

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, IN OR INTO THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DISTRIBUTE THIS ANNOUNCEMENT OR TO US PERSONS.

July 16, 2021

McLaren Group Limited announces new £550m equity investment significantly strengthening capital structure and powering long-term, sustainable growth plans

- New investors, funds managed by the Private Equity and Credit Groups of Ares Management Corporation and Public Investment Fund (PIF), have committed to invest a total of £400 million in McLaren Group Limited in the form of Preference Shares and equity Warrants, bringing capital as well as significant financial and strategic expertise to McLaren
- Existing shareholders, including Mumtalakat, alongside a limited number of new private investors, to invest a total of £150 million in McLaren Group Limited in the form of Convertible Preference Shares
- Reaffirms confidence in McLaren's future sustainable growth potential following its recent strategic and financial actions
- The transaction also offers significant deleveraging opportunity for the business

McLaren Group Limited ("McLaren" or the "Group") announces today that it has received commitments for, in total, £400 million of capital in the form of Preference Shares, attracting significant new long-term investment capital from funds managed by the Private Equity and Credit Groups of Ares Management Corporation ("Ares"), a leading global alternative investment manager, and Public Investment Fund ("PIF").



Existing shareholders, as well as a limited number of new private investors, will also invest an additional £150 million of capital in the form of Convertible Preference Shares into the business, reflecting their commitment and confidence in McLaren's growth plans, to allow for the repayment of the loan received in June 2020 from the National Bank of Bahrain and the right-sizing of the capital structure. Completion of the capital raising transactions remains subject to mutually agreed closing conditions, including the raising of new senior secured financing which McLaren intends to use to refinance its existing senior secured notes.

The transaction supports the company's growth plans as a global luxury supercar and elite motorsport business, with Automotive as McLaren's core profit driver.

This transaction follows a series of successful strategic financial initiatives undertaken by McLaren following impacts from the pandemic. In December 2020, MSP Sports Capital and other strategic investors acquired a significant minority shareholding in McLaren's Racing division, with McLaren remaining the majority shareholder. This transaction allowed McLaren to retain a significant stake in its Formula 1 team while bringing in strategic partner capital to de-risk Racing and allow McLaren to focus on its leading Automotive business.

In April 2021, McLaren announced the successful sale and leaseback of its headquarters in Woking, in order to bring further growth capital into the business.

Paul Walsh, McLaren Group Executive Chairman said: "Building on the short-term measures that we put in place last summer in response to the global pandemic, McLaren has taken a number of significant steps to put the company on a stable footing for the long-term, with the close support of its advisors and existing shareholders. Following the strategic investment into Racing that we secured last year, this successful equity raise is a key element of our comprehensive financial strategy to support the Group's sustainable growth plans.

With these strong foundations now in place, we are well positioned to achieve our ambitions as a global luxury supercar and elite motorsport business, with Automotive as McLaren's core profit driver. The strong appetite we have seen from investors reflects the continued confidence in McLaren's iconic brand, industry-leading technology and exciting long-term growth prospects, underpinned by a more focused strategy and a stronger, more efficient capital structure. We look forward to working with Ares and PIF as they contribute their experience and knowledge to the Board."

Scott Graves, Partner, Co-Head of Private Equity Group and Head of Special Opportunities at Ares Management Corporation, said: "Ares is pleased to support McLaren's efforts to strengthen its capital structure and enhance its financial flexibility. We believe that with McLaren's strong technology, brand and executive leadership, the company is well-positioned for its next phase of growth in its core Automotive business."

McLaren Group was supported in this transaction by Goldman Sachs International and HSBC as placement agents, Global Leisure Partners as financial advisor, and Ashurst LLP as legal counsel, with Latham & Watkins acting as legal counsel for Goldman Sachs International and HSBC. Kirkland & Ellis LLP acted as legal counsel to Ares and Allen & Overy LLP acted as legal counsel to PIF in connection with the transaction.

ENDS

Notes to editors

About McLaren Group

The McLaren Group is a British-based, globally renowned luxury automotive, motorsport and technology company.



