# Financial Statements

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# Independent Auditor's Report

## Independent auditor's report to the members of CVC CAPITAL PARTNERS PLC

## Report on the audit of the financial statements

### 1. Opinion

In our opinion, the financial statements of CVC Capital Partners plc (the 'company') and its subsidiaries (the 'group'):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 December 2024 and of the group's profit for the year then ended;
- have been properly prepared in accordance with IFRS Accounting Standards as adopted by the European Union and as issued by the International Accounting Standards Board ('IASB'); and
- have been prepared in accordance with Companies (Jersey) Law, 1991.

We have audited the financial statements which comprise:

- the consolidated and company statements of profit or loss;
- the consolidated statement of comprehensive income;
- the consolidated and company statements of financial position;
- the consolidated and company statements of changes in equity;
- the consolidated and company statements of cash flows;
- the related notes to the consolidated financial statements 1 to 35; and
- the related notes to the company financial statements 1 to 13.

The financial reporting framework that has been applied in their preparation is applicable law and IFRS Accounting Standards as adopted by the European Union and as issued by the IASB.

### 2. Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services provided to the group for the year are disclosed in note 9(b) to the financial statements.

We confirm that the non-audit services prohibited by the FRC's Ethical Standard were not provided to the Group, with the exception of one group corporate tax advisory service provided by our component auditor, Ernst & Young LLP ('EY UK'). As soon as we became aware of this breach, we discussed the matter with EY UK and the Audit Committee and the service ceased. Whilst the service was prohibited, we consider that EY UK had appropriate safeguards as there was no self-review threat as the team providing the work was not involved in the component audit and the component audit team did not audit balances affected by their advice. We also considered that the fees for the work of £43,000 were not material to the group or EY, or of a level that would give rise to a significant self-interest threat. As an additional safeguard, the engagement quality review team challenged the group audit team's conclusions in this area. Based on the lack of self-review and insignificant self-interest threats, we believe an objective, reasonable and informed third party would agree that our independence was not impaired.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### 3. Summary of our audit approach

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| **Key audit matters** | The key audit matters that we identified in the current year were:<br>– Valuation of fund investments<br>– Recognition of carried interest from funds and performance fees from credit vehicles<br>– Valuation of goodwill and other intangible assets arising from the acquisition of CVC DIF, and the valuation of the forward liability for the acquisition of the remaining shares in CVC DIF<br>– Identification of related party transactions following the Pre IPO Reorganisation and subsequent acquisitions |
| **Materiality** | The materiality that we used for the group financial statements was €28m which was determined on the basis of 5% of adjusted profit before taxation. |
| **Scoping** | We focused our group audit scope primarily on the audit work at 51 components. These components represent the principal business units and account for 98% of the group's revenue, 94% of the group's profit before tax and 97% of the group's net assets. |

# Independent Auditor's Report continued

## 4. Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the group's and company's ability to continue to adopt the going concern basis of accounting included:

- obtaining an understanding of relevant controls over management's model and process for performing their assessment of going concern;
- obtaining an understanding of the nature of the financing facilities available to the group, including their repayment terms, their use in the liquidity management strategy of the group, and the extent of the group's reliance on them;
- assessing the reasonableness of the assumptions used in the group's strategic business plan approved by the Board;
- challenging the reasonableness of the assumptions underpinning the group's forecasts including considering third-party and market data;
- assessing whether management appropriately considered expected future liquidity requirements relating to the group's undrawn capital commitments and carried interest clawback obligations to the Funds;
- assessing the impact of the wider macro-economic environment over the going concern period and whether this is reflected in stress testing with reference to lower investment returns impacting income recognition and cash;
- evaluating the historical accuracy of forecasts prepared by management;
- evaluating the clerical accuracy used to prepare the forecasts and reperforming management's sensitivity analysis;
- performing additional sensitivity analysis to further challenge whether management has adequately considered additional downside scenarios; and
- assessing the appropriateness of the group's disclosure concerning the going concern basis

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## 5. Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### 5.1 Valuation of fund investments

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| **Key audit matter description** | As at 31 December 2024, the group held €1,585m (2023: €834m) investments in private equity managed by the group included in financial assets at fair value through profit and loss.<br><br>As discussed in note 3(b), the group adopts a valuation methodology in line with IFRS 13 "Fair Value Measurement" and applies the International Private Equity & Venture Capital Guidelines ("IPEV Guidelines"). The group predominantly applies an earnings based valuation technique. The nature of these valuations means that despite the valuation methodologies adopted, the exit value determined by the market at the time of realisation may be materially different from the year end valuation. Due to the unobservable inputs and assumptions used to value the majority of these illiquid investments, the assessment of fair value is subjective and requires significant and complex judgements to be made by management.<br><br>The complex nature of the methodologies employed to determine the fair value of the underlying equity and debt instruments, combined with the number of significant judgements and high degree of estimation uncertainty associated with unobservable inputs, mean that we have identified valuation of fund investments as a key audit matter.<br><br>Key inputs and assumptions where management has exercised significant judgement in determining the valuation estimates of the underlying investments are:<br>– the appropriateness of the inputs into the valuation models including the financial metrics, budgeted or historical earnings and adjustments made to earnings for exceptional items;<br>– the set of public comparable companies and recent transactions selected used to derive the comparative multiple applied against earnings, and<br>– the discount or premium applied to the comparable multiples to reflect the points of difference with the company being valued.<br><br>Further information related to this area is set out in the Audit Committee report on page 68, and in notes 3(b), 17 and 27 to the group financial statements. |

# **Independent Auditor's Report** continued

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| **How the scope of our audit responded to the key audit matter** | We have performed the following procedures:<br>– **Management's Control Environment:** Obtained an understanding of the relevant controls over the group's assessment of the valuation of the underlying investments. This included enquiry of management regarding the valuation governance structure and protocols around their oversight of the valuation process, and review of the Portfolio Monitoring Committee meeting minutes to evidence the Committee's oversight, review and challenge of the valuations and associated key inputs and assumptions.<br>– **Methodology:** Assessed and challenged whether management's valuation methodologies complied with the requirements of IFRS 13 and the relevant IPEV guidelines<br>– **Assumptions and Inputs:** With the assistance of our valuation specialists, we formed an independent view on the appropriateness of the key assumptions and inputs used in the valuation of investments that are subject to a high degree of estimation uncertainty, with reference to relevant industry and market valuation considerations and data points including any consideration of contradictory evidence. Specifically we:<br>● assessed the appropriateness of the key assumptions (including the impact of climate change and macroeconomic factors) made by management in the calculation of fair value;<br>● assessed whether key inputs in the valuation models were in agreement with source data, including independently obtained portfolio company financial information and evaluated the mathematical accuracy of the valuation models;<br>● assessed the suitability of the comparable companies used in the calculation of the earnings multiples, and the appropriateness of any discounts or premiums applied to the multiples, supported by calibration analysis;<br>● challenged management on the applicability and completeness of adjustments made to multiples by obtaining rationale and supporting evidence for each adjustment;<br>● assessed the appropriateness of the portfolio company financial information, including business plans used in the valuation and any relevant adjustments made by obtaining rationale and supporting evidence; and<br>● assessed material differences between the exit prices of investments realised during the year and the prior year fair value, to inform our assessment of potential management bias over the valuation of fund investments.<br>– **Assessing Disclosures:** Assessed whether the disclosures relating to estimation uncertainty were in accordance with the requirements of IAS 1 *"Presentation of Financial Statements"* and IFRS 13. |
| **Key observations** | As a result of our procedures, we concluded that the valuation of fund investments is reasonable. |

### 5.2 Recognition of carried interest from funds and performance fees from credit vehicles

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| **Key audit matter description** | For the year ended 31 December 2024, the group reported carried interest income from private equity funds and performance fees from credit vehicles of €173m (2023: €163m). As disclosed in note 3, the group receives a share of fund profits as variable consideration for the provision of various investment management services to the funds/credit vehicles, dependent on the performance of the relevant fund/vehicle and provided that the minimum return hurdle has been met (the "preferred return"). In respect of carried interest the group is typically entitled to 15% to 30% of the carried interest (the "house-carry"), with the remaining percentage payable to employees and former employees for services provided to the funds directly (collectively the "non-house carry").<br><br>Significant judgement is required to determine whether the group is required to recognise some or all non-house carry that is not directly payable to the group as revenue in accordance with IFRS 15 "Revenue from contracts with customers". This necessitates a detailed analysis of the services provided by the recipients of the non-house carry to the underlying funds, to assess whether the services provided create an entitlement of the group to the non-house carry. Where such an entitlement exists, non-carry revenue is required to be included in revenue recorded by the group. For the year 31 December 2024, the group recorded no revenue in relation to non-house carry.<br><br>Additionally, management makes assumptions and uses estimates to determine the recognition, timing and measurement of revenue from carried interest. In accordance with IFRS 15, revenue should only be recognised to the extent that it is highly probable that a significant reversal of accumulated revenue recognised would not be concluded at final settlement of the fund. To reflect the reversal risk, the group applies a 30% – 50% discount to current unrealised fund values for private equity funds when calculating the carried interest revenue recognised. For credit vehicles, a probability weighting is applied to the potential future cash flows receivable on a case by case basis. The discounts applied to private equity funds and credit vehicles depend on specific segment risks of underlying investments and expected average remaining holding period of each fund.<br><br>The complexity of the accounting judgement and estimation uncertainty associated to revenue recognition resulted in the identification of this as a key audit matter.<br><br>Further information related to this area is set out in the Audit Committee report on page 67, and in notes 2(e) and 3 to the group financial statements. |

# **Independent Auditor's Report** continued

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| **How the scope of our audit responded to the key audit matter** | We have performed the following procedures:<br>– **Management's Control Environment:** Obtained an understanding of the relevant controls over the group's recognition and measurement of carried interest/performance fees;<br>– **Methodology:** Assessed the appropriateness of the accounting policy used by management associated with the recognition of carried interest/performance fees, and the approach used by management to determine whether or not non-house carry should be recognised as group revenue;<br>– **Methodology implementation:** Inspected key agreements and meeting minutes to analyse the services provided to the funds and assessed the appropriateness of management's judgement regarding the inclusion or exclusion of non-house carry from the group's revenue in accordance with IFRS 15;<br>– **Reperformance:** Developed an independent recalculation of carried interest/performance fees based on the audited position of the underlying fund/vehicles and the contractual terms in the relevant agreements;<br>– **Application of discount:** Challenged the appropriateness of the valuation discount applied (the carried interest "constraint" or the probability weighting applied to the potential future cash flows for credit performance fees) by performing an assessment of historical realisations and associated carried interest to analyse trends in unrealised fund values and fund performance; and<br>– **Disclosure:** Assessed the group's disclosures, with reference to the requirements relating to estimation uncertainty in IAS 1 and revenue recognition required under IFRS 15. |
| **Key observations** | As a result of our procedures, we concluded that recognition of carried interest from funds and performance fees from credit vehicles is appropriately recorded and disclosed. |

### 5.3 Valuation of goodwill and other intangible assets arising from the acquisition of CVC DIF and the valuation of the forward liability for the acquisition of the remaining shares in CVC DIF

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| **Key audit matter description** | As described in note 5(c), the group completed the acquisition of an initial interest of 60% in DIF Management Holding B.V. ("referred to as CVC DIF") on 1 July 2024 for consideration of €590m, settled by a combination of cash and shares.<br><br>The transaction has been accounted for in accordance with IFRS 3 *"Business Combinations"*. Goodwill of €265m and other intangible assets of €688m were recognised as a result of the transaction. There is estimation uncertainty related to the valuation of the identified other intangible assets for customer relationships. The value of goodwill to be recognised is determined following valuation of the intangible assets, and is therefore linked to the same estimations and judgements. The key areas of uncertainty relate to assessment of future fund-raising activity and the level of management fee income that CVC DIF will earn, and the assumptions about the extent to which existing fund investors will participate within these future fund-raisings. The valuation is also sensitive to the discount rate applied.<br><br>As described in note 3(e), the group acquired 60% of CVC DIF with an obligation to purchase the remaining 40% over two tranches in a future period. As a result the group recognised an initial forward liability at fair value for the deferred consideration of €537m for the remaining 40%. This was subject to remeasurement at year end and has been valued at €788m. The areas of estimation uncertainty described above are also relevant to the valuation of the forward liability as this is calculated using a discounted cash flow based on future performance of CVC DIF.<br><br>Further information related to this area is set out in the Audit Committee report on page 68, and in notes 3 and 5(c) to the group financial statements. |

# Independent Auditor's Report continued

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| **How the scope of our audit responded to the key audit matter** | We have performed the following procedures:<br>– **Management's Control Environment:** Obtained an understanding of the relevant controls over the group's assessment of purchase price accounting for the CVC DIF transaction and the determination of the fair value of the forward liability;<br>– **Methodology:** Assessed the appropriateness of the methodology adopted by management for the valuation of customer relationships, goodwill and the forward liability . This included an assessment of whether the accounting treatment of the forward liability was appropriate in terms of the sale and purchase agreement;<br>– **Assumptions and inputs:** With the involvement of our valuation specialists, we:<br>● assessed whether the key assumptions in the valuation of customer relationships made by management are reasonable. These include key assumptions in the discounted cash flow model such as the discount rate, and assumptions regarding participation by existing investors in future fund launches;<br>● assessed whether the key assumptions used in the valuation of the forward liability are reasonable such as projections for management fee and carried interest revenue, and the discount rate applied within management's model;<br>● performed additional procedures to identify whether there was any evidence that potentially contradicted the judgements made by management and assessed whether management's estimates were reasonable in light of any such potentially contradictory evidence identified;<br>● assessed the supportability of the forecasts, including assumptions regarding revenue from future fund launches by evaluating management's historical ability to accurately forecast fund raises;<br>● obtained management's valuation workings and recalculated these for mathematical accuracy; and<br>– **Disclosure:** assessed the group's disclosures, with reference to the requirements relating to estimation uncertainty in IAS 1, IFRS 3 for business combinations and IFRS 13 in relation to fair value measurement. |
| **Key observations** | As a result of our procedures, we concluded that the valuation of goodwill and other intangible assets arising from the acquisition of CVC DIF and the valuation of the forward liability for the acquisition of remaining shares in CVC DIF is reasonable. |

### 5.4 Identification of related party transactions following of the Pre-IPO Reorganisation and subsequent acquisitions

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| **Key audit matter description** | The IPO reorganisation and the acquisitions which followed fundamentally transformed the group and resulted in several areas of complex merger and acquisition accounting as described in note 4 and note 5.<br><br>As a result of the changes to the organisation structure in the period there is a risk that related party transactions and transactions between the CVC Capital Partners plc group ('the listed group') and entities not included within the plc perimeter following the Pre-IPO Reorganisation are not appropriately identified or not disclosed appropriately as being at arm's length within the annual report of the group in line with IAS 24 "Related party disclosures". The relationships between the listed group and the non-group perimeter entities are complex and this increases the judgement required by management to identify and disclose these relationships. Further information related to this area is set out in the Audit Committee report on page 67, and in note 32 on related parties. |

# Independent Auditor's Report continued

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|---|---|
| **How the scope of our audit responded to the key audit matter** | We have performed the following procedures:<br>– **Management's Control Environment:** Obtained an understanding of the controls over the group's assessment for the identification and completeness of related parties;<br>– **Methodology for IPO reorganisation:** Inspected relevant legal documents and agreements to understand the key terms and steps of the Pre-IPO Reorganisation. Assessed accounting treatment under common control, identification of CVC as the acquirer of the advisory group and control assessment for the advisory and credit groups as the key areas in relation to the Pre-IPO Reorganisation that gave rise to complex accounting. We assessed management's proposed accounting and concluded on the appropriateness of the accounting treatment adopted in compliance with reporting standards.<br>– **Assessment of related party transactions:** we have<br>● inspected and assessed management's assessment outlining their identification, accounting and disclosure of related party transactions as defined by IAS 24.<br>● challenged management's assessment of post IPO control and significant influence relationships with entities outside the listed group, including considering potentially contradictory evidence;<br>● challenged the completeness of the identified related parties and related party transactions disclosed in the annual report by obtaining an understanding of any transactions identified to be outside of the normal course of business or considered potentially not to be undertaken on market terms that were identified during the course of our audit. This included making direct inquiries of legal and compliance teams across the scope of the listed group and entities not included within the plc perimeter.<br>● tested the accuracy and completeness of the related party transactions disclosure by obtaining confirmations from departments who represent entities of the listed group and entities not included within the plc perimeter as to their view of related party transactions and compared this to our view of potential related party transactions as informed by inspecting the general ledger.<br>● assessed whether related party transactions are executed at arm's length by tracing a sample of them to relevant supporting documents such as legal agreements or invoices;<br>● through reviewing minutes of meetings of the Board of Directors and key agreements, assessed whether there are new related party transactions entered into that were significant or outside the normal course of business.<br>– **Disclosure:** Assessed the group's disclosures, with reference to the requirements relating to estimation uncertainty in IAS 1 and IAS24 for related parties. |
| **Key observations** | As a result of our procedures, we concluded that management had appropriately identified and disclosed as being at arm's length the group's related party relationships. |

## 6. Our application of materiality

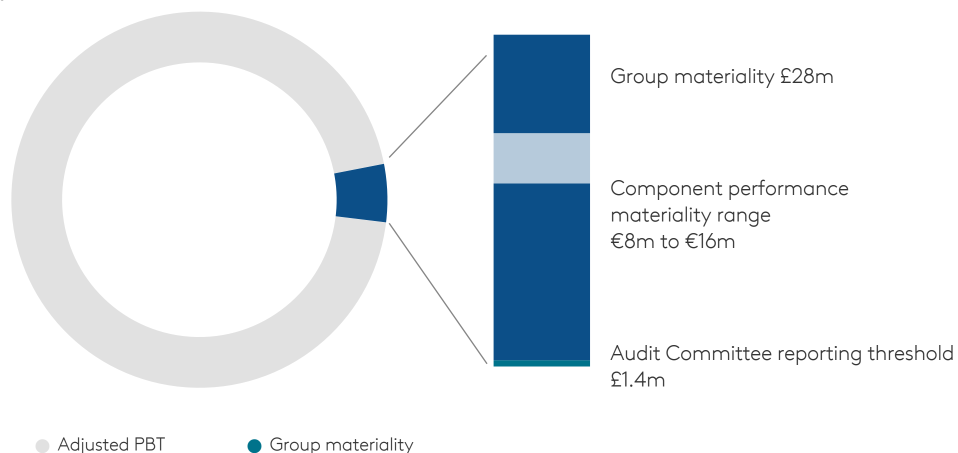
### 6.1. Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

| | Group financial statements | Company financial statements |
|---|---|---|
| **Materiality** | €28m | €27m |
| **Basis for determining materiality** | 5% of adjusted profit before taxation. We have adjusted profit before taxation by removing investment income and adding back the change in the valuation of the forward liability. We have made these adjustments as we believe these provide users of the financial statements a more stable benchmark period on period. | Net assets capped at 95% of the group materiality. This represents 1.4% of net assets. |
| **Rationale for the benchmark applied** | We consider profit before tax to be the appropriate benchmark, being a key metric for the users of the financial statements. | The company does not generate external income and its main purpose is to hold investments in the underlying subsidiaries of the group. We therefore concluded that net assets represented the most appropriate benchmark |

# Independent Auditor's Report continued




### 6.2. Performance materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole.

| | Group financial statements | Company financial statements |
|---|---|---|
| **Performance materiality** | 60% of group materiality | 60% of company materiality |
| **Basis and rationale for determining performance materiality** | In preparation for its initial public offering CVC Capital Partners plc has been strengthening its control and governance processes but, reflective of the current state of maturity of the control environment and governance arrangements, we have established performance materiality at 60%. Further information related to the control environment is set out in the Audit Committee report on page 71. | |

### 6.3. Error reporting threshold

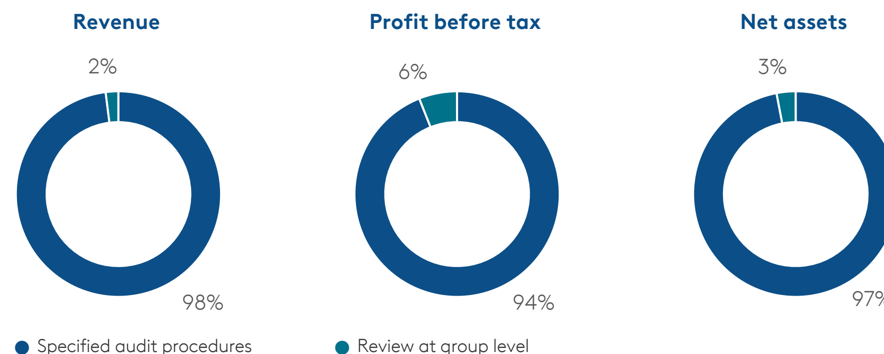
We agreed with the audit committee that we would report to the committee all audit differences in excess of €1.4m for the group and €1.3m for the company, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the audit committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

## 7. An overview of the scope of our audit

### 7.1. Identification and scoping of components

We performed our group scoping by obtaining an understanding of the group and its environment, including group-wide controls, and assessing the audit risks. We determined each entity within the group to be a separate component. We assessed risk factors in each significant account and qualitative risk factors at each component including understanding regulatory risk, history of errors and if each component has a separate control environment. Given the IPO within the period and the acquisition of CVC DIF there are a number of changes to the corporate structure which we incorporated into our risk assessment. We have performed audits of specified classes of transactions, balances and disclosures on 51 components. Our scope of audit work results in testing of 98% of Revenue, 94% Profit before Tax and 97% Net Asset Value. Our audit work at the 51 components was executed at levels of performance materiality applicable to each individual component which were lower than group materiality and ranged from €8m to €16m.

The components selected for audit procedures were in the United Kingdom, Channel Islands, United States and the Netherlands. In the United Kingdom and Channel Islands, component auditors performed procedures on the valuation of investments in funds and other balances within the consolidated funds. We worked with locally based component auditors in the Netherlands and United States where they performed procedures on balances for which the books and records were maintained in that geography. Where a component was within our scope and audited by another firm, we engaged non-Deloitte auditors. All other work required to support the group opinion including the audit of the consolidation has been performed by the group audit engagement team.



# Independent Auditor's Report continued

### 7.2. Our consideration of the control environment

We have obtained an understanding of the relevant internal controls of the group. We involved our IT specialists to obtain an understanding of relevant IT controls over the group's IT systems. Due to the developing control environment we performed a fully substantive audit. We made a number of recommendations to management for control improvements.

For 38 components, the accounting records are maintained by service organisations. We obtained an understanding of the controls in place at the service organisations. However we did not plan to or place reliance on the controls in place at these service organisations.

### 7.3. Our consideration of climate-related risks

In planning our audit, we considered the potential financial impacts on the group and its financial statements of climate change and the transition to a low carbon economy. We considered management's own assessment of the related risks and opportunities as described on page 102, together with our cumulative knowledge and experience of the group and the environment in which it operates. We assessed management's disclosures about critical judgements and key sources of estimation uncertainty, including the potential impact of climate change on those judgements and estimates, in note 3 to the financial statements. We assessed management's going concern and viability disclosures, and did not identify any significant impact of climate change on those disclosures given the timeframes of those assessments.

We have performed a limited assurance review of the sustainability report on pages 87 to 164 in the period and this work has informed our view of the climate-related risks facing the group. The separate assurance report is included within this annual report on pages 165 to 167. We have considered whether information included in the climate related disclosures in the Annual Report is consistent with our understanding and knowledge of the business and the financial statements. Our knowledge obtained in the audit is from attending meetings with key management personnel responsible for assessing the impact of climate change at the group, work performed over the sustainability statement, reviewing the group's risk register, reviewing board packs and meeting minutes and evaluating any public announcements or initiatives to which the group has committed.

### 7.4. Working with other auditors

The group audit team have directed and supervised the work of the component audit teams during the course of the year. As part of our planning, we issued detailed instructions to our component audit teams, the group engagement partner led planning and concluding meetings with all component teams to discuss our risk assessment for the components and remained in contact throughout the audit process.

We issued detailed instructions to the component auditors and directed and supervised their work through a number of in-person and remote meetings with the component auditors during the planning, performance and completion stages of our audit.

The valuation of investments in funds is a key audit matter and significant to the group financial statements and we have directed and supervised the work of the component fund audit teams by performing an asset by asset risk assessment to enable us to provide detailed queries on an asset by asset basis to direct their work to focus on specific inputs or assumptions. We performed on site reviews of each investment including the use of valuations specialists to ensure appropriate challenge of management on the subjective inputs and assumptions and sourcing appropriate confirmatory and contradictory evidence. We also performed site visits to the Netherlands and at the and offices of the UK based component teams to perform in-person reviews of audit working papers.

We are satisfied that the level of involvement of the group audit partner and teams in the component audits has been extensive and has enabled us to conclude that sufficient audit evidence has been obtained to support our opinion on the group financial statements as a whole.

## 8. Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## 9. Responsibilities of directors

As explained more fully in the board responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and 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 group or the company or to cease operations, or have no realistic alternative but to do so.

# Independent Auditor's Report continued

## 10. Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: **www.frc.org.uk/auditorsresponsibilities**. This description forms part of our auditor's report.

## 11. Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

### 11.1. Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the group's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management, internal audit, the directors and the audit committee about their own identification and assessment of the risks of irregularities, including those that are specific to the group's sector;
- any matters we identified having obtained and reviewed the group's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team including significant component audit teams and relevant internal specialists, including tax, valuations, IT and forensic specialists, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Companies (Jersey) Law 1991 and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. These included the group's regulatory solvency requirements and environmental regulations.

### 11.2. Audit response to risks identified

As a result of performing the above, we identified the valuation of fund investments, recognition of carried interest from funds and performance fees from credit vehicles, and identification of related party transactions following the Pre-IPO Reorganisation and subsequent acquisitions as key audit matters related to the potential risk of fraud. The key audit matters section of our report explains the matters in more detail and also describes the specific procedures we performed in response to those key audit matters.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management, the audit committee and in-house legal counsel concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with key tax authorities and regulators;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialist and component audit teams, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

# Independent Auditor's Report continued

## Report on other legal and regulatory requirements

### 12. Opinion on other matter prescribed by our engagement letter

In our opinion the part of the directors' remuneration report to be audited has been properly prepared in accordance with the basis described on page 77.

### 13. Corporate Governance Statement

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- the board's statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 53;
- the board's explanation as to its assessment of the group's prospects, the period this assessment covers and why the period is appropriate set out on page 52;
- the boards' statement on fair, balanced and understandable set out on page 70;
- the board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 46;
- the section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on pages 45 and 46; and
- the section describing the work of the audit committee set out on page 65.

### 14. Matters on which we are required to report by exception

#### 14.1. Adequacy of explanations received and accounting records

Under the Companies (Jersey) Law, 1991 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- proper accounting records have not been kept by the company, or proper returns adequate for our audit have not been received from branches not visited by us; or
- the company financial statements are not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

### 15. Other matters which we are required to address

#### 15.1. Auditor tenure

We were appointed by the board on 9 July 2024 to audit the financial statements for the year ending 31 December 2024 and subsequent financial periods. This is our first year audit of the group headed by CVC Capital Partners plc following its establishment. Prior to the establishment of CVC Capital Partners plc, we previously audited CVC Management Holdings II Limited, CVC Capital Partners Advisory Group Holding Foundation and CVC Credit Partners Group Holding Foundation.

#### 15.2. Consistency of the audit report with the additional report to the audit committee

Our audit opinion is consistent with the additional report to the audit committee we are required to provide in accordance with ISAs (UK).

### 16. Use of our report

This report is made solely to the company's members, as a body, in accordance with Article 113A of the Companies (Jersey) Law, 1991. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and those matters we have expressly agreed to report to them on in our engagement letter 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

We have provided assurance on whether the annual financial report has been prepared using the single electronic format specified in the ESEF RTS and have publicly reported separately to the members on this.

