the retention piece). This investment can be made horizontally either in the highest risk tranche (subordinated tranche or equity), or vertically, by a retention of 5% of each of the tranches issued by the vehicle. The asset management company collects the coupons related to this tranche, if the other tranches have received the coupons they are owed.

The risks depend on the seniority of the tranche subscribed and their positioning in the coupon payment waterfall, the equity tranche being the last tranche served:

- the tranches are entitled to a defined return; the risk is borne by equity whose payment comes last (profit or loss depending on the situation);
- upon liquidation of the fund, the residual profit attributable to the investment will accrue to the holders of ordinary shares.

As at 31 December 2019, Tikehau Capital's CLO vehicles are:

(i) Tikehau CLO I

Category of bonds issued	Rating (Moody's/Fitch)	Nominal value as at 31 December 2019 *(in thousands of €)*	Coupon	Floor rate	Final maturity
A-1R.	Aaa/AAA	158,199	Euribor 3 months + 0.60%	0%	2028
A2 – FIXED	Aaa/AAA	39,304	1.88%	n.a.	2028
B – R	Aa1/AA+	39,000	Euribor 3 months + 1.07%	0%	2028
C – R	A2/A+	28,000	Euribor 3 months + 1.45%	0%	2028
D – R	Baa2/BBB+	16,000	Euribor 3 months + 2.35%	0%	2028
E – R	Ba2/BB	21,200	Euribor 3 months + 4.60%	0%	2028
F – R	B2/B	7,800	Euribor 3 months + 5.90%	0%	2028
Subordinated notes	Unrated	41,700	n.a.	n.a.	2028
TOTAL		**351,203**			

(ii) Tikehau CLO II

Category of bonds issued	Rating (Moody's/Fitch)	Nominal value as at 31 December 2019 *(in thousands of €)*	Coupon	Floor rate	Final maturity
A – R (1)	Aaa/AAA	244,000	Euribor 3 months + 0.88%	0%	2029
B	Aa2/AA	46,000	Euribor 3 months + 1.70%	0%	2029
C – R (1)	A2/A	23,000	Euribor 3 months + 2.25%	0%	2029
D – R (1)	Baa3/BBB	18,000	Euribor 3 months + 3.25%	0%	2029
E	Ba2/BB	28,000	Euribor 3 months + 6.25%	0%	2029
F	B2/B-	10,500	Euribor 3 months + 7.50%	0%	2029
Subordinated notes	Unrated	44,700	n.a.	n.a.	2029
TOTAL		**414,200**			

(1) The changes in the coupon rate are largely explained by the fact that CLO II was refinanced during the 2019 financial year.

(iii) Tikehau CLO III

Category of bonds issued	Rating (Moody's/S&P)	Nominal value as at 31 December 2019 *(in thousands of €)*	Coupon	Floor rate	Final maturity
A	Aaa/AAA	244,700	Euribor 3 months + 0.87%	0%	2030
B	Aa2/AA	57,700	Euribor 3 months + 1.40%	0%	2030
C	A2/A	28,600	Euribor 3 months + 1.85%	0%	2030
D	Baa2/BBB	19,700	Euribor 3 months + 2.70%	0%	2030
E	Ba2/BB	26,250	Euribor 3 months + 4.85%	0%	2030
F	B2/B-	12,600	Euribor 3 months + 6.55%	0%	2030
Subordinated notes	Unrated	45,600	n.a.	n.a.	2030
TOTAL		**435,150**			

(iv) Tikehau CLO IV

Category of bonds issued	Rating (Moody's/Fitch)	Nominal value as at 31 December 2019 *(in thousands of €)*	Coupon	Floor rate	Final maturity
X	Aaa/AAA	750	Euribor 3 months + 0.53%	0%	2031
A1	Aaa/AAA	231,000	Euribor 3 months + 0.90%	0%	2031
A2 – FIXED	Aaa/AAA	15,000	1.75%	n.a.	2031
B1	Aa2/AA	7,000	Euribor 3 months + 1.65%	0%	2031
B2 – FIXED	Aa2/AA	15,000	2.10%	n.a.	2031
B3	Aa2/AA	22,000	Euribor 3 months + 1.502%	n.a.	2031
C1	A2/A	7,000	Euribor 3 months + 2.15%	0%	2031
C2	A2/A	19,000	Euribor 3 months + 2.002%	n.a.	2031
D	Baa2/BBB	21,000	Euribor 3 months + 3.30%	0%	2031
E	Ba2/BB	23,000	Euribor 3 months + 5.33%	0%	2031
F	B2/B-	12,000	Euribor 3 months + 7.36%	0%	2031
Subordinated notes	Unrated	38,300	n.a.	n.a.	2031
TOTAL		**411,050**			

(v) Tikehau CLO V

Category of bonds issued	Rating (Moody's/S&P)	Nominal value as at 31 December 2019 *(in thousands of €)*	Coupon	Floor rate	Final maturity
X	Aaa/AAA	2,200	Euribor 3 months + 0.50%	0%	2032
A	Aaa/AAA	272,800	Euribor 3 months + 1.10%	0%	2032
B1	Aa2/AA	36,800	Euribor 3 months + 1.80%	0%	2032
B2 – FIXED	Aa2/AA	5,000	2.30%	n.a.	2032
C1	A2/A	19,300	Euribor 3 months + 2.45%	0%	2032
C2	A2/A	7,100	Euribor 3 months + 2.516%	n.a.	2032
D1	Baa3/BBB	24,800	Euribor 3 months + 3.90%	0%	2032
D2	Baa3/BBB	6,000	Euribor 3 months + 3.966%	n.a.	2032
E	Ba3/BB	25,300	Euribor 3 months + 5.82%	0%	2032
F	B3/B	12,100	Euribor 3 months + 8.42%	0%	2032
Subordinated notes	Unrated	39,800	n.a.	n.a.	2032
TOTAL		**451,200**			

6.

(c) Change in scope of consolidation

The main changes to the scope of consolidation in the course of 2019 included:

Exercise of the call option on the Sofidy shares held by the remaining shareholder

The exercise of the call option on the Sofidy minority shares enabled the purchase on 11 January 2019 of 488 shares for €3.0 million. Tikehau Capital held 100.0% of the share capital of Sofidy at 31 December 2019.

IREIT Global Group

On 29 April 2019, TIM APAC purchased shares from the minority shareholders of IREIT Global Group (IGG), representing 15.48% of the share capital, *i.e.* 232,143 shares for an amount of SGD 5 million (€3.5 million). Following this transaction, TIM APAC held 100% of the share capital of IGG.

On 29 April 2019 and following this minority buyout transaction, TIM APAC sold 49.50% of the share capital, *i.e.* 742,500 shares, for SGD 18 million (€11.8 million). Following this transaction, TIM APAC held 50.50% of the share capital of IGG.

IREIT Global Group created 15,000 new shares without voting rights for an amount of SGD 0.4 million (€0.2 million), not subscribed by TIM APAC. This transaction had no impact on TIM APAC's percentage of control.

Following these three transactions, the stake held by TIM APAC in IGG stood at 50.0%. However, TIM APAC maintains control through 50.5% of voting rights. Furthermore, IGG remains fully consolidated in the financial statements of the Tikehau Capital Group as at 31 December 2019, even following the internal transfer transaction completed in December 2019 (see below).

Internal transfer of the IREIT Global Group shares held by TIM APAC to TC

In December 2019, TIM APAC sold IGG shares to TC for an amount of €12 million. The capital gains realised on this transaction totalled €4 million for TIM APAC and were neutralised in the consolidated financial statements for the year ended 31 December 2019. IREIT Global Group remains fully consolidated in the Tikehau Capital financial statements as at 31 December 2019.

Homming and Homunity

In January 2019, Credit.fr acquired 100% of Homming SAS ("Homming") for €4 million, excluding earn-out clause payments. As a result of this transaction, it gained 100% control of Homunity SAS ("Homunity"). The latter is the leading Real Estate crowdfunding platform in France, enabling Credit.fr to strengthen its position in the crowdfunding sector, accelerate its growth and diversify its offering in the booming peer-to-peer loan market (see note 5.3.d (Significant events during the financial year)).

(d) Significant events during the financial year

Takeover acquisition of Homming and Homunity

On 23 January 2019, Tikehau Capital announced the takeover of Homming and Homunity by the direct acquisition of 100% of Homming shares, the latter holding on the date of the transaction, 100% of Homunity.

Homunity is currently the leading Real Estate crowdfunding platform in France. The platform has seen significant growth in its activity, with €24 million invested in 2018. Homunity offers 19,000 individuals and businesses daily direct access to attractive returns in the Real Estate sector.

This acquisition notably enables Credit.fr to offer diversified investment opportunities to its borrowers in the Real Estate sector thanks to the expertise of Homunity and the complementarity between the two platforms, focused on the financing of the real economy. Through Credit.fr and Tikehau Capital, Homunity will accelerate its ability to raise money from individuals but also from institutional investors so as to continue to support Real Estate developers.

Homming and Homunity have been consolidated since 1 January 2019.

The table below presents the fair value of each component of the consideration transferred as at 1 January 2019:

(in thousands of €)	*Note*	1 January 2019
Cash and cash equivalents		4,098
Earn-out clause payment		8,460
FAIR VALUE OF CONSIDERATION TRANSFERRED AT THE ACQUISITION DATE		**12,558**

Tikehau Capital incurred €0.2 million of fees and due diligence expenses directly related to the acquisition. These costs were booked under “Operating expenses”.

The following table presents the assets and liabilities identified as at 1 January 2019 before the allocation of the purchase price:

(in thousands of €)	*Note*	1 January 2019
Non-current assets		10
Current assets		669
Total identifiable assets		**679**
Non-current liabilities		-
Current liabilities		251
Total identifiable liabilities		**251**
TOTAL IDENTIFIABLE NET ASSETS AT THE ACQUISITION DATE		**428**

The acquisition of the new shares gave rise to the recognition of €12.1 million of goodwill.

(in thousands of €)	*Note*	1 January 2019
Consideration transferred		12,558
Fair value of identified net assets		-428
GOODWILL		**12,130**

Goodwill represents the future economic benefits that Tikehau Capital expects to gain from the acquisition of Homming and Homunity.

Company capital increase

On 25 June 2019, Tikehau Capital completed the capital increase in cash without shareholders’ preferential subscription rights by way of a tender offer but with a priority subscription period granted to existing shareholders, for a final gross amount of €715 million, through the issuance of 32,500,000 new shares, representing 31.4% of Tikehau Capital’s existing share capital. This capital increase showed the strong appetite of international investors for the model developed by Tikehau Capital and thus confirmed the Group’s growing footprint on a global scale.

The proceeds from the capital increase will be used to finance the next phase of the Company’s development, in particular by (in order of priority):

- increasing its investments through its balance sheet in the Group’s funds or co-investments with the Group’s funds to create an alignment of interests between its balance sheet investments and the investments of its investor-clients, and to contribute to the growth of its asset management activity;
- providing it with the additional financial resources to seize potential external growth opportunities in order to accelerate the growth of its asset management platform;
- enabling it to expand into new geographies;
- enabling it to continue to rebalance its business towards its Real Estate and Private Equity business lines; and
- expanding its product offering to incorporate additional alternative assets.

Tikehau Capital has agreed to a lock-up period of 180 calendar days after the settlement and delivery date of the Share Capital Increase, subject to certain customary exceptions.

As per their subscription commitments, the existing shareholders and investors delivering such commitments have each agreed to a lock-up period of 180 calendar days as from the settlement and delivery date (subject to certain customary exceptions) with respect to the shares for which they subscribe in the share capital increase.

Bond issue

On 9 October 2019, Tikehau Capital successfully placed a bond issue of €500 million with maturity in October 2026. Settlement took place on 14 October 2019. This issue of senior unsecured bonds is associated with a fixed annual coupon of 2.25%. The issue was placed with a diversified base of around one hundred institutional investors, and has been subscribed at 70% by international investors. The bonds are rated BBB- by Fitch Ratings and listed on the Euronext Paris market.

Tikehau Capital obtained an Investment Grade (BBB-, stable outlook) rating

On 30 January 2019, Tikehau Capital was assigned its inaugural rating by financial rating agency Fitch Ratings. Supported by a stable outlook, this *investment grade* rating (BBB-) confirms the strength of Tikehau Capital's financial profile. In its statement, Fitch Ratings highlighted the strength of Tikehau Capital's balance sheet and expressed its confidence in the Group's ability to keep financial ratios at levels consistent with an *investment grade* profile as Tikehau Capital pursues its strategy.

Sélectirente capital increase

On 17 December 2019, Tikehau Capital announced the successful capital increase of its listed subsidiary Sélectirente, for an amount of €217 million, and that as a result it holds 50.1% (of which 37.5% held by Tikehau Capital SCA and 12.6% held by Sofidy) of the Company's share capital following this transaction. Tikehau Capital and Sofidy contributed €82.7 million and €14.3 million respectively to this transaction.

IREIT Global

On 30 April 2019, Tikehau Capital announced the arrival of City Developments Limited (CDL) as a shareholder in IREIT Global Group Pte. Ltd. with an investment representing 50.0% of the share capital and a 12.4% stake in IREIT Global. Tikehau Capital's stakes in IREIT Global Group Pte. Ltd. and in IREIT Global thus fell from 84.6% to 50.0% and rose from 8.4% to 16.4% respectively.

The arrival of CDL, one of the leading listed Real Estate companies in Singapore, with a global network of 103 offices across 29 countries in multiple geographical areas, as a new shareholder is another positive step in the development of IREIT Global's activities.

Opening of an office in Asia

The opening of an office located in Tokyo aligns with the internationalisation strategy announced at the time of the listing of Tikehau Capital. It is intended to enable the Group to develop in Asia, a natural growth zone because of the size of the local market, by getting closer to its prospective client base and by being in a position to seize the best investment opportunities.

Exercise of the call option on the Sofidy SA shares held by the remaining shareholder

The call option on the Sofidy SA minority shares was exercised on 11 January 2019 on 488 shares, for an amount of €3.0 million. This transaction had no impact on the percentage of holding as at 31 December 2019 due to the consideration of the call option as at 31 December 2018. Tikehau Capital held 100.0% of the share capital of Sofidy SA at 31 December 2019.

5.4 Main accounting methods

(a) Investment portfolio

The equity securities held by investment management companies are accounted for at fair value through profit or loss. Positive and negative changes in fair value are recognised in the profit and loss accounts under "Changes in fair value". The methods for determining fair value are presented in note 5.5 (Determining fair value).

Investments in equity and quasi-equity securities (*e.g.*, convertible bonds, OCEANE bonds, etc.) are classified in the non-current investment portfolio.

Moreover, and depending on available cash, the timing of investments and market conditions, the Group may make more tactical investments by building a portfolio of shorter-term holdings consisting of equities and bonds or fund units. The securities selected for this portfolio are characterised by being liquid and showing attractive prospects for return and/or performance. These investments are recorded in the current investment portfolio.

Loans and receivables attached to these investments are accounted for at fair value through profit or loss.

Outstanding commitments not yet called are shown in off-balance sheet commitments (see note 5.27 (Contingent liabilities and contingent assets)).

(b) Business combinations

Business combinations are valued and recognised in accordance with IFRS 3 (revised): the consideration transferred (acquisition cost) is measured at the fair value of assets given, shareholders' equity issued and liabilities incurred on the acquisition date. The identifiable assets and liabilities of the company acquired are measured at their fair value on the acquisition date. The goodwill thereby represents the difference between the acquisition cost and the total valuation of identified assets and liabilities at the acquisition date.

Fair value adjustments to assets and liabilities acquired in business combinations and initially recognised at provisional value (based on ongoing appraisals or further analyses pending) are booked as retrospective changes to goodwill if they occur in the 12 months following the acquisition date.

The goodwill relative to the acquisition of foreign companies is denominated in the functional currency of the activity acquired.

In the event of acquisition of control of an entity in which the Group already owns an equity interest, the transaction is analysed as a double operation: on the one hand as a disposal of all of the previously owned equity interest with recognition of the consolidated gain or loss on disposal, and on the other hand, as an acquisition of all the securities with recognition of goodwill on the entire equity interest (previous share and new acquisition).

The costs directly attributable to the acquisition such as legal, due diligence and other professional fees are recognised in expenses when they are incurred.

Goodwill is not amortised. It is subject to impairment tests as soon as objective indications of impairment appear and at least once a year. IAS 36 requires that any impairment losses on goodwill be determined by reference to the recoverable amount of the Cash Generating Unit (CGU) or CGU groups to which they are assigned.

Cash Generating Units are the smallest group of assets and liabilities generating cash inflows that are independent of cash inflows from other groups of assets. Tikehau Capital has identified two CGUs that correspond to, on one hand, the Asset Management activity and, on the other, to the Investment activity. Consequently, the tests are carried out with the Cash Generating Units (CGU) or CGU groups, which constitute homogeneous groups together generating cash flows which are largely independent of the cash flows generated by the other CGUs.

The value in use is calculated as the present value of estimated future cash flows generated by the CGU, as they result from the medium-term plans established for the Group's management purposes.

When the recoverable amount is less than the book value, the goodwill related to the CGU or group of CGUs is depreciated accordingly. This depreciation is irreversible.

(c) Financial derivatives

The Group may trade financial derivatives as part of its strategy of managing interest-rate risks on bank borrowings and issues of debt instruments or market risks.

Derivatives are recognised on the balance sheet at their fair value on the closing date. Changes in the value of derivatives are recognised on the income statement:

- under a separate "Derivative portfolio revenue" heading for the purpose of managing market risks;
- under financial expenses for positions in interest-rate derivatives.

(d) Tangible and intangible assets

Tangible and intangible assets are recognised at their acquisition cost and are depreciated over their useful lives.

The main durations are as follows:

- usufruct: between 5 and 15 years, depending on the duration of entitlement;
- software: 1 to 3 years;
- office equipment and furniture: 3 to 5 years.

Intangible assets also include brands of Tikehau Capital, Credit.fr, Sofidy (and some of its funds) and ACE Management. The total value of the brands recognised under intangible assets is €16.3 million as at 31 December 2019 (compared to €12.0 million as at 31 December 2018).

This valuation is assessed on the basis of the royalty method, corresponding to the discounted amount of future royalties that the brand would be able to generate after reduction of all the necessary expenses for its maintenance, the future royalties being determined on the basis of future revenues generated by the company operating the brand, to which is applied a royalty fee in effect on similar brands and/or in similar contexts.

The brand is subject to an impairment test once a year or more frequently if there is evidence of impairment. This impairment test will be assessed by the application of the same royalty method.

(e) Client receivables and other receivables

Client receivables, other receivables and loans are accounted for at amortised cost.

(f) Cash equivalents and other current financial assets

Tikehau Capital's cash surplus, if any, may be invested in units in euro money market funds and three-month term deposits that meet the definition of cash equivalents according to IAS 7 (easily convertible into a known amount of cash and subject to insignificant risk of change in value). Money-market funds are recognised at fair value through profit or loss under IFRS 9.

Other cash equivalents and other current financial investments are recognised at fair value through profit or loss.

The results at year-end are included in the net result for the period under "Net income on cash equivalents".

(g) Provisions

In accordance with IAS 37 "Provisions, contingent liabilities and contingent assets", a provision is recognised when the Group has an obligation with regard to a third party and it is probable or certain that this obligation will give rise to a disbursement of resources to this third party without being matched by at least an equivalent payment from this third party.

When the execution date of this obligation is more than one year, the amount of the provision is discounted, the effects of which are recognised in the financial result, based on the effective interest rate method.

(h) Financial debt

The criterion for distinguishing debt and shareholders' equity is whether there exists or not an obligation for the issuer to make a cash payment to its counterparty. The option of taking the initiative or not of disbursement is the essential criterion in distinguishing between debt and shareholders' equity.

Financial debt is recognised at its amortised cost, based on the effective interest rate method.

(i) Deferred taxes

Taxes include outstanding tax liabilities of the various consolidated companies and deferred taxes resulting from timing differences.

Timing differences between the consolidated values of asset and liability items and those resulting from the implementation of tax regulations, give rise to the recognition of deferred taxes. The tax rate used in calculating deferred taxes is the one that is known on the closing date; the impacts of changes in tax rate are recognised during the period during which the relevant tax law comes into force.

Deferred taxes on changes in the fair value of the investment portfolio are calculated at the applicable rate when the securities concerned are divested. The tax rates are determined based on the nature of the asset concerned (a long-term regime for financial interests, and FPCI, SCR, and SIIC funds).

A deferred tax asset is recognised for tax losses that can be carried forward, under the likely assumption that the entity concerned will have future taxable earnings from which these tax losses may be subtracted.

Deferred tax assets and liabilities are not discounted.

(j) VAT regime

Tikehau Capital does not recover VAT. Non-deductible VAT is recognised under various lines on the income statement.

(k) Segment information

Tikehau Capital carries out investment activities either by investing its capital directly in equity interest or by investing in funds managed by the Group's asset managers (Tikehau IM, Tikehau Capital Europe, Sofidy and ACE Management). This activity is presented in the Investment activity segment.

Segment information levels are determined based on the elements of the consolidated contributory situations of each entity belonging to the sector segment considered with the exception of Tikehau Capital North America. As such, the Asset Management activity corresponds to:

- the net consolidated contributions of Tikehau Investment Management and its subsidiaries TIM Asia, TIM APAC and TIM Japan, Tikehau Capital Europe, Sofidy and its subsidiaries, ACE Management, IREIT Global Group, Credit.fr and its subsidiaries Homming and Homunity; and
- the income and expenses directly attributable to the Asset Management activity of Tikehau Capital North America.

The Group therefore identified two cash generating units (CGUs), which are the Investment activity segment and the Asset Management activity segment.

(l) Revenue recognition: Revenues from Asset Management activity

Gross revenues from Asset Management activity - These comprise:

- management and subscription fees which correspond to management fees collected or to be collected by asset managers, whether relating to the management of assets under management or to arranging or structuring portfolio transactions. Management fees are generally recognised as each service is rendered and are calculated based on the contractual documentation, usually by applying a percentage to the called assets under management, but they can also partially apply to the portion of assets under management committed but not called. Subscription fees are recognized when investors subscribe to the funds. Arrangement fees and structuring fees are usually recognized when the investment is made. The level of management fees depends both on the type of client and type of products;
- performance fees or carried interest can be collected when performance thresholds are exceeded during the lifetime of the fund (open-ended funds managed under capital markets strategies activity) or on the liquidation of the fund (closed funds managed under Private Debt, Real Estate or Private Equity activities). This revenue is paid by the funds directly to the beneficiaries and is recognised in the income statement when this variable consideration can be accurately estimated and when it is highly likely that no reversal will be made. Such revenue is recognised in gross revenues from asset management activity, but may also be received in part by the asset management company and/or by Tikehau Capital in accordance with the terms and conditions of the fund regulations.

Net revenues from Asset Management activity are calculated by deducting retrocession of fees due from gross revenues from Asset Management activity.

These retrocession of fees mainly correspond to retrocession of arrangement fees owed to the funds managed by the Group's asset management companies and retrocessions contractually owed to distributors, generally based on a percentage of management fees.

5.5 Determining fair value

The principles adopted for fair value measurement for portfolio assets are in accordance with IFRS 13 "Measurement of fair value" and may be summarised as follows:

Securities classified as Level 1

These are companies whose shares are listed on an active market. Shares in listed companies are measured on the basis of the last quoted price as at closing.

Securities classified as level 2

These are companies whose shares are not listed on an active market, but whose measurement pertains to directly or indirectly observable data. An adjustment made to a Level 2 piece of data that is significant to the fair value, can result in a fair value classified in Level 3 if it uses significant unobservable data.

Securities classified as level 3

These are companies whose shares are not listed on an active market, and whose measurement pertains to a large extent to unobservable data.

Tikehau Capital takes into consideration, *inter alia*, the following assessment methods:

- the transaction value: transactions over the last 12 months or the last months of activity if the company has not completed a full 12-month financial year since the shareholding was acquired, unless Tikehau Capital is aware of a valuation considered more relevant;
- the discounted cash flow method (DCF): this method determines the present value of cash flows a company will generate in the future. Cash-flow projections prepared in connection with the management of the company in question include a critical analysis of the business plan of these companies. The discount rate used is the weighted average cost of capital, which represents the cost of debt of the company and the notional cost of estimated equity, weighted by the proportion of each of these two components in the financing of the Company. This rate is set next to that used by analysts for listed companies in the same sector;
- the stock market comparables method: valuation multiples of the company under assessment are compared with those of a sample of companies in the same or similar industry. The average of the sample then establishes a valuation benchmark applicable to the assessed company;
- the industry transaction method: valuation multiples of the company under assessment are compared with those of a sample of companies sold in the same or similar industry. The average of the sample then establishes a valuation benchmark applicable to the assessed company.

Bonds, except for impairment indicators, are recognised at their nominal value, plus accrued interest.

Fund units are valued on the basis of the last net asset value available at the financial statements closing date.

The investments in subordinated notes issued by the CLO vehicles (managed by Tikehau Capital Europe) are measured at amortised cost. CLO vehicles are then subject to impairment tests in accordance with the application of a mark-to-model regularly reviewed by an independent valuer, taking into account the low liquidity of the units and the obligation to hold these subordinated notes until their maturity date.

5.6 Segment information

(a) Consolidated segment information

Segment information is presented on the same basis as internal reporting. It reproduces the internal segment information defined for the management and measurement of Tikehau Capital performance reviewed by the Group management. Operating profit and assets are allocated to each segment before restatements on consolidation and inter-segment adjustments. The share of personnel expenses relating to the Private Equity team, which managed Tikehau Capital's investment portfolio, and the Manager's remuneration are presented in the Investment activity segment.

The main aggregates of the segment income statement are as follows:

(in thousands of €)	2019 (12 months)	Asset management activity	Investment activity
Net revenues from Asset Management activity	**174,753**	**174,753**	**-**
Revenues from Investment activity	**277,835**	**-**	**277,835**
Operating expenses [(1)]	-194,269	-116,271	-77,998
Net operating profit from Asset Management and Investment activities before share of net results from equity affiliates and before non-recurring free share plan expense	**258,319**	**58,482**	**199,837**
Non-recurring free share plan expense	-5,844	-5,408	-436
Net operating profit from Asset Management and Investment activities before share of net results from equity affiliates	**252,476**	**53,075**	**199,401**
Share of net results from equity affiliates	-239	-276	38
Net operating profit from Asset Management and Investment activities after share of net results from equity affiliates	**252,237**	**52,798**	**199,439**
Financial result	**-33,336**	**196**	**-33,532**
Corporate income tax	-39,666	-20,815	-18,850
NET RESULT	**179,235**	**32,178**	**147,057**

(1) Excluding the non-recurring free share plan expense in respect of the "All Plan" and "One Off Plan" of 1 December 2017 subsequent to the Company's initial public offering for an amount of €5.8 million in 2019.

The main aggregates of the 2018 segment income statement are as follows:

(in thousands of €)	2018 (12 months)	Asset management activity	Investment activity
Net revenues from Asset Management activity	**75,199**	**75,199**	**-**
Revenues from Investment activity	**-39,829**	**-**	**-39,829**
Operating expenses [(1)]	-129,698	-55,161	-74,537
Net operating profit from Asset Management and Investment activities before share of net results from equity affiliates and before non-recurring free share plan expense	**-94,328**	**20,038**	**-114,366**
Non-recurring free share plan expense	-5,700	-4,281	-1,419
Net operating profit from Asset Management and Investment activities before share of net results from equity affiliates	**-100,028**	**15,757**	**-115,785**
Share of net results from equity affiliates	1,253	-	1,253
Net operating profit from Asset Management and Investment activities after share of net results from equity affiliates	**-98,775**	**15,757**	**-114,532**
Financial result	**-23,825**	**-536**	**-23,290**
Corporate income tax	15,232	-5,577	20,809
NET RESULT	**-107,368**	**9,645**	**-117,013**

(1) Excluding the non-recurring free share plan expense in respect of the "All Plan" and "One Off Plan" of 1 December 2017 subsequent to the Company's initial public offering for an amount of €5.7 million in 2018.

Net revenues from Asset Management activity break down as follows:

(in thousands of €)	2019 (12 months)	2018 (12 months)
Net management, subscription and arrangement fees	154,828	69,419
Performance fees and carried interest	8,491	3,506
Other revenues [(1)]	11,434	2,274
NET REVENUES FROM ASSET MANAGEMENT ACTIVITY	**174,753**	**75,199**

(1) In 2019, "Other revenues" is primarily comprised of other income from Sofidy and its subsidiaries, and from Homunity.

The main aggregates of the segment balance sheet are as follows:

(in thousands of €)	31 December 2019	Asset management activity	Investment activity
Total non-current assets	2,784,309	671,130	2,113,179
of which right-of-use assets	30,695	14,582	16,114
Total current assets	1,556,930	200,116	1,356,814

(in thousands of €)	31 December 2019	Asset management activity	Investment activity
Total non-current liabilities	1,095,501	50,100	1,045,401
of which lease liabilities (IFRS 16)	26,442	12,041	14,401
Total current liabilities	100,134	80,035	20,098
of which lease liabilities (IFRS 16)	5,443	3,202	2,241

(in thousands of €)	31 December 2018	Asset management activity	Investment activity
Total non-current assets	2,478,859	593,425	1,885,434
of which right-of-use assets	-	-	-
Total current assets	667,804	154,028	513,776

(in thousands of €)	31 December 2018	Asset management activity	Investment activity
Total non-current liabilities	806,783	11,097	795,686
of which lease liabilities (IFRS 16)	-	-	-
Total current liabilities	64,806	49,990	14,816
of which lease liabilities (IFRS 16)	-	-	-

The operating cash flow by operating segment is as follows:

(in thousands of €)	2019 (12 months)	Asset management activity	Investment activity
Operating cash flow	-19,397	33,416	-52,813

(in thousands of €)	2018 (12 months)	Asset management activity	Investment activity
Operating cash flow	-594,071	17,751	-611,821

(b) Combined segment information: impact of mergers and acquisitions occured in the financial year 2018

Had Sofidy and its subsidiaries and ACE Management been consolidated from 1 January 2018, the main items on the segment income statement would have read as follows:

(in thousands of €)	2018 pro forma (12 months)	Asset management activity	Investment activity
Net revenues from Asset Management activity	**125,849**	**125,849**	**-**
Revenues from Investment activity	**-31,653**	**-**	**-31,653**
Operating expenses [(1)]	-164,399	-86,321	-78,078
Net operating profit from Asset Management and Investment activities before share of net results from equity affiliates and before non-recurring free share plan expense	**-70,203**	**39,529**	**-109,731**
Non-recurring free share plan expense	-5,700	-4,281	-1,419
Net operating profit from Asset Management and Investment activities before share of net results from equity affiliates	**-75,903**	**35,248**	**-111,151**
Share of net results from equity affiliates	1,253	-	1,253
Net operating profit from Asset Management and Investment activities after share of net results from equity affiliates	**-74,650**	**35,248**	**-109,898**
Financial result	**-23,699**	**-410**	**-23,290**
Corporate income tax	8,066	-12,743	20,809
NET RESULT	**-90,283**	**22,095**	**-112,378**

(1) *Excluding the non-recurring free share plan expense in respect of the "All Plan" and "One Off Plan" of 1 December 2017 subsequent to the Company's initial public offering for an amount of €5.7 million in 2018.*

These (unaudited) figures are included to show the scale of the Group's activities following the significant acquisitions made in the end of 2018. They do not necessarily represent what Tikehau Capital's consolidated results would have been had these acquisitions actually happened on 1 January 2018.

5.7 Tangible and intangible assets

This item breaks down as follows:

(in thousands of €)	31 December 2018	Change in scope	Other increases	Decreases	31 December 2019
Goodwill	436,840	12,130	305	-78,162	371,113
Management contracts	-	-	98,889	-489	98,400
Brands	12,040	-	4,252	-	16,292
Other intangible fixed assets	4,280	-	3,315	-4,582	3,014
Total intangible fixed assets	**453,160**	**12,130**	**106,761**	**-83,233**	**488,819**
Total tangible fixed assets	**14,975**	**4**	**46,151**	**-14,903**	**46,227**
of which right-of-use assets (1)	**-**	**-**	**41,496**	**-10,801**	**30,695**
TOTAL TANGIBLE AND INTANGIBLE FIXED ASSETS	**468,136**	**12,134**	**152,911**	**-98,136**	**535,046**

(1) See note 5.28 (IFRS 16 Leases).

(i) Goodwill

Goodwill amounts to €371.1 million as at 31 December 2019 compared with €436.8 million as at 31 December 2018. This change is mainly due to the finalisation of the goodwill allocation of Sofidy and ACE Management during the 2019 financial year which led to the recognition of indefinite-life intangible assets amounted to €95.9 million and finite-life intangible assets amounted to €3.0 million.

6.

Following the acquisitions of Sofidy and its subsidiaries and ACE Management in 2018, the provisional goodwill recognised as at 31 December 2018 was subject to the following adjustments:

(in thousands of €)	
Sofidy goodwill as at 31 December 2018	**110,190**
Brands	-4,100
Management contracts	-95,900
Others intangible assets	366
Tangible assets	-1,563
Deferred taxes	25,391
Sofidy goodwill as at 31 December 2019	**34,384**

(in thousands of €)	
ACE Management goodwill as at 31 December 2018	**8,485**
Brands	-152
Management contracts	-2,989
Deferred taxes	785
ACE Management goodwill as at 31 December 2019	**6,130**

The breakdown of goodwill, allocated to the asset management CGU is given below:

(in thousands of €)	31 December 2019	31 December 2018
Tikehau Investment Management	286,214	286,214
Tikehau Capital Europe	11,415	11,415
Credit.fr	10,946	10,946
IREIT Global Group	9,895	9,590
Sofidy	34,384	110,190
ACE Management	6,130	8,485
Homunity	12,130	-
GOODWILL	**371,113**	**436,840**

(ii) Management contracts

The net value of management contracts totalled €98.4 million as at 31 December 2019. They correspond, as part of the goodwill allocation of Sofidy and ACE Management, to the valuation of contracts between the asset management companies to the funds they managed. These represented €95.9 million for Sofidy (€95.9 million as at 1 January 2019) and €2.5 million for ACE Management as at 31 December 2019 (€3.0 million as at 1 January 2019).

Sofidy's management contracts are considered as indefinite-life assets and are not subject to amortisation. The ACE Management's management contracts are finite-life assets and are therefore subject to amortisation based on the remaining lifespan from the acquisition date (the amortisation period ranges between 2 and 9 years depending on the management contract).

(iii) Brand

The brand totalled €16.3 million as at 31 December 2019 (€12.0 million as at 31 December 2018). It comprises the Tikehau Capital brand which has been recognised at €10.7 million (€10.7 million as at 31 December 2018), the Credit.fr brand for an amount of €1.3 million (€1.3 million as at 31 December 2018), the Sofidy brand for an amount of €2.2 million, the Immorente brand (Sofidy fund) for an amount of €1.4 million, the Efimmo brand (Sofidy fund) for an amount of €0.5 million, and the ACE Management brand for an amount of €0.2 million.

(iv) Impairment tests

The impairment test as at 31 December 2019 is based on profit and loss accounts forecasts for the period 2020-2024. These profit and loss accounts forecasts are based on the following main assumptions relating to the economic environment and built on the assumptions of growth of assets under management from a bottom-up approach by fund.

Operating expense growth assumptions were also determined by type of main expenses.

The net book value of the current and non-current assets of the asset management CGU is subject to impairment testing based on the following assumptions:

(in thousands of €)	31 December 2019
Weighted average cost of capital	9.00%
Growth rate	0.00%
Net book value of the tested CGU	712,114
IMPAIRMENT LOSS RECOGNISED	**-**

No impairment loss was recognised as at 31 December 2019.

A change in these assumptions (+/-50 basis points of the discount rate, +/-50 basis points of the growth rate to infinity) would not change the conclusion of the impairment test as at 31 December 2019.

The sensitivity of enterprise values to the assumptions used is reflected in the following table:

		Growth rate to infinity	
(in thousands of €)	Discount rate	0.0%	0.50%
Downward sensitivity	8.50%	96,343	178,089
Upward sensitivity	9.50%	-85,837	-23,165

(v) IT developments

Other intangible assets consist of the capitalisation of IT development costs totalling €2.1 million as at 31 December 2019 (€3.3 million as at 31 December 2018) for IT tools used by the Company and its subsidiaries, as well as Tikehau Capital Advisors.

5.8 Non-current investment portfolio

Changes in the non-current investment portfolio are as follows:

(in thousands of €)	Portfolio	Level 1	Level 2	Level 3	Non consolidated
Fair value as at 31 December 2018	**1,972,809**	**674,066**	**53,497**	**1,242,369**	**2,877**
Acquisition of securities	705,448	213,008	-	492,440	-
Disposals and repayments	-621,400	-275,655	-74,860	-270,885	-
Changes in receivables	-3,513	-	-	-3,519	6
Change in fair value	162,540	128,514	21,363	12,561	102
Change in scope	-2,156	-	-	64	-2,220
Reclassification and other changes	-3,546	-	-	-3,546	-
FAIR VALUE AS AS AT 31 DECEMBER 2019	**2,210,181**	**739,933**	**-**	**1,469,484**	**765**

The change in Level 1 securities notably comprises the acquisition of securities of Selectirente (€172.6 million), IREIT Global (€26.2 million) and Foncière Atland (€12.0 million). It also includes the disposal of Eurazeo shares (€242.8 million) and Latécoère shares (€28.5 million).

The presentation of the acquisitions of securities in the non-current portfolio in the cash flow statement differs from the balance sheet presentation. The table below presents the reconciliation between the two aggregates:

Acquisition of securities – change in balance sheet	**705,448**
Change in accrued interests on portfolio assets	-10,607
Changes in receivables related to portfolio assets	2,536
ACQUISITION OF INVESTMENT PORTFOLIO – STATEMENT OF CASH FLOWS	**697,377**

The acquisition value of the non-current portfolio is as follows:

(in thousands of €)	31 December 2019	31 December 2018
Historical value of the non-current portfolio	2,112,763	2,033,905
Value of related receivables	13,262	18,958

Outstanding commitments in the non-current investment portfolio are as follows and shown under off-balance sheet commitments (see note 5.27 (Contingent assets and contingent liabilities)):

(in thousands of €)	31 December 2019	31 December 2018
Commitments on the non-current investment portfolio	721,679	729,906

5.9 Investments in equity affiliates

This item breaks down as follows:

(in thousands of €)	31 December 2019	31 December 2018
Letus Private Office	246	247
Duke Street	6,775	6,763
Ring	483	227
Neocredit.ch	1,757	-
INVESTMENTS IN EQUITY AFFILIATES	**9,261**	**7,236**

5.10 Client receivables, other receivables and financial assets/Trade and other payables

This item breaks down as follows:

(in thousands of €)	31 December 2019	31 December 2018
Client receivables and related accounts	**59,877**	**36,600**
Financial assets	44,424	38,840
Other receivables	20,306	18,683
TOTAL OTHER RECEIVABLES AND FINANCIAL ASSETS	**64,730**	**57,523**

Financial assets are made up of revenues from the investment activities recorded in profit and loss accounts but not yet collected.

Client receivables and other receivables are not subject to any provision for non-recovery.

(in thousands of €)	31 December 2019	31 December 2018
Trade payables and related accounts	**34,469**	**16,695**
Portfolio financial liabilities	8,850	1,432
Other liabilities	13,593	19,893
TOTAL OTHER LIABILITIES	**22,443**	**21,325**

The net change in portfolio financial assets and liabilities amounts to €1.8 million; a €5.6 million change in financial assets net of €(7.4) million in portfolio financial liabilities.

5.11 Current investment portfolio

Changes in the current investment portfolio are as follows:

(in thousands of €)	Portfolio	Level 1	Level 2	Level 3
Fair value as at 31 December 2018	**110,483**	**110,483**	**-**	**-**
Acquisition of securities	5,232	5,232	-	-
Disposals and repayments	-5,669	-5,669	-	-
Changes in fair value	11,496	11,496	-	-
Change in scope	-	-	-	-
Reclassification and other changes	3,546	3,546	-	-
FAIR VALUE AS AT 31 DECEMBER 2019	**125,087**	**125,087**	**-**	**-**

The acquisition value of the current portfolio is as follows:

(in thousands of €)	31 December 2019	31 December 2018
Historical value of the current portfolio	126,461	124,453

The presentation of the acquisitions of securities in the current portfolio in the cash flow statement differs from the balance sheet presentation. The table below presents the reconciliation between the two aggregates:

Acquisition of securities – change in balance sheet	**5,232**
Change in accrued interests on portfolio assets	-3
ACQUISITION OF INVESTMENT PORTFOLIO – STATEMENT OF CASH FLOWS	**5,229**

5.12 Cash and cash equivalents, cash management financial assets

This item breaks down as follows:

(in thousands of €)	31 December 2019	31 December 2018
Cash equivalents	578,698	85,980
Cash	596,731	350,367
Cash and cash equivalents	**1,175,429**	**436,347**
Cash management financial assets	131,806	26,852
CASH AND CASH EQUIVALENTS, CASH MANAGEMENT FINANCIAL ASSETS	**1,307,235**	**463,199**

Cash equivalents consist primarily of marketable securities, and cash management financial assets comprises term deposits of more than three months.

5.13 Number of shares, share capital and dividends

Number of shares	31 December 2019	31 December 2018
Existing shares at the beginning of the period	103,477,599	102,799,748
Shares issued during the period	33,195,809	677,851
EXISTING SHARES AT THE CLOSE OF THE PERIOD	**136,673,408**	**103,477,599**

The number of shares after dilution is as follows:

	31 December 2019	31 December 2018
Potential shares to be issued in the event of full exercise of equity warrants (BSA)	1,416,558	1,416,558
Potential shares to be issued in remuneration for free shares being granted	749,772	1,113,136
Weighted average number of shares after dilution (1)	**123,080,510**	**105,654,077**
Shares after dilution at the close of the period	**138,839,738**	**106,007,293**
Of which treasury shares	393,548	51,983

(1) The calculation of the weighted number of shares after dilution takes into account the effective dates for the different operations that impact the number of shares.

Share capital *(in €)*	31 December 2019	31 December 2018
Par value at end of period	12	12
Share capital	1,640,080,896	1,241,731,188

The dividends per share paid on the following financial years came to:

(in €)	31 December 2018	31 December 2017	31 December 2016
Dividend per share Tikehau Capital	0.25	1.00	-

5.14 Borrowings and financial debt

(in thousands of €)	31 December 2019	31 December 2018
Bonds	**800,000**	**300,000**
Financial debt (including accrued interest)	207,168	504,586
Bank overdrafts	22	-
Amortisation of issuance costs on borrowings	-10,001	-8,726
Borrowings and debt from credit institutions	**197,189**	**495,859**
TOTAL	**997,189**	**795,859**
Of which current liabilities	3,851	1,698
Of which non-current liabilities	993,338	794,162

The financial debt is the subject of an interest rates hedging the details of which are set out in note 5.26(a) (Exposure to risks arising from bank debts).

Changes in borrowings and financial debt are as follows:

(in thousands of €)	Total	Bonds	Borrowings	Accrued interest	Issuance costs on borrowings	Others
Debt as at 31 December 2018	**795,859**	**300,000**	**503,196**	**1,390**	**-8,726**	**-**
Change in scope	-	-	-	-	-	-
New loans subscribed	500,000	500,000	-	-	-	-
Loans reimbursed	-300,839	-	-300,839	-	-	-
Others	2,168	-	987	2,434	-1,275	22
DEBT AS AT 31 DECEMBER 2019	**997,189**	**800,000**	**203,344**	**3,824**	**-10,001**	**22**

The presentation of the change in borrowings and financial liabilities in the cash flow statement differs from the balance sheet presentation. The table below shows the details included in the “Borrowings” line in the cash flow statement:

Borrowings and financial debt - Cash flow statement	
New loans subscribed	500,000
Loans reimbursed	-300,839
Financial expenses disbursed	-24,177
Issuance costs on borrowings disbursed	-1,275
Bank overdrafts	22
TOTAL	**173,731**

Borrowings and financial debt can be broken down into the following maturities:

(in thousands of €)	Due within one year	Due in one to five years	Due in more than five years	Total
Situation as at 31 December 2019				
Variable-rate bank borrowings	270	201,532	1,542	203,344
Amortisation of issuance costs on borrowings	-265	-9,233	-503	-10,001
Fixed-rate bond borrowing	-	300,000	500,000	800,000
Accrued interests	3,824	-	-	3,824
Bank overdrafts	22	-	-	22
TOTAL	**3,851**	**492,299**	**501,039**	**997,189**
Of which current liabilities	3,851	-	-	3,851
Of which non-current liabilities	-	492,299	501,039	993,338

(in thousands of €)	Due within one year	Due in one to five years	Due in more than five years	Total
Situation as at 31 December 2018				
Variable-rate bank borrowings	308	502,888	-	504,183
Amortisation of issuance costs on borrowings	-	-8,726	-	-8,726
Fixed-rate bond borrowing	-	300,000	-	300,000
Accrued interests	1,390	-	-	1,390
Bank overdrafts	-	-	-	
TOTAL	**1,698**	**794,162**	**-**	**795,859**
Of which current liabilities	1,698	-	-	1,698
Of which non-current liabilities	-	794,162	-	794,162

6.

Information on covenants

Syndicated loan taken out on 23 November 2017 – €1 billion

For the duration of the contract, Tikehau Capital undertakes to respect the financial ratios:

- Loan To Value ratio, tested semi-annually, less than or equal to 47.5% corresponding to the ratio between (i) the amount of the consolidated financial debt less the amount of consolidated cash and cash equivalents [(1)] and (ii) the consolidated [(2)] assets less the amount of consolidated cash and cash equivalents;
- minimum liquidity ratio, tested semi-annually, at any time greater than or equal to €150 million, corresponding to the sum of consolidated cash and cash equivalents;
- limiting the Company's secured debt to 12.5% of total consolidated assets;
- limiting unsecured debt at the level of the Company's subsidiaries to 12.5% of total consolidated assets.

Bond issuance of 27 November 2017 – €300 million

For the duration of the contract, Tikehau Capital undertakes to respect the following financial commitment:

- the value of the uncollateralised assets must not be less than the secured debt.

(1) *Consolidated cash and cash equivalents correspond to the sum of (i) cash and cash equivalents, (ii) cash management financial assets, and (iii) the current investment portfolio.*

(2) *Consolidated assets are the sum of (i) total non-current assets (excluding deferred tax assets and other non-current assets) and (ii) consolidated cash and cash equivalents.*

5.15 Tax

(i) Tax in profit and loss accounts and tax proof

Tax breaks down as follows:

Income (+)/Expense (-) *(in thousands of €)*	**2019 (12 months)**	**2018 (12 months)**
Deferred tax	-30,665	16,544
Current tax	-9,001	-1,312
TOTAL	**-39,666**	**15,232**
Net result of consolidated companies	179,235	-107,368
Result before tax	218,901	-122,600
Application of the normal theoretical tax rate of 34.43% (33%$^{1/3}$ for 2018)	-75,367	40,867

The reconciliation between the theoretical tax situation and the actual tax breaks down as follows:

Income (+)/Expense (-) *(in thousands of €)*	**2019 (12 months)**	**2018 (12 months)**
Theoretical tax	**-75,367**	**40,867**
Deferred tax savings at reduced rate (unrealised portfolio gains or losses)	-5,026	2,880
Current tax savings at reduced rate (realised portfolio gains or losses)	52,652	-25,551
Non-activated tax losses	-266	-43
Result from equity method companies	108	418
Tax rate differential of foreign subsidiaries	5,916	3,120
Expected impact of lower tax rates	1,652	-5,098
Tax credit	1,026	-154
Impairment of deferred tax assets on tax losses	-12,726	-
Other (1)	-7,635	-1,206
ACTUAL TAX	**-39,666**	**15,232**

(1) *In 2019 these other items mainly comprised the non-taxation of the IFRS 2 expense for €2.7 million (€2.4 million in 2018) and the non-taxation of the neutralisation of the capital gains realised on the internal transfer of the IGG securities in the 2019 consolidated financial statements.*

(ii) Tax in balance sheet

Changes in deferred taxes are broken down as follows:

Tax assets (+) or Liabilities (-) *(in thousands of €)*	**31 December 2018**	**Increase**	**Decreases and Reversal**	**Reclassi-fication**	**Goodwill allocation**	**Others**	**31 December 2019**
Tax losses that may be carried over	40,151	-	-17,821	-	-	-	22,330
Evaluation of financial instruments	1,335	1,889	-	-	-	-	3,224
Other deferred tax assets	1,753	102	-	-	-	40	1,895
Compensation deferred taxes	-14,808	-	-	14,808	-	-	-
Total deferred tax assets	**28,431**	**1,991**	**-17,821**	**14,808**	**-**	**40**	**27,449**
Fair value of the portfolio	-18,666	-14,143	-	-	-	-	-32,809
Goodwill allocation	-	-	395	-	-26,176	-	-25,781
Other deferred tax liabilities	-2,220	-1,087	-	-	-	-	-3,307
Compensation deferred taxes	14,808	-	-	-14,808	-	-	-
Total deferred tax liabilities	**-6,077**	**-15,230**	**395**	**-14,808**	**-26,176**	**-**	**-61,897**
TOTAL NET DEFERRED TAX	**22,353**	**-13,239**	**-17,426**	**-**	**-26,176**	**40**	**-34,448**

Deferred taxes related to tax losses that may be carried over are detailed below:

(in thousands of €)	31 December 2019	31 December 2018
Stock tax loss carried forward at local normal rate - Not activated	**35,604**	**-**
Stock tax loss carried forward at local normal rate - Activated	**87,929**	**151,009**
Deferred tax assets on tax loss carried forward	22,330	40,023
Stock tax loss carried forward at local reduced rate - Not activated	**5,589**	**-**
Stock tax loss carried forward at local reduced rate - Activated	**-**	**4,996**
Deferred tax assets on tax loss carried forward	-	128

The recoverability of tax losses will depend on Tikehau Capital Group's ability to achieve the targets in the medium-term tax plan prepared by the Management and based on assumptions about the market and investment management.

Changes in taxes on the balance sheet are as follows:

(in thousands of €)	Tax assets (+) or Tax liabilities (-)	Of which deferred tax	Of which current tax
Situation as at 31 December 2018	**29,212**	**22,353**	**6,858**
Current tax	-4,158	-	-4,158
Deferred tax	-56,796	-56,796	-
Change in currency rates	-3	-	-3
Change in scope of consolidation	-1,741	-5	-1,736
Tax Disbursement/Receipts	-2,463	-	-2,463
SITUATION AS AT 31 DECEMBER 2019	**-35,951**	**-34,449**	**-1,502**

5.16 Non-current financial derivatives

Non-current financial derivatives are exclusively composed of interest rate swaps arranged to manage interest-rate risk on bank debt (see note 5.26(a) (Exposure to risks arising from bank debts)).

(in thousands of €)	31 December 2019	31 December 2018
Non-current financial derivative liabilities	12,896	5,399

5.17 Share-based payment (IFRS 2)

IFRS 2 "Share-based payment" requires valuation of share-based payment transactions and similar in the Company's income statement and balance sheet. This standard applies to transactions carried out with employees, and more precisely:

- to equity-settled share-based payment transactions;
- to cash-settled share-based payment transactions.

Tikehau Capital Plans

Share-based payment plans concern only shares of Tikehau Capital.

These plans include a vesting period ranging from two to seven years, depending on the plan. The advantage granted to employees is measured as the value of the share acquired as indicated in the plan.

The impact is recorded in payroll expenses and offset by an increase in "Consolidated reserves (Group's share)". These expenses are based on the number of shares being vested on the closing date to which a standard staff turnover rate is applied.

No amendments have been made to the share-based payment plans indicated in the Universal Registration Document for financial year 2018 (also presented in Chapter 8 "Information concerning the Company, its Articles of Association and capital" in this Universal Registration Document).

The new share-based payment plans granted during the financial year 2019 are as follows:

Characteristics of the 2019 Free Share Plan ("2019 FSA Plan") set up at Tikehau Capital

Maximum number of shares to grant on the grant date: 134,669 shares

Number of shares being vested as at 31 December 2019: 129,863 shares

Grant date: 18 February 2019

Unit value of the share on the grant date: €18.90 corresponding to the share price on 18 February 2019 (€21.00) to which a 10% discount is applied to take into account the absence of dividend rights over the vesting period.

Definitive vesting date:

- for 50% of the granted shares, after a period of 2 years, *i.e.* on 18 February 2021;
- for 50% of the granted shares, after a period of 3 years, *i.e.* on 18 February 2022.

Vesting of the shares granted under the 2019 FSA Plan was subject to a presence condition, but not to any performance condition.

The shares granted under the 2019 FSA Plan are not subject to any retention period.

Characteristics of the 2019 Performance Share Plan implemented at Tikehau Capital

Maximum number of shares to grant on the grant date: 108,816 shares

Number of shares being vested as at 31 December 2019: 105,733 shares

Grant date: 18 February 2019

Unit value of the share on the grant date: €18.90 corresponding to the share price on 18 February 2019 (€21.00) to which a 10% discount is applied to take into account the absence of dividend rights over the vesting period.

Definitive vesting date:

The vesting of shares granted under the 2019 Performance Share Plan will take place as follows:

- for 50% of the granted shares, after a period of 2 years, *i.e.* on 18 February 2021, subject to:
  - for 25% of the granted shares, the sole condition of presence within the Group,
  - for 12.5% of the granted shares, a performance condition relating to the Group's cumulated net new money in 2019 and 2020,
  - for 12.5% of the granted shares, a performance condition relating to the arithmetic average of the operating margins achieved on the Group's Asset Management activity as set out in the consolidated financial statements as at 31 December 2019 and 31 December 2020;
- after a period of 3 years for 50% of the granted shares, *i.e.* 18 February 2022, and subject to:
  - for 25% of the granted shares, the sole condition of presence within the Group,
  - for 12.5% of the granted shares, a performance condition relating to the Group's cumulated net new money in 2021,
  - for 12.5% of the granted shares, a performance condition relating to the operating margin on the Group's Asset Management activity as set out in the consolidated financial statements as at 31 December 2021.

The shares granted under the 2019 Performance Share Plan are not subject to any retention period.

Characteristics of the free share plan for certain employees covered by the employee remuneration requirements of the AIFM/UCITS V 2019 Directives ("2019 AIFM/UCITS Plan") implemented by Tikehau Capital

Maximum number of shares to grant on the grant date: 30,825 shares

Number of shares being vested as at 31 December 2019: 30,825 shares

Grant date: 18 February 2019

Unit value of the share on the grant date: €18.90 corresponding to the share price on 18 February 2019 (€21.00) to which a 10% discount is applied to take into account the absence of dividend rights over the vesting period.

Definitive vesting date:

The vesting of shares granted under the 2019 AIFM/UCITS Plan will take place as follows:

- after a period of 2 years for 2/3 of the granted shares , *i.e.* 18 February 2021, subject to:
  - a performance condition based on a benchmark index representing the performance of Tikehau IM's various business lines (the "Performance Index") after a period of one year, for 1/3 of the granted shares,
  - a performance condition based on the Performance Index at the end of the two-year period, for 1/3 of the granted shares;
- at the end of a three-year vesting period, *i.e.* 18 February 2022, subject to a performance condition based on the Performance Index at the end of the three-year period, for 1/3 of the granted shares.

The shares granted under the 2019 AIFM/UCITS Plan are not subject to any retention period.

The vesting of the shares under these three tranches will be conditional upon the beneficiary's presence within the Group and the absence of any serious breach of applicable regulations or Internal Rules and procedures concerning compliance and the appropriate management of risks.

