PRAXIS GLOBAL ALLIANCE

EVOLUTION X Debt Capital

Growth Credit:

FROM ALTERNATIVE TO ESSENTIAL

September 2026



Disclaimer: This material has been prepared by Praxis Global Alliance, which is the trade name of Praxian Global Private Limited ("Praxis", "we", or "our") with the intent to showcase our capability and disseminate learnings to potential partners/-clients. This material can be referred to by the readers on the internet but should be referenced to Praxis Global Alliance, if reused or adapted in any form, medium and on any forum. The frame-works, approaches, tools, analysis and opinions are solely Praxis's intellectual property and are a combination of collection of best data we could find publicly, and Praxis team's own experiences and observations. Any information provided herein is only for informational purposes and you are advised to perform an independent analysis of the same before making any decision based on such information. The information does not constitute any business advice or guidance and is to be construed as a general summary based upon the publicly available information and our interpretation of the same using our resources. For this material, we may have relied upon different sources of information which may be primary sources, publicly available information and relevant information available with us.
We make no representation or warranty, express or implied, that information herein is accurate or complete, and nothing contained in here can be construed as definitive predictions or forecasts. Any use of the information provided herein by the reader shall be at the sole risk of the reader and Praxis or its business partners, affiliates, agents, officers or employees shall not be liable for any unintended or adverse effect or outcome from the use of such information by the reader.

Praxis does not have any duty to update or supplement any information in this document. Praxis shall not be responsible for any business or commercial loss sustained by any person who relies on any information provided therein.

Any and all logos of companies used in the information provided herein have been published for information purposes only and Praxis does not hold any and all liability in connection therewith.

Praxis Global Alliance

www.praxisga.com

© 2026 Praxian Global Private Limited. All Rights Reserved.

Index

PAGE 04
Foreword

PAGE 08
Key takeaways

PAGE 09
1. Private Credit: Scaling Globally and in Asia

PAGE 21
2. Growth Credit: The Asia opportunity

PAGE 28
3. India: Growth Credit expansion story

PAGE 40
4. South East Asia: Gathering momentum

PAGE 49
5. GCC: A market in the making

PAGE 57
6. Conclusion and implications

PAGE 58
Glossary of terms

PAGE 60
About EvolutionX Debt Capital

PAGE 62
About Praxis Global Alliance

Foreword

Private Credit has become an important pillar of corporate financing. Alongside equity and traditional bank lending, it offers flexible growth capital, helping companies scale with less dilution while providing investors with structured returns. At US$ 2.2T in 2025, Private Credit represents 12% of global alternative investments, 1.6x of 2021 levels. This growth is driven by rising demand from startups and growth businesses, as traditional lenders remain selective, creating a financing gap that Private Credit addresses through flexible structures. Attractive risk-adjusted returns are further driving investor appetite.

Asia Pacific has emerged as one of the most promising regions for this shift, with Private Credit AuM reaching US$ 147B in 2025, up 1.6x since 2021. Across India, South East Asia and the GCC, combined Private Credit AuM stood at US$ 41B and is projected to reach US$ 109B by 2030. Growth Credit accounts for 38% of Private Credit disbursements, with New-age sectors representing 37% of Growth Credit funding across these markets.

As startups and growth businesses scale, Growth Credit is expected to increasingly drive Private Credit growth, with its share of AuM projected to reach as high as ~44% in India, ~60% in SEA and ~35% in GCC by 2030. Key beneficiaries will include Tech-led Businesses, Financial Services, New-age Consumer, Semiconductors, Artificial Intelligence, Deep Tech, Data Centers and the EV Value Chain.

With 75% of founders intending to raise Growth Credit within the next 12 months, we expect Private Credit to take a larger role in funding the region's strongest growth-stage companies, not as a replacement for equity, but as the layer that sits alongside it.

This report takes a deep dive into how Growth Credit is being raised and deployed across India, South East Asia and the GCC, drawing on 1,700+ credit deals worth more than US$ 60B since 2021, alongside conversations with funds and founders. This report reflects our perspective as of September 2026.

We, at Praxis Global Alliance and EvolutionX, look forward to continuing this discussion and exchanging notes with various industry participants that are fueling the growth of this sector.



Madhur Singhal
Managing Partner & CEO, Praxis Global Alliance



Rahul Shah
Partner and Head, EvolutionX

Definitions and coverage

Private Credit

Debt capital provided directly to private or publicly listed companies by private credit funds, alternative investment funds, family offices, sovereign wealth funds, pension funds and other non-bank private capital providers, excluding traditional bank and NBFC loans and public market debt instruments.

Growth Credit

Credit financing provided to growth-stage companies by dedicated credit funds, alternative investment funds, family offices, sovereign wealth funds, pension funds and other non-bank private capital providers, excluding traditional bank and NBFC loans and public market debt instruments. Does not include Infrastructure, Real Estate, and Venture Debt investments.

Venture Debt

Credit financing provided to venture capital-backed companies by dedicated venture debt funds, excluding traditional bank/NBFC lending and public market debt instruments. Typically taken at early or growth stages, alongside or following equity financing.

Infrastructure

Credit financing for Infrastructure assets and projects, excluding traditional bank/NBFC lending, public infrastructure debt securities, and direct government/public-sector funding.

Real Estate

Credit financing for Real Estate assets and projects, excluding traditional bank/NBFC lending and publicly listed REIT debt.

Sectors

Traditional

- Food, Beverage and QSR, Business Services, Financial Services, Healthcare, Manufacturing, Energy, Agriculture, Logistics and Supply Chain, Consumer and Retail, Education, Infrastructure, Real Estate

New-age

- Tech-led Businesses, New-age Consumer, Semiconductors, Data Centers, Artificial Intelligence, EV Value Chain, Deep Tech

Geographies

India

SEA (South East Asia)

- Singapore, Malaysia, Indonesia, Vietnam, Thailand, Philippines

GCC (Gulf Cooperation Council)

- Saudi Arabia, United Arab Emirates (UAE)

Objectives of the report

- Map the scale and growth of the Asia Private Credit market
- Analyze current trends in Private Credit investments across New-age growth sectors
- Decode the evolution of New-age borrowing and lending dynamics
- Assess the India, SEA and GCC Growth Credit growth opportunity
- Draw a forward outlook through founder and investor perspectives

Methodology and sources of input

We include Private Credit investments made by financial sponsors into operating companies. This can include investment from Private Credit funds, Venture Debt funds, Real Estate funds, and Infrastructure funds. Only companies (recipients of these funds) headquartered in India, SEA, GCC or having a majority of workforce in these regions have been considered.

Excluded from scope

- Traditional bank loans, NBFC credit and public credit markets
- Grants or loans from central governments, state agencies or public-private partnerships
- Credit from angel investors, accelerators, incubators, business-plan competitions, and friends-and-family investments

Primary sources

Inputs from Asia-based funds (N=20 funds)				
Typical deal size of funds interviewed	**India**	**SEA**	**GCC**	**Total**
Up to US$ 20M	2	2	1	**5**
>US$ 20M & <= US$ 50M	3	2	2	**7**
>US$ 50M & <= US$ 100M	1	2	1	**4**
Above US$ 100M	1	1	2	**4**
Total	**7**	**7**	**6**	**20**

Inputs from Asia based founders (N=18 founders)				
Current valuation of company	**India**	**SEA**	**GCC**	**Total**
Up to US$ 300M	4	2	1	**7**
>US$ 300M & <= US$ 500M	3	3	1	**7**
Above US$ 500M	1	2	1	**4**
Total	**8**	**7**	**3**	**18**

Secondary sources

- DealsAI database having 1,700+ credit deals worth >US$ 60B since 2021
- Other databases

Praxis Econometrics · THE WORLD BANK · SEBI · International Monetary Fund · Reserve Bank of India · PREQIN · Broadridge



Report focus



GCC
(Kingdom of Saudi Arabia, UAE)

India

South East Asia
(Singapore, Malaysia, Indonesia, Vietnam, Thailand, Philippines)

GCC (2025)

- GDP: US$ 1,850B
- KSA and UAE: 4.3% of Asia GDP, 77% of GCC GDP
- Private Credit AuM: US$ 2.9B

India (2025)

- GDP: US$ 3,960B
- 9.3% of Asia GDP
- Private Credit AuM: US$ 29B

SEA (2025)

- GDP: US$ 4,080B
- Singapore, Malaysia, Indonesia, Vietnam, Thailand, Philippines: 9.6% of Asia GDP, 97% of SEA GDP
- Private Credit AuM: US$ 8.5B

Key takeaways

Private Credit

1. **Global Private Credit has emerged as a major global asset class for institutional portfolios**

   At US$ 2.2T in 2025, Private Credit now represents 12% of global alternative investments.

2. **APAC Private Credit is gaining scale, supported by attractive risk-adjusted returns**

   AuM reached US$ 147B in 2025 (1.6x since 2021), with Private Credit offering attractive ~9% yields, above ~8% for leveraged loans and ~7% for high-yield bonds.

3. **US$ 100B+ AuM potential by 2030 (2.7x of 2025) for Private Credit across India, SEA and GCC**

   India will anchor 78% of 2030 AuM, with growth across India, SEA and GCC driven by financing gaps, demand for tailored capital and rising institutional allocation to alternative credit.

4. **New-age sector companies raising Private Credit are early-stage and PE/VC-backed**

   35% of Private Credit deals in New-age sector occur post-Series A/B, with 80% of deals being PE/VC-backed.

5. **Private Credit ecosystem is deepening through domestic fund formation and institutional support**

   India's Private Credit AIF registrations grew 3.4x in last 3 years, while Singapore and Saudi Arabia are supporting market through initiatives such as PCGF and PIF-backed platforms.

Growth Credit

1. **Growth Credit has emerged as a significant component of Private Credit**

   Growth Credit accounted for 38% of Private Credit disbursements in 2025, with New-age sectors contributing 37% of this segment.

2. **Growth Credit is expected to reach AuM of US$ 46B by 2030, driven by increasing early-stage PE activity**

   Growth Credit is gaining momentum, supported by earlier-stage capital deployment, deepening financing ecosystem, supportive regulation and broader lender participation.

3. **Growth Credit is increasingly funding business-building needs**

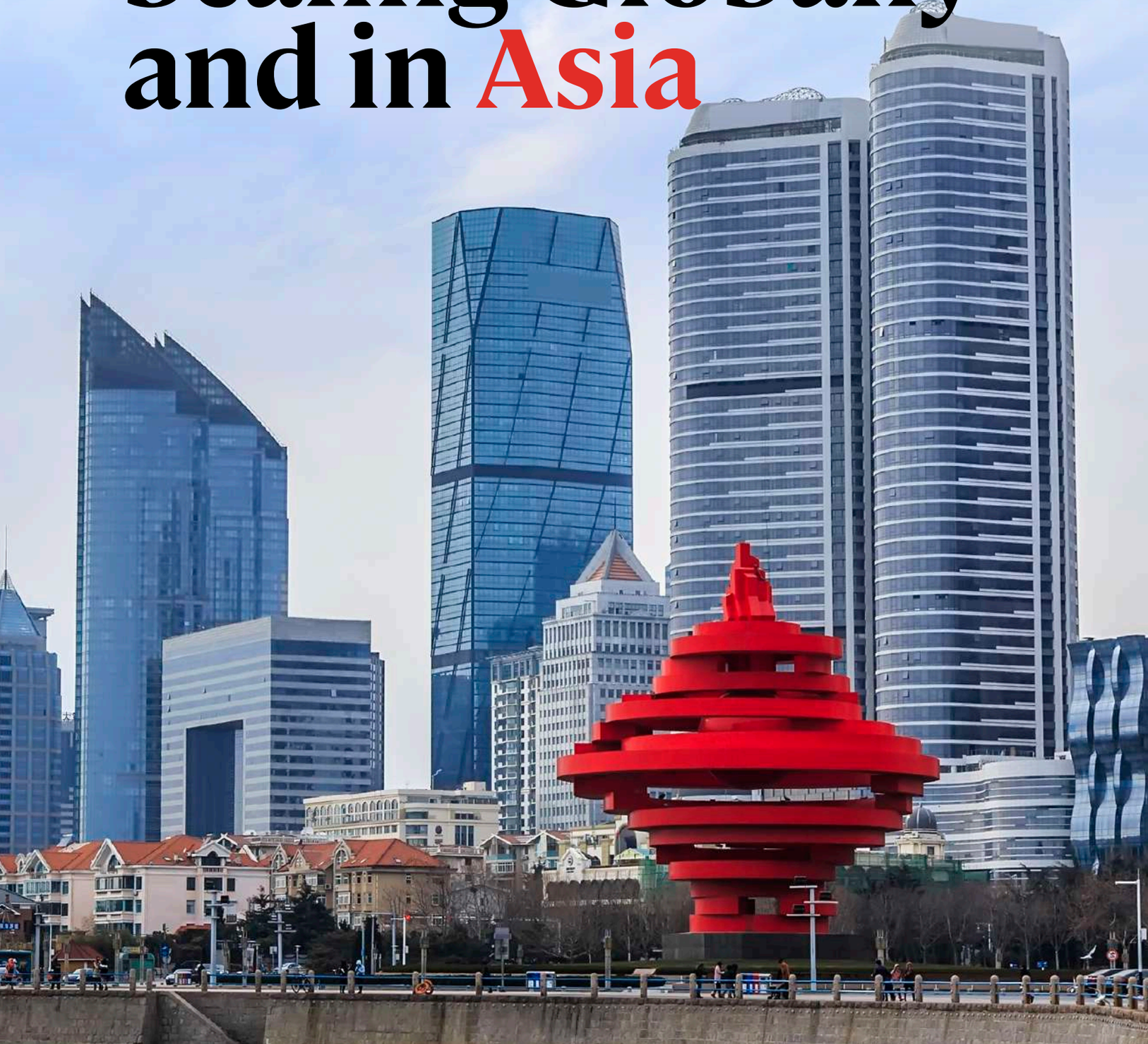
   As of 2025, expansion and capex is driving 52% of deal activity, followed by working capital requirements at 24% and refinancing at 12% by volume.



01

PRIVATE CREDIT:

Scaling Globally and in Asia



1.1 Five situations where Private Credit is needed

- **Restrictions on bank lending**
  Banks sometimes impose restrictive conditions on lending for certain activities, such as acquisition financing or share buybacks.
- **Requirement for flexible solutions**
  Private Credit lenders provide customized structures like delayed amortization, bullet repayments, and more.
- **No equity dilution**
  Companies want PE-like patient capital without diluting promoter ownership.
- **Revenue-based financing**
  Banks and NBFCs require collateral; Private Credit investors can instead offer cash-flow-based structures.
- **Limited access to traditional financing**
  Mid-cap and growth-stage companies often face limited access to bank financing due to low credit ratings, limited hard collateral or cash-burning profiles, while Private Credit can provide capital for acquisitions and growth despite these constraints.

Deal examples

Situations	Investee	Investor	Deal month	Amount	Rationale
Restrictions on bank lending	IIHL	asset 360 ONE; Allianz Global Investors; VÄRDE	Mar 2025	US$ 505M	• Provided financing for IIHL's acquisition of Reliance Capital through NCDs backed by unpledged subsidiary shares and IPO-linked repayment instead of fixed debt servicing
Requirement for flexible solutions	MENSA	EVOLUTION Debt Capital	Oct 2023	US$ 40M	• Provided flexible growth capital through a combination of debt and convertible financing to support brand building and expansion
No equity dilution	Atome Financial	EVOLUTION Debt Capital	Jun 2024	US$ 100M	• Provided debt capital to fund regional expansion and new product launches without diluting existing shareholders
Limited access to traditional financing	Thirumalai Chemicals Ltd	Modulus Alternatives	Jun 2025	US$ 12M	• Private credit funded capex amid weakening credit metrics and rising leverage from ongoing expansion

Source(s): Press review, Industry participant conversations, Praxis analysis

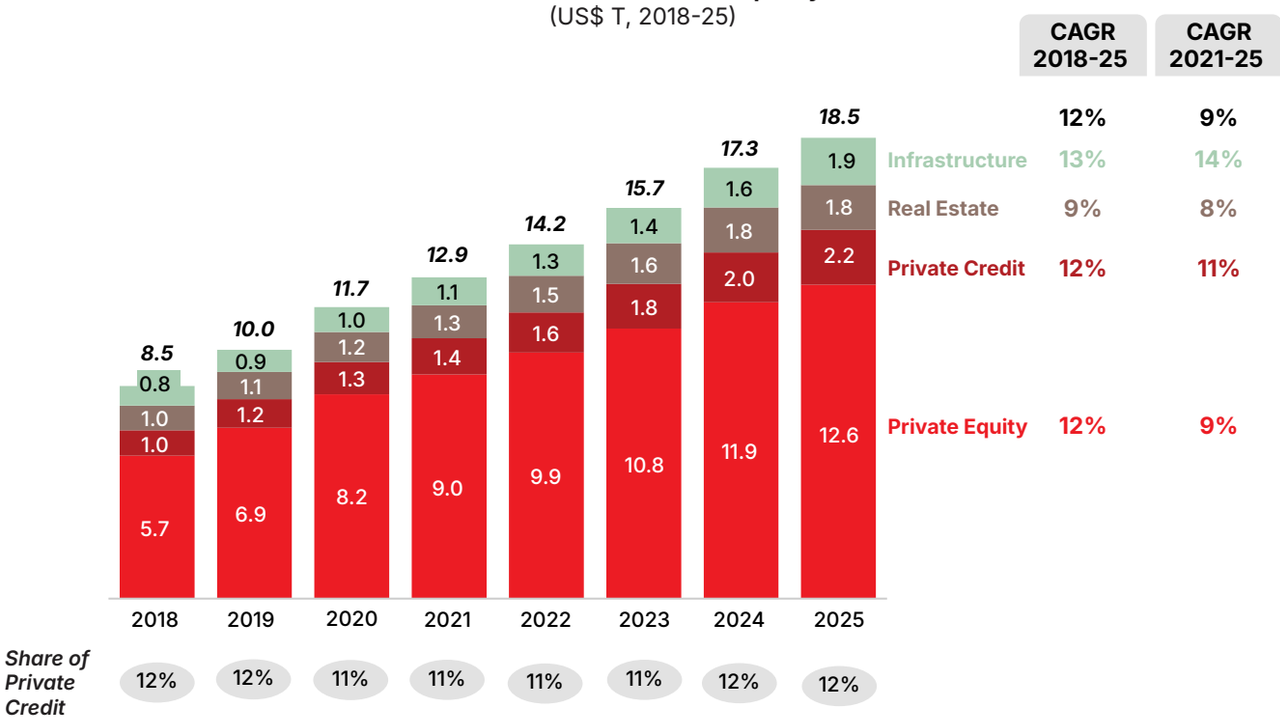
1.2 Investors are drawn to Private Credit due to multiple advantages including steady income generation, illiquidity premium and diversification

- **Steady income generation:** Generates reliable income through contractual cash flows, including interest payments and fees and provides a viable alternative to traditional fixed-income investments. Moreover, the contractual nature of these cash flows also provides greater visibility into expected returns, with limited direct sensitivity to movements in policy rates, supporting greater predictability of income for investors.
- **Resilient and efficient portfolio:** Private Credit maintains lower loss ratios than high-yield fixed-income instruments such as junk bonds and uses single-entity lending structures to enable quicker and more efficient resolution in the event of default.
- **Diversification benefits:** Offers low correlation with public markets, including equity markets and can reduce portfolio volatility with improved risk-adjusted returns.
- **Illiquidity premium:** Investors can earn higher yields than public corporate bonds as compensation for lower liquidity, supporting attractive risk-adjusted returns.
- **Access to niche opportunities:** Enables investors to access sectors and companies that may not be available through public markets.
- **Better risk-adjusted returns:** Private Credit can offer attractive returns relative to the underlying credit risk, supported by contractual cash flows, downside protection and lender control through covenants and security.

1.3 Driven by increasing interest from investors and promoters, Private Credit AuM has doubled globally in the last seven years

Private Credit AuM (US$ 2.2T in 2025) is growing at 11-12%

Global alternative investments AuM split by asset class
(US$ T, 2018-25)

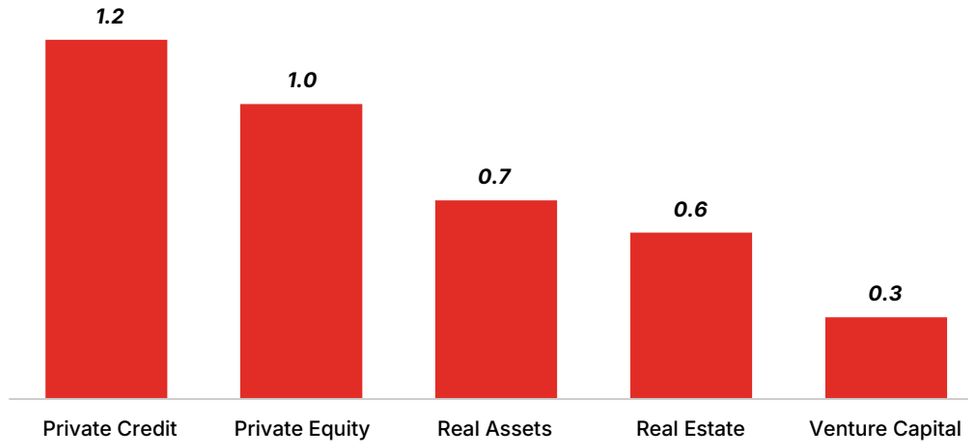


Source(s): CareEdge industry research report on alternatives (January, 2026) JP Morgan Private Bank insights (March 2026), Praxis analysis

Private Credit AuM has doubled globally in seven years to US$ 2.2T in 2025 and continues to grow at 11-12% CAGR, broadly in line with the wider alternatives universe. Investors are increasingly allocating to Private Credit for its potential to enhance portfolio returns through contractual income, an illiquidity premium and diversification benefits. The share of Private Credit in total alternatives market has remained consistent at 11-12% across years during 2018-2025.

