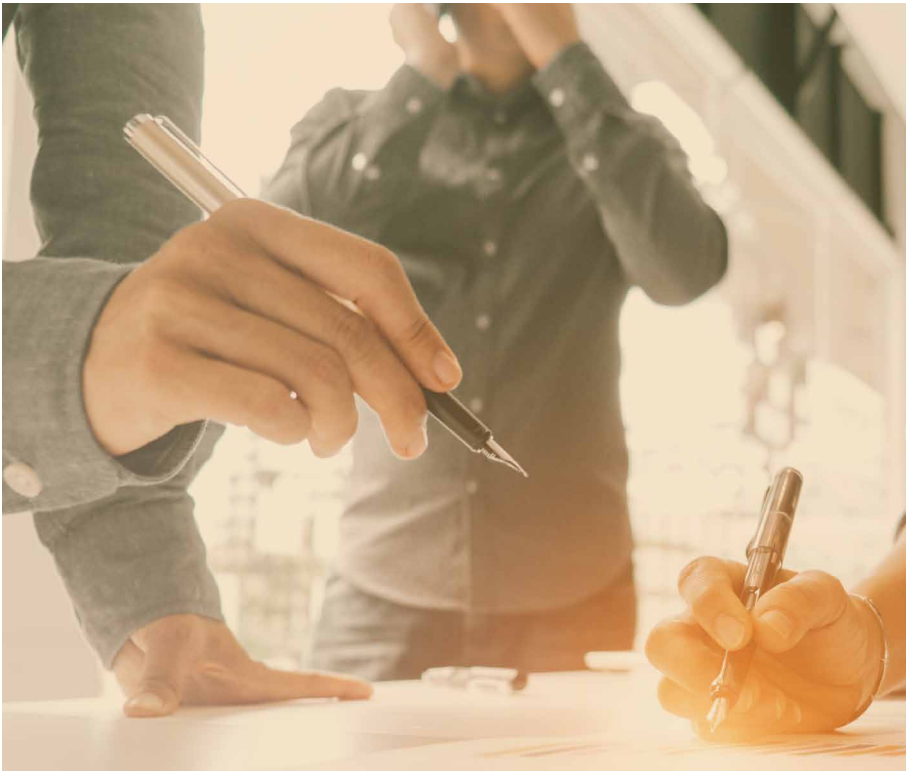


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PRIVATE COMPANY ENTERPRISE VALUES CONTINUE GROWING AT RECORD PACE COMING OUT OF PANDEMIC TROUGHS

Lincoln International's 16th edition of the Lincoln Middle Market Index (Lincoln MMI) reveals that in Q2 2021, middle market enterprise values increased 5.6%, compared to the 7.3% increase in enterprise values of S&P 500 companies. Continued growth in LTM earnings in Q2 2021 was the primary driver of growth as the Lincoln MMI's EBITDA multiples were generally stable from the prior period. Consistent with recent quarters, all industries experienced material enterprise value growth in Q2.

ABOUT THE LINCOLN MIDDLE MARKET INDEX

The Lincoln MMI is a first-of-its-kind index measuring changes in the enterprise values of private middle market companies over time - and a barometer of the performance of private middle market companies generally. The Lincoln MMI enables private equity firms and other investors to benchmark how private company investments are performing against peers, and how this performance correlates to the S&P 500.

Lincoln designed the Lincoln MMI to solve this problem by measuring the quarterly change in enterprise values for private middle market companies primarily owned by private equity firms. Enterprise value ("EV") is the sum of a company's equity value and debt.