**Terri Fielding, ACA**
**For and on behalf of Deloitte LLP**
**Recognised Auditor**
**London, United Kingdom**
**19 March 2025**

# Consolidated Statement of Profit or Loss

## For the year ended 31 December 2024

| All figures in € 000 | Notes | Dec-24 | Dec-23 |
|---|---|---|---|
| Management fees | 7 | 1,181,234 | 743,368 |
| Carried interest and performance fees | 16 | 173,170 | 163,170 |
| Investment income | | 207,528 | 81,428 |
| Other operating income | | 3,733 | 6,752 |
| **Total revenue** | | **1,565,665** | **994,718** |
| Advisory fee expense | | – | (400,437) |
| Personnel expenses | 8 | (427,668) | (59,902) |
| General and administrative expenses | 9 | (193,838) | (95,883) |
| Change in valuation of forward liability | 22 | (463,305) | (84,825) |
| Foreign exchange (losses)/gains | | (3,188) | 5,706 |
| Expenses with respect to investment vehicles | | (4,010) | (440) |
| **EBITDA** | | **473,656** | **358,937** |
| Depreciation and amortisation | 10 | (125,033) | (25,991) |
| **Total operating profit** | | **348,623** | **332,946** |
| Finance income | | 12,878 | 10,788 |
| Finance expense | 11 | (53,035) | (31,251) |
| **Profit before income tax** | | **308,466** | **312,483** |
| Income tax charge | 12 | (350) | (9,769) |
| **Profit after income tax** | | **308,116** | **302,714** |
| **Attributable to:** | | | |
| Equity holders of the parent | | 225,295 | 280,493 |
| Non-controlling interests | 29 | 82,821 | 22,221 |

| Earnings per share | | € | € |
|---|---|---|---|
| Basic and diluted | 13 | 0.24 | 0.39 |

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

# Consolidated Statement of Comprehensive Income

## For the year ended 31 December 2024

| All figures in € 000 | Dec-24 | Dec-23 |
|---|---|---|
| **Profit after income tax** | 308,116 | 302,714 |
| **Items that may be reclassified subsequently to profit or loss (net of tax):** | | |
| Exchange differences on translation of foreign operations | 41,510 | (16,414) |
| **Other comprehensive income/(loss) for the year** | **41,510** | **(16,414)** |
| **Total comprehensive income for the year** | **349,626** | **286,300** |
| **Attributable to:** | | |
| Equity holders of the parent | 263,424 | 266,258 |
| Non-controlling interests | 86,202 | 20,042 |

# Consolidated Statement of Financial Position

**As at 31 December 2024**

| All figures in € 000 | Notes | Dec-24 | Dec-23 |
|---|---|---|---|
| **Assets** | | | |
| **Non-current assets** | | | |
| Property and equipment | 14 | 178,661 | 17,467 |
| Goodwill and other intangible assets | 15 | 1,867,211 | 530,052 |
| Carried interest and performance fees receivables | 16 | 254,926 | 190,461 |
| Financial assets at fair value through profit or loss | 17 | 1,890,532 | 935,674 |
| Trade and other receivables | 18 | 169,034 | 107,142 |
| Deferred tax assets | 12 | 84,744 | 8,371 |
| **Total non-current assets** | | **4,445,108** | **1,789,167** |
| **Current assets** | | | |
| Trade and other receivables | 18 | 203,357 | 57,828 |
| Cash and cash equivalents | 20 | 618,289 | 100,677 |
| **Total current assets** | | **821,646** | **158,505** |
| **Total assets** | | **5,266,754** | **1,947,672** |
| **Liabilities** | | | |
| **Non-current liabilities** | | | |
| Borrowings | 21 | 1,594,248 | 1,432,402 |
| Forward liability | 5, 22 | 787,578 | 592,019 |
| Lease liabilities | 23 | 124,420 | 9,589 |
| Provisions | 24 | 229,276 | 176,380 |
| Trade and other payables | 25 | 35,424 | 6,033 |
| Deferred tax liabilities | 12 | 248,149 | 21,949 |
| **Total non-current liabilities** | | **3,019,095** | **2,238,372** |

| All figures in € 000 | Notes | Dec-24 | Dec-23 |
|---|---|---|---|
| **Current liabilities** | | | |
| Borrowings | 21 | 82,081 | 6,902 |
| Lease liabilities | 23 | 16,323 | 2,291 |
| Trade and other payables | 25 | 300,038 | 92,018 |
| Income tax payable | | 45,507 | 1,026 |
| **Total current liabilities** | | **443,949** | **102,237** |
| **Total liabilities** | | **3,463,044** | **2,340,609** |
| **Net assets/(liabilities)** | | **1,803,710** | **(392,937)** |
| Stated capital | 29 | 1,022,419 | 2,500 |
| Other reserves | 29 | 78,032 | 297,690 |
| Net exchange differences reserve | | 60,078 | 15,891 |
| Accumulated losses | | (174,803) | (927,409) |
| **Equity attributable to equity holders of the parent** | | **985,726** | **(611,328)** |
| Non-controlling interests | 29 | 817,984 | 218,391 |
| **Total equity** | | **1,803,710** | **(392,937)** |

These financial statements were approved by the Board on 19 March 2025 and were signed on its behalf by:

**Fred Watt**
**Director**

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

# Consolidated Statement of Changes in Equity

## For the year ended 31 December 2024

| All figures in € 000 | Notes | Stated capital | Other reserves | Net exchange differences reserve | Accumulated losses | Total attributable to equity holders of the parent | Non-controlling interests | Total equity |
|---|---|---|---|---|---|---|---|---|
| **As at 1 January 2024** | | **2,500** | **297,690** | **15,891** | **(927,409)** | **(611,328)** | **218,391** | **(392,937)** |
| Profit for the period | | — | — | — | 225,295 | **225,295** | 82,821 | **308,116** |
| Movement in currency reserve | | — | — | 38,129 | — | **38,129** | 3,381 | **41,510** |
| **Total comprehensive income** | | **—** | **—** | **38,129** | **225,295** | **263,424** | **86,202** | **349,626** |
| Stated capital issuance | 29 | 250,000 | — | — | — | **250,000** | — | **250,000** |
| Capitalised costs | 29 | (1,583) | — | — | — | **(1,583)** | — | **(1,583)** |
| Acquisitions[1] | 5, 29 | 1,648,459 | (222,982) | 6,058 | (200,306) | **1,231,229** | 585,064 | **1,816,293** |
| Capital reduction | 29 | (876,957) | — | — | 876,957 | **—** | — | **—** |
| Share-based payments | 7 | — | 3,324 | — | — | **3,324** | — | **3,324** |
| Other distributions | 29 | — | — | — | (299,013) | **(299,013)** | (126,875) | **(425,888)** |
| Other contributions | 29 | — | — | — | 150,934 | **150,934** | 53,941 | **204,875** |
| Transfers between shareholders | 29 | — | — | — | (1,261) | **(1,261)** | 1,261 | **—** |
| **As at 31 December 2024** | | **1,022,419** | **78,032** | **60,078** | **(174,803)** | **985,726** | **817,984** | **1,803,710** |

1. Includes acquisitions related to the Pre-IPO Reorganisation, CVC Secondaries NCI, and CVC DIF. Refer to note 5 for further details.

| All figures in € 000 | Notes | Stated capital | Other reserves | Net exchange differences reserve | Accumulated losses | Total attributable to equity holders of the parent | Non-controlling interests | Total equity |
|---|---|---|---|---|---|---|---|---|
| **As at 1 January 2023** | | **1,250** | **515,151** | **30,126** | **(814,020)** | **(267,493)** | **110,730** | **(156,763)** |
| Profit for the period | | — | — | — | 280,493 | **280,493** | 22,221 | **302,714** |
| Movement in currency reserve | | — | — | (14,235) | **—** | **(14,235)** | (2,179) | **(16,414)** |
| **Total comprehensive income** | | **—** | **—** | **(14,235)** | **280,493** | **266,258** | **20,042** | **286,300** |
| Stated capital issuance | 29 | 1,250 | — | — | — | **1,250** | — | **1,250** |
| Divestment of interest in subsidiary | 29 | — | — | — | (8,323) | **(8,323)** | 91,281 | **82,958** |
| Other distributions | 29 | — | (219,793) | — | (702,351) | **(922,144)** | (25,462) | **(947,606)** |
| Other contributions | 29 | — | 2,332 | — | 316,792 | **319,124** | 21,800 | **340,924** |
| **As at 31 December 2023** | | **2,500** | **297,690** | **15,891** | **(927,409)** | **(611,328)** | **218,391** | **(392,937)** |

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

# Consolidated Statement of Cash Flows

**For the year ended 31 December 2024**

| All figures in € 000 | Notes | Dec-24 | Dec-23 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Cash generated from operations | 30 | 595,712 | 234,809 |
| Cash received from carried interest entities | 24 | 143,724 | 121,666 |
| Carried interest additions | 16 | (774) | — |
| Income taxes paid | | (49,535) | (10,206) |
| **Net cash inflows from operating activities** | | **689,127** | **346,269** |
| **Cash flows from investing activities** | | | |
| Payments for property and equipment | | (16,770) | (3,668) |
| Payments for intangible assets | | (4,408) | — |
| Purchase of investments | 17 | (479,445) | (114,131) |
| Proceeds from sale of investments | | 325,458 | 128,016 |
| Proceeds from repayment of loans receivable | | 124,038 | 166,226 |
| Funding of loans receivable | | (178,830) | (54,619) |
| Acquisition of subsidiaries, net of cash acquired | 5 | (27,189) | — |
| Interest received | | 9,024 | 4,738 |
| **Net cash (outflows used in)/inflows from investing activities** | | **(248,122)** | **126,562** |

| All figures in € 000 | Notes | Dec-24 | Dec-23 |
|---|---|---|---|
| **Cash flows from financing activities** | | | |
| Proceeds from issue of shares by the Company | | 250,000 | 1,250 |
| Capitalised share issuance costs | | (1,583) | — |
| Divestment of interest in subsidiary | 29 | — | 47,025 |
| Contributions from non-controlling interests | | 51,868 | 21,800 |
| Dividends paid to non-controlling interests | 29 | (126,875) | (25,462) |
| Other contributions | 29 | 140,000 | 319,124 |
| Other distributions | 29 | (299,013) | (922,144) |
| Net proceeds from private placement note | 26 | 196,768 | — |
| Drawings on credit facilities | 26 | 668,191 | 594,102 |
| Repayment of credit facilities | 26 | (757,949) | (495,904) |
| Interest paid | | (42,266) | (29,354) |
| Payment of principal portion of lease liabilities | 23, 26 | (16,542) | (1,653) |
| **Net cash inflows from/(outflows used in) financing activities** | | **62,599** | **(491,216)** |
| Net increase/(decrease) in cash and cash equivalents | | 503,604 | (18,385) |
| Cash and cash equivalents at the beginning of the period | | 100,677 | 116,550 |
| Net foreign exchange difference | | 14,008 | 2,512 |
| **Cash and cash equivalents at the end of the period** | 20 | **618,289** | **100,677** |

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

# Notes to the Consolidated Financial Statements

## 1. General information and basis of preparation

### General information

CVC Capital Partners plc (the Company or the parent) (formerly known as CVC Holdings Limited) was incorporated on 21 December 2021 in Jersey, Channel Islands under the Companies (Jersey) Law 1991. Until 30 April 2024 its ultimate parent was CVC Capital Partners SICAV-FIS S.A. (the SIF). On 30 April 2024, the ordinary shares of no nominal value were listed on Euronext Amsterdam, the regulated market operated by Euronext Amsterdam N.V. The registered office is at Level 1, IFC 1, Esplanade St Helier, Jersey JE2 3BX. The consolidated financial statements of the Company as at 31 December 2024 comprise the Company and its subsidiaries (together referred to as the Group). The material subsidiaries affecting the results or net assets of the Group in the year are listed in note 33 to the consolidated financial statements.

Following the Group's listing on Euronext Amsterdam (the IPO) and Group reorganisation (the Pre-IPO Reorganisation) described below, the principal activities of the Company and its subsidiaries are to provide management and adviser services to various investment funds and credit vehicles and to act as an investment holding group.

The consolidated financial statements of the Group for the year ended 31 December 2024 were authorised for issue on 19 March 2025.

### Basis of preparation

The directors have prepared the annual consolidated financial statements of the Group in accordance with, and conforming to, International Financial Reporting Standards as adopted by the EU (IFRS), as issued by the International Accounting Standards Board (IASB), the requirements of the Dutch Financial Supervision Act (Wet op het Wetboek), the applicable provisions of the Dutch Civil Code (Burgerlijk Wetboek) and the Companies (Jersey) Law 1991. The Company has previously prepared consolidated financial statements under IFRS, with an IFRS transition date of 1 January 2022. The consolidated financial statements have been prepared under the historical cost convention, except for financial instruments measured at fair value. The consolidated financial statements are presented in euro and all values are in thousands (€ 000) except where otherwise indicated. The directors have also prepared the Company's stand-alone financial statements in accordance with the requirements of the Companies (Jersey) Law 1991.

### Pre-IPO Reorganisation

In preparation for listing, a series of corporate restructurings were completed to form the Group, with the Company as the legal parent and comprising the following subsidiary groups: The Management Group (Management Group) which includes CVC Management Holdings II Limited (MHII) and each of its subsidiary undertakings, the Advisory Group (Advisory Group) which includes CVC Capital Partners Advisory Group Holding Foundation and each of its subsidiary undertakings, and the Credit Group (CVC Credit) which includes CVC Credit Partners Group Holding Foundation and each of its subsidiary undertakings.

The significant events of the Pre-IPO Reorganisation were the acquisition by the Company of the Advisory Group on 1 January 2024, CVC Credit on 15 April 2024, and the Management Group on 29 April 2024.

The Company and the Management Group have been under common control since the Company's incorporation in 2021. As a result, the acquisition of MHII by the Company was an acquisition under common control and has been reflected within these consolidated financial statements from the start of the comparative period. Refer to note 4 for further details.

The acquisitions of the Advisory Group and CVC Credit were not under common control, and have been reflected from the respective dates of each acquisition. Refer to note 5 for further details.

The following other Pre-IPO Reorganisation events took place:

- The acquisition of the following entities by the Company: CVC Services Holdings S.à r.l., Theatre Directorship Services Alpha S.à r.l., Theatre Directorship Services Beta S.à r.l., Theatre Directorship Services Delta S.à r.l., Theatre Directorship Services Gama S.à r.l., Theatre Directorship Services Kappa S.à r.l., Theatre Directorship Services Lambda S.à r.l., CVC Silver Nominee Limited, CVC Credit Partners Investments Holdings Limited, Private Investment Europe VII GP Limited, Private Investment Europe VIII GP Limited, Private Investment Asia V GP Limited, Private Investment Asia V Feeder GP Limited, Private Investment Strategic Opportunities II GP Limited, and Private Investment Growth II GP Limited.
- The disposal of the following entities by the Company: RemainCo 1 Limited, RemainCo 2 Limited, and CVC Advisers (Benelux) SA/NV.

Certain of the above acquisitions/disposals involved entities which were under common control of the Group as at the date of their acquisition/disposal. These transactions have been reflected within these consolidated financial statements from the start of the comparative period. All other transactions are reflected from the date of the acquisition/disposal. Refer to notes 4 and 5 for further details.

# **Notes to the Consolidated Financial Statements** continued

**1. General information and basis of preparation** (continued)

## Going concern

The consolidated financial statements have been prepared on a going concern basis as the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for a period of at least 12 months from the date of issue of these consolidated financial statements having assessed the business risks, financial position and resources of the Group. Refer to the Group's going concern statement on page 53 for further details.

## Adoption of new revised standards

The Group has adopted all relevant amendments to existing standards and interpretations issued by the International Accounting Standards Board, and endorsed by the EU, that are effective from 1 January 2024. The Group applied for the first time amendments to IAS 1 'Presentation of Financial Statements' related to the requirements for classifying liabilities as current or non-current. The amendments clarify:

- what is meant by a right to defer settlement;
- that a right to defer must exist at the end of the reporting period;
- that classification is unaffected by the likelihood that an entity will exercise its deferral right; and
- that only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification. In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within 12 months.

The amendments have resulted in additional disclosures in note 21, but have not had an impact on the classification of the Group's liabilities.

The Group did not implement the requirements of any other standards or interpretations that were in issue but were not required to be adopted by the Group at the year-end date. The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements and which are expected to have a material impact on the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations when they become effective.

**IFRS 18 'Presentation and Disclosure in Financial Statements'**

In April 2024, the IASB issued IFRS 18, which replaces IAS 1. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. In addition, narrow-scope amendments have been made to IAS 7 'Statement of Cash Flows', which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively. The Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

# Notes to the Consolidated Financial Statements continued

**2. Material accounting policies**

## (a) Assessment of control

Control is achieved when the Group has power over the relevant activities, exposure to variable returns from the investee, and the ability to affect those returns through its power over the investee.

The Group controls an investee (entity) if, and only if, the Group has all of the following:

- power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee; and
- ability to use its power over the investee to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group holds less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time when decisions need to be made, including voting patterns at previous shareholders meetings.

The assessment of control is based on all relevant facts and circumstances and the Group reassesses its conclusion if there is an indication that there are changes in facts and circumstances.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control over the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis.

Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

## (b) Business combinations and goodwill

Business combinations are accounted for by applying the acquisition method. The cost of a business combination is the fair value of the consideration given, liabilities incurred or assumed and of equity instruments issued. Costs attributable to the business combination are expensed in the consolidated statement of profit or loss. Where control is achieved in stages the cost is the consideration at the date of each transaction. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets.

On acquisition of a business, fair values are attributed to the identifiable assets, liabilities and contingent liabilities. Intangible assets are only recognised separately from goodwill where they are separable and arise from contractual or other legal rights. Where the fair value of contingent liabilities cannot be reliably measured, they are disclosed on the same basis as other contingent liabilities.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 'Financial Instruments', is measured at fair value with the changes in fair value recognised in the consolidated statement of profit or loss in accordance with IFRS 9.

Goodwill recognised represents the excess of the fair value of the purchase consideration over the fair value of the Group's interest in the identifiable assets, liabilities and contingent liabilities acquired.

Goodwill is not amortised but is assessed for impairment annually or more frequently if events or changes in circumstances indicate potential impairment loss. Impairment is determined for goodwill by assessing the recoverable amount of the Group's cash generating unit (CGU) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised in the consolidated statement of profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

# Notes to the Consolidated Financial Statements continued

**2. Material accounting policies** (continued)

## (c) Group reorganisations

IFRS does not provide guidance on accounting for group reorganisations under common control. In accordance with the provisions of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' the Group has developed its own accounting policy for group reorganisations. The Group accounts for group reorganisations using the following methodology (the 'merger accounting method'):

- the results and cash flows of the entities acquired in a group reorganisation are reflected in the consolidated financial statements from the beginning of the financial year in which the group reorganisation occurred;
- the comparative information is restated by including the total comprehensive income of the acquired entities for the previous reporting period and their statement of financial position for the previous reporting date, adjusted as necessary to achieve uniformity of accounting policies;
- adjustments are made to eliminate transactions and balances between the Group and the acquired entities;
- the difference, if any, between the consideration transferred and the nominal value of the shares received in exchange is reflected as a movement in other reserves in the consolidated statement of changes in equity; and
- if required, adjustments are made to the results, cash flows, assets and liabilities of the acquired entities to achieve uniformity with the accounting policies of the Group.

The merger accounting method is applied for all group reorganisations, provided:

- the use of the merger accounting method is not prohibited by company law or other relevant legislation; and
- ultimate control remains the same.

If these criteria are not met, the acquisition method is applied in accordance with IFRS 3 'Business Combinations'.

## (d) Foreign currencies

### Presentation currency

The Group's consolidated financial statements are presented in euro, which is also the Company's functional currency.

### Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

Foreign exchange (FX) gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are recognised in profit or loss.

The impact of the revaluation of investments held in foreign currencies is presented together with the fair value movement related to these investments within investment income.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated at the rate prevailing at the date the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

### Foreign operations

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency of the Group as follows:

- assets and liabilities for each consolidated statement of financial position presented are translated at the closing rate at the date of that consolidated statement of financial position;
- income and expenses in each consolidated statement of profit or loss are translated at the average exchange rates for the period;
- all resulting exchange differences are recognised in other comprehensive income;
- on disposal of a foreign operation, exchange differences previously recognised in other comprehensive income are reclassified to the consolidated statement of profit or loss; and
- exchange differences arising from the translation of foreign operations are taken directly to the consolidated statement of changes in equity.

## (e) Revenue

Revenue primarily comprises management fees, carried interest and performance fees, and investment income resulting from the management of investments in Private Equity, Secondaries and Infrastructure funds (the 'investment funds') and Credit vehicles. The parties to agreements of investment fund or credit vehicle management services comprise the Group and the investors of each investment fund or credit vehicle as a body. Accordingly, the group of investors for each investment fund or credit vehicle are identified as the customer for accounting purposes.

Revenue is measured based on the consideration specified in the contracts and excludes amounts collected on behalf of third parties and value added taxes.

### Management fees

The Group earns management fees from its provision of various investment management services, which are treated as a single performance obligation. Management fees are based on an agreed percentage of either committed or invested capital, depending on the fund or vehicle and its life stage. Management fees are recognised over time over the life of each fund or vehicle, generally 6 to 12 years, occasionally subject to an extension, if agreed with the investors of that fund. Fees are billed in accordance with the relevant governing documentation of the fund or vehicle and are billed monthly, quarterly or semi-annually in advance, with the exception of management fees related to certain credit vehicles which are billed in arrears.

# Notes to the Consolidated Financial Statements continued

**2. Material accounting policies** (continued)

Included in management fees are fees received from CVC Capital Partners Asia IV Limited, CVC Capital Partners Asia V Limited, CVC Capital Partners VII Limited, and CVC Capital Partners Strategic Opportunities II Limited, which are entities not transferred to the Group from the SIF as part of the Pre-IPO Reorganisation (the 'Retained GPs'). Pursuant to an agreement entered into prior to IPO (the 'Retained GPs Agreement') between the Company, the Retained GPs and CVC Management Holdings II Limited, the Retained GPs will pay a fee equal to their annual cumulative net profits, in consideration for the Group providing certain support services to each of the Retained GPs, assume any liabilities in respect of the Retained GPs and will grant a licence to each of the Retained GPs for the use of the Group's brand. The fee from the Retained GPs Agreement has been recognised within management fees. Subsequent to the IPO, CVC Capital Partners VII Limited and CVC Capital Partners Strategic Opportunities II Limited were acquired by the Group and are no longer considered Retained GPs from the date of acquisition. Refer to note 5 for further details.

Also included in management fees are fees earned from the Group acting as an underwriter or placement agent in offerings or placements of debt and/or equity financing. When the Group underwrites credit facilities and securities offerings on a firm commitment basis the Group commits to buy and sell a loan participation or securities and generates revenue by purchasing the loan participation/securities for a fee. When the Group acts on a best efforts basis it generates revenue for placing loan participations/securities with capital markets investors.

**Carried interest and performance fees**

Investment funds:

The Group receives a share of fund profits as variable consideration dependent on the performance of the relevant fund and the fund's underlying investments ('carried interest'). The entitlement to receive carried interest is determined with reference to the underlying agreements with each fund, with the amount determined by the level of realised profits exceeding an agreed threshold (the 'hurdle') over the lifetime of each fund. Carried interest revenue is recognised when the performance obligations are expected to be met. Recognition of carried interest revenue is assessed based on a three-step model:

- Hurdle assessment: the total hurdle is determined with reference to the sum of total accumulated drawdowns paid by the Limited Partners (LPs) and total returns attributable to the LPs (the 'preferred return') as of the reporting date.
- Total discounted value assessment: the fair value of unrealised investments is determined as of the reporting date. In the calculation of carried interest to be recognised as revenue, the unrealised fair value will be adjusted, in accordance with established precautionary principles, to the extent that carried interest revenue should only be recognised once it is highly probable that the revenue would not result in a significant reversal of cumulative revenue in future accounting periods. The fund's other total proceeds from realised investments and other realised movements as of the reporting date are then added to the equation, to arrive at the total discounted value.
- Carried interest recognition assessment: if the total discounted value exceeds the total hurdle, carried interest revenue is recognised.

The carried interest receivable represents a contract asset under IFRS 15 'Revenue from Contracts with Customers'. Amounts are typically presented as non-current assets unless they are expected to be received within the next 12 months. The Group applies the simplified approach for measuring impairment of the contract asset as permitted by IFRS 9.

The carried interest provision represents carry received in cash that does not yet meet the criteria to be recognised as revenue. Depending on the future performance of each fund, this amount may be recognised as revenue by the Group or returned to the carried interest sharing (CIS) partnership for onward distribution to other carry recipients. The amount reflects the full carried interest received from funds less any amounts offset against the carried interest receivable. The timing and nature of the release of the carried interest received is uncertain at year end.

Credit vehicles:

Performance-related management fees (performance fees) are recognised only to the extent it is assessed to be highly probable that there will not be a significant reversal of revenue in future accounting periods. Subject to this, they are recognised over a period of time and generally towards the end of the vehicle's life or upon an early liquidation.

For vehicles with a performance fee component, the estimate of revenue from performance fees is made with reference to specific vehicle performance requirements such as a preferred return or performance hurdle. A constraint is applied to the estimate to reflect uncertainty of future vehicle performance. Performance fees will only crystallise and subsequently be received in cash at maturity if a vehicle meets the relevant performance return conditions, unless other criteria take precedent.

**Investment income**

Investment income consists primarily of changes in fair value of the Group's investments in investment funds, and credit vehicles. Further details are set out within note 27. Details of the valuation of such investments is explained further within note 3.

**Other operating income**

Other operating income is recognised in relation to income from transactions other than management fees, carried interest and performance fees, or investment income.

**(f) Placement fees**

The Group incurs placement fees which are costs paid to third parties for raising capital in certain investment funds and credit vehicles. These services and the associated expenditure result in management fees that are contracted to be received over the life of the vehicle. The placement fees are incremental costs to the contract with clients and hence are capitalised and amortised over the period relevant to the specific vehicle.

# Notes to the Consolidated Financial Statements continued

**2. Material accounting policies** (continued)

## (g) Advisory fee expense

Advisory fee expense comprises an advisory fee paid to CVC Capital Partners Advisory Group Holding Foundation for the provision of advice on investment opportunities. These fees are eliminated upon consolidation following the acquisition of CVC Capital Partners Advisory Group Holding Foundation on 1 January 2024. Refer to note 5 for further details.

## (h) Personnel benefits

### Short-term employee benefits

Short-term employee benefits, which include employee salaries and bonuses, are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present or constructive obligation to pay as a result of past service provided by the employee and the obligation can be estimated reliably. A liability is recognised for holiday balances at each period end if an employee's entitlement is not used in full.

### Long-term employee benefits

Long-term employee benefits, which are those that are not expected to be settled wholly before 12 months after the period end in which the employee renders the service that gives rise to the benefit, include certain long-term bonuses. An expense is recognised over the period in which the related service is provided. A liability is recognised for the present value of the future amount expected to be paid if the Group has a present or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### Defined contribution pensions

Amounts payable in respect of employers' contributions to the Group's defined contribution pension scheme are recognised as employee expenses as incurred. The assets of the scheme are held separately from those of the Group in an independently administered fund.

### Share-based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services in exchange for equity instruments (equity-settled transactions).

#### Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. Refer to note 8 for further details.

The cost is recognised in personnel expenses together with a corresponding increase in equity (other reserves), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or income in the statement of profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

## (i) General and administrative expenses

General and administrative expenses consist primarily of expenses related to external services and exceptional costs. Amounts are recognised in the consolidated statement of profit or loss on an accruals basis.

Exceptional expenses are expenses which, because of the nature and expected infrequency of the events giving rise to them, the Group considers merit in separate presentation in the notes to provide a better and more consistent indication of the Group's underlying financial performance and a more meaningful comparison with prior and future periods to assess trends in financial performance.

# Notes to the Consolidated Financial Statements continued

**2. Material accounting policies** (continued)

### (j) Expenses with respect to investment vehicles

The Group makes its general partner commitments to funds through investments in limited partnerships and other investment vehicles. IFRS 10 'Consolidated Financial Statements' requires the Group to consolidate investments in limited partnerships and other investment vehicles which are determined to be controlled by the Group. Operating expenses incurred by these entities are presented in the consolidated statement of profit or loss as expenses with respect to investment vehicles. Refer to note 3 for further details on the judgements involved in the consolidation assessment of these entities.

### (k) EBITDA

Earnings before interest taxation depreciation and amortisation (EBITDA) has been presented as a subheading in the consolidated statement of profit or loss. This is calculated as profit after income tax adjusted by deducting from it, or adding back to it, finance income and expense, tax, depreciation and amortisation in the consolidated financial statements. No adjustments have been made for non-recurring or other one-off items.

### (l) Finance income and finance expense

Finance income comprises interest earned on cash deposited with banks, and interest on loans receivable. Finance expense comprises interest on interest-bearing liabilities, finance expense on lease liabilities, and interest on cash deposited with certain banks that apply negative interest rates. Recurring fees and charges levied on committed bank facilities are charged to the consolidated statement of profit or loss as accrued.

Interest income and expense is recognised using the effective interest rate method. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums and discounts.

The cost of issuing borrowings is expensed over the period of the borrowing so as to produce a constant periodic rate of charge. The amortisation of borrowing costs are included within finance expense in the consolidated statement of profit or loss.

### (m) Taxation

Income tax charge for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the consolidated statement of profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In each case tax is recognised in other comprehensive income or directly in equity, respectively.

**Current tax**

Current tax is the amount of corporation tax payable in respect of the taxable profit for the period or prior period. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end. The Group offsets current tax assets and current tax liabilities if it has a legally enforceable right to set off the recognised amounts, and it intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that the relevant recognition criteria are met, such as, that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

In assessing the recoverability of deferred tax assets, the Group relies on the same forecast assumptions used elsewhere in the consolidated financial statements and in other management reports.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

# **Notes to the Consolidated Financial Statements** continued

**2. Material accounting policies** (continued)

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

**Uncertain tax position**

The Group operates in multiple territories across the world and is therefore subject to a range of factors that require judgement and create estimation uncertainty. Management continue to believe that the positions taken in all tax returns are in line with both the letter and the spirit of the law, including basing transfer pricing policies on the 'arm's length' principle as set out in the OECD guidelines. However, tax legislation is open to interpretation and different tax authorities may take a different view and seek to attribute further profit to activities being undertaken in their jurisdiction.

The Group recognises provisions for uncertain tax positions when the Group has a present obligation as a result of a past event and management judge that it is probable that there will be a future outflow of economic benefits from the Group to settle any resulting obligation. Uncertain tax positions are assessed and measured on an issue-by-issue basis within the jurisdictions that the Group operates, either using management's estimate of the most likely outcome where the issues are binary, or the expected value approach where the issues have a range of possible outcomes. Estimates take into account the specific facts and circumstances of each potential uncertainty, including management's historical experience of similar positions and relevant external advice.

Where uncertainties exist, particularly those which are non-binary, such as transfer pricing issues, the ultimate outcome may vary from the amounts provided and is dependent upon the outcome of discussions with the relevant tax authorities or, if necessary, formal legal proceedings.

While the Group's measurement for uncertain tax positions is subject to estimation uncertainty, management have concluded that the assumptions are not a key source of estimation uncertainty that will have a significant risk of causing a material adjustment to the carrying amounts of the Group's liabilities.

**Pillar Two**

In December 2021, the OECD released Pillar Two model rules intended to ensure large multinational enterprises pay a minimum level of tax in each of the jurisdictions in which they operate (the GloBE Rules). The GloBE rules provide for a top-up tax on profits arising in a jurisdiction whenever the effective tax rate of a large multinational enterprise, determined on a jurisdictional basis, is below a 15% minimum rate. The GloBE Rules were implemented in EU law through Council Directive (EU) 2022/2523 as of 15 December 2022 (the Pillar Two Directive), under which most EU member states implemented the Pillar Two Directive in their domestic law effective after 31 December 2023. In addition, other jurisdictions in which the Group operates have either already enacted the GloBE Rules in their domestic law (such as the United Kingdom) or will have the GloBE Rules in domestic law effective for fiscal years beginning on or after 1 January 2025 (such as Jersey).

The GloBE Rules, as they are implemented in the domestic laws of certain of the jurisdictions in which the Group operates, apply to the Group. Refer to note 12 for further information.

Given the uncertainty on whether the Pillar Two rules will lead to temporary differences that could create or change deferred taxes, as well as the uncertainty related to the tax rate to use for purposes of deferred taxes related to Pillar Two, the IASB issued amendments to IAS 12 'Income Taxes' that introduced a mandatory temporary exception to the requirements of IAS 12. Under this exception, a company does not recognise or disclose information about deferred tax assets and liabilities related to the Pillar Two model rules. The Group has applied this mandatory temporary exception.

**(n) Provisions**

Provisions include the Group's carried interest provision which represents carried interest received in cash that does not yet meet the criteria to be recognised as revenue, a share appreciation rights provision (SAR provision) related to the acquisition of CVC DIF (formerly DIF Capital Partners), and provisions for dilapidations related to property leases. These are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as an interest expense.

# Notes to the Consolidated Financial Statements continued

**2. Material accounting policies** (continued)

### (o) Property and equipment

Property and equipment is stated at cost less accumulated depreciation and any provision for impairment. Depreciation is provided on a straight-line basis over the expected useful economic lives of the assets. Residual values are reviewed at least annually. Estimated useful lives by major class of assets are as follows:

| Asset class | Depreciation rate |
|---|---|
| Leasehold improvements | Over the shorter of their useful economic life or the lease term |
| Equipment | 3 to 5 years |
| Fixtures and fittings | 3 to 7 years |
| Right-of-use assets | Over the lease term |

Property and equipment is subject to review for impairment if triggering events or circumstances indicate that this is necessary. If an indication of impairment exists, the recoverable amount of the assets is estimated and any impairment loss is charged to the consolidated statement of profit or loss as it arises.

### (p) Intangible assets

Intangible assets that are acquired by the Group include customer-related intangible assets, brands, and computer software and are recognised initially at their estimated fair value at the acquisition date (which is regarded as their historical cost). Subsequent to initial recognition, intangible assets are recorded at historical cost less accumulated amortisation and any impairment losses.

The useful economic lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised on a straight-line basis over the useful economic lives and assessed for impairment whenever there are any indications that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least annually. The amortisation expense on intangible assets with finite lives is recognised in the consolidated statement of profit or loss, within depreciation and amortisation.

