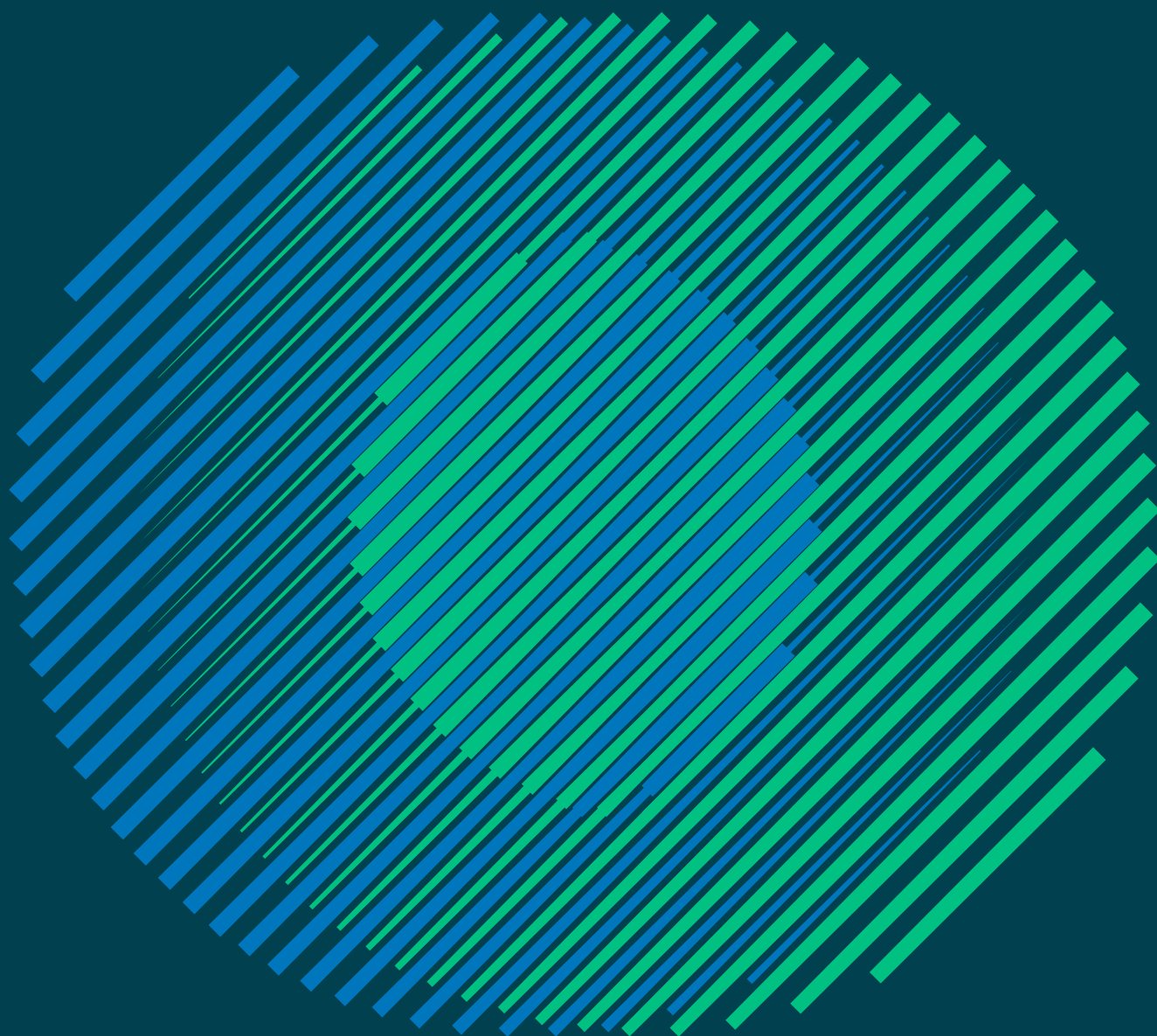


THE REVIEW

JANUARY 2025

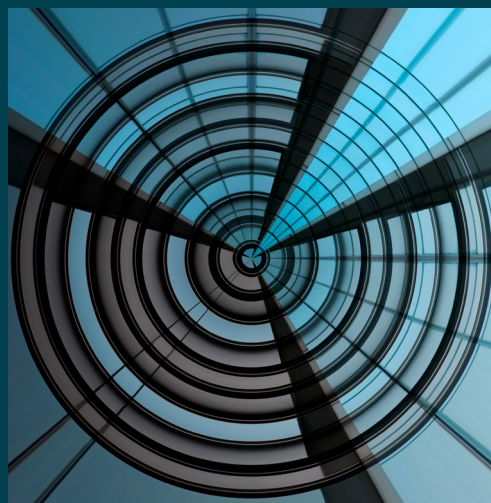


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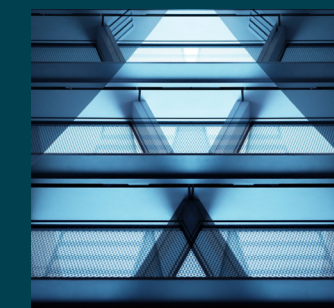


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FOREWORD

On behalf of Investcorp, I am pleased to publish the latest edition of Investcorp's 'The Review' to mark the start of 2025. This year, The Review has evolved to become a thought leadership publication and contains a series of interviews and articles from the Investcorp team and some of our portfolio companies. Each article provides valuable insights into the sectors we operate in and the macroeconomics outlook for 2025.

