

SOF IV – Project Klein

Exclusive deal


 Fund Secondary

 GP-led Secondary

 Single Asset Deal

Expected Closing Date: June 2018

Seller type:

Alternative funds

Key investment data

Invested Capital at close	€60-100m (US\$80-120m)
Discount to NAV at close	>5%
Gross multiple at close	1.1x
% funded at close	80%
Use of leverage	No

Description

- Motivated quality GP aiming to recapitalize and extend their 2007 mid-market pan-European fund while providing liquidity to LPs
- Key value driver is largest independent UK premium distributor in its segment, well positioned to benefit from market tailwinds
- Second largest asset is a network of medical and cosmetics UK clinics with a private and affluent customer base
- The portfolio also includes an Italian digital marketing company and a management consulting company with blue chip customers
- Glendower Capital retains discretion on use of follow-on capital

Transaction summary

Number of companies	4
Strategy	Mid-market buyout
Region	Europe / UK
Industries	Business services / Healthcare services
Average age at purchase	9 years

Investment rationale / Glendower Team angle

Glendower Team angle

- Ability to quickly deliver a bespoke solution leveraging Glendower's track record in complex transactions
- Ability to perform extensive diligence, including onsite visits, full access to companies' management and industry specialists
- Long 15-year relationship with the GP founder

Investment rationale

- Four well-invested companies positioned to capture growth opportunities arising from ongoing changes in industry landscape
- Key value driver led by industry veteran with a solid track record
- Value-add potential from recently implemented cost efficiency initiatives
- Opportunity to invest in identified follow-ons at closing, and to contribute additional capital to exploit market dislocations

For discussion purposes only. This investment presented above has not closed, and there is no guarantee that such investment will complete or form part of a future invested portfolio or that it will be available or, after further due diligence, prove suitable for SOF IV. This slide should be read and reviewed in conjunction with the "Important Information" and "Important Performance Information" and "Notes to Investment Performance" sections.



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