Private Debt Evergreen

Formati innovativi per una risposta all'invecchiamento della popolazione

3 Aprile 2025

2025-01-29-15329

Muzinich & Co

Evoluzione e Opportunità nel Private Debt

Muzinich & Co

1

Private Debt

L'invecchiamento della popolazione rappresenta una delle sfide più significative.
In questo contesto, gli investimenti in **private debt** emergono come una soluzione strategica per garantire rendimenti costanti, sostenibili nel tempo e premianti rispetto ai più tradizionali investimenti liquidi.

2

Lower-Middle Market

Le aziende del **Lower Middle Market** sono più orientate ai mercati domestici e tendono a essere meno esposte alle incertezze del mercato globale rispetto a quelle del segmento upper middle market.
Questo può offrire un rapporto rischio-rendimento particolarmente competitivo: i margini nel lower-middle market si sono compressi in misura inferiore rispetto all'upper market dove la competizione tra lender è più intensa.

3

Evergreen Semi-liquidi

I fondi chiusi hanno dominato il mercato del private debt fino ad oggi, ma le strutture **evergreen semi-liquide** stanno guadagnando trazione grazie alla loro **flessibilità** e **alla generazione di rendimenti stabili e prevedibili.**
Infatti, permettono di pianificare le uscite di cassa e di allineare gli investimenti con le esigenze di liquidità dei fondi pensione, mantenendo un flusso di reddito costante

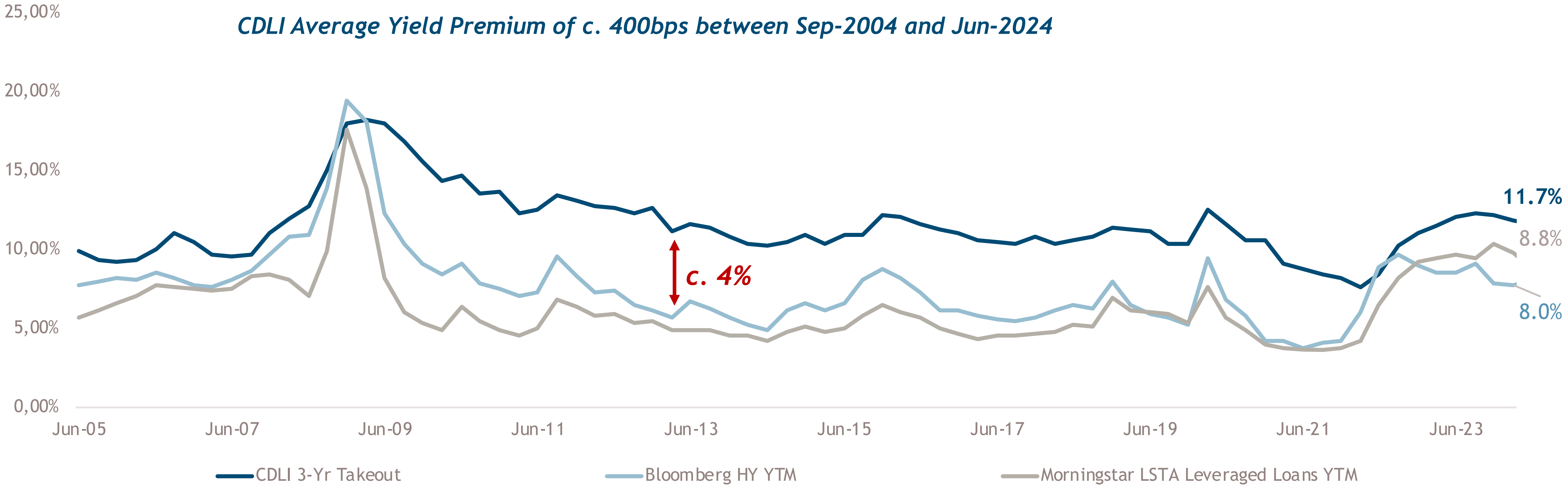
The targets presented are an estimate of potential future returns based on a variety of factors and assumptions. The returns will vary based on the performance of the underlying investments and the targets shown above are therefore not an exact indicator.
Muzinich views and opinion for illustrative purposes only. Not to be construed as investment advice. The approach described herein may change over time. The description set forth above is intended as a general illustration, there can be no guarantee of the above. Please refer to Important information regarding forward-looking statements.