Globally, we are facing a year of change, particularly with many political elections having taken place in 2024, including in the US. Under President Trump's administration, the US will likely see a decisive shift in policy bringing both risk and reward. At present, its economy continues to grow at a steady pace, but we can anticipate a persistent inflationary outlook, and fewer rate cuts this year.

In the GCC, the economies have remained resilient and are poised for continued growth in 2025 economic diversification agendas. The region has become an attractive location for foreign investment,



Mohammed Alardhi
Executive Chairman



We will continue to strengthen Investcorp year on year. In 2025, we are focused on continuing to enhance our business, increasing profitability and developing our deep bench of talent and next generation of senior management."

driven by diversification efforts, strategic initiatives and a focus on innovation and sustainability.

At Investcorp, we have grown our assets under management from \$10 billion to over \$53 billion in less than 10 years. We aim to continue this growth by leveraging macroeconomic trends like AI, data centers, and our active credit management increased presence, while staying close to founder-owned businesses in Private Equity and investing in attractive Real Estate and Infrastructure opportunities.

We will continue to strengthen Investcorp year on year. In 2025, we are focused on continuing to enhance our business, increasing profitability and developing our deep bench of talent and next generation of senior management.

As we look ahead to the future, I am confident that Investcorp will thrive and innovate, delivering value to our investors, partners, and stakeholders. 2025 is an exciting year for Investcorp as we build upon our recent achievements, and we continue to learn from the insights of our team, as presented in this year's edition of The Review.

This article is part of the World Economic Forum Annual Meeting 2025

HOW DIGITAL PLATFORMS AND AI ARE EMPOWERING INDIVIDUAL INVESTORS

The world of investment has changed dramatically in recent years, thanks in large part to the democratization of alternative investments through digital platforms. Once the exclusive domain of institutional investors, private equity, venture capital, hedge funds, and other alternative assets are now more accessible than ever before.

Never has this been more relevant or important. The widening wealth gap, fuelled by income inequality, inflation, and economic uncertainty, has made it clear that traditional wealth-building methods are insufficient for large portions of the global population.

The shift towards greater accessibility – which has accelerated particularly within the last five years – has opened up new opportunities for individual investors, allowing them to access sophisticated tools, strategies, and asset classes previously reserved for the wealthy elite.

Lowering barriers and enhancing investor experience

Historically, alternative investments were out of reach for most retail investors due to high minimum investment thresholds and limited access to specialized financial products. Private equity required millions of dollars in capital, while venture capital often demanded high levels of expertise or connections.

However, thanks to online platforms, these barriers are rapidly disappearing. Investors can get started with relatively small amounts. These platforms not only make alternative investments affordable but also offer lower fees compared to traditional financial advisors or fund managers. This democratization of investment opportunities enables a much wider range of individuals to diversify their portfolios.

The enhanced user experience and transparency offered by digital platforms is also a significant advantage. Real-time, seamless access to product information provides investors with the tools to make more informed decisions. For example, an investor can track the performance of a real estate investment trust (REIT) or a private equity fund with ease online, accessing key metrics like recent valuation updates, portfolio performance and other critical performance indicators. This level of transparency gives individual investors the ability to monitor their investments as closely as institutional investors, fostering greater confidence and engagement.



Digital investment platforms and AI are essential components of financial empowerment in today's world. They help individuals navigate economic uncertainties, build wealth, and bridge the widening gap in access to financial opportunities."



Rishi Kapoor
Vice-Chairman and
Chief Investment Officer

Elevating returns and contributing to change

Alternatives also offer great potential for enhanced returns. Private capital strategies, which include private equity, venture capital, real estate and private debt, have historically outperformed traditional public indices over extended periods. According to data from Cambridge Associates, US private equity funds generated an annualized return of 15.4% over the past 10 years, compared to 9.6% for the MSCI All Country World Index.

With digital platforms now offering fractionalized access to private equity and other alternative assets, individual investors can tap into these higher-return opportunities. This improved access could be a game-changer in terms of building long-term wealth, as it enables smaller investors to diversify into asset classes that have historically provided superior risk-adjusted returns.

In addition to financial gains, alternative investments also provide the opportunity to contribute to socially and environmentally impactful initiatives. Governments alone cannot fund the transition to a low-carbon economy, and private investors are stepping up to fill the gap. According to a 2023 report by the Global Impact Investing Network (GIIN), impact investments aimed at tackling climate change grew by 25% between 2017 and 2022, from \$32 billion to \$40 billion, demonstrating the growing role of private investors in environmental sustainability. By investing in these areas, individual investors can not only grow their wealth but also contribute to solving some of the world's most pressing problems.

AI: revolutionizing investment decision-making

The rise of AI is arguably the most transformative development in the world of investing today. In the context of alternative investments, AI's ability to process vast amounts of data and generate predictive insights is revolutionizing the way investors make decisions. AI algorithms can analyze historical data, identify patterns, and forecast future market movements with remarkable accuracy, helping investors navigate the complexities of alternative investments. They can evaluate macroeconomic factors, like inflation rates, interest rates, and geopolitical events to assess the risk exposure of different investments.

