

Ares Management Sells Stake in Convergent Technologies to Leonard Green and Harvest Partners

Dec 16, 2021 7:15 AM

Highlights Convergent's Strong Growth and Excellent Management Team

Convergent's Culture Is a Key Contributor to Its Success

LOS ANGELES & SCHAUMBURG, Ill.--(BUSINESS WIRE)-- Ares Management Corporation (NYSE: ARES) and Convergent Technologies ("Convergent" or the "Company") today announced that Leonard Green & Partners, L.P. ("LGP") and funds managed by Harvest Partners, LP ("Harvest") have purchased equity in Convergent from a fund managed by Ares' Private Equity Group ("Ares") and other existing shareholders. As a result of the transaction, Ares, LGP and Harvest will be financial partners with the Company.

Headquartered in Illinois, Convergent is a global leader in service-based systems integration, working alongside a global network of partners and manufacturers to design, install and service security, fire alarm, life safety, audio-visual and building automation solutions for enterprise customers. Convergent maintains a global footprint with more than 7,100 colleagues in over 150 locations worldwide. Closing more than 50 acquisitions since 2001, the Company has significantly deepened its vertical market expertise across numerous sectors, particularly in data centers, utilities, healthcare and financial services. At the same time, the Company has expanded its global reach, allowing it to better serve multinational customers across the globe. The Company is also broadening its digital transformation solution offerings, investing in innovation to meet customers' evolving needs. With Ares' sponsorship, the Company has experienced strong growth with revenue and EBITDA more than doubling since 2017.

"We are pleased that LGP and Harvest are joining Ares as financial partners in Convergent. This transaction underscores the strength of the Company, its management team and its growth strategy," said Matt Cwiertnia, Partner and Co-Head of Ares' Private Equity Group and Chairman of the Convergent Board of Directors. "Over the course of Ares' nearly four-year partnership with Convergent, we have closely collaborated to help the Company achieve strong growth, including notable expansion in sectors, services and geographies. We are proud that Convergent has been a meaningful champion for positive change by fostering a diverse, inclusive and socially responsible culture, which has benefited the business as a whole in addition to its colleagues, communities and stakeholders."

"Convergent has generated strong momentum through its innovative approach to driving growth, and its deep commitment to its customers, colleagues and communities," said Abraham Zilkha, Partner in Ares' Private Equity Group and member of the Convergent Board of Directors. "We much look forward to continuing to support Convergent in capitalizing on the significant growth opportunities ahead for the company as a leader in a dynamic industry."

"We could not have had any better partner than Ares over the past four years. With every important decision, Ares made sure that we remained focused on one guiding factor: do what is best for Convergent, our customers, and our colleagues," said Ken Lochiatto, CEO of Convergent. "Ares' strength and confidence helped us accelerate our investments for growth, and their help has been

tremendous as we have worked to expand our inclusion and diversity efforts and further strengthen our culture and our commitment to our founding Values and Beliefs. They have provided leadership and insights that have helped us make meaningful progress, and we are grateful for their continued support and guidance.”

"We feel Convergent is well positioned for long-term success," said John Danhaki, Managing Partner at Leonard Green & Partners. "Convergent's strong, values-based culture and reputation for customer service excellence combined with its best-in-class management team and significant capabilities and footprint in the global security industry position the Company for meaningful future growth. We look forward to continuing to build on Convergent's strong foundation as the world's premier systems integrator, while generating value to all of its stakeholders."

“Ken and the founders have built a global leader with a unique and winning culture that runs deep through the organization. Convergent's differentiated culture has been a key driver of its long-term success and we are thrilled to work alongside Ares, LGP, and the outstanding leadership team on the next chapter of growth,” said Steve Carlson, Partner at Harvest Partners, who will join Convergent's Board of Directors.

William Blair, Harris Williams and J.P. Morgan served as financial advisors, and Kirkland & Ellis LLP served as legal advisor to Ares and Convergent. Latham & Watkins LLP served as legal advisor to LGP. Ropes & Gray LLP served as legal advisor to Harvest.

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 September 30, 2021, Ares Management Corporation's global platform had approximately \$282 billion of assets under management, with approximately 2,000 employees operating across North America, Europe, Asia Pacific and the Middle East. For more information, please visit www.aresmgmt.com. Follow Ares on Twitter @Ares_Management.

About Convergent

Convergent is a global, industry-leading systems integrator that designs, installs, and services electronic security, cybersecurity, fire and life safety, building automation, and audio-visual systems. Listed as the #1 systems integrator in *SDM Magazine's* Top Systems Integrators Report for the past 4 years, Convergent leads with over 7,100 colleagues and more than 150 locations worldwide. Convergent recently launched Convergent Cares, a 501 (c)3 nonprofit, extending the company's social responsibility efforts globally, supporting nonprofit entities throughout underserved communities, and providing educational, financial assistance to the families of U.S.-based colleagues. To learn more about Convergent, visit www.convergent.com.

About LGP

Leonard Green & Partners, L.P. (“LGP”) is a leading private equity investment firm founded in 1989 and based in Los Angeles with over \$50 billion of assets under management. The firm partners with experienced management teams and often with founders to invest in market-leading companies. Since inception, LGP has invested in over 100 companies in the form of traditional buyouts, going-private transactions, recapitalizations, growth equity, and selective public equity and debt positions. The firm primarily focuses on companies providing services, including consumer, healthcare, and business services, as well as retail, distribution and industrials. For more information, please visit www.leonardgreen.com.

About Harvest Partners

Founded in 1981, Harvest Partners, LP is an established New York-based private equity investment firm that focuses on investments in middle-market companies in the business services & industrial services, consumer, healthcare, industrials and software industries. Harvest's control strategy leverages the firm's 40 years of experience in financing organic and acquisition-oriented growth. For more information, please visit www.harvestpartners.com.

View source version on [businesswire.com](https://www.businesswire.com): <https://www.businesswire.com/news/home/20211215006067/en/>

Ares Management Corporation

Brunswick Group
Jonathan Doorley / Alex Yankus
+1 212-333-3810
[\[email protected\]](#)

Ares Management Corporation
Carl Drake
+1 888-818-5298
[\[email protected\]](#)

or

Jacob Silber
+1 212-301-0376
[\[email protected\]](#)

Convergint

Tommasina Domel
+1 847-585-8962
[\[email protected\]](#)

LGP

[\[email protected\]](#)

Harvest Partners

Lambert & Co.
Caroline Luz
+1 203-656-2829
[\[email protected\]](#)

Source: Ares Management Corporation