



Houlihan
Lokey

MidCapMonitor

An Analysis of Pan-European
PE-Sponsored Debt Financing Activity

Q2 2024



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Executive Summary

01

Executive Summary

Houlihan Lokey is pleased to present its Q2 2024 MidCapMonitor analysis of pan-European, private-equity-sponsored debt financing activity across the U.K., Germany, France, Spain, Benelux, and the Alpine and Nordic regions.

Pan-European unitranche financing activity increased significantly in the second quarter of 2024, with 135 transactions closing in Q2 (compared with 81 transactions in Q1), representing a 67% increase.

The data suggests that companies have adapted to the higher interest rate environment, and with rates having fallen or expected to fall across Europe, deal flow is likely to continue increasing in the second half of the year.

DEALS LANDSCAPE AND MARKET SHARE

The U.K., Germany, France, and Benelux remained strong unitranche geographies in the second quarter of 2024, showing substantial collective growth. The U.K. remains the most active market with 43 deals (up from 35 in Q1, a 23% increase), followed by France with 29 (up from 14, a 107% increase), and Germany with 21 deals (up from 10, a 110% increase).

Debt funds were able to defend their market share versus the banks across most of the key geographies, including the U.K. (77%), Germany (53%), Benelux (76%), and the Nordics (100%). However, in France (41%), Spain (19%), and Austria/Switzerland (14%), debt funds accounted for the minority of transactions in H1, with banks maintaining a stronger presence.

FINANCING PURPOSES

Debt funds continued to actively pursue add-on acquisitions in Q2 2024, with 54 deals closing (40%), driven by sponsors looking to create additional value through buy-and-build transactions. With 55 deals closed, new financings represented 41% of deals in Q2, while 26 refinancings/dividend recapitalisations were executed, accounting for 19% of all deals.

Individual countries showed an encouraging picture of pan-European activity across unitranche deals, with the share of new leveraged buyouts (LBOs) increasing in several geographies. In the U.K., for example, there was a significant increase in LBO financings, which accounted for 43% of all transactions in H1 2024, compared to just 29% in H1 2023, in line with the levels seen in 2021 and 2022. Similarly, LBOs and add-ons represented 87% of all transactions in France, signalling strong market momentum.

PRICING TRENDS

Houlihan Lokey's European subset of its Private Performing Credit Index (PPCI) shows an all-in yield of 10.82% as of Q2 2024, slightly higher than the yield of 10.61% observed in the previous quarter as floating interest rates persisted higher for longer than previously anticipated, which offset the spread compression observed in Q2. This dataset also illustrates that yields for European private credit are currently 240bps higher than the yields on the European Leveraged Loan Index and 74bps lower than the PPCI, which predominantly comprises U.S. private credit market borrowers. The PPCI is drawn from the extensive dataset of quarterly private credit valuations performed by our Financial & Valuation Advisory (FVA) team, whose contact details can be found at the end of these materials.

OVERVIEW AND OUTLOOK

"Q2 2024 marked an increase in European unitranche financing activity, following a typical slowdown in the first quarter," commented Thorsten Weber, Managing Director and Head of Sponsor Finance, DACH, in Houlihan Lokey's Capital Markets Group. "We saw substantial growth in unitranche deals across key European regions, with debt funds not only maintaining but often increasing their market share against banks. While Q1 2024 was largely dominated by add-on acquisitions and characterised by heightened selectivity from direct lenders and private sponsors, the sharp increase in European LBO market activity in Q2 is a promising signal of renewed market confidence."

Patrick Schoennagel, Managing Director and Head of Sponsor Finance, Europe, in Houlihan Lokey's Capital Markets Group, said, "Looking ahead to the second half of 2024, a robust M&A pipeline signals the potential for a continued resurgence in deal activity, further supported by strongly anticipated ECB interest rate cuts in the coming months. Despite banks and debt funds taking a cautious approach to leverage multiples, partly due to rising EURIBOR rates, they remain open to quality assets, which bodes well for the rest of the year."



Market Update

02



European Unitranche Financings Q2 2024 LTM

Key Observations

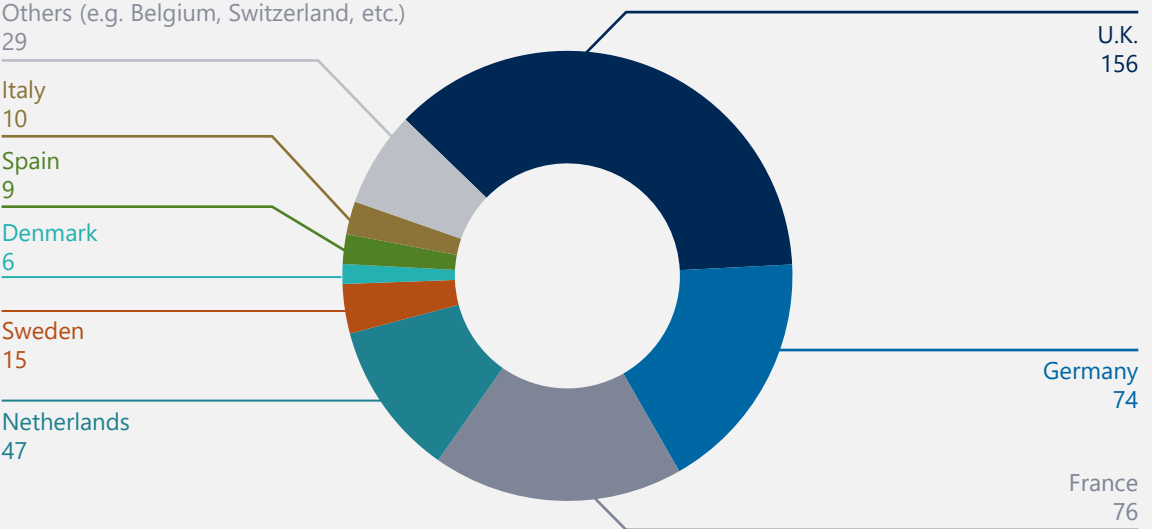
Commentary on Q2 2024

- Financing activity strongly picked up in the second quarter of 2024. With 135 transactions closing during the period, the quarter was some 67% above Q1 2024 (81 deals). Companies have adapted to the higher interest rates, and strong deal flow will likely continue into the second half of the year.
- The U.K., Germany, France, and Benelux remained strong unitranche geographies and showed increased deal activity in Q2. As a result, the number of completed unitranche deals increased by 23%, 110%, 107%, and 42%, respectively, versus Q1 2024.
- Debt funds were able to defend and partially increase their market share versus banks across most of the above key geographies (77%, 53%, 41%, and 76% share, respectively, in H1 2024).
- Debt funds continued to actively pursue add-on acquisitions in Q2 2024, with 54 deals closing (40%), representing a significant share during the period. 55 new financings represented 41% of deals in Q2, whereas 26 refi/dividend recapitalisations were executed (19%).

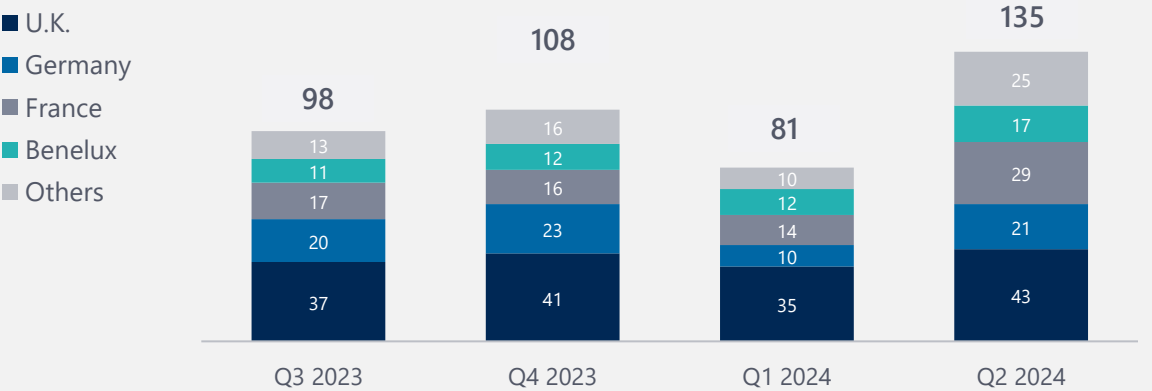
Outlook for Q3 2024

- During H1 2024, financing appetite continued to improve, but at the same time, many sponsors and direct lenders are focusing on their own portfolios, as evidenced by the high proportion of add-ons and refis/recaps, especially in Q2 2024.
- The European LBO market has significantly increased its activity in the second quarter, and an increased pipeline of new transactions has built up, which we expect to deliver good deal flow after the summer and into the second half of 2024.
- Banks and debt funds are open for business with improved appetite, which is reflected in both the leverage and pricing. However, financing parties continue to be selective and focus on quality assets and attractive sectors and debt stories.

Sponsored Unitranches by Geography (Q2 2024 LTM)



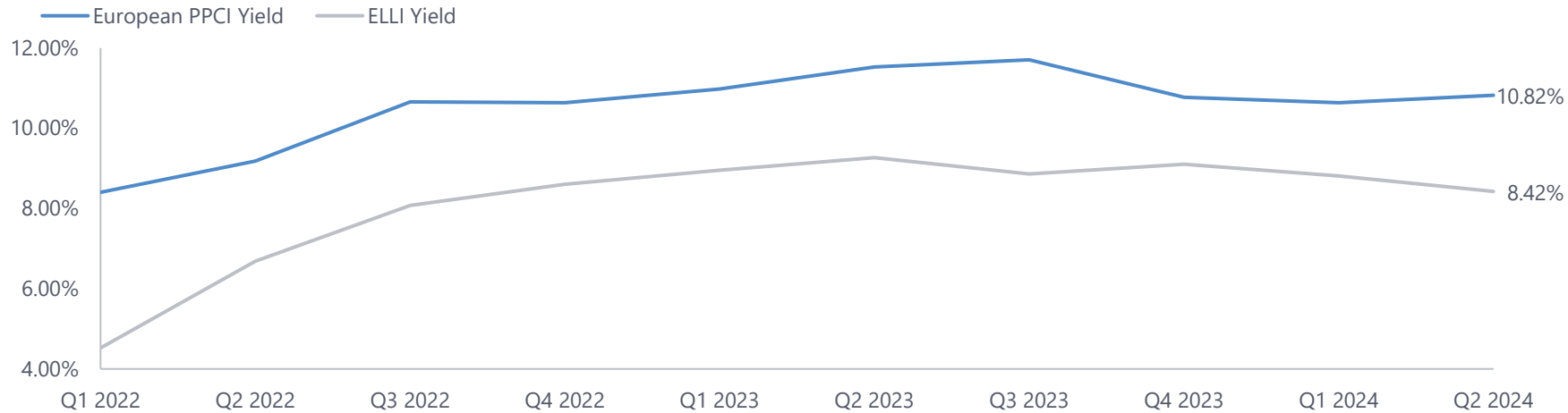
Number of Deals per Quarter





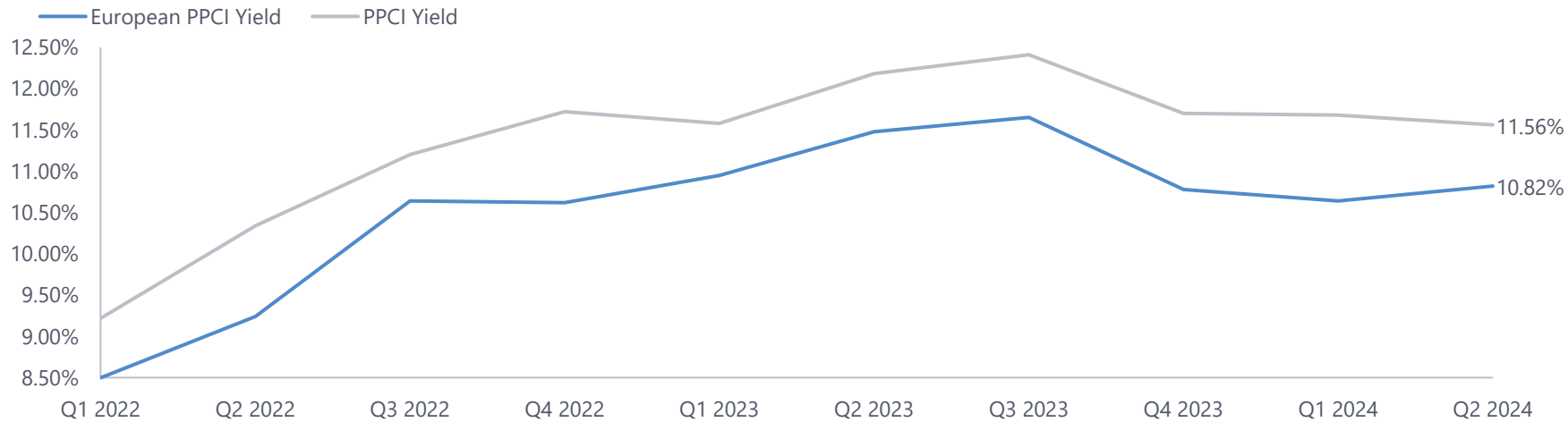
European Private Performing Credit Index (PPCI)

European PPCI vs. European Leveraged Loan Index



European PPCI vs. PPCI

The yield of each quartile is expressed as an IRR in percentage (%) loan.



