PAG to Acquire Australian Venue Co from KKR

SYDNEY – 25 August 2023 – Global investment firm KKR and PAG, a leading alternative investment firm focused on Asia Pacific, today announced the signing of definitive agreements under which PAG will acquire KKR's controlling interest in Australian Venue Co ("AVC"). Financial terms of the transaction were not disclosed.

AVC is an established food and beverage hospitality business that owns and operates a portfolio of more than 210 unique pubs, bars and restaurants in metro, suburban and regional locations across Australia and New Zealand.

KKR invested in AVC in 2017 with a portfolio of 50 leasehold venues with the objective of partnering and supporting the growth ambitions of its management team. This successful collaboration has resulted in venue growth of more than 300%.

PAG's acquisition of AVC marks the firm's latest investment in Australia's growing consumer sector. Previous control investments include Craveable Brands, owner of iconic restaurant brands Red Rooster, Oporto, Chargrill Charlie's and Chicken Treat; The Cheesecake Shop; and Cordina Farms. More recently PAG acquired and integrated together Patties Foods and Vesco Foods, leading manufacturers of some of Australia's best-loved food brands including Four'N Twenty, Patties and Nanna's.

David Lang, Partner and Co-Head of KKR Australia and New Zealand, said, "AVC has established itself as a leader in Australia and New Zealand's dynamic and constantly evolving hospitality sector. We are excited to have worked alongside Paul and AVC's dedicated team to invest in the company's expansion and believe that AVC is well positioned for the future. We wish the entire AVC team continued success with PAG."

Lincoln Pan, Partner and Co-Head of PAG Private Equity, said, "We are very pleased to partner with AVC, a proven market leader with an exceptional management team and great potential. Our goal is to work with strong businesses and help them become even stronger in Australia. AVC has created some of the most unique and iconic venues across Australia and New Zealand, and we are looking forward to supporting them on their next stage of growth."

Paul Waterson, Australian Venue Co CEO, said, "This is an exciting time for AVC. We are grateful for KKR's strong support in scaling the business over the years, growing our employee base from 780 to 8,500 people, and creating jobs through growth and investment in our venues. We look forward to working with our new partners in PAG, their investment affirms the strength of the platform and our future growth potential in Australia and New Zealand."

The transaction is expected to close late 2023, subject to customary conditions, including regulatory approvals.

Jefferies and Allens advised KKR and AVC, and BofA Securities and Ashurst advised PAG, with acquisition financing arranged by KKR Capital Markets.

About Australian Venue Co
Australian Venue Co (AVC) is a food and beverage-led hospitality group that owns and operates more than 210 pubs, bars and event venues across Australia and New Zealand. AVC takes pride in delivering exceptional customer experiences, creating exciting career pathways in hospitality and tailoring every venue to its local community. www.ausvenueco.com.au

About KKR
KKR is a leading global investment firm that offers alternative asset management as well as capital markets and insurance solutions. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people and supporting growth in its portfolio companies and communities. KKR sponsors investment funds that invest in private equity, credit and real assets and has strategic partners that manage hedge funds. KKR's insurance subsidiaries offer retirement, life and reinsurance products under the management of Global Atlantic Financial Group. References to KKR's investments may include the activities of its sponsored funds and insurance subsidiaries. For additional information about KKR & Co. Inc. (NYSE: KKR), please visit KKR's website at www.kkr.com and on Twitter @KKR_Co.

About PAG
PAG is a leading alternative investment firm focused on Asia Pacific with three core businesses: Credit & Markets, Private Equity, and Real Assets. PAG Private Equity is an active investor in Australian food and consumer businesses and is the owner of Patties Foods, Cordina Farms and Craveable Brands, which includes the brands Red Rooster, Oporto, Chargrill Charlie's and Chicken Treat. For more information, please visit www.pag.com.

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