



Results for the year ended 31 December 2024

Arrow Global

26 March 2025



Business Update



Zach Lewy
Group Chief Executive Officer

Leading Western European Alternative Asset Manager

€10.6bn

2023: €9.3bn

FUM

+13%

€2.1bn

2023: €1.2bn

Deployments

+67%

£69.1m

2023: £44.7m

Integrated Fund Manager FRE

+55%

€1.2bn

2023: €778m

Total Realisations¹

+49%

8 Geographies²

Offering full coverage of all major markets across Western Europe

24 Local Platforms²

4,000+ professionals employed, originating differentiated investment opportunities

3 Investment Strategies

Investment verticals of credit, lending and real estate across 5 Discretionary funds

Asset Backed

>90% of current fund investments backed by real estate or cash in court

€110bn AUM²

Significant management of third-party assets complements our fund management business

Local Footprint With 24 Platforms Across 8 Countries In Western Europe

Expansion Into 3 New Key Geographies During 2024



24 Platforms² providing local markets coverage across Western Europe

Strategic acquisitions through 2024

GERMANY

INTERBODEN

Interboden acquisition providing Arrow with market leading capabilities in residential development and asset management (**€1bn+ of residential AUM**)

SPAIN

Creation of **leading Iberian** investment, asset management and servicing platform

AMITRA, **GALATA**, **ELBA**

FRANCE

Acquisition of iQera¹, a market-leading platform, significantly expanding our footprint and cementing our position as **a market leader in the country**

iQera

Expanding our local reach, capacity and expertise:

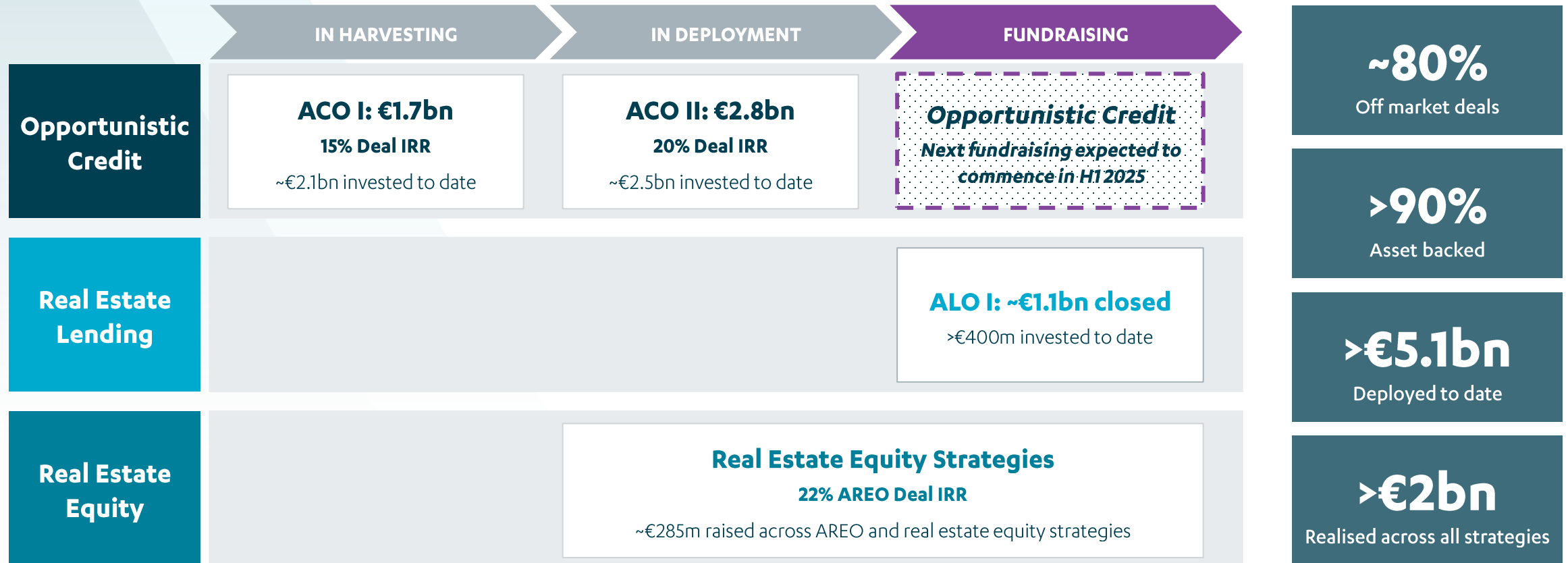
- ▶ + 3 new key European markets
- ▶ + €25bn uplift in AUM
- ▶ + 2,000 additional professionals

Arrow is well placed to lead the pan-European consolidation for the benefit of its investors as demonstrated by recent strategic acquisitions

Notes: 1. iQera is a proposed acquisition by ACO II following a restructuring expected to complete in Q2 2025, subject to customary regulatory and antitrust clearances. 2. MICA, Nexor, RNHB and Blue Current are partially-owned platforms. Platform total includes iQera.

Significant Progress Across Our Three Investment Strategies

Investment Vertical Update



Local platforms combining with central expertise continues to deliver strong returns for our investors

Supported By Longstanding Partners Of Arrow As Well As New Investors

Diversified Global Blue-chip Investor Base ... Key To Scaling Fundraising Initiatives