1.4 Private Credit continues to outpace other alternative investments on risk-adjusted returns

10-year return relative to volatility of private markets (Sharpe ratio)
(2015-2025)

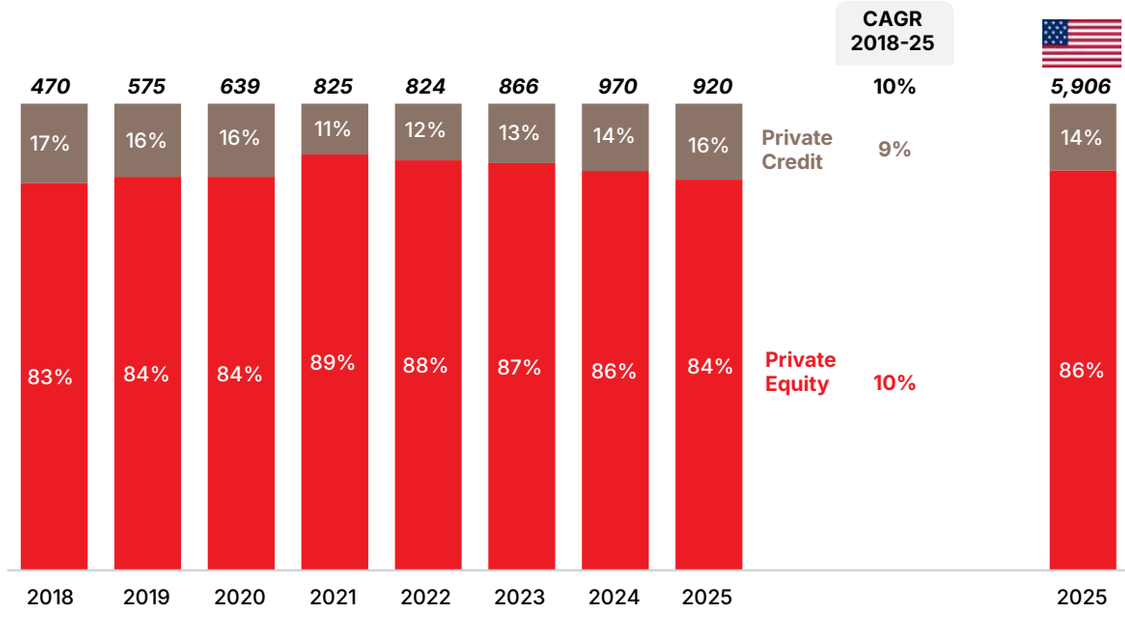


Source(s): Morgan Stanley insights, Praxis analysis

Private Credit continues to deliver the strongest risk-adjusted returns among private-market asset classes, with a 10-year Sharpe ratio of 1.2 during 2015-2025, compared with 1.0 for Private Equity, 0.7 for Real Assets, 0.6 for Real Estate and 0.3 for Venture Capital. This reflects Private Credit's ability to generate attractive returns relative to the volatility assumed by investors. Its outperformance is supported by the complexity and illiquidity premiums embedded in private lending, which can provide additional returns without a proportionate increase in risk. Private Credit also allows lenders to actively manage risk through bespoke structures, covenants and collateral, both at origination and throughout the life of the loan. Furthermore, contractual cash flows make returns less dependent on valuation appreciation and exit timing than equity-oriented alternative investments.

1.5 Investors are closely monitoring APAC as Private Credit is gaining share within Alternative Investments after a few moderate years

APAC Alternative Investments AuM mix by asset class
(US$ B, 2018-25)



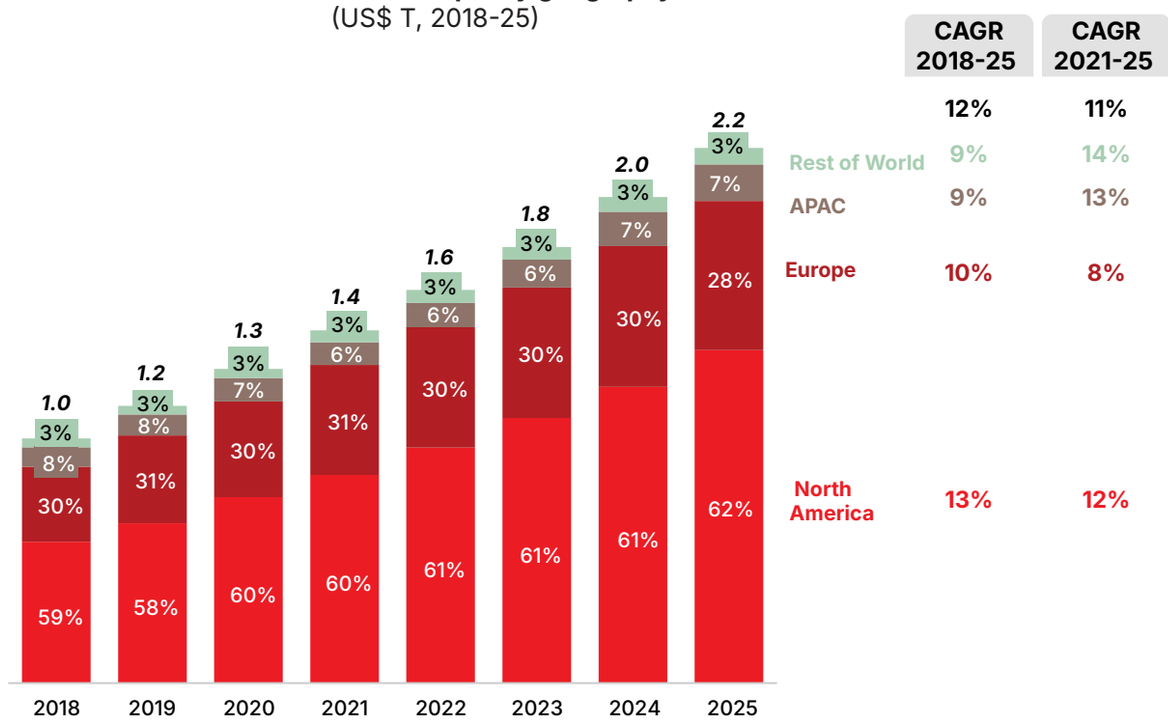
Note(s): Excluding Infrastructure and Real Estate
Source(s): Praxis analysis, Ocorian Knowledge Hub

Private Credit has regained momentum within APAC's Alternative Investments market, with its share rising from 11% in 2021 to 16% in 2025, following a period of subdued growth since 2018. The shift reflects tighter bank lending and regulatory constraints, alongside fragmented markets and the growth of mid-market businesses whose financing needs are increasingly suited to bespoke, non-bank solutions. Attractive yields and diversification are also drawing greater institutional capital into the asset class, with market participants highlighting growing demand across Industrials, Infrastructure, Real Estate and New-age Technology Businesses. This growing demand indicates that Private Credit is transitioning from an emerging asset class into a meaningful component of APAC Alternative Investments.

1.6 APAC Private Credit AuM is outgrowing mature markets, with significant room for continued market development

APAC Private Credit AuM has rebounded post a period of moderation

Private Credit AuM split by geography
(US$ T, 2018-25)



Source(s): CareEdge industry research report on alternatives (January 2026), Preqin Private Debt Global Report, JP Morgan's Private Bank Insights, Praxis analysis
*Direct Lending refers to loans provided directly by Private Credit funds or other non-bank lenders to companies, typically through bespoke, negotiated financing structures

APAC Private Credit AuM has rebounded strongly after a period of moderation, growing to US$ 147B in 2025 and recording a 13% CAGR during 2021-25, ahead of the broader global market. Despite this momentum, APAC remains structurally underpenetrated, accounting for only 7% of global Private Credit AuM, despite the region's significant contribution to global economic growth. According to Preqin, Direct Lending* also remains relatively underdeveloped, representing only 26% of APAC Private Credit AuM versus 49% globally, highlighting further room for market deepening.

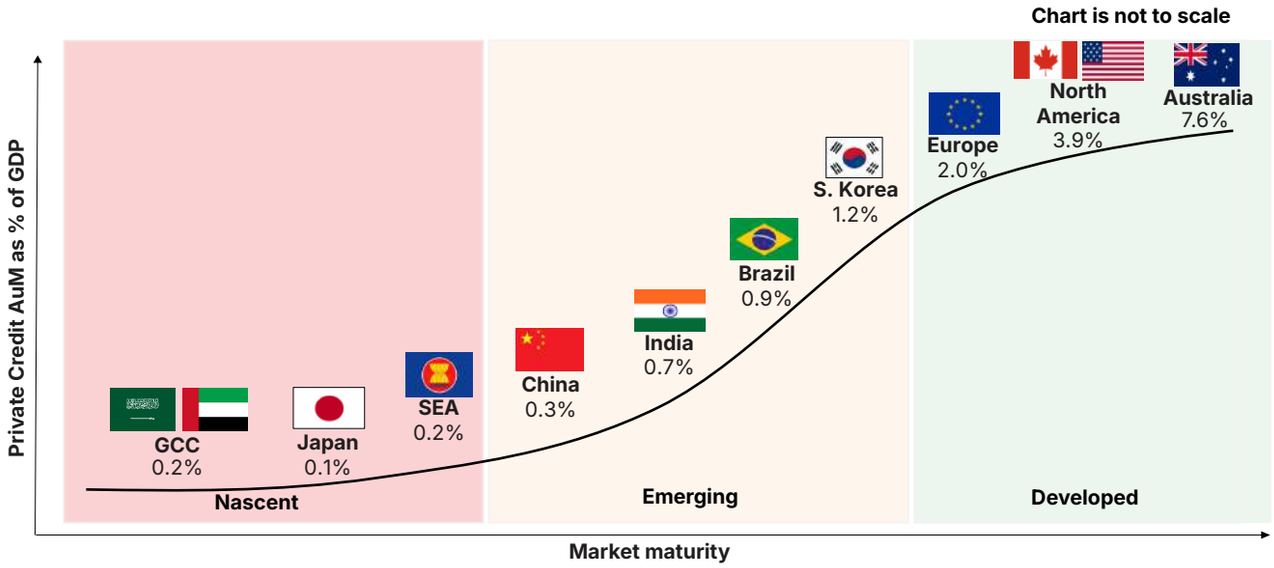
> *We are still just at the tip of the iceberg as far as the size and scale of the credit markets in India, despite the rapid proliferation of new credit funds.*
>
> ***-CEO of Investments & Strategy, Kotak Alternate Asset Managers** (Bloomberg India Credit Forum, October 2024)*

> *There is a significant opportunity set for Private Credit lenders, both local and international. India is one of the most attractive destinations for Private Credit investors from an opportunity size and quality standpoint.*
>
> ***-MD & Head, Cerberus Capital Management** (Business Standard, May 2024)*

APAC offers investors exposure to a fast-growing, under-allocated market that complements traditional US and European credit portfolios. As per JP Morgan's Private Bank Insights, APAC Private Credit offers attractive potential yields of ~9%, versus ~8% for leveraged loans and ~7% for high-yield bonds. At the same time, its ability to offer greater flexibility in deal structuring, tenor and repayment terms is well suited to the growing demand from companies seeking financing beyond traditional lending channels.

The opportunity is particularly compelling given APAC's position as one of the world's fastest-growing regions and the increasing financing needs of its businesses. The region remains at an early stage of development, suggesting that the rapid growth in AuM could represent the beginning of a longer-term expansion rather than a mature-market trend.

1.7 Private Credit penetration of 2%+ of GDP in mature markets highlights headroom for emerging markets



Note(s): ASEAN flag has been used to represent SEA countries
Source(s): World Bank, Industry reports, Praxis Econometrics DealsAI, Praxis analysis

Private Credit penetration varies significantly across markets, with developed markets showing substantially higher penetration than nascent and emerging markets. Australia has the highest penetration at 7.6% of GDP, followed by North America at 3.9% and Europe at 2.0%. In comparison, penetration remains much lower across emerging markets, at 1.2% in South Korea, 0.9% in Brazil, 0.7% in India and 0.3% in China.

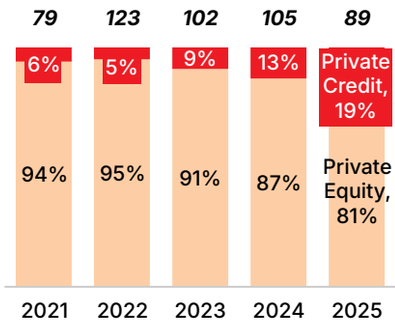
Nascent markets remain particularly underpenetrated, with Private Credit AuM equivalent to just 0.2% of GDP in SEA and 0.1% in both Japan and GCC. The significant gap versus mature markets indicates substantial room for Private Credit to deepen as financing ecosystems develop and institutional participation increases. With Private Credit penetration below 1% of GDP and growing investor appetite, India, SEA and GCC represent attractive markets for Private Credit expansion and form the focus of this report.



1.8 Private Credit is blossoming across focus geographies (India, SEA and GCC) and bridging the gap that banks and other lending institutions cannot fill

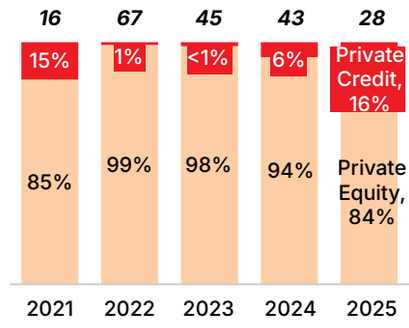
In India, share of Private Credit in total disbursement has increased 3x since 2021

India Alternative Investments disbursement mix by investment type (US$ B, 2021-25)



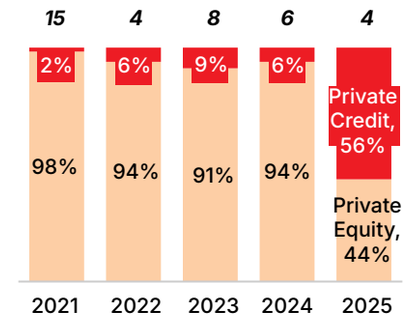
In SEA, Private Credit has regained share following declines in 2022 and 2023

SEA Alternative Investments disbursement mix by investment type (US$ B, 2021-25)



GCC Private Credit has gained significant share within Alternative Investments

GCC Alternative Investments disbursement mix by investment type (US$ B, 2021-25)



Private Credit / GDP (bps)

2021	2022	2023	2024	2025
14	18	27	37	42
7	2	2	7	10
1	1	4	2	12

Alternative Investments / GDP (bps)

2021	2022	2023	2024	2025
248	379	291	279	225
48	182	117	107	65
107	23	46	33	22

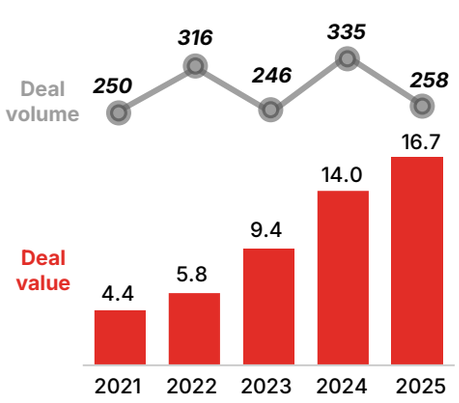
Note(s): Private Credit in 2025 includes Tamara's US$ 1.4B deal; excluding this transaction, Private Credit accounts for 29% of total activity
Source(s): Praxis Econometrics DealsAI, Praxis analysis

Private Credit is gaining importance across all three markets, but the pace and maturity differ. India has seen the most consistent increase, with its share of Alternative Investments disbursements rising from 6% in 2021 to 19% in 2025 and Private Credit deployment reaching 42 bps of GDP. SEA has seen a more recent recovery to 16%, while GCC reached 56% in 2025. This suggests India has the deepest and most established Private Credit ecosystem today, while SEA offer greater room for penetration.

The broader shift reflects growing acceptance of Private Credit as a complement to equity financing, particularly where borrowers require larger, customized or non-dilutive capital. As markets deepen, this could support wider adoption across growth, refinancing and expansion needs, with India likely to remain the regional anchor while SEA and GCC continue to build market depth from lower levels.

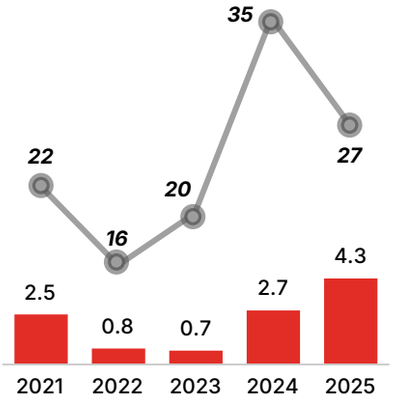
India Private Credit has recorded 3.8x increase in deal value since 2021

India Private Credit deal value and volume
(US$ B, #, 2021-2025)



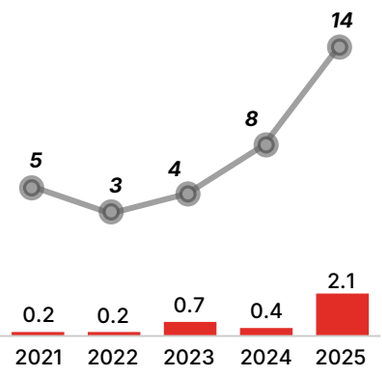
SEA Private Credit has recorded 1.7x increase in deal value since 2021

SEA Private Credit deal value and volume
(US$ B, #, 2021-2025)



GCC Private Credit has recorded 10x increase in deal value since 2021

GCC Private Credit deal value and volume
(US$ B, #, 2021-2025)



Avg. deal size (US$ M)

2021	2022	2023	2024	2025
18	18	38	42	65
114	47	37	77	159
49	73	181	48	147

US deal value (US$ B)

2021	2022	2023	2024	2025
60	130	160	280	260

Source(s): Praxis Econometrics DealsAI, Praxis analysis

Private Credit activity has expanded rapidly across India, SEA and GCC, with average deal value increasing by 3.8x, 1.7x and 10x, respectively since 2021. India has seen the strongest absolute scale-up, with deal value rising from US$ 4.4B in 2021 to US$ 16.7B in 2025, alongside an increase in average deal size from US$ 18M to US$ 65M. SEA has grown from US$ 2.5B to US$ 4.3B, while GCC has expanded from US$ 0.2B to US$ 2.1B, with average deal size increasing from US$ 41M to US$ 147M.

The number of deals also increased overall during the period but saw fluctuations across the geographies. The number of deals went up from 250 in 2021 to 258 in 2025 for India with 2024 seeing the highest deal count at 335. For SEA, the number of deals went up from 22 in 2021 to 27 in 2025 with 2024 witnessing the highest deal count at 35. For GCC, the number of deals went up from 5 in 2021 to 14 in 2025 (highest ever).

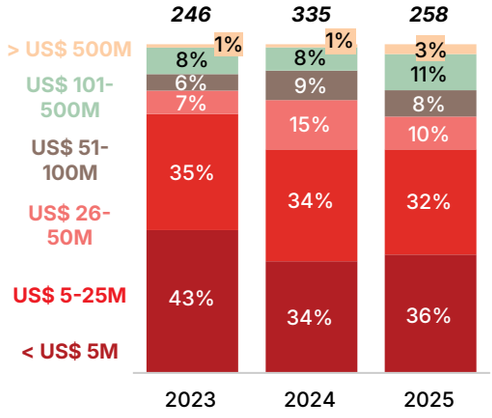
This growth in deal value, volume and average ticket sizes highlights the rapid scaling and increasing institutionalization of Private Credit across the three focus geographies.



1.9 Private Credit ticket sizes are rising across markets, with SEA leading the shift toward larger financings

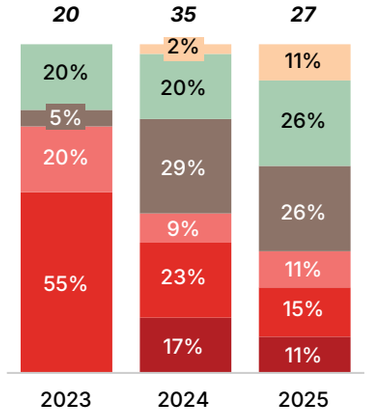
India's deal mix shift towards larger tickets, with US$ 100M+ deals gaining share

Deal mix by ticket size: India
(#, 2023-2025)



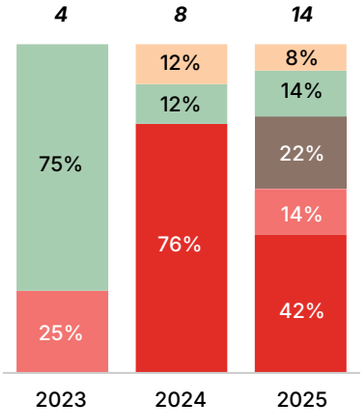
SEA shift towards larger ticket sizes, with US$ 50–500M deals gaining share

Deal mix by ticket size: SEA
(#, 2023-2025)



GCC deal activity concentrated in US$ 5–25M segment

Deal mix by ticket size: GCC
(#, 2023-2025)



Source(s): Praxis Econometrics DealsAI, Praxis analysis

Private Credit deal volume has surged across geographies compared to 2023, with activity shifting towards larger ticket sizes.

