

Our investments

Financial Services

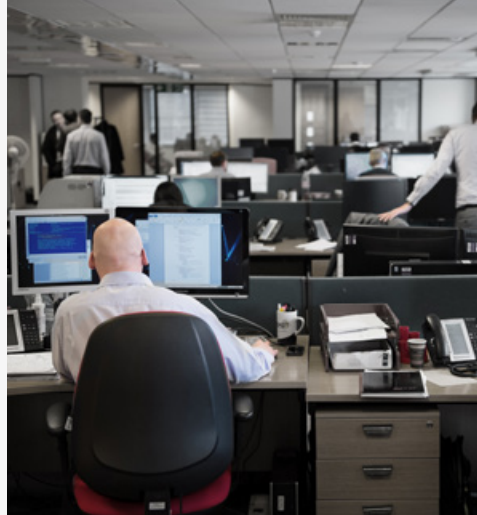


Software outsourcing and IT services
www.premiumcredit.co.uk

Acquired

February 2015

HQ
UK



How we are creating value

Our Financial Services team identified Premium Credit as an attractive investment opportunity in the specialty finance sector as far back as 2012. Offering consumers and small- and medium-sized companies the ability to spread the cost of insurance premiums and providing finance to fund items such as professional fees, the company enjoys high barriers to entry, sticky distribution, low credit losses and strong cash generation.

Since 2015, our teams have supported the business through a wide range of value creation initiatives. The Portfolio team has helped identify and implement operational efficiencies, generating significant cost savings and has worked to upgrade Premium Credit's IT system, which now provides a new, more modern platform that will support further growth initiatives. Additionally, our Capital Markets team has assisted the

company to optimise and further derisk its funding structure by diversifying financing sources and extending debt maturities.

Developments in 2016

Building on a solid first year under Cinven's ownership, Premium Credit continued to trade well in 2016. The effect of Brexit on the company has been limited, although the weakness of sterling led to significant outperformance of its Ireland operations, which are denominated in Euros.

Cinven continued to strengthen the management team in 2016. In January, this led to the appointment of Tom Woolgrove as CEO, who had previously led the Personal Lines business unit of Direct Line Group. In October, Mark Dearnley joined as CIO. These senior hires follow the appointments of a new CFO and Chairman in 2015.