



Pollen Street Group Limited Interim Accounts H1 2026 | LSEG | Sep 15, 2026

Lindsey McMurray:

Good morning everyone, and welcome to the Pollen Street Group Half-Year Results for 2026. I'm Lindsey McMurray and I'll be presenting today with Crispin Goldsmith.

Now, for the first half, AUM now sits at 8.5 billion pounds at the end of June, with this almost evenly split between private equity and credit, recognizing the fundraising cycle of the two strategies. As we've reported, private credit has been actively raising its flagship fund together with some related SMA arrangements, which has resulted in a step-up in credit AUM. So the total fee-paying AUM has increased by 18%, and that's taken fee-paying AUM has grown to 5.5 billion pounds, but with the fundraising success in credit, which only becomes fee-paying once it's deployed, we have clear visibility and further growth in fee-paying AUM in the coming months and beyond. We have strong momentum in fundraising in addition to this with the first close of our institutional open-ended fund, which we call Hanover Square, and we're preparing for Private Equity Fund VI in 2027.

The setback for the period was in the investment company, where the return was 3.4%, which was significantly below target. This was the result of two specific issues, one positive and one less so. Positively, due to the larger fund size for Credit IV, we have an equalization effect for the fund position held on the investment company balance sheet. So overall, the franchise is stronger because of this, but we have a one-time effect on the balance sheet impact of 0.2%. On the negative side, we made an investment in Shawbrook at the end of 2024, and with the IPO, we now must recognize the P&L on a mark-to-market basis. Despite strong performance at the company level, the share price has declined in the first half, and this has resulted in a 3.8% impact on the balance sheet. Overall, the balance sheet return is 3.4%, but we consider this low return to be exceptional.

We have periodically reported that we have healthy growth in AUM weighted towards credit in this period. Further, the 1.8 billion pounds of credit raised but not deployed provides good visibility for growth and fee-paying AUM going forward, and as we prepare for fundraising on the next vintage of both strategies. The strength and depth of investor relationship continues to build and we're hugely grateful to the support from our investors as they have supported us in the success of Credit IV, but also early support in Hanover Square. In order to appreciate this, we are laser-focused on delivering performance, engaging actively as we look to raise further funds.

The balance sheet on the whole has performed in line with steady performance over many years. As outlined earlier, the performance in the period is impacted by the reduction in the share price of Shawbrook, affecting the value of that holding, and also the equalization impact. While significant, this should not overly detract from the very strong performance across the rest of the portfolio.

In terms of strategic focus, I mentioned that we are extremely laser-focused on performance to make sure we deliver what we set out for investors. In private equity, we're providing consistently strong performance and a much more complex environment. We're deploying at good pace with Private Equity V, now 74% deployed, and we're preparations underway for Private Equity VI. In private credit, we're focused on scaling the business. We're 50% invested in that larger fund already. We have a very high-quality pipeline and we have, as I mentioned, the first close in Hanover Square.

Now, if we look at the themes that are driving that performance across both strategies, in private equity, we're working on a number of repeatable thematics across the portfolio. Digital transformation, making sure each business has the data it needs to support KPIs to provide real-time insight to drive fast



and precise decision-making. With AI-led product development, which is essential, especially across our software businesses, but this actually enables us to transform data into intelligence, and it enhances the product leadership, especially in areas where we focus with regulatory and governance workflow, where we look to actually use AI to strengthen relationships with clients and to build and embed trust.

Across the board, we're building structured go-to-market functions within each business. We call it the science of selling, whereby we build robust, repeatable sales machines that have precise pricing and effective selling and cross-sell capability. Then at the M&A front, we embed an M&A function within each business to support geographic and product distribution as well as consolidate our market presence. This is the systematic engagement that we apply across the portfolio to make sure whatever the macro environment, we're delivering strong performance for investors.

On the credit side, it's all about scaling the business in line with the capital that we've raised. As I mentioned, the pipeline is stronger and higher quality than ever before, doubling in the first half of the year, and then the market where we operate continues to grow as banks continue to retrench, our product offers attractive value and flexibility for the borrower, and we continue to build our reputation as a trusted partner. Importantly, we grow with our clients, and that provides an embedded growth in our book of credit assets where we look to work with our partners as we build the relationship, and we've successfully completed 20 upsizes within the business over the last year. So it gives a view that while we scale the business, there is actually embedded growth within the business that we've already built, and that gives us confidence on the visibility to be able to deploy the increasingly larger funds at very attractive asset base.

With that, I'll hand over to Crispin to take us through the financials for the half-year. Thank you.

Crispin Goldsmith:

Thank you, Lindsey. I'm pleased to see you all again and to update you on our half-year performance. As I highlighted in the full-year results, our revenue model is straightforward and quite predictable, so you'll see a lot of overlap in what I say today with what I've said previously, and you can expect the same again in future.

Our key growth drivers are fundraising and deployment, and we continue to perform strongly in both. Alongside the very successful fundraising for Private Credit Fund IV, the team focused on scaling deployment as we've heard, and this has shown through both in the first half growth in fee-paying AUM and in a building pipeline for H2. This AUM increase feeds into growing management fee income, which is our highest-quality revenue stream and in turn into increased profits.