Estimated useful economic lives by major class of assets are as follows:

| Asset class | Amortisation rate |
|---|---|
| Customer-related intangible assets | 5 to 12 years |
| Brands | 5 years |
| Computer software | 3 to 5 years |

### (q) Financial instruments

**Financial assets**

The Group's financial assets consist of financial assets at fair value through profit or loss, certain trade and other receivables, and cash and cash equivalents.

#### Recognition

A financial asset is recognised when the Group becomes party to the contractual provisions of the instrument.

#### Classification and measurement

A financial asset is initially classified into one of three measurement categories. The classification depends on how the asset is managed (business model) and the characteristics of the asset's contractual cash flows. The measurement categories for financial assets are as follows:

- fair value through profit or loss;
- fair value through other comprehensive income; and
- amortised cost.

Financial assets must be measured through profit or loss unless they are measured at amortised cost or through other comprehensive income. Financial assets at fair value through profit or loss are classified as current assets if they are expected to be settled in the next 12 months, otherwise they are classified as non-current.

Financial assets are measured at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group's trade and other receivables meet the above criteria and are therefore initially measured at transaction cost and subsequently measured at amortised cost using the effective interest method less expected credit losses (ECL).

The Group's financial assets at fair value through profit or loss are measured at fair value through profit or loss.

#### Derecognition

A financial asset is derecognised when the contractual rights to the cash flows from the asset expire, or when the Group transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

# Notes to the Consolidated Financial Statements continued

**2. Material accounting policies** (continued)

Impairment
ECL are calculated on financial assets measured at amortised cost and are recognised within the consolidated statement of profit or loss account. For trade and other receivables, the Group applies the simplified approach and the practical expedient permitted by IFRS 9 to apply a provision matrix that is based on its historic default rates over the expected life of the receivables.

The Group may consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual cash flows in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

**Financial liabilities**
The Group's financial liabilities include certain trade and other payables, borrowings and the forward liability which relates to the Group's obligation to acquire the remaining 40% interest in CVC DIF in the future.

Recognition
A financial liability is recognised when the Group becomes party to the contractual provisions of the instrument.

Classification and measurement
All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs, with the exception of the Group's forward liability which is initially recognised at the present value of the cost of acquisition.

For the purposes of subsequent measurement, financial liabilities are classified in two categories:

- financial liabilities at fair value through profit or loss; and
- financial liabilities at amortised cost.

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include those which have been designated upon initial recognition as at fair value through profit or loss. Financial liabilities are designated by management upon initial recognition to be measured at fair value under IFRS 9 if they meet the following criteria. Such designation is determined on an instrument-by-instrument basis:

- the designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis; or
- the liabilities are part of a group of financial liabilities, which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group of financial liabilities is provided internally on that basis to the entity's key management personnel; or
- the financial liabilities contain one or more embedded derivatives, unless they do not significantly modify the cash flows that would otherwise be required by the contract, or it is clear with little or no analysis when a similar instrument is first considered that separation of the embedded derivative(s) is prohibited.

The Group has designated certain borrowings to be measured at fair value through profit or loss.

Financial liabilities at amortised cost
After initial recognition financial liabilities at amortised cost are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as finance costs in the consolidated statement of profit or loss. Borrowings (other than those designated to be measured at fair value through profit or loss) and trade and other payables are subsequently measured at amortised cost using the effective interest rate method, which approximates fair value.

The Group recognises a forward liability related to its obligation to acquire the remaining interest in CVC DIF (refer to note 22 for further information). The forward liability is measured at the present value of the expected cost of acquisition. Changes to the valuation of the forward liability are recognised in the consolidated statement of profit or loss.

Derecognition
The Group derecognises financial liabilities when the Group's obligations are discharged, cancelled, or expired.

**(r) Cash and cash equivalents**
Cash and cash equivalents comprise cash in hand and short-term highly liquid deposits with a maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of change in value, held at call with banks.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

**(s) Leases**
**Leases for office premises**
The Group assesses at contract inception whether a contract is, or contains, a lease. Such contracts represent leases of office premises where the Group is a tenant. Right-of-use assets are recorded initially at cost and depreciated on a straight-line basis over the shorter of the lease term or the estimated useful economic life. Cost is defined as the lease liabilities recognised plus any initial costs and dilapidations provisions less any incentives received. The right-of-use assets are depreciated over the lease term, which is between 0.5 to 16 years. Right-of-use assets are included within property and equipment in the consolidated statement of financial position.

# Notes to the Consolidated Financial Statements continued

**2. Material accounting policies** (continued)

The lease liability is initially measured at the net present value of future lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate (IBR). Generally, the Group uses its IBR as the discount rate as the implicit rate is not readily determinable for the rented office premises. The IBR is the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment within similar terms, security and conditions. The IBR has been determined by combining the relevant reference risk-free rate for each currency, consideration of adjustments for country-specific risks and applying a financing spread observable to comparable companies. The lease liability is subsequently measured at amortised cost using the effective interest method.

The main components of lease payments included in the measurement of the lease liability comprise the following:

- fixed lease payments;
- variable lease payments that are linked to an index (i.e. consumer price index); and
- lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option.

Lease payments contain principal elements and interest. Interest is presented as part of finance costs in the consolidated statement of profit or loss using the effective interest method. The principal and interest portions of lease payments have been presented within financing activities in the consolidated statement of cash flows. The carrying amount of lease liabilities is remeasured if there is a change in the future lease payments due to a change in index or rate. Lease payments due within the next 12 months are recognised within current liabilities, payments due after 12 months are recognised within non-current liabilities.

**Short-term leases and leases of low-value assets**

The Group recognises right-of-use assets and lease liabilities for leases of low-value and for short-term leases that have a lease term of 12 months or less.

### (t) Dividends

Dividends and other distributions to the equity holders of the parent and non-controlling interests are recognised in the period in which the dividends and other distributions are approved. These amounts are recognised in the consolidated statement of changes in equity.

### (u) Unconsolidated structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements.

The Group has determined that where it holds an investment, fee receivable, commitment with an investment vehicle or a right to carried interest, that this represents an interest in a structured entity.

The Group has further determined that when it acts within pre-determined parameters set out in various agreements and the decision-making authority is well defined, including third-party rights in respect of the investment manager, the Group is acting as an agent on behalf of its clients and therefore these entities are not consolidated into the Group's financial statements.

## 3. Critical judgements in the application of accounting policies and key sources of estimation uncertainty

The preparation of the consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed below. There is no material impact of climate change on estimation uncertainty.

### (a) Judgements

**i. Consolidation of investments in investment vehicles**

A significant judgement for the Group is whether the Group controls the limited partnerships and credit vehicles, through which it makes its general partner commitment to each fund and manages and holds investments ('investment vehicles') in accordance with IFRS 10. Control is determined by the directors' assessment of decision-making authority, rights held by other parties, remuneration and exposure to variable returns.

When assessing whether the Group controls any investment vehicle it is necessary to determine whether the Group acts in the capacity of principal or as agent for the third-party clients. An agent is a party primarily engaged to act on behalf of and for the benefit of another party or parties, whereas a principal is primarily engaged to act for its own benefit.

When making this significant judgement the directors need to assess the kick-out rights of the third-party clients and the Group's exposure to returns from the investment vehicle. For each of the investment vehicles the kick-out rights and exposure to returns were reviewed. Where third-party clients have substantive rights to remove the Group as the general partner and the exposure to returns is not significant, the Group is deemed to be acting as an agent to the investment vehicle and therefore does not require consolidation into the Group. If the Group has significant influence over these entities, they are recognised as associates. Where the Group acts in the capacity of principal, by demonstrating power over the investment vehicle, having exposure to variable returns as an investor, and having the ability to use their power to affect their variable returns, the Group consolidates the investment vehicle.

**3. Critical judgements in the application of accounting policies and key sources of estimation uncertainty** (continued)

**ii. Consolidation of carried interest entities and carried interest entitlement**

As the fund manager to its private equity funds the Group receives carried interest through its participation in certain carried interest entities. The purpose of these carried interest entities is to facilitate payments of carried interest from the funds to those parties whom the fund investors have agreed carried interest will be paid. Those participants are principally the Group and certain of the Group's current and former employees and they receive their carried interest either directly from the carried interest entities or indirectly as indirect shareholders in Vision LP II Holdings Limited and its subsidiaries ('LP II Holdings Group') or Vision Management Holdings Limited and its subsidiaries ('Management Holdings Group'), which themselves are participants in the carried interest entities. The LP II Holdings Group and Management Holdings Group are not subsidiaries of the Company and are therefore not included within the consolidated financial statements of the Group.

### Consolidation of carried interest entities

A significant judgement for the Group is whether the Group controls any carried interest entity in accordance with IFRS 10 and is required to consolidate the carried interest entity into the results of the Group. Control is determined by the directors' assessment of decision-making authority, rights held by other parties, remuneration and exposure to returns.

The directors have undertaken a control assessment of each carried interest entity in accordance with IFRS 10 to consider whether the carried interest entities should be consolidated into the Group. The directors have determined that the power to control the carried interest entities lies with parties that are outside of the Group and are not acting as agents of the Group, and that the carried interest entities should therefore not be consolidated into the Group.

In this analysis the directors have considered both the legal form and the substance of the relationships between the Group, the relevant fund, the carried interest entity and the carried interest participants. They determined that the relevant arrangements were established at inception of the relevant funds, and reflected fund investor requirements that the carried interest participants acquire a carried interest in the fund to align their interests for the purpose of enhancing the investment performance of the fund, those carried interests having been acquired by those participants using their own resources. The directors determined that from the outset of each relevant fund, the Group has not had the relevant decision-making power over the relevant activities of the carried interest entities, and that the party that does have that decision-making power is the general partner of the carried interest entities, which itself has been determined not to be part of the Group by applying a similar analysis.

### Carried interest entitlement

Carried interest receivable is based on amounts to which the Group is entitled, legally or in substance, in accordance with the underlying agreements with each fund. The Group has included in revenue, on the recognition basis described in note 2, the percent of the carried interest in each fund to which the Group is contractually entitled (30% for all funds with the exception of Fund VI which is nil, Fund VII which is 15%, and secondaries and infrastructure funds which are nil (with the exception of SOF VI which is 30%)).

An area of significant judgement is whether the Group is entitled to, and should recognise as revenue under IFRS 15, carried interest that is in fact paid to parties other than the Group ('other party carried interest'). The directors have undertaken a detailed assessment to determine whether, in substance, the Group is entitled to this other party carried interest and should therefore recognise it as revenue. The directors have considered and determined the following in their analysis:

1. The Group is not and has never been entitled contractually to this other party carried interest.
2. The Group has no obligation, whether contractual or in substance, to pay any amounts of carried interest, or amounts representing this other party carried interest, to any party.
3. The other party carried interest paid by the funds to parties other than the Group is paid for identifiable economically rational reasons, in that it is paid by the funds for things done for and services provided by those other parties to the funds, as follows:
   a. In the case of the carried interest paid to the carried interest entities whose participants are principally employees and former employees of the Group, the recipients acquire their interests as required by third-party fund investors to drive alignment and thereby enhance fund performance, and their receipt of carried interest from the fund is designed to reflect their contribution to the fund in the form of enhanced performance of the fund, reflecting the current global market framework and industry standards required by third-party fund investors. The recipients pay using their own resources for their interests at inception of each fund, and any carried interest received by them is considered by the directors not to be remuneration for services provided to the Group.
   b. The carried interest paid to the LP II Holdings Group and Management Holdings Group reflects the fact that these groups possess the power to ensure that a significant commercial requirement of the third-party fund investors is provided, namely that a majority of all carried interest ultimately flows to current and former employees of the Group. The directors consider that the Group cannot continue investing its existing funds, or raise new funds, unless this requirement is met, but that the Group cannot meet this requirement on its own. The LP II Holdings Group and Management Holdings Group have contracted with the Group for the benefit of existing and future funds to perform the service of actively managing their shareholder population to ensure that this commercial requirement of funds and fund investors is satisfied. The receipt of carried interest by the LP II Holdings Group and the Management Holdings Group is reflective of performing these services for the benefit of existing and future funds.

Based on this analysis the directors consider that the Group has no entitlement, whether contractual or in substance, to the other party carried interest and accordingly, in accordance with IFRS 15, such carried interest is not recognised as revenue of the Group.

# Notes to the Consolidated Financial Statements continued

**3. Critical judgements in the application of accounting policies and key sources of estimation uncertainty** (continued)

**iii. Recognition of carried interest**

Carried interest receivable is calculated based on the underlying agreements, and assuming all fund assets are sold at their fair values at the balance sheet date. In accordance with IFRS 15, the calculated carried interest revenue can only be recognised to the extent to which it is highly probable that there will not be a significant reversal of any accumulated revenue recognised in future accounting periods. A significant judgement for the Group is whether or not carried interest revenue should be recognised.

This judgement is made on a fund-by-fund basis, based on its specific circumstance, including consideration of the remaining duration of the fund, the current fund valuation and internal forecasts on the expected timing and value of disposal of fund assets.

**(b) Estimates**

The key sources of estimation uncertainty at the reporting date, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are summarised below.

**i. Measurement of carried interest and performance fees**

Private equity funds

Carried interest receivable is calculated based on amounts contractually due under the underlying agreements with each fund. The calculation of carried interest assumes that all fund assets are sold at the balance sheet date, at an amount equal to fair value less a discount (see below – the carried interest 'constraint'). This discount or constraint is applied to help mitigate the risk of revenue reversal in accordance with IFRS 15. If the total discounted fair value exceeds the total hurdle, carried interest revenue is recognised. The application of the constraint means that carry will be recognised later in a fund's life than if no constraint were applied. The Group expects carry to be initially recognised in a particular fund after significant value has been created across the fund's portfolio and after a number of investments have been realised.

IFRS 15 requires that carried interest revenue should only be recognised to the extent to which it is highly probable that there will not be a significant reversal of revenue in future accounting periods. In determining the amount of carried interest revenue to be recognised, if any, the Group is required to make assumptions and estimates when determining the timing and measurement of such amounts. The Group bases its assessment on the best available information relating to the funds and the activity of the underlying assets within each fund. This includes the remaining duration of the fund, the current fund valuation and internal forecasts on the expected timing and value of disposal of fund assets.

For private equity funds the risk of revenue reversal is managed through the application of constraints of between 30 to 50% that are applied to the fair values of unrealised investments. The percentage constraint applied depends on the specific circumstances of each individual fund including portfolio diversification, portfolio volatility, whether there has been a recent market correction (and the extent to which this has been factored into the valuation of the fund), and the expected average remaining holding period.

The Group has assessed its historical funds and has back-tested past carry recognition through the application of various constraints to historical fair value movements, in arriving at the approach used for the current fund portfolios. The level of constraints applied are reassessed at each reporting date.

The methodology applied in the calculation of carried interest has been devised so as to reflect the investment management service provided, while acknowledging the requirement to apply a constraint to reduce the risk of revenue reversal. The investment management service covers a range of interrelated activities; sourcing and purchase of investments, monitoring of investments, value creation throughout the holding period, and the realisation of investments. Each element of this service is reflected in the calculation and recognition of carried interest, in particular the recognition of carried interest over the holding period of each investment. Carried interest recognition is a function of the upward valuation of investments within each fund portfolio. This value creation drives unrealised gains in respect of current investments and realised gains on investments that have been sold. Carried interest is therefore recognised throughout the investment holding period of each investment, in a manner which is judged to provide a faithful depiction of the service provided.

Credit vehicles

Measurement and recognition of performance fees require significant estimates as to whether the credit vehicles will meet their expected performance conditions in the future. The Group bases its assessment on the best available information pertaining to the vehicles and the activity of the underlying assets within that vehicle. The valuation of the underlying assets within a vehicle will be subject to fluctuations in future periods, including but not limited to the impact of prevailing market variables and macroeconomic factors outside the Group's control. A constraint is applied to the potential future unrealised performance fee cash flows receivable due to the inherent uncertainty. This is applied using a probability weighting to the cash flows which is then discounted using a rate derived from the weighted average cost of capital and results in a constrained revenue recognition which is assessed on a case-by-case basis.

A sensitivity analysis on the impact of reasonably possible changes in the constraint percentages on carried interest and performance fee revenue and carried interest receivable, has been included in note 7.

**ii. Valuation of financial assets at fair value through profit or loss**

Financial instruments at fair value through profit or loss are stated at fair value. IFRS 13 'Fair Value Measurement' establishes a fair value hierarchy that categorises the inputs to valuation techniques used to measure fair value into three levels. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1: Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Group has the ability to access at the measurement date;
- Level 2: Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3: Inputs that are unobservable.

**3. Critical judgements in the application of accounting policies and key sources of estimation uncertainty** (continued)

For assets and liabilities that are recognised in the consolidated financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. An investment's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The Group considers observable data to be market data which is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by multiple, independent sources that are actively involved in the relevant market. The categorisation of an investment within the hierarchy is based upon the pricing transparency of the investment and does not necessarily correspond to the Group's perceived risk of that investment.

Substantially all of the Group's investments have been classified within Level 3 as they have unobservable inputs, as they reflect estimates and assumptions over the inputs used in pricing the asset or liability, developed based on the best information available in the circumstances as they trade infrequently or not at all. Level 3 investments include common equity securities, preferred equity securities, corporate debts, other privately issued securities, investments in collateralised loan obligations (CLOs), and investments in credit vehicles. The total amount of unrealised gains and losses recognised in the consolidated statement of profit or loss related to Level 3 investments is recognised in investment income in line with IFRS 13. Fair value is estimated as follows:

If a quoted market price is not available for a security, or the quoted price is not deemed to be sourced from an active market, the Group estimates the security's fair value with reference to the International Private Equity and Venture Capital Valuation Guidelines (IPEV).

The fair value measurement of the unquoted investments is based on a model which may contain significant unobservable inputs. The relevant model might be an earnings-based multiple (including but not limited to enterprise value/EBITDA, enterprise value/earnings before interest and taxes (EBIT) or price-to-earnings (P/E)), an asset-based multiple (including but not limited to net tangible asset value (NTAV) or tangible book value (TBV)), derived from the price of a recent investment or a specific industry valuation benchmark, depending on management's assessment of the most appropriate valuation methodology for that particular business. The inputs to the applicable model may include the earnings of the underlying business, and multiples of relevant comparable companies (which are quoted companies similar in business activity and size to the investee company), adjusted as necessary. These adjustments are to reflect differences between the comparable companies and the investee company and may address factors such as specific risks, earnings growth prospects which underpin the earnings multiple, the effect of the level of financial gearing, applicable tax rate, and/or illiquidity. The composition of the basket of comparable companies and any adjustments to multiples as may be required are determined by the Group (in the absence of market information) and changes in these unobservable inputs in isolation can cause significant increases or decreases in the fair value of the investments.

Investments in CLOs are valued using a market standard third-party modelling software that considers the cash flow structure of each transaction. This output is consolidated with discounted cash flow techniques to achieve a present value. Key inputs to these models/techniques are discount factors, market reinvestment spreads, forecasted default, prepayment and recovery rates.

Investments in credit vehicles are valued at the Group's proportionate share of the net assets of the underlying investment. The directors consider this basis to be the most appropriate proxy for a fair market valuation.

Refer to note 27(f) for further details.

**iii. Valuation of forward liability**

The Group acquired an initial 60% interest in CVC DIF on 1 July 2024. Under the terms of the share purchase agreement the Group agreed to acquire 60% of CVC DIF at the initial acquisition date and the remaining 40% interest across two later acquisition tranches. Under IFRS, the Group is required to recognise a financial liability in respect of the obligation to acquire the remaining 40% interest. This liability will be settled by issuance of new shares of CVC Capital Partners plc.

The value of the liability was measured at the acquisition date at the present value of the future acquisition cost as determined in accordance with the share purchase agreement. The value of the liability has been recalculated at 31 December 2024, and will be recalculated at each subsequent balance sheet date. Any changes in the valuation of the forward liability are recorded through the consolidated statement of profit or loss.

The value of the liability is subject to a number of variables and was therefore subject to estimation uncertainty.

The present value of the acquisition cost as at 31 December 2024 was estimated based on estimated future MFE of CVC DIF (the CVC DIF MFE), multiplied by the MFE Multiple, and using an appropriate discount rate based on the WACC for CVC DIF. Inputs to the discounted cash flow model (DCF) were taken from observable markets where possible, but where this was not feasible, a degree of estimation was required to establish appropriate values.

The CVC DIF MFE was forecasted using the CVC DIF business plan as at 31 December 2024. A significant area of estimation uncertainty was involved in estimating the CVC DIF MFE due to the variability in the fee-paying assets under management of future funds, as well as the commencement date of those funds. Refer to note 27(f) for further details.

# Notes to the Consolidated Financial Statements continued

## 4. Group reorganisation

As described in note 1, the Group underwent a Pre-IPO Reorganisation of its corporate structure in the period prior to its IPO. This included the following transactions between entities which were under common control of the SIF during all periods presented. As a result of these transactions there were no changes to the ultimate control of any entity and therefore the Group accounted for these business combinations and disposals using the merger accounting method:

- On 1 January 2024, as part of the Group's Pre-IPO Reorganisation RemainCo 1 Limited and RemainCo 2 Limited were disposed of by way of a distribution in specie to the SIF.
- On 15 April 2024, as part of the Group's Pre-IPO Reorganisation the Group disposed of CVC Advisers (Benelux) SA/NV to the SIF.
- On 29 April 2024, as part of the Group's Pre-IPO Reorganisation the Group acquired MHII from the SIF.
- On 29 April 2024, as part of the Group's Pre-IPO Reorganisation the Group acquired CVC Services Holdings S.à r.l., Theatre Directorship Services Alpha S.à r.l., Theatre Directorship Services Beta S.à r.l., Theatre Directorship Services Delta S.à r.l., Theatre Directorship Services Gama S.à r.l., Theatre Directorship Services Kappa S.à r.l., Theatre Directorship Services Lambda S.à r.l., CVC Silver Nominee Limited, and CVC Credit Partners Investments Holdings Limited in exchange for nil consideration from the SIF.

The results and cash flows of the acquired entities have been reflected in the consolidated financial statements for the year ended 31 December 2024, from 1 January 2024, and the results and cash flows of the disposed entities have been removed from the consolidated financial statements for the year ended 31 December 2024, from 1 January 2024. The consolidated financial statements for the year ended 31 December 2023 have been restated to include the results, cash flows, assets acquired and liabilities assumed of the acquired entities, and to remove the results, cash flows, assets acquired, and liabilities of the disposed entities from 1 January 2023.

The consolidated statement of financial position as at 1 January 2023 has been restated to include the assets acquired and liabilities assumed of the acquired entities, and to remove the assets and liabilities of the disposed entities. In all cases, the results, cash flows, assets and liabilities of the acquired entities have been adjusted to achieve uniformity with the accounting policies of the Group. The difference between the consideration transferred and the nominal value of the shares received is reflected as a movement in other reserves in the consolidated statement of changes in equity. The impact to other reserves of the above Pre-IPO Reorganisation was €80.8m.

## 5. Business combinations

### (a) Pre-IPO Reorganisation related acquisitions

As part of the Pre-IPO Reorganisation the Group acquired CVC Capital Partners Advisory Group Holding Foundation, CVC Credit Partners Group Holding Foundation, Private Investment Asia V GP Limited, Private Investment Asia V Feeder GP Limited, Private Investment Europe VIII GP Limited, Private Investment Europe VII GP Limited, Private Investment Strategic Opportunities II GP Limited, and Private Investment Growth II GP Limited. Additionally, subsequent to the IPO the Group acquired two of the Retained GPs, CVC Capital Partners Strategic Opportunities II Limited, and CVC Capital Partners VII Limited.

#### i. Acquisition of CVC Capital Partners Advisory Group Holding Foundation

On 1 January 2024, the Group became the sole beneficiary of CVC Capital Partners Advisory Group Holding Foundation, and acquired 90.1% of CVC Capital Partners Advisory Holdings Limited and CVC Advisory Partners India Holdings Limited, 74.15% of CVC Capital Partners Advisory Holdings II Limited and CVC Advisory Partners India Holdings II Limited, and 71.42% of CVC Advisers Latam Representação e Consultoria Ltd, (together the 'Advisory Foundation' or the 'Advisory Group'), for nil consideration. The Group acquired the Advisory Group, which was previously not under common control of the Group, as part of its Pre-IPO Reorganisation. The Group has elected to measure the non-controlling interests at its proportionate share of the net identifiable assets acquired.

The fair values of the identifiable assets and liabilities of the Advisory Group at the date of acquisition were:

| All figures in € 000 | Fair value of assets and liabilities |
|---|---|
| **Assets** | |
| Property and equipment | 91,125 |
| Intangible assets excluding goodwill | 6,685 |
| Trade and other receivables | 95,127 |
| Deferred tax asset | 2,596 |
| Cash and cash equivalents | 246,726 |
| **Total assets** | **442,259** |
| **Liabilities** | |
| Borrowings | 139,187 |
| Lease liabilities | 68,786 |
| Provisions | 2,295 |
| Trade and other payables | 157,936 |
| Deferred tax liabilities | 286 |
| Income tax payable | 38,623 |
| **Total liabilities** | **407,113** |
| **Total identifiable net assets at fair value** | **35,146** |
| Non-controlling interests | (26,578) |
| Goodwill arising from acquisition | 117,268 |
| **Purchase consideration transferred** | **125,836** |

# Notes to the Consolidated Financial Statements continued

**5. Business combinations** (continued)

**i. Acquisition of CVC Capital Partners Advisory Group Holding Foundation** (continued)

The purchase consideration was calculated based on the acquisition-date fair value of the Company's interest in the Advisory Group, by applying the principles of IFRS 3 for business combinations achieved without the transfer of consideration. The fair value of the Company's interest in the Advisory Group was determined to be €110m and was calculated using an income approach cross-checked to a cost approach, in line with the principles of IFRS 13. The income approach was based upon the discounted cash flows earned over the assumed period needed to replace the current workforce and other assets provided by the Advisory Group. Consideration also includes €15.8m which represents a net liability balance which was due to the Group from the Advisory Group as at the date of acquisition. This pre-existing balance remains in place post-acquisition but is eliminated upon consolidation.

As part of the acquisition of the Advisory Group, the Group recognised a capital contribution of €110m which reflects the acquisition-date fair value of the Company's interest in the Advisory Group.

Impact on cash flows

The impact on cash flows on the date of acquisition includes cash acquired with the subsidiary of €246.7m which is included in cash flows from investing activities. The Group underwent a Pre-IPO Reorganisation which resulted in certain disposals which were accounted for using the merger accounting method, resulting in a reduction of cash of €0.5m. For further details refer to note 4.

Goodwill

Goodwill arising from the acquisition represents benefits which do not qualify for recognition as intangible assets, including assembled work force, the opportunity to attract new limited partners and the platform to develop future business opportunities and funds. None of the goodwill recognised is expected to be deductible for income tax purposes.

Trade and other receivables assumed

Trade and other receivables acquired comprise gross trade and other receivables amounting to €95.1m, which approximates fair value. The full contractual amounts have been collected.

Summarised statement of comprehensive income

The summarised financial information of the Advisory Group is provided below which presents the operational contribution of the Advisory Group and the IFRS 3 impact of the acquisition on the results of the Group since the date of the acquisition. The Advisory Group earns advisory fee revenue from the Group for the provision of advice on investment opportunities which is eliminated upon consolidation.

| All figures in € 000 | Dec-24 | Intercompany | Net of intercompany |
|---|---|---|---|
| Management and other fees | 352 | — | 352 |
| Other operating income | 5,008 | (4,964) | 44 |
| Advisory fees | 428,000 | (428,000) | — |
| **Total revenue** | **433,360** | **(432,964)** | **396** |
| Personnel expenses | (255,113) | (1,776) | (256,889) |
| General and administrative expenses | (85,696) | (2,331) | (88,027) |
| Foreign exchange gains | 2,637 | — | 2,637 |
| **EBITDA** | **95,188** | **(437,071)** | **(341,883)** |
| Depreciation and amortisation | (28,436) | — | (28,436) |
| **Total operating profit/(loss)** | **66,752** | **(437,071)** | **(370,319)** |
| Finance income | 5,123 | — | 5,123 |
| Finance expense | (6,036) | — | (6,036) |
| **Profit/(loss) before income tax** | **65,839** | **(437,071)** | **(371,232)** |
| Income tax charge | (10,519) | — | (10,519) |
| **Profit/(loss) after income tax** | **55,320** | **(437,071)** | **(381,751)** |
| **Attributable to:** | | | |
| Equity holders of the parent | 51,760 | (437,071) | (385,311) |
| Non-controlling interests | 3,560 | — | 3,560 |

# Notes to the Consolidated Financial Statements continued

**5. Business combinations** (continued)

**ii. Acquisition of CVC Credit Partners Group Holding Foundation**
On 15 April 2024, the Group became the sole beneficiary of CVC Credit Partners Group Holding Foundation (the 'Credit Foundation' or 'CVC Credit'). The Group acquired CVC Credit, which was previously not under common control of the Group, as part of its Pre-IPO Reorganisation. A consolidated subsidiary of CVC Credit, CVC Credit Partners Investment Holdings II Limited, has issued preference shares which entitle the non-controlling interests to 100% of its net assets and profits. The Group has elected to measure the non-controlling interests at their proportionate share of the net identifiable assets acquired.

The fair values of the identifiable assets and liabilities of CVC Credit at the date of acquisition were:

| All figures in € 000 | Fair value of assets and liabilities |
|---|---|
| **Assets** | |
| Property and equipment | 9,482 |
| Intangible assets excluding goodwill | 206,280 |
| Performance fees receivables | 6,558 |
| Financial assets at fair value through profit or loss | 191,553 |
| Trade and other receivables | 60,025 |
| Deferred tax asset | 16,550 |
| Cash and cash equivalents | 63,394 |
| **Total assets** | **553,842** |
| **Liabilities** | |
| Borrowings | 108,248 |
| Lease liabilities | 5,817 |
| Trade and other payables | 36,004 |
| Deferred tax liabilities | 52,420 |
| Income tax payable | 5,189 |
| **Total liabilities** | **207,678** |
| **Total identifiable net assets at fair value** | **346,164** |
| Non-controlling interests | (65,885) |
| Goodwill arising from acquisition | 108,718 |
| **Purchase consideration transferred** | **388,997** |

The purchase consideration was calculated based on the acquisition-date fair value of the Company's interest in CVC Credit, by applying the principles of IFRS 3 for business combinations achieved without the transfer of consideration. The fair value of the Company's interest in CVC Credit was determined to be €392.4m and was based on the value of a loan and contingent consideration due from CVC Credit to the Company's historic parent Vision Portfolio Holdings Limited, which was forgiven at the time of the acquisition. Consideration is reduced by €3.4m which represents a net liability balance which was due from the Group to CVC Credit as at the date of acquisition. This pre-existing balance remains in place post-acquisition but is eliminated upon consolidation.

As mentioned above, a consolidated subsidiary of CVC Credit, CVC Credit Partners Investment Holdings II Limited, has issued preference shares which entitle 100% of its net assets and profits to non-controlling interests. MHII, a subsidiary of the Group, owns a portion of these preference shares. MHII records these preference shares as financial assets at fair value through profit or loss in the consolidated statement of financial position. At the date of acquisition the fair value of these preference shares was €37.7m. These balances are eliminated upon consolidation following the acquisition of CVC Credit.

