

Bridgepoint Group plc
Interim Report

2024

Bridgepoint



Financial highlights

At 30 June 2024

Assets under management	€42.7bn	HY 2024 pro forma*: €67.3bn YE 2023: €40.5bn HY 2023: €39.5bn
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Fee Paying AUM	€25.8bn	HY 2024 pro forma*: €36.8bn YE 2023: €26.0bn HY 2023: €24.6bn
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6 months ended
30 June 2024

6 months ended
30 June 2024 and 2023

Underlying management fees	£156.0m	H1 2024 pro forma*: £211.2m H1 2023: £124.6m
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FRE	£61.8m	H1 2024 pro forma*: £88.1m H1 2023: £42.9m
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PRE	£24.4m	H1 2024 pro forma*: £56.9m H1 2023: £12.7m
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Underlying total operating income	£181.0m	H1 2024 pro forma*: £268.7m H1 2023: £137.8m
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Underlying EBITDA	£86.2m	H1 2024 pro forma*: £145.0m H1 2023: £55.6m
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Underlying profit before tax	£78.7m	H1 2024 pro forma*: £129.8m H1 2023: £50.0m
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Profit before tax	£48.8m	H1 2024 pro forma*: £99.9m H1 2023: £53.1m
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Underlying earnings per share	9.2p	H1 2024 pro forma*: 11.0p H1 2023: 5.6p
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* Pro forma information includes ECP as if the acquisition completed on 1 January 2024.

An explanation of the alternative performance measures (“APMs”) used by the Group is set out on pages 44 to 48 along with a reconciliation to IFRS measures.

Contents

Contents

Chief Executive's statement	1
KPIs: tracking our performance	4
CFO statement	6
Required disclosures	18
Independent review report to Bridgepoint Group plc	19
Condensed consolidated financial statements	20
Notes to the condensed consolidated interim financial statements	25
Supplementary information	41



Chief Executive's Statement

Raoul Hughes

I'm pleased to report a strong set of results for the first half of 2024, as well as an improved outlook for the full year and 2025.

In March, the Bridgepoint group reported a strong set of financial results for 2023, a trend which has continued into the first half of 2024. Flagship fundraises at Bridgepoint and ECP have completed ahead of guidance, locking in future management fees ahead of expectations. Strong fund performance has continued across Bridgepoint's equity and credit strategies, as well as ECP's, with Bridgepoint's BDC III portfolio's performance in particular underpinning significant growth in PRE.

Financial performance ahead of expectations, with guidance increased for 2024 and 2025

In H1 2024, AUM for Bridgepoint on a standalone basis increased organically by 8% compared to H1 2023 to reach €42.7 billion, contributing to a 25% increase in underlying management fees and other income year-on-year to £156.6 million, with a 44% increase in FRE to £61.8 million. PRE increased by 92% to £24.4 million in the same period. Consequently, underlying EBITDA increased by 55% to £86.2 million. When ECP is included, FRE is £88.1 million and underlying EBITDA is £145.0 million for the first half of the year.

The outlook for 2024 and 2025 is being upgraded based on better-than-expected financial performance in the first half of 2024, flagship fundraises completed on or ahead of target, strong deployment and exits (including a healthy pipeline heading into the summer), and signs of increasing transaction activity in the markets in which Bridgepoint operates.

PRE is now expected to represent c. 25% of total income in 2024 and 2025, above the normal range of 20% to 25%, driven by the strength of the exit pipeline over the next 18 months. FRE margin is now expected to be around 37% in 2024 and thereafter around 35% until BE VIII starts to generate fees, up from the previous expectation of 30% to 35%.

“In March, the Bridgepoint group reported a strong set of financial results for 2023, a trend which has continued into the first half of 2024.”

Fundraising in line with, or above, targets for flagship funds

As mentioned, in the first half of the year, both Bridgepoint and ECP have closed flagship fundraises in line with, or above, target. At the end of March, BE VII closed at €7 billion of commitments at an average fee rate of 1.5%. Given the environment in which the fund was raised, this is an excellent outcome and a testament to the strength of the Bridgepoint equity platform. ECP's fifth flagship fund, ECP V, closed ahead of guidance at \$4.4 billion, with an additional \$2.3 billion of fee-paying co-investment capital.

Additionally, Bridgepoint Credit successfully closed its sixth CLO, bringing the cumulative AUM of the CLO strategy to €2.4 billion.

BDC V, Bridgepoint's lower mid cap private equity strategy, is now in the market and off to a very strong start, with over €1 billion of its €2 billion target raised within a few months. The high level of demand we're seeing is a direct result of the performance of the lower mid cap strategy's most mature fund, BDC III, which – across any metric – is one of the top-performing PE funds in Europe.

Looking ahead, Bridgepoint and ECP together expect to raise over €20 billion by the end of 2026. Five funds will be raising capital in H2 2024: BDC V, BDL IV, CLO 7, BCO V and BG II.

In addition to raising capital through existing channels, plans to launch the first private wealth offering are now advanced. This area is clearly a significant opportunity for Bridgepoint and the alternatives market more generally. A team is now in place focusing on the development of this proposition, with active fundraising in this channel anticipated from the first half of next year.

Chief Executive's statement *continued*

Strong capital deployment across investment strategies

Private equity

With the European middle market open for business, the private equity team has enjoyed a period of particularly strong performance. BE VII has made significant progress and has now deployed 49% of its fund capital across nine platform investments. Seven of these have been sourced outside of conventional auction processes, underlining the strength of Bridgepoint's origination capabilities. Recent fund transactions include LumApps, the next-generation intranet developer, and Alpha FMC, a FTSE-250 global specialist consultancy focused on the financial services sector. The transaction has been recommended by the Alpha FMC Board, and is subject to Alpha FMC shareholder approval.

BDC IV has also continued its strong deployment with four new investments over the first half of the year, the two most recent being MyDefence, a Danish specialist developer of counter-drone technology, and Forward Global, a leader in corporate risk management solutions, the latter of which is expected to close in H2 2024.

The fund is now 94% committed and the BDC team will look to complete the deployment of BDC IV primary capital in the next quarter before turning its attention to investing BDC V.

The outlook for portfolio exits is more positive than it has been since the start of 2022, with a notable exit agreed in relation to Dorna Sports in BE VI, which will return a total of c. €1 billion to investors upon receipt of the necessary regulatory approvals. Amid improving transaction volumes in the market, there is good near-term visibility on material further exits in H2 2024, with a number of potential transactions currently in exclusivity.

Private credit

It is encouraging to see a significant uptick in activity in Bridgepoint Credit. In the year to date, the Bridgepoint Direct Lending team has committed to invest in 15 deals, including ten new primary deals and five further commitments to existing investments, totalling almost €1 billion in deployment across all core geographies and target sectors. As a lender to predominantly mid-market, private equity-backed companies, this increased level of activity further demonstrates the recovery of deal volumes.

In Bridgepoint Credit Opportunities, the investment pace has held steady this year with the latest vintage, BCO IV, now 79% committed.

Infrastructure

ECP continues to trade strongly. With the transaction expected to close in Q3 2024, subject to a final regulatory clearance, we look forward to driving growth in the enlarged Group.

ECP's fifth flagship fund, ECP V, closed with total capital commitments at \$4.4 billion, exceeding the initial \$4.0 billion target. ECP also raised an additional \$2.3 billion of fee-paying co-investment capital to be deployed alongside the main fund, reflecting the strong and continued support for ECP's flagship equity strategy and growing demand for reliable, affordable and clean energy.

ECP V has already deployed \$2.2 billion of equity to date (or \$4.4 billion when including co-investment) across eight platform investments, the latest of which, Atlantica Sustainable Infrastructure plc, is a diversified renewable and power platform with assets located primarily across North America and Western Europe.

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Raoul Hughes
Chief Executive



Well-placed to benefit from long-term market trends

With a platform that continues to deliver through cycles, there is significant potential for growth given the strong tailwinds in the alternatives market. Private markets continue to perform well and remain attractive to institutional investors. Major pools of capital, including private wealth, have very limited exposure to private markets and significant funding needs will increasingly require private capital, such as ECP's core market of energy transition.

Bridgepoint is well-positioned to benefit from these market dynamics. The Group's strategy of increasing diversity, whether by investment strategy, geography or investor type, builds on its clearly differentiated position in the global middle market. The platform's strength makes Bridgepoint a go-to participant in credit, equity, and value-added infrastructure, with further M&A anticipated to enhance capabilities in the medium term.

Key appointments

Bridgepoint has continued to build its senior leadership team with two key appointments in the first half of the year.

Firstly, Tim Score has been appointed Chairman of the Board, succeeding William Jackson, effective 1 July. Tim knows the business well, having served as a Non-Executive Director since the IPO. Bridgepoint will continue to benefit from William's experience and leadership – particularly in the private equity business, which he will continue to chair.

Secondly, Ruth Prior will succeed Adam Jones as Chief Financial Officer. I'm delighted that Ruth is joining Bridgepoint and look forward to welcoming her formally on 1 September. As a highly experienced Chief Financial Officer in both the listed and private sectors, Ruth brings substantial experience to the role as Bridgepoint continues to build its market presence and capabilities.

I would like to take the opportunity to thank Adam, on behalf of the Board and colleagues across Bridgepoint, for his significant contributions to the business.

Dividend

I'm pleased to confirm that the Company will be maintaining its progressive dividend policy this year and will pay an interim dividend of 4.6p per share in October.

An exciting year ahead

Successful fundraising and a strong pipeline of both investments and exits position Bridgepoint to navigate the rest of the year with confidence.

With middle-market leadership a clear differentiator for Bridgepoint, the platform is well-positioned to capitalise on both market growth and the increasing trend towards industry consolidation.

Opportunities for inorganic growth and expansion into new asset classes continue to be actively explored, alongside the organic scaling and broadening of Bridgepoint's existing investment strategies.

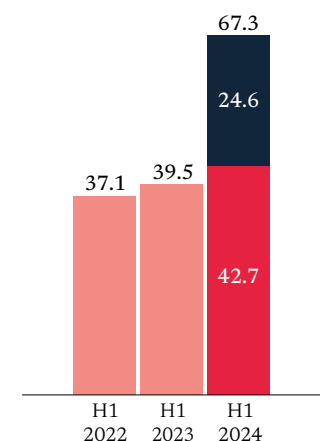
I would like to express my gratitude to all Bridgepoint colleagues who have helped to deliver another strong set of financial results. I think everyone across the company would agree that the future is very exciting.

Raoul Hughes
Chief Executive

KPIs: tracking our performance

Total AUM (€bn)

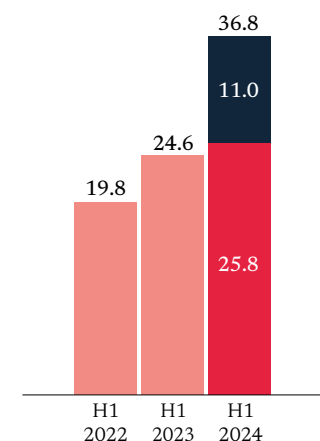
€42.7bn



■ Bridgepoint only
■ ECP pro forma

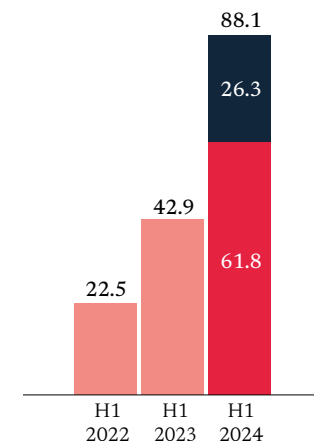
Fee Paying AUM (€bn)

€25.8bn



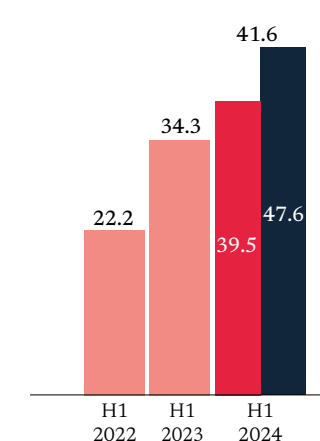
FRE (£m)

£61.8m



FRE margin (%)

39.5%



Description

The total value of assets held in the Group’s funds plus the value of capital which has been committed but not yet drawn

Definition

See page 44 for definition

Guidance

Expect to raise more than €20 billion by the end of 2026

Description

Assets under management upon which management fees are charged by the Group

Definition

See page 44 for definition

Guidance

BDC V likely to become fee paying by the end of 2024

Description

Fee Related Earnings (“FRE”) is a measure of underlying profitability, excluding PRE

Definition

See page 45 for definition

Description

FRE margin is a measure of underlying profitability, excluding PRE

Definition

See page 45 for definition

Guidance

Expect 2024 to be around 37% (vs. 30-35% previous guidance) and thereafter around 35% until BE VIII starts to generate fees

Outcome

Total AUM increased by 8.1% to €42.7 billion primarily due to additional commitments raised for BE VII and the impact of revaluations of fund investments.

Pro forma total AUM including ECP would be €67.3 billion.

Outcome

Fee Paying AUM increased by 4.9% to €25.8 billion primarily due to additional BE VII commitments, an increase in invested capital in our Credit strategies and the launch of CLO 6.

Pro forma Fee Paying AUM including ECP would be €36.8 billion.

Outcome

FRE increased by 44.1% to £61.8 million driven primarily by the catch-up fees from higher commitments raised for BE VII.

Pro forma FRE including ECP would be £88.1 million.

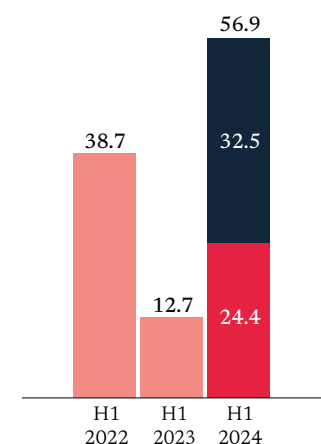
Outcome

FRE margin increased to 39.5% due to higher management fees and prudent cost control.

Pro forma FRE margin including ECP would be 41.6%.

PRE (£m)

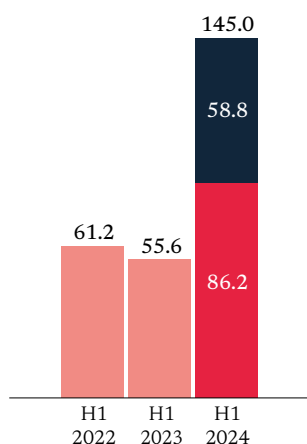
£24.4m



■ Bridgepoint only
■ ECP pro forma

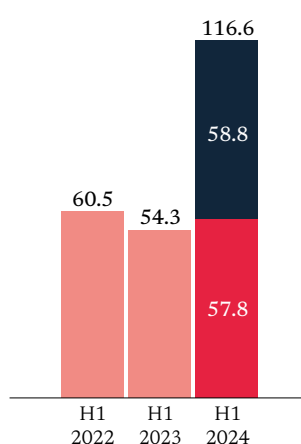
Underlying EBITDA (£m)

£86.2m



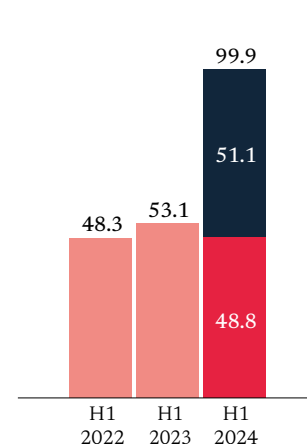
EBITDA (£m)

£57.8m



Profit before tax (£m)

£48.8m



Description

Performance Related Earnings (“PRE”) is a measure of income attributable to fund performance and consists of income from the fair value remeasurement of investments and carried interest

Definition

See page 44 for definition

Guidance

2024 and 2025 expected to be c.25% of total income (vs. 20-25% of total income)

Description

Underlying EBITDA excluding exceptional items, certain share scheme expenses and PRE adjustments from EBITDA

Definition

See page 45 for definition

Description

A measure of profitability prior to depreciation of property leases, amortisation of intangible assets, the cost of financing and taxation

Definition

See page 45 for definition

Description

A measure of profit after expenses, depreciation and amortisation and financing but before taxation

Definition

Profit for the year attributable to equity shareholders before taxation

Outcome

PRE increased by 92.1% to £24.4 million due to the continued growth in the value of Bridgepoint funds.