The PPCI is the weighted average yield of all qualifying private credit loans that Houlihan Lokey values at quarter-end. The PPCI is intended primarily to provide a window to the generally inaccessible universe of performing private credit loans and to act as a basis for comparison to specific assets or other indices to inform discussions of market dynamics.



Debt Market Q2 2024 Germany

Key Observations

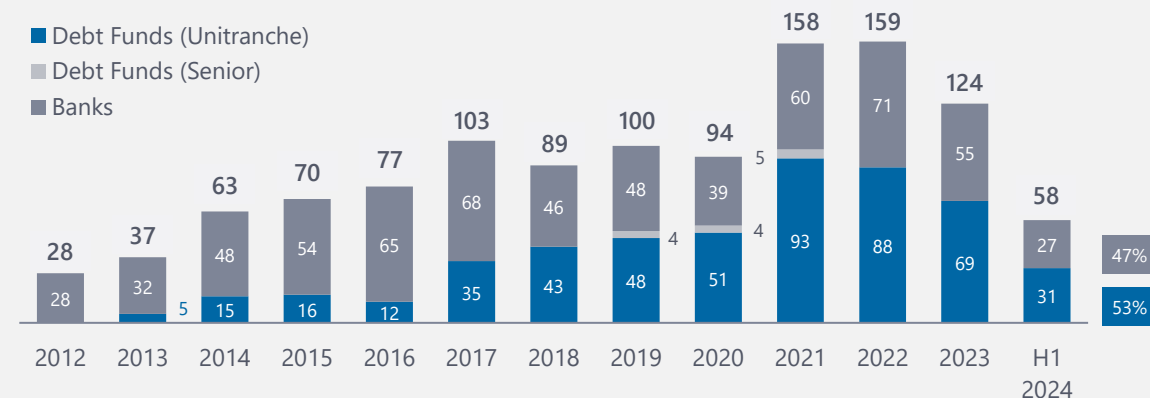
Commentary/Financing Purposes

- After a slow start in Q1 2024 with only 21 deals in the German mid-cap market, activity strongly picked up in the second quarter of 2024. With 37 transactions closing in Q2, the quarter was 76% above Q1. Companies have adapted to increased energy costs and higher interest rates, and strong deal flow will likely continue into the second half of the year.
- Debt funds and banks were fairly active in Q2 2024, confirming they remain open for the right assets. With 43% of deals done in the second quarter, banks were able to keep a significant market share, whereas debt funds financed 57% of completed deals in Q2 2024. This compares to 47% (banks) and 53% (debt funds) for H1 2024.
- Deal flow by sector fluctuated in Q2 2024 compared to the first quarter. For H1 2024, deals from the software and technology segment represent the largest share, with 26% (+12%), followed by services (24%, -3%) and industrial products and manufacturing (16%, +2%). Healthcare (17%, -6%) and consumer (14%, -9%) showed the largest decreases in the second quarter.
- In Q2, the share of add-on financings decreased significantly to 22% of all transactions, down from 48% in Q1 2024. On the other hand, refi/dividend recaps showed a strong increase from 24% in Q1 2024 to 40% in Q2 2024. The share of new transactions also increased, from 28% in Q1 2024 to 38% in Q2. Overall, this proves that in Q2, sponsors took advantage of the fact that lenders were highly supportive of refinancing/dividend recaps again. Nevertheless, considering the first half of 2024, the share of add-on financings still represents almost one-third of the market.
- In Q2, the M&A market for German mid-cap deals has adapted to the increased interest rate environment, and we are optimistic that deal flow will continue its strong performance after the summer and into the second half of 2024.
- Even though banks and debt funds have become more conservative regarding leverage multiples (considering the increased EURIBOR rates), they are generally open for business and highly supportive of quality assets.

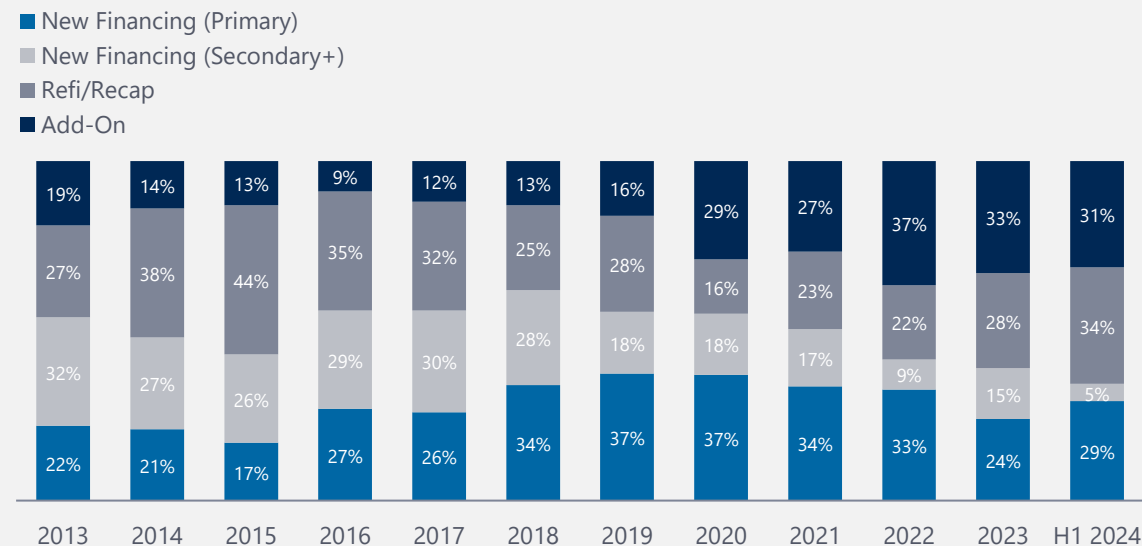
Note: Figures may not add up to 100% due to rounding.
 (1) By number of deals.

Number of Deals/Market Share

TOTAL NUMBER OF DEALS IN THE GERMAN MARKET (SENIOR AND UNITRANCHE)



FINANCING PURPOSES IN THE GERMAN MARKET (SENIOR AND UNITRANCHE)⁽¹⁾

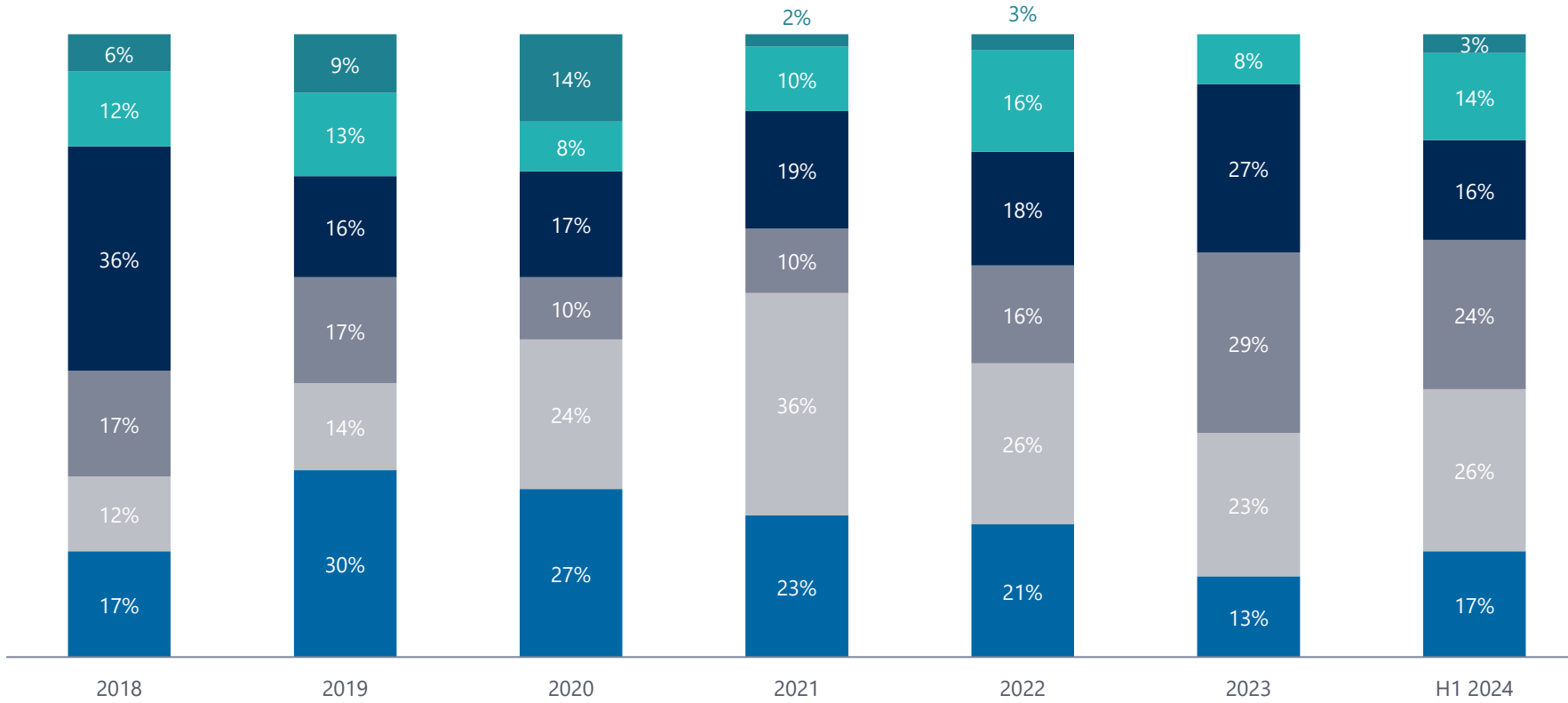




German Unitranche and Senior Deals by Sector

Commentary/Financing Purposes

- Healthcare
- Software and Technology
- Services
- Industrial Products and Manufacturing
- Consumer
- Other



Note: Figures may not add up to 100% due to rounding.

