

DunPort Year in Review

in

JANUARY 2024

BRIEF

FIRST EDITION



Newsletter: First Edition

Dear Reader,

I am pleased to give you an update on DunPort Capital Management's ("DunPort") activities and achievements during the past 12 months.

2023 was a landmark year for DunPort where we entered a new market, the Benelux region, adding to our existing strong foothold in Ireland and the UK and in so doing achieving the first steps in our ambition to become a **pan European** lower mid market senior lender.

Regards

Pat Walsh, Co-Founder & Executive Director



Snapshot of funds under management

€582.3m

assets under management

€187.6m

available to invest

We have 3 active funds totalling €582.3m of assets under management including €187.6m of dry powder to invest. We continue to expand our investor base and are currently in legals for a new UK focused fund as well as having a number of other bespoke structures under discussion with potential new investors. This year sees us entering full fundraising mode for our proposed new fund, Willow Corporate Credit which we will look to launch this year. Please feel free to reach out to investorrelations@dunportcapital.com for further information.

Portfolio Activity

Despite the challenging macroeconomic environment, DunPort's pipeline of new opportunities remained strong in 2023 with the lower mid market proving resilient, driven by continued retrenchment of the banks and less funding options in the lower end of the market. Private equity sponsors continued to be a strong source of dealflow in addition to corporate finance advisors and borrowers directly. DunPort continued to show its relevance and standing as an important source of funding for small and medium-sized companies with deal volume and deal value up year on year.

Over the course of 2023, DunPort invested €109.4m across new and existing borrowers. These investments included 5 new sponsor backed borrowers and several follow-on investment rounds into existing portfolio companies supporting both M&A activity and organic growth.

This included our first deal in the Benelux, where this region now represents 22.5% of overall dealflow.

Portfolio management continues to be the core focus for us with 26 borrowers across our portfolio today. Since inception, we have invested €1,163m across 94 transactions across 4 funds.





The Team

The Dunport team is now 19 people strong with 8 new hires in 2023 representing significant investment in talent across the platform.

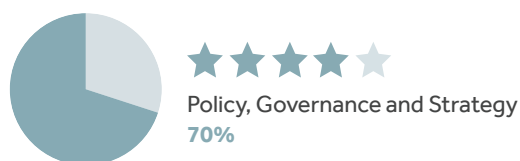
The team continues to be led by Pat Walsh and Ross Morrow with the original Irish team carved out from BlueBay all still with us. After Joanne Butler joined the leadership team in 2022 as COO and Head of Investor Relations, 2023 continued with a number of senior hires. We are delighted to welcome Fred Muller as Head of Fundraising, David O'Connor as Director of Finance & Operations and most recently Niamh O'Reilly as General Counsel joining from McCann Fitzgerald.

In October 2023, we were pleased to announce that Niall Gallagher, Aidan Lynch and David Gilbane had been promoted to Investment Director, Ross Pender to Senior Investment Manager and Elaine Redmond to Senior Manager in Finance and Operations.

In November 2023, we moved into a state-of-the-art office in Blackrock overlooking Dublin Bay. Our new location provides the ideal mix of VC and meeting rooms for hosting our valued investors, borrowers, and business partners with an open plan and collaborative working environment for the team. The move will support and facilitate the next phase of our growth as a business as we continue to expand our team and market offering during 2024 and beyond.

ESG

ESG continues to be at the forefront of our investment philosophy. We published our Responsible Investment policy in March 2023 outlining our revised ESG framework and we were particularly delighted with the outcome of the UNPRI results recently announced as follows:



This is a great first submission result and demonstrates the enhancements made as we consider ESG across both our business and our investment strategy.



Market outlook 2024

Compared to previous years, the broader M&A market activity is experiencing an element of softening, largely driven by the well aired macroeconomic and geopolitical factors. However at DunPort, we continue to believe that the lower mid market, (businesses with less than €10m EBITDA) to be an opportunity rich segment of the market. Our confidence is driven by the combination of private equity funds with dry powder seeking deployment and fewer funding options for small and medium sized companies, where DunPort plays an important role.

We believe that in most cases the uncertainty created by the various headwinds has led to a longer transaction process rather than aborted processes. This is borne out in our own activity numbers, with 2023 deal value and volume up on prior year. We are pleased with the strong start to 2024 and the robust outlook for the rest of the year across all our chosen geographies.



The 2023 Deals



PFM Intelligence

We partnered with Lexar Partners, a lower mid market Dutch private equity house on DunPort's first transaction in the Benelux. The company specialises in people flow management and footfall data solutions servicing clients in the UK and NL across shopping centres, fast food and retail segments.



Today's Dental

We funded Lonsdale Capital Partners' roll up of dental clinic platforms across England and Wales. Lonsdale will target practices with a predominantly private focus.



NoBlue Group

We partnered with FPE on the acquisition of BrightBridge to create one of Europe's largest NetSuite partners, with over 400 customers.



EMED

We funded Cairngorm Capital backed EMED Group, as part of a senior debt package alongside incumbent lender ThinCats, an alternative lender active in the UK lower mid market. EMED is Cairngorm Capital platform for the NEPTS (Non-Emergency Patient Transport Services in the UK) sector.



Innopharma

We partnered with MML Ireland for the acquisition of Innopharma, an Irish company providing higher education courses and recruitment services focused on the Pharmaceutical, MedTech and Food-Tech manufacturing sectors. This is our second partnership with MML in Ireland in the Medical sector following the Schivo transaction in 2022.