40%

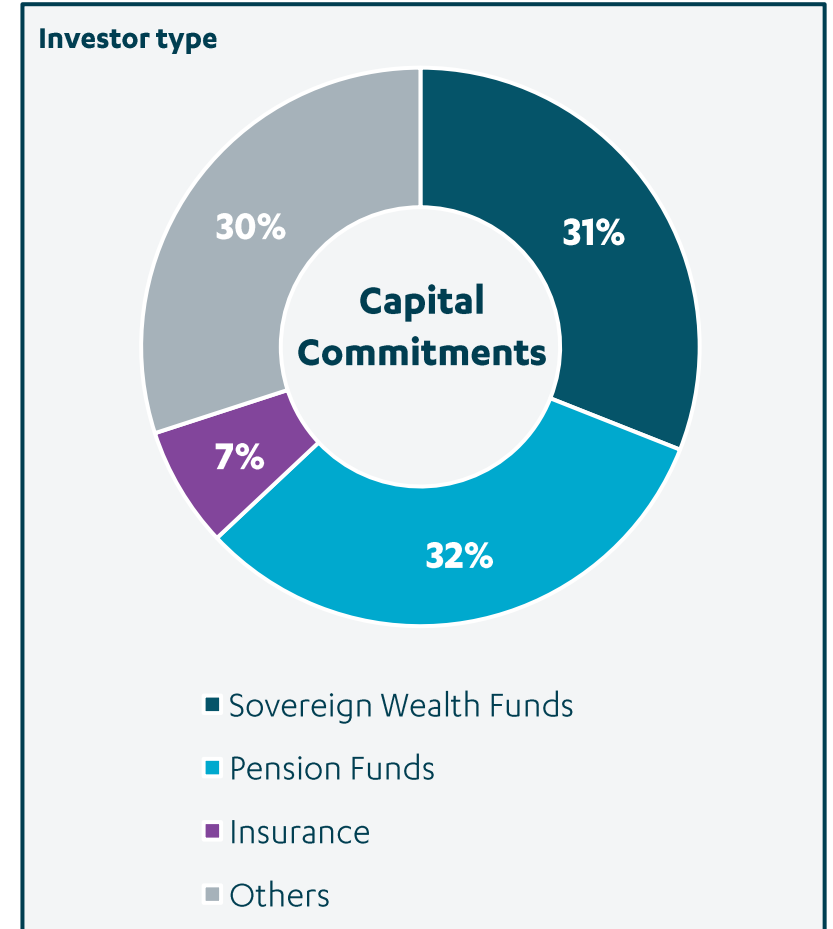
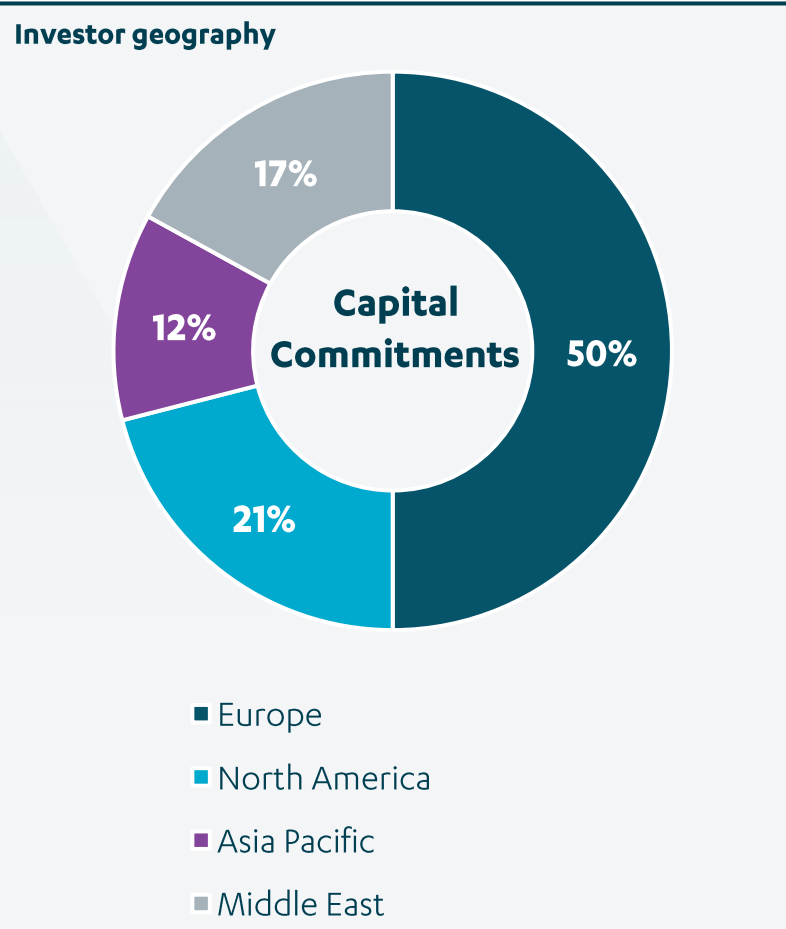
LPs investing in 2 or more Arrow Funds

100%+

ACO Re-up rate

~€50-€100m

Average LP Commitment



Significant Growth Opportunity

Structural Features Of Arrow's Markets...allow Our Local Platforms To Unlock Value

European banking system ~2.5x the size of the US¹

Low volumes of cross-border lending; ~82% (€13trn) of Euro Area lending was domestic, intra-border²

Complex and fragmented European regulatory framework with low levels of harmonisation

Surging demand in key residential and living sectors as working and urban population growth accelerates³

Private debt allocations forecast to reach record \$240bn by 2027; European Real Estate funding to rebound⁴



- ▶ **On-the-ground origination capabilities** from Arrow controlled platforms source granular, highly diversified small-to-mid market opportunities locally at **strong risk-adjusted returns for investors**
- ▶ **Deep knowledge, expertise and relationships** in each target geography underpinned by our local platforms
- ▶ Platforms harvest significant data to generate **key performance metrics and market intelligence** to drive enhanced investment programme
- ▶ Arrow's platforms are active in sectors representing **40% of the European market**⁵

Our Medium Term Targets



Notes: 1. Based upon 10% co-investment by Arrow.



Financial Review



Phil Shepherd
Group Chief Financial Officer

Group Performance

EBITDA Up 133% With Significant Growth In Integrated Fund Management Earnings

	2024 £'m	2023 £'m	Change %
Integrated Fund Manager Fee Related Earnings	69.1	44.7	55
Balance Sheet Investments net investment income	55.7	26.2	113
Group costs	(34.7)	(32.2)	(8)
Group EBITDA	90.1	38.7	133
Depreciation and amortisation	(11.7)	(10.1)	(16)
FX gains	7.6	4.0	N/A
Finance costs	(108.0)	(102.8)	(5)
Share of profit from associate net of tax	0.0	3.1	(100)
Loss before tax and adjusting items	(21.9)	(67.1)	67

SIGNIFICANT GROWTH IN CAPITAL-LIGHT IFM FRE EXPECTED TO CONTINUE AS INTEGRATED FUND MANAGER SCALES IN SIZE

Integrated Fund Manager Fee Related Earnings

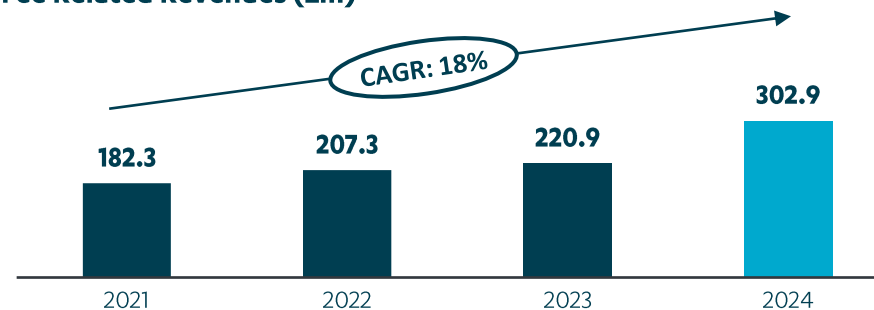
	2024 £'m	2023 £'m	Change %
Discretionary Fund Management Revenues	110.7	80.8	37
Third-Party Asset Management Revenues	192.2	140.1	37
Total IFM Fee Related Revenues	302.9	220.9	37
Costs	(233.8)	(176.2)	(33)
Total IFM Fee Related Earnings	69.1	44.7	55
<i>IFM FRE Margin (%)</i>	22.8	20.2	13

Strong growth continues in Integrated Fund Management earnings and operating margin