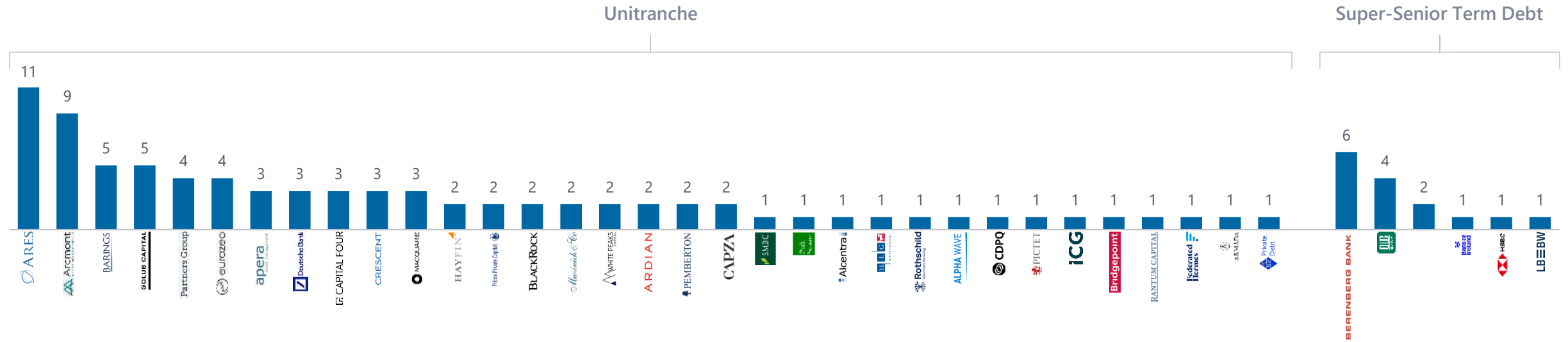
Deal flow by sector fluctuated in Q2 2024 compared to the first quarter.

For H1 2024, deals from the software and technology segment represent the largest share, with 26% (+12%), followed by services (24%, -3%) and industrial products and manufacturing (16%, +2%). Healthcare (17%, -6%) and consumer (14%, -9%) showed the largest decreases in the second quarter.

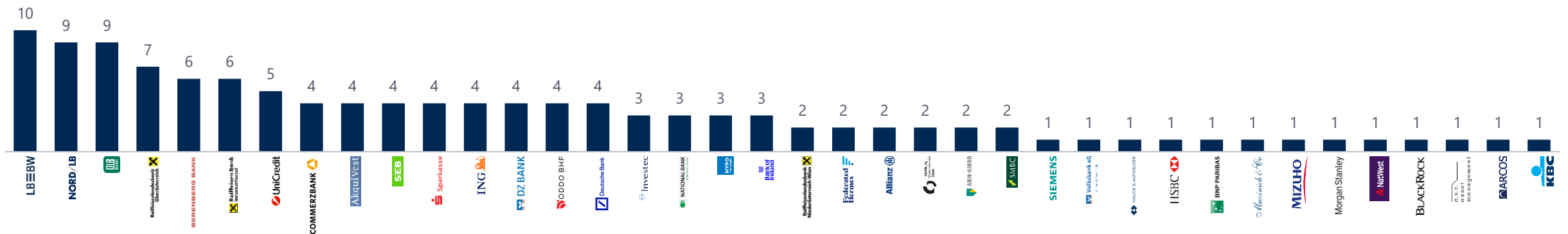


Debt Market Q2 2024 Germany

German Unitranche Lenders by Deal Count (Q2 2024 LTM)



German Senior Lenders by Deal Count (Q2 2024 LTM)





Debt Market Q2 2024 U.K.

Key Observations

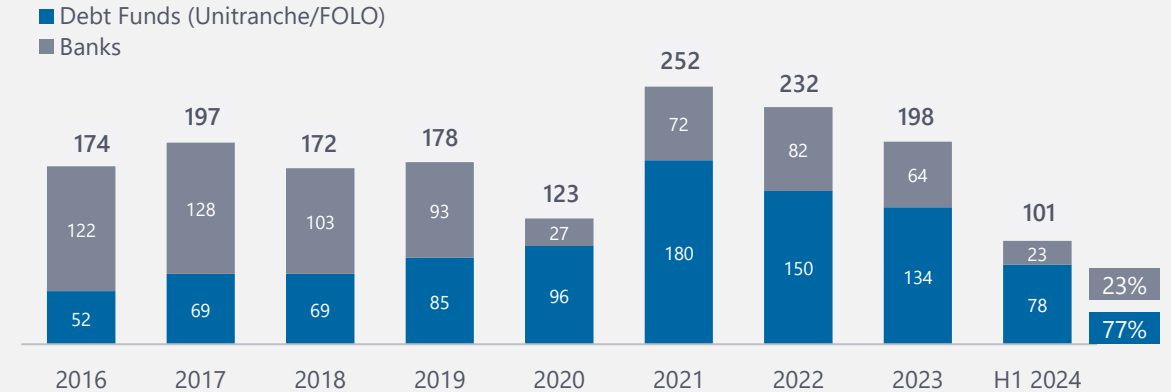
Commentary/Financing Purposes

- Financing activity has been strong in the U.K. in Q2 2024, with 55 transactions completed, a 2% increase compared to Q2 2023.
 - Q2 2024 has also seen a c. 20% increase in the number of transactions compared to Q1 2024, which is unsurprising as Q1 has historically been a low-volume quarter.
 - For H1 2024, we are observing a 7% increase compared to last year, with a total of 101 transactions.
 - This strong level of activity is supported by the improvement of the M&A market and a good level of appetite from credit funds with pressure to deploy.
- The U.K. market remains dominated by transactions from debt funds (77% of total transactions in Q2 2024), with 43 transactions completed for this quarter, compared to 12 for the banks.
 - We note a significant shift from bank to credit fund deals this year, supported by the renewed appetite from credit funds, with a 47% increase in credit fund transactions in H1 2024 compared to H1 2023.
 - Over the same period, the number of bank transactions has reduced by 44%.
- We are also observing a continued shift in terms of financing purposes, with new LBO financing activity at 42% for H1 2024. The increase from 2023 (29% of the total deals) is driven by a more active M&A market.
 - These levels of new LBO financings are in line with levels seen in 2021 and 2022.
 - Refinancings/recaps account for 21% of the total transactions, compared to 16% in Q1 2024. This increase is due, in part, to improved debt conditions but, more importantly, to existing facilities coming to maturity.
- Debt market conditions have remained strong in the U.K. and significantly improved compared to last year, with lower pricing and a higher level of leverage driven by a strong level of liquidity.

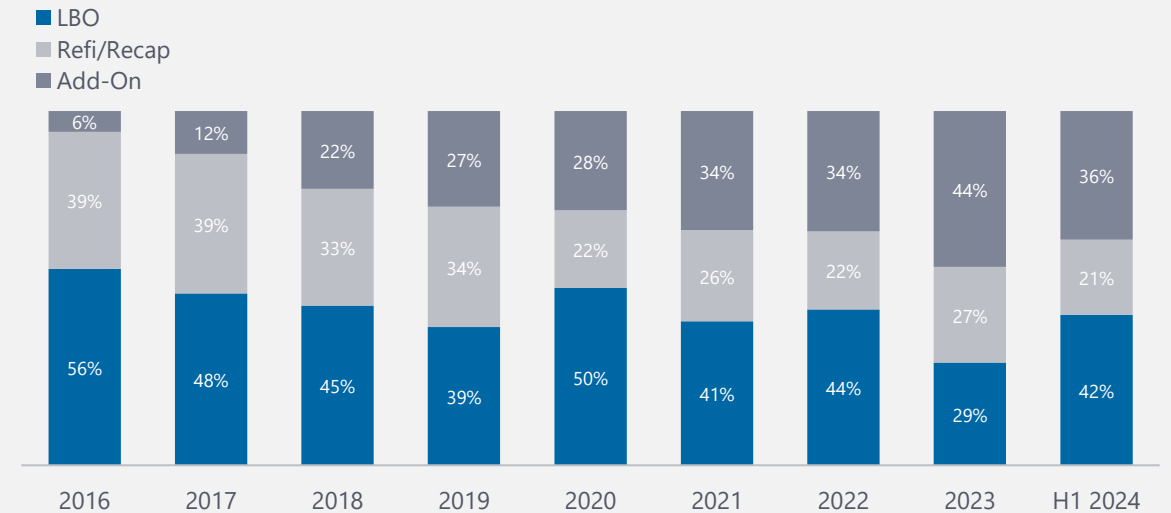
Note: Figures may not add up to 100% due to rounding.
 (1) By number of deals.

Number of Deals/Market Share

TOTAL NUMBER OF DEALS IN THE U.K. MARKET (SENIOR AND UNITRANCHE)



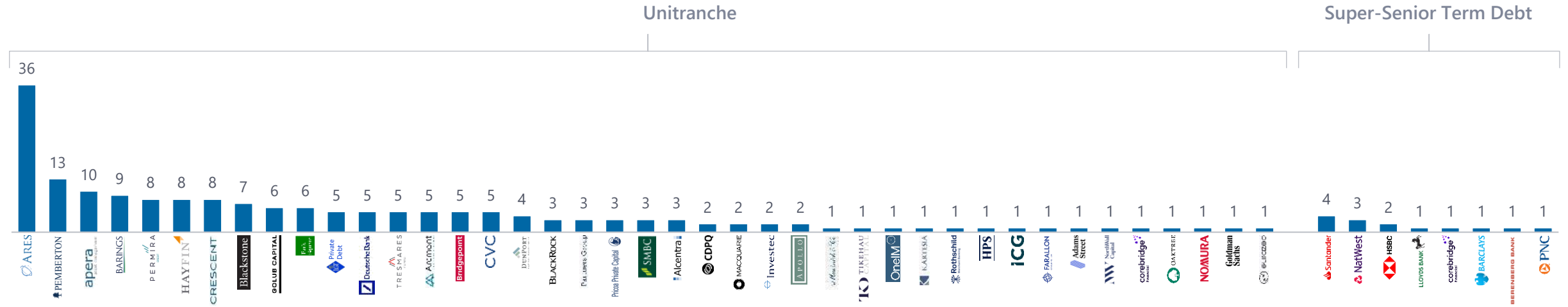
FINANCING PURPOSES IN THE U.K. MARKET (SENIOR AND UNITRANCHE)⁽¹⁾





Debt Market Q2 2024 U.K.