In India, US$ 100M+ deals accounted for 14% of total deal count in 2025 vs 9% in 2023, while the share of sub-US$ 5M deals fell from 43% in 2023 to 36% in 2025, indicating increasing appetite for higher ticket credit.

SEA witnessed an even sharper increase as the region has increasingly been driven by larger financings, with US$ 100M+ deals accounting for 37% of total deal count in 2025 vs 20% in 2023. The share of sub-US$ 25M deals fell from 55% in 2023 to 26% in 2025, suggesting that the SEA market is rapidly transitioning toward more institutional-sized transactions.

GCC has also seen a shift in its deal mix. The market saw US$ 100M+ deals accounting for 75% of deal count in 2023 vs 22% in 2025, with US$ 500M+ deals at 8% in 2025 and an overall evenly distributed mix across larger ticket sizes.

Overall, the three markets point to a common evolution in Private Credit, with capital deployment increasingly scaling from smaller, opportunistic financings toward larger mid-market transactions, supporting the institutionalization and maturation of the asset class.



1.10 Fundraising activity for select Private Credit funds across India, GCC, SEA (up to 2025)

Company	Fund name	Last raise size (US$ M)	Last raise	Focus
SEATOWN	Private Credit Fund III	900	Dec-25	APAC Private Credit; bespoke / direct lending across sectors
ASCERTIS Credit	India Fund IV	520	Nov-25	Private Credit; primarily India, with selective Singapore / SEA exposure
EVOLUTIONX Debt Capital	EvolutionX Debt Capital platform	500	Jul-21	Growth Credit for Tech-led Businesses; India, China and SEA; subsequently expanded into GCC
GraniteAsia	Libra Hybrid	350	Dec-25	Pan-Asia Private Credit; middle-market businesses, particularly digitalization, regionalization and supply-chain themes
أمـوال Amwal Capital	ACP Shariah Financing Fund	150	May-25	Shariah-compliant private credit for GCC SMEs; primarily UAE and Saudi Arabia
ANICUT	Grand Anicut Fund IV	142	Dec-25	Private Credit for established Indian businesses; consumer, SaaS, manufacturing and engineering services
January Capital	Growth Credit Fund	130	Dec-25	Growth Credit for sponsor-backed, technology-enabled companies across APAC
Janus Henderson INVESTORS	MENA Private Credit Fund IV	125	Sep-25	Shariah-compliant direct lending; MENA, with emphasis on Saudi mid-market / industrial businesses
DMI ALTERNATIVES	Corporate Private Credit Fund	120	Dec-25	Performing / cash-flowing Indian companies; healthcare, technology, business services, manufacturing and financial services
Total		**2,937**		

Note(s): In 2026, Granite Asia's Libra Hybrid surpassed its US$ 500M target, while Ascertis Fund IV progressed towards its second close following its US$ 520M first close
Source(s): Fund websites

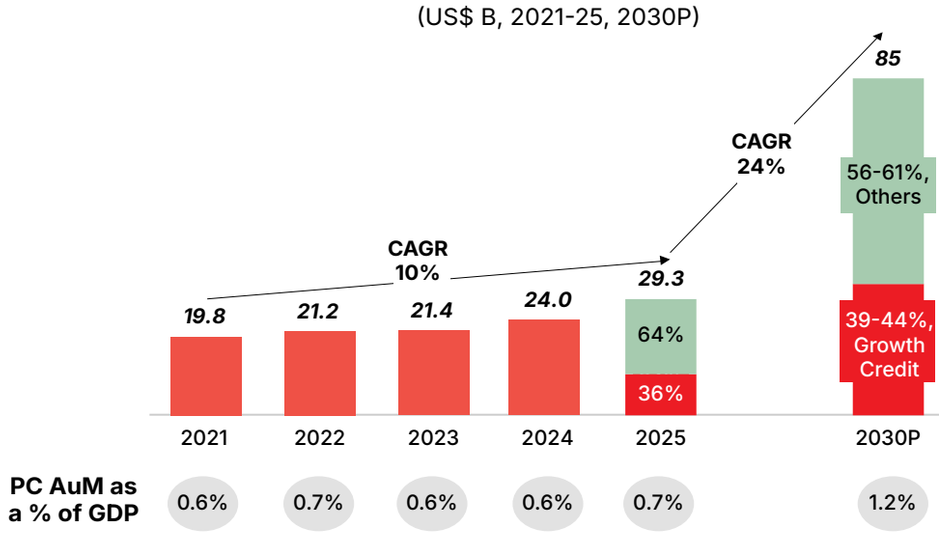
Fundraising activity points to a deepening institutional base for Private Credit across Asia, alongside the emergence of more specialized Growth Credit strategies. Large pan-Asia platforms such as KKR and SeaTown are raising substantial pools of capital, while India-focused managers such as Ascertis Credit and Motilal Oswal are scaling dedicated credit strategies. At the more specialized end of the market, EvolutionX and January Capital are targeting the underpenetrated Growth Credit segment, providing flexible, non-dilutive capital to growth-stage businesses. Together, these fundraises indicate that the market is evolving from a predominantly opportunistic credit proposition toward a broader ecosystem spanning institutional Private Credit and specialized Growth Credit.

1.11 Private Credit opportunity in the 3 focus geographies (India, SEA, and GCC) by 2030

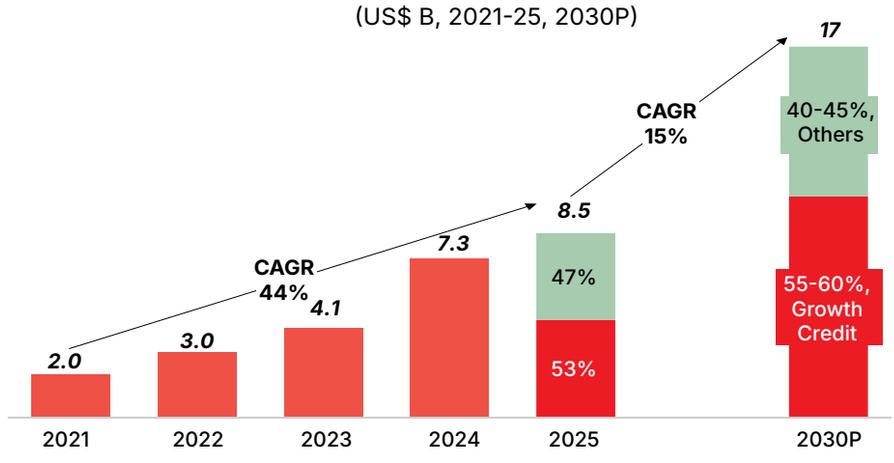
India, SEA and GCC are expected to be key growth markets for Private Credit, with combined AuM projected to increase from US$ 41B in 2025 to ~US$ 109B by 2030P. India will remain the largest opportunity, with AuM expected to rise from US$ 29.3B to US$ 85B at a 24% CAGR, while

SEA and GCC are projected to reach US$ 17B at 15% CAGR and US$ 7.4B at 21% CAGR respectively. This expansion reflects the increasing relevance of Private Credit as a source of flexible, non-dilutive capital across a broader range of financing needs.

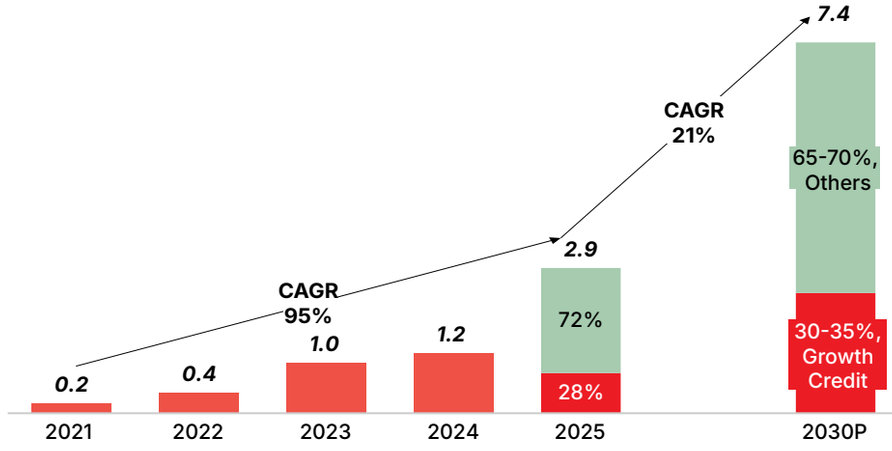
India Private Credit AuM
(US$ B, 2021-25, 2030P)



SEA Private Credit AuM
(US$ B, 2021-25, 2030P)



GCC Private Credit AuM
(US$ B, 2021-25, 2030P)



Source: CareEdge industry research report on alternatives (January 2026), Preqin report on Alternatives in APAC, Praxis analysis

Growth Credit is expected to become an increasingly important component of this expansion, particularly as New-age businesses, SMEs and mid-market companies seek capital for growth, acquisitions, refinancing, working capital and expansion. Its share of Private Credit AuM is projected to increase from 36% to 39-44% in India, 53% to 55-60% in SEA, and 28% to 30-35% in GCC between 2025 and 2030P. At the same time, capital-intensive sectors such as Infrastructure, Real Estate, Digital Infrastructure and Energy are creating demand for larger and longer-duration financing, while growing activity across Technology, Healthcare, Logistics, Consumer and other emerging sectors is broadening the borrower base.

The opportunity is further supported by structural funding gaps and evolving corporate financing needs. Mid-market businesses remain underserved by traditional lenders, while larger corporates increasingly use Private Credit for complex refinancing and structured financings, as demonstrated by transactions such as Shapoorji Pallonji's US$ 3.4B refinancing. Together, these trends point to a sustained expansion of Private Credit across India, SEA and GCC, with India providing scale, while SEA and GCC offer attractive high-growth opportunities as their markets mature.



02

GROWTH CREDIT:

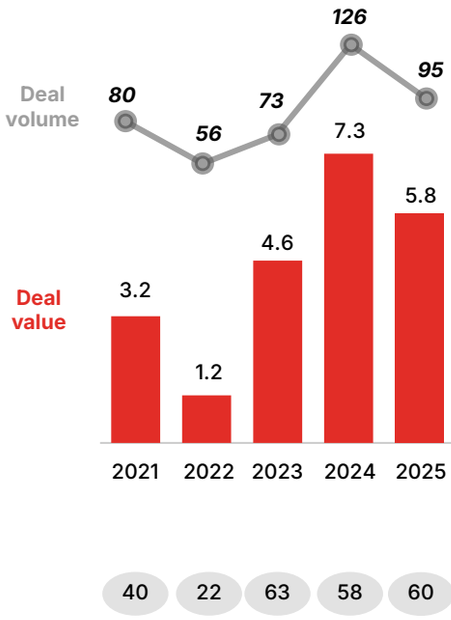
The Asia opportunity



2.1 Growth Credit is becoming increasingly relevant across the three focus geographies (India, SEA, and GCC) as banks remain selective in funding high-growth businesses

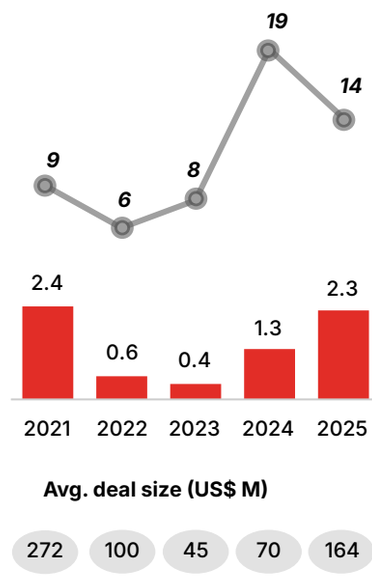
India Growth Credit has recorded 1.8x increase in deal value since 2021

India Growth Credit deal value and volume
(US$ B, #, 2021-2025)



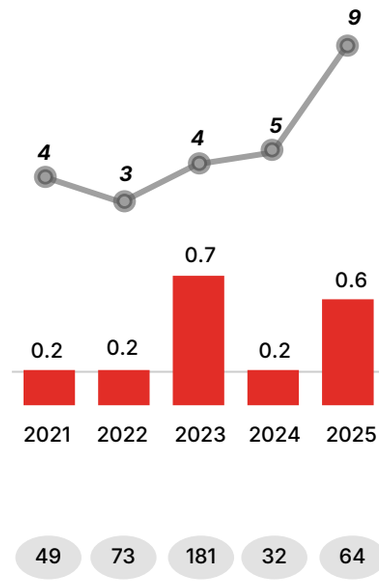
SEA Growth Credit has recorded 3.8x increase in deal value since 2022

SEA Growth Credit deal value and volume
(US$ B, #, 2021-2025)



GCC Growth Credit has recorded 3x increase in deal value since 2021

GCC Growth Credit deal value and volume
(US$ B, #, 2021-2025)



Avg. deal size (US$ M)

40	22	63	58	60	272	100	45	70	164	49	73	181	32	64

Source(s): Praxis Econometrics DealsAI, industry reports, Praxis analysis

As banks and other traditional lending options became less accessible, Growth Credit continued to support business growth across the globe and in Asia.

Within Asia, India and GCC witnessed the combined expansion of deal count and average ticket sizes, while for SEA, average deal sizes fluctuated throughout the years.

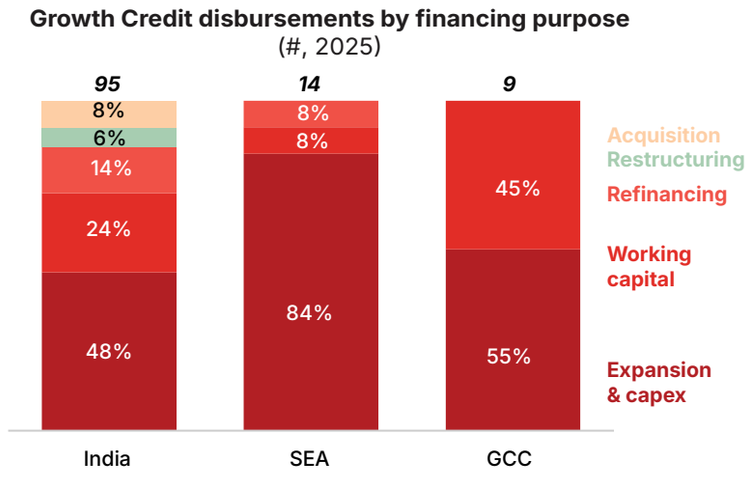
In India, average deal size for Growth Credit increased by 1.5x from 2021 to 2025, volume rose from 80 to 95 deals, with 2024 witnessing the highest volume with 126 deals, indicating a genuine broadening of the borrower base and selective underwriting as the market matures. Overall deal value increased by 1.8x, from US$ 3.2B in 2021 to US$ 5.8B in 2025.

SEA saw deal value rise by 3.8x, from US$ 0.6B in 2022 to US$ 2.3B in 2025, resting on a thin deal base in the set (never exceeding 20 deals a year). The 2023 trough (8 deals) followed by 2025's spike (14 deals) shows the market being carried by a small number of outsized transactions.

GCC's Growth Credit market is showing early momentum and increasing ticket depth, with deal value tripling from US$ 0.2B in 2021 to US$ 0.6B in 2025. Average deal size has also risen substantially, indicating that market can support sizeable financings, even as transaction volumes remain relatively selective.

The relatively low and uneven deal count reflects the early-stage development of the market, with activity currently concentrated in fewer, larger transactions. As the lender base expands, the market has potential to expand beyond these larger financings and develop into a more consistent source of Growth Credit across the GCC.

2.2 Expansion & capex emerges as the primary driver of Growth Credit fundraising across markets in 2025



Source(s): Praxis Econometrics DealsAI, News articles, Praxis analysis

The current use of Growth Credit provides visibility into the next wave of financing demand as expansion and capex financing today can create refinancing needs tomorrow, while acquisition financing can drive follow-on funding and potential restructuring as leverage and integration needs evolve. Working capital financing can be particularly recurring, with growing businesses requiring continued liquidity support as operating scale increases. SEA's expansion-heavy mix points to a strong future refinancing pipeline, India's diversified financing mix creates multiple avenues for follow-on demand, while GCC's high reliance on working-capital financing points to a more recurring funding need, as businesses require ongoing liquidity to support inventory, supplier payments and day-to-day operating cycles as they scale.

Key Growth Credit deals across focus geographies

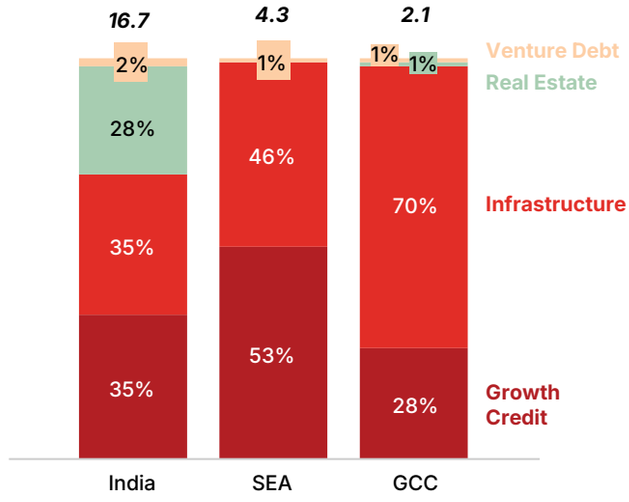
	Deal size (US$ M)	Investor	Company	Financing purpose	Rationale
India	38	EVOLUTION Debt Capital	Yubi	Expansion & capex	• Fund Yubi's international expansion into South East Asia, the US, and the Middle East, plus continued investment in its AI-driven debt platform
	42	truenorth	iNNOVA RUBBERS PRIVATE LIMITED	Working capital	• Fund working-capital requirements to support business growth and scale operations
	360	Allianz Global Investors, kotak Alternate Asset Managers	BGPPL	Refinancing	• Refinanced legacy distressed debt to enable transition back to conventional bank financing
	29	EAAA Alternatives, OMKARA	BEST	Restructuring	• Restructured legacy stressed debt while providing fresh capital to restore liquidity and support business operations
	104	kotak Alternate Asset Managers	Neuberg Diagnostics	Acquisition	• Funded inorganic expansion through acquisitions of regional diagnostic players to accelerate scale and geographic reach
SEA	100	EVOLUTION Debt Capital, BlackRock	atome	Expansion & capex	• Scale its Buy-Now-Pay-Later (BNPL) and digital lending products
	75	Community Investment Management (CIM)	cashalo	Expansion & capex	• Provided growth capital to scale digital lending, expand product offerings and reach a broader customer base
	400	APOLLO		Refinancing	• Refinanced existing debt through a long-tenor private credit facility, providing greater funding flexibility for the education platform
GCC	250	ARES	Property Finder	Expansion & capex	• Debt financing for product innovation, AI, marketing, branding and strategic partnerships across MENA
	50	EVOLUTION Debt Capital, Others	KITOPI	Expansion & capex	• Fund Kitopi's regional brand expansion and global franchising

Source(s): Praxis Econometrics DealsAI, News articles, Praxis analysis

2.3 Growth Credit accounts for a leading share of value and volume in Private Credit market

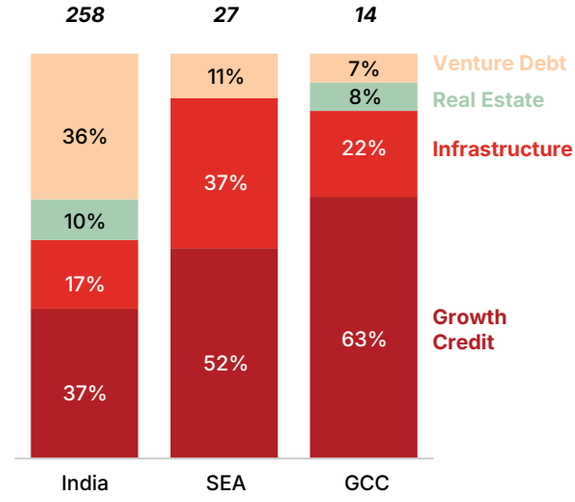
Growth Credit captures highest deal value in South East Asia (53%) and India (35%)

Private Credit deal value by market
(US$ B, 2025)



Growth Credit accounts for highest share in deal volume across SEA and GCC

Private Credit deal volume by market
(#, 2025)



Source(s): Praxis Econometrics DealsAI, Praxis analysis

Growth Credit is a major component of Private Credit across all three markets, but the underlying strategy points to materially different market structures. SEA is the most balanced market (with Growth Credit forming 53% of deal value and 52% of deal volume), indicating both growth-oriented and infrastructure-led demand. India has the most diversified Private Credit ecosystem, with Growth Credit (accounting for 35% of deal value and 37% of deal volume) complemented by meaningful Infrastructure and Real Estate activity, suggesting multiple avenues for Private Credit deployment. GCC is more concentrated, with Infrastructure accounting for 70% of deal value despite only 22% of volume, implying that a small number of large-ticket infrastructure financings drive a significant portion of Private Credit capital, while Growth Credit dominates transaction activity at 63% of volume and 28% of value, indicating a greater concentration in smaller tickets, with headroom for average deal sizes to scale as the market matures and financing needs deepen.

