

Tikehau Capital launches Tikehau European Sovereignty Fund, a thematic equity fund dedicated to investing in European sovereignty

Tikehau Capital, the global alternative asset management group, is pleased to announce the launch of Tikehau European Sovereignty Fund¹. This is the first thematic equity strategy launched by the Group's listed equities team through its Capital Markets Strategies business. Since 2004, Tikehau Capital has championed investing in Europe through various thematic strategies, supporting companies in their developmental endeavours.

FINANCING THE EUROPEAN ECONOMY: EMBEDDED IN TIKEHAU CAPITAL'S DNA

Recent global events, including the Covid-19 pandemic, escalating geopolitical tensions, and the repercussions of excessive globalisation, underscore the imperative of strengthening Europe's resilience and autonomy. This requires reducing external dependence in critical sectors, recalibrating towards localised value chains and steering the ecological transition.

In response to this evolving landscape, Tikehau Capital remains steadfast in its commitment to investing in Europe. Amid this paradigm shift towards sovereignty, the Group's management and analysis team perceive a fertile ground for long-term economic growth, particularly for select companies across the continent. European sovereignty represents a compelling investment opportunity and Tikehau European Sovereignty Fund is designed to invest in companies that embrace this secular trend.

With a network of nine European offices facilitating the sourcing of local opportunities, Tikehau Capital has earned distinction as a trailblazer in energy transition investment, cybersecurity, private debt acquisition financing, energy efficiency, small infrastructure financing, and real estate transformation and asset management, with a primary focus on energy-efficient buildings.

REINFORCING EUROPEAN SOVEREIGNTY THROUGH A CONVICTION-DRIVEN EQUITY STRATEGY

This new equity strategy enhances the Group's range of investment vehicles. It aims to invest primarily in listed European companies deemed of high quality by the management team, which not only bolster European sovereignty, but also stand to benefit from regional and local policies fostering sectoral autonomy and economic resilience.

Tikehau Capital's equity management team aims to construct a diversified portfolio comprising approximately 40-50 European companies deemed to be of high quality and poised to capitalise on the rise of European sovereignty while offering an attractive risk-return profile.

¹ Tikehau European Sovereignty Fund is managed by Tikehau Investment Management, an asset management company in the Tikehau Capital group.

The fund, accredited with Article 8 classification under the SFDR, underscores the Capital Markets Strategies team's commitment to incorporating extra-financial considerations.



*"Investing in European sovereignty presents an unparalleled opportunity to actively engage with the momentum catalysed by recent European initiatives aimed at addressing strategic dependencies, such as the Green Deal, Chips Act and Critical Medicines Act, among others. The ethos of nurturing a more prosperous, self-reliant and competitive Europe has been integral to Tikehau Capital's DNA since its inception and is reflected in our ongoing financial backing of European companies. We are also confident that a more sovereign Europe can serve as a catalyst for growth for select European companies. We firmly believe that investing in these companies holds the potential to generate financial returns for investors," explains **Raphael Thuin, Head of Capital Markets Strategies at Tikehau Capital.***

Among the themes identified by Tikehau Capital as pivotal in strengthening European sovereignty and defining Tikehau European Sovereignty Fund's investment mandate are:

- **Industrial autonomy:** strengthening local value chains, fostering sustainable industry trajectories through investment in research and innovation, and forging industrial alliances (e.g., in the clean hydrogen sectors).
- **Digital competitiveness:** addressing the EU's imperative to bolster digital prowess, particularly in areas such as semiconductors, cloud computing and artificial intelligence.
- **Healthcare autonomy:** seeking to diminish reliance on imported medicines and promote medical innovation to strengthen healthcare autonomy, which is crucial as Europe contends with market share erosion vis-à-vis the United States and China.
- **Defence:** Europe's defence budgets, which currently stand at 1.3% of GDP², remain relatively modest. However, the evolving geopolitical landscape calls for a sustained increase in military spending by European countries, particularly in Germany and France.
- **Ecological transition:** pioneering efforts to achieve carbon neutrality by 2050 and foster environmentally responsible growth requires substantial investments in renewable energy, circular economy infrastructures and other eco-friendly initiatives.

Eligible for the French stock savings plan "PEA" (with over 75% of invested companies domiciled in the European Union or European Economic Area), Tikehau European Sovereignty Fund will also be marketed in several European countries, including France, Spain, Luxembourg, Germany, Italy, Belgium, the Netherlands and Switzerland.

² Source: European Union external action, The Diplomatic Service of the European Union. "Powering up European defence" by Josep Borrell, Vice-President of the European Commission, 3.12.2023. https://www.eeas.europa.eu/eeas/powering-european-defence_en

Key features of Tikehau European Sovereignty Fund:

Share class	R-Acc-EUR	I-Acc-EUR
ISIN Code	LU2737748660	LU2737749635
Legal Form	Sub-fund of the Luxembourg SICAV Tikehau Fund	
Minimum Subscription Amount	€100	€1,000,000
Subscription Fee	1% maximum	None
Management Fees (max)	1.80%	0.90%
PEA Eligible	Yes	

The purpose of this table is to present the main characteristics and units of the Tikehau European Sovereignty Fund, and therefore does not offer an exhaustive view of the information required to make a final investment decision (in particular, all fees and costs that may be charged to the investor). All information can be found in the fund's prospectus and DIC, available on the management company's website. For a full description of the product, please refer to the fund's legal documentation. Achievement of the fund's objectives is not guaranteed. Investment presents risks, notably the risk of total capital loss and the following risks: equity risk, counterparty risk, liquidity risk and sustainability risk. For a description of all risks, please refer to the fund's prospectus, available on the management company's website. The occurrence of any of these risks may lead to a fall in the fund's net asset value. Tikehau European Sovereignty Fund is managed by Tikehau Investment Management, an asset management company in the Tikehau Capital group.



ABOUT TIKEHAU CAPITAL

Tikehau Capital is a global alternative asset management group with €43.2 billion of assets under management (at 31 December 2023).

Tikehau Capital has developed a wide range of expertise across four asset classes (private debt, real assets, private equity and capital markets strategies) as well as multi-asset and special opportunities strategies.

Tikehau Capital is a founder led team with a differentiated business model, a strong balance sheet, proprietary global deal flow and a track record of backing high quality companies and executives.

Deeply rooted in the real economy, Tikehau Capital provides bespoke and innovative alternative financing solutions to companies it invests in and seeks to create long-term value for its investors, while generating positive impacts on society. Leveraging its strong equity base (€3.1 billion of shareholders' equity at 30 June 2023), the firm invests its own capital alongside its investor-clients within each of its strategies.

Controlled by its managers alongside leading institutional partners, Tikehau Capital is guided by a strong entrepreneurial spirit and DNA, shared by its 758 employees (at 31 December 2023) across its 15 offices in Europe, Middle East, Asia and North America.

Tikehau Capital is listed in compartment A of the regulated Euronext Paris market (ISIN code: FR0013230612; Ticker: TKO.FP). For more information, please visit: www.tikehaucapital.com.

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DISCLAIMER

The fund is managed by Tikehau Investment Management, a portfolio management company approved by the AMF under number GP-07000006.

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