U.K. Unitranche Lenders by Deal Count (Q2 2024 LTM)



U.K. Senior Lenders by Deal Count (Q2 2024 LTM)





Debt Market Q2 2024 France

Key Observations

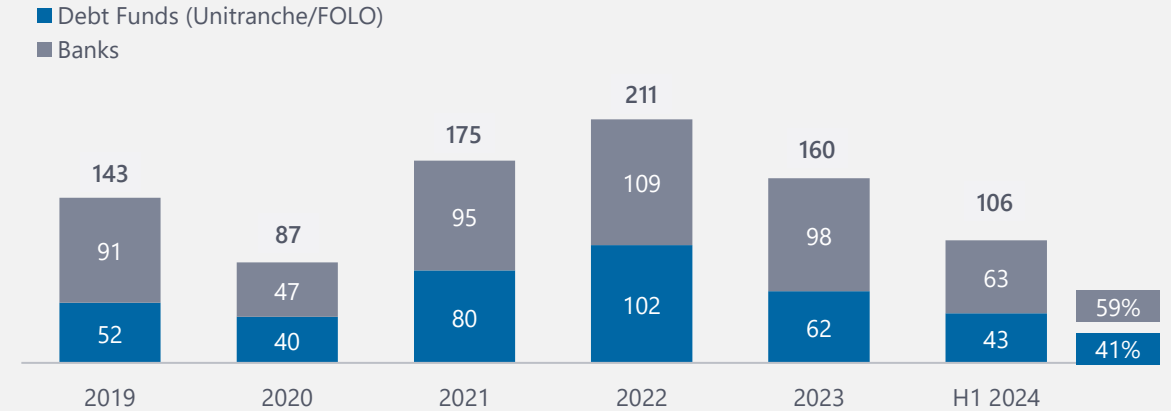
Commentary/Financing Purposes

- With a total of 55 transactions in Q2 2024, the French market has delivered a significantly higher number of transactions than in the same period last year (c. 67% increase from Q2 2023).
 - This quarter’s deal flow in France represents an increase of c. 8% compared to the previous quarter (51 deals in Q1 2024).
 - 2024 is also off to a good start compared to 2023, with 43% more financings completed in H1 2024 than in H1 2023.
 - Overall, after a challenging year in 2023, the French mid-market has maintained the strong momentum regained in Q1 2024, with LBOs and add-ons representing 87% of all transactions.
- In terms of financing types, the market continues to be dominated by new LBO activity driven by strong M&A volumes (56% of total transactions).
 - On the contrary, the number of refinancings has been limited (13% of total transactions vs. 19% last year) back to 2019–2022 levels.
- Banks continue to dominate the French market, with an impressive market share of 59% for H1 2024 (63 transactions during the period).
 - However, we note that credit funds have had a significant presence in the French market this quarter, having completed 29 deals in the period, a c. 107% increase from Q1 2024.
- While the market remains somewhat bifurcated, financing conditions appear to have improved significantly, with lower pricing and increased leverage levels supporting the expected uptick in M&A activity in 2024.
 - If the market continues to improve, as seen currently, we can expect to see a record number of transactions take place in 2024.

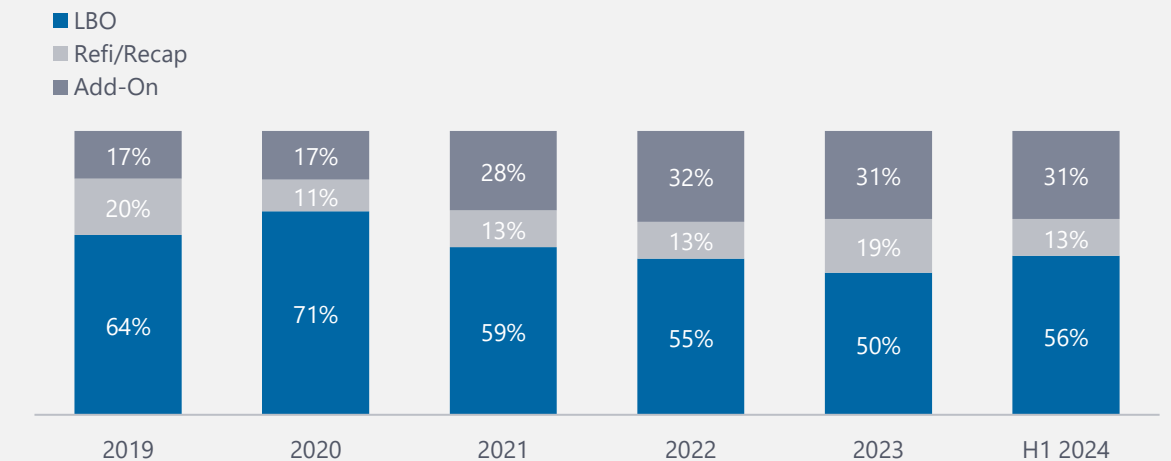
Note: Figures may not add up to 100% due to rounding.
 (1) By number of deals.

Number of Deals/Market Share

TOTAL NUMBER OF DEALS IN THE FRENCH MARKET (SENIOR AND UNITRANCHE)



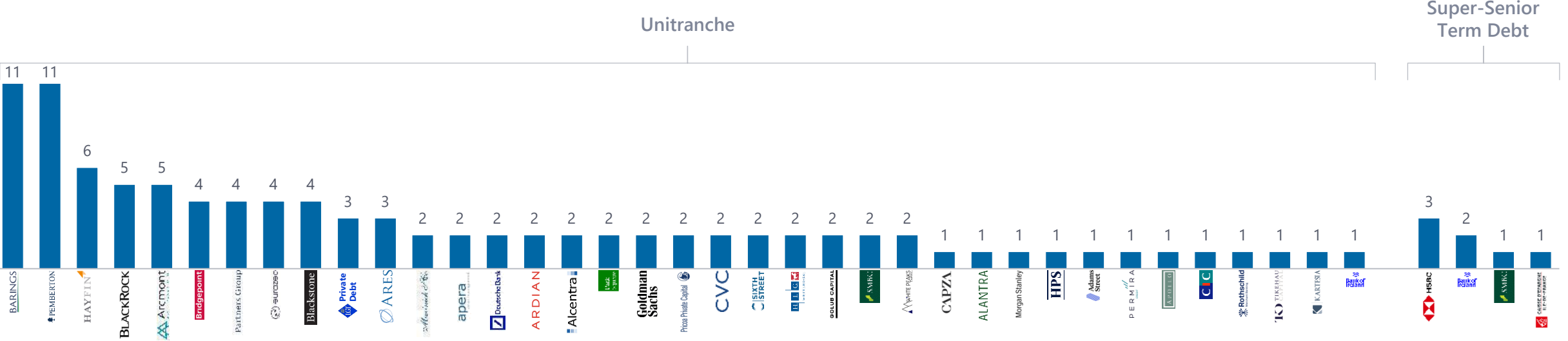
FINANCING PURPOSES IN THE FRENCH MARKET (SENIOR AND UNITRANCHE)⁽¹⁾



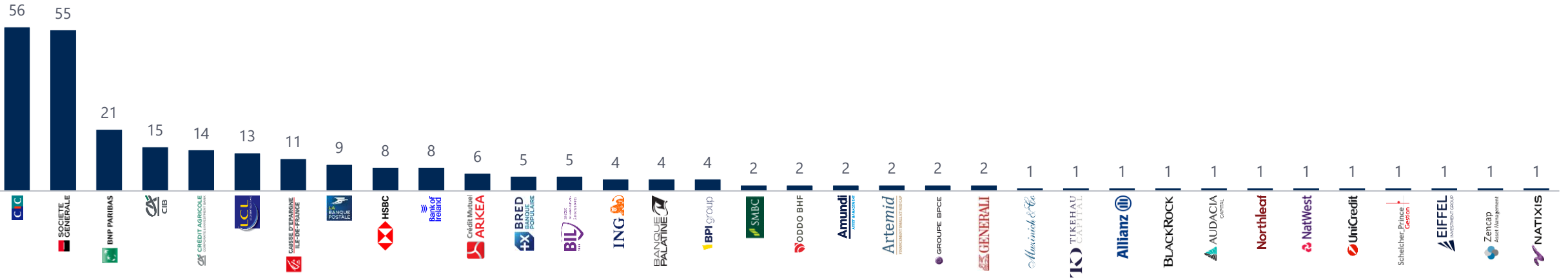


Debt Market Q2 2024 France

French Unitranch Lenders by Deal Count (Q2 2024 LTM)



French Senior Lenders by Deal Count (Q2 2024 LTM)





Debt Market Q2 2024 Spain

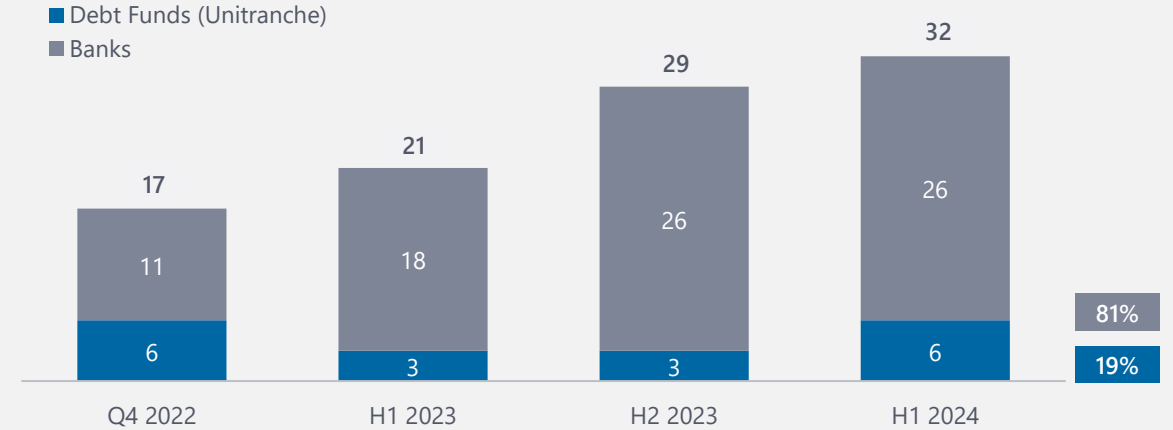
Key Observations

Commentary/Financing Purposes

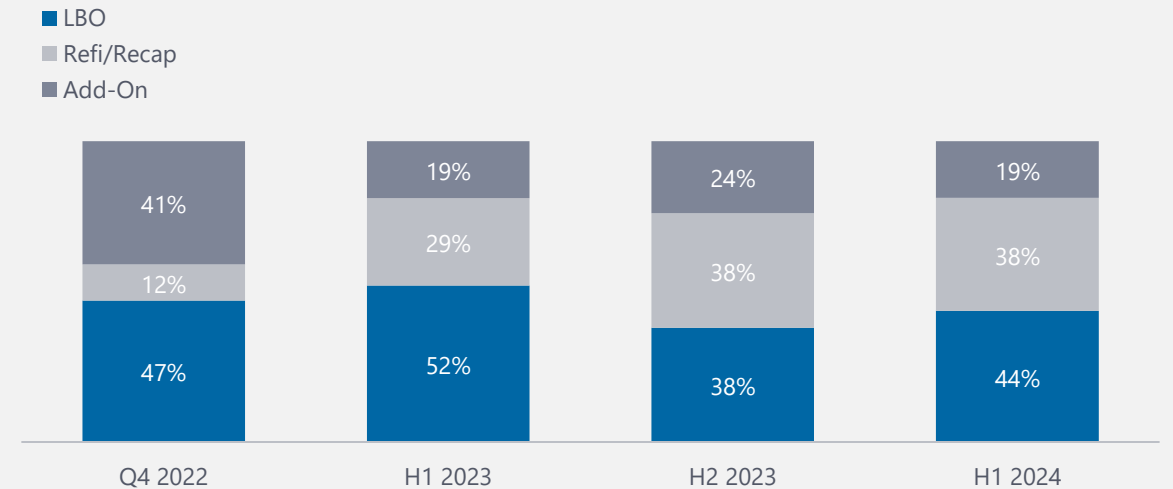
- Since the launch of the Spanish section in the MidCapMonitor in Q4 2022, we have continued gathering and disclosing more information from the current and previous quarters.
- In H1 2024, we observed 32 transactions that fit the MidCapMonitor criteria. Of these, 26 were senior financing, and 6 were unitranche, an increase of 52% compared to H1 2023.
 - LBOs and refinancings were the most common type of transaction, and BBVA, Caixa Bank, and Santander were the most active lenders.
- PE activity has improved, driven by greater macroeconomic conditions and better visibility of interest rates. We expect the PE market to continue to recover in the following quarters.
- As per the previous quarter, it is important to note that the nature and size of the Spanish market means there is a considerable amount of deal activity below €20 million, which is not included in the scope of this report.