> *Growth Credit is emerging as the core Private Credit product across Asia, reflecting broad demand for flexible capital beyond traditional financing channel.*
>
> ***- Founder & CEO,***
> ***Private Credit Fund***

> *The breadth of Growth Credit demand points to a scalable opportunity. One product serving growth, refinancing and expansion needs across diverse markets.*
>
> ***- Principal,***
> ***Venture Debt Fund***

> *Growth Credit sits at the center of the Private Credit opportunity, combining the scale of institutional lending with the flexibility borrowers see.*
>
> ***- Head of APAC Credit,***
> ***Growth Credit Fund***

Seven New-age Sectors Driving Growth

Within Growth Credit, seven New-age sectors are driving growth, supported by structural catalysts such as digitization, evolving consumer behavior, supply-chain localization, rising compute demand, AI adoption, electrification and strategic technology development.

1. **Tech-led Businesses** are being driven by digitization and software adoption, with opportunities spanning e-commerce, B2B, B2C, Fintech, Edtech, Health Tech, Logistics Technology and Agritech.
2. **New-age Consumer Businesses** are benefiting from digital-first consumption, including consumer technology, e-commerce and q-commerce.
3. **Semiconductors** are supported by supply-chain localization, creating opportunities across chip design, semiconductor manufacturing, assembly, testing and packaging, as well as semiconductor equipment and materials.
4. **Data Centers** are benefiting from cloud adoption and rising compute demand, with growth across data storage providers, hyperscale and edge data centers, and cloud infrastructure providers.
5. **Artificial Intelligence** is being driven by GenAI adoption and automation, with opportunities across foundation model companies, AI development tools and vertical AI applications.
6. **EV Value Chain** benefits from electrification and energy transition, spanning EV mobility and manufacturers, battery and cell companies, battery-as-a-service providers, charging infrastructure and EV components and suppliers.
7. **Deep Tech** is supported by strategic technology development, with opportunities across space tech, defense technology and robotics.

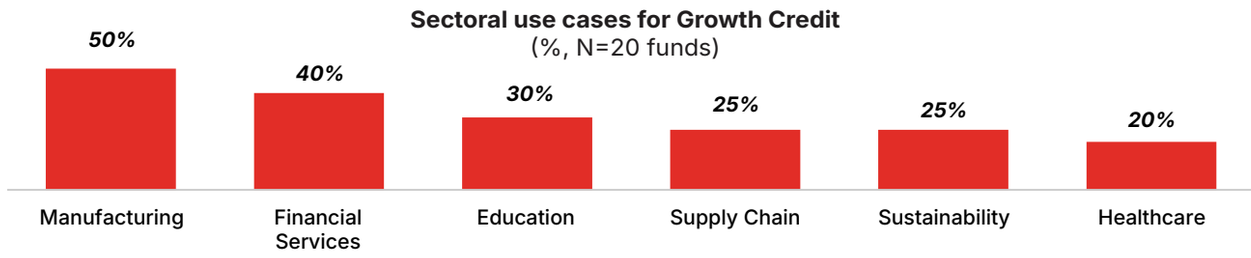
Growth Credit is gaining momentum as evolving capital needs, increasing institutional participation and a deepening financing ecosystem expand the addressable opportunity. Institutional and alternative capital is increasingly moving earlier in the company lifecycle, while Private Credit penetration across India, SEA and GCC remains well below mature-market levels, leaving significant headroom for growth. The opportunity is further supported by funding gaps in larger and more complex transactions, where traditional financing remains selective. The Private Credit market is broadening beyond traditional direct lending into structured, asset-backed and other specialized strategies, expanding the range of financing solutions available to borrowers. Evolving regulatory frameworks, particularly India's AIF framework, are creating a more supportive environment for Alternative Investments, while deeper capital markets and a growing lender base are strengthening exit and refinancing options for borrowers.

However, the market remains constrained by regulatory fragmentation, cross-border considerations and concentration of activity in key financial hubs. Differences in lending, licensing and structuring frameworks across markets add complexity to cross-border deployment, while currency mismatches can create additional risks for lenders financing businesses with local-currency cash flows. Moreover, credit continues to serve primarily as a complementary source of growth capital, with founders relying more heavily on equity in the early stages before incorporating credit as businesses scale.

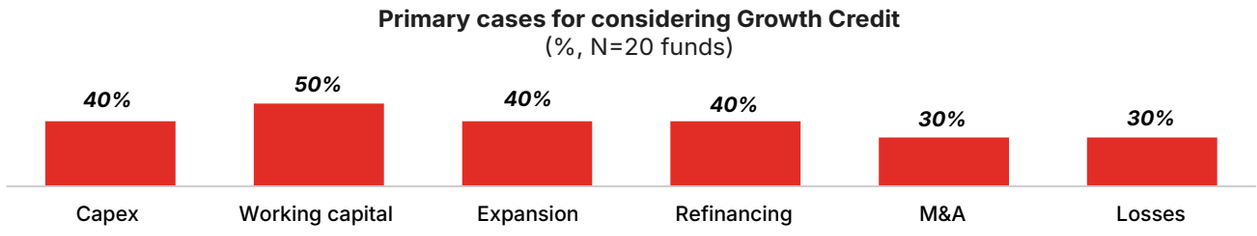
2.4 Growth Credit demand is strong across sectors, with Manufacturing and Financial Services leading demand

Demand is broad-based, spanning sectors, expansion and core funding needs

Q. What sectors will you be focusing on in 2026?



Q. What are the primary reasons for your portfolio companies to consider debt?



Source(s): Inputs from Asia based funds, Praxis analysis

> *We are seeing demand shift from generic funding needs toward more purpose-built capital, with sector economics increasingly determining where and how debt is deployed.*
>
> ***- Investment Partner, Private Credit Fund***

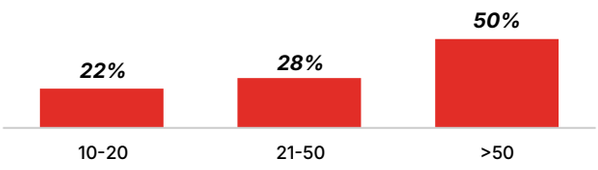
> *Despite larger ticket ambitions, Indian companies remain conservative on leverage, debt is typically sized around specific growth spending rather than used to maximize the balance sheet.*
>
> ***- Senior Executive, Growth Credit Fund***

Growth Credit demand is broad-based across sectors, with Manufacturing and Financial Services emerging as the most prominent areas of focus among surveyed funds. Manufacturing is cited by 50% of funds, followed by Financial Services at 40% and Education at 30%, while Supply Chain and Sustainability each account for 25% and Healthcare for 20%. Demand drivers are similarly diverse, with working capital cited by 50% of funds, followed by capex and refinancing at 40% each, and expansion, M&A and losses at 30% each.

Founders are seeking larger ticket debt to fund growth-led opportunities

Q. What amount are you looking to raise?

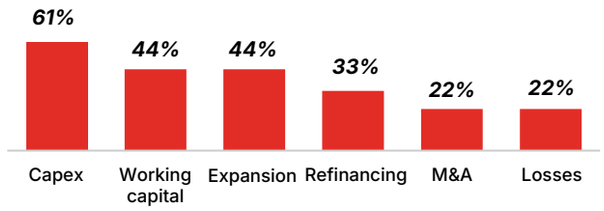
Founder demand for debt by ticket size (US$ M)
(%, N =18 founders)



Capex and Working capital lead Growth Credit use cases

Q. What are the end-uses for which you have/may consider raising debt?

Use cases for Growth Credit
(%, N =18 founders)



Source(s): Inputs from Asia based founders, Praxis analysis

The founder survey indicates strong demand for larger-ticket Growth Credit, with 50% of founders seeking more than US$ 50M and a further 28% looking for US$ 21–50M. This points to Growth Credit evolving from a tactical liquidity tool into a meaningful source of scale-up capital, capable of supporting sizeable business plans.

Capex emerges as the leading use case, cited by 61% of founders, highlighting demand for debt to fund growth and expansion initiatives. This suggests founders are increasingly comfortable using debt to finance forward-looking investments and capacity creation, rather than relying solely on equity. Working capital and expansion are also significant requirements, each cited by 44% of founders, indicating a need for flexible financing that can keep pace with rapidly evolving funding needs beyond traditional bank debt.

Refinancing 33% and M&A 22% represent additional use cases, suggesting Growth Credit is also being considered for broader capital-structure and strategic needs, reinforcing its role as a flexible complement to equity and traditional financing.

> *We don't look at debt as runway anymore. For the right use cases, it is growth capital that lets us scale faster without having to fund every investment through equity.*
>
> ***- Co-founder, Indian D2C brand***

> *When the capital is going into inventory, capacity or infrastructure that will generate returns, using equity for all of it doesn't always make sense. Debt can be a much more efficient way to fund that growth.*
>
> ***- Founder, Logistics & Mobility Company***

> *For us, debt is closely tied to the underlying economics of the business, it allows us to fund the assets and working capital that grow as our platform scales.*
>
> ***- Co-founder, Indian consumer brand***



03

INDIA:
Growth Credit expansion story



Key takeaways

Private Credit

1. **India has emerged as the region's anchor Private Credit market**

   India is the largest and most developed of the three focus markets, with US$ 16.7B in 2025 disbursements, 3.8x of 2021 levels. Private Credit now represents 19% of Alternative Investments, up from 6% in 2021, supported by expanding domestic capital.

2. **Private Credit is set for strong structural growth**

   AuM is projected to reach US$ 85B by 2030, from US$ 29.3B in 2025 (2.9x from 2025 to 2030) as companies are increasingly using credit alongside equity to fund their next phase of expansion, rather than waiting for equity to be fully deployed.

3. **PE/VC backing is a key gateway for New-age Companies to access credit early**

   80% of Private Credit deals are done by New-age companies that are already PE/VC-backed, with 46% of New-age companies raising credit post-Seed/Series A/B and typically within two years of an equity funding.

4. **India's Private Credit ecosystem is deepening**

   New Private Credit AIF registrations more than tripled from 14 in 2022 to 48 in 2025, reflecting the rapid expansion of the domestic funding.

5. **Funds are increasingly targeting more scaled growth opportunities**

   37% of surveyed funds target Series C+ companies, with Financial Services and Manufacturing emerging as leading focus sectors for 2026, pointing to continued appetite for more scaled opportunities.

Growth Credit

1. **Growth Credit is becoming a core segment**

   Growth Credit accounted for 35% of 2025 Private Credit disbursements, with New-age sectors (Tech-led Businesses, New-age Consumer, EV Value Chain) contributing 29% of Growth Credit.

2. **Growth Credit is emerging as a key engine of Private Credit growth**

   Growth Credit AuM is projected to account for 39-44% of Private Credit by 2030, up from 36% currently.

3. **Growth Credit is increasingly funding business-building needs**

   Growth Credit is moving beyond liquidity needs toward growth investment. In 2025, expansion and capex accounted for 48% of activity, followed by working capital at 24% by volume.



3.1 Corporates in India tap credit through five distinct sources

India has established itself as the region's leading Private Credit market - the largest by disbursement, the deepest in fund ecosystem, and the furthest along the market-maturity curve of the three geographies this report covers.

At US$ 16.7B in 2025 disbursements (3.8x since 2021), Private Credit now represents 19% of India's Alternative Investments, up from 6% in 2021, and AuM is projected to nearly triple to US$ 85B by 2030.

Private Credit occupies a specific niche among India's five credit channels. Bank credit (9-13%) and NBFC credit (12-16%) serve companies with strong credit histories or those able to meet stringent bank standards; corporate bonds (8-10%) are reserved for AA/AAA-rated corporates and PSUs; external commercial borrowings (7-12%) serve companies raising foreign-currency credit from outside India. Private Credit, at 14-18% for performing credit and 18-24% for high-yield, serves companies typically not served by banks and NBFCs at all - and, uniquely among the five, offers repayment terms that can be negotiated to straight-line or bullet based on the borrower's cash flow profile.

Parameters	Bank credit	NBFC credit	Corporate bonds	External commercial borrowings	Private Credit
Typical users	• Companies with a high credit score, several years of business vintage, and substantial annual turnovers	• Companies that have difficulties in qualifying under the stringent standards of banks • Wholesale lending	• Corporates or PSUs with high investment grade ratings (AA or AAA)	• Companies raising debt in foreign currencies from outside India	• Companies typically not served by banks and NBFCs
Average 2023 interest rate	• 9-13%	• 12-16%	• 8-10%	• 7-12%	• 14-18% (performing) • 18-24% (high yield)
Tenure	• Short term or long term (1-7 years)	• Short term or long term (1-7 years)	• Generally long term (7-10+ years)	• Generally long term (5-10+ years)	• Short term or long term (1-7 years)
Repayment	• Straight line	• Straight line	• Bullet payment	• Straight line	• Can be negotiated to be straight line or bullet
Covenants	• Generally restrictive, reducing operational flexibility	• Looser covenants than banks	• Flexible, as decided by company	• Flexible, as decided by company	• Flexible, based on negotiations
Example of lenders	ICICI Bank, HDFC BANK, AXIS BANK, SBI	SHRIRAM Group, Chola, BAJAJ FINSERV, muthoot FINCORP	LIC, ICICI PRUDENTIAL MUTUAL FUND, HDFC MUTUAL FUND, GIC Re	responsAbility, BIB FAIR BANKING	EVOLUTION Debt Capital, Edelweiss ALTERNATIVES, KKR, asset 360 ONE

Source(s): Literature review, BIS, CRIF High Mark, industry participant conversations, Praxis analysis

3.2 Interest in India's Private Credit is surging among LPs, driven by superior risk-adjusted yields and structural domestic tailwinds

Investor interest in India's Private Credit market is being supported by a combination of reduced attractiveness of traditional credit products, attractive risk-adjusted returns, strong domestic growth prospects and a creditor-friendly regulatory environment.

Reduced attractiveness of debt mutual funds

Removal of preferential tax treatment for debt mutual funds has reduced their appeal among HNIs, supporting growing interest in Category II AIFs and Private Credit for attractive risk-adjusted, post-tax returns.

Attractive returns

The regulatory environment and return profile further support investor interest. Target net IRRs of 12-18% offer attractive spreads over traditional fixed-income investments, while senior-secured structures and floating-rate instruments provide greater downside protection and reduce exposure to interest-rate volatility.

Emerging market growth story

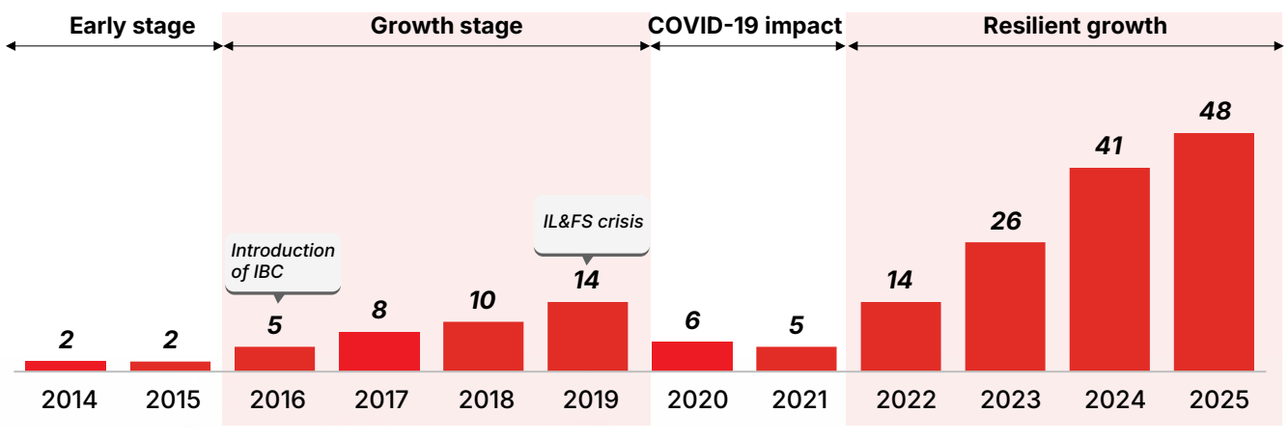
India's strong economic growth outlook is making it an increasingly attractive destination for global Private Credit investors. Foreign LPs are targeting India as one of the fastest-growing major economies, while GIFT City is enabling cross-border capital and direct co-investment structures, further improving access for international investors.

Creditor-friendly regulations

Private Credit offers compelling return potential, supported by the development of Special Situations Funds and reforms under the Insolvency and Bankruptcy Code (IBC) that can accelerate resolution of stressed assets.

3.3 India continues to attract investors, with 129 Private Credit AIFs (Alternative Investment Funds) added in the last four years

New registered Private Credit AIFs
(#, 2014-2025)



Source: SEBI, press releases, Praxis analysis

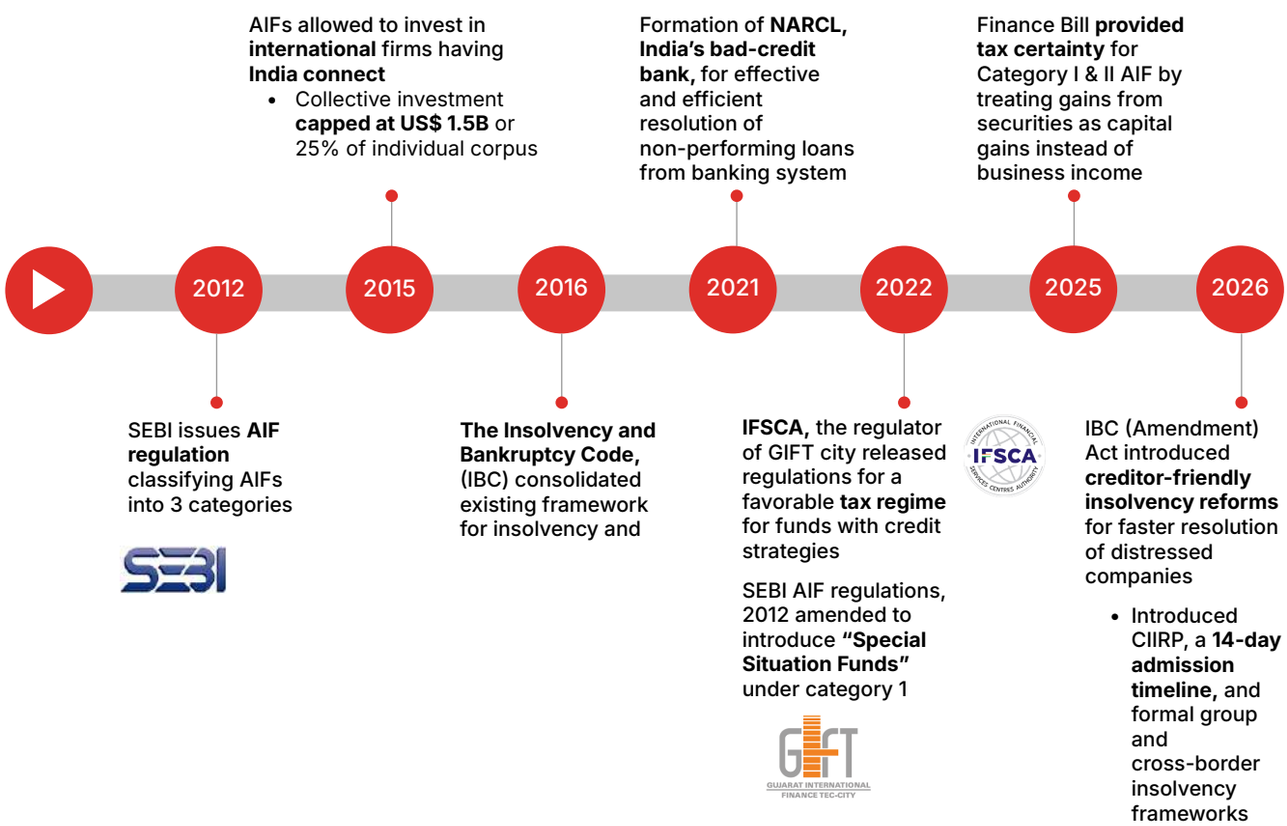
India's Private Credit market has progressed from low penetration and limited fund activity to a rapidly expanding institutional ecosystem. Early development was supported by a more creditor-friendly regulatory environment and gaps created by the retrenchment of traditional lenders, while the COVID-19 period temporarily disrupted fund formation. Since 2022, the market has entered a phase of resilient and accelerating growth, with a sharp increase in the number of new Private Credit AIFs being registered.