Pro forma PRE including ECP would be £56.9 million.

Outcome

Underlying EBITDA increased by 55.0% due to higher FRE and PRE.

Pro forma underlying EBITDA including ECP would be £145.0 million.

Outcome

EBITDA increased by 6.4% to £57.8 million.

Pro forma EBITDA including ECP would be £116.6 million.

Outcome

Profit before tax was £48.8 million.

Profit before tax including ECP would be £99.9 million.

CFO statement

The Group's financial results for the six months to 30 June 2024 are ahead of expectations, both on a standalone basis and on a pro forma basis inclusive of ECP, reflecting the completion of fundraising for BE VII and ECP V ahead of guidance and strong PRE delivery.

Bridgepoint standalone for six months

On a standalone basis excluding ECP, underlying management fees increased by £31.4 million to £156.0 million, an increase of 25.2%, including the impact of the successful conclusion of the BE VII fundraising at €7 billion.

The increased fees, which include the impact of £22.2 million of catch-up fees, slightly ahead of our guidance for FY 2024, contribute to the delivery of FRE of £61.8 million, an increase of 44.1%. The step up in fees delivers an FRE margin of 39.5%, or 29.5% excluding the impact of catch-up fees.

PRE of £24.4 million represents an increase of £11.7 million compared with the prior period reflecting improving economic conditions and price discovery on certain assets ahead of planned exit.

Underlying EBITDA was £86.2 million, an increase of £30.6 million or 55.0% compared to the six month period ended 30 June 2023, due to the higher FRE and PRE.

Excluding the impact of adjustments for exceptional and other adjusted items, EBITDA was £57.8 million and profit after tax was £43.1 million compared with £54.3 million and £48.2 million respectively in the comparative period.

Pro forma results including ECP for six months

On a pro forma basis, underlying management fees of £211.2 million would also include the impact of the conclusion of the ECP V fundraising, which closed ahead of guidance at \$4.4 billion (with catch-up fees of £8.2 million).

Pro forma FRE of £88.1 million includes the impact of a total of £30.4 million of catch-up fees. The step up in fees delivers a pro forma FRE margin of 41.6%, or 31.8% excluding the impact of the catch-up fees.

Pro forma PRE of £56.9 million includes £32.5 million in respect of ECP. Pro forma PRE for the second half of 2024 is expected to represent circa 30% of total income, ahead of our previous guidance.

Pro forma FRE and PRE contribute to underlying EBITDA of £145.0 million. ECP would have contributed a pro forma FRE margin of 47.6% and pro forma EBITDA margin of 67.0% for the six month period, demonstrating its accretive benefits to shareholders.

AUM

At 30 June 2024, the Group's AUM of €67.3 billion and Fee Paying AUM of €36.8 billion represented an increase of €40.7 billion or 153.0% and €20.7 billion or 128.6% respectively since our IPO. This reflects organic growth in our private equity and credit strategies. This includes the recent close of BE VII and includes €24.6 billion and \$11.0 billion relating to ECP respectively.

Balance sheet and financing

At 30 June 2024, the Group had cash of £123.9 million (excluding cash belonging to consolidated CLOs). Following the closing of the ECP transaction, the Group plans to issue the \$430 million of US private placement notes priced in March, which will be partly used to repay a portion of the existing \$225 million of ECP notes which are included in the acquisition perimeter. On a pro forma basis, the Group expects following the close of the transaction to have in the region of \$575 million of drawn borrowings and a £250 million undrawn revolving credit facility. This financing package provides the Group with further resources to continue its strategic growth plans.

On the balance sheet, the Group holds investments in funds of £498.4 million, including the Group's exposure to CLO notes, and carried interest at a discounted value of £70.7 million.

The embedded potential value of future PRE from Bridgepoint and ECP funds is very significant with over £1 billion expected from funds which are either fully invested or currently investing, driven by the increased allocation of the share of carried interest to the Group, and greater co-investment in new funds, which provides the opportunity for significant potential future profitability and conversion to cash in the medium-term.

Overall

Taking all of the above together, the completion of fundraising of BE VII and ECP V, the expected close of the ECP transaction in the second half of the year, improving economic conditions and the financial health of the Group means it is well placed to deliver full year results ahead of guidance and continue the growth trajectory achieved since the IPO.



Adam Jones
Group Chief Financial Officer

→
Adam Jones
 Group Chief Financial Officer



Guidance (including ECP)

- Fundraising:
 - BE VII closed at €7 billion at an average fee rate of 1.5% (vs. 1.4% previous guidance)
 - ECP V closed at US\$4.4 billion (vs. US\$4.0 billion target fund size)
 - BDC V likely to become fee paying by the end of 2024 (vs. Q1 2025 previously)
 - ECP VI expected to become fee paying in Q3 2025
 - Expect to raise more than €20 billion by the end of 2026
- FRE margin:
 - 2024 to be around 37% (vs. 30-35% previous guidance) and thereafter around 35% until BE VIII starts to generate fees
- PRE:
 - 2024 and 2025 expected to be c. 25% total income (vs. 20-25% of total income)
- Tax: Blended Group underlying tax rate expected to be around 15% following ECP transaction

Fundraising

BE VII held its final close in March, with €7 billion of commitments, which was in line with previous guidance. The fund was raised at an average fee of 1.5%, which was above previous guidance of 1.4%. With the additional commitments, private equity AUM grew to €30.2 billion at 30 June 2024.

Fundraising for BDC V is well underway, and it may become fee paying in Q4 2024, which is earlier than previous guidance of Q1 2025.

Credit Total AUM at 30 June 2024 was €12.5 billion, an increase of €0.1 billion since December 2023, representing the deployment of capital in the BDL III and BCO IV strategies and the launch of CLO 6 in March offset by cancellation of commitments in mature funds. Fundraising for BDL IV has started and is expected to commence capital deployment later this year.

The final close of ECP V was held at the end of April, with \$4.4 billion of commitments, above its target of \$4.0 billion. ECP Total AUM at 30 June 2024 was €24.6 billion.

Overall, we expect to raise more than €20 billion across the Group, including ECP, by the end of 2026.

Throughout the course of this section reference is made to adjusted measures which the Group considers to be APMs or KPIs. These are not defined or recognised under IFRS but are used by the Directors and management to analyse the business and financial performance, track the Group's progress and help develop long-term strategic plans. Pages 44 to 48 set out definitions of each of the APMs used within the CFO statement and how they can be reconciled back to the condensed consolidated financial statements.

CFO statement *continued*

Summary

Financial summary

	Pro forma* six months ended 30 June 2024 (ECP: 6 months)	Six months ended 30 June 2024 (ECP: not included)	Six months ended 30 June 2023 (ECP: not included)	Change pro forma H1 24 vs. H1 23 (%)	Change H1 24 vs. H1 23 (%)
Total AUM (€bn)	67.3	42.7	39.5	70.4%	8.1%
Fee Paying AUM (€bn)	36.8	25.8	24.6	49.6%	4.9%
Management fee margin on Fee Paying AUM (%)	1.11%	1.16%	1.16%	(0.1)ppt	–
Underlying management fees (£m)	211.2	156.0	124.6	69.5%	25.2%
Underlying total operating income (£m)	268.7	181.0	137.8	95.0%	31.3%
Total expenses (excluding exceptional expenses and adjusted items) (£m)	(123.7)	(94.8)	(82.2)	50.5%	15.3%
Underlying EBITDA (£m)	145.0	86.2	55.6	160.8%	55.0%
Underlying EBITDA margin (%)	54.0%	47.6%	40.3%	13.6ppt	7.3ppt
FRE (£m)	88.1	61.8	42.9	105.4%	44.1%
FRE margin (%)	41.6%	39.5%	34.3%	7.3ppt	5.2ppt
FRE margin (excluding catch-up fees) (%)	31.8%	29.5%	32.9%	(1.1)ppt	(3.4)ppt
PRE (£m)	56.9	24.4	12.7	348.0%	92.1%
Underlying profit before tax (£m)	129.8	78.7	50.0	159.6%	57.4%
Profit before tax (£m)	99.9	48.8	53.1	88.1%	(8.1)%
Profit after tax (£m)	84.0	43.1	48.2	74.3%	(10.6)%
Basic and diluted EPS (pence)	8.1	5.4	5.9	37.3%	(8.5)%
Basic and diluted underlying EPS (pence)**	11.0	9.2	5.6	96.4%	64.3%

* The pro-forma results assume that the acquisition of ECP completed on 1 January 2024.

** Pro-forma underlying EPS is only presented on diluted basis.

The financial summary above and throughout the remainder of this section of the interim report includes two comparisons:

- The underlying results for the six months ended 30 June 2024 without ECP have been compared against the underlying results for the first 6 months in 2023 to show the progression of performance without the addition of ECP; and
- The six months ended 30 June 2024 on a pro forma basis, including six months financial performance of ECP as if the acquisition had occurred on 1 January 2024. This is compared against underlying results for the six months ended 30 June 2023 excluding ECP thereby providing a clearer indication of the impact of ECP performance on the Group.

Total AUM development during the period

€ billion	Private equity	Credit	Total private equity and credit (excluding ECP)	Infrastructure (Pro forma ECP)	Total pro forma (including ECP)
30 June 2023	27.5	12.0	39.5	18.6	58.1
31 December 2023	28.1	12.4	40.5	21.1	61.6
Fundraising	2.1	0.5	2.6	0.5	3.1
Divestments	(0.6)	(0.5)	(1.1)	–	(1.1)
Revaluations	0.6	0.1	0.7	2.4	3.1
Foreign exchange movements	–	–	–	0.6	0.6
30 June 2024	30.2	12.5	42.7	24.6	67.3

Total AUM at 30 June 2024 was €42.7 billion compared to €40.5 billion at the end of 2023. The increase is primarily due to additional commitments raised for BE VII (private equity) and the impact of valuation growth of fund investments.

Total AUM including ECP was €67.3 billion at 30 June 2024.

Fee Paying AUM development during the period

€ billion	Private equity	Credit	Total private equity and credit (excluding ECP)	Infrastructure (Pro forma ECP)	Total pro forma (including ECP)
30 June 2023	16.9	7.7	24.6	10.6	35.2
31 December 2023	17.8	8.2	26.0	10.7	36.7
Fundraising: fees on committed capital	0.8	–	0.8	0.4	1.2
Deployment of funds: fees on invested capital	0.1	1.2	1.3	0.3	1.6
Realisations	(1.3)	(1.0)	(2.3)	(0.1)	(2.4)
Step down	–	–	–	(0.6)	(0.6)
Foreign exchange movements	–	–	–	0.3	0.3
30 June 2024	17.4	8.4	25.8	11.0	36.8

Fee Paying AUM at 30 June 2024 was €25.8 billion compared to €26.0 billion at the end of 2023. The change in the first six months of 2024 primarily due to additional BE VII (private equity) commitments, an increase in invested capital in our credit strategies and the launch of CLO 6, which became fee paying during the period, offset by the realisations during the period.

Fee Paying AUM including ECP was €36.8 billion at 30 June 2024.

Abbreviated income statement

£ million	Pro forma six months ended 30 June 2024 (ECP: 6 months)	Six months ended 30 June 2024 (ECP: not included)	Six months ended 30 June 2023 (ECP: not included)	Change pro forma H1 24 vs. H1 23 (%)	Change H1 24 vs. H1 23 (%)
Underlying management fees	211.2	156.0	124.6	69.5%	25.2%
PRE	56.9	24.4	12.7	348.0%	92.1%
Underlying total operating income	268.7	181.0	137.8	95.0%	31.3%
Total expenses	(130.5)	(101.6)	(83.5)	56.3%	21.7%
Total expenses (excluding exceptional expenses and adjusted items)	(123.7)	(94.8)	(82.2)	50.5%	15.3%
EBITDA	116.6	57.8	54.3	114.7%	6.4%
Underlying EBITDA	145.0	86.2	55.6	160.8%	55.0%
FRE	88.1	61.8	42.9	105.4%	44.1%
Depreciation and amortisation	(10.7)	(8.8)	(8.6)	24.4%	2.3%
Net finance and other (expenses)/income	(6.0)	(0.2)	7.4	(181.1)%	(102.7)%
Underlying profit before tax	129.8	78.7	50.0	159.6%	57.4%
Profit before tax	99.9	48.8	53.1	88.1%	(8.1)%
Tax	(15.9)	(5.7)	(4.9)	224.5%	16.3%
Profit after tax	84.0	43.1	48.2	74.3%	(10.6)%

CFO statement *continued*

The Group's consolidated income statement has two key components:

- Income generated from management and other fees, deriving from long-term fund management contracts, which taken with costs (excluding exceptional expenses, bonuses linked to investment returns and the costs associated with certain employee share schemes) form FRE.
- The second component is the variable income from investments in funds and carried interest, or PRE. PRE together with FRE forms the EBITDA of the business.

The pro forma results for the six months ended 30 June 2024 include ECP as if the acquisition had completed on 1 January 2024 to provide a clearer indication of the performance impact of ECP on the Group. A reconciliation between the pro forma results and the results under IFRS is provided below.

Exceptional items are items of income or expense that are material by size and/or nature and are not considered to be incurred in the normal course of business. Exceptional items that are classified as “exceptional” within the Group Consolidated Statement of Profit or Loss are disclosed separately to give a clearer presentation of the Group's results. In the six months ended 30 June 2024, exceptional expenses within EBITDA predominantly related to ECP transaction costs. In the six months ended 30 June 2023, exceptional expenses included costs related to the acquisition of the EQT Credit business and other potential acquisitions. Further explanation of these items is included within note 4 of the financial statements (see page 28).

Underlying profit before tax excludes exceptional items and other adjusting items. Other adjusted items include:

- Reinstatement of management fees relating to CLOs which are consolidated by the Group, which are otherwise eliminated on consolidation and form part of PRE.
- Adjustments to PRE to exclude: (i) the impact of negative returns in the early years of a fund due to management fee expenses based on the full committed capital of the fund exceeding capital growth from deployed invested capital (typically known as the ‘J-curve’ and which is considered temporary); and (ii) PRE attributable to a third-party investor that invests in a structured vehicle that is consolidated under IFRS by the Group, as its inclusion could distort the view of the amount of PRE attributable to shareholders. A related finance cost payable to the third-party investor is also excluded from finance expenses and underlying profit before tax.
- Exclusion of costs relating to certain employee share schemes that were granted following the IPO and are not considered to be an alternative to cash-based compensation.
- Exclusion of the amortisation of intangible assets arising from the acquisition of EQT Credit.

Further explanation of these items and a full reconciliation of Alternative Performance Measures (“APMs”) is included on pages 44 to 48.