The table below presents a summary of the Tikehau Capital SCA plans:

	2017 Free Share Plan (All Plan)	**2017 Individual Free Share Plan (One Off Plan)**	**2016 TIM Replacement Plan – TIM employees subject to AIFM regulations**	**2016 TIM Replacement Plan – TIM employees not subject to AIFM regulations**
Grant date	01/12/2017	01/12/2017	16/03/2018	16/03/2018
Maximum number of shares to grant on the grant date	26,334	690,426	216,842	136,442
Number of shares being vested as at 31/12/2019	-	321,910	-	-
Valuation on the grant date	592,681	15,634,127	1,722,351	1,137,741
Number of shares vested per period				
period ending 30/06/2019	-	-	204,953	124,553
period ending 30/11/2019	20,615	321,910	-	-
period ending 31/12/2019	-	-	11,889	11,889
period ending 30/03/2020	-	-	-	-
period ending 31/07/2020	-	-	-	-
period ending 30/11/2020	-	321,910	-	-
period ending 31/12/2020	-	-	-	-

	2018 Free Share Plan (“2018 FSA Plan”)	**2018 Performance Share Plan (“2018 Performance Share Plan”)**	**2018 Individual free share plan (“2018 Credit.fr Plan”)**	**2018 Individual free share plan (“2018 Sofidy Plan”)**
Grant date	30/03/2018	30/03/2018	04/07/2018	21/12/2018
Maximum number of shares to grant on the grant date	54,629	72,185	26,180	14,800
Number of shares being vested as at 31/12/2019	52,903	70,258	24,680	13,600
Valuation on the grant date	1,461,986	1,983,356	636,174	265,512
Number of shares vested per period				
period ending 30/06/2019	-	-	-	-
period ending 30/11/2019	-	-	-	-
period ending 31/12/2019	-	-	-	-
period ending 30/03/2020	52,903	70,258	-	-
period ending 31/07/2020	-	-	12,340	-
period ending 30/11/2020	-	-	-	-
period ending 31/12/2020	-	-	-	13,600
period ending 28/02/2021	-	-	-	-
period ending 31/07/2021	-	-	12,340	-
period ending 28/02/2022	-	-	-	-

	2019 Free Share Plan ("2019 FSA Plan")	2019 Performance Share Plan ("2019 Performance Share Plan")	2019 AIFM/UCITS Plan
Grant date	18/02/2019	18/02/2019	18/02/2019
Maximum number of shares to grant on the grant date	134,669	108,816	30,825
Number of shares being vested as at 31/12/2019	129,863	105,733	30,825
Valuation on the grant date	2,545,244	2,056,622	582,593
Number of shares vested per period			
period ending 30/06/2019	-	-	-
period ending 30/11/2019	-	-	-
period ending 31/12/2019	-	-	-
period ending 30/03/2020	-	-	-
period ending 31/07/2020	-	-	-
period ending 30/11/2020	-	-	-
period ending 31/12/2020	-	-	-
period ending 28/02/2021	64,932	52,867	20,550
period ending 31/07/2021	-	-	-
period ending 28/02/2022	64,931	52,866	10,275

Completion of vesting periods for Tikehau Capital plans in 2019

The TIM 2016 Replacement Plan - Employees subject to AIFM regulations and the TIM 2016 Replacement Plan - Employees not subject to AIFM regulations, saw their vesting period end on 30 June 2019 and, for two beneficiaries, on 1 December 2019. The definitive number of free shares granted under these plans, at the end of the two vesting periods, was 353,284 shares. On 1 July 2019 and 1 December 2019, Tikehau Capital carried out capital increases for a total amount of around €4.2 million by capitalisation of the issue premium and by the issuance of 353,284 shares. The IFRS 2 expenses related to this plan, concerning the whole vesting period, amount to approximately €2.9 million.

The 2017 free share plan, known as "All Plan", saw its vesting period end on 1 December 2019. The definitive number of free shares granted under this plan, at the end of the vesting period, was 20,615 shares. Tikehau Capital carried out a capital increase for an amount of around €0.2 million by capitalisation of the issue premium and by the issuance of 20,615 shares. The IFRS 2 expenses related to this plan, concerning the whole vesting period, amount to approximately €0.4 million.

The 2017 individual free share plan, known as the "One Off Plan", saw the vesting period of its first tranche, representing 50.0% of the free shares granted on 1 December 2017, end on 1 December 2019. The definitive number of free shares granted under this plan, at the end of the vesting period, was 321,910 shares. Tikehau Capital carried out a capital increase for an amount of around €3.9 million by capitalisation of the issue premium and by the issuance of 321,910 shares. The IFRS 2 expenses related to this plan, concerning the whole vesting period, amount to approximately €6.4 million.

5.18 Non-controlling interests

The non-controlling interests can be broken down as follows:

- on the income statement:

(in thousands of €)	2019 (12 months)	% of interest	2018 (12 months)	% of interest
IREIT Global Group	369	50.0%	56	15.5%
Other companies	181		-62	
TOTAL	**550**		**-6**	

- in shareholders' equity:

(in thousands of €)	31 December 2019	% of interest	31 December 2018	% of interest
IREIT Global Group	6,047	50.0%	217	15.5%
Other companies	723		549	
TOTAL	**6,770**		**766**	

5.19 Revenues from asset management activity

(in thousands of €)	2019 (12 months)	2018 (12 months)
Gross revenues from asset management activity	255,922	107,493
Retrocession of fees	-81,169	-32,293
TOTAL	**174,753**	**75,199**

5.20 Change in fair value

(in thousands of €)	2019 (12 months)	2018 (12 months)
Non-current investment portfolio	178,753	-105,855
Current investment portfolio	10,034	-3,724
TOTAL	**188,787**	**-109,579**

5.21 Other portfolio revenues

(in thousands of €)	2019 (12 months)	2018 (12 months)
Dividends and other income from portfolio securities	55,897	48,010
Interests	32,940	21,477
Others	168	120
Non-current revenues from the investment activities	**89,005**	**69,607**
Income from shares	28	-
Revenues from bonds	15	143
Current revenues from the investment activities	**43**	**143**
TOTAL	**89,048**	**69,750**

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5.22 Operating expenses

(in thousands of €)	2019 (12 months)	2018 (12 months)
Purchases and external expenses	-32,460	-12,657
Other fees	-20,045	-17,749
Remuneration of the Manager	-51,053	-59,903
Purchases and external expenses	**-103,558**	**-90,308**
Personnel expenses	**-84,968**	**-42,964**
Taxes other than income taxes	-6,120	-2,459
Other net operating expenses	-5,466	333
Other net operating expenses	**-11,586**	**-2,126**
TOTAL	**-200 113**	**-135,398**

The methods for determining the remuneration of the Manager-General Partner of Tikehau Capital are detailed in note 5.25(a) (Scope of related parties).

5.23 Net income on cash equivalents

(in thousands of €)	2019 (12 months)	2018 (12 months)
Change in fair value	-	-177
Net gains/losses on marketable securities	1,019	-5
Net gains/losses related to foreign exchange	165	-104
Other revenues from marketable securities	12	387
TOTAL	**1,196**	**100**

5.24 Financial expenses

(in thousands of €)	2019 (12 months)	2018 (12 months)
Expenses related to borrowings from credit institutions	-9,559	-7,292
Expenses related to lease liabilities	-724	-
Expenses related to bonds	-11,842	-9,301
Expenses related to interest rate derivatives	-5,212	-2,703
Change in fair value of interest rate derivatives	-7,497	-4,407
Currency translation adjustment of receivables and bank accounts in currency	-	-
Miscellaneous	303	-222
TOTAL	**-34,532**	**-23,926**

In 2019, costs related to borrowings from credit institutions included the amortisation of issuance costs of loans repaid during the financial year for the amount of €2.4 million (€0.1 million in 2018).

5.25 Related parties

(a) Scope of related parties

The related parties of Tikehau Capital are:

- Tikehau Capital General Partner, in its capacity as Manager-General Partner, wholly-owned by Tikehau Capital Advisors;
- Tikehau Capital Advisors and its representatives (the company AF&Co, controlled by Mr Antoine Flamarion, in his capacity as Chairman of Tikehau Capital Advisors, and the company MCH, controlled by Mr Mathieu Chabran in his capacity as Chief Executive Officer of Tikehau Capital Advisors) and its subsidiaries, Tikehau Employee Fund 2018 and Fakarava Capital;
- Tikehau Capital Belgium wholly-owned by the Company;
- Sélectirente, 37.47% owned by the Company.

The transactions completed and outstanding amounts at the end of the period between the Group's fully consolidated companies are fully eliminated under consolidation.

(i) Remuneration of the Manager

The Manager is responsible for the general business conduct of the Company, the convening of General Meetings of Shareholders and setting their agenda, as well as the preparation of the accounts. Therefore, the Manager is entitled to a remuneration, determined in the Articles of Association, which is equal to (excluding VAT) 2% of the total consolidated shareholders' equity of the Company, determined on the last day of the preceding financial year. This remuneration shall be paid annually when the financial statements of the preceding year are approved. The Manager has the opportunity, during the year, of receiving a payment on account for the remuneration referred to above. The payment of this advance can only be made on the basis of an accounting period certified by the Statutory Auditors of the Company. This advance is deducted from the total amount of remuneration paid to the Manager on approval of the financial statements for the previous financial year.

(ii) Preferred dividend (*préciput*) to the general partner

Tikehau Capital General Partner, as sole general partner of the Company, is entitled, by way of preferred dividend and should there be distributable income for a financial year, to an amount determined in the Articles of Association and equal to 12.5% of the net result of the Company as reflected in the Company's statutory financial statements at the close of each financial year.

If there is more than one general partner, they shall share this amount between themselves as they see fit. In the event of a financial year whose duration is less than a calendar year, this remuneration shall be calculated on a *pro rata* basis for the time elapsed.

(iii) Attendance fees and other remuneration received by members of the Supervisory Board

In line with the conversion of the Company into a société en commandite par actions (partnership limited by shares), a Supervisory Board was created. According to the Company's Articles of Association, members of the Supervisory Board may receive attendance fees and remuneration, the total annual amount of which is voted on by the General Shareholders' Meeting and whose distribution is decided by the Supervisory Board on the recommendation of the Appointment and Remuneration Committee. The Supervisory Board's Internal Rules provide that the distribution of attendance fees takes into account in particular the effective participation of each member in the Meetings as well as the duties performed on the Board and its Committees, and is the subject of prior discussion by the Appointment and Remuneration Committee. The share of each member of the Supervisory Board is calculated in proportion to the duration of his or her term of office during the financial year.

At the Combined General Shareholders' Meeting of the Company held on 25 May 2018, a budget of €400,000 was allocated to the members of the Supervisory Board in respect of attendance fees for each financial year.

Attendance fees were paid in 2019 in respect of financial year 2018 in the amount of €321,749. Attendance fees were paid in 2018 in respect of financial year 2017 in the amount of €271,500.

(iv) Summary of the remuneration received by the Manager of Tikehau Capital

The amounts invoiced by the related parties over the year can be broken down as follows:

(in thousands of €)	2019 (12 months)	2018 (12 months)
Remuneration of the Manager (2.0% of consolidated shareholders' equity)	45,501	50,593
Share of non-deductible VAT	5,551	9,309
REMUNERATION PAID TO THE MANAGER	**51,053**	**59,903**

(v) Carried interest

In some funds, carried interest may be paid in the event that a performance threshold is exceeded upon the liquidation of the funds, mainly real-estate and Private Debt funds.

Since April 2014, carried interest is broken down as follows: 20% of carried interest is paid to a company that is a shareholder of Tikehau Capital Advisors comprising senior employees of the Tikehau Capital Group; the remainder is distributed one third each to Tikehau Capital, Tikehau IM and Tikehau Capital Advisors.

Carried interest is paid by the funds directly to the beneficiaries and recognised in the income statement when this variable consideration can be accurately estimated and when it is highly likely that no reversal will be made.

Tikehau Capital and its fully consolidated subsidiaries have recognised carried interest of €5.8 million in respect of financial year 2019 (€2.9 million in respect of the financial year 2018).

(vi) Rental expenses paid by Tikehau Capital Advisors then re-invoiced to its subsidiaries and Tikehau Capital

Payments on the lease for its premises at 32, rue de Monceau, 75008 Paris, France (which was terminated on 3 November 2019) and other related costs (cleaning, receptionists, general costs) are billed to Tikehau Capital Advisors and then re-invoiced to Tikehau Capital and subsidiaries *pro rata* their use of the premises. Total re-invoicings by Tikehau Capital Advisors to Tikehau Capital SCA and Tikehau IM amounted to €0.5 million for 2019 (€0.5 million in 2018).

(vii) IT costs paid by Tikehau Capital SCA then re-invoiced to Tikehau Capital Advisors

A number of IT expenses and investments related to the activities of the Group and Tikehau Capital Advisors may be pooled with Tikehau Capital SCA, provided their nature means they can be used by all or several Group entities and Tikehau Capital Advisors. These costs are then re-invoiced to the entities benefiting from these services and purchases, in total, if a single entity is the beneficiary (and did not initially bear the cost) or, partially, if a service or asset is shared among several Group entities. Total re-invoicings by Tikehau Capital SCA to Tikehau Capital Advisors amounted to €0.8 million for 2019 (€0.2 million in 2018).

(viii) Cost of free share plans to employees at Tikehau Capital Advisors

The costs of granting free shares (IFRS 2 share-based payments costs) to employees of Tikehau Capital Advisors are booked and borne by Tikehau Capital SCA, except for the related social security costs which are borne by Tikehau Capital Advisors.

In 2019, this cost of €1.4 million (€1.2 million in 2018), the counterparty of which is accounted for in shareholders' equity, has no impact on the consolidated shareholders' equity.

5.26 Market risks

The market risk exposure for Tikehau Capital is divided into two sub-sections:

- exposure of bank liabilities and to debt in foreign currency;
- exposure of the investment portfolio and to assets in foreign currency.

(a) Exposure to risks arising from bank debts

(i) Interest rate risk

As at 31 December 2019, Tikehau Capital was exposed to interest rate risk on its bank loans and related hedges for respective amounts of €203.3 million and €403.1 million, compared with respectively €503.2 million and €368.0 million as at 31 December 2018 (see note 5.14 (Borrowings and financial debt)).

For the purpose of managing risks on its floating-rate exposure, Tikehau Capital has taken out interest-rate swaps with the following features:

(in millions of €)	Notional	Average fixed rate	Average maturity
As at 31 December 2018	368.0	0.54%	5.5 years
AS AT 31 DECEMBER 2019	**403.1**	**0.50%**	**4.4 YEARS**

(ii) Currency risk

As at 31 December 2019, the Group had no exposure to currency debt risk as its bank loans and bond issues had been taken out or issued in euros.

(b) Risk exposure of the investment portfolio

The risk exposure of the investment portfolio can be summarised as follows:

(in millions of €)	Currency risk	Listed equity markets	Unlisted equity markets	31 December 2019	31 December 2018
Tikehau funds (including Sofidy and ACE Management)	√	√ Liquid Strategies	√	1,179.7	874.9
External funds & co-investments	√	n.a.	√	186.9	148.7
Shares	√	√ Investment levels 1 & 2	√ Investment level 3	915.5	955.8
Bonds	n.a.	n.a.	n.a.	53.8	103.9
TOTAL				**2,336.0**	**2,083.3**

(i) Exposure to risks arising from investment in the Tikehau funds

- Liquid Strategies: a change in the net asset value of the funds (€124.0 million as at 31 December 2019) of +/-10% would impact Tikehau Capital's exposure by €11.7 million;
- Private Debt and CLO: stress tests for interest rates are run on a quarterly basis. The test scenario is a +/-100 basis point shock to the risk-free rate curve.

  A change in interest rates of 100 basis points could impact Tikehau Capital's exposure by €14.5 million;
- Real Estate activities: stress tests are run on a quarterly basis. The stress scenario used is a price shock to unlisted Real Estate assets in each country: -19.7% in France, -12.3% in Italy, -20.6% in Germany, -31.1% in Belgium, -23.9% in the Netherlands (economic shocks based on scenarios defined by the European Central Bank and the European Systemic Risk Board and used in the 2020 EU stress tests of commercial Real Estate assets, published on 31 January 2020).

  The impact on Tikehau Capital's exposure would be €85.0 million.

(ii) Exposure of investments in shares

Investments in shares or equity investments are classified according to the different levels (see note 5.5 (Determining fair value)):

(in millions of €)	31 December 2019	31 December 2018
Level 1 [(1)]	739.9	638.3
Level 2	-	53.5
Level 3	175.6	264.0
TOTAL	**915.5**	**955.8**

(1) IREIT Global and Sélectirente are classified as Level 1 Equity for analysis purposes, although they are Real Estate Investment Funds managed by IREIT Global Group (subsidiary directly controlled by Tikehau Capital with 50.5% of the voting rights) and Sofidy (wholly owned subsidiary of Tikehau Capital).

The portfolio of listed shares of Tikehau Capital is subject to continuous monitoring and daily assessment for the management of this risk.

Tikehau Capital may be affected by adverse changes in the market price of its publicly traded securities. A decline in the share price over a given period, especially at the end of the financial year, would be reflected in the financial statements as a fall in the net value of the portfolio and its shareholders' equity and could in particular affect the ability of the Group to pay dividends. Thus, a 10% decline in the fair value of listed shares as at 31 December 2019 would have resulted in an additional charge of €74.3 million in the consolidated result before tax for 2019. A fall in the share price is also likely to impact the capital gain or loss on disposal realised at the time of any sales into the market by Tikehau Capital.

Furthermore, fluctuations in the equity markets may have an impact on the stock market comparable used as part of the multi-criteria valuation approach for non-listed equity securities. These fluctuations are likely to have a negative effect on the consolidated shareholders' equity and on the Group's result, without being able to establish an accurate correlation between the occurrence of these fluctuations and the valuation of said securities. As a result, sensitivity to this risk cannot be quantified. Depending on the extent of its funding and the magnitude of any price declines, Tikehau Capital could be required to make temporary payments to support its funding.

The Company performed a sensitivity test on the non-listed assets of its investment portfolio as at 31 December 2019 (fair value net of the related debt where applicable and excluding (i) non-listed bonds which are subjected to a sensitivity test on interest rates and (ii) assets whose value is frozen because they are subject to a sale contract). The sensitivity test on non-listed shares was performed on the basis of the income or EBITDA multiples used to value the corresponding assets as at 31 December 2019 or, when a method other than valuation by multiples was used, by retaining an implicit multiple. Investment holdings or Real Estate assets are excluded from the analysis.

The sensitivity test thus covers 52.5% in value of investments in non-listed shares of its portfolio as at 31 December 2019. The sensitivity to a change of +/-10% in the multiples of revenues or EBITDA of non-listed companies amounts to €15.9 million.

(iii) Exposure of investments in bonds

Investments in bonds are classified according to the different levels (see note 5.5 (Determining fair value)):

(in millions of €)	31 December 2019	31 December 2018
Level 1	1.1	10.4
Level 2	-	-
Level 3	52.7	93.5
TOTAL	**53.8**	**103.9**

The bonds in which Tikehau Capital has invested are issued at a fixed rate. The instantaneous variation of plus (or minus) 100 bp in rates would have resulted in a change in the value of the portfolio of minus (or plus) €1.3 million, given the average duration recorded on this portfolio (2.6 years).

To date, no default has occurred in the Group's bond investments.

(iv) Exposure of investments in external funds and co-investments

Most assets underlying the invested funds are in non-cyclical sectors. This reduces the likelihood of variations in returns. The risk of variations in returns is default risk and forecast-related risk.

(in millions of €)	31 December 2019	31 December 2018
Fair value	186.9	148.7
Number of funds	79	64
Average line of investment	2.4	2.3
Share of investments >€5m (in%)	59%	48%

The table below details the unobservable inputs used for the main Level 3 external investment funds:

Investment fund	Valuation method	Unobservable data	Range	Fair value *(in millions of €)*
Radiology Partners	Recent acquisition price	n.a.	n.a.	35.6
Fairstone	Comparable listed companies	P/E multiple Net book value Discount rate	7.3x 2.0x 5%	14.8
Ring Capital	Comparable unlisted companies	Revenue	[2.0x – 3.0x]	14.8
Voyage Care	Comparable listed companies (33%) Comparable transactions (67%)	Multiple EBITDA Multiple EBITDA Discount rate	10.5x 12.2x 15%	10.9
P2 Brasil – Hidrovias	Discounted cash flow	Discount rate (WACC)	[7.5% – 8.8%]	9.4
Jefferson	Comparable listed companies	Multiple EBITDA P/E multiple Discount rate	10.8x 8.4x 10%	8.9
Crescent Lily	Comparable listed companies	Multiple EBITDA Multiple EBIT P/E multiple	[17.1x – 43.5x] [18.3x – 79.6x] [23.0x – 84.8x]	5.4
JCF Flowers – CEP	Comparable listed companies	Multiple EBITDA Discount rate	10.0x 10%	5.3
Arosa	Comparable listed companies (10%) Comparable transactions (90%)	Multiple EBITDA Multiple EBITDA Discount rate	9.7x 11.3x 15%	5.1
TOTAL INVESTMENT FUNDS > €5M				**110.2**

(c) Exposure to currency risk

Tikehau Capital's exposure to currency risk relates to its investments in foreign currencies. As at 31 December 2019, Tikehau Capital had an exposure to currency risk on the pound sterling, the US dollar, the Singapore dollar and the Canadian dollar, as well as the Australian dollar, the Polish zloty, the Swiss franc, South Korean won and Japanese yen to a lesser extent.

Tikehau Capital had no currency hedging as at 31 December 2019.

Exposure to currency risk increased by €111.9 million between 31 December 2018 and 31 December 2019.

The table below shows the impact in profit and loss accounts of a +/-10% change in these currencies against the euro and on the basis of the consolidated financial statements as at 31 December 2019 and 31 December 2018:

(in millions of €)	Appreciation of 10% in the euro against the currency	Depreciation of 10% in the euro against the currency
As at 31 December 2019		
Pound sterling	-12.4	+15.2
US dollar	-15.4	+18.9
Singapore dollar	-5.4	+6.6
Canadian dollar	-1.3	+1.6
Australian dollar	-0.0	+0.1
Polish zloty	-0.1	+0.1
Swiss franc	-0.0	+0.0
South Korean won	-0.0	+0.0
Japanese yen	-0.0	+0.0

(in millions of €)	Appreciation of 10% in the euro against the currency	Depreciation of 10% in the euro against the currency
As at 31 December 2018		
Pound sterling	-10.7	+13.1
US dollar	-9.0	+11.0
Singapore dollar	-3.2	+4.0
Canadian dollar	-1.3	+1.6
Australian dollar	-0.0	+0.1
Polish zloty	-0.1	+0.1
Swiss franc	-0.2	+0.2
South Korean won	-0.0	+0.0
Japanese yen	-0.0	+0.0

(d) Exposure to counterparty risk

To manage its counterparty risk related to cash and marketable securities, Tikehau Capital only works with banks selected in view of their credit rating and has recourse to investments whose horizon is suited to its projected needs. Cash investments are reviewed on a weekly basis particularly in terms of credit risk. The selection of investment vehicles and counterparties and the volatility of the instruments are also subject to regular review. It is based on prudential rules ensuring the diversification of custodians and account keepers as well as the variety of vehicles and risk/return profiles. In 2019, Tikehau Capital was not exposed to any counterparty default.

(e) Exposure to liquidity risk

Tikehau Capital manages its liquidity risk by maintaining a store of available cash and liquid investments (the current portfolio) that is sufficient for covering its current debts.

As at 31 December 2019 the Group's cash and cash equivalents were approximately €1,175 million and its cash management financial assets were valued at around €132 million, compared to approximately €436 million and €27 million respectively as at 31 December 2018 (see note 5.12 (Cash and cash equivalents, cash management financial assets)).

5.27 Contingent liabilities and contingent assets

(in thousands of €)	Amount as at 31 December 2019	Amount as at 31 December 2018
Description	**Value of the commitment given**	**Value of the commitment given**
Commitment of payment to current account	118	121
Capital subscription commitment in companies	29,841	38,616
Uncalled commitment by external funds	104,040	104,606
Uncalled commitment by Tikehau funds	617,639	625,553
Pledge of shares as loan guarantee and authorised overdrafts	-	79,327
Pledge of bank accounts as loan guarantee and authorised overdrafts	-	673
Pledge of shares as first-demand guarantee	-	70,000
First-demand guarantee in favour of LPS 2 (Asten Protocol)	750	-
Sundry sureties and guarantees	4,304	-
TOTAL COMMITMENTS GIVEN	**756,692**	**918,896**

The total amount of uncalled commitments by the Group's funds from investment entities exempt from consolidation (IFRS 10) was €11.2 million as at 31 December 2019.

(in thousands of €)	Amount as at 31 December 2019	Amount as at 31 December 2018
Description	**Value of the commitment received**	**Value of the commitment received**
Syndicated loan not drawn at close	500,000	500,000
Lombard loan not drawn at close	-	80,000
Sundry sureties and guarantees	6,770	-
TOTAL COMMITMENT RECEIVED	**506,770**	**580,000**

The commitment received as at 31 December 2018 in respect of the Lombard loan is €80 million and is the consequence of securities pledged as collateral for the first-demand guarantee (commitments given) during the public tender offer for Sélectirente shares and convertible/exchangeable bonds (OCEANE).

As at 31 December 2019, Tikehau Capital cancelled the €150 million Lombard loan which had not been drawn down.

As at 31 December 2019, as part of the activity of the subsidiary Alma Property, a sale agreement concerning one of the asset held by the subsidiary was signed for an amount of approximately €0.9 million.

5.28 IFRS 16 "Leases"

(a) Leases where the Group is a lessee

The Group leases mainly Real Estate assets. As a lessee, the Group previously classified leases as operating or finance leases based on its assessment of whether the lease transferred substantially all of the risks and rewards of ownership. In accordance with IFRS 16, the Group records a "right-of-use" asset and a lease liability for most of its leases and these are now presented on the balance sheet.

However, the Group has elected not to recognise "right-of-use" assets and lease liabilities for some leases of low-value assets (*e.g.* IT equipment). The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. Short-term leases (<12 months) are recognised in lease expenses.

Changes in the right-of-use assets are as follows:

(in thousands of €)	Buildings and Real Estate
1 January 2019	**21,972**
New right-of-use assets	19,301
Effect of withdrawal of right-of-use assets	-5,352
Amortisation of right-of-use assets	-5,449
Foreign currency translation effect	224
31 December 2019	**30,695**

Changes in lease liabilities are as follows:

(in thousands of €)	Lease liabilities
1 January 2019	**21,971**
New lease liabilities	19,301
Effect of withdrawal of right-of-use assets	-5,162
Interest expenses on lease liabilities	724
Payments	-5,195
Foreign currency translation effect	246
31 December 2019	**31,885**
of which current lease liabilities	5,443
of which non-current lease liabilities	26,442

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The following items have been recorded on the income statement:

(in thousands of €)	2019 (12 months)
Amortisation of right-of-use assets	-5,449
Interest expenses on lease liabilities	-724
Lease expenses related to low-value assets	-513
Impact of terminations of leases recognised on the balance sheet	-189
TOTAL	**-6,875**

(b) Leases where the Group is a lessor

The Group operates as a lessor with regard to its subsidiaries. The application of IFRS 16 concerning these leases has no impact on the consolidated financial statements.

5.29 Subsequent events after closing

Free shares granted at start of 2020

Six new free share plans were granted at the beginning of 2020.

Characteristics of the 2020 free share plan ("2020 FSA Plan") set up at Tikehau Capital SCA

Maximum number of shares to grant: 223,774 shares

Grant date: 10 March 2020.

Unit value of the share on the grant date: €18.81 corresponding to the share price on 10 March 2020 (€20.90) to which an 10% discount was applied to take into account the absence of dividend rights over the vesting period.

Definitive vesting date:

- for 50% of the granted shares, after a period of 2 years, *i.e.* on 10 March 2022;
- for 50% of the granted shares, after a period of 3 years, *i.e.* on 10 March 2023.

The vesting of the shares granted under the 2020 FSA Plan is subject to the beneficiary retaining the status of employee within the Company or its related companies or groupings ("presence condition"), and is not subject to the fulfilment of any performance condition.

The shares granted under the 2020 FSA Plan are not subject to any retention period.

Characteristics of the "2020 Performance Share Plan" implemented at Tikehau Capital SCA

Maximum number of shares to grant: 78,603 shares

Grant date: 10 March 2020.

Unit value of the share on the grant date: €18.81 corresponding to the share price on 10 March 2020 (€20.90) to which an 10% discount was applied to take into account the absence of dividend rights over the vesting period.

Definitive vesting date:

The vesting of shares granted under the 2020 Performance Share Plan will take place as follows:

- for 50% of the granted shares, after a period of 2 years, *i.e.* 10 March 2022, and subject to:
  - for 25% of the granted shares, the sole condition of presence within the Group,
  - for 12.5% of the granted shares, a performance condition relating to the Group's cumulated net new money in 2020 and 2021,
  - for 12.5% of the granted shares, a performance condition relating to the arithmetic average of the operating margins achieved on the Group's Asset Management activity as set out in the consolidated financial statements as at 31 December 2020 and 31 December 2021;
- for 50% of the granted shares, after a period of 3 years, *i.e.* 10 March 2023, and subject to:
  - for 25% of the granted shares, the sole condition of presence within the Group,
  - for 12.5% of the granted shares, a performance condition relating to the Group's cumulated net new money in 2022,
  - for 12.5% of the granted shares, a performance condition relating to the operating margin on the Group's Asset Management activity as set out in the consolidated financial statements as at 31 December 2022.

The shares awarded under the 2020 Performance Share Plan are not subject to any retention period.

Characteristics of the free share plan for certain Sofidy employees covered by the employee remuneration requirements of the AIFM/UCITS Directive 2020 ("Sofidy 2020 AIFM/UCITS Plan") implemented by Tikehau Capital SCA

Maximum number of shares to grant: 9,956 shares

Grant date: 10 March 2020.

Unit value of the share on the grant date: €18.81 corresponding to the share price on 10 March 2020 (€20.90) to which an 10% discount was applied to take into account the absence of dividend rights over the vesting period.

Definitive vesting date:

The vesting of shares granted under the 2020 Sofidy AIFM/UCITS Plan will take place as follows:

- for 2/3 of the granted shares, after a period of 2 years, *i.e.* on 10 March 2022;
- for 1/3 of the granted shares, after a period of 3 years, *i.e.* on 10 March 2023.

The vesting of the shares granted under the Sofidy 2020 AIFM/UCITS Plan, as well as the number of vested shares granted definitively to each beneficiary at the end of the vesting period, will be subject to a performance condition determined on the basis of an index representing the performance of strategies of the asset management company Sofidy.

The vesting of the shares under these tranches will be conditional upon the beneficiary's presence within the Group and the absence of any serious breach of applicable regulations or Internal Rules and procedures concerning compliance and the appropriate management of risks during the vesting period.

The shares awarded under the Sofidy 2020 AIFM/UCITS Plan are not subject to any retention period.

Characteristics of the free share plan granted over 7 years to certain corporate officers and employees of Tikehau Investment Management and to certain employees of Tikehau Capital Advisors ("TIM 2020 7-years plan") implemented by Tikehau Capital SCA

Maximum number of shares to grant: 383,629 shares

Grant date: 10 March 2020.

Unit value of the share on the grant date: €18.81 corresponding to the share price on 10 March 2020 (€20.90) to which an 10% discount was applied to take into account the absence of dividend rights over the vesting period.

Definitive vesting date:

The vesting of shares granted under the TIM 2020 7-years plan will occur at the expiration of the following vesting periods:

- for 2/7 of the granted shares, after a period of 2 years, *i.e.* on 10 March 2022;
- for 1/7 of the granted shares, after a period of 3 years, *i.e.* on 10 March 2023;
- for 1/7 of the granted shares, after a period of 4 years, *i.e.* on 10 March 2024;
- for 1/7 of the granted shares, after a period of 5 years, *i.e.* on 10 March 2025;
- for 1/7 of the granted shares, after a period of 6 years, *i.e.* on 10 March 2026;
- for the remaining granted shares, after a period of 7 years, *i.e.* on 10 March 2027.

The vesting of the shares granted under the TIM 2020 7-years Plan, as well as the number of vested shares granted definitively to each beneficiary at the end of the vesting period, will be subject to a performance condition determined using an index representing the performance of the various business lines of the asset management company Tikehau Investment Management.

The vesting of the shares under these tranches will be conditional upon the beneficiary's presence within the Group and the absence of any serious breach of applicable regulations or Internal Rules and procedures concerning compliance and the appropriate management of risks during the vesting period.

The shares awarded under the TIM 2020 7-years Plan are not subject to any retention period.

Characteristics of the free share plan granted over 7 years to certain corporate officers and employees of Sofidy ("Sofidy 2020 7-years plan") implemented by Tikehau Capital SCA

Number of shares being vested: 54,805 shares

Grant date: 10 March 2020.

Unit value of the share on the grant date: €18.81 corresponding to the share price on 10 March 2020 (€20.90) to which an 10% discount was applied to take into account the absence of dividend rights over the vesting period.

Definitive vesting date:

The vesting of shares granted under the SOFIDY 2020 7-years plan will occur at the expiration of the following vesting periods:

- for 2/7 of the granted shares, after a period of 2 years, *i.e.* on 10 March 2022;
- for 1/7 of the granted shares, after a period of 3 years, *i.e.* on 10 March 2023;
- for 1/7 of the granted shares, after a period of 4 years, *i.e.* on 10 March 2024;
- for 1/7 of the granted shares, after a period of 5 years, *i.e.* on 10 March 2025;
- for 1/7 of the granted shares, after a period of 6 years, *i.e.* on 10 March 2026;
- for the remaining granted shares, after a period of 7 years, *i.e.* on 10 March 2027.

The vesting of the shares granted under the Sofidy 2020 7-years Plan, as well as the number of vested shares granted definitively to each beneficiary at the end of the vesting period, will be subject to a performance condition determined using an index representing the performance of strategies of the asset management company Sofidy.

The vesting of the shares under these tranches will be conditional upon the beneficiary's presence within the Group and the absence of any serious breach of applicable regulations or Internal Rules and procedures concerning compliance and the appropriate management of risks during the vesting period.

The shares awarded under the Sofidy 2020 7-years Plan are not subject to any retention period.

Characteristics of the free share plan granted over 7 years to certain corporate officers and employees of ACE Management ("ACE 2020 7-years plan") implemented by Tikehau Capital SCA

Number of shares being vested: 22,835 shares

Grant date: 10 March 2020.

Unit value of the share on the grant date: €18.81 corresponding to the share price on 10 March 2020 (€20.90) to which an 10% discount was applied to take into account the absence of dividend rights over the vesting period.

Definitive vesting date:

The vesting of shares granted under the ACE 2020 7-years plan will occur at the expiration of the following vesting periods:

- for 2/7 of the granted shares, after a period of 2 years, *i.e.* on 10 March 2022;
- for 1/7 of the granted shares, after a period of 3 years, *i.e.* on 10 March 2023;
- for 1/7 of the granted shares, after a period of 4 years, *i.e.* on 10 March 2024;
- for 1/7 of the granted shares, after a period of 5 years, *i.e.* on 10 March 2025;
- for 1/7 of the granted shares, after a period of 6 years, *i.e.* on 10 March 2026;
- for the remaining granted shares, after a period of 7 years, *i.e.* on 10 March 2027.

The vesting of the shares granted under the ACE 2020 7-years Plan, as well as the number of vested shares granted definitively to each beneficiary at the end of the vesting period, will be subject to a performance condition based on an index representative of the performance of the ACE Management fund families.

The vesting of the shares under these tranches will be conditional upon the beneficiary's presence within the Group and the absence of any serious breach of applicable regulations or Internal Rules and procedures concerning compliance and the appropriate management of risks during the vesting period.

The shares awarded under the ACE 2020 7-years Plan are not subject to any retention period.

Capital increase of 31 March 2020

On 31 March 2020, Tikehau Capital carried out a capital increase for an amount of around €1.4 million by capitalisation of the issue premium and by the issuance of 120,722 shares. The aim of this capital increase was to deliver free shares granted under the 2018 FSA Plan and the 2018 Performance Share Plan.

As at 31 March 2020, the share capital of the Company amounts to €1,641,529,560 and is divided into 136,794,130 shares.

Investment Grade (BBB-, stable outlook) rating confirmed by the Fitch Ratings financial rating agency

On 27 January 2020, Tikehau Capital had its financial rating confirmed by the financial rating agency Fitch Ratings. Supported by a stable outlook, this *investment grade* rating (BBB-) confirms the strength of Tikehau Capital's financial profile. In its statement, Fitch Ratings highlighted the strength of Tikehau Capital's balance sheet and expressed its confidence in the Group's ability to keep financial ratios at levels consistent with an *investment grade* profile as Tikehau Capital pursues its strategy.

Covid-19 global pandemic

The Group began 2020 in a robust financial position based on shareholders' equity of €3.1 billion and cash and cash equivalents (including cash management financial assets) of €1.3 billion and €500 million of undrawn credit lines as at 31 December 2019. The Group is therefore well positioned to confront economic shocks and particularly the current uncertainties about the Covid-19 pandemic, which are difficult to quantify with any precision as of yet.

The Group took the necessary measures to continually monitor and support the companies in which it is invested directly or *via* its funds. It is however premature to determine what impact the current situation could have on their business and results and hence on the performance of the funds which hold these investments.

6.2 REPORT OF THE STATUTORY AUDITORS ON THE CONSOLIDATED FINANCIAL STATEMENTS

This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users.

This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the information concerning the Group presented in the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

For the year ended December 31, 2019

To the Annual General Meeting of Tikehau Capital

Opinion

In compliance with the engagement entrusted to us by your Annual General Meetings, we have audited the accompanying consolidated financial statements of Tikehau Capital for the year ended December 31, 2019.

These financial statements were approved by the Management on March 18, 2020 on the basis of the information available at that date in the evolving context of the health crisis related to the Covid-19.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2019 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from January 1st, 2019 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 or in the French Code of Ethics (*code de déontologie*) for statutory auditors.

Emphasis of Matter

We draw attention to the following matter described in Note 5.2 b) "Significant accounting policy changes" to the consolidated financial statements relating to the entry into force of IFRS 16. Our opinion is not modified in respect of this matter.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, as approved in the context mentioned above, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Valuation of Goodwill

Risque identified	Our response
The goodwill recorded on balance sheet as at December 31, 2019 amounted to M€ 371,1. As stated in Notes 5.4 “Main accounting methods” and 5.7 “Intangible and tangible fixed assets” of the consolidated financial statements, the goodwill is subject to impairment tests whenever there is an objective indication of a loss in value, and at least once a year. These tests are based on a comparison between the book value of each cash generating unit (CGU) and the general value-in-use (*i.e.* the higher value between the value less costs to sell and the value-in-use). The two CGUs identified by Tikehau Capital group correspond to the Asset Management business, on the one hand, and to the investment business, on the other. As at December 31, 2019, goodwill was fully allocated to the CGU “Asset management business”. The calculation of the value-in-use is based on discounting the future cash flows generated by the CGU, resulting from the medium-term plans prepared for the purpose of managing the Group. When the recoverable amount is lower than the carrying amount, the goodwill associated with the CGU or group of CGUs is written down accordingly. This impairment is irreversible. In view of the significant amount of the goodwill, and of the level of judgement applied by management in order to determine the various assumptions used in the impairment tests, we considered this issue to be a key audit matter.	We analyzed the methodology used by Tikehau Capital group to identify any indication of impairment. We controlled the calculations performed, and assessed the assumptions used by management to determine the cost of equity and the terminal growth rates included in the discounted cash flow calculation models, comparing them with external sources where applicable. We analyzed the financial forecasts prepared by Tikehau Capital group’s management, and used in the impairment tests, in order to: • compare them with the medium-term business plans prepared by management and presented at the Supervisory Board’s meeting in December 2019; • assess the main underlying assumptions, in terms of a comparison between the financial forecasts prepared and the actual achievements. We also carried out assessments on the sensitivity to certain assumptions (growth rate and discount rate) and analyzed the disclosures in the notes to the consolidated financial statements regarding the results of these impairment tests and the level of sensitivity to the various assumptions.

Recognition and recoverable nature of the deferred tax assets relating to tax-loss carry forwards

6.

Risk identified	Our response
The deferred taxes recognized as tax-loss carry-forwards on the balance sheet amounted to M€ 22,3 as at December 31, 2019. As stated in Notes 5.4 “Main accounting methods” and 5.15 “Tax” of the consolidated financial statements, a tax asset is recorded in the event of tax-loss carry-forwards in the likely event that the concerned entity will generate future taxable profits from which these tax losses can be deducted. The recoverable nature of the activated tax losses specifically depends on Tikehau Capital group’s ability to achieve the targets defined in the medium-term tax plan prepared by management. We considered that the recognition and the recoverable nature of the deferred tax assets was a key audit matter in view of the uncertainty inherent to the recognition and the recoverable nature of deferred tax assets, and the judgment exercised by management in that regard.	Our audit approach consisted in analyzing the methodology used by management to assess the future taxable profits against which existing tax loss carry-forwards will be set off. We also assessed the likelihood that Tikehau Capital will be able to use the tax loss carry-forwards generated to date in the future, in particular with regard to the ability of the Tikehau Capital group to generate future taxable profits to absorb past losses. In order to do so, we examined the financial trajectories prepared by the Management by: • comparing them to the business plan for the period 2020 - 2024 determined by Management; • assessing the main underlying assumptions; • conducting sensitivity analyses.

Valuation of the non-current investment portfolio classified as level 3

Risk identified	Our response
Tikehau Capital holds non-current equity investments on its balance sheet valued at fair value. The Group's non-current investment portfolio amounted to M€ 2,211 as at December 31, 2019. For the purposes of this valuation, and in accordance with IFRS 13, the investment portfolio has been broken down in accordance with the method for determining fair value based on three different levels. Level 3 includes non-listed securities on an active market, where a significant portion of the valuation refers to non-observable data. As at December 31, 2019, level 3 non-current investment portfolio amounted to €M 1,717. The accounting rules and policies applicable to the investment portfolio, and the methods for determining the fair value of the securities, are set out in Notes 5.4 "Main accounting methods", 5.5 "Determination of fair value", and 5.8 "Non-current investment portfolio" to the consolidated financial statements. We considered that the valuation of the non-current investment portfolio classified as Level 3 to be a key audit matter, as it requires management to exercise its judgement in terms of the choice of methodologies and data used.	We familiarized ourselves with the process implemented by Tikehau Capital, in order to value the investments in the non-current portfolio classified as Level 3. With the assistance of the valuation specialists included in our audit team, and for a sample of investments, we: • analyzed the assumptions, methodologies, and models used by management to estimate the main valuations; • examined the valuations performed by the Group and tested the assumptions and the main parameters used. We specifically assessed whether there were any external benchmarks that supported the multiple levels used as part of the valuation of the investments, or compared the value used with transactions performed over the past 12 months.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the Group's information given in the management report of the Management approved on March 18, 2020. With regard to the events that occurred and the elements known after the date of approval of the financial statements relating to the effects of Covid-19 crisis, the management informed us that such events and elements will be be communicated to the General Assembly called to approve the financial statements.

We have no matters to report as to their fair presentation and their consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement required by Article L. 225-102-1 of the French Commercial Code (Code de commerce) is included in the Group's management report, it being specified that, in accordance with article L. 823-10 of this Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein. This information should be reported on by an independent third party.

Report on Other Legal and Regulatory Requirements

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Tikehau Capital by your Annual General Meeting held on June 1, 2017 for MAZARS and on November 7, 2016 for ERNST & YOUNG et Autres.

As at December 31, 2019, MAZARS was in its third year and ERNST & YOUNG et Autres in its fourth year of total uninterrupted engagement (including three years since the Company's securities were admitted to trading on a regulated market).

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Management.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code (*Code de commerce*) and in the French Code of Ethics *(code de déontologie)* for statutory auditors*.* Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris-La Défense and Courbevoie, March 25, 2020

The Statutory Auditors

French original signed by

ERNST & YOUNG et Autres	MAZARS
Hassan Baaj	Simon Beillevaire
Associé	*Associé*

7.

ANNUAL FINANCIAL STATEMENTS AS AT 31 DECEMBER 2019

7.1 ANNUAL FINANCIAL STATEMENTS AS AT 31 DECEMBER 2019

Compared balance sheets

		31 December 2019			31 December 2018
ASSETS *(in thousands of €)*	***Notes***	**Gross**	**Amortisation and Depreciation**	**Net**	**Net**
Intangible assets					
Other intangible fixed assets	1	15,166	1,853	13,314	13,171
Tangible assets					
Other tangible assets		98	17	80	17
Financial assets					
Investments	2	1,339,399	24,908	1,314,491	1,477,647
Receivables relating to investments	2	484,267	1,111	483,156	293,122
Other investments	2	1,176,564	29,421	1,147,143	1,072,921
Loans	2				
Other financial assets	2	20,353	3,015	17,338	32,832
Sub-total assets		**3,035,847**	**60,325**	**2,975,522**	**2,889,710**
Receivables					
Trade receivables and related accounts	3	8,948		8,948	4,005
Other receivables	3	64,343		64,343	13,871
Marketable securities (“VMP”)	4	**111,232**	**10,501**	**100,731**	**146,599**
Term deposits	4	**619,804**		**619,804**	**28,852**
Cash and cash equivalents		**554,836**		**554,836**	**255,288**
Prepaid expenses		**130**		**130**	**145**
Currency translation differences – Assets		**998**		**998**	**2,947**
Deferred expenses	5	**7,992**		**7,992**	**5,726**
Sub-total current assets		**1,368,283**	**10,501**	**1,357,783**	**457,434**
TOTAL ASSETS		**4,404,130**	**70,825**	**4,333,305**	**3,347,143**

LIABILITIES *(in thousands of €)*	***Notes***	**31 December 2019**		**31 December 2018**
			after allocation*	**after allocation**
Shareholders' equity	6			
Share capital		1,640,081	1,640,081	1,241,731
Issuance, merger and in-kind premiums		1,158,664	1,158,664	849,338
Reserves	6			
Legal reserve		16,805	23,146	16,805
Regulated reserves				
Others reserves				
Retained earnings	6	**11,832**	**48,129**	**11,821**
Net result for the year	6	**126,828**	**0**	**0**
Special depreciation allowances	6	**1,345**	**1,345**	**551**
Subtotal shareholders' equity		**2,955,555**	**2,871,365**	**2,120,245**
Provisions for risks and liabilities				
Provisions for risks	7	6,329	6,329	2,947
Liabilities				
Debts on fixed assets and related accounts		351,429	351,429	384,218
Sundry borrowings and financial debts	8	1,003,817	1,003,817	801,384
Overdrafts Bank loans				
Trade payables and related accounts	9	9,598	9,598	7,827
Tax and social security payables	9	1,077	1,077	721
Other current liabilities	9	2,654	2,654	2,670
Dividends payable*			84,190	25,869
Sub-total liabilities		**1,368,575**	**1,452,765**	**1,222,689**
Regularisation accounts				
Currency translation differences – Liabilities		2,845	2,845	1,261
TOTAL LIABILITIES		**4,333,305**	**4,333,305**	**3,347,143**

**On the basis of the grant that will be proposed to the General Meeting of 19 May 2020, the payment of a dividend of €0.50 per share and the number of shares as at 31 December 2019.*

Compared income statements

INCOME STATEMENT *(in thousands of €)*	Notes	31 December 2019 France	Exports	Total	31 December 2018 Total	Change
Sold production – Goods						
Sold production – Services	12	10,482	616	11,098	4,144	6,953
Net revenues				11,098	4,144	6,953
Reversal of depreciation, amortisation and provisions and transfers	12			4,259		4,259
Other incomes	12			1,757	1,214	542
Total operating revenues (I)				**17,114**	**5,359**	**11,755**
Other purchases and external expenses				76,859	70,885	5,974
Taxes, duties and similar payments				1,308	74	1,235
Depreciation, amortisation and impairment				2,974	2,452	521
Other expenses				1,012	793	219
Total operating expenses (II)				**82,153**	**74,205**	**7,948**
OPERATING RESULT (I-II)				**-65,039**	**-68,846**	**3,806**
Income from investments				96,354	29,974	66,381
Income from other marketable securities and receivables				38,107	32,199	5,908
Other interest receivable and similar income				1,272	3,630	-2,358
Provision reversals and expense transfers				59,906	16,399	43,508
Positive currency translation differences				233	487	-254
Net gain/(loss) on disposals of marketable securities				0	14	-14
Total financial income (III)				**195,873**	**82,703**	**113,171**
Impairment of financial assets				33,190	84,814	-51,624
Interest payable and similar expenses				23,690	18,715	4,975
Negative currency differences				384	152	232
Net expenses on disposals of marketable securities				1,540	118	1,421
Total financial expenses (IV)				**58,804**	**103,800**	**-44,996**
FINANCIAL RESULT (III-IV)				**137,070**	**-21,097**	**158,167**
RECURRING PROFIT (LOSS) BEFORE TAX (I-II+III-IV)				**72,030**	**-89,943**	**161,973**

INCOME STATEMENT *(in thousands of €)*	*Notes*	31 December 2019			31 December 2018	
		France	Exports	Total	Total	Change
Non-recurring income on revenue transactions				1,812	263	1,549
Non-recurring income on capital transactions				767,795	180,200	587,595
Provision reversals and expense transfers				35,751	12,450	23,300
Total non-recurring income (V)				**805,357**	**192,914**	**612,444**
Non-recurring expenses on revenue transactions				11,161	164	10,997
Non-recurring expenses on capital transactions				752,979	170,607	582,372
Depreciation, amortisation and impairment				932	297	635
Total non-recurring expenses (VI)				**765,072**	**171,068**	**594,004**
NET NON-RECURRING INCOME (V-VI)	13			**40,286**	**21,846**	**18,440**
Employee profit-sharing (VII)				0	0	0
Corporate income tax (VIII)				-14,512	-3,642	-10,870
Total Income (I+III+V)				**1,018,344**	**280,975**	**737,369**
Total Expenses (II+IV+VI+VII+VIII)				**891,516**	**345,430**	**546,086**
NET RESULT				**126,828**	**-64,455**	**191,283**

Cash flow statement

CASH FLOW STATEMENT *(in thousands of €)*	**31 December 2019**	**31 December 2018**
Non-current investment portfolio	**57,535**	**-777,780**
Acquisition of items of the non-current portfolio	-627,275	-1,048,275
Disposal of items of the no-current portfolio	564,618	215,904
Cashed in revenues	120,192	54,590
Dividends received	113,751	20,299
Interest and other revenues	6,441	34,291
Current investment portfolio	**-2,912**	**-800**
Acquisition of items of the current portfolio	-5,202	-1,106
Disposal of items of the current portfolio	2,275	0
Cashed in revenues short term	15	306
Interests	15	306
Operating payables and receivables relating to the investment portfolio	**-9,852**	**159,503**
Income received from Asset managers	**2,472**	**900**
Net income on cash equivalents	**708**	**814**
Operating expenses	**-78,385**	**-73,982**
Tax paid	**6,827**	**1,919**
NET CASH FLOWS FROM OPERATING ACTIVITIES	**-23,607**	**-689,427**
Capital increase	**707,676**	**0**
Dividends paid to shareholders	**-25,858**	**-137,106**
Borrowings	**178,818**	**230,869**
Cash management and financial assets	**-85,950**	**0**
Other financial flows	**3,941**	**0**
NET CASH FLOWS FROM FINANCING ACTIVITIES	**778,627**	**93,763**
Effect of reclassifications on cash-flow	23,257	38,000
Theoretical change in cash-flow	**778,277**	**-557,663**
Cash-flow at the beginning of the year (including term deposits)	284,140	841,803
Cash-flow at the end of the year (including term deposits)	1,062,417	284,140
Change in cash-flow	**778,277**	**-557,663**

In the cash flow statement, buy/sell transactions on assets are treated as net.

7.2 GENERAL CONTEXT AND PROCEDURES FOR PREPARING THE FINANCIAL STATEMENTS

7.2.1. General context

Tikehau Capital is a French *société en commandite par actions* (partnership limited by shares), with a share capital of €1,640,080,896 at year end.

Its corporate purpose includes all forms of investment, with no specific restrictions or constraints in terms of the target asset classes, or their sector or geographic allocation. Accordingly, under the terms of its Articles of Association, Tikehau Capital's corporate purpose, in France and abroad is:

- the direct or indirect acquisition of stakes, the arrangement and structuring of investment transactions in all sectors and involving all asset classes, the Real Estate sector, and small and mid-cap companies;
- the management, administration and disposal or liquidation of these stakes, under the best possible conditions;
- all of the above, directly or indirectly, for its own account or on behalf of a third party, alone or with a third party, through the creation of new companies, contribution, partnership, subscription, purchase of securities or rights, merger, alliance, special partnership (*société en participation*), leasing or leasing out or the management of assets or other rights in France and abroad;
- and, generally, any financial, commercial, industrial, security or property transactions that may relate directly or indirectly to the above corporate purpose, or to any similar or related purposes, so as to promote its expansion and development.

7.2.2. Procedures for preparing the financial statements

The annual financial statements as at 31 December 2019 relate to the period from 1 January to 31 December 2019, a 12-month period identical to that used in the previous year.

The financial statements are expressed in thousands of euros, unless otherwise specified. Some totals may include differences due to rounding off.

They include:

- the balance sheet;
- the income statement;
- the cash flow statement; and
- the accompanying notes.

The financial statements for financial year 2019 have been drawn up in application of Articles L.123-12 to L.123-28 and R.123-172 to R.123-208 of the French Commercial Code and in accordance with the provisions of the accounting regulations revising the General Accounting Charter (*plan comptable général* – PCG) drawn up by the *Autorité des normes comptables* (ANC 2014-03), as amended by the ANC Regulation No. 2017-03 of 3 November 2017.

General accounting conventions were applied in conformity with the principles of prudence in accordance with the following basic assumptions:

- going concern;
- consistency of accounting methods between financial years;
- accruals basis of accounting;

and in accordance with general guidelines for the preparation and presentation of annual financial statements.

The annual financial statements as at 31 December 2019 were drawn up by the Managers and submitted to the Supervisory Board on 18 March 2020.

7.2.3. Significant events in 2019

The main investments made by the Company during the 2019 financial year consisted of the following:

- **Tikehau Growth Equity Secondary** – Continuing its policy of expanding into Private Equity, in September 2019, Tikehau Capital created a new fund from the contribution of six French financial assets that had reached maturity (DRT, Mériguet, Groupe Verona (Néoness), Nextream, Oodrive and Total Eren), with a combined value of €178 million. The transfer of these investments boosted portfolio revenues by €16.8 million. Allowing for a number of disposals on the secondary market in the fourth quarter of the year, the cost price booked by Tikehau Capital was €33.5 million.
- **Fifth CLO** – In Private Debt, on 19 July 2019, the Company invested €13.4 million in the Group's fifth CLO (Collateralised Loan Obligation).
- **Sélectirente** – During the public offering for Sélectirente's equities and convertible bonds (OCEANEs), settled on 12 April 2019, Tikehau Capital acquired 801,864 Sélectirente shares at a price of €86.80 each (representing 51.77% of the share capital) and 55,515 OCEANEs at €87.25 each (representing 92.08% of the OCEANEs outstanding). The Company subsequently sold 313,052 shares in a series of transactions at their acquisition price, for €27.2 million. All the OCEANEs held by Tikehau Capital were converted in November 2019 adding 120,942 new shares to the portfolio. Finally, during Sélectirente's capital increase in December 2019 the Company subscribed for 953,183 new shares at €86.80 each, an additional investment of €82.7 million.

  As at 31 December 2019, Tikehau Capital held 37.47% of the share capital and 52.07% held jointly.
- **IREIT Global Holding 5** - In December 2019, Tikehau Capital invested €46 million in the acquisition of four office buildings in Barcelona and Madrid.

The main disposals made by the Company during the 2019 financial year consisted of the following:

- **Eurazeo** – Tikehau Capital took advantage of a market opportunity to sell nearly 47% of its stake in Eurazeo in October 2019. As at 31 December 2019, the Company retained a 5.1% stake in Eurazeo.
- **Latécoère** – Tikehau Capital subscribed the whole of its Latécoère position to Searchlight's takeover bid in autumn 2019, priced at €3.85 per share, booking a profit of €3.5 million net of provision reversals.

