



Against a background of slower market-wide activity, our evergreen capital structure, well-capitalised balance sheet and strong relationships are enabling us to continue to invest for future growth.

**OLIVER GARDEY**  
HEAD OF PRIVATE EQUITY FUND INVESTMENTS



## Alternative Performance Measures

The Board and the Manager monitor the financial performance of the Company on the basis of Alternative Performance Measures (APM), which are non-IFRS measures. The APM predominantly form the basis of the financial measures discussed in this review, which the Board believes assists shareholders in assessing their investment and the delivery of the investment strategy.

The Company holds certain investments in subsidiary entities. The substantive difference between APM and IFRS is the treatment of the assets and liabilities of these subsidiaries. The APM basis “looks through” these subsidiaries to the underlying assets and liabilities they hold, and it reports the investments as the Portfolio APM. Under IFRS, the Company and its subsidiaries are reported separately. The assets and liabilities of the subsidiaries are presented on the face of the IFRS balance sheet as a single carrying value. The same is true for the IFRS and APM basis of the Cash flow statement.

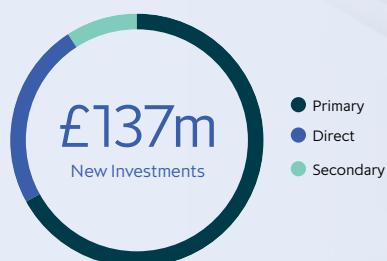
The following table sets out IFRS metrics and the APM equivalents:

IFRS	31 January 2024 £m	31 January 2023 £m	APM	31 January 2024 £m	31 January 2023 £m
Investments	<b>1,296</b>	1,349	Portfolio	<b>1,349</b>	1,406
NAV	<b>1,283</b>	1,301	Realisation Proceeds	<b>171</b>	252
Cash flows from the sale of portfolio investments	<b>41</b>	32	Total Proceeds	<b>239</b>	252
Cash flows related to the purchase of portfolio investments	<b>25</b>	62	Total New Investment	<b>137</b>	287

The Glossary includes definitions for all APM and, where appropriate, a reconciliation between APM and IFRS.

### INVESTING TODAY...

Enabling us to invest in a slower environment



#### NEW DIRECT INVESTMENTS

- Archer Technologies
- Ping Identify
- Atlas Technical Consultants
- Big Blue Marble Academy

### ...COMMITTING TO TOMORROW

Accessing top-tier managers and maintaining an active investment programme



#### CAPITALISING ON OPPORTUNITIES

- Commitments made to 12 funds
- Two commitments to ICG-managed funds, totalling £42m

# Our portfolio companies are performing strongly

## Our investment strategy

We focus on investing in buyouts of profitable, cash-generative businesses in developed markets that exhibit defensive growth characteristics which we believe support strong and resilient returns across economic cycles.

We take an active approach to portfolio construction, with a flexible mandate that enables us to deploy capital in Primary, Secondary and Direct investments. Geographically, we focus on the developed markets of North America and Europe which have deep and mature private equity markets, supported by a robust corporate governance ecosystem.

	Medium-term target	Five-year average <sup>1</sup>	31 January 2024
<b>1. Target Portfolio composition<sup>2</sup></b>			
<b>Investment category</b>			
Primary	~50%	57%	53%
Direct	~25%	28%	29%
Secondary	~25%	15%	18%
<b>Geography<sup>2</sup></b>			
North America	~50%	40%	42%
Europe (including the UK)	~50%	52%	51%
Other	~0%	8%	7%
<b>2. Balance sheet</b>			
Net cash/(debt) <sup>3</sup>	~0%	(1)%	(1)%

<sup>1</sup> Five year average is the linear average of FY exposures for FY20-FY24.

<sup>2</sup> As a percentage of Portfolio.

<sup>3</sup> (Net cash)/debt as a percentage of NAV.

ICG Enterprise Trust benefits from access to ICG-managed funds and ICG-managed direct co-investments, which represented 32% of the Portfolio value at the period end and generated a 10.9% return on a local currency basis.

## The market during FY24 and its impact on ICG Enterprise Trust<sup>1</sup>

The private equity buyout market globally saw a year-on-year decline in the value of investments and realisations in 2023, down 37% and 44% respectively compared to 2022. This marks the second consecutive year of reductions, and is the steepest decline in activity since the Global Financial Crisis. While ICG Enterprise Trust's business activity did reduce, we continued to be cashflow positive at the Portfolio level.