While AI should not be treated as an all-knowing, definitive source, it can help investors make better-informed choices and provide tailored recommendations based on individual risk profiles, investment goals, and past behaviours.

Embracing the future of investment

Digital investment platforms and AI are essential components of financial empowerment in today's world. They help individuals navigate economic uncertainties, build wealth, and bridge the widening gap in access to financial opportunities. In an era marked by technological advancement and economic volatility, these innovations are crucial for achieving sustainable wealth creation and fostering greater financial equality.

The result is a more inclusive, diverse, and potentially more profitable investment environment that can help build wealth for a broader spectrum of people.

THE ROLE OF DIGITALIZATION IN THE ASSET MANAGEMENT SECTOR

Digitalization is transforming the asset management sector, driving efficiency, enhancing client experiences, and enabling better decision-making. This evolution is not just a trend but a fundamental change in how asset management firms operate, interact with clients, and deliver value.

“

Since the launch of Investcorp Wealth, over \$70 million has been raised directly on the app enabling \$350 million of investments via the Investcorp Wealth app across 35+ investment opportunities.”



Yusef Al Yusef
Global Head of
Distribution

As the industry evolves, firms must embrace digitalization to stay competitive and meet the growing demands of tech-savvy investors. It is no longer a nice-to-have to offer online solutions, but a necessity given the ever-changing technologies available to investors. The key differentiator for these digital applications will be the capability and user experience.

This is why we rolled out our Investcorp Wealth mobile application in 2022, offering nearly 2,300+ users a seamless entry point into the world of alternative investments. It allows for intuitive onboarding and empowers clients to thrive in today's dynamic financial landscape, with their portfolio and associated analyzes and updates at their fingertips. Our clients can actively manage their portfolio and keep up to date with the latest developments all through a secure and easy to use application, available at any time.

Since the launch of Investcorp Wealth, over \$70 million has been raised directly on the app enabling \$350 million of investments via the Investcorp Wealth app across 35+ investment opportunities.

Embracing digitalization is essential for asset management firms; those who do not embrace the change risk falling behind. The new generation of investors have grown up with technology readily available and expect the same level of convenience and accessibility when it comes to their investments. They seek platforms that offer real-time access to portfolios, a personalized experience with transparent and accessible information.

As the sector continues to evolve, embracing digitalization will be key to staying competitive and meeting the expectations of modern investors. The future of asset management is digital, and those who adapt will be well-positioned to thrive in this new landscape.

The sector will continue to digitalize, and with new technologies and artificial intelligence will come new solutions to enhance the client experience and offer new solutions.

THE GROWING OPPORTUNITY IN MIDDLE MARKET PROFESSIONAL SERVICES IN 2025



In the last two decades, Investcorp’s North American Private Equity (NAPE) team has been at the forefront of investing in the professional services sector, backing industry leaders in the management consulting, talent management, and strategic communications verticals.



Steve Miller
Co-Head of North American Private Equity

In 2024, the group expanded its footprint into accounting, making a strategic growth investment alongside PSP Investments in PKF O'Connor Davies, one of the largest accounting, tax and advisory firms in the US. PKF is NAPE’s fifth active professional services investment, with the team previously achieving very successful outcomes in its exit of United Talent Agency in 2022 and a partial exit of ICR in 2021.

The Accounting sector had been virtually untouched by private equity until 2021, when regulatory changes allowed for private equity investment through alternative practice structures that separate audit from advisory services. Since then, over a dozen firms from the *Accounting Today* top 100, including PKF, have partnered with private equity investors, according to data from William Blair. Several others are currently in market, and that number is expected to grow over the next year.



Looking ahead to the next decade, one key focus area for professional services investing in the US is the law firm sector.”

Professional services remain one of NAPE’s core focus areas, particularly firms that deliver value-added services to their clients. The team continues to see compelling opportunities to partner with leading middle market firms that have strong market positions and are looking for support to accelerate their growth.

The accounting industry opportunity echoes prior evolutions within professional services. PE-backed accounting firms are transitioning from traditional partnerships to more equity-centric employee ownership structures to better align incentives and allow the employee base to participate in the equity value creation journey alongside the financial sponsors.

Larger accounting platforms are also taking advantage of industry fragmentation by building out additional expertise through M&A. As in other industry verticals, many owners of smaller accounting practices are near retirement age and may not have robust succession plans. An exit option to a private equity-backed platform remains a compelling one.

The professional services sector, and accounting in particular, presents significant white space as regulatory changes and industry evolution create new opportunities for private capital investment. Investcorp’s experience building platforms in other professional services verticals positions it well to help firms like PKF reach their potential.

In 2025, Investcorp is focused on several key themes within its professional services portfolio:

Expanding technology enablement and AI adoption to enhance service delivery and operational efficiency

Supporting geographic expansion and selective M&A to build broader capabilities

Helping firms develop and retain top talent through enhanced incentive structures

Investing in new service lines that address evolving client needs

The firm’s approach centers on partnering with management teams to organically double the size of portfolio companies over a 4–5-year period while maintaining conservative leverage. This strategy has proven particularly effective in professional services, where organic growth can be accelerated through acqui-hires and operational improvements.