- **Just Office** – As of the end of December 2019, Tikehau Capital sold its position in JustCO, Asia's leading provider of upmarket flexible workspaces, to a group of investors, realising a gain of €18.5 million.
- **HDL Développement** – In summer 2019, Capital received an approach from the management of Assystem to buy out its stake in HDL Développement, Assystem group's controlling holding company. The deal was signed in November for €70 million, part of which was in Assystem shares valued at €21.9 million, generating a €15.8 million gain.
- **Spie Batignolles** – On 24 January 2019, Tikehau Capital sold its holding in Spie Batignolles, a major player in the construction, infrastructure and services sectors, for 2.3 times the amount of the amount initially invested. The sale coincided with Asset Management subsidiary Tikehau Investment Management's ("Tikehau IM") arrangement of financing for 200 of the Company's managers to buy shares alongside the management team.

The highlights of the period are as follows:

Tikehau Capital's capital increases

In June 2019, Tikehau Capital's cash capital increase without shareholders' preferential subscription rights by way of a tender offer raised a gross €715 million (including issue premium) and created 32,500,000 new shares. Costs related to the capital increase were deducted from the premium for €7.4 million. This recapitalisation was done at a price of €22 per new share, and was fully subscribed in nominal capital.

On 1 July 2019, as part of the definitive grant of free shares for the "TIM 2016 Replacement Plans", the Company carried out a new capital increase for an amount of €3,954,072 by capitalisation of the issue premium, which resulted in the creation of 329,506 new shares.

On 1 December 2019, as part of the definitive grant of free shares under the "All Plan" and first tranche of the "One Off Plan", the Company carried out a third capital increase by capitalisation of the issue premium for a total amount of €4,395,636 creating 366,303 new shares.

Following this capital increase, and as at 31 December 2019, the Company's share ownership was as follows:

	Number of shares	% of capital and voting rights
Tikehau Capital Advisors	50,427,094	36.9%
MACSF Épargne Retraite	12,246,257	9.0%
Fakarava Capital	9,256,605	6.8%
Crédit Mutuel Arkéa	5,176,988	3.8%
Neuflize Vie	2,274,836	1.7%
Majority shareholders acting in concert (A)	**79,381,780**	**58.1%**
Fonds Stratégique de Participations	12,113,782	8.9%
Esta Investments (Temasek group)	5,551,949	4.1%
MACIF	3,348,280	2.4%
FFP Invest (FFP group)	3,107,147	2.3%
CARAC	4,418,477	3.2%
Suravenir	2,769,589	2.0%
Others	25,982,404	19.0%
Other shareholders (B)	**57,291,628**	**41.9%**
TOTAL SHARE OWNERSHIP (A + B)	**136,673,408**	**100.0%**

Investment Grade (BBB-, stable outlook) rating given by the Fitch Ratings financial rating agency

On 30 January 2019, Tikehau Capital was assigned its inaugural rating by financial rating agency Fitch Ratings. Supported by a stable outlook, this investment grade rating (BBB-) confirms the strength of Tikehau Capital's financial profile.

In its statement, Fitch Ratings highlighted the strength of Tikehau Capital's balance sheet and expressed its confidence in the Group's ability to keep financial ratios at levels consistent with an investment grade profile as Tikehau Capital pursues its strategy.

Bond issue

On 9 October 2019, Tikehau Capital successfully placed a bond issue of €500 million, with maturity in October 2026. Settlement took place on 14 October 2019. This issue of senior unsecured bonds is associated with a fixed annual coupon of 2.2%. The issue was placed with a diversified base of around one hundred institutional investors, and has been subscribed at 70% by international investors. The bonds are rated BBB- by Fitch Ratings and listed on the Euronext Paris market.

Universal Transfer of Assets

Three of Tikehau Capital's 100% subsidiaries were transferred through a universal transfer of assets, *i.e.* ACE Partners, Cimes & Cie, and Tikehau Green Properties Fund.

These transactions were done at book value.

The details of the gains and losses are set out in the table below:

(in thousands of €)	Date of transfer	Merger gains	Merger loss
ACE Partners	27/06/2019		20
Cimes & Cie	07/12/2019	512	
Tikehau Green Properties Fund	08/12/2019	106	

7.2.4. Subsequent events as at 31 December 2019

The Company began 2020 in a robust financial position based on shareholders' equity of €2.6 billion and cash and cash equivalences (including cash management and financial assets) of €1.3 billion and €500 million of undrawn credit lines as at 31 December 2019. The Group is therefore well positioned to confront economic shocks and particularly the current uncertainties about the Covid-19 pandemic, which are difficult to quantify with any precision as yet.

The Group took necessary measures to continually monitor and support the companies in which it is invested directly or *via* its funds. It is however premature to determine what impact the current situation could have on their business and results and hence on the performance of the funds which hold these investments.

Investment Grade (BBB-, stable outlook) rating confirmed by the Fitch Ratings financial rating agency

On 27 January 2020, Tikehau Capital had its financial rating confirmed by the financial rating agency Fitch Ratings. Supported by a stable outlook, this *investment grade* rating (BBB-) confirms the strength of Tikehau Capital's financial profile. In its statement, Fitch Ratings highlighted the strength of Tikehau Capital's balance sheet and expressed its confidence in the Group's ability to keep financial ratios at levels consistent with an investment grade profile as Tikehau Capital pursues its strategy.

Free shares granted at start of 2020

Six new free share plans were granted at the beginning of 2020.

Characteristics of the 2020 free share plan ("2020 FSA Plan") set up at Tikehau Capital SCA

Maximum number of shares to grant: 223,774 shares

Grant date: 10 March 2020

Unit value of the share on the grant date: €18.81 corresponding to the share price on 10 March 2020 (€20.90) to which a 10% discount was applied to take into account the absence of dividend rights over the vesting period.

Definitive Vesting date:

- for 50% of the granted shares, after a period of 2 years, *i.e.* on 10 March 2022;
- for 50% of the granted shares, after a period of 3 years, *i.e.* on 10 March 2023.

The vesting of the shares granted under the 2020 FSA Plan is subject to the beneficiary retaining the status of employee within the Company or its related companies or groupings ("presence condition"), and is not subject to the fulfilment of any performance condition.

The shares granted under the 2020 FSA Plan are not subject to any retention period.

Characteristics of the "2020 Performance Share Plan" implemented at Tikehau Capital SCA

Maximm number of shares to grant: 78,603 shares

Grant date: 10 March 2020

Unit value of the share on the grant date: €18.81 corresponding to the share price on 10 March 2020 (€20.90) to which a 10% discount was applied to take into account the absence of dividend rights over the vesting period.

Definitive vesting date:

The vesting of shares granted under the 2020 Performance Share Plan will take place as follows:

- for 50% of the granted shares, after a period of 2 years, *i.e.* 10 March 2022, and subject to:
  - for 25% of the granted shares, the sole condition of presence within the Group,
  - for 12.5% of the granted shares, a performance condition relating to the Group's cumulated net new money in 2020 and 2021,
  - for 12.5% of the shares, a performance condition relating to the arithmetic average of the operating margins achieved on the Group's Asset Management activity as set out in the consolidated financial statements as at 31 December 2020 and 31 December 2021;
- for 50% of the granted shares, after a period of 3 years, *i.e.* 10 March 2023, and subject to:
  - for 25% of the shares, the sole condition of presence within the Group,
  - for 12.5% of the granted shares, a performance condition relating to the Group's cumulated net newmoney in 2022,
  - for 12.5% of the shares, a performance condition relating to the operating margin on the Group's Asset Management activity as set out in the consolidated financial statements as at 31 December 2022.

The shares granted under the 2020 Performance Share Plan are not subject to any retention period.

7.

Characteristics of the free share plan for certain Sofidy employees covered by the employee remuneration requirements of the AIFM/UCITS Directive 2020 ("Sofidy 2020 AIFM/UCITS Plan") implemented by Tikehau Capital SCA

Maximum number of shares to grant: 9,956 shares

Grant date: 10 March 2020

Unit value of the share on the grant date: €18.81 corresponding to the share price on 10 March 2020 (€20.90) to which a 10% discount was applied to take into account the absence of dividend rights over the vesting period.

Definitive vesting date:

The vesting of shares granted under the 2020 Sofidy AIFM/UCITS Plan will take place as follows:

- for 2/3 of the granted shares, after a period of 2 years, *i.e.* on 10 March 2022;
- for 1/3 of the granted shares, after a period of 3 years, *i.e.* on 10 March 2023.

The vesting of the shares ganted under the Sofidy 2020 AIFM/UCITS Plan, as well as the number of vested shares granted definitively to each beneficiary at the end of the vesting period, will be subject to a performance condition determined on the basis of an index representing the performance strategies of the asset management company Sofidy.

The vesting of the shares under these tranches will be conditional upon the beneficiary's presence within the Group and the absence of any serious breach of applicable regulations or Internal Rules and procedures concerning compliance and the appropriate management of risks during the vesting period.

The shares granted under the Sofidy 2020 AIFM/UCITS Plan are not subject to any retention period.

Characteristics of the free share plan granted over 7 years to certain corporate officers and employees of Tikehau Investment Management and to certain employees of Tikehau Capital Advisors ("TIM 2020 7-years plan") implemented by Tikehau Capital SCA

Maximum number of shares to grant: 383,629 shares

Grant date: 10 March 2020

Unit value of the share on the grant date: €18.81 corresponding to the share price on 10 March 2020 (€20.90) to which a 10% discount was applied to take into account the absence of dividend rights over the vesting period.

Definitive vesting date:

The vesting of shares granted under the TIM 2020 7-years Plan will occur at the expiration of the following vesting periods:

- for 2/7 of the granted shares, after a period of 2 years, *i.e.* on 10 March 2022;
- for 1/7 of the granted shares, after a period of 3 years, *i.e.* on 10 March 2023;
- for 1/7 of the granted shares, after a period of 4 years, *i.e.* on 10 March 2024;
- for 1/7 of the granted shares, after a period of 5 years, *i.e.* on 10 March 2025;
- for 1/7 of the granted shares, after a period of 6 years, *i.e.* on 10 March 2026;
- for the remaining granted shares, after a period of 7 years, *i.e.* on 10 March 2027.

The vesting of the shares granted under the TIM 2020 7-years Plan, as well as the number of vested shares granted definitively to each beneficiary at the end of the vesting period, will be subject to a performance condition determined using an index representing the performance of the various business lines of the management company Tikehau Investment Management.

The vesting of the shares under these tranches will be conditional upon the beneficiary's presence within the Group and the absence of any serious breach of applicable regulations or Internal Rules and procedures concerning compliance and the appropriate management of risks during the vesting period.

The shares granted under the TIM 2020 7-years Plan are not subject to any retention period.

Characteristics of the free share plan granted over 7 years to certain corporate officers and employees of Sofidy ("Sofidy 2020 7-years Plan") implemented by Tikehau Capital SCA

Maximum number of shares to grant: 54,805 shares

Grant date: 10 March 2020.

Unit value of the share on the grant date: €18.81 corresponding to the share price on 10 March 2020 (€20.90) to which a 10% discount was applied to take into account the absence of dividend rights over the vesting period.

Definitive vesting date:

The vesting of shares granted under the SOFIDY 2020 7-years Plan will occur at the expiration of the following vesting periods:

- for 2/7 of the granted shares, after a period of 2 years, *i.e.* on 10 March 2022;
- for 1/7 of the granted shares, after a period of 3 years, *i.e.* on 10 March 2023;
- for 1/7 of the granted shares, after a period of 4 years, *i.e.* on 10 March 2024;
- for 1/7 of the granted shares, after a period of 5 years, *i.e.* on 10 March 2025;
- for 1/7 of the granted shares, after a period of 6 years, *i.e.* on 10 March 2026;
- for the remaining granted shares, after a period of 7 years, *i.e.* on 10 March 2027.

The vesting of the shares granted under the SOFIDY 2020 7-years Plan, as well as the number of vested shares granted definitively to each beneficiary at the end of the vesting period, will be subject to a performance condition determined using an index representing the performance of strategies of the asset management company Sofidy.

The vesting of the shares under these tranches will be conditional upon the beneficiary's presence within the Group and the absence of any serious breach of applicable regulations or Internal Rules and procedures concerning compliance and the appropriate management of risks during the vesting period.

The shares granted under the SOFIDY 2020 7-years Plan are not subject to any retention period.

Characteristics of the free share plan granted over 7 years to certain corporate officers and employees of ACE Management ("ACE 2020 7-years Plan") implemented by Tikehau Capital SCA

Maximum number of shares to grant: 22,835 shares

Grant date: 10 March 2020

Unit value of the share on the grant date: €18.81 corresponding to the share price on 10 March 2020 (€20.90) to which a 10% discount was applied to take into account the absence of dividend rights over the vesting period.

Definitive Vesting date:

The vesting of shares granted under the ACE 2020 7-years Plan will occur at the expiration of the following vesting periods:

- for 2/7 of the granted shares, after a period of 2 years, *i.e.* on 10 March *2022;*
- for 1/7 of the granted shares, after a period of 3 years, *i.e.* on 10 March 2023;
- for 1/7 of the granted shares, after a period of 4 years, *i.e.* on 10 March 2024;
- for 1/7 of the granted shares, after a period of 5 years, *i.e.* on 10 March 2025;
- for 1/7 of the granted shares, after a period of 6 years, *i.e.* on 10 March 2026;
- for the remaining granted shares, after a period of 7 years, *i.e.* on 10 March 2027.

The vesting of the shares granted under the ACE 2020 7-years Plan, as well as the number of vested shares granted definitively to each beneficiary at the end of each vesting period will be subject to a performance condition based on an index representative of the performance of the ACE Management fund families.

The vesting of the shares under these tranches will be conditional upon the beneficiary's presence within the Group and the absence of any serious breach of applicable regulations or Internal Rules and procedures concerning compliance and the appropriate management of risks during the vesting period.

The shares granted under the ACE 2020 7-years Plan are not subject to any retention period.

Capital increase of 31 March 2020

On 31 March 2020, Tikehau Capital carried out a capital increase for an amount of around €1.4 million by captalisation of the issue premium and by assuance of 120,722 shares. The aim of this capital increase was to deliver free shares granted under the 2018 FSA Plan and the 2018 Performance Share Plan.

As at 31 March 2020, the share capital of the Company amounts to €1,641,529,560 and is divided into 136,794,130 shares.

7.3 ACCOUNTING METHODS AND PRINCIPLES

Since 1 January 2018, Tikehau Capital has been applying ANC Regulation 2018-01 on changes in accounting methods. This regulation authorises the Company to introduce changes in its accounting method in the aim of providing better financial information.

With the exception of the application of the ANC Regulation 2018-01, the accounting methods and principles are identical to those used for the closing of the previous financial year.

Tangible and intangible assets

Tangible and intangible assets are recognised at their acquisition cost and are depreciated over their useful lives.

The main durations are as follows:

- usufruct: between 5 and 15 years, depending on the duration of entitlement;
- software: 1 to 3 years;
- office equipment and furniture: 3 to 5 years.

Intangible assets are also made up of the Tikehau Capital brand which is recognised at its acquisition price.

This valuation was assessed on the basis of the royalty method, corresponding to the discounted amount of future royalties that the brand would be able to generate after deduction of all necessary expenses for its maintenance. The future royalties are determined on the basis of future revenues generated by the Company operating the brand, to which is applied a royalty fee in effect on similar brands and/or in similar contexts.

The brand is subject to an impairment test once a year or more frequently if there is evidence of impairment. This impairment test will be assessed by the application of the same royalty method.

Financial assets

Financial assets consist of equity interests and receivables, other fixed securities (portfolio securities, bonds, etc.) and other financial assets (mainly loans and security deposits).

The classification of securities as financial assets is assessed with regard to the investment horizon, the percentage held in the capital of the Company concerned and the influence which may result from the investment made by the Company.

The gross values of financial assets are recognised at their acquisition cost - which includes, where applicable, related merger losses.

a) Investments

Equity interests in listed or non-listed companies are subject to impairment when their value in use falls below their gross book value. These impairment tests are carried out at each balance sheet date.

Value in use is determined after a review of the economic and financial performance of each company, taking into consideration in particular one or more of the following valuation methods (applicable or available as the case may be):

- the value of the shareholders' equity of the assessed company;
- the market or transaction value: transactions completed over the past 12 months or the last months of activity if the Company has not completed a full 12-month financial year since the acquisition of the equity Interest, unless the Company is aware of a more appropriate valuation;
- the discounted cash flow method (DCF): this method determines the present value of cash flows a company will generate in the future. Cash-flow projections prepared in connection with the management of the Company in question include a critical analysis of the business plan of these companies. The discount rate used is the weighted average cost of capital, which represents the cost of debt of the Company and the notional cost of estimated equity, weighted by the proportion of each of these two components in the financing of the Company. This rate is set next to that used by analysts for listed companies in the same sector;
- the stock market comparables method: valuation multiples of the Company under assessment are compared with those of a sample of companies in the same or similar industry. The average of the sample then establishes a valuation benchmark applicable to the assessed Company;
- the industry transaction method: valuation multiples of the company under assessment are compared with those of a sample of companies sold in the same industry or similar. The average of the sample then establishes a valuation benchmark applicable to the assessed Company;
- the valuation method used according to the terms of the applicable shareholders' agreements;
- the latest net asset value or latest known independent expert valuation as applicable;
- the average price over the last 20 trading days;
- the valuation as per a recognised public indicator such as the net asset value (when it exists and is applicable).

This multi-criteria analysis takes into account, in particular, Tikehau Capital's intrinsic knowledge of its equity stakes.

An impairment provision is raised when the value in use determined, the value considered the most relevant, is lower than the net book value of securities at Tikehau Capital. An impairment provision raised corresponds to the difference between the two values.

b) Other investments

The value in use of the other investments is determined using the latest valuation components available (latest liquidation value).

An impairment provision is raised when the value in use determined, the value considered the most relevant, is lower than the net book value of securities at Tikehau Capital. An impairment provision raised corresponds to the difference between the two values.

Acquisition costs for investments

The Company has opted to capitalise acquisition costs for investments (transfer costs, fees or commissions and legal fees). These fees are amortised over a five-year period, from the date of acquisition of the investments, and the deferral is included under special depreciation allowances.

Operating receivables and payables

Receivables and payables are measured at their par value. An impairment loss is recognised when the inventory value is lower than the carrying amount.

Marketable securities

Marketable securities are recognised at their acquisition cost and are subject to impairment if this cost is lower than the inventory value (stock market price, net asset value, etc.).

Cash equivalents and other current financial investments are recognised according to the "First In First Out" method.

Provisions

A provision is recognised when the Company has an obligation with regard to a third party and it is probable or certain that this obligation will give rise to a disbursement of resources to this third party, without being matched by at least an equivalent payment from this third party.

Financial debt

Financial debts are recognised at their historical cost.

Loan issuance costs are recognised in assets under deferred expenses and are spread over the duration of the loans implemented.

Currency transactions

During the year, currency transactions are recorded at their equivalent value in euros on the date of the operation.

Payables, receivables and cash in currencies from outside the euro zone are recognised on the balance sheet at their equivalent value at the year-end rate.

The difference resulting from the recalculation of payables and receivables in currencies from outside the euro zone at the latest price is recognised under currency translation differences at this same rate.

Unrealised losses resulting from this conversion are subject to a provision for liabilities in their totality.

Derivative financial instruments listed on organised markets and similar

Tikehau Capital may trade financial derivatives as part of its strategy of managing interest-rate risks on bank borrowings and issues of debt instruments or market risks.

Changes in the value of derivatives are recognised on the income statement in financial income and expenses.

Financial derivatives used for hedging purposes

Non-current financial derivatives are made up exclusively of interest-rate swaps implemented within the management of the interest-rate risk on bank debt.

Changes in the value of hedging instruments are not recognised in the balance sheet. The notional amount of these instruments is shown as an off-balance sheet commitment (see note 13. Off balance sheet commitments).

The accounting principles applicable to forward financial instruments and hedging transactions have been modified by the ANC Regulation 2015-05 of 2 July 2015 and by its presentation note. In accordance with the text, the Company has had to make provisions for certain swap contracts that have sustained losses related to asymmetries between hedged items and said contracts, both in terms of maturity and interest rates

Non-recurring expenses and income

They represent:

- the net results from the disposal of securities held in the portfolio;
- the income and expenses which occur on an exceptional basis and which relate to operations that do not fall under Tikehau Capital's day-to-day activities.

Corporation tax (tax charge)

Generally speaking, only outstanding tax liabilities are recorded in the individual accounts.

The tax charge recognised on the income statement corresponds to the corporation tax due in respect of the financial year. It includes the consequences of the 3.3% payroll tax contributions.

A tax consolidation agreement was implemented as at 1 January 2017 between Tikehau Capital, parent company of the Group, and Tikehau Investment Management. ACE Management, Sofidy, and TK Solutions joined the Group on 1 January 2019.

Under this agreement, Tikehau Capital is solely liable for the tax due on the overall result and records the total debt or tax receivable by the Group. Article 1 of the agreement thus stipulates that "the subsidiary shall pay the parent company, as a contribution to the payment of the corporation tax of the Integrated Group and, irrespective of the actual amount of such tax an amount equal to the tax which would have affected its net income and/or long-term capital gain for the year if it were taxable separately, therefore deducting all of the allocation rights which the subsidiary would have been entitled to in the absence of integration."

"At the end of a loss-making year, the Subsidiary will not hold any claim against the parent company, not even in the event that the latter has set up a claim on the Treasury by opting for a total-loss carry-back."

Use of estimates and judgements

The preparation of the financial statements requires that assumptions and estimates that affect the reported amounts of assets and liabilities on the balance sheet and the reported amounts of revenues and expenses for the year be taken into consideration. Management review their estimates and assessments on an ongoing basis, based on their previous experience, as well as on various other factors that they consider reasonable, which form the basis for their assessment of the book value of the assets and liabilities. By their very nature, evaluations based on these estimates include risks and uncertainties relating to the future, in that the definitive future results of the operations concerned could prove different from these estimates and thereby have a significant impact on the financial statements.

The main estimates made by Management in preparing the financial statements concern the estimated value-in-use for each portfolio investment.

7.4 NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Note 1 Intangible assets

(in thousands of €)	As at 31 December 2018	Acquisition Amortisation	Disposal Reversal	As at 31 December 2019
Gross value of intangible assets	**14,036**	**3,286**	**-2,156**	**15,166**
Brand	10,710			10,710
Software	2,103	2,065	-91	4,078
Usufructs SCPI	38			38
Intangible assets in progress	1,185	1,221	-2,065	341
Amortisation, impairment of Intangible assets	**-865**	**-1,079**	**91**	**-1,853**
Brand	0			0
Software	-827	-1,079	91	-1,815
Usufructs SCPI	-38			-38
Intangible assets in progress	0			0
NET VALUE OF INTANGIBLE ASSETS	**13,171**	**2,207**	**-2,065**	**13,314**
Brand	10,710	0	0	10,710
Software	1,276	986	0	2,262
Usufructs SCPI	0	0	0	0
Intangible assets in progress	1,185	1,221	-2,065	341

Two major IT projects were delivered during the 2019 financial year: the financial Asset Management tool for €1.3 million, and the international ERP package for €0.7 million.

Intangible assets under development as at 31 December 2019 relate to (i) costs related to the internalisation of consolidation *via* the deployment of a dedicated tool, and (ii) the initial development expenses for an Asset Management tool for assets under management.

Given the absence of an indication of an impairment, no impairment was recorded as at 31 December 2019.

Note 2 Financial assets

(a) Investments

Investments are made up of listed or unlisted securities. They break down as follows:

(in thousands of €)	As at 31 December 2018	Reclassi-fication	Acquisition Amortisation	Disposal Reversal	As at 31 December 2019
Gross value of equity interests	**1,534,744**	**0**	**320,841**	**-516,186**	**1,339,399**
Listed securities	591,297		172,550	-330,780	433,068
Non-listed securities	943,447		148,291	-185,407	906,331
Provision for impairment of equity interests	**-57,097**	**0**	**-10,867**	**43,056**	**-24,908**
Listed securities	-43,056		0	43,056	0
Non-listed securities	-14,041		-10,867	0	-24,908
Net value of equity interests	**1,477,647**	**0**	**309,973**	**-473,130**	**1,314,491**
Listed securities	548,241		172,550	-287,724	433,068
Non-listed securities	-929,406		137,423	-185,407	881,423

Investments are valued at their value in use determined after a review of the economic and financial performance of each company, taking into consideration, in addition to the value of any transactions, share prices or their changes, after correction of erratic or non-representative changes.

(b) Changes over the year

(in thousands of €)	As at 31 December 2018	Acquisition Amortisation	Disposal Reversal	As at 31 December 2019
Gross value of financial assets	**2,998,774**	**1,244,240**	**-1,222,433**	**3,020,583**
Investments	1,534,744	320,841	-516,186	1,339,399
Receivables relating to investments	295,243	245,479	-56,456	484,267
Other investments	1,135,946	618,044	-577,426	1,176,564
Loans and other financial assets	32,841	59,876	-72,365	20,353
Provision for impairment of financial assets	**-122,253**	**-30,361**	**94,160**	**-58,455**
Investments	-57,097	-10,623	42,812	-24,908
Receivables relating to investments	-2,122	-494	1,505	-1,111
Other investments	-63,025	-16,238	49,843	-29,421
Loans and other financial assets	-9	-3,006		-3,015
Net value of financial assets	**2,876,521**	**1,213,879**	**- 1,128,273**	**2,962,128**
Investments	1,477,647	310,217	-473,375	1,314,491
Receivables relating to investments	293,122	244,985	-54,951	483,156
Other investments	1,072,920	601,806	-527,583	1,147,143
Loans and other financial assets	32,832	56,871	-72,365	17,338

The main changes over the period concern:

- Investments in excess of €10 million made during the financial year are as follows:
  - the Tikehau Growth Equity Secondary Fund for 178 million through asset contributions,
  - Sélectirente, for €133 million as at 31 December 2019,
  - IREIT Global Holdings 5 Group, for €46.2 million,
  - the Brienne III Fund, for €40 million,
  - the BNP Paribas Agility Fund, for €30 million,
  - the Sofidy Sélection 1 Fund, for €25 million,
  - the Tikehau CLO V securitisation fund, for €13.4 million,
  - the management company IREIT Global Group, for €12.2 million,
  - the Sofidy Pierre Europe Fund, for €10 million,
  - the Tikehau Homunity Fund, for €10 million;
- the strengthening of existing investments in:
  - Zephyr Investissement, for €25.5 million in January and March 2019,
  - IREIT Global, for €26.1 million between March and June 2019,
  - Foncière Atland, for €12.2 million at the end of 2019,
  - Tikehau Real Estate Investment Company, for €8.8 million in April and June 2019;

The main disposals made during the year were as follows:

- the sale of the stake in Just Office, resulting in a capital gain of €18.5 million before tax ;
- contributions of financial assets to the new Tikehau Growth Equity Secondary fund, generating a capital gain of €16.8 million ;
- the sale of the stake in HDL Développement, resulting in a capital gain of €15.8 million before tax ;
- the sale of the stake in Spie Batignolles, resulting in a capital gain of €8.5 million before tax ;
- the sale of the stake in Casti Holdings, resulting in a capital gain of €5 million before tax.

(c) Fixed portfolio investment securities

Tax regime *(in thousands of €)*	Valuation method	31 December 2019 Gross book value	Net book value	Amount paid-up	Estimated value of paid-up amounts
Portfolio securities, common law regime	Cost price	179,265	179,265	42,376	56,794
	Stock market price	222,272	210,374	222,272	210,968
	Last net asset value	268,246	257,814	266,554	284,543
TOTAL PORTFOLIO SECURITIES, COMMON LAW REGIME		**669,783**	**647,453**	**531,201**	**552,305**
Portfolio securities, long-term capital gains regime	Cost price	82,022	81,266	7,418	6,067
	Stock market price	0	0	0	0
	Last net asset value	379,855	373,569	240,299	251,510
TOTAL PORTFOLIO SECURITIES, LONG-TERM CAPITAL GAINS LAW		**461,877**	**454,835**	**247,717**	**257,577**
Bonds	Cost price	44,855	44,855	39,561	44,886
	Stock market price	0	0	0	0
	Last net asset value	49	0	49	0
TOTAL BONDS		**44,904**	**44,855**	**39,610**	**44,886**
TOTAL OF OTHER INVESTMENTS		**1,176,564**	**1,147,143**	**818,528**	**854,767**
Own shares	**Stock market price**	**8,907**	**8,587**	**8,907**	**8,587**

Tax regime *(in thousands of €)*	**Valuation method**	31 December 2018 **Gross book value**	**Net book value**	**Amount paid-up**	**Estimated value of paid-up amounts**
Portfolio securities, common law regime	Cost price	9,105	9,105	5,145	5,145
	Stock market price	197,398	148,879	197,398	148,904
	Last net asset value	456,570	443,794	262,720	478,829
TOTAL PORTFOLIO SECURITIES, COMMON LAW REGIME		**663,074**	**601,778**	**465,263**	**632,879**
Portfolio securities, long-term capital gains regime	Cost price	328,976	328,976	145,849	145,849
	Stock market price	0	0	0	0
	Last net asset value	45,449	44,717	41,331	40,599
TOTAL PORTFOLIO SECURITIES, LONG-TERM CAPITAL GAINS LAW		**374,425**	**373,693**	**187,180**	**186,448**
Bonds	Cost price	87,747	87,747	87,695	86,397
	Stock market price	4,266	4,266	4,266	5,564
	Last net asset value	5,268	4,415	5,268	4,415
TOTAL BONDS		**97,281**	**96,428**	**97,229**	**96,377**
Own shares	**Stock market price**	**1,166**	**1,021**	**1,166**	**1,021**
TOTAL OF OTHER INVESTMENTS		**1,135,946**	**1,072,920**	**750,839**	**916,725**

Unrealised capital losses are provided for where appropriate.

7.

(d) Own shares

(in thousands of €)	**As at 31 December 2019**	**As at 31 December 2018**
Number of securities	390,333	52,286
Gross value	8,907	1,166
Provision	320	145
NET VALUE	**8,587**	**1,021**

(e) Operations carried out with related entities or with which the Company has a participating interest

As at 31 December 2019, these operations regarding equity interests can be summarised as follows:

31 December 2019 *(in thousands of €)*	**Amount concerning related entities**	**Amount concerning companies with which the Company has a participating interest**
Investments	674,303	385,895
Receivables relating to investments	476,356	7,911
TOTAL BALANCE SHEET	**1,150,660**	**393,806**
Income from investments	67,556	9,702
Other financial income	5,105	4,702
Financial expenses	0	0
TOTAL INCOME STATEMENT	**72,662**	**14,404**

31 December 2018 *(in thousands of €)*	**Amount concerning related entities**	**Amount concerning companies with which the Company has a participating interest**
Investments	667,451	860,802
Receivables relating to investments	283,982	11,261
TOTAL BALANCE SHEET	**951,433**	**872,063**
Income from investments	8,510	11,790
Other financial income	3,309	6,297
Financial expenses	0	0
TOTAL INCOME STATEMENT	**11,818**	**18,087**

Note 3 Client receivables and other receivables

Operating receivables are broken down as follows as at 31 December 2019 and 31 December 2018:

(in thousands of €)	**As at 31 December 2019**	**As at 31 December 2018**
Client receivables [1]	8,948	4,005
State and other public authorities	8,799	10,201
• Corporate income tax	2,054	7,024
• VAT	6,745	3,177
Sundry accounts receivable [2]	55,544	3,670
TOTAL RECEIVABLES AND OTHER OPERATING RECEIVABLES	**73,291**	**17,876**

(1) Includes, as at 31 December 2019, €8.6 million concerning related entities.
(2) Includes, as at 31 December 2019, €34.5 million receivable following the disposals of Casti Holding, Just Office and the Nafilyan refund.

All receivables are due in less than one year and are not subject to impairment.

Note 4 Marketable securities and term deposits

This item is made up of a current investment portfolio, term deposits and money-market mutual funds (SICAV).

	As at 31 December 2019				**As at 31 December 2018**			
(in thousands of €)	**Gross balance sheet value (acquisition value)**	**Unrealised loss***	**Net value**	**Unrealised gain**	**Gross balance sheet value (acquisition value)**	**Unrealised loss***	**Net value**	**Unrealised gain**
Portfolio of listed shares	10,186	10,186			10,186	10,186		
Portfolio of listed bonds	518	4	515	43	5,170	1,810	3,359	8
Mutual funds (SICAV)	100,525	311	100,214	6,900	145,200	1,960	143,240	58
Accrued interest on listed bonds	3		3		0		0	
SUB-TOTAL	**111,232**	**10,501**	**100,731**	**6,943**	**160,556**	**13,957**	**146,599**	**66**
Term deposits	619,804		619,804		28,852		28,852	
TOTAL	**731,036**	**10,501**	**720,535**	**6,943**	**189,408**	**13,957**	**175,452**	**66**

**Provisions are recorded for unrealised losses.*

Note 5 Deferred expenses

This item is made up of loan issuance costs which are distributed over the duration of the loans implemented, *i.e.* 5 years for the €700 million bank loan and 6 and 7 years respectively for the two bond issues namely, the first €300 million bond issued in November 2017 and the second €500 million bond issued in October 2019.

Note 6 Shareholders' equity

As at 31 December 2019, the share capital, which is fully paid up, is made up of 136,673,408 ordinary shares of a par value of €12 each.

	Number	Par value
Shares comprising the share capital at the beginning of the year	103,477,599	12
Shares issued during the year	33,195,809	12
Shares repaid during the year		
Shares comprising the share capital at the end of the year	136,673,408	12

The changes concerning shareholders' equity over financial years 2018 and 2019 are listed below:

			Reserves					
(in thousands of €)	Share capital	Premiums issuance and in-kind premiums	Legal reserve	Other reserves	Retained earnings	Net result for the year	Provisions Regulated provisions	Total share-holders' equity
Situation as at 31/12/2017	**1,233,597**	**840,568**	**4,212**		**-20,051**	**271,895**	**254**	**2,330,474**
Managers' decision of 04.01.2018	4,158	3,465						7,623
Combined General Meeting of 25.05.2018			12,592		122,197	-271,895		-137,106
Managers' decision of 17.12.2018	2,937	3,881						6,818
Managers' decision of 19.12.2018	1,040	1,366						2,406
Net result for the year						-64,455		-64,455
Other variances		58					297	356
Situation as at 31/12/2018	**1,241,731**	**849,339**	**16,805**	**0**	**102,145**	**-64,455**	**551**	**2,146,115**
Combined General Meeting of 22.05.2019					-90,313	64,455		-25,858
Managers' decision of 27.06.2019	390,000	317,676						707,676
Managers' decision of 01.07.2019	3,954	-3,954						0
Managers' decision of 01.12.2019	4,396	-4,396						0
Net result for the year						126,828		126,828
Other variances							794	794
Situation as at 31/12/2019	**1,640,081**	**1,158,665**	**16,805**	**0**	**11,832**	**126,828**	**1,345**	**2,955,555**

During financial year 2019, three capital increases were carried out:

- 27 June 2019

The capital increase of June 2019 was carried out for the gross amount of €715 million (including issue premium) and resulted in the creation of 32,500,000 new shares. Costs related to the capital increase were deducted from the premium for €7.4 million. This recapitalisation was done without preferential subscription rights at a price of €22 per new share, and has been fully subscribed in nominal capital.

- 1 July 2019

As part of the grant of free shares on 1 July 2019 for the "TIM 2016 Replacement Plans", the Company carried out a new capital increase for an amount of €3,954,072 by capitalisation of the issue premium, which resulted in the creation of 329,506 new shares.

- 1 December 2019

A capital increase was carried out on 1 December 2019 by capitalisation of issue premium for a total amount of €4,395,636 in order to create the number of new ordinary shares to be granted to the beneficiaries of the "All Plan" and the first tranche of the "One Off Plan" and resulted in the creation of 366,303 new shares.

Note 7 Provisions for risks and liabilities

This item comprises provisions for unrealised losses on hedging instruments and provisions for currency risks, mainly on financial assets.

In order to manage the risks on its variable rate exposure, Tikehau Capital has entered into swaps. As they are not symmetrically matched to the debt in terms of both duration and amounts, these swaps have a longer maturity and a higher volume than the debt.

Faced with such a situation of over-hedging, Tikehau Capital applied the principles of hedge accounting, with unrealised losses having to be provisioned. As of 31 December 2019, the necessary provision amounts to €5.3 million.

Note 8 Sundry borrowings and financial debt

Financial debt is broken down as follows as at 31 December 2019 and 31 December 2018:

	As at 31 December 2019				As at 31 December 2018			
(in thousands of €)	**TOTAL**	**due within one year**	**due between 1 and 5 years**	**due in more than 5 years**	**TOTAL**	**due within one year**	**due between 1 and 5 years**	**due in more than 5 years**
Bonds	800,000		300,000	500,000	300,000		300,000	
Bank loans	200,000		200,000		500,000		500,000	
Interest on borrowings and derivatives	3,817	3,817			1,384	1,384		
TOTAL	**1,003,817**	**3,817**	**500,000**	**500,000**	**801,384**	**1,384**	**800,000**	**0**

On 14 October 2019, the Company issued a new €500 million bond issue.

On 29 November 2019, the Company made an early repayment of 300 million on the syndicated loan of €1 billion.

Note 9 Operating liabilities

Operating liabilities are broken down as follows as at 31 December 2019 and 31 December 2018:

(in thousands of €)	**As at 31 December 2019**	**As at 31 December 2018**
Trade payables [(1)]	9,598	7,827
State and other public authorities	1,077	721
• Corporate income tax	0	0
• VAT	1,018	721
• Other taxes	59	0
Other current liabilities	2,654	2,670
TOTAL	**13,329**	**11,218**

(1) Includes, as at 31 December 2019, €3 million concerning related entities.

All debts are due in less than one year.

Note 10 Corporate income tax and tax loss carry forwards

(in thousands of €)	As at 31 December 2019	As at 31 December 2018
Stock tax loss carried forward at local normal rate	**178,059**	**150,211**
• arising prior to tax consolidation	82,862	82,862
• arising during tax consolidation	95,197	67,349
Stock tax loss carried forward at local reduced rate	**10,524**	**4,996**
• arising prior to tax consolidation	4,935	4,935
• arising during tax consolidation	5,589	61

The determination of the tax result is as follows:

Taxable income *(in thousands of €)*	As at 31 December 2019
Accounting income before tax	**126,828**
Add backs	**25,541**
Corporate tax credits	-14,512
Non-deductible provisions	998
Sundry reinstatements	33,526
Taxation of securities	5,529
Deductions	**180,217**
Non-deductible provisions no longer applicable	6,083
Other deductible or non-taxable operations	10,513
Taxation of securities	163,622
TAXABLE INCOME	**-27,848**

Note 11 Revenue and operating income

Revenue is broken down as follows:

(in thousands of €)	As at 31 December 2019	As at 31 December 2018
Management fees	0	59
Exit commission, performance fees	2,318	653
Other revenue items	8,780	3,432
NET REVENUE	**11,098**	**4,144**

The other main revenue components are invoicing of expertise, and miscellaneous re-invoicings to the group's other entities.

Other operating income is broken down as follows:

(in thousands of €)	As at 31 December 2019	As at 31 December 2018
Transfer of operating expenses	4,259	0
Other income	1,757	1,214
OTHER OPERATING INCOME	**6,016**	**1,214**

Transfers of expenses consist of fees and commissions relating to (i) equity investments, in the amount of €803 thousand, (ii) the new bond issue in the amount of €3.5 million, in order to spread them over 5 years for expenses relating to equity investments, and over 7 years for the bond issue, *i.e.* the term of this new loan.

Other income mainly consists of brand royalties re-invoiced to Group companies.

Note 12 Net non-recurring income/(expense)

This item is broken down as follows as at 31 December 2019 and 31 December 2018:

(in thousands of €)	As at 31 December 2019	As at 31 December 2018
Capital gains or losses on disposals of securities held in the portfolio	14,816	9,593
Reversal of provisions on securities sold	35,612	12,450
Regulated provisions	-794	-297
Other non-recurring expenses and income	-9,348	99
NET NON-RECURRING INCOME	**40,286**	**21,846**

The net non-recurring income mainly consists of the following gains on disposals:

- Just Office for the sum of €18.5 million;
- the assets contributed to the TGES fund for gain of €16.8 million;
- HDL Développement, for the sum of €15.8 million;
- Eurazeo, for the sum of -€18.5 million.

Note 13 Off balance sheet commitments

(a) Financial instruments portfolio

Off-balance sheet commitments regarding financial derivatives are presented below. These amounts determine the level of notional commitment as well as the market value and are not indicative of an unrealised loss or gain.

These are exclusively composed of swaps arranged to manage interest-rate risk on bank debt (see note 15 (a) "Exposure to interest-rate risks arising from bank debts").

	Amount as at 31 December 2019		Amount as at 31 December 2018	
(in thousands of €)	Notional amount hedged	Market value	Notional amount hedged	Market value
Interest-rate swap	403,100	-12,896	368,000	-5,399

(b) Other off-balance sheet commitments

Description *(in thousands of €)*	As at 31 December 2019	As at 31 December 2018
	Value of the commitments	
Commitment of payment to current account	**118**	**121**
• Weinberg Real Estate Part	118	121
Subscription commitment	**29,841**	**38,616**
• Capital increase in TREIC	29,841	38,616
Loan guarantees and authorised overdrafts (securities)	**0**	**79,327**
Loan guarantees and authorised overdrafts (*cash*)	**0**	**673**
Pledge for first-demand guarantee	**750**	**70,000**
TOTAL COMMITMENTS MADE	**30,710**	**188,737**
Lombard loan not drawn at close	0	80,000
Syndicated loan not drawn at close	500,000	500,000
TOTAL COMMITMENTS RECEIVED	**500,000**	**580,000**

Note 14 Related parties

(a) Scope of related parties

The related parties of Tikehau Capital are:

- Tikehau Capital General Partner, in its capacity as Manager-General Partner, wholly-owned by Tikehau Capital Advisors;
- Tikehau Capital Advisors and its representatives (the company AF&Co, controlled by Mr Antoine Flamarion, in his capacity as Chairman of Tikehau Capital Advisors, and the company MCH, controlled by Mathieu Chabran in his capacity as Chief Executive Officer of Tikehau Capital Advisors) and its subsidiaries, Tikehau Employee Fund 2018 and Fakarava Capital;
- Tikehau IM, an asset management company wholly-owned by the Company;
- Sofidy, an asset management company wholly-owned by the Company, and its subsidiaries;
- ACE Management, an asset management company wholly-owned by the Company, and its subsidiary ACE Canada & Services;
- Tikehau Capital Europe, wholly-owned by the Company;
- Tikehau Capital UK, wholly-owned by the Company;
- Tikehau Capital Belgium, wholly-owned by the Company;
- Tikehau Capital North America, wholly-owned by the Company;
- Credit.fr, 95.99% owned by the Company, and its subsidiaries Neocredit.ch and Homming;
- Sélectirente, 50.09% owned directly and indirectly by the Company.

(b) Nature of relations with related parties

Remuneration of the Manager

The Manager is entitled to (i) a remuneration, determined in the Articles of Association, equal to (excluding tax) 2% of the total consolidated shareholders' equity of the Company, determined on the last day of the preceding financial year. This remuneration shall be paid annually when the financial statements of the preceding financial year are approved. The Manager has the opportunity, during the financial year, of receiving a payment on account for the remuneration referred to above. The payment of this advance can only be made on the basis of an accounting period certified by the Statutory Auditors of the Company. This advance is deducted from the total amount of remuneration paid to the Manager on approval of the financial statements for the previous financial year.

Preferred dividend (préciput) to the general partner

Tikehau Capital General Partner, as sole general partner of the Company, is entitled, by way of preferred dividend and should there be distributable income for a financial year, to an amount determined in the Articles of Association and equal to 12.5% of the net result of the Company as reflected in the Company's statutory financial statements at the close of each financial year.

If there is more than one general partner, they shall share this amount between themselves as they see fit. In the event of a financial year whose duration is less than a calendar year, this remuneration shall be calculated on a pro rata basis for the time elapsed.

Attendance fees and other remuneration received by members of the Supervisory Board

In line with the conversion of the Company into a *société en commandite par actions* (partnership limited by shares), a Supervisory Board was created. According to the Company's Articles of Association, members of the Supervisory Board may receive attendance fees and remuneration, the total annual amount of which is voted on by the General Shareholders' Meeting and whose distribution is decided by the Supervisory Board on the recommendation of the Appointment and Remuneration Committee. The Supervisory Board's Internal Rules provide that the distribution of attendance fees takes into account in particular the effective participation of each member in the Meetings as well as the duties performed on the Board and its Committees, and is the subject of prior discussion by the Appointment and Remuneration Committee. The share of each member of the Supervisory Board is calculated in proportion to the duration of his or her term of office during the financial year.

At the Combined General Shareholders' Meeting of the Company held on 25 May 2018, a budget of €400,000 was granted to the members of the Supervisory Board in respect of attendance fees for each financial year.

Attendance fees were paid in 2019 in respect of financial year 2018 in the amount of €321,749. Attendance fees were paid in 2018 in respect of financial year 2017 in the amount of €271,500.

7.

Summary of the remuneration received by the Manager of Tikehau Capital

The amounts invoiced by the related parties over the financial year can be broken down as follows:

Remuneration TCGP

(in thousands of €)	As at 31 December 2019	As at 31 December 2018
Remuneration on consolidated shareholders' equity (Amount excluding tax)	45,501	50,593
Share of non-deductible VAT	5,551	9,309
REMUNERATION CHARGED TO TIKEHAU CAPITAL	**51,053**	**59,903**

No interim dividend was paid in 2019. It amounted to €33,987 thousand during the previous financial year.

Carried interest

In some funds, carried interest may be paid in the event that a performance threshold is exceeded upon the liquidation of the funds, mainly real-estate and Private Debt funds.

Carried interest since April 2014 breaks down as follows: 20% of carried interest is paid to a company that is a shareholder of Tikehau Capital Advisors comprising senior employees of the Tikehau Capital Group; the remainder is distributed one third each to Tikehau Capital, Tikehau IM and Tikehau Capital Advisors.

Carried interest is paid by the funds directly to the beneficiaries and recognised in the income statement when this variable consideration can be accurately estimated and when it is highly likely that no reversal will be made.

Receivables relating to interests in related parties

Receivables relating to interests in related parties are detailed below:

	As at 31 December 2019		As at 31 December 2018	
(in thousands of €)	**Amount concerning related entities**	**Amount concerning entities with which the Company has a participating interest**	**Amount concerning related entities**	**Amount concerning entities with which the Company has a participating interest**
Tikehau Capital UK	449,011		255,172	
Tikehau Investment Management	8,749		13,344	
Credit.fr	7,794		2,203	
Tikehau Capital Belgium	7,576		4,266	
Tikehau Capital North America	2,711		3,757	
Takume	313		309	
Tikehau Venture	101		3,110	
TK Solutions	100		100	
TGPF	0		1,198	
ACE Management	0		509	
Zéphyr Investissement	0		15	
Angelmar		5,428		6,504
TOTAL	**476,356**	**5,428**	**283,982**	**6,504**

Note 15 Market risks

(a) Exposure to interest rate risks arising from bank debts

As at 31 December 2019, on the liability side, Tikehau Capital was exposed to interest rate risk on its bank loans and related hedges for respective amounts of €200 million and €403 million, compared with respectively €500 million and €368 million as at 31 December 2018 (see note 8 "Borrowings and other financial liabilities").

Tikehau Capital has no foreign currency debt as at 31 December 2019.

For the purpose of managing risks on its floating-rate exposure, Tikehau Capital has taken out interest-rate swaps with the following features:

(in thousands of €)	Notional	Average fixed rate	Average maturity
As at 31 December 2018	368.0	0.54%	5.5 years
As at 31 December 2019	403.1	0.50%	4.4 years

(b) Exposure to currency risk

Tikehau Capital's exposure to currency risk relates to its investments in foreign currencies. As at 31 December 2019, Tikehau Capital had an exposure to currency risk on the pound sterling, the US dollar, the Singapore dollar and the Australian dollar, and to a lesser extent the Polish zloty.

Tikehau Capital had no currency hedging as at 31 December 2019. The table below shows the impact on earnings of a change +/-10% in these currencies against the euro and on the basis of the consolidated financial statements as at 31 December 2019 and 31 December 2018:

(in millions of €)	10% depreciation of the currency	10% appreciation of the currency
As at 31 December 2019		
Pound sterling	-52.0	63.6
US dollar	-4.2	5.2
Singapore dollar	-5.8	7.1
Australian dollar	-0.2	0.3
Polish zloty	-0.1	0.1
As at 31 December 2018		
Pound sterling	-34.2	41.7
US dollar	-3.6	4.4
Singapore dollar	-2.5	3.1
Australian dollar	0.0	0.1
Polish zloty	-0.1	0.1

The change in exposure to currency risk between 31 December 2018 and 31 December 2019 is mainly due to new investments in foreign currencies made during the year.

Note 16 Other items of information

7.

Free share plan

During the year, the Company continued to manage the 2017 and 2018 free share plans and introduced three new plans:

2017 Individual Free Share Plan (One Off Plan) by issue of new shares - Characteristics

Maximum number of shares to grant: 368,516 shares.

Number of shares vested as at 31 December 2019: 328,720 shares.

Grant date: 1 December 2017.

Unit value of the share on the grant date: €19.73 corresponding to the share price on 31 December 2017 (€21.92) to which a 10% discount was applied to take into account the absence of dividend rights over the vesting period.

Vesting condition for the 50% of shares not yet granted, on 1 December 2020, *i.e.* a vesting period of 3 years, subject to a presence condition, but not to any performance condition.

The shares granted under the One Off Plan are not subject to any retention period.

2018 Free Share Plan ("2018 FSA Plan") by issue of new shares - Characteristics

Maximum number of shares to be grant: 54,629 shares.

Number of shares being vested as at 31 December 2019: 52,903 shares.

Grant date: 30 March 2018.

Unit value of the share on the grant date: €23.74 corresponding to the share price on 29 March 2018 (€25.80) to which a 8% discount was applied to take into account the absence of dividend rights over the vesting period.

Definitive vesting date: after a vesting period of 2 years, *i.e.* 30 March 2020, subject to a presence condition, but not to any performance condition.

The shares granted under the 2018 FSA Plan are not subject to any retention period.

2018 Performance Share Plan by issue of new shares - Characteristics

Maximum number of shares to grant: 72,185 shares.

Number of shares being vested as at 31 December 2019: 70,258 shares.

Grant date: 30 March 2018.

Unit value of the share on the grant date: €23.74 corresponding to the share price on 29 March 2018 (€25.80) to which a 8% discount was applied to take into account the absence of dividend rights over the vesting period.

Definitive vesting date:

- for 50% of the granted shares, on 30 March 2020, *i.e.* a vesting period of two years, subject to a presence condition and without any performance conditions;
- for 25% of the granted shares, on 30 March 2020, *i.e.* a vesting period of 2 years, subject to a presence condition. The number of vested shares depends on a performance condition relating to the amount of the Group's published assets under management as at 31 December 2019;
- for 25% of the granted shares, on 30 March 2020, *i.e.* a vesting period of 2 years, subject to a presence condition. The number of shares vested depends on a performance condition relating to the results of the Group's Asset Management activity as at 31 December 2019.

The 2018 Performance Share Plan made a definitive grant to beneficiaries meeting the condition of presence on 30 March 2020. The final number of free shares granted under this plan was 52,547 shares.

As the conditions of performance had been met, the 2018 Performance Share Plan made a definitive grant to beneficiaries who met the condition of presence on 30 March 2020. The final number of free shares granted under this plan was 68,175 shares.

From the definitive vesting date, the shares acquired will be freely transferable.

2018 Credit.fr Free Share Plan ("2018 Credit.fr Plan") - Characteristics

Maximum number of shares to grant: 26,180 shares.

Number of shares being vested as at 31 December 2019: 24,680 shares.

Grant date: 4 July 2018

Unit value of the share on the grant date: €24.30 corresponding to the share price on 4 July 2018 (€27.00) to which a 10% discount was applied to take into account the absence of dividend rights over the vesting period.

Definitive vesting date:

- for 50% of the granted shares, on 4 July 2020, *i.e.* a vesting period of 2 years, subject to a presence condition and without any conditions of performance;
- for 50% of the granted shares, on 4 July 2021, *i.e.* a vesting period of 3 years, subject to a presence condition and without any conditions of performance.

From the definitive vesting date, the shares acquired will be freely transferable.

Characteristics of the 2018 Sofidy Free Share Plan ("2018 Sofidy Plan") set up within Sofidy

Maximum number of shares to grant: 14,800 shares.

Number of shares being vested as at 31 December 2019: 13,600 shares.

Grant date: 21 December 2018

Unit value of the share on the grant date: €17.94 corresponding to the share price on 21 December 2018 (€19.50) to which a 8% discount was applied to take into account the absence of dividend rights over the vesting period.

Definitive vesting date: 21 December 2020, *i.e.* a vesting period of 2 years subject to a presence condition and without any performance conditions.

From the definitive vesting date, the shares acquired will be freely transferable.

2019 Free Share Plan ("2019 FSA Plan") - Characteristics

Maximum number of shares to grant: 134,669 shares.

Number of shares being vested as at 31 December 2019: 129,863 shares.

Grant date: 18 February 2019

Unit value of the share on the grant date: €18.90 corresponding to the share price on 18 February 2019 (€21.00) to which a 10% discount is applied to take into account the absence of dividend rights over the vesting period.

Definitive vesting date:

- for 50% of the granted shares, after a period of 2 years, *i.e.* on 18 February 2021;
- for 50% of the granted shares, after a period of 3 years, *i.e.* on 18 February 2022.

The vesting of the shares granted under the 2019 FSA Plan is subject to a presence condition, but not to any performance condition.

The shares granted under the 2019 FSA Plan are not subject to any retention period.

2019 Performance Share Plan ("2019 Peformance Share Plan") - Characteristics

Maximum number of shares to grant: 108,816 shares.

Number of shares being vested as at 31 December 2019: 105,733 shares.

Grant date: 18 February 2019

Unit value of the share on the grant date: €18.90 corresponding to the share price on 18 February 2019 (€21.00) to which a 10% discount is applied to take into account the absence of dividend rights over the vesting period.

Definitive vesting date:

The vesting of shares granted under the 2019 Performance Share Plan will take place as follows:

- for 50% of the granted shares, after a period of 2 years, *i.e.* on 18 February 2021, subject to:
  - for 25% of the granted shares, the sole condition of presence within the Group,
  - for 12.5% of the granted shares, a performance condition relating to the Group's cumulated net new money in 2019 and 2020,
  - for 12.5% of the granted shares, a performance condition relating to the arithmetic average of the operating margins achieved on the Group's Asset Management activity as set out in the consolidated financial statements as at 31 December 2019 and 31 December 2020;
- after a period of 3 years for 50% of the granted shares, *i.e.* on 18 February 2022, and subject to :
  - for 25% of the granted shares, the sole condition of presence within the Group,
  - for 12.5% of the grantd shares, a performance condition relating to the Group's cumulated net new money in 2021,

- for 12.5% of the granted shares, a performance condition relating to the operating margin on the Group's Asset Management activity as set out in the consolidated financial statements as at 31 December 2021.

The shares granted under the 2019 Performance Share Plan are not subject to any retention period.

Free Share Plan for certain employees covered by the employee remuneration requirements of the AIFM/UCITS V 2019 Directives ("2019 AIFM/UCITS Plan") implementd by Tikehau Capital - Characteritics

Maximum number of shares to grant: 30,825 shares.

Number of shares being vested as at 31 December 2019: 30,825 shares.