The market has moved from early development to rapid post-pandemic expansion. In the initial phase, only two new Private Credit AIFs were registered in both 2014 and 2015, reflecting the limited penetration of Private Credit in India and the dominance of banks and NBFCs in corporate lending. Registrations began to increase from 2016, reaching 14 in 2019, supported by creditor-friendly regulations such as the IBC and NCLT, as well as reduced lending by traditional financial institutions amid rising NPAs and the IL&FS liquidity crisis.

The COVID-19 pandemic temporarily interrupted this growth, with registrations falling to 6 in 2020 and 5 in 2021. The recovery since then has been pronounced, with new registrations increasing to 14 in 2022, 26 in 2023, 41 in 2024 and 48 in 2025. Overall, 129 new Private Credit AIFs were registered between 2022 and 2025, indicating a significant expansion in the domestic fund ecosystem.

The recent acceleration has been supported by post-pandemic financing demand from growth-stage businesses, alongside further IBC amendments, GIFT City initiatives and the emergence of Special Situation Funds, which have broadened the opportunity set for Private Credit investors. Together, these developments indicate that India's Private Credit market is progressing beyond its early formation phase toward a deeper and more established financing ecosystem.

3.4 A decade of regulatory reform has transformed India's Private Credit market



Source(s): Press reviews, Praxis analysis

India's Private Credit market has benefited from a progressively strengthened regulatory and institutional framework, which has improved creditor protections, expanded investment structures and increased certainty for investors.

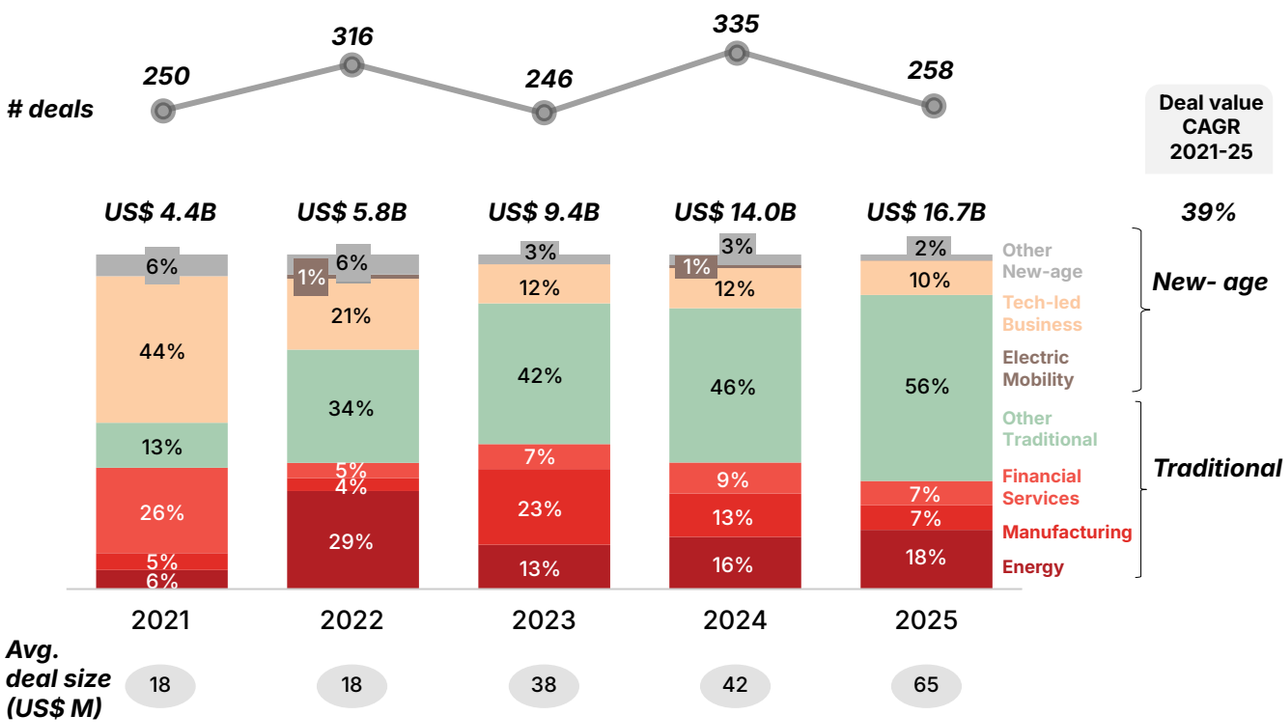
Key milestones, including the 2012 SEBI AIF regulations and 2015 IBC, established the foundation for Alternative Investment and insolvency resolution, while subsequent measures such as NARCL in 2021, the GIFT City

credit fund framework in 2022 and Special Situation Funds further expanded the market's operating environment. More recent IBC amendments in 2025 have strengthened creditor-friendly resolution processes, including faster admission timelines and formal group and cross-border insolvency frameworks. Collectively, these reforms have made India more conducive to Private Credit deployment, distressed credit resolution and specialized credit strategies, supporting the market's transition towards greater institutional maturity.

3.5 Indian Private Credit is increasingly shifting towards larger deal sizes, with deal value rising from US$ 4.4B to US$ 16.7B while annual deal volumes remain broadly stable at 250-260

The divergence between deal value and volume is reflected in the sharp increase in average deal size, which rose 3.6x from US$ 18M in 2021 to US$ 65M in 2025. The sharpest increase came after 2022, suggesting that Private Credit is increasingly being used to meet larger and more complex financing requirements rather than simply supporting a growing number of transactions.

Indian Private Credit (Deal value and volume)
(US$ B, #, 2021-2025)



Source(s): Praxis Econometrics DealsAI, Praxis analysis

The market has also become more diversified across sectors, with Traditional sectors such as Energy, Manufacturing and Financial Services gaining greater share alongside continued activity in New-age businesses. This broadening reflects the expanding role of Private Credit across both growth-oriented and more established businesses with sizeable and specialized funding requirements.

> *Activity is high in Manufacturing, Renewables, Real Estate, Logistics, Financial Services, Healthcare sectors alongside select Technology-led Businesses.*
>
> ***- Joint CEO, IIFL Capital (Times of India, February 2026)***

> *Corporate India is increasingly viewing credit funds as a mainstream capital solution rather than a last-resort alternative.*
>
> ***- Head, Private Credit, Motilal Oswal Alternates (Moneycontrol, November 2025)***

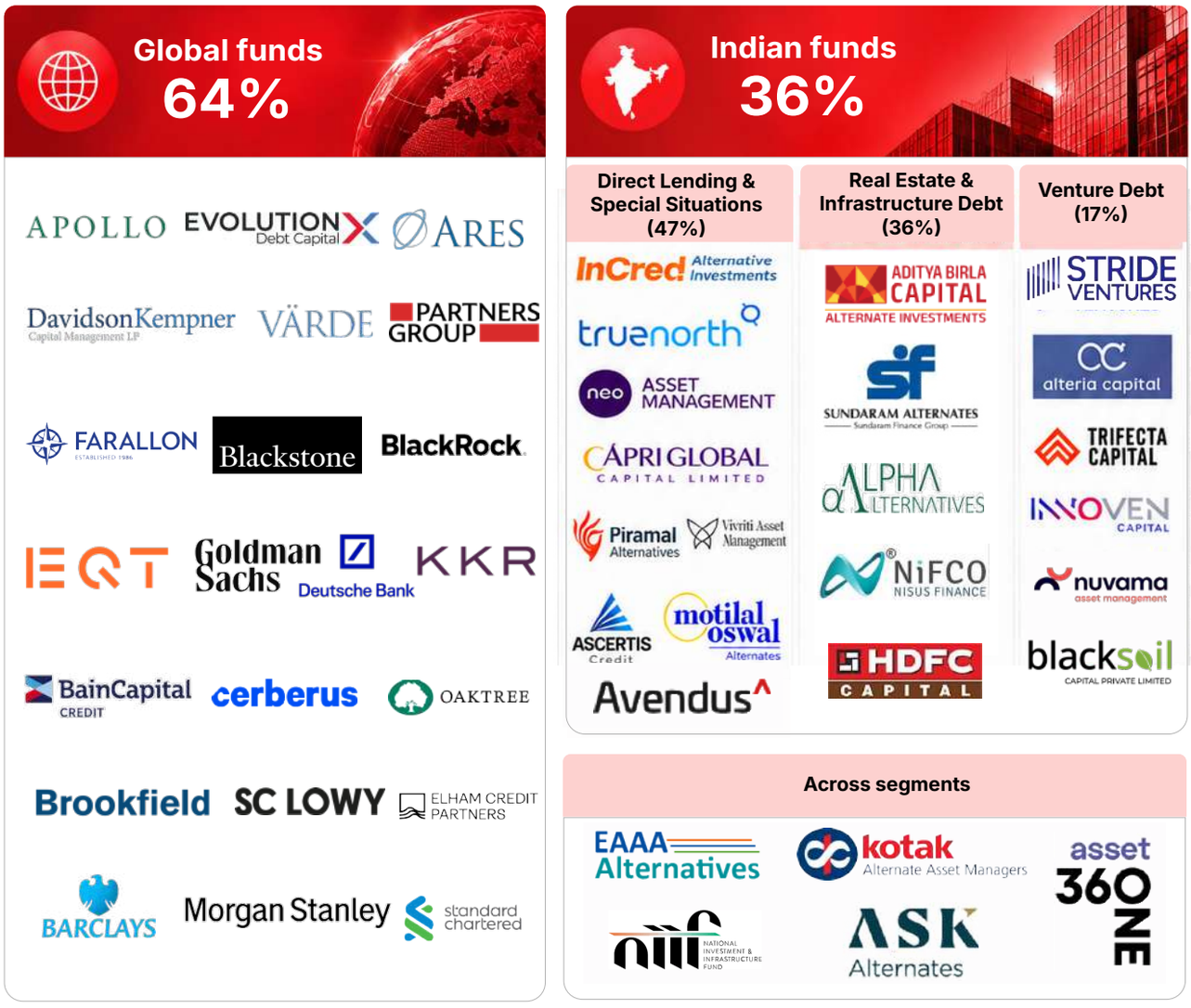
> *Infrastructure, Real Estate, Manufacturing, Healthcare and Renewables offer strong risk-adjusted returns via refinancing, expansions and acquisitions.*
>
> ***- MD, Asset Management Firm***

This evolution points to a maturing Private Credit market in India, with potential for the asset class to play a growing role across a wider range of financing needs. As businesses scale and capital requirements become more sizeable and specialized, Private Credit can increasingly support capex, refinancing, acquisitions and expansion, while continuing to serve growth-oriented and New-age companies.

3.6 A deep, diversified fund ecosystem underpins the India market

Based on disbursements over the last five years, global funds account for 64% of India's Private Credit ecosystem, compared with 36% for Indian funds. The domestic share comprises Direct Lending & Special Situations at 47%, Real Estate & Infrastructure Debt at 36%, and Venture Debt at 17%.

Disbursement split by value (%, 2021-2025)



Source(s): Praxis analysis

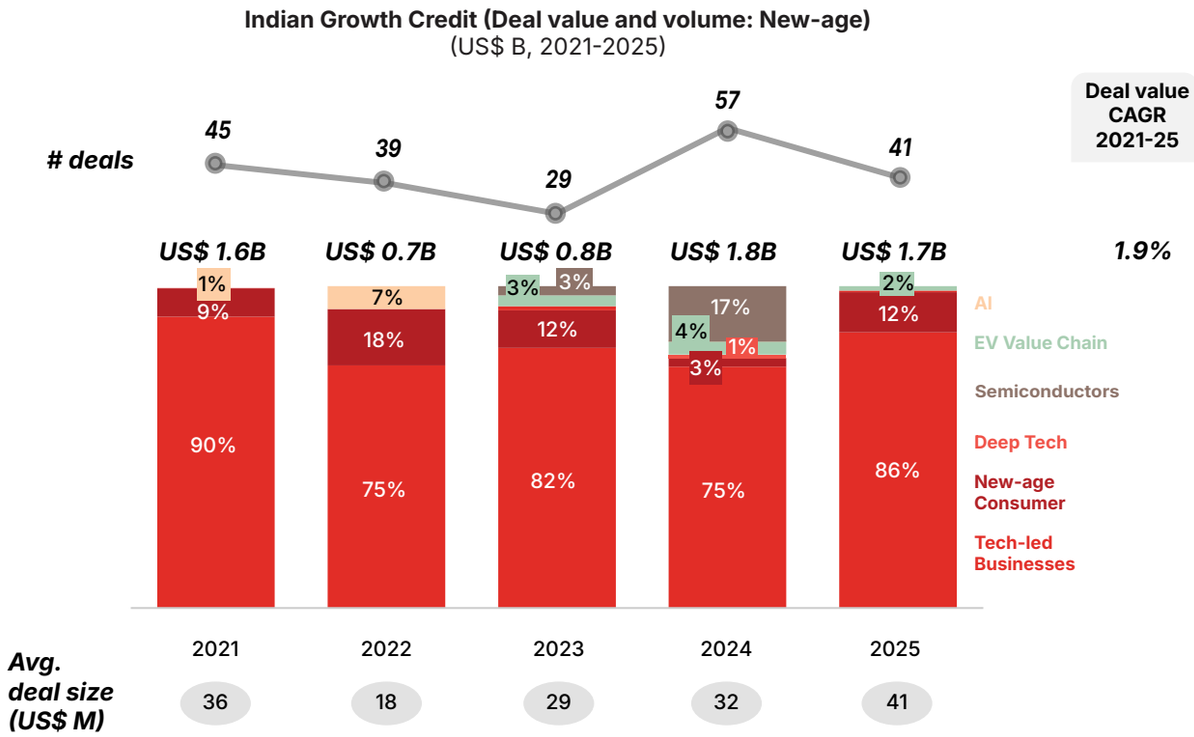
Fund activity has also evolved, with 77 India-focused funds and 65 global funds active in 2025 compared with 99 and 81, respectively, in 2024. This reflects a more focused and established investor base, with leading participants continuing to scale their activity as overall Private Credit deal value expands.

Select Private Credit funds investing in India over the years

	2023	2024	2025
# of India focused funds	57	99	77
Select active Indian funds by deal value			
# of Global funds	45	81	65
Select active Global funds by deal value			

Source(s): Praxis Econometrics DealsAI, Praxis analysis

3.7 Growth Credit opportunity is emerging as New-age sectors move into capital-intensive growth phases



Growth Credit has grown 1.8x since 2021, with new-age sectors accounting for 29% of Growth Credit in 2025. New-age Growth Credit in India remains heavily concentrated in Technology-led Businesses, but the underlying financing mix is beginning to evolve. Deal activity has remained meaningful through 2025, while average deal size has increased from US$ 36M in 2021 to US$ 41M in 2025, indicating that credit is increasingly being deployed to businesses with greater scale and more established financing requirements. At the same time, the emergence of EV Value Chain, Semiconductors, and Deep Tech businesses points to a broader opportunity set where tangible assets, policy support or contracted revenues can provide greater visibility for lenders.

New-age Growth Credit has maintained a meaningful level of activity despite a lower deal count, with deal value at US$ 1.7B in 2025 versus US$ 1.6B in 2021 as volumes moved from 45 to 41. Technology-led Businesses remain the clear anchor, accounting for 86% of 2025 deal value, but the opportunity set is beginning to extend into areas such as Semiconductors, Data Centers, EV Value Chain and Deep Tech. This is particularly relevant as India enters a new investment cycle in areas including Electronics, Semiconductors, and Advanced Manufacturing, which is creating a broader set of businesses with sizeable capital requirements. The opportunity is particularly compelling as these emerging sectors become increasingly capital-intensive and move from early development toward scaled commercial deployment. Their combination of upfront capex, working-capital needs and increasingly visible revenue pools could create a broader pipeline for structured Growth Credit.

> *Private Credit is playing an increasingly important role in supporting new-age and technology-led businesses whose financing needs are often not addressed through traditional lending channels.*
>
> ***-Rahul Shah, Partner and Head, EvolutionX Debt Capital (IVCA Private Credit Summit, July 2026)***

> *Private Credit is Sitting at approximately US$ 25B, it represents just 0.6-0.7% of India's GDP, highlighting significant headroom against the ~US$ 500B MSME credit gap.*
>
> ***- Partner, Aavishkaar Capital (ANI, July 2026)***

This creates an interesting runway for Growth Credit because the next phase may be less about adding more technology borrowers and more about financing larger, later-stage companies and emerging technology-intensive sectors as they scale. The broader Venture and Growth-Credit market is already showing this progression, with growth credit increasingly being used for platform expansion, acquisitions and capital-structure optimization rather than only runway extension or working capital.

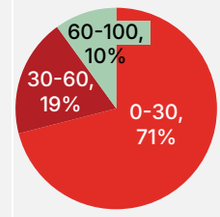
3.8 Select New-age Growth Credit deals

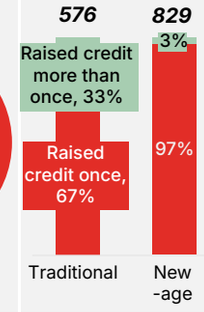
Company	Key Investor	Sector	Deal rationale	Deal size (US$ M)
InMobi	Evolution Debt Capital, Elham Credit Partners	Tech-led Businesses	Fund founder-led buyback of SoftBank's stake ahead of IPO	350
Vedanta	Davidson Kempner, Värde	Semiconductors	Provide flexible capital to support Vedanta's refinancing and broader corporate funding requirements	300
PharmEasy	Evolution Debt Capital, Goldman Sachs	Tech-led Businesses	Optimize capital structure and strengthen balance sheet ahead of IPO	292
BYJU'S	Davidson Kempner	Tech-led Businesses	Bridge financing to support Aakash IPO plans and working capital	250
PRISM	SoftBank Vision Fund	Tech-led Businesses	Strengthen balance sheet post-pandemic	200
Zolve	Community Investment Management	Tech-led Businesses	Fund credit portfolio growth and expansion into new geographies	200
PharmEasy	asset 360 ONE	Tech-led Businesses	Support business expansion and growth initiatives	193
zepto	Edelweiss Alternatives	New-age Consumer	Founder-led buyback of foreign investor stakes ahead of IPO	175
Eruditus Executive Education	MARS Growth Capital	Tech-led Businesses	Refinanced existing debt while providing additional capital to support global expansion and operational scaling	150
stashfin	Innoven Capital, Trifecta Capital	Tech-led Businesses	Scale its digital lending business and optimize its loan portfolio for securitization	100
Total				**2,210**

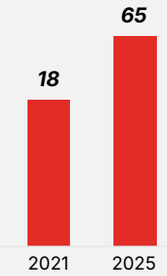
Source(s): Praxis Econometrics DealsAI, Praxis analysis. Non-exhaustive

3.9 Key trends in the Indian Private Credit market

1	2	3	4	5	6
Years since incorporation	**PE/VC backing**	**Private Credit is increasingly following early-stage equity**	**Founder dilution**	**Repeat borrowing**	**Increasing deal size**
11 yrs Avg. age of New-age sector companies at Private Credit raise ***18 yrs*** Avg. age of traditional sector companies at Private Credit raise	***80%*** New-age companies that raised credit have PE/VC backing ***47%*** Traditional sector credit borrowers with PE/VC backing	***21 months*** Avg. gap between equity raise and credit for New-age ***Series A & B*** 34% of New-age deals were just preceded by Series A or B rounds	**Founders' equity % at the time of credit raise – New-age** (N=101)	**# times a company has raised credit** (#, 2021-2025)	**Avg. deal size** (US$ M)







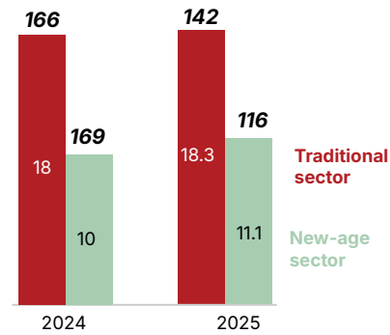
- *New-age sector companies access **Private Credit nearly 7 years earlier** than traditional sector peers*
- *PE/VC backing has become one of the **primary enabler of New-age Private Credit***
- *New-age companies **transition from equity to Private Credit** on a shorter funding cycle, typically following Series A or B rounds*
- *Private Credit is increasingly used to **prevent dilution of founder** ownership rather than to replace equity*
- ***Traditional sector** companies raise Private Credit more frequently than **New-age sector companies***
- *Private Credit is rapidly increasing ticket size; average deal size **grew 3.6x** between 2021-2025*

Source(s): Praxis Econometrics DealsAI, Praxis analysis. Note: figures for 2025

Private Credit is increasingly becoming part of the growth journey rather than simply an end-stage financing option. New-age sector companies are accessing credit at an average of 11 years since incorporation, nearly seven years earlier than Traditional-sector companies, while the average deal size has simultaneously risen. The combination suggests that lenders are becoming comfortable supporting businesses earlier, while also taking on meaningfully larger financing requirements as these companies scale.