Reconciliation of pro forma underlying income statement to condensed consolidated statement of profit or loss

£ million	Pro forma six months ended 30 June 2024 (ECP: 6 months)	ECP six months ending 30 June 2024	Underlying six months ended 30 June 2024 (ECP: not included)	Exceptionals and adjusted items	IFRS six months ended 30 June 2024 (ECP: not included)
Management and other fees	211.2	55.2	156.0	3.0	153.0
PRE	56.9	32.5	24.4	18.6	5.8
Other operating income	0.6	–	0.6	–	0.6
Total operating income	268.7	87.7	181.0	21.6	159.4
Personnel expenses	(92.2)	(23.1)	(69.1)	5.0	(74.1)
Other operating expenses	(31.5)	(5.8)	(25.7)	1.8	(27.5)
Total expenses	(123.7)	(28.9)	(94.8)	6.8	(101.6)
EBITDA	145.0	58.8	86.2	28.4	57.8
EBITDA margin (%)	54.0%	67.0%	47.6%	n/a	36.3%
FRE	88.1	26.3	61.8	9.8	52.0
FRE margin (%)	41.6%	47.6%	39.5%	n/a	33.9%
Depreciation and amortisation	(9.2)	(1.9)	(7.3)	1.5	(8.8)
Net finance and other (expenses)/income	(6.0)	(5.8)	(0.2)	–	(0.2)
Profit before tax	129.8	51.1	78.7	29.9	48.8
Tax	(15.9)	(10.2)	(5.7)	–	(5.7)
Profit after tax	113.9	40.9	73.0	29.9	43.1

Underlying total operating income

£ million	Pro forma six months ended 30 June 2024 (ECP: 6 months)	Six months ended 30 June 2024 (ECP: not included)	Six months ended 30 June 2023 (ECP: not included)	Change pro forma H1 24 vs. H1 23 (%)	Change H1 24 vs. H1 23 (%)
Underlying management fees	211.2	156.0	124.6	69.5%	25.2%
PRE	56.9	24.4	12.7	348.0%	92.1%
Other operating income	0.6	0.6	0.5	20.0%	20.0%
Underlying total operating income	268.7	181.0	137.8	95.0%	31.3%

Underlying total operating income increased by £43.2 million to £181.0 million, primarily due to higher management fees which increased by £31.4 million to £156.0 million, an increase of 25.2%.

Pro forma underlying total operating income, including ECP, would have been £268.7 million for the six months ended 30 June 2024 due to higher management fees and increased PRE. Pro forma underlying management fees of £211.2 million are attributable to the reporting segments set out below.

£ million	Pro forma six months ended 30 June 2024 (ECP: 6 months)	Six months ended 30 June 2024 (ECP: not included)	Six months ended 30 June 2023 (ECP: not included)	Change pro forma H1 24 vs. H1 23 (%)	Change H1 24 vs. H1 23 (%)
Private equity	124.5	124.5	95.8	30.0%	30.0%
Infrastructure	55.2	–	–	n/a	n/a
Credit	29.9	29.9	27.0	10.7%	10.7%
Central	1.6	1.6	1.8	(11.1)%	(11.1)%
Underlying management fees	211.2	156.0	124.6	69.5%	25.2%

Underlying management fees, excluding the pro forma impact of ECP, increased by £31.4 million to £156.0 million, reflecting the final commitments to BE VII and the growth of fee paying AUM in our credit business. These increases are partially offset by declining fees on older funds which are in their divestment phase, where fees are based upon the remaining invested capital and reduce when investments are realised.

Pro forma underlying management fees of £211.2 million include ECP and the uplift for final commitments in BE VII and related catch-up fees. In total, £30.4 million of catch-up fees relate to BE VII (£22.2 million) and ECP V (£8.2 million) (30 June 2023: BE VII, £2.6 million) are included within the numbers presented above.

PRE of £24.4 million, which relates to income from the Group's co-investment in funds and share of carried interest excluding ECP, represents an increase of 92.1%, which is driven by the performance of the BDC III portfolio in particular, from improving economic conditions and price discovery on certain assets ahead of planned exits.

ECP would have contributed £32.5 million of PRE to a combined pro forma PRE of £56.9 million, which represents valuation progression in the ECP IV and Calpine continuation fund vehicles.

Operating expenses

£ million	Pro forma six months ended 30 June 2024 (ECP: 6 months)	Six months ended 30 June 2024 (ECP: not included)	Six months ended 30 June 2023 (ECP: not included)	Change pro forma H1 24 vs. H1 23 (%)	Change H1 24 vs. H1 23 (%)
Personnel expenses (excluding exceptional expenses and adjusted items)	(92.2)	(69.1)	(61.0)	51.1%	13.3%
Other operating expenses (excluding exceptional expenses)	(31.5)	(25.7)	(21.2)	48.6%	21.2%
Total expenses (excluding exceptional expenses and adjusted items)	(123.7)	(94.8)	(82.2)	50.5%	15.3%
Certain share scheme expenses	(3.8)	(3.8)	–	n/a	n/a
Exceptional expenses, consisting of					
Personnel expense	(1.2)	(1.2)	(0.3)	300.0%	300.0%
Other operating expenses	(1.8)	(1.8)	(1.0)	80.0%	80.0%
Total expenses	(130.5)	(101.6)	(83.5)	56.3%	21.7%

CFO statement *continued*

Personnel expenses (excluding exceptional expenses and adjusted items) of £69.1 million excluding the pro forma impact of ECP increased by 13.3%, which reflected the impact of higher FTEs and also an increased bonus expense to take into account the expectation of an increased number of portfolio exits during the year. Personnel expenses (excluding exceptional expenses and adjusted items) as a percentage of underlying total operating income was 38.2% for the six months ended 30 June 2024, compared to 44.3% for the six months ended 30 June 2023. The improvement in the ratio in 2024 was primarily due to an increase in underlying total operating income.

Pro forma personnel expenses (excluding exceptional expenses and adjusted items) of £92.2 million include the impact of ECP (£23.1 million).

In the six months ended 30 June 2024, total personnel costs included £3.8 million of share-based payments (2023: nil) that are excluded from underlying metrics for the reasons explained on page 45.

Other operating expenses (excluding exceptional expenses) of £25.7 million, excluding the pro forma impact of ECP, increased by £4.5 million, primarily reflecting costs associated with the completion of fundraising for BE VII. Other operating expenses (excluding exceptional expenses) as a percentage of underlying total operating income was 14.2% for the six months ended 30 June 2024, compared to 15.4% for the prior comparative period.

Pro forma other operating expenses (excluding exceptional expenses) of £31.5 million include the impact of ECP (£5.8 million).

In the six months ended 30 June 2024, exceptional expenses within EBITDA predominantly relate to transaction costs incurred in connection with the acquisition of ECP and other potential acquisitions. In the six months ended 30 June 2023, exceptional expenses included costs related to the acquisition of the EQT Credit business and other potential acquisitions.

Depreciation and amortisation expense

£ million	Pro forma six months ended 30 June 2024 (ECP: 6 months)	Six months ended 30 June 2024 (ECP: not included)	Six months ended 30 June 2023 (ECP: not included)	Change pro forma H1 24 vs. H1 23 (%)	Change H1 24 vs. H1 23 (%)
Depreciation	(8.7)	(6.8)	(7.1)	22.5%	(4.2)%
Amortisation of other intangibles	(0.5)	(0.5)	–	n/a	n/a
Total depreciation and amortisation expense (excluding amortisation of intangibles relating to acquisitions)	(9.2)	(7.3)	(7.1)	29.6%	2.8%
Amortisation of intangibles relating to the acquisitions	(1.5)	(1.5)	(1.5)	–	–
Total depreciation and amortisation expense	(10.7)	(8.8)	(8.6)	24.4%	2.3%

Excluding the impact of ECP and amortisation of intangibles relating to acquisitions, the depreciation and amortisation expense increased only marginally, from £7.1 million to £7.3 million. The pro forma impact of ECP would be to increase the expense by £1.9 million to £9.2 million.

The amortisation of intangibles includes the amortisation of fund customer relationships capitalised following the acquisition of the EQT Credit business. Amortisation relating to acquisition related acquired intangible assets has been excluded from the underlying profitability measures in order to enable a clearer analysis of the business's performance. An amortisation expense for intangibles capitalised in relation to the ECP transaction will also be recognised from the point of completion.

Finance and other income or expenses

£ million	Pro forma six months ended 30 June 2024 (ECP: 6 months)	Six months ended 30 June 2024 (ECP: not included)	Six months ended 30 June 2023 (ECP: not included)	Change pro forma H1 24 vs. H1 23 (%)	Change H1 24 vs. H1 23 (%)
Net finance and other (expense)/income, excluding exceptional and excluded items	(6.0)	(0.2)	1.5	(500.0)%	(113.3)%
Exceptional other income	–	–	5.9	(100.0)%	(100.0)%
Net finance and other (expense)/income, including exceptional and excluded items	(6.0)	(0.2)	7.4	(181.1)%	(102.7)%

Finance and other income or expenses include interest income from cash deposits and interest cost on borrowings, lease liabilities and finance expense or income on amounts payable to or receivable from related party investors, along with non-operating foreign exchange gains and losses.

Net finance and other expenses, excluding exceptional and excluded items and the pro forma impact of ECP are an expense of £0.2 million, reflecting increased financing costs.

Pro forma net finance and other expenses of £6.0 million, excluding exceptional and excluded items, include the cost of borrowings incurred by ECP on the \$225 million of US private placement notes that will transfer as part of the acquisition.

Net finance and other expenses will increase for the costs of the incremental US private placement financing undertaken by the Group, which will be issued following the completion of the ECP transaction, and interest income no longer earned on cash balances.

If the ECP transaction had completed on 1 January 2024 and the Group's new US private placement financing was in place from the same date, the Group would have had \$575 million of pro forma debt. Net finance costs for the first six months of 2024, which also includes costs associated with office leases, would have been approximately £16.0 million, which would assume approximately £2.8 million of interest earned on deposits would not have been earned.

The exceptional other income in the six month period to 30 June 2023 of £5.9 million relates to the re-measurement of the deferred contingent consideration payable to EQT AB in relation to the acquisition of EQT Credit. The deferred consideration was settled in 2023 for a final amount of £9.4 million.

Profit before tax

£ million	Pro forma six months ended 30 June 2024 (ECP: 6 months)	Six months ended 30 June 2024 (ECP: not included)	Six months ended 30 June 2023 (ECP: not included)	Change pro forma H1 24 vs. H1 23 (%)	Change H1 24 vs. H1 23 (%)
Underlying profit before tax	129.8	78.7	50.0	159.6%	57.4%
Exceptional expenses	(3.0)	(3.0)	(1.3)	130.8%	130.8%
Exceptional net finance and other income	–	–	5.9	(100.0)%	(100.0)%
PRE adjustments	(21.6)	(21.6)	–	n/a	n/a
Certain share scheme expenses	(3.8)	(3.8)	–	n/a	n/a
Amortisation of acquisition related intangible assets	(1.5)	(1.5)	(1.5)	–	–
Profit before tax	99.9	48.8	53.1	88.1%	(8.1)%
Underlying profit before tax margin	48.3%	43.5%	36.3%	12.0ppt	7.2ppt

Underlying profit before tax, excluding the pro forma impact of ECP, was £78.7 million in the six months period to 30 June 2024, an increase of 57.4% reflecting the increase in EBITDA. The margin was 43.5% for the same period.

Pro forma underlying profit before tax of £129.8 million includes the impact of ECP (£51.1 million), and had a margin of 48.3%.

Profit before tax, excluding the pro forma impact of ECP, decreased to £48.8 million from £53.1 million in the six month period ended 2024 compared to the same period in 2023.

£ million	Six months ended 30 June 2024 (ECP: not included)	Six months ended 30 June 2023 (ECP: not included)	Change H1 24 vs. H1 23 (%)
Tax	(5.7)	(4.9)	16.3%

The tax charge, which excludes the pro forma impact of ECP, increased from £4.9 million for the six months ended 30 June 2023 to £5.7 million for the six months ended 30 June 2024.

The effective tax rate of 11.7% for the Group compares to 9.2% for the six months ended 30 June 2023. This is due to an increase in deferred tax liabilities on management fee income.

As previously guided, the effective tax rate on underlying profits following the ECP transaction is expected to be around 15%, although there will be some volatility year-to-year depending on the nature and timing of the taxable income.

CFO statement *continued*

Profit after tax

£ million	Six months ended 30 June 2024 (ECP: not included)	Six months ended 30 June 2023 (ECP: not included)	Change H1 24 vs. H1 23 (%)
Profit after tax	43.1	48.2	(10.6)%

Profit after tax decreased by 10.6% from £48.2 million in the first six months of 2023 to £43.1 million in 2024, reflecting a lower profit before tax and the higher tax charge for the period.

Earnings per share and dividend per share

£ pence	Pro forma six months ended 30 June 2024 * (ECP: 6 months)	Six months ended 30 June 2024 (ECP: not included)	Six months ended 30 June 2023 (ECP: not included)	Change pro forma H1 24 vs. H1 23 (%)	Change H1 24 vs. H1 23 (%)
Basic and diluted earnings per share	8.1	5.4	5.9	37.3%	(8.5)%
Basic and diluted underlying earnings per share	11.0	9.2	5.6	96.4%	64.3%
Interim dividend per share	4.6	4.6	4.4	4.5%	4.5%

* Pro-forma underlying EPS is only presented on diluted basis.

Basic and diluted underlying earnings per share, excluding the pro forma impact of ECP, grew by 3.6 pence per share, reflecting the increased profitability of the Bridgepoint business. Basic and diluted pro forma underlying earnings per share, which includes the dilutive impact of shares that will be issued to the ECP vendors and employees, would have been 11.0 pence per share, an increase of 5.4 pence, reflecting the accretive impact of the ECP transaction.

For the year ended 31 December 2023, the Directors proposed a final dividend of 4.4 pence per share. The cost of the dividend was £35.0 million. The Directors have announced an interim dividend of 4.6 pence per share in respect of the first half of 2024, to be paid in October 2024. This will have an estimated cost of £36.5 million based on the number of shares in issue at 30 June 2024, but the actual cost will depend upon the number of shares in issue when the dividend is paid.

Consolidated balance sheet

Summarised consolidated statement of financial position (IFRS basis) £ million	As at 30 June 2024	As at 31 December 2023	Change (%)
Assets			
Non-current assets	685.6	582.2	17.8%
Current assets	2,100.1	1,795.5	17.0%
Total Assets	2,785.7	2,377.7	17.2%
Liabilities			
Non-current liabilities	1,640.9	1,318.8	24.4%
Current liabilities	421.8	337.7	24.9%
Total Liabilities	2,062.7	1,656.5	24.5%
Net Assets	723.0	721.2	0.2%
Equity			
Share capital and premium	289.9	289.9	0.0%
Other reserves	12.6	12.6	0.0%
Retained earnings	420.5	418.7	0.4%
Total Equity	723.0	721.2	0.2%

Net assets principally comprise cash, fair value of investments and carried interest receivable from private equity and credit funds, as well as goodwill arising from the acquisition of the EQT Credit business.

Non-current assets increased by 17.8% from £582.2 million at 31 December 2023 to £685.6 million at 30 June 2024 and current assets increased by 17.0% from £1,795.5 million at 31 December 2023 to £2,100.1 million at 30 June 2024, primarily due to the build-up of the CLO 6 portfolio following its launch and the warehousing of assets for CLO 7. The balance sheet includes the full consolidation of the assets and liabilities of CLOs 1, 3, 4, 5, 6 and 7, which are required to be presented gross on the balance sheet under IFRS.