QUARTERLY OVERVIEW

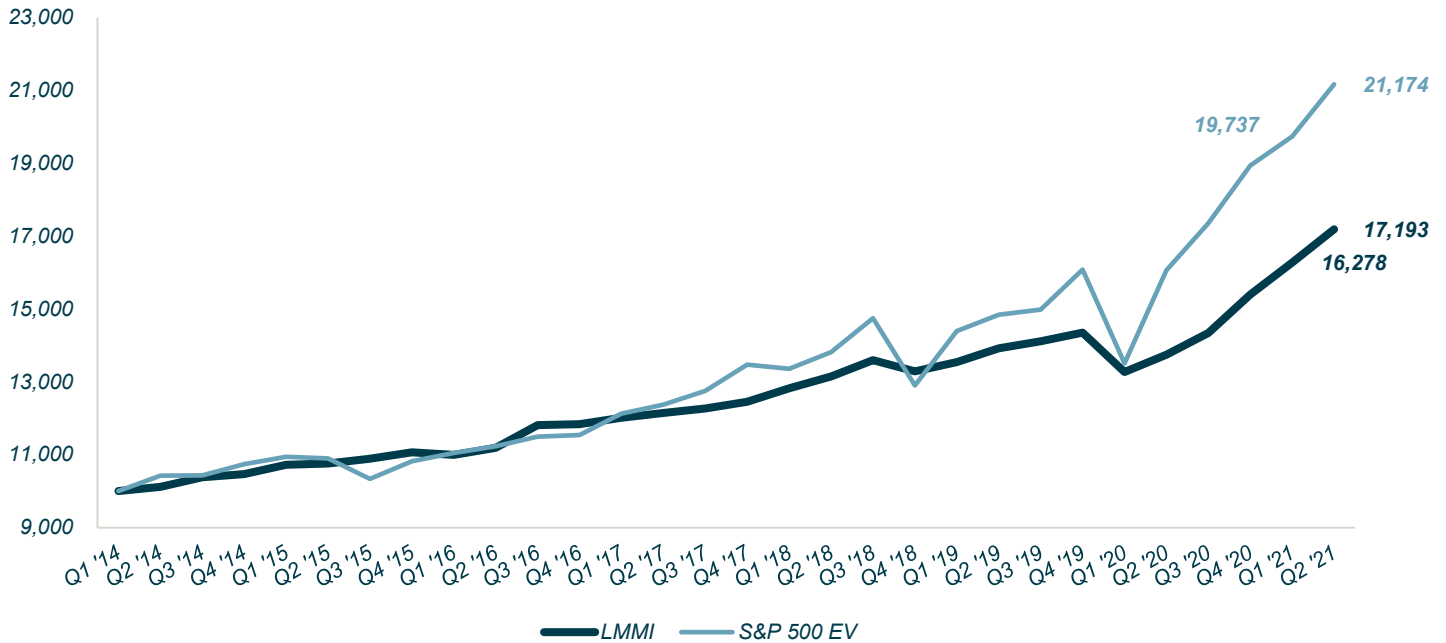
- Sixteenth Edition: Covers Q2 2021
- Measures quarterly changes in the enterprise values of ~600 middle market companies, based on a population of approximately 2,500 companies primarily owned by private equity firms with a median EBITDA of ~\$30 million.
- Analyzes the impact from the change in company earnings versus market valuation multiples
- Assess the change in value for six industry sectors

RESULTS:

Middle Market Valuations Continue to Grow into 2021

Q2

2021



(NOTE: Both the Lincoln MMI and S&P 500 EV returns above reflect enterprise values)
 (S&P 500 EV excludes financial companies for which enterprise value is generally not meaningful; including such companies produces similar results)

	Q2 '21	LTM
Lincoln MMI	5.6%	25.1%
S&P 500 EV	7.3%	31.8%

Starting at a value of 10,000 as of March 31, 2014, the Lincoln MMI increased by 71.9% cumulatively to 17,193, as of June 30, 2021. The Lincoln MMI grew at a compound annual growth rate of 7.8% since inception as compared to 10.9% for the enterprise values of the S&P 500.

The Lincoln MMI continued its strong recovery beyond pre-pandemic levels and is up 19.8% from Q4 2019. The index has grown steadily since the first quarter of 2020 when the onset of the pandemic drove declines across all asset classes. The last three quarters represent the strongest three quarters of growth for the Lincoln MMI since its inception.