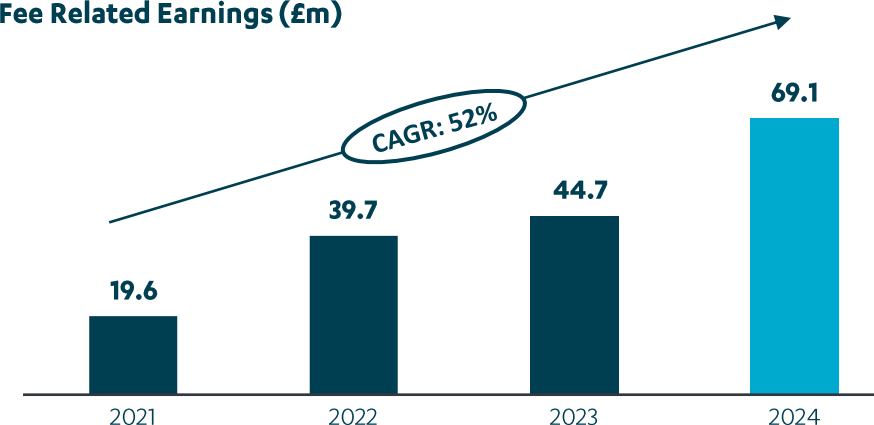
- ▶ Successful fundraising during year in respect of real estate lending and equity franchises
- ▶ Discretionary Fund Management business continues to drive operational leverage
- ▶ 100 new third-party asset management and servicing mandates won across multiple jurisdictions

Significant Operating Leverage As Revenues Outpace Costs

IFM Fee Related Revenues (£m)



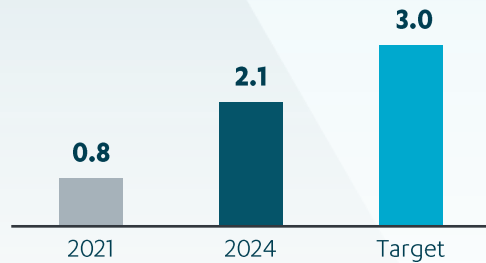
IFM Fee Related Earnings (£m)



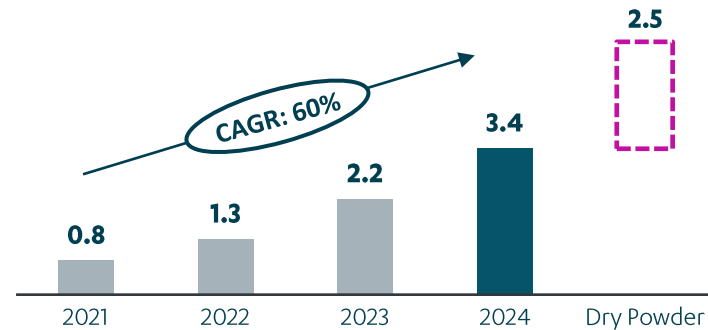
Discretionary Fund Management Performance

Fee Earning NAV Continues To Build Over Time – Driven By Increasing Deployment

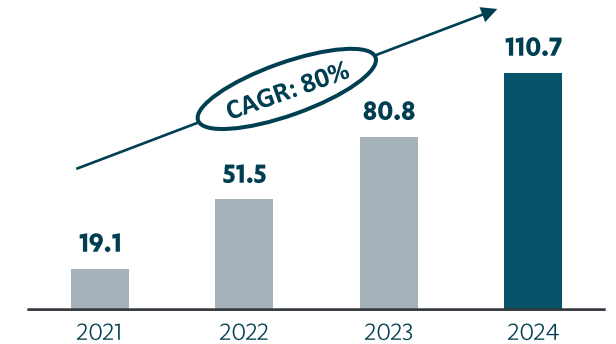
Deployments Per Annum (€bn)



Year End Deployed NAV¹ (€bn)



Discretionary Fund Management Revenues (£m)



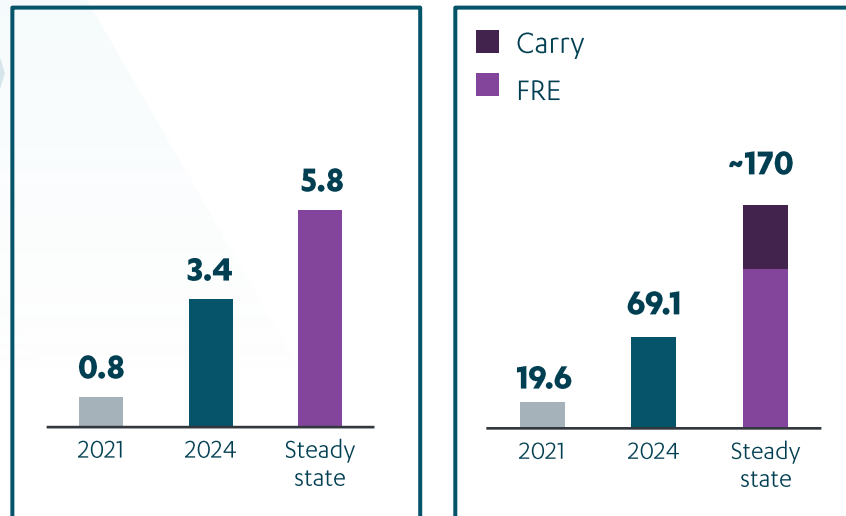
- ▶ Our Discretionary Fund Management results encapsulate our capital light business that generates **management, performance (carry) and servicing/administration fees**, where we manage assets under discretionary investment mandates
- ▶ **Total capital light returns of circa 30%**² on deployed capital, consisting of 10% management fees, 10% servicing and administration fees, and 10% performance fees received towards the end of each fund's life (not recognised to date)
- ▶ **Total Discretionary Fund Management FUM of €5.9bn**; €2.5bn of dry powder³ to be deployed by ACO, AREO and ALO strategies that will translate to FRE of 3% EBITDA return on NAV once deployed
- ▶ Annual **growth in average NAV of 67% since 2021 gives rise to FRE growth of 80%** over same period

Maintaining Current Deployment Delivers Significant Earnings Growth... With Ambitions To Grow Deployment To Further Accelerate Capital Light Earnings

- ▶ Illustrative scenarios demonstrate significant growth potential
- ▶ Two scenarios based upon continued deployment at:
 - ▶ 2024 actual level of €2.1bn per annum
 - ▶ Medium term target deployment of €3.0bn per annum
- ▶ Assumes investments in line with current weighted average life, at target returns and continue at consistent levels per annum

