

# Clearlake Capital Group Overview

---

December 5, 2023



**For Professional / Qualified / Institutional Clients only**

It should not be assumed that recommendations made in the future will be profitable or will equal the performance of the securities herein.

# Clearlake Disclaimer

---

This presentation is for use only in select one-on-one investor presentations with (i) “U.S. Persons” as defined in Regulation S under the Securities Act of 1933, as amended (the “Securities Act”), that are both “accredited investors” and “qualified purchasers” (as defined in the Securities Act and Investment Company Act of 1940, as amended, respectively) and (ii) investors outside of the United States that are not “U.S. Persons”. This presentation may not be reproduced for, disclosed to or otherwise provided in any format to any other person or entity without the prior written consent of Clearlake Capital Group, L.P. (“Clearlake” or the “Firm”). This presentation does not constitute an offer to sell, or the solicitation of any offer to purchase, an interest in any of the funds managed by Clearlake or its affiliates (each, a “Fund”) in any jurisdiction. Any such offer or solicitation will be made only by means of a confidential private placement memorandum, which should be read carefully prior to making an investment. Any decision to invest in any Fund should be made solely on reliance upon the offering documents.

Any investment decision with respect to any Fund must be based solely on the definitive and final version of the applicable confidential private placement memorandum, amended and restated limited partnership agreement, investment management agreement, subscription agreement(s) and related documentation for the Fund. There is no assurance that any Fund will achieve its investment objective or generate positive returns. Such an investment is subject to various risks, including a risk of total loss. These materials have not been approved by the U.S. Securities and Exchange Commission, the Financial Industry Regulatory Authority, the Commodity Futures Trading Commission or any other regulatory authority or securities commission in the United States or elsewhere. This presentation contains opinions, which are expressed as of November 2023 and may change as subsequent conditions vary. Clearlake has no duty to update the person or firm to which this presentation is provided. Certain information contained herein have been obtained from published sources and from third parties, including, without limitation, market forecasts, internal and external surveys, market research, publicly available information and industry publications. While Clearlake believes these sources are reliable, they are not guaranteed as to accuracy or completeness.

Information about individual investments, including examples or subsets of investments, unrealized value other financial metrics and/or specific fund metrics may not be representative of, or material to, overall fund performance or future outlook. As the information about investments is intended to be examples or subsets demonstrating a particular theme or process, they do not represent all investments that could be categorized or described and in the aggregate may represent only a small percentage of existing and historical investments led by Clearlake. Investments in other companies may have materially different results. It should not be assumed that any investment for which information is not provided would perform similarly to the examples provided. Only information contained in a confidential private placement memorandum should be relied upon for any investment decision and/or purchase of limited partnership interests in any Fund. As such, reliance upon individual investment performance, other individual portfolio company information and/or specific fund metrics is at the sole discretion of the reader.

Fund performance can vary significantly over time, and there is no assurance that reported unrealized values can or will be realized; such values may have been derived or estimated from unobservable inputs, assumptions, and multiple traditional and non-traditional valuation approaches; such assumptions, believed to be reasonable by Clearlake, may nonetheless be inaccurate and/or subject to material differences based on judgment and other subjective measures; and future actual realized returns may differ materially from the unrealized value estimates included in fund performance calculations. In addition, some of the information contained herein constitutes “forward looking” information that is not historical in nature respecting future performance, events or conditions, whether of operations of a business and/or of the achievement of objectives of a portfolio investment. Such forward-looking information is based upon certain assumptions about future events or conditions and is intended only to illustrate hypothetical results under those assumptions (not all of which will be specified). Not all relevant events or conditions may have been considered in developing such assumptions. As such, there can be no assurance the investment will achieve its investment objectives or avoid losses, and past performance is not necessarily indicative of future results. Gross performance data does not account for fees, expenses or carried interest and/or incentive allocation, all of which would reduce returns to investors. Additional information regarding the calculation of performance figures, including those extracted from a portfolio, is available upon request

In addition, certain information contained herein may have been obtained from companies in which investments have been made by entities affiliated with Clearlake. Although such information is believed to be reliable for the purposes used herein, neither any Fund nor Clearlake assume any responsibility for the accuracy or completeness of such information. Information about individual investments, including unrealized value, may not be representative of, or material to, overall fund performance. Past performance information indicated herein is neither a guarantee nor indicative of the future performance or investment returns of any Fund and actual events or conditions may not be consistent with, and may differ materially from, historical or forecasted events or conditions. Reliance upon information in this material is at the sole discretion of the reader.

