

April 29, 2021

Headway Capital is delighted to announce its second investment with Astara Capital Partners in Cross City Lumber

Astara Capital Partners, LLC ("Astara") has acquired a majority stake in Cross City Lumber ("CCL"). Based in Cross City, Florida, CCL is a Southern Yellow Pine sawmill that manufactures specialty and dimensional grades of lumber. Astara leveraged its network of sawmill executives to source the opportunity and to underwrite a series of capital projects that will substantially increase the capacity of CCL and significantly reduce its breakeven point. In addition, Astara is actively seeking and evaluating investments in other Southern Yellow Pine mills in the Southeast U.S. that will complement CCL.

Bob McKagen of Astara has joined the company as its CEO. Mr. McKagen has decades of experience as a senior executive in both the manufacturing and distribution of wood-based building products.

The team at Astara is pleased to complete its second investment in three months. "I would like to thank the Limited Partners who supported this investment," said Michael Ranson, Managing Partner of Astara. "As with our recent investment in Garlock Printing & Converting, CCL benefited from strong investor interest. We are thankful to have developed these strong relationships and to have made two investments less than a year after forming Astara. We are also thrilled to be investing in an industry that fosters sustainability. The pine forests in the southern U.S. are a massive, renewable resource. The carbon-capture benefits of building with lumber are underappreciated and stand in contrast to the carbon emissions generated by alternative construction materials."

Sebastian Junoy, Partner at Headway Capital Partners said, "Following a successful partnership with Astara on the acquisition of Garlock Printing & Converting, we are excited to invest alongside Astara in CCL and to support them in their vision of expanding this platform through the acquisition of further Southern Yellow Pine sawmills".

M2O Private Fund Advisors ("M2O") served as placement agent, while Robinson Bradshaw & Hinson, PA served as legal advisor to Astara. Debt capital was provided by KeyBank.

About Astar Capital Partners

Astar Capital Partners is an integrated team of investors and operators that pursues a value- and special-situations investment strategy in the middle market. The firm invests in a handful of sectors where it has deep experience, including packaging and converting, food, building products, forest products, and industrial manufacturing, distribution and services. Astar selects companies in those industries that are undergoing significant transformation and with the goal of building sustainable value and positioning them for long-term success.

www.astaracapital.com

About Headway Capital Partners

Headway Capital Partners is a London based private equity firm with advised funds of over €900 million. Headway provides bespoke liquidity and capital solutions to private equity GPs and managers, investing globally in a full range of secondary and co-investment transactions, with a focus on small to mid-size secondary direct, GP-led, and independent sponsor transactions in Europe and North America.

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