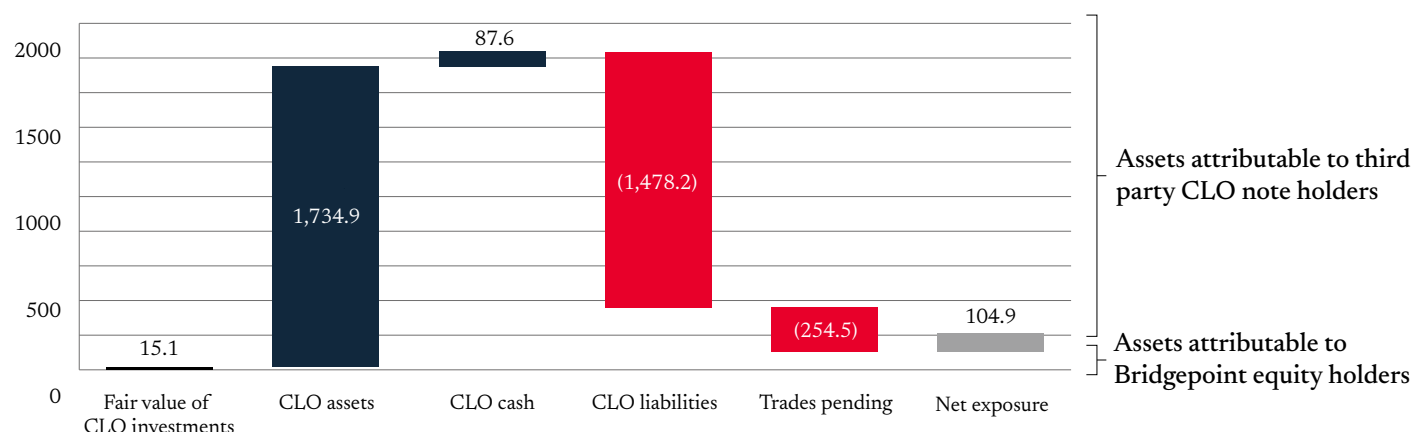
At 30 June 2024, the Group had cash of £123.9 million (excluding cash belonging to the consolidated CLOs).

Total liabilities increased by 24.5% from £1,656.5 million at 31 December 2023 to £2,062.7 million at 30 June 2024. Non-current liabilities increased from £1,318.8 million at 31 December 2023 to £1,640.9 million at 30 June 2024, primarily due to an increased level of liabilities owed by consolidated CLOs. Current liabilities increased by 24.9% from £337.7 million at 31 December 2023 to £421.8 million at 30 June 2024 almost wholly due to the consolidation of additional CLOs.

The change in total equity reflects the profit for the six month period ended 30 June 2024, offset by dividends paid and the cost of the share buyback programme. Total equity was £723.0 million at 30 June 2024, up from £721.2 million at 31 December 2023.

The consolidation of certain CLOs could distort how a reader of the financial statements interprets the balance sheet of the Group. The Group's maximum exposure to loss associated with its interest in the CLOs is limited to its investment in the relevant CLOs which at 30 June 2024 was £104.9 million (31 December 2023: £96.3 million).

The graph below shows a reconciliation of the CLO related assets and liabilities within the consolidated balance sheet to the Group's exposure.



In addition, a summarised condensed consolidated balance sheet excluding third-party CLO assets and liabilities is included below.

Summarised condensed consolidated statement of financial position (excluding third party CLO assets and liabilities)* £ million	As at 30 June 2024	As at 31 December 2023	Change (%)
Assets			
Non-current assets	775.4	663.3	16.9%
Current assets	277.6	370.7	(25.1)%
Total Assets (excluding third-party CLO assets)	1,053.0	1,034.0	1.8%
Liabilities			
Non-current liabilities	178.3	166.8	6.9%
Current liabilities	151.7	146.0	3.9%
Total Liabilities (excluding third-party CLO liabilities)	330.0	312.8	5.5%
Net Assets (excluding third-party CLO assets and liabilities)	723.0	721.2	0.2%

* A full condensed consolidated cash flow statement excluding third-party CLO assets and liabilities is included on page 43.

CFO statement *continued*

Total financial debt and net cash position

£ million	As at 30 June 2024	As at 31 December 2023	Change (%)
Bank borrowings	–	–	n/a
Cash and cash equivalents (excluding CLO cash)	123.9	238.8	(48.1)%
Net cash (excluding consolidated CLO cash)	123.9	238.8	(48.1)%

At 30 June 2024, the Group had cash of £123.9 million (excluding cash belonging to consolidated CLOs).

Following the completion of the ECP transaction, the Group plans to issue the \$430 million of US private placement notes priced in March, which will be partly used to repay a portion of the existing \$225 million of ECP notes which are included in the acquisition perimeter.

The new notes will be structured in four tranches with maturities of 3, 5, 7 and 10 years and an average coupon of 6.17 per cent.

On a pro forma basis following the ECP transaction, the Group expects to have in the region of \$575 million of drawn borrowings and a £250 million undrawn revolving credit facility once the ECP transaction has completed.

Consolidated cash flows

Summarised consolidated cash flow statement (IFRS basis) £ million	Six months ended 30 June 2024	(Restated) Six months ended 30 June 2023	Change (%)
Net cash flows from operating activities	8.5	22.1	(61.5)%
Net cash flows from investing activities	(319.2)	(65.5)	387.3%
Net cash flows from financing activities	208.0	113.5	83.3%
Net (decrease)/increase in cash and cash equivalents	(102.7)	70.1	(246.5)%
Total cash and cash equivalents at beginning of the period	314.8	220.6	42.7%
Effect of exchange rate changes	(0.6)	(1.6)	(62.5)%
Total cash and cash equivalents at the end of the period	211.5	289.1	(26.8)%
of which: cash and cash equivalents at the end of the period (for use within the Group)	123.9	258.4	(52.1)%
of which: CLO cash (restricted for use within relevant CLO)	87.6	30.7	185.3%
Total cash and cash equivalents at the end of the period	211.5	289.1	(26.8)%

Net cash inflow from operating activities for the six months ended 30 June 2024 was £8.5 million. Net cash flows from operating activities are lower than FRE for the first six months of 2024 in line with the normal working capital cycle of business, with annual bonuses paid in the first half of the year that are accrued throughout the full year. This is expected to unwind during the second half of the year.

Net cash flow from investing activities include proceeds from carried interest and investment income, which is driven by the timing of investments, and receipts of divestments, by the underlying Bridgepoint funds. Net cash flow from investing activities for the six months ended 30 June 2024 was a £319.2 million outflow; this includes investments of £245.9 million relating to the impact of the launch of CLO 6 and the warehousing of CLO 7, which are both consolidated.

Net cash flow from financing activities includes cash drawn from and repaid to consolidated CLO investors, dividend payments to shareholders and other transactions with shareholders. For the six months ended 30 June 2024 net cash flow from financing activities totalled £208.0 million, which primarily related to the net inflow of CLO cash from investors in CLO 6 and 7 (which are consolidated) of £253.5 million, offset by dividends paid to shareholders of £35.0 million and payments to acquire shares as part of the share buyback programme which totalled £7.2 million for the six months ended 30 June 2024.

In addition to £123.9 million of its own cash at 30 June 2024, the Group had £87.6 million recorded on the balance sheet as consolidated CLO cash which was held by the consolidated CLO vehicles, legally ringfenced and not available for use by the Group.

The consolidated cash flow statement includes the gross cash inflows and outflows for the period in respect of the consolidated CLOs, and cash held at 30 June 2024 for those CLOs which is required to be consolidated. This could distort how a reader of the financial statements interprets the cash flows of the Group, therefore a cash flow statement without the consolidated CLO vehicles is presented below.

Summarised consolidated cash flow statement (excluding cash flows relating to consolidated CLOs) £ million	Six months ended 30 June 2024	(Restated) Six months ended 30 June 2023	Change (%)
Net cash flows from operating activities (excluding consolidated CLOs)	5.5	22.1	(75.1)%
Net cash flows from investing activities (excluding consolidated CLOs)	(76.0)	107.7	(170.6)%
Net cash flows from financing activities (excluding consolidated CLOs)	(45.5)	(66.8)	(31.9)%
Net (decrease)/increase in cash and cash equivalents (excluding consolidated CLOs)	(116.0)	63.0	(284.1)%
Cash and cash equivalents at beginning of the period (excluding consolidated CLOs)	238.8	196.0	21.8%
Effect of exchange rate changes on cash and cash equivalents (excluding consolidated CLOs)	1.1	(0.6)	(283.3)%
Net cash at the end of the period (excluding consolidated CLOs)	123.9	258.4	(52.1)%

A full condensed consolidated cash flow statement excluding third-party CLO assets and liabilities is included on page 43.

Required disclosures

Principal risks

The Group believes that risk management is a fundamental part of robust corporate governance and our ongoing success.

Details of the Group's approach to risk management and its key risks are set out within pages 68 to 73 of the 2023 Annual Report, which is available in the shareholder section of the Bridgepoint Group plc website: [bridgepoint.eu](https://www.bridgepoint.eu)

The key risk areas within the 2023 Annual Report were fundraising challenges, law and regulation, changes in macroeconomic environment, fund underperformance, decreased pace or size of investments made by Bridgepoint funds, personnel and key people, information technology and cyber security, and third-party service providers. The directors do not consider there to have been any material changes to the key risks since the 2023 Annual Report was published.

The key risks and uncertainties to which the Group will be exposed in the second half of 2024 are expected to be substantially the same as those described in the 2023 Annual Report.

Directors

The directors of Bridgepoint Group plc at 19 July 2024 are:

- Adam Jones
- Angeles Garcia-Poveda
- Archie Norman
- Carolyn McCall
- Cyrus Taraporevala
- Raoul Hughes
- Tim Score

Statement of directors' responsibilities

The directors confirm that, to the best of their knowledge, the interim condensed consolidated financial statements have been prepared in accordance with UK-adopted International Accounting Standard 34 "Interim Financial Reporting" and that the interim report herein includes a fair review of the information required by Financial Conduct Authority's Disclosure Guidance and Transparency Rule 4.2.7 and 4.2.8, namely:

- an indication of important events that have occurred during the first six months of the financial year and their impact on the interim condensed consolidated financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- material related party transactions that have taken place in the first six months of the current financial year and any material changes in the related party transactions described in the last Annual Report.

On behalf of the Board



Adam Jones
Group Chief Financial Officer

19 July 2024

Independent review report to Bridgepoint Group plc

Conclusion

We have been engaged by Bridgepoint Group plc (the “Company”) to review the financial information for the six months ended 30 June 2024 which comprises the Condensed Consolidated Statement of Profit or Loss, the Condensed Consolidated Statement of Comprehensive Income, the Condensed Consolidated Statement of Financial Position, the Condensed Consolidated Statement of Changes in Equity, the Condensed Consolidated Statement of Cash Flows and related notes 1 to 14.

We have read the other information contained in the interim report and considered whether it contains any apparent misstatements or material inconsistencies with the financial information.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of consolidated financial statements in the interim report for the six months ended 30 June 2024 is not prepared, in all material respects, in accordance with UK-adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom’s Financial Conduct Authority.

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 (Revised), “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 1, the annual financial statements are prepared in accordance with UK-adopted International Accounting Standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with UK-adopted International Accounting Standard 34, “Interim Financial Reporting”.

Conclusions relating to Going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis of Conclusion section of this report, nothing has come to our attention to suggest that management have inappropriately adopted the going concern basis of accounting or that management have identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410 (Revised), however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of directors

The interim report, including the financial information contained therein, is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the interim report in accordance with UK-adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom’s Financial Conduct Authority, which requires that the interim report must be prepared and presented in a form consistent with that which will be adopted in the Company’s annual accounts having regard to the accounting standards applicable to such annual accounts.

In preparing the interim report, the directors are 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 the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the review of the financial information

In reviewing the interim report, we are responsible for expressing to the Company a conclusion on the condensed set of financial statement in the half-yearly financial report. Our conclusion, including our Conclusions Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

Use of the review report

This report is made solely to the Company in accordance with International Standard on Review Engagements (UK) 2410 issued by the Financial Reporting Council and our Engagement Letter dated 11 July 2024. Our work has been undertaken so that we might state to the Company those matters we are required to state to it in an independent review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our review work, for this report, or for the conclusions we have formed.

Forvis Mazars LLP Chartered Accountants

30 Old Bailey, London, EC4M 7AU

19 July 2024

Notes:

1. The maintenance and integrity of the Bridgepoint Group plc web site is the responsibility of the directors; the work carried out by us does not involve consideration of these matters and, accordingly, we accept no responsibility for any changes that may have occurred to the interim report since it was initially presented on the web site.
2. Legislation in the United Kingdom governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

Condensed Consolidated Statement of Profit or Loss

for the six months 30 June

	Note	2024 £m	2023 £m
Management and other fees		153.0	124.6
Carried interest		16.9	6.4
Fair value remeasurement of investments		(11.1)	6.3
Other operating income		0.6	0.5
Total operating income		159.4	137.8
Personnel expenses	3	(74.1)	(61.3)
Other operating expenses	3	(27.5)	(22.2)
EBITDA*		57.8	54.3
Depreciation and amortisation expense	5	(8.8)	(8.6)
Finance and other income	6	5.8	10.9
Finance and other expenses	6	(6.0)	(3.5)
Profit before tax*		48.8	53.1
Tax	7	(5.7)	(4.9)
Profit after tax		43.1	48.2
Attributable to:			
Equity holders of the parent		43.1	48.2
		£	£
Basic and diluted earnings per share	8	0.05	0.06

* Exceptional expenses of £3.0m (2023: £1.3m) are included in EBITDA. Profit before tax includes exceptional expenses of £3.0m (2023: £1.3m) and nil exceptional income (2023: £5.9m). Details of exceptional items are included in note 4 on page 28. An Underlying Condensed Consolidated Statement of Profit or Loss is presented on page 41.

The notes to the accounts form an integral part of these interim financial statements.

Condensed Consolidated Statement of Comprehensive Income

for the period ended 30 June

Note	2024 £m	2023 £m
Profit after tax	43.1	48.2
Items that may be reclassified to the statement of profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	(6.6)	(8.7)
Change in the fair value of hedging instruments	10.0	8.8
Change in the time value of foreign exchange options	(3.9)	–
Reclassifications to the Consolidated Statement of Profit or Loss	0.1	2.2
Total tax on components of other comprehensive income	(2.3)	(2.5)
Other comprehensive income/(loss) net of tax	(2.7)	(0.2)
Total comprehensive income net of tax	40.4	48.0
Total comprehensive income attributable to:		
Equity holders of the parent	40.4	48.0

The notes to the accounts form an integral part of these interim financial statements.