# Clearlake Disclaimer

---

Furthermore, there is no single standard for determining fair value in good faith of private investments and, in many cases, fair value is best expressed as a range of fair values from which a single estimate can be derived. When appropriate, those values are based on estimated preliminary financial information and are derived from a regularly quoted price on a nationally recognized exchange, by averaging suitable broker-dealer bids either received by Clearlake or aggregated through a third-party service provider. Investments where there is no regularly, or reliable quoted price or broker-dealer bid are determined based on the enterprise values at which the investments could be sold in a reasonable period of time. Enterprise values of investments are determined using any combination of valuation approaches deemed relevant by the General Partner including market comparables, discounted cash flow, sum-of-the-parts and other relevant analyses. Consideration is given to such factors as historical and projected financial data for the company, valuations of comparable companies, the size and scope of the company's operations, the strengths and weaknesses of the company, potential market receptivity to an offering of securities by the company, the size of the investment in the company, information regarding transactions or offers for the company's securities (including the transaction effecting the investment and the elapsed period of time since), industry information and assumptions, general economic and market conditions, indicative guidance from potential underwriters and other factors deemed relevant. The valuations that are reviewed by the independent third-party valuation firm and by auditors may not include an audit, review, compilation, information verification, assessment of internal controls or any other form of examination or attestation of the underlying portfolio company and data used to perform the valuation review. While unrealized investments are valued based on assumptions that Clearlake believes are reasonable under the circumstances, whether on a public market basis or an estimated fair market value basis, the actual realized returns on unrealized investments will depend on, among other factors, future operating results (including, without limitation, the implementation of specific strategic and operational initiatives, performance of management and employees and legal, regulatory and other risk factors specific to each portfolio company), the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions on which the valuations used in the prior performance data were based. Accordingly, the actual realized returns on the unrealized investments may differ materially from the unrealized values derived from Clearlake's valuation procedures and there can be no assurance that the investments will be realized at the valuations reported by Clearlake.

Certain statements in this presentation are provided for the purpose of describing certain of Clearlake's practices including those involving the consideration of environmental, social, and governance ("ESG") factors along with non-ESG factors in Clearlake's investment decisions. Clearlake's funds are not ESG funds and do not rely upon ESG factors to the exclusion of other relevant investment factors. Nothing should be construed to assert or imply that Clearlake or any of its affiliates or investment vehicles rely solely upon ESG and/or ESG factors in connection with their investment decisions such that ESG factors are materially favored over other factors. Nothing should be construed to assert or imply that Clearlake or any of its affiliates or investment vehicles target a specific ESG impact.

Tax treatment depends on the individual circumstances of each client and may be subject to change in the future.

Any Fund mentioned in this material is offered only on a private placement basis and potential investors are required to inform themselves of, and to observe, any legal restrictions on their involvement in the offering. No sale of fund interests will be made in any jurisdiction in which the offer, solicitation, or sale is not authorized or to any person to whom it is unlawful to make the offer, solicitation or sale.

The presentation is being provided for informational and discussion purposes only and does not constitute an offer to sell or a solicitation of an offer to purchase an interest in any Fund. Any such offer or solicitation may only be made by means of a confidential private placement memorandum of any Fund, which will describe certain risks related to an investment in such fund, including without limitation, dependence on the General Partner, risk of loss, and liquidity of the investment. The information contained herein should be treated in a confidential manner and may not be reproduced or used in whole or in part for any other purpose without Clearlake's prior written consent. Certain information (including economic and market information) contained herein has been obtained from published sources prepared by other parties. All rights to the trademarks and/or logos listed herein belong to their respective owners and Clearlake's use hereof does not imply an affiliation with, or endorsement by, the owners of these trademarks and/or logos. All data/information throughout this presentation is as of November 2023, unless noted otherwise. Investment performance information herein is as of June 30, 2023, unless otherwise noted.