### Impact on cash flows
The impact on cash flows on the date of acquisition includes cash acquired with the subsidiary of €63.4m which is included in cash flows from investing activities.

### Goodwill
Goodwill arising from the acquisitions represents benefits which do not qualify for recognition as intangible assets, including assembled work force, the opportunity to attract clients and the platform to develop future business opportunities and funds. None of the goodwill recognised is expected to be deductible for income tax purposes.

### Trade and other receivables assumed
Trade and other receivables acquired comprise gross trade and other receivables amounting to €60m, which approximates fair value. The full contractual amounts have been collected.

# Notes to the Consolidated Financial Statements continued

**5. Business combinations** (continued)

**ii. Acquisition of CVC Credit Partners Group Holding Foundation** (continued)

Summarised statement of comprehensive income

The summarised financial information of CVC Credit is provided below which presents the operational contribution of CVC Credit and the IFRS 3 impact of the acquisition on the results of the Group since the date of the acquisition.

| All figures in € 000 | Eight months ended Dec-24 | Amortisation of acquired intangible assets | Total |
|---|---|---|---|
| Management fees | 135,644 | — | 135,644 |
| Performance fees | 6,260 | — | 6,260 |
| Investment income | 8,041 | — | 8,041 |
| Other operating income | — | — | — |
| **Total revenue** | **149,945** | **—** | **149,945** |
| Personnel expenses | (65,420) | — | (65,420) |
| General and administrative expenses | (13,657) | — | (13,657) |
| Foreign exchange gains | 2,691 | — | 2,691 |
| Expenses with respect to investment vehicles | (610) | — | (610) |
| **EBITDA** | **72,949** | **—** | **72,949** |
| Depreciation and amortisation expense | (1,835) | (26,957) | (28,792) |
| **Total operating profit/(loss)** | **71,114** | **(26,957)** | **44,157** |
| Finance income | 1,452 | — | 1,452 |
| Finance expense | (3,602) | — | (3,602) |
| **Profit/(loss) before income tax** | **68,964** | **(26,957)** | **42,007** |
| Income tax charge | (989) | 6,737 | 5,748 |
| **Profit/(loss) after income tax** | **67,975** | **(20,220)** | **47,755** |
| **Attributable to:** | | | |
| Equity holders of the parent | 64,518 | (20,220) | 44,298 |
| Non-controlling interests | 3,457 | — | 3,457 |

**iii. Other Pre-IPO Reorganisation related acquisitions**

As part of the Pre-IPO Reorganisation the Group acquired the following entities for nil consideration:

| Entities acquired | Acquisition date |
|---|---|
| Private Investment Asia V GP Limited | 29 April 2024 |
| Private Investment Asia V Feeder GP Limited | 29 April 2024 |
| Private Investment Europe VIII GP Limited | 29 April 2024 |
| Private Investment Europe VII GP Limited | 29 April 2024 |
| Private Investment Strategic Opportunities II GP Limited | 29 April 2024 |
| Private Investment Growth II GP Limited | 29 April 2024 |
| CVC Capital Partners Strategic Opportunities II Limited | 30 April 2024 |
| CVC Capital Partners VII Limited | 6 June 2024 |

The fair values of the identifiable assets and liabilities of the acquired entities at the date of acquisition are considered to be individually immaterial and therefore have been aggregated in the next table. The purchase consideration transferred has been reduced by €15.4m to reflect the settlement, at fair value, of pre-existing loans receivable and trade and other payables balances which were in existence between the Group and the acquired entities as at the acquisition date.

| All figures in € 000 | Fair value of assets and liabilities | Pre-existing balances | Fair value of assets and liabilities – net of pre-existing balances |
|---|---|---|---|
| **Assets** | | | |
| Trade and other receivables | 85,043 | (84,151) | 892 |
| Cash and cash equivalents | 2,256 | — | 2,256 |
| **Total assets** | **87,299** | **(84,151)** | **3,148** |
| **Liabilities** | | | |
| Trade and other payables | (83,469) | 68,799 | (14,670) |
| **Total liabilities** | **(83,469)** | **68,799** | **(14,670)** |
| **Total identifiable net assets (liabilities) at fair value** | **3,830** | **(15,352)** | **(11,522)** |
| Non-controlling interests | — | — | — |
| Goodwill arising from acquisition | — | — | — |
| **Purchase consideration transferred** | **3,830** | **(15,352)** | **(11,522)** |

# Notes to the Consolidated Financial Statements continued

**5. Business combinations** (continued)

**iii. Other Pre-IPO Reorganisation related acquisitions** (continued)

The purchase consideration was calculated based on the acquisition-date fair value of the Company's interest in the acquired entities, which the Group concluded was equal to their net asset value. As a result there is no goodwill recognised.

As part of the above acquisitions the Group recognised a capital contribution of €3.8m which reflects the acquisition-date fair value of the Company's interest in these entities before the settlement of pre-existing balances.

As a result of the acquisitions of CVC Capital Partners Strategic Opportunities II Limited and CVC Capital Partners VII Limited the Group is considered to control CVC Investment Strategic Opportunities II L.P. and CVC Capital Partners Investment Europe VII L.P. as at 30 April 2024 and 6 June 2024, respectively. Prior to the acquisitions, the Group recognised investments in CVC Investment Strategic Opportunities II L.P. and CVC Capital Partners Investment Europe VII L.P. as financial assets at fair value through profit or loss. Subsequent to the acquisition these entities are consolidated on a line-by-line basis by the Group, with the Group recognising 30% and 69% non-controlling interests respectively.

The purchase consideration for CVC Investment Strategic Opportunities II L.P. and CVC Capital Partners Investment Europe VII L.P. was calculated based on the acquisition-date fair value of the Group's interest in the entities, which the Group concluded was equal to their net asset value. As a result there is no goodwill recognised. The Group has elected to measure the non-controlling interests at their proportionate share of the net identifiable assets acquired. Goodwill on acquisition is calculated as follows:

| All figures in € 000 | CVC Investment Strategic Opportunities II L.P. | CVC Capital Partners Investment Europe VII L.P. |
|---|---|---|
| Consideration | — | — |
| Fair value of previously held holding | 113,211 | 173,935 |
| **Purchase consideration transferred** | **113,211** | **173,935** |
| Fair value of identifiable net assets | 161,400 | 558,962 |
| Less, non-controlling interests as proportionate share of acquired net assets | (48,189) | (385,027) |
| **Total identifiable net assets at fair value attributable to the Group** | **113,211** | **173,935** |
| **Goodwill arising from acquisition** | **—** | **—** |

Fair value net identifiable assets consists of:

| All figures in € 000 | CVC Investment Strategic Opportunities II L.P. | CVC Capital Partners Investment Europe VII L.P. |
|---|---|---|
| Financial assets at fair value through profit or loss | 174,281 | 560,023 |
| Trade and other receivables | 2 | 4 |
| Cash and cash equivalents | 662 | 642 |
| Borrowings | (13,426) | (1,619) |
| Trade and other payables | (119) | (88) |
| **Fair value of identifiable net assets** | **161,400** | **558,962** |

### Impact on cash flows

The impact on cash flows on the date of acquisition includes cash acquired with the subsidiaries of €3.6m which is included in cash flows from investing activities.

### Trade and other receivables assumed

Trade and other receivables acquired as part of the above acquisitions comprise gross trade and other receivables, which approximates fair value. The full contractual amounts have been collected.

# **Notes to the Consolidated Financial Statements** continued

**5. Business combinations** (continued)

**iii. Other Pre-IPO Reorganisation related acquisitions** (continued)

Summarised statement of comprehensive income

The summarised financial information of the acquired entities since the date of the acquisition is provided below:

| All figures in € 000 | CVC Investment Strategic Opportunities II L.P. | CVC Capital Partners Investment Europe VII L.P. | Other individually immaterial business combinations |
|---|---|---|---|
| Management and incentive fees | — | — | 94,075 |
| Investment income | 20,234 | 68,875 | — |
| Other operating income | — | — | 17 |
| **Total revenue** | **20,234** | **68,875** | **94,092** |
| Personnel expenses | — | — | — |
| General and administrative expenses | — | — | (273) |
| Expenses with respect to investment vehicles | (259) | (165) | — |
| **Total operating profit** | **19,975** | **68,710** | **93,819** |
| Finance income | 13 | 70 | 76 |
| Finance expense | (553) | (437) | (2) |
| **Profit before and after income tax** | **19,435** | **68,343** | **93,893** |
| **Attributable to:** | | | |
| Equity holders of the parent | 13,625 | 21,267 | 93,893 |
| Non-controlling interests | 5,810 | 47,076 | — |

Acquisition-related expenses

Acquisition-related expenses for the above Pre-IPO Reorganisation acquisitions were included in the total €35.9m of general and administrative expenses incurred by the Group related to the IPO.

### (b) Acquisition of additional interest in CVC Secondaries

Under the terms of the share purchase agreement with respect to CVC Secondary Partners ('CVC Secondaries', formerly Glendower Capital), the Group agreed to acquire 60% of CVC Secondaries at the initial acquisition (completed 11 January 2022) and the remaining 40% interest across two later acquisition tranches. The Group is required to record a financial liability in respect of the obligation to acquire the remaining 40% interest.

The value of this forward liability was measured at the acquisition date at the present value of the future acquisition cost as determined in accordance with the share purchase agreement. This value has been recalculated at each subsequent balance sheet date and any changes in value have been recorded through profit or loss.

The forward liability was valued at €314.3m at the acquisition date and was recorded as a reduction in other reserves. This value has increased over time in line with the increase in the share price of CVC Capital Partners plc. This forward liability was primarily settled by the issue of shares of CVC Capital Partners plc on 10 May 2024 and 2 July.

An adjustment of €14.4m has also been made to increase deferred tax liabilities and €12.7m to increase the deferred tax assets, which relates to further step-ups in the basis for US tax purposes of the assets within a CVC Secondaries partnership associated with the two acquisition tranches that occurred in the year ended 31 December 2024, with the net €1.7m recognised in retained earnings, to reflect the additional taxable temporary difference arising as part of the acquisition.

| All figures in € 000 | Forward liability |
|---|---|
| Initial acquisition – as at 11 January 2022 | 314,299 |
| Fair value movement – for the year ended 31 December 2022 | 192,895 |
| **Value as at 31 December 2022** | **507,194** |
| Fair value movement – for the year ended 31 December 2023 | 84,825 |
| **Value as at 31 December 2023** | **592,019** |
| Fair value movement – for the year ended 31 December 2024 | 213,007 |
| Settlement by issuance of shares and cash[1] | (805,026) |
| **Value as at 31 December 2024** | **—** |

1. Settlement included €796.2m of shares and €8.8m of cash.

# Notes to the Consolidated Financial Statements continued

**5. Business combinations** (continued)

### (c) Acquisition of CVC DIF

On 1 July 2024, the Group acquired 60% of CVC DIF. The Group acquired CVC DIF because its infrastructure platform is a complementary strategy alongside the Group's existing Private Equity, Credit, and Secondaries platforms. The Group has elected to measure the non-controlling interests at their proportionate share of the net identifiable assets acquired.

The fair values of the identifiable assets and liabilities of CVC DIF at the date of acquisition were:

| All figures in € 000 | Fair value of assets and liabilities |
|---|---|
| **Assets** | |
| Property and equipment | 14,570 |
| Intangible assets excluding goodwill | 688,140 |
| Trade and other receivables | 20,890 |
| Cash and cash equivalents | 55,283 |
| **Total assets** | **778,883** |
| **Liabilities** | |
| Lease liabilities | 11,119 |
| Provisions | 4,948 |
| Trade and other payables | 34,221 |
| Deferred tax liabilities | 177,575 |
| Income tax payable | 9,543 |
| **Total liabilities** | **237,406** |
| **Total identifiable net assets at fair value** | **541,477** |
| Non-controlling interests | (216,591) |
| Goodwill arising from acquisition | 265,199 |
| **Purchase consideration transferred** | **590,085** |

| All figures in € 000 | Fair value of purchase consideration on date of acquisition |
|---|---|
| Cash | 386,839 |
| Share issuance | 195,901 |
| Contribution | 7,345 |
| **Total consideration** | **590,085** |
| **Analysis of cash flows on acquisition:** | |
| Cash outflow net of cash acquired | (331,556) |
| **Net cash flow on acquisition** | **(331,556)** |

As part of the acquisition of 60% of CVC DIF, the Group issued 11,402,873 shares valued at €195.9m and made a cash payment of €386.8m to the sellers. Additionally, the SIF, contributed €7.3m, resulting in the Group recognising a contribution through retained earnings. The fair value of the shares is calculated with reference to CVC Capital Partners plc's share price on the date of acquisition.

At the same time as the acquisition of 60% of CVC DIF, the Group acquired preference shares from the CVC DIF selling shareholders. The preference shares are recognised as financial assets held at amortised cost and recorded within trade and other receivables. The fair value of the preference shares on initial recognition was €25.7m of which €16.6m was paid in cash, €8.8m in shares of the Group and €0.3m was contributed by the SIF, and recognised by the Group as a contribution. Refer to note 18 for further details.

As a result of both the acquisition of 60% of CVC DIF and the purchase of the preference shares the Group paid a total of €403.4m in cash and issued 11,912,396 shares valued at €204.7m at the time of issuance.

#### Impact on cash flows

The impact on cash flows on the date of acquisition was an outflow of €331.6m, including cash acquired with the subsidiary of €55.3m which is included in cash flows from investing activities.

#### Goodwill

Goodwill arising from the acquisitions represents benefits which do not qualify for recognition as intangible assets, including assembled work force, the opportunity to attract clients and the platform to develop future business opportunities and funds. None of the goodwill recognised is expected to be deductible for income tax purposes.

#### Trade and other receivables assumed

Trade and other receivables acquired comprise gross trade and other receivables amounting to €20.9m, which approximates fair value. The full contractual amounts have been collected.

# Notes to the Consolidated Financial Statements continued

**5. Business combinations** (continued)

**(c) Acquisition of CVC DIF** (continued)

Acquisition-related expenses

Acquisition-related expenses for the acquisition of CVC DIF were €15.5m of general and administrative expenses.

Forward liability

Included in the share purchase agreement is an obligation for the Group to purchase the remaining 40% interests in CVC DIF. In accordance with the share purchase agreement, 20% of the outstanding shares will be purchased in January 2027, and the final 20% will be purchased in January 2029. The consideration for these subsequent acquisitions will be the issue of shares in CVC Capital Partners Plc equivalent to the fair value of the interest in CVC DIF acquired by the Group from the sellers.

The Group recognised a liability of €537.3m at initial acquisition for its obligation to acquire the remaining 40% interest in CVC DIF. The liability was measured at the acquisition date at the present value of the redemption amount as determined in the share purchase agreement and is subsequently remeasured through profit or loss. The obligation will be settled by the issuance of shares of the Group. As a result, this has been recorded in other reserves within equity. Refer to notes 22 and 27 for further details.

| All figures in € 000 | Forward liability |
|---|---|
| Initial acquisition – as at 1 July 2024 | 537,280 |
| Fair value movement – for the year ended 31 December 2024 | 250,298 |
| **Value as at 31 December 2024** | **787,578** |

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Summarised statement of comprehensive income

The summarised financial information of CVC DIF is provided below which presents the operational contribution of CVC DIF and the IFRS 3 impact of the acquisition on the results of the Group since the date of the acquisition.

| All figures in € 000 | Six months ended Dec-24 | Amortisation of acquired intangible assets | Total |
|---|---|---|---|
| Management fees | 89,561 | – | 89,561 |
| Other operating income | (16) | – | (16) |
| **Total revenue** | **89,545** | **–** | **89,545** |
| Personnel expenses | (41,048) | – | (41,048) |
| General and administrative expenses | (10,916) | – | (10,916) |
| Foreign exchange losses | (340) | – | (340) |
| **EBITDA** | **37,241** | **–** | **37,241** |
| Depreciation and amortisation expense | (2,192) | (39,309) | (41,501) |
| **Total operating profit/(loss)** | **35,049** | **(39,309)** | **(4,260)** |
| Finance income | 713 | – | 713 |
| Finance expense | (839) | – | (839) |
| **Profit/(loss) before income tax** | **34,923** | **(39,309)** | **(4,386)** |
| Income tax charge | (11,112) | 10,201 | (911) |
| **Profit/(loss) after income tax** | **23,811** | **(29,108)** | **(5,297)** |
| **Attributable to:** | | | |
| Equity holders of the parent | 14,286 | (17,465) | (3,179) |
| Non-controlling interests | 9,525 | (11,643) | (2,118) |

Impact on total revenue and profit after income tax

If the Pre-IPO Reorganisation related acquisitions of the Advisory Group, CVC Credit, CVC Investment Strategic Opportunities II L.P., CVC Capital Partners Investment Europe VII L.P, and the other individually immaterial entities, as well as the acquisition of CVC DIF had taken place at 1 January 2024, the total revenue of the combined group would have increased by €161.5m and the profit after income tax of the combined group would have increased by €22.8m.

# Notes to the Consolidated Financial Statements continued

### 6. Operating segments

The Board of directors of the SIF (the SIF Board) acted as the chief operating decision-maker (CODM) of the Group until the Pre-IPO Reorganisation in April 2024. For this period the Group represented one reportable segment, 'Private Equity', based on how the SIF Board reviewed and evaluated the operation and performance of the business.

Following the Pre-IPO Reorganisation, management identified the directors of the Company as the new CODM of the Group. The directors monitor the operating results of the following segments separately for the purpose of making decisions about resource allocation and performance assessment:

- Private Equity, which consists of four private equity strategies: Europe / Americas, Asia, Strategic Opportunities, and Growth;
- Credit, which invests in companies through dedicated vehicles and investment solutions for both Performing Credit and Private Credit;
- Secondaries, which focuses on secondary markets globally;
- Infrastructure, which focuses on mid-market infrastructure investments; and
- Central, which reflects all non-investment people costs and all non-people costs of the business, including all costs related to business operations.

As a result, management have identified the above five segments as separate operating segments.

Segmental information for the year ended 31 December 2024 has been restated to reflect the current segmental reporting. The credit and infrastructure segments were not applicable for the year ended 2023 as CVC Credit and CVC DIF were only acquired during the year ended 31 December 2024. Additionally, the below segmental information does not reflect any pro forma financial information and therefore includes CVC Credit and CVC DIF only from the date of their respective acquisitions.

| | Dec-24 | | | | | |
|---|---|---|---|---|---|---|
| **All figures in € 000** | **Private Equity** | **Secondaries** | **Credit** | **Infrastructure** | **Central** | **Total Group** |
| Management fees | 861,035 | 94,994 | 135,644 | 89,561 | — | **1,181,234** |
| People costs[1] | (102,178) | (20,184) | (34,342) | (20,786) | (163,221) | **(340,711)** |
| Non-people costs[2] | — | — | — | — | (132,973) | **(132,973)** |
| **Gross contribution / Adjusted MFE** | **758,857** | **74,810** | **101,302** | **68,775** | **(296,194)** | **707,550** |
| Carried interest and performance fees | | | | | | **161,414** |
| Investment income | | | | | | **107,345** |
| Performance-related costs | | | | | | **(85,408)** |
| **Adjusted PRE** | | | | | | **183,351** |
| Other operating income | | | | | | **3,733** |
| **Adjusted EBITDA** | | | | | | **894,634** |
| Depreciation and amortisation | | | | | | **(36,607)** |
| Net finance expense | | | | | | **(30,574)** |
| Tax | | | | | | **(46,774)** |
| **Adjusted profit after income tax** | | | | | | **780,679** |

Note: Refer to pages 207 to 208 for footnotes.

# Notes to the Consolidated Financial Statements continued

**6. Operating segments** (continued)

| All figures in € 000 | Dec-23 | | | |
|---|---|---|---|---|
| | Private Equity | Secondaries | Central | Total Group |
| Management fees | 644,507 | 98,861 | — | **743,368** |
| People costs[1] | — | (16,562) | (42,655) | **(59,217)** |
| Non-people costs[2] | — | — | (40,548) | **(40,548)** |
| Advisory fee expense[3] | (115,713) | — | (220,100) | **(335,813)** |
| **Gross contribution / Adjusted MFE** | **528,794** | **82,299** | **(303,303)** | **307,790** |
| Carried interest and performance fees | | | | **169,351** |
| Investment income | | | | **70,305** |
| Performance-related costs | | | | **(64,623)** |
| **Adjusted PRE** | | | | **175,033** |
| Other operating income | | | | **2,625** |
| **Adjusted EBITDA** | | | | **485,448** |
| Depreciation and amortisation | | | | **(3,950)** |
| Net finance expense | | | | **(17,746)** |
| Tax | | | | **(10,974)** |
| **Adjusted profit after income tax** | | | | **452,778** |

Adjusted EBITDA, adjusted profit after income tax, adjusted MFE and adjusted PRE are alternative performance measures (APMs) which are not defined or recognised under IFRS, but are used by the CODM to analyse the business and its financial performance. Reconciliations of these measures back to the nearest IFRS measure are set out below.

| All figures in € 000 | Dec-24 | Dec-23 |
|---|---|---|
| **EBITDA[4]** | **473,656** | **358,937** |
| **Less:** Investment income attributable to NCI[5] | (100,184) | (11,123) |
| **Add back:** Exceptional expenses[9] | 53,481 | 56,013 |
| **Add back:** Change in valuation of forward liability[10] | 463,305 | 84,825 |
| **Add back:** Expenses related to recharged lease agreements[11] | 366 | 483 |
| **Add back:** Expenses with respect to investment vehicles[12] | 4,010 | 440 |
| **Less:** Exceptional other operating income[8] | — | (4,127) |
| **Adjusted EBITDA** | **894,634** | **485,448** |

| All figures in € 000 | Dec-24 | Dec-23 |
|---|---|---|
| **Profit after income tax[4]** | **308,116** | **302,714** |
| **Less:** Investment income attributable to NCI[5] | (100,184) | (11,123) |
| **Add back:** Exceptional expenses[9] | 53,481 | 56,013 |
| **Add back:** Change in valuation of forward liability[10] | 463,305 | 84,825 |
| **Add back:** Expenses with respect to investment vehicles[12] | 4,010 | 440 |
| **Add back:** Amortisation of acquired intangible assets[13] | 88,791 | 22,526 |
| **Less:** Deferred tax related to acquired intangible assets[13] | (18,404) | (1,205) |
| **Add back:** Net finance expense attributable to NCI[14] | 9,585 | 2,715 |
| **Less:** Exceptional tax[15] | (28,021) | — |
| **Less:** Exceptional other operating income[8] | — | (4,127) |
| **Adjusted profit after income tax** | **780,679** | **452,778** |

Note: Refer to pages 207 to 208 for footnotes.

# Notes to the Consolidated Financial Statements continued

**6. Operating segments** (continued)

| All figures in € 000 | Dec-24 | Dec-23 |
|---|---|---|
| **Adjusted MFE** | **707,550** | **307,790** |
| Carried interest and performance fees receivable[4] | 173,170 | 163,170 |
| Investment income[4] | 207,528 | 81,428 |
| Other operating income[4] | 3,733 | 6,752 |
| Change in valuation of forward liability[4] | (463,305) | (84,825) |
| Expenses with respect to investment vehicles[4] | (4,010) | (440) |
| Depreciation and amortisation[4] | (125,033) | (25,991) |
| **Less:** Exceptional expenses[9] | (53,481) | (56,013) |
| **Less:** FX on carried interest provision[6] | (11,755) | 6,181 |
| **Less:** Expenses related to recharged lease agreements[11] | (366) | (483) |
| **Less:** Performance-related costs[7] | (85,408) | (64,623) |
| **Operating profit[4]** | **348,623** | **332,946** |

| All figures in € 000 | Dec-24 | Dec-23 |
|---|---|---|
| **Adjusted PRE** | **183,351** | **175,033** |
| Management fees[4] | 1,181,234 | 743,368 |
| Other operating income[4] | 3,733 | 6,752 |
| Advisory fee expense[4] | — | (400,437) |
| Personnel expenses[4] | (427,668) | (59,902) |
| General and administrative expenses[4] | (193,838) | (95,883) |
| Change in valuation of forward liability[4] | (463,305) | (84,825) |
| Foreign exchange (losses)/gains | (3,188) | 5,706 |
| Expenses with respect to investment vehicles[4] | (4,010) | (440) |
| Depreciation and amortisation[4] | (125,033) | (25,991) |
| **Add back:** Investment income attributable to NCI[5] | 100,184 | 11,123 |
| **Add back:** FX on carried interest provision[6] | 11,755 | (6,181) |
| **Add back:** Performance-related costs[7] | 85,408 | 64,623 |
| **Operating profit[4]** | **348,623** | **332,946** |

Notes

1. People costs for the year ended 31 December 2024 reflect the Group's personnel expenses, adjusted for performance-related costs of €-85.4m (Dec-23: €-64.6m), exceptional expenses of €-8.7m (Dec-23: €-0.7m), and the CVC Advisers (Benelux) SA/NV reclass of €7.1m (Dec-23: nil).
2. Non-people costs for the year ended 31 December 2024 reflect the Group's general and administrative expenses and foreign exchange gains and losses, adjusted for exceptional expenses of €-44.8m (Dec-23: €-55.3m), expenses related to recharged lease agreements of €-0.4m (Dec-23: €-0.5m), and FX on carried interest provision of €-11.8m (Dec-23: €+6.2m).
3. Advisory fee expense for the year ended 31 December 2023 reflects the Group's advisory fee expense, adjusted for performance-related costs of €-64.6m.
4. Statutory financial information is directly extracted from the consolidated financial statements.
5. This figure comprises investment income attributable to non-controlling interests and from investments pledged as collateral for loans. It has been deducted from investment income to show adjusted investment income attributable to the Group.
6. Foreign exchange movement on carried interest provision has been deducted from carried interest revenue to show net carried interest revenue.
7. Performance-related costs relate to employee compensation that is deemed attributable to the generation of carried interest, performance fees and investment income.
8. Exceptional other operating income for the year ended 31 December 2023 comprises reimbursements of bonus expenses paid on behalf of others.
9. Exceptional expenses:
   a. For the year ended 31 December 2024, of the total €53.5m exceptional expenses items: €44.8m were general and administrative expenses items and €8.7m were personnel expenses items. Exceptional expenses items comprise (i) expenses related to the listing on Euronext Amsterdam of €35.9m; (ii) legal and professional fees related to the acquisition of CVC DIF of €7.9m; (iii) exceptional bonus awards paid to individuals of €8.7m; and (iv) other transaction costs of €1m.
   b. For the year ended 31 December 2023, of the total €56m exceptional expenses items: €55.3m were general and administrative expenses items and €0.7m were personnel expenses items. Exceptional expenses items comprise (i) expenses related to the planned listing on Euronext Amsterdam of €47.5m; (ii) legal and professional fees related to the acquisition of CVC DIF of €7.6m; (iii) exceptional bonus awards paid to individuals of €0.7m; and (iv) other transaction costs of €0.3m.

# Notes to the Consolidated Financial Statements continued

## 6. Operating segments (continued)

10. The forward liability represents the value of the Group's obligation to acquire the remaining 40% interest in CVC Secondaries and the remaining 40% interest in CVC DIF. The remaining 40% interest in CVC Secondaries was purchased during the year, primarily through the issue of shares in the Group. The value of the liability increased over the period in line with the increase in the share price of CVC Capital Partners plc up to the date of acquisition. This obligation to acquire 40% of CVC DIF is due to be settled by the issue of shares of CVC Capital Partners plc in 2027 and 2029. The value of this liability will therefore change in line with the increase or decrease in the share price of CVC Capital Partners plc. Over the course of the reporting period the value of the liability has therefore increased in line with the increase in the share price of CVC Capital Partners plc. The change in value of the forward liability does not represent part of the Group's operating results.
11. Certain expenses related to the recharge of lease costs have been included within general and administrative expenses, due to the legal nature of the recharge agreement.
12. This figure comprises expenses, including tax expenses where applicable, with respect to investment vehicles arising from the consolidation of GP commitments and credit vehicles and are being added back to show net investment income attributable to the Group.
13. This figure comprises amortisation of CVC Secondaries, CVC Credit and CVC DIF's acquired intangible assets, and related deferred tax, which has been removed as it is not indicative of the Group's operating results.
14. This figure comprises net finance expense attributable to non-controlling interests and has been added back to show adjusted profit after income tax net of non-controlling interests.
15. This figure comprises the Group's uncertain tax positions and deferred tax related to minimum corporate income tax (MCIT) rules which have been removed as these income tax amounts are not indicative of the Group's underlying operating results.
16. Within adjusted EBITDA is an adjustment to reclass €7.1m (Dec-23: nil) of costs out of general and administrative expenses into personnel expenses. These costs relate to advisory services provided by CVC Advisers (Benelux) SA/NV, which is not a subsidiary of the Group. If CVC Advisers (Benelux) SA/NV were to be consolidated, a portion of these costs would have been reflected as personnel expenses. There is no net impact on EBITDA. Refer to note 4 for further details on CVC Advisers (Benelux) SA/NV.

## 7. Revenue

### (a) Geographical locations

Revenue primarily comprises management fees, carried interest and investment income from the management of, and investment in, investment funds and credit vehicles. The Group also earns other operating income. The Group's management fees are derived from Jersey, Luxembourg, Netherlands, the Cayman Islands, Ireland, the United Kingdom, the United States and Denmark. The Group's carried interest revenues are derived from the domicile of the individual fund, which are all located in one geographical area (Jersey). The Group's investment income earned from direct investments in portfolio companies cannot be meaningfully split by geographical areas as the Group's investments are located in multiple jurisdictions.

Revenue from management fees is generated in the following geographical locations, based on the location of the contract:

| All figures in € 000 | Dec-24 | Dec-23 |
|---|---|---|
| **Geographical markets** | | |
| Jersey | 871,871 | 644,221 |
| Luxembourg | 145,554 | 73,188 |
| Netherlands | 89,561 | – |
| Cayman Islands | 31,895 | 22,143 |
| Ireland | 21,433 | – |
| United Kingdom | 11,241 | 3,816 |
| United States | 9,356 | – |
| Denmark | 323 | – |
| **Total management fees** | **1,181,234** | **743,368** |

# Notes to the Consolidated Financial Statements continued

## 7. Revenue (continued)

### (b) Contract liabilities

Contract liabilities are deferred income related to management fees received in advance as a result of timing differences between the generation of revenues and payment. Changes in contract liabilities related to management fees are presented below:

| All figures in € 000 | Notes | Dec-24 | Dec-23 |
|---|---|---|---|
| **Opening balance** | | **3,113** | **3,755** |
| Revenue recognised that was included in the contract liability at the beginning of the period | | (3,113) | (3,755) |
| Payment in advance during the period for performance obligations not yet performed | | 5,570 | 3,113 |
| **Closing balance** | 25 | **5,570** | **3,113** |

### (c) Carried interest and performance fees

The amount of carried interest recognised as revenue and the carrying value of the related carried interest is sensitive to the constraint applied to each fund. The figures below show the impact that an increase or decrease in the constraint would have on carried interest income recognised for the year ended 31 December 2024. In certain limited circumstances carried interest received may be subject to clawback provisions if the performance of the fund deteriorates materially following the receipt of carried interest. Not included in the below sensitivity is €6.3m related to performance fees.

| | Dec-24 | | | |
|---|---|---|---|---|
| All figures in € 000 | Weighted average constraint % | Effect on income at constraint (€ 000) | Effect on income at 110% of constraint (€ 000) | Income at 90% of constraint (€ 000) |
| Carried interest | 39% | 166,910 | (37,119) | 37,119 |

## 8. Personnel expenses

### (a) Personnel expenses

Personnel expenses, including remuneration for key management personnel (KMP), for the years ended 31 December 2024 and 31 December 2023 were as follows:

| All figures in € 000 | Dec-24 | Dec-23 |
|---|---|---|
| Salaries, bonuses and other short-term benefits | 410,119 | 58,756 |
| Post-employment benefits | 14,225 | 1,146 |
| Share-based payment expense | 3,324 | — |
| **Total personnel expenses** | **427,668** | **59,902** |

Total personnel expenses for the year ended 31 December 2024 include €256.9m of expenses with respect to the Advisory Group, which was acquired by the Group on 1 January 2024, €65.4m with respect to CVC Credit, which was acquired by the Group on 15 April 2024, and €41m with respect to CVC DIF, which was acquired by the Group on 1 July 2024. CVC Credit and CVC DIF's personnel expenses for the year ended 31 December 2024 were €93m and €74.9m respectively. Refer to note 5 for further details.