Whilst private markets fundraising overall was down in 2023, global fundraising for buyouts (by value) was up by 18% compared to 2022. However, there was a significant shift towards larger funds, and as a result the average fund size increased while the number of funds raised reduced. This meant that despite a seemingly buoyant market, it remained a difficult fundraising environment for the vast majority

of managers. This benefits LPs such as ICG Enterprise Trust, with evergreen capital structures and well-capitalised balance sheets, as we were able to access the highest quality and most sought-after managers, while achieving more favourable legal terms. Looking ahead, this will also improve our opportunity set for both direct and secondary investments.

From a Portfolio perspective, private market valuations have continued to show more stability than public markets, and the market-wide trend of generally realising investments at uplifts to NAV has continued – a trend that ICG Enterprise Trust has also observed. This is supported by the strong operational performance our portfolio companies have reported during the year.

The combination of lower transaction activity and higher debt financing costs has meant that we executed on our investment strategy with elevated levels of caution during FY24. We had a particular focus on managing our balance sheet conservatively, and reduced the number of direct investments we made, preferring to get wider exposure to the market through primary transactions. In environments such as these, our focus on investing in companies with defensive growth characteristics demonstrates its value for shareholders who are looking for long-term compounding growth.

## Performance overview

At 31 January 2024, our Portfolio was valued at £1,349m, and the Portfolio Return on a Local Currency Basis for the financial year was 5.9% (FY23: 10.5%), driven by broad-based growth across Primary, Secondary and Direct Co-investment. The performance was impacted by a decline in the share price of Chewy (which now represents 1.4% of our Portfolio), and the impact of the secondary sale we undertook. Excluding these factors, we estimate the Portfolio Return on a Local Currency Basis would have been ~8.7%.

During the period, the Portfolio value on a sterling basis decreased due to FX movements by £39m (-2.7%), and the Portfolio Return on a Sterling Basis was therefore 3.2%.

As part of our active approach to managing our Portfolio, we executed a Secondary sale of certain investments that we expect to generate lower returns in the future than the rest of the Portfolio and than we expect to achieve from new investments. The sale generated an attractive net return of 1.8x invested cost, and gross cash proceeds of £68m that were received in December 2023. It also reduced our undrawn commitments by £9m. The sale was executed at a discount of 15.9%, which we estimate led to a reduction in our NAV per Share of approximately 1%.

The net result for shareholders was that ICG Enterprise Trust generated a NAV per Share Total Return of 2.1% during FY24, and ended the period with a NAV per Share of 1,909p.

For Q4 the Portfolio Return on a Local Currency Basis was 1.2% and the NAV per Share Total Return was (2.1)%, with the latter being negatively impacted by movements in FX as well as the secondary sale executed during December 2023.

<sup>1</sup> Market data, where quoted, from Bain & Company 'Global Private Equity Report 2024', March 2024: [www.bain.com/insights/topics/global-private-equity-report](http://www.bain.com/insights/topics/global-private-equity-report).

Movement in the Portfolio £m	12 months to 31 January 2024	12 months to 31 January 2023
Opening Portfolio <sup>1</sup>	1,406	1,172
Total New Investments	137	287
Total Proceeds	(239)	(252)
Portfolio net cashflow	(102)	35
Valuation movement <sup>2</sup>	83	123
Currency movement	(39)	76
Closing Portfolio	1,349	1,406
% Portfolio growth (local currency)	5.9%	10.5%
% Currency movement	(2.7)%	6.5%
% Portfolio growth (sterling)	3.2%	17.0%
Impact of net cash/(net debt)	(0.3)%	(0.2)%
Management fee and other expenses	(1.4)%	(1.5)%
Co-investment Incentive Scheme Accrual	(0.1)%	(1.2)%
Impact of share buybacks and dividend reinvestment	0.7%	0.3%
<b>NAV per Share Total Return</b>	<b>2.1%</b>	<b>14.5%</b>

<sup>1</sup> Refer to the Glossary.

<sup>2</sup> 94% of the Portfolio is valued using 31 December 2023 (or later) valuations (FY23: 93%).

## Executing our investment strategy

### COMMITMENTS

In an environment where many investors are restricted in their ability to commit new capital, our evergreen capital structure and flexible investment mandate enables us to commit through the cycle, maintaining vintage diversification for our Portfolio and sowing the seeds for future growth.