As I flagged at the time for H1 2025, we benefited from 8.4 million of catch-up fees related to Private Equity Fund V that would not repeat this year. So as we consider the performance of the asset manager business, we do so on a like-for-like basis rather than a headline basis. The investment company returns for H1 fell significantly below target, as Lindsey outlined. This largely related to a position we hold in Shawbrook. The rest of the investment portfolio performed in line with our full-year expectations.

We've continued to generate high levels of cash across the two parts of the business, supporting continued high cash returns to shareholders. During H1, we returned 25 million of cash to shareholders, which included seven million of share buybacks, and we're pleased to announce an interim dividend today amounting to a further 17 million cash return.

As I've outlined previously, our LP investors commit to our funds typically for eight to 10 years, and there's no opportunity for them to redeem early. Our management fees are a fixed percentage of fee-



paying AUM, which is based either on committed capital or invested cost, not on valuation. This means that our management fee income is highly predictable and repeats over multiple years. For example, as I said at the full-year results, PE V has a one and a half billion euros of commitments with a management fee of 2%. So we earn 30 million euros a year in management fee revenue from this fund, and will continue to until the first close of Fund VI, at which point fees will move to being calculated on investment cost until the end of the fund life, and our other funds are similarly predictable.

This is what makes up the 33.9 million of management fee income for H1. Our performance fees are broadly balanced across credit strategies and private equity. In credit, the consistent month-on-month and quarter-on-quarter performance of those funds generates similarly consistent performance fees. In private equity, we currently only recognize carry for those funds accounted for at fair value, so it's calculated on a look-through basis to the fund valuation. Overall, performance fees are up 90% year-on-year, driven by a strong first half contribution from private equity. Nevertheless, we expect performance fee generation to be weighted towards the second half as in previous years.

So taking these two together, fund management revenue was up 22% on a like-for-like basis. Fund management costs were held at 2% growth for the period, so fund management EBITDA of 16.1 million was up sharply by 73% on a like-for-like basis. As we've already mentioned, net investment income fell significantly below target for H1, and I'll come back to this again later.

On the asset manager, we're delivering steady growth led by management fees. We've grown fund management EBITDA sharply on a like-for-like basis and doubled the level of two years ago, and we've maintained the step-up in margin achieved in 2024. At the end of H1, we benefited from 1.8 billion of credit capital, which will become fee-paying once deployed. Combined with the strong deployment pipeline Lindsey outlined for H2, this gives visibility on continued fee-paying AUM growth, both for H2 and beyond. Taking all this together, I'm pleased to confirm we're on track to deliver the full-year consensus expectations for the asset manager.

Now I presented this slide at the full-year results, so I'll just touch briefly on it again here. As a reminder that the bulk of value we expect to generate in performance fees over the long-term from existing funds relates to Private Equity Fund V and Accelerator II. Those fees are already being recognized in the funds accounts as their performance builds, but the nature of how IFRS 15 is applied means we're not yet recognizing this in the group accounts, and won't do so for a number of years still.

In Lindsey's slides, we showed the split of the investment portfolio between its key segments. During the year, we have continued to move the investment portfolio from direct investments to fund investments, in particular with a new commitment to Hanover, our institutional open-ended credit fund launched in June. At the period end, GP commitments accounted for 33% of investment assets, up from 29% at the end of December, with undrawn commitments of 64 million.

The PE fund investments were resilient in the period, with portfolio companies delivering strong operating performance and the private credit fund investments continuing to deliver strong consistent returns. The direct investment portfolio delivered returns in line with expectations with the exception of Shawbrook, which is shown separately as a mark-to-market investment and which, given its inherent volatility, will be excluded from comments on outlook or guidance going forward. The underlying net investment return for H1, excluding the mark-to-market investment and the effects of equalization was 7.4%. Given the expected weighting of equity returns towards the second half, this is on track to deliver full-year returns in line with expectations.



The value of investment assets was broadly flat year-on-year, reflecting the strong cash returns to investors highlighted already. Share buybacks are a key pillar of our capital allocation strategy. We are opportunistic in how we deploy them whilst maintaining the balance sheet as a strategic resource to support AUM growth. We maintain a conservative gearing position on our balance sheet, both to optimize returns and as a tool for managing liquidity. At the end of June, net debt was 38% of gross investment assets, with 48 million pounds of the facility undrawn. I'll now hand back to Lindsey.

Lindsey McMurray:

At the beginning of the year, we set out to complete the fundraise of Credit IV, which has been achieved and surpassed an expectation, and now well underway to being deployed with almost 50% invested already. We've successfully entered the market with Hanover Fund to address a different pool of investor appetite. Private equity has been focused on portfolio management and preparation for the next vintage, and we continue to build up the team and the platform. With all of that growth and investment, our dividends continue to grow on a per-share basis and we engage in buybacks when the value for shareholders is evident.