The Group operates defined contribution pension schemes for its employees. Costs incurred in respect of defined contributions are included within post-employment benefits.

Included within salaries, bonuses and other short-term benefits are exceptional expenses related to non-recurring bonus awards of €8.7m (Dec-23: €0.7m).

### (b) Share-based payments

**LTIP**

Under the Group's long term incentive plan (LTIP), options were granted to senior executives of the Company on 16 December 2024, including members of key management personnel. The options vest over the period from 1 January 2026 to 31 December 2028, provided certain market and non-market conditions are met. Upon vesting, the options will be settled in Company shares, with no consideration paid by the participants. Each option equates to one Company share. The fair value of the options were estimated at the grant date using a Monte Carlo simulation, taking into account the terms and conditions including relevant market conditions. The Group accounts for the LTIP as an equity-settled plan in line with IFRS 2.

# Notes to the Consolidated Financial Statements continued

## 8. Personnel expenses (continued)

The fair value of the awards was estimated at the grant date to be €12.6m, based on the following assumptions:

| Assumptions | Dec-24 | Dec-23 |
|---|---|---|
| Volatility | 39% | — |
| Correlation | 0.49 | — |
| Dividend yield | 2.4% | — |

| | Number of shares | | Weighted average fair value per share granted (€) | |
|---|---|---|---|---|
| | Dec-24 | Dec-23 | Dec-24 | Dec-23 |
| Options outstanding at beginning of period | — | — | — | — |
| Granted | 687,442 | — | 18.27 | — |
| Forfeited | — | — | — | — |
| Vested | — | — | — | — |
| **Options outstanding at end of period** | **687,442** | **—** | **18.27** | **—** |

The weighted average remaining contractual life for the share options outstanding as at 31 December 2024 was three years (Dec-23: nil). During the year ended 31 December 2024 €2.1m (Dec-23: nil) was recorded within personnel expenses within the consolidated statement of profit or loss.

**CVC DIF acquisition employee share option plan**
As part of the acquisition of CVC DIF, the Group is subject to a call option which, if exercised, provides the Group with a discount over the price paid for 5% of the final 20% of CVC DIF which will be purchased in January 2029. The discount allows the Group to purchase the 5% at the initial acquisition price. If the Group elects to pay the discounted price for the final tranche of shares, the discount received is to be allocated to an employee share option plan (ESOP). Employees who have been granted options under the ESOP must remain in service for a period of four to six years from the option grant date. It is expected that the Group will exercise the call option, and therefore the plan has been accounted for as an equity-settled share-based payment under IFRS 2. As at 31 December 2024, 41% of the options had been awarded. The fair value of the share options granted was estimated at the grant date to be €7.5m based on a Black-Scholes option price model, using a strike price equal to the consideration paid for the initial 40% of DIF, a volatility of 40% and a risk-free rate of 2.8%. The expense related to the ESOP is recorded within personnel expenses within the consolidated statement of profit or loss, with a corresponding reduction to the change in valuation of the CVC DIF forward liability. The expense for the year ended 31 December 2024 was €1.2m (Dec-23: nil).

## 9. General and administrative expenses

### (a) General and administrative expenses

General and administrative expenses for the years ended 31 December 2024 and 31 December 2023 were as follows:

| All figures in € 000 | Dec-24 | Dec-23 |
|---|---|---|
| General business expenses | 39,422 | 40,557 |
| Expenses incurred in businesses acquired | 109,614 | — |
| Exceptional expenses | 44,802 | 55,326 |
| **Total general and administrative expenses** | **193,838** | **95,883** |

General and administrative expenses are made up of general business expenses, expenses incurred in businesses acquired and exceptional expenses.

General business expenses include all non-people costs, including travel, IT, legal and professional services, audit, and insurance.

Included in expenses incurred in businesses acquired are €88m with respect to the Advisory Group, which was acquired by the Group on 1 January 2024, €13.7m with respect to CVC Credit, which was acquired by the Group on 15 April 2024, and €10.9m with respect to CVC DIF, which was acquired by the Group on 1 July 2024. Of these, €3m are considered exceptional in nature.

CVC Credits and CVC DIFs general and administrative expenses for the full year ended 31 December 2024 were €21.4m and €21.6m respectively. Refer to note 5 for further details.

Included in exceptional expenses for the year ended 31 December 2024 are expenses related to the listing on Euronext Amsterdam of €35.9m (Dec-23: €47.5m), legal and professional fees related to the acquisition of CVC DIF of €7.9m (Dec-23: €7.6m), and €1m (Dec-23: €0.3m) of other exceptional expenses.

# Notes to the Consolidated Financial Statements continued

**9. General and administrative expenses** (continued)

### (b) Audit and audit-related fees

The table below sets out the fees associated with services provided by the external auditor of the Group, Deloitte LLP (Deloitte):

| All figures in € 000 | Dec-24 | Dec-23 |
|---|---|---|
| **Audit Fees** | | |
| Consolidated financial statements | 6,421 | 834 |
| **Total audit fees** | **6,421** | **834** |
| **Non-audit fees** | | |
| Other audit-related assurance services | 2,027 | — |
| Other non-audit services | 7,852 | 7,711 |
| **Total non-audit fees** | **9,879** | **7,711** |
| **Total auditor's remuneration** | **16,300** | **8,545** |

Included within other audit-related assurance services are fees associated to the review of interim financial information of €0.8m (Dec-23: nil) and €1.1 million related to the Corporate Sustainability Reporting Directive (CSRD) assurance services (Dec-23: nil). Included within other non-audit-related assurance services are fees related to comfort letter procedures associated with the listing on Euronext Amsterdam of €6.5m (Dec-23: €7.6m).

For the year ended 31 December 2023, €1.6m related to audit fees and €0.2m related to non-audit fees were charged to entities that became subsidiaries of the Group as part of Pre-IPO reorganisation in April 2024.

## 10. Depreciation and amortisation

| All figures in € 000 | Note | Dec-24 | Dec-23 |
|---|---|---|---|
| Depreciation | 14 | 31,070 | 3,467 |
| Amortisation | 15 | 93,963 | 22,524 |
| **Total depreciation and amortisation** | | **125,033** | **25,991** |

Included in depreciation for the year ended 31 December 2024 are depreciation costs related to property and equipment acquired as part of the acquisition of the Advisory Group on 1 January 2024 (€23.3m), the acquisition of CVC Credit on 15 April 2024 (€1.8m), and the acquisition of CVC DIF on 1 July 2024 (€2.2m). Refer to note 14 for further details.

Included in amortisation for the year ended 31 December 2024 are amortisation costs related to intangible assets acquired as part of the acquisition of the Advisory Group on 1 January 2024 (€5.2m), the acquisition of CVC Credit on 15 April 2024 (€27m), and the acquisition of CVC DIF on 1 July 2024 (€39.3m). Refer to note 15 for further details.

## 11. Finance expense

| All figures in € 000 | Notes | Dec-24 | Dec-23 |
|---|---|---|---|
| Interest on borrowings | | 46,170 | 29,267 |
| Interest on lease liabilities | 23 | 4,003 | 252 |
| Other finance expenses | | 2,862 | 1,732 |
| **Total finance expense** | | **53,035** | **31,251** |

Interest on borrowings includes costs associated with €1.45bn of outstanding private placement notes issued by the Group, including an additional €200m issued in June 2024. On a combined weighted average basis, the notes have an 11-year tenor and an interest rate of 2.2%. Additionally, interest on borrowings includes amounts related to the Group's revolving credit facility (RCF). Refer to note 21 for further details.

Interest on lease liabilities relate primarily to rental payments in respect of the Group's rented offices and certain lease liabilities acquired as part of the Group's acquisitions. Refer to note 23 for further details.

## 12. Income tax

### (a) Income tax charge

Income tax charged in the consolidated statement of profit or loss:

| All figures in € 000 | Dec-24 | Dec-23 |
|---|---|---|
| **Current tax** | | |
| Current tax – current year | 55,550 | 10,473 |
| Current tax – prior years | 10,922 | — |
| Movement on uncertain tax provision | (3,816) | 500 |
| **Deferred tax** | | |
| Relating to origination and reversal of temporary differences | (62,306) | (1,204) |
| **Income tax charge reported in the consolidated statement of profit or loss** | **350** | **9,769** |

Included in current tax for the year ended 31 December 2024 is €15.7m with respect to the Advisory Group, which was acquired by the Group on 1 January 2024, €33.2m with respect to CVC Credit, which was acquired by the Group on 15 April 2024, and €11.1m with respect to CVC DIF which was acquired by the Group on 1 July 2024.

CVC Credit and CVC DIF's current tax charges for the 12 months ended 31 December 2024 were €41.3m and €25.7m respectively. Refer to note 5 for further details.

# **Notes to the Consolidated Financial Statements** continued

**12. Income tax** (continued)

As part of the Group's acquisition of Advisory Group on 1 January 2024 the Group acquired a provision of €22.6m in respect of uncertain tax positions. As at 31 December 2024 the Group has revised certain provisions following developments which has resulted in a net credit to the tax expense within the consolidated statement of profit or loss of €3.8m.

Income tax expense recognised in the consolidated statement of profit or loss for the year ended 31 December 2024 includes €1.3m (Dec-23: nil) related to Pillar Two income taxes that are expected to arise under the GloBE Rules. This component of current tax expense primarily relates to profits earned by certain Jersey entities that are direct or indirect subsidiaries of intermediate parent entities, as defined for Pillar Two purposes, that are based in jurisdictions where the rules have been enacted and are effective before 31 December 2024. The Group's Jersey entities will also be impacted by the implementation of MCIT law which will result in their taxable profits being subject to a 15% tax rate for the year ended 31 December 2025. As a result of the MCIT law the Group has recognised €24.8m of deferred tax assets as at 31 December 2024 (Dec-23: nil) in relation to losses of the Group's Jersey entities that can be utilised to offset future profits taxable under the MCIT law.

### (b) Reconciliation of income tax charge

The tax charge on profit before tax is different to the corporation tax payable based on the profit for the year taxed at a weighted average rate of 7.8% for the year ended 31 December 2024 (Dec-23: 2.9%) due to the following factors:

| All figures in € 000 | Dec-24 | Dec-23 |
|---|---|---|
| Profit before income tax | 308,466 | 312,483 |
| **Tax on profit before taxation at the standard rate of corporation tax in each jurisdiction with a weighted average of 7.8% (Dec-23: 2.9%)** | **24,051** | **9,132** |
| Change in non-recognised tax losses | (25,634) | — |
| Movement on uncertain tax provision | (3,816) | 500 |
| Non-deductible expenses | 2,896 | — |
| Effect of foreign taxes | 1,948 | 137 |
| Prior year adjustments | 1,788 | — |
| Other | (883) | — |
| **At the effective income tax rate** | **350** | **9,769** |

The effective tax rate is the tax charge divided by the accounting profit. The Group has business presence in multiple jurisdictions with different tax rates. The differences in the income tax charge from the statutory tax rates in each jurisdiction result from, among others, movement in uncertain tax provisions, non-deductibility of certain expenses, the net impact of foreign tax regimes and changes in non-recognised tax losses (including losses of the Group's Jersey entities that can be utilised to offset future profits taxable under the MCIT law).

### (c) Deferred tax

Deferred tax reflected in the consolidated statement of financial position as follows:

| All figures in € 000 | Dec-24 | Dec-23 |
|---|---|---|
| Deferred tax assets | 84,744 | 8,371 |
| Deferred tax liabilities | (248,149) | (21,949) |
| **Net deferred tax liabilities** | **(163,405)** | **(13,578)** |

Deferred tax reflected in the consolidated statement of financial position relates to the following:

| All figures in € 000 | Dec-24 | Dec-23 |
|---|---|---|
| Goodwill and other intangible assets | (227,147) | (13,578) |
| Investments in partnership interests | 31,618 | — |
| Deferred tax related to MCIT | 24,779 | — |
| Leases | 1,344 | — |
| Other | 6,001 | — |
| **Net deferred tax liabilities** | **(163,405)** | **(13,578)** |

Reconciliation of deferred tax:

| All figures in € 000 | Dec-24 | Dec-23 |
|---|---|---|
| **Net deferred tax liabilities as at 1 January 2024** | (13,578) | (15,355) |
| Acquisition of subsidiaries | (86,568) | — |
| Tax (credit)/charge during the period recognised in profit or loss | (62,306) | 1,204 |
| Foreign exchange movement | (953) | 573 |
| **Net deferred tax liabilities as at 31 December** | **(163,405)** | **(13,578)** |

# Notes to the Consolidated Financial Statements continued

### 12. Income tax (continued)

Deferred tax reflected in the consolidated statement of profit or loss relates to the following:

| All figures in € 000 | Dec-24 | Dec-23 |
|---|---|---|
| Leases | (1,064) | — |
| Investments in partnership interests | (16,121) | — |
| Goodwill and other intangible assets | (18,255) | (1,204) |
| Deferred tax related to MCIT | (24,205) | — |
| Other | (2,661) | — |
| **Net deferred tax credit** | **(62,306)** | **(1,204)** |

The Group's deferred tax assets and liabilities have been measured at the tax rates that are expected to apply in the year when the asset is realised or liability is settled, based on the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

The Group's deferred tax assets include deferred tax on right-of-use assets and lease liabilities which will unwind over the period of each lease, as well as tax losses carried forward, to the extent that they can be utilised under relevant tax legislation and it is probable that future taxable profits will allow the deferred tax asset to be recovered.

The Group's deferred tax liabilities primarily represent a temporary difference arising on the remeasurement of the fair value of investments, as well as on the amortisation of the intangible assets recognised on acquisition. They unwind as investments are realised and intangible assets are amortised.

Certain of the Group's Jersey entities have tax losses that can potentially be utilised under the MCIT law to provide relief against the 15% MCIT tax rate. While there is some level of uncertainty in the interpretation of certain aspects of the MCIT Law, as well as the OECD Pillar Two rules, as at 31 December 2024 the Group has a recognised deferred tax asset of €24.8m in relation to a portion of these tax losses.

In addition, the Group's Jersey entities have further such tax losses which would lead to an additional deferred tax asset of €106.9m at the 15% MCIT tax rate, but this deferred tax asset has not been recognised in the year ended 31 December 2024 due to a higher level of uncertainty in the interpretation of relevant aspects of the MCIT Law.

There are no other material temporary differences for which no deferred tax was recognised.

### 13. Earnings per share (EPS)

Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. The Group's forward liability is convertible into ordinary shares, however, has not been included in the computation of diluted EPS because its effect would have been anti-dilutive. The LTIP did not have a material impact on the Group's dilutive EPS.

The following table reflects the income and share data used in the basic and diluted EPS calculations:

| | Dec-24 | Dec-23 |
|---|---|---|
| Profit attributable to ordinary equity holders of the parent (€ 000) | 225,295 | 280,493 |
| Weighted average no. of ordinary shares for purposes of basic and diluted EPS (000) | 946,523 | 728,321 |
| **Basic and diluted earnings per share (€)** | **0.24** | **0.39** |

The weighted average number of shares for the year ended 31 December 2024 and the year ended 31 December 2023 reflects the impact of the issue of additional shares. Refer to note 29 for further details on share issuances during the period.

# Notes to the Consolidated Financial Statements continued

## 14. Property and equipment

| All figures in € 000 | Notes | Right-of-use assets | Equipment | Fixtures and fittings | Leasehold improvements | Total |
|---|---|---|---|---|---|---|
| **Cost** | | | | | | |
| **As at 1 January 2024** | | **13,669** | **1,242** | **1,550** | **6,776** | **23,237** |
| Acquisition of subsidiaries | 5 | 85,951 | 3,486 | 7,432 | 18,308 | **115,177** |
| Additions | | 46,969 | 3,352 | 1,206 | 11,649 | **63,176** |
| Disposals | | (141) | (125) | (24) | (500) | **(790)** |
| Lease modification | | 10,030 | — | — | — | **10,030** |
| Impact of merger accounting | | (1,584) | — | — | — | **(1,584)** |
| Foreign exchange | | 4,489 | 338 | 408 | 1,532 | **6,767** |
| **As at 31 December 2024** | | **159,383** | **8,293** | **10,572** | **37,765** | **216,013** |
| **Accumulated depreciation** | | | | | | |
| **As at 1 January 2024** | | **3,557** | **525** | **277** | **1,411** | **5,770** |
| Depreciation | | 21,944 | 2,389 | 1,819 | 4,918 | **31,070** |
| Disposals | | (141) | (92) | (17) | (498) | **(748)** |
| Foreign exchange | | 627 | 162 | 96 | 375 | **1,260** |
| **As at 31 December 2024** | | **25,987** | **2,984** | **2,175** | **6,206** | **37,352** |
| **Net book value as at 31 December 2024** | | **133,396** | **5,309** | **8,397** | **31,559** | **178,661** |

The Group acquired the Advisory Group on 1 January 2024, and as a result recognised certain property and equipment assets on acquisition. The Group then underwent a Pre-IPO Reorganisation which resulted in certain disposals which were accounted for using the merger accounting method. Refer to note 5 for further details.

Additions in the year for right-of-use assets primarily relate to a new lease for office space in the US of €42.8m which runs to 2040.

Movements in the right-of-use assets disposals line reflect the derecognition of assets and accumulated depreciation upon the contractual expiration of the respective lease contracts.

| All figures in € 000 | Right-of-use assets | Equipment | Fixtures and fittings | Leasehold improvements | Total |
|---|---|---|---|---|---|
| **Cost** | | | | | |
| **As at 1 January 2023** | **12,867** | **632** | **1,968** | **4,423** | **19,890** |
| Additions | 1,128 | 624 | 25 | 3,019 | **4,796** |
| Disposals | — | — | (385) | (641) | **(1,026)** |
| Lease modification | (252) | — | — | — | **(252)** |
| Foreign exchange | (74) | (14) | (58) | (25) | **(171)** |
| **As at 31 December 2023** | **13,669** | **1,242** | **1,550** | **6,776** | **23,237** |
| **Accumulated depreciation** | | | | | |
| **As at 1 January 2023** | **1,292** | **250** | **285** | **1,019** | **2,846** |
| Disposals | — | — | (244) | (348) | **(592)** |
| Depreciation | 2,212 | 282 | 236 | 737 | **3,467** |
| Foreign exchange | 53 | (7) | — | 3 | **49** |
| **As at 31 December 2023** | **3,557** | **525** | **277** | **1,411** | **5,770** |
| **Net book value as at 31 December 2023** | **10,112** | **717** | **1,273** | **5,365** | **17,467** |

The net book value and depreciation of the right-of-use assets is broken down by class of underlying asset:

| All figures in € 000 | Properties | Equipment and vehicles | Total |
|---|---|---|---|
| **2024** | | | |
| Depreciation for the year ended 31 December 2024 | 21,175 | 769 | **21,944** |
| Net book value at 31 December 2024 | 132,478 | 918 | **133,396** |

Right-of-use assets for the year ended 31 December 2023 were comprised only of properties.

# Notes to the Consolidated Financial Statements continued

## 15. Goodwill and other intangible assets

### (a) Goodwill and other intangible assets

| All figures in € 000 | Notes | Goodwill | Customer related intangible assets | Brands | Computer software | Total |
|---|---|---|---|---|---|---|
| **Cost** | | | | | | |
| **As at 1 January 2024** | | **321,009** | **244,937** | **8,206** | **—** | **574,152** |
| Acquisition of a subsidiary | 5 | 491,185 | 880,070 | 14,350 | 6,685 | **1,392,290** |
| Additions | | — | — | — | 4,408 | **4,408** |
| Foreign exchange | | 21,450 | 16,369 | 548 | 266 | **38,633** |
| **As at 31 December 2024** | | **833,644** | **1,141,376** | **23,104** | **11,359** | **2,009,483** |
| **Accumulated amortisation** | | | | | | |
| **As at 1 January 2024** | | **—** | **40,823** | **3,277** | **—** | **44,100** |
| Amortisation | | — | 85,916 | 2,872 | 5,175 | **93,963** |
| Foreign exchange | | — | 3,658 | 299 | 252 | **4,209** |
| **As at 31 December 2024** | | **—** | **130,397** | **6,448** | **5,427** | **142,272** |
| **Net book value as at 31 December 2024** | | **833,644** | **1,010,979** | **16,656** | **5,932** | **1,867,211** |

| All figures in € 000 | Goodwill | Customer related intangible assets | Brands | Computer software | Total |
|---|---|---|---|---|---|
| **Cost** | | | | | |
| **As at 1 January 2023** | **332,289** | **253,543** | **8,494** | **—** | **594,326** |
| Foreign exchange | (11,280) | (8,606) | (288) | **—** | **(20,174)** |
| **As at 31 December 2023** | **321,009** | **244,937** | **8,206** | **—** | **574,152** |
| **Accumulated amortisation** | | | | | |
| **As at 1 January 2023** | **—** | **21,130** | **1,697** | **—** | **22,827** |
| Amortisation | — | 20,847 | 1,677 | **—** | **22,524** |
| Foreign exchange | — | (1,154) | (97) | **—** | **(1,251)** |
| **As at 31 December 2023** | **—** | **40,823** | **3,277** | **—** | **44,100** |
| **Net book value as at 31 December 2023** | **321,009** | **204,114** | **4,929** | **—** | **530,052** |

Goodwill arose following the acquisition of CVC Secondaries on 11 January 2022 (€342.5m as at 31 December 2024 (Dec-23: €321m)), the acquisition of the Advisory Group on 1 January 2024 (€117.3m as at 31 December 2024 (Dec-23: nil)), the acquisition of CVC Credit on 15 April 2024 (€108.7m as at 31 December 2024 (Dec-23: nil)), and the acquisition of CVC DIF on 1 July 2024 (€265.2m as at 31 December 2024 (Dec-23: nil)). Refer to note 5 for further details.

Of the Group's customer-related intangible assets €196m relate to the acquisition of CVC Secondaries (Dec-23: €204.1m) which will be fully amortised by 2034, €179.3m relate to the acquisition of CVC Credit (Dec-23: nil) which will be fully amortised by 2034, and €635.7m (Dec-23: nil) relate to the acquisition of CVC DIF which will be fully amortised by 2037.

### (b) Impairment testing

Goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate potential impairment loss. Goodwill is tested for impairment at the segment level, which is the lowest level within the Group where goodwill is monitored for internal management purposes. For impairment testing, goodwill acquired through the acquisition of CVC Secondaries has been allocated to the secondaries operating segment, goodwill acquired through the acquisition of the Advisory Group has been allocated to the Private Equity operating segment, goodwill acquired through the acquisition of the Credit Group has been allocated to the Credit operating segment, and goodwill acquired through the acquisition of CVC DIF has been allocated to the infrastructure operating segment.

The Group performed its annual impairment test of the Private Equity, Secondaries and Credit operating segments as at 30 June 2024, and infrastructure segments as at 31 December 2024, and their respective recoverable amounts have been determined based on a value in use calculation (VIU) using cash flow projections from financial budgets covering up to a five-year period. Key assumptions in the Group's financial forecasts include projected earnings, the discount rate and the terminal value. The projected cash flows are based on the contractual management fees expected to be earned on existing funds, as well as new capital raising, deployment of capital and costs of the business, taking into account growth plans for the segment as well as past experience.

The pre-tax discount rates were estimated based on the current market assessment of the risks specific to the segment. The discount rate calculation is based on the specific circumstances of the segment and is derived from its WACC. The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment. The cost of debt is based on the interest-bearing borrowings the segment is obliged to service. The long-term growth rate was calculated based on a long-term growth rate assumption, in line with the long-term inflation and nominal GDP growth expectations for UK and EU markets.

# Notes to the Consolidated Financial Statements continued

### 15. Goodwill and other intangible assets (continued)

As a result of this analysis, significant headroom was noted and therefore no impairment was identified. Management believes that any reasonably possible change in any of the key assumptions would not cause the carrying amount to exceed the recoverable amount for any operating segment. Key inputs into the above impairment assessments are presented in the following table:

| | Dec-24 | | Dec-23 | |
|---|---|---|---|---|
| | Pre-tax discount rate (%) | Long-term growth rate (%) | Pre-tax discount rate (%) | Long-term growth rate (%) |
| Secondaries | 17.0% | 2.5% | 15.0% | 2.5% |
| Private Equity | 13.1% | 2.5 % | n/a | n/a |
| Credit | 16.8% | 2.5 % | n/a | n/a |
| Infrastructure | 18.9% | 2.5 % | n/a | n/a |

### 16. Carried interest and performance fees receivables

The carried interest and performance fees receivables relate to revenue which has been recognised by the Group in respect of its share of profits from investment funds and credit vehicles.

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 an investment fund or credit vehicle. The reversal risk is mitigated through the application of constraints to the fair value of unrealised investments when calculating the value of carried interest or performance fee revenue to be recognised.

A sensitivity analysis of the impact of a change in the value of unrealised fund assets as a result of reasonably possible changes in the constraints applied is included within note 7.

| All figures in € 000 | Dec-24 | Dec-23 |
|---|---|---|
| **Opening balance** | **190,461** | **148,957** |
| Acquisition of a subsidiary | 6,558 | — |
| Carried interest additions | 774 | — |
| Release of carried interest provision | (115,824) | (121,666) |
| Income recognised in the period | 173,170 | 163,170 |
| Foreign exchange movements | (213) | — |
| **Closing balance** | **254,926** | **190,461** |

Carried interest and performance fees of €173.2m have been recognised for the year ended 31 December 2024 (Dec-23: €163.2m) where the relevant funds have met the Group's criteria for carried interest revenue recognition under IFRS 15. Carried interest additions are contributions made to carried interest entities for the Group's participation in carried interest from the funds as described in note 3(a).

### 17. Financial assets at fair value through profit and loss

Investments representing the Group's interests in investment vehicles are initially recognised at fair value and subsequently measured at fair value through profit or loss as investment income.

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

| All figures in € 000 | Notes | Dec-24 | Dec-23 |
|---|---|---|---|
| **Opening balance** | | **935,674** | **868,437** |
| Acquisition of subsidiaries | | 600,962 | — |
| Purchase of investments | | 479,445 | 114,131 |
| Proceeds from sale of investments | | (327,735) | (128,016) |
| Investment income | | 199,868 | 81,428 |
| Foreign exchange movements | | 2,318 | (306) |
| **Closing balance** | 19, 27 | **1,890,532** | **935,674** |

Included in the financial assets at fair value through profit or loss, are investments with a carrying amount of €91.8m as at 31 December 2024 (Dec-23: nil), which are pledged as collateral for the Group's borrowings.

During the year, the Group transferred a portion of a fund investment to an unconsolidated structured entity in exchange for a repayment of €2.3m on a credit facility. The transfer is recorded as a proceed from sale of investments, and had no impact on the Group's cash.

As part of its final reorganisation steps the Group acquired CVC Capital Partners Strategic Opportunities II Limited and CVC Capital Partners VII Limited, and as a result is considered to control CVC Investment Strategic Opportunities II L.P. and CVC Capital Partners Investment Europe VII L.P. from 30 April 2024 and 6 June 2024, respectively. The Group already had an interest in CVC Investment Strategic Opportunities II L.P. and CVC Capital Partners Investment Europe VII L.P. prior to gaining control and therefore consolidated an additional €447.2m of financial assets at fair value through profit or loss relating to non-controlling interests from these dates. Refer to note 5 for further details

# **Notes to the Consolidated Financial Statements** continued

### 18. Trade and other receivables

| All figures in € 000 | Notes | Dec-24 | Dec-23 |
|---|---|---|---|
| **Non-current:** | | | |
| Loans receivable | | 137,403 | 102,375 |
| Non-financial receivables | | 5,165 | 4,767 |
| Other receivables | | 4,737 | — |
| Preference shares | 19 | 21,729 | — |
| **Total non-current trade and other receivables** | | **169,034** | **107,142** |
| **Current:** | | | |
| Loans receivable | | 12,172 | 5,119 |
| Due from funds | 19, 32 | 38,842 | 28,801 |
| Related party receivables | 32 | 8,483 | 7,491 |
| Non-financial receivables | | 33,270 | 6,665 |
| Other receivables | | 68,286 | 9,752 |
| Management fees receivable | 19 | 42,304 | — |
| **Total current trade and other receivables** | | **203,357** | **57,828** |

There are no material differences between the above amounts for trade and other receivables and their fair value.

Non-current and current loans receivable relate to amounts held at amortised cost which include the following:

- loans of €6.3m (Dec-23: €6.3m) are unsecured, bear interest at 2.25% per annum and are repayable the day following the dissolution of the relevant partnerships. This includes a €2.5m (Dec-23: €2.5m) loan with key management personnel;
- loans of €35.3m (Dec-23: €34.6m) are secured, bear interest at 2% per annum and are repayable in 2031. This includes a €13.7m (Dec-23: €13.4m) loan with key management personnel;
- loans of €3.7m (Dec-23: €5m) are secured, bear interest at EURIBOR + 2% per annum and are repayable in 2025;
- loans of €6.4m (Dec-23: nil) are secured, bear interest at 2.25% and are repayable in 2030;
- promissory notes extended by the Group. The facilities are unsecured, bear interest at rates of 1.3% - 4.42% per annum and are repayable between 2028 and 2030. The total amount outstanding as at 31 December 2024 is €53.2m (Dec-23: €31.5m);
- RCF extended by the Group. Interest rates are determined by the type of borrowing at each drawdown and are based on euro short-term rate for one month plus 0.8%. The facility is secured and repayable in 2028. The total credit facility available to the borrower is €200m and the amount drawn at 31 December 2024 is €1.3m (Dec-23: nil);
- loans of €9.2m (Dec-23: nil) to a related party entity, which are secured, interest free and repayable in 2027;
- loans of €31m (Dec-23: nil) which are unsecured and bear interest at 2.25% - 5% per annum; and
- loans of €2.9m (Dec-23: nil) which are unsecured and bear interest at EURIBOR + 3% per annum.

Non-financial receivables include placement fees, and prepaid subscriptions and insurance costs. €5m of amortisation related to placement fees was recognised in the year ended 31 December 2024 (Dec-23: €1.2m).