Condensed Consolidated Statement of Financial Position

	Note	30 June 2024 £m	31 December 2023 £m
Assets			
Non-current assets			
Property, plant and equipment		69.0	73.7
Goodwill and intangible assets		115.6	116.6
Carried interest receivable	9	70.7	67.3
Fair value of fund investments	10 (a)	408.6	301.4
Trade and other receivables	10 (a)	21.7	23.2
Total non-current assets		685.6	582.2
Current assets			
Consolidated CLO assets*	10 (a)	1,734.9	1,348.8
Trade and other receivables	10 (a)	139.4	118.2
Derivative financial assets	10 (a)	14.3	6.2
Other investments	10 (a)	–	7.5
Cash and cash equivalents	10 (a)	123.9	238.8
Consolidated CLO cash*	10 (a)	87.6	76.0
Total current assets		2,100.1	1,795.5
Total assets		2,785.7	2,377.7
Liabilities			
Non-current liabilities			
Trade and other payables	10 (b)	14.0	13.1
Other financial liabilities	10 (b)	63.0	50.1
Fair value of consolidated CLO liabilities*	10 (b)	1,462.6	1,152.0
Lease liabilities	10 (b)	65.0	69.7
Deferred tax liabilities		36.3	33.9
Total non-current liabilities		1,640.9	1,318.8
Current liabilities			
Trade and other payables	10 (b)	137.1	132.5
Lease liabilities	10 (b)	12.0	11.9
Derivative financial liabilities	10 (b)	2.6	1.6
Consolidated CLO liabilities*	10 (b)	15.6	14.9
Consolidated CLO purchases awaiting settlement*	10 (b)	254.5	176.8
Total current liabilities		421.8	337.7
Total liabilities		2,062.7	1,656.5
Net assets		723.0	721.2
Equity			
Share capital	13 (a)	0.1	0.1
Share premium		289.8	289.8
Retained earnings		420.5	418.7
Other reserves**	13 (c)	12.6	12.6
Total equity		723.0	721.2

* Detail of the Group's interest in consolidated CLOs are included in note 10. The equity holders' exposure in the consolidated CLOs is £89.8m at 30 June 2024 (31 December 2023: £81.1m). The Group's investment in CLOs which are not consolidated is £15.1m (31 December 2023: £15.2m) and is included within fair value of fund investments.

A Condensed Consolidated Statement of Financial Position, excluding consolidated CLOs is presented on page 42.

** The Group has changed the presentation of equity to aggregate other reserves. A breakdown of other reserves is included in note 13 (c).

The notes to the accounts form an integral part of these interim financial statements.

Condensed Consolidated Statement of Changes in Equity

for the six months ended 30 June

	Note	Share capital £ m	Share premium £ m	Other reserves* £ m	Retained earnings £ m	Total equity £ m
At 1 January 2024		0.1	289.8	12.6	418.7	721.2
Profit for the period		–	–	–	43.1	43.1
Other comprehensive loss		–	–	(0.4)	(2.3)	(2.7)
Total comprehensive (loss)/income		–	–	(0.4)	40.8	40.4
Vested share-based payments	13 (c)	–	–	(3.2)	3.2	–
Share-based payment expenses	3	–	–	3.6	–	3.6
Share buyback	13 (c)	–	–	–	(7.2)	(7.2)
Dividends	11	–	–	–	(35.0)	(35.0)
At 30 June 2024		0.1	289.8	12.6	420.5	723.0

	Note	Share capital £ m	Share premium £ m	Other reserves* £ m	Retained earnings £ m	Total equity £ m
At 1 January 2023		0.1	289.8	9.1	473.7	772.7
Profit for the period		–	–	–	48.2	48.2
Other comprehensive income/(loss)		–	–	2.3	(2.5)	(0.2)
Total comprehensive income		–	–	2.3	45.7	48.0
Vested share-based payments	13 (c)	–	–	(2.8)	2.8	–
Share-based payment expenses	3	–	–	2.2	–	2.2
Share buyback	13 (c)	–	–	–	(30.7)	(30.7)
Dividends	11	–	–	–	(32.7)	(32.7)
At 30 June 2023		0.1	289.8	10.8	458.8	759.5

* The Group has changed the presentation of equity to aggregate other reserves. A breakdown of other reserves is included in note 13 (c).

The notes to the accounts form an integral part of these interim financial statements.

Condensed Consolidated Statement of Cash Flows

for the six months ended 30 June

	Note	2024 £m	(Restated) 2023 £m
Cash flows from operating activities			
Cash generated from operations	12	9.9	24.6
Tax paid		(1.4)	(2.5)
Net cash inflow from operating activities		8.5	22.1
Cash flows from investing activities			
Investment in term deposits with original maturities of more than three months		–	100.0
Receipts from investments (non-CLO)		19.0	59.2
Purchase of investments (non-CLO)		(101.8)	(21.3)
Receipt/(purchase) of other investments (non-CLO)		7.5	(14.3)
Interest received (non-CLO)		3.2	1.6
Receipts from investments (consolidated CLOs)		300.9	117.5
Purchase of investments (consolidated CLOs)		(546.8)	(306.2)
Payments for property, plant and equipment and intangible assets		(1.2)	(2.0)
Net cash outflow from investing activities		(319.2)	(65.5)
Cash flows from financing activities			
Dividends paid to shareholders of the Company	11	(35.0)	(32.7)
Share buyback	13 (c)	(7.2)	(30.7)
Drawings from related party investors in intermediate fund holding entities		8.9	–
Principal elements of lease payments		(6.1)	(1.0)
Drawn funding (consolidated CLOs)		202.1	26.1
Repayment of CLO borrowings (consolidated CLOs)		(284.8)	(101.7)
Cash from CLO investors (consolidated CLOs)		336.2	255.9
Interest paid (non-CLO)		(6.1)	(2.4)
Net cash inflow from financing activities		208.0	113.5
Net (decrease)/increase in cash and cash equivalents		(102.7)	70.1
Total cash and cash equivalents at the beginning of the period		314.8	220.6
Effect of exchange rate changes on cash and cash equivalents		(0.6)	(1.6)
Total cash and cash equivalents at the end of the period		211.5	289.1
Cash and cash equivalents (for use within the Group)	10 (a)	123.9	258.4
Consolidated CLO cash (restricted for use within respective CLO)	10 (a)	87.6	30.7
Total cash and cash equivalents at the end of period		211.5	289.1

* The Condensed Consolidated Statement of Cash Flows includes the cash flows of consolidated CLOs. A Condensed Consolidated Statement of Cash Flows excluding the impact of consolidating CLOs is included on page 43.

The notes to the accounts form an integral part of these interim financial statements.

Notes to the condensed consolidated interim financial statements

1 General information and basis of preparation

General information

Bridgepoint Group plc (the “Company”) is a public company limited by shares, incorporated, domiciled and registered in England and Wales. The Company’s registration number is 11443992 and the address of its registered office is 5 Marble Arch, London, W1H 7EJ.

The principal activity of the Company and entities controlled by the Company (collectively, the “Group”) is to act as a private equity and credit fund manager.

Basis of preparation

The condensed consolidated interim financial statements (“interim financial statements”) for the six months ended 30 June 2024 have been prepared in accordance with UK-adopted IAS 34 “Interim Financial Reporting” and the Disclosure Guidance and Transparency Rules of the United Kingdom’s Financial Conduct Authority.

The interim financial statements should be read in conjunction with the Annual Report for the year ended 31 December 2023 including the statutory accounts for the year to 31 December 2023 (the “2023 financial statements”). The Group’s accounting policies, areas of significant judgement and the key sources of estimation uncertainty are consistent with those applied to the 2023 financial statements.

The financial information contained within this half year financial report does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The 2023 financial statements have been reported on by Forvis Mazars LLP and delivered to the Registrar of Companies. The report of the auditors was: (i) unqualified; (ii) did not include a reference to any matters which the auditors drew attention by way of emphasis without qualifying their report; and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006. Financial information dated 30 June 2024 and comparative financial information dated 30 June 2023 has not been audited, while comparative financial information dated 31 December 2023 has been audited as part of the 2023 financial statements unless noted.

The consolidated financial statements of Bridgepoint Group plc and entities controlled by the Company for the year ended 31 December 2023 were prepared in accordance with UK-adopted International Accounting Standards (“IAS”) and the legal requirements of the Companies Act 2006 and have been prepared under the historical cost convention, except for financial instruments measured at fair value and are available on the Group’s website: www.bridgepoint.eu.

The 2024 financial statements will be prepared in a consistent manner.

Future accounting developments

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. The impact of these standards or interpretations on the Group’s financial statements is currently being considered, but is unlikely to be material.

Change to comparative period financial information

The following change has been made to the comparative period presented within these financial statements:

- The Condensed Consolidated Statement of Cash Flow for the six months ended 30 June 2023 has been restated to reclassify an inflow of £52.8m in operating activities (cash generated from operations) into investing activities (receipts from investments (non-CLO)) as the transaction relates to buying and selling a long term asset. An outflow of £15.5m has also been reclassified from investing activities into financing activities. The restatement does not impact the total cash and cash equivalents in prior period.

Related party transactions

All related party transactions that took place in the six months ended 30 June 2024 are consistent in nature with the disclosures in note 26 to the 2023 financial statements. There have been no material changes to the nature or size of related party transactions since 31 December 2023.

2 Operating segments

Operating segments are the components of the Group whose results are regularly reviewed by the Group’s chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance.

The Executive Directors are considered to be the chief operating decision makers of the Group, which is divided into operating segments based on how key management reviews and evaluates the operation and performance of the business.

The Group’s operations are divided into three groups, the core business, consisting of the private equity and private credit fund management and associated central support, and other. Other includes the Group’s procurement consulting business, PEPCO Services LLP, and costs relating to strategic projects.

Notes to the condensed consolidated interim financial statements *continued*

The Group's core operations are divided into two business segments: private equity and private credit. The operations of these business segments consist of providing investment management services to the relevant funds and their investors. The investment management services comprise identification and structuring of new investments, the monitoring of investments and the sale and exit from investments. The two business segments are supported by the Central support functions which include investor relations, head office, finance, human resources, IT and marketing.

Segmental income and profit before tax analysis

The Executive Directors assess the operating segments based on the line items below, primarily on operating income and underlying EBITDA. The EBITDA for each segment, together with depreciation and amortisation and net finance and other income or expenses, forms profit before tax. Depreciation, finance and other income or expenses, exceptional items, certain share scheme expenses, and PRE adjustments excluded from underlying EBITDA are not allocated to operating segments and are included in the Group total. Further details of the adjustments are set out in Supplementary Information: Alternative performance measures.

Six months ended 30 June 2024	Private equity £ m	Private credit £ m	Central £ m	Total Core £ m	Total other £ m	Total Group £ m
Underlying management fees*	124.5	29.9	1.6	156.0	–	156.0
Carried interest	16.9	–	–	16.9	–	16.9
Fair value remeasurement of investments (excluding PRE adjustments*)	(1.0)	8.5	–	7.5	–	7.5
Other operating income	0.1	–	0.1	0.2	0.4	0.6
Underlying total operating income*	140.5	38.4	1.7	180.6	0.4	181.0
Personnel expenses	(34.7)	(11.8)	(22.2)	(68.7)	(0.4)	(69.1)
Other operating expenses	(11.8)	(3.6)	(10.3)	(25.7)	–	(25.7)
Underlying EBITDA* (excluding exceptional expenses and certain share scheme expenses)	94.0	23.0	(30.8)	86.2	–	86.2
Exceptional expenses						(3.0)
Certain excluded share scheme expenses						(3.8)
PRE adjustments*						(21.6)
EBITDA						57.8
Depreciation and amortisation						(8.8)
Net finance and other income						(0.2)
Profit before tax						48.8

* These are not defined or recognised under IFRS but are used by the Executive Directors and management to analyse the business and financial performance. Pages 44 to 48 set out definitions of each of the APMs and how they can be reconciled back to the condensed consolidated financial statements.

Six months ended 30 June 2023	Private equity £ m	Private credit £ m	Central £ m	Total Core £ m	Total other £ m	Total Group £ m
Management and other fees	95.8	27.0	1.8	124.6	–	124.6
Carried interest	6.4	–	–	6.4	–	6.4
Fair value remeasurement of investments	4.9	1.4	–	6.3	–	6.3
Other operating income	–	–	–	–	0.5	0.5
Total operating income	107.1	28.4	1.8	137.3	0.5	137.8
Personnel expenses	(34.1)	(10.7)	(15.7)	(60.5)	(0.5)	(61.0)
Other operating expenses	(8.1)	(4.1)	(8.9)	(21.1)	(0.1)	(21.2)
Underlying EBITDA (excluding exceptional expenses and certain share scheme expenses)	64.9	13.6	(22.8)	55.7	(0.1)	55.6
Exceptional expenses						(1.3)
Certain excluded share scheme expenses						–
EBITDA						54.3
Depreciation and amortisation						(8.6)
Net finance and other income						7.4
Profit before tax						53.1

Assets and liabilities analysis

The Group's Condensed Consolidated Statement of Financial Position is managed as a single unit rather than by segment. The only distinction for the business segments relates to the Group's investments in funds, carried interest receivable and other investments, which can be split between Private Equity and Private Credit (further split between investments attributable to the Group and to third party investors).

	30 June 2024 £ m	31 December 2023 £ m
Investments:		
Private Equity	363.7	260.9
Private Equity – other investments	–	7.5
Private Credit (assets attributable to the Group)	134.7	121.6
Private Credit (CLO assets attributable to third-party investors)	1,645.1	1,267.7
Total investments	2,143.5	1,657.7
Carried interest receivable:		
Private Equity	68.2	64.7
Private Credit	2.5	2.6
Total carried interest receivable	70.7	67.3

3 Operating expenses

Operating expenses include:

Six months ended 30 June	2024 £ m	2023 £ m
Wages and bonuses	53.7	44.9
Social security	10.6	8.9
Pensions	1.2	1.0
Share-based payments	4.1	2.2
Other employee expenses	4.5	4.3
Total personnel expenses	74.1	61.3
Other operating expenses	27.5	22.2
Total expenses	101.6	83.5

Total personnel expenses include £1.2m (2023: £0.3m) of exceptional expenses and accordingly are excluded from the calculation of underlying profitability measures. See note 4 for further details.

a) Share-based payments

The total charge to the Condensed Consolidated Statement of Profit or Loss for the period was £4.1m (2023: £2.2m) and this was credited to the share-based payments reserve in equity for an equity-settled award or recognised as a liability for a cash-settled award. £3.8m (2023: nil) of the share scheme expenses are excluded from underlying metrics for the reasons explained in the APM definitions on page 45.

b) Other employee expenses

Other employee expenses include insurance, healthcare, training and recruitment costs.

Management incentive scheme

In April 2021, a subsidiary company, Bridgepoint Credit Holdings Limited, issued shares to certain employees of the Group as part of a management incentive scheme. The scheme has been accounted for as an other long-term employment benefit under IAS 19 "Employment Benefits" as it is not linked to the value of the equity of Bridgepoint Credit Holdings Limited or equity instruments of other Group members, but is based on the revenue generated by major funds managed by the Group.

As at 30 June 2024, a £1.2m expense (2023: nil) and corresponding liability of £13.4m (2023: £12.9m) have been included in other employee expenses and calculated based upon funds raised and expected management fees which exceed the targets at that date.

c) Other operating expenses

Other operating expenses include expenditure on IT, travel and legal and professional fees.

For the six months period ended 30 June 2024, exceptional expenses of £1.8m (2023: £1.0m) are included in the Group's other operating expenses. Further details are provided in note 4 (b).

Notes to the condensed consolidated interim financial statements *continued*

4 Exceptional items

Exceptional items are material items of income or expenditure that are not considered to be incurred in the normal course of business and without separate disclosure could distort an understanding of the financial statements. Accordingly, exceptional items are excluded from the calculation of underlying profitability measures. Exceptional items in the period ended 30 June 2024 principally relate to costs associated with the EQT Credit acquisition and costs incurred in relation to the acquisition of Energy Capital Partners Holdings LP and affiliated entities (“ECP”). Exceptional other income in 2023 relates to the remeasurement of the deferred consideration payable in relation to the EQT Credit acquisition.

