

**Kreos Capital V Growth Debt Fund Announces Final Closing and Launch:
Strong Demand Results in Significant Oversubscription and
Increase in Fund to EUR 400 million**

London 21 January 2016 – Kreos Capital announces the final closing and launch of its latest growth debt fund, Kreos Capital V (“Kreos V”). With EUR 400 million of capital committed from a diverse group of top-tier institutional investors, Kreos continues to support the growth ecosystem in Europe and Israel with innovative debt financing solutions.

- Kreos V was significantly oversubscribed and completed its final closing at its hard cap of EUR 400 million, reflecting Kreos’s 18 years of successful track-record, stable team and strong market position, as well as the attractiveness of Kreos’s value-added lending model as a complementary financing tool for growth companies and their equity investors.
- Kreos V is the largest growth debt fund in Europe and Israel and with EUR 400 million of equity commitments it is also one of the larger overall growth capital funds dedicated to the region.
- The final close and launch of Kreos V enables Kreos to invest EUR 150-200 million per annum from its fund platform and support an additional 100 fast-growing companies, their management teams and equity investors in Europe and Israel, across all stages and a wide range of industries, with direct lending of up to EUR 30 million in single transactions and larger total funding as a company develops.
- Kreos V was launched at the beginning of January 2016 and due to its robust deal flow and the market’s strong demand for growth debt it has already closed its first commitments to more than half a dozen high-growth companies in Europe and Israel.
- Kreos V’s top-tier institutional investors include a wide range of public and private pension funds, insurance companies, endowments, asset managers, funds of funds and family offices from Europe and the US.

Mårten Vading, co-founder and General Partner of Kreos, said: *“Kreos V is a continuation of our development and our dedication to the European and Israeli growth ecosystem over the last 18 years. As the largest and most established growth debt provider in Europe and Israel, we are excited to take the next step and continue to support portfolio companies and their equity investors with flexible loan structures. The demand for Kreos V from institutional investors has been exceptional, the fund closing was executed in advance of the start of the fund’s commitment period in January 2016, and we are very pleased to welcome back our existing as well as new top-tier global investors in Kreos V.”*

Kreos provides direct lending solutions alongside top-tier equity investors to growth companies, across all stages of a company’s development, to address the different needs of growth capital, working capital, acquisition financings, lower mid-market buy-outs, roll-up strategies, banks re-financings as well as pre- and post-IPO financings.

Kreos has invested more than EUR 1.4 billion in over 400 companies over the last 18 years and our current portfolio of high-growth companies and some recent exits include companies such as Altair, Delivery Hero, Bookatable, Westwing, Gett, Heptagon, Mister Spex, Kaminario, ReWalk, Wahanda, Crytek, Fyber, Symetis, Nabriva, Kreditech and SolarEdge.

Ross Ahlgren, co-founder and General Partner of Kreos, said: *“European and Israeli high-growth companies face particular financing challenges, which are hard for traditional banks to support. Growth companies prioritise growth over profit, and focus on long-term value-creation, rather than on short-term cash flows. They are also expanding internationally to address global markets, which increases complexity. Kreos’s experience and understanding of growth companies and our dynamic approach to risk allows us to work closely with the companies and their equity investors both in good*

times and when there are more challenges. As the journey from growth stage to a successful exit is not normally in a straight line, it is extremely valuable to be able to rely on the flexibility and longevity of Kreos as a debt provider.”

Kreos’s facilities are structured as operationally flexible, non-covenant loans, with minimal dilution for management teams and equity investors. Kreos’s stable team has a proven 18 years track record of adding value to portfolio companies and helping them to grow with additional capital and flexibility throughout their business cycle and different market environments. The strength of Kreos is further supported by the funds being backed by long-term equity capital from top-tier institutional investors. Kreos’s international fund management platform in Europe and Israel and the extensive track-record of private lending, enable strong global networks as well as local capabilities in each market.

Kreos’s funds generate a high-yield contractual cash return, with additional equity and exit upside potential, an accelerated return of capital yet with controlled downside and low volatility for Limited Partners.

Simon Hirtzel, General Partner of Kreos, said: *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 allocations carved out from their private equity allocation, as well as from fixed income allocations. Kreos’s Growth Debt funds supplement limited partners’ core private equity, private debt and fixed income portfolios by providing non-correlated strong net returns and regular significant cash distributions along with downside protection and low volatility even in challenging economic environments. By structuring sophisticated yield enhancement securities in all our transactions, we generate further upside opportunity.”*

For the Kreos V fund-raising, Azla Advisors, led by Managing Director David Waxman, served as placement advisor, with Tom Beaudoin and Greg Barclay of Goodwin Procter serving as lead counsel to Kreos Capital.

ABOUT KREOS CAPITAL

Kreos Capital is the leading provider of growth debt financing to high-growth companies in Europe and Israel with revenues up to EUR 200 million. Since 1998, as the pioneer growth debt provider across Europe and Israel, Kreos has completed over 400 transactions and committed more than EUR 1.4 billion in 15 different countries. Kreos is dedicated to supporting management teams and their equity investors with flexible loan structures for all stages of a growth company’s development and to address the needs for growth capital, working capital, acquisition financings, lower mid-market buy-outs, roll-up strategies, banks re-financings as well as pre- and post-IPO financings. Kreos’s most recent fund, Kreos V, was launched in January 2016 and has EUR 400 million of equity commitments from top-tier institutional investors. The Kreos global team has extensive debt financing, management and equity investing experience, covering the pan-European market from its locations in London, Tel Aviv and Stockholm.

For more information on Kreos Capital: www.kreoscapital.com

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