

PRESS RELEASE

Avedon Capital Partners exits Tesch Inkasso to German strategic buyer after successful buy-and-build

Düsseldorf, 12 August 2016 – **Avedon Capital Partners and Management have announced the sale of Tesch Inkasso Group (Tesch), a leading German debt collection company, to Lowell GFKL Group, an European leader in credit receivables management backed by the Permira Funds and Ontario Teachers' Pension Plan (OTPP). Closing is subject to regulatory approvals. Both Management and Shareholders are pleased with this transaction which confirms the value creation strategy that Management and Shareholders actively pursued since 2012.**

Tesch Inkasso GmbH ('Tesch'), is a leading independent third party debt collection business headquartered in Wiehl, Germany. Its core business is to recover debt claims, mostly from private debtors in the name of its clients. Tesch has around 10,000 unique clients and a volume of receivables serviced of c €2 billion with leading positions in the utilities and eCommerce sectors. Tesch currently employs around 430 trained professional staff in its three locations in Gummersbach, Krefeld and Osnabrück.

Lowell GFKL Group (GFKL), an European leader in credit receivables management backed by the Permira Funds and OTPP, has the ambition to build a leading pan-European business in each of its markets. The acquisition of Tesch further improves diversification by reducing UK centricity, expanding originating segment coverage and increasing third party collections (3PC) as a proportion of revenue. The CEO of Tesch, Thomas Dold, will join the Group having delivered strong organic growth and an impressive new client win rate over the past few years.

With the strong support of Avedon, Tesch has transformed from a German, family-owned company, into a highly professional and innovative organization with a leading position. Key achievements since the investment in 2012 include two add-on acquisitions: Transcom CMS and Mediafinanz, and the acquisition of three client portfolios, that together tripled the size of the company. Moreover, Avedon has added senior management that has been instrumental in the development of portfolio purchasing and pricing capabilities, further strengthening the Company's strategic positioning.

Alexis Weege and Hannes Hinteregger, Avedon Capital Partners: *„Together with Tesch's industry leading management team, we implemented within Avedon's four year holding period our vision of building a distinctive 3PC debt-service player in the industrial segments with access to off-market portfolio purchases. Tesch's strong performance has been supported by its operational excellence in business analytics and scoring abilities, which carries the management's handwriting“.*

Thomas Dold, CEO of Tesch: *“The Tesch management team is proud of what has been achieved in terms of growth, profitability, strategic positioning and restructuring of the Tesch group in the last few years. The successful and quick development of the company had only been possible based on the open, pragmatic and supportive teamwork between the Avedon team and the Tesch management. It was a challenge and fun at the same time working with our owners to drive Tesch to where we are today!“.*

Alfred Tulp, Avedon Capital Partners: *“Our team has done a tremendous job in supporting the company with the execution of the joint ambitious growth plan. With a second successful exit of a German portfolio company in a short period of time, the team has proven that it can generate attractive returns in partnership with management, getting access to off market transactions, which will set the stage for the upcoming fundraising“.*

Avedon Capital Partners is an independent investment company that provides growth capital in partnership with strong management teams that have distinctive and ambitious growth plans requiring a step change. Through dedicated industry studies, Avedon focuses on niches within the following four sectors: (i) industrial & engineering (ii) software & technology, (iii) business services and (iv) consumer & leisure. Since 2003, the team has invested in 19 growth capital transactions with a strong realized track record.

For more information:

Avedon Capital Partners
www.avedoncapital.com

Advisor GmbH
Theo-Champion-Strasse 2
40549 Düsseldorf
Tel: +49 211 5988900

Avedon Capital Partners B.V.
Apollolaan 153
1077 AS Amsterdam
Tel: +31 20 568 2636

Disclaimer:

'Not for distribution or release, directly or indirectly, in or into the United States or Canada or any other jurisdiction in which the distribution or release would be unlawful. None of the information contained herein constitutes an offer of, or an invitation to purchase, any interests, shares or units, nor any investment advice or services. Neither the investment funds nor their managers mentioned herein are licensed or supervised by the Dutch Authority for the Financial Markets (Autoriteit Financiële Markten) or by any other supervisory authority in any jurisdiction.'