Six months ended 30 June	2024 £ m	2023 £ m
Personnel expenses	1.2	0.3
Other operating expenses	1.8	1.0
Total exceptional expenses within EBITDA	3.0	1.3
Finance and other expenses	–	–
Total exceptional expenses	3.0	1.3
Six months ended 30 June	2024 £ m	2023 £ m
Finance and other income	–	5.9
Total exceptional income	–	5.9

a) Exceptional personnel expenses

For the six-month period ended 30 June 2024, exceptional personnel expenses arose from the management incentive scheme grants issued to certain employees of the Group in relation to the EQT Credit acquisition in 2020. Further detail is set out in note 3 (b).

2023 exceptional personnel expenses related to deferred transaction related bonuses and associated social security costs from the EQT Credit acquisition.

These payments payable to the employees in relation to the EQT Credit transaction are exceptional as they are one-off grants. The awards incentivise employees to align their goals with those of the business through being awarded over multiple periods, hence such expenses will continue to be recognised until 2025.

b) Exceptional other operating expenses

For the six-month period ended 30 June 2024, exceptional other operating expenses include costs incurred in relation to the acquisition of ECP. Costs include closing fees for the sponsoring banks on the transaction, post-transaction integration costs and other professional service fees in respect of the transaction. Such costs would not have been incurred had no transaction taken place and therefore have been classified as exceptional. See note 14 for further details of the ECP transaction.

The 2023 period exceptional other operating expenses relate to costs incurred in relation to other potential acquisitions.

5 Depreciation and amortisation

The following table summarises the depreciation and amortisation charge during the period.

Six months ended 30 June	2024 £ m	2023 £ m
Depreciation on property, plant and equipment	6.8	7.1
Amortisation of intangible assets	2.0	1.5
Total depreciation and amortisation expense	8.8	8.6

The amortisation charge of £2.0m includes £1.5m of amortisation of customer relationship intangible assets arising from the EQT Credit acquisition and £0.5m of amortisation of computer software (2023: £1.5m only includes amortisation of the customer relationship intangible).

The amortisation of intangible assets relating to the EQT Credit acquisitions is excluded from the calculation of underlying profitability measures in order to distinguish from underlying performance.

6 Net finance and other income or expenses

Six months ended 30 June	2024 £ m	2023 £ m
Interest income on term deposits	4.0	4.4
Finance income on subleases	0.4	0.3
Net foreign exchange gains	0.7	–
Finance income on amounts receivable from related party investors	0.7	0.3
Other income	–	5.9
Total finance and other income	5.8	10.9
Non-utilisation fees on borrowing facilities	(1.8)	(0.7)
Interest expense on lease liabilities	(1.7)	(2.0)
Net foreign exchange losses	–	(0.3)
Finance expense on amounts payable to related party investors	–	(0.1)
Other expenses	(2.5)	(0.4)
Total finance and other expenses	(6.0)	(3.5)
Net finance and other (expenses)/income	(0.2)	7.4

a) Finance income and expenses on amounts receivable from or payable to related party investors

Finance income and expenses represent amounts due from or to related party investors in structured entities that are consolidated by the Group under IFRS 10. The Group recognises a percentage of residual profits as a financial liability to related party investors under the relevant limited partnership agreement.

b) Other expenses

In the six months ended 2024, other expenses of £2.5m include £1.7m of fees payable to a third-party relating to a financing transaction and £0.8m from the amortisation of borrowing facility fees for revolving credit facilities which are being amortised over a straight-line basis.

Other expenses in 2023 only relates to borrowing facility fees.

Notes to the condensed consolidated interim financial statements *continued*

7 Tax expense

Analysis of tax expense reported in the income statement:

Six months ended 30 June	2024 £ m	2023 £ m
Current tax	1.3	1.1
Deferred tax	4.4	3.8
Total tax expense for the period	5.7	4.9

The tax expense for the six months period ended 30 June 2024 is calculated based on a forecast annual effective tax rate which is applied to profit before tax for the half year. Where material and practical, a separate estimated average annual effective tax rate is determined for each taxing jurisdiction and applied individually to the interim period profit before tax of each jurisdiction.

8 Earnings per share

Six months ended 30 June	2024	2023
Earnings		
Earnings for the purposes of basic and diluted earnings per share being net profit attributable to equity holders of the parent (£ m)	43.1	48.2
Number of shares		
Weighted average number of ordinary shares for purposes of basic and diluted earnings per share (m)	793.6	816.8
Effect of dilutive potential ordinary share conversion (m)	3.9	n/a
Number of ordinary shares for the purposes of diluted earnings per share	797.5	816.8
Basic earnings per share (£)	0.05	0.06
Diluted earnings per share (£)	0.05	n/a
Underlying profit attributable to equity holders of the Company* (£ m)	73.0	45.3
Underlying basic earnings per share* (£)	0.09	0.06
Underlying diluted earnings per share* (£)	0.09	n/a

* These are not defined or recognised under IFRS. Pages 44 to 48 set out definitions of each of the APMs and how they can be reconciled back to the condensed consolidated financial statements.

The underlying profit after tax is calculated by excluding exceptional items and the amortisation of intangible assets from within profit after tax.

The number of ordinary shares included in the calculation of earnings per share excludes shares held by the Group itself and those shares bought back under the ongoing share buyback programme. Further detail is included in note 13 (a) and (b).

9 Carried interest receivable

The carried interest receivable relates to revenue which has been recognised by the Group relating to its share of fund profits through its holdings in Carried Interest Partnerships (“CIPs”).

Revenue is only recognised to the extent it is highly probable that the revenue recognised would not result in significant revenue reversal of any accumulated revenue recognised on the completion of a fund. The reversal risk is mitigated through the application of discounts. If adjustments to the carried interest receivable recognised in previous periods are required, they are adjusted through revenue.

The weighted average discount at 30 June 2024 to the notional carried interest due to the Group based on unrealised fair value of investments in relevant funds is 42% (31 December 2023: 51%) resulting in a carried interest receivable of £70.7m (31 December 2023: £67.3m). If the average discount was to increase by 10% this would reduce carried interest income by £11.8m. If the average discount was to decrease by 10% this would increase carried interest income by £11.8m.

	30 June 2024 £ m	31 December 2023 £ m
Opening balance	67.3	42.0
Income recognised in the period	16.9	29.8
Foreign exchange movements recognised as profit or loss	(0.4)	(0.4)
Foreign exchange movements recognised as other comprehensive income	–	(0.1)
Receipts of carried interest	(13.1)	(4.0)
Closing balance	70.7	67.3

10 Financial assets and liabilities

(a) Classification of financial assets

The following tables analyse the Group's assets in accordance with the categories of financial instruments as defined in IFRS 9 "Financial Instruments". Assets which are not considered as financial assets, for example prepayments and lease receivables, are also shown in the table in a separate column in order to reconcile to the face of the Condensed Consolidated Statement of Financial Position.

As at 30 June 2024	Fair value through profit or loss £ m	Hedging derivatives £ m	Financial assets at amortised cost £ m	Assets which are not financial assets £ m	Total £ m
Fair value of fund investments	408.6	–	–	–	408.6
Consolidated CLO assets	1,670.2	–	64.7	–	1,734.9
Trade and other receivables	–	–	145.4	15.7	161.1
Derivative financial instruments	–	14.3	–	–	14.3
Cash and cash equivalents	–	–	123.9	–	123.9
Consolidated CLO cash	–	–	87.6	–	87.6
Total	2,078.8	14.3	421.6	15.7	2,530.4

As at 31 December 2023	Fair value through profit or loss £ m	Hedging derivatives £ m	Financial assets at amortised cost £ m	Assets which are not financial assets £ m	Total £ m
Fair value of fund investments	301.4	–	–	–	301.4
Consolidated CLO assets	1,313.0	–	35.8	–	1,348.8
Trade and other receivables	–	–	124.4	17.0	141.4
Derivative financial instruments	–	6.2	–	–	6.2
Other investment	–	–	7.5	–	7.5
Cash and cash equivalents	–	–	238.8	–	238.8
Consolidated CLO cash	–	–	76.0	–	76.0
Total	1,614.4	6.2	482.5	17.0	2,120.1

There are no material differences between the above amounts for financial assets at amortised cost and their fair value.

i) Fair value of fund investments

Investments representing the Group's interests in private equity and credit funds are initially recognised at fair value and subsequently remeasured at fair value through profit or loss within operating income.

The investments primarily consist of loans or commitments made in relation to Bridgepoint Europe VII, VI and V, Bridgepoint Europe Portfolio IV, Bridgepoint Development Capital IV and III, Bridgepoint Growth I, Bridgepoint Credit Opportunities IV fund and CLO 2.

The fund investments are measured at fair value through profit or loss as the business model of each vehicle is to manage the assets and to evaluate their performance on a fair value basis.

Notes to the condensed consolidated interim financial statements *continued*

ii) Other investments

Other investments include, but are not limited to, loans made to fund portfolio companies. Other investments (with the exception of certain other investments designated as fair value through profit or loss) that are held to collect contractual cash flows and which contain contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest are measured at amortised cost.

iii) CLO assets

The balance shown includes the gross value of the assets held by CLO 1, CLO 3, CLO 4, CLO 5, CLO 6 and CLO 7 (2023: CLO 1, CLO 3, CLO 4, CLO 5 and CLO 6), which are consolidated by the Group, but the Group only holds the right and liabilities in relation to a small portion of this amount. The CLO assets are primarily measured at fair value through profit or loss as the business model of each vehicle is to manage the assets and to evaluate their performance on a fair value basis.

	30 June 2024 £ m	31 December 2023 £ m
Consolidated CLO assets held by the Group	1,822.5	1,424.8
Consolidated CLO assets attributable to third-party investors	(1,732.7)	(1,343.7)
Group's exposure to consolidated CLO assets	89.8	81.1

iv) Cash and term deposits

	30 June 2024 £ m	31 December 2023 £ m
Cash at bank and in hand	61.0	67.0
Money market funds	62.1	170.9
Term deposits with original maturities of less than three months	0.8	0.9
Total cash and cash equivalents	123.9	238.8
Consolidated CLO cash	87.6	76.0
Total cash and term deposits	211.5	314.8

Cash and cash equivalents comprise cash in hand and call deposits, and other short-term highly liquid investments including term deposits with original maturities of three months or less and money market funds, which are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Term deposits represent fixed term deposits placed with banks and financial institutions.

Consolidated CLO cash is cash held by CLO vehicles consolidated by the Group and is not available for the Group's operating activities.

There are no material differences between the carrying amounts and fair values of cash and cash equivalents, term deposits with original maturities of more than three months and consolidated CLO cash.

Credit risk exposure on cash and term deposits is managed in accordance with the Group's Treasury & Risk Management Policy which provides limits on exposures to any single financial institution. The Group's surplus cash is held with financial institutions or money market funds which are rated as investment grade by third party rating agencies. As at 30 June 2024, 100% of cash and term deposits were held with institutions or funds that are rated investment grade or above and all relevant money market funds are AAA rated.

(b) Classification of financial liabilities

The following tables analyse the Group's financial liabilities in accordance with the categories of financial instruments defined in IFRS 9 "Financial Instruments". Liabilities such as deferred income, long-term employee benefits, social security and other taxes are excluded as they do not constitute a financial liability and are shown in the table in a separate column in order to reconcile to the face of the Condensed Consolidated Statement of Financial Position.

	Fair value through profit or loss £ m	Hedging derivatives £ m	Financial liabilities at amortised cost £ m	Liabilities which are not financial liabilities £ m	Total £ m
As at 30 June 2024					
Trade and other payables	–	–	79.2	71.9	151.1
Other financial liabilities	63.0	–	–	–	63.0
Lease liabilities	–	–	77.0	–	77.0
Derivative financial instruments	–	2.6	–	–	2.6
Consolidated CLO liabilities	1,462.6	–	15.6	–	1,478.2
Consolidated CLO purchases awaiting settlement	–	–	254.5	–	254.5
Total	1,525.6	2.6	426.3	71.9	2,026.4
As at 31 December 2023					
Trade and other payables	–	–	47.6	98.0	145.6
Other financial liabilities	50.1	–	–	–	50.1
Lease liabilities	–	–	81.6	–	81.6
Derivative financial instruments	–	1.6	–	–	1.6
Consolidated CLO liabilities	1,152.0	–	14.9	–	1,166.9
Consolidated CLO purchases awaiting settlement	–	–	176.8	–	176.8
Total	1,202.1	1.6	320.9	98.0	1,622.6

Carrying amount of financial liabilities carried at amortised cost approximates their fair value, and therefore have not been included in the disclosure within this section.

i) Borrowing

The Group has a borrowing facility agreement for £250m for a period of three years and an additional £125m borrowing facility in connection with the ECP transaction. At 30 June 2024, there were no drawn amounts on these facilities (2023: nil).

On 7 March 2024, the Group priced \$430m of new US private placement notes (the “USPP”). The proceeds from the new notes will be used to provide additional resources to deliver the Group’s strategic growth plans. The proceeds will also be used to refinance any portion of the \$225m private placement notes that will transfer to the Group as part of the ECP transaction perimeter and might be redeemed. Under a change of control process in these existing notes, note holders can opt for repayment from completion of the ECP transaction. The new notes will be structured in four tranches with maturities of 3, 5, 7 and 10 years and an average coupon of 6.17 per cent. The receipt of funding for the new notes is expected during Q3 2024, subject to the completion of the ECP transaction and customary conditions.

Notes to the condensed consolidated interim financial statements *continued*

ii) Other financial liabilities

	2024 £ m	2023 £ m
Liabilities held at fair value through profit and loss:		
CLO repurchase agreements	28.2	28.5
Amount payable to related party investors	34.8	21.6
Total	63.0	50.1

The Group consolidates a number of limited partnerships through which some of the Group's investment in funds is held. The Group's interest only constitutes a portion of the total and therefore other financial liabilities include the fair value of the amounts due to external parties, who are related party investors, under the limited partnership agreement. Due to the nature of these agreements, being a contractually agreed profit share to related party investors, the Group recognises the third parties' interest as a financial liability which is fair valued through profit and loss at each reporting date.

At 30 June 2024, part of the total payable to related party investors includes £15.0m (2023: nil) payable to a third party investor within an SPV, Maple Tree VII LP, which is consolidated under the requirements of IFRS 10. The Group has performed a control assessment of the partnership in accordance with the Group's accounting policies and concluded that the Group has power and exposure to variable returns in profit sharing. Under the limited partnership agreement, the third-party investor has the right to receive a minimum return on drawn commitments, along with a share of residual profits from the partnership. The amount payable to related party investors is measured under IFRS 9 at fair value. Nil finance income or expense from the fair value remeasurement of the liability is recognised within the profit and loss account in 2024 (2023: nil).

(c) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal, or in its absence, the most advantageous market to which the Group has access to at that date. The fair value of a liability reflects its non-performance risk.

The Group discloses fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included within level 1 that are observable for assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: Inputs for assets or liabilities that are not based on observable market data (i.e. unobservable inputs).

Investments in funds, which hold portfolios of private equity and credit assets are valued in line with the International Private Equity and Venture Capital Valuation ("IPEV") Guidelines using a variety of methodologies. These investments are classified as level 3 financial assets due to the level of unobservable inputs within the determination of the valuation of individual assets within each fund and the lack of an observable price for each investment in a fund.

The assets of the CLO vehicles, which are fully consolidated by the Group, are classified as level 2 fair values as they are priced using independent loan pricing sources. These sources consolidate broker quotes where depth represents the number of quotes supporting the price provided.

Further details of the valuation methodologies, process and governance for investments in funds, investments held by consolidated CLOs and other financial liabilities are set out within the notes to the 2023 Annual Report.

Derivatives used for hedging, which are fair valued, are classified as level 2 fair values as the inputs are observable.