Looking ahead to the next decade, one key focus area for professional services investing in the US is the law firm sector. Like accounting, becoming an outside investor in a US law firm would require regulatory changes at the industry level. This change has already happened in the UK, where Investcorp made an investment in Stowe Family Law last year. While US law firm mergers are nothing new, further regulatory evolution could open opportunities for private equity investments in law firms in the years to come, applying a similar growth playbook.

MIDDLE MARKET SERVICES CONSOLIDATION ACCELERATES THROUGH TARGETED ADD-ON ACQUISITIONS



Amit Gaiand
Head of Industrial
Services and Specialty
Consumer Services
verticals, North
American Private Equity

Investcorp’s North American Private Equity (NAPE) group expects continued robust add-on acquisition opportunities in the commercial services sector through 2025, building on significant activity in 2024 where the portfolio completed 15 add-on acquisitions combined.

The commercial services sector continues to present compelling consolidation opportunities, particularly for platform companies that have established strong reputations in their respective markets. For example, Investcorp portfolio company RESA Power, a market leader in power systems services, completed eight strategic acquisitions in 2024, expanding its presence in key regions including the Pacific Northwest, Western Canada, and the Greater Chicago area. These acquisitions enhanced RESA’s ability to better serve its customers, expanded its geographic footprint, and expanded its service capability to include engineered services.



Our ability to create a strategic playbook to accelerate M&A has been central to our investment thesis. Our portfolio companies are highly focused and move quickly when we find the right strategic fit. Further, leveraging sector expertise and a track record of successful integrations, has been key to the strategy’s success.”

Similarly, RoadSafe Traffic Systems executed four strategic add-ons in 2024, strengthening its infrastructure services platform across pavement marking, traffic control, and safety products. The acquisitions expanded RoadSafe’s geographic footprint in the Southeast and Midwest markets.

Looking ahead to 2025, Investcorp sees several factors supporting continued add-on activity in commercial services:

Fragmented markets with many owner-operated businesses seeking succession solutions

Strong demand for providers of mission-critical services that demonstrate resilience through economic cycles

Opportunities to enhance service offerings and expand geographic coverage through strategic combinations

Growing importance of scale and operational efficiency in meeting customer needs

The firm’s platforms have consistently demonstrated the ability to successfully integrate acquisitions while maintaining high service levels and strengthening

customer relationships. This track record makes them attractive partners for business owners looking to ensure their legacy while providing growth opportunities for their employees.

Investcorp’s approach focuses on partnering with management teams to identify and execute strategic add-ons that enhance service capabilities, expand geographic reach, and create value through operational improvements. The firm’s experience in services focused industry sectors dates back to its founding, with particular expertise in commercial & industrial services as well as business & professional services.

Our ability to create a strategic playbook to accelerate M&A has been central to our investment thesis. Our portfolio companies are highly focused and move quickly when we find the right strategic fit. Further, leveraging sector expertise and a track record of successful integrations, has been key to the strategy’s success. The platforms are well-positioned to serve as consolidators in their respective markets, with strong management teams and the operational infrastructure to support continued growth.

Looking into 2025, Investcorp expects to maintain its active approach to add-on acquisitions, particularly in sectors demonstrating stable demand and opportunities for operational enhancement through increased scale and capabilities.

HARNESSING AI FOR INVESTMENT STRATEGIES: A NEW ERA FOR INVESTCORP

In recent years, AI has become a game-changer across various industries, including asset management and private markets. Companies worldwide are learning to harness AI's transformative potential while managing the associated risks. At Investcorp, we've spent the past 40 years evolving our business to stay ahead of technological advancements, with AI serving as a prime example of our commitment to innovation.

A variety of AI tools we have developed or adopted are significantly boosting our business operations by improving workflow automation, analyzing datasets, and generating insights. Our internal Generative AI Hub brings together representatives from all business lines to share best practices and explore use cases. Moreover, tools like CoPilot, where we served as a pilot partner, and PowerBI interfaces enhance our daily operations by leveraging data from our CRMs and portfolio companies.

AI is also playing a growing role in strengthening our decision-making and due diligence processes. Our Technology Private Equity team uses Mosaic, a modelling tool that combines workflow automation with AI to streamline investment analysis and optimize our operations, enabling us to stay agile within a dynamic market.

Beyond our own operations, our portfolio companies are actively incorporating new AI technologies to improve their processes and enhance client services. For example, Calligo



As we look ahead, AI will continue to redefine the private equity landscape. By embracing the latest technological trends, we are not only preserving our competitive edge but also fostering innovation throughout the organization. At Investcorp, our commitment to harnessing AI reflects our broader mission: to deliver exceptional value to our clients while staying at the forefront of innovation.”

provides AI/ML solutions that empower clients to increase revenue. In one instance, a large corporate client used Calligo's technology to identify factors that predict successful cross-selling to end customers and to gain deeper insights into shopping behaviors in physical retail locations.

