

# Park Square Capital Credit Partners Evergreen

Summary Note | Q3 2025

Asset Class	Private Credit
Manager	Park Square Capital, LLP
Inception Date	Unlevered - Jan 2019 Levered - April 2025
AUM	Unlevered - €262.0m Levered - €470.0m Total - €732.0m
Domicile	Luxembourg
Dealing Frequency	Monthly Subscriptions Monthly Redemptions
Fund Structure	Open-ended Luxemburg SICAV, RAIF, SCSp
Net Gearing Target	Levered - 1:1 Unlevered - 0

## Overview

Park Square Capital Credit Partners Evergreen (CPEF) is an open-ended private credit fund lending to sponsor-backed private companies in Europe and the US. It targets the large-cap segment, focusing on companies operating in defensive sectors, with the objective of delivering a low-loss, stable return profile. The fund invests in both directly originated private loans and liquid loans, which are traded, thereby giving the fund a robust liquidity profile. The fund is available in both levered and unlevered format and offers monthly dealing, with wider redemption gates than is standard across the evergreen private credit universe.

## The Manager

Park Square Capital (PSC) is an independent partnership and one of the largest European private credit managers. Their long-standing presence, extensive platform, and ability to offer a range of debt

solutions make them a preferred partner for private equity sponsors. The firm maintains local deal teams in key markets, supporting its origination capabilities and responsiveness. While the firm has expanded its number of offices and staff steadily over time, its offering has remained focused on credit strategies. The investment team is large, stable, and predominantly promoted from within. The partners responsible for the strategy's 18-year track record remain in place, and the broader team has consistently delivered strong investment outcomes, indicating effective collaboration within a robust framework.

## Process

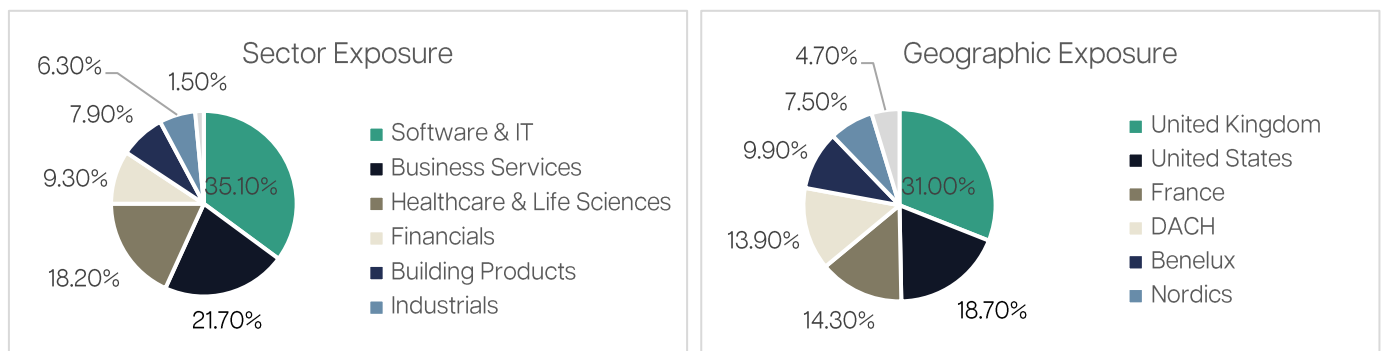
The investment process is designed to generate attractive income while maintaining a stable return profile. The strategy of making senior loans to high-quality businesses in resilient sectors with strong sponsor alignment supports its objective. PSC's origins as a mezzanine debt manager have instilled a strong emphasis on risk management, which is evident throughout its investment approach. Rigorous bottom-up due diligence sets a high bar for investment, resulting in a focused portfolio of well-understood borrowers. The fund's dynamic allocation between liquid loans and directly originated loans allows it to respond to market conditions and exploit relative value opportunities. This process has been applied consistently with no style drift.

## Performance

Since inception, the fund has delivered attractive returns, outperforming its stated investment objectives. The broader Park Square Capital platform has also demonstrated strong performance, with half of their funds achieving first-quartile results since the firm's launch in 2004. Fundamental credit performance has been very good with just 4 defaults across the Credit Partners strategy since 2007 and an annualised loss rate of 0.07%. We expect the levered fund and unlevered fund to deliver net returns in base currency of 10% per annum and 7% per annum, respectively, which is similar to pure direct lending strategies.

## Portfolio

The fund's 60 holdings are diversified by sector, geography and deal type, whilst reflecting the manager's preference for defensive sectors. The portfolio is almost entirely comprised of senior secured, floating rate loans and is performing well with just one loan on their watchlist. The 37.1% LTV and 2.8x forecast interest coverage ratio points to its defensive profile.



Source Park Square Capital, 31/05/202

## Using the Fund in a Portfolio

An allocation to private credit has historically enhanced portfolio returns and income when funded from traditional fixed income allocations. For investors seeking broad exposure to private credit but concerned about liquidity constraints or a downturn in the credit cycle, this fund offers a relatively liquid, defensive option whilst still delivering high income. The focus on senior secured debt to large borrowers combined with the dynamic framework opportunistically seeking value within the broad private credit sector makes the fund well-suited as a core holding in a private markets allocation. It would complement a U.S.-focused mid-market direct lending strategy, offering geographic and structure diversification.

## Our Opinion

CPEF is one of the longest running semi-liquid private credit funds. It is a well-constructed strategy that addresses many of the structural challenges associated with open-ended private market funds. The fund strikes the balance of being sufficiently liquid to meet its redemption terms whilst delivering the return uplift expected from private markets. Park Square Capital has established itself as a leading private credit manager in Europe, with an excellent track record that is underpinned by a disciplined credit selection process and an opportunistic approach to dealing sourcing through the market cycle. The fund's high yield, defensive strategy and broad sector approach makes it a useful core holding.

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Our first-hand experience means we understand the key information that investors need to be confident making a fund investment. We present our insights, substantiated by robust analysis, to support investors as they further their own due diligence.

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