Grant date: 18 February 2019

Unit value of the share on the grant date: €18.90 corresponding to the share price on 18 February 2019 (€21.00) to which a 10% discount is applied to take into account the absence of dividend rights over the vesting period.

Definitive vesting date:

The vesting of shares granted under the 2019 AIFM/UCITS Planwill take place as follows:

- afte a period of 2 years for 2/3 of the granted shares, *i.e.* 18 February 2021, subject to:
  - a performance condition based on a benchmark index representing the performance of Tikehau IM's various business lines (the "Performance Index") after a period of one year, for 1/3 of the granted shares,
  - a performance condition based on the Performance Index at the end of the two-year period, for 1/3 of the shares;
- at the end of a three-years vesting period, *i.e.* 18 February 2022, subject to a performance condition based on the Performance Index at the end of the three-years period, for 1/3 of the granted shares.

The shares granted under the 2019 AIFM/UCITS Plan are not subject to any retention period.

The vesting of the shares under these three tranches will be conditional upon the beneficiary's presence within the Group and the absence of any serious breach of applicable regulations or Internal Rules and procedures concerning compliance and the appropriate management of risks.

The options selected are as follows: (i) the shares will be delivered at the end of the vesting period by the issue of new shares, (ii) no expense is recognised during the year and (iii) no liability is recorded on the liability side of the balance sheet.

Completion of vesting periods for Tikehau Capital plans in 2019

The TIM 2016 Replacement Plan - Employees subject to AIFM regulations and the TIM 2016 Replacement Plan - Employees not subject to AIFM regulations, saw their vesting period end on 30 June 2019 and, for two beneficiaries, on 1 December 2019. The definitive number of free shares granted under these plans, at the end of the two vesting periods, was 353,284 shares. On 1 July 2019, and 1 December 2019, Tikehau Capital carried out capital increases for a total amount of around €4.2 million by captalisation of the issue premium and by the issuance of 353,284 shares.

The 2017 free share plan, known as "All Plan", saw its vesting period end on 1 December 2019. The definitive number of free shares granted under this plan, at the end of the vesting period, was 20,615 shares. Tikehau Capital carried out a capital increase for an amount of around €0.2 million by capitalisation of the issue premium and by the issuance of 20,615 shares.

The 2017 individual free share plan, known as the "One Off Plan", saw the vesting period of its first tranche, representing 50.0% of the free shares granted on 1 December 2017, end on 1 December 2019. The definitive number of free shares granted under this plan, at the end of the vesting period, was 321,910 shares. Tikehau Capital carried out a capital increase for an amount of around €3.9 million by capitalisation of the issue premium and by the isuance of 321,910 shares.

Statutory Auditors' fees

The Statutory Auditors' fees for the financial year amounted to €225 thousand for the certification of the financial statements to which are added €24.4 thousand for services other than the certification of financial statements.

Workforce

Tikehau Capital has no employees.

List of subsidiaries and participating interests

Companies or groups of companies *(in thousands of €)*	Capital	Other shareholders' equity (including net result for the year)	Share of capital held at year-end (%)	Balance sheet value of the securities held as at 31/12/2019 – Gross	Balance sheet value of the securities held as at 31/12/2019 – Net	Loans and advances granted	Amount of guarantees and endorsements	Revenue of last financial year	Net profit (or loss) of the last financial year	Dividends received by the Company during the last financial year
A. Detailed information on participating interests whose inventory value exceeds 1% of the share capital of the Company required to publish the corresponding information										
1) Subsidiaries held at more than 50%										
Tikehau IM										
32, rue de Monceau, (75) Paris, France	2,529	47,346	100%	248,571	248,571	8,749	0	146,933	21,257	7,587
SOFIDY*										
303 *square* des Champs Elysées EVRY (91)	565	87,008	100%	222,314	222,314	0	0	105,912	20,345	25,655
Tikehau Capital Europe Ltd.										
32, rue de Monceau, (75) Paris, France	86,434	23,971	100%	103,580	103,580	0	0	19,177	7,883	0
Crédit.fr*										
140, rue Victor Hugo Levallois Perret (92)	4,911	-4,698	96%	14,627	5,940	7,794	0	1,695	-831	0
Tikehau Capital Belgium										
Avenue Louise 480 - Brussels 1050	12,237	2,046	100%	12,237	12,237	7,576	0	0	2,177	0
IREIT Global Group Pte. Ltd										
Asia Square *Tower* 1, SINGAPORE 018960	1,233	749	50%	12,172	12,172	0	0	3,057	670	0
Tikehau Capital UK										
30 St. Marie Axe - London	11,271	24,856	100%	12,117	12,117	449,011	0	0	28,662	0
ACE Management										
10 avenue de Messine PARIS (75)	125	2,088	100%	9,621	9,621	0	0	5,873	-574	0
Tikehau Capital North America LLC*										
412 *West 15th* Street, Floor 18 NEW YORK (10,011)	0	0	100%	2,253	2,253	2,711	0	1,841	163	0
2) Participating interests ranging between 10% and 50%										
SÉLECTIRENTE										
303 square des Champs Elysées EVRY (91)	24,446	nc	36%	133,353	133,353	0	0	15,743	8,775	991
CLARANET										
21 Southampton Row LONDON WC1B 5HA	nc	nc	18%	93,899	93,899	2,583	0	447,743	-890	0
IREIT GLOBAL*										
Asia Square Tower 1, SINGAPORE 018960	nc	nc	17%	51,931	51,931	0	0	34,808	57,032	2,965
TREIC (9-month financial year)										
32, rue de Monceau, (75) Paris, France	1,403	154,024	36%	45,159	45,159	0	0	41	4,808	4,736
B. General information concerning other subsidiaries or participating interests										
1. French subsidiaries (total) +50%				**211**	**211**	**414**				**1,300**
2. Participating interests in French companies (total)				**42,199**	**30,761**	**0**				**632**
3. Participating interests in foreign companies (total)				**52,009**	**47,421**	**5,428**				**209**

**Information taken from the Company's 2018 financial statements.*

The information is given for subsidiaries and participating interests whose balance sheet value is greater than 1% of Tikehau Capital's share capital; the information concerning the other subsidiaries and participating interests is given for their total value.

7.5 REPORT OF THE STATUTORY AUDITORS ON THE FINANCIAL STATEMENTS

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users.

This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to the shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Annual General Meeting of Tikehau Capital

Opinion

In compliance with the engagement entrusted to us by your Annual General Meetings, we have audited the accompanying financial statements of Tikehau Capital for the year ended December 31, 2019. These financial statements were approved by management on March 18, 2020, on the basis of the elements available at that date, in the evolving context of the health crisis related to Covid-19.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2019 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from January 1, 2019 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 or in the French Code of Ethics *(Code de déontologie)* for statutory auditors.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code *(Code de commerce)* relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole, as approved in the above-mentioned context, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Investment portfolio Measurement

Key Audit Matter	**Our response**
The net carrying amount of equity investments recorded in the balance sheet as at December 31, 2019 is M€ 1,314. As stated in Note 2 "Financial assets" and Note 7.3 "Accounting methods and principles" to the financial statements, equity investments are recorded at their acquisition cost and measured at their value-in-use. Impairment is recognized when the value-in-use is lower than the gross carrying amount of the investments in Tikehau Capital's accounts. The value-in-use of equity investments is determined based on a review by Management of each company's economic and financial performance, according to the valuation methods described in Note 3 to the financial statements, including the book equity of the company valued, the market or transaction value, the discounted cash flow method (DCF), the stock market comparables method, the sector's transactions method, the valuation method used according to applicable shareholders' agreements, the last known net asset value, the average listed price for the last 20 trading days or the value based on a recognized public indicator such as the restated net asset value. We considered that the valuation of the equity investment portfolio was a key audit matter, as it requires Management to exercise its judgment in terms of the methods and data used.	Our audit approach consisted in: • carrying out walk-through tests in order to identify the key processes and controls set up by Tikehau Capital to value the equity investments portfolio, • examining the assumptions, methods and models used by Tikehau Capital to estimate the main valuations, • including valuation specialists in our audit team to analyze, for a given sample, the valuations performed by Tikehau Capital, and perform the key parameters and assumptions used by comparing them with external sources, • assessing, where applicable, the existence of external benchmarks supporting the levels of multiples used in the valuation of the investments, or comparing the value used with transactions carried out over the past twelve months or with a recognized public indicator such as the restated net asset value, • for investments where the estimated value in use proved to be lower than the acquisition price, reviewing the consistency between the impairment losses recognized and the calculation of the value-in-use.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to the Shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Management report and in the other documents with respect to the financial position and the financial statements provided to the Shareholders. Regarding the events that occurred and the elements known after the date of approval of the financial statements relating to the effects of the Covid-19 crisis, Management has informed us that such events and elements will be communicated to the annual general meeting.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in article D. 441-4 of the French Commercial Code (*Code de commerce*).

Report on Corporate Governance

We attest that the Supervisory Board's report on Corporate Governance sets out the information required by Articles L. 225-37-3 and L. 225-37-4 of the French Commercial Code (*Code de commerce*).

Concerning the information given in accordance with the requirements of Article L. 225-37-3 of the French Commercial Code *(Code de commerce)* relating to remunerations and benefits received by, or allocated the directors and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from controlled companies comprised in the consolidation scope. Based on these procedures, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your Company considered likely to have an impact in the event of a takeover bid or exchange offer, provided pursuant to Article L. 225-37-5 of the French Commercial Code (*Code de commerce*), we have agreed this information to the source documents communicated to us. Based on these procedures, we have no observations to make on this information.

Other information

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Report on Other Legal and Regulatory Requirements

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Tikehau Capital by the annual general meeting held on June 1, 2017 for Mazars and on November 7, 2016 for ERNST & YOUNG et Autres.

As at December 31, 2019, Mazars and ERNST & YOUNG et Autres were in the third year and the fourth year of total uninterrupted engagement, which are three years since securities of the Company were admitted to trading on a regulated market.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Management.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code *(Code de commerce)*, our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code *(Code de commerce)* and in the French Code of Ethics *(code de déontologie)* for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Courbevoie and Paris-La Défense, March 25, 2020

The Statutory Auditors

French original signed by

MAZARS	**ERNST & YOUNG et Autres**
Simon Beillevaire	Hassan Baaj

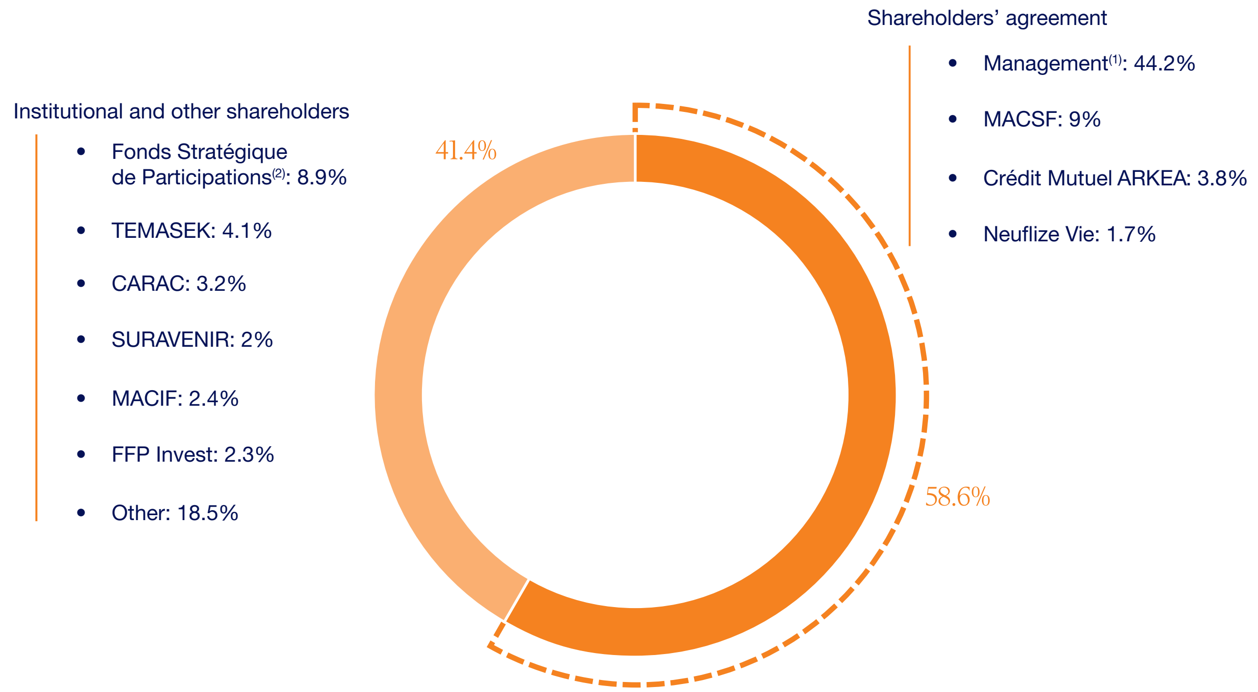
8. INFORMATION ON OWNERSHIP STRUCTURE OF THE COMPANY'S SHARES AND CAPITAL

8.1 INFORMATION ON CONTROL AND MAJOR SHAREHOLDERS

8.1.1 Shareholders of the Company over the last three years

8.1.1.1 Shareholding structure of the Company as at 31 December 2019

The following chart and table show the share capital ownership of the Company as at 31 December 2019 based on the number of issued shares:



(1) Including Tikehau Capital Advisors, Fakarava Capital, Makemo Capital and employees.
(2) FSP's shareholders are CNP Assurances, Société Générale Assurances, Groupama, Natixis Assurances, Suravenir, BNP Paribas Cardif and Crédit Agricole Assurances.

Shareholders	Number of shares	% of capital and voting rights
Tikehau Capital Advisors	50,427,094	36.9%
MACSF Épargne Retraite	12,246,257	9.0%
Fakarava Capital (1)	9,256,605	6.8%
Crédit Mutuel Arkéa	5,176,988	3.8%
Neuflize Vie	2,274,836	1.7%
Makemo Capital	531,234	0.4%
Tikehau Employee Fund 2018	125,000	0.1%
TOTAL SHAREHOLDERS' AGREEMENT (2)	**80,038,014**	**58.6%**
Fonds Stratégique de Participations	12,113,782	8.9%
TOTAL – SHAREHOLDERS HOLDING AN INTEREST OF MORE THAN 5% OR PARTY TO THE SHAREHOLDERS' AGREEMENT	**92,151,796**	**67.4%**
Esta Investments (Temasek group)	5,551,949	4.1%
MACIF	3,348,280	2.4%
CARAC	4,418,477	3.2%
FFP Invest (FFP group)	3,107,147	2.3%
Suravenir	2,769,589	2.0%
Others	25,326,170	18.5%
TOTAL – SHAREHOLDERS HOLDING AN INTEREST OF LESS THAN 5% OR NOT MEMBER OF THE CONCERT	**44,521,612**	**32.6%**
TOTAL	**136,673,408**	**100%**

(1) 70.49% of the capital of this company is held jointly by Tikehau Capital Advisors and the Group's management as at 31 December 2019.
(2) See Section 8.1.2 (Control of the Group) of this Universal Registration Document.

As at 31 December 2019, 41,365,430 Company shares held by Tikehau Capital Advisors had been pledged to corporate banks. Tikehau Capital Advisors has provided the Company with the following information relating to this pledge, regarding which two disclosures were made (No. 2019DD601897 on 5 April 2019 and No. 2019DD613021 on 28 June 2019):

Name of registered shareholder	Beneficiaries	Pledged amount	Start date of the pledge	End date of the pledge	Pledge release terms	Number of Tikehau Capital shares pledged	% of Tikehau Capital share capital pledged
Tikehau Capital Advisors	Corporate banks	€634,576,382	4 April 2019	4 April 2024	Maturity of the financing	28,456,340	20.8%
Tikehau Capital Advisors	Corporate banks	€283,999,980	27 June 2019	4 April 2024	Maturity of the financing	12,909,090	9.4%

It is specified that as at 31 December 2019, the Company has not set up any employee shareholding plan either directly or collectively (PEE or FCPE). However, the Company has offered employees who were granted free shares as part of the All Plan to contribute their shares to the Company savings plan (PEE). As at 31 December 2019, the Company acquired 19,774 shares intended to be granted to Group employees as part of free share or performance share plans. The free share and performance share plans in force within the Company as of the date of this Universal Registration Document are described at Section 8.3.2.2 (Free shares and performance plans).

8.1.1.2 Shareholding structure of the Company as at 31 December 2018

The following table shows the shareholding structure of the Company as at 31 December 2018, based on the number of shares issued:

Shareholders	Number of shares	% of capital and voting rights
Tikehau Capital Advisors	30,702,957	29.7%
MACSF Épargne Retraite	12,246,257	11.8%
Fakarava Capital (1)	7,438,423	7.2%
Crédit Mutuel Arkéa	5,176,988	5.0%
Neuflize Vie	2,274,836	2.2%
TOTAL SHAREHOLDERS' AGREEMENT (2)	**57,839,461**	**55.9%**
Fonds Stratégique de Participations	8,886,502	8.6%
Esta Investments (Temasek group)	5,551,949	5.4%
TOTAL – SHAREHOLDERS HOLDING AN INTEREST OF MORE THAN 5% OR PARTY TO THE SHAREHOLDERS' AGREEMENT	**72,277,912**	**69.9%**
MACIF	3,348,280	3.2%
CARAC	3,053,932	3.0%
FFP Invest (FFP group)	3,107,147	3.0%
Suravenir	2,769,589	2.7%
Others	18,920,739	18.3%
TOTAL – SHAREHOLDERS HOLDING AN INTEREST OF LESS THAN 5% OR NOT MEMBER OF THE CONCERT	**31,199,687**	**30.2%**
TOTAL	**103,477,599**	**100%**

(1) *69.1% of the capital of this company is held jointly by Tikehau Capital Advisors and the Group's management as at 31 December 2018.*
(2) *See Section 8.1.2 (Control of the Group) of this Universal Registration Document.*

8.1.1.3 Shareholding structure of the Company as at 31 January 2018

The following table shows a detailed breakdown of its shareholding structure as of 31 January 2018:

Shareholders	Number of shares	% of capital and voting rights
Tikehau Capital Advisors	30,702,957	29.8%
MACSF Épargne Retraite	12,246,257	11.9%
Fakarava Capital (1)	7,438,423	7.2%
Crédit Mutuel Arkéa	5,139,988	5.0%
Neuflize Vie	2,274,836	2.2%
TOTAL SHAREHOLDERS' AGREEMENT (2)	**57,802,461**	**56.1%**
Fonds Stratégique de Participations	8,886,502	8.6%
Esta Investments (Temasek group)	5,551,949	5.4%
TOTAL – SHAREHOLDERS HOLDING AN INTEREST OF MORE THAN 5% OR PARTY TO THE SHAREHOLDERS' AGREEMENT	**72,240,912**	**70.1%**
MACIF	3,348,280	3.2%
CARAC	3,053,932	3.0%
FFP Invest (FFP group)	3,107,147	3.0%
Suravenir	2,845,729	2.8%
Others	18,550,248	17.9%
TOTAL – SHAREHOLDERS HOLDING AN INTEREST OF LESS THAN 5% OR NOT MEMBER OF THE CONCERT	**30,905,336**	**29.9%**
TOTAL	**103,146,248**	**100%**

(1) *69.1% of the capital of this company is held jointly by Tikehau Capital Advisors and Group management.*
(2) *See Section 8.1.2 (Control of the Group) of this Universal Registration Document.*

8.1.2 Control of the Group

8.1.2.1 Control

As at 31 December 2019, Tikehau Capital Advisors held 36.9% of the Company's capital and voting rights and 100% of the capital and voting rights of Tikehau Capital General Partner, the Company's Manager-General Partner (See the organisational chart in Section 1.3.1.4 (Legal structure of Tikehau Capital) of this Universal Registration Document.

The shareholders' equity of Tikehau Capital Advisors is held by the founders and managers of Tikehau Capital (who together hold 67.16% of the share capital and voting rights of Tikehau Capital Advisors), and a group of institutional investors: Crédit Mutuel Arkéa, FFP, MACSF, Temasek and North Haven Tactical Value (an investment vehicle managed by Morgan Stanley Investment Management). These institutional investors together hold the remaining 32.84%.

Tikehau Capital Advisors acts in concert with Fakarava Capital, MACSF Epargne Retraite, Crédit Mutuel Arkéa, Neuflize Vie, Makemo Capital and Tikehau Employee Fund 2018 pursuant to a shareholders' agreement initially entered into on 23 January 2017 for a period of five years. To enable the inclusion of Makemo Capital and Tikehau Employee Fund 2018, amendment No. 1 was added to the agreement on 17 June 2019. The agreement provides that the parties shall consult with one another prior to any meeting of the Company's Supervisory Board or General Meeting of Shareholders of the Company for the purpose of agreeing on a common general policy for the Company. This agreement lays down that the parties shall ensure that a member of the Supervisory Board is appointed on the basis of a proposal from each party to the agreement holding at least 5% of the Company's share capital. This agreement also provides the conditions under which the parties acting in concert may request the appointment of a representative to the Supervisory Board. Lastly, this agreement provides that each party holding more than 3% of the Company's shareholders' equity (on a fully diluted basis) and who wishes to sell all or part of its shares in the Company must grant pre-emptive rights to the other parties to the shareholders' agreement allowing them to acquire the offered shares at the sale price set by the seller.

Furthermore, the Company has the legal form of a *société en commandite par actions* (partnership limited by shares) governed by Articles L.226-1 *et seq.* of the French Commercial Code, with Tikehau Capital General Partner serving as Manager and general partner. Under Article 11 of the Articles of Association of Tikehau Capital General Partner, prior to approving certain key decisions regarding Tikehau Capital, on behalf of and for the account of, Tikehau Capital General Partner in its capacity as general partner and/or Manager of Tikehau Capital, the Chairman and Chief Executive Officer of Tikehau Capital General Partner must obtain the prior consent of Tikehau Capital Advisors. These decisions are as follows: (i) the appointment (including the duration of their office or their remuneration) or the removal of any Manager of Tikehau Capital; (ii) the resignation of Tikehau Capital General Partner as Manager of Tikehau Capital; (iii) the transfer of Tikehau Capital partnership interests; (iv) and any amendment to the Articles of Association of Tikehau Capital.

8.1.2.2 Preventing abusive control

Because of the Company's legal form and provisions in its Articles of Association, the Company's Manager has very broad powers in managing the Company's business. To prevent abusive control over the Company, the Company has implemented governance rules stating, in particular, that at least one third of the members of the Supervisory Board and specialist Committees must be independent (see Section 3.1 (Administrative and management bodies) of this Universal Registration Document), and procedures for internal control and for managing conflicts of interest within the Group (see Section 2.3 (Risk management and internal control system) of this Universal Registration Document). However, the governance structure and the legal provisions applicable to partnerships limited by shares do not offer Company shareholders rights and powers that are equivalent to those that might be guaranteed to them in a joint-stock company or a *Societas Europaea*. In particular, it is hereby stipulated that while the Supervisory Board ensures that the Company is being managed properly, it may under no circumstances issue binding orders to or remove the Manager (See Section 2.1.8 (Risks related to the legal form, Articles of Association and organisation of Tikehau Capital) in this Universal Registration Document).

8.1.3 Factors that could have an impact in the event of a tender offer

The Company is *a société en commandite par actions* (partnership limited by shares), and has the characteristics specific to this legal form; *i.e.* it is subject to legal provisions and clauses in the Articles of Association that could be relevant in the event of a tender offer (See Sections 2.1.8 (Risks related to the legal form, Articles of Association and organisation of Tikehau Capital) and 10.2.4 (General partners (Articles 9 and 11.2 of the Articles of Association)) of this Universal Registration Document).

The current composition of the Company's share capital (see Section 8.1.1 (Shareholding structure of the Company over the last three years) and 8.1.2 (Control of the Group) of this Universal Registration Document) is also likely to have an impact in the event of a tender offer. As at 31 December 2019, Tikehau Capital Advisors held 36.9% of the Company's share capital and voting rights and 100% of the share capital and voting rights of Tikehau Capital General Partner, the Manager-General Partner of the Company. Tikehau Capital Advisors acts in concert with Fakarava Capital, MACSF Epargne Retraite, Crédit Mutuel Arkéa, Neuflize Vie, Makemo Capital and Tikehau Employee Fund 2018 pursuant to a shareholders' agreement entered into on 23 January 2017 and amended on 17 June 2019 (amendment No. 1). As at 31 December 2019, the parties to this shareholders' agreement collectively held 58.56% of the Company's capital and voting rights.

Double voting rights as provided in Article L.225-123 paragraph 3 of the French Commercial Code have been expressly excluded in the Company's Articles of Association.

With regard to the delegations in force at the date of this Universal Registration Document, the Manager may not, without the prior authorisation of the General Meeting of the Shareholders, make use of the financial delegations and the delegation relating to the implementation of the Company's share buyback programme from the time when a tender offer is launched by a third party for the Company's securities until the offer period has ended.

The Syndicated Credit Agreement entered into by Tikehau Capital in November 2017 and the two bond issue agreements executed by the Company in November 2017 and October 2019 contain the change of control clauses usual for these types of financing. The Syndicated Credit Agreement provides the option for each lender not to finance its participation in the event of drawdown and to terminate its commitment in the event of a change of control of the Company. The bond issue agreements provide that any bondholder may obtain early redemption or repurchase of all or part of their bonds at a price equal to the nominal value of the bonds (or, where applicable, the redemption price) plus accrued interest (See Section 5.2.3. (Liquidity and Capital Resources) of this Universal Registration Document).

8.1.4 Shares held by corporate officers

Article 3 of the Supervisory Board's Internal Rules requires that members of the Supervisory Board own at least 200 shares throughout their term of office on the Board. The following table shows the number of Company shares held by each member of the Supervisory Board at the date of this Universal Registration Document:

	Number of shares held
Christian de Labriffe (Chairman)	811
Roger Caniard	200
Jean-Louis Charon	60,000
Jean Charest	4,760
Fonds Stratégique de Participations	12,113,782
Remmert Laan	114,286
Anne-Laure Naveos	200
Fanny Picard	25,866
Constance de Poncins	272
Troismer	120,850

At the date of this Universal Registration Document, neither the Manager of the Company nor the corporate officers of the Manager hold any Company securities.

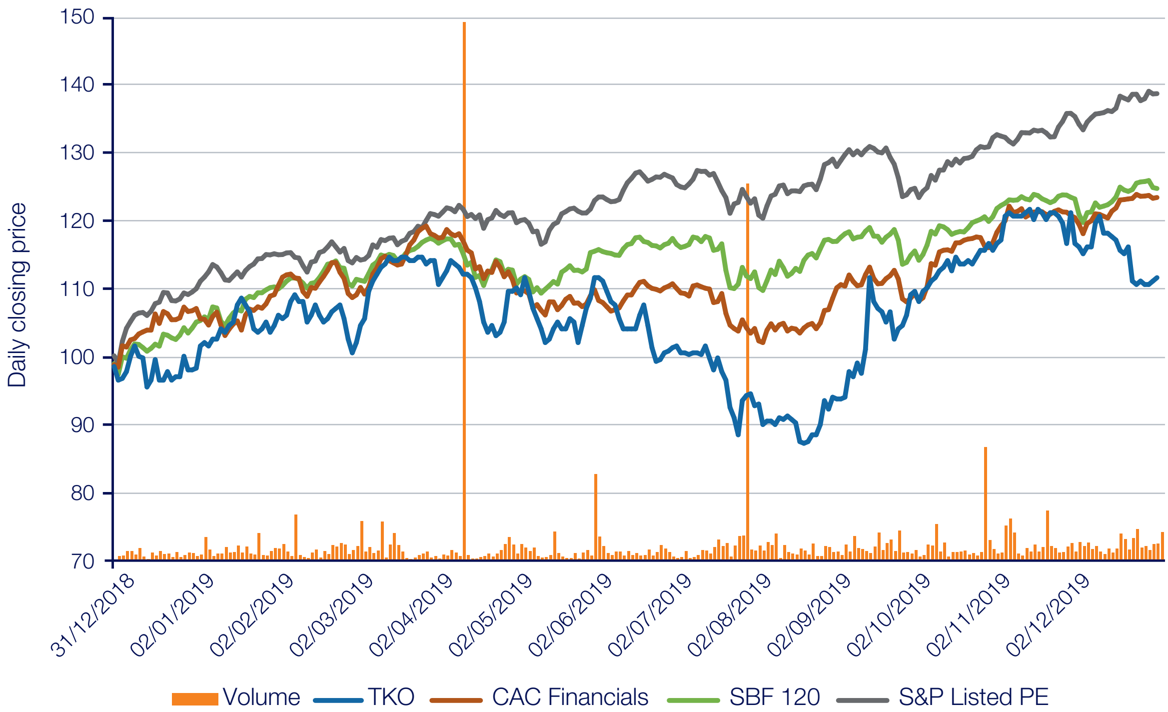
Other information concerning the Company's shareholding structure can be found in Sections 3.1.1 (The Manager), 3.4.1 (Supervisory Board), 8.3.1 (Historical information about the share capital over the last three financial years) and 8.1.2 (Control of the Group) of this Universal Registration Document.

8.2 THE TIKEHAU CAPITAL SHARE

8.2.1 General information

ISIN code	**FR0013230612**
Ticker (Reuters, Bloomberg)	TKO.FP
Compartment	A
Listing price on 7 March 2017	€21.00
Price as at 31 December 2019 (closing)	€22.00
Highest (closing) price in 2019	€24.00
Lowest (closing) price in 2019	€17.15
Average daily volume (in number of shares) in 2019	15,211
Market capitalisation as at 31 December 2019 (in millions of €)	2,999

8.2.2 Change in the share price and the volume of shares traded



Source: Bloomberg/Euronext.

The share price may be found on Tikehau Capital's website www.tikehaucapital.Com and on Euronext's website www.euronext.com.

Stock indices

Tikehau Capital shares are listed on the CAC All Shares, CAC Financials CAC SMALL, CAC MID & SMALL and CAC ALL TRADABLE indices.

8.

Institution servicing the securities

Société Générale Securities Services 32, rue du Champ-de-Tir 44308 Nantes Cedex 03

8.3 INFORMATION ON THE SHARE CAPITAL

At the date of this Universal Registration Document, the Company's share capital amounted to €1,641,529,560.

At the date of this Universal Registration Document, with the exception of the specific provisions stipulated in this Universal Registration Document (see Section 8.3.2 (Instruments giving access to equity)), the Company had not issued any other securities giving access to the Company's equity or that are representative of a receivable.

Share capital

At the date of this Universal Registration Document the Company's share capital is split into 136,794,130 shares, each with a par value of twelve euros, fully paid up and all in the same category.

At 31 March 2020 Document, the theoretical number of voting rights amounted to 136,794,130 voting rights, it being stated that none of the Company shares, except for treasury shares has been stripped or deprived of voting rights. Each share carries one vote, double voting rights as provided in Article L.225-123 of the French Commercial Code being expressly excluded in Article 7.5 of the Company's Articles of Association.

Further information on changes to the Company's shareholding structure is provided in Section 8.1.1 (Shareholders of the Company over the last three years) of this Universal Registration Document.

8.3.1 Historical information about the share capital over the last three financial years

The table below shows the change in the Company's share capital between 1 January 2017 and the date of this Universal Registration Document.

Date	Type of transaction	Share capital before transaction *(in €)*	Issue premium *(in €)*	Number of ordinary shares prior to transaction	Number of ordinary shares after the transaction	Share capital after the transaction *(in €)*
06/01/2017	**Capital increase by cash contribution**	650,097,864	64,320,327	54,174,822	61,321,525	735,858,300
28/02/2017	**Contribution in kind**	735,858,300	64,672,263	61,321,525	68,507,332	822,087,984
03/03/2017	**Capital increase by cash contribution**	822,087,984	21,428,568	68,507,332	70,888,284	850,659,408
17/05/2017	**Conversion of ORNANE bonds**	850,659,408	87,726	70,888,284	70,896,381	850,756,572
26/07/2017	**Capital increase by cash contribution**	850,756,572	319,033,670	70,896,381	102,799,748	1,233,596,976
04/01/2018	**Contribution in kind**	1,233,596,976	3,465,000	102,799,748	103,146,248	1,237,754,976
17/12/2018	**Contribution in kind**	1,237,754,976	3,881,352.56	103,146,248	103,390,960	1,240,691,520
19/12/2018	**Contribution in kind**	1,240,691,520	1,366,148.37	103,390,960	103,477,599	1,241,731,188
27/06/2019	**Capital increase by cash contribution**	1,241,731,188	325,000,000	103,477,599	135,977,599	1,631,731,188
01/07/2019	**Capital increase by cash contribution**	1,631,731,188	-	135,977,599	136,307,105	1,635,685,260
01/12/2019	**Capital increase by cash contribution**	1,635,685,260	-	136,307,105	136,673,408	1,640,080,896
31/03/2020	**Capital increase by cash contribution**	1,640,080,896	-	136,673,408	136,794,130	1,641,529,560

Since 1 January 2017, the following transactions have changed the Company's share capital:

a) as part of the reorganisation operations carried out on 7 March 2017 for the admission of the Company's securities to trading on the Euronext Paris regulated market, a recapitalisation through an in-kind contribution in the amount of €266,324,982 (issue premium included) was completed on 21 December 2016. This capital increase, which was approved by Company shareholders at the General Shareholders' Meeting of 21 December 2016, was conducted at a price of €21 per new share and resulted in the issue of 12,682,142 new shares remunerating in-kind contributions to the Company. These contributions were made for the purpose of reorganising the Group and preparing the listing of the Company's shares on the Euronext Paris regulated market. These contributions include the following assets in particular:
- Tikehau IM shares amounting to 74.1% of Tikehau IM's share capital,
- ten (10) Salvepar Class 1 preference shares, and
- all preference shares issued by Tikehau Capital Europe and held by the Company;

The General Shareholders' Meeting of the Company of 21 December 2016 also authorised the reserved issue of equity warrants to Tikehau Management, Tikehau Employee Fund 2008 and TCA Partnership. The terms of these equity warrants are described in greater detail in Section 8.3.2.1 (Equity warrants) of this Universal Registration Document;

b) a capital increase was carried out on 6 January 2017 for an amount of €150,080,763 (including issue premium) resulting in the creation of 7,146,703 new shares. This capital increase was carried out at a price of €21 per share with preferential subscription rights maintained, and subscribed to in full by cash contribution. The purpose of this capital increase was to allow the Company to shore up its shareholders' equity and bring in new shareholders, in both cases in anticipation of the listing of its shares on the Euronext Paris regulated market;

c) two capital increases were undertaken as part of the Company's listing on the Euronext Paris regulated market for a total amount of €200,901,939 (including issue premiums). These capital increases, which were approved by a General Shareholders' Meeting of the Company on 28 February 2017, were effected at a price of €21 per new share and resulted in the issuance of 9,566,759 new shares:
- a contribution in kind was made on 28 February 2017 for an amount of €150,901,947 (including issue premium) and resulted in the creation of 7,185,807 new shares in payment of the Salvepar shares tendered in the stock-for-stock tender offer for Salvepar shares, and
- a capital increase by means of a €49,999,992 (including issue premium) cash injection was carried out, resulting in the creation of 2,380,952 new shares. This capital increase was made concurrently with the settlement of the tender offer initiated on Salvepar and was reserved for the Fonds Stratégique de Participations in connection with its investment in the Company. The agreement entered into with the Fonds Stratégique de Participations included an undertaking to appoint a representative of the Fonds Stratégique de Participations to the Company's Supervisory Board and a representative of the Fonds Stratégique de Participations to the Board of Directors of Tikehau Capital Advisors (See Section 3.1.2 (Presentation of the Supervisory Board) of this Universal Registration Document). The Fonds Stratégique de Participations is an investment company with variable capital registered with the AMF, designed to promote long-term equity investments by taking interests deemed "strategic" in French companies. The Board of Directors of the Fonds Stratégique de Participations has eight members and consists of seven insurance company shareholders (BNP Paribas Cardif, CNP Assurances, Crédit Agricole Assurances, Société Générale Assurances, Groupama Natixis Assurances and Suravenir), as well as Groupe Edmond de Rothschild. To date and since its investment in the Company, the Fonds Stratégique de Participations has six compartments, five of which have the purpose of investing in shares of Arkema, SEB, Zodiac Aerospace, Eutelsat Communications and Elior group;

d) a capital increase was carried out on 17 May 2017 for the amount of approximately €185,000 (including issue premium) following the conversion of 3,000 ORNANE bonds, resulting in the creation of 8,097 new shares;

e) a capital increase was carried out on 26 July 2017 for an amount of €701,874,074 (including issue premium) resulting in the creation of 31,903,367 new shares. This capital increase was carried out at a price of €22 per share with preferential subscription rights and subscribed to in full by cash contribution. The purpose of this capital increase was to finance the Company's next phase of development as announced at the time of its IPO and to accelerate its growth with the objective of reaching €20 billion in assets under management by 2020. This capital increase also made it possible to diversify the Company's shareholder base and increase its visibility in the capital markets;

f) an in-kind capital increase was carried out on 4 January 2018 for an amount of €7,623,000 (issue premium included) and resulted in the creation of 346,500 new shares as remuneration for contributions in kind consisting of a total of 612 Tikehau IM Class B preference shares. These in-kind contributions were made by eight Tikehau IM employees who had benefited from free share plans and wished to take advantage of clearer prospects for the liquidity of their shares. This transaction – which is the logical continuation of the reorganisation operations carried out on 7 March 2017 for the admission of the Company's securities to trading on the Euronext Paris regulated market – enabled the Company to increase its holding in Tikehau IM from 96.67% to 99.09%;

g) an in-kind capital increase was carried out on 17 December 2018 for an amount of €6,817,896.56 (issue premium included) and resulted in the creation of 244,712 new shares as remuneration for contributions in kind consisting of a total of 1,095 ordinary shares of Sofidy. These contributions in kind were made by certain Sofidy shareholders;

h) an in-kind capital increase was carried out on 19 December 2018 for an amount of €2,405,816.37 (issue premium included) and resulted in the creation of 86,639 new shares as remuneration for contributions in kind consisting of a total of 197,000 ordinary shares of ACE Partners, corporate shareholder of ACE Management. These contributions in kind were made by nine individuals who were shareholders in ACE Partners, within the framework of the acquisition of ACE Management;

i) a capital increase was carried out on 27 June 2019 for an amount of €715,000,000 (including issue premium), resulting in the creation of 32,500,000 new shares. This capital increase was carried out at a price of €22 per share without preferential subscription rights and was subscribed for in full by cash contribution. The aim of this capital increase was to finance the next phase of the Company's growth, specifically to increase the investments from the balance sheet in the Group's funds or in co-investment with them, giving the Group the additional financial resources required to expand into new geographical areas, continue to rebalance its business mix towards more Real Estate and Private Equity and to enhance its range of products and services by including other types of alternative assets;

j) two capital increases were carried out on 1 July 2019 by incorporation of issue premium in the total amount of €3,954,072 (including issue premium). These two capital increases were carried out to create the number of ordinary new shares to be granted to beneficiaries of the 2016 TIM Replacement Plans (Non-Identified Staff and Identified Staff) and resulted in 329,506 new shares being issued:

- a capital increase by incorporation of issue premium in the amount of €1,494,636 resulting in the creation of 124,553 new shares under the 2016 TIM Replacement Plan - Non-Identified Staff,
- a capital increase by incorporation of issue premium in the amount of €2,459,436 resulting in the creation of 204,953 new shares under the 2016 TIM Replacement Plan - Identified Staff;

k) four capital increases were carried out on 1 December 2019 by incorporation of issue premium in the total amount of €4,395,636. These capital increases were carried out to create the number of ordinary new shares to be granted to beneficiaries of the various plans and resulted in 366,303 new shares being issued:

- a capital increase by incorporation of issue premium in the amount of €247,380 resulting in the creation of 20,615 new shares under the All Plan,
- a capital increase by incorporation of issue premium in the amount of €3,862,920 resulting in the creation of 321,910 new shares under the One Off Plan,
- a capital increase by incorporation of issue premium in the amount of €142,668 resulting in the creation of 11,889 new shares under the 2016 TIM Replacement Plan - Identified Staff,
- a capital increase by incorporation of issue premium in the amount of €142,668 resulting in the creation of 11,889 new shares under the 2016 TIM Replacement Plan - Non-Identified Staff;

l) two capital increases were carried out on 31 March 2020 by incorporation of issue premium in the total amount of €1,448,664. These capital increases were carried out to create the number of ordinary new shares to be granted to beneficiaries of the various plans and resulted in 120,722 new shares being issued:

- a capital increase by incorporation of issue premium in the amount of €818,100, resulting in the creation of 68,175 new shares under the 2018 FSA Plan, and
- a capital increase by incorporation of issue premium in the amount of €630,594, resulting in the creation of 52,547 new shares under the 2018 Performance Shares Plan.

8.3.2 Instruments giving access to equity

8.3.2.1 Equity warrants

The General Meeting of the Shareholders of the Company of 21 December 2016 authorised the issue of 1,244,781 equity warrants (*bons de souscription d'actions*) reserved to Tikehau Management, Tikehau Employee Fund 2008 and TCA Partnership, each for one third of the issue, at respectively 414,927 equity warrants.

These equity warrants were subscribed on 22 December 2016 at a price of €2.20 per equity warrant, a price that was calculated by an independent appraiser appointed by the Company.

These three vehicles are held by partners and employees of the Group and Tikehau Capital Advisors. The purpose of this reserved issue was to strengthen the personal interest of its employees in the Group (particularly when exercising these equity warrants), to reinforce the alignment of interests between the Group and its employees, and to encourage them with the Group's future performance.

These equity warrants may be exercised at any time in one or several stages five years after issue. Equity warrants that have not been exercised within ten years of issue shall become null and void by right, as of that date.

Upon issue, each equity warrant entitles its holder to subscribe to one new Company share. Due to the share capital increases with preferential subscription rights made on 6 January 2017 at a price of €21 per new share and on 26 July 2017 at a price of €22 per new share, and the legal and contractual provisions to preserve the rights of equity warrant holders in the event of a corporate transaction, these warrants now give the right to subscribe for 1,416,558 new shares (compared to 1,244,781 new shares previously).

The strike price of the new shares underlying the equity warrants is €21 per new share actually subscribed payable in cash upon exercise, barring an adjustment in accordance with legal and regulatory provisions and with the terms and conditions of the equity warrants provided to preserve the rights of equity warrant holders. This issue price is equal to the issue price that was used for the purpose of the capital increases carried out by the Company in December 2016 and January 2017 (see Section 8.3.1 (Historical information about the share capital over the last three financial years) of this Universal Registration Document).

These equity warrants are tradable and may be freely divested. However, at the date of this Universal Registration Document, they are held by the original subscribers.

8.3.2.2 Free shares and performance plans

Since the admission of its securities to trading on the Euronext Paris regulated market, the Company has implemented (i) four free share plans and two performance share plans following authorisation from the General Meeting of the Shareholders on 21 December 2016, in its 32nd resolution, and (ii) four free share plans and seven performance share plans following authorisation from the General Meeting of the Shareholders on 25 May 2018, in its 16th resolution. These General Meetings authorised the Manager, in accordance with Articles L.225-197-1 *et seq.* of the French Commercial Code, on one or more occasions to grant shares, existing or to be issued, to the employees and corporate officers of the Company and related companies or corporate groups, up to a limit of 3% of the share capital.

(a) Plans resulting in definitive share grants

At the date of this Universal Registration Document, the free share plan known as "All plan", the first tranche of the free share plan known as the "One Off plan" and the "2016 TIM Replacement Plan – Non-Identified Staff" and the "2016 TIM Replacement Plan – Identified Staff", together the "2016 TIM Replacement Plans" made definitive share grants to beneficiaries fulfilling the condition of presence on the definitive grant date.

1. The All Plan and the One Off Plan (first tranche)

The Company decided to grant free shares to employees of the Company and related companies or corporate groups to share with them the success of the Group since its creation and in particular to take into account its exceptional growth during the 2016 and 2017 financial years.

This grant took the form of two free share plans for the benefit of the Company's employees and related companies or corporate groups, approved by the Manager on 1 December 2017:

- the "All Plan" is for a maximum total of 26,334 Company shares granted on an equal basis to all employees of the Company and related companies or corporate groups;
- the "One-Off Plan" is for a maximum total of 690,426 Company shares granted to certain employees of the Company or of related companies or corporate groups; the number of shares granted to each employee is determined according to objective criteria (years of professional service, years of service within the Company or the related companies or corporate groups, gross salary, and pay grade).

  The One Off plan has two tranches, each of which comprises 50% of the shares granted at the end of a two-year and three-year vesting period respectively.

No corporate officer of the Company is a beneficiary under these free share plans. It should also be made clear that Mr Antoine Flamarion and Mr Mathieu Chabran have not benefited from any grant of free shares under these All Plan and One Off plans.

The vesting of the shares granted under the All Plan and the One Off Plan was conditional upon working in the Company or related companies or corporate groups on the definitive vesting date ("presence condition"), but not subject to any performance condition. The All Plan and the first tranche of the One Off Plan were definitively granted to beneficiaries who met the presence condition on 1 December 2019.

No retention period was set for shares vested under the All Plan and the first tranche of the One Off Plan.

Shares acquired under the All Plan could be transferred into a company savings plan on the vesting date. The shares of beneficiaries who have opted for this transfer are subject to a retention period of five years, during which the shares may not be transferred (except in the event of death).

2. The 2016 TIM Replacement Plans

Following the reorganisation operations that took place on 7 March 2017 for the admission of the Company's securities to trading on the Euronext Paris regulated market, it was no longer relevant for the Group to retain minority interests in Tikehau IM and it was therefore not logical to retain the employee shareholding plans introduced at Tikehau IM in June 2016 (the "2016 TIM Plans"). The free share grants made under the 2016 TIM Plans were replaced by grants of free shares in Tikehau Capital.

To do this, Tikehau Capital implemented two free share plans which exactly replicate the terms of the two June 2016 plans that were in effect at Tikehau IM, the 2016 TIM Replacement Plans. These plans were proposed subject to employees waiving their Tikehau IM stock rights that were vesting under the 2016 TIM Plans.

The exchange ratio was that agreed under the capital increase remunerating the contributions in kind of Tikehau IM shares made on 4 January 2018. The 2016 TIM Replacement Plans applied to a maximum of 353,284 Company shares.

One of the two 2016 TIM Plans fulfilled the requirements for "identified staff [1]" within the meaning of the regulations arising from the AIFM Directive, and provided that the definitive vesting of the shares be subject to fulfilment of performance conditions. Similarly, the number of Tikehau Capital shares definitively acquired under the 2016 TIM Replacement Plan – Identified Staff will be based on the performance of a benchmark index representing the performance of Tikehau IM's various business lines.

The vesting period for the 2016 TIM Replacement Plans took into account the period already elapsed under the 2016 TIM Plans and expired on 30 June 2019. As the performance condition in the 2016 TIM Replacement Plan – Identified Staff had been met, the 2016 TIM Replacement Plans were definitively granted to beneficiaries who met the presence condition on 1 July 2019. The final number of free shares granted under the 2016 TIM Replacement Plans was 353,284 shares.

A retention period is then provided for until 30 June 2020.

No corporate officer of the Company is a beneficiary under the 2016 TIM Replacement Plans. It should also be made clear that Messrs Antoine Flamarion and Mathieu Chabran have not benefited from any grant of free shares under the 2016 TIM Replacement Plans.

3. The 2018 FSA Plan and the 2018 Performance Share Plan

The Group decided to grant free shares to employees of the Company and of related companies or corporate groups as part of the awarding of variable remuneration in respect of 2017. These grants took the form of two free share plans for employees of the Company and of related companies or corporate groups, adopted by the Manager on 30 March 2018:

- the free share plan called "2018 FSA Plan" for a maximum total of 54,629 shares granted to certain employees of the Company or related companies or corporate groups with the rank of "Vice-President" or "Director"; and
- the free share plan called "2018 Performance Share Plan" for a maximum total of 72,185 shares granted to certain employees of the Company or related companies or corporate groups with the rank of "Managing Director" or "Executive Director".

No corporate officer of the Company is a beneficiary under the 2018 FSA Plan and the 2018 Performance Share Plan. It should also be noted that Mr Antoine Flamarion and Mr Mathieu Chabran have not received any free shares under the 2018 FSA Plan and the 2018 Performance Share Plan.

Vesting of the shares granted under the 2018 FSA Plan was subject to a presence condition, but not to any performance condition.

The vesting of shares granted under the 2018 Performance Share Plan was subject:

- for 50% of the granted shares, solely to the condition of presence;
- for 25% of the granted shares, to a condition of presence and to the fulfilment of a performance condition relating to the amount of the Group's published assets under management; and
- for 25% of the granted shares, to a condition of presence and to the fulfilment of a performance condition relating to the results of the Group's Asset Management activity.

On 30 March 2020, the 2018 FSA Plan was definitively granted to beneficiaries meeting the presence condition on 30 March 2020. The final number of free shares granted under this plan was 52,547 shares.

As the performance conditions had been met, on 30 March 2020, the Performance Share Plan was definitively granted to beneficiaries who met the presence condition on 30 March 2020. The final number of free shares granted under this plan was 68,175 shares.

No retention period is envisaged for shares acquired under the 2018 FSA Plan or the 2018 Performance Share Plan.

(1) The "identified staff" within the meaning of the AIFM and UCITS V Directives, is composed of Tikehau IM' Executive Management, risk takers (i.e. portfolio managers), controlling supervisors, managers of the support functions as well as any employee who, in view of their overall remuneration, is in the same salary bracket as the Executive Management and the risk takers, and whose professional activities have a significant impact on the risk profile of Tikehau IM or the risk profile of the AIFs or UCITS managed by Tikehau IM. Only "identified staff" receiving high variable remuneration and having an influence on Tikehau IM's risk profile or on the risk profile of the AIFs or UCITS managed by Tikehau IM are subject to the requirements relating to the structure and the terms of vesting and payment of the variable remuneration arising from the AIFM and UCITS V Directives (see Section 1.5.3.3 (Other regulations) of this Universal Registration Document). The "non-identified staff" consists of employees of Tikehau IM who are not "identified staff".

	All Plan	One Off Plan (first tranche)	2016 TIM Replacement Plan – Non-Identified Staff	2016 TIM Replacement Plan – Identified Staff	2018 FSA Plan	2018 Performance Share Plan
Date of Meeting	21/12/2016	21/12/2016	21/12/2016	21/12/2016	21/12/2016	21/12/2016
Grant date by the Manager	01/12/2017	01/12/2017	16/03/2018	16/03/2018	30/03/2018	30/03/2018
Maximum number of shares granted	26,334	346,213	136,442	216,842	54,629	72,185
Number of initial beneficiaries	198	158	17	8	52	31
Number of shares granted to Company corporate officers	–	–	–	–	–	–
Number of shares granted to the top ten employees of the Company other than executive corporate officers (1)	–	–	–	–	–	–
Vesting date of the shares	01/12/2019	01/12/2019	01/07/2019	01/07/2019	30/03/2020	30/03/2020
Vesting condition of the shares	Condition of presence No performance condition	Condition of presence No performance condition	Condition of presence No performance condition	Condition of presence Performance condition (2)	Condition of presence No performance condition	Condition of presence Condition of presence 50% of the shares granted with no performance condition 50% of the shares granted with performance conditions (3)
Duration of retention period	–	–	1 year	1 year	–	–
Number of shares vested	20,615	321,910	124,553	204,953	52,903	70,258
Number of cancelled or lapsed shares as at 31 December 2019	5,719	24,303	–	–	1,726	1,927
Number of shares granted and still to be vested as at 31 December 2019	–	–	–	–	–	–

(1) The Company has no employees.

(2) Performance condition based on a benchmark index composed of UCITS and AIFs managed by Tikehau IM and deemed representative of each of Tikehau IM's business lines. The performance of this benchmark is calculated by measuring the change in the net asset value per unit or share of the concerned funds.

(3) For 25% of the granted shares, based on the fulfilment of a performance condition relating to the amount of the Group's assets under management and, for the other 25%, to the fulfilment of a performance condition relating to the results of the Group's Asset Management activity.

(b) Plans not yet vested

At the date of this Universal Registration Document, twelve free share plans had yet to be vested:

1. The One Off Plan (second tranche)

As described above, the One Off Plan, adopted by decision of the Manager on 1 December 2017, is made up of two tranches each comprising 50% of the shares granted at the end of a period of two and three years respectively:

- the first tranche of the One Off Plan was definitively granted to beneficiaries who met the presence condition on 1 December 2019 (see paragraph (i) above);
- the vesting of shares granted under the second tranche of the One Off Plan is subject to a presence condition, at 1 December 2020, but no performance condition.

No retention period has been set for shares acquired under the One Off Plan.

2. The 2018 Credit.fr Plan and the 2018 Sofidy Plan

The Company decided to grant free shares to employees of Credit.fr and Sofidy upon the consolidation of the two companies within the Group.

No corporate officer of the Company is a beneficiary under these free share plans. It should also be made clear that Mr Antoine Flamarion and Mr Mathieu Chabran have not benefited from any grant of free shares under these plans.

This grant took the form of (i) a free share plan for the employees of Credit.fr approved by the Manager on 4 July 2018 (the "2018 Credit.fr Plan") and (ii) a free share plan for the employees of Sofidy approved by the Manager on 21 December 2018 (the "2018 Sofidy Plan"):

- the 2018 Credit.fr Plan involving a maximum total of 26,180 Company shares granted to certain eligible employees and corporate officers of Credit.fr; and
- the 2018 Sofidy Plan involving a maximum total of 14,800 Company shares granted to certain eligible employees and corporate officers of Sofidy.

The vesting of the shares granted under the 2018 Credit.fr Plan and the 2018 Sofidy Plan is subject to a condition of presence in the Company or related companies or corporate groups at the definitive vesting date but is not subject to any performance condition.

The free shares will be definitively granted to the beneficiaries at the end of a period of:

- two years for 50% of the shares granted under the 2018 Credit.fr Plan, and three years for the remaining 50%;
- two years for all shares granted under the 2018 Sofidy Plan.

No retention period has been set for shares acquired under the 2018 Credit.fr Plan or the 2018 Sofidy Plan.

Shares acquired under the 2018 Sofidy Plan may be transferred to a company savings plan. This transfer – the amount of which is capped at 7.5% of the French Social Security Ceiling per subscriber – must take place on the final vesting date and subjects the vested shares to a five-year lock-up period during which they will be non-transferable (except in the event of death).

3. The 2019 FSA Plan, the 2019 Performance Share Plan, and the 2019 AIFM/UCITS Plan

The Group decided to grant free shares to employees of the Company and of related companies or corporate groups as part of the awarding of variable remuneration in respect of 2018. These grants took the form of three free share plans for employees of the Company and of related companies or corporate groups, adopted by the Manager on 18 February 2019:

- the free share plan called "2019 FSA Plan" for a maximum total of 134,669 shares granted to certain employees of the Company or related companies or corporate groups with the rank of "Associate", "Vice-President" or "Director";
- the free share plan called "2019 Performance Share Plan" for a maximum total of 108,816 shares granted to certain employees of the Company or related companies or corporate groups with the rank of "Managing Director" or "Executive Director"; and
- the free share plan called "2019 AIFM/UCITS Plan" for a maximum total of 30,825 shares granted to certains employees of the Company or related companies or corporate groups who are among the employees covered by the requirements for the remuneration of identified staff under the AIFM and UCITS Directives [1].

No corporate officer of the Company is a beneficiary under the 2019 FSA Plan, 2019 Performance Share Plan, or 2019 AIFM/UCITS Plan. It should also be noted that Mr Antoine Flamarion and Mr Mathieu Chabran have not received any free shares under the 2019 FSA Plan, the 2019 Performance Share Plan, or the 2019 AIFM/UCITS Plan.

