

Fundraising

Kreos closes Fund VII ahead of target

The final close of the firm's latest venture debt fund is the first following its acquisition by BlackRock earlier this year.

John Bakie · 19 October 2023

European venture lender [Kreos Capital](#) has beaten its fundraising target to close its latest vehicle on €1.25 billion.

[Kreos Capital VII](#) surpassed its original €1.2 billion target with commitments from more than 30 institutional investors including banks, sovereign wealth funds, public and private pension funds, insurance companies, fund of funds, foundations and family offices.

The fund will continue Kreos' existing strategy of lending to high-growth companies across the EMEA region with a focus on the technology and healthcare sectors. It will target companies at every stage of their growth cycle and ticket sizes will range from €2 million up to €100 million.

Kreos will aim to deliver returns through a blend of contractual debt returns. Yield enhancement upside will reduce risk through amortisation, portfolio diversification, senior security and long cash runways. The fund has already completed 57 transactions and invested €1.1 billion of committed capital. The fund is able to reinvest proceeds during its commitment period and aims to make total portfolio commitments of up to €1.5 billion across 100 companies during its lifespan.

[BlackRock](#), the world's largest asset manager with \$9.4 trillion AUM as of June, acquired Kreos in August after it [announced](#) its intention to buy the business in June this year.

Stephan Caron, head of European private debt at BlackRock, said: "Private debt investing continues to grow in importance as a component of investors' portfolios. We are delighted to have recently welcomed the Kreos team into our European Private Debt platform and we look forward to scaling their unique offering to our global client base."

As part of the acquisition, Kreos Capital will now be known as the BlackRock venture and growth lending team, which consists of 27 investment professionals and manages €2.5 billion of client capital.