Number of Deals/Market Share

TOTAL NUMBER OF DEALS IN THE SPANISH MARKET (SENIOR AND UNITRANCHE)



FINANCING PURPOSES IN THE SPANISH MARKET (SENIOR AND UNITRANCHE)⁽¹⁾

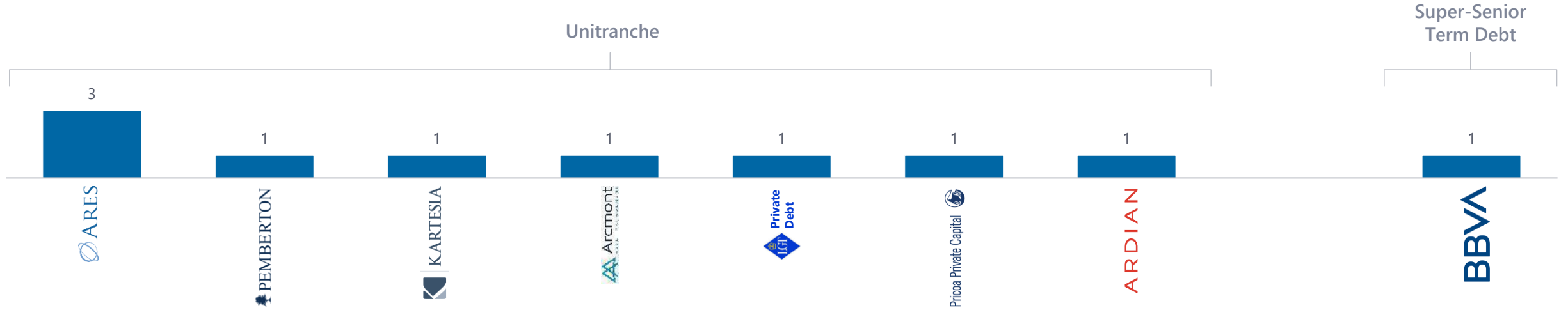


Note: Figures may not add up to 100% due to rounding.
 (1) By number of deals.

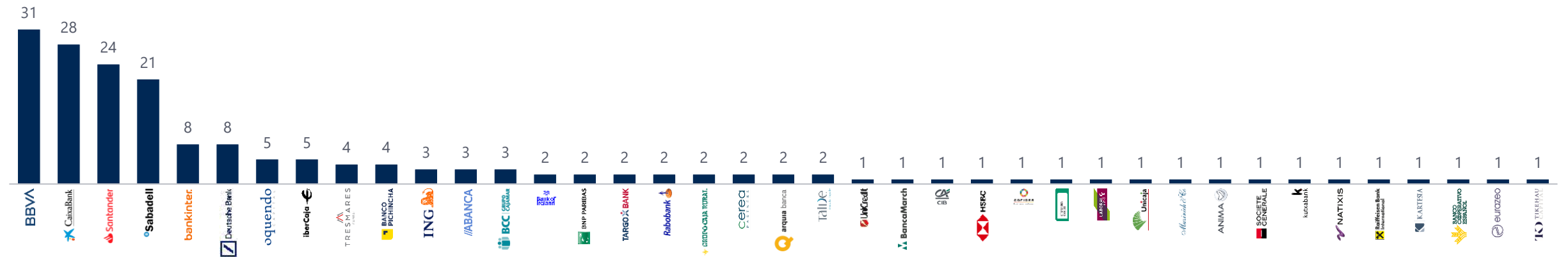


Debt Market Q2 2024 Spain

Spanish Unitranche Lenders by Deal Count (Q2 2024 LTM)



Spanish Senior Lenders by Deal Count (Q2 2024 LTM)





Debt Market Q2 2024 Austria/Switzerland

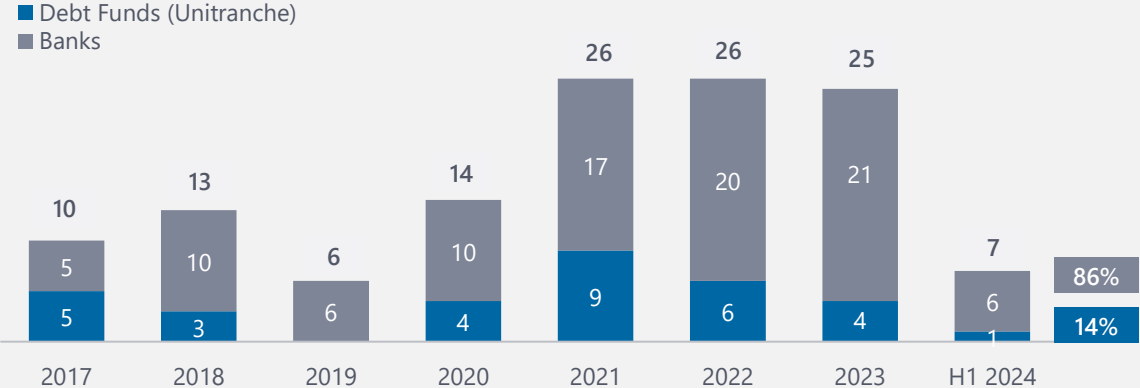
Key Observations

Commentary/Financing Purposes

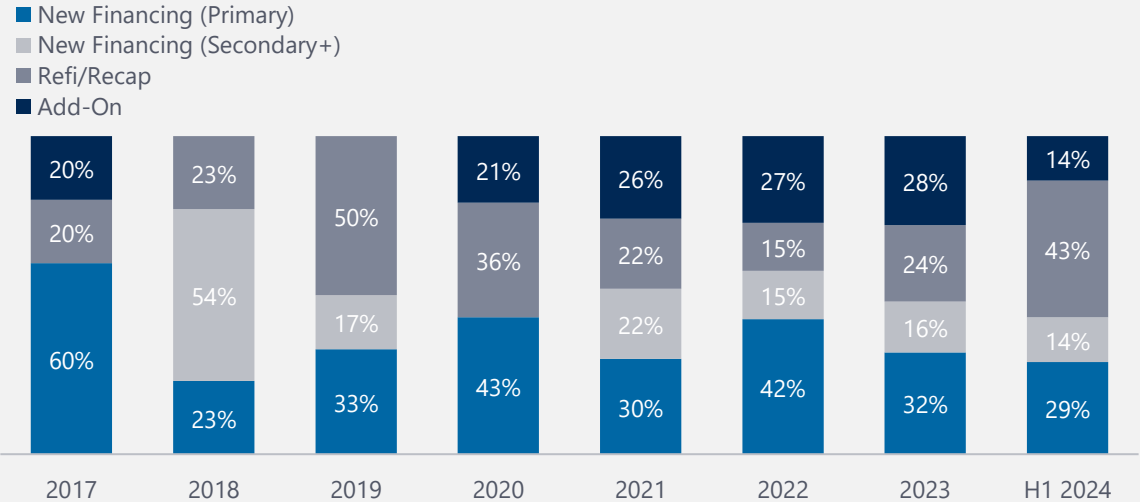
- With a total of only three transactions in Q2 2024 (-25%), the Alpine region’s deal activity has decreased compared to the level it delivered in Q1 2024, although on an overall small deal volume. Notably, the Austrian market came back to life in Q1 2024 by providing one transaction (25%). However, most deals were executed in Switzerland (75%).
- In Q2 2024, the Swiss market continued to be dominated by large national players.
- Bank lenders provided 100% of all financings completed in the Alpine region in Q2. Although one debt fund financing was provided in the first quarter, banks were able to finance 86% of transactions reported in H1 2024. This compares to 14% unitranche financings of all deals in H1 2024.
- Although on an overall small deal volume, in Q2, the lion’s share of deals was refi/divided recaps, representing 67% of closed deals.

Number of Deals/Market Share

TOTAL NUMBER OF DEALS IN THE ALPINE MARKET (SENIOR AND UNITRANCHE)



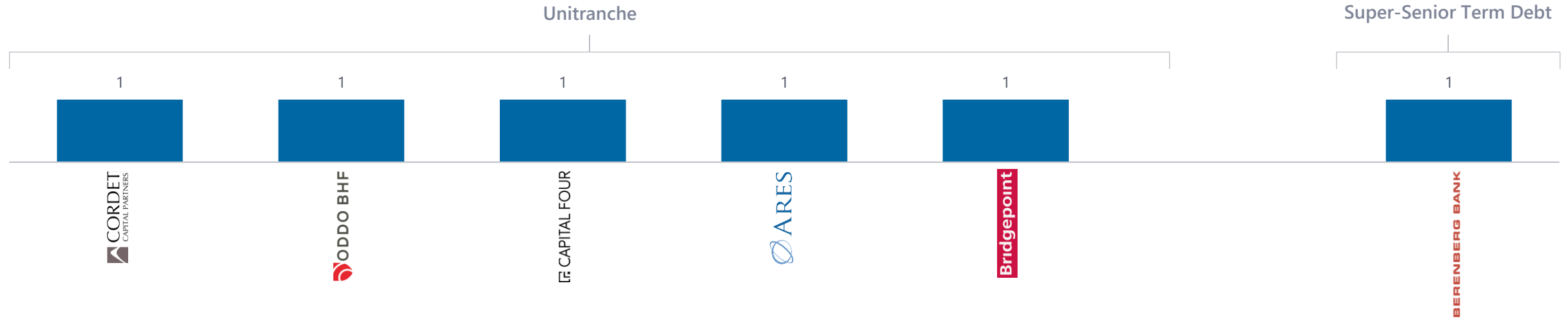
FINANCING PURPOSES IN THE ALPINE MARKET (SENIOR AND UNITRANCHE)⁽¹⁾



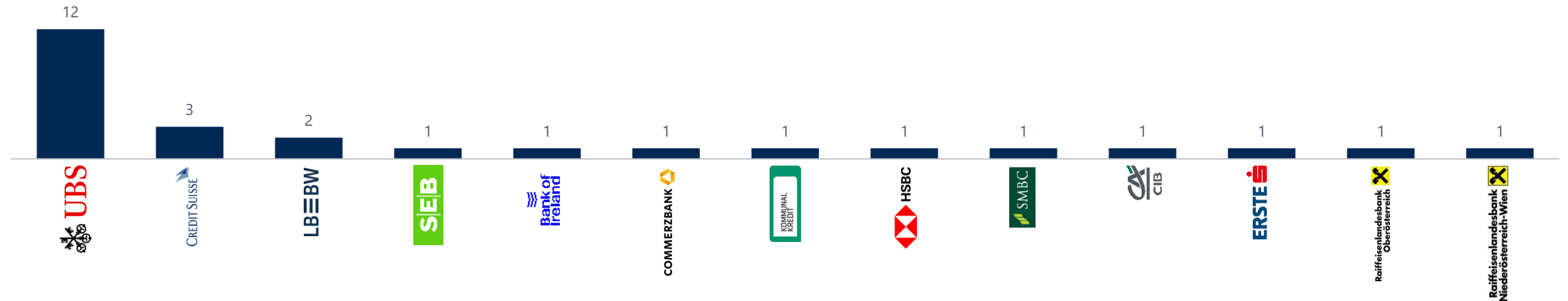
Note: Figures may not add up to 100% due to rounding.
 (1) By number of deals.