The vesting of the shares granted under the 2019 FSA Plan is subject to a condition of presence in the Company or related companies or corporate groups at the definitive vesting date but is not subject to any performance condition. The free shares will be definitively vested to the beneficiaries of the 2019 FSA Plan after a period of two years for 50% of the shares granted and three years for the remaining 50%, and will not be subject to any retention period.

(1) The "identified staff" within the meaning of the AIFM and UCITS V Directives, is composed of Tikehau IM' Executive Management, risk takers (i.e. portfolio managers), controlling supervisors, managers of the support functions as well as any employee who, in view of their overall remuneration, is in the same salary bracket as the Executive Management and the risk takers, and whose professional activities have a significant impact on the risk profile of Tikehau IM or the risk profile of the AIFs or UCITS managed by Tikehau IM. Only "identified staff" receiving high variable remuneration and having an influence on Tikehau IM's risk profile or on the risk profile of the AIFs or UCITS managed by Tikehau IM are subject to the requirements relating to the structure and the terms of vesting and payment of the variable remuneration arising from the AIFM and UCITS V Directives (see Section 1.5.3.3 (Other regulations) of this Universal Registration Document)".

The vesting of shares granted under the 2019 Performance Share Plan will take place as follows:

- after a period of 2 years for 50% of the granted shares, subject to:
  - for 25% of the granted shares, solely to the condition of presence,
  - a condition of presence and a performance condition relating to the Group's cumulated net inflows in 2019 and 2020, for 12.5% of the granted shares,
  - a condition of presence and a performance condition relating to the arithmetic average of the operating margins achieved on the Group's Asset Management activity as set out in the consolidated financial statements as at 31 December 2019 and 31 December 2020, for 12.5% of the granted shares;
- after a period of three years for 50% of the granted shares, subject to:
  - for 25% of the granted shares, solely to the condition of presence,
  - a condition of presence and a performance condition relating to the Group's cumulated net inflows in 2021, for 12.5% of the granted shares,
  - a condition of presence and a performance condition relating to the operating margin on the Group's Asset Management activity as set out in the consolidated financial statements as at 31 December 2021, for 12.5% of the granted shares.

The shares granted under the 2019 Performance Share Plan are not subject to any retention period.

The vesting of shares granted under the 2019 AIFM/UCITS Plan will take place as follows:

- after a period of two years for 2/3 of the granted shares, subject to:
  - a performance condition based on a benchmark index representing the performance of Tikehau IM's various business lines (the "Performance Index") after a period of one year, for 1/3 of the granted shares,
  - a performance condition based on the Performance Index at the end of the two-year period, for 1/3 of the granted shares;
- at the end of a three-year vesting period, subject to a performance condition based on the Performance Index at the end of the three-year period, for 1/3 of the granted shares.

The shares granted under the 2019 AIFM/UCITS Plan are not subject to any retention period.

The vesting of the shares under these three tranches will be conditional upon the beneficiary's presence within the Group and the absence of any serious breach of applicable regulations or Internal Rules and procedures concerning compliance and the appropriate management of risks.

	One Off Plan (second tranche)	2018 Credit.fr Plan	2018 Sofidy Plan	2018 2019	2019 Performance Share Plan	2019 AIFM/UCITS Plan
Date of Meeting	21/12/2016	25/05/2018	25/05/2018	25/05/2018	25/05/2018	25/05/2018
Grant date by the Manager	01/12/2017	04/07/2018	21/12/2018	18/02/2019	18/02/2019	18/02/2019
Maximum number of shares granted	346,213	26,180	14,800	134,669	108,816	30,825
Number of initial beneficiaries	158	13	148	97	44	4
Number of shares granted to Company corporate officers	–	–	–	–	–	–
Number of shares granted to the top ten employees of the Company other than executive corporate officers [(1)]	–	–	–	–	–	–
Vesting date of the shares	01/12/2020	04/07/2020 for 50% of the shares granted 04/07/2021 for 50% of the shares granted	21/12/2020	18/02/2021 for 50% of the shares granted 18/02/2022 for 50% of the shares granted	18/02/2021 pour 50% of the shares granted 18/02/2022 pour 50% of the shares granted	19/02/2021 for 2/3 of the shares granted 19/02/2022 for 1/3 of the shares granted
Vesting condition of the shares	Condition of presence No performance condition	Condition of presence No performance condition	Condition of presence No performance condition	Condition of presence No performance condition	Condition of presence Condition of presence 50% of the shares granted with no performance condition 50% of the shares granted with performance conditions [(2)]	Condition of presence Condition of absence of any serious breach of applicable regulations or Internal Rules and procedures concerning compliance and the appropriate management of risks Performance condition assessed on the basis of the Performance Index [(3)] .
Duration of retention period	–	–	–	–	–	–
Number of shares vested	–	–	–	–	–	–
Number of cancelled or lapsed shares as at 31 December 2019	24,303	1,500	1,200	4,806	3,083	–
Number of shares granted and still to be vested as at 31 December 2019	321,910	24,680	13,600	129,863	105,733	30,825

(1) The Company has no employees.

(2) For 25% of the granted shares, based on the fulfilment of a performance condition relating to the amount of the Group's cumulated net inflows and, for the other 25%, to the fulfilment of a performance condition relating to the operating margin for the Group's Asset Management activity.

(3) Performance condition based on a benchmark index composed of UCITS and AIFs managed by Tikehau IM and deemed representative of each of Tikehau IM's business lines. The performance of this benchmark is calculated by measuring the change in the net asset value per unit or share of the concerned funds.

4. The 2020 FSA Plan, the 2020 Performance Share Plan, and the 2020 AIFM/UCITS Sofidy Plan

The Group decided to grant free shares to employees of the Company and of related companies or corporate groups as part of the awarding of variable remuneration in respect of 2019. These grants took the form of three free share plans for employees of the Company and of related companies or corporate groups, adopted by the Manager on 10 March 2020:

- the free share plan called "2020 FSA Plan" for a maximum total of 223,774 shares granted to certain employees of the Company or related companies or corporate groups with the rank of "Associate", "Vice-President" or "Director";
- the free share plan called "2020 Performance Share Plan" for a maximum total of 78,603 shares granted to certain employees of the Company or related companies or corporate groups with the rank of "Managing Director" or "Executive Director".
- the free share plan called "2020 AIFM/UCITS Sofidy Plan" for a maximum total of 9,956 shares granted to certain employees of Sofidy who are among the employees covered by the requirements for the remuneration of identified staff under the AIFM and UCITS V Directives [(1)];

No corporate officer of the Company is a beneficiary under the 2020 FSA Plan, 2020 Performance Share Plan, or 2020 AIFM/UCITS Sofidy Plan. It should also be noted that Mr Antoine Flamarion and Mr Mathieu Chabran have not received any free shares under the 2020 FSA Plan, the 2020 Performance Share Plan, or the 2020 AIFM/UCITS Plan.

Vesting of the shares granted under the 2020 FSA Plan was subject to a presence condition, but not to any performance condition. The free shares will be definitively vested to the beneficiaries of the 2020 FSA Plan after a period of two years for 50% of the shares granted and three years for the remaining 50%, and will not be subject to any retention period. The vesting of shares granted under the 2020 Performance Share Plan will take place as follows:

- after a period of 2 years for 50% of the granted shares, subject to:
  - for 25% of the granted shares, solely to the condition of presence,
  - a condition of presence and a performance condition relating to the Group's cumulated net inflows in 2020 and 2021, for 12.5% of the granted shares,
  - a condition of presence and a performance condition relating to the arithmetic average of the operating margins achieved on the Group's Asset Management activity as set out in the Company's consolidated financial statements as at 31 December 2020 and 31 December 2021, for 12.5% of the granted shares;
- after a period of three years for 50% of the granted shares, subject to:
  - for 25% of the granted shares, solely to the condition of presence,
  - a condition of presence and a performance condition relating to the Group's cumulated net inflows in 2022, for 12.5% of the granted shares,
  - a condition of presence and a performance condition relating to the operating margin on the Group's Asset Management activity as set out in the consolidated financial statements as at 31 December 2022, for 12.5% of the granted shares.

The shares granted under the 2020 Performance Share Planare not subject to any retention period.

The vesting of shares granted under the 2020 AIFM/UCITS Sofidy Plan will take place as follows:

- after a period of two years for 2/3 of the granted shares, subject to:
  - a performance condition based on a benchmark index representing the performance of Sofidy's strategies (the "Performance Index") after a period of one year, for 1/3 of the granted shares,
  - a performance condition based on the Performance Index at the end of the two-year period, for 1/3 of the granted shares;
- at the end of a three-year vesting period, subject to a performance condition based on the Performance Index at the end of the three-year period, for 1/3 of the granted shares.

The shares granted under the 2020 AIFM/UCITS Sofidy Plan are not subject to any retention period.

Vesting of each of these three tranches will be conditional upon the beneficiary's presence within the Company or related companies or corporate groups on the vesting date, and the absence of any serious breach of applicable regulations or Internal Rules and procedures concerning compliance and the appropriate management of risks.

(1) *"Identified staff" within the meaning of the AIFM and UCITS V Directives refers to Sofidy's Executive Management, risk takers (i.e. portfolio managers), controlling supervisors, managers of the support functions as well as any employee whose overall remuneration places them in the same salary bracket as the Sofidy Executive Management and risk takers, and whose professional activities have a significant impact on the risk profile of Sofidy or the risk profile of the AIFs or UCITS managed by Sodify. Only "identified staff" receiving high variable remuneration and having an influence on Sofidy's risk profile or on the risk profile of the AIFs or UCITS managed by Sofidy are subject to the requirements relating to the structure and the terms of vesting and payment of the variable remuneration arising from the AIFM and UCITS V Directives (see Section 1.5.3.3 (Other regulations) of this Universal Registration Document).*

5. The 2020 TIM 7 year Plan, the 2020 Sofidy 7 year Plan, the 2020 ACE 7 year Plan

Three free share plans were adopted by the Manager on 10 March 2020 as part of the variable remuneration in respect of 2019 and the implementation of a mechanism to retain certain managing directors, business line managers, regional managers and managers of the Group's key support functions who are employees or managing directors of Tikehau IM, Sofidy, ACE Management or Tikehau Capital Advisors. The vast majority of these beneficiaries, within their relevant management company, are identified staff as defined in the AIFM and OPCVM Directives. These plans provide for, respectively:

- for the "2020 TIM 7 year" free share plan, the grant of a maximum total of 383,629 shares;
- for the "2020 Sofidy 7 year" free share plan, the grant of a maximum total of 54,805 shares; and
- for the "2020 ACE 7 year" free share plan, the grant of a maximum total of 22,835 shares.

The shares granted under the 2020 TIM 7 year plan, 2020 Sofidy 7 year plan and the 2020 ACE 7 year plan will be vested:

- for 2/7 of the granted shares, at the end of a two-year vesting period and subject to a performance condition determined using an index representative of the performance of the various business lines or strategies of the relevant management company (the "Performance Index"):
  - for 1/7 of the granted shares, after a one-year period, and
  - for 1/7 of the granted shares, after a two-year period;
- at the end of a three-year vesting period, subject to a performance condition based on the Performance Index at the end of the three-year period, for 1/7 of the granted shares;
- at the end of a four-year vesting period, subject to a performance condition based on the Performance Index at the end of the four-year period, for 1/7 of the granted shares;
- at the end of a five-year vesting period, subject to a performance condition based on the Performance Index at the end of the five-year period, for 1/7 of the granted shares;
- at the end of a six-year vesting period, subject to a performance condition based on the Performance Index at the end of the six-year period, for 1/7 of the granted shares;
- at the end of a seven-year vesting period, subject to a performance condition based on the Performance Index at the end of the seven-year period, for 1/7 of the granted shares.

Shares granted under the 2020 TIM 7 year plan, the 2020 Sofidy 7 year plan and the 2020 ACE 7 year plan are not subject to any retention period.

Vesting of each of the seven tranches under each of these three plans will be conditional upon the beneficiary working at the Company or related companies or corporate groups on the vesting date and the absence of any serious breach of applicable regulations or Internal Rules and procedures concerning compliance and the appropriate management of risks.

	2020 FSA Plan	2020 Performance Share Plan	2020 AIFM/UCITS Sofidy Plan	2020 TIM 7 year Plan	2020 Sofidy 7 year Plan	2020 ACE 7 year Plan
Date of Meeting	25/05/2018	25/05/2018	25/05/2018	25/05/2018	25/05/2018	25/05/2018
Grant date by the Manager	10/03/2020	10/03/2020	10/03/2020	10/03/2020	10/03/2020	10/03/2020
Maximum number of shares granted	223,774	78,603	9,956	383,629	54,805	22,835
Number of initial beneficiaries	254	39	12	15	3	2
Number of shares granted to Company corporate officers	–	–	–	–	–	–
Number of shares granted to the top ten employees of the Company other than executive corporate officers (1)	–	–	–	–	–	–
Vesting date of the shares	10/03/2022 for 50% of the shares granted 10/03/2023 for 50% of the shares granted	10/02/2022 for 50% of the shares granted 10/02/2023 for 50% of the shares granted	10/03/2022 for 2/3 of the shares granted 10/02/2023 for 1/3 of the shares granted	10/03/2022 for 2/7 of the shares granted 10/03/2023 for 1/7 of the shares granted 10/03/2024 for 1/7 of the shares granted 10/03/2025 for 1/7 of the shares granted 10/03/2026 for 1/7 of the shares granted 10/03/2027 for 1/7 of the shares granted		
Vesting condition of the shares	Condition of presence No performance condition	Condition of presence Condition of presence 50% of the shares granted with no performance condition 50% of the shares granted with performance conditions (2)	Condition of presence Condition of absence of any serious breach of applicable regulations or Internal Rules and procedures concerning compliance and the appropriate management of risks. Performance condition evaluated using a representative index of the performance of Sofidy's strategies	Condition of presence Condition of absence of any serious breach of applicable regulations or Internal Rules and procedures concerning compliance and the appropriate management of risks performance condition assessed on the basis of a Performance Index (3) .		
Duration of retention period	–	–	–	–	–	
Number of shares vested	–	–	–	–	–	

(1) The Company has no employees.
(2) For 25% of the granted shares, based on the fulfilment of a performance condition relating to the Group's cumulated net inflows and, for the other 25%, on the fulfilment of a performance condition relating to the operating margin for the Group's Asset Management activity.
(3) Performance condition measured using a benchmark deemed representative of the performance of various business lines or strategies of the relevant management company, Tikehau IM for the 2020 TIM 7 year plan, Sofidy for the 2020 Sofidy 7 year plan and ACE Management for the 2020 ACE 7 year plan. The performance of this benchmark is calculated by measuring the change in the net asset value per unit or share of the concerned funds.

8.3.3 Summary table of financial delegations

8.3.3.1 Existing financial delegations and their use as at 31 December 2019

At the date of this Universal Registration Document, the financial delegations granted to the Manager and currently in force were approved by the Combined General Meeting of the Shareholders of the Company on 25 May 2018.

These delegations and their use as at 31 December 2019 are set out in the table below:

Purpose of the resolution	Date of Meeting Resolution number	Maximum amount *(as par value amount or % of capital)*	Duration of the authorisation in force	Usage as at 31 December 2019 *(par value amount)*	Methods for setting the issue price
Capital increase by incorporation of reserves, profits or premiums	25 May 2018 12th resolution	€1 billion (1)	26 months	–	N/A
Issue with preferential subscription right for shares and/or securities giving access to equity	25 May 2018 7th resolution	€1.5 billion	26 months	–	N/A
Issue without preferential subscription right for ordinary shares and/or securities giving access to equity through public offerings (3)	25 May 2018 8th resolution	€600 million (1)	26 months	€390,000,000 on 27 June 2019	See note (1) below
Issue without preferential subscription right to shares and/or securities giving access to equity through private investments referred to in Article L.411-2 paragraph II of the French Monetary and Financial Code (4)	25 May 2018 9th resolution	€500 million and legal limit (currently 20% of the share capital) (1) (2)	26 months	–	See note (1) below
Issue of shares and/or securities giving access to equity without preferential subscription rights in return for contributions in kind consisting of shares or securities giving access to equity	25 May 2018 10th resolution	€250 million and legal limit (currently 10% of share capital) (1) (2)	26 months	€2,936,544 (1) (2) on 17 December 2018 €1,039,668 (1) (2) on 19 December 2018	See note (2) below
Authorisation granted to the Managers, if issued without preferential subscription right, to determine the issue price within 10% of the capital	25 May 2018 11th resolution	10% of share capital (1) (2)	26 months	–	See note (3) below
Increase in the number of shares to be issued in the event of a capital increase with or without preferential subscription rights	25 May 2018 13th resolution	Legal limit (currently 15% of the initial issue) (1)	26 months	–	N/A

Purpose of the resolution	Date of Meeting Resolution number	Maximum amount *(as par value amount or % of capital)*	Duration of the authorisation in force	Usage as at 31 December 2019 *(par value amount)*	Methods for setting the issue price
Capital increase through the issue of shares and/or securities giving access to equity without preferential subscription rights, reserved for members of company savings plans	25 May 2018 14th resolution	€30 million (1)	26 months	–	See note (4) below
Capital increase through the grant of stock options for employees and corporate officers of the Company or related companies or corporate groups	25 May 2018 15th resolution	Capped at 3% of the share capital (1)	26 months	–	See note (5) below
Capital increase through the grant of free shares existing or to be issued for employees and corporate officers of the Company or related companies or corporate groups	25 May 2018 16th resolution	Capped at 3% of the share capital (1)	26 months	A maximum of 315,290 shares, *i.e.* 0.23% of the share capital.	N/A

(1) Amount allocated to the total cap provided under the 7th resolution of the General Meeting of the Shareholders of 25 May 2018.
(2) Amount allocated to the total cap provided under the 8th resolution of the General Meeting of the Shareholders of 25 May 2018.
(3) As of 23 October 2019, applicable only to public offers other than those referred to in Article L.411-2 1° of the French Monetary and Financial Code.
(4) As of 23 October 2019, the concept of "private placement" is replaced by that of "offer to the public" referred to in Article L.411-2 1° of the French Monetary and Financial Code.

Note (1) – In accordance with Article L.225-136 1° paragraph 1 of the French Commercial Code, (i) the issue price of shares issued directly shall be at least equal to the minimum stated in the regulatory provisions applicable on the issue date (*i.e.* until 30 October 2019, the weighted average of the prices of the last three Euronext Paris trading sessions preceding the setting of the recapitalisation subscription price, minus 5%, and from 31 October 2019, the weighted average of the prices of the three Euronext Paris trading sessions preceding the setting of the recapitalisation subscription price, minus 10%), after, where applicable, an adjustment of this average in the event of a difference between the effective dates; and (ii) the issue price of securities giving access to equity and the number of shares to which the conversion, redemption or, generally speaking, the transformation of each security giving access to equity could entitle their holders, shall be the sum immediately paid to the Company, plus, where applicable, the sum that may be paid later to it, for each share issued corresponding to the issue of these securities, and at least equal to the minimum subscription price stated in (i) above.

Note (2) – In accordance with Article L.225-147 of the French Commercial Code, the Manager shall rule on the valuations of contributions, based on the report of one or more contributions appraisers appointed unanimously by the shareholders or, failing that, by a court order.

Note (3) – In accordance with Article L.225-136 1° paragraph 2 of the French Commercial Code, (i) the issue price of the shares shall be at least equal to the weighted average of the Company's shares on Euronext Paris in the last 20 trading sessions prior to the date on which it is set, or if it is lower, to the latest closing price preceding the setting of the price minus a maximum discount of 5%, and (ii) the issue price of securities providing immediate or future access to share capital shall be the sum paid immediately to the Company plus, where applicable, the sum that the Company may later receive, *i.e.* for each share issued corresponding to the issue of securities and at least equal to the amount stated above, after adjustment of this amount, if necessary, to reflect the difference in the effective date.

Note (4) – The issue price of new shares or securities giving access to equity shall be determined under the conditions provided in Articles L.3332-18 *et seq.* of the French Labour Code and shall be equal to at least 80% of the Reference Price (as defined below) or to 70% of the Reference Price when the lock-up period in accordance with Articles L.3332-25 and L.3332-26 of the French Labour Code is equal to, or greater than ten years; for the purpose of this paragraph, the Reference Price is (i) the average of the Company's initial quoted price on the Euronext Paris regulated market during the 20 trading sessions preceding the date on which the opening subscription is set for members of a company or group savings plan (or similar); or (ii) when the capital increase occurs simultaneously with an initial offering on a regulated market, the Company's admission price on said market, on the condition that the decision setting the subscription opening period is made no later than ten trading days after the share's initial trading date.

Note (5) – The strike price of share subscription or purchase options shall be set on the day on which such options are granted and (i) in the case of share subscription options, this price may be no lower than 80% of the average of the initial quoted prices of the Company's shares on the Euronext Paris regulated market during the 20 trading sessions preceding the date on which the stock-option rights are granted; and (ii) in the case of share purchase options, this price may be no lower than either the value stated in (i) above, nor 80% of the average purchase price of shares held by the Company under Articles L. 225-208 and L. 225-209 of the French Commercial Code. If the Company undertakes one of the operations provided by Article L. 225-181 of the French Commercial Code or by Article R. 225-138 of the French Commercial Code, the Company shall, under the conditions provided by current regulations, take the necessary measures to protect the interests of beneficiaries, including, where applicable, by adjusting the number of shares that may be obtained through the exercise of options granted to beneficiaries to reflect the impact of this operation.

8.3.3.2 Financial delegations submitted to the General Meeting of the Shareholders of 19 May 2020

The financial delegations submitted to the Company's Combined General Meeting of the Shareholders, to be held on 19 May 2020 are shown in the table below:

Purpose of the resolution	Date of Meeting resolution number	Maximum amount *(as par value amount or % of capital)*	Duration of the authorisation in force	Procedures for setting the issue price
Capital increase by incorporation of reserves, profits or premiums	19 May 2020 20th resolution	€2 billion (1)	26 months	N/A
Issue with preferential subscription right for shares and/or securities giving access to equity	19 May 2020 15th resolution	€820 million	26 months	N/A
Issue without preferential subscription right for ordinary shares and/or securities convertible to equity through public offerings (other than a public offering as referred to in Article L.411-2 1° of the French Monetary and Financial Code)	19 May 2020 16th resolution	€600 million (1)	26 months	See note (1) below
Issue without preferential subscription right to shares and/or securities convertible to equity through public offerings referred to in Article L.411-2 1° of the French Monetary and Financial Code	19 May 2020 17th resolution	€600 million and legal limit (currently 20% of share capital) (1) (2)	26 months	See note (1) below
Issue of shares and/or securities giving access to equity without preferential subscription rights in return for contributions in kind consisting of shares or securities giving access to equity	19 May 2020 18th resolution	€250 million and legal limit (currently 10% of share capital) (1) (2)	26 months	See note (2) below
Authorisation granted to the Managers, if issued without preferential subscription right, to fix the issue price within 10% of the capital	19 May 2020 19th resolution	10% of share capital (1) (2)	26 months	See note (3) below
Increase in the number of shares to be issued in the event of a capital increase with or without preferential subscription rights	19 May 2020 21th resolution	Legal limit (currently 15% of the initial issue) (1)	26 months	N/A
Capital increase through the issue of shares and/or securities giving access to equity with cancellation of preferential subscription rights, reserved for members of company savings plans	19 May 2020 22th resolution	€50 million (1)	26 months	See note (4) below
Capital increase through the allocation of stock options for employees and corporate officers of the Company or related companies or corporate groups	19 May 2020 23th resolution	Capped at 3% of the share capital (1)	26 months	See note (5) below
Capital increase through the grant of free shares existing or to be issued for employees and corporate officers of the Company or related companies or corporate groups	19 May 2020 24th resolution	Capped at 3% of the share capital (1)	26 months	N/A

(1) Amount allocated to the total cap provided under the 15th resolution of the General Meeting of the Shareholders of 19 May 2020.
(2) Amount allocated to the total cap provided under the 16th resolution of the General Meeting of the Shareholders of 19 May 2020.

8.

Note (1) – In accordance with Article L.225-136 1° para. 1 of the French Commercial Code, (i) the issue price of shares issued directly shall be at least equal to the minimum stated in the regulatory provisions applicable on the issue date (currently the weighted average of the prices of the three Euronext Paris trading sessions preceding the setting of the recapitalisation subscription price, less 10%), after, where applicable, an adjustment of this average in the event of a difference between the effective dates; and (ii) the issue price of securities giving access to equity and the number of shares to which the conversion, redemption or, generally speaking, the transformation of each security giving access to equity could entitle their holders, shall be the sum immediately paid to the Company, plus, where applicable, the sum that may be paid later to it, for each share issued corresponding to the issue of these securities, and at least equal to the minimum subscription price stated in (i) above.

Note (2) – In accordance with Article L.225-147 of the French Commercial Code, the Manager shall rule on the valuations of contributions, based on the report of one or more contributions appraisers appointed unanimously by the shareholders or, failing that, by a court order.

Note (3) – In accordance with Article L.225-136 1° para. 2 of the French Commercial Code, (i) the issue price of the shares shall be at least equal to the weighted average of the Company's shares on Euronext Paris in the last 20 trading sessions prior to the date on which it is set, or if it is lower, to the latest closing price preceding the setting of the price less a maximum discount of 10%, and (ii) the issue price of securities providing immediate or future access to share capital shall be the sum paid immediately to the Company plus, where applicable, the sum that the Company may later receive, *i.e.* for each share issued corresponding to the issue of securities and at least equal to the amount stated in (i) above, after adjustment of this amount, if necessary, to reflect the difference in the effective date.

Note (4) – The issue price of new shares or securities giving access to equity shall be determined under the conditions provided in Articles L.3332-18 *et seq.* of the French Labour Code and shall be equal to at least 70% of the Reference Price (as defined below) or to 60% of the Reference Price when the lock-up period in accordance with Articles L.3332-25 and L.3332-26 of the French Labour Code is equal to, or greater than ten years; for the purpose of this paragraph, the Reference Price is (i) the average of the Company's initial quoted price on the Euronext Paris regulated market during the 20 trading sessions preceding the date on which the opening subscription is set for members of a company or group savings plan (or similar); or (ii) when the capital increase occurs simultaneously with an initial offering on a regulated market, the Company's admission price on said market, on the condition that the decision setting the subscription opening period is made no later than ten trading days after the share's initial trading date.

Note (5) – The strike price of stock options shall be set on the day on which the stock options are granted and (i) in the case of stock-option rights, this price may be no lower than 80% of the average of the initial quoted prices of the Company's shares on the Euronext Paris regulated market during the 20 trading sessions preceding the date on which the stock-option rights are granted; and (ii) in the case of stock-option purchase plans, this price may be no lower than either the value stated in (i) above, nor 80% of the average purchase price of shares held by the Company under Articles L.225-208 and L.225-209 of the French Commercial Code. If the Company undertakes one of the operations provided by Article L.225-181 of the French Commercial Code or by Article R.225-138 of the French Commercial Code, the Company shall, under the conditions provided by current regulations, take measures necessary for protecting the interests of beneficiaries, including, where applicable, by adjusting the number of shares that may be obtained through the exercise of options granted to beneficiaries to reflect the impact of this operation.

8.3.4 Tikehau Capital share buyback programme

The Combined General Meeting of 22 May 2019 authorised the Manager, for a period of 18 months, beginning on the date of said General Meeting, with the power of sub-delegation and in accordance with the provisions of Articles L.225-209 *et seq.* of the French Commercial Code, to buy Company shares or have them bought, in order:

- to implement any Company stock-option plan under the provisions of Articles L.225-177 *et seq.* of the French Commercial Code or any similar plan; or
- to award or transfer shares to the employees to compensate them for their participation in the Company's growth or for the implementation of any company or group savings plan (or similar) under conditions provided by law, particularly Articles L.3332-1 *et seq.* of the French Labour Code; or
- to grant free shares under the provisions of Articles L.225-197-1 *et seq.* of the French Commercial Code; or
- generally speaking, to honour obligations arising from stock-option program or other share allocations to employees or corporate officers of the issuer or an affiliated company; or
- to deliver shares upon the exercise of rights attached to securities giving access to equity through redemption, conversion, exchange, presentation of a warrant or in any other manner; or
- to cancel all or part of shares thus repurchased; or
- to assist an investment services provider in serving as a secondary market maker or liquidity provider for Tikehau Capital shares under a market-making contract in accordance with AMF decision 2018-01.

The Company may also use this authorisation for the purpose of holding or subsequently delivering shares in exchange or as payment in connection with any acquisition, merger, spin-off or contribution transactions.

Share buybacks are also designed to implement any market practice that might be authorised by the AMF and, more generally, the undertaking of any transaction in accordance with current regulations. In this event, the Company will inform its shareholders accordingly in a written statement.

Company shares may be repurchased in a number such that, on the date of each purchase, the total number of shares repurchased by the Company since the start of the buyback programme (including those that are subject to said programme) shall not exceed 10% of the Company's share capital on this date (including transactions affecting it after the General Meeting of the Shareholders), on the understanding that (i) the number of shares acquired for retention and subsequent delivery as part of a corporate acquisition, merger, spin-off or contribution transaction cannot exceed 5% of its share capital, (ii) when the shares are repurchased to promote liquidity under the conditions defined by the AMF General Regulation, the number of shares used to calculate the aforementioned 10% limit is equal to the number of shares purchased, less the number of shares sold during the period authorised, and (iii) the number of shares that the Company will hold at any time whatsoever does not exceed 10% of the shares constituting the Company's share capital.

Shares may be acquired, divested or transferred at any time within the limits authorised by current legal and regulatory provisions except during periods of a public offer, and through any means, including on the regulated markets, multilateral trading facilities, with systematic internalisers or over the counter, including through off-market acquisitions or divestments, through a cash or exchange tender offer, or through the use of options or other forward financial instruments traded on regulated markets, multilateral trading facilities, with systematic internalisers or over the counter, or when handing over shares after the issue of securities giving access to Company equity through conversion, exchange, redemption or exercise of a warrant, either directly or indirectly through an investment services provider or in any other manner (without limiting the portion of the buyback program that may be undertaken by any one of these means).

The maximum share purchase price under this resolution will be forty euros (€40) (or the equivalent of this amount on the same date in any other currency).

In the event of a change in the share's nominal value, a capital increase through the incorporation of reserves, the award of free shares, the splitting or reverse-splitting of shares, the distribution of reserves or any other assets, redemption of capital, or any other operation involving the share capital or shareholders' equity, the General Meeting of the Shareholders grants the Manager the power to adjust the aforementioned maximum purchase price to reflect the impact such operations on the share's value.

The total amount allocated to the share buyback program may not exceed €300 million.

The General Meeting of the Shareholders grants the Manager, with the power of sub-delegation under the conditions provided by law, with the broadest powers to decide and implement this authorisation, to specify, if necessary, its terms, and the procedures for carrying out the share buyback programme and, in particular, to place any market order, enter into any agreement, allocate or reallocate the acquired shares to purposes allowed under applicable law and regulations, set the procedures for ensuring, where applicable, the rights of holders of securities convertible to share capital or other rights convertible to equity in accordance with legal and regulatory provisions and, where applicable, enforce contractual clauses providing for other cases of adjustment, to make any disclosures to the AMF or any other competent authority and any other formalities and, generally speaking, to undertake any necessary actions.

The Company has set up a liquidity contract in compliance with AMF decision 2018-01. This contract, which has been entrusted to Exane BNP Paribas, has been in effect since 7 March 2017 and was updated on 19 February 2019 with effect from 1 January 2019. It was signed for a term of one year tacitly renewable. On 21 February 2019, the Company made a further contribution of €300,000, bringing the resources allocated to the implementation of the liquidity contract to €290,560 and 46,653 Company shares to the credit of the liquidity account.

The proposal is submitted to the General Meeting of the Shareholders of 19 May 2020 to renew this authorisation in exactly the same way again, maintaining the maximum purchase price of the shares at €40 and the maximum total amount allocated to the share buyback programme at €300 million.

The Company also signed a share repurchase mandate with an investment service provider on 19 September 2019, relating to a maximum volume of 1,400,000 Company shares, *i.e.* 1% of the share capital, provided that price and volume conditions are in line with those set by the General Meeting of the Shareholders of 22 May 2019. It is intended that the shares repurchased under this mandate will cover the Company's free share and performance share plans and/or be delivered as part of possible external growth, merger, spin-off or contribution transactions, up to a maximum of 5% of the share capital in accordance with law. This mandate, initially entered into until 31 December 2019, was extended on 27 December 2019 until 19 March 2020, when the 2020 annual results were announced. As at 19 March 2020, the Company had repurchased a total of 683,848 shares under the share repurchase mandate.

On 19 March 2020, the Company signed a new share repurchase mandate with an investment services provider for a maximum amount of €75 million, with price and volume conditions complying with those set by the General Meeting of the Shareholders of 22 May 2019 (or any resolution which may replace it during the duration of the mandate). The repurchased shares will be cancelled and/or used to cover the Company's free share plans and performance share plans. Under this mandate, shares may be repurchased up until 30 July 2020, when the assets under management as at 30 June 2020 are announced.

As at 31 December 2019, the Company held 411,918 ordinary shares (for a market value of €20.70 based on the last closing price as at 31 December 2019). 48,120 of these shares are held under a liquidity contract entered into with Exane BNP Paribas and 363,798 shares were repurchased under the share buyback mandate. No Company shares are held by one of its subsidiaries or by a third party on its behalf. Since 1 January 2017, the Company has not used derivatives on its shares.

8.4 DIVIDEND POLICY

The Company's objective is to continue maximising value creation for its shareholders over the long term by allocating capital to optimise revenues and return on equity (see Section 1.2.2 Competitive advantages) of this Universal Registration Document).

Aware that the distribution of profits is an objective of its shareholders, the Company intends to implement a dividend policy enabling the distribution of a stable or growing dividend on the basis of an initial fixed baseline of €0.50.

The Company's dividend distribution history is as follows:

	For the financial year 2019	For the financial year 2018	For the financial year 2017	For the financial year 2016
Dividend per share	€0.50 (1)	€0.25	€1.00	-

(1) Subject to the approval of the General Meeting of the Shareholders of 19 May 2020.

As such, it is proposed to the General Meeting of the Shareholders that a dividend of €0.50 per share be paid for the 2019 financial year.

Subject to approval by the Company's General Meeting of the Shareholders, the dividend will be detached from the share on 22 May 2020 and paid out from 26 May 2020.

9.

ANNUAL GENERAL MEETING OF THE SHAREHOLDERS

9.1 AGENDA

The Annual Combined General Meeting of the Shareholders will be convened on 19 May 2020 at 3pm at the Centre de Conférences Capital 8, 32 rue de Monceau, 75008 Paris, France, to decide on the following agenda:

1) Approval of the annual financial statements for the financial year ended 31 December 2019;

2) Approval of the consolidated financial statements for the financial year ended 31 December 2019;

3) Allocation of result for the financial year ended 31 December 2019;

4) Review and authorisation of agreements governed by Article L.226-10 of the French Commercial Code;

5) Renewal of the term of office of Mr Jean-Louis Charon as member of the Supervisory Board;

6) Renewal of the term of office of Troismer, with Mr Léon Seynave as its appointed permanent representative, as member of the Supervisory Board;

7) Renewal of the term of office of Mrs Anne-Laure Naveos as member of the Supervisory Board;

8) Amount allocated to members of the Supervisory Board of the Company as remuneration;

9) Approval of the components of the remuneration policy applicable to the Manager;

10) Approval of the components of the remuneration policy applicable to the Supervisory Board;

11) Approval of the information referred to in Article L.225-37-3 I of the French Commercial Code and presented in the report on corporate governance;

12) Approval of the components of remuneration paid to the Manager during the financial year 2019 or awarded in respect of the financial year 2019;

13) Approval of the components of remuneration paid to the Chairman of the Supervisory Board during the financial year 2019 or awarded in respect of the financial year 2019;

14) Authorisation to be given to the Managers to trade in the Company’s shares;

15) Delegation of authority to be given to the Managers to decide to increase the share capital of the Company or another company through the issue of shares and/or securities giving immediate or future access to the share capital, with preferential subscription rights;

16) Delegation of authority to be given to the Managers to decide to increase the share capital of the Company or another company through the issue of shares and/or securities giving immediate or future access to the share capital, without preferential subscription rights, by public offering (other than a public offering referred to in the first paragraph of Article L.411-2 of the French Monetary and Financial Code);

17) Delegation of authority to be given to the Managers to decide to increase the share capital of the Company or another company through the issue of shares and/or securities giving immediate or future access to the share capital, without preferential subscription rights, by a public offering as defined by the first paragraph of Article L.411-2 of the French Monetary and Financial Code;

18) Authorisation to be granted to the Managers to issue shares and/or securities giving immediate or future access to shares to be issued by the Company as compensation for contributions in kind consisting in equity securities or securities giving access to the share capital;

19) Determination of the issue price, for a maximum of 10% of the share capital per year, in the context of a share capital increase through the issue of equity securities without preferential subscription rights;

20) Delegation of authority to be given to the Managers to decide to increase the share capital by incorporation of premiums, reserves, profits or any other amounts;

21) Delegation of authority to be given to the Managers to increase the number of shares to be issued in the event of a share capital increase with or without preferential subscription rights;

22) Delegation of authority to be given to the Managers to decide to increase the share capital of the Company through the issue of shares and/or securities giving immediate or future access to the share capital, without preferential subscription rights, reserved for members of company savings plans;

23) Delegation of authority to be given to the Managers to grant share subscription or purchase options to some or all of the group’s salaried employees and corporate officers;

24) Delegation of authority to be given to the Managers to grant existing free shares or shares to be issued to some or all of the group’s salaried employees and corporate officers;

25) Authorisation to be given to the Managers to reduce the share capital by cancelling treasury shares;

26) Amendment of Article 8.3 of the Articles of Association - The Managers' Remuneration

27) Amendment of Article 10.1 of the Articles of Association - Appointment, removal from office and remuneration of the members of the Supervisory Board

28) Amendment of Article 10.3.2 of the Articles of Association - Meetings of the Supervisory Board

29) Powers to carry out legal formalities.

9.2 REPORT OF THE MANAGER TO THE COMBINED GENERAL MEETING OF THE SHAREHOLDERS OF 19 MAY 2020

Dear Shareholders,

In accordance with the legal and statutory provisions in force, this report has been prepared by your Manager, Tikehau Capital General Partner, in order to submit for your approval draft resolutions on the following agenda:

- **First resolution** – Approval of the annual financial statements for the financial year ended 31 December 2019;
- **Second resolution** – Approval of the consolidated financial statements for the financial year ended 31 December 2019;
- **Third resolution** – Allocation of the result for the year ended 31 December 2019;
- **Fourth resolution** – Review and authorisation of agreements governed by Article L.226-10 of the French Commercial Code;
- **Fifth resolution** – Renewal of the term of office of Mr Jean-Louis Charon as member of the Supervisory Board;
- **Sixth resolution** – Renewal of the term of office of Troismer, with Mr Léon Seynave as its appointed permanent representative, as member of the Supervisory Board;
- **Seventh resolution** – Renewal of the term of office of Mrs Anne-Laure Naveos as member of the Supervisory Board;
- **Eighth resolution** – Amount allocated to members of the Supervisory Board of the Company as remuneration;
- **Ninth resolution** – Approval of the components of the remuneration policy applicable to the Managers;
- **Tenth resolution** – Approval of the components of the remuneration policy applicable to the Supervisory Board;
- **Eleventh resolution** – Approval of the information referred to in Article L.225-37-3 I of the French Commercial Code and presented in the report on corporate governance;
- **Twelfth resolution** – Approval of the components of remuneration paid to the Managers during the financial year 2019 or awarded in respect of the financial year 2019;
- **Thirteenth resolution** – Approval of the components of remuneration paid to the Chairman of the Supervisory Board during the financial year 2019 or awarded in respect of the financial year 2019;
- **Fourteenth resolution** – Authorisation to be given to the Managers to trade in the Company's shares;
- **Fifteenth resolution** – Delegation of authority to be given to the Managers to decide to increase the share capital of the Company or of another company through the issue of shares and/or securities giving immediate or future access to the share capital, with preferential subscription rights;
- **Sixteenth resolution** – Delegation of authority to be given to the Managers to decide to increase the share capital of the Company or another company through the issue of shares and/or securities giving immediate or future access to the share capital, without preferential subscription rights, by public offering (other than a public offering referred to in the first paragraph of Article L.411-2 of the French Monetary and Financial Code);
- **Seventeenth resolution** – Delegation of authority to be given to the Managers to decide to increase the share capital of the Company or another company through the issue of shares and/or securities giving immediate or future access to the share capital, without preferential subscription rights, by a public offering as defined by the first paragraph of Article L.411-2 of the French Monetary and Financial Code;
- **Eighteenth resolution** – Authorisation to be given to the Managers to issue shares and/or securities giving immediate or future access to shares to be issued by the Company as compensation for contributions in kind consisting in equity securities or securities giving access to share capital;
- **Nineteenth resolution** – Determination of the issue price, for a maximum of 10% of the share capital per year, in the context of a share capital increase, through the issue of equity securities without preferential subscription rights;
- **Twentieth resolution** – Delegation of authority to be given to the Managers to decide to increase of the share capital by incorporation of premiums, reserves, profits or any other sums;
- **Twenty-first resolution** – Delegation of authority to be given to the Managers to increase the number of shares to be issued in the event of a share capital increase with or without preferential subscription rights;
- **Twenty-second resolution** – Delegation of authority to be given to the Managers to decide to increase the share capital of the Company through the issue of shares and/or securities giving immediate or future access to share capital, without preferential subscription rights, reserved for members of company savings plans;
- **Twenty-third resolution** – Delegation of authority to be given to the Managers to grant share subscription or purchase options to some or all of the group's salaried employees and corporate officers;
- **Twenty-fourth resolution** – Delegation of authority to be given to the Managers to grant existing free shares or shares to be issued to some or all of the group's salaried employees and corporate officers;
- **Twenty-fifth resolution** – Authorisation to be given to the Managers to reduce the share capital by cancelling treasury shares;
- **Twenty-sixth resolution** – Amendment of Article 8.3 of the Articles of Association – The Managers' Remuneration;
- **Twenty-seventh resolution** – Amendment of Article 10.1 of the Articles of Association – Appointment, removal from office and remuneration of the members of the Supervisory Board;
- **Twenty-eighth resolution** – Amendment of Article 10.3.2 of the Articles of Association – Meetings of the Supervisory Board;
- **Twenty-ninth resolution** – Powers to carry out legal formalities.

The proposed resolutions presented in this Manager's report are intended primarily to give your Company the financial means to grow and carry out its strategy, in order to share its success with all of the Company's stakeholders, and particularly its shareholders and employees. These draft resolutions are summarized below and further detailed in the overview table that follows, which we would ask you to review and is an integral part of this report.

The purpose of this report is to present the draft resolutions that are submitted to the Meeting of the Shareholders by your Manager. It comprises this introduction, a *memorandum* on the motives behind the resolutions, an overview table for the financial resolutions and a glossary, and is intended to present to you the important points of the draft resolutions, in accordance with the regulations in force and the best governance practices recommended on the Paris financial market. Consequently, it does not intend to be exhaustive; it is therefore essential that you read the text of the draft resolutions carefully before deciding on your vote.

I. Approval of the 2019 financial statements

(first and second resolutions)

The first item on the agenda is the approval of the annual financial statements for Tikehau Capital (first resolution). Tikehau Capital's financial statements for the financial year ended 31 December 2019, as closed by the Manager, show a net profit of €126,828,174.37 compared with a net loss of €64,455,056.12 for the previous financial year.

Detailed comments on these annual financial statements can be found in Section 5.3 (Annual results of the Company) of the Universal Registration Document.

The purpose of the second resolution is to approve the consolidated financial statements of Tikehau Capital. Tikehau Capital's consolidated financial statements for the financial year ended 31 December 2019, as closed by the Manager, show a net result of €179,235,000 compared with a net result of -€107,368,000 for the previous financial year.

Detailed comments on these consolidated financial statements can be found in Section 5.2 (Notes to the consolidated financial statements for the year 2019) of the Universal Registration Document.

II. Allocation of result

(third resolution)

In the third resolution, the Meeting of the Shareholders is requested to acknowledge that the reported net income for the financial year is a net profit of €126,828,174.37 for the financial year ended 31 December 2019.

It should be noted that Tikehau Capital General Partner, as general partner and in accordance with Article 14.1 of the Articles of Association, is entitled to a remuneration equal to 12.5% of the Company's net result as shown in the financial statements at the end of the financial year, as a preferred dividend (*préciput*) and subject to there being distributable income. The Meeting of the Shareholders is requested to acknowledge that, in application of the Articles of Association, the preferred dividend due to the general partner for the financial year ended 31 December 2019 amounts to €15,853,521.80.

The Manager, in agreement with the Supervisory Board, proposes to allocate the result for the financial year as follows, including the proposal to pay a dividend of €0.50 per share:

Reported net income for the financial year 2019		**€126,828,174.37**
Retained earnings from prior years	(+)	€11,832,269.14
Allocation to the legal reserve	(–)	€6,341,408.72
Distributable income	**(=)**	**€132,319,034.79**
Distributions		
Preferred dividend (*préciput*) to the general partner	(–)	€15,853,521.80
Cash dividend of €0.50 per share [(1)]	(–)	€68,336,704.00
Allocation to retained earnings account		
Remaining balance in retained earnings	**(=)**	**€48,128,808.99**

(1) The total amount of the dividend is calculated based on the theoretical number of shares carrying dividend rights as of 31 December 2019 and may vary based on the number of shares which actually carry dividend rights on the ex-dividend date, primarily based on the number of treasury shares held on that date. Earnings from any unpaid dividends (due to the existence of treasury shares held on the dividend payment date) may be allocated to the retained earnings account.

Note below the amount of dividends paid out for the previous three years:

Financial years	**2016**	**2017**	**2018**
Paid dividend per share	€0	€1.00	€0.25

For individuals treated as resident in France for tax purposes, note that these paid dividends were eligible to the 40% flat-rate reduction provided under Article 158–3-2° of the French General Tax Code.

Incidentally, Tikehau Capital General Partner, as sole Manager, is entitled under Article 8.3 of the Articles of Association to a remuneration equal to 2% of the Company's total consolidated shareholders' equity, excluding taxes, as determined on the last day of the preceding financial year.

The Meeting of the Shareholders is requested to acknowledge that, pursuant to the Articles of Association, the fixed remuneration received by the Manager for the financial year ended 31 December 2019 amounts to €45,501,460 (excluding taxes).

III. Review and authorisation of agreements governed by Article L.226-10 of the French Commercial Code

(fourth resolution)

Having reviewed this Manager's report and the special report of the Statutory Auditors on the agreements governed by Article L.226-10 of the French Commercial Code (see Section 3.5.4 (Special report of the Statutory Auditors on regulated agreements and commitments)) of the Universal Registration Document, you will be asked to acknowledge that they were not made aware of any new agreement authorised by the Supervisory Board and entered into during the financial year ended on 31 December 2019, and to approve the conclusions of this report.

IV. Renewal of the terms of office of three members of the Supervisory Board

(fifth to seventh resolution)

The terms of office as members of the Supervisory Board of Mr Jean-Louis Charon, of Troismer, and Mrs Anne-Laure Naveos expire at the end of the General Meeting of the Shareholders called to approve the financial statements for the financial year ended 31 December 2019.

Having reviewed this Manager's report and the Supervisory Board's report, you will be asked to decide whether to renew of the terms of office of Mr Jean-Louis Charon, of Troismer, represented by Mr Léon Seynave, and of Mrs Anne-Laure Naveos, each for a term of four years, *i.e.* until the end of the General Meeting of the Shareholders called to approve the financial statements for the financial year ending on 31 December 2023.

V. Amount allocated to members of the Supervisory Board of the Company

(eighth resolution)

Having reviewed this Manager's report of the Supervisory Board, you will be asked to decide whether to increase the amount allocated to the members of the Supervisory Board of the Company from €400,000 to €450,000 per year until such time as a new decision is adopted, in order to give the flexibility necessary should additional members of the Supervisory Board be appointed or additional meetings of the Board or of one of the Committees be needed.

The allocation of this amount among the members of the Supervisory Board was determined in accordance with the remuneration policy for the Supervisory Board members adopted by the Supervisory Board following the recommendations of the Appointment and Remuneration Committee at its meeting of 18 March 2020 and submitted to the General Meeting of the Sharehoders under the tenth resolution.

VI. Components of remuneration policy applicable to the Manager and to the Supervisory Board

(ninth and tenth resolutions)

Pursuant to the provisions of Articles L.225-37 and L.226-8-1, I of the French Commercial Code, the remuneration of the Manager and the remuneration of the Supervisory Board are determined in accordance with a remuneration policy that is in line with the Company's corporate interest, contributes to its sustainability and is in line with its business strategy. This remuneration policy is presented and described in the corporate governance report prepared by the Supervisory Board.

Having reviewed this Manager's report and the remuneration policy presented in the corporate governance report and set forth in Section 3.3.1.1 of the Universal Registration Document with respect to the components applicable to the Manager and in Section 3.3.2.1 of the Universal Registration Document with respect to the components applicable to the members of the Supervisory Board, you will be asked to approve the components applicable to the Manager under the ninth resolution and to the members of the Supervisory Board under the tenth resolution.

VII. Information regarding the remuneration of corporate officers

(eleventh resolution)

Pursuant to the provisions of Articles L.225-37-3, I, the corporate governance report prepared by the Supervisory Board presents information relating to the total remuneration and any benefits in kind paid during the past financial year by your Company (or any company included in its scope of consolidation) as well as the commitments of any kind made by your Company (or any company included in its scope of consolidation) in favour of its corporate officers.

Having reviewed this Manager's report as well as the information mentioned in Article L.225-37-3, I of the French Commercial Code, presented in the corporate governance report and appearing in Section 3.3.3 of the Universal Registration Document, you will be asked to approve this information in the eleventh resolution.

VIII. Remuneration paid during the financial year 2019 or awarded in respect of the financial year 2019 to the Manager and the Chairman of the Supervisory Board

(twelfth and thirteenth resolutions)

Pursuant to the provisions of Articles L.225-37 and L.226-8-2, II of the French Commercial Code, the corporate governance report prepared by the Supervisory Board presents information on the fixed, variable and exceptional components forming the total remuneration and any benefits in kind paid during the past financial year or awarded in respect of the same financial year that are submitted as separate resolutions for the Manager and the Supervisory Board to the approval of the General Meeting of the Shareholders.

The information relating to the Manager appears in Section 3.3.1.2 of the Universal Registration Document and that relating to the Chairman of the Supervisory Board in Section 3.3.2.2 of the Universal Registration Document.

Having reviewed this Manager's report as well as the information presented in the corporate governance report and included in Sections 3.3.1.2 and 3.3.2.2 of the Universal Registration Document, the components of remuneration due or awarded to the Manager and Supervisory Board for the financial year 2019 are submitted to your approval in the twelfth and thirteenth resolutions.

IX. Financial delegations

(fourteenth and fifteenth to twenty-fifth resolutions)

a. Share buyback and cancellation programme

We first propose to authorise your Managers to repurchase shares in your Company (fourteenth resolution) for the reasons and under the terms presented in the overview table below. The twenty-fifth resolution is intended to allow the cancellation of treasury shares held by your Company, mainly as a result of such buybacks.

b. Other financial authorisations

The fifteenth to twenty-fourth resolutions are all intended to entrust the financial management of your Company to your Managers, in particular by authorising it to increase the Company's share capital, according to various methods and for various reasons set out in the overview table below. Each resolution relates to a specific objective for which your Managers would be authorised to increase the share capital, with the exception of the fifteenth and sixteenth resolutions, which delegate a general authority to respectively maintain or remove preferential subscription rights. The purpose of these financial authorisations is to give your Managers flexibility in the choice of potential issues and, when the time comes, to adapt the nature of the financial instruments to be issued according to the situation and possibilities on the French or international financial markets.

These resolutions can be divided into two broad categories: those giving rise to capital increases with preferential subscription rights and those giving rise to capital increases without preferential subscription rights.

Any capital increase in cash gives shareholders a "preferential subscription right", which is detachable and tradable during the subscription period: each shareholder has the right, for a period of at least five trading days from the opening of the subscription period, to subscribe to a number of new shares in proportion to their exisiting share in the capital.

Your Manager requests your consent, in the case of some of these resolutions, to the possibility of cancelling this preferential subscription right. Depending on market conditions, the nature of the investors involved in the issue and the type of securities issued, it may be preferable, even necessary, to cancel preferential subscription rights, in order to achieve a securities investment under the best conditions, especially when the speed of the transactions is an essential condition for their success, or when the issues are made in foreign financial markets. The cancellation of these rights may lead to raising more funds due to more favourable issue conditions. Finally, the law sometimes organises this cancellation: in particular, voting for the delegations allowing your Managers to award share subscription options (twenty-third resolution), or free or performance shares (twenty-fourth resolution) would, by law, result in the express waiver by the shareholders of their preferential subscription rights in favour of the beneficiaries of such issues or awards.

Each of these authorisations would only be given for a limited time. Furthermore, your Managers may only exercise this option to increase the share capital within strict caps above which your Managers may no longer increase the share capital without convening a new General Meeting of the Shareholders. These caps are included in the table below.

In addition, the fourteenth, fifteenth to eighteenth and twentieth to twenty-first resolutions may not be used by your Managers following the launch of a tender offer for the securities of your Company by a third party until the end of the offer period (unless given prior authorisation by the General Meeting of the Shareholders).

Should the Managers make use of a delegation of authority granted by the Meeting of Shareholders, it would, at the time of its decision, where applicable and in accordance with the law and regulations, prepare a supplementary report describing the final terms and conditions of the transaction and indicate its impact on the situation of the holders of equity securities or securities giving access to share capital, in particular with regard to their proportion of shareholders' equity. Such report and, if applicable, the report of the Statutory Auditors would be made available to the holders of equity securities or securities giving access to share capital and subsequently brought to their attention at the next General Meeting.

A glossary is provided at the end of this table: its terms are marked with an asterisk.

No.	Purpose *Duration*	Reason for possible uses of delegations or authorisations	Specific cap	Price or price calculation methods	Other information and comments
14	Authorisation to trade in the Company shares. *18 months*	Possible objectives of share buyback by your Company: • Implementation of Company stock option or similar plans; • Grant or transfer of shares to employees; • Grant of free shares to employees or corporate officers; • Delivery of shares upon exercise of rights attached to securities giving access to share capital* (including as part of stock option programmes or other grants of shares to employees or corporate officers); • Cancellation of all or part of the bought-back shares; • Market-making for the Company's shares through an investment services provider, in the context of a liquidity contract in compliance with AMF decision 2018-01; • Delivery in external growth transactions.	• Purchases are limited to a number of shares such that, on the date of each purchase, the total number of shares purchased by the Company since the beginning of the buyback programme does not exceed 10% of the share capital at that date (taking into account transactions subsequently affecting the share capital). • For external growth transactions, a cap of 5% of the share capital. • For liquidity contracts, the cap of 10% is calculated net of the number of shares sold during the term of the authorisation. • The number of shares held by the Company may not exceed, at any time, 10% of the shares making up the share capital. • Overall amount allocated to the buyback programme: €300,000,000.	Maximum purchase price per share: €40.	Delegation may not be used during tender offer period.
15	Increase of the share capital of the Company or of another company through the issue of shares and/or securities giving access to share capital* with PSR*. *26 months*	Possible use by your Managers to decide such issues, on one or several occasions.	• €820,000,000. • Total Cap*. • Caps are set excluding any additional amount that may be issued to preserve the rights of holders of securities giving access to share capital* or other rights giving access to share capital. • Issues of debt securities capped at €3,000,000,000.	Price set by your Managers.	• Possibility of a reducible subscription right*. • Possibility of authorising the issue of securities giving access to the share capital of your Company's Subsidiaries* and that of the company of which your Company is a Subsidiary*. • Delegation may not be used during tender offer period.

9.

