

Ares Launches Private Markets Fund Focused on Investing in Private Equity through Secondary Market Transactions

Apr 06, 2022 6:30 AM

Offers Individual Investors Access to a Diverse Portfolio of Leading Private Equity Sponsors' Fund Investments to Complement Ares' Existing Alternative Investment Products

Fund Is Led by Ares' Secondary Solutions Group and Distributed through Ares Wealth Management Solutions

NEW YORK--(BUSINESS WIRE)-- Ares Management Corporation (NYSE: ARES) (“Ares”), a leading global alternative investment manager, announced today the launch of Ares Private Markets Fund (the “Fund”), a new registered, continuously offered, non-traded, closed-end fund that intends to invest in an actively managed portfolio of private equity and other private assets principally through secondary market fund investments, and, to a lesser degree, primary fund investments and direct co-investments. The Fund has been launched with more than \$250 million in initial capital, including investments from two significant institutional investors as well as a \$75 million investment directly from Ares.

Leveraging the strength of the global Ares platform and the depth of Ares' Secondary Solutions Group, the Fund intends to invest in a diversified portfolio of private equity fund stakes backed by leading private equity sponsors in both the U.S. and Europe. Through Landmark Partners, Ares' Secondary Solutions Group has a 30-year track record and is one of the largest and most experienced investors in acquiring secondary private fund ownership stakes in the alternative asset management industry. Ares' Secondaries Solutions has more than 75 dedicated investment and research professionals and over \$22 billion in assets under management, as of December 31, 2021.

The Fund will be distributed through Ares Wealth Management Solutions (“AWMS”) and will be available through registered investment advisors and financial advisors across the U.S.

“We are excited to announce our latest fund, which provides individual investors access to fund investments from many leading private equity sponsors,” said Michael Arougheti, Chief Executive Officer and President of Ares. “Through the Fund and the strength of our global alternative investment platform, we believe we are well positioned to address the growing retail demand for attractive alternative products in today’s market environment. We are also pleased with the positive response and strong initial support for the Fund from two significant institutional investors that are investing substantial capital alongside Ares.”

“This latest product combines Ares' leading secondary investment capabilities and global distribution platform to create an attractive portfolio diversification option for high net worth retail investors,” said Raj Dhanda, Partner and Global Head of Ares Wealth Management Solutions. “With complementary perpetual capital offerings across the credit, real estate and private equity asset classes, Ares now offers individual investors access to the breadth of our investment platform that our institutional investors have enjoyed for years.”

“With significant secondary market investing experience spanning more than three decades, our team is ideally positioned to lead this investment focus for AWMS,” said Francisco Borges, Partner and Co-Head of Ares’ Secondary Solutions Group. “This represents an exciting opportunity to bring our innovative and data-driven approach to the global wealth management channel. Leveraging the extensive experience of our investment and quantitative research teams, we look forward to providing differentiated opportunities to the retail channel.”

The Fund is a closed-end fund registered under the Investment Company Act of 1940, as amended, with its common shares registered under the Securities Act of 1933, as amended. The Fund intends to qualify as a "regulated investment company" under the Internal Revenue Code and offer simple 1099 tax reporting to investors. The Fund offers a single capital call structure through a monthly subscription process with limited liquidity via quarterly tender offers for up to 5% of the Fund's net assets.

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 December 31, 2021, Ares Management Corporation's global platform had approximately 2,100 employees operating across North America, Europe, Asia Pacific and the Middle East and approximately \$314 billion of assets under management, including Ares Management’s acquisition of AMP Capital’s Infrastructure Debt platform which closed February 10, 2022. For more information, please visit www.aresmgmt.com.

About Ares Wealth Management Solutions

Ares Wealth Management Solutions (AWMS) oversees the product development, distribution, marketing and client management activities of investment offerings for the global wealth management channel. With a team of approximately 100 professionals and backed by the power and scale of the Ares platform, AWMS represents one of the most resourced wealth distribution and client service teams in the alternatives industry. AWMS’ mission is to provide advisors and their clients access to innovative, solutions-oriented investment opportunities, across the Ares platform of industry leading credit, private equity, real estate and secondaries strategies. Through our range of institutional and retail structures, coupled with excellent client service and educational resources, we help investors diversify their portfolios with private market solutions that seek to deliver consistent, long-term growth.

About Ares Secondary Solutions

The Ares Secondary Solutions Group comprises Landmark Partners’ operations. Landmark Partners, an Ares company is one of the largest and most experienced investors in acquiring secondary private fund ownership stakes in the alternative asset management industry. Through Landmark Partners, we provide bespoke and customized liquidity solutions across the private equity and credit, real estate and infrastructure asset classes. With over 30 years of experience in the market, Landmark focuses on generating attractive risk adjusted returns through its leading industry analytics and research, robust deal origination, underwriting and portfolio management activities. As of December 31, 2021, the Ares Secondary Solutions Group had \$22.1 billion in assets under management with dedicated investment and quantitative research teams located in six offices across the United States, Europe and Asia.

Forward-Looking Statements

This communication may contain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Statements other than statements of historical facts included in this communication may constitute forward-looking statements and are not guarantees of future performance or results and involve a number of risks and uncertainties. Actual results may differ materially from those in the forward-looking statements as a result of a number of factors, including those described from time to time in filings with the U.S. Securities and Exchange Commission. Ares undertakes no duty to update any forward-looking statement made herein. All forward-looking statements speak only as of the date of this communication.

An investor should consider the Fund’s investment objectives, risks and fees and expenses carefully before investing. This and other important information can be found in the Fund’s prospectus, which an investor can obtain by calling 1.866.324.7348 or by emailing . You also may get these documents for free by visiting EDGAR on the SEC website at www.sec.gov. The Fund's shares are offered for purchase exclusively through, and subject to the terms of, its prospectus, which should be read carefully and in its entirety before making any investment decision. Investors should consult with their financial advisor about the suitability of the Fund for their portfolio.

IMPORTANT NOTE ON INVESTOR ELIGIBILITY: Please note that the Fund will sell its shares only to eligible investors that are both “accredited investors,” as defined in Section 501(a) of Regulation D under the Securities Act of 1933, as amended, and “qualified clients” as defined in Rule 205-3 under the Investment Advisers Act of 1940, as amended. The qualifications required to invest in the Fund will appear in subscription documents that must be completed by each prospective investor.

An investment in the Fund involves a high degree of risk and therefore should only be undertaken by qualified investors whose financial resources are sufficient to enable them to assume these risks and to bear the loss of all or part of their investment. The Fund and Ares do not guarantee any level of return or risk on investments and there can be no assurance that the Fund’s investment objective will be achieved.

An investment in the Fund should be considered illiquid. An investment in the Fund is not suitable for investors who need access to the money they invest. Although the Fund may offer to repurchase a limited amount of its shares via quarterly tender offers, the Fund’s shares will not be redeemable, transferable or otherwise exchangeable at an investor’s option. As a result, an investor may not be able to sell or otherwise liquidate its shares. There can be no assurance that the Fund will conduct tender offers in any particular period and investors may be unable to tender their shares for repurchase for an indefinite period of time.

View source version on [businesswire.com](https://www.businesswire.com/news/home/20220405005964/en/): <https://www.businesswire.com/news/home/20220405005964/en/>

Carl Drake, +1 888-818-5298
or
Jacob Silber, +1 212-301-0376

Source: Ares Management Corporation