Debt Market Q2 2024 Austria/Switzerland

Alpine Unitranch Lenders by Deal Count (Q2 2024 LTM)



Alpine Senior Lenders by Deal Count (Q2 2024 LTM)



Debt Market Q2 2024 Benelux

Key Observations

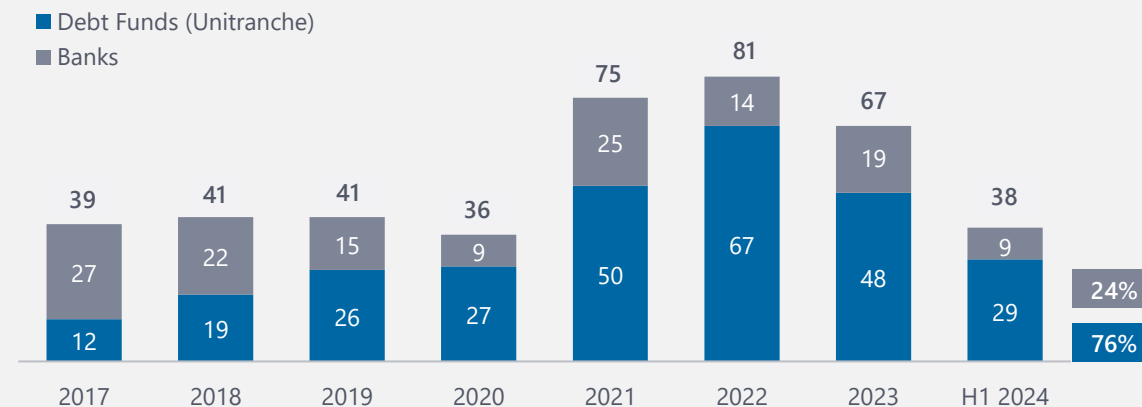


Commentary/Financing Purposes

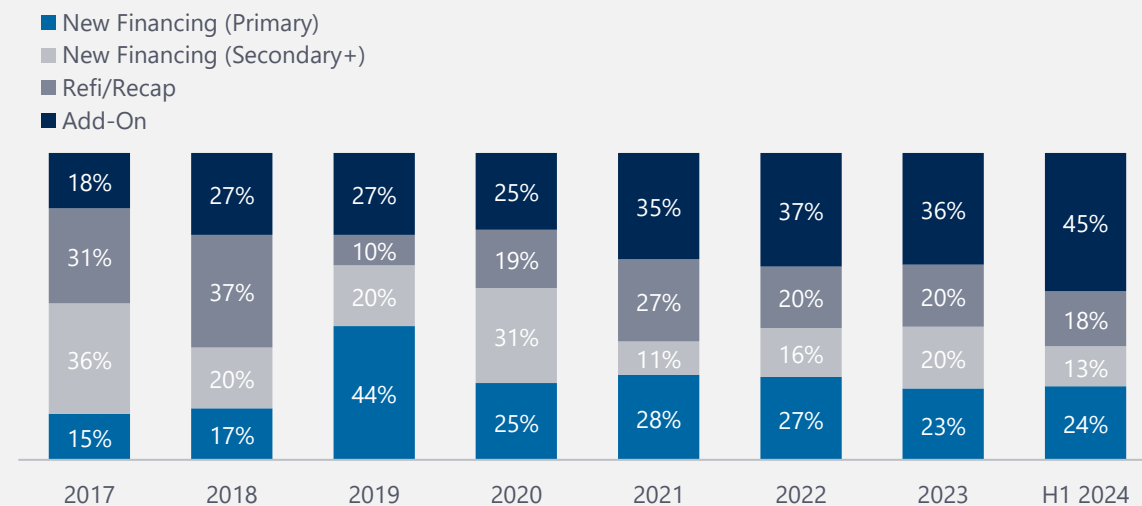
- In Q2 2024, the Benelux market showed a strong increase compared to Q1 2024 (15), with 22 transactions closing during the period (+38%).
- Again, the strong performance in the Netherlands, representing approximately 73% of all completed deals in Q2 2024, was a key driver for this market development. Belgium had a strong quarter, commanding a 23% market share, which was completed by Luxembourg (4%).
- Although banks improved their deal activity in 2023 and during Q1 2024, debt funds continue to dominate the market, having closed 77% of all completed transactions in Q2 2024 (compared to c. 75% in Q1 2024).
- The share of add-on financings in Q2 2024 (50%) has strongly increased in Benelux compared to Q1 2024 (38%). This came especially at the expense of new LBOs, with 32% (-12%). Refi/dividend recaps remained at c. 19%. Notably, in H1 2024, add-on financings represent close to half of the Benelux market.

Number of Deals/Market Share

TOTAL NUMBER OF DEALS IN THE BENELUX MARKET (SENIOR AND UNITRANCHE)



FINANCING PURPOSES IN THE BENELUX MARKET (SENIOR AND UNITRANCHE)⁽¹⁾

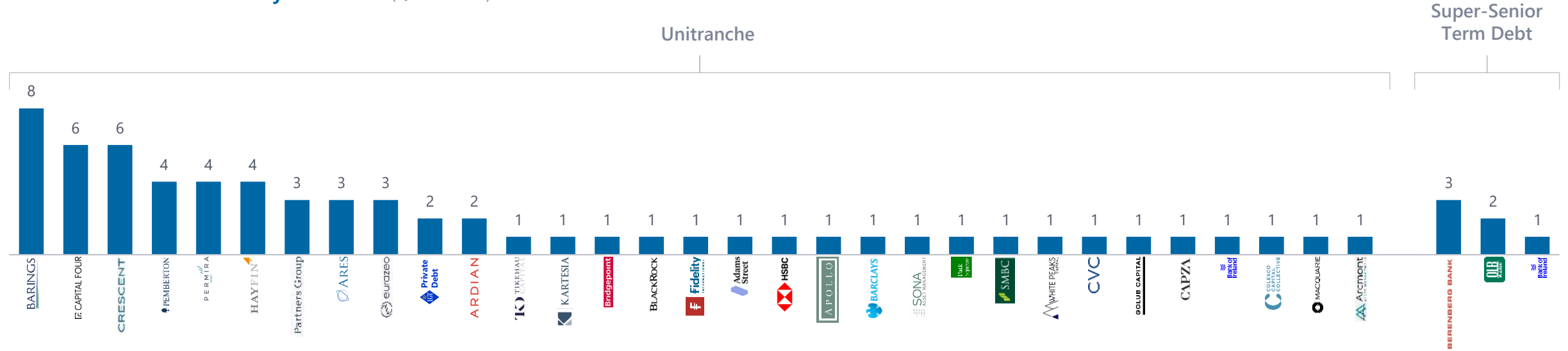


Note: Figures may not add up to 100% due to rounding.
 (1) By number of deals.

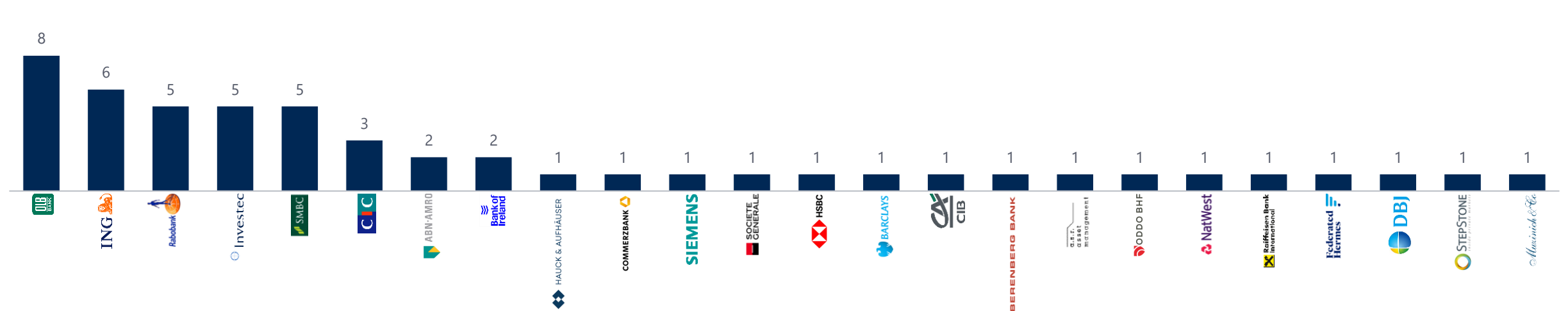


Debt Market Q2 2024 Benelux

Benelux Unitranche Lenders by Deal Count (Q2 2024 LTM)



Benelux Senior Lenders by Deal Count (Q2 2024 LTM)



Debt Market Q2 2024 Nordics

Key Observations

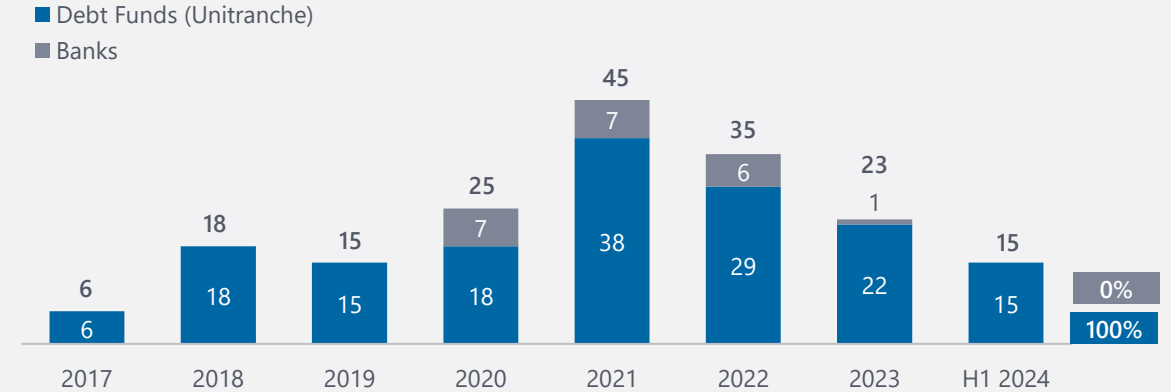


Commentary/Financing Purposes

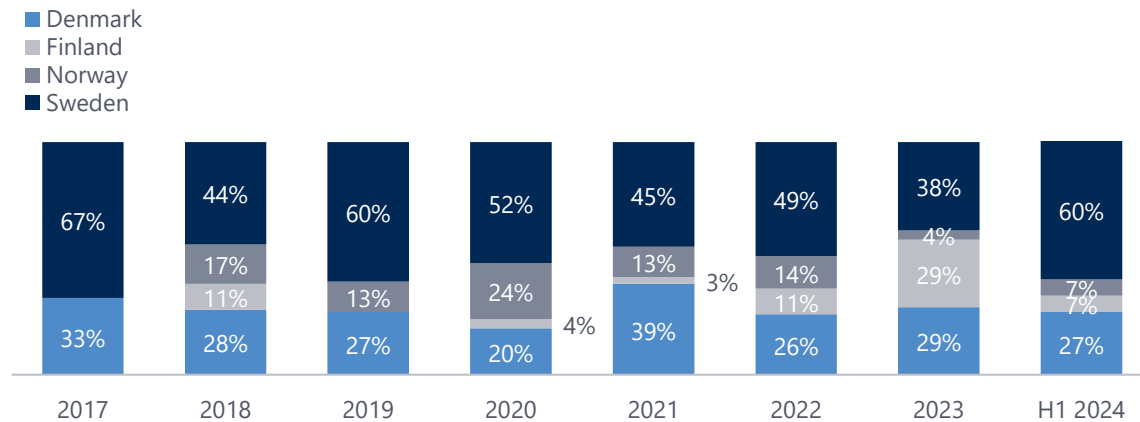
- After very low activity in Q1 2024 (4 deals), the Nordic market showed an exceptionally strong increase in Q2, completing 11 transactions during the period (+175%).
- Deal activity was strong in Q2 2024, especially in Sweden and Denmark. As a result, for H1 2024, Sweden is leading the Nordic region with a 60% market share, followed by Denmark with 27%, while Finland and Norway each have a share of 7% of closed transactions in the region.
- While many banks are offering senior financings in the Nordic region, debt funds are currently dominating the LBO financing market with a share of 100% for Q2 2024.