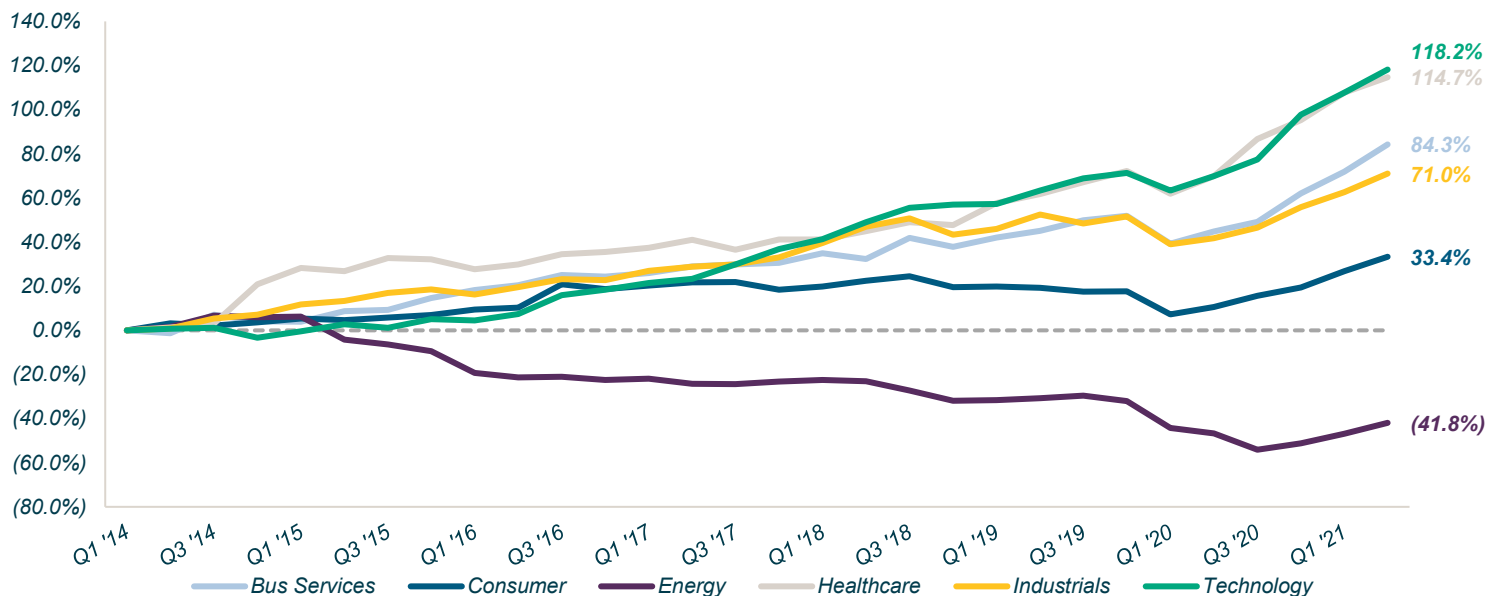
The Lincoln MMI shows that middle market, private company enterprise values remain less volatile than those of the S&P 500; the Lincoln MMI's volatility is less than half that of the S&P 500 EV index as multiples have tended to be more stable than public company multiples. As a result, the Sharpe Ratio, which measures excess return per unit of risk, of the Lincoln MMI is superior to that of the S&P 500 EV index.

While both indexes since inception show relatively comparable growth in enterprise values, private equity owned companies traditionally have more leverage than public companies and, therefore, generate relatively greater equity gains.

SECTOR BREAKDOWN: All Industries Showed Steady EV Growth

Q2

2021



Industry	Q2 2021	LTM	Q2 2020	Q2 2021
Bus Services	7.2%	27.3%	14,479	18,433
Consumer	5.2%	20.5%	11,069	13,339
Energy	9.3%	9.1%	5,330	5,816
Healthcare	3.3%	26.3%	16,996	21,467
Industrials	5.1%	20.6%	14,176	17,103
Technology	5.1%	28.4%	16,999	21,825

SECTOR BREAKDOWN:

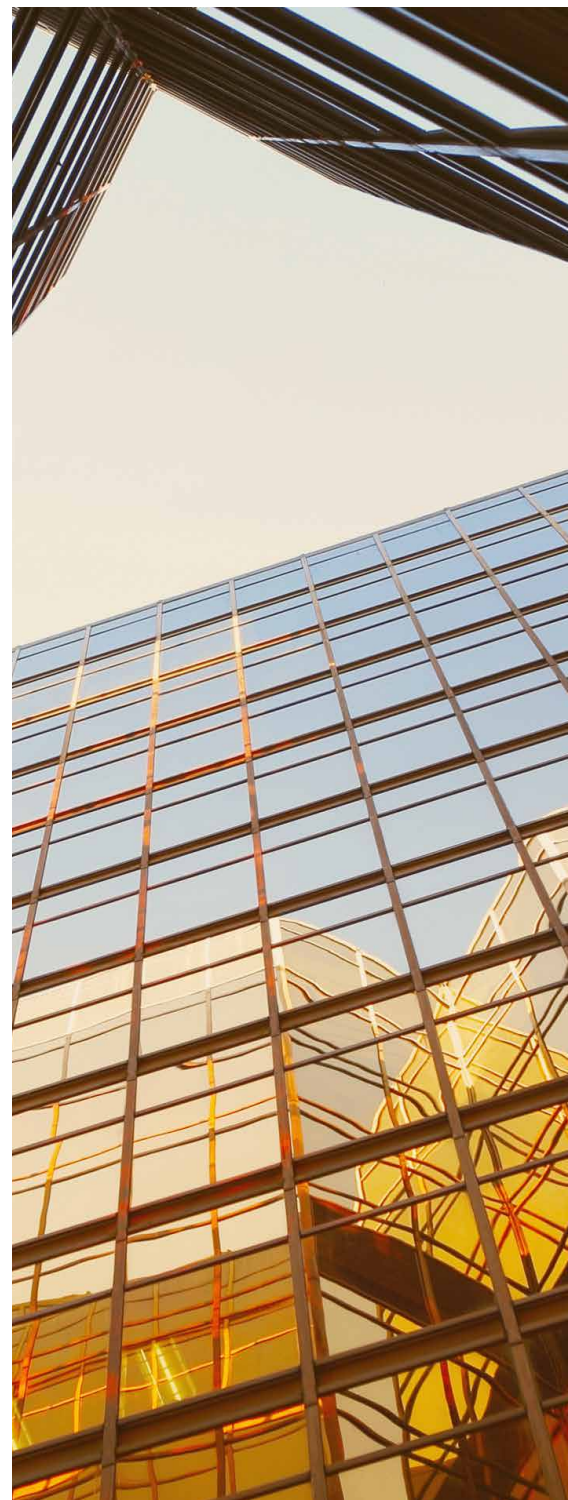
All Industries Continue to See Strong Growth and Energy Continues to Recover

Q2

2021

This quarter was the third consecutive quarter wherein all industries experienced enterprise value growth driven by strong fundamental performance across all the industries. Even more pandemic-impacted industries like energy and consumer experienced some of their strongest quarters to-date. The 9.3% increase in energy companies' enterprise values was the best quarter for the industry since the start of the index and was buoyed by a strong commodity price environment.

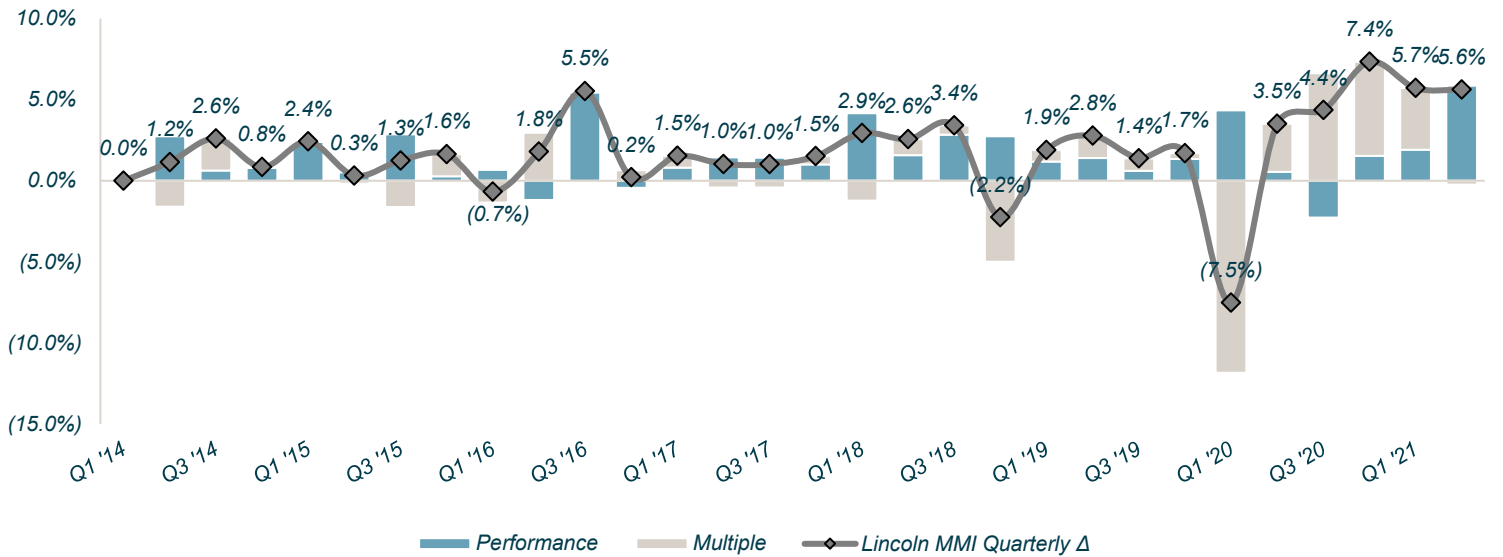
Healthcare, Technology, and Business Services businesses were generally the strongest performing industries since the onset of the pandemic and, as a result, those multiples benefitted the most leading to the greatest overall valuation gains since June 30, 2020.