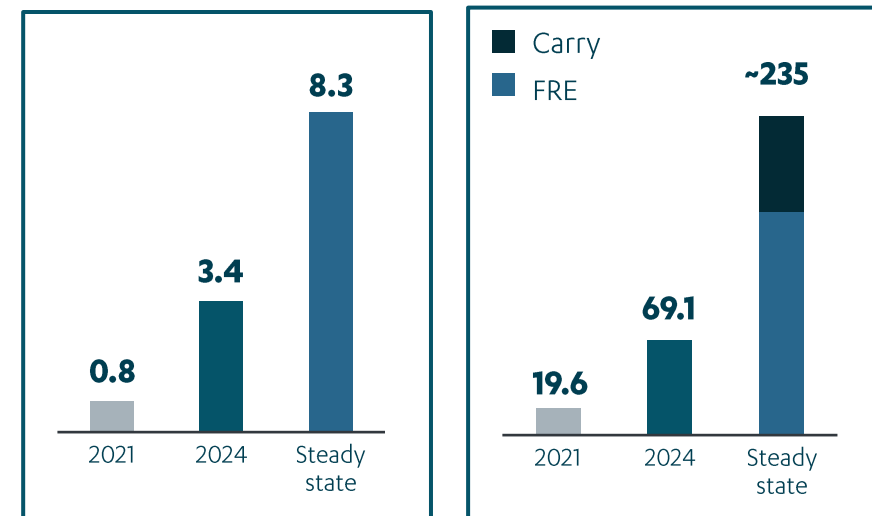
Illustrative Scenario Ongoing deployment profile at 2024 level €2.1bn per annum

NAV Growth (€'bn) IFM FRE and Carry Growth (£'m)



Illustrative Scenario Ongoing deployment profile at target level €3bn per annum

NAV Growth (€'bn) IFM FRE and Carry Growth (£'m)

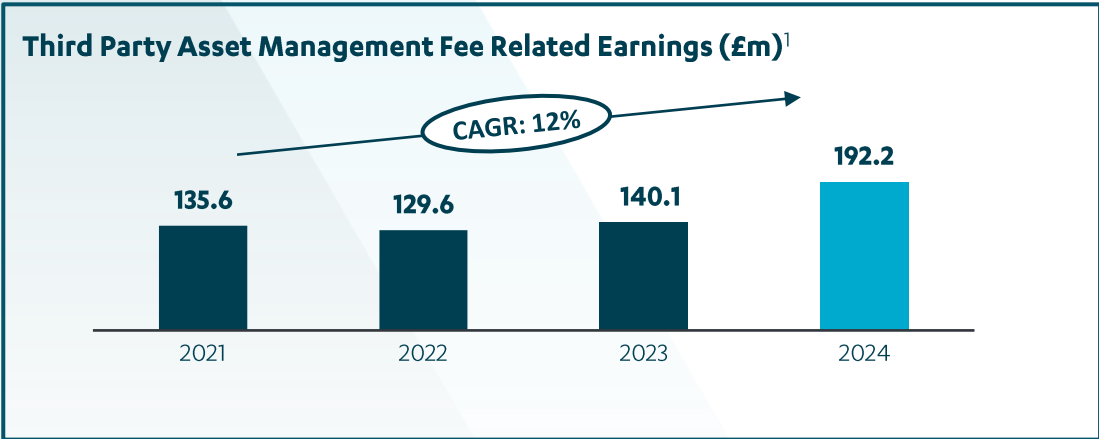


DEPLOYMENT LEVELS DRIVE FEE-EARNING NAV AND IN TURN, CAPITAL-LIGHT FEE RELATED EARNINGS

Notes: See Appendix "Illustrative growth in EBITDA from Discretionary Fund Management" for further detail on NAV and FRE/Carry build out including steady state NAV and FRE/Carry calculation methodology. No carried interest has been recognised to date owing to back-end timing. FRE includes earnings attributable to Third-Party Asset Management, which is included and calculated as 2024 Third-Party Asset Management revenues at an assumed EBITDA margin of 15%. FRE/Carry converted using GBP:EUR rate of 1.19.

Third Party Asset Management Performance

2024 Revenue Growth Benefitted From New Platform Acquisitions And New Servicing Mandates



Third Party Asset Management: Fee Generating Asset Base

€80.5bn
 Third-Party AUM²
 Assets managed, serviced or administered by Arrow platforms for third parties

€4.7bn
 FUM
 Funds under management that are managed under non-discretionary investment mandates

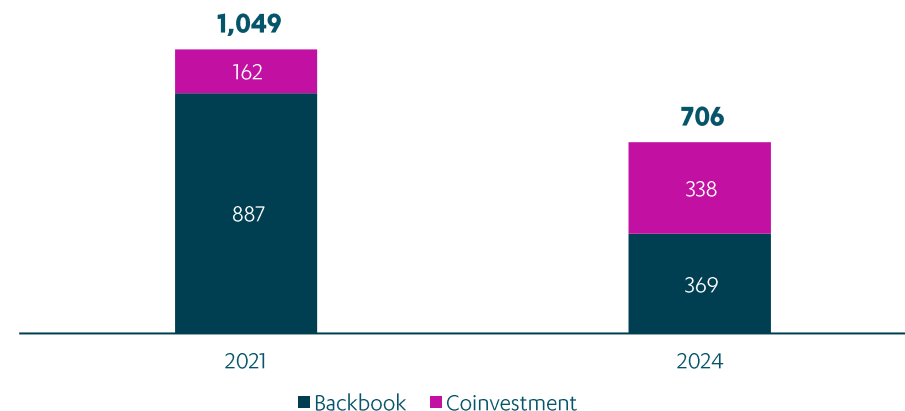
- ▶ Our Third-Party Asset Management performance covers a range of services and activities **performed by our local platforms on €80.5bn of Third-Party AUM** across Western Europe **on behalf of third parties**
- ▶ Also includes **fund management services in relation to €4.7bn non-discretionary FUM**
- ▶ Including Maslow (that was fully acquired in September 2023), **new platforms contributed ~£30m revenue uplift in 2024**
- ▶ Typical average EBITDA margins are **15% of revenues**
- ▶ Strong performance driven by **100 new servicing mandates won** across multiple jurisdictions during 2024

Notes: 1. 2021 and 2022 Third-Party Asset Management Fee Related Revenues exclude revenues pertaining to the sale of the UK platforms CapQuest and Mars UK in 2023. Third party FRE includes the fees generated by the local platforms servicing and asset managing the Arrow backbook. 2. Calculated as AUM of €110bn excluding total FUM of €10.6bn and impact of iQera AUM.

Balance Sheet Investments – Net Investment Income

	2024 £'m	2023 £'m	Change %
Investment income	120.1	86.9	38
Costs	(64.3)	(60.7)	(6)
Net investment income	55.7	26.2	125
<i>Net investment Margin (%)</i>	46.4	30.1	54
Gross Realisations	379.9	375.4	1
<i>Balance Sheet Realisations as a % of expectation</i>	107%	133%	

Evolution of Arrow investments (£m)



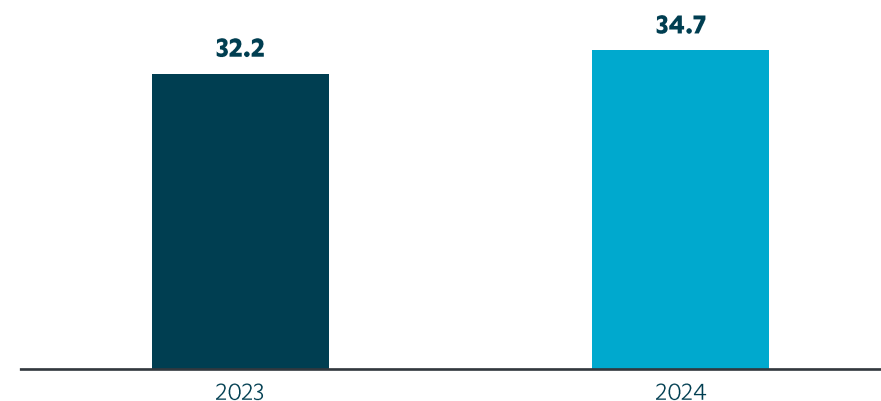
Increased investment returns as fund co-investments grow as a proportion of total balance sheet investments