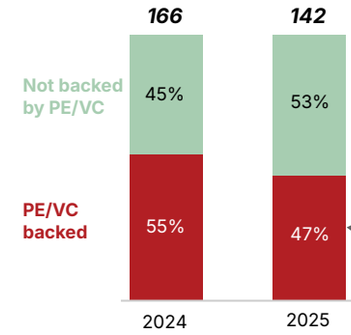
Private Credit is raised earlier by New-age sector companies

Sector wise average years since incorporation at time of deal
(#, 2024-2025)



Traditional sector borrowers are accessing credit without PE/VC backing

Companies raising credit in traditional sectors by sponsor backing
(#, 2024-2025)



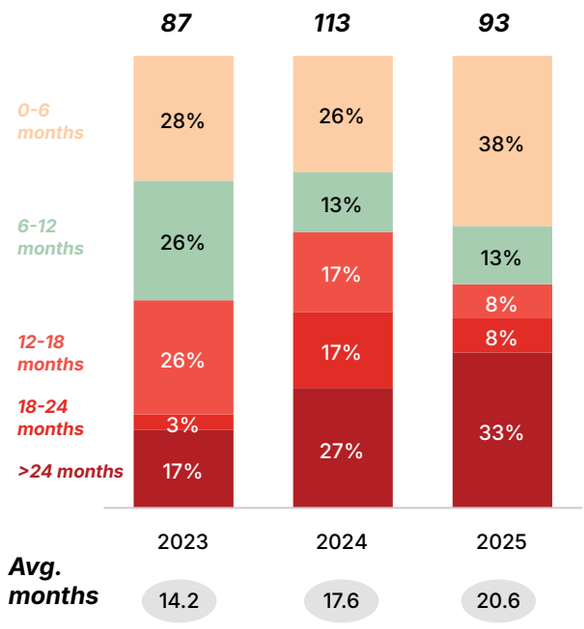
*As compared to traditional sectors, **80% of companies raising credit in new-age sectors** are sponsor -backed*

Source(s): Praxis Econometrics DealsAI, Praxis analysis

The link with institutional equity is a key part of this evolution. Four in five New-age borrowers are PE/VC-backed, and a large share of credit transactions follows Series A or B funding rounds. Institutional equity appears to provide an important bridge into credit by establishing investor validation, governance and visibility on the company's growth trajectory, allowing lenders to underwrite businesses that may otherwise have limited credit history.

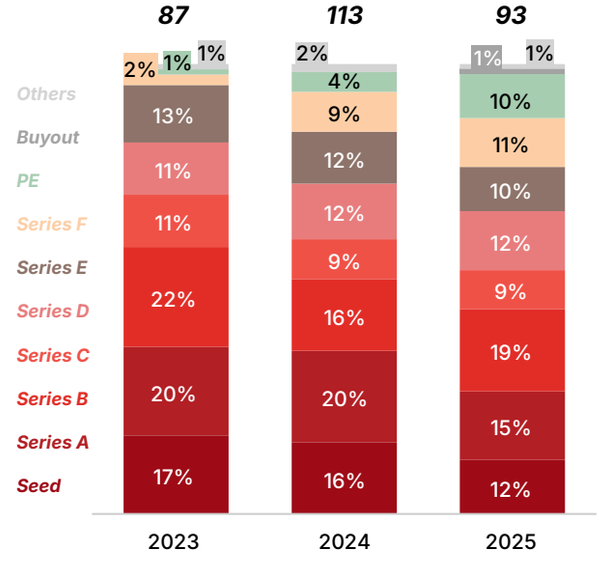
Private Credit follows equity raises relatively quickly, with 2 in 3 deals occurring within 24 months

Time after previous equity deal: New-age sectors
(#, 2023-2025)



Series A and Series B are the most common equity stages preceding Private Credit raises

Last equity round before current deal: New-age sectors
(#, 2023-2025)



Source(s): Praxis Econometrics DealsAI, Praxis analysis

Importantly, companies are not waiting for equity to run its full course before introducing debt. The typical gap between an equity raise and a Private Credit transaction is around 21 months, pointing to a capital structure where debt can be brought in relatively early to fund the next phase of expansion. This makes Private Credit increasingly complementary to equity, providing companies with another source of capital as they move from proving their model to scaling it.

That role becomes particularly relevant as companies seek to balance growth with ownership considerations. The prevalence of institutional shareholders at the time of borrowing suggests that many businesses are turning to debt after establishing a substantial equity base, creating an opportunity to finance further expansion without making every incremental capital requirement an equity event. Private Credit therefore adds flexibility to the capital stack at a point when companies are becoming larger but may still be in rapid-growth mode.

The opportunity for lenders could deepen as these borrowers mature. New-age companies currently tend to access Private Credit selectively, with repeat borrowing still relatively limited, unlike Traditional businesses where repeat use is more established. As more companies build longer operating histories and larger balance sheets, this could create scope for refinancing, follow-on facilities and more sustained lender relationships, rather than credit remaining a one-time growth financing tool.

Taken together, the market is developing along two dimensions at once, with credit reaching companies earlier while financing larger tickets. The 3.6x increase in average deal size from 2021 to 2025 suggests that as the borrower base matures, Private Credit is also moving up in scale. Over time, this could shift the market from a predominantly transaction-driven model toward a deeper lending ecosystem where providers can enter earlier, support companies through multiple stages of growth and expand their exposure as financing needs increase.

04

SOUTH EAST ASIA:

Gathering momentum



Key takeaways

Private Credit

1. **SEA is one of the fastest-growing Private Credit markets and is gaining momentum**

   At US$ 4.3B in 2025 disbursements (1.7x since 2021), Private Credit now represents 16% of Alternative Investments, recovering from 2022-23 decline as China+1 shift accelerated.

2. **SEA Private Credit opportunity (AuM) is on track to nearly 2x**

   AuM is projected to reach US$ 17B by 2030 from US$ 8.5B in 2025 driven by increasing selectivity among banks in mid-market and SME lending amid tighter capital requirements, creating a structural financing gap across SEA.

3. **PE/VC backing is a key gateway for New-age Companies to access credit early**

   66% of Private Credit deals in the New-age sector occur post Seed and Series A rounds, with 71% being PE/VC-backed and 51% receiving credit within 2 years of an equity round.

Growth Credit

1. **Growth Credit is the leading driver of Private Credit activity**

   Growth Credit accounted for 53% of 2025 Private Credit disbursements, with New-age sectors contributing 43% of Growth Credit.

2. **Growth Credit is increasingly funding business-building needs**

   Growth Credit is increasingly funding the growth of companies. As of 2025, expansion & capex drove 84% of the activity by volume.

3. **New-age activity is concentrated across a focused set of sectors**

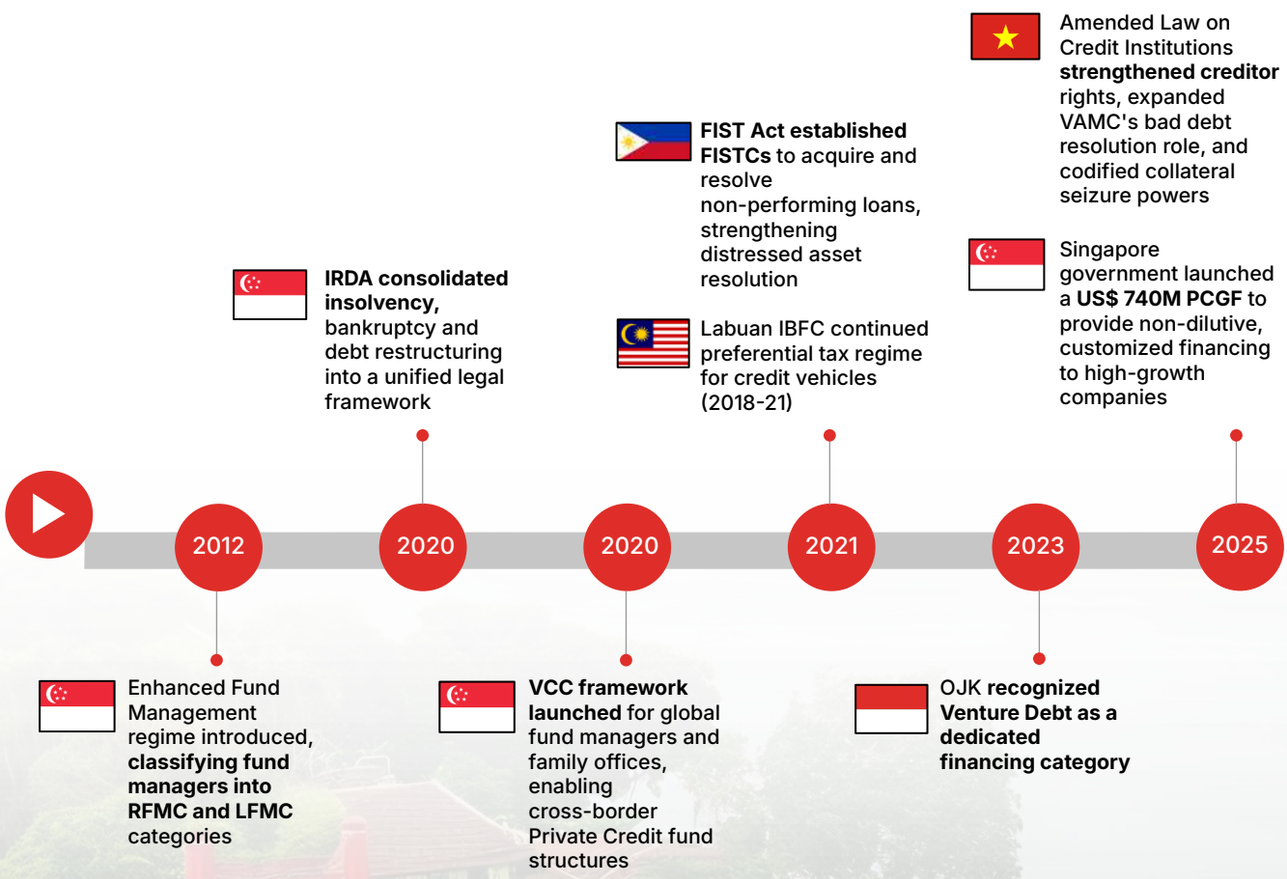
   EV Value Chain accounts for 51% of New-age activity in Growth Credit followed by Tech-led Businesses and Data Centers at 49% in 2025.



4.1 Countries in SEA have been supporting Private Credit through investor-friendly regulations

SEA's regulatory landscape is becoming more supportive of Private Credit. Singapore's Enhanced Fund Management regime and VCC framework facilitate flexible, cross-border fund structures; Malaysia's Labuan tax regime supports credit vehicles; the Philippines' FISTCs enable non-performing loan resolution; Indonesia recognizes Venture Debt as a dedicated financing category; and Vietnam has strengthened creditor rights and collateral enforcement.

Together, these measures are improving the foundations for fund formation, cross-border deployment and more efficient credit resolution across the region.



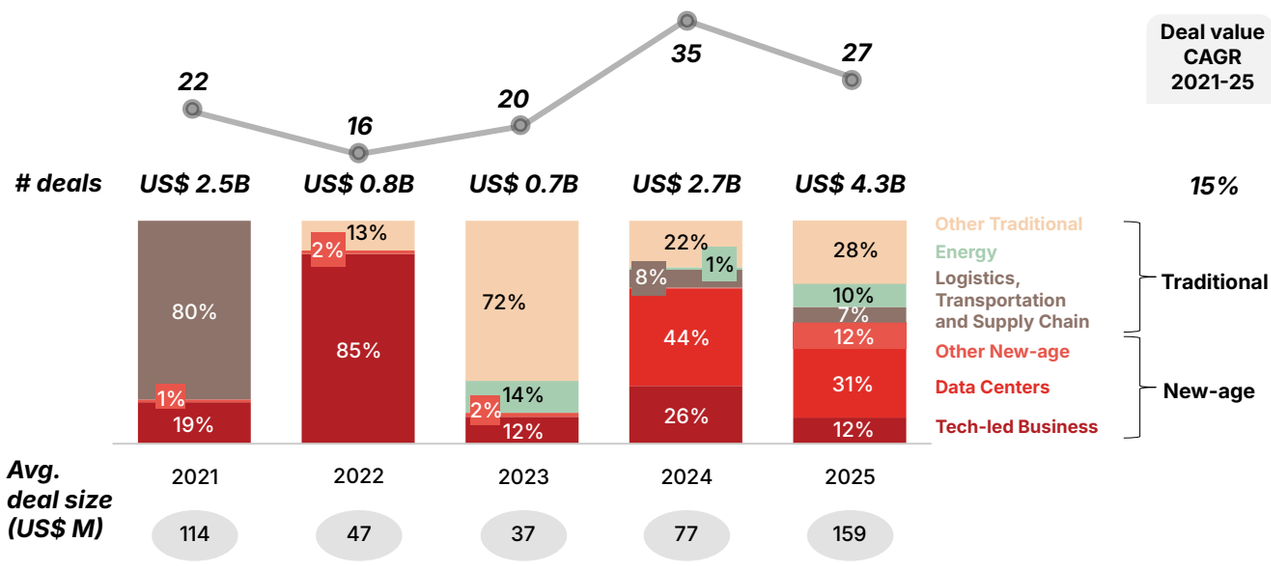
Source(s): Press reviews, Praxis analysis

4.2 SEA Private Credit is gaining scale, with deal value reaching US$ 4.3B in 2025 despite volumes remaining below the 2024 peak of 35 deals, signaling a market increasingly shaped by larger financing opportunities

The expansion is increasingly being supported by larger, more specialized financing requirements, rather than a proliferation of smaller transactions. In 2025, Tech-led Businesses, Data Centers and Energy together accounted for 53% of deal value, highlighting the growing role of capital-intensive and structurally complex sectors in shaping regional credit demand.

This evolution reflects the maturing borrower base and increasing demand for larger pools of non-bank and non-NBFC capital across SEA. The region's strong structural demand for credit in New-age sectors, alongside financing gaps that traditional lenders cannot fully address, is creating an increasingly attractive opportunity for Private Credit.

SEA Private Credit (Deal value and volume)
(US$ B, #, 2021-2025)



Source(s): Praxis Econometrics DealsAI, Praxis analysis

> *South East Asia, as a whole, is a high growth area and we would like to see where we can increase our exposure there.*
>
> ***- CIO, Temasek (Media briefing, July 2025)***

> *South East Asia is one of the fastest growing regions in the world where we see attractive private credit investment opportunities.*
>
> ***- Head of APAC Private Credit, BlackRock (Atome Financial announcement, February 2025)***

> *South and South East Asia continue to present compelling opportunities, supported by strong structural demand for infrastructure and a clear role for private credit in addressing financing gaps.*
>
> ***- Head of Asia Private Credit, AllianzGI (Allianz press release, April 2026)***

SEA Private Credit is also observing a broadening lender base, with global capital providers becoming increasingly active. While SEA-focused participation strengthened meaningfully through 2024, global funds have continued to expand their presence, indicating growing international interest in the region. Overall, the market is evolving from a relatively concentrated lender landscape toward a more diverse mix of regional and global sources of Private Credit.

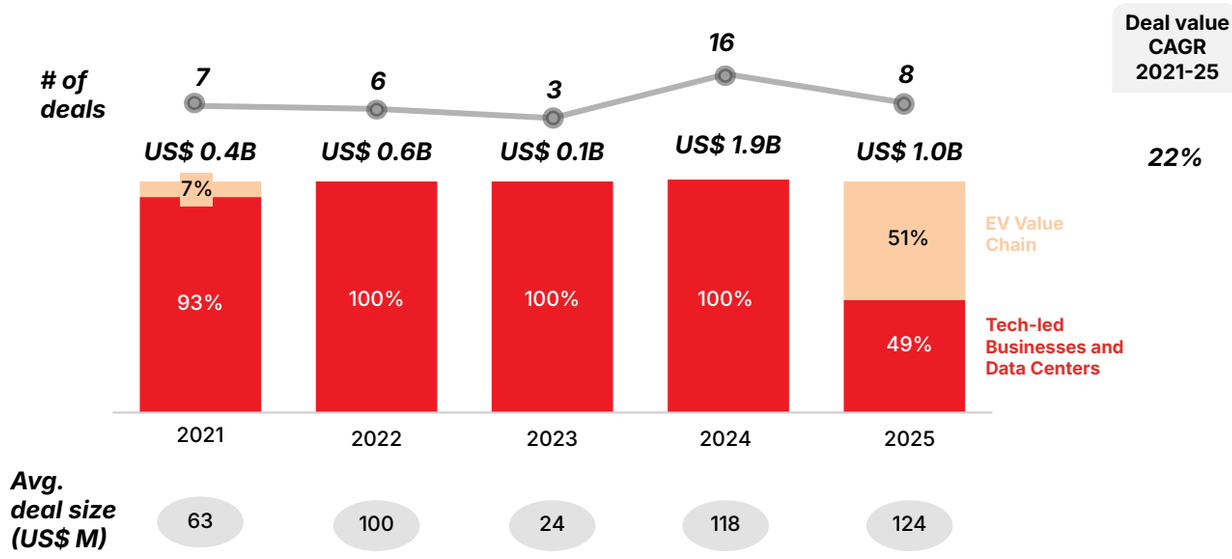
Select Private Credit funds investing in SEA over the years



Source(s): Praxis Econometrics DealsAI, Praxis analysis

4.3 Growth Credit is broadening beyond Tech-led Businesses in SEA

SEA Growth Credit: New age (Deal value and volume)
(2021-2025)



Source(s): Praxis Econometrics DealsAI, Praxis analysis

SEA Growth Credit has returned to 2021 levels after declining in the intervening years, while New-age sectors account for 43% of total disbursement value in 2025. SEA New-age Growth Credit is evolving beyond its initial concentration in Tech-led Businesses and Data Centers, with EV Value Chain beginning to broaden the opportunity set. Tech-led Businesses and Data Centers accounted for 93% of deal value in 2021 and 49% in 2025. In 2025, the market recorded US$ 1.0B of New-age Growth Credit deal value, with EV Value Chain accounting for 51% of activity, signaling the emergence of new sectors as demand for growth financing expands.

The shift reflects a broader evolution in borrower needs, with credit appetite being strongest where capital intensity or working-capital requirements are high. As SEA's technology ecosystem matures, larger and more established businesses are increasingly seeking financing, while AI, Deep Tech and Life Sciences are emerging as additional areas of technology investment and potential Growth Credit demand. This suggests that the next phase of SEA Growth Credit is likely to be more sector-diverse and increasingly driven by capital-intensive businesses.

Digital and Buy-Now-Pay-Later (BNPL) platforms dominate SEA's largest New-age Growth Credit deals. Atome Financial secured US$ 100M credit funding from EvolutionX and BlackRock to scale its BNPL and digital lending products.

> *Investor commitment continues to scale, driven by larger ticket sizes and sustained participation from existing investors, reflecting growing recognition of private credit as a resilient asset class.*
>
> ***- ED, Avendus Structured Credit Fund** (Moneycontrol, February 2026)*

> *Debt appetite is strongest where capital intensity or working-capital needs are high, while adoption remains more selective among asset-light businesses such as SaaS.*
>
> ***- Senior Partner, Growth Credit Fund***

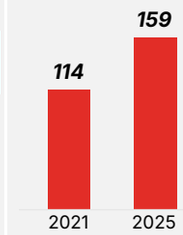
> *A lot of portfolio companies that we lent to in the past have gotten bigger. And we are seeing that Venture Capital requirement is not just at early-stage companies. We are seeing larger companies come to us for financing.*
>
> ***- Partner, Credit Fund***

4.4 Select New-age Growth Credit deals

Company	Key Investor	Sector	Deal rationale	Deal size (US$ M)
VINFAST	SEATOWN	EV Value Chain	Fund VinFast's expansion and working-capital needs	510
traveloka	BlackRock, ORION CAPITAL ASIA	Tech-led Businesses	Support digital ecosystem growth	300
Kredivo Group	VICTORY PARK CAPITAL	Tech-led Businesses	Fund consumer loan growth and scale Kredivo's digital credit operations in Indonesia	100
atome	EVOLUTION Debt Capital, BlackRock	Tech-led Businesses	Scale BNPL and digital lending products	100
atome	CITIC SECURITIES, CLSA	Tech-led Businesses	Grow local merchant and consumer lending portfolios	75
cashalo	COMMUNITY INVESTMENT MANAGEMENT	Tech-led Businesses	Fund growth of its digital lending portfolio to underserved consumers	75
AwanTunai	ACCIAL CAPITAL	Tech-led Businesses	Fund working capital on-lending and inventory financing for Indonesian micro and small merchants	60
amartha	Swedfund	Tech-led Businesses	Fund on-lending to women-led micro-enterprises in rural Indonesia	55
Xcelerate Simple. Secure. Sustainable.	ORION CAPITAL ASIA	Tech-led Businesses	Refinance existing borrowings, fund M&A, and consolidate businesses across India, Australia and UK	52
CARSOME	EVOLUTION Debt Capital	Tech-led Businesses	Support sustainable, profitable growth and strengthen capital structure	40
Total				**1,367**

Source(s): Praxis Econometrics DealsAI, Praxis analysis

4.5 Key trends in the SEA Private Credit market

1	2	3	4	5	6
Years since incorporation	**PE/VC backing**	**Equity-to-credit gap**	**Preceding equity round**	**Repeat borrowing**	**Increasing deal size**
7 yrs Avg. age of New-age sector companies at Private Credit raise	***71%*** New-age companies that raised credit have PE/VC backing	***25 months*** Avg. gap between equity raise and credit for New-age	***Seed, Series A & B*** Most common last equity rounds before New-age Private Credit raise	**# times a company has raised credit** (#, 2021-2025) 	**Avg. deal size** (US$ M) 

- *New-age companies* ***access Private Credit within the first decade of incorporation***
- *PE/VC backing has become* ***enablers of New-age Private Credit***
- ***New-age companies*** *transition from equity to credit on* ***short funding cycles***
- *New-age borrowers* ***typically raise Private Credit between Series A and B*** *equity rounds*
- ***79% of companies*** *have raised Private Credit only once leaving* ***headroom for repeat borrowing***
- *Private Credit is rapidly increasing ticket size; average deal size* ***grew 1.4x*** *between 2021-2025*

Source: Praxis Econometrics DealsAI, Praxis analysis

SEA's New-age credit market is evolving towards a more deliberate source of growth capital, with lenders increasingly financing businesses that have established operating traction. New-age companies access Private Credit at an average age of ~7 years, indicating that borrowers typically have an established business and funding track record before accessing Private Credit.