No.	Purpose *Duration*	Reason for possible uses of delegations or authorisations	Specific cap	Price or price calculation methods	Other information and comments
16	Increase of the share capital of the Company or that of another company through the issue of shares and/or securities giving access to share capital*, without PSR*, by means of a public offering (other than a public offering referred to in Article L.411-2, 1° of the French Monetary and Financial Code). *26 months*	• Possible use by your Managers to decide on and proceed with issues without PSR in favour of shareholders, in France or abroad, by means of a public offering other than a public offering referred to in Article L.411-2, 1° of the French Monetary and Financial Code. • Possible use to issue shares or securities giving access to share capital* in remuneration of securities meeting the criteria set out in Article L.225-148 of the French Commercial Code as part of a public exchange offer initiated by your Company, in France or abroad, according to local rules, in which case your Managers would be free to set the exchange ratio, as the price rules described below do not apply.	• €600,000,000. • Cap included in the Total Cap*. • Caps are set excluding any additional amount that may be issued to preserve the rights of holders of securities giving access to share capital* or other rights giving access to share capital. • Issue of debt securities capped at €2,500,000,000.	Shares: • Price set by your Managers at least equal to the minimum regulatory price per share on issue date; • Exception: your Managers may issue shares at a price different from the minimum regulatory price per share, for a maximum of 10% of the share capital per year and according to the following terms and conditions: the issue price of the shares shall be at least equal to the weighted average of the Company's shares on the Paris Euronext market during the last twenty trading days prior to its calculation, or, if it is lower, at the last closing price prior to the calculation of the price minus a maximum discount of 10%. Securities giving immediate or future access to share capital*: • Price set by your Managers so that, for any shares issued as securities giving access to share capital*, the total amount received by the Company in respect of such securities giving access to share capital* is at least equal to the minimum regulatory price per share (as it was on the issue date of the securities giving access to share capital*).	• Currently, the minimum regulatory price is equal to the weighted average of the last three trading days on the regulated Paris Euronext market preceding the setting of the subscription price for capital increase, minus 10% (after, if applicable, correction of this average to take into account the difference between the effective dates). • Possibility of authorising the issue of shares or securities giving access to share capital* to be issued following the issue of securities giving access to share capital of your Company by Subsidiaries* of your Company. • Possibility of authorising the issue of securities giving access to the share capital of your Company's Subsidiaries* and of the company of which your Company is a Subsidiary*. • Possibility of establishing, on the French market and if circumstances permit, a priority subscription right*, if necessary to excess shares*, for which the Managers will set the exercise terms. • Delegation may not be used during a tender offer period.

No.	Purpose *Duration*	Reason for possible uses of delegations or authorisations	Specific cap	Price or price calculation methods	Other information and comments
17	Increase of the share capital of the Company or of another company through the issue of shares and/or securities giving access to share capital*, without PSR*, by way of a public offering referred to in Article L.411-2, 1° of the French Monetary and Financial Code*. *26 months*	Possible use by your Managers to decide on and proceed with issues without PSR* by way of a public offering referred to in Article L.411-2 of the French Monetary and Financial Code*.	• €600.000.000. • Cannot in any case exceed the legal cap set for this type of offer (currently 20% of the share capital per year). • Included in the cap of the sixteenth resolution and in the Total Cap*. • Caps are set excluding any additional amount that may be issued to preserve the rights of holders of securities giving access to share capital* or other rights giving access to share capital. • Issue of debt securities capped at €2,500,000,000.	Price of shares and securities giving access to share capital* determined in the same way as for the sixteenth resolution.	• Possibility of authorising the issue of shares or securities giving access to share capital* to be issued following the issue of securities giving access to share capital of your Company by Subsidiaries* (cancellation of PSR* is then required by law). • Delegation may not be used during a tender offer period.
18	Increase of the share capital through the issue of shares and/or securities giving access to share capital* in remuneration for contributions in kind consisting in equity securities or securities giving access to share capital. *26 months*	Possible use to carry out potential external growth transactions.	• €250,000,000. • Cannot in any case exceed the legal cap set for this type of offer (currently 10% of the share capital per year). • Included in the cap of the sixteenth resolution and in the Total Cap*. • Caps are set excluding any additional amount that may be issued to preserve the rights of holders of securities giving access to share capital* or other rights giving access to share capital. • Issue of debt securities capped at €900,000,000.	Your Managers will approve the report of the contribution auditors, particularly on the value of contributions.	• As provided by law, delegation not applicable to compensate a contribution as part of a public exchange offer initiated by your Company. • Delegation may not be used during a tender offer period.

No.	Purpose *Duration*	Reason for possible uses of delegations or authorisations	Specific cap	Price or price calculation methods	Other information and comments
19	Determination of the issue price of shares in a capital increase without PSR*.	Possible use to depart from the rules setting the minimum issue price of capital increases without PSR*.	• 10% of the share capital adjusted according to the operations affecting it after the date of this Meeting. • Cap included in the Total Cap*. • Caps are set excluding any additional amount that may be issued to preserve the rights of holders of securities giving access to share capital* or other rights giving access to share capital.	The issue price will be set as follows: • the issue price of the shares will be at least equal to the weighted average share price of the Company's shares on the Euronext Paris market during the last twenty trading days prior to its calculation, or if it is lower, at the last closing price before calculation of the price minus a maximum discount of 10%; • the issue price of the securities giving immediate or future access to the share capital will be such that the sum received immediately by the Company plus, if applicable, the amount that may be received by the Company at a later date is, for each share issued as a result of the issue of these securities, at least equal to the amount referred to in the above paragraph, after adjustment, if necessary, of this amount to take into account the difference in the dividend entitlement dates.	-
20	Increase of the share capital by incorporation of premiums, reserves, profits or all other sums. *26 months*	Possible use to capitalise reserves, profits or other, to increase the share capital without any "fresh money" being brought in.	• €2.000.000.000. • Cap included in the Total Cap*. • Caps are set excluding any additional amount that may be issued to preserve the rights of holders of securities giving access to share capital* or other rights giving access to share capital.	Determination by your Managers of the amount to be capitalised and the number of new equity securities and/or the new par value amount of the existing equity securities.	Delegation may not be used during a tender offer period.

No.	Purpose *Duration*	Reason for possible uses of delegations or authorisations	Specific cap	Price or price calculation methods	Other information and comments
21	Increase in the number of securities to be issued in the event of a share capital increase with or without PSR*. *26 months*	Possible use to reopen a share capital increase at the same price as the transaction initially planned in the event of oversubscription (known as the "greenshoe" clause).	• For each issue, cap equal to the limit provided for by the rules applicable on issue date (at present, 15% of initial issue). • Cap included in the cap for the initial issue and in the Total Cap*.	Price identical to that of the initial transaction.	Delegation may not be used during tender offer period.
22	Increase of the share capital through the issue of shares and/or securities giving access to share capital*, without PSR*, reserved for members of company savings plans. *26 months*	• Possible use to increase employee share ownership, in France or abroad. • Possible use for the purpose of implementing leveraged formulas.	• €50,000,000. • Cap included in the Total Cap*. • Caps are set excluding any additional amount that may be issued to preserve the rights of holders of securities giving access to share capital* or other rights giving access to share capital. • Issuance of debt securities capped at €50,000,000.	Price fixed by your Manager within the limit of a minimum issue price for the shares or securities giving access to share capital* eaqual to: • 70% of the Reference Price*; • 60% of the Reference Price* when the lock-up period established by the plan is greater than or equal to ten years.	-
23	Grant of share subscription or purchase options to all or some of the salaried employees and corporate officers of the group. *26 months*	Possible use to provide beneficiaries of these options with an incentive in the growth of their enterprise.	• 3% of the share capital at the date of the decision of your Managers to use this delegation. • Cap included in the Total Cap*. • Specific limit applicable to executive corporate officers. • Caps are set excluding any additional amount that may be issued to preserve the rights of holders of securities giving access to share capital* or other rights giving access to share capital.	Price set by your Managers in accordance with applicable law on the day the options are granted, within the limit of a minimum issue price equal to: • <u>for share subscription options</u>, at 80% of the Reference Price*; • <u>for share purchase options</u>, at the higher of the Reference Price* and 80% of the average purchase price of all the treasury shares held by the Company.	-

No.	Purpose *Duration*	Reason for possible uses of delegations or authorisations	Specific cap	Price or price calculation methods	Other information and comments
24	Grant of free shares to all or some of the salaried employees and corporate officers of the group. *26 months*	Possible use to put in place a mechanism encouraging employee share ownership and/or incentives for corporate officers, in addition to current employee savings and share subscription or purchase options.	• 3% of the share capital at the date of the decision of your Managers to use this delegation. • Cap included in the Total Cap*. • Specific limit of 1% of the free shares awarded during the financial year applicable to executive corporate officers. • Caps are set excluding any additional amount that may be issued to preserve the rights of holders of securities giving access to share capital* or other rights giving access to share capital.	-	-
25	Share capital reduction by cancellation of treasury shares. *26 months*	Possible use to reduce the share capital of your Company.	No cancellation of more than 10% of the share capital per 24-month period.	-	-

Term	Definition/Characteristics
Priority subscription right	In return for cancellation of the PSR*, your Managers may institute a reducible priority subscription right, where applicable. When provided, this right allows shareholders to subscribe to the proposed issue in proportion to the number of existing shares they hold. However, unlike PSR*, this priority subscription right may be exercised during a priority subscription period, currently set at a minimum of three trading days (shorter than the time allowed for the PSR*), and cannot be traded. This priority subscription period cannot be made available for all issues: in the same way as for the PSR*, it may be more appropriate, if not necessary, not to offer this priority subscription period, in order to achieve a securities placement under the best conditions, especially when the speed of transactions is essential to their success, or where the issues are made in foreign financial markets.
PSR	Acronym for "preferential subscription right". For a description of the preferential subscription right and an explanation of the reasons for requests to cancel the preferential subscription right, see above.
Public offer referred to in Article L.411-2 of the French Monetary and Financial Code (former "private placement")	The law allows for share capital increases without preferential subscription rights, up to a limit of 20% of the share capital per year, by offers intended exclusively for (i) persons providing third-party investment management services or (ii) qualified investors or a limited circle of investors, provided that these investors act on their own behalf. The aim is to optimise access to capital for the Company and to benefit from the best market conditions, as this financing method is faster and simpler than a capital increase by public offering.
Reducible subscription right	In certain circumstances, your Managers may give shareholders a reducible subscription right. If this right were instituted, in the event that the subscriptions on the basis of an application for exact rights (*i.e.* by exercise of the preferential subscription right) prove insufficient, the unsubscribed shares would be granted to the shareholders who subscribed for a reducible number of shares greater than those to which they are entitled on a preferential basis, in proportion to the subscription rights they have and in any event within the limits of the number they request.
Reference Price	Average of the first quoted prices of the Company's shares on the regulated market of Euronext Paris during the 20 trading days preceding the day of the decision of your Managers: • in the case of the 22nd resolution, setting the opening date for subscription by members of the savings plan; • in the case of the 23rd resolution, granting share subscription or purchase options.
Securities giving access to share capital	The securities giving immediate or future access to share capital that may be issued are: • in accordance with the provisions of Article L.228-92 paragraph 1 of the French Commercial Code, securities that are equity securities of the Company giving access to other equity securities (issued or to be issued) or to debt securities, or debt securities giving access to equity securities of the Company. These may include shares with equity warrants or convertible bonds, exchangeable or redeemable for shares to be issued such as "OCEANEs" (bonds convertible into shares to be issued or exchangeable into existing shares) or equity warrant bonds; • in accordance with the provisions of Article L.228-93 paragraphs 1 and 3 of the French Commercial Code, securities that are equity securities of the Company giving access to other equity securities (existing or to be issued) or giving entitlement to the award of debt securities of the company which directly or indirectly owns more than half the share capital of the Company or of the company of which it directly or indirectly owns more than half the share capital. These may also be debt securities giving access to equity securities to be issued of the company which directly or indirectly owns more than half the share capital of the Company or of the company of which it directly or indirectly owns more than half the share capital; and • in accordance with the provisions of Article L.228-94 paragraph 2 of the French Commercial Code, securities that are equity securities of the Company giving access to other existing equity securities or giving the right to the award of debt securities of another company of which the Company does not directly or indirectly own more than half the share capital or of which more than half the share capital is not directly or indirectly owned by this other company. Securities taking the form of debt securities (for example, convertible bonds or bonds redeemable for shares to be issued or equity warrant bonds) may give access, either at any time, or for specified periods of time, or on fixed dates, to the award of new shares. This award could be made by conversion (for example bonds convertible into new shares), redemption (for example bonds redeemable for new shares) or presentation of a bond (for example equity warrant bonds) or in any other way, during the term of the loans.
Subsidiaries	Companies in which your Company owns, directly or indirectly, more than 50% of the share capital.
Total Cap	General cap for capital increases carried out pursuant to the 15th, 16th, 17th, 18th, 19th, 20th, 21st, 22nd, 23rd and 24th resolutions, subject to the adoption of the 15th resolution in which it is provided, and equal to €820,000,000 (par value amount).

X. Amendments to the Articles of Association

(twenty-sixth to twenty-eight resolutions)

In order to incorporate the provisions of Order 2019-1234 of 27 November 2019 relating to the remuneration of corporate officers of listed companies, the General Meeting of the Shareholders is requested to adopt the following amendment to Article 8.3 of the Articles of Association:

Former text	New text
Article 8.3 The Managers' Remuneration	*Article 8.3 The Managers' Remuneration*
So long as the Company is managed by a single Manager, this Manager shall be entitled to a remuneration before taxes equal to 2% of the consolidated shareholders' equity of the Company, calculated on the last day of the preceding financial year. This remuneration shall be paid to him annually when the financial statements of the preceding year are approved.	So long as the Company is managed by a single Manager, this Manager shall be entitled to a remuneration before taxes equal to 2% of the consolidated shareholders' equity, calculated on the last day of the preceding financial year. This remuneration shall be paid to him annually when the financial statements of the preceding year are approved. This fixed remuneration is exclusive of any variable or exceptional remuneration.
The Manager shall have the option, during the financial year, to receive an interim payment of the above-mentioned remuneration. This interim payment shall only be made on the basis of accounts certified by the Company's statutory auditors at the end of an interim accounting period. This interim payment will be deducted from the total remuneration paid to the Manager when the financial statements of the preceding year are approved.	The Manager shall have the option, during the financial year, to receive an interim payment of the above-mentioned remuneration. This interim payment shall only be made on the basis of accounts certified by the Company's statutory auditors at the end of an interim accounting period. This interim payment will be deducted from the total remuneration paid to the Manager when the financial statements of the preceding year are approved.
If one or more additional Managers are appointed by the general partner(s), the latter shall decide if a Manager of their choice shall retain the above-mentioned remuneration or if the Managers shall share it between themselves and under what terms. If a Manager does not receive the remuneration described above, his remuneration (amount and terms of payment) shall be set by decision of the general partner(s) and, unless the Manager in question does not receive any remuneration, shall be submitted to the approval of the Ordinary General Shareholders' Meeting.	If one or more additional Managers are appointed by the general partner(s), the latter shall decide if a Manager of their choice shall retain the above-mentioned remuneration or if the Managers shall share it between themselves and under what terms. If a Manager does not receive the remuneration described above, his remuneration (amount and terms of payment) shall be set by decision of the general partner(s) on the advisory opinion of the Supervisory Board and, unless the Manager in question does not receive any remuneration, shall be submitted to the approval of the Ordinary General Shareholders' Meeting.
The Managers shall also be entitled to reimbursement for expenses they bear in the Company's interest, for which they must provide proof.	The Managers shall also be entitled to reimbursement for expenses they bear in the Company's interest, for which they must provide proof.

Similarly, the General Meeting is requested to adopt the following amendment to the last paragraph of Article 10.1 of the Articles of Association, it being specified that the other paragraphs of Article 10.1 remain unchanged:

Former text	New text
The Supervisory Board shall freely distribute all or some of any remuneration that the Ordinary General Shareholders' Meeting grants to it between its members.	The Supervisory Board shall freely distribute all or some of any remuneration that the Ordinary General Shareholders' Meeting grants to it between its members in accordance with the Supervisory Board's remuneration policy.

In order to delete a provision in the Articles of Association likely to create practical difficulties in situations similar to that resulting from the measures to combat the spread of the Covid-19 virus, the General Meeting is requested to adopt the following amendment to the third paragraph of Article 10.3.2 of the Articles of Association, it being specified that the other paragraphs of Article 10.3.2 remain unchanged.

Former text	New text
Decisions shall be taken by a simple majority of those members who are present or represented and who have voting rights. Except when the Supervisory Board meets to audit the annual report and accounts, members of the Supervisory Board who attend the meeting via videoconference or telephone conference enabling them to be identified and ensuring that they participate effectively shall be deemed to be present for the purpose of calculating the quorum and the majority. A member who is present may represent an absent member upon presentation of an express proxy. In the event that the votes are tied, the chairman of the meeting shall have the casting vote. Managers shall be notified of meetings of the Supervisory Board may attend in an advisory capacity.	Decisions shall be taken by a simple majority of those members who are present or represented and who have voting rights. Members of the Supervisory Board who attend the meeting via videoconference or telephone conference enabling them to be identified and ensuring that they participate effectively shall be deemed to be present for the purpose of calculating the quorum and the majority. A member who is present may represent an absent member upon presentation of an express proxy. In the event that the votes are tied, the chairman of the meeting shall have the casting vote. Managers shall be notified of meetings of the Supervisory Board may attend in an advisory capacity.

XI. Powers to carry out legal formalities

(twenty-ninth resolution)

Finally, you are requested to give full powers to the holder of an original copy, a copy or an excerpt of the minutes of this Combined General Meeting of the Shareholders to carry out any formalities required for filing, announcements and any others as may be appropriate.

We hope that these proposals will meet with your approval and that you will adopt their corresponding resolutions.

Tikehau Capital General Partner, Manager

9.3 REPORT OF THE SUPERVISORY BOARD

In accordance with the applicable legal and statutory provisions, we hereby report on the accomplishment of our duties for the financial year ended 31 December 2019, and on our observations on the annual and consolidated financial statements for the same year.

We point out that, since the beginning of the financial year 2019, the Manager has kept the Supervisory Board regularly informed of the Company's activities and that we were provided with the annual and consolidated financial statements as required by law.

The Board has no specific comments to make on the activities or the annual and consolidated financial statements for the financial year ended 31 December 2019 and, accordingly, we invite you to approve the same financial statements as well as the proposed resolutions.

9.4 DRAFT RESOLUTIONS

Agenda

- **First resolution** – Approval of the annual financial statements for the financial year ended 31 December 2019;
- **Second resolution** – Approval of the consolidated financial statements for the financial year ended 31 December 2019;
- **Third resolution** – Allocation of result for the year ended 31 December 2019;
- **Fourth resolution** – Review and authorisation of agreements governed by Article L.226-10 of the French Commercial Code;
- **Fifth resolution** – Renewal of the term of office of Mr Jean-Louis Charon as member of the Supervisory Board;
- **Sixth resolution** – Renewal of the term of office of Troismer with Mr Léon Seynave as its appointed permanent representative, as member of the Supervisory Board;
- **Seventh resolution** – Renewal of the term of office of Mrs Anne-Laure Naveos as member of the Supervisory Board;
- **Eighth resolution** – Amount allocated to members of the Supervisory Board of the Company as remuneration;
- **Ninth resolution** – Approval of the components of the remuneration policy applicable to the Manager;
- **Tenth resolution** – Approval of the components of the remuneration policy applicable to the Supervisory Board;
- **Eleventh resolution** – Approval of information referred to in Article L.225-37-3 I of the French Commercial Code and presented in the report on corporate governance;
- **Twelfth resolution** – Approval of the components of remuneration paid to the Manager during the financial year 2019 or awarded in respect of the financial year 2019;
- **Thirteenth resolution** – Approval of components of remuneration paid to the Chairman of the Supervisory Board during the financial year 2019 or awarded in respect of the financial year 2019;
- **Fourteenth resolution** – Authorisation to be given to the Manager to trade in the Company's shares;
- **Fifteenth resolution** – Delegation of authority to be given to the Manager to decide to increase the share capital of the Company or of another company through the issue of shares and/or securities giving immediate or future access to the share capital, with preferential subscription rights;
- **Sixteenth resolution** – Delegation of authority to be given to the Manager to decide to increase the share capital of the Company or another company through the issue of shares and/or securities giving immediate or future access to the share capital, without preferential subscription rights, by public offering (other than a public offering referred to in the first paragraph of Article L.411-2 of the French Monetary and Financial Code);
- **Seventeenth resolution** – Delegation of authority to be given to the Manager to decide to increase the share capital of the Company or another company through the issue of shares and/or securities giving immediate or future access to the share capital, without preferential subscription rights, by a public offering as defined by the first paragraph of Article L.411-2 of the French Monetary and Financial Code;
- **Eighteenth resolution** – Authorisation to be given to the Manager to issue shares and/or securities giving immediate or future access to shares to be issued by the Company as compensation for contributions in kind consisting in equity securities or securities giving access to share capital;
- **Nineteenth resolution** – Determination of the issue price, for a maximum of 10% of the share capital per year, in the context of a share capital increase, through the issue of equity securities without preferential subscription rights;
- **Twentieth resolution** – Delegation of authority to be given to the Manager to decide to increase of the share capital by incorporation of premiums, reserves, profits or any other sums;
- **Twenty-first resolution** – Delegation of authority to be given to the Manager to increase the number of shares to be issued in the event of a share capital increase with or without preferential subscription rights;
- **Twenty-second resolution** – Delegation of authority to be given to the Manager to decide to increase the share capital of the Company through the issue of shares and/or securities giving immediate or future access to share capital, without preferential subscription rights, reserved for members of company savings plans;
- **Twenty-third resolution** – Delegation of authority to be given to the Manager to grant share subscription or purchase options to some or all of the group's salaried employees and corporate officers;
- **Twenty-fourth resolution** – Delegation of authority to be given to the Manager to grant existing free shares or shares to be issued to some or all of the group's salaried employees and corporate officers;
- **Twenty-fifth resolution** – Authorisation to be given to the Manager to reduce the share capital by cancelling treasury shares;
- **Twenty-sixth resolution** – Amendment of Article 8.3 of the Articles of Association – The Manager's Remuneration of the Manager;
- **Twenty-seventh resolution** – Amendment of Article 10.1 of the Articles of Association – Appointment, removal from office and remuneration of the members of the Supervisory Board;
- **Twenty-eighth resolution** – Amendment of Article 10.3.2 of the Articles of Association – Meetings of the Supervisory Board;
- **Twenty-ninth resolution** – Powers to carry out legal formalities.

For the ordinary general shareholders' meeting

First resolution

(Approval of the annual financial statements for the financial year ended 31 December 2019)

The General Meeting of the Shareholders, acting under the quorum and majority requirements for Ordinary General Meetings, having reviewed the report of the Manager, the Supervisory Board's report and the Statutory Auditors' report on the annual financial statements, approves the annual financial statements of the Company for the financial year ended 31 December 2019 as they have been presented as well as the transactions reflected in these statements or summarised in these reports.

Accordingly, the General Meeting of the Shareholders approves the results of the financial year ended on 31 December 2019 showing a net profit of €126,828,174.37.

Second resolution

(Approval of the consolidated financial statements for the financial year ended 31 December 2019)

The General Meeting of the Shareholders, acting under the quorum and majority requirements for Ordinary General Meetings, having reviewed the report of the Manager as well as the Supervisory Board's report and the Statutory Auditors' report on the consolidated financial statements, approves the consolidated financial statements of the Company for the financial year ended 31 December 2019 as they have been presented as well as the transactions reflected in these statements or summarised in these reports.

Third resolution

(Allocation of result for the financial year ended 31 December 2019)

The General Meeting of the Shareholders, acting under the quorum and majority requirements for Ordinary General Meetings, having reviewed the report of the Manager as well as Supervisory Board's report and Statutory Auditors' report on the annual financial statements,

1) acknowledges that the reported net income for the financial year is a net profit of €126,828,174.37 for the financial year ended 31 December 2019;

2) notes that, in accordance with the Articles of Association, the remuneration received by the Manager for the financial year ended 31 December 2019 amounts €45,501,460 (excluding taxes);

3) acknowleges that, in accordance with the Articles of Association, the preferred dividend (*préciput*) due to the general partner for the financial year ended 31 December 2019 amounts to €15,853,521.80;

4) resolves, in accordance with the proposal of the Manager, and in agreement with the Supervisory Board, to allocate the result for the financial year as follows:

Reported net income for the financial year 2019		**€126,828,174.37**
Retained earnings from prior years	(+)	€11,832,269.14
Allocation to the legal reserve	(–)	€6,341,408.72
Distributable income	**(=)**	**€132,319,034.79**
Distributions		
Preferred dividend (préciput) of the general partner	(–)	€15,853,521.80
Cash dividend of €0.50 per share [(1)]	(–)	€68,336,704.00
Allocation to retained earnings account		
Remaining balance in retained earnings	**(=)**	**€48,128,808.99**

(1) The total amount of the dividend is calculated based on the theoretical number of shares carrying dividend rights as of 31 December 2019, and may vary based on the number of shares which actually carry dividend rights on the ex-dividend date, in particular based on the number of treasury shares held on that date. Earnings from any unpaid dividends (due to the existence of treasury shares held on the dividend payment date) may be allocated to the retained earnings account.

9.

Pursuant to Article 243 *bis* of the French General Tax Code, note below the amount of dividends paid out for the prevoous three years:

Financial years	**2016**	**2017**	**2018**
Paid dividend per share	€0	€1.00	€0.25

For individuals treated as resident in France for tax purposes, note that these paid dividends were eligible for the 40% flat-rate reduction under Article 158–3-2° of the French General Tax Code.

Fourth resolution

(Review and authorisation of agreements governed by Article L.226-10 of the French Commercial Code)

The General Meeting of the Shareholders, acting under the quorum and majority requirements for Ordinary General Meetings, having reviewed the special report of the Statutory Auditors on the agreements governed by Article L.226-10 of the French Commercial Code, approves this report.

Fifth resolution

(Renewal of the term of office of Mr Jean-Louis Charon as member of the Supervisory Board)

The General Meeting of the Shareholders, acting under the quorum and majority requirements for Ordinary General Meetings, having reviewed the report of the Manager and the Supervisory Board's report, resolves to renew the term of office of Mr Jean-Louis Charon as a member of the Supervisory Board for a period of four years, expiring at the end of the Ordinary General Meeting of the Shareholders called in 2024 to approve the financial statements for the financial year ending on 31 December 2023.

Mr. Jean Louis Charon indicated in advance that he would accept the renewal of this term of office, should it be granted, and specified that he is not subject to any measure or incompatibility likely to prohibit him from exercising it.

Sixth resolution

(Renewal of the term of office of Troismer, with Mr Léon Seynave as its appointed permanent representative, as member of the Supervisory Board)

The General Meeting of the Shareholders, acting under the quorum and majority requirements for Ordinary General Meetings, having reviewed the report of the Manager as well as the Supervisory Board's report, resolves to renew the term of office of Troismer, which has appointed Léon Seynave as its permanent representative, as a member of the Supervisory Board for a period of four years, expiring at the end of the Ordinary General Meeting of the Shareholders called in 2024 to approve the financial statements for the financial year ending on 31 December 2023.

Troismer and Léon Seynave indicated in advance that they would accept the renewal of this term of office, should it be granted, and specified that they are not subject to any measure or incompatibility likely to prohibit them from exercising it.

Seventh resolution

(Renewal of the term of office of Mrs Anne-Laure Naveos as member of the Supervisory Board)

The General Meeting of the Shareholders, acting under the quorum and majority requirements for Ordinary General Meetings, having reviewed the report of the Manager as well as the Supervisory Board's report, resolves to renew the term of office of Mrs Anne-Laure Naveos as a member of the Supervisory Board for a period of four years, expiring at the end of the Ordinary General Metting of the Shareholders called in 2024 to approve the financial statements for the financial year ending on 31 December 2023.

Mrs Anne-Laure Naveos indicated in advance that she would accept the renewal of this term of office, should it be granted, and specified that she is not subject to any measure or incompatibility likely to prohibit her from exercising it.

Eighth resolution

(Amount allocated to members of the Supervisory Board of the Company as remuneration)

The General Meeting of the Shareholders, acting under the quorum and majority requirements for Ordinary General Meetings, having reviewed the report of the Manager and the Supervisory Board's report on corporate governance, resolves to allocate to the Supervisory Board of the Company an amount of four hundred and fifty thousand euros (€450,000) per year until a new decision is made, as compensation for the duties of the members of the Supervisory Board.

The allocation of this amount among the members of the Supervisory Board will be determined by the Supervisory Board under the conditions provided by Article L.226-8-1 of the French Commercial Code.

Ninth resolution

(Approval of the components of the remuneration policy applicable to the Manager)

The General Meeting of the Shareholders, acting under the quorum and majority requirements for Ordinary General Meetings, having reviewed the Corporate Governance Report referred to in Article L.225-37 of the French Commercial Code describing the components of the remuneration policy applicable to the Manager, approves, pursuant to Article L.226-8-1, II of the French Commercial Code, the Manager's remuneration policy as presented in the 2019 Universal Registration Document, Chapter 3, Section 3.3.1.1.

Tenth resolution

(Approval of the components of the remuneration policy applicable to the Supervisory Board)

The General Meeting of the Shareholders, acting under the quorum and majority requirements for Ordinary General Meetings, having reviewed the Corporate Governance Report referred to in Article L.225-37 of the French Commercial Code describing the components of the remuneration policy applicable to the Supervisory Board, approves, pursuant to Article L.226-8-1, II of the French Commercial Code, the Supervisory Board's remuneration policy as presented in the 2019 Universal Registration Document, Chapter 3, Section 3.3.2.1.

Eleventh resolution

(Approval of information referred to in Article L.225-37-3 I of the French Commercial Code and presented in the report on corporate governance)

The General Meeting of the Shareholders, acting under the quorum and majority requirements for Ordinary General Meetings, having reviewed the Corporate Governance Report referred to in Article L.225-37 of the French Commercial Code, approves, pursuant to Article L.226-8-2, I of the French Commercial Code, the information mentioned in Article L.225-37-3, I of the French Commercial Code presented therein, as contained in the 2019 Universal Registration Document, chapter 3, Section 3.3.3.

Twelfth resolution

(Approval of the components of remuneration paid to the Manager during the financial year 2019 or awarded in respect of the financial year 2019)

The General Meeting of the Shareholders, acting under the quorum and majority requirements for Ordinary General Meetings, having reviewed the Corporate Governance Report referred to in Article L.225-37 of the French Commercial Code, approves, pursuant to Article L.226-8-2, II of the French Commercial Code, the fixed, variable and exceptional components forming the total remuneration and any benefits in kind paid during the past financial year or awarded in respect of the same financial year to the Manager presented therein, as set forth in the 2019 Universal Registration Document, Chapter 3, Section 3.3.1.2.

Thirteenth resolution

(Approval of the components of remuneration paid to the Chairman of the Supervisory Board during the financial year 2019 or awarded in respect of the financial year 2019)

The General Meeting of the Shareholders, acting under the quorum and majority requirements for Ordinary General Meetings, having reviewed the Corporate Governance Report referred to in Article L.225-37 of the French Commercial Code, approves, pursuant to Article L.226-8-2, II of the French Commercial Code, the fixed, variable and exceptional components forming the total remuneration and any benefits kind paid during the past financial year or awarded in respect of the same financial year to the Chairman of the Supervisory Board presented therein, as set forth in the 2019 Universal Registration Document, Chapter 3, Section 3.3.2.2.

Fourteenth resolution

(Authorisation to be given to the Managers to trade in the Company's shares)

The General Meeting of the Shareholders, acting under the quorum and majority requirements for Ordinary General Meetings, having reviewed the report of the Manager and the Supervisory Board's report, authorises the Managers, in accordance with the provisions of Articles L.225-209 *et seq.* of the French Commercial Code, to buy Company shares or have them bought, particularly with a view:

- to implementing any Company share purchase or subscription options plan under the provisions of Articles L.225-177 *et seq.* of the French Commercial Code or any similar plan; or
- to the grant or transfer of shares to the employees to compensate them for their participation in the Company's growth or to implement any company or group savings plan (or similar) under the conditions provided by law, particularly Articles L.3332-1 *et seq.* of the French Labour Code; or
- to grant free shares under the provisions of Articles L.225-197-1 *et seq.* of the French Commercial Code; or
- generally speaking, to honouring obligations arising from stock-option programmes or other allocations of shares to employees or corporate officers of the issuer or an affiliated company; or
- the delivery of shares upon the exercise of rights attached to securities giving access to share capital through redemption, conversion, exchange, presentation of a warrant or in any other manner; or
- to cancelling all or part of shares thus repurchased; or
- supporting the market for Tikehau Capital shares through an investment services provider, in the context of a liquidity contract in compliance with AMF decision 2018-01.

The Company may also use this authorisation for the purpose of holding or subsequently delivering shares in exchange or as payment in connection with any acquisition, merger, spin-off or contribution transactions.

This programme is also intended to allow the implementation of any market practice that might be authorised by the AMF and, more generally, the undertaking of any transaction in accordance with applicable regulations. In this event, the Company will inform its shareholders accordingly in a written statement.

Company share repurchases are limited to a number of shares such that, on the date of each purchase, the total number of shares repurchased by the Company since the start of the buyback programme (including those that are subject to said programme) shall not exceed 10% of the Company's share capital on this date (including transactions affecting the share capital after the General Meeting of the Shareholders) (*i.e.* as an indication, as at 31 March 2020, a redemption limit of 13,679,413 shares), it being specified that (i) the number of shares acquired for their retention and their subsequent delivery as part of a corporate acquisition, merger, spin-off or contribution transaction cannot exceed 5% of its share capital, (ii) when the shares are repurchased to promote liquidity under the conditions defined by the AMF General Regulation, the number of shares used in calculating the aforementioned 10% limit is equal to the number of shares purchased, minus the number of shares sold during the period authorised, and (iii) the number of shares that the Company will hold at any time whatsoever does not exceed 10% of the shares making up the share capital of the Company.

Shares may be acquired, divested or transferred at any time within the limits authorised by current legal and regulatory provisions except during tender offer period, and through any means, including on the regulated markets, multilateral trading facilities, with systematic internalisers or over the counter, including through off-market acquisitions or divestments, through a tender offer of purchase or exchange, or through the use of options or other forward financial instruments traded on regulated markets, multilateral trading facilities, with systematic internalisers or over the counter, or when handing over shares after the issue of securities giving access to the Company's equity through conversion, exchange, redemption or exercise of a warrant, either directly or indirectly through an investment services provider or in any other manner (without limiting the portion of the buyback programme that may be undertaken by any one of these means).

The maximum share purchase price under this resolution will be forty euros (€40) (or the equivalent of this amount on the same date in any other currency). In the event of a change in the share's nominal value, a capital increase through the incorporation of reserves, the award of free shares, the splitting or reverse-splitting of shares, the distribution of reserves or any other assets, redemption of capital, or any other operation involving the share capital or shareholders' equity, the General Meeting of the Shareholders grants the Managers the power to adjust the aforementioned maximum purchase price to reflect the impact such operations on the share's value.

The total amount allocated to the above-mentioned share buyback programme may not exceed three hundred million euros (€300,000,000).

The General Meeting of the Shareholders grants the Managers, with the power of sub-delegation under the conditions provided by law, broad powers to decide and implement this authorisation, to specify, if necessary, its terms, and the procedures for carrying out the share buyback programme and, in particular, to place any market order, enter into any agreement, allocate or reallocate the acquired shares to purposes allowed under applicable law and regulations, set the procedures for ensuring, where applicable, the rights of holders of securities giving access to share capital or other rights giving access to share capital in accordance with legal and regulatory provisions and, where applicable, enforce contractual clauses providing for other cases of adjustment, to make any disclosures to the Autorité des marchés financiers or any other competent authority and any other formalities and, generally speaking, to undertake any necessary actions.

This authorisation is given for a period of eighteen months from today's date.

As of this date, it shall supersede, if applicable, the unused portion of the authorisation granted for the same purpose by the General Meeting of Shareholders of 22 May 2019 in its 7th resolution.

For the extraordinary shareholders' meeting

Fifteenth resolution

(Delegation of authority to be given to the Managers to decide to increase the share capital of the Company or another company through the issue of shares and/or securities giving immediate or future access to the share capital, with preferential subscription rights)

The General Meeting of the Shareholders, acting under the quorum and majority requirements for Extraordinary General Meetings, having reviewed the report of the Manager, the report of the Supervisory Board, and the special report of the Statutory Auditors, and in accordance with the provisions of Articles L.225-129 *et seq.* of the French Commercial Code, in particular Articles L.225-129, L.225-129-2, L.225-132 to L.225-134 and L.228-91 *et seq.* of the French Commercial Code:

1. delegates its authority to the Managers to decide to increase the share capital with preferential subscription rights, on one or more occasions, in France or abroad, in the proportion and at the times that it may determine, either in euros, or in any other currency or monetary unit established by reference to several currencies, with or without premium, whether in return for payment or free of charge, through the issue of (i) shares in the Company (excluding preference shares) and/or (ii) securities governed by Articles L.228-92 paragraph 1, L.228-93 paragraphs 1 and 3 or L.228-94 paragraph 2 of the French Commercial Code giving access, immediate or future, at any time or on a fixed date, by subscription, conversion, exchange, redemption, presentation of a warrant or in any other manner, to the capital of the Company or other companies (including the company that holds directly or indirectly more than half of the share capital of the Company and those of which the Company holds directly or indirectly more than half of the share capital), it being specified that the shares may be released either in cash or by offsetting debts or by incorporating reserves, profits or premiums;

2. resolves to set as follows the limits to the amounts authorised for capital increases in the event of Managers' use of this delegation of authority:

- the maximum nominal amount of capital increases that may be carried out immediately or in the future by virtue of this delegation is set at eight hundred and twenty million euros (€820,000,000) or the equivalent in any other currency or monetary unit established by reference to several currencies, it being specified that the maximum total nominal amount of the capital increases that may be carried out pursuant to this delegation and those conferred by virtue of the 16th, 17th, 18th, 20th, 21st, 22nd, 23rd and 24th resolutions of this General Meeting of the Shareholders is set at eight hundred and twenty million euros (€820,000,000) or the equivalent in any other currency or monetary unit established by reference to several currencies,
- these caps shall in addition, where applicable, be increased by the nominal amount of the shares to be issued in order to preserve, in accordance with legal and regulatory provisions and, where applicable, contractual stipulations providing for other cases of adjustment, the rights of holders of securities giving access to share capital or other rights giving access to share capital;

3. resolves to set as follows the limits of the amounts of debt securities authorised in the event of the issue of securities in the form of debt securities giving immediate or future access to the share capital of the Company or other companies:

- the maximum nominal amount of debt securities that may be issued immediately or in the future under this delegation is set at three billion euros (€3,000,000,000) or the equivalent of this amount in any other currency or monetary unit established by reference to several currencies on the date of issue,
- this amount will be increased, where applicable, by any redemption premium above par,
- this amount is independent of the amount of the debt securities whose issue might result from the use of the other resolutions submitted to this Meeting of the Shareholders and the debt securities whose issue would be decided or authorised by the Managers in accordance with Articles L.228-36-A, L.228-40, L.228-92 paragraph 3, L.228-93 paragraph 6 and L.228-94 paragraph 3 of the French Commercial Code;

4. should the Managers make use of this delegation of authority:

- resolves that the shareholders will have a preferential right to subscribe on an irreducible basis and in proportion to the number of shares owned by them at the time,
- notes that the Managers will be entitled to establish a reducible subscription right,
- notes that this delegation of authority automatically entails the waiver by the shareholders of their preferential subscription rights to the shares to which these securities will give immediate or future entitlement to the benefit of the holders of the securities issued giving access to the Company's equity,

- notes that, in accordance with Article L.225-134 of the French Commercial Code, if irreducible and, if applicable, reducible subscriptions do not absorb the entire capital increase, the Managers may use, under the conditions provided for by law and in the order it determines, one or both of the following options:
  - to freely distribute all or part of the shares or, in the case of securities giving access to share capital, such securities whose issue has been decided but which have not been subscribed for,
  - to offer the public all or part of the shares or, in the case of securities giving access to share capital, such securities, not subscribed for, on the French market or abroad,
  - in general, to limit the capital increase to the amount of subscriptions, subject, in cases of share or securities issues where the primary instrument is a share, to it reaching three-quarters of the increase decided (after making use, if applicable, of the two aforementioned option),
  - resolves that issues of warrants on the Company's shares may also be made by free allocation to the owners of the old shares, it being stipulated that fractional rights and the corresponding shares will be sold under the conditions set out in Article L.228-6-1 of the French Commercial Code;

5. resolves that the Managers will have broad powers, with the option of subdelegation under the conditions set by law, to implement this delegation of authority, in particular to:

- decide to issue shares and/or securities giving immediate or future access to the capital of the Company or of another company,
- decide the amount of the issue, the issue price and the amount of the premium that may be asked on issue or, as the case may be, the amount of reserves, profits or premiums that may be incorporated into the capital,
- determine the dates and terms of the issue, the nature, number and characteristics of the shares and/or securities to be created,
- in the event of the issuance of debt securities, decide whether or not they are subordinated (and, where applicable, their rank of subordination, in accordance with the provisions of Article L.228-97 of the French Commercial Code), fix their rate of interest (including fixed- or floating-rate, zero-coupon or indexed interest rate) and provide, as the case may be, for mandatory or optional cases of suspension or non-payment of interest, provide for their maturity (fixed-term or perpetual), the possibility of reducing or increasing the nominal value of the securities and other issuing terms (including giving them guarantees) and repayment (including redemption by delivery of Company assets); if applicable, these securities could provide the Company with the option of issuing debt securities (whether fungible or not) in discharge of interest the payment of which had been suspended by the Company, or taking the form of complex bonds in the sense used by stock exchange authorities (for example, because of their redemption or repayment terms or other rights such as indexation and options rights); modify, during the lifetime of the securities concerned, the terms and conditions referred to above, in compliance with the applicable formalities,
- determine the methods for payment of the shares,
- set, if applicable, the conditions for the exercise of the rights (where applicable, rights to conversion, exchange, redemption, including the delivery of Company assets such as treasury shares or securities already issued by the Company) attached to the shares or securities giving access to the equity to be issued and, in particular, to set the date, even retroactively, from which the new shares will take effect, as well as all other conditions and procedures for carrying out the capital increase,
- set the terms and conditions under which the Company will, where applicable, be entitled to purchase or trade on stock markets at any time or for specified periods, securities giving access to share capital with a view to cancelling them or not, taking legal provisions into account,
- provide for the possibility of suspending the exercise of the rights attached to shares or securities giving access to share capital in accordance with the legal and regulatory provisions,
- on their sole initiative, charge the costs of the capital increase to the amount of the premiums related thereto and deduct from this amount the sums necessary to make allocation to the legal reserve,
- determine and make any adjustments to take into account the impact of transactions on the Company's capital or shareholders' equity, particularly in the event of change in the share's par value, a capital increase through the incorporation of reserves, profits or premiums, the awarding of free shares, the splitting or reverse-splitting of shares, the distribution of dividends, reserves, premiums or any other assets, redemption of capital, or any other operation involving the share capital or shareholders' equity, (including in the event of a tender offer and/or in the event of a change of control), and, where applicable, fix any other conditions enabling the preservation of the rights of holders of securities giving access to share capital or other rights giving access to share capital (including by way of cash adjustments),
- record the completion of each capital increase and amend the Articles of Association accordingly,
- in general, to enter into any agreement, in particular to achieve the successful completion of the issues envisaged, take all measures and carry out all formalities necessary for the issue, listing and financial service of the securities issued under this delegation as well as the exercise of the rights attached thereto;

6. notes that, in the event that the Managers should come to use the delegation of authority conferred on it in this resolution, the Managers shall report to the next Ordinary General Meeting of the Shareholders in accordance with the law and regulations on the use made of the authorisations granted in this resolution;

7. resolves that the Managers may not, subject to the prior authorisation of the General Meeting of the Shareholders, make use of this delegation of authority from the time when a public offer is lodged by a third party for the Company's securities until the offer period has ended;

8. sets at twenty-six months, from the date of this Meeting, the period of validity of the delegation of authority which is the subject of this resolution;

9. notes that, as from this date, this delegation shall supersede, if applicable, the unused portion of the authorisation granted for the same purpose by the General Meeting of the Shareholders of 25 May 2018 in its 7th resolution.

Sixteenth resolution

(Delegation of authority to be given to the Managers to decide to increase the share capital of the Company or another company through the issue of shares and/or securities giving immediate or future access to the share capital, without preferential subscription rights, by public offering (other than a public offering referred to in the first paragraph of Article L.411-2 of the French Monetary and Financial Code))

The General Meeting of the Shareholders, acting under the quorum and majority requirements for Extraordinary General Meetings, having reviewed the report of the Manager, the report of the Supervisory Board, and the special report of the Statutory Auditors, and in accordance with the provisions of Articles L.225-129 *et seq.* of the French Commercial Code, in particular Articles L.225-129, L.225-129-2, L.225-135, L.225-136, L.225-148 and L.228-91 *et seq.* of the French Commercial Code:

1. delegates its authority to the Managers to decide on an increase of the share capital without preferential subscription rights, by a public offering other than a public offering defined by the first paragraph of Article L.411-2 of the Monetary and Financial Code, on one or more occasions, in France or abroad, in the proportion and at the times that it may determine, either in euros, or in any other currency or monetary unit established by reference to several currencies, with or without premium, whether in return for payment or free of charge, through the issue of (i) shares in the Company (excluding preference shares) and/or (ii) securities governed by Articles L.228-92 paragraph 1, L.228-93 paragraphs 1 and 3 or L.228-94 paragraph 2 of the French Commercial Code giving access, immediate or future, at any time or on a fixed date, by subscription, conversion, exchange, redemption, presentation of a warrant or in any other manner, to the share capital of the Company or other companies (including the company that holds directly or indirectly more than half of the share capital of the Company and those of which the Company holds directly or indirectly more than half of the share capital), it being specified that the shares may be released either in cash or by offsetting debts or by incorporating reserves, profits or premiums. These securities may in particular be issued to remunerate securities that might be contributed to the Company, as part of an exchange tender offer made in France or abroad in accordance with local rules (for example as part of a UK- or US-type reverse merger) on securities meeting the conditions set out in Article L.225-148 of the French Commercial Code;

2. delegates to the Managers its power to decide on the issuance of shares or securities giving access to the Company's equity to be issued after the issue, by companies of which the Company holds directly or indirectly more than half of the share capital or by companies which hold directly or indirectly more than half of its share capital, of securities giving access to the Company's equity;

This decision automatically entails the waiver by the Company shareholders of their preferential subscription rights to shares or securities giving access to the Company's equity to which these securities give entitlement, to the benefit of the holders of the securities that might be issued by the Group companies;

3. resolves to set as follows the limits to the amounts authorised for capital increases in the event of Managers' use of this delegation of authority:
- the maximum nominal amount of the capital increases that may be carried out under this delegation is set at six hundred million euros (€600,000,000) or the equivalent in any other currency or monetary unit established by reference to several currencies, it being stipulated that this amount will be deducted from the total cap provided under paragraph 2 of the 15th resolution of this General Meeting of the Shareholders or, as the case may be, the total cap, if any, provided for by a resolution of the same nature that may succeed that resolution during the period of validity of this delegation,
- these caps shall in addition, where applicable, be increased by nominal amount of the shares to be issued in order to preserve, in accordance with legal and regulatory provisions and, where applicable, contractual stipulations providing for other cases of adjustment, the rights of holders of securities giving access to share capital or other rights giving access to share capital;

4. resolves to set as follows the limits of the amounts of debt securities authorised in the event of the issue of securities in the form of debt securities giving immediate or future access to the equity of the Company or other companies:
- the maximum nominal amount of debt securities that may be issued immediately or in the future under this delegation is set at two billion five hundred million euros (€2,500,000,000) or the equivalent of this amount in any other currency or monetary unit established by reference to several currencies on the date of issue,
- this amount will be increased, where applicable, by any redemption premium above par,
- this amount is independent of the amount of the debt securities whose issue might result from the use of the other resolutions submitted to this General Meeting of the Shareholders and the debt securities whose issue would be decided or authorised by the Managers in accordance with Articles L.228-36-A, L.228-40, L.228-92 paragraph 3, L.228-93 paragraph 6 and L.228-94 paragraph 3 of the French Commercial Code;

5. resolves to cancel the shareholders' preferential subscription rights to the securities covered by this resolution, leaving to the Managers, pursuant to Article L.225-135 paragraph 5 of the French Commercial Code, the power to confer on shareholders, for a period and according to the terms and conditions that it shall determine in accordance with the applicable legal and regulatory provisions and for all or part of an issue made, a priority subscription right not giving rise to the creation of tradable rights and which will have to be exercised proportionally to the number of the shares owned by each shareholder and may possibly be supplemented by a subscription on a reducible basis, it being specified that the securities not thus subscribed for may be placed publicly in France or abroad;

6. resolves that if the subscriptions, including, if applicable, those of the shareholders, have not absorbed the entire issue, the Managers may limit the amount of the transaction to the amount of subscriptions received, subject, in cases of share or securities issues whose primary instrument is a share, to it reaching three-quarters of the issue decided on;

7. notes that this delegation automatically entails the express waiver by the shareholders of their preferential subscription rights to the shares to which the securities will give entitlement, to the benefit of the holders of the securities issued giving access to the Company's equity;

8. notes the fact that, pursuant to Article L.225-136 1° paragraph 1 of the French Commercial Code:

- the issue price of the shares issued directly will be at least equal to the minimum provided for by the regulations applicable on the issue date (currently, the weighted average of the last three trading days on the regulated market of Euronext Paris before the start of the public offering minus 10%), after, where necessary, correction of this average in the case of difference between dividend entitlement dates,
- the issue price of the securities giving access to share capital and the number of shares to which the conversion, redemption or generally the transformation of each security giving access to share capital may give entitlement, will be such that the sum received immediately by the Company, plus, where applicable, the amount that may subsequently be received by it, for each share issued as a result of the issue of such securities, is at least equal to the minimum subscription price defined in the preceding paragraph.

9. resolves that the Managers will have broad powers, with the option of subdelegation under the conditions set by law, to implement this delegation of authority, in particular to:

- decide to issue shares and/or securities giving immediate or future access to the capital of the Company or of another company,
- decide the amount of the issue, the issue price and the amount of the premium that may be asked on issue or, as the case may be, the amount of reserves, profits or premiums that may be incorporated into the capital,
- determine the dates and terms of the issue, the nature, number and characteristics of the shares and/or securities to be created,
- in the event of the issuance of debt securities, decide whether or not they are subordinated (and, where applicable, their rank of subordination, in accordance with the provisions of Article L.228-97 of the French Commercial Code), fix their rate of interest (including fixed- or floating-rate, zero-coupon or indexed interest rate) and provide, as the case may be, for mandatory or optional cases of suspension or non-payment of interest, provide for their maturity (fixed-term or perpetual), the possibility of reducing or increasing the nominal value of the securities and other issuing terms (including giving them guarantees) and repayment (including redemption by delivery of Company assets); if applicable, these securities could provide the Company with the option of issuing debt securities (whether fungible or not) in discharge of interest the payment of which had been suspended by the Company, or taking the form of complex bonds in the sense used by stock exchange authorities (for example, because of their redemption or repayment terms or other rights such as indexation and options rights); modify, during the lifetime of the securities concerned, the terms and conditions referred to above, in compliance with the applicable formalities;
- determine the methods for payment of the shares,
- set, if applicable, the conditions for the exercise of the rights (where applicable, rights to conversion, exchange, redemption, including the delivery of Company assets such as treasury shares or securities already issued by the Company) attached to the shares or securities giving access to the equity to be issued and, in particular, to set the date, even retroactively, from which the new shares will take effect, as well as all other conditions and procedures for carrying out the capital increase,
- set the terms and conditions under which the Company will, where applicable, be entitled to purchase or trade on stock markets at any time or for specified periods, securities giving access to share capital with a view to cancelling them or not, taking legal provisions into account,
- provide for the possibility of suspending the exercise of the rights attached to shares or securities giving access to share capital in accordance with the legal and regulatory provisions,
- in the event of the issue of securities for the purpose of remunerating securities contributed as part of an exchange tender offer, determine the list of securities contributed to the exchange, set the conditions of the issue, the exchange ratio and, if applicable, the amount of the cash payment to be made without the terms for establishing the price set out in paragraph 8 of this resolution being applicable, and determining the terms and conditions of the issue as part of either an exchange tender offer, a public buyout offer with purchase or exchange option, or a single offer proposing the purchase or exchange of the securities concerned for a settlement in securities and in cash, a principally cash or exchange tender offer accompanied by a subsidiary cash or exchange tender offer, or any other form of tender offer in accordance with the law and the regulations applicable to such a tender offer,
- on their sole initiative, charge the costs of the capital increases to the amount of the premiums related thereto and deduct from this amount the sums necessary to make allocation to the legal reserve,
- determine and make any adjustments to take into account the impact of transactions on the Company's capital or shareholders' equity, particularly in the event of change in the share's par value, a capital increase through the incorporation of reserves, profits or premiums, the awarding of free shares, the splitting or reverse-splitting of shares, the distribution of dividends, reserves, premiums or any other assets, redemption of capital, or any other operation involving the share capital or shareholders' equity, (including in the event of a tender offer and/or in the event of a change of control), and, where applicable, fix any other conditions enabling the preservation of the rights of holders of securities giving access to share capital or other rights giving access to share capital (including by way of cash adjustments),
- record the completion of each capital increase and amend the Articles of Association accordingly,
- in general, to enter into any agreement, in particular to achieve the successful completion of the issues envisaged, take all measures and carry out all formalities necessary for the issue, listing and financial service of the securities issued under this delegation as well as the exercise of the rights attached thereto;

10. resolves that the Managers may not, subject to the prior authorisation of the General Meeting of the Shareholders, make use of this delegation of authority from the time when a public offer is lodged by a third party for the Company's securities until the offer period has ended;

11. notes that, in the event that the Managers should come to use the delegation of authority conferred on it in this resolution, the Managers shall report to the next Ordinary General Meeting of the Shareholders in accordance with the law and regulations on the use made of the authorisations granted in this resolution;
12. sets at twenty-six months, from the date of this Meeting, the period of validity of the delegation of authority which is the subject of this resolution;
13. notes that, as from this date, this delegation shall supersede, if applicable, the unused portion of the authorisation granted for the same purpose by the General Meeting of the Shareholders of 25 May 2018 in its 8th resolution.

Seventeenth resolution

(Delegation of authority to be given to the Managers to decide to increase the share capital of the Company or another company through the issue of shares and/or securities giving immediate or future access to the share capital, without preferential subscription rights, by a public offering as defined by the first paragraph of Article L.411-2 of the French Monetary and Financial Code)

The General Meeting of the Shareholders, acting under the quorum and majority requirements for Extraordinary General Meetings, having reviewed the report of the Manager, the report of the Supervisory Board, and the special report of the Statutory Auditors, in accordance with the provisions of Articles L.225-129 *et seq.* of the French Commercial Code, in particular Articles L.225-129, L.225-129-2, L.225-135, L.225-136, and L.228-91 *et seq.* of the French Commercial Code and with Article L.411-2, 1° of the French Monetary and Financial Code:

1. delegates its authority to the Managers to decide on an increase of the share capital without preferential subscription rights, by private placement in accordance with Article L.411-2, 1° of the French Monetary and Financial Code, on one or more occasions, in France or abroad, in the proportion and at the times that it may determine, either in euros, or in any other currency or monetary unit established by reference to several currencies, with or without premium, whether in return for payment or free of charge, through the issue of (i) shares in the Company (excluding preference shares) and/or (ii) securities governed by Articles L.411-92 paragraph 1, L.228-93 paragraphs 1 and 3 or L.228-94 paragraph 2 of the French Commercial Code giving access, immediate or future, at any time or on a fixed date, by subscription, conversion, exchange, redemption, presentation of a warrant or in any other manner, to the share capital of the Company or other companies (including the company that holds directly or indirectly more than half of the share capital of the Company and those of which the Company holds directly or indirectly more than half of the share capital), it being specified that the shares may be released either in cash or by offsetting debts or by incorporating reserves, profits or premiums;
2. delegates to the Managers its power to decide on the issuance of shares or securities giving access to the Company's equity to be issued after the issue, by companies of which the Company holds directly or indirectly more than half of the share capital or by companies which hold directly or indirectly more than half of its share capital, of securities giving access to the Company's equity.