The following table summarises the valuation of the Group’s financial assets and liabilities by fair value hierarchy:

Financial assets and liabilities at fair value through profit or loss	Financial Assets		Financial Liabilities	
	30 June 2024 £m	31 December 2023 £m	30 June 2024 £m	31 December 2023 £m
Level 1	–	–	–	–
Level 2	1,684.5	1,319.2	2.6	1.6
Level 3	408.6	301.4	1,525.6	1,202.1
Total	2,093.1	1,620.6	1,528.2	1,203.7

i) Reconciliation of level 3 fair value measurements of financial assets

A reconciliation of level 3 fair values for financial assets which represent the Group’s interest in private equity and credit funds, including the Group’s investment in CLOs which are not consolidated, is set out in the table below:

	30 June 2024 £m	31 December 2023 £m
Level 3 financial assets at fair value through profit or loss:		
Opening balance	301.4	273.0
On acquisition	–	–
Additions	140.3	36.3
Change in fair value	(20.5)	18.5
Foreign exchange movements recognised as profit or loss	(1.9)	(1.3)
Foreign exchange movements recognised as other comprehensive income	(4.9)	(5.1)
Disposals	(5.8)	(20.0)
Transfer (to)/from level 1 or 2	–	–
Closing balance	408.6	301.4

The underlying assets in each fund consist of portfolios of controlling or minority stakes, typically in private companies, and investments in their debt. Due to the level of unobservable inputs within the determination of the valuation of individual assets within each fund, and no observable price for each investment, such investments are classified as level 3 financial assets under IFRS 13 “Fair Value Measurement”.

A sensitivity analysis of a change in the value of investments at fair value through profit or loss is set out in note 10 (d).

ii) Reconciliation of level 3 fair value measurements of financial liabilities

Financial liabilities classified as level 3 under the fair value hierarchy consist of the deferred contingent consideration, consolidated CLO liabilities and other financial liabilities. The valuation of these liabilities is based on unobservable market data and therefore classified as level 3.

The valuation methodology for valuing the consolidated CLO liabilities is based upon internal discounted cash flow models with unobservable market data inputs, such as asset coupons, constant annual default rates, prepayment rates, reinvestment rates, recovery rates and discount rates and are therefore considered level 3 financial liabilities.

	30 June 2024 £m	31 December 2023 £m
Level 3 financial liabilities at fair value through profit or loss		
Fair value of consolidated CLO liabilities	1,462.6	1,152.0
Other financial liabilities	63.0	50.1
Total	1,525.6	1,202.1

Notes to the condensed consolidated interim financial statements *continued*

A reconciliation of level 3 fair values for CLO liabilities at fair value through profit or loss is set out in the table below.

	30 June 2024 £m	31 December 2023 £m
Movement in CLO liabilities at fair value through profit or loss which are level 3:		
Opening balance	1,152.0	597.5
On acquisition	–	–
Repayment	(8.7)	(52.6)
Drawn	347.7	582.5
Foreign exchange movements	(24.9)	(14.0)
Change in fair value	(3.5)	38.6
Transfers (to)/from level 1 or 2	–	–
Closing balance	1,462.6	1,152.0

	30 June 2024 £m	31 December 2023 £m
Movement in other financial liabilities at fair value through profit or loss which are level 3		
Opening balance	21.6	21.4
On acquisition	–	–
Additions	14.5	1.3
Change in fair value	(0.7)	0.5
Foreign exchange movements	(0.6)	(0.7)
Disposals	–	(0.9)
Transfers (to)/from level 1 or 2	–	–
Closing	34.8	21.6

A reconciliation is not provided for CLO repurchase agreements on the basis that the movements between 31 December 2023 and 30 June 2024 relate to remeasurement and revaluation.

A sensitivity analysis of a change in the value of CLO liabilities at fair value through profit or loss is set out in note 10 (d).

(d) Valuation inputs and sensitivity analysis

The number of unique investments represents the investments that the Group indirectly invests into through its investments in private equity and credit funds. The table below sets out information about significant unobservable inputs used at 31 December 2023 in measuring financial instruments categorised as level 3 in the fair value hierarchy.

Description	Fair value at 30 June 2024 (£m)	Fair value at 31 December 2023 (£m)	Number of unique investments	Valuation technique	Significant unobservable inputs	Range	Sensitivity	Effect on fair value at 30 June 2024 (£m)
Private equity fund investments	363.7	260.9	76	Market approach	Earnings multiple	2.8x – 20.7x	+10% earnings multiple	45.2
					Revenue multiple	4.0x – 9.0x	–10% earnings multiple	(50.3)
Private credit fund investments	29.8	25.3	19	Market approach	Earnings multiple	5.7x – 29.0x	+10% earnings multiple	0.3
					Revenue multiple	3.3x – 13.8x	–10% earnings multiple	(0.3)
			205	Other	n/a	n/a	n/a	n/a
Group's investments in CLOs that are not consolidated*	15.1	15.2	7	Discounted cash flow	Discount rate	1.6% – 16.0%	Upside case**	0.9
					Default rate	2.0%		
					Recovery rate	35.0% – 65.0%		
					Prepayment rate	20.0%		
					Reinvestment price	99.5%		
Spread	3.8%	Downside case**	(0.8)					
Total assets	408.6	301.4						
Consolidated CLO liabilities*	1,462.6	1,152.0	38	Discounted cash flow	Discount rate	1.6% – 16.0%	Upside case**	50.1
					Default rate	2.0%		
					Recovery rate	35.0% – 65.0%		
					Prepayment rate	20.0%		
					Reinvestment price	99.5%		
Spread	3.8%	Downside case**	(33.3)					
CLO repurchase agreements	28.2	28.5	10	Discounted cash flow	Discount rate	1.6% – 9.3%	+10% discount rate	0.2
							–10% discount rate	(0.2)
Other financial liabilities	19.8	21.6	n/a	Other	Net asset value (NAV)	n/a	+10% of NAV	2.0
	15.0	–	n/a	Discounted cash flow	Discount rate	n/a	–10% of NAV	(2.0)
							Upside case	n/a
							Downside case	n/a
Total liabilities	1,525.6	1,202.1						

* The sensitivity analysis is performed on the portfolio of notes of CLO vehicles that the Group has invested in, including £15.1m of investments in CLOs that are not consolidated (2023: £15.2m) and £89.8m of investments in CLOs that are consolidated (2023: £81.1m). The sensitivity analysis for the investments in the notes of CLOs that are consolidated impacts the value of the consolidated CLO liabilities (as these are eliminated from the overall balance) and are accordingly disclosed in this section of the table.

** The upside case is based on the key inputs used in the valuation model disclosed above being favourably adjusted from their base value by a factor of 10%. The downside case adjusts these key inputs by a factor of 10% in the opposite direction.

Notes to the condensed consolidated interim financial statements *continued*

11 Dividends

The Company paid a final dividend of 4.4 pence per share, which equates to £35.0m, in May 2024 in respect of the second half of 2023.

The directors have announced an interim dividend of 4.6 pence per share, which equates to £36.5m based on the number of shares in issue at 30 June 2024, but may change due to the ongoing share buyback programme. This dividend will be paid in October 2024 to shareholders on the register as at 20 September 2024.

	Six months ended 30 June 2024		Six months ended 30 June 2023	
	£ m	Pence per share	£ m	Pence per share
Ordinary dividends paid:				
Prior period final dividends paid	35.0	4.4	32.7	4.0
Proposed interim dividends	36.5	4.6	35.7	4.4

12 Cash flow information

Six months ended 30 June	2024 £ m	(Restated) 2023 £ m
Profit before tax	48.8	53.1
Adjustments for:		
Exceptional expenses	0.8	–
Share-based payments	4.1	1.8
Depreciation and amortisation expense	8.8	8.6
Net finance and other expense/(income)	0.2	(7.4)
Carried interest	(16.9)	(6.4)
Fair value remeasurement of investments	14.1	(6.3)
(Increase)/decrease in trade and other receivables	(15.9)	3.2
(Decrease)/increase in trade and other payables	(34.1)	(22.0)
Cash generated from operations	9.9	24.6

13 Equity

(a) Share capital and premium

Allotted, called up and fully paid shares

	Company			
	30 June 2024		31 December 2023	
	No.	£	No.	£
Ordinary of £0.00005 each	793,276,571	39,664	794,637,730	39,732
Deferred of £81 each	500	40,500	500	40,500
Deferred of £1 each	1	1	1	1
Deferred of £0.01 each	1	0.01	1	0.01
Total	793,277,073	80,165	794,638,232	80,233

Share capital represents the number of ordinary shares issued in the capital of the Company multiplied by their nominal value of £0.00005 each. Share premium substantially represents the aggregate of all amounts that have ever been paid above nominal value to the Company when it has issued ordinary shares.

The holders of the ordinary shares have the right to receive notice of and to attend and vote at any general meeting of the Company. Each ordinary share has one vote on a resolution.

Each ordinary share is eligible for ordinary course dividends and distributions on a liquidation, and is generally entitled to participate in a return of capital, in each case subject to the provisions set out in the articles of association of the Company.

Deferred shares have no rights other than the right to receive their nominal value in a liquidation after all other shares have received £1.0m per share.

(b) Own shares

Own shares are recorded by the Group when ordinary shares are acquired by the Company and they are deducted from shareholders' equity. The Company held 171,096 ordinary shares and 501 deferred shares (2023: 171,096 ordinary shares; 501 deferred shares) within retained earnings as at 30 June 2024 at a cost of nil (2023: nil).

(c) Other reserves

The following table provides a breakdown of the reserves that are included in the Group and the Company's other reserves.

	30 June 2024 £ m	31 December 2023 £ m
Cash flow hedge reserve	11.0	0.9
Foreign exchange option time value reserve	(3.7)	0.1
Net exchange differences reserve	2.1	8.6
Capital redemption reserve	0.0	0.0
Share-based payment reserve	3.2	3.0
Total	12.6	12.6

(i) Share-based payment reserve

The share-based payment reserve relates to the accumulated expense from the recognition of equity-settled share-based payments to employees.

In the six months ended 30 June 2024, a £3.2m (2023: £2.8m) transfer was made between share-based payment reserve and retained earnings which related to the full vesting of the LTIP awards (2023: IPO share award, A3 shares and LTIP awards).

(ii) Capital redemption reserve

On 2 October 2023, the Company announced a second buyback programme of up to £50.0m that commenced on 12 October 2023 after the first share buyback programme completed on 11 October 2023 with £50.0m, or 23.6m ordinary shares bought back and cancelled. The sole purpose of the share buyback programme is to reduce the Company's share capital.

For the six months ended 30 June 2024, in aggregate 2.9m ordinary shares within the second buyback programme have been bought back for £7.2m. Of these shares, 2.7m ordinary shares have been cancelled by 30 June 2024 with remaining ordinary shares cancelled subsequent to the period end.

Notes to the condensed consolidated interim financial statements *continued*

14 Events after the reporting period

(a) ECP transaction

As disclosed in the Group's 2023 financial statements, the Group announced a transaction to add ECP to the Group to accelerate Bridgepoint's strategic diversification, with an expected upfront enterprise value of £835m (the "Transaction"). The Transaction establishes a third and complementary growth pillar for the Group.

ECP is a leading North American infrastructure investor with a market-leading position in the highly sought-after energy transition and sustainability focussed investing ecosystem. Further details of the Transaction were set out in the shareholder circular dated 2 October 2023, which can be found at our website: www.bridgepoint.eu/shareholders.

The Transaction was approved by the Company's shareholders on 19 October 2023 and it was announced on 20 October 2023 that required investor consents to the transaction had been received in respect of ECP Fund III, IV and V. As announced on 4 March 2024, the sole outstanding regulatory clearance in respect of the transaction is a clearance applied for by ECP ControlCo, LLC from the Federal Energy Regulatory Commission, and closing of the transaction is expected to occur in Q3 2024.

As the transaction was not completed before 30 June 2024, the Group's Condensed Consolidated Statement of Profit or Loss for the period ended 30 June 2024 does not include any revenue, profit or loss relating to the ECP business, other than transaction costs of £1.8m recognised by the Group during the period, which have been recognised as other operating expenses and personnel expenses.

Such transaction costs are classified as exceptional and so are excluded from underlying performance metrics. Further details on exceptionals are included in note 4.

The Group will apply the acquisition method to account for the transaction in accordance with IFRS 3 "Business Combinations". The Group is required to determine what is part of the business combination transaction, to recognise and measure the identified net assets acquired, and to determine the consideration transferred. As the transaction had not yet completed when the 2024 Half year report was authorised for issue, the Group is unable to reasonably estimate the fair value of net assets acquired, the fair value of consideration transferred and the resulting goodwill and intangible assets.

(c) Share buyback programme

On 2 October 2023, the Company announced a second share buyback programme of up to £50.0m. The share buyback programme commenced on 12 October 2023 following completion of the previous programme.

Between 30 June 2024 and 16 July 2024 (inclusive), being the latest practicable date before the publication of these financial statements, a further 351,374 ordinary shares have been bought back in aggregate for £0.8m pursuant to the share buyback programme. Of these shares, in aggregate 276,598 have been cancelled as at 16 July 2024.

Supplementary Information: Underlying Condensed Consolidated Statement of Profit or Loss

for the six months 30 June

	2024 £m	2023 £m
Management and other fees	156.0	124.6
Carried interest	16.9	6.4
Fair value remeasurement of investments	7.5	6.3
Other operating income	0.6	0.5
Total operating income	181.0	137.8
Personnel expenses	(69.1)	(61.0)
Other operating expenses	(25.7)	(21.2)
Underlying EBITDA	86.2	55.6
Depreciation and amortisation expense	(7.3)	(7.1)
Finance and other income	5.8	5.0
Finance and other expenses	(6.0)	(3.5)
Underlying profit before tax	78.7	50.0
Tax	(5.7)	(4.7)
Underlying profit after tax	73.0	45.3
Attributable to:		
Underlying equity holders of the parent	73.0	45.3
	£	£
Underlying basic and diluted earnings per share	0.09	0.06

This condensed underlying condensed consolidated statement of profit or loss applies all of the measurement and recognition requirements of UK-adopted IAS and the accounting policies of the Group, except for:

- the classification of the management fees from the consolidated CLOs which are eliminated in management and other fees under IFRS 10. Such fees are reclassified as management and other fees from fair value remeasurement of investments as if CLOs had not been consolidated; and
- PRE adjustments, exceptional items and other adjusted items which are excluded from underlying results. Further details of these adjustments are explained in APM section.

Underlying EBITDA, Underlying profit before tax, Underlying profit after tax and Underlying basic and diluted earnings per share are alternative performance measures and non-IFRS measures. Pages 44 to 48 set out definitions of each of the APMs and how they can be reconciled back to the financial statements.