Included in other receivables are sundry debtors and amounts related to rental deposits.

Preference shares relates to those purchased at the same time as the acquisition of 60% of CVC DIF on 1 July 2024. The preference shares are due a fixed preferred dividend of 6% or 8% per annum, have no voting rights, and redemption is solely within the power of the Group. As a result, the Group has classified these as held at amortised cost. Additionally, the Group has granted the CVC DIF selling shareholders the irrevocable right, but not the obligation, to require the Group to sell and transfer all or a fraction of preferences shares for cash. During the period €4.4m of preference shares were sold to the CVC DIF selling shareholders.

# Notes to the Consolidated Financial Statements continued

## 19. Financial assets

The following tables analyse the Group's assets in accordance with the categories of financial instruments in IFRS 9.

| All figures in € 000 | Notes | Fair value through profit or loss | Financial assets at amortised cost | Total |
|---|---|---|---|---|
| **At 31 December 2024** | | | | |
| Financial assets at fair value through profit or loss | 17 | 1,890,532 | — | 1,890,532 |
| Loans receivable | | — | 149,575 | 149,575 |
| Other receivables | | — | 73,023 | 73,023 |
| Due from funds | 18 | — | 38,842 | 38,842 |
| Related party receivables | 18 | — | 8,483 | 8,483 |
| Management fees receivable | 18 | — | 42,304 | 42,304 |
| Preference shares | 18 | — | 21,729 | 21,729 |
| Cash and cash equivalents | 20 | — | 618,289 | 618,289 |
| **Total financial assets** | | **1,890,532** | **952,245** | **2,842,777** |

| All figures in € 000 | Notes | Fair value through profit or loss | Financial assets at amortised cost | Total |
|---|---|---|---|---|
| **At 31 December 2023** | | | | |
| Financial assets at fair value through profit or loss | 17 | 935,674 | — | 935,674 |
| Loans receivable | | — | 107,494 | 107,494 |
| Other receivables | | — | 9,752 | 9,752 |
| Due from funds | 18 | — | 28,801 | 28,801 |
| Related party receivables | 18 | — | 7,491 | 7,491 |
| Cash and cash equivalents | 20 | — | 100,677 | 100,677 |
| **Total financial assets** | | **935,674** | **254,215** | **1,189,889** |

## 20. Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise of the following:

| All figures in € 000 | Dec-24 | Dec-23 |
|---|---|---|
| Cash at banks | 585,674 | 99,714 |
| Short term deposits | 32,615 | 963 |
| **Cash and cash equivalents at the end of the period** | **618,289** | **100,677** |

## 21. Borrowings

### (a) Borrowings

| All figures in € 000 | Dec-24 | Dec-23 |
|---|---|---|
| **Non-current:** | | |
| Borrowings held at amortised cost | 1,593,160 | 1,432,402 |
| Borrowings held at fair value through profit or loss | 1,088 | — |
| **Total non-current borrowings** | **1,594,248** | **1,432,402** |
| **Current:** | | |
| Borrowings held at amortised cost | 82,081 | 6,902 |
| **Total current borrowings** | **82,081** | **6,902** |

As at 31 December 2024, the Group has €1.45bn of outstanding private placement notes (Dec-23: €1.25bn). The loan notes are measured at amortised cost and bear interest at a weighted average of 2.2% per annum. The weighted average tenor as at 31 December 2024 is 11 years. Qualifying costs have been capitalised and are amortised over the life of the notes.

The notes were partially swapped by the note holders into CAD, USD and GBP. The Group has an option to prepay the private placement notes. The Group concluded that the economic risks of these prepayment options are not closely related to the loan notes and therefore are recorded as separable embedded derivatives measured at fair value. The fair value of the prepayment options are nil as at 31 December 2024 (Dec-23: nil).

The Group has access to a €600m RCF, which is available to the Group until 24 August 2028. As at 31 December 2024, the Group had €72.5m (Dec-23: €200m) drawn down on the facility. Qualifying costs have been capitalised and are amortised over the life of the facility. Amortised costs are included within finance expense. Interest rates are determined at each drawdown based on the relevant currency's reference rate for the relevant drawdown period plus 1.2%.

# **Notes to the Consolidated Financial Statements** continued

**21. Borrowings** (continued)

Both of the above private placement notes and the RCF are subject to two financial covenants: one requiring the maintenance of minimum assets under management (AUM) of €20bn (plus 50% of the AUM of businesses acquired) and a second setting a maximum total net leverage ratio of 4:1. The total net leverage ratio is calculated on the basis of total debt for borrowed money less unrestricted cash compared to EBITDA, adjusted for certain items as detailed within the credit agreement, for the most recent period of four consecutive quarters. Both covenants are tested biannually as at 31 December and as at 30 June. As at 31 December 2024, the Group was fully compliant with the covenants.

The Group's consolidated structured entities have access to revolving credit facilities to cover funding of investments over the short term, usually a 12-month period. The total amount available to these consolidated structured entities at 31 December 2024 was €495.3m (Dec-23: €76.9m). The total amount outstanding at 31 December 2024 was €73.4m (Dec-23: nil). The balance outstanding as at 31 December 2024 was repaid post-period end through calls partly funded by commitments from non-controlling interests of the consolidated structured entities. During the year, the Group transferred a portion of a fund investment to an unconsolidated structured entity in exchange for a repayment of €2.3m on a revolving credit facility. The transfer had no impact on the Group's cash.

Borrowings also include €84.7m (Dec-23: nil) of CLO retention financing acquired as part of the acquisition of CVC Credit. CVC Credit entered into a number of CLO repurchase agreements specific to each CLO, to finance a portion of risk retention holdings. Generally, upon a counterparty default, the Group can terminate the CLO repurchase agreement and offset amounts it owes against collateral, if any. During the term of a transaction entered into under the CLO repurchase agreement, the Group will deliver cash or additional securities acceptable to the counterparty if the securities sold are in default. The CLO repurchase agreement may be terminated at any time upon certain defaults or circumstances agreed upon by the parties. The repurchase agreements may result in credit exposure in the event the counterparty to the transaction is unable to fulfil its contractual obligations. The Group minimises the credit risk associated with these activities by monitoring counterparty credit exposure and collateral values. Other than margin requirements, the Group is not subject to additional terms or contingencies which would expose the Group to additional obligations based upon the performance of the securities pledged as collateral. The carrying amount of investments pledged as collateral for these loans is €91.8m.

**(b) Guarantees**

The Group is a guarantor on a €200m RCF provided to an entity outside of the Group. The RCF matures in August 2028 and contains two financial covenants: one requiring the guarantors to maintain minimum AUM of €20bn (plus 50% of the AUM of businesses acquired by the guarantors) and a second setting a maximum total net leverage ratio of 4:1. The total net leverage ratio is calculated on the basis of total debt for borrowed money less unrestricted cash compared to EBITDA, adjusted for certain items as detailed within the credit agreement, for the most recent period of four consecutive quarters. As at 31 December 2024, the Group was fully compliant with the covenants. As at 31 December 2024, the RCF had €143.3m drawn (Dec-23: €137.5m).

The Group also provided guarantees to a lending institution regarding loans held by employees for investments in affiliated vehicles. The amount guaranteed at 31 December 2024 was €0.03m (Dec-23: nil).

Letters of credit have been issued, and guarantees provided, on behalf of the Group to landlords in respect of lease commitments for €5.5m (Dec-23: €2.4m). This amount represents the maximum exposure of the Group.

As discussed in note 2, included in management fees are fees earned by the Group acting as an underwriter or placement agent in offerings or placements of debt and/or equity financing, and as a result at times has outstanding commitments. As at 31 December 2024 the value of outstanding commitments was nil (Dec-23: nil).

**22. Forward liability**

Under the terms of the share purchase agreement between the Group and CVC Secondaries, the Group agreed to acquire 60% of CVC Secondaries at the initial acquisition (completed 11 January 2022) and the remaining 40% interest across two later acquisition tranches. In addition to the acquisition of CVC Secondaries, the Group acquired an initial 60% interest in CVC DIF on 1 July 2024. Under the terms of the share purchase agreement the Group agreed to acquire 60% of CVC DIF at the initial acquisition date and the remaining 40% interest across two later acquisition tranches. The Group has recognised a financial liability in respect of the obligation to acquire the remaining 40% interest in both CVC Secondaries and CVC DIF. For further details refer to note 5.

The value of each liability was measured at their respective initial acquisition dates at the present value of the future acquisition cost as determined in accordance with the share purchase agreement. The liability has been recalculated at each subsequent balance sheet date and any changes in value have been recorded through the consolidated statement of profit or loss.

On 10 May 2024, immediately following the IPO, the Group acquired a further 20% interest in CVC Secondaries in exchange for 25,536,048 shares valued at €357.5m and cash of €5.2m. On 2 July 2024, the Group acquired the remaining 20% interest in CVC Secondaries in exchange for a further 25,536,048 shares valued at €438.7m, and cash of €3.6m. As a result of these acquisitions of CVC Secondaries for shares issued in the Group, the liability with respect to CVC Secondaries has been settled.

A reconciliation of the measurement of the forward liability is provided below.

| All figures in € 000 | Notes | Dec-24 | Dec-23 |
|---|---|---|---|
| **Opening balance** | | **592,019** | **507,194** |
| Settlement of liability | | (805,026) | — |
| Liability recognised on acquisition | | 537,280 | — |
| Change in valuation of forward liability | | 463,305 | 84,825 |
| **Closing balance** | 26 | **787,578** | **592,019** |

# Notes to the Consolidated Financial Statements continued

## 23. Lease liability

| All figures in € 000 | Notes | Dec-24 | Dec-23 |
|---|---|---|---|
| **Opening balance** | | **11,880** | **13,352** |
| Acquisition of subsidiary | | 85,722 | — |
| Additions | | 46,488 | 1,128 |
| Impact of merger accounting | | (1,354) | — |
| Impact of lease modifications | | 9,948 | (252) |
| Accretion of interest | | 4,003 | 252 |
| Payments | | (20,545) | (1,905) |
| Foreign exchange movement | | 4,601 | (695) |
| **Closing balance** | | **140,743** | **11,880** |
| Non-current | | 124,420 | 9,589 |
| Current | | 16,323 | 2,291 |
| **Total leases** | | **140,743** | **11,880** |

The lease liabilities relate primarily to rental payments in respect of the Group's rented offices. The office lease contracts range from 0.5-16 years. The weighted-average remaining lease term at 31 December 2024 is 9.7 years (Dec-23: 7.6 years).

Lease contracts include either inflationary increases to the rent payable or periodic review of the rent payable. The liability has been determined at each period end, based upon expected changes in the contractual rent payable, as well as any planned exercise of any break/early exit clauses.

Extension options within leases have been incorporated into the lease liability when it is concluded the extension option is likely to be exercised. The Group periodically reassesses the lease term and whether it will exercise or not exercise the extension option. Should a change occur, the Group modifies the lease liability and associated right-of-use asset to reflect the remaining expected cash flows.

All lease liabilities have been modelled to the end of their non-cancellable lease term, with no breaks assumed. Therefore, the lease exposure stated is the maximum exposure. The lease liability excludes those leases which have not yet commenced, but to which the Group is committed. Additions to lease liabilities in the year primarily pertain to an office lease in the US of €42.4m which the Group will have the right of use until 2040.

The Group acquired the Advisory Group on 1 January 2024, and as a result recognised certain lease liabilities on acquisition. The Group then underwent a Pre-IPO Reorganisation which resulted in certain disposals which were accounted for using the merger accounting method. For further details refer to note 5.

For further details on the amounts relating to the lease liabilities included in the consolidated statement of profit or loss, refer to note 11.

## 24. Provisions

| All figures in € 000 | Dec-24 | Dec-23 |
|---|---|---|
| Carried interest provision | 215,551 | 175,895 |
| SAR provision | 9,703 | — |
| Dilapidation provision | 3,158 | 485 |
| Other provisions | 864 | — |
| **Total** | **229,276** | **176,380** |

**Carried interest provision:**
The carried interest provision relates to the receipts of carried interest that do not yet meet the criteria to be recognised as carried interest revenue under IFRS 15. As and when the Group is entitled to recognise carried interest income, an amount will be released from the carried interest provision. At the end of the life of each fund, amounts received by the Group that have not met the recognition criteria under IFRS 15 will be repaid. Refer to note 16 and below for further details.

| All figures in € 000 | Notes | Dec-24 | Dec-23 |
|---|---|---|---|
| **Opening balance** | | **175,895** | **175,895** |
| Carried interest received | | 143,724 | 121,666 |
| Carried interest released to carried interest receivable | 16 | (115,824) | (121,666) |
| Foreign exchange movements | | 11,756 | — |
| **Closing balance** | | **215,551** | **175,895** |

The participants in the carried interest sharing partnerships (each a CIS partnership), which includes the Group, may in certain circumstances be required to repay amounts distributed to them in excess of their entitlement (for example, in a carry clawback situation) by way of a final and balancing contribution. In the event of a fund carry clawback situation, for amounts that cannot be clawed back from the relevant CIS partnership (and, therefore, by the CIS partnership from the participants in that CIS partnership), the SIF (as parent of the Group at the time of the establishment of the funds) has provided a guarantee to the funds for unrecovered amounts of clawback carry.

**SAR provision:**
As part of the acquisition of CVC DIF, the Group became liable to a SAR provision which, per the share purchase agreement, is reimbursable by the CVC DIF selling shareholders. The provision will be fully settled at the time of the final acquisition of CVC DIF in 2029.

**Dilapidation provision:**
The dilapidation provision relates to property leases currently occupied by the Group. The provision is an estimate of costs to be incurred in restoring the leased properties to the condition required by lessor immediately before the end of the term of the relevant leases.

# Notes to the Consolidated Financial Statements continued

### 25. Trade and other payables

| All figures in € 000 | Notes | Dec-24 | Dec-23 |
|---|---|---|---|
| **Non-current:** | | | |
| Accrued expenses | | 35,424 | 6,033 |
| **Total non-current trade and other payables** | | **35,424** | **6,033** |
| **Current:** | | | |
| Accrued expenses | | 274,768 | 67,606 |
| Deferred income | 7 | 5,570 | 3,113 |
| Other payables | | 19,700 | 21,299 |
| **Total current trade and other payables** | | **300,038** | **92,018** |

Accrued expenses primarily includes employee bonuses and related social security taxes. Deferred income are contract liabilities related to management fees that have been received in relation to fund management activity but have not yet been earned. Refer to note 7(b) for further details. There are no material differences between the above amounts for trade and other payables and their fair value.

### 26. Financial liabilities

#### (a) Classification of financial liabilities

The following table analyses the Group's liabilities in accordance with the categories of financial instruments in IFRS 9.

| All figures in € 000 | Notes | Fair value through profit or loss | Financial liabilities at amortised cost | Total |
|---|---|---|---|---|
| **As at 31 December 2024** | | | | |
| Borrowings | | 1,088 | 1,675,241 | **1,676,329** |
| Forward liability | 22 | 787,578 | — | **787,578** |
| Lease liabilities | 23 | — | 140,743 | **140,743** |
| Accrued expenses | | — | 310,191 | **310,191** |
| Other payables | 25 | — | 19,700 | **19,700** |
| **Total financial liabilities** | | **788,666** | **2,145,875** | **2,934,541** |

| All figures in € 000 | Notes | Fair value through profit or loss | Financial liabilities at amortised cost | Total |
|---|---|---|---|---|
| **As at 31 December 2023** | | | | |
| Borrowings | | — | 1,439,304 | **1,439,304** |
| Forward liability | 22 | 592,019 | — | **592,019** |
| Lease liabilities | 23 | — | 11,880 | **11,880** |
| Accrued expenses | | — | 73,640 | **73,640** |
| Other payables | 25 | | 21,299 | **21,299** |
| **Total financial liabilities** | | **592,019** | **1,546,123** | **2,138,142** |

#### (b) Changes in liabilities arising from financing activities

| All figures in € 000 | Notes | Dec-24 | Dec-23 |
|---|---|---|---|
| **As at 1 January** | | **1,451,184** | **1,352,561** |
| **Changes from financing cash flows:** | | | |
| Net proceeds from private placement note | | 196,768 | — |
| Drawings on credit facilities | | 668,191 | 594,102 |
| Repayment of credit facilities | | (757,949) | (495,904) |
| Interest paid | | (39,404) | (27,622) |
| Lease payments | | (16,542) | (1,653) |
| **Total changes in cash flows arising on financing activities from borrowing and leases** | | **51,064** | **68,923** |
| Leases acquired through business combinations | | 84,368 | — |
| Borrowings acquired through business combinations | | 123,293 | — |
| Non-cash settlement of borrowings | | (4,422) | — |
| New lease liabilities and lease modifications | | 56,436 | 876 |
| Interest accrued | | 50,173 | 29,518 |
| Foreign exchange movements | | 4,976 | (694) |
| **Total financial liabilities** | | **1,817,072** | **1,451,184** |

Non-cash settlement of borrowings includes the transfer of a fund investment to an unconsolidated structured entity in exchange for a repayment of €2.3m on a credit facility, as well as the forgiveness of interest as part of the Advisory Group acquisition of €2.1m. These transactions had no impact on the Group's cash.

# Notes to the Consolidated Financial Statements continued

## 27. Financial risk management

In its activities, the Group is exposed to various financial risks: price/valuation risk, market risk (including exposure to foreign currencies), credit risk, interest rate risk and liquidity risk arising from financial instruments. The directors are responsible for the creation and control of an overall risk management policy for the Group.

The Group's consolidated statement of financial position is made up predominantly of investments into investment funds and credit vehicles. The assets of a private equity fund are controlling or minority stakes, typically in private companies, and their debt. The financial risks relating to such investments are inherently different, due to the nature of the investment as equity or debt and recovery and returns from capital invested will depend upon the financial health and prospects of each underlying investee entity. Each investment fund and credit vehicle is constructed as a portfolio of assets, diversified by the number of assets, their industry and geography.

Risk management policies are established to identify and analyse the risks faced by the Group and to set appropriate risk limits and controls. Risk management policies and systems are reviewed on a regular basis to reflect changes in the market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

### (a) Price/valuation risk

Price/valuation risk is the uncertainty about the difference between the reported value and the price that could be obtained on exit or maturity. This principally relates to investments in portfolios companies and debt investments, and investments held in CLOs.

This uncertainty arises due to the use of unobservable inputs, such as EBITDA, in the calculation of fair value, the performance and financial health of portfolio companies, and ultimately – as it relates to investments in private equity – what a third party may be willing to pay for the business. There is less uncertainty for investments in debt as the upside is capped to the maximum of the principal and interest receipts, whereas private equity investments have greater potential for larger changes in their valuation as the upside is not capped.

The Group monitors the performance of each investment closely. Portfolio monitoring is embedded and maintains focus throughout the investment life of each company. All investments are formally reviewed through dedicated portfolio monitoring committees. The review process involves a rigorous assessment of the company's financial performance, financial health (including covenant coverage) and exit prospects.

The Group reviews valuations of all investments at least twice a year, with private equity investments valued in line with IPEV Guidelines. Investments in CLOs are valued using a market standard model, Intex, that considers the cash flow structure of each transaction. This output is consolidated with discounted cash flow techniques to achieve a present value. Each investment undergoes the same detailed valuation process, in accordance with the Group's valuation policies. Valuations are presented and discussed at the relevant committee for final evaluation and approval. Further detail about the valuation process is included within note 3.

A reasonably possible change in the values of financial assets at fair value through profit or loss classified as Level 3 is shown in note 27(f).

### (b) Foreign currency risk

Foreign currency risk is the risk of losses or other adverse effects resulting from a change in a foreign exchange rate, or from other unfavourable changes in relation to foreign currency.

The Group is primarily exposed to two types of foreign currency risk:

- translation risk: The risk of changes in the rates at which assets, liabilities, income or costs in foreign currencies are translated into the reporting currency; and
- transaction risk: The adverse effect that foreign exchange rate fluctuations can have on a completed transaction prior to settlement. It is the exchange rate, or currency risk associated specifically with the time delay between entering into a trade or contract and then settling it.

The Group is exposed to translation and transaction risk as a result of it holding assets and liabilities (including financial assets at fair value through profit or loss, carried interest receivable, and carried interest provision), and having operating activities denominated in currencies other than EUR (its reporting and presentational currency).

The Group's income and expenses are primarily denominated in EUR or USD. In most subsidiaries, the income and expenses are denominated in the same currency as the functional currency of the entity and therefore does not create any currency effects in the Group's consolidated statement of profit or loss. However, when income and expenses arise in entities with a functional currency other than EUR, the Group's operating profits will be affected by changes in exchange rates in the period between initial recognition of revenue or expense and settlement.

The table below demonstrates the sensitivity of profit before income tax to a 10% change in the exchange rate of foreign currencies compared to EUR in its financial assets at fair value through profit or loss, carried interest receivable, carried interest provision, and foreign operations:

| All figures in € 000 | Dec-24 | Dec-23 |
|---|---|---|
| | (+/-) | (+/-) |
| **Foreign currency sensitivity:** | | |
| 10% effect on profit before income tax (USD) | 48,634 | 22,225 |
| 10% effect on profit before income tax (Other) | 42,088 | 15,818 |

# Notes to the Consolidated Financial Statements continued

**27. Financial risk management** (continued)

## (c) Credit risk

Credit risk is the risk that a counterparty is unable to meet their contractual obligations in full, when due. Potential areas of credit risk consist of cash and cash equivalents, including deposits with banks and financial institutions and short-term receivables. The Group has not experienced any significant defaults in prior periods.

The Group limits its exposure in relation to cash balances by only dealing with well-established financial institutions of high-quality credit standing. As at 31 December 2024, the Group's material cash balances were held with financial institutions that had the following S&P ratings:

**Distribution of cash and cash equivalents by credit rating of counterparties:**

| Credit rating | Dec-24 |
|---|---|
| AAA | 3% |
| AA- | 9% |
| A+ | 63% |
| A | 22% |
| BBB+ or lower | 3% |
| **Total cash and cash equivalents** | **100%** |

Trade and other receivables are comprised primarily of loans receivable and amounts due from investment vehicles. Loans receivable relates to amounts due from staff and shareholders; these have historically been repaid when reaching expiration with no history of default. Amounts due from investment vehicles are specifically management fees or amounts due from portfolio companies. The funds are managed by the Group on behalf of its clients, who have made commitments or subscriptions to the vehicles. These trade and other receivables are repaid from commitments made by investors to the funds. These commitments can be drawn at any time. The Group considers the probability of default to be remote and therefore no expected credit loss has been recognised.

Sundry debtors included within other receivables primarily relate to recoverable expenses paid by the Group on behalf of others. These are repaid each period and have had no history of default. Deposits included within other receivables primarily relate to long-term rental deposits which have no history of default. The Group considers the probability of default to be remote and therefore no expected credit loss has been recognised.

## (d) Interest rate risk

The Group's interest rate risk related to fluctuations in market interest rates with potential impact on the Group's finance expense is limited as the Group's main source of borrowings, the private placement notes, are held at fixed interest rates.

## (e) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Liquidity outlook is monitored and regularly reviewed by the directors.

The timing of the Group's management fee receipts and operating expenditure are predictable. The timing, amount and profits from the Group's investments into and divestments from the funds are inherently less predictable, however a reasonable period of notice is given to all clients, including the Group, ahead of drawing of funds.

The Group's policy is to maintain sufficient amounts of cash and cash equivalents to meet its commitments at a given date. The Group has the use of a €600m RCF to assist in managing liquidity.

The tables below summarise the Group's undiscounted financial liabilities by the time frame they are contractually due to be settled including interest payable. This analysis excludes liabilities which are not financial liabilities (for example, deferred income). The forward liability represents the value of the Group's obligation to acquire the remaining 40% interest in CVC DIF, and will be settled in shares of CVC Capital Partners plc.

| As at 31 December 2024 | Due within 1 year | Due between 1 and 2 years | Due within 2 and 5 years | Due more than 5 years | Total |
|---|---|---|---|---|---|
| Trade and other payables | 300,038 | 6,719 | 24,157 | 4,548 | **335,462** |
| Forward liability | — | — | 1,245,216 | — | **1,245,216** |
| Borrowings | 113,548 | 31,467 | 172,882 | 1,758,880 | **2,076,777** |
| Lease liabilities | 24,130 | 22,456 | 54,389 | 87,737 | **188,712** |
| **Total financial liabilities** | **437,716** | **60,642** | **1,496,644** | **1,851,165** | **3,846,167** |

| As at 31 December 2023 | Due within 1 year | Due between 1 and 2 years | Due within 2 and 5 years | Due more than 5 years | Total |
|---|---|---|---|---|---|
| Trade and other payables | 92,018 | 6,033 | — | — | **98,051** |
| Forward liability | 643,530 | — | — | — | **643,530** |
| Borrowings | 29,057 | 22,155 | 266,465 | 1,434,036 | **1,751,713** |
| Lease liabilities | 2,579 | 2,624 | 3,710 | 4,584 | **13,497** |
| **Total financial liabilities** | **767,184** | **30,812** | **270,175** | **1,438,620** | **2,506,791** |

# Notes to the Consolidated Financial Statements continued

**27. Financial risk management** (continued)

### (f) 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.

**Financial assets**

Investment in managed funds

When fair values of publicly traded closed-ended funds and open-ended funds are based on quoted market prices in an active market for identical assets without any adjustments, the instruments are included within Level 1 of the hierarchy. Investments quoted on an active market are valued at the price within the bid/ask spread that is most representative of fair value on the measurement date.

In estimating fair value for an investment, the Group uses a valuation technique that is appropriate in light of the nature, facts and circumstances of the investment and utilises reasonable market data and inputs. The valuations of unquoted companies are generally obtained by 1) estimating the enterprise value; 2) deducting from the enterprise value the value of all financial instruments ranking ahead of the shareholders, to derive the attributable enterprise value; and 3) allocating the attributable enterprise value between ordinary shares, preference shares (including rolled-up dividends) and loan stock (including rolled-up interest).

In measuring fair value, consideration is also given to any transactions in the interests of the funds. The underlying assets in each fund consist of portfolios of investments in controlling or minority stakes, typically in private companies, and their debt. Due to the level of unobservable inputs involved in the valuation of individual assets within each fund, and there being no observable price for each investment, such investments are classified as Level 3 financial assets under IFRS 13.

Investment in private companies

The Group takes debt and equity stakes in private companies that are not quoted in an active market and uses a market-based valuation technique for these positions.

The Group's investments in private companies are carried at fair value using the most appropriate valuation technique based on the nature, facts and circumstances of the private company. The primary valuation technique is the multiple technique. A number of earnings multiples are available, including enterprise value/EBITDA, enterprise value/EBITA, and enterprise value/EBIT. Earnings used will generally be reported historical, last 12 months or forecast (subject to confidence in the forecast).

To derive a comparative multiple to apply against the earnings the Group typically refers to a selection of similar quoted companies and/or recent market transactions. The Group determines comparable private and public companies, based on industry, size, location, leverage and strategy, and calculates an appropriate multiple for each comparable company identified. These comparable multiples should be adjusted to reflect the points of difference between the comparable company and the company being valued.

Net asset value is another technique available. This valuation technique involves deriving the value of a business by reference to the value of its net assets. This technique is likely to be appropriate for a business whose value derives mainly from the underlying fair value of its assets rather than its earnings, such as asset intensive companies and investment businesses.

Alternative valuation techniques may be used where there is a recent offer or a recent comparable market transaction, which may provide an observable market price and an approximation to fair value of the private company. These generally accepted industry standard techniques can also be used as primary or secondary techniques or applied in situations that other techniques may be incapable of addressing, such as businesses going through a period of great change or in their start-up phase. The Group classified these assets as Level 3. Further details of the approach to the valuation of investments are set out within note 3.

Investments in CLOs

Such investments are valued using market standard third party modelling software that considers the cash flow structure of each transaction. This output is consolidated with discounted cash flow techniques to derive the present value. Key inputs to these models/techniques are: discount factors, market reinvestment spreads, forecasted defaults, and prepayment and recovery rates. CLO loan note interest accrued at the reporting date, and due on the next payment date, is recorded within investment fair value at each balance sheet date.

The following table provides the fair value measurement hierarchy of the Group's financial assets at fair value through profit or loss.

| All figures in € 000 | Dec-24 | Dec-23 |
|---|---|---|
| Level 2 | 15,793 | — |
| Level 3 | 1,874,739 | 935,674 |
| **Total financial assets at fair value through profit or loss** | **1,890,532** | **935,674** |

# Notes to the Consolidated Financial Statements continued

## 27. Financial risk management (continued)

A reconciliation of Level 2 fair values for financial assets is set out in the table below:

| All figures in € 000 | Dec-24 | Dec-23 |
|---|---|---|
| **Level 2 financial assets at fair value through profit or loss** | | |
| **Opening balance** | **—** | **—** |
| Acquisition of a subsidiary | 14,884 | — |
| Disposals | (328) | — |
| Change in fair value | 1,237 | — |
| **Closing balance** | **15,793** | **—** |

A reconciliation of Level 3 fair values for financial assets is set out in the table below:

| All figures in € 000 | Dec-24 | Dec-23 |
|---|---|---|
| **Level 3 financial assets at fair value through profit or loss** | | |
| **Opening balance** | **935,674** | **868,437** |
| Acquisition of a subsidiary | 586,078 | — |
| Additions | 479,445 | 114,131 |
| Disposals | (327,407) | (128,016) |
| Change in fair value | 198,631 | 81,428 |
| Foreign exchange movements | 2,318 | (306) |
| **Closing balance** | **1,874,739** | **935,674** |

On 30 April 2024, the Group acquired control of CVC Investment Strategic Opportunities II L.P. Prior to the acquisition, the Group recognised its investment in CVC Investment Strategic Opportunities II L.P. as a Level 3 financial asset at fair value through profit or loss as the inputs were not observable. Subsequent to the acquisition the entity is consolidated on a line-by-line basis by the Group. Certain of the investments held by the entity are recorded as Level 2 financial assets at fair value through profit or loss. Refer to note 5 for further details.

### Fair value sensitivities

The following table summarises the inputs and estimates used for items categorised in Level 2 and Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis. The sensitivity analysis in respect of the private equity assets has been calculated by applying a 10% increase and a 10% decrease to the unobservable inputs used in the valuation of each relevant portfolio company. The Group has determined that this sensitivity is reasonably possible and would result in a material change to the fair value of the portfolio of private equity assets held.

The sensitivity analysis in respect of the CLO investments can be categorised into two approaches, firstly for the CLO rated notes and secondly for CLO equity tranches. For CLO rated notes with contractual cash flows and redemption at par, model parameter sensitivity is less impactful on fair value. As a result, a price flexing approach has been taken to demonstrate possible fair value sensitivities, applying an increase of 5% and a decrease of 10% of the current fair value. An asymmetric sensitivity has been utilised as this is considered to more appropriately represent the potential market pricing dynamics, of a performing fixed income security, where markets are more sensitive to downside factors.

The sensitivity analysis in respect of CLO equity tranches utilises a model-based approach, flexing model parameters to generate a possible upside and downside presentation of fair value. The Group determined that flexing the following model parameters would result in representative fair value scenarios; discount rate applied to future cash flows; constant default rates; and liquidation price. The sensitivity outcomes have been aggregated for all CLO investments, covering rated notes and equity tranches.