Premio di illiquidità nei Private Markets

Muzinich & Co

Il private debt ha offerto storicamente un premio di illiquidità di circa il 4% nei mercati public

Yield Comparison – Private Debt vs. High Yield and Leveraged Loans, 2005 – Q2 2024



Past performance is not indicative of current or future results.

The Cliffwater Direct Lending Index is used as a proxy for Global Private Debt as it provides publicly available data.

Source: Cliffwater Direct Lending Index (CDLI) data as per Cliffwater 2024 Q2 Report on U.S. Direct Lending as of June 30, 2024. Data is updated on annual basis. Index performance is for illustrative purposes only. You cannot invest directly in the index. Muzinich views and opinions are for illustrative purposes only, not to be construed as investment advice or an invitation to engage in any investment activity.

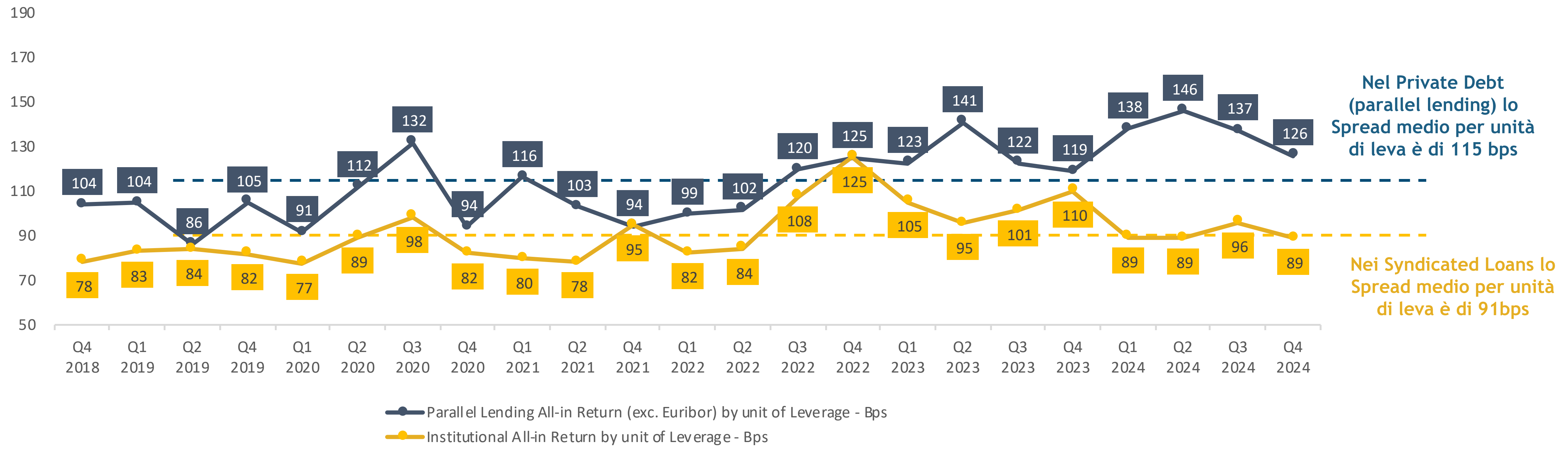
Parallel lending: un approccio conservativo al Private Debt

Muzinich & Co

Nel Private debt esistono diversi approcci: con **Parallel Lending** intendiamo una strategia di co-investimento in cui i gestori concedono loans alle imprese insieme alle banche e pari-passu. Si tratta di loans plain vanilla (ad esempio, first lien, club loan), con la banca che rimane co-investita fino alla fine del loan.

Il parallel lending si differenzia non solo dal Private Debt tradizionale unitranche/junior, ma anche dai syndicated loans. Questo mercato serve tipicamente le grandi imprese e le banche non mantengono alcuna esposizione nei confronti del mutuatario. Al contrario, nel parallel lending la banca mantiene una quota significativa del loan e quindi è più allineata con l'asset manager.

Storicamente lo spread medio per unità di leva è stato più elevato per il PD Parallel Lending rispetto ai Syndicated Loans



Past performance is not indicative of current or future results.