Harnessing AI is not just about adopting technology; it's about positioning ourselves for the future. At Investcorp, we're experienced in investing in frontier technologies. In 2022, we launched eLydian Lion, the first global institutional blockchain fund from Abu Dhabi. The fund, which invests in early-stage companies operating in areas within the blockchain ecosystem such as blockchain infrastructure, platforms and exchanges, decentralized finance, and data analytics, allows us to stay on top of investment opportunities in these industries and further diversify our investments with the technology of the future.

Moreover, through our joint venture partnership with United Talent Agency, UTA.VC has invested in innovative players across the AI space. As an example of our investments, Salt AI provides a platform for AI coding and development that doesn't

require developers to have specific AI training. This enables the integration of AI into a wide array of applications and projects. In the special graphics field, Rembrand is a virtual product placement company that uses generative AI and physics-informed generative AI to add in advertisements, product placement, and other objects to videos in post-production seamlessly.

As we look ahead, AI will continue to redefine the private equity landscape. By embracing the latest technological trends, we are not only preserving our competitive edge but also fostering innovation throughout the organization. At Investcorp, our commitment to harnessing AI reflects our broader mission: to deliver exceptional value to our clients while staying at the forefront of innovation. The integration of AI into our business is an ongoing journey, but one thing remains certain: we will continue to embrace its potential to propel our ecosystem into a new era of transformative growth.



Gilbert Kamieniecky
Head of Private Equity
Europe

THE GCC AND CHINA: A CORNERSTONE OF THE NEW GLOBAL ECONOMY



Duncan Zheng
Head of Investcorp
China and Deputy Head
of Emerging Markets
Private Equity

In an ever-evolving global landscape shaped by geopolitical, technological, and macroeconomic trends, the investment relationship between China and the Gulf Cooperation Council (GCC) countries is emerging as a cornerstone of the new global economy. At Investcorp, we recognize this burgeoning investment landscape as a harbinger of significant opportunities and transformative growth.

This evolving investment relationship reflects a broader trend of economic interdependence and cooperation. It's a partnership that goes beyond financial transactions; building a shared vision for a prosperous and sustainable future. As the GCC continues to diversify, led by Saudi Arabia's Vision 2030 and the UAE's economic diversification strategy, Chinese investment will play a crucial role in shaping the region's trajectory towards innovation and growth. This strategic collaboration promises a future marked by shared prosperity and continued partnership, driving forward the global economy.



On the one hand, China has been a reliable purchaser of fossil energy from the GCC, contributing significantly to the GCC's overall financial health. On the other hand, sovereign wealth funds from the GCC, managing trillions of dollars in assets, are increasingly looking to invest in Chinese companies with innovative technologies. This reciprocal investment dynamic strengthens economic ties and fosters strategic collaboration between the two regions. In 2024, GCC sovereign wealth funds deployed \$55 billion in capital across 126 transactions, indicating the strong deal flow between the two regions and accounting for 40% of global deals.

In 2024, we launched the Investcorp Golden Horizon platform with a target size of \$1 billion, aimed at fostering investments in high-growth companies across the GCC and China. This initiative, anchored by the China Investment Corporation (CIC), one of the world's largest sovereign wealth funds with \$1.3 trillion in AUM, signifies a strategic partnership that leverages Investcorp's deep-rooted expertise in the GCC and CIC's extensive global investment experience. The platform aims to invest 70% of its capital into the GCC and 30% in China, focusing on sectors with robust growth potential, such as consumer goods, healthcare, logistics, and business services, which are pivotal to the economic transformation and diversification strategies of the GCC countries. The Investcorp Saudi Pre-IPO Growth Fund is part of this platform and has already announced three investments in the GCC. All investee companies in the fund will strive to achieve superior growth and profitability through potential value creation to be harvested between the GCC and China through a plethora of business improvements such as market access, supply chain reorganization, technology transfers and even manufacturing localization.



The evolving investment relationship reflects a broader trend of economic interdependence and cooperation. It's a partnership that goes beyond financial transactions; building a shared vision for a prosperous and sustainable future. As the GCC continues to diversify, led by Saudi Arabia's Vision 2030 and the UAE's economic diversification strategy, Chinese investment will play a crucial role in shaping the region's trajectory towards innovation and growth."

The Golden Horizon platform is just one example of the growing economic interconnectivity between China and the GCC, reflecting a trend of increased collaboration and mutual investment. With its strategic focus on high-growth-potential sectors and the backing of prominent investors, the platform is well-positioned to capitalize on the synergies between the two regions, fostering a dynamic environment for businesses to thrive and expand. As Investcorp and CIC continue to build on this relationship, I believe that the possibilities for investment between China and the GCC are poised for a promising future, marked by shared prosperity and continued partnership.

THE REAL ESTATE INVESTMENT STRATEGY FOR 2025



Herb Myers
Co-Head of Real Assets



Michael O'Brian
Co-Head of Real Assets

On the heels of a highly active 2024, during which Investcorp US Real Estate deployed over \$1.5 billion gross transaction volume in strategic industrial and student housing investments, the firm expects to see compelling new opportunities materialize in 2025 across its core asset classes, including industrial and residential.