The sensitivity analysis in respect of investments in credit vehicles, infrastructure investments and secondaries investments has been calculated by applying a 10% increase and a 10% decrease to the net asset value. The Group has determined that this sensitivity is reasonably possible.

# Notes to the Consolidated Financial Statements continued

### 27. Financial risk management (continued)

Financial assets at fair value through profit or loss as at 31 December 2024:

| | Fair value as at 31 December 2024 € m | Primary valuation technique | | Key unobservable inputs | Range | Weighted average/Fair value inputs | Sensitivity scenarios | Effect on fair value € m |
|---|---|---|---|---|---|---|---|---|
| Private equity | 1,585 | Multiple based valuation | | Earnings multiple | 7.2 - 25.5x | 14.1x | 10% | 237 |
| | | | | P/E | 8.6 - 8.6x | 8.6x | (10%) | (237) |
| | | | | Revenue | 1.7 - 14.5x | 10.0x | | |
| | | | | Book value | 0.7 - 1.8x | 1.1x | | |
| CLO investments | 96 | Discounted CF | Equity tranches | Discount rate | 13-15% | 14 % | (1%) | Upside scenario fair value: |
| | | | | Constant default rate | 1-3% | 2 % | 1% | 6 |
| | | | | Liquidation price | 98.50% | — | 97.5% / (99.5%) | |
| | | | Rated notes | | | | +5% Valuation | Downside scenario fair value: |
| | | | | | | | (10%) Valuation | (10) |
| Investment in credit vehicles | 152 | Net asset value | | n/a | n/a | n/a | 10% | 15 |
| | | | | | | | (10%) | (15) |
| Infrastructure investments | 51 | Net asset value | | n/a | n/a | n/a | 10% | 5 |
| | | | | | | | (10%) | (5) |
| Secondary investments | 6 | Net asset value | | n/a | n/a | n/a | 10% | 1 |
| | | | | | | | (10%) | (1) |

Financial assets at fair value through profit or loss as at 31 December 2023:

| | Fair value as at 31 December 2023 € m | Primary valuation technique | Key unobservable inputs | Range | Weighted average/Fair value inputs | Sensitivity scenarios | Effect on fair value € m |
|---|---|---|---|---|---|---|---|
| Private equity | 834 | Multiple based valuation | Earnings multiple | 6.0 - 31.7x | 13.4x | 10% | 118 |
| | | | P/E | 7.7 - 7.9x | 7.8x | (10%) | (118) |
| | | | Revenue | 3.3 - 15.7x | 9.4x | | |
| | | | Book value | 0.5 - 1.6x | 1.1x | | |
| Investment in credit vehicles | 97 | Net asset value | n/a | n/a | n/a | 10% | 10 |
| | | | | | | (10%) | (10) |

Not included in the above sensitivity is €5.4m related to CLO investments.

# Notes to the Consolidated Financial Statements continued

## 27. Financial risk management (continued)

### Forward liability

The forward liability is categorised as a Level 3 financial liability. The key assumptions made in the estimation of the forward liability are disclosed in note 3. The table below details the reasonably possible changes in assumptions used by management in the valuation model which could arise at each respective balance sheet date, and the aggregate impact these would have on the valuation at each date. These changes have been modelled in combination, as management have concluded that changes in the estimate would not be likely to happen in isolation. The forward liability will be settled through the issue of shares of CVC Capital Partners plc.

| Assumption relevant for the valuation at 31 December 2024<br>€ m | Change in assumption | Range of forward liability values |
|---|---|---|
| CVC DIF MFE | +/-10% fundraising target | €545m to €1,086m |
| MFE multiple | +/-20% MFE Multiple,reflecting a reasonably possible range of CVC MFE multiples based on an assessment of similar market transactions | |
| Discount rate | +/- 10% increase/decrease to the discount rate | |

| Assumption relevant for the valuation at 31 December 2023<br>€ m | Change in assumption | Range of forward liability values |
|---|---|---|
| Probability weighting assigned to IPO occurring | +/- 10% probability | €467m to €760m |
| CVC Secondaries MFE used in IPO model / SOF VI fundraising | +/- 10% SOF VI fundraising target | |
| MFE multiple | +/- 20% MFE Multiple, reflecting a reasonably possible range of CVC MFE multiples based on an assessment of similar market transactions. | |
| Discount rate | +/- 10% increase/decrease to the discount rate | |

# Notes to the Consolidated Financial Statements continued

### 28. Capital management

The primary objectives of the Group's capital management strategy are to effectively manage returns to shareholders and ensure adequate capital is available in order to conduct the Group's principal activities. To meet this objective the Group manages its contracted management fees, which primarily generates cash on a quarterly or half-yearly basis in advance (with the exception of Credit which is quarterly in arrears), against its investment commitments. Any short-term funding requirements are managed by the Group through its RCF. In addition, the dividend policy is assessed when distributions are made to appropriately reflect any change.

Under Part 17 of the Companies (Jersey) Law 1991, distributions may be debited to any profit or capital account of the Parent Company. Distributions of €299m in the year ended 31 December 2024 and €702.4m in the year ended 31 December 2023 have resulted in accumulated losses on its consolidated statement of financial position, however, the overall equity position of the Group remains strong with total equity attributable to equity holders of the parent of €985.7m as at 31 December 2024.

The private placement notes and RCF are subject to financial covenants in the form of a leverage ratio and a minimum AUM amount which is tested on a bi-annual basis. The Group is also subject to certain regulatory capital requirements. During the current and prior periods the Group was fully compliant with regulatory capital requirements and banking covenants. Refer to note 21 for further details.

### 29. Equity

#### (a) Stated capital

The Company's issued ordinary share capital as at 31 December 2024 comprised of a single class of 1,062,984,492 ordinary shares of no nominal value ('Shares') listed on Euronext Amsterdam. The rights and obligations attaching to the Shares are contained within the Company's Articles of Association. Under the Articles of Association, all rights and obligations attaching to the Shares are held by Euroclear Nederland and will, to the extent legally permissible, accrue to, be exercisable by and against, and be enforced by and against, the relevant holder of an interest in the Shares traded and settled through Euroclear Nederland (excluding, for the avoidance of doubt, Euroclear Nederland) (such holder, being an 'EI Holder').

Each Share confers its holder the right to cast one vote at the Company's general meeting of Shareholders. There are no restrictions on voting rights. The Shares carry dividend rights. The Articles of Association provide for pre-emption rights to be granted to Shareholders, subject to certain exceptions and unless such rights are disapplied by a special resolution of Shareholders.

The Shares do not carry any rights in respect of capital to participate in a distribution (including on a winding-up) other than those that exist as a matter of law or under the Articles of Association. The Shares will rank pari passu in all respects. Holders of Shares who the Company believes are or may be subject to relevant sanctions are not permitted to dispose of their Shares or any legal or beneficial interest in any of them without the prior written consent of the Company. There are otherwise no restrictions on the transferability of the Shares in the Articles of Association or under Jersey law. There is no limit on the number of shares of any class which the Company is authorised to issue.

During the year ended 31 December 2024 the following transactions are reflected within stated capital in the consolidated statement of changes in equity:

| Ordinary shares | Ordinary shares (No.) | Stated capital (€ 000) |
|---|---|---|
| **As at 1 January 2024** | **2,500,000** | **2,500** |
| Shares split | 979,642,857 | — |
| Shares issued | 17,857,143 | 250,000 |
| Acquisitions | 62,984,492 | 1,648,459 |
| Capitalised share issuance costs | — | (1,583) |
| Capital reduction | — | (876,957) |
| **As at 31 December 2024** | **1,062,984,492** | **1,022,419** |

| Ordinary shares | Ordinary shares (No.) | Stated capital (€ 000) |
|---|---|---|
| **As at 1 January 2023** | **1,250,000** | **1,250** |
| Shares issued | 1,250,000 | 1,250 |
| **As at 31 December 2023** | **2,500,000** | **2,500** |

#### Shares split

On 29 April 2024, 2,500,000 ordinary shares of no par value were subdivided into 979,642,857 ordinary shares with no par value.

#### Shares issued

On 30 April 2024, as part of the Company's listing on Euronext Amsterdam, 17,857,143 new shares of the Company were issued.

#### Acquisitions

The Group completed the following acquisitions in the year ended 31 December 2024. Refer to note 5 for further details:

- on 1 January 2024, the Group acquired the Advisory Group. As part of the acquisition, the Group recognised a capital contribution of €110m, which reflects the acquisition-date fair value of the Company's interest in the Advisory Group. On 29 April 2024, non-controlling interests of CVC Capital Partners Advisory Holdings Limited, CVC Advisory Partners India Holdings Limited, CVC Capital Partners Advisory Holdings II Limited, and CVC Advisory Partners India Holdings II Limited, as well as a loan note of €141.3m issued by CVC Capital Partners Advisory Holdings Limited were cancelled and recognised as a capital contribution;

# Notes to the Consolidated Financial Statements continued

**29. Equity** (continued)

- on 15 April 2024, the Group acquired CVC Credit. As part of the acquisition, the Group recognised a capital contribution of €392.4m, which reflects the acquisition-date fair value of the acquired interest in CVC Credit;
- as part of the acquisition of Private Investment Asia V GP Limited, Private Investment Asia V Feeder GP Limited, Private Investment Europe VIII GP Limited, Private Investment Europe VII GP Limited, Private Investment Strategic Opportunities II GP Limited and Private Investment Growth II GP Limited on 29 April 2024, CVC Capital Partners Strategic Opportunities II Limited on 30 April 2024, and CVC Capital Partners VII Limited on 6 June 2024, the Group recognised a capital contribution of €3.8m, which reflects the acquisition-date fair value of the Company's interest in these entities;
- on 10 May 2024, under the terms of the share purchase agreement with respect to CVC Secondaries, 20% of the remaining 40% interest in CVC Secondaries was acquired by the Group for consideration of €362.7m, settled in cash and shares. Of the total consideration, €357.5m was settled through the issue of 25,536,048 ordinary shares of the Group. On 2 July 2024 the Group acquired the final 20% interest in CVC Secondaries for consideration of €442.3m, settled in cash and shares. Of the total consideration, €438.7m was settled through the issue of a further 25,536,048 ordinary shares of the Group; and
- on 1 July 2024, the Group acquired 60% of CVC DIF for consideration of €590.1m. Included in the total consideration was the issuance of 11,402,873 shares of the Group valued at €195.9m at the time of the issuance. At the same time the Group acquired preference shares from the CVC DIF selling shareholders. The consideration for the preference shares was €25.7m which included 509,523 of shares valued at €8.8m.

### Capitalised share issuance costs

Capitalised share issuance costs comprise transaction costs of €1.2m attributable to the equity issuance related to the Company's listing on Euronext Amsterdam, €0.4m attributable to the equity issuance related to the acquisition of the remaining 40% interest in CVC Secondaries, and €0.1m attributable to the equity issuance related to the initial acquisition of DIF.

### Capital reduction

On 8 May 2024, the Group reduced its stated capital to €20m by means of a capital reduction, as permitted by Jersey Companies law. The capital reduction is reflected through a reduction in stated capital of €877m with a commensurate increase in retained earnings.

### Other

Shares of CVC Capital Partners plc held by management shareholders at the time of IPO are subject to leaver provisions which have certain vesting conditions. These conditions require all or certain of such unvested shares to be transferred if employment is terminated. As at 31 December 2024, €1.9m of shares have been transferred and are held on account of the Company by a related party entity (Dec-23: nil). The shares held on account entitle the Group to dividends but have no voting rights.

### (b) Other reserves

Under the terms of the share purchase agreement with respect to CVC Secondaries, the Group acquired 60% of CVC Secondaries at the initial acquisition (completed 11 January 2022) and agreed to acquire the remaining 40% interest across two later acquisition tranches. Under IFRS, the Group is required to record a financial liability in respect of the obligation to acquire the remaining 40% interest. The obligation was valued at €314.3m at the initial acquisition date and was recorded as a reduction in other reserves on the grounds that the remaining interest would be settled by the issuance of shares of the Group. On 10 May 2024, the Group acquired 20% of the remaining 40% interest in CVC Secondaries, increasing its ownership interest to 80%. On 2 July 2024, the Group acquired the remaining 20% interest in CVC Secondaries, increasing its ownership interest to 100%. As a result of these acquisitions, the initial reduction of €314.3m to other reserves was reversed. Refer to notes 5 and 22 for further details.

Under the terms of the share purchase agreement with respect to CVC DIF, the Group acquired 60% of CVC DIF at the initial acquisition (completed 1 July 2024) and agreed to acquire the remaining 40% interest across two later acquisition tranches. The Group recorded a financial liability in respect of the obligation to acquire the remaining 40% interest. The obligation was valued at €537.3m at the initial acquisition date and was recorded as a reduction in other reserves on the grounds that the remaining interest would be settled by the issuance of shares of the Group. At the same time the Group created the CVC DIF ESOP which is an equity-settled share-based payment plan. For the year ended 31 December 2024, €1.2m (Dec-23: nil) was recognised in personnel expenses together with a corresponding increase in other reserves, relating to employee services received during the year. Refer to notes 5, 8 and 22 for further details.

Under the Group's LTIP, options were granted to senior executives of the Company on 16 December 2024, including members of key management personnel. The Group accounts for the LTIP as an equity-settled plan in line with IFRS 2 and, for the year ended 31 December 2024, €2.1m (Dec-23: nil) was recognised in personnel expenses together with a corresponding increase in other reserves, relating to employee services received during the year. Additionally, 687,442 shares have been reserved for issue under the Group's LTIP as at 31 December 2024 (Dec-23: nil). Refer to note 8 for further information.

Other reserves also include an amount of €80.8m arising from the Pre-IPO Reorganisation. This amount is the difference between the consideration transferred and the net assets acquired. Additionally, during the year ended 31 December 2023 MHII declared and paid capital distributions of €219.8m to Vision Management Holdings Limited (MHL), which was its parent and a related party at the time of the distribution. This capital contribution has been recorded within other reserves. Refer to note 4 for further details.

# **Notes to the Consolidated Financial Statements** continued

**29. Equity** (continued)

### (c) Accumulated losses

The Group through its subsidiary made a commitment to co-invest alongside CVC Capital Partners VIII (A) L.P. The commitment made was €375m of which €150m was disposed of on 8 February 2023.

Following the sale, the Group continues to consolidate CVC Capital Partners Investment Europe VIII L.P. and recognises non-controlling interests of 40%.

Below is a schedule of the interest sold:

| All figures in € 000 | Dec-23 |
|---|---|
| Cash transferred in by non-controlling interest holders | 47,025 |
| Loans receivable issued to non-controlling interest holders | 35,933 |
| Carrying value of interest transferred | (91,281) |
| **Difference recognised in accumulated losses** | **(8,323)** |

Cash transferred in by non-controlling interest holders is recognised as a financing activity in the consolidated statement of cash flows as this is an equity transaction.

### (d) Dividends and other distributions

The Board has recommended a dividend of €225m, to be paid in June 2025, to shareholders on the register as at 23 May 2025. CVC Capital Partners plc did not declare or pay dividends to equity shareholders of the Group during the year ended 31 December 2024 (Dec-23: nil).

Included in other distributions of €299m for the year ended 31 December 2024 are €297.1m of distributions which MHII declared and paid to MHL, its parent and a related party at the time of the distribution.

During the year ended 31 December 2023, the following other distributions were paid:

- MHII declared and paid distributions of €583.8m to MHL, which was its parent and a related party at the time of the distributions; and
- subsidiaries of the Group paid distributions of €51m to Vision Fund Holdings Limited and €62.3m to Vision Finance Limited, subsidiaries of MHL and the subsidiaries' parent and a related party at the time of the distributions; and
- the Group paid contributions to Fund VI and Fund VII of €5.2m prior to transferring the limited partnership interests and carried interest entitlements to RemainCo 2 Limited.

As these distributions were not made to the equity shareholders of the Company and arose from applying the merger accounting method, they have been recorded as other distributions within the consolidated statement of changes in equity. Please refer to note 4 for further information on the Group reorganisation.

During the year ended 31 December 2024, distributions of €126.9m (Dec-23: €25.5m) were paid to non-controlling interests of the Group. Of this, €1.3m (Dec-23: nil) was paid to non-controlling interests held in CVC Advisers Latam Representação e Consultoria. This non-controlling interest is owned by several employees of CVC Advisers Latam Representação e Consultoria who are entitled to a profit share awarded to them by distributions. The distributions, which can be non-pro rata, are principally funded by the Group, and are agreed by the Group prior to any distribution. These are recorded as a transfer between shareholders in the consolidated statement of changes in equity.

### (e) Other contributions

During the year ended 31 December 2024, the following other contributions were received:

- the Group, through its subsidiary MHII and its controlled undertakings, received a distribution of €280m in the year ended 31 December 2024 from carried interest entities. Of the amount received, €140m has been treated as a contribution from MHL, the parent and a related party of MHII at the time of the distribution;
- the Group received contributions of €7.7m from the SIF, related to the acquisition of CVC DIF. Refer to note 5 for further details;
- as part of the acquisition of CVC DIF the Group became liable to a SAR provision which, per the share purchase agreement, is refundable by the CVC DIF selling shareholders. During the year €5.3m was receivable from the CVC DIF selling shareholders, of which €3.2m has been recorded as an other contribution to the parent and €2.1m to non-controlling interests. This contribution had no impact on the Group's cash; and
- other contributions of €51.9m were received from non-controlling interests.

During the year ended 31 December 2023, the following other contributions were received:

- CVC Capital Partners Asia III Limited received a capital contribution of €2.3m from Vision Fund Holdings Limited, its parent and a related party at the time of the contribution; and
- the Group received distributions from Fund VI and Fund VII of €270.6m prior to transferring the limited partnership interests and carried interest entitlements to RemainCo 2 Limited, and also reflected the net effects of contracts related to services required by the general partners acquired in the Group reorganisation of €46.2m.

As these contributions were not made by the equity shareholders of the Company they have been recorded as other contributions within the consolidated statement of changes in equity. Please refer to note 4 for further information on the Group reorganisation.

# **Notes to the Consolidated Financial Statements** continued

**29. Equity** (continued)

## (f) Non-controlling interests

| All figures in € 000 | Non-controlling interest percentage Dec-24 | Non-controlling interest percentage Dec-23 | Accumulated balances of non-controlling interests (€ 000) Dec-24 | Accumulated balances of non-controlling interests (€ 000) Dec-23 | Profit/(loss) allocated to non-controlling interests (€ 000) Dec-24 | Profit/(loss) allocated to non-controlling interests (€ 000) Dec-23 |
|---|---|---|---|---|---|---|
| CVC Secondaries | — | 40% | — | 91,521 | 2,420 | 14,547 |
| CVC DIF | 40% | — | 212,677 | — | (2,118) | — |
| CVC Capital Partners Investment Europe VII L.P. | 69% | — | 347,368 | — | 47,076 | — |
| CVC Capital Partners Investment Europe VIII L.P. | 40% | 40% | 164,392 | 117,346 | 16,493 | 5,131 |
| **Advisory Foundation entities:** | | | | | | |
| CVC Advisers Latam Representação e Consultoria Ltda | 4% | — | 44 | — | 105 | — |
| CVC Capital Partners Advisory Holdings Limited | — | — | — | — | (162) | — |
| CVC Advisory Partners India Holdings Limited | — | — | — | — | (1) | — |
| CVC Capital Partners Advisory Holdings II Limited | — | — | — | — | 3,385 | — |
| CVC Advisory Partners India Holdings II Limited | — | — | — | — | 233 | — |
| **Other non-material non-controlling interests:** | | | | | | |
| CVC Capital Partners Investment Growth II L.P. | 76% | 76% | 9,078 | 7,284 | 53 | 933 |
| CVC Investment Strategic Opportunities II L.P. | 30% | — | 52,014 | — | 5,810 | — |
| CVC Credit Partners Investment Holdings Limited | 50% | 52% | 1,699 | 2,240 | 4,595 | 1,610 |
| CVC Credit Partners Investment Holdings II Limited | 62% | — | 26,055 | — | 3,457 | — |
| CVC SOF VI Associates (Feeder), SCSp | 70% | — | 4,657 | — | 1,475 | — |
| **Total other non-material non-controlling interests** | | | **93,503** | **9,524** | **15,390** | **2,543** |
| **Total** | | | **817,984** | **218,391** | **82,821** | **22,221** |

- The Group's ownership of CVC Secondaries was increased from 60% to 80% on 10 May 2024, and to 100% on 2 July 2024. Refer to note 5 for further details.
- CVC Capital Partners Advisory Holdings Limited, CVC Advisory Partners India Holdings Limited, CVC Capital Partners Advisory Holdings II Limited, and CVC Advisory Partners India Holdings II Limited were acquired by the Group on 1 January 2024. At the time of acquisition CVC Capital Partners Advisory Holdings Limited, and CVC Advisory Partners India Holdings Limited had a 9.9% non-controlling interest and CVC Capital Partners Advisory Holdings II Limited, and CVC Advisory Partners India Holdings II Limited had a 25.85% non-controlling interest. These non-controlling interests were acquired by the Group on 29 April 2024. Refer to note 5 for further details.
- CVC Credit Partners Investment Holdings II Limited was acquired by the Group on 15 April 2024, CVC Investment Strategic Opportunities II L.P. became controlled by the Group on 30 April 2024 and CVC Capital Partners Investment Europe VII L.P. became controlled by the Group on 6 June 2024. Refer to note 5 for further details.
- CVC SOF VI Associates (Feeder), SCSp was formed on 22 January 2024. The Group is considered to control the entity following the Group's commitment to invest during the year. Refer to note 5 for further details.
- The Group acquired 60% of CVC DIF on 1 July 2024. Refer to note 5 for further details.

# Notes to the Consolidated Financial Statements continued

**29. Equity** (continued)

The summarised financial information of these subsidiaries is provided below. This information is based on amounts before inter-company eliminations. Immaterial non-controlling interests have been aggregated:

**Summarised statement of profit or loss and comprehensive income for the year ended 31 December 2024:**

| All figures in € 000 | CVC Secondaries | CVC DIF | CVC Capital Partners Investment Europe VII L.P. | CVC Capital Partners Investment Europe VIII L.P. | Advisory Foundation | Other non-material non-controlling interests | Total |
|---|---|---|---|---|---|---|---|
| Management fees | 94,994 | 89,561 | — | — | 352 | — | **184,907** |
| Investment income | — | — | 68,875 | 44,241 | — | 33,435 | **146,551** |
| Advisory fee income | — | — | — | — | 428,000 | — | **428,000** |
| Other operating income | 224 | (16) | — | — | 11,008 | 153 | **11,369** |
| **Total revenue** | **95,218** | **89,545** | **68,875** | **44,241** | **439,360** | **33,588** | **770,827** |
| Personnel expenses | (36,132) | (41,048) | — | — | (255,113) | — | **(332,293)** |
| General and administrative expenses | (9,315) | (10,916) | — | — | (85,696) | 8 | **(105,919)** |
| Foreign exchange gains/(losses) | (298) | (340) | — | — | 2,637 | 3 | **2,002** |
| Expenses with respect to investment vehicles | — | — | (165) | (1,413) | — | (1,146) | **(2,724)** |
| **EBITDA** | **49,473** | **37,241** | **68,710** | **42,828** | **101,188** | **32,453** | **331,893** |
| Depreciation and amortisation | (26,230) | (41,501) | — | — | (28,436) | — | **(96,167)** |
| **Total operating profit** | **23,243** | **(4,260)** | **68,710** | **42,828** | **72,752** | **32,453** | **235,726** |
| Finance income | 884 | 713 | 70 | 45 | 5,123 | 37 | **6,872** |
| Finance expense | (293) | (839) | (437) | (1,641) | (6,036) | (647) | **(9,893)** |
| **Profit/(loss) before tax** | **23,834** | **(4,386)** | **68,343** | **41,232** | **71,839** | **31,843** | **232,705** |
| Income tax | 1,342 | (911) | — | — | (10,519) | — | **(10,088)** |
| **Profit/(loss) for the year** | **25,176** | **(5,297)** | **68,343** | **41,232** | **61,320** | **31,843** | **222,617** |
| Exchange differences on translation of foreign operations | 17,320 | 65 | — | — | 3,135 | 1,103 | **21,623** |
| **Total comprehensive income/(loss)** | **42,496** | **(5,232)** | **68,343** | **41,232** | **64,455** | **32,946** | **244,240** |
| Total profit/(loss) attributable to non-controlling interests | 2,420 | (2,118) | 47,076 | 16,493 | 3,560 | 15,390 | **82,821** |

# Notes to the Consolidated Financial Statements continued

**29. Equity** (continued)

**Summarised statement of profit or loss and comprehensive income for the year ended 31 December 2023**

| All figures in € 000 | CVC Secondaries | CVC Capital Partners Investment Europe VIII L.P. | Other non-material non-controlling interests | Total |
|---|---|---|---|---|
| Management fees | 99,121 | — | — | **99,121** |
| Investment income | — | 15,768 | (533) | **15,235** |
| **Total revenue** | **99,121** | **15,768** | **(533)** | **114,356** |
| Personnel expenses | (29,217) | — | — | **(29,217)** |
| General and administrative expenses | (10,610) | — | — | **(10,610)** |
| Foreign exchange gains | 162 | — | — | **162** |
| Expenses with respect to investment vehicles | — | (270) | (13) | **(283)** |
| **EBITDA** | **59,456** | **15,498** | **(546)** | **74,408** |
| Depreciation and amortisation | (24,087) | — | — | **(24,087)** |
| **Total operating profit/(loss)** | **35,369** | **15,498** | **(546)** | **50,321** |
| Finance income | 1,017 | 40 | (4) | **1,053** |
| Finance expense | (19) | (2,710) | (51) | **(2,780)** |
| **Profit/(loss) before tax** | **36,367** | **12,828** | **(601)** | **48,594** |
| Income tax | — | — | — | **—** |
| **Profit/(loss) for the year** | **36,367** | **12,828** | **(601)** | **48,594** |
| Exchange differences on translation of foreign operations | (1,839) | — | 320 | **(1,519)** |
| **Total comprehensive income/(loss)** | **34,528** | **12,828** | **(281)** | **47,075** |
| Total profit attributable to non-controlling interests | 14,547 | 5,131 | 2,543 | **22,221** |

# Notes to the Consolidated Financial Statements continued

**29. Equity** (continued)

**Summarised statement of accumulated balances as at 31 December 2024**

| All figures in € 000 | CVC Secondaries | CVC DIF | CVC Capital Partners Investment Europe VII L.P. | CVC Capital Partners Investment Europe VIII L.P. | Advisory Foundation | Other non-material non-controlling interests | Total |
|---|---|---|---|---|---|---|---|
| **As at 1 January 2024** | **91,521** | **—** | **—** | **117,346** | **—** | **9,524** | **218,391** |
| Profit/(loss) for the period | 2,420 | (2,118) | 47,076 | 16,493 | 3,560 | 15,390 | **82,821** |
| Movement in currency reserve | 1,773 | 132 | — | — | 461 | 1,015 | **3,381** |
| **Total comprehensive income/(loss)** | **4,193** | **(1,986)** | **47,076** | **16,493** | **4,021** | **16,405** | **86,202** |
| Acquisitions | (88,949) | 216,590 | 385,029 | — | (3,929) | 76,323 | **585,064** |
| Other distributions | (7,534) | (4,000) | (95,827) | (1,401) | (1,309) | (16,804) | **(126,875)** |
| Other contributions | 769 | 2,073 | 11,090 | 31,954 | — | 8,055 | **53,941** |
| Transfers between shareholders | — | — | — | — | 1,261 | — | **1,261** |
| **As at 31 December 2024** | **—** | **212,677** | **347,368** | **164,392** | **44** | **93,503** | **817,984** |

**Summarised statement of accumulated balances as at 31 December 2023**

| All figures in € 000 | CVC Secondaries | CVC Capital Partners Investment Europe VIII L.P. | Other non-material non-controlling interests | Total |
|---|---|---|---|---|
| **As at 1 January 2023** | **101,493** | **—** | **9,237** | **110,730** |
| Profit for the period | 14,547 | 5,131 | 2,543 | **22,221** |
| Movement in currency reserve | (2,291) | — | 112 | **(2,179)** |
| **Total comprehensive income** | **12,256** | **5,131** | **2,655** | **20,042** |
| Divestment of interest in subsidiary | — | 91,281 | — | **91,281** |
| Other distributions | (22,228) | (866) | (2,368) | **(25,462)** |
| Other contributions | — | 21,800 | — | **21,800** |
| **As at 31 December 2023** | **91,521** | **117,346** | **9,524** | **218,391** |

# Notes to the Consolidated Financial Statements continued

### 30. Cash flow information

**Cash generated from operations is as follows:**

| All figures in € 000 | Dec-24 | Dec-23 |
|---|---|---|
| **Profit before income tax** | **308,466** | **312,483** |
| **Adjustments to reconcile profit before tax to net cash flows:** | | |
| Depreciation and amortisation | 125,033 | 25,991 |
| Finance income | (12,878) | (10,788) |
| Finance expense | 53,035 | 31,251 |
| Carried interest and performance fees | (173,170) | (163,170) |
| Investment income | (199,868) | (81,428) |
| Change in valuation of forward liability | 463,305 | 84,825 |
| Other | 6,554 | (5,272) |
| **Movements in working capital:** | **262,011** | **(118,591)** |
| (Increase)/decrease in trade and other receivables | (75,049) | 2,226 |
| Increase in trade and other payables | 100,284 | 38,691 |
| **Cash generated from operations** | **595,712** | **234,809** |

### 31. Commitments

The Group's undrawn capital commitments to investment funds and credit vehicles are shown in the table below.

Capital commitments to investment funds include commitments of consolidated structured entities which are partially committed by non-controlling interests in the consolidated structured entities. Capital commitments are called over time, typically between one to five years following the subscription of the commitment.

Capital commitments to credit vehicles are called over time, typically up to five years following the subscription of the commitment.

The Group does not have an obligation to pay cash until the capital is called. The Group is able to meet these undrawn commitments through a combination of available resources and undrawn commitments from non-controlling interest holders. A reconciliation of the Group's undrawn capital commitments is provided below:

| | Dec-24 | | | | |
|---|---|---|---|---|---|
| All figures in € 000 | Private Equity | Secondaries | Credit | Infrastructure | Total |
| Total Group commitments | 1,169,762 | 218,930 | 334,517 | 52,272 | **1,775,481** |
| Co-investment commitments from NCI | (66,747) | (152,681) | — | — | **(219,428)** |
| **Net Group commitments** | **1,103,015** | **66,249** | **334,517** | **52,272** | **1,556,053** |

| | Dec-23 | | | | |
|---|---|---|---|---|---|
| All figures in € 000 | Private Equity | Secondaries | Credit | Infrastructure | Total |
| Total Group commitments | 1,308,878 | — | 57,270 | — | **1,366,148** |
| Co-investment commitments from NCI | (92,301) | — | — | — | **(92,301)** |
| **Net Group commitments** | **1,216,577** | **—** | **57,270** | **—** | **1,273,847** |

The Group's undrawn capital commitments include amounts expected to be transferred to associates and staff plan partnerships. Based on previous funds, the amounts of these transfers will be approximately €693.7m. Additional commitments of €223.5m are expected to be transferred to CVC-PE. Of this, commitments of €138.5m have been sold as at the date of this publication. Refer to note 35 for further details.

