

PRESS RELEASE

First Closing: Multi-manager programme YIELCO Senior Debt II offers access to attractive asset class with high return stability

- **Continuation of the successful Senior Direct Lending strategy**
- **High degree of planning security through stable returns, strong risk protection, and early ongoing distributions**
- **Launch of additional private debt product initiatives in the area of speciality lending planned for 2024**

Munich/Zurich/Madrid/Luxembourg, 2 September, 2024 – YIELCO Investments Group ("YIELCO"), a specialist in private markets, announces the first closing of its fund of funds programme YIELCO Senior Debt II. The fund of funds continues the conservative strategy of the successful multi-manager programme YIELCO Private Debt (YPD), and particularly facilitates access to the asset class for risk-averse investors. Focussing on senior secured loans for lower mid-market companies enables a high level of risk protection with attractive risk premiums compared to liquid investments. The portfolio will be built from approximately 10 fund participations, encompassing over 300 loans, with European transactions accounting for more than 80 percent of the portfolio.

Dr Matthias Unser, founding partner and member of the Executive Board of YIELCO Investments AG, comments: "YIELCO's first generation senior private debt fund of funds programme is already fully invested and is showing a pleasing and stable performance with a current gross yield of around 11 percent and a loss rate of only 0.5 percent (including unrealised losses). YIELCO Senior Debt II offers investors an alternative to liquid fixed-income securities, providing stable returns in the high single-digit range as well as strong risk protection and variable-rate loans. A rapid portfolio build-up with a high investment rate from as early as the fourth quarter of 2024 results in a short start-up period. In combination with the low costs, this leads to a very flat or, at best, non-existent J-curve. The secondary market offers us an increasing number of opportunities for rapid portfolio build-up and early interest distributions. In addition to the distributing share class, there is also an accumulating share class available, which ensures efficient capital deployment by automatically reinvesting capital repayments."

YIELCO Specialty Lending II with focus on private debt niche strategies

In addition to YIELCO Senior Debt II, the follow-up product of YIELCO Specialty Lending is currently in the private debt product pipeline with an announced first closing in Q4 2024. The fund of funds focuses on private debt niche strategies with a focus on asset-based loans and thus offers investors thematic diversification to the direct lending market. The predecessor fund is fully allocated and has a portfolio of over 200 loans with an attractive double-digit return.

In addition, YIELCO was able to start working with a new client from the ecclesiastical supply sector this year. Over the next few years, a private debt portfolio of over EUR 100 million is to be built up with a focus on direct lending. The first commitments have already been successfully realised.

The YIELCO partners have a successful track record with more than 20 years of experience in private debt, ensuring access to the world's leading managers with a focus on the attractive small and mid-market segment.

About YIELCO

YIELCO Investments is an independent global private markets investment specialist headquartered in Germany with offices in Switzerland, Spain and Luxembourg. The group manages over EUR 10 billion in capital commitments from institutional investors and invests in the infrastructure, private debt and private equity asset classes.

Disclaimer

This is a marketing advertisement. The *YIELCO Specialty Lending II* fund described in the communication is currently in pre-marketing in accordance with Article 30a of EU Directive 2011/61/EU of 8 June 2011 on Alternative Investment Fund Managers and is therefore not yet open for subscriptions. AlterDomus Management Company S.A. has been appointed as potential AIFM of the fund. The aforementioned funds are offered only to professional investors as defined in Annex II of Directive 2014/65/EU (MIFID II) and semi-professional investors according to § 330 of the German Investment Code (KAGB). Investments in alternative investment funds are highly illiquid and entail a high level of risk. The targeted high returns may not be achieved. The value of an investment may both increase and decrease. There is a risk of a total loss of the invested capital.

Contact for press enquiries

YIELCO Investments AG
Susanne Rizzo
Phone +49 89 2323 9297-36
susanne.rizzo@yielco.com