

Mizzen Management LLC (“Mizzen”) Defies Market Slowdown: Record \$80M Deployment Sets Pace for Private Credit Growth

In Q3 2025, while direct lending deployment fell to 13% behind last year’s pace¹, Mizzen’s funds invested in six new companies and one follow-on investment. The credit quality was strong 71% were owner managed deals. our strongest quarter ever, setting us on course to more than double last year’s deployment pace.

Meanwhile, the broader direct lending market is struggling:

- Sponsor-backed deal volume fell from \$53B in Q3 2024 to \$40.6B in Q3 2025².
- Overall direct lending volume dropped from \$64B in Q2 to \$56B in Q3, the lowest since Q1 2024.
- YTD Direct lending deal count is down ~15% from 2024 pace

What’s driving the divergence? Mizzen’s disciplined focus on essential, owner-managed businesses shielding us from the LBO slowdown and enabling us to lead the rebound in deal activity and volume.

Mizzen’s Q3 performance is more than a quarterly win; it’s a validation of a strategy built for durability. As the market continues to recalibrate, Mizzen’s approach of targeting the owner managers lower middle market with the flexibility to fund sponsor backed deals opportunistically covers any market condition.