



## KREOS HITS FINAL CLOSE

*The UK-headquartered 'growth debt' specialist has held a final close on €240m, beating its initial target thanks to strong investor demand.*

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Published: 06 September 2013

Kreos Capital has concluded fundraising for its fourth fund, surpassing its €200 million target, Private Debt Investor can exclusively reveal.

The London-based firm raised €240 million in total, the firm told PDI, enabling it to lend up to €600 million over its lifetime due its ability to recycle capital.

The fund will provide relatively short-term, no-covenant loans to companies in Europe and Israel across a wide range of industries, the firm said. Deals will be structured with an equity upside, and will be up to €30 million in size, it added. Target returns are understood to be in the "high teens" net of fees with a multiple of 2x capital invested.

Kreos Capital IV has already deployed about €150 million since holding a first close in Q2 2012, backing nearly 40 companies to date.

The fund, which is unlevered, welcomed a host of new LPs including pension funds, endowments, high net worth individuals, family offices, funds of funds and insurers from North America and Europe.

The Kreos team is led by general partners Ross Ahlgren, Maurizio Petit Bon, Raoul Stein, Marten Vading, Luca Colciago and Simon Hirtzel, who is also chief operating officer.

"Kreos's growth debt model is an excellent fit for many institutional investors, who have invested from a variety of strategy allocations including private debt and illiquid credit as well as fixed income and growth allocations," said Vading. "We have a strong track record of generating continuous cash distributions every quarter, with limited downside and low volatility even in challenging economic environments, and we structure potential equity upside in all our transactions."

Hirtzel added: "We are able to finance high-growth equity-sponsored businesses throughout Europe and Israel and across a wide range of industries and stages in a way that our competitors have not been able to replicate historically. Our facilities are used to finance growth capital, working capital, acquisitions, lower mid-market buy-out transactions and roll-up strategies as well as pre-IPO financings."

Source: *Private Debt Investor*