Lloyds Bank and Oaktree Partner to Launch a New Direct Lending Facility

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- *Lloyds Bank to partner with Oaktree's European Private Debt platform to support UK middle-market financings*
- *Gives clients and sponsors access to a one-stop senior debt solution to simplify transactions*
- *Facilitates a combined single name hold capacity of £175 million per transaction*

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LONDON--(BUSINESS WIRE)--Lloyds Bank and Oaktree Capital Management, L.P. have today announced a strategic partnership (the "Partnership") to support UK middle-market sponsor-backed borrowers. Lloyds Bank Structured Debt Finance team will partner with Oaktree's European Private Debt platform to provide clients with a comprehensive senior debt solution for new buyouts and refinancings with term debt, acquisition and working capital facilities in addition to agency and full ancillary product services.

Building on Lloyds Bank's 20-plus-year track record supporting sponsor-backed UK middle-market transactions, this Partnership will offer market-leading relationship banking, providing clients with a faster, more tailored service. It removes the need for multiple funding parties, reducing complexity for clients and providing them easy access to follow-on capital and Lloyds Bank's full range of banking services.

Oaktree's European Private Debt platform, which sits within the firm's Performing Credit group, has deployed over $3.9 billion during its two decades of experience in private credit. Lloyds Bank's clients will benefit from Oaktree's history of partnering with sponsors to develop bespoke, efficient financing solutions across multiple sectors. This will provide borrowers with quicker decisions and commitments when compared to traditional bank lending, as well as certainty of execution.

James Ranger, Managing Director and Head of Sponsors and Structured Finance at Lloyds Bank, said:

"*We have a proven track record of financing sponsor clients' transactions in the Mid-Market, and by partnering with Oaktree, we can provide a market-leading one-stop solution. As a result, sponsor clients will be able to finance larger transactions without needing to bring on board additional lenders, which will make deals easier to conclude and reduce uncertainty for all concerned. Oaktree's deep expertise in this space makes them an ideal partner for us, and we look forward to further supporting our sponsor clients' growth ambitions.*"

Nael Khatoun, Managing Director and Portfolio Manager within Oaktree's European Private Debt strategy, said:

"Providing financing solutions to sponsor-backed companies in the UK remains a significant long-term opportunity. We believe Oaktree's Partnership with Lloyds Bank will be a compelling proposition to meet this demand, providing borrowers with certainty of execution and an expedited transaction process. Lloyds Bank has long established itself as a market leader in the UK, and we look forward to working with them to provide sponsor clients with a comprehensive one-stop senior debt solution for their capital needs."

The Partnership will have a combined single name hold capacity of £175 million per transaction. Lloyds and Oaktree will seek to originate loans to UK middle-market sponsor-backed companies with £10-75 million in EBITDA.

Lloyds Bank and Oaktree have made a multi-year commitment to work together. PwC, Lloyds Bank Corporate Markets and Linklaters LLP served as advisors to Lloyds Bank. Oaktree was advised by White & Case, LLP and EY.

About Lloyds Bank's support for businesses:

- Lloyds Bank provides comprehensive expert financial services for businesses of all sizes, from start-ups, SMEs, and mid-sized corporates all the way to large multinational corporations and financial institutions. It has over one million UK business customers.
- With a network of relationship teams across the UK, Lloyds Bank delivers the mix of local understanding and sector expertise necessary to provide long-term support to its clients.
- Lloyds Bank offers a broad range of financial support beyond term lending, and this spans working capital and cash management services and solutions, international treasury and risk management services, trade import and export trade finance, structured and asset finance, securitisation facilities and capital market funding.
- Lloyds Bank supports its clients to achieve their sustainability ambitions through expertise, products, services and insight tools.

About Oaktree Capital Management:

Oaktree is a leader among global investment managers specializing in alternative investments, with $192 billion in assets under management as of March 31, 2024. The firm emphasizes an opportunistic, value-oriented and risk-controlled approach to investments in credit, private equity, real assets and listed equities. The firm has over 1,200 employees and offices in 23 cities worldwide. For additional information, please visit Oaktree's website at http://www.oaktreecapital.com/.

Oaktree's Private Credit platform was created in 2001 and manages approximately $34.5 billion across its Global, U.S., and European Private Debt strategies as well as its 17Capital NAV-based financing business. Oaktree takes a collaborative, integrated approach to private credit investment that leverages the firm's reputation, long track record in global credit, and expertise in navigating market cycles to source, underwrite, structure, and execute a wide range of investments.

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