Founded in 1963 by racer, engineer and entrepreneur Bruce McLaren, the group is formed of three companies; McLaren Applied, which works at the intersection of technology and data to deliver quantifiable performance advantage to organisations; McLaren Automotive, which hand-builds lightweight supercars; and a majority stake in McLaren Racing which competes in the Formula 1 World Championship and INDYCAR in the US. In December 2020, the McLaren Group announced new investment in McLaren Racing from strategic sports investor, MSP Sports Capital.

The McLaren Group has more than 3,000 employees and is globally headquartered at the iconic McLaren Technology Centre in Woking, Surrey, England.

With a reputation for innovation and technological excellence, McLaren is one of the UK's largest independent companies.

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 March 31, 2021, including the acquisition of Landmark Partners, which closed June 2, 2021, and the acquisition of Black Creek Group, which closed July 1, 2021, Ares Management's global platform had approximately \$239 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 the Public Investment Fund

The Public Investment Fund is one of the largest and most impactful sovereign wealth funds in the world, driving the economic transformation of Saudi Arabia for the benefit of its people while helping shape the future global economy. PIF is building a world-class portfolio through investments in attractive, long-term opportunities across diverse industries and asset classes internationally, while unlocking new sectors at home. PIF works alongside global strategic partners and renowned investment managers, and acts as the Kingdom of Saudi Arabia's primary investment arm aiming toward generating long-term value for the Kingdom of Saudi Arabia in line with Vision 2030.

Notes to Editors:

More information about PIF can be found at: www.pif.gov.sa

Media Contact: media@pif.gov.sa

Cautionary statement

This press release (and the information contained herein) is not for release, publication or distribution, directly or indirectly, in whole or in part, in or into the United States of America, its territories or possessions, any state of the United States or the District of Columbia (collectively, the "United States"). This press release is for informational purposes only and is not an offer of securities for sale in the United States. The securities referred to herein have not been and will not be registered under the US Securities Act of 1933, as amended (the "US Securities Act"), or under the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States or to, or for the account or benefit of, US persons (as defined in Regulation S under the US Securities Act) absent registration except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and in accordance with any applicable securities laws of any state or other jurisdiction of the United States. There will be no public offering of the securities referred to herein in the United States.

Promotion of the securities referred to herein in the United Kingdom is restricted by the Financial Services and Markets Act 2000 (the "FSMA"), and accordingly, the securities are not being promoted



to the general public in the United Kingdom. This announcement is only addressed to and directed at persons who (i) are outside the United Kingdom, (ii) have professional experience in matters relating to investments (being investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Financial Promotion Order")), (iii) fall within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations, etc.") of the Financial Promotion Order, or (iv) to the extent that doing so does not prejudice the lawful distribution of the announcement to the foregoing, are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) in connection with the issue or sale of any securities referred to herein may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). The securities referred to herein will only be available to relevant persons and this announcement must not be acted on or relied on by anyone who is not a relevant person.

Forward-looking statements

This announcement contains certain forward-looking statements, which are based on current intentions, beliefs, assumptions and estimates by the management of McLaren concerning, among other things, results of operations, financial condition, liquidity, prospects, growth, strategies of McLaren and its subsidiaries (the "Group") and the industries in which the Group operates. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Readers are cautioned that forward-looking statements are not guarantees of future performance and that the Group's actual results of operations, financial condition and liquidity, and the development of the industries in which it operates, may differ materially from those made in or suggested by the forward-looking statements contained in this announcement. In addition, even if the Group's or its affiliates' results of operations, financial condition and liquidity, and the development of the industries in which they operate, are consistent with the forward-looking statements contained in this announcement, those results or developments may not be indicative of results or developments in subsequent periods. McLaren undertakes no obligation to update these forward-looking statements and will not publicly release any revisions that may be made to these forward-looking statements, which may result from events or circumstances arising after the date of this announcement.

Banks disclaimer

Goldman Sachs International and HSBC Bank plc ("HSBC"), which are authorised by the Prudential Regulation Authority and regulated in the United Kingdom by the Financial Conduct Authority and the Prudential Regulation Authority, are acting as placement agents to McLaren and no one else in connection with the matters described in this document and will not be responsible to anyone other than McLaren for providing the protections afforded to clients of Goldman Sachs International or HSBC, or for providing advice in connection with the matters referred to herein. Neither Goldman Sachs International, HSBC nor any of their group undertakings or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Goldman Sachs International or HSBC in connection with document or any matter referred to herein.