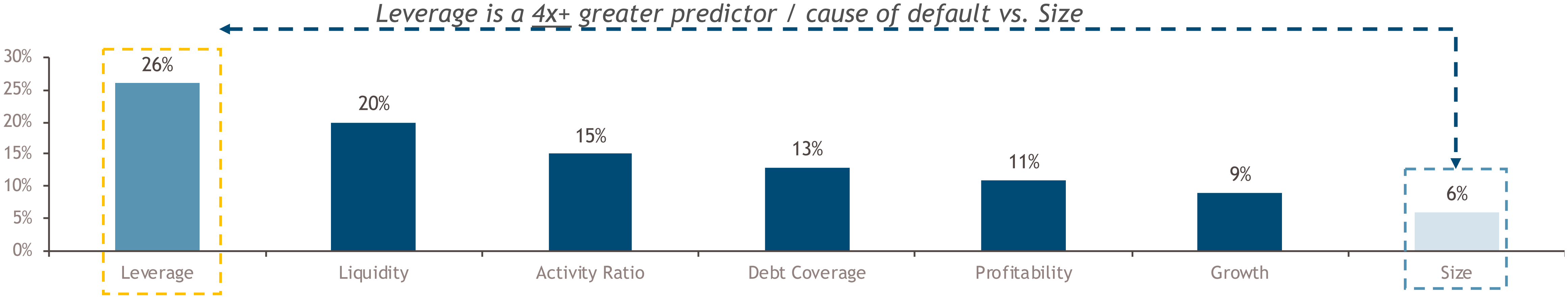
(1) Institutional All-in Return: Spread + annualized Original Issue Discount (OID) (assuming a 99.30 OID accrued over 7-yrs). Institutional Spread refers to the premium above a base rate for term loan bullet tranches primarily sold to institutional investors; (2) Based on funded deals per quarter for DLF-1, DLF-2, and MLoan, calculated as the sum of spreads on club loan term bullet tranches and annualized Fees / OID, excluding EURIBOR.

Source: European Leveraged Finance 4Q24 Market Trend Lines – Pitchbook; Internal Muzinich Source: Adjusted Data based only to Parallel lending deals invested through the Diversified Loan Fund I, Diversified Loan Fund II and MLoan as of 31 December 2024.

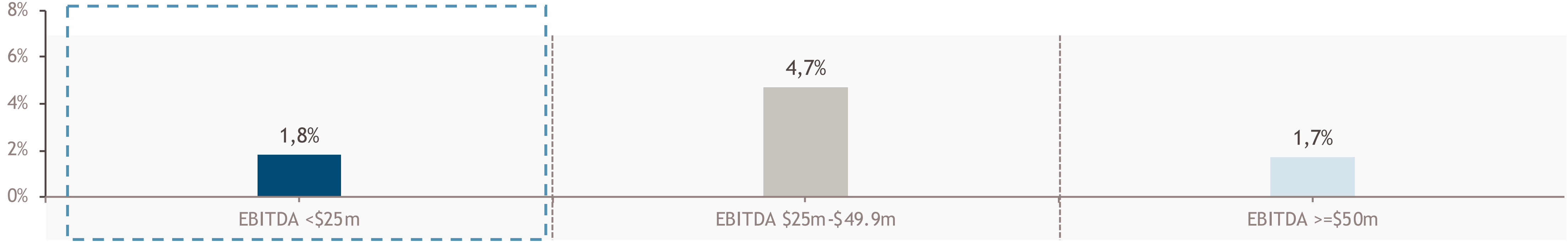
Smaller Is Not Riskier

Uno studio di Moody's Analytics del 2022 su 130.000 linee di credito ha determinato empiricamente che la leva finanziaria è il parametro più significativo per determinare un default rispetto alla dimensione («Size»); recenti studi sui default hanno confermato questa analisi

Loan Default Drivers(1)



Private Credit LTM Default Rates by EBITDA(2)



Past performance is not indicative of current or future results.

(1) Moody's Analytics RiskCalc™ Model suite ideated in 2012 and validated in 2022. (2) Proskauer Private Credit Default Index Q4 2024. As of January 2025. Includes all default types – payment, bankruptcy/restructuring, and financial covenants.
Muzinich & Co. views and opinions. For illustrative purposes only and subject to change. Not to be construed as investment advice. See Important Information at the end of the presentation regarding forward looking statements.