- ▶ Balance Sheet Investments include backbook positions as well as co-investments made within our discretionary funds
- ▶ 125% improvement in net investment income versus prior year primarily driven by two key factors:
 - ▶ **Impairments** of £2.4m (2023: £26.9m) **£24.5m lower, as rate environment stabilised**
 - ▶ **£4.7m revenue uplift owing to full recognition of 50% retained UK portfolios** following disposal of remaining 50% (financial results of UK portfolios prior to divestment excluded from underlying results)
- ▶ Net balance sheet **realisations (gross realisations less costs) of £316.3m (2023: £314.7m)**
- ▶ Continue to **invest almost exclusively through co-investment** in our funds with **backbook reducing significantly**

Group Costs And Other Items

	2024 £'m	2023 £'m	Change %
IFM Fee Related Earnings	69.1	44.7	55
Balance Sheet Net Investment Returns	55.7	26.2	113
Group costs	(34.7)	(32.2)	(8)
Group EBITDA	90.1	38.7	133
Depreciation and amortisation	(11.7)	(10.1)	(16)
FX gains	7.6	4.0	N/A
Finance costs	(108.0)	(102.8)	(5)
Share of profit from associate net of tax	0.0	3.1	(100)
Loss before tax and adjusting items	(21.9)	(67.1)	67

Group costs broadly consistent despite significant scaling of Discretionary Fund Management business



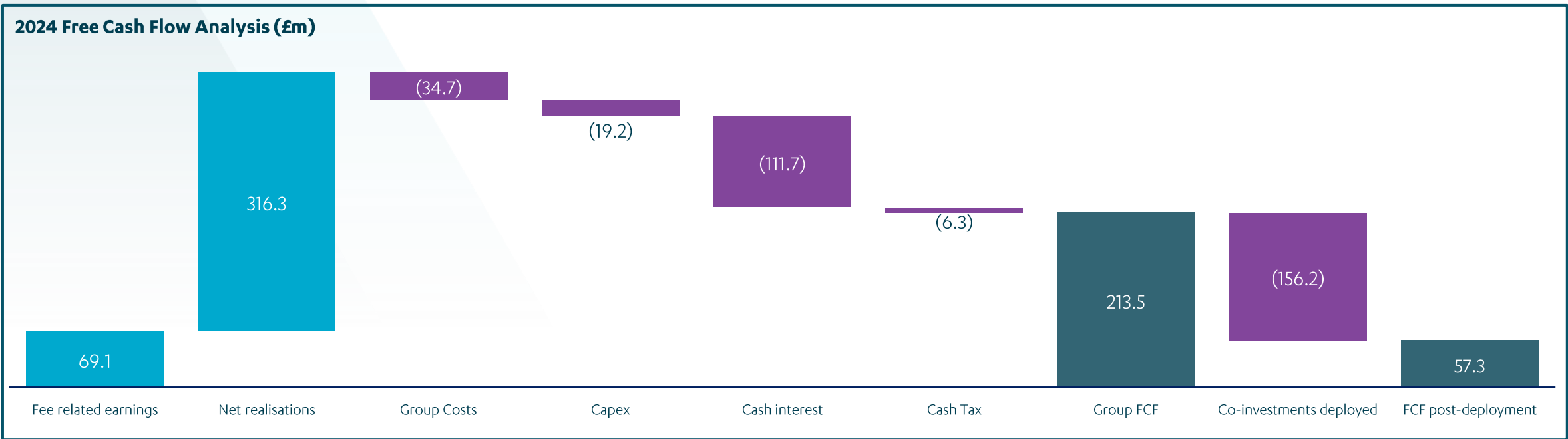
Significant improvement in overall financial result as IFM business scales at pace

- ▶ Group costs were broadly consistent with prior year, highlighting operational leverage and reflecting a scalable business able to raise, invest and realise significant discretionary funds
- ▶ FX gains driven by non-cash FX gains upon translation of our net EUR liability position that acts as a natural hedge to increasing surplus EUR income by the Integrated Fund Management business
- ▶ Financing costs reflect higher interest rates and the cost of maintaining significant liquidity
- ▶ Bond and RCF refinancing completed in late 2024

Free Cash Flow Generation

Positive Free Cash Flow Continues To Be Generated As Deployment Continue To Grow

▶ Free cash flow is expected to benefit further from ongoing decreases in fund co-investment levels (ACO I: ~25%; ACO II: ~10%, ALO: ~7%)



2023 Comparative Free Cash Flow Analysis (£m)

44.7	314.7	(32.2)	(23.2)	(97.7)	(11.3)	199.7	(148.5)	51.2
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Notes: 1. Free cash flow is defined as cash generated after the effects of capital expenditure, financing and tax cash impacts & before reinvestment and cash impact of adjusting items. 2. Net realisations are stated net of servicing and administration costs applicable to Balance Sheet Investments.

Successful Refinancing Of Capital Structure Highlights Positive Market Sentiment Towards Arrow's Strategy

Arrow Closed £1.5bn+ Refinancing Of Our Senior Secured Notes And RCF In December 2024

Maturity Extension

Maturity dates of both super senior RCF and senior secured notes extended for 5 years to **2029**

Effective Pricing

Final pricing at **tight end of IPTs** for EUR Floating Rate Note, EUR Fixed and GBP Fixed senior secured tranches

New Money Demand

Significant new money demand (by way of either new investors or existing investor upsizes)

Maintained Significant Liquidity Headroom

Fully refinanced existing debt (£97m stub covered by repayment of RCF from new money) **maintaining liquidity headroom**

Liquidity And Capitalisation

Capitalisation	2024 £'m	2023 £'m
Cash	(88)	(115)
Stub Notes due 2026 & 2027	97	1,252
£250m 9.625% Fixed Rate Notes due 2029	250	-
€250m 7.625% Fixed Rate Notes due 2029	207	-
€965m E+5.5% FRN due 2029	799	-
RCF £285m maturing 2029	18	160
Total secured net debt	1,283	1,297
Adjusted EBITDA	350.7	331.9
Leverage	3.7x	3.9x

Liquidity	2024 £'m	2023 £'m
Liquidity headroom (cash + undrawn RCF)	343	227
Expected 84-month cumulative realisations ¹	1,209.2	1,213.7
Expected 120-month cumulative realisations ¹	1,249.2	1,309.9

Cash Generation	2024 £'m	2023 £'m
Free cash flow	213.5	199.7
Reported balance sheet investments	(156.2)	(148.5)
Post-investment cash flow	57.3	51.2
Deferred consideration on investments	(11.9)	(28.4)
Net M&A	0.3	(18.3)
Other	(10.4)	22.3
Decrease in net debt	35.3	26.7

2024 saw significant realisations

- ▶ £35.3m of debt reduction (2023: £26.7m reduction) despite significant deployment and investment in scaling operations
- ▶ Refinancing has extended debt maturities to 2029
- ▶ Adjusted EBITDA reflects both strong realisations and strong IFM performance during 2024

Notes: 1. Given Arrow co-invests in our discretionary managed funds, an increasing proportion of realisations are measured on FVTPL basis. Approximately 72% of 84-month cumulative realisations and 67% of 120-month cumulative realisations are stated net of servicing and collections costs. Assuming 15% servicing costs, comparable gross 84-month and 120-month cumulative realisations would be £1,363 million and £1,397 million respectively.