EXAMINING THE LINCOLN MMI: Examining the Lincoln MMI - EBITDA Multiples versus Earnings

Q2

2021



~40%+

Expansion of
Lincoln MMI valuation
multiples since Q1 2014

The grey line in Graph 3 indicates the quarterly change in Lincoln MMI enterprise values; this change is based on changes in performance (i.e., EBITDA) combined with the change in EBITDA multiples.

Despite notable multiple contraction in Q1 2020, middle market valuation multiples have increased by ~40%+ since the inception of the Lincoln MMI in Q1 2014. The average enterprise valuation multiple of the Lincoln MMI exceeded pre-pandemic levels at ~11.5x LTM EBITDA, a record high.

The dramatic expansion of multiples in 2020 and into 2021 was in part a reflection of disruption rather than destruction in relation to the pandemic but also the expectation for strong future growth. Looking ahead for the remainder of 2021, the average expected EBITDA growth was 7.5%. As companies execute on the significant, expected growth, LTM EBITDA multiples may trend back toward historical norms.

SUMMARY: The Lincoln MMI

Q2

2021

GENERAL OBSERVATIONS:

- Middle market enterprise values grew to record levels in Q2 2021, continuing the strong recovery, as the Lincoln MMI increased 5.6%, up 29.5% from the pandemic lows observed in Q1 2020. The index's three strongest quarters have been the last three quarters.
- Since its inception in Q1 2014, the Lincoln MMI has shown that middle market enterprise value multiples have been less volatile than public company multiples and that earnings, are the primary factor driving long term value creation despite multiples expanding dramatically in the second half of 2020 and early 2021.

ENTERPRISE VALUE RESULTS:

- The Lincoln MMI enterprise value index increased 5.6% in Q2 2021 versus 7.3% for the S&P 500 as operating performance drove the increases for both indices while multiples were generally stable, though the Lincoln MMI's valuation multiples remain at record highs.
- Performance through the pandemic compared similarly to the S&P 500 after excluding the performance of the Big 5 (AAPL, MSFT, AMZN, GOOG, FB), which are generally not comparable to middle market businesses and were viewed as safe havens during the pandemic.

INDUSTRY BREAKDOWN ON AN ENTERPRISE VALUE BASIS:

- Although COVID-19 affected industries differently, Q2 2021 saw significant and continued growth across every industry; this was the third consecutive quarter with enterprise values increasing across every industry.
- Healthcare (+115% since inception) and technology (+118% since inception) companies, two of the most pandemic-resilient industries, remained the best-performing industries within the Lincoln MMI; however, the best performing industry in Q2 2021 was actually energy (+9.3% in Q2 2021) as it continues to reverse underperformance from 2020.

IN SUMMARY, WE BELIEVE THE LINCOLN MMI:

- Enables investors in private companies, including private equity firms, to benchmark their investments against their peers and the S&P 500 on both enterprise value and equity value bases;
- Demonstrates that middle market private companies generate returns comparable to major public stock market indices with less volatility;
- Offers many unique valuation insights into the fair value of private companies for a wide array of stakeholders and investors; and
- Represents a significant enhancement to the information available to investors in private companies.

METHODOLOGY: Source of Data and Sample Size

Q2

2021

SOURCE OF DATA AND SAMPLE SIZE

On a quarterly basis, Lincoln determines the enterprise fair value of over 2,500 portfolio companies for approximately 100 sponsors (i.e., private equity groups and lenders to private equity groups). These portfolio companies report quarterly financial results to the sponsor or lender. Lincoln obtains this information and determines the appropriate enterprise value multiple so as to compute the enterprise value in accordance with the fair value measurement principles of generally accepted accounting principles. In assessing enterprise value, Lincoln relies on well accepted valuation methodologies such as the market approach and income approach considering each company's historical and projected performance and other qualitative and quantitative factors. Finally, each valuation is then vetted by auditors, company management, boards of directors and regulators. Upon concluding each quarterly valuation cycle, Lincoln aggregates the underlying financial performance and enterprise value data for analysis.

