

April 21, 2021



MOUNT LOGAN
CAPITAL

Mount Logan Capital Inc. Enters into a Definitive Agreement Related to the Management Contract of U.S. Business Development Company

All amounts are stated in United States dollars, unless otherwise indicated.

TORONTO, April 21, 2021 (GLOBE NEWSWIRE) -- Mount Logan Capital Inc. (NEO: MLC) ("Mount Logan," "MLC," "our," "we," or the "Company") announces that it and its wholly-owned subsidiary, Mount Logan Management LLC ("ML Management"), have entered into a definitive agreement (the "Agreement") for the acquisition by ML Management of certain assets from Capitala Investment Advisors, LLC ("CIA") and whereby ML Management will become the investment adviser of Capitala Finance Corp. ("Capitala"). Capitala is a U.S. publicly traded business development company ("BDC") traded under NASDAQ:CPTA with approximately \$328 million of total assets as of December 31, 2020. Capitala primarily invests in first lien loans and, to a lesser extent, second lien loans and equity securities issued by U.S. middle market companies.

Transaction Highlights

- Further expands Mount Logan's asset management activities to include an attractive closed-end BDC
- Provides a stable and recurring asset management fee stream into earnings underpinned by a permanent capital vehicle
- Assets of Capitala are highly complementary with Mount Logan's investment mandate and experience
- The transaction is expected to close in the summer of 2021 and is subject to approval by the stockholders of Capitala and other customary closing conditions

Ted Goldthorpe, Chief Executive Officer and Chairman of Mount Logan, noted, "Building on Mount Logan's active fourth quarter on the strategic transaction front, MLC has progressed further in its transition into asset management with the addition of a management contract of a U.S. middle market BDC. Management of Mount Logan has significant experience in the management of BDCs and we believe this is a compelling fund type for both investors and managers. The proposed transaction is highly strategic for MLC and we will look to use it as a growth platform."

Conference Call

Management of Mount Logan and Capitala will host a conference call to discuss the transaction at 8:00 a.m. EDT on Thursday, April 22, 2021. The call will be broadcast live in listen-only mode at:

<https://event.on24.com/wcc/r/3134622/7F25202C81E59DA7FCCE8D077377D7BA>

To participate in the conference call, please dial +1 (877) 270-2148 approximately 10 minutes prior to the call. International callers should dial +1 (412) 902-6510. Please reference conference ID #10155599.

About Mount Logan Capital Inc.

Mount Logan Capital Inc. is an alternative asset management company that is focused on public and private debt securities in the North American market. The Company seeks to source and actively manage loans and other debt-like securities with credit-oriented characteristics. The Company actively sources, evaluates, underwrites, monitors and primarily invests in loans, debt securities, and other credit-oriented instruments that present attractive risk-adjusted returns and present low risk of principal impairment through the credit cycle.

Cautionary Statement Regarding Forward-Looking Statements

This press release contains forward-looking statements and information within the meaning of applicable securities legislation. Forward-looking statements can be identified by the expressions “seeks”, “expects”, “believes”, “estimates”, “will”, “target” and similar expressions. The forward-looking statements are not historical facts but reflect the current expectations of the Company regarding future results or events and are based on information currently available to them. Certain material factors and assumptions were applied in providing these forward-looking statements. The forward-looking statements discussed in this release include, but are not limited to, statements relating to the required board and stockholder approval of the Capitala transaction, the satisfaction or waiver of certain other conditions contemplated by the Agreement, the closing of the Capitala transition and the timing thereof, the recurring asset management fees to be derived from Capitala, the use by the Company of Capitala as a platform to grow its asset management business, synergies to be achieved following the Closing Date, satisfactory arrangements between the Company and Capitala being entered into on the Closing Date, the Company’s business strategy, model, approach and future activities, portfolio composition and size, asset management activities and related income, capital raising activities, future credit opportunities of the Company, portfolio realizations, the protection of stakeholder value and the expansion of the Company’s loan portfolio. All forward-looking statements in this press release are qualified by these cautionary statements. The Company believes that the expectations reflected in forward-looking statements are based upon reasonable assumptions; however, the Company can give no assurance that the actual results or developments will be realized by certain specified dates or at all. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations, including that the Capitala transaction may not be completed on the terms contemplated or at all, if the transaction is completed Capitala may not generate recurring asset management fees or strategically benefit the Company as expected and the matters discussed under “Risks Factors” in the most recently filed annual information form and management discussion and analysis for the Company. Readers, therefore, should not place undue reliance on any such forward-looking

statements. Further, a forward-looking statement speaks only as of the date on which such statement is made. The Company undertakes no obligation to publicly update any such statement or to reflect new information or the occurrence of future events or circumstances except as required by securities laws. These forward-looking statements are made as of the date of this press release.

This press release is not, and under no circumstances is it to be construed as, a prospectus or an advertisement and the communication of this release is not, and under no circumstances is it to be construed as, an offer to sell or an offer to purchase any securities in the Company or in any fund or other investment vehicle.

For additional information, contact:

Jason Roos
Chief Financial Officer
Jason.Roos@bcpartners.com
(212) 891-5046

Mount Logan Capital Inc.
365 Bay Street, Suite 800
Toronto, ON M5H 2V1



MOUNT LOGAN
CAPITAL

Source: Mount Logan Capital Inc.