The strong prevalence of PE/VC backing further indicates that institutional equity is becoming an important de-risking signal for lenders. It provides greater visibility, governance and validation of business quality, helping Private Credit penetrate the New-age segment.

Credit is becoming more integrated into companies' funding strategies, with New-age borrowers increasingly transitioning from equity to credit within relatively short funding cycles. The ~25-month average gap indicates that debt is being introduced as businesses move into their next phase of growth, complementing equity as funding needs evolve.

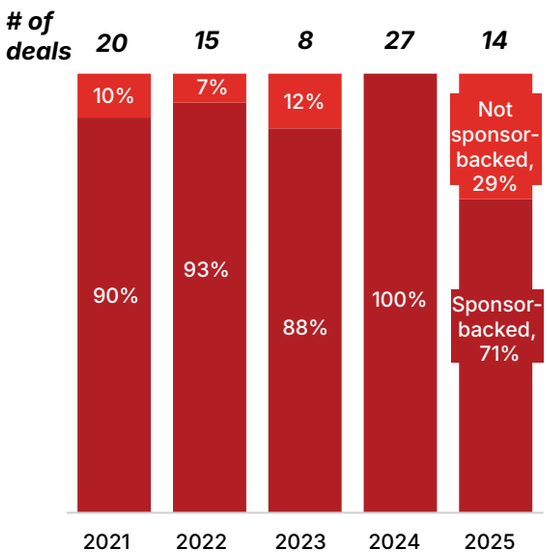
This earlier access to credit is expanding the role of lenders across the company lifecycle. By entering before traditional late-stage financing milestones, Private Credit providers can establish relationships earlier and potentially participate in multiple financing needs as borrowers scale.

Yet, the biggest whitespace may lie beyond the first transaction. 79% of New-age borrowers have raised Private Credit only once, highlighting significant potential for repeat financing as businesses mature. This could become an important driver of lender growth and economics in the future.

At the same time, larger transactions and rising demand from capital-intensive businesses suggest that SEA's Private Credit market is becoming more sophisticated, not just larger. Structuring capability, sector expertise and deeper underwriting are therefore likely to become increasingly important differentiators.

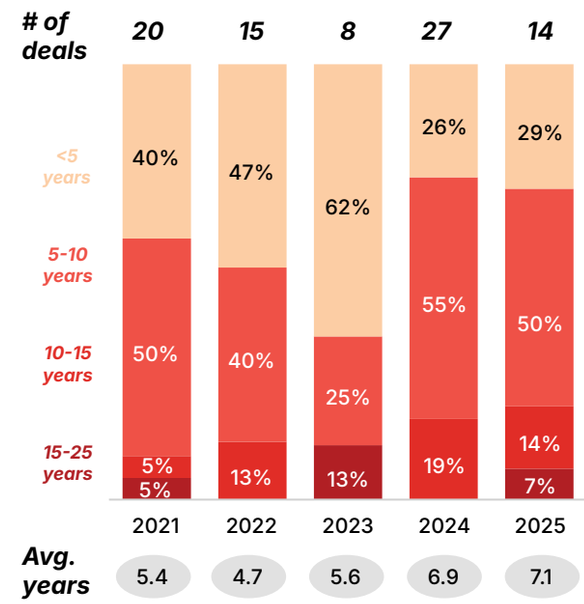
PE/VC funding has been instrumental in scaling New-age borrowers

Companies raising credit by sponsor backing: New-age sectors
(#, 2021-2025)



Most New-age companies secured their current Private Credit deal within 10 years of incorporation

Average years since incorporation at time of deal: New-age sectors
(#, 2021-2025)

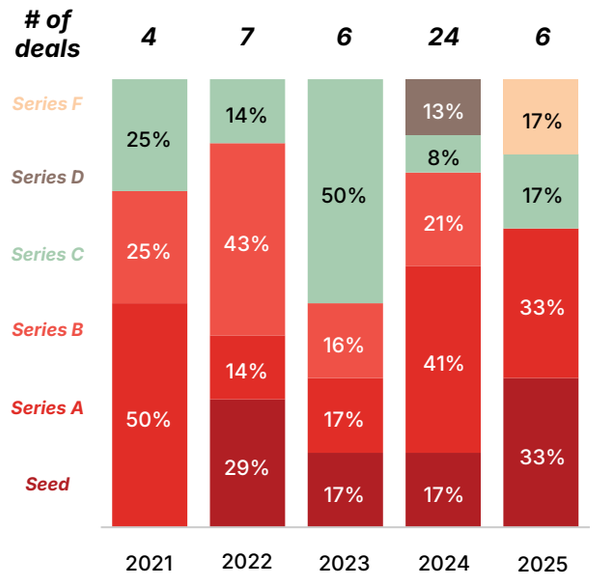


Source: Praxis Econometrics DealsAI, Praxis analysis

Private Credit is evolving into a flexible complement to the equity cycle, rather than a fixed-stage financing product. While Seed through Series B remain the most common preceding rounds, the wide variation in the time between equity and credit suggests that borrowers are increasingly using debt when it best fits their individual growth and capital needs, rather than at a prescribed stage. This flexibility could allow Private Credit to become embedded across a broader range of funding journeys as the New-age ecosystem matures.

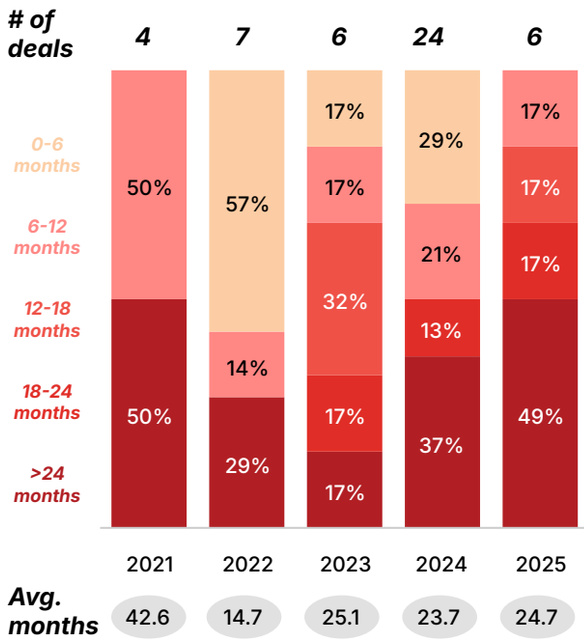
Private Credit typically follows early institutional equity rounds

Last equity round before current deal: New-age sectors
(#, 2021-2025)



51% of New-age borrowers accessed Private Credit within 2 years of their equity raise

Time after previous equity deal: New-age sectors
(#, 2021-2025)



Source(s): Praxis Econometrics DealsAI, Praxis analysis

05

GCC:

A market in the making



Key takeaways

Private Credit

1. **GCC Private Credit is scaling rapidly**
   At US$ 2.1B in 2025 disbursements (10x since 2021), Private Credit now represents 56% of Alternative Investments.

2. **GCC Private Credit opportunity (AuM) is on track to grow ~2.5x**
   AuM is projected to reach US$ 7.4B by 2030 from US$ 2.9B in 2025 (11.5x since 2021), driven by rising funding requirements, constrained bank capacity, and an underserved mid-market.

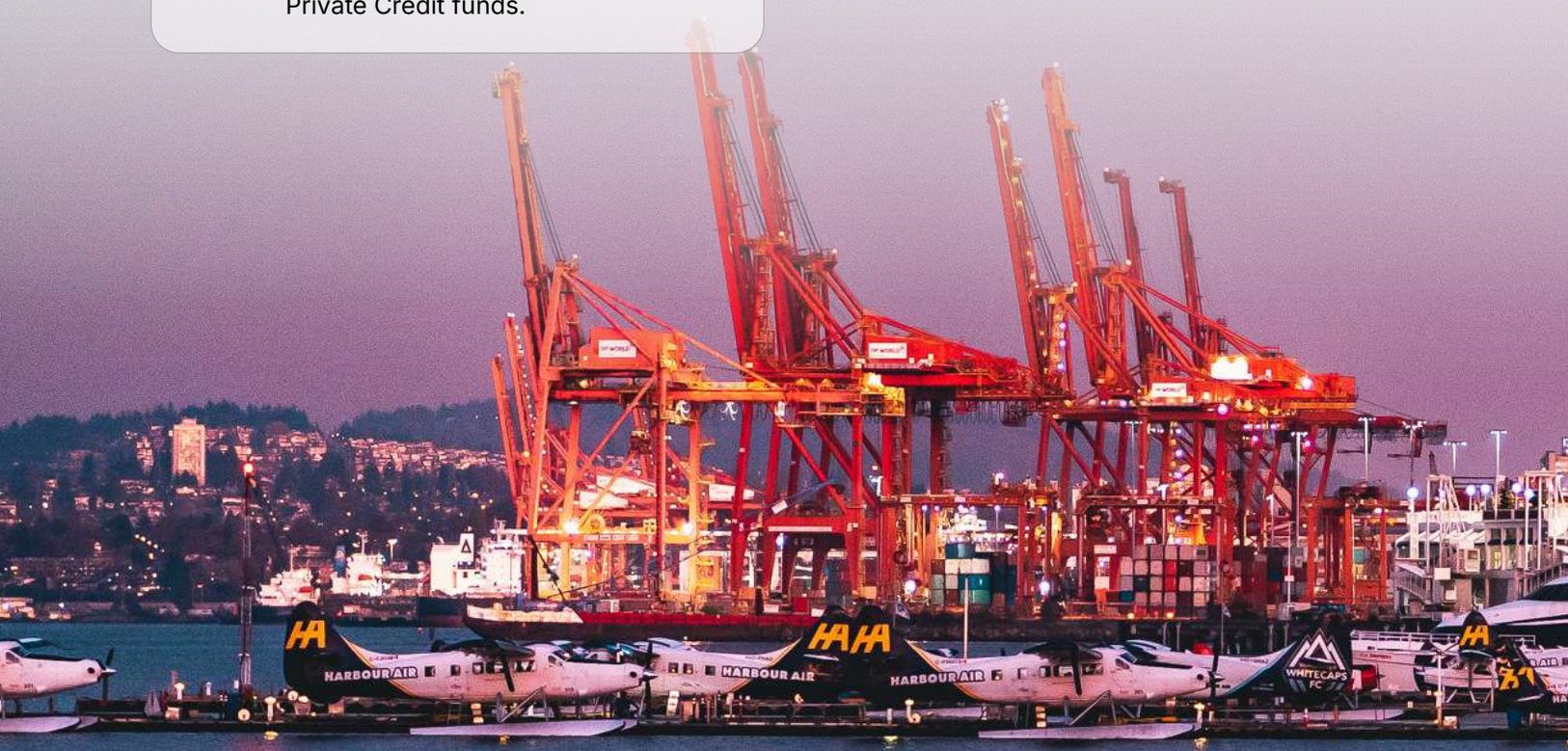
3. **PE/VC backing is a key gateway for New-age Companies to access credit early**
   57% of Private Credit deals in New-age sector occur post Seed and Series A round, with 100% PE/VC-backed and 86% receiving credit within 2 years of an equity round.

4. **Saudi Arabia is actively building the Private Credit ecosystem**
   PIF is anchoring a new MENA-focused private credit fund with King Street, while SVC supports Venture Debt and Private Credit funds.

Growth Credit

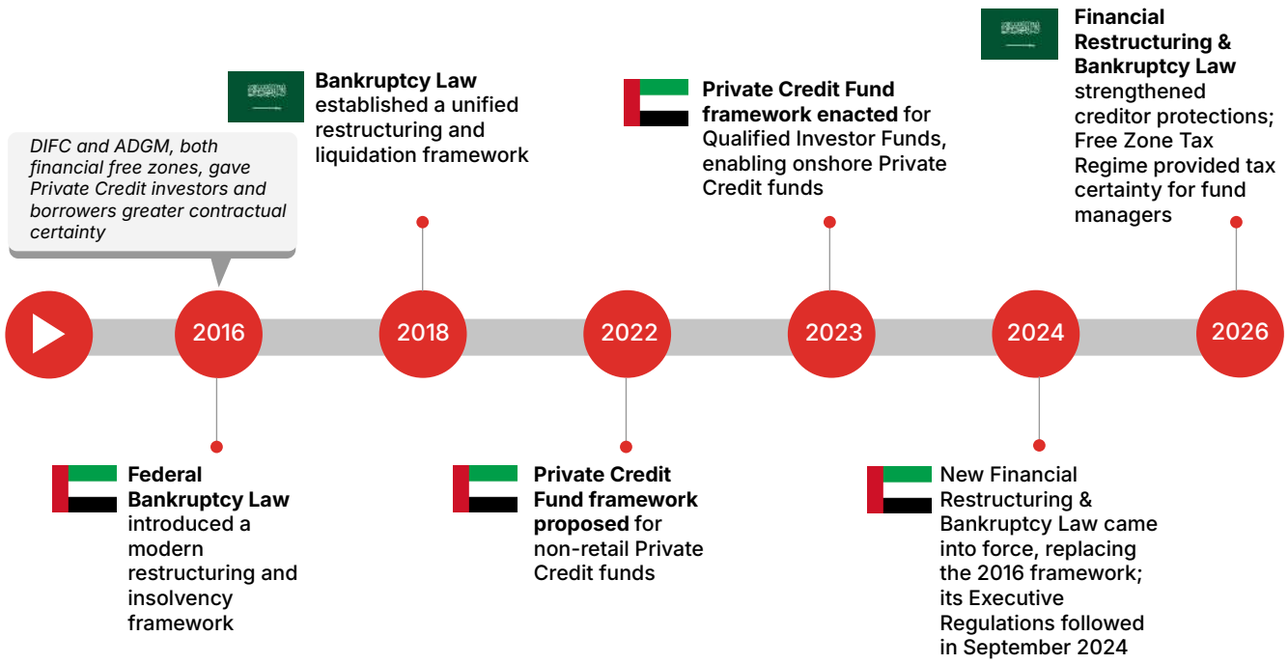
1. **Growth Credit accounts for 28% of GCC Private Credit disbursements in 2025**
   New-age sectors contribute 86% of Growth Credit, with Tech-led Businesses accounting for 100% of New-age activity.

2. **Growth Credit is increasingly funding business-building needs**
   As of 2025, expansion & capex is the leading driver of growth credit activity at 55%, followed by working capital requirements at 45%.



5.1 GCC countries have been supporting Private Credit through investor-friendly regulations

GCC has progressively strengthened its legal and regulatory infrastructure to support the development of Private Credit, with the UAE and Saudi Arabia emerging as key markets. The evolution has been marked by reforms to bankruptcy, restructuring and insolvency frameworks, alongside the introduction of dedicated Private Credit fund structures and greater tax certainty for fund managers. These measures have progressively reduced legal and structural barriers for credit investors, improving the predictability of enforcement and restructuring outcomes.



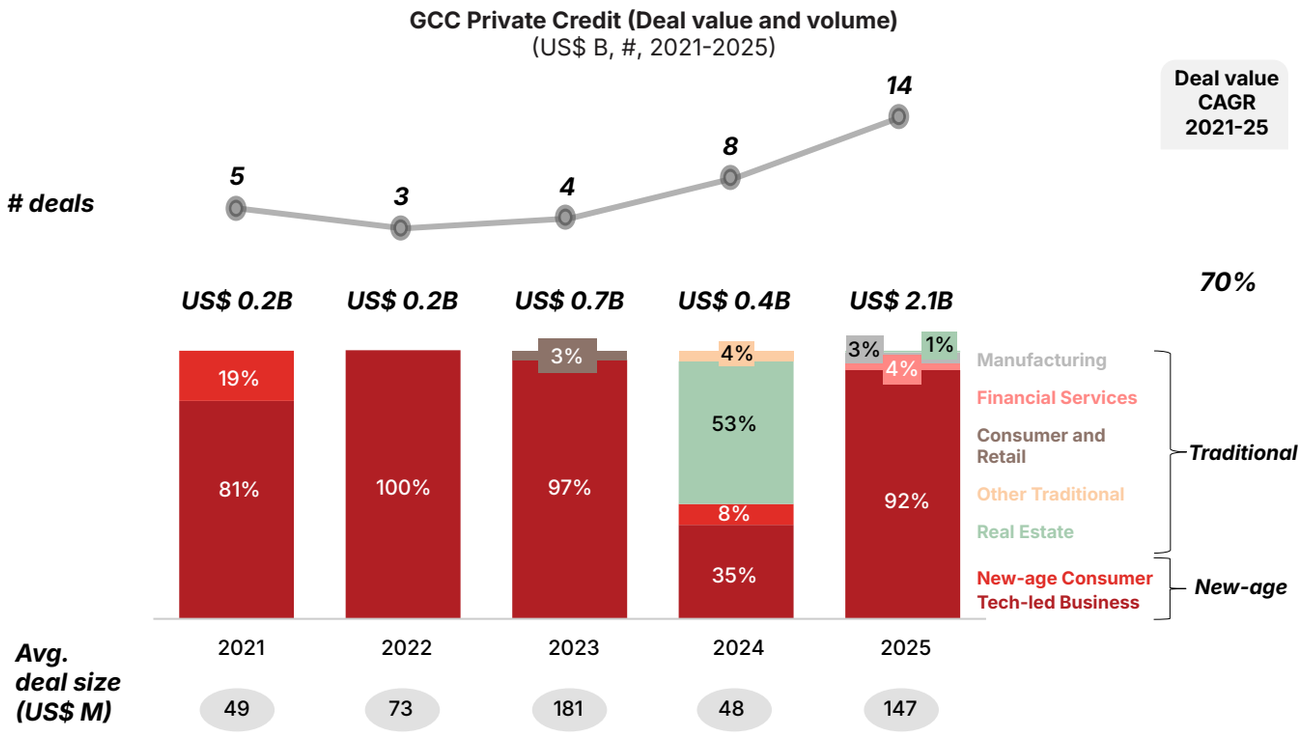
Source(s): Press reviews, Praxis analysis

The UAE has played a particularly important role in establishing an investor-friendly Private Credit ecosystem. The development of frameworks within DIFC and ADGM has provided greater contractual certainty for investors, while the 2022 Private Credit Fund framework enabled Qualified Investor Funds to establish onshore Private Credit structures. The subsequent 2024 Financial Restructuring and Bankruptcy Law further strengthened creditor protection and modernized the restructuring framework.

Saudi Arabia has followed a similar trajectory, moving from the introduction of a modern federal bankruptcy framework in 2016 towards a more developed restructuring and liquidation regime. Collectively, these reforms have created a more supportive environment for Private Credit by strengthening creditor rights, improving restructuring mechanisms and providing greater certainty around fund structures and taxation.

5.2 GCC Private Credit is entering a high-growth phase, with deal value expanding from US$ 0.2B to US$ 2.1B between 2021 and 2025 as deal volumes nearly tripled, pointing to a market moving beyond a small base of opportunistic transactions

GCC Private Credit market has expanded steadily in deal value, although the growth has been characterized by a relatively small number of transactions and significant variation in average ticket size. Deal value increased by an implied CAGR of almost 70%, while deal volumes remained in single to low-double digits. The increase has therefore been driven more by the emergence of larger financing opportunities than by a broad increase in transaction activity.



Source(s): Praxis Econometrics DealsAI, Praxis analysis

The more important shift is visible in the composition of financing demand. The 2025 market was heavily concentrated on Tech-led Businesses (92% of deal value) followed by Financial Services and Manufacturing.
The market is moving from early-stage experimentation towards institutional deployment, with deal values rising without a comparable increase in transaction volumes. Saudi Arabia is becoming a critical anchor for this transition, with Vision 2030 and sovereign-backed investment helping create the scale and counterparties needed to attract global credit managers.

Partnerships between institutions such as PIF and international managers can also accelerate market development by building transaction track records and underwriting expertise.