To construct the Lincoln MMI, Lincoln selects a subsection of the companies valued each quarter, including companies each generating earnings before interest, taxes, depreciation and amortization of less than \$100.0 million, disregarding venture-stage businesses and non-operating entities, such as special purpose entities that own real estate and specialty finance assets.

For more information, visit www.lincolnternational.com/services/valuations-and-opinions/lincolnmimi

2,500

Portfolio Companies are evaluated by Lincoln on a quarterly basis to determine their Enterprise Fair Value

~100

Sponsors participate in Lincoln MMI i.e. Private Equity Groups & lenders to Private Equity Groups

METHODOLOGY:

Academic Advisors

Q2

2021

PROFESSOR STEVEN KAPLAN

Professor Steven Kaplan is a Senior Advisor to Lincoln's Valuations and Opinions Group. He is the Neubauer Family Distinguished Service Professor of Entrepreneurship and Finance and Kessenich E.P. Faculty Director at the Polsky Center for Entrepreneurship and Innovation at the University of Chicago Booth School of Business. Among other courses, Professor Kaplan teaches advanced Master of Business Administration and executive courses in entrepreneurial finance and private equity, corporate finance, corporate governance and wealth management. Professor Kaplan conducts research on a wide array of issues in private equity, venture capital, corporate governance, boards of directors, mergers and acquisitions, and corporate finance. He has been a member of the Chicago Booth faculty since 1988.

Professor Kaplan serves on the board of Morningstar and several fund and company advisory boards. He is also a Research Associate at the National Bureau of Economic Research and an Associate Editor of the Journal of Financial Economics.

Professor Kaplan received a Bachelor of Arts, summa cum laude, in applied mathematics and economics from Harvard College and earned a Doctor of Philosophy in business economics from Harvard University.

PROFESSOR MICHAEL MINNIS

Professor Michael Minnis is a Senior Advisor to Lincoln's Valuations and Opinions Group. He is a Professor of Accounting at the University of Chicago Booth School of Business, where he researches the role of accounting information in allocating investment efficiently by both managers and capital providers. His recent research focuses on understanding the role of privately held companies in the U.S. economy and how these firms use financial reporting to access, deploy and manage capital. He particularly enjoys identifying unique data and methods to empirically examine issues in a novel way.

In January 2018, Professor Minnis became a member of the Private Company Council, the primary advisory council to the Financial Accounting Standards Board (FASB) on private company issues. Professor Minnis received his Ph.D. from the University of Michigan and his B.S. from the University of Illinois, where he graduated with Highest Honors.

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Industrials

Technology, Media & Telecom

ADVISORY SERVICES

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Capital Advisory

Joint Ventures & Partnering

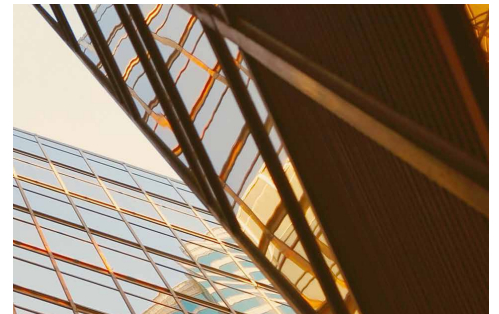
Valuations & Opinions

ABOUT LINCOLN INTERNATIONAL

We are trusted investment banking advisors to business owners and senior executives of leading private equity firms and public and privately held companies around the world. Our advisory services include mergers and acquisitions, debt advisory, growth equity and restructuring for the mid-market. We also provide valuations and fairness opinions and joint ventures advisory services. As one tightly integrated team of more than 625 professionals across 16 countries, we offer an unobstructed perspective, backed by superb execution and a deep commitment to client success. With extensive industry knowledge and relationships, timely market intelligence and strategic insights, we forge deep, productive client relationships that endure for decades. Connect with us to learn more at www.lincolnternational.com.

VOG is a leading independent valuation advisor to managers of illiquid assets and lenders to alternative assets funds. VOG specializes in the valuation of illiquid debt, equity and derivative securities. Additionally, they provide independent fairness, solvency and other transaction opinions for a variety of corporate transactions for both public and private companies.

VOG is widely recognized for leveraging Lincoln International's "real world" transaction experience from its M&A and debt advisory practices to assist its clients in the determination of fair value. Lincoln International's highly skilled professionals have extensive experience in determining and supporting fair value measurements for traditional and complex securities.



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