Conclusioni: un Mix di Vantaggi Ottimale

Private Debt

Profilo Rischio / Rendimento	Rendimento superiore alle alternative liquide con rating paragonabile
Diversificazione	Bassa correlazione con le asset class tradizionali
Bassa Volatilità	Non è soggetto alla volatilità giornaliera del mercato tradizionale

Lower Middle Market

Business stabile	Le aziende del Lower Middle Market sono più orientate ai mercati domestici e tendono a essere meno esposte alle incertezze del mercato globale rispetto al segmento upper middle market
Minor competizione	I margini nel lower-middle market si sono compressi in misura inferiore rispetto all'upper market dove la competizione è più intensa

Evergreen Semi-liquidi

Semplicità Operativa	Sottoscrizioni e riscatti mensili, con il capitale interamente investito dal giorno 1
Rendimento Costante	Assenza di J-Curve e distribuzioni mensili che facilitano la gestione delle passività degli investitori

Important Information

Muzinich & Co

FOR PROFESSIONAL CLIENTS USE ONLY.

Risk warning. Alternative investments can be speculative and are not suitable for all investors. Investing in alternative investments is only intended for experienced and sophisticated investors who are willing and able to bear the high economic risks associated with such an investment. Investors should carefully review and consider potential risks before investing. Certain of these risks include: (a) Loss of all or a substantial portion of the investment;(b) Lack of liquidity in that there may be no secondary market for interests in the Fund (c) Volatility of returns; (d) Restrictions on transferring interests; and (e) Potential lack of diversification and resulting higher risk due to concentration within one of more sectors, industries, countries or regions.

"Muzinich & Co.", "Muzinich" and/or the "Firm" referenced herein is defined as Muzinich & Co. Inc. and its affiliates. This material has been produced for information purposes only and as such the views contained herein are not to be taken as investment advice. Opinions are as of date of publication and are subject to change without reference or notification to you. Past performance is not a reliable indicator of current or future results and should not be the sole factor of consideration when selecting a product or strategy. The value of investments and the income from them may fall as well as rise and is not guaranteed and investors may not get back the full amount invested. Rates of exchange may cause the value of investments to rise or fall. Emerging Markets may be more risky than more developed markets for a variety of reasons, including but not limited to, increased political, social and economic instability; heightened pricing volatility and reduced market liquidity.

Any research in this document has been obtained and may have been acted on by Muzinich for its own purpose. The results of such research are being made available for information purposes and no assurances are made as to their accuracy. Opinions and statements of financial market trends that are based on market conditions constitute our judgment and this judgment may prove to be wrong. The views and opinions expressed should not be construed as an offer to buy or sell or invitation to engage in any investment activity, they are for information purposes only.

Investors must obtain and carefully read the related private placement memorandum or prospectus (the "Offering Memorandum"), which contains the information needed to evaluate the potential investment and provides important disclosures regarding risks, fees and expenses. All information provided herein is qualified in its entirety by the Offering Memorandum and other related documents. You acknowledge these materials do not provide sufficient basis for a decision to invest. Before making a decision to invest, a prospective investor should carefully review information respecting Muzinich and such investment and consult with its own legal, accounting, tax and other advisors in order to independently assess the merits of such an investment as nothing in these materials should be construed as a product recommendation or as investment, legal, or tax advice. No legally binding terms shall be created until definitive documentation is executed and delivered.

This discussion material contains forward-looking statements, which give current expectations of the Fund's future activities and future performance. Any or all forward-looking statements in this material may turn out to be incorrect. They can be affected by inaccurate assumptions or by known or unknown risks and uncertainties even though the assumptions underlying the forward-looking statements contained herein are believed to be reasonable. In light of the significant uncertainties inherent in the forward-looking statements included herein, the inclusion of such information should not be regarded as a representation that the objectives and plans discussed herein will be achieved. Further, no person undertakes any duty or obligation to revise such forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events. Muzinich makes no representation or warranty (express or implied) with respect to the information contained herein (including, without limitation, information obtained from third parties) and expressly disclaims any and all liability based on or relating to the information contained in, or errors or omissions from, these materials; or based on or relating to the recipient's use (or the use by any of its affiliates or representatives or any other person) of these materials; or based on any other written or oral communications transmitted to the recipient or any of its affiliates or representatives in the course of its evaluation of Muzinich.