INVESTMENT IN ANY FUND WILL INVOLVE SIGNIFICANT RISKS, INCLUDING RISK OF LOSS OF THE ENTIRE INVESTMENT. BEFORE DECIDING TO INVEST IN ANY FUND, PROSPECTIVE INVESTORS SHOULD PAY PARTICULAR ATTENTION TO THE RISK FACTORS CONTAINED IN THE PPM, INCLUDING, BUT NOT LIMITED TO: (I) THE FUND'S INVESTMENTS IN PORTFOLIO COMPANIES AND ISSUERS OF PORTFOLIO INVESTMENTS MAY RESULT IN A LOSS OF CAPITAL; (II) LEVERAGED INVESTMENTS MAY PRESENT ADDITIONAL CAPITAL STRUCTURE RISK; (III) DEPENDENCE ON KEY PERSONNEL MAY RESULT IN ADDITIONAL OPERATIONAL RISK; (IV) THE FUND WILL BE MANAGED EXCLUSIVELY BY ITS GENERAL PARTNER AND ADVISOR, AND ITS LIMITED PARTNERS WILL NOT HAVE ANY RIGHT TO PARTICIPATE IN THE MANAGEMENT OR BUSINESS OF THE FUND; (V) THE FUND HAS NOT IDENTIFIED ANY SPECIFIC ASSETS THAT IT WILL SEEK TO ACQUIRE AND MANAGE WITH NEW COMMITMENTS; AND (VI) THE FUND'S PERFORMANCE MAY BE ADVERSELY AFFECTED BY A FLUCTUATION IN INTEREST RATES IF IT UTILIZES VARIABLE RATE MORTGAGE FINANCING AND FAILS TO EMPLOY AN EFFECTIVE HEDGING STRATEGY TO MITIGATE SUCH RISKS, INCLUDING ENGAGING IN INTEREST RATE SWAPS, CAPS, FLOORS AND OTHER INTEREST RATE CONTRACTS, AND BUYING AND SELLING INTEREST RATE FUTURES AND OPTIONS ON SUCH FUTURES.

# Clearlake Overview

## Sector-Focused Investment Firm Founded in 2006



### Over \$70B of assets under management

10 Clearlake funds, 21 co-investment / single asset vehicles, and 36 WhiteStar structured funds<sup>1</sup>



### Sector-focused experience

Technology | Industrials | Consumer



### Integrated multi-product strategy

Private Equity | Special Situations | Credit



### 150+ employees<sup>2</sup> and 35+ operating executives

Experienced team of investment and operating professionals



### Operations, People, Strategy (O.P.S.<sup>®</sup>)

Operational improvement approach to transform and grow companies



1. Includes estimated assets under management ("AUM") as of June 30, 2023 for Clearlake and as of August 31, 2023 for WhiteStar Asset Management, and Trinitas Capital Management. Estimated AUM is adjusted for recently closed capital commitments and/or divestitures, as applicable.

2. As of October 2023. Employees at Clearlake and WhiteStar Asset Management.

# Integrated Product Suite

## Clearlake Capital Partners (CCP)

**\$49B AUM**

### Majority or 100% Control

- Buyouts, turnarounds, corporate carve-outs, and distressed-for-control
- Opportunities created by market dislocation, out-of-favor industries and companies in transition

## Clearlake Opportunities Partners (COP)

**\$9B AUM**

### Non-Control, Structured Equity & Opportunistic Credit

- Focus on downside protection
- Seniority in the capital structure
- Contractual returns and/or cash yield
- Governance and protective provisions