Over the last year, Investcorp expanded its industrial footprint with over \$1 billion gross transaction volume in strategic acquisitions totaling over 6 million square feet across key US markets. These infill industrial assets, located in the Bay Area, Dallas, Atlanta, Denver, Las Vegas, San Diego, Tampa, South Florida, New Jersey, Long Island and Minneapolis, reflect Investcorp's strategy of acquiring high-quality last-five-mile properties near affluent markets benefitting from strong population growth.

Despite a moderation in rent growth from its pandemic peak, the industrial sector continues to perform, with compelling tailwinds including a diminishing supply pipeline, nearshoring and reshoring trends, and the continued expansion of ecommerce supporting future growth.

In student housing, Investcorp deployed approximately \$500 million gross transaction volume in 2024, acquiring over 3,500 beds at flagship state universities including the University of Texas at Austin, Texas A&M, Texas State, University of Oklahoma, the University of Florida and the University of Kentucky. The firm's student housing portfolio has averaged 97% occupancy over its lifetime, and strong enrollment growth at public flagship universities across the Power Four conferences combined with a limited supply pipeline of on-campus housing is expected to drive robust demand for the asset class over the next several years.



Investcorp continues to believe that good buying opportunities will continue to emerge over the next year and that disciplined, well capitalized investors will be positioned to continue transacting as the market environment evolves."

Having invested primarily in student housing assets across the US Sunbelt, Investcorp continues to explore opportunities to invest in other markets near flagship schools belonging to the major university sports conferences, including the Big Ten, Big 12, Southeastern Conference and Atlantic Coast Conference.

The multifamily sector is also re-emerging as a compelling investment opportunity, with fundamentals improving, valuations re-setting, and the go-forward supply pipeline drying up. After a two-year hiatus on new multifamily acquisitions, Investcorp anticipates that attractive buying opportunities may again emerge in 2025/2026.

Taking a look at the macro picture, higher-for-longer interest rates continue to pose challenges to the investment environment, despite recent rate reductions implemented by the Federal Reserve. There remains a level of uncertainty around future actions the Fed may take given external factors

such as proposed tariffs, which could spark new increases in inflation and influence a shift in rate policy. Despite some uncertainty, Investcorp continues to believe that good buying opportunities will continue to emerge over the next year and that disciplined, well capitalized investors will be positioned to continue transacting as the market environment evolves.

The firm is also monitoring the potential impacts that tariffs on Mexico and Canada may have on key industrial markets that rely on trade with those countries. Should the costs and dynamics around international trade with the United States' neighbors shift, this could have cascading implications on fundamentals supporting certain border-adjacent markets.

Since 1996, Investcorp Real Estate has acquired approximately 1,400 properties for a total value of over \$26 billion and currently has approximately \$11.2 billion in global real estate assets under management.

GLOBAL CLO PLATFORM POSITIONED FOR GROWTH AS BANK DEMAND RETURNS



Corey Geis
Co-Head and Head
of Investcorp Credit
Management US



Neil Rickard
Co-Head and Head
of Investcorp Credit
Management Europe

Investcorp Credit Management sees continued strength in both the US and European CLO markets heading into 2025, driven by improving market technicals and an active refinancing calendar. This comes on the heels of a record 2024 that saw over 600 deals being refinanced, reset or reissued in the US alone, for a total of nearly \$300 billion, according to Bloomberg.



Investcorp Credit Management has established itself as a consistent issuer under its Harvest shelf name in both Europe and the US, focusing on maintaining stable portfolio risk profiles across vintages.”

The CLO market's fundamentals remain strong with multiple catalysts supporting issuance and reset activity in 2025. The return of US banks to the AAA market has helped tighten spreads significantly, while lower interest rates could stimulate increased M&A activity and new loan supply.

Since the November 2024 election in the US, AAA spreads have continued to tighten. This compression in funding costs has created attractive opportunities for both new issuance and refinancing activity.

In Europe, market conditions remain constructive despite some supply challenges. While new loan issuance has been relatively modest, private equity sponsors and arranging banks are expected to bring new deals to market in early 2025. The current pipeline of cleansing notices for potential resets and refinancings also suggests continued strong activity.

The firm's global platform, strengthened by its 2022 acquisition of US CLO manager Marble Point, allows Investcorp to leverage relationships and expertise across both markets. The increased scale has enhanced its ability to participate in cross-border transactions and opened more doors with both issuers and investors.

Looking ahead to 2025, key themes driving the firm's outlook include:

Strong technical support from domestic banks returning to the AAA CLO market

Active refinancing calendar as deals exit reinvestment periods

Potential increase in leveraged loan supply driven by M&A activity

Continued demand for floating-rate assets in a declining rate environment

CLO assets have historically demonstrated their ability to adapt to changing market conditions. With over 60 managers in Europe and a similar number of active warehouses, there is a healthy pipeline of both new issue and refinancing opportunities ahead.

Investcorp Credit Management has established itself as a consistent issuer under its Harvest shelf name in both Europe and the US, focusing on maintaining stable portfolio risk profiles across vintages. This approach has resonated with investors seeking predictable exposure to the leveraged loan market.

The focus remains on demonstrating consistency in performance to stakeholders through active portfolio management and proactive risk mitigation. The global platform and proven track record position the firm well to capitalize on opportunities across both markets in 2025.