The sector mix is gradually broadening beyond Tech-led Businesses, with Financial Services and Manufacturing emerging as additional areas of Private Credit activity. This indicates early diversification in deployment across sectors, alongside continued strong activity in Tech-led Businesses and the emergence of opportunities across a wider set of industries.

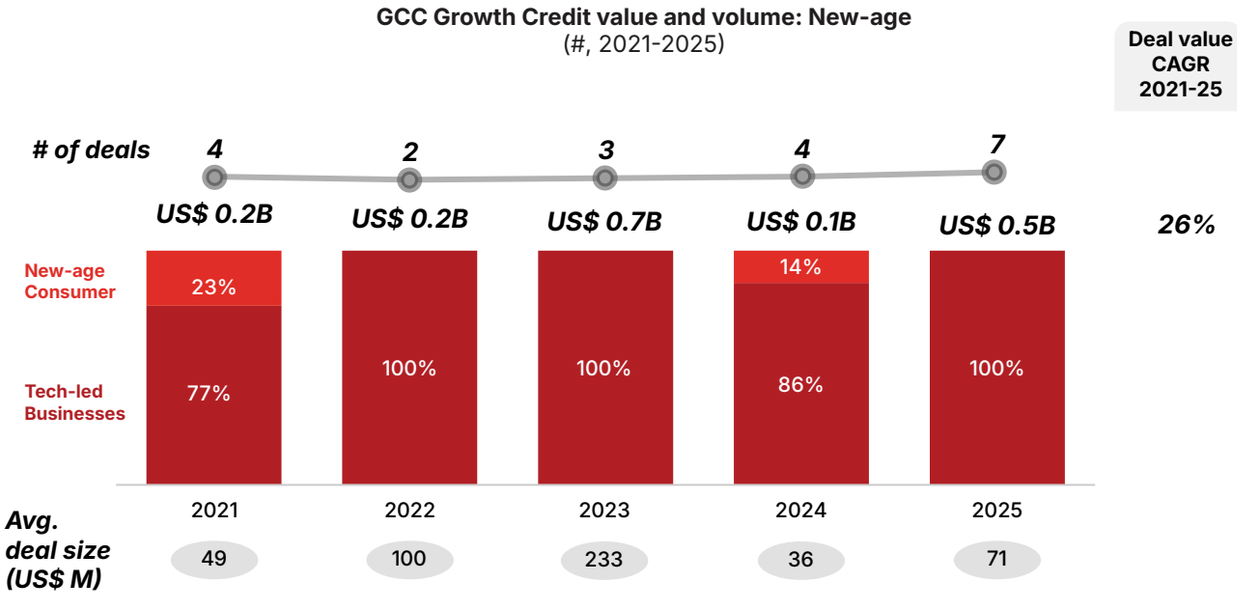
Importantly, this diversification is occurring while deal sizes remain institutionally relevant. This combination of broader sector coverage and meaningful ticket sizes could support a scalable Private Credit market without requiring the high transaction volumes characteristic of more mature direct-lending markets.

> *The GCC's Private Credit market has moved from early exploration to institutional conviction.*
>
> ***-Partner, GCC & Global Capital Formation, Stride Ventures (Stride Ventures Global Private Debt Report 2026)***

> *Most of the fintechs we work with are very early stage, post-seed, and then we'll grow with them for as long as possible.*
>
> ***- Head EMEA, Partners for Growth (Arab News, February 2026)***

> *Financial Services and fintech have emerged as the dominant private credit sectors in the region, driving the majority of disclosed deal value since 2021*
>
> ***- MD, Private Credit fund***

5.3 Within Growth Credit, deal activity remains nascent in GCC, but remains concentrated in Tech-led Businesses



Note(s): Chart represents the total number of identified New-age Growth Credit deals in each year
Source(s): Praxis Econometrics DealsAI, industry reports, Praxis analysis

GCC Growth Credit remains a nascent and concentrated market, with deal values driven by a limited number of transactions. Deal value increased from US$ 0.2B in 2021 to US$ 0.5B in 2025 with new-age sectors contributing 86% of total Growth Credit disbursements. Out of this, Tech-led Businesses contributed 100% of the deal activity. For new-age Growth Credit, deal value increased from US$ 0.2B in 2021 to US$ 0.5B in 2025 at 31% CAGR, while average deal sizes remained volatile, highlighting the influence of individual large transactions.

The near-term opportunity is to build a repeatable pipeline, rather than pursue scale through transaction volume. Large variations in ticket size suggest that market depth remains limited, making strong origination relationships particularly important.

Repeat borrowers can be an important scaling mechanism. Tabby's three transactions totaling US$ 600M demonstrate how established high-growth platforms can generate multiple financing opportunities as their capital needs evolve.

> *Our move to Abu Dhabi Global Market underlines our long-term commitment to the rapidly growing private capital space in the MENA region.*
>
> ***- Head of Emerging Market Private Investments, Janus Henderson Investors (Press release, January 2025)***

> *Private credit remains largely underdeveloped in Saudi Arabia relative to global markets, so we are keen to raise our allocation.*
>
> ***- CEO, Jada fund of funds (Funds Global MENA, March 2026)***

> *As the UAE continues to expand its offerings in the capital and equity markets, we will see a much wider platform of credit available through different channels, one of those being private debt.*
>
> ***- CEO, Advice Re Capital (Ion Analytics, May 2023)***

5.4 Select New-age Growth Credit deals

Company	Key Investor	Sector	Deal rationale	Deal size (US$ M)
tabby	PARTNERS for GROWTH	Tech-led Businesses	Scale BNPL lending and merchant network growth	350
Property Finder	ARES ARES CAPITAL CORPORATION	Tech-led Businesses	Fund AI, product innovation and marketing-driven growth	250
tribal	PARTNERS for GROWTH	Tech-led Businesses	Support fintech lending platform expansion	150
tabby	PARTNERS for GROWTH ATALAYA	Tech-led Businesses	Support growing BNPL loan book and customer base	150
Credible	POLLEN STREET	Tech-led Businesses	Grow UAE SME working-capital and receivables loan book	100
tabby	SHUAA CAPITAL PSC	Tech-led Businesses	Expand early-stage BNPL lending capacity and reach	100
Property Finder	FP FRANCISCO PARTNERS	Tech-led Businesses	Finance buyback of early institutional investor's stake	90
KITOPI	EVOLUTION X Debt Capital	New-age Consumer	Fund Kitopi's regional brand expansion and global franchising	50
erad	STRIDE VENTURES	Tech-led Businesses	Fund erad's SME lending expansion across Saudi Arabia and the UAE	33
BRKZ	STRIDE VENTURES	Tech-led Businesses	Expand flexible payment and embedded-financing solutions for contractors and suppliers	30
Total				**1,303**

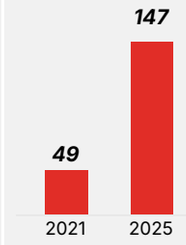
Source(s): Praxis Econometrics DealsAI, Praxis analysis



5.5 Key trends in the GCC Private Credit market

1	2	3	4	5	6
PE/VC backing	**Years since incorporation**	**Equity-to-credit gap**	**Preceding equity round**	**Repeat borrowing**	**Increasing deal size**
100% New-age companies that raised credit have PE/VC backing	***6 yrs*** Avg. age of New-age companies at Private Credit raise	***14 months*** Average gap between credit and last equity round for New-age	***Series A*** Most common last equity rounds before New-age Private Credit	**# times a company has raised credit** (#, 2021-2025)	**Avg. deal size** (US$ M)





- *PE/VC backing has become **enablers of New-age Private Credit***
- *New-age companies **access Private Credit within a decade of incorporation***
- ***New-age companies** transition from equity to credit on a 1-2-year cycle*
- *New-age borrowers **typically raise Private Credit between Series A and B** equity rounds*
- ***Potential for repeat borrowing** with 76% companies raising Private Credit only once*
- *Private Credit is rapidly increasing ticket size; average deal size grew **3x** between 2021-2025*

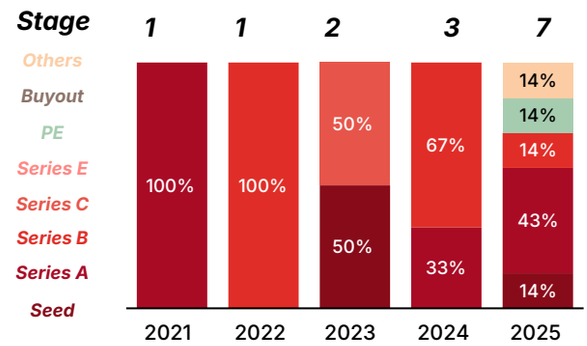
Source(s): Praxis Econometrics DealsAI, Praxis analysis

New-age Private Credit is emerging as a complement to institutional equity, with credit raised, on average, 14 months after the previous equity round. This positions Private Credit in a distinct funding window where companies have demonstrated initial traction and investor validation but continue to require significant growth capital.

The market is increasingly moving upstream, with Series A emerging as the most common preceding equity round and accounting for 43% of borrowers in 2025. While earlier years saw meaningful borrowing following Series B and Series C rounds, the recent shift toward Series A suggests lenders are becoming comfortable providing credit once institutional backing establishes sufficient business validation.

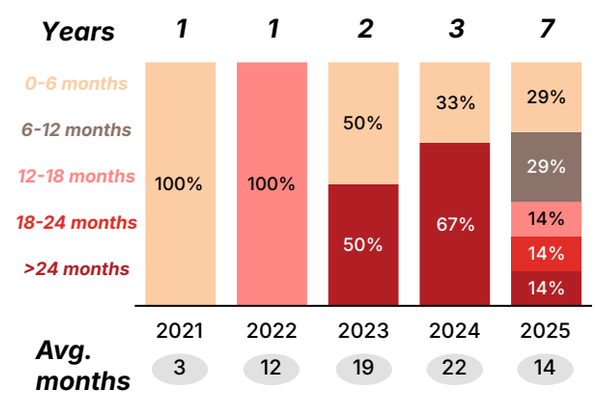
Most companies in New-age sector enter credit market after Series A funding

Last equity round before current debt deal: New-age
(#, 2021-2025)



Companies in New-age sectors tap Private Credit within 1–2 year of their last equity raise

Time after previous equity deal: New-age
(#, 2021-2025)

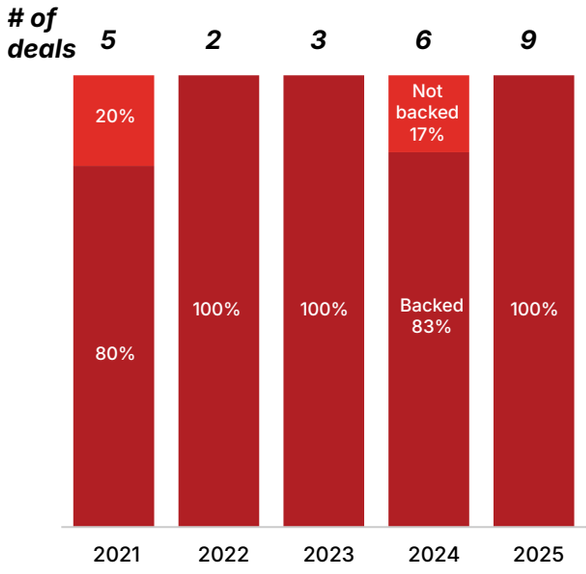


Note(s): Charts represent the number of New-age Growth Credit deals with an identifiable preceding equity round along with their timing
Source(s): Praxis Econometrics DealsAI, Praxis analysis

This creates a distinct funding opportunity between venture equity and traditional corporate credit, as the typical 1-2 year gap allows companies to use non-dilutive capital to fund expansion between major equity milestones. Private Credit therefore increasingly forms a planned component of the capital journey, rather than serving only as a later-stage liquidity solution.

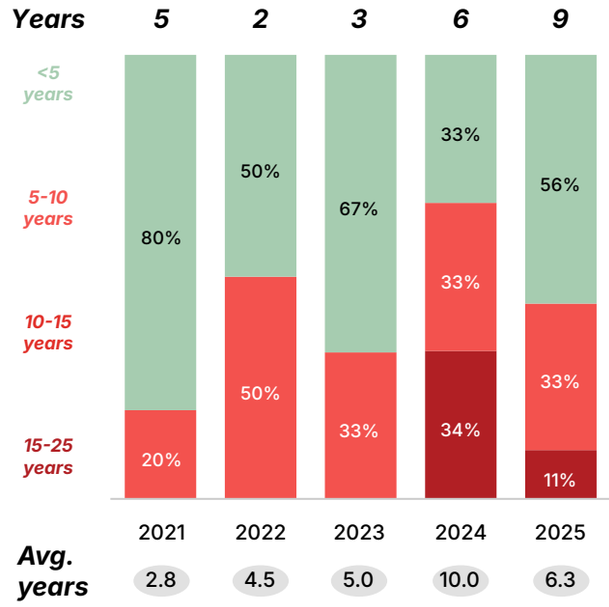
PE/VC backing is common among borrowers in New-age sectors

Companies with PE/VC backing: New-age
(#, 2021-2025)



Credit is accessed by businesses across different maturity levels

Years since incorporation: New-age
(#, 2021-2025)



Note(s): Charts represent the number of New-age Growth Credit deals with identifiable PE/VC backing status along with available company incorporation data
Source(s): Praxis Econometrics DealsAI, Praxis analysis

The borrower profile further reinforces this opportunity, with PE/VC-backed companies accounting for 100% of New-age borrowers in 2025, while companies less than five years old represented 56% of deals. Sponsor backing provides additional equity support and governance, giving lenders greater confidence to participate earlier while businesses continue to scale.

Despite increasing adoption, repeat borrowing remains limited, with only 24% of New-age borrowers raising credit more than once. This indicates significant headroom for lenders to deepen relationships with existing borrowers and increase wallet share as companies mature and their financing requirements become larger and more sophisticated.

This opportunity is further supported by the 3x increase in average deal size since 2021, pointing to potential for deployment to scale alongside proven borrowers rather than relying solely on new origination. If the shift towards earlier-stage borrowers continues, the addressable pipeline could expand materially, while sponsor quality, business traction and structured downside protection will remain critical to underwriting younger companies.

06 Conclusion and implications

Growth Credit is becoming a core layer of corporate financing in Asia and not a fallback source of capital. It is increasingly funding expansion, capex and working capital for companies that need greater flexibility than banks can provide and want to avoid incremental equity dilution.

India will remain the anchor market, while SEA and GCC provide the next leg of growth. India offers the largest scale and deepest ecosystem while SEA is seeing strong Growth Credit penetration and GCC is emerging rapidly as institutional capital and local platforms deepen.

The opportunity is to broaden from venture-style lending to a planned layer of growth financing. With strong PE/VC backing and demand spanning expansion, capex and working capital, Growth Credit is evolving into an increasingly integral financing layer across both New-age and Traditional sectors.

Implications

For investors

Differentiation will shift from access to capital to origination, underwriting and structuring capabilities, as competition for quality borrowers increases. The most scalable opportunity is likely to emerge in later-stage businesses with large and recurring capital requirements, expanding Growth Credit beyond traditional venture debt.

For borrowers

Growth Credit will become a planned part of the capital stack, used alongside equity and bank debt to fund growth while managing dilution and repayment flexibility.

For the ecosystem

Domestic fund formation, institutional participation and enabling regulation will be critical to translating the opportunity into sustained deployment across India, SEA and GCC.

Growth Credit is shifting from capital of last resort to capital of choice,
becoming an increasingly integral part of how Asia's growth companies fund their next phase of scale.



Glossary of terms

Acronym	Description
ADGM	Abu Dhabi Global Market
AI	Artificial Intelligence
AIF	Alternative Investment Fund
APAC	Asia Pacific
ASEAN	Association of South East Asian Nations
AuM	Assets Under Management (Outstanding amount)
BNPL	Buy Now, Pay Later
CAGR	Compound Annual Growth Rate
CIIRP	Creditor-Initiated Insolvency Resolution Process
COVID-19	Coronavirus Disease 2019
D2C	Direct-to-Consumer
DIFC	Dubai International Financial Centre
ECB	External Commercial Borrowing
EV	Electric Vehicle
FIST	Financial Institution Strategic Transfer
FISTCs	Financial Institutions Strategic Transfer Corporations
GC	Growth Credit
GCC	Gulf Cooperation Council
GDP	Gross Domestic Product
GIFT	Gujarat International Finance Tec-City
HNI	High Net-Worth Individual
IBC	Insolvency and Bankruptcy Code
IBFC	International Business and Financial Centre
IFSCA	International Financial Services Centres Authority
IL&FS	Infra Leasing & Financial Services
IRDA	Insolvency, Restructuring and Dissolution Act
IRR	Internal Rate of Return
ITES	Information Technology Enabled Services
IVCA	Indian Venture and Alternate Capital Association
KSA	Kingdom of Saudi Arabia
LFMC	Licensed Fund Management Company

Acronym	Description
MENA	Middle East and North Africa
MSME	Micro, Small and Medium Enterprises
NARCL	National Asset Reconstruction Co.
NBFC	Non-Banking Financial Company
NCD	Non-Convertible Debentures
NCLT	National Company Law Tribunal
NPA	Non-Performing Asset
OJK	Otoritas Jasa Keuangan
PC	Private Credit
PCGF	Private Credit Growth Fund
PE	Private Equity
PIF	Public Investment Fund
PSU	Public Sector Undertaking
QSR	Quick Service Restaurant
REIT	Real Estate Investment Trust
RFMC	Registered Fund Management Company
SaaS	Software as a Service
SEA	South East Asia
SEBI	Securities and Exchange Board of India
SME	Small and Medium Enterprise
SSF	Special Situation Fund
SVC	SIDBI Venture Capital
UAE	United Arab Emirates
VAMC	Vietnam Asset Management Company
VC	Venture Capital
VCC	Variable Capital Company
VDD	Vendor Due Diligence
VD	Venture Debt





About EVOLUTIONX Debt Capital

EvolutionX Debt Capital ("EvolutionX") is a growth-stage Private Credit platform established by Temasek and DBS Bank. Headquartered in Singapore with a regional office in Mumbai, EvolutionX provides less-dilutive, structured capital solutions to technology-enabled and new-economy companies across Asia, with a strong focus on India, South East Asia, China and the Gulf Cooperation Council (GCC).

By backing high-growth technology founders and entrepreneurs who are transforming large, traditional industries, EvolutionX combines Temasek's investment expertise and DBS' global banking networks to accelerate the digitization of key economies and further catalyze the development of Asia's rapidly evolving innovation ecosystem. Through flexible capital, EvolutionX supports companies as they scale, pursue strategic initiatives, and prepare for public market readiness while preserving long-term value for founders and stakeholders.

For further information, please visit
www.evolutionx.com.sg

EvolutionX Debt Capital Portfolio

(as of September 2026)

https://evolutionx.com.sg/portfolio/

PharmEasy · udaan · LENDINGKART · upGrad

OLA ELECTRIC · MENSA · gupshup · Yubi

INMOBI · CARSOME · Atome Financial · KITOPI

About Praxis Private Capital Practice

Leading management consulting firm helping financial sponsors maximize IRR and manage risk

We help generate 'Alpha'

Deal experience:
1,700+ deals, >US$ 60B worth

Sector specialists, not generalists

Data advantage:
'On ground' research

PE-trained teams:
150+ consultants across 4 offices

Deal to Exit:
IRR maximization

The Praxis Edge

Investor mindset...



...with operator eyes

Analytical rigor

What we do

Pre-deal: Sector scans	Deal: C.O.R.R.E.C.T. By Praxis	Exit: VDD, IPO readiness

Portfolio value creation FORGE by Praxis BEx

DealsAI™: Fund strategy and administration

About Praxis Global Alliance

Praxis Global Alliance is the 'Consulting Firm of the Future'. Praxis is an Asia-based next-gen management consulting firm that solves business problems leveraging the best of AI, research and business advisory. We help enterprises, investors, founders, and public sector leaders navigate complex business challenges. Our 'Business First AI' accelerates growth, creates performance, and unlocks shareholder value through strategy, execution, digital, and AI-led transformation across 40+ countries.

Authors

Madhur Singhal
Managing Partner & CEO
madhur.singhal@praxisga.com

Akshat Gupta
Principal
akshat.gupta@praxisga.com

Sandeep Ghosh
Principal
sandeep.ghosh@praxisga.com

Connect with us

PRAXIS GLOBAL ALLIANCE

EVOLUTIONX Debt Capital

Communications Team
communications@praxisga.com
+91 935 453 3135

Sakshi Shah
Vice President
sakshi@evolutionx.com.sg

www.praxisga.com

Notes

PRAXIS
GLOBAL ALLIANCE

BUSINESS FIRST AI.
SPECIALISTS, NOT GENERALISTS.
OUTCOME DRIVEN.

New Delhi
Unit 5, GF, Uppal Plaza M6, Jasola District Centre, New Delhi 110025, India

Delhi NCR
Suite 2, 2F, AIPL Masterpiece, Golf Course Road, Sector 54, Gurugram 122009, India

Mumbai
12F, Oberoi Commerz I, International Business Park, Goregaon East, Mumbai 400063, India

UAE
Praxian MEA L.L.C.-FZ, Floor 6 Suites, The Meydan Hotel, Nad Al Sheba, Dubai, UAE