Supplementary Information: Condensed Consolidated Statement of Financial Position, excluding CLOs

	30 June 2024 £m	(Unaudited) 31 December 2023 £m
Assets		
Non-current assets		
Property, plant and equipment	69.0	73.7
Goodwill and intangible assets	115.6	116.6
Carried interest receivable	70.7	67.3
Fair value of fund investments*	498.4	382.5
Trade and other receivables	21.7	23.2
Total non-current assets	775.4	663.3
Current assets		
Trade and other receivables	139.4	118.2
Derivative financial assets	14.3	6.2
Other investments	–	7.5
Cash and cash equivalents	123.9	238.8
Total current assets	277.6	370.7
Total assets	1,053.0	1,034.0
Liabilities		
Non-current liabilities		
Trade and other payables	14.0	13.1
Other financial liabilities	63.0	50.1
Lease liabilities	65.0	69.7
Deferred tax liabilities	36.3	33.9
Total non-current liabilities	178.3	166.8
Current liabilities		
Trade and other payables	137.1	132.5
Lease liabilities	12.0	11.9
Derivative financial liabilities	2.6	1.6
Total current liabilities	151.7	146.0
Total liabilities	330.0	312.8
Net assets	723.0	721.2
Equity		
Share capital	0.1	0.1
Share premium	289.8	289.8
Retained earnings	420.5	418.7
Other reserves**	12.6	12.6
Total equity	723.0	721.2

* The fair value of fund investments includes the Group's own exposures in consolidated CLOs 1, 3, 4, 5, 6 and 7 of £89.8m (2023: CLOs 1, 3, 4, 5 and 6 of £81.1m) as at 30 June 2024.

** The Group has changed the presentation of equity to aggregate other reserves. A breakdown of other reserves is included in note 13 (c).

This condensed consolidated statement of financial position applies all of the measurement and recognition requirements of UK-adopted IAS and the accounting policies of the Group, except for the requirement to consolidate CLOs. CLOs are presented as an investment held at fair value in line with how they are managed by the Group, rather than being consolidated in accordance with IFRS 10 “Consolidated Financial Statements”.

Supplementary Information: Condensed Consolidated Statement of Cash Flows, excluding CLOs

for the six months ended 30 June

	2024 £m	(Restated) 2023 £m
Cash flows from operating activities		
Cash generated from operations	6.9	24.6
Tax paid	(1.4)	(2.5)
Net cash inflow from operating activities	5.5	22.1
Cash flows from investing activities		
Investment in term deposits with original maturities of more than three months	–	100.0
Receipts from investments	24.2	59.2
Purchase of investments	(101.8)	(21.3)
Receipt/(Purchase) of other investments	7.5	(14.3)
Interest received	3.2	1.6
Investments in CLOs	(7.9)	(15.5)
Payments for property, plant and equipment and intangible assets	(1.2)	(2.0)
Net cash (outflow)/inflow from investing activities	(76.0)	107.7
Cash flows from financing activities		
Dividends paid to shareholders of the Company	(35.0)	(32.7)
Share buyback	(7.2)	(30.7)
Principal elements of lease payments	(6.1)	(1.0)
Drawings from related party investors in intermediate fund holding entities	8.9	–
Interest paid	(6.1)	(2.4)
Net cash (outflow) from financing activities	(45.5)	(66.8)
Net (decrease)/increase in cash and cash equivalents	(116.0)	63.0
Total cash and cash equivalents at the beginning of the period	238.8	196.0
Effect of exchange rate changes on cash and cash equivalents	1.1	(0.6)
Total cash and cash equivalents at the end of the period	123.9	258.4

This condensed consolidated statement of cash flows applies all of the measurement and recognition requirements of UK-adopted IAS and the accounting policies of the Group, except for the requirement to consolidate CLOs. Consolidated CLO cash is not presented in the opening or closing cash positions in this statement and all cash flows relate to the non-CLO activities of the Group.

Supplementary Information: Alternative performance measures (APMs)

The use of APMs

This interim report includes several measures which are not defined or recognised under International Financial Reporting Standards (“IFRS”), including financial and operating measures relating to the Group such as EBITDA, Underlying EBITDA, Underlying EBITDA margin, Underlying profit before tax, FRE, FRE margin, Underlying management fees, PRE, Fee Paying AUM and Total AUM, all of which the Group considers to be APMs. Certain APMs are also presented on a pro forma basis, which includes ECP as if its acquisition had occurred on 1 January 2024. These are reconciled to the IFRS results for the six month period in the table below.

We have changed composition of certain APMs as they are more meaningful and reflect the business performance. The impact in comparative information is not considered material, therefore it is not adjusted retrospectively.

Total AUM	The total value of unrealised assets as of the relevant date (as determined pursuant to the latest quarterly or semi-annual valuation for each fund conducted by the Group) plus undrawn commitments managed by the Group. The valuations for Total AUM come from the Group’s valuations of the investments of the funds. Total AUM on a pro forma basis including ECP at 30 June 2024 was €67.3 billion.		
Fee Paying AUM	Assets under management for funds upon which fees are charged by the Group including Separately Managed Accounts (SMAs), CLOs and continuation funds, but excluding co-investment vehicles. Fee Paying AUM is either based on total commitments (during the commitment period) or on net invested capital (normally during the post-commitment period). Fee Paying AUM on a pro forma basis including ECP at 30 June 2024 was €36.8 billion.		
Management fee margin on Fee Paying AUM	The underlying management fee rate in the Bridgepoint funds, calculated as the weighted average management fee rate for all Bridgepoint funds contributing to Fee Paying AUM as at the end of the accounting period.		
Underlying management fees	CLO management fees relating to CLOs which are consolidated that are eliminated and form part of PRE is added back to arrive at the underlying management.		
		Six months ended 30 June 2024 £m	Six months ended 30 June 2023* £m
	Underlying management fees		
	Management and other fees	153.0	124.6
	Add: CLO management fee consolidation adjustment	3.0	–
	Underlying management fees	156.0	124.6
	Add: ECP pre-completion management and other fees	55.2	n/a
	Pro forma management fees	211.2	124.6
PRE	PRE is calculated by adding the fair value remeasurement of investments to carried interest income and adding back adjustments for: (i) the impact of negative returns in the early years of a fund due to management fee expenses based on the full committed capital of the fund exceeding capital growth from deployed invested capital (typically known as the ‘J-curve’ and which is considered temporary); (ii) PRE attributable to a third-party investor that invests in a structured vehicle that is consolidated by the Group under IFRS, due to its level of variable returns, as its inclusion could distort the view of the amount of PRE attributable to shareholders. A related finance cost payable to the third-party investor is also excluded from finance expenses and underlying profit before tax (2024 and 2023: nil); and (iii) the CLO management fees reinstated as part of underlying management fees, as explained above.		
		Six months ended 30 June 2024 £m	Six months ended 30 June 2023* £m
	PRE		
	Carried interest	16.9	6.4
	Add: Fair value remeasurement of investments	(11.1)	6.3
	Less: CLO management fee consolidation adjustment ((iii) above)	(3.0)	–
	Add: PRE adjustments (a total of adjustments (i) and (ii) above)	21.6	–
	PRE	24.4	12.7
	Add: ECP pre-completion PRE	32.5	n/a
	Pro forma PRE	56.9	12.7

Underlying total operating income	The underlying total operating income is calculated by adding Underlying management fees, PRE and other operating income.		
		Six months ended 30 June 2024 £m	Six months ended 30 June 2023* £m
	Underlying total operating income		
	Underlying management fees	156.0	124.6
	PRE	24.4	12.7
	Other operating income	0.6	0.5
	Underlying total operating income	181.0	137.8
	Add: ECP pre-completion total operating income	87.7	n/a
	Pro forma underlying total operating income	268.7	137.8
EBITDA	Earnings before interest, taxes, depreciation and amortisation. It is calculated by reference to total operating income and deducting from it, or adding to it, as applicable, personnel expenses and other operating expenses.		
Underlying EBITDA	Calculated by excluding exceptional items, certain share scheme expenses and PRE adjustments from EBITDA. Exceptional items are items of income or expense that are material by size and/or nature and are not considered to be incurred in the normal course of business. Certain excluded share scheme expenses relate to share-based payment awards that were granted following the IPO. An explanation of the cost is set up on page 51 of the Group's 2023 Annual Report. Further detail on the PRE adjustments is set out above. A breakdown of exceptional items within EBITDA is included within note 4 of the condensed consolidated financial statements.		
		Six months ended 30 June 2024 £m	Six months ended 30 June 2023* £m
	Underlying EBITDA		
	EBITDA	57.8	54.3
	Add: exceptional items within EBITDA	3.0	1.3
	Add: certain share scheme expenses	3.8	–
	Add: PRE adjustments	21.6	–
	Underlying EBITDA	86.2	55.6
	Add: ECP pre-completion EBITDA	58.8	n/a
	Pro forma underlying EBITDA	145.0	55.6
Underlying EBITDA margin	Underlying EBITDA as a percentage of underlying total operating income.		
FRE	Underlying EBITDA less carried interest and income from the fair value remeasurement of investments and adding back the cost of bonuses linked to investment profits.		
		Six months ended 30 June 2024 £m	Six months ended 30 June 2023* £m
	FRE		
	Underlying EBITDA	86.2	55.6
	Less: PRE	(24.4)	(12.7)
	FRE	61.8	42.9
	Add: ECP pre-completion FRE	26.3	n/a
	Pro forma FRE	88.1	42.9
FRE margin	FRE as a percentage of underlying total operating income, excluding PRE.		
		Six months ended 30 June 2024 £m	Six months ended 30 June 2023* £m
	FRE margin		
	FRE	61.8	42.9
	Underlying total operating income	181.0	137.8
	Less: PRE	(24.4)	(12.7)
	Adjusted total operating income	156.6	125.1
	FRE margin	39.5%	34.3%

Supplementary Information: Alternative performance measures (APMs) *continued*

Pro forma FRE margin Pro forma FRE as a percentage of pro forma underlying total operating income, excluding pro forma PRE.

	Six months ended 30 June 2024 £m	Six months ended 30 June 2023* £m
Pro forma FRE margin		
Pro forma FRE	88.1	42.9
Pro forma underlying total operating income	268.7	137.8
Less: Pro forma PRE	(56.9)	(12.7)
Pro forma adjusted total operating income	211.8	125.1
Pro forma FRE margin	41.6%	34.3%

Pro forma FRE margin (excluding catch-up fees) Pro forma FRE (excluding catch-up fees) as a percentage of adjusted total operating income excluding catch-up fees.

	Six months ended 30 June 2024 £m	Six months ended 30 June 2023* £m
Pro forma FRE margin (excluding catch-up fees)		
Pro forma FRE	88.1	42.9
Less: pro forma catch-up fees	(30.4)	(2.6)
Pro forma FRE (excluding catch-up fees)	57.7	40.3
Pro forma adjusted total operating income	211.8	125.1
Less: pro forma catch-up fees	(30.4)	(2.6)
Pro forma adjusted total operating income (excluding catch-up fees)	181.4	122.5
Pro forma FRE margin (excluding catch-up fees)	31.8%	32.9%

Underlying profit before tax Calculated by excluding exceptional items, certain share scheme expenses, the amortisation of acquisition related intangible assets and PRE adjustments from within profit before income tax.

	Six months ended 30 June 2024 £m	Six months ended 30 June 2023* £m
Underlying profit before tax		
Profit before tax	48.8	53.1
Add: exceptional items within EBITDA	3.0	1.3
Add: amortisation of acquisition related intangible assets	1.5	1.5
Add: certain share scheme expenses	3.8	–
Add: PRE adjustments	21.6	–
Add: exceptional net finance and other (income)	–	(5.9)
Underlying profit before tax	78.7	50.0
Add: ECP pre-completion profit before tax	51.1	n/a
Pro forma underlying profit before tax	129.8	50.0

Underlying profit before tax margin Underlying profit before tax as a percentage of underlying total operating income.

Underlying profit after tax margin Underlying profit after tax as a percentage of underlying total operating income.

Underlying basic and diluted earnings per share	Calculated by dividing profit after tax (underlying) by the number of shares in issue as at 30 June 2024.		
	Six months ended 30 June 2024 £m	Six months ended 30 June 2023 £m	
Underlying basic and diluted EPS			
Profit after tax	43.1	48.2	
Add: exceptional items within EBITDA	3.0	1.3	
Add: amortisation of acquisition related intangible assets	1.5	1.5	
Add: tax	–	0.2	
Add: certain share scheme expenses	3.8	–	
Add: exceptional net finance and other (income)	–	(5.9)	
Add: PRE adjustments	21.6	–	
Underlying profit after tax	73.0	45.3	
Weighted average number of ordinary shares for purposes of basic and diluted EPS (m)	793.6	816.8	
Effect of dilutive potential ordinary share conversion	3.9	–	
Number of ordinary shares for the purposes of diluted earnings per share	797.5	816.8	
Underlying basic EPS (pence)	9.2	5.6	
Underlying diluted EPS (pence)	9.2	5.6	
Pro forma earnings per share	Calculated by dividing profit after tax (pro forma) by the number of shares in issue as at 30 June 2024.		
	Six months ended 30 June 2024 £m	Six months ended 30 June 2023 £m	
Underlying basic and diluted EPS			
Profit after tax	43.1	48.2	
Add: exceptional items within EBITDA	3.0	1.3	
Add: amortisation of acquisition related intangible assets	1.5	1.5	
Add: tax	–	0.2	
Add: certain share scheme expenses	3.8	–	
Add: exceptional net finance and other (income)	–	(5.9)	
Add: PRE adjustments	21.6	–	
Underlying profit after tax	73.0	45.3	
Add: ECP six months profit after tax	40.9	–	
Pro forma profit after tax	113.9	45.3	
Weighted average number of ordinary shares for purposes of basic and diluted EPS (m)	793.6	816.8	
Effect of dilutive potential ordinary share conversion	3.9	–	
Effect of dilutive potential ordinary share conversion from pro forma ECP	235.0	–	
Number of ordinary shares for the purposes of pro forma earnings per share	1,032.5	816.8	
Pro forma EPS (pence)	11.0	5.6	

Supplementary Information: Alternative performance measures (APMs) *continued*

Non-current assets (excluding third-party CLO assets)	Calculated by excluding consolidated third-party CLO non-current assets from total non-current assets as defined by IFRS and adding back the investment into CLOs on a non-consolidated basis.		
		Six months ended 30 June 2024 £m	Six months ended 30 June 2023 £m
Non-current assets (excluding third-party CLO assets)			
Total non-current assets		685.6	582.2
Add: investment in CLOs on a non-consolidated basis		89.8	81.1
Non-current assets (excluding third-party CLO assets)		775.4	663.3
Current assets (excluding third-party CLO assets)	Calculated by excluding consolidated third-party CLO current assets from total current assets as defined by IFRS.		
		Six months ended 30 June 2024 £m	Six months ended 30 June 2023 £m
Current assets (excluding third-party CLO assets)			
Total current assets		2,100.1	1,795.5
Less: consolidated CLO assets		(1,734.9)	(1,348.8)
Less: consolidated CLO cash		(87.6)	(76.0)
Current assets (excluding third-party CLO assets)		277.6	370.7
Non-current liabilities (excluding third-party CLO liabilities)	Calculated by excluding consolidated third-party CLO non-current liabilities from total non-current liabilities as defined by IFRS.		
		Six months ended 30 June 2024 £m	Six months ended 30 June 2023 £m
Non-current liabilities (excluding third-party CLO liabilities)			
Total non-current liabilities		1,640.9	1,318.8
Less: fair value of consolidated CLO liabilities		(1,462.6)	(1,152.0)
Non-current liabilities (excluding third-party CLO liabilities)		178.3	166.8
Current liabilities (excluding third-party CLO liabilities)	Calculated by excluding consolidated third-party CLO current liabilities from total current liabilities as defined by IFRS.		
		Six months ended 30 June 2024 £m	Six months ended 30 June 2023 £m
Current liabilities (excluding third-party CLO liabilities)			
Total current liabilities		421.8	337.7
Less: consolidated CLO liabilities		(15.6)	(14.9)
Less: consolidated CLO purchases awaiting settlement		(254.5)	(176.8)
Current liabilities (excluding third-party CLO liabilities)		151.7	146.0

* Comparative information for the period ended 30 June 2023 is not restated for the change in certain APM definitions.

