



PRESS RELEASE

Kinderhook Industries Announces \$460 Million Recapitalization of Kinderhook Capital Fund III

September 1, 2020

New York, NY – Kinderhook Industries, LLC (“Kinderhook”), a leading private equity firm specializing in middle-market control investments in the healthcare services, environmental / business services and automotive / light manufacturing sectors, announced today that it has successfully completed a recapitalization of Kinderhook Capital Fund III, L.P. (the “Fund”), a \$300 million committed capital, 2009 vintage fund. AlpInvest Partners and affiliated investors (“AlpInvest”), a leading player in the private equity secondary market, led the transaction and is now the largest investor in the Fund.

All limited partners of the Fund were provided the option of retaining their position in the Fund or receiving full or partial liquidity. The aggregate value of the portfolio was approximately \$360 million, with remaining limited partners and AlpInvest committing an additional \$100 million of capital to grow the portfolio. Earlier in 2020, AlpInvest had committed \$65 million of preferred equity to facilitate follow-on investments in Fund III.

Thomas Tuttle, Managing Director at Kinderhook, said, “We are thrilled to have found the perfect partner in AlpInvest, who worked with us to support our portfolio despite all of the COVID-related volatility in the markets. This transaction provides our remaining portfolio companies, and their management teams, with additional committed capital to execute organic growth strategies and to pursue strategic acquisitions. This transaction also provides a great outcome for the limited partners of our Fund, who are receiving a premium value that is meaningfully above the assets’ original cost basis and exceeds the March 31, 2020 portfolio company net asset value.”

Michael Hacker, Managing Director at AlpInvest, stated, “Kinderhook has a proven track record of success over nearly two decades and we are excited to partner with the team as they focus on maximizing the long-term value of the Fund III portfolio companies. We are particularly pleased that this transaction will benefit all parties involved, with Kinderhook’s original limited partners receiving a premium return, while also recapitalizing the Fund to fully support the continued growth strategies of the portfolio.”

Evercore served as financial advisor and Kirkland & Ellis LLP served as legal counsel to Kinderhook. Ropes & Gray LLP served as legal counsel to AlpInvest.

About Kinderhook Industries

Kinderhook Industries, LLC is a private investment firm that manages over \$3.3 billion of committed capital. We have made in excess of 240 investments and follow-on acquisitions since inception. Kinderhook's investment philosophy is predicated on matching unique, growth-oriented investment opportunities with exceptional financial expertise and our proprietary network of operating partners. Our focus is on middle market businesses with defensible niche market positioning in the healthcare services, environmental / business services and automotive / light manufacturing sectors. We have a track record of successfully and consistently building industry leaders.

For more information, please visit: www.kinderhook.com

About AlpInvest Partners

AlpInvest is a leading global private equity investor, with more than \$44 billion of assets under management as of June 30, 2020 and more than 170 employees across offices in New York, Amsterdam, Hong Kong, London, San Francisco and Indianapolis. Since its inception, AlpInvest has invested with over 300 managers and committed approximately \$72 billion across over 720 primary commitments to private equity funds, more than 145 secondary transactions and in excess of 265 equity co-investments. AlpInvest offers customized private equity investment solutions to investors through separately managed accounts and commingled funds. AlpInvest operates as a subsidiary of The Carlyle Group (NASDAQ: CG), a global investment firm with \$221 billion of assets under management and more than 1,800 employees as of June 30, 2020.

For more information, please visit: www.alpinvest.com

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