DRIVING MIDDLE MARKET GP VALUE CREATION THROUGH AN ECOSYSTEM OF PARTNERSHIPS



The GP staking strategy gained mainstream visibility in 2024, thanks to a robust environment for asset manager M&A, which included several high-profile exits for GP stakers.

But while market observers focused on billion-dollar headlines, it is worth noting that GPs who sold to larger platforms last year were once much smaller and beneficiaries of years of deliberate operational support.

It is with this mentality that Investcorp's Strategic Capital Group (SCG) continues to differentiate itself through an expanding ecosystem of strategic partnerships designed to help mid-sized private market firms navigate growth and institutionalization. SCG maintains a curated network of specialist boutiques across marketing, technology, recruitment, and placement, meeting with over ten potential partners monthly.

Since SCG's launch in 2019, three trends have shaken up not only the private capital marketplace, but society at large: artificial intelligence, expanded employee ownership, and blockchain. GPs of all sizes have had to respond - in some cases doing nothing and falling behind the competition.



Anthony Maniscalco
Head of Investcorp
Strategic Capital Group



Ravi Thakur
GP Development Partner,
Investcorp Strategic
Capital Group



Blockchain first caught the public's attention with the rise of cryptocurrencies, but it has been adapted for asset management as well."

for driving long-term business success, not just beneficial for employees. The initiative aligns with broader industry trends toward more broad-based ownership models.

Blockchain first caught the public's attention with the rise of cryptocurrencies, but it has been adapted for asset management as well. In partnership with Securitize, SCG is exploring fund tokenization opportunities that could expand access to GP staking strategies. This forward-looking approach exemplifies how SCG helps GPs think strategically about the changing nature of investor distribution.

By sharing implementation costs across these partnerships, SCG is lowering barriers to accessing institutional-quality services while allowing management teams to maintain their focus on investing. This approach complements SCG's existing resource complex, which includes operating partners with deep asset management experience, a 12-person strategic advisory board, and channel partners - all focused on accelerating GP development.

Looking ahead to 2025, SCG sees significant opportunity in the mid-market GP staking space, where approximately 1,000 managers control over \$3.6 trillion in assets but less than 15% have sold minority stakes. The group plans to continue expanding its partnership ecosystem to address evolving GP needs around technology adoption, ESG integration, and distribution innovation.

Middle market GPs often don't have the internal resources to harness these disruptive changes to improve their platforms. As such, SCG has created partnerships with industry leaders in each category - DiligentIQ (AI), Ownership Works (employee ownership) and Securitize (blockchain).

DiligentIQ, a generative AI platform developed by former KKR CIO Ed Brandman, was purpose built for private markets due diligence. Several of SCG's portfolio firms have already reported significant efficiency gains from implementing the platform across due diligence and portfolio monitoring processes.

The group's partnership with Ownership Works signals SCG's support for broad-based equity incentive programs as a key tool in middle market portfolio buyouts. As the first GP-staking partner of the nonprofit organization, SCG is working to accelerate the adoption of broad-based employee ownership programs across private equity's middle market. Fostering a culture of shared ownership is considered essential

SHAPING THE FUTURE: THE NEW INNOVATION IMPERATIVE

As our world undergoes a major transformation, touching upon various areas from geopolitics and climate to technology, business, and health, our capacity to innovate will, more than ever before, define our ability to meet the great challenges and opportunities shaping our present and future.

Today, the scale of transformation and the pressing need for innovation are impacting organizations across both across private and public sectors, prompting them to adapt or risk falling behind.

We are witnessing tectonic changes that demand more than just incremental innovation; instead, what is required is innovation characterized by speed, scale, and expertise. Embracing this new paradigm is essential for organizations looking to thrive in a rapidly evolving global landscape, and those who succeed in adapting quickly and at scale will be at the forefront of this new era.



Today, the scale of transformation and the pressing need for innovation are impacting organizations across both across private and public sectors, prompting them to adapt or risk falling behind.”



Dr. Ann-Kirstin Achleitner

Distinguished Affiliated Professor, Technical University of Munich

THE KEY INNOVATION ESSENTIALS: BUILDING STRONG ECOSYSTEMS AND EMPLOYING RADICAL INNOVATION

Building strong ecosystems, consisting of diverse players such as startups, established companies, research institutions, investors, and policymakers, is fundamental to achieving innovative breakthroughs. While each entity contributes unique expertise, resources, and perspectives, they are working collaboratively toward a shared vision and common goals. Today, regions such as the GCC are great examples of players adopting this approach and are already demonstrating real life outcomes of innovation across both public and private sectors. One illustrative example of how investors can contribute to developing such ecosystems is the work done by the Investcorp Saudi Pre-IPO Fund which, beyond identifying attractive investment opportunities, acts as a catalyst to establish new industries in Saudi Arabia. Thereby, the fund not only accelerates the growth potential of individual companies but also strengthens the country's overall economic landscape.