Issued in the European Union by Muzinich & Co. (Ireland) Limited, which is authorized and regulated by the Central Bank of Ireland. Registered in Ireland, Company Registration No. 307511. Registered address: 32 Molesworth Street, Dublin 2, D02 Y512, Ireland. Issued in Switzerland by Muzinich & Co. (Switzerland) AG. Registered in Switzerland No. CHE-389.422.108. Registered address: Tödistrasse 5, 8002 Zurich, Switzerland. Issued in Singapore and Hong Kong by Muzinich & Co. (Singapore) Pte. Limited, which is licensed and regulated by the Monetary Authority of Singapore. Registered in Singapore No. 201624477K. Registered address: 6 Battery Road, #26-05, Singapore, 049909. Issued in all other jurisdictions (excluding the U.S.) by Muzinich & Co. Limited. which is authorized and regulated by the Financial Conduct Authority. Registered in England and Wales No. 3852444. Registered address: 8 Hanover Street, London W1S 1YQ, United Kingdom.

Muzinich & Co.

Muzinich & Co., Inc.
New York

450 Park Avenue
New York
NY 10022, U.S.A

+1 212 888 3413

Muzinich & Co. (Ireland) Limited
Frankfurt Branch

Neue Mainzer Strasse 20
60311 Frankfurt am Main
Germany

+49 (69) 153 25 70 0

Muzinich & Co. Limited
London

8 Hanover Street
London
W1S 1YQ, UK

+44 (0) 207 612 8755

Muzinich & Co. (Ireland) Limited
Dublin

5th Floor Kildress House, Pembroke Row
Dublin 2
Ireland

+353 (1) 683 4300

Muzinich & Co. (Switzerland) AG
Geneva

Rue du Prince 9
1204 Geneve
Switzerland

+41 (0) 22 545 17 00

Muzinich & Co. (Ireland) Limited
Madrid Branch

Paseo Eduardo Dato
18 28010 Madrid
Spain

+34 91 084 8895

Muzinich & Co. Limited
Manchester

No. 1 Spinningfields
Manchester
M3 3EB, UK

+44 (0) 161 509 1560

Muzinich & Co. (Ireland) Limited
Milan Branch

Via Senato 12
20121 Milan
Italy

+39 02 8342 7300

Muzinich & Co. (Ireland) Limited
Paris Branch

37/39 Avenue de Friedland
75008 Paris
France

+33 (0) 1 7306 3700

Muzinich & Co. (Singapore) Pte. Limited
Singapore

Six Battery Road
#26-05 Singapore
049909

+65 6983-7200

Muzinich & Co., Inc.
Palm Beach (Florida)

230, Royal Palm Way
Suite 303
Palm Beach, Florida 33480

+1 561 619 5470

Muzinich & Co. (Switzerland) AG
Zurich

Tödistrasse 5
8002 Zurich
Switzerland

+41 (0) 44 218 14 14

Muzinich & Co. Limited
Sydney

Sydney Place
Suite 31, Level 23
Salesforce Tower
180 George Street
Sydney, NSW, 2000

+61 2 7258 3800

Muzinich & Co. (Singapore) Pte. Limited
Hong Kong – Rep Office

One International Finance Centre
1 Harbour View Street
Central, Hong Kong

+852 3899 6640

Muzinich & Co. SGR S.p.A
Milan

5th Floor Via Senato 12
20121 Milan
Italy

+39 02 0068 5170

Muzinich & Co., (Japan) Pte. Limited
Tokyo

Level 3, Marunouchi Nijubashi Building 2-2, Marunouchi 3-chome Chiyoda-ku
Tokyo 100-0005 Japan

+81 3 6632 7535

Muzinich & Co., (Ireland) Limited
Stockholm

Regeringsgatan 67
111 83 Stockholm
Sweden

+44 743 625 2244

Muzinich & Co., (Korea) Pte. Limited
Seoul

Level 21 (Unit 2144), Seoul Finance Centre
136 Sejondgae-ro, Jung-gu
Seoul, Korea 04520

+822 3782 4944

email: info@muzinich.com

web: www.muzinich.com