During the period we made 12 new fund Commitments totalling £153m, including £42m to funds managed by ICG, as detailed below:

Fund	Manager	Commitment during the period	
		Local currency	£m
ICG Mid-Market II	ICG	€25.0m	£22.0m
ICG Strategic Equity V	ICG	\$25.0m	£20.3m
New Mountain VII	New Mountain	\$20.0m	£16.4m
Bowmark VII	Bowmark	£15.0m	£15.0m
Cinven VIII	Cinven	€15.0m	£13.2m
CVC IX	CVC	€15.0m	£13.0m
Resolute VI	TJC	\$15.0m	£12.0m
Apax XI	Apax	€10.0m	£8.8m
Bregal Unter IV	Bregal	€10.0m	£8.7m
Audax VII	Audax	\$10.0m	£8.0m
Genstar XI	Genstar	\$10.0m	£8.0m
Hellman & Friedman XI	Hellman & Friedman	\$10.0m	£8.0m

At 31 January 2024, ICG Enterprise Trust had outstanding Undrawn Commitments of £552m.

## Activity during the financial year

### COMMITMENTS

Making commitments to funds, which expect to be drawn over 3 to 5 years:

# £153m

(FY23: £203m)

### TOTAL NEW INVESTMENTS

Cash deployments into portfolio companies, either through funds or directly:

# £137m

(FY23: £287m)

### GROWTH

Driving growth and value creation of our portfolio companies:

# £83m

(FY23: £123m)

### TOTAL PROCEEDS

Cash realisations of investments in portfolio companies, plus Fund Disposals:

# £239m

(FY23: £252m)

## MANAGER'S REVIEW CONTINUED

	Year to 31 January 2024 £m
<b>Movement in Outstanding Commitments</b>	
Undrawn Commitments as at 1 February 2023	<b>496.7</b>
New Fund Commitments	<b>153.3</b>
New Commitments relating to Co-investments	<b>24.7</b>
Drawdowns	<b>(136.7)</b>
Currency and other movements, including repayment of commitments which can be reinvested	<b>14.0</b>
<b>Undrawn commitments as at 31 January 2024</b>	<b>552.0</b>

Total Undrawn Commitments at 31 January 2024 were comprised of £434m of Undrawn Commitments to funds within their Investment Period, and a further £118m was to funds outside their Investment Period.

	31 January 2024 £m	31 January 2023 £m
Undrawn Commitments: funds in Investment Period	<b>434</b>	367
Undrawn Commitments: funds outside Investment Period	<b>118</b>	130
<b>Total Undrawn Commitments</b>	<b>552</b>	497
Total available liquidity (including debt facility)	<b>(196)</b>	(167)
<b>Overcommitment net of total available liquidity</b>	<b>356</b>	330
<b>Overcommitment % of net asset value</b>	<b>27.8%</b>	25.3%

Commitments are made in the funds' underlying currencies. The currency split of the undrawn commitments at 31 January 2024 was as follows:

Undrawn Commitments	31 January 2024		31 January 2023	
	£m	%	£m	%
US dollar	<b>290</b>	<b>52.5%</b>	254	51.1%
Euro	<b>236</b>	<b>42.7%</b>	226	45.5%
Sterling	<b>26</b>	<b>4.8%</b>	17	3.4%
<b>Total</b>	<b>552</b>	<b>100.0%</b>	497	100%

### INVESTMENT

Total new investments of £137m during the period, of which 15% (£20.5m) were alongside ICG. New investment by category detailed in the table below:

Investment Category	Cost (£m)	% of New Investments
Primary	92	67.1%
Direct	33	23.9%
Secondary	12	9.0%
<b>Total</b>	<b>137</b>	<b>100.0%</b>

During the financial year we made four new Direct Co-investments for a combined value of £24m. The balance of Direct Co-investments is comprised of £9m of incremental drawdowns across existing Direct Co-investments.

The ten largest new investments in the period were as follows:

Investment	Description	Manager	Country	Cost £m <sup>1</sup>
Archer Technologies	Developer of governance, risk and compliance software	Cinven	United States	11.1
Ping Identity	Provider of intelligent access management solutions	Thoma Bravo	United States	10.7
Atlas Technical Consultants	Provider of professional testing, inspection, engineering, environmental and consulting services	GI Partners	United States	6.5
Big Blue Marble Academy	Operator of schools	Leeds Equity	United States	3.6
PerkinElmer	Provider of analytical testing	New Mountain	United States	2.7
Independence Products group.ONE	Provider of prescribed infection prevention products	Graphite	United Kingdom	1.5
NovaTaste	Supplier of ingredients for the food industry	Cinven	Sweden	1.5
Maxar	Supplier of ingredients for the food industry	PAI	Austria	1.5
Maxar	Provider of geospatial intelligence and satellite manufacturing services	Advent	United States	1.4
Envalior	Provider of engineering materials solutions	Advent	Germany	1.3
<b>Top 10 largest underlying new investments</b>				<b>41.7</b>

<sup>1</sup> Represents ICG Enterprise Trust's indirect investment (share of fund cost) plus any direct investments in the period.