Number of Deals/Market Share

TOTAL NUMBER OF DEALS IN THE NORDIC MARKET (SENIOR AND UNITRANCHE)

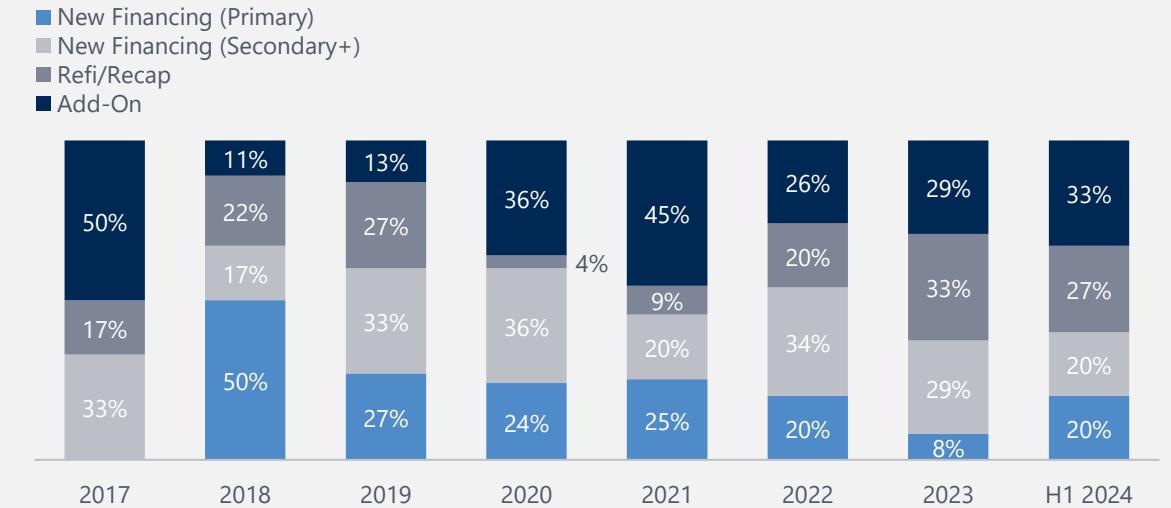


DEALS BY COUNTRY IN THE NORDIC MARKET (SENIOR AND UNITRANCHE)⁽¹⁾



Note: Figures may not add up to 100% due to rounding.
 (1) Nordic senior deals have only been tracked by Houlihan Lokey since Q1 2020.
 (2) By number of deals.

FINANCING PURPOSES IN THE NORDIC MARKET (SENIOR AND UNITRANCHE)⁽²⁾

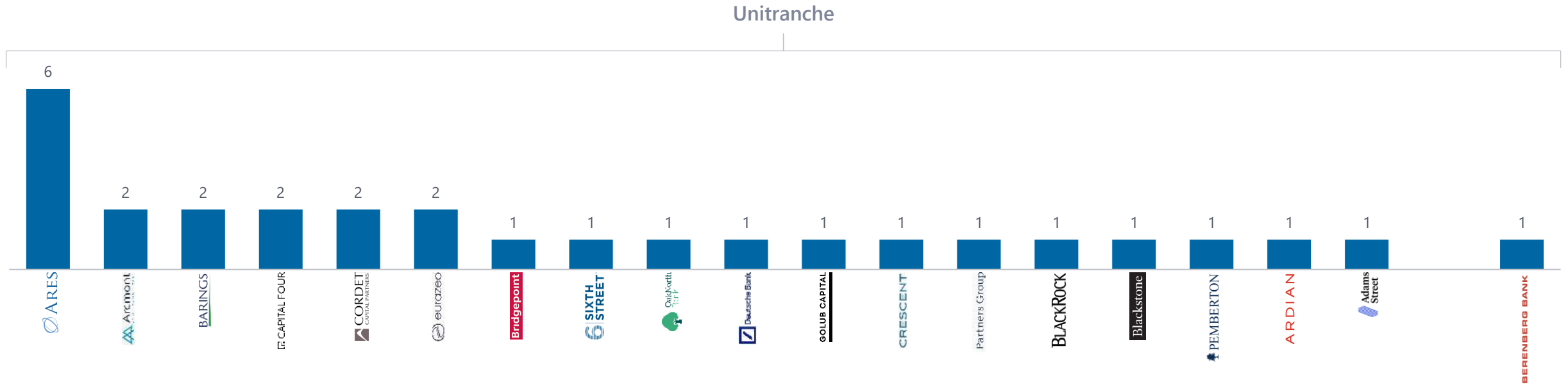


Debt Market Q2 2024

Nordics



Nordic Unitranche Lenders by Deal Count (Q2 2024 LTM)

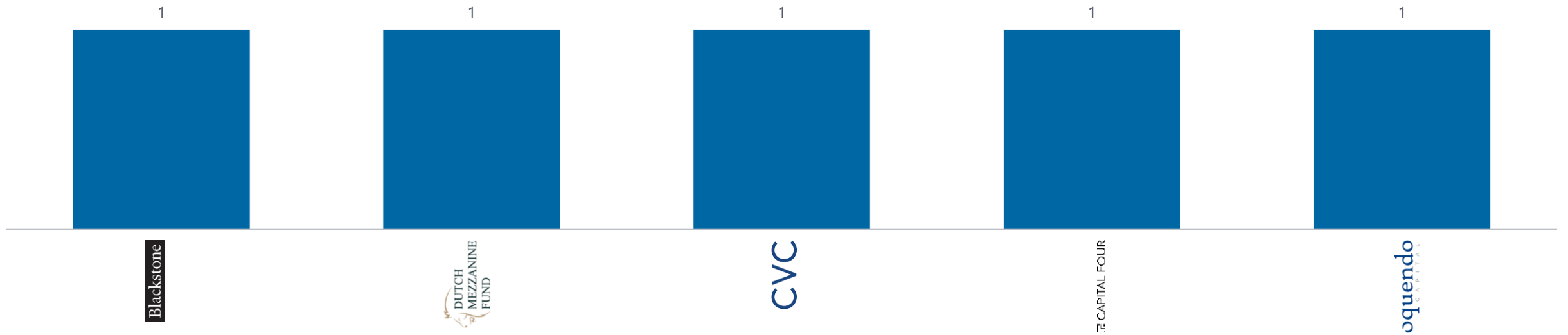


European Subordinated Debt Financings

Q2 2024 LTM



European Subordinated Debt Lenders by Deal Count (Q2 2024 LTM)

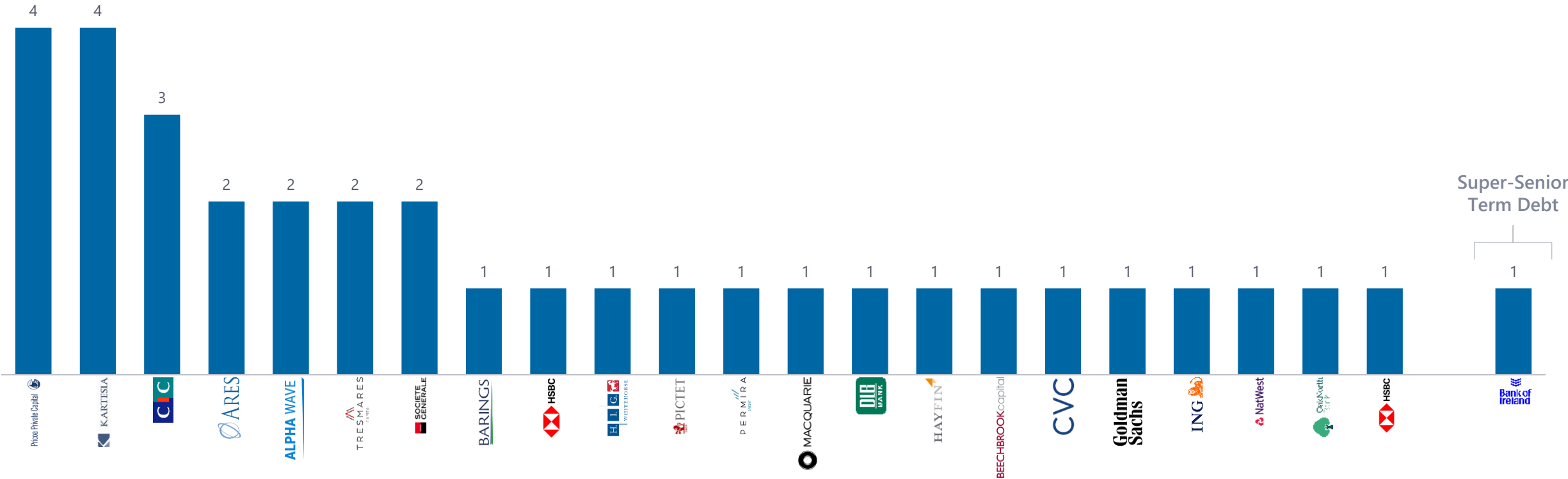




European Nonsponsored Debt Financings

Q2 2024 LTM

European Nonsponsored Debt Lenders by Deal Count (Q2 2024 LTM)





About The Houlihan Lokey
MidCapMonitor

03

Houlihan Lokey's European Financing Advisory Team



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Houlihan Lokey MidCapMonitor Q2 2024 LTM

The Houlihan Lokey MidCapMonitor surveyed 768 European financings in Q2 2024 LTM and is distributed to more than 2,900 recipients from over 940 institutions.

Distribution Statistic

>960	PE Contacts
>680	Bank Contacts
>640	Debt Fund Contacts
>620	Other Contacts (Law Firms, Corporates)



Houlihan Lokey
MidCapMonitor
Q2 2024 LTM

Transaction Statistic

Unitranche Financings	∑ 422
Senior Financings	∑ 319
Subdebt Financings	∑ 5
Nonsponsored Financings	∑ 31

Houlihan Lokey MidCapMonitor **Classification Rules**

- Target is located in DACH, U.K., France, Spain, Benelux, or the Nordic region, in case of unitranche and subordinated debt financings in Europe.
- Target has a PE background, in case of sections 2, 3, and 4 (subdebt).
- Term debt value of senior incl. second lien (2L) and unitranche financings is between €20 million and €500 million.
- Term debt value of subordinated debt financings is between €10 million and €250 million.
- In either case, the total financing volume does not exceed €500 million.
- For a financing to be included as a recap, refi, or add-on, a minimum of €20 million debt (“fresh money” next to a potentially refinanced debt amount) has to be drawn—accordingly, a minimum of €10 million debt (fresh money) in the subordinated debt category.
- The unitranche section only considers banks that participated with a first-out term loan in a unitranche structure. The sole provision of a super-senior RCF by a bank next to a unitranche is not taken into account.
- Regarding senior Germany financings, the MidCapMonitor aims to distinguish between club financiers or underwriters, respectively, and participants in the course of a syndication. Based on the signing of the original credit documentation, the classification will be determined:
 - “✓” applies to every member in a club financing (irrespective of title or ticket size) OR in a financing with an underwriting to every underwriting bank.
 - “(✓)” applies to all other financiers who have joined after signing the transaction.
- The deal count of the overview primarily refers to the arrangement (i.e. “✓”) of a transaction, and in the event of financiers having the same deal count, participations (“(✓)”) will be considered. In the case of parties having the same overall count, they are then shown in alphabetical order.
- Sources for the data presented are Debtwire, LCD, and public information as well as communication between Houlihan Lokey and various parties for the purposes of gathering the data for this publication.





Data—Unitranche
Europe

04



Data—
Senior Debt and Unitranche
Germany



Data—
Senior Debt and Unitranche
U.K.

04



Senior Debt Financings U.K.