   This decision automatically entails the waiver by the Company shareholders of their preferential subscription rights to shares or securities giving access to the Company's equity to which these securities give entitlement, to the benefit of the holders of the securities that might be issued by the Group companies;
3. resolves to set as follows the limits to the amounts authorised for capital increases in the event of Managers' use of this delegation of authority:
   - the maximum nominal amount of the capital increases that may be carried out under this delegation is set at six hundred million euros (€600,000,000) or the equivalent in any other currency or monetary unit established by reference to several currencies, it being stipulated that this amount will be deducted from the cap provided under paragraph 3 of the 16th resolution and on the total cap provided under paragraph 2 of the 15th resolution or, as the case may be, on the caps provided for by resolutions of the same nature that may succeed the aforementioned resolutions during the period of validity of this delegation,
   - in any event, issues of equity securities made under this delegation will not exceed the limits provided for by the regulations applicable on the issue date (at present, 20% of the share capital per year), and
   - these caps shall in addition, where applicable, be increased by nominal amount of the shares to be issued in order to preserve, in accordance with legal and regulatory provisions and, where applicable, contractual stipulations providing for other cases of adjustment, the rights of holders of securities giving access to share capital or other rights giving access to share capital;
4. resolves to set as follows the limits of the amounts of debt securities authorised in the event of the issue of securities in the form of debt securities giving immediate or future access to the equity of the Company or other companies:
   - the maximum nominal amount of debt securities that may be issued immediately or in the future under this delegation is set at two billion five hundred million euros (€2,500,000,000) or the equivalent of this amount in any other currency or monetary unit established by reference to several currencies on the date of issue,
   - this amount will be increased, where applicable, by any redemption premium above par,
   - this amount is independent of the amount of debt securities whose issue could result from the use of the other resolutions submitted to this General Meeting of the Shareholders and of debt securities whose issue would be decided or authorised by the Managers in accordance with Articles L.228-36-A, L.228-40, L.228-92 paragraph 3, L.228-93 paragraph 6 and L.228-94 paragraph 3 of the Code de Commerce;
5. resolves to cancel the shareholders' preferential subscription rights to the securities covered by this resolution;
6. resolves that if the subscriptions, including, if applicable, those of the shareholders, have not absorbed the entire issue, the Managers may limit the amount of the transaction to the amount of subscriptions received, subject, in cases of share or securities issues whose primary instrument is a share, to it reaching three-quarters of the issue decided on;
7. notes that this delegation automatically entails the express waiver by the shareholders of their preferential subscription rights to the shares to which the securities will give entitlement, to the benefit of the holders of the securities issued giving access to the Company's equity;

8. notes the fact that, pursuant to Article L.225-136 1° paragraph 1 of the French Commercial Code:
- the issue price of the shares issued directly will be at least equal to the minimum provided for by the regulations applicable on the issue date (currently, the weighted average of the last three trading days on the regulated market of Euronext Paris before the start of the public offering minus 10%), after, where necessary, correction of this average in the case of difference between dividend entitlement dates,
- the issue price of the securities giving access to share capital and the number of shares to which the conversion, redemption or generally the transformation of each security giving access to share capital may give entitlement, will be such that the sum received immediately by the Company, plus, where applicable, the amount that may subsequently be collected by it, for each share issued as a result of the issue of such securities, is at least equal to the minimum subscription price defined in the preceding paragraph;

9. resolves that the Managers will have broad powers, with the option of subdelegation under the conditions set by law, to implement this delegation of authority, in particular to:
- decide to issue shares and/or securities giving immediate or future access to the capital of the Company or of another company,
- decide the amount of the issue, the issue price and the amount of the premium that may be asked on issue or, as the case may be, the amount of reserves, profits or premiums that may be incorporated into the capital,
- determine the dates and terms of the issue, the nature, number and characteristics of the shares and/or securities to be created,
- in the event of the issuance of debt securities, decide whether or not they are subordinated (and, where applicable, their rank of subordination, in accordance with the provisions of Article L.228-97 of the French Commercial Code), fix their rate of interest (including fixed- or floating-rate, zero-coupon or indexed interest rate) and provide, as the case may be, for mandatory or optional cases of suspension or non-payment of interest, provide for their maturity (fixed-term or perpetual), the possibility of reducing or increasing the nominal value of the securities and other issuing terms (including giving them guarantees) and repayment (including redemption by delivery of Company assets); if applicable, these securities could provide the Company with the option of issuing debt securities (whether fungible or not) in discharge of interest the payment of which had been suspended by the Company, or taking the form of complex bonds in the sense used by stock exchange authorities (for example, because of their redemption or repayment terms or other rights such as indexation and options rights); modify, during the lifetime of the securities concerned, the terms and conditions referred to above, in compliance with the applicable formalities,
- determine the methods for payment of the shares,
- set, if applicable, the conditions for the exercise of the rights (where applicable, rights to conversion, exchange, redemption, including the delivery of Company assets such as treasury shares or securities already issued by the Company) attached to the shares or securities giving access to the share capital to be issued and, in particular, to set the date, even retroactively, from which the new shares will take effect, as well as all other conditions and procedures for carrying out the capital increase,
- set the terms and conditions under which the Company will, where applicable, be entitled to purchase or trade on stock markets at any time or for specified periods, securities giving access to share capital with a view to cancelling them or not, taking legal provisions into account,
- provide for the possibility of suspending the exercise of the rights attached to shares or securities giving access to share capital in accordance with the legal and regulatory provisions,
- on their sole initiative, charge the costs of the capital increases to the amount of the premiums related thereto and deduct from this amount the sums necessary to make allocation to the legal reserve,
- determine and make any adjustments to take into account the impact of transactions on the Company's capital or shareholders' equity, particularly in the event of change in the share's par value, a capital increase through the incorporation of reserves, profits or premiums, the awarding of free shares, the splitting or reverse-splitting of shares, the distribution of dividends, reserves, premiums or any other assets, redemption of capital, or any other operation involving the share capital or shareholders' equity, (including in the event of a tender offer and/or in the event of a change of control), and, where applicable, fix any other conditions enabling the preservation of the rights of holders of securities giving access to share capital or other rights giving access to share capital (including by way of cash adjustments),
- record the completion of each capital increase and amend the Articles of Association accordingly,
- in general, to enter into any agreement, in particular to achieve the successful completion of the issues envisaged, take all measures and carry out all formalities necessary for the issue, listing and financial service of the securities issued under this delegation as well as the exercise of the rights attached thereto;

10. resolves that the Managers may not, subject to the prior authorisation of the General Meeting of the Shareholders, make use of this delegation of authority from the time when a public offer is lodged by a third party for the Company's securities until the offer period has ended;

11. notes that, in the event that the Managers should come to use the delegation of authority conferred on it in this resolution, the Managers shall report to the next Ordinary General Meeting of the Shareholders in accordance with the law and regulations on the use made of the authorisations granted in this resolution;

12. sets at twenty-six months, from the date of this Meeting, the period of validity of the delegation of authority which is the subject of this resolution;

13. notes, that as from this date, this delegation shall supersede, if applicable, the unused portion of the authorisation granted for the same purpose by the General Meeting of the Shareholders of 25 May 2018 in its 9th resolution.

Eighteenth resolution

(Authorisation to be granted to the Managers to issue shares and/or securities giving immediate or future access to shares to be issued by the Company in as compensation for contributions in kind consisting in equity securities or securities giving access to the share capital)

The General Meeting of the Shareholders, acting under the quorum and majority requirements for Extraordinary General Meetings, having reviewed the report of the Manager, the report of the Supervisory Board, and the special report of the Statutory Auditors, in accordance with the provisions of Articles L.225-129, L.225-129-2, L.225-147 and L.228-91 *et seq.* of the French Commercial Code:

1. authorises the Managers to increase the share capital, on one or more occasions, by the issue of (i) shares of the Company (excluding preference shares) and/or (ii) securities governed by Articles L.228-92 paragraph 1, L.228-93 paragraphs 1 and 3 or L.228-94 paragraph 2 of the French Commercial Code giving immediate or future access, at any time or on a fixed date, by subscription, conversion, exchange, redemption, presentation of a warrant or in any other way, to the capital of the Company or other companies (including the company that holds directly or indirectly more than half of the Company's share capital and those of which the Company holds directly or indirectly more than half of the share capital), in order to remunerate contributions in kind granted to the Company and consisting in equity securities or securities giving access to share capital, when the provisions of Article L.225-148 of the French Commercial Code do not apply;

2. resolves to set as follows the maximum amounts authorised for capital increases in the event of the Managers' use of this authorisation:

- the maximum nominal amount of the capital increases that may be carried out under this delegation is set at two hundred and fifty million euros (€250,000,000) or the equivalent in any other currency or monetary unit established by reference to several currencies, it being stipulated that this amount will be deducted from the cap provided under paragraph 3 of the 16th resolution and on the total cap provided under paragraph 2 of the 15th resolution or, as the case may be, on the caps provided for by resolutions of the same nature that may succeed the aforementioned resolutions during the period of validity of this delegation,
- in any event, issues of shares and securities giving access to share capital under this authorisation will not exceed the limits provided for by the regulations applicable on the issue date (at present, 10% of the capital), and
- these caps shall in addition, where applicable, be increased by nominal amount of the shares to be issued in order to preserve, in accordance with legal and regulatory provisions and, where applicable, contractual stipulations providing for other cases of adjustment, the rights of holders of securities giving access to equity or other rights giving access to share capital;

3. resolves to set as follows the limits of the amounts of debt securities authorised in the event of the issue of securities in the form of debt securities giving immediate or future access to the equity of the Company or other companies:

- the maximum nominal amount of debt securities that may be issued immediately or in the future under this authorisation is set at nine hundred million euros (€900,000,000) or the equivalent of this amount in any other currency or monetary unit established by reference to several currencies on the issue date,
- this amount will be increased, where applicable, by any redemption premium above par,
- this amount is independent of the amount of the debt securities whose issue might result from the use of the other resolutions submitted to this General Meeting of the Shareholders and the debt securities whose issue would be decided or authorised by the Managers in accordance with Articles L.228-36-A, L.228-40, L.228-92 paragraph 3, L.228-93 paragraph 6 and L.228-94 paragraph 3 of the French Commercial Code;

4. resolves that the Managers will have broad powers, with the option of subdelegation under the conditions set by law, to implement this resolution, in particular to:

- decide to issue shares and/or securities giving immediate or future access to the capital of the Company, remunerating contributions,
- determine the list of equity securities and securities giving access to share capital contributed, approve the valuation of the contributions, set the conditions for the issue of the shares and/or the securities remunerating the contributions, as well as, if applicable, the amount of monetary compensation to be paid, approve the granting of special benefits, and reduce, if the contributors agree, the valuation of the contributions or the remuneration of the special benefits,
- determine the terms and characteristics of the shares and/or securities remunerating the contributions and modify, during the life of these securities, said terms and characteristics in compliance with the applicable formalities,
- on their sole initiative, charge the costs of the capital increases to the amount of the premiums related thereto and deduct from this amount the sums necessary to make allocations to the legal reserve,
- set the terms and conditions under which the Company will, where applicable, be entitled to purchase or trade on stock markets at any time or for specified periods, securities giving access to share capital with a view to cancelling them or not, taking legal provisions into account,
- determine and make any adjustments to take into account the impact of transactions on the Company's capital or shareholders' equity, particularly in the event of change in the share's par value, a capital increase through the incorporation of reserves, profits or premiums, the awarding of free shares, the splitting or reverse-splitting of shares, the distribution of dividends, reserves, premiums or any other assets, redemption of capital, or any other operation involving the share capital or shareholders' equity, (including in the event of a tender offer and/or in the event of a change of control), and, where applicable, fix any other conditions enabling the preservation of the rights of holders of securities giving access to share capital or other rights giving access to share capital (including by way of cash adjustments),
- record the completion of each capital increase and amend the Articles of Association accordingly,
- in general, to enter into any agreement, and take all measures and carry out all formalities necessary for the issue, listing and financial service of the securities issued under this authorisation as well as the exercise of the rights attached thereto;

5. resolves that the Managers may not, subject to the prior authorisation of the General Meeting of the Shareholders, make use of this authorisation from the time when a tender offer is launched by a third party for the Company's securities until the offer period has ended;

6. sets at twenty-six months, from the date of this Meeting, the period of validity of the authorisation which is the subject of this resolution;

7. notes that, as from this date, this authorisation shall supersede, if applicable, the unused portion of the authorisation granted for the same purpose by the General Meeting of the Shareholders of 25 May 2018 in its 10th resolution.

Nineteenth resolution

(Determination of the issue price, for maximum of 10% of the share capital per year, in the context of a share capital increase through the issue of equity securities without preferential subscription rights)

The General Meeting of the Shareholders, acting under the quorum and majority requirements for Extraordinary General Meetings, having reviewed the report of the Manager, the report of the Supervisory Board and the special report of the Statutory Auditors, in accordance with the provisions of Article L.225-136 1° paragraph 2 of the French Commercial Code:

1. authorises the Managers, in the event of a capital increase through the issue of equity securities without preferential subscription rights under the 16th and 17th resolutions of this General Meeting of the Shareholders, to set the issue price as follows:
- the issue price of the shares will be at least equal to the weighted average share price of the Company's shares on the Euronext Paris market during the last twenty trading days preceding its fixing, or if it is lower, at the last closing price before price fixing minus a maximum discount of 10%,
- the issue price of the securities giving immediate or future access to the capital will be such that the sum received immediately by the Company plus, where applicable, the amount that may be collected by the Company at a later date is, for each share issued in as a result of the issue of these securities, at least equal to the amount referred to in the above paragraph, after adjustment, if necessary, of this amount to take account of the difference in the dividend entitlement dates;

2. resolves that the nominal amount of the capital increases that may be carried out immediately or in the future under this authorisation is set, in accordance with the law, at 10% of the share capital per year (it being stipulated that at the date of each capital increase, the total number of shares issued under this resolution during the 12-month period preceding said capital increase, including the shares issued under said capital increase, may not exceed 10% of the shares comprising the Company's capital on that date (*i.e.* by way of indication, as of 31 March 2020, a cap of 13,679,413 shares));

3. notes that, in the event that the Managers make use of this authorisation, they will prepare an additional report, certified by the Statutory Auditors, describing the final terms and conditions of the transaction and giving evidence of the actual impact on the shareholders' situation;

4. sets at twenty-six months, from the date of this Meeting, the period of validity of the authorisation which is the subject of this resolution;

5. notes that, as from this date, this authorisation shall supersede, if applicable, the unused portion of the authorisation granted for the same purpose by the General Meeting of the Shareholders of 25 May 2018 in its 11th resolution.

Twentieth resolution

(Delegation of authority to be given to the Managers to decide to the share capital by incorporation of premiums, reserves, profits or any other amounts)

The General Meeting of the Shareholders, acting under the quorum and majority requirements for Ordinary General Meetings, having reviewed the report of the Manager, the report of the Supervisory Board, and in accordance with Articles L.225-129-2 and L.225-130 of the French Commercial Code:

1. delegates its authority to the Managers to decide an increase in share capital on one or more occasions in the proportion and at the times that it shall determine by incorporation of premiums, reserves, profits or any other amounts whose capitalisation is permitted under law and the Articles of Association, in the form of issuance of new equity securities or increase in the nominal amount of existing equity securities or by the combined use of these two processes;

2. resolves that the maximum nominal amount of the capital increases that may be carried out under this delegation may not exceed two billion euros (€2,000,000,000) or the equivalent in any other currency or monetary unit established by reference to several currencies, it being specified that to this cap is in addition, where applicable, to the nominal amount of the shares to be issued in order to preserve, in accordance with legal and regulatory provisions and, where applicable, contractual stipulations providing for other cases of adjustment, the rights of holders of securities giving access to share capital or other rights giving access to share capital and it being specified that this amount will be deducted from the amount of the total cap provided under paragraph 2 of the 15th resolution of this General Meeting of the Shareholders or, where applicable, from the amount of the total cap that may be provided under a resolution of the same nature that may succeed that resolution during the period of validity of this delegation;

3. in the event of the Managers' use of this delegation of authority, delegates to the latter broad powers, with the option of subdelegation under the conditions set by law, to implement this delegation, in particular to:
- set the amount and nature of the amounts to be capitalised, fix the number of new equity securities to be issued and/or the amount by which the nominal value of the existing equity securities will be increased, set the date, even retroactively, from which the new capital securities will be effective or the date on which the increase in the nominal value of the existing capital securities will take effect,
- decide, in the case of allocation of free equity securities:
  - that fractional rights will be neither tradable nor transferable and that the corresponding equity securities will be sold according to the terms and conditions determined by the Managers, it being specified that the proceeds from the sale will be distributed within the timeframe set by Article R.225-130 of the French Commercial Code,
  - that the shares that will be awarded under this delegation on the basis of exisiting shares with a double voting right will benefit from this right as soon as they are issued;

- establish any procedure to ensure, where appropriate, the preservation of the rights of holders of securities giving access to equity or other rights giving access to share capital (including by means of cash adjustment),
- record the completion of each capital increase and amend the Articles of Association accordingly,
- in general, to enter into any agreement, and take all measures and carry out all formalities necessary for the issue, listing and financial service of the securities issued under this delegation as well as the exercise of the rights attached thereto;

4. resolves that the Managers may not, subject to the prior authorisation of the General Meeting of the Shareholders, make use of this delegation of authority from the time when a public offer is lodged by a third party for the Company's securities until the offer period has ended;

5. sets at twenty-six months, from the date of this Meeting, the period of validity of the delegation of authority which is the subject of this resolution;

6. notes that, as from this date, this delegation shall supersede, if applicable, the unused portion of the authorisation granted for the same purpose by the General Meeting of the Shareholders of 25 May 2018 in its 12th resolution.

Twenty-first resolution

(Delegation of authority to be given to the Managers to increase the number of shares to be issued in the event of a share capital increase with or without preferential subscription rights)

The General Meeting of the Shareholders, acting under the quorum and majority requirements for Extraordinary General Meetings, having reviewed the report of the Manager, the report of the Supervisory Board, and the special report of the Statutory Auditors, in accordance with Articles L.225-129-2 and L.225-135-1 of the French Commercial Code:

1. delegates its authority to the Managers to decide to increase the number of securities to be issued in the event of a Company share capital increase, with or without preferential subscription rights, at the same price as that used for the initial issue, within the time and limits provided for by the regulations applicable on the issue date (at present, within thirty days of the closing of the subscription and up to 15% of the initial issue), in particular with a view to granting an over-allotment option in accordance with market practice;

2. resolves that the nominal amount of the capital increases decided by this resolution shall be deducted from the cap stipulated in the resolution under which the initial issue is decided and the total cap provided under paragraph 2 of the 15th resolution of this General Meeting of the Shareholders or, as appropriate, the caps provided for by resolutions of the same nature that may succeed the above-mentioned resolutions during the period of validity of this delegation;

3. resolves that the Managers may not, subject to the prior authorisation of the General Meeting of the Shareholders, make use of this delegation of authority from the time when a public offer is lodged by a third party for the Company's securities until the offer period has ended;

4. sets at twenty-six months, from the date of this Meeting, the period of validity of the delegation of authority which is the subject of this resolution;

5. notes that, as from this date, this delegation shall supersede, if applicable, the unused portion of the authorisation granted for the same purpose by the General Meeting of the Shahreholders of 25 May 2018 in its 13th resolution.

Twenty-second resolution

(Delegation of authority to be given to the Managers to decide to increase the share capital of the Company through the issue of shares and/or securities giving immediate or future access to the share capital, without preferential subscription rights, reserved for members of company savings plans)

The General Meeting of the Shareholders, acting under the quorum and majority requirements for Extraordinary General Meetings, having reviewed the report of the Manager, the report of the Supervisory Board, and the special report of the Statutory Auditors, in accordance firstly with the provisions of Articles L.225-129-2, L.225-129-6, L.225-138-1 and L.228-91 *et seq.* of the French Commercial Code, and secondly with Articles L.3332-18 to L.3332-24 of the French Labour Code:

1. delegates its authority to the Managers to decide to increase the share capital without preferential subscription rights, on one or more occasions, in France or abroad, in the proportion and at the times that it shall determine, either in euros, or in any other currency or monetary unit established by reference to several currencies, with or without premium, whether in return for payment or free of charge, through the issue of (i) shares in the Company (excluding preference shares) and/or (ii) securities governed by Article L.228-92 paragraph 1 of the French Commercial Code giving immediate or future access, at any time or on a fixed date, by subscription, conversion, exchange, redemption, presentation of a warrant or in any other way, to the share capital of the Company, reserved for the members of one or more employee savings plans (or any other plan for whose members Articles L.3332-1 *et seq.* of the French Labour Code or any law or similar regulation permits a capital increase under equivalent conditions to be reserved) set up within a company or group of companies, French or foreign, within the scope of consolidation or combination of the Company accounts pursuant to Article L.3344-1 of the French Labour Code; it is specified that this resolution may be used for the purpose of implementing leveraged formulas;

2. resolves to set as follows the limits to the amounts authorised for capital increases in the event of Managers' use of this delegation of authority:

- the maximum nominal amount of the capital increases that may be carried out under this delegation is set at fifty million euros (€50,000,000) or the equivalent in any other currency or monetary unit established by reference to several currencies, it being stipulated that this amount will be deducted from the total cap provided under paragraph 2 of the 15th resolution of this General Shareholders' Meeting or, as the case may be, the total cap, if any, provided for by a resolution of the same nature that may succeed that resolution during the period of validity of this delegation,
- these caps shall in addition, where applicable, be increased by nominal amount of the shares to be issued in order to preserve, in accordance with legal and regulatory provisions and, where applicable, contractual stipulations providing for other cases of adjustment, the rights of holders of securities giving access to share capital or other rights giving access to share capital;

3. resolves to set as follows the limits of the amounts of debt securities authorised in the event of the issue of securities in the form of debt securities giving immediate or future access to the equity of the Company or other companies:
- the maximum nominal amount of debt securities that may be issued immediately or in the future under this delegation is set at and fifty million euros (€50,000,000) or the equivalent of this amount in any other currency or monetary unit established by reference to several currencies on the date of issue,
- this amount will be increased, where applicable, by any redemption premium above par,
- this amount is independent of the amount of debt securities whose issue could result from the use of the other resolutions submitted to this General Shareholders' Meeting and of debt securities whose issue would be decided or authorised by the Managers in accordance with Articles L.228-36-A, L.228-40, L.228-92 paragraph 3, L.228-93 paragraph 6 and L.228-94 paragraph 3 of the Code de Commerce;

4. resolves that the issue price of new shares or securities giving access to share capital shall be determined under the conditions provided in Articles L.3332-18 *et seq.* of the French Labour Code and shall be equal to at least 70% of the Reference Price (as defined below) or to 60% of the Reference Price when the lock-up period in accordance with Articles L.3332-25 and L.3332-26 of the French Labour Code is equal to, or greater than 10 years (it being specified that the discount levels mentioned in this paragraph may be modified in the event of changes in the regulations in force); for the purposes of this paragraph, the Reference Price means the average of the first quoted prices of the Company's shares on the regulated market of Euronext Paris during the twenty trading days preceding the date of the decision setting the opening date of the subscription for members of a company or group savings plan (or similar plan);

5. authorises the Managers to grant the above-mentioned beneficiaries, free of charge, in addition to the shares or securities giving access to share capital, shares or securities giving access to share capital to be issued or already issued, in substitution for all or part of the discount in relation to the Reference Price and/or employer matching contributions, it being understood that the benefit resulting from this allocation may not exceed the legal or regulatory limits applicable under Articles L.3332-10 *et seq.* of the French Labour Code;

6. resolves to waive shareholders' preferential subscription rights to the securities covered by this resolution in favour of the above-mentioned beneficiaries; in the event of a free allocation of shares or securities giving access to the share capital to the above beneficiaries, these shareholders furthermore waive any rights to the aforementioned shares or securities giving access to share capital, including the portion of the reserves, profits or premiums incorporated in the equity, by reason of the free allocation of these securities on the basis of this resolution;

7. authorises the Managers, under the terms of this delegation, to sell shares to members of a company or group savings plan (or similar plan) as provided by Article L.3332-24 of the French Labour Code; it being specified that the sale of shares at a discount to the members of one or several employee savings plans referred to in this resolution shall be deducted at the par value of the shares thus sold from the nominal amount of the caps referred to in paragraph 2 above;

8. resolves that the Managers will have broad powers, with the option of subdelegation under the conditions set by law, to implement this delegation of authority, in particular to:
- decide to issue shares and/or securities giving immediate or future access to the capital of the Company or of other companies,
- decide in accordance with the law the list of companies whose beneficiaries above mentioned may subscribe to the shares or securities giving access to the share capital thus issued and to benefit from any free allotments of shares or securities giving access to share capital,
- decide that subscriptions may be made directly by the beneficiaries, members of a company or group savings plan (or similar plan), or through company mutual funds or other structures or entities permitted by the applicable legal or regulatory provisions,
- determine the conditions, including seniority, that must be met by the beneficiaries of the capital increases,
- in the case of the issuance of debt securities, fix all the characteristics and terms of these securities (in particular whether fixed-term or perpetual, whether or not they are subordinated and their repayment) and, during the life of these securities, change the terms and characteristics referred to above, in compliance with the applicable formalities,
- set, if applicable, the conditions for the exercise of the rights (where applicable, rights to conversion, exchange, redemption, including the delivery of Company assets such as treasury shares or securities already issued by the Company) attached to the shares or securities giving access to the share capital to be issued and, in particular, to set the date, even retroactively, from which the new shares will take effect, as well as all other conditions and procedures for carrying out the capital increase,
- set the terms and conditions under which the Company will, where applicable, be entitled to purchase or trade on stock markets at any time or for specified periods, securities giving access to share capital with a view to cancelling them or not, taking legal provisions into account,
- provide for the possibility of suspending the exercise of the rights attached to shares or securities giving access to share capital in accordance with the legal and regulatory provisions,
- set the amounts of the issues that will be carried out under this delegation and, in particular, fix the issue prices, dates, deadlines, terms and conditions for subscription, payment, delivery and entitlement of the securities (even retroactively), the reduction rules applicable to oversubscription and the other terms and conditions of the issues, within the applicable legal or regulatory limits,
- determine and make any adjustments to take into account the impact of transactions on the Company's capital or shareholders' equity, particularly in the event of change in the share's par value, a capital increase through the incorporation of reserves, profits or premiums, the awarding of free shares, the splitting or reverse-splitting of shares, the distribution of dividends, reserves, premiums or any other assets, redemption of capital, or any other operation involving the share capital or shareholders' equity, (including in the event of a tender offer and/or in the event of a change of control), and, where applicable, set any other conditions enabling the preservation of the rights of holders of securities or other rights giving access to share capital (including by way of cash adjustments),

- in the event of an award of free shares or securities giving access to share capital, set the nature, the number of shares or securities giving access to capital to be issued, as well as their terms and characteristics, the number to be allocated to each beneficiary, and determine the dates, deadlines, terms and conditions for the award of these shares or securities giving access to share capital within the applicable legal and regulatory limits and, in particular, choose to either substitute totally or partially the award of these shares or securities giving access to share capital at the discounts to the Reference Price provided for above, or to deduct the equivalent value of these shares or securities from the total amount of the employer matching contributions, or to combine these two options,
- in the case of issuance of new shares, to deduct, as appropriate from the reserves, profits or issue premiums, the sums necessary for these shares to become paid up,
- record the completion of capital increases and amend the Articles of Association accordingly,
- on their sole initiative, charge the costs of the capital increases to the amount of the premiums related thereto and deduct from this amount the sums necessary to make allocation to the legal reserve,
- in general, to enter into any agreement, in particular to achieve the successful completion of the issues envisaged, take all measures and carry out all formalities necessary for the issue, listing and financial service of the securities issued under this delegation as well as the exercise of the rights attached thereto;

9. sets at twenty-six months, from the date of this Meeting, the period of validity of the delegation of authority which is the subject of this resolution;
10. notes that, as from this date, this delegation shall supersede, if applicable, the unused portion of the authorisation granted for the same purpose by the General Meeting of the Shareholders of 25 May 2018 in its 14th resolution.

Twenty-third resolution

(Delegation of authority to be given to the Managers to grant share subscription or purchase options to some or all of the group's salaried employees and corporate officers)

The General Meeting of the Shareholders acting under the quorum and majority requirements for Extraordinary General Meetings, having reviewed the report of the Manager, the report of the Supervisory Board, and the special report of the Statutory Auditors, in accordance with Articles L.225-177 to L.225-186-1 of the French Commercial Code:

1. delegates its authority to the Managers to grant, on one or more occasions, to those persons whom they may decide upon among the employees and the corporate officers of the Company and related companies or groups under the conditions referred to in Article L.225-180 of the aforementioned Code, or to some of them, options giving the right to subscribe for new Company shares to be issued as an increase of its capital, as well as options giving the right to purchase Company shares arising from buybacks effected by the Company under legal conditions ;
2. resolves that the total number of share option rights and share option purchases granted under this delegation may not entitle the holder to subscribe for or purchase a number of shares exceeding 3% of the share capital on the date of the Managers' decision to make such allocation, and that the nominal amount of the share capital increases resulting from the exercise of subscription rights granted under this delegation will be deducted from the total cap provided under paragraph 2 of the 15th resolution of this General Meeting or, as the case may be, from the total cap, if any, provided for by a resolution of the same nature that may succeed that resolution during the period of validity of this delegation. These caps shall in addition, where applicable, be increased by the nominal amount of the shares to be issued for adjustments in order to preserve the rights of the stock option beneficiaries, in accordance with legal and regulatory provisions;
3. resolves that, for each financial year, the total number of share purchase or subscription options granted under this delegation to the Company's executive corporate officers may not represent more than 1% of the stock options granted during the said financial year under this delegation;
4. resolves that the strike price of stock options shall be set on the day on which the share purchase or subscription options are granted and that (i) in the case of share subscription option rights, this price may be no lower than 80% of the average of the initial quoted prices of the Company's shares on the Euronext Paris regulated market during the 20 trading sessions preceding the date on which the share subscription option rights are granted; and (ii) in the case of share purchase option plans, this price may be no lower than either the value stated in (i) above, nor 80% of the average purchase price of shares held by the Company under Articles L.225-208 and L.208-209 of the French Commercial Code. If the Company undertakes one of the transactions provided by Article L.225-181 of the French Commercial Code or by Article R.225-138 of the French Commercial Code, the Company shall, under the conditions provided by current regulations, take measures necessary for protecting the interests of beneficiaries, including, where applicable, by adjusting the number of shares that may be obtained through the exercise of options granted to beneficiaries to reflect the impact of this transaction;
5. notes that this delegation entails the express waiver by the shareholders of their preferential subscription rights to the shares that will be issued as and when the subscription of the share subscription options is exercised, in favour of the share subscription option beneficiaries. The increase of share capital resulting from the exercise of the stock option rights will be definitively effected solely by the declaration of the option exercise accompanied by the subscription slips and the payments for the shares which may be made in cash or by offsetting amounts owed by the Company;
6. resolves that each grant of stock options to the Company's corporate officers must provide that the exercise of the options will be fully dependent on the achievement of one or more performance conditions set by the Managers;
7. confers broad powers to the Managers to implement this delegation and in particular to:
   - determine whether the options granted are share subscription options and/or share purchase options and, if applicable, modify their choice before the opening of the option exercise period,
   - determine the identity of the beneficiaries, or the category or categories of beneficiaries, of the options granted and the number of options awarded to each of them,
   - set the terms and conditions of the stock options, and in particular:
     - the validity period of the options, it being understood that the options must be exercised within a maximum of 10 years,
     - the option exercise date(s) or period(s), it being understood that the Managers may (a) bring forward the option exercise dates or periods, (b) maintain the option benefit, or (c) change the dates or periods during which the shares obtained by the exercise of the options may not be sold or put into bearer form;

- any clauses prohibiting the immediate resale of all or part of the shares, although the time limit for the retention of securities may not exceed three years from exercise of the option; it is stipulated that regarding stock options granted to corporate officers, the Managers must either (a) decide that the options may not be exercised by the parties concerned before the termination of their duties, or (b) fix the number of shares they are required to keep in registered form until the termination of their duties,
- where appropriate, to limit, suspend, restrict or prohibit the exercise of the options or the transfer or the placing in bearer form of the shares obtained through exercise of the options, during certain periods or as from certain events, which decision may relate to all or some of the options or shares or concern all or some of the beneficiaries,
- to set the effective date, even retroactively, for new shares arising from the exercise of share subscription options;

8. resolves that the Managers shall also have broad powers, with the right to subdelegate in accordance with the law, to record the completion of the capital increases up to the amount of the shares actually subscribed for through exercise of the options, amend the Articles of Association accordingly, and upon their sole decision and should they deem it appropriate, to charge the costs of the capital increases to the amount of the issue premiums relating to these transactions and deduct from this amount the sums necessary to bring the legal reserve to one-tenth of the new capital after each increase, and carry out all formalities necessary for the listing of the securities thus issued, all reporting to all organisations and do everything that might otherwise be necessary;

9. sets at twenty-six months, from the date of this Meeting, the period of validity of the delegation which is the subject of this resolution;

10. notes that, as from this date, this delegation shall supersede, if applicable, the unused portion of the authorisation granted for the same purpose by the General Meeting of the Shareholders of 25 May 2018 in its 15th resolution.

Twenty-fourth resolution

(Delegation of authority to be given to the Managers to grant existing free shares or shares to be issued to some or all of the group's salaried employees and corporate officers)

The General Meeting of the Shareholders, acting under the quorum and majority requirements for Extraordinary General Meetings, having reviewed the report of the Manager, the report of the Supervisory Board, and the special report of the Statutory Auditors, in accordance with Articles L.225-197-1 *et seq.* of the French Commercial Code:

1. delegates its authority to the Managers to grant, on one or more occasions, awards of existing or future free shares (excluding preference shares), for the benefit of the beneficiaries or categories of beneficiaries that they shall determine among the salaried employees of the Company or related companies or corporate groups under the conditions laid down in Article L.225-197-2 of the French Commercial Code and the corporate officers of the Company or related companies or corporate groups and which meet the conditions referred to in Article L.225-197-1, II of the aforementioned Code, under the conditions defined below;

2. resolves that free shares, existing or to be freely awarded under this delegation may not represent more than 3% of the share capital as at the date of the Managers' decision; it is specified that the maximum nominal amount of the capital increases that may be carried out immediately or in the future under this delegation will be deducted from the total cap provided under paragraph 2 of the 15th resolution of this General Meeting of the Shahreholders or, as the case may be, from any total cap that may be provided for by a resolution of the same nature that may succeed that resolution during the period of validity of this delegation;

3. resolves that, for each financial year, the total number of shares existing or to be issued that are granted under this delegation to the Company's executive officers may not represent more than 1% of the free shares awarded during the said financial year under this delegation;

4. resolves that:
- the allocation of free shares to their beneficiaries will become final at the end of a vesting period, the duration of which may not be less than that required by the legal provisions applicable on the date of the allocation decision (*i.e.* at present, one year),
- the vested shares will be subject, at the end of the aforementioned vesting period, to a retention obligation, the duration of which may not be less than that required by the legal provisions applicable on the date of the award decision (*i.e.* to date, the difference between a period of two years and the duration of the vesting period to be fixed by the Managers); however, this retention obligation may be waived by the Managers for free shares awarded for a vesting period set at a minimum of two years,
- it is specified that the vesting of free shares and the right to sell them freely may nevertheless take place before the expiry of the vesting period or, if applicable, the obligatory retention period, in the event of beneficiaries suffering from Category 2 or 3 disability as classified by Article L.341-4 of the French Social Security Code, or equivalent case abroad;

5. resolves that the vesting of the free shares awarded to the Company's corporate officers will be subject in particular to the achievement of performance conditions set by the Managers;

6. confers broad powers to the Managers for the purposes of implementing this delegation and in particular to:
- determine whether the free shares awarded are shares to be issued and/or existing and, if necessary, amend their choice before the definitive allocation of the shares,
- determine the identity of the beneficiaries, or the category or categories of beneficiaries, of the share allocations among the staff members and corporate officers of the Company or the aforementioned companies or corporate groups and the number of shares awarded to each of them,
- set the conditions and, where applicable, the criteria for the allocation of the shares, in particular the minimum vesting period and the retention period required of each beneficiary, under the conditions set out above, with the stipulation that, with regard to the free shares granted to corporate officers, the Managers must either (a) decide that the bonus shares may not be sold by the parties concerned before the termination of their duties, or (b) fix the amount of free shares that they are required to keep in registered form until the termination of their duties,

- provide for the option of temporarily suspending allocation rights,
- record the definitive allocation dates and the dates from which the shares may be freely disposed of, subject to legal restrictions,
- register the free shares awarded in a registered account in the name of their holder, recording the lock-up period and duration thereof, and to unlock the shares for any circumstance for which the applicable laws allow this to take place;

7. resolves that the Managers shall also have broad powers, with the right to subdelegate in accordance with the law, to charge, where applicable, in the event of the issue of new shares, to the reserves, profits or issue premiums, the sums necessary to make such shares paid-up, record the completion of the capital increases carried out in application of this delegation, make the according amendments to the Articles of Association and, generally, perform all necessary acts and formalities;

8. resolves that the Company may, if necessary, make adjustments to the number of free shares required to preserve the rights of the beneficiaries, depending on any transactions involving the Company's capital or shareholders' equity, particularly in the event of change in the share's par value, a capital increase through the capitalisation of reserves, the awarding of free shares, the issuance of new equity securities with preferential subscription rights reserved for shareholders, the splitting or reverse-splitting of shares, the distribution of reserves, premiums or any other assets, redemption of capital, the change in the profit share through the creation of preference shares, or any other operation involving the share capital or shareholders' equity, (including in the event of a tender offer and/or in the event of a change of control). It is stipulated that the shares allotted under these adjustments will be deemed to be allocated on the same day as the shares initially allocated;

9. notes that, in the event of an allocation for free of new shares, this delegation will entail, as and when the shares are definitively allotted, a capital increase by incorporation of reserves, profits or issue premiums for the beneficiaries of the aforementioned shares and the consequential waiver by the shareholders of their preferential subscription rights on said shares in favour of the beneficiaries of these shares;

10. acknowledges the fact that, in the event that the Managers make use of this delegation, they will inform the Ordinary General Meeting each year of the transactions carried out under the provisions of Articles L.225-197-1 to L.225-197-3 of the French Commercial Code, in accordance with the terms set out in Article L.225-197-4 of the same Code;

11. sets at twenty-six months, from the date of this Meeting, the period of validity of the delegation which is the subject of this resolution;

12. notes that, as from this date, this delegation shall supersede, if applicable, the unused portion of the authorisation granted for the same purpose by the General Meeting of the Shareholders of 25 May 2018 in its 16th resolution.

Twenty-fifth resolution

(Authorisation to be given to the Managers to reduce the share capital by cancelling treasury shares)

The General Meeting of the Shareholders, acting under the quorum and majority requirements for Extraordinary General Meetings, having reviewed the report of the Manager, the report of the Supervisory Board, and the special report of the Statutory Auditors, in accordance with the provisions of Articles L.225-209 *et seq.* of the French Commercial Code:

1. authorises the Managers to reduce the share capital, on one or more occasions, in the proportions and at the times it deems appropriate, by cancelling any number of treasury shares that it may decide, within the limits authorised by law;

2. acknowledges that, on the date of each cancellation, the maximum number of shares cancelled by the Company during the twenty-four-month period preceding the aforementioned cancellation, including the shares subject to such cancellation, may not exceed 10% of the shares comprising the capital of the Company at that date (*i.e.* as an indication, as at 31 March 2020, a limit of 13,679,413 shares), it being specified that this limit applies to an amount of the Company's share capital which, if applicable, will be adjusted to take into account transactions affecting the share capital subsequent to this General Meeting of the Shareholders;

3. grants full powers to the Managers, with the option of subdelegation, to carry out any cancellation or reduction of capital that may be carried out under this authorisation, to charge to the available premiums and reserves of their choice the difference between the repurchase value of the cancelled shares and the par value, to allocate the fraction of the legal reserve becoming available as a consequence of the capital reduction, to amend the Articles of Association accordingly and to complete all formalities;

4. sets at twenty-six months, from the date of this Meeting, the period of validity of the delegation which is the subject of this resolution;

5. notes that, as from this date, this delegation shall supersede, if applicable, the unused portion of the authorisation for the same purpose granted by the General Meeting of the Shareholders of 25 May 2018 in its 17th resolution.

Twenty-sixth resolution

(Amendment of Article 8.3 of the Articles of Association - The Managers' Remuneration)

The General Meeting of the Shareholders, acting under the quorum and majority requirements for Extraordinary General Meetings, having reviewed the report of the Manager resolves, with a view to incorporating the contributions of Order no. 2019-1234 of 27 November 2019 relating to the remuneration of corporate officers of listed companies, to amend the provisions of Article 8.3 of the Articles of Association as follows:

Former text	New text
Article 8.3 The Manager's Remuneration	*Article 8.3 The Manager's Remuneration*
So long as the Company is managed by a single Manager, this Manager shall be entitled to a remuneration before taxes equal to 2% of the consolidated shareholders' equity of the Company, calculated on the last day of the preceding financial year. This remuneration shall be paid annually when the financial statements of the preceding year are approved.	So long as the Company is managed by a single Manager, this Manager shall be entitled to an annual fixed remuneration before taxes equal to 2% of the consolidated shareholders' equity, calculated on the last day of the preceding financial year. This fixed remuneration shall be paid annually when the financial statements of the preceding year are approved. This fixed remuneration is exclusive of any variable or exceptional remuneration.
The Manager shall have the option, during the financial year, to receive an interim payment of the above-mentioned remuneration. This interim payment shall only be made on the basis of accounts certified by the Company's statutory auditors at the end of an interim accounting period. This interim payment will be deducted from the total remuneration paid to the Manager when the financial statements of the preceding year are approved.	The Manager shall have the option, during the financial year, to receive an interim payment of the above-mentioned remuneration. This interim payment shall only be made on the basis of accounts certified by the Company's statutory auditors at the end of an interim accounting period. This interim payment will be deducted from the total remuneration paid to the Manager when the financial statements of the preceding year are approved.
If one or more additional Managers are appointed by the general partner(s), the latter shall decide if a Manager of their choice shall retain the above-mentioned remuneration or if the Managers shall share it between themselves and under what terms. If a Manager does not receive the remuneration described above, his remuneration (amount and terms of payment) shall be set by decision of the general partner(s) and, unless the Manager in question does not receive any remuneration, shall be submitted to the approval of the Ordinary General Shareholders' Meeting.	If one or more additional Managers are appointed by the general partner(s), the latter shall decide if a Manager of their choice shall retain the above-mentioned remuneration or if the Managers shall share it between themselves and under what terms. If a Manager does not receive the remuneration described above, his remuneration (amount and terms of payment) shall be set by decision of the general partner(s) on the advisory opinion of the Supervisory Board and, unless the Manager in question does not receive any remuneration, shall be submitted to the approval of the Ordinary General Shareholders' Meeting.
The Manager shall also be entitled to reimbursement for expenses they bear in the Company's interest, for which they must provide proof.	The Manager shall also be entitled to reimbursement for expenses they bear in the Company's interest, for which they must provide proof.

Twenty-seventh resolution

(Amendment of Article 10.1 of the Articles of Association - Appointment, removal from office and remuneration of the members of the Supervisory Board)

The General Meeting of the Shareholders, acting under the quorum and majority requirements for Extraordinary General Meetings, having reviewed the report of the Manager, resolves, with a view to incorporating the contributions of Order no. 2019-1234 of 27 November 2019 relating to the remuneration of corporate officers of listed companies, to amend the last paragraph of Article 10.1 of the Articles of Association as follows:

Former text	New text
The Supervisory Board shall freely distribute all or some of any remuneration that the Ordinary General Shareholders' Meeting grants to it between its members.	The Supervisory Board shall freely distribute all or some of any remuneration that the Ordinary General Shareholders' Meeting grants to it between its members in accordance with the Supervisory Board's remuneration policy.

The other paragraphs of Article 10.1 remain unchanged.

Twenty-eighth resolution

(Amendment of Article 10.3.2 of the Articles of Association - Meetings of the Supervisory Board)

The General Meeting of the Shareholders, acting under the quorum and majority requirements for Extraordinary General Meetings, having reviewed the report of the Manager, resolves, with a view to deleting a provision of the Articles of Association likely to create practical difficulties in situations similar to that resulting from the measures taken to combat the spread of the Covid-19 virus, to amend the third paragraph of Article 10.3.2 of the Articles of Association as follows:

Former text	New text
Decisions shall be taken by a simple majority of those members who are present or represented and who have voting rights. Except when the Supervisory Board meets to audit the annual report and accounts, members of the Supervisory Board who attend the meeting via videoconference or telephone conference enabling them to be identified and ensuring that they participate effectively shall be deemed to be present for the purpose of calculating the quorum and the majority. A member who is present may represent an absent member upon presentation of an express proxy. In the event that the votes are tied, the chairman of the meeting shall have the casting vote. Manager shall be notified of meetings of the Supervisory Board may attend in an advisory capacity.	Decisions shall be taken by a simple majority of those members who are present or represented and who have voting rights. Members of the Supervisory Board who attend the meeting via videoconference or telephone conference enabling them to be identified and ensuring that they participate effectively shall be deemed to be present for the purpose of calculating the quorum and the majority. A member who is present may represent an absent member upon presentation of an express proxy. In the event that the votes are tied, the chairman of the meeting shall have the casting vote. Manager shall be notified of meetings of the Supervisory Board may attend in an advisory capacity.

The other paragraphs of Article 10.3.2 remain unchanged.

For the ordinary general shareholders' meeting

Twenty-ninth resolution

(Powers to carry out legal formalities)

The General Meeting of the Shareholders gives full powers to the holder of an original copy, a copy or an excerpt of the minutes of this Meeting to carry out any formalities required for filling and announcements relating to or resulting from the decisions taken according to the foregoing resolutions.

9.5 REPORTS OF THE STATUTORY AUDITORS

9.5.1 Report of the Statutory Auditors on the issue of shares and/or various other securities with and/or without preferential subscription rights

Tikehau Capital

Combined General Meeting of the Shareholders of 19 May 2020

Fifteenth, sixteenth, seventeenth, eighteenth, nineteenth and twenty-first resolutions

Report of the Statutory Auditors on the issue of shares and securities with and/or without preferential subscription rights

To the Shareholders,

In our capacity as Statutory Auditors of your company and in compliance with the mission provided by Articles L.228-92 and L.225-135 *et seq*. of the French Commercial Code, we hereby report on the proposed delegations allowing your manager to decide on whether to proceed with various issues of shares and/or securities, operations upon which you are called to vote.

Your manager proposes, on the basis of its report, to:

- be authorised, for a period of twenty-six months, to decide on whether to proceed with the following operations and to determine the final conditions of these issues and proposes, where applicable, to cancel your preferential subscription right:
  - issue with preferential subscription rights (fifteenth resolution) ordinary shares and/or equity securities giving access to other equity securities, or giving the right to the allocation of debt securities and/or securities giving access to other equity securities to be issued:
    - noting that in accordance with the provisions of Article L.228-93 paragraph 1 of the French Commercial Code, securities to be issued may give access to other equity securities to be issued by any company that holds directly or indirectly more than half of the capital of the company, or of which the company holds directly or indirectly more than half of the capital;
    - noting that in accordance with the provisions of Article L.228-93 paragraph 3 of the French Commercial Code, securities that are equity securities of the company may give access to other existing equity securities or give the right to the allocation of debt securities of any company that holds directly or indirectly more than half of the capital of the company, or of which the company holds directly or indirectly more than half of the capital;
    - noting that in accordance with the provisions of Article L.228-94 of the French Commercial Code, securities that are equity securities of the company may give access to other existing equity securities or give the right to the allocation of debt securities of any company that does not hold directly or indirectly more than half of the capital of the company, or of which the company does not hold directly or indirectly more than half of the capital;
  - issue without preferential subscription rights by public offerings other than a public offering referred to by the first paragraph of Article L.411-2 of the French Monetary and Financial Code (sixteenth resolution) ordinary shares and/or equity securities giving access to other equity securities or giving the right to the allocation of debt securities, and/or securities giving access to other equity securities to be issued:
    - noting that these securities may be issued to compensate the contribution of securities that might be made to the company as part of a public exchange offer made in France or abroad, in accordance with local regulations, on securities that meet the conditions of Article L.225-148 of the French Commercial Code;
    - noting that in accordance with the provisions of Article L.228-93 paragraph 1 of the French Commercial Code, securities to be issued may give access to other equity securities to be issued by any company that holds directly or indirectly more than half of the capital of the company, or of which the company holds directly or indirectly more than half of the capital;
    - noting that in accordance with the provisions of Article L.228-93 paragraph 3 of the French Commercial Code, securities that are equity securities of the company may give access to other existing equity securities or give the right to the allocation of debt securities of any company that holds directly or indirectly more than half of the capital of the company, or of which the company holds directly or indirectly more than half of the capital;
    - noting that in accordance with the provisions of Article L.228-94 of the French Commercial Code, securities that are equity securities of the company may give access to other existing equity securities or give the right to the allocation of debt securities of any company that does not hold directly or indirectly more than half of the capital of the company, or of which the company does not hold directly or indirectly more than half of the capital;
  - issue without preferential subscription rights by a public offering as defined by paragraph 1 of Article L.411-2 of the French Monetary and Financial Code, up to a maximum of 20% of the share capital per year (seventeenth resolution), ordinary shares and/or equity securities giving access to other equity securities or giving the right to the allocation of debt securities, and/or securities giving access to other equity securities to be issued:
    - noting that in accordance with the provisions of Article L.228-93 paragraph 1 of the French Commercial Code, securities to be issued may give access to other equity securities to be issued by any company that holds directly or indirectly more than half of the capital of the company, or of which the company holds directly or indirectly more than half of the capital;

- noting that in accordance with the provisions of Article L.228-93 paragraph 3 of the French Commercial Code, securities that are equity securities of the company may give access to other existing equity securities or give the right to the allocation of debt securities of any company that holds directly or indirectly more than half of the capital of the company, or of which the company holds directly or indirectly more than half of the capital;
- noting that in accordance with the provisions of Article L.228-94 of the French Commercial Code, securities that are equity securities of the company may give access to other existing equity securities or give the right to the allocation of debt securities of any company that does not hold directly or indirectly more than half of the capital of the company, or of which the company does not hold directly or indirectly more than half of the capital;

- be authorised, in accordance with the delegation presented in the sixteenth and seventeenth resolutions, to determine the issue price within the legal annual limit of 10% of the share capital (nineteenth resolution);
- be delegated, for a period of twenty-six months, the powers necessary to issue ordinary shares and/or equity securities giving access to other equity securities, or giving the right to the allocation of debt securities and/or equity securities to be issued by the company or other companies (including companies that hold directly or indirectly more than half of the share capital of the company or of which the company holds directly or indirectly more than half of the share capital), in consideration for the contributions in kind made to the company and consisting in equity securities or securities giving access to the share capital, where the provisions of Article L.225-148 do not apply (eighteenth resolution), for a maximum of 10% of the share capital.

The overall nominal amount of share capital increases that may be carried out immediately or in the future may not, according to the fifteenth resolution, exceed €820,000,000 in application of the fifteenth, sixteenth, seventeenth, eighteenth and twenty-first resolutions, noting that the nominal amount of share capital increases that may be carried out may not exceed €820,000,000 in respect of the fifteenth resolution, €600,000,000 in respect of the sixteenth resolution, €600,000,000 in respect of the seventeenth resolution and €250,000,000 in respect of the eighteenth resolution.

The overall nominal amount of debt securities that may be issued may not exceed €3,000,000,000 according to the fifteenth resolution, €2,500,000,000 in respect of each of the sixteenth and seventeenth resolutions and €900,000,000 in respect of the eighteenth resolution.

These caps reflect the additional number of securities to be created as part of the implementation of the delegations referred to in the fifteenth, sixteenth, seventeenth and eighteenth resolutions, in accordance with the conditions of Article L.225-135-1 of the French Commercial Code, if you adopt the twenty-first resolution.

It is the responsibility of the manager to prepare a report in accordance with Articles R.225-113 *et seq.* of the French Commercial Code. Our role is to report on the fairness of the financial information taken from the accounts, on the proposed cancellation of preferential subscription rights and on other information relating to these operations, that are provided in this report.

We have carried out the procedures that we considered necessary for this task in accordance with professional practices guidance issued by the national auditing body (*Compagnie nationale des commissaires aux comptes*). These procedures consisted in verifying the information provided in the manager's report relating to these operations and the methods used to determine the issue price of the equity securities to be issued.

Subject to a subsequent examination of the conditions for any issues that would be decided, we have no comments to make on the methods used to determine the issue price of the equity securities to be issued that are provided in the manager's report in respect of the sixteenth and seventeenth resolutions.

Moreover, as the methods used to determine the issue price of the equity securities to be issued in accordance with the fifteenth and eighteenth resolutions are not specified in such report, we cannot comment on the choice of the elements used to calculate the issue price.

Please note that the manager's report does not explain the choice of the criteria used for the determination of the issue price as provided by regulations applicable to the nineteenth resolution.

As the final conditions under which the issues would be carried out have not yet been determined, we cannot comment on these conditions nor, consequently, on the proposal to cancel preferential subscription rights made in the sixteenth and seventeenth resolutions.

In accordance with Article R.225-116 of the French Commercial Code, we will issue a supplementary report, if necessary, when your manager exercises these delegations for the issue of securities that are equity securities giving access to other equity securities or giving the right to the allocation of debt securities, the issue of other equity securities to be issued, and the issue of shares without preferential subscription rights.

Paris-La Défense, 25 March 2020

The Statutory Auditors

MAZARS	**ERNST & YOUNG et Autres**
Simon Beillevaire	Hassan Baaj

9.5.2 Report of the Statutory Auditors on the issue of ordinary shares and/or other equity securities granting access to the share capital reserved for the members of a company savings plan

Tikehau Capital

Partnership limited by shares (*société en commandite par actions*) with share capital of €1,640,080,896

Registered office: 32, rue de Monceau, 75008 Paris, France

Paris Trade and Companies Register: 477 599 104

Statutory Auditors' report

on the issue of shares and/or equity securities granting access to the share capital reserved for the members of a company savings plan

Combined General Meeting of the Shareholders of 19 May 2020

Twenty-second resolution

Ernst & Young et autres Mazars

Report of the Statutory Auditors on the issue of ordinary shares and/or other equity securities of the company reserved for the members of a company savings plan

To the General Meeting of Shareholders of TIKEHAU CAPITAL,

In our capacity as Statutory Auditors of your company, and in compliance with the mission provided by Articles L.228-92 and L.225-135 *et seq.* of the French Commercial Code, we hereby report on the proposed delegation allowing your manager to decide on the issue of (i) shares of the company (excluding preference shares) and/or (ii) equity securities governed by paragraph 1 of Article L.228-92 of the French Commercial Code giving immediate or future access to the share capital of the company, at any time or on a specific date, by subscription, conversion, exchange, reimbursement, presentation of a warrant or by any other means, without preferential subscription rights, reserved for the members of one or several company savings plan(s) (or any other plan for which Articles L.3332-1 *et seq.* of the French Labour Code, or any other law or similar regulation would allow a capital increase to be reserved to its members under equivalent conditions), arranged by a French or foreign company or group of companies included in the consolidation or combination scope for the company's financial statements pursuant to Article L.3344-1 of the French Labour Code, an operation upon which you are called to vote.

