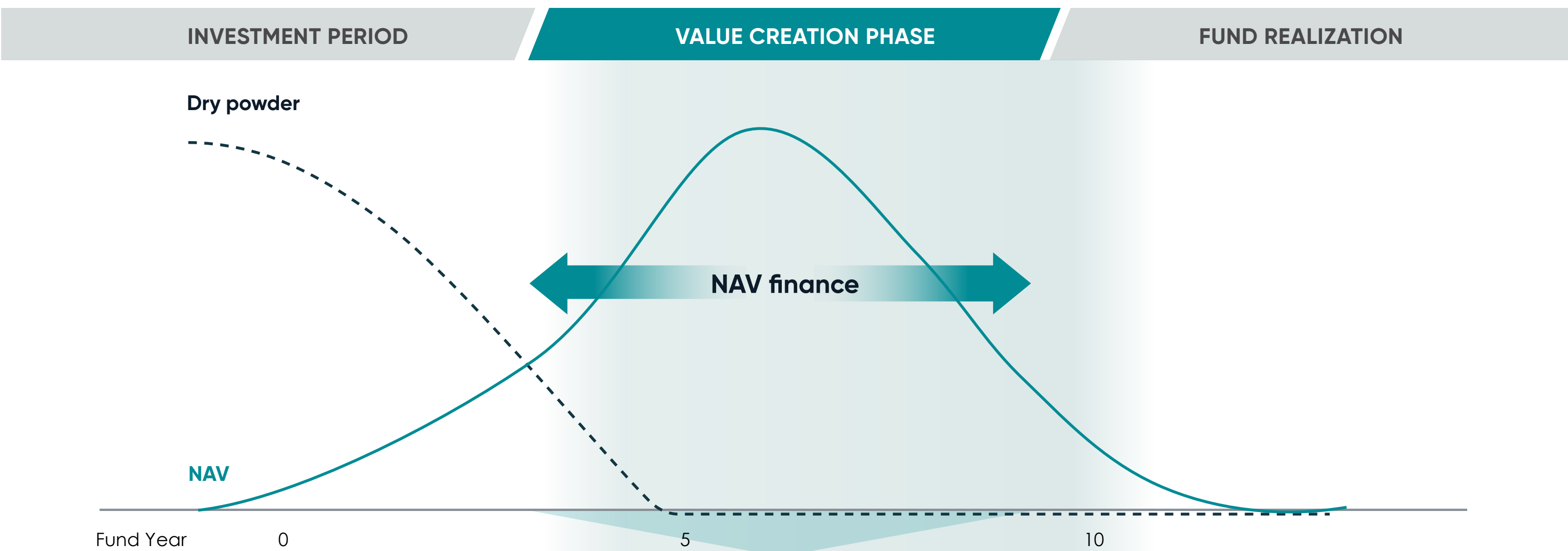
NAV finance – it's about timing

The optimal time to use NAV finance is an important consideration for enhancing fund performance. As the diagram below shows, the value creation phase of the fund lifecycle tends to be most effective period for optimising fund performance.

At this stage investor commitments have been deployed but there will be opportunities for managers to realise additional value for their investors without selling assets.

Raising additional investment capacity and/or generating liquidity through a fund recapitalisation can enhance value over time and, in turn, enhance TVPI and IRR returns for investors.

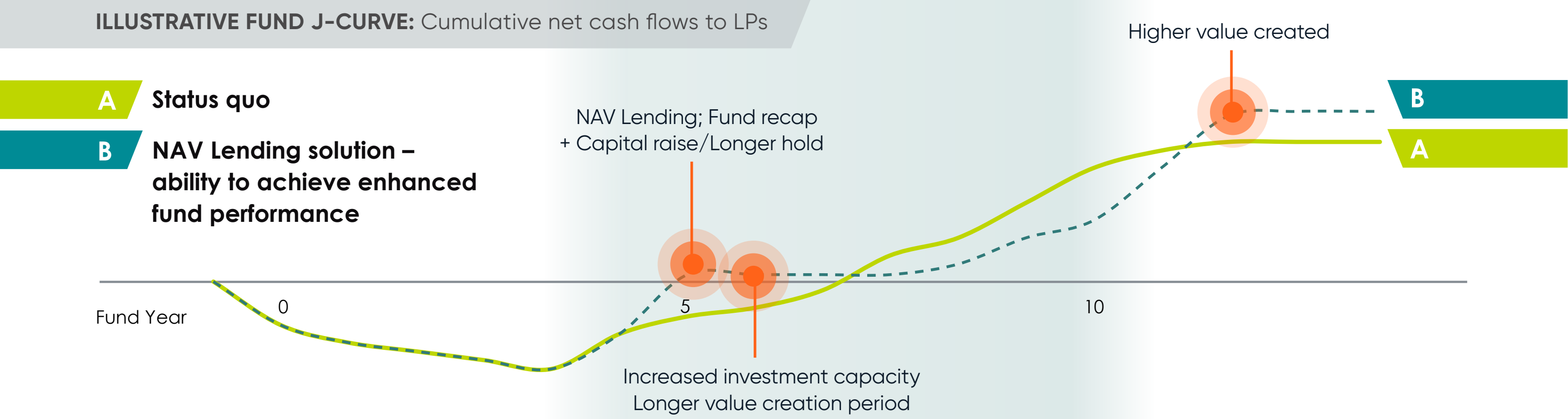


- Portfolio build-up
- Focus on acquisitions
- Capital call facility utilised

- **Focus on optimising fund performance**
- **Raise capital for follow-on needs**
- **Generate liquidity without selling**
- **Create time for further value creation**

- Select NAV transactions still apply
- Continuation vehicles considered
- Investor liquidity options explored

ILLUSTRATIVE FUND J-CURVE: Cumulative net cash flows to LPs



Stephen Quinn
Co-Head of Credit
quinn@17Capital.com

David Wilson
Co-Head of Credit
wilson@17Capital.com

www.17capital.com

Strictly Private and Confidential – June 2021