Q2 2024–Q1 2024

Period	Company	Transaction	Advisor	HSBC	NetWest	Investec	BARCLAYS	ING	LLOYDS BANK	Santander	Bank of Ireland	BARINGS	SMBC	Crédit Agricole	BNP PARIBAS	CIB	North Well Capital	citi	RBC	BLACKROCK	shawbrook	CREDIT SUISSE	SEB	BEECHBROOK capital
Q2 2024	Red Engine	Refi	TDR					✓																
	Chime	Add-on	Providence					✓																
	Empowering Learning	Recap	Graphite	✓	✓																			
	Kee Safety	Add-on	ICG	✓						✓														
	Sustainable Energy First		Beech Tree Private Equity						✓															
	The Coach Travel Group		H2 Equity Partners						✓															
	Compleat	Add-on	PAI Partners	✓									✓											
	Stonbury	Refi	LDC	✓																				
	Avantia	Recap	ECI	✓																				
	Impact Futures		August Equity	✓																				
	Amey	Recap	Buckthorn	✓																				
Ascent	Add-on	Horizon Capital	✓																					
Deal Count Q2 2024				8	1	2	2	0	1	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0
Q1 2024	Oxford International	Refi	THI Investments	✓				✓																
	Com Laude		PX3 Partners					✓																
	Brintons	Refi	Argand/LDC	✓																				
	Audley Travel	Refi	3i	✓																				
	Hanson Wade	Refi	Graphite	✓																				
	TXO Systems	Add-on	TowerBrook	✓																				
	Buttress Group		H2	✓																				
	A-Gas		KKR	✓																				
	Pareto Facilities Management		Pictet	✓																				
	Independence Products Limited	Refi	Graphite	✓																				
	Acteon		Buckthorn	✓																				
Deal Count Q1 2024				10	0	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Deal Count Q2 2024 LTM				30	9	8	6	5	4	4	3	2	2	2	2	1	1	1	1	1	1	1	1	1





Senior Debt Financings U.K.

Q4 2023–Q3 2023

Q4 2023	Chime	Refi	Providence	✓	✓	✓	✓	✓	✓	✓					✓												
	ATPI		ICG	✓	✓	✓		✓	✓		✓																
	Love Holidays	Refi	Livingbridge	✓	✓		✓		✓								✓										
	GLAS Agency	Refi	LLCP	✓																							
	Helping Hands	Recap	Livingbridge	✓																							
	Rubix Group International	Add-on	Advent						✓				✓														
	Theo Bidco Ltd	Refi	Partners Group		✓			✓																✓	✓		
	D&D London		Breal Group, Calveton	✓						✓																✓	
	Chambers and Partners		Abry Partners											✓													
	Aosphere		Inflexion, Endicott Capital											✓													
Deal Count Q4 2023				6	4	2	2	3	3	2	1	2	1	0	1	0	0	1	0	0	0	1	1	1			
Q3 2023	Chime Communications	Refi	Providence Equity Partners	✓	✓	✓	✓	✓	✓						✓												
	Tracerco		Sullivan Street Partners, Souter Investments														✓										
	Varco Energy	Refi	Adaptogen Capital		✓																						
	Third Space	Refi	KSL Capital Partners											✓													
	Radius Payments Solutions	Refi	Inflexion	✓	✓		✓	✓		✓	✓					✓											
	Xalient	Add-on	Volpi Capital			✓					✓																
	Xtrac		Midleground Capital	✓																							
	UniHomes		LDC	✓																							
	SK AeroSafety		Bridgepoint																							✓	
	Bridge Farm Group	Refi	Artemis Growth Partners																						✓		
	Clinisupplies	Add-on	KKR	✓	✓																				✓		
	Boston Energy		LDC	✓																							
Heartwood Collection	Add-on	Alchemy												✓													
Deal Count Q3 2023				6	4	2	2	2	0	2	2	0	0	2	1	1	1	0	1	1	1	0	0	0			
Total Deal Count Q2 2024 LTM				30	9	8	6	5	4	4	3	2	2	2	2	2	1	1	1	1	1	1	1	1	1		





Data—
Senior Debt and Unitranche
France

04



Senior Debt Financings France Q4 2023

Company	Structure	Arranger(s)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Addev Materials	Refi	Tikehau, BPI France, BNP Agilty Capital (all minority)	✓	✓	✓			✓	✓																														
Kestrel Vision	Refi	Caravelle, Luxempart		✓	✓		✓	✓		✓					✓				✓	✓																			
Kardham		Geneo, Bpifrance	✓																																				
CBA Informatique Libérale		Vivalto Partners	✓		✓		✓			✓						✓																							
Alive		IDIA, Bpifrance, IRD Invest	✓		✓																																		
Coquelle Developpement		BPI, IRD, Picardie Investissement	✓																																				
GOSTO / Neginvest		Andera Acto	✓																																				
Gly Expansion		RaisE	✓																																				
Citizenplane		ISAI	✓																																				
Alvest	Refi	CDPQ, Ardian, Sagard	✓	✓	✓	✓	✓	✓								✓																							
Atelier de France		BPI, Management	✓	✓																																			
Groupe RG	Add-on	Ardian																																					
Kestrel Vision	Refi	Caravelle, Luxempart		✓	✓		✓	✓								✓																							
Deck Team II	Add-On	Azulis		✓																																			
Marie-Laure PLV		Hivest		✓																																			
EMG	Add-On	PAI		✓																																			
Leaseway		Bpifrance, Amundi		✓																																			
Dupont Restauration	Refi	Crédit Mutuel Equity, Bpifrance		✓																																			
Loyez Woessen		Sévéné Capital, Unigrains, BNP		✓																																			
Adenes	Refi	Chequers		✓																																			
Milexia		Crédit Mutuel Equity		✓	✓	✓	✓							✓																									
Sandaya		Infravia		✓																																			
The Independents	Add-On	Cathay Capital		✓																																			
Synov		Sagard		✓												✓																							
Exosens (Photonis)	Add-on	HLD	✓	✓																																			
Deal Count Q4 2023			11	15	7	2	6	5	2	4	1	2	0	0	2	1	1	1	1	2	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Deal Count Q2 2024 LTM			56	55	21	15	14	13	11	9	8	8	6	5	5	4	4	4	4	2	2	2	2	2	2	1	1	1	1	1	1	1	1	1	1	1	1		

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Unitranche Financings France

Q3 2023

	Unitranche																														Super-Senior Term Debt										
Q3 2023	Evariste	Add-on	Luxempart			✓																																			
	lpackchem	Add-on	SK Capital												✓																										
	Sinari		Bridgepoint	✓																																					
	Rhetores	Add-on	Activa Capital												✓																										
	Valoria		TA Associates	✓																																					
	Nomadia		Hg Capital																								✓														
	DB Next	Add-on	Group Baelen																																						
	MarketPay	Add-on	Anacap																																						
	Simago	Add-on	Ardian																																						
	EuroTechnoCom	Add-on	Cinven, Carlyle			✓																																			
	EuroTechnoCom	Add-on	Cinven, Carlyle			✓																																			
	Photonis	Add-on	HLD																																						
	EPSA	Add-on	TowerBrook; Bpifrance; Tikehau Equity; Credit Mutuel Equity; Raise			✓																																			
	EA Pharma	Add-on	Motion Equity Partners													✓																									
	Infraneo		Seven2											✓																											
	Oxya		Montefiore																																						
	Once For All		GTCR										✓																												
Deal Count Q3 2023				2	4	1	3	2	1	1	0	1	1	0	1	0	0	1	0	0	1	0	0	0	1	0	0	0	1	0	0	0	0	0	0	0	0	0			
Total Deal Count Q2 2024 LTM				11	11	6	5	5	4	4	4	4	3	3	3	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	3	2	1	1		
				BARINGS	PEMBERTON	HAYFIN	BLACKROCK	Arcmont	Bridgepoint	Partners Group	aurozo	Blackstone	Private Debt	ARES	apera	Deutsche Bank	ARDIAN	Alcentra	Goldman Sachs	Private Private Capital	CVC	SIXTH STREET	GLOBAL CAPITAL	SYMS	WHITE PAGES	CAPZA	ALANTRA	Morgan Stanley	HPS	Adams Street	PERMIRA	PEREGRINE	CIC	Rothschild	TIKEHAU CAPITAL	KARTSIA	ADAM STREET	HSBC	ADAM STREET	SYMS	PEREGRINE



Data—
Senior Debt and Unitranche
Spain

04



Unitranche Financings Spain

Q2 2024–Q3 2023

		Unitranche							Super-Senior Term Debt	
Q2 2024	HT Médica		Fremman Capital					✓		
	Fever	Refi	GSAM, Eurazeo, Accel, Vitruvian	✓						
	VivaGym		Providence	✓						
	Terrats Medical		Avista				✓		✓	
Deal Count Q2 2024				2	0	0	1	1	0	0
Q1 2024	Sabseg	Add-on	Miura	✓						
	BlueSun Group	Add-on	PHI Industrial					✓		
	Deal Count Q1 2024				1	0	0	0	0	1
Q4 2023	Donte Group (fka Vitaldent)	Add-on	Advent		✓					
	Portik Group	Refi	Oxy Capital			✓				
	Gestión Tributaria Territorial		Stirling Square						✓	
Deal Count Q4 2023				0	1	1	0	0	0	1
Q3 2023	<i>No Q3 2023 Deals Reported</i>									
Deal Count Q3 2023				0	0	0	0	0	0	0
Total Deal Count Q2 2024 LTM				3	1	1	1	1	1	1





Data—
Senior Debt and Unitranche
Alpine



Unitranche Financings Alpine

Q2 2024–Q3 2023

				Unitranche				
Q2 2024	No Q2 2024 Deals Reported							
	Deal Count Q2 2024	0	0	0	0	0	0	
Q1 2024	Alpega		Refi	Castik Capital			✓	
	Deal Count Q1 2024	0	0	0	0	0	1	
Q4 2023	Netrics			Bregal			✓	
	Deal Count Q4 2023	0	0	0	0	1	0	
Q3 2023	Aspire Education		Add-on	EMZ	✓	✓	✓	
	Deal Count Q3 2023	1	1	1	0	0	0	
	Total Deal Count Q2 2024 LTM	1	1	1	1	1	1	



Super-Senior Term Debt	
	0
	0
	✓
	1
	0
	1





Data—
Senior Debt and Unitranche
Benelux



Data—
Senior Debt and Unitranche
Nordic

04



Senior Debt Financings Nordic

Q2 2024–Q3 2023

Q2 2024	<i>No Q2 2024 Deals Reported</i>	
Deal Count Q2 2024		0
Q1 2024	<i>No Q1 2024 Deals Reported</i>	
Deal Count Q1 2024		0
Q4 2023	<i>No Q4 2023 Deals Reported</i>	
Deal Count Q4 2023		0
Q3 2023	<i>No Q3 2023 Deals Reported</i>	
Deal Count Q3 2023		0
Total Deal Count Q2 2024 LTM		0






Data—Subordinated and
Nonsponsored Debt
Europe

04



European Subordinated Debt Financings

Q2 2024-Q3 2023 LTM

Q2 2024	GlobalData 	Inflexion	✓				
	Schwingshandl 	IK Partners				✓	
Q1 2024	<i>No Q1 2024 Deals Reported</i>						
Q4 2023	DocuNext 	Refi	Groupe Baelen				✓
Q3 2023	Biofarma 	Add-on	Ardian			✓	
	EMITEC 		DUBAG		✓		
Total Deal Count Q2 2024 LTM				1	1	1	1

Blackstone



CVC

EE CAPITAL FOUR

oquendo

Key Observations

- After market activity came to a halt in Q1 2024 in the subordinated debt space, with no financing completed across the several jurisdictions tracked, two transactions were executed in Q2 2024.
- We believe that the increase in interest rates has limited the leverage multiples, that companies are able to service, making sub-debt instruments less attractive.

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