This share capital increase is submitted for your approval in accordance with Article L.225-129-6 of the French Commercial Code and Articles L.3332-18 *et seq*. of the French Labour Code.

The overall nominal amount of capital increases that may be carried out immediately or in the future may not exceed €50,000,000, noting that this amount will be deducted from the total cap of €820,000,000 provided under paragraph 2 of the fifteenth resolution of this General Meeting of the Shareholders or, as the case may be, from the total cap, if any, provided by a resolution of the same nature that may succeed such resolution during the period of validity of this delegation.

The overall nominal amount of debt securities that may be issued may not exceed €50,000,000.

In its report, your manager stipulates that this resolution may be used in order to implement leveraged plans.

Your manager proposes, based on its report, that it be authorised for a period of twenty-six months starting on the date of this General Meeting of the Shareholders, to proceed with the issue of ordinary shares and securities and to cancel your preferential subscription right; noting that from this date, such delegation shall supersede, if applicable, the unused portion of the delegation granted or the same purpose by the fourteenth resolution of the General Meeting of the Shareholders of 25 May 2018.

It will be the responsibility of the manager to determine the final conditions for this issue. It is the responsibility of the manager to prepare a report in accordance with Articles R.225-113 *et seq*. of the French Commercial Code. Our role is to report on the fairness of the financial information taken from the financial statements, on the proposed cancellation of preferential subscription rights, and on certain other information relating on the share issue, that are provided in this report.

We have carried out the procedures that we considered necessary for this task in accordance with professional practices guidance issued by the national auditing body (*Compagnie nationale des commissaires aux comptes*). These procedures consisted in verifying the content of the manager's report relating to this operation and the methods for determining the issue price of the equity securities to be issued.

Subject to a subsequent examination of the conditions for any capital increase that may be decided, we have no comments to make on the methods fused to determine the issue price of the equity securities to be issued that are provided in the manager's report.

As the final conditions for the increase in capital have not yet been determined, we cannot comment on these conditions nor, consequently, on the proposal to cancel preferential subscription rights that is made to you.

In accordance with Article R.225-116 of the French Commercial Code, we will issue a supplementary report, if necessary, when your manager exercises this delegation for the issue of shares or equity securities giving access to other equity securities and the issue of securities giving access to equity securities to be issued.

Paris-La Défense and Courbevoie, 25 March 2020

The Statutory Auditors

ERNST & YOUNG et Autres	MAZARS
Hassan Baaj	Simon Beillevaire
Partner	*Partner*

9.

9.5.3 Report of the Statutory Auditors on the authorisation to grant share subscription or purchase options

Tikehau Capital

Partnership limited by shares (*société en commandite par actions*) with share capital of €1,640,080,896

Registered office: 32, rue de Monceau, 75008 Paris, France

Paris Trade and Companies Register: 477 599 104

Statutory Auditors' report

on the authorisation to grant share subscription or purchase options

Combined General Meeting of the Shareholders of 19 May 2020

Twenty-third resolution

Ernst & Young et autres Mazars

Report of the Statutory Auditors on the authorisation to grant share subscription or purchase options

To the General Meeting of Shareholders of TIKEHAU CAPITAL

In our capacity as Statutory Auditors of your company, and in compliance with the mission provided by Articles L.225-177 and R.225-144 of the French Commercial Code, we hereby report on the authorisation to grant share subscription or purchase options to all or several individuals designated by the manager among the employees and corporate officers of the company and related companies or groups of companies under the terms and conditions provided by Article L.225-180 of the French Commercial Code, an operation upon which you are called to vote.

The total number of share subscription or purchase options granted under this delegation may not entitle the holder to subscribe or purchase shares if their number exceeds 3% of the share capital on the date of the grant decision by the manager, and that the nominal amount of the share capital increases resulting from the exercise of share subscription options granted under this delegation will be deducted from the total cap of €820,000,000 provided in paragraph 2 of the fifteenth resolution of this General Meeting of the Shareholders or, as the case may be, from the total cap, if any, provided by a resolution of the same nature that may succeed that resolution during the period of validity of this delegation.

The total number of share subscription or purchase options that may be granted to executive corporate officers of the company pursuant to this delegation may not, for each financial year, amount to more than 1% of the options granted during the same financial year pursuant to this delegation of authority.

Each grant of share options to the corporate officers of the company must provide that the exercise of such options will be fully conditional to the achievement of one or more performance conditions set by the manager.

Your manager proposes, based on its report, that it be authorised for a period of twenty-six months starting on the date of this General Meeting of the Shareholders, to proceed with the grant of share subscription or purchase options; noting that, from the date of this General Meeting of the Shareholders, such delegation shall supersede, if applicable, the unused portion of the delegation for the same purpose by the fifteenth resolution of the General Meeting of the Shareholders of 25 May 2018.

It is the responsibility of the manager to prepare a report on the reasons for making the share subscription or purchase options available, and on the proposed methods for determining the share subscription or purchase price. Our role is to report on the methods proposed to determine the share subscription or purchase price.

We have carried out the procedures that we considered necessary for this task in accordance with professional practices guidance issued by the national auditing body (*Compagnie nationale des commissaires aux comptes*).

These procedures consisted in verifying that the proposed methods for determining the share subscription or purchase price for the shares were included in the manager's report and that they comply with applicable laws and regulations.

We do not have any comments on the methods proposed to determine the share subscription price or purchase price.

Paris-La Défense and Courbevoie, 25 March 2020

The Statutory Auditors

ERNST & YOUNG et Autres	**MAZARS**
Hassan Baaj	Simon Beillevaire
Partner	*Partner*

9.5.4 Report of the Statutory Auditors on the authorisation to grant existing or future free shares

Tikehau Capital

Partnership limited by shares (*société en commandite par actions*) with share capital of €1,640,080,896

Registered office: 32, rue de Monceau, 75008 Paris, France

Paris Trade and Companies Register: 477 599 104

Statutory Auditors' Report

on the authorisation to grant existing or future free shares

Combined General Meeting of the Shareholders of 19 May 2020

Twenty-fourth resolution

Ernst & Young et autres Mazars

Report of the Statutory Auditors on the authorisation to grant existing or future free shares

To the General Meeting of Shareholders of TIKEHAU CAPITAL,

In our capacity as Statutory Auditors of your company, and in compliance with Article L.225-197-1 of the French Commercial Code, we hereby report on the proposed authorisation to grant existing or future free shares (excluding preference shares) to the beneficiaries or categories of beneficiaries designated by the manager among the salaried employees of the company or related companies or groups of companies, pursuant to the conditions of Article L.225-197-2 of the French Commercial Code, and among the corporate officers of the company or related companies or groups of companies, pursuant to the conditions of Article L.225-197-1 II of the French Commercial Code, an operation upon which you are called to vote.

The maximum number of free shares, existing or to be issued, which may be granted under this delegation may not represent more than 3% of the share capital as at the date of the grant decision by the manager; noting that the maximum nominal amount of the capital increases that may be carried out immediately or in the future under this delegation will be deducted from the total cap of €820,000,000 provided in paragraph 2 of the fifteenth resolution of this General Meeting of the Shareholders or, as the case may be, from any total cap that may be provided by a resolution of the same nature that may succeed that resolution during the period of validity of this delegation.

The total number of existing or future shares granted to the executive corporate officers of the company pursuant to this delegation of authority may not, for each financial year, amount to more than 1% of the free shares granted during the same financial year pursuant to this delegation of authority.

In particular, the definitive grant of free shares awarded to the corporate officers of the company will be fully conditional to the achievement of performance conditions set by the manager.

Your manager proposes, based on its report, that it be authorised for a period of twenty-six months starting on the date of this General Meeting of the Shareholders, to proceed with the grant of existing or future free shares; noting that, from the date of this General Meeting of the Shareholders, this delegation shall supersede, if applicable, the unused portion of the delegation for the same purpose granted by the sixteenth resolution of the General Meeting of the Shareholders of 25 May 2018. It is the responsibility of the manager to prepare a report on the operation that it wishes to be allowed to perform. Our role is, if necessary, to make comments on the information provided to you in relation to the proposed operation.

We have carried out the procedures that we considered necessary for this task in accordance with professional practices guidance issued by the national auditing body (*Compagnie nationale des commissaires aux comptes*). These procedures consisted in verifying that the contemplated methods and the data included in the manager's report complies with applicable laws.

We do not have any comments on the information provided in the manager's report relating to the proposed authorisation to grant free shares.

Paris-La Défense and Courbevoie, 25 March 2020

The Statutory Auditors

ERNST & YOUNG et Autres	MAZARS
Hassan Baaj	Simon Beillevaire
Partner	*Partner*

9.5.5 Report of the Statutory Auditors on the share capital reduction

Tikehau Capital

Partnership limited by shares (*société en commandite par actions*) with share capital of €1,640,080,896

Registered office: 32, rue de Monceau, 75008 Paris, France

Paris Trade and Companies Register: 477 599 104

Statutory Auditors' report on the share capital reduction

Combined General Meeting of the Shareholders of 19 May 2020

Twenty-fifth resolution

Ernst & Young et autres Mazars

Report of the Statutory Auditors on the share capital reduction

To the General Meeting of Shareholders of TIKEHAU CAPITAL,

In our capacity as Statutory Auditors of your company and in compliance with Article L.225-209 of the French Commercial Code, in respect of the share capital reduction by the cancellation of repurchased shares, we hereby report on our assessment of the causes and conditions for the proposed share capital reduction.

Your manager proposes that it be delegated, for a period of twenty-six months, all powers to cancel shares the company was authorised to repurchase, for an amount not exceeding 10% of its total share capital, per twenty-four month period in compliance with the above-mentioned Article; noting that as from this date, this delegation shall supersede, if applicable, the unused portion of the authorisation granted for the same purpose granted by the seventeenth resolution of the General Meeting of the Shareholders of 25 May 2018.

We have carried out the procedures that we considered necessary for this task in accordance with professional practices guidance issued by the national auditing body (*Compagnie nationale des commissaires aux comptes*). These procedures consisted in verifying that the causes and conditions of the proposed share capital reduction, which should not compromise equality among the shareholders, are fair.

We do not have any comments on the causes and conditions of the proposed share capital reduction.

Paris-La Défense and Courbevoie, 25 March 2020

The Statutory Auditors

ERNST & YOUNG et Autres	**MAZARS**
Hassan Baaj	Simon Beillevaire
Partner	*Partner*

10.

ADDITIONAL INFORMATION

10.1 BASIC INFORMATION ABOUT THE COMPANY

10.1.1 Company name

The name of the Company is "Tikehau Capital".

The name of the Company was formerly "Tikehau Capital Partners". The Company was renamed at the Combined General Meeting of the Shareholders held on 7 November 2016.

10.1.2 Place of registration, registration number and Legal Entity Identifier (LEI)

477 599 104 Paris Trade and Companies Register

Code APE 6420 Z – Holding company activities

LEI: 969500BY8TEU16U3SJ94

10.1.3 Date of incorporation and term

The Company was founded in 2004 and registered in the Registry of the Commercial Court of Paris on 29 June 2004 for a period of 99 years until 29 June 2103, subject to extension or early dissolution.

10.1.4 Registered office, legal form, website and applicable legislation

Registered office: 32, rue de Monceau, 75008 Paris,
Telephone: +33 1 40 06 26 26

www.tikehaucapital.com. The content of the website does not form part of this Universal Registration Document, unless included in it as a reference.

The Company is a *société en commandite par actions* (partnership limited by shares) governed by French law, subject to all texts governing this form of commercial company in France and in particular by Articles L.226-1 *et seq*. of the French Commercial Code.

It was transformed from a simplified joint-stock company into a *société en commandite par actions* (partnership limited by shares) through a unanimous decision of the Combined General Meeting of the Shareholders of 7 November 2016.

This legal form, whose equity is in the form of shares, includes, on the one hand, one or more general partners serving in a trading capacity and who are jointly and severally liable for the Company debts and, on the other hand, limited partners who do not serve in a trading capacity and who are liable for debts only in the amount of their contributions.

The operating rules of a *société en commandite par actions* (partnership limited by shares) are as follows:

- general partner(s) are jointly and severally liable for the Company debts;
- limited partners (or shareholders) provide capital and are only liable in the amount of their contributions;
- the same person may serve as both general partner and limited partner;
- a Supervisory Board is appointed by the Ordinary General Shareholders' Meeting as an oversight body (general partners, even if they are also limited partners, may not take part in appointing the Supervisory Board);
- one or more Managers are appointed from among the Company's general partners or from outside the Company to manage the Company.

Limited partners (or shareholders)

The limited partners (*associés commanditaires*):

- appoint Supervisory Board members (who must be chosen from among the limited partners) at Shareholders' Meetings, as well as the Statutory Auditors;
- approve the accounts prepared by the Managers; and
- allocate income (particularly by paying out dividends).

The main limited partners (shareholders) are listed in Section 8.1.1 (Shareholders of the Company over the last three years) of this Universal Registration Document.

General partner

Tikehau Capital General Partner is the Company's sole general partner.

As a general partner, Tikehau Capital General Partner is entitled to a priority share of profits equal to 12.5% of the Company's net result (before the payment of dividends to the limited partners) (See Section 3.3.1 (Remuneration of the Manager-General Partner) of this Universal Registration Document).

Tikehau Capital General Partner is fully owned by Tikehau Capital Advisors. The Chairman of Tikehau Capital General Partner is the company AF&Co, and the CEO is the company MCH (See Section 3.1.1 (The Manager) of this Universal Registration Document). Tikehau Capital General Partner is a company with €100,000 in share capital.

The purpose of Tikehau Capital General Partner, both in France and abroad, is:

- to manage the Company and/or serve as its general partner;
- to manage commercial companies;
- to act as a holding company that is a shareholder or partner (and is jointly and severally liable) or holds financial interests (minority, majority or single-person companies);
- all administrative, financial, accounting, legal, commercial, IT or management services offered to the Company's subsidiaries or any other companies in which it holds an interest; and
- in general, any securities, Real Estate, industrial, commercial or financial transaction directly or indirectly related to this object or any object that is similar or connected or that may be helpful or facilitate the achievement of this object.

The general partner, in particular, is empowered to appoint and dismiss any Manager and to authorise any change in the Company's Articles of Association (See Section 10.2.4 (General partners (Articles 9 and 11.2 of the Articles of Association)) of this Universal Registration Document).

See Section 8.1.2 (Control of the Group) of this Universal Registration Document.

10.1.5 Financial year

The Company's financial year begins on 1 January and ends on 31 December.

10.2 MAIN PROVISIONS OF THE COMPANY'S ARTICLES OF ASSOCIATION

The Company's Articles of Association have been drawn up in accordance with legal and regulatory provisions applicable to partnerships limited by shares governed by French law.

The main provisions described below are taken from the Company's Articles of Association, which are available on the Company's website (www.tikehaucapital.com).

In addition, a description of the main provisions of the Company's Articles of Association relating to the Supervisory Board, in particular its method of operating and its powers, as well as a condensed description of the main provisions of the Internal Rules of the Supervisory Board and the Supervisory Board's specialised Committees, is detailed in Sections 3.1 (Administrative and management bodies) and 3.4 (Preparation and organisation of the work of the Supervisory Board) of this Universal Registration Document.

Lastly, a description of the main provisions of the Company's Articles of Association pertaining to General Shareholders' Meetings is provided in Section 3.2 (General Shareholders' Meetings) of this Universal Registration Document.

10.2.1 Corporate Purpose (Article 2 of the Articles of Association)

The Company's purpose, in France and abroad, is:

- the acquisition, subscription, development, holding, management and sale, in any form, of any shareholding or securities of any company or legal entity created or to be created in France or abroad;
- investments, financing and the arrangement and structuring of investment and financing transactions in all sectors and regarding all types of asset classes;
- the acquisition, subscription, development, holding, management and sale, in any form, of interests in entities involved in the management of portfolios, estates or investment funds or collective investment funds, or involved in brokerage activities, financing, banking or insurance, investment services, consulting or any other financial activity in France or abroad;
- all of the above, directly or indirectly, for its own account or on behalf of a third party, alone or with a third party, through the creation of new companies, contribution, partnership, subscription, purchase of securities or rights, merger, alliance, special partnership (*société en participation*), leasing or leasing out or the management of assets or other rights in France and abroad;
- all administrative, financial, accounting, legal, commercial, IT or management services offered to the Company's subsidiaries or any other companies in which it holds an interest; and
- in general, any securities, Real Estate, industrial, commercial or financial transaction directly or indirectly related to this object or any object that is similar or connected or that may be helpful or facilitate the achievement of this object.

10.2.2 Identification of shareholders and threshold disclosure (Articles 7.2 and 7.3 of the Articles of Association)

10.2.2.1 Identification of shareholders (Article 7.2 of the Articles of Association)

The Company may, under the legal and regulatory conditions in effect, at any time and in exchange for compensation at its expense, request that the central securities depository provide it with the name or company name, the nationality, the date of birth or incorporation, the postal address and, if applicable, the email address of the holders of bearer securities giving a present or future right to vote in its General Shareholders' Meetings, as well as the amount of securities held by each of them and, if applicable, any restrictions applying to these securities. The Company, in light of the list transmitted to the above-mentioned organisation, may request the information set out above concerning the ownership of the securities from the persons appearing on this list and whom the Company considers might be acting on behalf of third parties.

In the event that a person fails to provide the information requested of him/it within the time limits set down by applicable laws and regulations or provides inaccurate or incomplete information concerning his/its status or the holders of the securities, the shares or securities giving present or future entitlement to the share capital and for which this person was registered shall lose their voting right in any and all General Shareholders' Meetings held until the date on which the identification information is provided, and the corresponding payment of dividends shall be deferred until such date.

10.2.2.2 Threshold disclosure (Article 7.3 of the Articles of Association)

In addition to the legal requirement to inform the Company of the holding of certain percentages of the share capital, any individual or legal entity, acting alone or in concert with others, that directly or indirectly comes to hold a percentage of the share capital, voting rights or a class of securities conferring future entitlement to the Company's share capital, equal to or in excess of 1.0%, and any multiple of 0.5% in excess thereof, including above the legal and regulatory thresholds, is required to inform the Company by registered letter with acknowledgement of receipt indicating the number of securities held, within four trading days as from the date on which the threshold was crossed.

Subject to the provisions stated above, this obligation set down by these Articles of Association is governed by the same rules that apply to the legal obligation, including those instances where applicable laws and regulations treat certain securities and rights as forming part of a shareholding.

If they are not disclosed in the manner described above, the shares in excess of the percentage that should have been disclosed shall lose their voting rights in all General Shareholders' Meetings if the failure to disclose is noted during a Meeting and if one or several shareholders together holding at least 3% of the share capital or voting rights in the Company so request during the meeting.

All individuals and legal entities are also required to inform the Company in the manner and within the time limits set out above, when his/its direct or indirect interest falls below any of the thresholds mentioned in this paragraph.

10.2.3 The Manager(s) (Article 8 of the Articles of Association)

10.2.3.1 Appointment, resignation and removal from office (Article 8.1 of the Articles of Association)

The Company is managed by one or several Managers.

The Manager(s) are appointed by the general partner(s), who set(s) the duration of their term.

Any Manager may resign from office, subject to giving at least three (3) months' notice. However, said notice period may be reduced by decision of the general partners in the event of circumstances that seriously affect the Manager inquestion's ability to perform his duties.

Each Manager may be removed from office at any time by decision of the general partner(s).

In the event of cessation of duties of all the Company's Managers, irrespective of the reason therefor, resulting in a Manager vacancy, the general partner(s) shall manage the Company pending the appointment of one or more new Managers under the terms and conditions laid down herein.

10.2.3.2 The Managers' Powers (Article 8.2 of the Articles of Association)

Each Manager shall have the broadest powers to act in any circumstance in the Company's name and on its behalf, in accordance with the law and with these Articles of Association, it being stipulated that whenever these Articles of Association makes reference to a Manager decision, the decision shall be taken by any one of the Managers.

Each Manager represents the Company in its relations with third parties, including when entering into any contract in which it represents another party or in which it is personally a party, for which it is expressly authorised under Article 1161 paragraph 2 of the French Civil Code, without prejudice to the provisions of the French Commercial Code and these Articles of Association governing agreements between the Company and its directors and Officers or companies with common directors and Officers.

10.2.3.3 The Managers' Remuneration (Article 8.3 of the Articles of Association)

So long as the Company is managed by a single Manager, this Manager shall be entitled to a remuneration before taxes equal to 2% of the total consolidated shareholders' equity of the Company, calculated on the last day of the preceding financial year. This remuneration shall be paid annually when the financial statements of the preceding year are approved.

The Manager shall have the option, during the financial year, to receive an interim payment of the above-mentioned remuneration. This interim payment shall only be made on the basis of accounts certified by the Company's statutory suditors at the end of an interim accounting period. This interim payment will be deducted from the total remuneration paid to the Manager when the financial statements of the preceding year are approved.

If one or more additional Managers are appointed by the general partner(s), the latter shall decide if a Manager of their choice shall retain the above-mentioned remuneration or if the Managers shall share it between themselves and under what terms. If a Manager does not receive the remuneration described above, his remuneration (amount and terms of payment) shall be set by decision of the general partner(s) and, unless the Manager in question is not to receive any remuneration, shall be submitted to the approval of the Ordinary General Shareholders' Meeting.

The Managers shall also be entitled to reimbursement for expenses they bear in the Company's interest, for which they must provide proof.

10.2.4 General partners (Articles 9 and 11.2 of the Articles of Association)

The general partners shall have unlimited joint and several liability for the Company's debts. However, they shall be held liable only if the creditors have already issued the Company with a formal demand by extrajudicial instrument to settle its debts.

The appointment of one or more new general partners shall be decided by the Extraordinary General Shareholders' Meeting on a proposal from the existing general partner(s). In this case, the appointment decision shall determine the proportions of distribution of losses between the old and the new general partners under the same terms and conditions.

The partnership interests (*parts de commandité*) of the general partners may only be transferred with the general partners' consent and the approval of the Company's Extraordinary General Shareholders' Meeting. The transferee thus authorised shall take on the status of general partner of the Company and it shall acquire its predecessor's rights and obligations.

The partnership interests of the general partners shall be indivisible vis-à-vis the Company and the joint undivided owners thereof must be represented by a common representative in order to exercise their rights.

The general partner(s) shall take decisions at the Managers' discretion at a General Shareholders' Meeting or by written consultation. Whenever a decision requires the approval of the general partner(s) and the General Shareholders' Meeting, pursuant to the law or the Articles of Association, the Managers shall collect the general partner(s)' votes, in principle, before the General Shareholders' Meeting and, in any event, no later than the close thereof.

Decisions or proposals that fall within the remit of the general partners shall be adopted unanimously, except if the Company is converted to a *société anonyme* (French limited company) or a *société à responsabilité limitée* (French limited liability company) which only requires a majority of the general partners.

10.2.5 Supervisory Board (Article 10 of the Articles of Association)

See Section 3.1.3 (Practices of the Supervisory Board) of this Universal Registration Document).

10.2.6 Rights, privileges and restrictions attached to the Company's securities (Articles 7.1, 7.4 and 7.5 of the Articles of Association)

The shares issued by the Company shall be registered until they are fully paid up, then, at the holder's discretion, they shall be registered or bearer.

The issue price of the securities issued by the Company shall be paid up under the terms and conditions laid down by the General Shareholders' Meeting or, if none are laid down, by the Managers. Any delay in the payment of monies owing on the non-paid-up amount of said securities shall automatically result in the payment of interest calculated on the basis of an annual interest rate of 5% for each day from the date on which payment is due, without prejudice to the relevant statutory provisions.

In addition to the right to vote, each share entitles its holder to a share in Company assets, profits and the liquidation surplus in proportion to the number of shares issued, subject to the rights of the general partner(s).

Under the conditions set down by law and these Articles of Association, each share also carries a right to attend and to vote in General Shareholders' Meetings. Double voting rights as provided in Article L.225-123 of the French Commercial Code is expressly excluded.

Where a certain number of shares must be held in order to exercise any right, more particularly in the case of the exchange, conversion, consolidation or allocation of free shares, share capital decrease, merger, demerger or any other operation, a shareholding of less than the requisite number of shares grants its owner no right against the Company, and shareholders shall personally ensure that they obtain the requisite number of shares required or a multiple thereof; the provisions of articles L.228-6 and L.228-6-1 of the Commercial Code shall apply to fractional shares.

10.2.7 Changes in shareholders' rights

Shareholder rights may be amended under the terms of legal and regulatory provisions.

No specific terms are included in the Company's Articles of Association governing changes in shareholders' rights that set out stricter provisions than applicable laws.

10.2.8 General Shareholders' Meetings

See Section 3.2 (General Shareholders' Meetings) of this Universal Registration Document.

10.2.9 Change-of-control clauses in the Articles of Association

The Company is a *société en commandite par actions* (partnership limited by shares), with the specific characteristics of this legal form, including being subject to legal provisions and clauses in the Articles of Association that could be relevant in the event of a tender offer. (See Sections 2.1.8 (Risks related to the legal form, Articles of Association and organisation of Tikehau Capital) and 10.2.4 (General partners (Articles 9 and 11.2 of the Articles of Association)) of this Universal Registration Document). The Company's main shareholder (Tikehau Capital Advisors) controls the Company due to the Group's legal structure, and any person who would take control of the shares and voting rights attached to them may not, in practice, take control of the Company without first securing the consent of Tikehau Capital Advisors.

10.2.10 Changes in share capital

Given that the Articles of Association do not include any specific provision to this effect, the share capital may be increased, reduced or redeemed in any manner authorised by law.

10.2.11 Allocation of result and distributions (Article 14 of the Articles of Association)

From the annual profit, less, where appropriate, any previous losses, 5% shall be deducted to create the statutory reserve fund until it reaches one tenth of the share capital.

The distributable profit shall consist of the annual profit less any previous losses and the monies to be allocated to the statutory reserve pursuant to the law, plus any profit carried forward.

In the event of an annual distributable profit, a preferred dividend (*dividende préciputaire*) equal to 12.5% of the Company's net result, as they appear in the Company's financial statements, shall be allocated to the general partners.

If there is more than one general partner, they shall share this amount between themselves as they see fit. In the event of a financial year whose duration is less than a calendar year, this remuneration shall be calculated on a pro rata basis for the time elapsed.

The Ordinary General Shareholders' Meeting:

- shall assign the distributable annual profit, less the preferred dividend (*dividende préciputaire*) to the general partners, to the creation of optional reserves, the retained earnings account and/or the distribution of a dividend to shareholders;
- for all or part of dividends to be distributed or interim dividends, the General Shareholders' Meeting may grant shareholders a choice between payment in cash or payment in shares in accordance with the conditions set down by applicable regulations;
- for all or part of the dividends or interim dividends, reserves or premiums to be distributed, or in the case of a share capital decrease, the General Shareholders' Meeting may also decide that the distribution of such dividends, reserves, premiums or share capital decrease will be made in kind by delivery of Company assets.

The Managers may distribute interim dividends, in which case an interim dividend of 12.5% of the amounts distributed shall also be paid to the general partners.

10.3 PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

Tikehau Capital General Partner,

Manager of the Company

32, rue de Monceau, 75008 Paris, France

Tel.: +33 1 40 06 26 26

Fax: +33 1 40 06 09 37

Declaration by the person responsible for the Universal Registration Document and the annual financial report

"We hereby declare, after having taken all reasonable care to ensure that such is the case, that the information contained in this Universal Registration Document is, to our knowledge, in accordance with the facts and contains no omission likely to affect its import.

We certify that, to the best of our knowledge, the financial statements have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets and liabilities, financial position and result of the Company and all its consolidated companies, and that the report of the Manager – of which the concordance table is set out in Section 10.8.2 (Concordance tables – Annual financial report and management report) of this Universal Registration Document, provides a fair review of the development of the business, results and financial position of the Company and all its consolidated companies, and describes the principal risks and uncertainties to which they are exposed.

We have obtained a letter from the Company's Statutory Auditors stating that they have completed their assignment which included checking the information relating to the financial position and the financial statements contained in this Universal Registration Document and that they have read the entire document."

Paris, 14 April 2020

Tikehau Capital General Partner, Manager
represented by:

Its Chairman, AF&Co,
represented by its Chairman,
Mr Antoine Flamarion

Its Chief Executive Officer, MCH,
represented by its Chairman,
Mr Mathieu Chabran

10.4 THE STATUTORY AUDITORS

At the date of this Universal Registration Document, the Company's Statutory Auditors and Alternate Auditor are as follows:

Statutory Auditors of the Company

MAZARS

61, rue Henri-Regnault,
92075 Paris la Défense CEDEX

represented by Mr Simon Beillevaire.

Mazars was appointed as Statutory Auditor of the Company, replacing the firm C.M.S. Experts Associés by the General meeting of the Shareholders held on 1 June 2017 for the remaining term of office of the resigning Statutory Auditors, *i.e.* until the date of the General Meeting of the Shareholders called to approve the financial statements for the year ended 31 December 2021.

ERNST & YOUNG et AUTRES

1, Place des Saisons,
92037 Paris La Défense CEDEX

represented by Mr Hassan Baaj.

Ernst & Young et Autres was appointed Statutory Auditor by the General Meeting of 7 November 2016 for a term of six financial years ending with the close of the General Meeting of the Shareholders called to rule on the accounts of the financial year ending on 31 December 2021.

Alternate Auditor

PICARLE & ASSOCIÉS

1 - 2 Place des Saisons,
Paris La Défense 1
92400 Courbevoie

Picarle & Associés was appointed Alternate Auditor of the Company by the General Meeting of 7 November 2016 for a term of six financial years ending with the close of the General Meeting called to rule on the accounts of the financial year ending on 31 December 2021.

Statutory Auditors' fees

	Mazars			Ernst & Young et Autres				
(in thousands of €)	Company	Subsidiaries	TOTAL	Company	Subsidiaries	TOTAL	Others	Total as of 31 December 2019
Certification of accounts (excl. taxes)	140	75	215	122	74	196		411
Other services (excl. tax)	135	-	135	138	-	138	-	273
TOTAL	**275**	**75**	**350**	**260**	**74**	**334**	**-**	**684**

	Mazars			Ernst & Young et Autres				
(in thousands of €)	Company	Subsidiaries (1)	TOTAL	Company	Subsidiaries	TOTAL	Others (2)	Total as of 31 December 2018
Certification of accounts (excl. taxes)	148	48	196	133	75	208	19	423
Other services (excl. tax)	0	0		0	0	0	0	0
TOTAL	**148**	**48**	**196**	**133**	**75**	**208**	**19**	**423**

(1) Constant perimeter (excluding Sofidy and its subsidiaries and ACE Management and ACE Partners).
(2) Services provided to subsidiaries only.

	Mazars			Ernst & Young et Autres				
(in thousands of €)	Company	Subsidiaries	TOTAL	Company	Subsidiaries	TOTAL	Others (1)	Total as of 31 December 2017
Certification of accounts (excl. taxes)	117	47	164	117	70	187	22	373
Other services (excl. tax)	91	-	91	91	-	91	-	182
TOTAL	**208**	**47**	**255**	**208**	**70**	**278**	**22**	**555**

(1) Services provided to subsidiaries only.

10.5 FINANCIAL COMMUNICATION

Responsibility and contact within the Company

Mr Henri Marcoux is responsible for financial communication, under the supervision of the Manager of the Company.

To contact the Company:

Tikehau Capital
www.tikehaucapital.com
32, rue de Monceau,
75008 Paris, France
Tel: +33 1 40 06 26 26
Fax: +33 1 40 06 26 13

Shareholder and Investor contact:

Mr Louis Igonet

Tel.: +33 1 40 06 11 11
shareholders@tikehaucapital.com

Financial communication policy

The Company intends to maintain an active and transparent financial communication policy with its shareholders and potential shareholders, in order to allow its stakeholders to follow the evolution of its activities, its performance and its financial position (See Section 5.1 (General overview of activities, results and financial position for financial year 2019) of this Universal Registration Document).

In addition to its regulatory periodic and ongoing reporting obligations, the Company will report to the market on the first and third quarter of each financial year, disclosing in particular the amount of its assets under management.

A detailed presentation of the main indicators monitored by the Company is provided in Section 5.1 (General overview of the activity, results and financial position for financial year 2019) of this Universal Registration Document.

10.6 DOCUMENTS AVAILABLE TO THE PUBLIC

Copies of this Universal Registration Document are available free of charge at the Company's registered office. This document may also be reviewed on the Company's website (www.tikehaucapital.com) and on the website of the AMF (www.amf-france.org).

Throughout the validity of this Universal Registration Document, the following documents (or copies of these documents) may be reviewed:

- the Company's Articles of Association;
- the Company's Supervisory Board's Internal Rules;
- all reports, letters and other documents, historical financial information, valuations and statements prepared by an expert at the Company's request, any part of which is included or referred to in this Universal Registration Document; and
- the historical financial information included in this Universal Registration Document.

All these legal and financial documents relating to the Company that must be made available to shareholders in accordance with the regulations may be consulted at the Company's registered office.

Regulated information (as defined by the AMF General Regulation) regarding the Company and its Group will also be available on the Company's website.

10.7 GLOSSARY

"ACE Management"	ACE Management is a public limited company (*société anonyme*) whose registered office is located at 10-12, avenue de Messine, 75008 Paris, registered with the Paris Trade and Companies Register under number 429 025 422.
"AFEP-MEDEF -Code"	Listed companies' corporate governance code produced by AFEP and MEDEF and revised in June 2018 [(1)].
"AIF"	Alternative investment fund, an undertaking for collective investment distinct from UCITS. Its aim is to raise capital from a number of investors in order to invest it in accordance with an investment policy defined by the Company managing the fund.
"AIFM Directive"	Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No. 1060/2009 and (EU) No. 1095/2010.
"AMF"	*Autorité des marchés financiers*, the financial markets regulatory authority in France.
"Assets under management"	The concept of assets under management is defined in Section 5.1 (General overview of activities, results and financial position for financial year 2019) of this Universal Registration Document.
"CLO"	Collateralised Loan Obligation, a type of debt securitisation instrument in the form of bonds whose underlying--assets are loans granted to companies.
"Direct Lending"	This is a sub-segment of the Private Debt activity in which a non-banking lender performs the origination, arrangement (or structuring) and investment in its financing for companies.
"EMIR Regulation"	Regulation (EU) No. 648/2012 of 4 July 2012 on OTC-traded derivatives, central counterparties and trade repositories.
"Equity warrant"	Warrant giving the right to subscribe to a company's shares *(bon de souscription d'action)*.
"ESMA"	European Securities and Markets Authority.
"FCA"	Financial Conduct Authority, the financial regulatory authority in the United Kingdom.
"FCP"	*Fonds commun de placement*, a type of UCITS that issues units and that has no legal personality. By buying shares, the investor becomes a member of a joint ownership of transferable securities but has no voting rights. An FCP is represented and managed, in regard to its administrative, financial and accounting aspects, by a single asset management company which itself may delegate these tasks.
"FCPR"	*Fonds commun de placement à risque*, French venture capital fund, a type of AIF that includes in its assets a significant proportion of securities issued by non-listed French or foreign companies.
"FCT"	*Fonds commun de titrisation*, French debt securitisation fund, an investment fund the purpose of which is the acquisition of debt and the issuance of bonds, units or shares representing such debt.
"FPCI"	*Fonds professionnel de capital investissement*, French professional Private Equity fund.
"FPS"	*Fonds professionnel spécialisé*, French alternative investment fund open to professional investors in the form of a SICAV, an FCP or a limited partnership.
"IRR"	Internal rate of return, or discount rate that cancels the net present value of a series of financial flows. In general, these financial flows relate to a project with an initial negative cash flow corresponding to the initial investment, followed by positive cash flows equal to the return on the investment.
"KYC"	Know Your Customer: a procedure for collecting and analysing data for the purpose of verifying the identity of customers, developed as part of the fight against corruption, financial fraud, money laundering and terrorist financing.
"LBO"	Leveraged Buy Out, that is the acquisition of a company using financing to create leverage.
"MAS"	Monetary Authority of Singapore, the financial regulatory authority in Singapore.
"Mezzanine"	Subordinated debt with collateral, the repayment of which is subordinated to the repayment of Senior Debt.
"MIFID Directive"	Directive 2004/39/EC on Markets in Financial Instruments, which governs the provision of investment services within the European Union.
"MIFID II Directive"	Directive 2014/65/EU amending the MIFID Directive.
"OPCI"	*Organisme de placement collectif immobilier*, French Real Estate investment vehicle, taking the form of a company with variable capital investing primarily in Real Estate or a Real Estate investment trust, whose purpose is investment in buildings intended for rental or that it has constructed solely in order to rent them.

"ORNANE"	*Obligations à option de remboursement* en numéraire et/ou en actions nouvelles et/ou existantes: bonds with the option of redemption in cash and/or new and/or existing shares.
"PIK"	Payment in kind, loans characterised by the fact that the interest payment is not always made in cash.
"Private Debt"	Private Debt refers to asset classes in the credit market that are usually in the form of loans and private placements.
"RCCI"	*Responsable conformité et contrôle interne*: Head of Compliance and Internal Control.
"SCPI"	*Société civile de placement immobilier*, French Real Estate investment trust.
"Senior debt"	Top-ranking debt with collateral having priority in repayment vs. subordinated debt and equity.
"SGP"	*Société de gestion de portefeuille*, an investment services provider engaged primarily in third party Asset Management (individually through a management mandate, and collectively through a UCITS or alternative investment fund) and subject to the approval of the AMF.
"SICAV"	*Société d'investissement à capital variable*: open-ended investment company with variable capital.
"SME"	Small and medium-sized enterprises.
"Sofidy"	*Société Financière de Développement de l'Agglomération d'Evry, société anonyme* (limited liability company), whose registered office is located at 303, square des Champs Elysées, 91026 Evry Cedex, registered with the Evry Trade and Companies Register under number 338 826 332.
"Stretched senior"	Hybrid debt combining a traditional loan and financing on assets offering greater leverage than Senior Debt.
"TC UK"	Tikehau Capital UK, British company whose registered office is located at 30, St. Mary Axe, EC3A 8BF, London, United Kingdom, registered in the Companies Register of England and Wales under number 8597849.
"TIAP"	*Titres immobilisés de l'activité de portefeuille*: Long-term portfolio investment securities.
"Tikehau Capital Advisors"	Tikehau Capital Advisors, *société par actions simplifiée* (simplified joint stock company) whose registered office is located at 32, rue de Monceau, 75008 Paris, France, registered with the Paris Trade and Companies Register under number 480 622 026.
"Tikehau Capital Europe"	Tikehau Capital Europe, British limited liability company whose registered office is located at 30, St. Mary Axe, EC3A 8BF, London, United Kingdom, registered in the Companies Register of England and Wales under number 9154248.
"Tikehau Capital General Partner"	Tikehau Capital General Partner, *société par actions simplifiée* (simplified joint stock company) whose registered office is located 32, rue de Monceau – 75008 Paris France, registered with the Paris Trade and Companies Register under number 800 453 433, Sole Manager and general partner of the Company.
"Tikehau Capital" or "Company"	Tikehau Capital, *société en commandite par actions* (partnership limited by shares), whose registered office is located at 32, rue de Monceau – 75008 Paris, France, registered with the Paris Trade and Companies Register under number 477 599 104.
"Tikehau IM"	Tikehau Investment Management, *société par actions simplifiée* (simplified joint stock company) whose registered office is located at 32, rue de Monceau, 75008 Paris, France, registered with the Paris Trade and Companies Register under number 491 909 446.
"TREIC"	Tikehau Real Estate Investment Company, *société par actions simplifiée* (simplified joint stock company) whose registered office is located at 32, rue de Monceau, 75008 Paris, France, registered with the Paris Trade and Companies Register under number 817 471 907.
"UCITS"	Undertaking for collective investment in transferable securities, a portfolio of transferable securities (equities, bonds, etc.) managed by professionals (asset management company) and held collectively by individuals or institutional investors. There are two types of UCITS: SICAVs (open-ended investment companies with variable capital) and FCPs (mutual funds).
"UCITS IV Directive"	Directive 2009/65/EC of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities. This Directive was amended by the UCITS V Directive.
"UCITS V Directive"	Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 amending Directive 2009/657 EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as regards the functions of custodian, remuneration policies and sanctions.
"Unitranche"	Financing that combines a senior debt component with mezzanine debt in a single instrument to simplify the capital structure and provide greater flexibility.

(1) The AFEP-MEDEF- Code can be consulted online at: https://www.afep.com/wp-content/uploads/2020/01/code-Afep_Medef-révision-janvier-2020_-002.pdf.

10.8 CONCORDANCE TABLES

10.8.1 Concordance table – Appendix I of Regulation (EC) No. 2019/980

The concordance table refers to the main headings required by Appendix 1 of the European Delegated Regulation No 2019/980 of 14 March 2019 supplementing European Regulation No. 2017/1129 of 14 June 2017.

Information that is not applicable to Tikehau Capital is marked as "N/A".

No.	Headings in the Regulation (Appendix I)	Section(s)	Page(s)	2019 Half-year URD
1	**Persons responsible, third party information, expert's reports and competent authority approval**			
1.1	Persons responsible for the information contained in this document	10.3	381	84
1.2	Declaration by the persons responsible for the document	10.3	381	84
1.3	Statement or report attributed to a person acting as an expert	N/A	N/A	N/A
1.4	Third-party information	N/A	N/A	N/A
1.5	Approval by the competent authority	N/A	N/A	N/A
2	**Statutory Auditors**			
2.1	Name and address of the Statutory Auditors of the Company	10.4	382-383	84
2.2	Resignation, sidelining, or non-reappointment of Statutory Auditors	N/A	N/A	N/A
3	**Risk factors**	2.1	84-102	27
4	**Information about the issuer**	10.1	376-377	-
5	**Business overview**			
5.1	Main activities	1.3	25-74	-
5.2	Main markets	1.4	75-77	-
5.3	Indicate the significant events in the development of the issuer's business	1.1.3	12-13	19; 54; 57; 78-79
5.4	Strategy and objectives	1.2.1	14-19	24-25
5.5	Potential dependence	N/A	N/A	N/A
5.6	Indicate the basis for any statements made by the issuer regarding its competitive position	1.4.2	76-77	-
5.7	Investments	1.3; 5.2; 5.4	25-74; 216-222; 224	11
6	**Organisational structure**			
6.1	If the issuer is part of a group, briefly describe that group and the position of the issuer. This description may consist of an organisation chart or include such chart if this contributes to clarifying the Group's organisational structure	1.1.1; 1.1.2; 1.3.1.4	10; 10-11; 34-38	-
6.2	List all of the issuer's significant subsidiaries, including their name, country of origin or establishment as well as the percentage of share capital and, if different, the percentage of voting rights held	1.3.1.4	34-38	-
7	**Operating and financial review**			
7.1	Financial position (1)	5.1; 5.3	206-215; 223-224	4-25
7.2	Operating result	5.3.1.1	223	-

(1) Pursuant to article 19 of EC Regulation no. 2017/1129 of 14 June 2017, the following are incorporated by reference (i) the consolidated financial statements for the financial year ended 31 December 2017 shown in Section 5.1 (pages 176 to 215) of the 2017 Universal Registration Document registered with the AMF on 26 April 2018 under number R.18-024 as well as the related Statutory Auditors' report included in pages 216 and 219 of the said 2017 Universal Registration Document and (ii) the consolidated financial statements for the financial year ended 31 December 2018 included in Section 5.1 (pages 190 to 237) of the 2018 Universal Registration Document registered with the AMF on 18 April 2019 under number R.19-008 as well as the related Statutory Auditors's report included in pages 238 to 242 of the said 2018 Universal Registration Document.

No.	Headings in the Regulation (Appendix I)	Section(s)	Page(s)	2019 Half-year URD
8	**Capital resources**			
8.1	Provide information about the issuer's capital resources (both short and long term)	5.1	206-215	43-45
8.2	Indicate the source and amount of the issuer's cash flows and describe these cash flows	5.2.3	220-222	45; 60-63
8.3	Provide information about the issuer's financial needs and the issuer's financing structure	5.2.3	220-222	19; 65; 78
8.4	Provide information about any restrictions on the use of capital resources that have significantly influenced or may significantly influence, either directly or indirectly, the issuer's business	N/A	N/A	N/A
8.5	Provide information on the expected sources of financing that will be required to fulfil the commitments referred to in point 5.7.2.	N/A	N/A	N/A
9	**Regulatory environment**	1.5	78-82	-
10	**Trend information**	1.4; 5.4	75-77; 224	-
11	**Profit forecasts or estimates**	N/A	N/A	-
12	**Administrative, management and supervisory bodies and senior management**			
12.1	Administrative and management bodies	3.1	122-138	-
12.2	Conflicts of interest in the administrative, management and supervisory bodies and senior management	3.4.1; 3.4.2; 3.4.3; 3.4.4; 3.4.5	154-164	-
13	**Remuneration and benefits**			
13.1	Amount of remuneration paid and benefits in kind	3.3	140-153	-
13.2	Total amount set aside or accrued by the issuer or its subsidiaries to provide pension, retirement or similar benefits	3.3.5	153	-
14	**Board practices**			
14.1	The date of expiration of the current term of office of the person, if applicable, and the period during which he/she held his/her office	3.1	122-138	-
14.2	Service agreements binding the members of the administrative bodies	3.5.1	166-167	-
14.3	Information on the Audit Committee and Remuneration Committee	3.4.2	160-162	-
14.4	Statement as to whether or not the issuer complies with the corporate governance regime(s) in force	3.4.6	164-165	-
14.5	Potential significant impacts on corporate governance	N/A	N/A	N/A
15	**Employees**			
15.1	Number of employees	4.3.3	194-199	21
15.2	Investments and stock options	3.3.4; 4.3.3; 8.3.2	153; 194-199; 318-327	67-71
15.3	Arrangements for involving the employees in the issuer's capital	4.3.3	194-199	-
16	**Major shareholders**			
16.1	Shareholders holding more than 5% of the share capital or voting rights	8.1.1	310-312	82
16.2	Indicate if the issuer's main shareholders hold different voting rights, or provide an appropriate statement indicating the absence of such voting rights	N/A	N/A	-
16.3	Control of the issuer	8.1.2	313	-
16.4	Agreement known to the issuer whose implementation may, at a later date, result in a change in control	N/A	N/A	N/A
17	**Related party transactions**	3.5	166-170	26

No.	Headings in the Regulation (Appendix I)	Section(s)	Page(s)	2019 Half-year URD
18	**Financial information concerning the issuer's assets and liabilities, financial position and profits and losses**			
18.1	Historical financial information	6; 7	225-275; 277-307	43
18.2	Interim and other financial information	N/A	N/A	43
18.3	Auditing of historical annual financial information	6.2; 7.5	272-275; 305-307	-
18.4	*Pro forma* financial information	N/A	N/A	N/A
18.5	Dividend policy	8.4	334	-
18.6	Legal and arbitration proceedings	2.4	119	-
18.7	Significant change in the issuer's financial position	5.4	224	19; 78-79
19	**Additional information**			
19.1	Share capital	8.3	315-333	-
19.2	Memorandum and Articles of Association	10.2	378-380	-
20	**Material Contracts**	3.5.1; 3.5.2; 8.1.2.1	166-167; 167; 313	-
21	**Documents available**	10.6	385	-

10.8.2 Concordance table – Annual financial report and management report

To facilitate the reading of the annual financial report and the management report in accordance with the French Commercial Code, the following table identifies, in this Universal Registration Document, the information required by law and applicable regulations.

The information required for the annual financial report is marked by the letters “AFR”.

Information that is not applicable to Tikehau Capital is marked as "N/A".

No		Information for	Section(s)	Page(s)
1	**Statutory accounts**	AFR	7	277-307
2	**Consolidated financial statements**	AFR	6	225-275
3	**Management report**			
3.1	**Information on the activity of the Company**			
	Presentation of the activity (including progress achieved and difficulties encountered) and the results of the Company, for each subsidiary and for the Group Art. L.232-1, L.233-6, R.225-102 and/or L.233-6, L.233-26 of the French Commercial Code		5.1.2; 5.2.1	211-215; 216-219
	The Company’s Financial results for the last five years Art. R.225-102 of the French Commercial Code		5.3.2	224
	Analysis of the evolution of the business, results, financial situation and including the debt of the Company and Group Art. L.233-26, L.225-100, par. 3, L.225-100-1 and/or L.225-100-2 of the French Commercial Code	AFR	5.2; 5.3	216-222; 223-224
	Foreseeable development of the Company and/or Group Art. L.232-1, R.225-102 and/or L.233-26, R.225-102 of the French Commercial Code		1.4.1; 5.4	75-76; 224
	Key financial and non-financial indicators of the Company and the Group Art. L.225-10, par. 3 and 5, L.225-100-1 L.223-26 and/or L.225-100-2, of the French Commercial Code	AFR	Key figures; 4; 5.1	6-7 ; 171-204; 206-215
	Events affecting the Company and Group since the end of the financial year Art. L.232-1 and/or L.233-26 of the French Commercial Code		5.4	224
	Guidance on the use of financial instruments and financial risk management policy and price, credit, liquidity and cash flow risks of the Company and Group Art. L.225-100, par. 6, L.225-100-1 and/or L.225-100-2, L.223-26 of the French Commercial Code	AFR	2.1.6	93-98
	Main risks and uncertainties of the Company and Group Art. L.225-100 par. 4 and 6, L.225-100-1 and/or L.225-100-2 par. 2 and 4 of the French Commercial Code	AFR	2.1	84-102
	Information on the Company’s and the Group’s R&D Art. L.232-1 and/or L.233-26 of the French Commercial Code		N/A	N/A
	Mention of existing branches Art. L.232-1, II of the French Commercial Code		1.1.1; 1.3.1.3; 1.3.1.4	10; 30-33; 34-38
3.2	**Legal, financial and tax information of the Company**			
	Election of one of two procedures for exercising general management in case of change Art. R.225-102 of the French Commercial Code		N/A	N/A
	Distribution and changes in share ownership; Name of controlled companies with interest in the Company’s own shares and percentage of the capital they hold Art. L.233-13 of the French Commercial Code		8.1; 8.3	310-314; 315-333
	Significant equity interests acquired during the year in companies with registered offices in French territory Art. L.233-6, par. 1 of the French Commercial Code		1.3.3; 5.1.2	70-74; 211-215
	Notice of holding over 10% of the equity capital of another corporation; disposal of cross-holdings Art. L.233-29, L.233-30 and R.233-19 of the French Commercial Code		7.1	278-282
	Acquisition and sale by the Company of its own shares (share buyback) Art. L.225-211 of the French Commercial Code	AFR	8.3.4	332-333

No		Information for	Section(s)	Page(s)
	Statement of employee participation in share capital, including the registered shares granted to them under Article L.225-197-1 of the French Commercial Code Art. L.225-23, Art. L.225-102, para. 1, L.225-180 of the French Commercial Code		6 (note 5.29) ; 6 (note 16) ; 8.3.2	269-271; 301-304; 318-327
	Factors that could have an impact in the event of a tender offer Art. L.225-100-3 of the French Commercial Code	AFR	8.1.3	313-314
	Summary table of valid delegations granted by the Meeting of the Shareholders in respect of capital increases Art. L.225-100, para. 7 of the French Commercial Code	AFR	8.3.3	328-332
	Note of any adjustments: for securities convertible into shares and stock options in the event of share buybacks and for securities giving access to equity in the event of financial transactions Art. R.228-90, R.225-138 and R.228-91 of the French Commercial Code		N/A	N/A
	Amounts of dividends that have been distributed for the three previous years Art. 243 bis of the French General Tax Code		8.4; 9.2; 9.4	334; 337-349; 350-368
	Amount of non-deductible expenses and charges Art. 223 quater and quinquies of the French General Tax Code		N/A	N/A
	Reversal of the amount of some expenses in the taxable profits as a result of a final tax adjustment Art. 223 quinquies, 39-5 and 54 quater of the French General Tax Code		N/A	N/A
	Payment terms and breakdown of outstanding supplier payables and client receivables by payment date Art. L.441-6-1, D. 441-4 of the French Commercial Code		5.3.1	223
	Injunctions or monetary penalties for anti-competition practices Art. L.464-2 I par. 5 of the French Commercial Code		N/A	N/A
	Agreements between an agent or a shareholder holding more than 10% of the voting rights and a subsidiary (excluding ordinary agreements) Art. L.225-102-1, par. 13 of the French Commercial Code		3.5	166-170
	Payment to government authorities by companies with activities in the extractive industries or the logging of primary forests Art. L.225-102-3 of the French Commercial Code		N/A	N/A
3.3	**Information regarding executive officers**			
	List of all offices and positions held in any company by each corporate officer during the past year Art. L.225-102-1, para. 4 of the French Commercial Code		3.1.1; 3.1.2	122-124; 125-137
	Remuneration and benefits in kind paid during the year to each corporate officer by the Company, the companies it controls and the company that controls it, including pension commitments and other lifetime benefits. Art. L.225-102-1, par. 1, 2 and 3 of the French Commercial Code		3.3	140-153
	Commitments related to assumption, termination or change of office, including pension and other lifetime benefits Art. L.225-102-1, par. 3 of the French Commercial Code		N/A	N/A
	If stock options are granted, indicate the information that the Board considered in making the decision: either to prohibit executives from exercising their options before leaving office; or to require them to hold as registered shares until leaving office, all or some of the shares resulting from options already exercised (specifying the fraction thus fixed) Art. L.225-185, para. 4 of the French Commercial Code		N/A	N/A
	Summary of transactions by directors and related persons on the securities of the Company Art. L.621-18-2, R.621-43-1 of the French Monetary and Financial Code; Art. 223-22 and 223-26 of the AMF General Regulation		8.1.4	314
	If free shares are granted, indicate the information that the Manager considered in making the decision: either to prohibit executives from selling the shares they have been allocated for free before leaving office; or to fix the number of shares they are required to hold until they leave office (specifying the fraction thus fixed) Art. L.225-197-1-II, par. 4 of the French Commercial Code		N/A	N/A

No		Information for	Section(s)	Page(s)
3.4	**CSR Information of the Company**			
	Consideration of social and environmental impacts of the business and social commitments to sustainable development and to the fight against discrimination and the promotion of diversity Art. L.225-102-1, par. 5-8, R.225-104, R.225-105 and R.225-105-2-II of the French Commercial Code		4	171-204
	Hazardous activities information Art. L.225-102-2 of the French Commercial Code		N/A	N/A
4	**Declaration of individuals who assume responsibility for the annual financial report**	AFR	10.3	381
5	**Statutory Auditors' report on the statutory accounts**	AFR	7.5	305-307
6	**Statutory Auditors' report on the consolidated financial statements**	AFR	6.2	272-275
7	**Description of the share buyback programme**		8.3.4	332-333

10.8.3 Concordance table – Corporate Governance

This Universal Registration Document includes all the items in the corporate governance report referred to in Articles L.225-37-3 to L.225-37-5 of the French Commercial Code, in application of Article L.226-10-1 of the French Commercial Code.

No	Information for	Section(s)	Page(s)
1	Principles and criteria for determining the remuneration of Executive officers	3.3	140-153
2	Executive officers' remuneration	3.3	140-153
3	Terms of office and duties of executive officers	3.1	122-138
4	Agreements between a corporate officer or Company shareholder and a subsidiary of the Company	3.5	166-170
5	Monitoring table of the delegations relating to increases in share capital	8.3.3	328-332
6	Composition, preparation and organisation of the Supervisory Board	3.1.2; 3.1.3; 3.4	125-137; 138; 154-165
7	Diversity policy	3.4.1	154-159
8	Reference corporate governance code	3.4.4	162
9	Specific terms and conditions for shareholder participation	3.2.1; 10.2.8	139; 380
10	Factors that could have an impact in the event of a tender offer	8.1.3	313-314
11	Report of the Statutory Auditors on the Supervisory Board's report on corporate governance	7.5	305-307

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