Summary and Outlook



Zach Lewy
Group Chief Executive Officer

Re-affirmation Of Our Medium Term Targets

		Medium-term target
Funds Under Management	Increase FUM by 50% over 2-3 year period, primarily driven by further fundraising into our discretionary credit opportunity strategy in 2025	~€15bn
Deployment	Continued scaling of Arrow Discretionary Fund Management deployment to drive increasing NAV	€3bn p.a.
Discretionary Fund NAV	Increased deployment building to NAV of >€6bn of our Discretionary Funds	>€6bn
Returns	Returns on fund co-investment including management, servicing and performance fees , alongside Balance Sheet Investment returns	40%¹ Return on assets
Leverage	Re-affirmed commitment to decrease leverage to 3 times	3x

Notes: 1. Based upon 10% co-investment by Arrow.

Leading European Integrated Fund Manager

Successfully **raised €1.2bn** over the course of 2024 in relation to our real estate lending and equity franchises

2024 was a record year for deployment activity, seeing us **invest €2.1bn** across our Discretionary Funds Management business

Realisations of €1.2bn during 2024 with ACO I and ACO II continuing to deliver attractive returns

Expanded into **three new key geographies** - compounding the competitive advantages yielded by our local platform operating model

Deleveraging remains a core focus with **leverage down to 3.7 times**



▶ Defined Terms

Definitions Of Certain Terms Used Within This Presentation

Term	Meaning
Adjusted EBITDA	The Group's earnings before interest, tax, depreciation and amortisation (including investment portfolio realisations), adjusted for any non-cash income or expense items and adjusting items
AUM or Assets Under Management	The sum of: i) Funds Under Management; and ii) ii) The value of the assets managed, administered or serviced by our local platforms on behalf of third-party clients as part of Third-Party Asset Management activities and referred to as " <i>Third-Party AUM</i> "
Balance Sheet Investments	Investments that comprise i) co-investments whereby Arrow's own capital is committed to invest alongside third-parties committed capital in Arrow funds, in addition to ii) backbook investments held by Arrow
Discretionary Fund Management	References our activities in relation to all fund management activity, on a discretionary basis, and encompasses our funds ACO I, ACO II, ALO, AREO and AREO II, as well as the management of Arrow's own capital which it has committed to invest alongside third-parties' committed capital
EBITDA	Earnings before interest, taxation, depreciation and amortisation
FUM or Funds Under Management	The value of assets and undrawn commitments in respect of our fund management activities specifically, within both our Discretionary Fund Management and Third-Party Asset Management businesses (that is, covered by both discretionary and non-discretionary mandates), including any of Arrow's own capital which it has committed to invest alongside third-parties' committed capital
IFM FRE or IFM Fee Related Earnings	Fee related revenues (comprising management and servicing fees) earned on AUM, less attributable costs, derived in respect of both our Discretionary Fund Management and Third-Party Asset Management activities, that together, constitute our Integrated Fund Management business
Third Party Asset Management	References our activities, including managing, servicing and/or administering activities in respect of Third-Party AUM and, in addition, the provision of fund management services on our FUM that is managed on a non-discretionary basis, the financial results from which are reported within our Third-Party Asset Management FRE

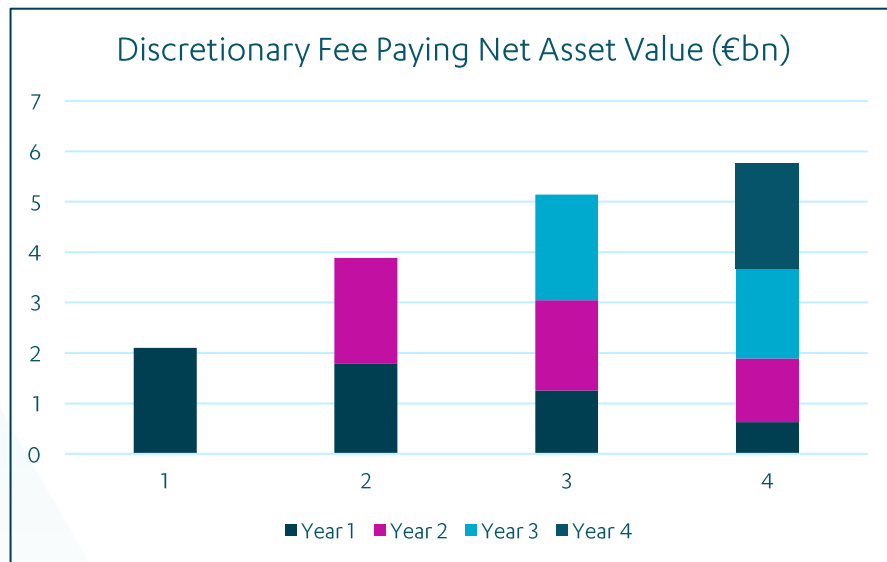


▶ Appendix

Illustrative Growth In EBITDA From Discretionary Fund Management

2024 ACTUAL DEPLOYMENT LEVELS

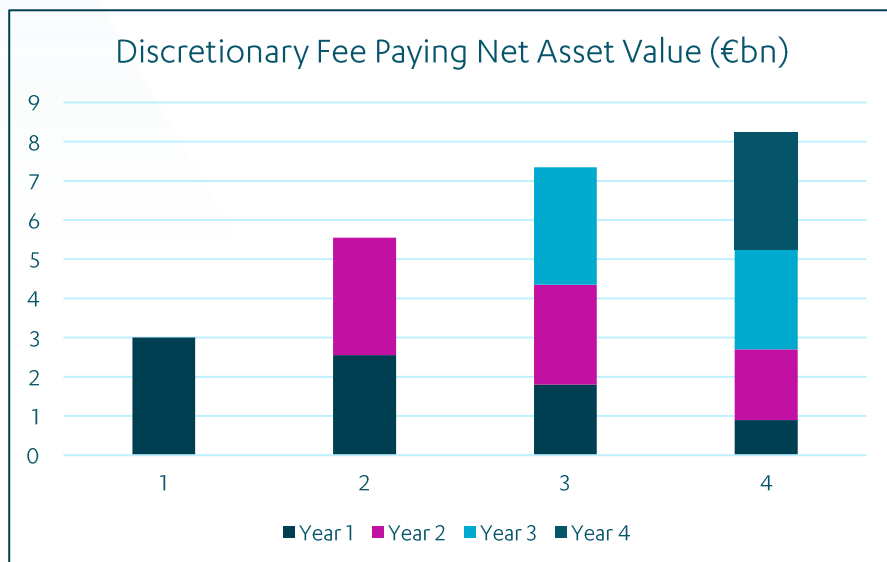
- ▶ Chart shows NAV outputs of consistent €2.1bn deployment per annum, reflecting actual 2024 deployment levels
- ▶ Fee paying NAV builds to a steady state of €5.8bn by year 4
- ▶ Discretionary FRE return circa €173m (30% return)
- ▶ Investment returns of circa €58m (conservative 10% return) on 10% co-invest
- ▶ Does not include our Third-Party Asset Management FRE and the impact of existing NAV as at Dec 2024 (€3.4bn)



