

## KEYNOTE INTERVIEW

From institutional  
to individual

*To adapt their processes and practices for the incoming wave of individual investors, GPs will need a patient approach to change, Tikehau Capital's Margaux Buridant and Christian Rouquerol argue*

**Q What is driving the growing demand for evergreen and semi-liquid funds among Europe's individual investors?**

**Christian Rouquerol:** Until recently, individual investors were not able to access private markets because of a lack of suitable vehicles. But access is now becoming possible thanks to some product innovation.

The fact that private markets funds with more traditional drawdown structures typically required unpredictable capital calls was a problem for this type of investor base, but evergreen and semi-liquid fund structures

SPONSOR  
**TIKEHAU CAPITAL**

offer a solution to that. They also aim to simplify the tax reporting and allow investors faster portfolio exposure, so they do not have to wait several months before their capital is put to work.

The other issue had been that the more institutional vehicles typically had investment minimums that were too high for these investors. Now, with the European Long Term Investment Fund (ELTIF), the minimum investment is €10,000, so that allows more

of these investors to come into private markets.

**Margaux Buridant:** Most of these clients are used to the liquidity associated with public equity markets, which is something private markets have struggled to match, given the illiquidity of the asset class.

Overcoming that has been a key development.

Also, from an operational point of view, being fully paid-in and not having to manage capital calls and cash management makes these funds attractive. Investors like the fact that most of their capital is put to work

from early on, even if that does mean the return may be a little lower.

### **Q How do retail investors differ from ultra-high-net-worth investors? What are they looking for from private markets, and what are their main concerns?**

**MB:** Individual investors are a very broad category; you have retail investors starting at a cheque size of \$1,000 at one end, especially in the US, while at the other end of that spectrum are very sophisticated billionaire families. Those ultra-high-net-worth investors in private markets are often quasi-institutional in the way they act.

In our case, what we aim to do is provide institutional-quality products to private investors. Our semi-liquid private debt fund, for instance, is available to investors with a minimum ticket size of €40,000 and invests alongside our institutional flagship direct lending fund, giving those investors access to the same opportunities.

Very sophisticated institutional investors are still keen to invest using drawdown structures and are comfortable with those because they have the re-up structures in place that they know how to manage. Often, when we talk to large ultra-high-net-worth families, they are still very keen on the drawdown fund structure. But retail clients and platform distributors to those clients, like private banks, much prefer evergreen vehicles.

When it comes to any concerns, we want investors to be mindful of the underlying risks associated with these products. They are semi-liquid, so there are still some illiquid features. There is an asset liability mismatch when investing in illiquid markets via semi-liquid vehicles, and these structures offer redemption windows to address that mismatch, but we are cautious about making sure that is well understood.

When we work with distributors, it is really important we as asset managers

### **Q Where do you see technology and digital platforms being used to make private markets more accessible?**

**CR:** Right across the market, technology and digital platforms are developing at pace in response to the demand coming from both retail and institutional investors.

In our case, we're aiming to be at the forefront of that with our investor-facing digital investment platform, Opale. It's an example of an interface that's dedicated to providing access to private markets for a wider range of investors.

**MB:** Digitalisation is definitely a key force in simplifying private markets processes for individual investors, from tracking specific funds to helping investors subscribe to them. It is something we will continue to focus on as the private wealth evolution continues to take shape.

*“Ultra-high-net-worth investors in private markets are often quasi-institutional in the way they act”*

MARGAUX BURIDANT

educate those distributors about what exactly these structures offer clients.

**CR:** All of these investors, when they come into private markets, are looking for diversification from public markets and a low correlation with those investments.

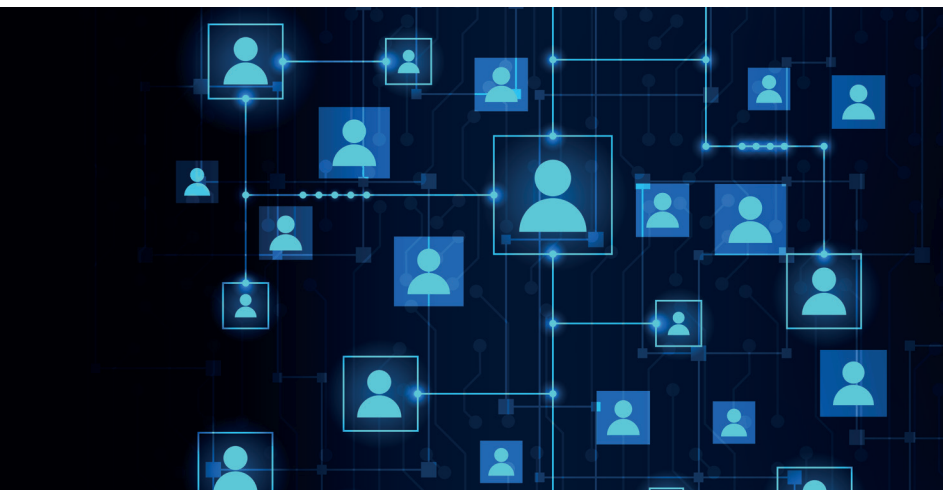
They are also looking for lower volatility – which you tend to see in private markets – a more attractive risk-adjusted return and more predictable cashflows, in particular with private debt. In the event of any kind of market crash, that allows them to have part of their book that is behaving differently to their public equity holdings.

