

NEWS ACTIONNAIRES

EURAZEO

December 2023

2024-2027 AMBITION

■ Christophe Bavière and William Kadouch-Chassaing, co-CEOs of Eurazeo

Dear Shareholders,

We are delighted to interact with you in this letter for the first time as co-CEOs.

2023 has been an eventful year, marking a new chapter in Eurazeo's history. Since we took office in February, we have carried out a complete review of our Group's business model and fundamentals. This work culminated in the presentation of our **strategic ambition for the period 2024-2027**, on November 30 during our Capital Markets Day.

Over the last 50 years, your company has supported European economic champions with global ambitions.

In recent years, Eurazeo has transformed itself to become a **major player in alternative asset management**. This transformation, achieved through the acquisition of Idinvest in 2018 and the expansion of our client base since then, enables us to manage nearly €34 billion in assets, around 70% of which come from third-party investors.

The Group is now entering a new phase of development and scaling up of its model. **Our ambition is to become the leading player in private asset management in Europe in the mid-cap, growth and impact segments.**

This ambition will be underpinned by four strategic priorities.

■ **Reinforce Eurazeo's value proposition in its areas of excellence:** invest in Europe in mid-cap companies positioned in high-growth sectors through high-performance and high-potential strategies: Buyout, Secondary, Private Debt, Real Assets and Growth equity.

■ **Accelerate the transition towards a more asset-light business model.** We indeed aim to establish a unique asset management business model, in which the balance sheet is used only to develop competitive advantages and ensure optimal alignment with our customers' interests. We will be selling €7 billion of assets over the period, and we will reinvest



only €3 billion in our funds, enabling us to generate excess capital of around €4 billion up to 2027. More than half of this excess will be returned to you in the form of dividends and share buy-backs, while the remainder will enable the Group to retain significant strategic flexibility within an industry in consolidation.

■ **Accelerating growth in our asset management business.** To increase our fundraising, we are aiming to expand our institutional client base and increase our international market share, notably by strengthening our presence in key geographical areas.

■ **Improve our operating efficiency.** Throughout the duration of the plan, we will pay particular attention to rigorous cost management, simplifying and improving operational processes with a view to absorb the expected rise in volumes under sound financial conditions, while improving customer satisfaction.

Thanks to these strategic developments, we are confident that Eurazeo will generate **dynamic and steady growth in revenues, combined with an increase in operating profitability.**

We are grateful for the confidence you entrust us, and we can assure you our strong commitment to the future success of Eurazeo.

IT HAPPENED IN 2023

FUNDRAISING

Final closing of the sixth direct lending fund at €2.3 billion, surpassing the initial target of €2 billion. An additional €900 million raised from private clients was added to this fundraising, bringing Eurazeo's total Private Debt program to €3.2 billion.

First closing of the Eurazeo Capital V fund at €2.3 billion, including €600 million from third-party investors, achieved through Eurazeo's Mid-large buyout strategy.

WEALTH MANAGEMENT

Two new partnerships were signed with Moonfare and iCapital to make Eurazeo's investment solutions more accessible to private clients in Europe, particularly in Germany, Benelux, Italy, Switzerland and the Netherlands.

ASSET ROTATION

REALIZATIONS



DEPLOYMENTS



ESG & IMPACT

Eurazeo and Société Générale announced a collaboration to develop an innovative solution to support the decarbonization of the maritime sector.

The Group announced the final closing of the Smart City program supporting sustainable cities and climate technologies, above its initial target, enabling a deployment capacity of €400 million.

The Eurazeo Transition Infrastructure fund (ETIF), classified as an Article 9 fund, continued to raise funds and should soon exceed its target of €500 million.



FINANCIAL OUTLOOK FOR 2024-2027

ASSET MANAGEMENT ACTIVITY OUTLOOK

- Expected growth in Eurazeo's third-party AUM above market growth⁽¹⁾.
- Expected growth in management fees by 15 % per year in average.
- Fee Related Earnings (FRE) margin target confirmed at 35-40% over the medium term.
- Third-party performance fees should represent more than 10% of third-party revenues through the cycle.

€2.3 BN IN SHAREHOLDERS RETURN

- c.€800m in ordinary dividends, with a 10% increase in the 2024 dividend.
- €1,500m in share buybacks, i.e. €200m per year in purchases through the year, supplemented with additional share buybacks to be executed with ramp-up of realization program.

OTHER NEWS

At the beginning of the year, Eurazeo announced its change of accounting classification to "Investment Company" under IFRS 10 norm, reflecting the Group's transformation.

In accordance with the exemption from consolidation stipulated by IFRS 10 for "investment companies", Eurazeo no longer consolidates its portfolio companies.

⁽¹⁾ According to Preqin, private markets should see their AUM grow by around 11% a year worldwide over the next few years.

SHAREHOLDER CORNER

Share price evolution since 2023 – as of December 14, 2023, rebased 100



**ANALYSTS
OPINION**

9
BUY

1
NEUTRAL

€88

12-MONTHS AVERAGE
TARGET PRICE

RF
LISTED
EURONEXT

FR0000121121
Code ISIN

76 081 874
NUMBER OF SHARES

**SBF 120
CAC FINANCIALS
DJ STOXX EUROPE 600
INDICES**

Why holding shares in registered form?

By holding your Eurazeo shares in registered form you develop a direct relationship with us and enjoy a number of benefits:

- Your shares carry double voting rights after you have held them in registered form for two years
- A 10% bonus dividend for holders of direct or intermediary registered shares for at least two full calendar years and still holding their shares on the date of payment of the Eurazeo dividend.

To benefit from our loyalty bonus dividend from 2026 onwards, we recommend bearer shares to convert their shares into pure or administered registered shares by contacting their financial intermediary **before December 31, 2023.**

FINANCIAL PUBLICATIONS CALENDAR

▀ **FY 2023 Results**

MARCH 7, 2024

▀ **Q1 2024 Revenue**

MAY 16, 2024

▀ **Half-Year Results 2024**

JULY 25, 2024

MEETINGS WITH INDIVIDUAL SHAREHOLDERS

General Meeting

MAY 7, 2024

F2iC meeting in Nantes

JUNE 17, 2024

F2iC meeting in Lyon

16 SEPT. 2024

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