

ASX ANNOUNCEMENT

19 September 2023

Pacific Current Group Invests In Avante Capital Partners, A Premier Women- And Minority-Owned Private Credit Manager

Pacific Current Group Limited (ASX:PAC, Pacific Current), a global multi-boutique asset management firm, is pleased to announce that it has entered into a definitive agreement to purchase a minority equity stake in Avante Capital Partners (Avante), a private credit and structured equity investment management firm based in Los Angeles, California.

Founded by Jeri Harman in 2009, Avante was established with the vision of creating a unique private markets manager – one that harnesses the power of diversity. Supporting top tier sponsors and management teams in the U.S. lower middle market, Avante provides private credit and equity solutions to high-quality companies underpinned by strong management teams and attractive financial profiles. The firm invests across the capital structure, including unitranche debt, synthetic unitranche debt, 2nd lien debt, mezzanine debt and minority equity. Avante has invested nearly \$1 billion of capital since inception.

PAC is acquiring a 24.9% equity interest in Avante for up to US\$40 million, with US\$15m paid at closing, US\$13m paid one year after closing, and up to an additional US\$12 million subject to growth milestones. PAC estimates its investment will yield between US\$1.5m – US\$2.5m from management fees in CY24. Avante will continue to be overseen by its founders and principals and there will be no changes to its strategies or day-to-day operations.

PAC CEO and CIO, Paul Greenwood stated, “We couldn’t be more excited to enter into a partnership with Avante. The firm’s leadership team is truly exceptional and has built a culture that drives an investment sourcing engine that gives the firm a powerful competitive advantage.” PAC Vice President, Curtis Yasutake added, “Given the breadth and depth of Avante’s team, the firm’s stellar track record and its differentiated investment process, we believe Avante is well-positioned to continue to grow their business, as well as their impact on the industry.”

Avante Managing Partner, Ivelisse Rodriguez Simon noted, “Fourteen years after our founding, my partners and I knew it was the right time to seek a strategic partner to accelerate our growth and amplify our impact. What we didn’t know is that we would find a partner so completely aligned with our vision for the future. We are thrilled and grateful. Paul and Curtis truly see our team for who we are: a group of diverse, thoughtful and keen investors who strive for excellence in all we do. With PAC’s support, Avante will further expand its client base, fundraising and distribution network and enhance our competitive market position. We are confident the future of Avante is very bright with PAC alongside us.”

It is expected that all conditions will be satisfied in order for completion of the investment to occur by the end of September 2023.

Ardea Partners served as the exclusive financial advisor to Avante on this transaction.

Authorised for release by the Board of Pacific Current Group Limited.

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ABOUT PACIFIC CURRENT GROUP

Pacific Current Group Limited is a multi-boutique asset management firm dedicated to providing exceptional value to shareholders, investors and partners. We apply our strategic resources, including capital, institutional distribution capabilities and operational expertise to help our partners excel. Including Avante, Pacific Current Group has investments in 17 firms globally.

ABOUT AVANTE CAPITAL PARTNERS

Avante Capital Partners is a women- and minority-owned private credit and structured equity investment management firm. Avante invests in unitranche debt, 2nd lien debt, mezzanine debt and minority equity of high-quality, lower middle market businesses generating at least \$3 million in cash flow.