Finally, and perhaps the key element, is that private markets aim to give these investors better access to the real economy. Worldwide, some 85 percent of the companies with more than €100 million of revenues are not listed on public markets, so if investors want to access those businesses, they need to invest through private markets. It is a good way for them to access profitable mid-sized European companies and ultimately access diversification.

### **Q How should managers adapt their marketing and structuring strategies to target new investor bases?**

**MB:** As far as structuring is concerned, the institutional and quasi-institutional investors still tend to favour traditional drawdown structures, while retail investors prefer evergreen semi-liquid structures.

When you talk to institutions, you know immediately that they are sophisticated and professional investors. When you talk to individual investors, though, you need to make sure they understand the risks involved. There is work for managers to do around educating the intermediaries that are having the direct conversations with the clients and gathering the commitments.



**CR:** At the end of the day, the challenge for asset managers is that this is a wholly different way of managing a fund. When an institutional client in a regular closed-end fund wants to redeem, they get reimbursed as soon as activity allows and exit at the end of the fund's life. For semi-liquid structures, there are some quarterly redemption opportunities.

Marketing comes down to a partnership with distributors that you hope will be as exclusive as possible. We work with our partner distributors to train their networks on the marketing documents for the fund and the way to communicate the characteristics of the strategy and the structure.

**MB:** Just to add to that: when you are targeting specific institutional investors, your sales team is client-facing. When you enter this conversation with platform distributors, on the other hand, you are separated from the discussions they have with their clients. Your job is to educate the financial adviser on your brand and product and make them aware of its features.

Getting access to those private banks is a very competitive process, particularly in the US but also increasingly in Europe. But when you enter into those partnerships, you get to

benefit from the bank's strong brand presence and the active support of its financial advisers in marketing your products across its platform.

### **Q How is European regulation, including the revised ELTIF regime, supporting enhanced access for individual investors?**

**CR:** The regime has evolved quite a lot, to lower the entry barriers for investors and also to strengthen investor safeguards. The ELTIF 2.0 regime was only finalised recently and introduced a redemption framework that obliges the asset manager to maintain a well-defined liquid management strategy so that a certain level of redemptions will always be possible on a quarterly basis. It's important this is communicated properly to end investors.

**MB:** It's not just Europe where we're seeing regulators being supportive of the widening of access while also maintaining a focus on investor protection. In the US, regulators are similarly supportive of widening private markets access for retail investors.

You can now invest into private markets through 401(k) retirement plans in the US, and you also have 40 Act funds that allow investors to access private

markets through a public evergreen structure. A 40 Act fund is a complex and highly regulated structure, but it's a step further into the retailisation of private markets.

### **Q Finally, how do you see investor demand evolving over time, and what will that mean for fund managers?**

**CR:** If you look at the asset allocation story in wealth management in Europe, you can see that only around 5 percent of investor capital is currently allocated to private markets. Meanwhile, in the US, that figure is closer to 15 or 20 percent, and the forecasts suggest that allocations to private markets will double in Europe by 2030.

The implication for asset managers is that, as funds scale, deployment will become more challenging. The different approaches that fund managers take will be the key to differentiation, so those that are selective and maintain an alignment of interests with their investors will probably make the difference. At Tikehau Capital, 70 percent of our balance sheet is invested into our own strategies (as of November 2025). That creates strong alignment.

**MB:** Individual investors represent about 30 percent of our assets under management at present, and that continues to grow. These investors like our multi-asset platform, and being global is also a key differentiator for us.

We have focused on a thematic investing approach, particularly on the private equity side, which resonates with investors. Alongside funds, we can also tailor separately managed accounts or specific mandates for private investors, as well as offering co-investment opportunities. These kinds of offerings will become more and more important in the years ahead. ■

Margaux Buridant is co-head of private wealth solutions and head of capital formation for North America at Tikehau Capital, and Christian Rouquerol is head of capital formation for Europe and Latin America

---

**Disclaimer:** This document is not an offer of securities for sale or investment advisory services. This document contains general information only and is not intended to represent general or specific investment advice. Past performance is not a reliable indicator of future results and targets are not guaranteed. Certain statements and forecasted data are based on current expectations, current market and economic conditions, estimates, projections, opinions and beliefs of Tikehau Capital and/or its affiliates. Due to various risks and uncertainties, actual results may differ materially from those reflected or contemplated in such forward-looking statements or in any of the case studies or forecasts. All references to Tikehau Capital's advisory activities in the US or with respect to US persons relates to Tikehau Capital North America.