

Ares SSG Funds complete acquisition of Altico Capital

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First resolution of a stressed Non-Banking Finance Company (NBFC) outside India's insolvency and bankruptcy process
Ares SSG's single largest investment to date reaffirms its commitment to the Indian market

MUMBAI, India, March 11, 2021 /PRNewswire/ -- Ares SSG, a leading Asia-Pacific alternative asset manager, announced today that certain of its funds have completed the acquisition of all underlying assets of Altico Capital India Limited ("Altico"), an NBFC which used to provide loans and financing to India's real estate sector before experiencing financial difficulties in 2019.

The acquisition marks the first resolution of a defaulting NBFC outside India's Insolvency and Bankruptcy Code (IBC) and represents Ares SSG's single largest investment in India to date.

Funds managed by Ares SSG, in partnership with Assets Care and Reconstruction Enterprise Ltd. ("ACRE"), a leading asset reconstruction company, have acquired all outstanding loans and investments from Altico for a consideration of approximately Rs 2800 crores (US\$380 million), in line with its original resolution plan submitted in February 2020. Ares SSG's plan has ensured a full resolution while also maximizing the value of the underlying assets for creditors, despite the adverse impact of the pandemic on several of Altico's portfolio companies.

Ares SSG recognizes the challenges Altico employees have faced during this period of uncertainty which has been further compounded by the pandemic. Ares SSG values their commitment as Altico's entire team will continue to assist in servicing the existing portfolio.

Shyam Maheshwari, Partner of Ares SSG, said, "Our acquisition of Altico reflects Ares SSG's strong commitment to supporting widespread efforts by policymakers, investors, and industry to alleviate the impact of non-performing assets on India's banking and financial services sector. This investment also highlights our confidence in the prospects for India and the steps being taken to spur growth that has over the past year been held back by the global pandemic."

Manish Jain, CEO at SSG Advisors LLP, an advisor to Ares SSG, said, "Ares SSG's plan for Altico allows its creditors to realise immediate value for the assets. It also offers all stakeholders the prospect of working with a partner that has a record of bringing capital, expertise and bespoke ideas to ensure the resolution of stressed assets and rebuilding of the underlying businesses."

About Ares SSG

With a pan-Asian presence, Ares SSG is one of the largest alternative asset managers in Asia-Pacific with approximately \$7.0 billion in assets under management, more than 80 employees and over 120 direct institutional investors as of December 31, 2020. Led by a highly experienced management team that has delivered attractive investment performance across various market cycles, transaction types and Asian countries, Ares SSG leverages its broad geographical footprint and extensive infrastructure in the region

to make credit, private equity and special situations investments on behalf of its institutional client base. Ares SSG's team has been consistently recognized for industry accolades, including Private Debt Investor's Distressed Debt Investor of the Year, Asia-Pacific in each of the last seven years.

Ares SSG is a subsidiary of Ares Management Corporation (NYSE: ARES), a leading global alternative investment manager operating integrated groups across Credit, Private Equity, Real Estate and Strategic Initiatives.

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