Discretionary Fund Management Returns	% Return	Forecast EBITDA €'m
Fund management, servicing and administration fees	20%	116
Performance fees / carry	10%	58
Discretionary Fund Management FRE	30%	173
Balance Sheet Investment return	10%	58
EBITDA (Discretionary Fund Management income only)	40%	231

TARGET ANNUAL DEPLOYMENT LEVELS

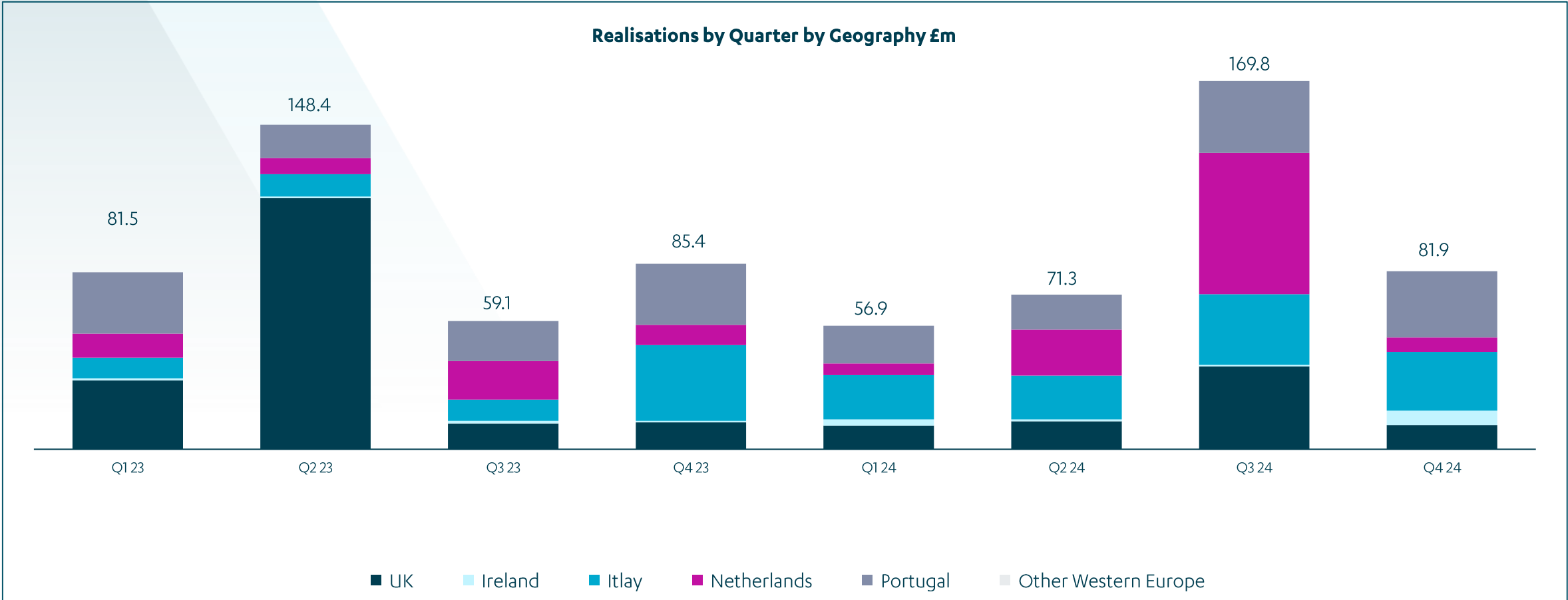
- ▶ Chart shows NAV outputs of consistent €3bn deployment per annum, reflecting target deployment levels
- ▶ Fee paying NAV builds to a steady state of €8.25bn by year 4
- ▶ Discretionary FRE return circa €248m (30% return)
- ▶ Investment returns of circa €83m (conservative 10% return) on 10% co-invest
- ▶ Does not include our Third-Party Asset Management and the impact of existing NAV as at Dec 2024 (€3.4bn)



Discretionary Fund Management Returns	% Return	Forecast EBITDA €'m
Fund management, servicing and administration fees	20%	165
Performance fees / carry	10%	83
Discretionary Fund Management FRE	30%	248
Balance Sheet Investment return	10%	83
EBITDA (Discretionary Fund Management income only)	40%	330

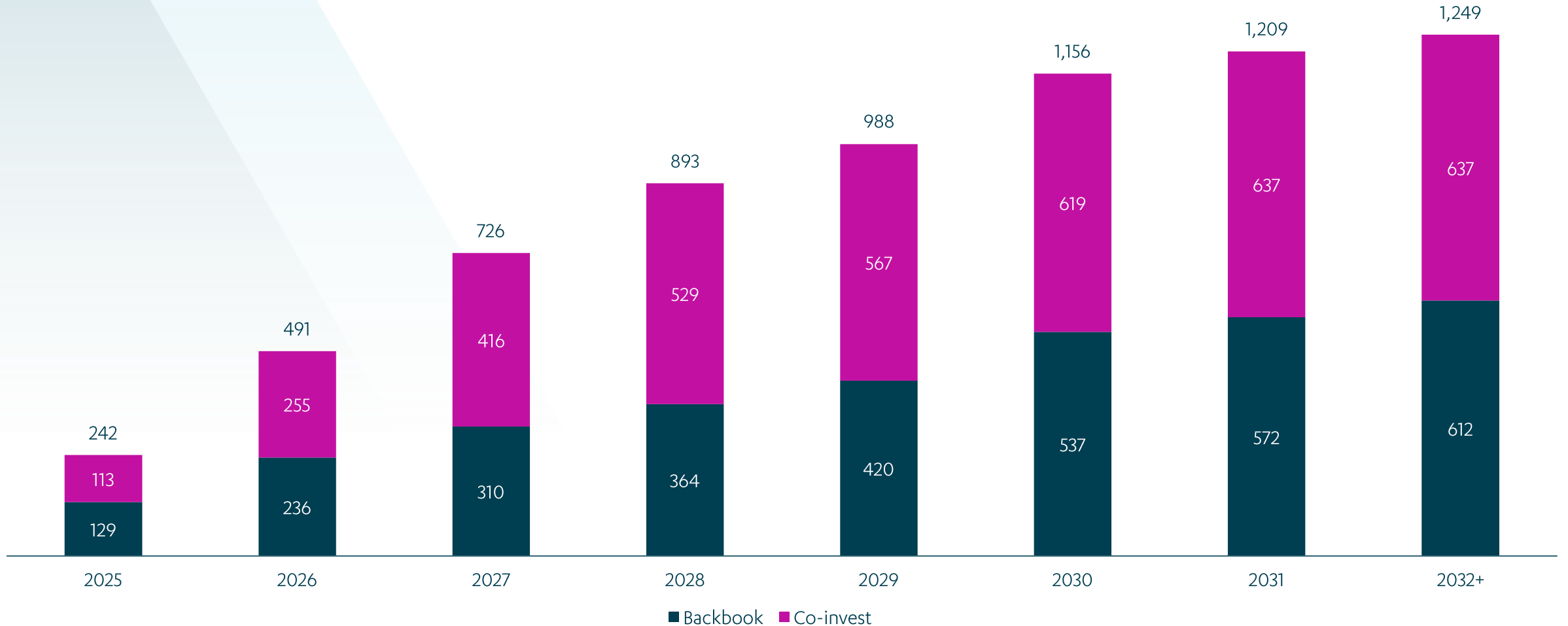
Quarterly Realisations: Arrow Co-investments And Backbook

