

CAL Automotive and Ares Management Enter Joint Venture to Invest up to \$1.5 Billion in New Vehicle Leases

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YARDVILLE, N.J. & NEW YORK--(BUSINESS WIRE)-- Certified Automotive Lease Corp ("CAL Automotive"), a wholly-owned subsidiary of Auto Lender's Liquidation Center, Inc. ("Auto Lenders"), and Ares Management Alternative Credit funds ("Ares") announced today that CAL Automotive and Ares have entered a joint venture to purchase and invest up to \$1.5 billion in prime new vehicle leases originated by CAL.

This press release features multimedia. View the full release here: <https://www.businesswire.com/news/home/20241022901951/en/>

With over 40 years of experience in the consumer vehicle leasing market, Auto Lenders launched CAL Automotive in 2016 as a superior sourcing model with the ability to generate profit throughout a vehicle's life. Through strategic make and model selections of low mileage lease programs targeting prime credit-worthy lessees, CAL Automotive expects to realize strong residual value performance for off-lease vehicles sold to Auto Lenders. CAL Automotive leverages more than four decades of proprietary data to offer competitively priced lease options on vehicles expected to maintain strong values at the end of three-year terms.

"We are pleased to enter into this joint venture with Ares, which will allow us to grow our business and further capitalize on the current market environment," said Brad Wimmer, CEO of Auto Lenders. "This partnership will both expand Auto Lenders' offering of well-maintained, low-mileage cars and give our customers access to high-quality vehicles at competitive prices."

"The key to Auto Lenders' success is our participation through the entire lifecycle of an automobile, starting with providing low-mileage leases to prime customers," said Mike Wimmer, Founder and Chairman of Auto Lenders. "By retaining many of these vehicles as they come off lease and sourcing additional vehicles directly from consumers, Auto Lenders consistently generates some of the highest quality, low mileage-one owner inventory in the industry, without any reliance on acquiring vehicles through auctions."

The joint venture will seek to capitalize on CAL Automotive's strong position as a leading independent consumer auto lessor – with over 100,000+ consumer leases originated since inception in 2016 – and serve as a complementary strategy alongside the company's current bank partnerships.

"We look forward to partnering with CAL to grow their origination of prime auto leases," said Felix Zhang, Partner in the Ares Credit Group. "We believe this transaction is a great example of the scaled and tailored asset-based financing solutions Ares' Alternative Credit strategy can bring to originators of high-quality assets."

Ares' Alternative Credit strategy is one of the largest investors in asset-based credit. The team actively pursues investments in large, diversified portfolios of credit assets, such as portfolios of loans, leases, financial receivables, fees or royalties. With the benefits of its scale and experience, Ares seeks to provide bespoke capital solutions to partners and counterparties across the asset-based

credit markets. In addition, Ares and Ares Alternative Credit portfolio managers have pledged to donate at least 5-10% of the performance fees earned from Alternative Credit's flagship funds to support global health and education charities.

Solomon Partners Securities, LLC served as exclusive financial advisor and Gibson Dunn served as legal counsel to CAL. Sidley Austin served as legal counsel to Ares.

About Auto Lender's Liquidation Center, Inc. and CAL Automotive Lease Corp

Auto Lender's Liquidation Center, Inc., a Crestview Partners portfolio company, is a leading regional platform for financing, buying and selling automobiles. Started in 1979 and headquartered in Berlin, New Jersey, Auto Lenders generates approximately \$1 billion in annual revenues. Auto Lenders is an online-first omnichannel platform, providing customers with the opportunity to buy or sell vehicles online or through a network of highly rated previously owned car dealerships in the Mid-Atlantic region. Additionally, through its Certified Automotive Lease Corp. subsidiary, Auto Lenders is a leading provider of low-mileage leases to prime customers supporting new car purchases.

About Ares Management Corporation

Ares Management Corporation (NYSE: ARES) is a leading global alternative investment manager offering clients complementary primary and secondary investment solutions across the credit, private equity, real estate and infrastructure asset classes. We seek to provide flexible capital to support businesses and create value for our stakeholders and within our communities. By collaborating across our investment groups, we aim to generate consistent and attractive investment returns throughout market cycles. As of June 30, 2024, Ares Management Corporation's global platform had over \$447 billion of assets under management with more than 2,950 employees operating across North America, Europe, Asia Pacific and the Middle East. For more information, please visit www.aresmgmt.com.

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