## WhiteStar Asset Management (WSAM)

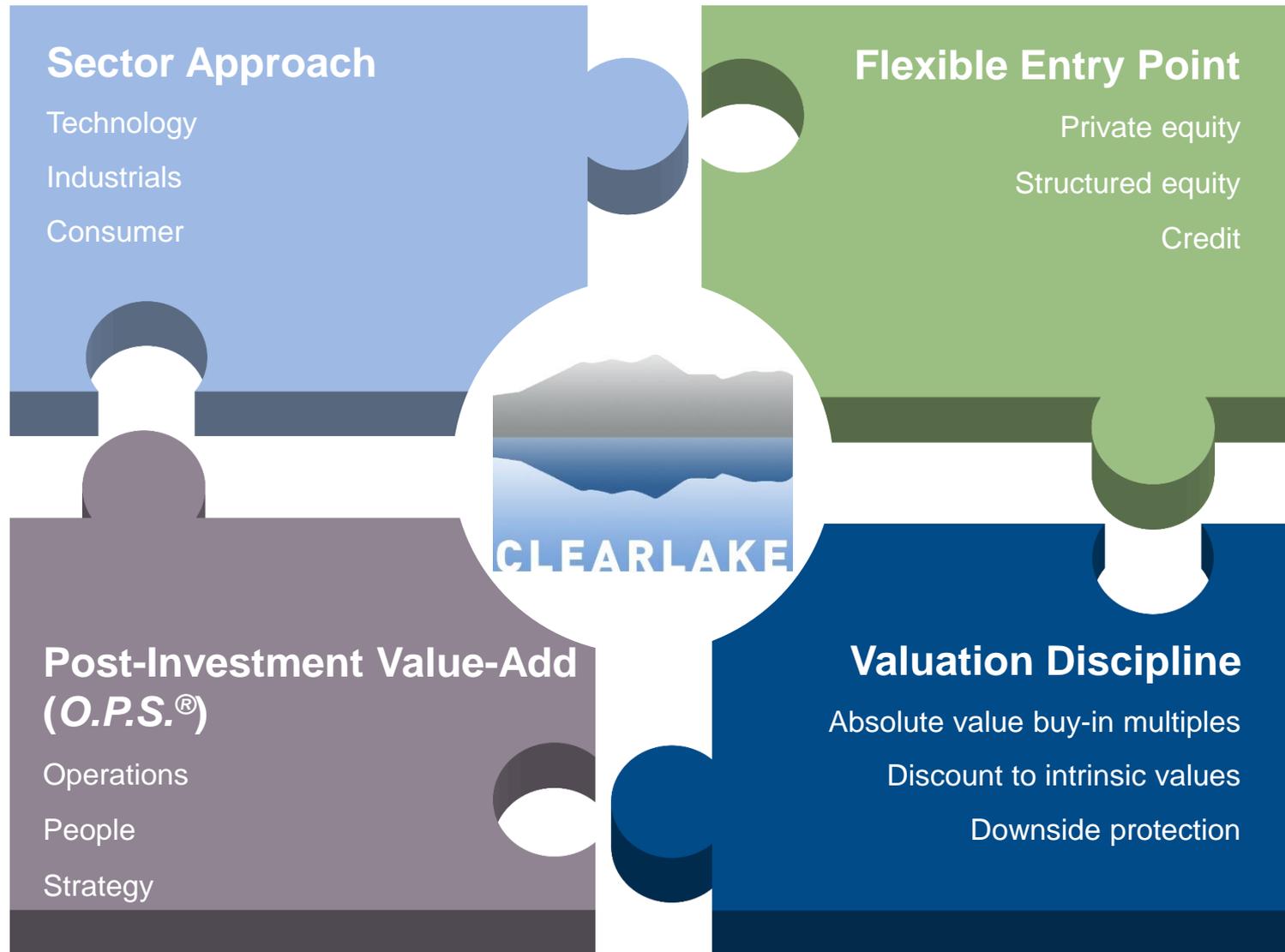
**\$16B AUM**

### Structured Credit & CLOs

- Origination and management of CLOs
- Investing in third party tranches
- Bottoms-up credit underwriting
- Dedicated execution