Full year 2024 realisations of £379.9m, 107% of expected cumulative realisations



Expected 120-Month Cumulative Realisations Profile

Expected Cumulative Realisations £m

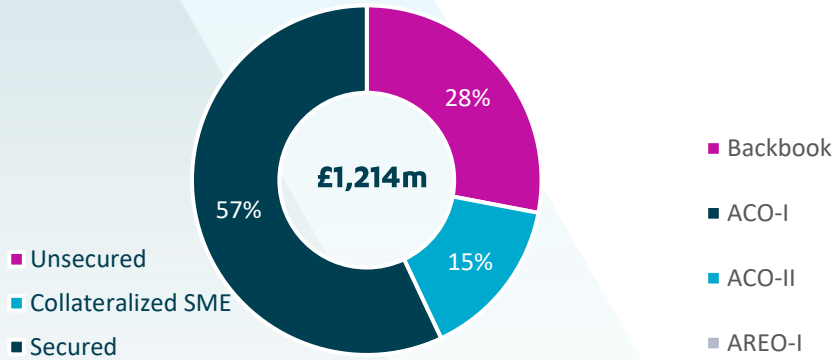


Notes: As at December 31, 2024, 67% of 120mth realisations are reported net of servicing costs.

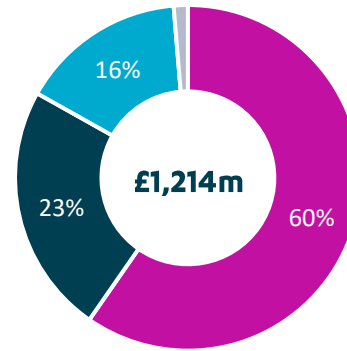
Expected Cumulative Realisations By Geography And Type

Expected cumulative realisations measured net of servicing and collection costs represent 72% of total expected cumulative realisations

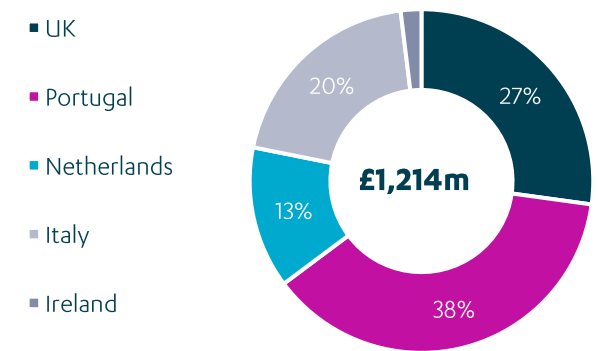
Dec 2023 84-month realisations by asset class



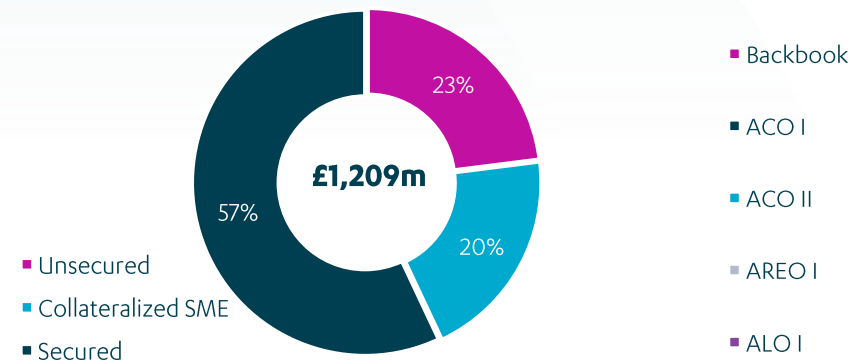
Dec 2023 84-month realisations by classification



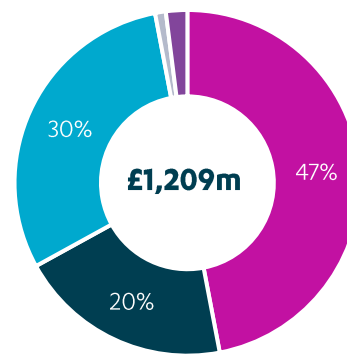
Dec 2023 84-month realisations by geography



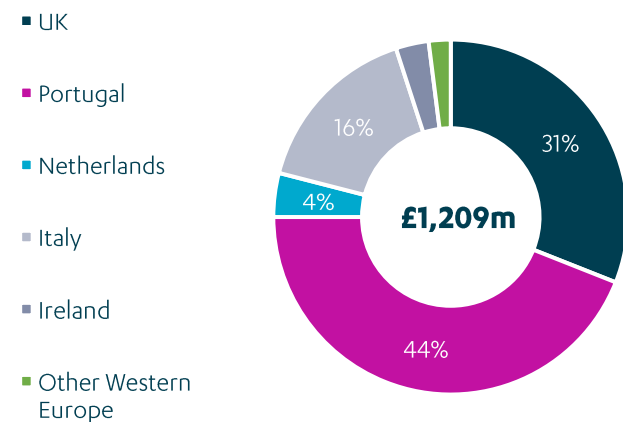
Dec 2024 84-month realisations by asset class



Dec 2024 84-month realisations by classification



Dec 2024 84-month realisations by geography



Notes: 1. Expected realisations include Arrow's investment in ACO I, ACO II, AREO I and ALO I. 2. A growing proportion of the Group's expected realisations is reported net of servicing and collection costs. The percentage of 84-month cumulative realisations for assets measured on a net basis was 72% as at December 2024. 3. Collateralised unsecured primarily represents claims in bankruptcy situations originated by Europa Investimenti.



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