**GROWTH**

The Portfolio grew by £83 million (+5.9%) on a Local Currency Basis in the 12 months to 31 January 2024.

Growth was reasonably balanced across the Portfolio:

- By investment type, growth was spread across Primary (+5.3%), Secondary (+7.5%) and Direct Co-investment (+6.2%)
- By geography, North America and Europe experienced similar growth

The growth in the Portfolio is underpinned by the performance of our portfolio companies, which delivered robust financial performance during the period, generating double-digit revenue and EBITDA growth over the last 12 months and with prudent leverage.

Portfolio growth was impacted by a decline in the share price of Chewy and the impact of the secondary sale we undertook. Excluding these factors, we estimate the Portfolio Return on a Local Currency Basis would have been ~8.7%.

Portfolio metrics <sup>1</sup>	Top 30	Enlarged Perimeter
Portfolio coverage	38.6%	67.5%
Last Twelve Months ('LTM') revenue growth	10.1%	11.6%
LTM EBITDA growth	12.8%	14.2%
Net Debt/EBITDA <sup>2</sup>	4.4x	4.6x
Enterprise Value/EBITDA <sup>2</sup>	14.6x	14.6x

<sup>1</sup> Values are weighted averages for the respective portfolio segment; see Glossary for definition and calculation methodology.

<sup>2</sup> Weighted average metrics exclude Chewy, for which EBITDA multiple is not an appropriate valuation metric.

**QUOTED COMPANY EXPOSURE**

We do not actively invest in publicly quoted companies but gain listed investment exposure when IPOs are used as a route to exit an investment. In these cases, exit timing typically lies with the manager with whom we have invested.

At 31 January 2024, ICG Enterprise Trust's exposure to quoted companies was valued at £64m, equivalent to 4.8% of the Portfolio value (FY23: 7.8%). The share price of our largest listed exposure, Chewy, decreased by 62% in local currency (USD) during the period. This negatively impacted the Portfolio Return on a Local Currency Basis by approximately 1.8%.

At 31 January 2024 there was one quoted investment that individually accounted for 0.5% or more of the Portfolio value:

Company	Ticker	31 January 2024 % of Portfolio value
Chewy	CHWY-US	1.4%
Other companies		3.4%
<b>Total</b>		<b>4.8%</b>

## MANAGER'S REVIEW CONTINUED

### REALISATIONS

During FY24, the ICG Enterprise Trust Portfolio generated Realisation Proceeds of £171m and Total Proceeds of £239m, with the latter including £68m gross cash proceeds received in December 2023 from the secondary sale of certain investments. The sale was executed at a discount of 15.9% (impacting NAV per Share by approximately (1)%), and generated an attractive net return of 1.8x invested cost.

Realisation activity during the period included 38 Full Exits that generated Realisation Proceeds of £101m. These were completed at a weighted average Uplift to Carrying Value of 29.5% and weighted average Multiple to Cost of 3.5x.

The 10 largest realisations in the period, which represent 45% of Realisation Proceeds, are set out in the table below:

Investment	Manager	Description	Country	Proceeds £m
Endeavor Schools	Leeds Equity	Provider of paid private schooling	United States	32.8
WCT	TJC	Provider of clinical research services	United States	12.5
Signify Health	New Mountain	Provider of technology enabled healthcare payor services	United States	8.3
Breitling	CV	Manufacturer of luxury watches	Switzerland	3.6
Mercer Advisors	Oak Hill	Provider of wealth management services	United States	3.5
GoodLife Foods	Egeria	Producer of frozen snacks	Netherlands	3.2
Creative Artists Agency	ICG	Provider of talent management services	United States	3.1
Ask4	Bowmark	Provider of internet service specialising in student accommodation	United Kingdom	3.1
Messer Industries	CVC	Supplier and manufacturer of industrial gases	Germany	3.0
SERB	Charterhouse	Manufacturer of specialty pharmaceuticals	Belgium	2.9
<b>Total of 10 largest underlying realisations</b>				<b>76.1</b>

### Balance sheet and liquidity

Net assets at 31 January 2024 were £1,283m, equal to 1,909p per share.