The second key innovation essential is radical innovation. Speed but also ambition serve as key drivers for radical innovation, playing a crucial role in escaping the so-called "middle technology trap," whereby organizations or countries under-invest in R&D and cutting-edge technologies to focus on the "low hanging" fruits and mainly maintain the status quo. However, taking an incremental approach to innovation and simply keeping up with current technologies will put many businesses and economies at risk of being left behind. Identifying and investing in game-changing technologies will be key to future-proofing organizations and

remaining relevant in the coming decades. One significant opportunity we see today is quantum technologies, which Investcorp aims to capture with its Technology Fund as it holds the promise to revolutionize various sectors from healthcare to finance.

SUCCESS FACTORS TO DELIVERING ON THE NEW INNOVATION IMPERATIVE: SMARTNESS, TRUST AND LEADERSHIP

The effectiveness of capital deployment is not determined merely by its quantity, but also with the "smartness" that comes with it. Core to this smartness is the investor's experience, insights, and deep knowledge of various markets and sectors, which helps companies to significantly increase the speed and scale of innovation.

Additionally, trust, which is built over time and a proven track record, also plays an important role in guiding both investors and businesses as they navigate their innovation journeys. As both parties work together, their synergy not only nurtures innovation but also fosters long-term success and growth within the industry.

Ultimately, leadership is central for every aspect of successful innovation, serving as the driving force that steers initiatives and ensures their effective implementation. Given the scale of challenges and opportunities that we are facing today, it is crucial to cultivate strong leadership across all levels and segments of our society. This includes not only business leaders but also policymakers who shape the regulatory environment, and investors who provide the necessary capital. Strong leadership across the board enables collaborative efforts, diverse perspectives and achieving a shared vision.

Let us shape the future together in this spirit.

NUSUMMIT CEO:

HOW THE FIRM PLANS TO REVOLUTIONIZE GLOBAL DIGITAL TRANSFORMATION

Investcorp's acquisition of NuSummit (formerly NSEIT) for \$130 million marks a milestone in the Indian mid-market landscape and underscores the firm's commitment to scaling investments in technology and financial services sectors.

With its expertise in digital engineering, data analytics, AI, cloud services, and cybersecurity, NSEIT was rebranded as NuSummit, a global technology solutions powerhouse. This partnership not only highlights Investcorp's first control deal in India but also emphasises its strategic vision of driving growth in high-potential companies while leveraging its global platform.

In this conversation, Gaurav Sharma and Varun Laul speak with Anantharaman Sreenivasan (Ganesh), CEO of NuSummit, about the rebranding, growth plans, and the road ahead for NuSummit as it embarks on a transformative journey.

Q Ganesh, congratulations on the rebranding of NSEIT to NuSummit. What does this change signify for the company's future?

Thank you! We are excited to have been rebranded as NuSummit. This change represents a significant step in our journey, highlighting our transformation and goals. The name "NuSummit" shows our commitment to helping clients reach their full potential through advanced technology.



Gaurav Sharma
Head of India
Investment Business



Varun Laul
Partner, Private Equity
India



With a strong foundation, a talented team, and Investcorp's support, NuSummit is uniquely positioned to drive transformative impact in technology and innovation."

This change is more than just a new name; it starts a new chapter for us. We plan to expand our focus beyond our current markets and aim for a global reach. With our expertise in AI-driven digital engineering, cybersecurity, cloud solutions, and data-driven strategies, we want to redefine how technology solves complex business problems. With guidance from Investcorp, we are better equipped to improve our services and achieve greater success.

Q NuSummit has a strong legacy in BFSI. How does this heritage shape your growth strategy as you expand globally?

The BFSI sector is essential to our business, providing us with valuable insights into its specific challenges, such as regulatory compliance, transaction security, and modern technology needs. This strong foundation helps us create specialized solutions, which sets us apart as we grow globally.

We plan to use this knowledge to target other complex industries, like asset management and insurance, while also expanding into new regions. With Investcorp's support, we are focusing on markets like North America and the Middle East, where updating the BFSI sector is a key priority.

Q What role will innovation play in NuSummit's growth, and which areas are you prioritising?

Innovation is the cornerstone of our growth strategy. We're focusing on three main areas:

1 AI and Data Analytics

Building intelligent systems that enable real-time decision-making and operational optimisation

2 Cloud Transformation

Helping clients achieve agility and scalability by migrating to and modernising cloud environments

3 Cybersecurity

Aujas Cybersecurity, now a part of NuSummit, is advancing zero-trust frameworks and cutting-edge threat detection systems

These priorities ensure we're not just addressing today's needs but also preparing businesses for future challenges.

Q How do you envision NuSummit's global presence evolving over the next few years?

Our goal is to make NuSummit a top leader in digital transformation globally. In the next 2–3 years, we plan to expand our presence in North America, the Middle East, and Europe, which are key areas for modernizing banking and financial services.

With the support of Investcorp, we are creating scalable systems to offer customized solutions to clients around the world. This will establish NuSummit as a reliable partner for organizations dealing with digital challenges.

Q Finally, what excites you most about the future of NuSummit?

What excites me most is the opportunity to redefine what an Indian technology company can achieve on the global stage. With a strong foundation, a talented team, and Investcorp's support, NuSummit is uniquely positioned to drive transformative impact in technology and innovation. The possibilities are limitless, and I'm thrilled about the journey ahead.

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