*Note: Estimated AUM as of June 30, 2023 for Clearlake, and as of August 31, 2023 for WhiteStar Asset Management, and Trinitas Capital Management. Estimated AUM is adjusted for recently closed capital commitments and/or divestures, as applicable. COP AUM includes Flagship **Plus**, which invests with both CCP and COP strategies. Co-investment AUM attributed to the strategy which led the investment. This information is intended to summarize the overall characteristics and/or strategies of investment products offered by Clearlake and/or WSAM. For a more fulsome description of the criteria by which opportunities may be allotted to CCP, COP, or WASM funds, and/or other funds or investment vehicles managed by Clearlake or WhiteStar please refer to the applicable investment allocation policy, which is available upon request. Nothing herein is intended to supersede such policies.*

# Complementary Investment Framework



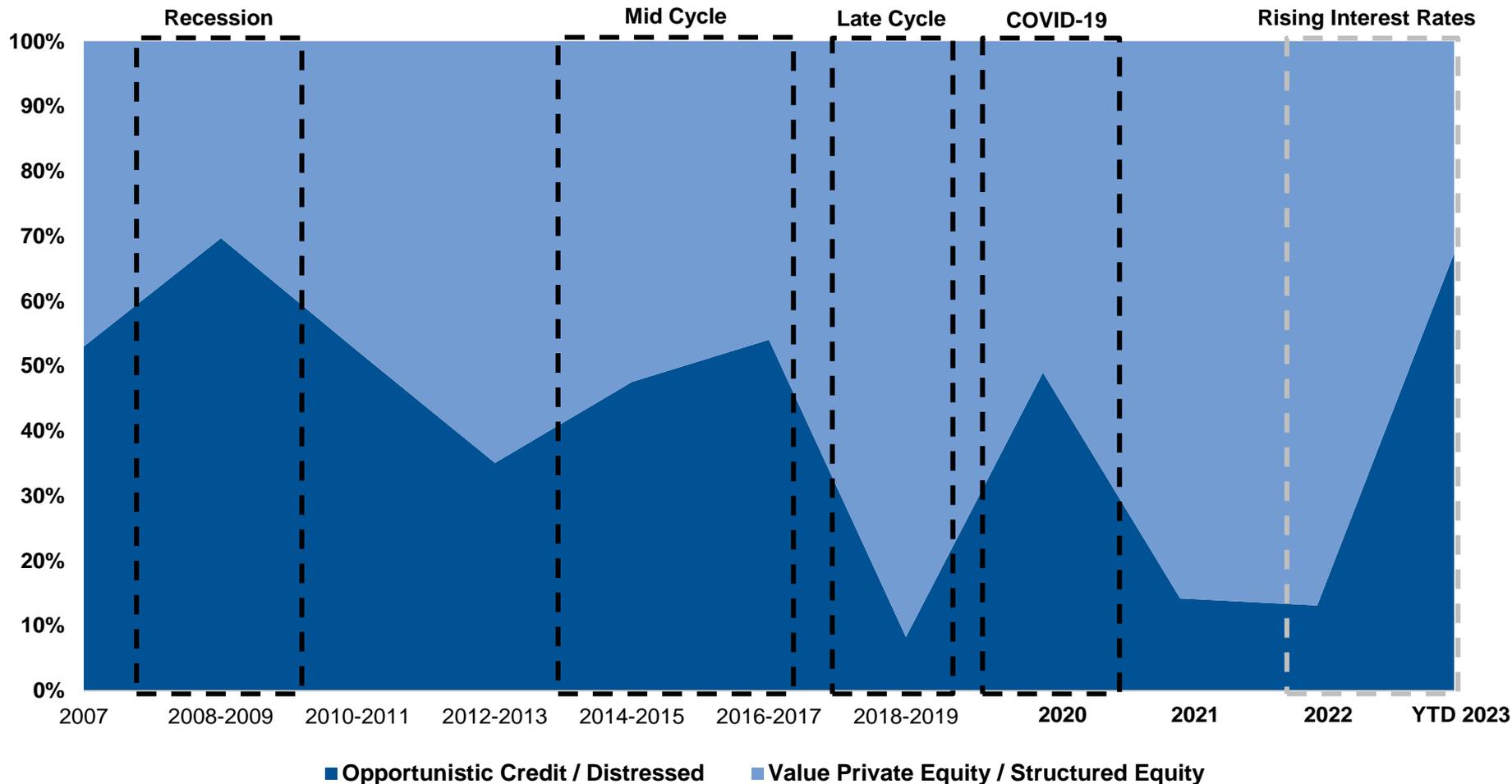
# All Weather Approach & Flexible Capital Deployment