At 31 January 2024, the drawn debt was £20.0m (31 January 2023: £65.4m), resulting in a net debt position of £8.8m. At 31 January 2024, the Portfolio represented 105.1% of net assets (31 January 2023: 108.1%).

	£m	% of net assets
Portfolio	1,349	105.1%
Cash	11	0.9%
Drawn debt	(20)	(1.6%)
Co-investment Incentive Scheme Accrual	(54)	(4.2%)
Other net current liabilities	(3)	(0.3%)
<b>Net assets</b>	<b>1,283</b>	<b>100.0%</b>

Our objective is to be fully invested through the cycle, while ensuring that we have sufficient financial resources to be able to take advantage of attractive investment opportunities as they arise. Drawdowns of commitments are funded from Total Proceeds and, where appropriate, the debt facility.

At 31 January 2024 ICG Enterprise Trust had a cash balance of £11.2m (31 January 2023: £20.7m) and total available liquidity of £195.9m (31 January 2023: £167.0m).

	£m
<b>Cash at 31 January 2023</b>	<b>21</b>
Total Proceeds	239
New investments	(137)
Debt drawn down	(45)
Shareholder returns	(35)
Management fees	(16)
FX and other expenses	(16)
<b>Cash at 31 January 2024</b>	<b>11</b>
Available undrawn debt facilities	185
<b>Total available liquidity</b>	<b>196</b>



## Dividend and share buyback

ICG Enterprise Trust has a progressive dividend policy alongside a long-term share buyback programme to return capital to shareholders.

The Board has declared a dividend of 9p per share in respect of the fourth quarter, taking total dividends for the period to 33p (FY23: 30p), which represents an increase of 10% on the previous financial year.

In October 2022 the Board announced the introduction of a long-term share buyback programme, which may be executed at any discount to NAV. Details of share repurchases made under this programme are provided below:

Buyback activity summary	FY24 <sup>1</sup>	Since 19 October 2022 <sup>2</sup>
Number of shares purchased	<b>1,140,708</b>	1,922,188
Aggregate consideration <sup>3</sup>	<b>£13.1m</b>	£22.2m
Weighted average discount to last reported NAV	<b>39.5%</b>	39.6%

1 Based on company-issued announcements/date of purchase, rather than date of settlement.

2 Being the date the long-term share buyback programme was announced, up to and including 1 May 2024.

3 Aggregate consideration excludes commission, PTM and SDRT.

The Board believes the long-term share buyback programme demonstrates the Manager's discipline around capital allocation; underlines the Board's confidence in the long-term prospects of the Company, its cashflows and NAV; will enhance the NAV per Share; and, over time, may positively influence the volatility of the Company's discount and its trading liquidity.

Both the progressive dividend policy and the long-term share buyback programme are being maintained.

In addition, today the Board is announcing an opportunistic share buyback programme for FY25 of up to £25m. This will enable us to take advantage of current trading levels, when the ability to purchase shares in meaningful size at a significant discount presents itself. In announcing this programme the Board is seeking to balance the potential for immediate and visible NAV per Share accretion, with the longer-term potentially higher returns of new investments. The size of the opportunistic share buyback programme will be subject to a number of considerations, including the availability of shares and our cashflow experience and expectations.

The Board retains absolute discretion as to the execution, pricing and timing of any share buybacks, subject to the conditions set out in the authority to execute share buybacks approved at the Company's 2023 Annual General Meeting. Any shares repurchased by the Company will be held in treasury.

## Foreign exchange rates

The details of relevant foreign exchange rates applied in this report are provided in the table below:

	Average rate for FY24	Average rate in the twelve months to:		
		Average rate for FY23	31 January 2024 year end	31 January 2023 year end
GBP:EUR	<b>1.1526</b>	1.1341	<b>1.1729</b>	1.1375
GBP:USD	<b>1.2479</b>	1.2320	<b>1.2688</b>	1.2337
EUR:USD	<b>1.0827</b>	1.0863	<b>1.0818</b>	1.0840

## Activity since the period end

Notable activity between 1 February 2024 and 31 March 2024 has included:

- Two new fund commitments for a combined value of £31.7m
- New investments of £11.9m
- Realisation Proceeds of £21.9m

From 1 February 2024 up to and including 1 May 2024, £7.0m shares were bought back at a weighted average discount to NAV of 39.7%.

## ICG Private Equity Fund Investments Team

7 May 2024