Included in management fees are fees earned for acting as an underwriter or placement agent in offerings or placements of debt and/or equity financing. As a result of these activities the Group, at times, has outstanding commitments. As at 31 December 2024 the value of outstanding commitments was nil (Dec-23: nil).

# Notes to the Consolidated Financial Statements continued

## 32. Related party transactions

### (a) Key management compensation

The KMP of the Group after 30 April 2024 are considered to be the directors of the Company and executive management. For the period ended 30 April 2024, the KMP of the Group was considered to be the directors of MHII and of MHII's ultimate parent, the SIF. The compensation paid or payable to KMP is as follows:

| All figures in € 000 | Dec-24 | Dec-23 |
|---|---|---|
| Salaries, bonuses, and other short-term benefits | 16,499 | 8,856 |
| Post-employment benefits | 1,737 | 225 |
| Share-based payments | 2,097 | – |
| **Total key management compensation** | **20,333** | **9,081** |

### (b) Transactions with KMP

As at 31 December 2024 the Group has two loans receivable from KMP totalling €16.2m (Dec-23: €15.9m) included in non-current loans receivable.

During the year ended 31 December 2024 the Group received proceeds of €1.1m from key management personnel for the purchase of shares of CVC Capital Partners plc.

### (c) Transactions with entities controlled or jointly controlled by KMP

During the year ended 31 December 2024 the Group incurred general and administrative expenses of €0.02m (Dec-23: €0.2m) related to services received from entities controlled or jointly controlled by KMP.

### (d) Transactions with the SIF

Until 30 April 2024 the SIF was the Group's controlling parent. During the year the Group entered into transactions, in the ordinary course of business, with the SIF and entities within the SIF group. Transactions which were entered into, and trading balances outstanding are as follows:

| All figures in € 000 | Dec-24 | Dec-23 |
|---|---|---|
| Fees received | 122,320 | 240,767 |
| Fees paid | (8,995) | – |

| All figures in € 000 | Dec-24 | Dec-23 |
|---|---|---|
| Amounts receivable | 17,650 | 7,491 |
| Amounts payable | (12,929) | (9,638) |

Fees received primarily include management fees received from Retained GPs, as well as amounts earned by the Group for the provision of certain support services, including payroll and IT related services.

Fees paid and €6.7m of amounts payable are general and administrative fees and trade and other payables related to advisory fees paid to CVC Advisers (Benelux) SA/NV for the provision of advice on investment opportunities. CVC Advisers (Benelux) SA/NV was acquired by the Group on 1 January 2024, and then subsequently disposed of on 15 April 2024. This disposal was accounted for as a disposal under common control. Refer to note 4 for further details.

Amounts receivable primarily include management fees receivable. Included in amounts receivable is also a €9.2m working capital loan facility which is secured, interest free and repayable in 2027. Amounts payable include a corresponding €6.3m working capital facility held by the Group, which has the same terms. This facility is recognised by the Group within borrowings.

The Group also has €1.9m of shares held by the SIF on its account as at 31 December 2024 (Dec-23: nil), and received various contributions from/made various distributions to the SIF during the years ended 31 December 2024 and 2023. Refer to note 29 for further details on these transactions.

Additionally, the Group provides the use of its payroll functionality to facilitate the payment of certain awards on behalf of the SIF. All amounts are recharged back to the SIF, resulting in no impact on the Group's consolidated statement of profit or loss.

### (e) Transactions with other related parties

Until its acquisition on 15 April 2024 CVC Credit was a related party of the Group. The Group purchased shared services primarily relating to investor relations and also subscribed for certain preference shares of CVC Credit, providing exposure to its investment vehicles. Refer to note 5 for further details on the acquisition. Transactions entered into, and trading balances outstanding are as follows:

| All figures in € 000 | Dec-24 | Dec-23 |
|---|---|---|
| Fees received from other related parties | 958 | 2,139 |
| Fees paid to other related parties | (6,590) | (23,161) |
| Investment income from other related parties | 2,494 | 3,039 |

| All figures in € 000 | Dec-24 | Dec-23 |
|---|---|---|
| Amounts receivable from other related parties | – | 2,139 |
| Amounts payable to other related parties | – | (1,788) |
| Financial assets at fair value through profit or loss held in other related parties | – | 36,228 |

### (f) Transactions with unconsolidated structured entities

Unconsolidated structured entities are primarily investment vehicles managed by the Group. Refer to note 34 for details on the Group's exposure to unconsolidated structured entities.

# Notes to the Consolidated Financial Statements continued

## 33. Group information

Until 30 April 2024 the Group's ultimate parent and controlling party was the SIF. As a result of the Group's listing on Euronext Amsterdam, the Group has no ultimate controlling parent.

### (a) Subsidiaries

The following material entities are subsidiaries of the Company as at 31 December 2024 and are consolidated within the consolidated financial statements:

| Company Name | Percentage | Country of incorporation | Holding | Principal activity |
|---|---|---|---|---|
| CVC Management Holdings II Limited | 100% | Jersey | Ordinary | Holding company |
| CVC Credit Partners Investment Holdings Limited | 50% | Jersey | Ordinary | Holding company |
| CVC Green Holdings Limited | 100% | Jersey | Ordinary | Holding company |
| Capital Investors Europe PBI Limited | 100% | Jersey | Ordinary | Holding company |
| CVC 2020 Investments Holdings Limited | 100% | Jersey | Ordinary | Holding company |
| CVC 2020 Investments Limited | 100% | Jersey | Ordinary | Director services |
| CVC Credit Investments Limited | 100% | Jersey | Ordinary | Director services |
| CVC Capital Partners Fund Holdings II Limited | 100% | Jersey | Ordinary | Operational company |
| CVC Capital Partners VIII Limited | 100% | Jersey | Ordinary | General Partner |
| CVC Capital Partners VI Limited | 100% | Jersey | Ordinary | General Partner |
| MS Co-Investment Platform GP Limited | 100% | Jersey | Ordinary | General Partner |
| CVC Capital Partners Group Services Limited | 100% | Jersey | Ordinary | Corporate services |
| CVC European Equity V Limited | 100% | Jersey | Ordinary | General Partner |
| CVC Capital Partners Strategic Opportunities GP A Limited | 100% | Jersey | Ordinary | General Partner |
| CVC Growth Partners GP Limited | 100% | Jersey | Ordinary | General Partner |
| CVC Growth Partners II GP Limited | 100% | Jersey | Ordinary | General Partner |
| CVC Capital Partners Asia III Limited | 100% | Jersey | Ordinary | General Partner |
| CVC Europe Fund Management Sàrl | 100% | Luxembourg | Ordinary | Fund management |
| CVC Capital Partners Asia VI Limited | 100% | Jersey | Ordinary | General Partner |
| CVC Capital Partners Strategic Opportunities III Limited | 100% | Jersey | Ordinary | General Partner |
| CVC Capital Partners IX Limited | 100% | Jersey | Ordinary | General Partner |
| CVC Capital Partners IX Sàrl | 100% | Luxembourg | Ordinary | General Partner |
| CVC Services Holdings Sàrl | 100% | Luxembourg | Ordinary | Director services |
| Glendower Capital (Holdings) Ltd | 100% | Cayman | Ordinary | Fund management |
| CVC Secondary Partners, LLP (formerly known as Glendower Capital LLP) | 100% | United Kingdom | Ordinary | Fund management |
| Glendower Capital (U.S.), LP | 100% | Cayman | Ordinary | Fund management |
| Glendower Capital US LLC | 100% | United States | Ordinary | Fund management |

# Notes to the Consolidated Financial Statements continued

### 33. Group information (continued)

The following companies were incorporated during the year ended 31 December 2024:

| Company Name | Date of incorporation | Percentage ownership | Country of incorporation | Holding | Principal activity |
|---|---|---|---|---|---|
| CVC PES Master GP Sàrl | 28 September 2024 | 100% | Luxembourg | Ordinary | General Partner |
| CVC Private Credit Fund (WH) Sàrl | 25 January 2024 | 100% | Luxembourg | Ordinary | Holding company |
| CVC Luxembourg Properties Sàrl | 30 April 2024 | 100% | Luxembourg | Ordinary | Administration services |
| CVC Capital Partners Pachelbel Limited | 6 March 2024 | 100% | Jersey | Ordinary | Holding company |

The following companies were acquired during the year ended 31 December 2024:

| Company Name | Date of acquisition | Percentage ownership | Country of incorporation | Holding | Principal activity |
|---|---|---|---|---|---|
| CVC Capital Partners Advisory Group Holding Foundation | 1 January 2024 | 100% | Jersey | Ordinary | Holding company |
| CVC Capital Partners Advisory Holdings Limited | 1 January 2024 | 100% | Jersey | Ordinary | Holding company |
| CVC Capital Partners Advisory Holdings II Limited | 1 January 2024 | 100% | Jersey | Ordinary | Holding company |
| CVC Advisers (Luxembourg) Sàrl | 1 January 2024 | 100% | Luxembourg | Ordinary | Investment advisory |
| CVC Advisers South Africa Proprietary Limited | 1 January 2024 | 100% | South Africa | Ordinary | Administration services |
| CVC Advisers Greece Single Member Societe Anonyme | 1 January 2024 | 100% | Greece | Ordinary | Investment advisory |
| CVC Advisers Private Equity Limited | 1 January 2024 | 100% | Jersey | Ordinary | Holding company |
| CVC Advisers Holdings Limited | 1 January 2024 | 100% | Jersey | Ordinary | Investment advisory |
| CVC Advisers Limited | 1 January 2024 | 100% | United Kingdom | Ordinary | Investment advisory |
| CVC Asia Pacific Limited | 1 January 2024 | 100% | Hong Kong | Ordinary | Investment advisory |
| CVC Asia Pacific (Japan) Kabushiki Kaisha | 1 January 2024 | 100% | Japan | Ordinary | Investment advisory |
| CVC Asia Pacific (Singapore) Pte. Ltd. | 1 January 2024 | 100% | Singapore | Ordinary | Investment advisory |
| CVC Asia Pacific (Shanghai) Limited | 1 January 2024 | 100% | PRC | Ordinary | Investment advisory |
| CVC Asia Pacific (Australia) Pty Ltd | 1 January 2024 | 100% | Australia | Ordinary | Investment advisory |
| CVC Advisers (Deutschland) GmbH | 1 January 2024 | 100% | Germany | Ordinary | Investment advisory |
| CVC Advisers (France) SA | 1 January 2024 | 100% | France | Ordinary | Investment advisory |
| CVC Investment Advisory Services S.L. | 1 January 2024 | 100% | Spain | Ordinary | Investment advisory |
| CVC Advisers (Italia) Srl | 1 January 2024 | 100% | Italy | Ordinary | Investment advisory |
| CVC Advisers Services Sàrl | 1 January 2024 | 100% | Luxembourg | Ordinary | Investment advisory |
| CVC Advisers (Polska) sp. z o.o. | 1 January 2024 | 100% | Poland | Ordinary | Investment advisory |
| CVC Advisers (Stratops) Srl | 1 January 2024 | 100% | Belgium | Ordinary | Investment advisory |

# Notes to the Consolidated Financial Statements continued

## 33. Group information (continued)

The following companies were acquired during the year ended 31 December 2024 (continued):

| Company Name | Date of acquisition | Percentage ownership | Country of incorporation | Holding | Principal activity |
|---|---|---|---|---|---|
| CVC Advisers Company (Luxembourg) Sàrl | 1 January 2024 | 100% | Luxembourg | Ordinary | Administration services |
| CVC Advisers Jersey Limited | 1 January 2024 | 100% | Jersey | Ordinary | Investment advisory |
| CVC Advisers Latam Representação e Consultoria Ltda | 1 January 2024 | 96% | Brazil | Ordinary | Investment advisory |
| CVC Advisers (U.S.) Inc. | 1 January 2024 | 100% | United States | Ordinary | Investment advisory |
| CVC Advisers (Middle East) Limited | 1 January 2024 | 100% | Dubai | Ordinary | Investment advisory |
| CVC Advisory Partners India Holdings Limited | 1 January 2024 | 100% | Jersey | Ordinary | Holding company |
| CVC Advisory Partners India Holdings II Limited | 1 January 2024 | 100% | Jersey | Ordinary | Holding company |
| CVC Advisers (India) Private Limited | 1 January 2024 | 100% | India | Ordinary | Investment advisory |
| CVC Credit Partners Group Holding Foundation | 15 April 2024 | 100% | Jersey | Ordinary | Holding Company |
| CVC Capital Partners Credit Partners Holdings Limited | 15 April 2024 | 100% | Jersey | Ordinary | Holding Company |
| CVC Capital Partners Credit Partners Holdings III Limited | 15 April 2024 | 100% | Jersey | Ordinary | Holding Company |
| CVC Capital Markets Holdings (Jersey) Limited | 15 April 2024 | 100% | Jersey | Ordinary | Holding Company |
| CVC Credit Partners General Partner Limited | 15 April 2024 | 100% | Jersey | Ordinary | General Partner |
| CVC Capital Markets Sàrl (Luxembourg) | 15 April 2024 | 100% | Luxembourg | Ordinary | Broker / Dealer |
| CVC Credit Partners L.P. | 15 April 2024 | 100% | Cayman | Ordinary | Holding Company |
| CVC Credit Partners Investment Management Limited | 15 April 2024 | 100% | United Kingdom | Ordinary | Investment manager |
| CVC Italy Srl | 15 April 2024 | 100% | Italy | Ordinary | Investment manager |
| CVC Credit Partners Group Limited | 15 April 2024 | 100% | Jersey | Ordinary | Investment manager |
| CVC Credit Partners LLC | 15 April 2024 | 100% | United States | Ordinary | Investment manager |
| CVC Credit Partners Investment Holdings II Limited | 15 April 2024 | 38% | Jersey | Ordinary | Investment holding |
| CVC Credit Partners Investment Services Management Limited | 15 April 2024 | 100% | Jersey | Ordinary | Investment manager |
| Apidos CLO Funding (RR) Subsidiary LLC | 15 April 2024 | 100% | United States | Ordinary | Investment vehicle |
| CVC Funding LLC | 15 April 2024 | 100% | United States | Membership interests | Broker / Dealer |
| DIF Management Holding B.V. | 1 July 2024 | 60% | Netherlands | Ordinary | Holding company |
| DIF Management B.V. | 1 July 2024 | 60% | Netherlands | Ordinary | Administration services |
| DIF Management Canada ULC | 1 July 2024 | 60% | Canada | Ordinary | Administration services |
| DIF Management France Sàrl | 1 July 2024 | 60% | France | Ordinary | Administration services |
| DIF Management UK Limited | 1 July 2024 | 60% | United Kingdom | Ordinary | Administration services |

# Notes to the Consolidated Financial Statements continued

## 33. Group information (continued)

The following companies were acquired during the year ended 31 December 2024 (continued):

| Company Name | Date of acquisition | Percentage ownership | Country of incorporation | Holding | Principal activity |
|---|---|---|---|---|---|
| DIF Consulting Deutschland GmbH | 1 July 2024 | 60% | Germany | Ordinary | Administration services |
| DIF Management Spain S.L. | 1 July 2024 | 60% | Spain | Ordinary | Administration services |
| DIF Management Australia Pty Limited | 1 July 2024 | 60% | Australia | Ordinary | Administration services |
| DIF Management US LLC | 1 July 2024 | 60% | United States | Ordinary | Administration services |
| Private Investment Strategic Opportunities II GP Limited | 29 April 2024 | 100% | Jersey | Ordinary | General Partner |
| CVC Capital Partners Strategic Opportunities II Limited | 30 April 2024 | 100% | Jersey | Ordinary | General Partner |
| CVC Capital Partners VII Limited | 6 June 2024 | 100% | Jersey | Ordinary | General Partner |

### (b) Consolidated structured entities

The table below shows details of structured entities that the Group has deemed it controls and are consolidated within the consolidated financial statements.

| Company Name | Percentage | Country of incorporation | Holding | Principal activity |
|---|---|---|---|---|
| CVC Capital Partners Investment Europe VIII L.P. | 60% | Jersey | N/A | Limited Partner |
| CVC Capital Partners Investment Growth II L.P. | 24% | Jersey | N/A | Limited Partner |
| CVC Capital Partners Investment Europe VII L.P. | 31% | Jersey | N/A | Limited Partner |
| CVC Investment Strategic Opportunities II L.P. | 70% | Jersey | N/A | Limited Partner |
| CVC Capital Partners Investment Europe IX L.P. | 100% | Jersey | N/A | Limited Partner |
| CVC Capital Partners Investment Asia VI L.P. | 100% | Jersey | N/A | Limited Partner |
| CVC Private Credit (Holdings) SCSp | 100% | Luxembourg | Ordinary | Holding vehicle |

# Notes to the Consolidated Financial Statements continued

## 34. Unconsolidated structured entities

The Group's interest in and exposure to unconsolidated structured entities is detailed in the table below.

| | FPAUM[1] | Typical Group commitment to the fund as | Typical management fee range | Management fees earned by the Group[2] | Fund carried interest / performance fee rate | Group share of carried interest / performance fees | Carried interest / performance fees earned by the Group | Management fees receivable | Due from funds | Carried interest / performance fees receivable | Value of the Group's co-investments at period-end | Group maximum exposure to loss at period-end |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | €m | % | % | € 000 | % | % | € 000 | € 000 | € 000 | € 000 | € 000 | € 000 |
| **31 December 2024** | | | | | | | | | | | | |
| Private Equity funds | 78,957 | 2.30% | 0.75–1.4% | 860,058 | Up to 20% | 30% | 166,910 | 8,589 | 25,893 | 246,046 | 947,086 | 1,227,613 |
| Infrastructure funds | 14,130 | 1.00% | 1.2–1.5% | 89,561 | Up to 17.5% | 20% | — | 6,242 | 871 | — | 43,969 | 51,083 |
| Secondaries funds | 13,587 | 1.00% | 0.5–1.0% | 95,074 | Up to 20% | 30% | — | 2,113 | 895 | — | 2,067 | 5,075 |
| CLOs | 27,977 | 4–5% | 0.375–0.45% | 64,452 | Up to 20% | 50% | — | 19,623 | — | — | 96,160 | 115,783 |
| Credit vehicles | 12,671 | 0–2% | 0.35–1.50% | 63,675 | Up to 20% | 50% | 6,260 | 5,737 | 11,183 | 8,880 | 128,459 | 154,258 |
| | **147,322** | | | **1,172,820** | | | **173,170** | **42,304** | **38,842** | **254,926** | **1,217,741** | **1,553,812** |
| **31 December 2023** | | | | | | | | | | | | |
| Private Equity funds | 50,264 | 2.30% | 0.75–1.4% | 643,832 | Up to 20% | 30% | 163,170 | — | 27,715 | 190,461 | 105,130 | 323,306 |
| Secondaries funds | 9,663 | — | 0.5–1.0% | 99,536 | — | — | — | — | 1,086 | — | — | 1,086 |
| Credit vehicles | — | — | — | — | — | — | — | — | — | — | 99,857 | 99,857 |
| | **59,927** | | | **743,368** | | | **163,170** | **—** | **28,801** | **190,461** | **204,987** | **424,249** |

1 Fee paying assets under management (FPAUM) represents the total committed capital or invested capital upon which total management fees are earned. FPAUM for Growth funds and credit vehicles includes the committed capital or invested capital of co-invest sidecar.
2 Management fees exclude €8.4m of fees earned from the Group acting as an underwriter or placement agent in offerings or placements of debt and/or equity financing.

## 35. Subsequent events

On 19 March 2025, the Board recommended a dividend of €225m, to be paid in June 2025, to shareholders on the register as at 23 May 2025.

On 12 February 2025, the Group transferred €269.6m of Fund IX commitments and €58.1m of Asia VI commitments to staff plan and associates vehicles, followed by an additional transfer of €250.2m of Fund IX commitments on 13 February 2025.

On 10 February 2025, the Group committed to sell €223.5m of fund commitments to CVC-PE for consideration equal to NAV which approximated €193.6m as at 31 December 2024. Of this, commitments of €138.5m have been sold as at the date of publication. At the same time the Group made a capital commitment of €20m to CVC-PE.

On 10 February 2025, the Group made an additional capital commitment to CVC Strategic Opportunities III of €150m resulting in a total capital commitment of €270m.

On 16 January 2025, the Group extended the current revolving credit facility for an incremental commitment of €200m. The total credit facility available to the Group until 24 August 2028 is now €800m.

# Company Statement of Profit or Loss and Comprehensive Income

## For the year ended 31 December 2024

| All figures in € 000 | Notes | Dec-24 | Dec-23 |
|---|---|---|---|
| Personnel expenses | 4 | (2,097) | — |
| General and administrative expenses | 5 | (5,733) | (688) |
| Gain on financial asset | 11 | 3,401 | — |
| **Total operating loss** | | **(4,429)** | **(688)** |
| Finance expense | | (2) | (1) |
| **Loss before and after income tax** | | **(4,431)** | **(689)** |
| **Total comprehensive loss** | | **(4,431)** | **(689)** |

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

# Company Statement of Financial Position

## As at 31 December 2024

| All figures in € 000 | Notes | Dec-24 | Dec-23 |
|---|---|---|---|
| **Assets** | | | |
| **Non-current assets** | | | |
| Investments in subsidiaries | 6 | 1,879,105 | — |
| Other financial asset | 7 | 21,673 | — |
| **Current assets** | | | |
| Cash and cash equivalents | | 3,968 | 1,266 |
| **Total current assets** | | **1,904,746** | **1,266** |
| **Liabilities** | | | |
| **Current liabilities** | | | |
| Trade and other payables | | 225 | 206 |
| **Total current liabilities** | | **225** | **206** |
| **Total liabilities** | | **225** | **206** |
| **Net assets** | | **1,904,521** | **1,060** |
| **Equity** | | | |
| Stated capital | | 1,022,419 | 2,500 |
| Other reserves | | 3,324 | — |
| Retained earnings/(accumulated losses) | | 878,778 | (1,440) |
| **Total equity** | | **1,904,521** | **1,060** |

The financial statements were approved by the Board of directors and authorised for issue on 19 March 2025 and were signed on its behalf by:

**Fred Watt**
Director

# Company Statement of Changes in Equity

**For the year ended 31 December 2024**

| All figures in € 000 | Notes | Stated capital | Other reserves | Retained earnings (accumulated losses) | Total equity |
|---|---|---|---|---|---|
| **As at 1 January 2024** | | **2,500** | **—** | **(1,440)** | **1,060** |
| Loss for the period | | — | — | (4,431) | **(4,431)** |
| **Total comprehensive loss** | | **—** | **—** | **(4,431)** | **(4,431)** |
| Stated capital issuance | | 250,000 | — | — | **250,000** |
| Capitalised costs | | (1,583) | — | — | **(1,583)** |
| Acquisitions | | 1,648,459 | — | — | **1,648,459** |
| Capital reduction | | (876,957) | — | 876,957 | **—** |
| Share based payments | 4, 7 | — | 3,324 | — | **3,324** |
| Other contributions | | — | — | 7,692 | **7,692** |
| **As at 31 December 2024** | | **1,022,419** | **3,324** | **878,778** | **1,904,521** |

| All figures in € 000 | Stated capital | Accumulated losses | Total equity |
|---|---|---|---|
| **As at 1 January 2023** | **1,250** | **(751)** | **499** |
| Loss for the period | — | (689) | **(689)** |
| **Total comprehensive loss** | — | **(689)** | **(689)** |
| Stated capital issuance | 1,250 | — | **1,250** |
| **As at 31 December 2023** | **2,500** | **(1,440)** | **1,060** |

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

# Company Statement of Cash flows

## For the year ended 31 December 2024

| All figures in € 000 | Notes | Dec-24 | Dec-23 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Cash used in operations | 11 | (5,715) | (653) |
| **Net cash outflows used in operating activities** | | **(5,715)** | **(653)** |
| **Cash flows from investing activities** | | | |
| Contributions paid to subsidiary | | (240,000) | — |
| **Net cash outflows used in investing activities** | | **(240,000)** | **—** |
| **Cash flows from financing activities** | | | |
| Proceeds from issue of shares by the Company | | 250,000 | 1,250 |
| Capitalised share issuance costs | | (1,583) | — |
| **Net cash inflows from financing activities** | | **248,417** | **1,250** |
| Net increase in cash and cash equivalents | | 2,702 | 597 |
| Cash and cash equivalents at the beginning of the period | | 1,266 | 669 |
| **Cash and cash equivalents at the end of the period** | | **3,968** | **1,266** |

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

# Notes to the Company Financial Statements

### 1. General information and basis of preparation

#### General information

The company financial statements of CVC Capital Partners plc (the Company) including the notes thereon have been prepared in accordance with IFRS and in compliance with the Companies (Jersey) Law 1991.

The recognition and measurement principles applied in these company financial statements are the same as those applied in the consolidated financial statements.

#### Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are presented in euros, which is the currency of the primary economic environment in which the Company operates (the 'functional currency'), rounded to the nearest thousand.

#### Going concern

The directors have made inquiries and having considered the current economic climate at the time of approving the individual financial statements, as well as the expected working capital requirements that the Company will have for the 12 months from the date that these financial statements are signed and issued, they have a reasonable expectation that the Company will have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the Company financial statements.

### 2. Material accounting policies

The financial statements for the Company have been prepared under the same accounting treatments as described in the Group accounting policies in note 2 of the consolidated financial statements, where applicable.

### 3. Critical judgements in the application of accounting policies and key sources of estimation uncertainty

On 1 July 2024, the Company acquired 60% of CVC DIF. Included in the share purchase agreement is an obligation for the Company to purchase the remaining 40% interests in DIF. In accordance with the share purchase agreement, 20% of the outstanding shares will be purchased in January 2027, and the final 20% will be purchased in January 2029. The consideration for these subsequent acquisitions will be the issue of shares in CVC Capital Partners plc equivalent to the fair value of the interest in CVC DIF acquired by the Company from the sellers.

As part of the acquisition, the Company is subject to a call option which, if exercised, provides the Company with a discount over the price paid for 5% of the final 20% of CVC DIF. The discount allows the Company to purchase the 5% at the initial acquisition price. The Company accounts for this option under IFRS 9 as a level 3 financial asset held at fair value through profit or loss. The fair value of the call option is calculated using a Black Scholes model, which includes certain unobservable inputs. This valuation is considered a key source of estimation uncertainty for the Company. Refer to note 7 of these Company financial statements for further details.

### 4. Personnel expenses

Personnel expenses include charges related to the Company's LTIP, which have been granted to senior executives of the Company, including members of key management personnel. Refer to note 8 of the consolidated financial statements for further information.

### 5. General and administrative expenses

General business expenses include professional services as well as expenses related to the listing on Euronext Amsterdam.

Audit fees for the Group are disclosed in note 9 of the consolidated financial statements.

### 6. Investments in subsidiaries

Investments in subsidiaries reflect the Company's ownership in MHII and its subsidiaries, which were acquired on 29 April 2024, as well as the acquisition of non-controlling interests of CVC Secondaries. Refer to notes 4 and 5 of the consolidated financial statements for further information. Investments in subsidiaries are held at cost less accumulated impairment losses. No impairment was recorded for the year ended 31 December 2024 (Dec-23: nil).

| All figures in € 000 | Dec-24 | Dec-23 |
|---|---|---|
| **Investments at cost** | — | — |
| Additions | 1,082,903 | — |
| Acquisition of non-controlling interests | 796,202 | — |
| **Total investments in subsidiaries** | **1,879,105** | **—** |

Refer to note 33 of the consolidated financial statements for a full list of the Company's investments in subsidiaries.

# Notes to the Company Financial Statements continued

### 7. Other financial asset

The following table summarises the inputs used to estimate the financial asset's fair value, together with a quantitative sensitivity analysis. The sensitivity analysis has been calculated by applying a 10% increase and a 10% decrease to the unobservable inputs used in the valuation. The Company has determined that this sensitivity is reasonably possible and would result in a material change to the fair value of the financial asset.

| | Fair value as at 31 December 2024 € m | Primary valuation technique | Key unobservable inputs | Weighted average/Fair value inputs | Sensitivity scenarios | Effect on fair value € m |
|---|---|---|---|---|---|---|
| Other financial asset | 21.7 | Black-Scholes model | Volatility | 40% | 10% | 1.4 |
| | | | Risk-free rate | 2.8 % | (10%) | (1.4) |

If the Company elects to pay the discounted price for the final tranche of shares, the discount received is to be allocated to an ESOP, which has been accounted for as an equity-settled share-based payment under IFRS 2 within one of the Group's subsidiaries, as it will be settled in shares of CVC Capital Partners plc. The expense related to the ESOP is recorded within personnel expense within the consolidated statement of profit or loss. Within the Company financial statements the amount associated to the ESOP is reflected as an increase in investments in subsidiaries and to other reserves of €1.2m (Dec-23: nil). Refer to note 8 of the consolidated financial statements for further information.

### 8. Guarantees

The Company is party to a credit agreement as a guarantor to a €200m RCF. The RCF matures in August 2028 and contains two financial covenants: one requiring the guarantors to maintain minimum AUM of €20bn (plus 50% of the AUM of businesses acquired by the guarantors) and a second setting a maximum total net leverage ratio of 4:1. The total net leverage ratio is calculated on the basis of consolidated total debt for borrowed money less unrestricted cash compared to EBITDA, adjusted for certain items as detailed within the credit agreement, for the most recent period of four consecutive quarters. As at 31 December 2024, the Company was fully compliant with the covenants. As at 31 December 2024, the RCF had €143.3m drawn (Dec-23: €137.5m).

### 9. Financial risk management

The Company's risk management framework is the same as that applied by the Group. Refer to note 27 in the consolidated financial statements.

### 10. Capital management

The Company's capital management policies are the same as those applied by the Group. Refer to note 28 in the consolidated financial statements.

### 11. Cash flow information

| All figures in € 000 | Dec-24 | Dec-23 |
|---|---|---|
| **Loss before and after income tax** | **(4,431)** | **(689)** |
| **Adjustments to reconcile loss for the period to net cash flows:** | | |
| Finance expense | 2 | 1 |
| Gain on financial asset | (3,401) | — |
| Share-based payments expense | 2,097 | — |
| **Movements in working capital:** | **(1,302)** | **1** |
| Increase in trade and other payables | 18 | 35 |
| **Net cash outflows used in operating activities** | **(5,715)** | **(653)** |

### 12. Related party transactions

#### (a) Key management compensation

Under the Company's LTIP, options were granted to senior executives of the Company on 16 December 2024, including members of KMP. The Company accounts for the LTIP as an equity-settled plan in line with IFRS 2 and, for the year ended 31 December 2024, €2.1m (Dec-23: nil) was recognised in personnel expenses together with a corresponding increase in other reserves, relating to employee services received during the year. Refer to note 8 in the consolidated financial statements for further details.

#### (b) Transactions with KMP

During the year ended 31 December 2024 the Company received proceeds of €1.1m from KMP for the purchase of shares of CVC Capital Partners plc.

#### (c) Transactions with the SIF

The Company received contributions of €7.7m from the SIF, related to the acquisition of CVC DIF. Refer to note 5 in the consolidated financial statements for further details.

### 13. Subsequent events

For more information refer to note 35 in the consolidated financial statements.