

## PRESS RELEASE

### **Strong first half brings YIELCO significant growth: Final closing of several funds, opening of the Madrid office, and reaching EUR 10 billion in managed capital commitments**

*Munich/Zurich/Madrid/Luxembourg, August 2<sup>nd</sup>, 2023 - YIELCO Investments Group ("YIELCO"), a private markets investment specialist, announces the successful closing of two funds and the opening of a new office in Madrid with a dedicated country head. The company, which is approaching the significant EUR 10 billion mark for assets under service, announces the final closings of two programs in the first half of 2023 and its new strategies and activities for the second-year half.*

YIELCO, a financial services company specializing in infrastructure, private debt and private equity investment solutions, announces the final closings of two differentiated programs – YIELCO Specialty Lending and YIELCO Defensive Investments. The private debt multi-manager program YIELCO Specialty Lending, a program focused on the primary origination of senior secured loans that are backed by hard or financial assets ("asset-based lending"), successfully had its final closing at the end of April well above EUR 200 million. "YIELCO Specialty Lending has already executed nine fund commitments. And the portfolio already shows a very successful start in terms of performance, driven by a high cash yield and by the first successful refinancings with additional upside participation," comments Börge Grauel, Private Debt Co-Head at YIELCO.

YIELCO's first dedicated value-focused private equity co-investment fund, YIELCO Defensive Investments, also held its final closing at the end of April – oversubscribed at EUR 159 million. The fund focuses on attractive small and mid-market co-investments with a value orientation. The transactions feature defensive elements such as low entry multiples, moderate leverage ratios, and a high degree of asset protection. Manuel Deimel, Head Co-Investments at YIELCO, elaborates, "Since the fund's inception, YIELCO Defensive Investments has participated in eight transactions and is already seeing strong valuation uplifts, driven primarily by the positive operating development of the underlying companies".

In line with the growth of the firm, YIELCO has expanded its European presence by opening a new office in Madrid in the first half of the year. Former Mutua Madrileña professional, Julián Álvarez, has been hired as a director to head the office and the activities in Spain. Situated in the heart of the Madrilenian business neighborhood "Salamanca", the office and its dedicated team is set to drive YIELCO's growth and foster meaningful relationships in Spain. "I'm happy to strengthen our relationships in Spain with our esteemed fund managers and provide even closer support to our valued local clients" expressed Julián Álvarez.

"We firmly believe that the current market conditions present a vast array of attractive investment opportunities in the areas we cover. At YIELCO, our value-focused investment strategies enable us to capitalize on these favorable conditions, ultimately creating substantial value and delivering outstanding returns for our investors" comments María Sanz, Private Equity Co-Head at YIELCO.

In the segment of private debt, YIELCO was recently co-mandated by a renowned German pension fund to build up its private debt portfolio over the coming years. Dr. Matthias Unser, Private Debt Co-Head at YIELCO, explains: "Over the recent years, private debt has shown that it can withstand market turmoil offering investors stable and reliable yields. The current market conditions are considered by many to be the most attractive in at least the last ten years. Investors are increasingly realizing this and are beginning to invest (again) in private debt."

YIELCO Infrastruktur III and YIELCO Special Situations Europe II are still open for new investors, offering high visibility and already attractive valuations. Both programs have shown strong performance despite still being in their early phase. "YIELCO Infrastruktur III continues the success of its two predecessors: with a call rate of 45%, seven commitments, and a MOIC of 1.3x it is an appealing late primary opportunity for investors in the

infrastructure sector, which continues to gain relevance" mentions Uwe Fleischhauer, Infrastructure Co-Head at YIELCO. YIELCO Special Situations Europe II, with ten executed fund commitments, offers excellent visibility and already first distributions to investors.

YIELCO Special Situations III, YIELCO's sixth value-focused private equity program, focuses on investment opportunities in the USA and continues the successful value investing strategy of the firm. The portfolio provides access to funds specializing in complex buyout and turnaround transactions in the North American middle market. With four commitments completed and one in final due diligence, the portfolio is already in the build-up phase. The fund remains open for investors until mid-2024, allowing them to capture this favorable moment for value investing strategies. YIELCO's product pipeline for 2023/24 further entails a senior debt and a specialty lending product as well as an infrastructure and an impact co-investment fund.

In the first half of 2023, YIELCO has continued to follow its successful path approaching the significant milestone of EUR 10 billion in assets under service. "The company's growth and progress during this period is remarkable. YIELCO will remain committed to its vision: to offer excellent investment opportunities to its loyal client base and to cultivate a nurturing and pleasant working environment for its talented and motivated team", says Dr. Peter Laib, Chairman of the Supervisory Board of YIELCO Investments AG.

## **About YIELCO**

YIELCO is an independent, global private markets investments specialist based in Germany, Switzerland, Spain and Luxembourg. The Group currently manages around EUR 10 billion in capital commitments from institutional investors and family offices and invests in infrastructure, private debt and private equity.

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