

PRESS RELEASE

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FLOCK FINANCIAL, LLC RECAPITALIZES WITH \$25 MILLION INVESTMENT; RETAINS AND ADDS TO LEADERSHIP TEAM

Atlanta, GA., April 30, 2024 – Flock Financial, LLC, (“Flock” or the “Company”), a leading financing partner to middle market receivables management and consumer finance companies active in the purchase, sale, and collection of performing and nonperforming receivable assets, announced today that various investment funds affiliated with PennantPark Investment Advisers, LLC (“PennantPark”) have invested \$25 million in the Company. Flock’s existing lenders have also reaffirmed their commitment to the business by providing additional borrowing flexibility and extending maturity.

As part of the transaction, PennantPark retained and added key leadership personnel to manage the strategic and operational efforts of Flock. The executive team leading Flock now includes Damon W. Edmondson as Chief Investment Officer, Greg Paulo as Chief Revenue Officer, and Jeff Shaver as Chief Financial Officer. Flock’s founder, Michael Flock, has transitioned to the role of Non-Executive Chairman.

The partnership with PennantPark aims to fortify the Company’s position as a premier provider of funding to middle market receivables management and consumer finance firms. With the closing of the transaction, Flock re-hired Damon Edmondson to complement the existing leadership team of Mr. Paulo and Mr. Shaver. Mr. Edmondson’s inclusion in the leadership group will significantly bolster the Company’s risk management protocols and investment process among other enhancements.

"I am excited to re-join Flock and look forward to continuing our commitment to innovate and deliver customized solutions to our current and new clients and delivering on our promises to our investors," Edmondson said. "Our new partnership with PennantPark gives us the capacity to grow and provide collaborative solutions to the receivables management and consumer finance markets. With debt prices seeing a realignment and increasing consumer debt becoming available to our clients, we are excited about the opportunities this affords us."

The recent recapitalization provides Flock with substantial capital and expanded funding capacity, strategically positioning the business to bolster both existing partnerships and cultivate new ones. The timing of the transaction will allow the Company to capitalize on improving market conditions.

"We are very pleased to partner with Flock and the management team to support the growth and expansion of the Flock platform," said Ryan Raskopf, Partner at PennantPark. He added "We believe the Company is well positioned to capitalize on an attractive market environment and has significant opportunities for growth given its reputation and unparalleled service to its clients."

"With this injection of growth capital, Flock will be an even stronger player in the financing of receivables," Paulo said. "I believe we are well positioned to take advantage of anticipated trends in demographics, and the changing economy. These changes include consumer revolving credit at an all-time high of over \$1.5 trillion and delinquencies at their highest rate in almost 4 years."

"I am energized and truly appreciate the opportunity to work with the PennantPark team," Jeff Shaver states, adding, "The financial strength, market reputation, and industry expertise that is inherent with their investment provides stability and a greater sense of confidence at this critical time for the business. The new capital allows the business to deleverage the balance sheet, increase liquidity and borrowing capacity, and ultimately allows Flock to pursue our growth and value creating initiatives."

About Flock Financial, LLC

Headquartered in Atlanta, Georgia and founded in 2013, Flock is a market-leading provider of bespoke capital solutions to middle market receivables management and consumer finance companies that are engaged in the purchase, sale, and collection of performing and nonperforming receivables. Flock has built a comprehensive platform that offers clients a unique partnership with a market-leading underwriting and structuring, valuation and analytics, and thought leadership firm. Flock has funded over \$768 million in purchase value representing \$31 billion in account balances since inception. Flock's expertise is valued across the receivables management financing industry.

For more information visit www.flockfinance.com. For questions, please email info@flockfinance.com.

About PennantPark Investment Advisers

PennantPark Investment Advisers, LLC ("PennantPark") is a leading middle market investment platform, which today has more than \$7.2 billion of assets under management. Since its inception in 2007, PennantPark has provided investors access to middle market investment offerings by private equity firms and their portfolio companies as well as other middle-market companies. PennantPark provides a comprehensive range of creative and flexible capital solutions. PennantPark is headquartered in Miami and has offices in New York, Chicago, Houston, Los Angeles, and Amsterdam. For more information visit www.pennantpark.com.