Control Private Equity	
Transformative M&A	
Carve-Out	
Special Situations	
Structured Equity	
Credit / Distressed	

Note: Includes Core investments in which the CCP, COP and Flagship Plus funds invested in over the ten-year period June 2013 to June 2023. Excludes minority equity positions. References to portfolio companies are presented to illustrate the application of the relevant investment strategy only, may not be representative of all transactions of a type or types of investments generally and should not be considered a specific recommendation of any particular security or portfolio company. Performance details for CCP I – VII, COP I – III and Flagship Plus are available upon request.

# Investing Across the Cycle

## “All Weather” Approach Across Different Economic and Credit Cycles



Note: Portfolio breakdown has been calculated using amount invested across Funds I-VII, COP I - COP III, and Flagship Plus from inception through June 30, 2023. Excludes amounts from co-investment vehicles, third parties, and reserves for add-on capital. Past performance is not a guarantee or indicator of future results.

# Investment Performance: Clearlake Capital Partners

As of June 30, 2023

## CCP III-VI Top Quartile Performance vs. Cambridge Associates US Private Equity Benchmark<sup>1</sup>

CCP VII (2021, \$14.1B)		CCP VI (2020, \$7.1B)		CCP V (2017, \$3.6B)	
Gross IRR	<b>9.8%</b>	Gross IRR	<b>31.3%</b>	Gross IRR	<b>47.1%</b>
Net IRR	<b>4.9%</b>	Net IRR	<b>26.2%</b>	Net IRR	<b>41.4%</b>
Net MOIC	<b>1.0x</b>	Net MOIC	<b>1.6x</b>	Net MOIC	<b>2.9x</b>
CCP IV (2015, \$1.4B)		CCP III (2012, \$0.8B)		CCP II (2009, \$0.4B)	
Gross IRR	<b>35.5%</b>	Gross IRR	<b>47.4%</b>	Gross IRR	<b>21.9%</b>
Net IRR	<b>29.6%</b>	Net IRR	<b>40.7%</b>	Net IRR	<b>15.5%</b>
Net MOIC	<b>2.6x</b>	Net MOIC	<b>3.6x</b>	Net MOIC	<b>1.8x</b>

Note: Past performance is not necessarily indicative of future results. Performance is as of June 30, 2023. For more information on Net MOIC, and Gross and Net IRR, please reference endnotes (7) and (8), respectively, in the Appendix. CCP I has not been included here because it has been fully liquidated and did not operate as a traditional pooled investment vehicle because it had only one limited partner. Detailed information about the portfolio holdings of CCP I is available upon request.

1. As of June 30, 2023 (latest available benchmarking information). For more information on benchmarking performance please reference endnote (11) in the Appendix. CCP II is not included in this analysis given that it was a hybrid fund focused on both control and non-control investments (including structured equity and senior debt) with an emphasis on capital preservation.

# Clearlake's O.P.S.<sup>®</sup> Framework and Resources

## Clearlake's O.P.S.<sup>®</sup> Framework



- ✓ Operational improvement with an emphasis on growth and margin optimization
- ✓ Support, recruit and empower management teams; leverage strengths and supplement skill gaps with O.P.S.<sup>®</sup> resources
- ✓ Assist management in developing an agreed upon strategy

## Executive Council

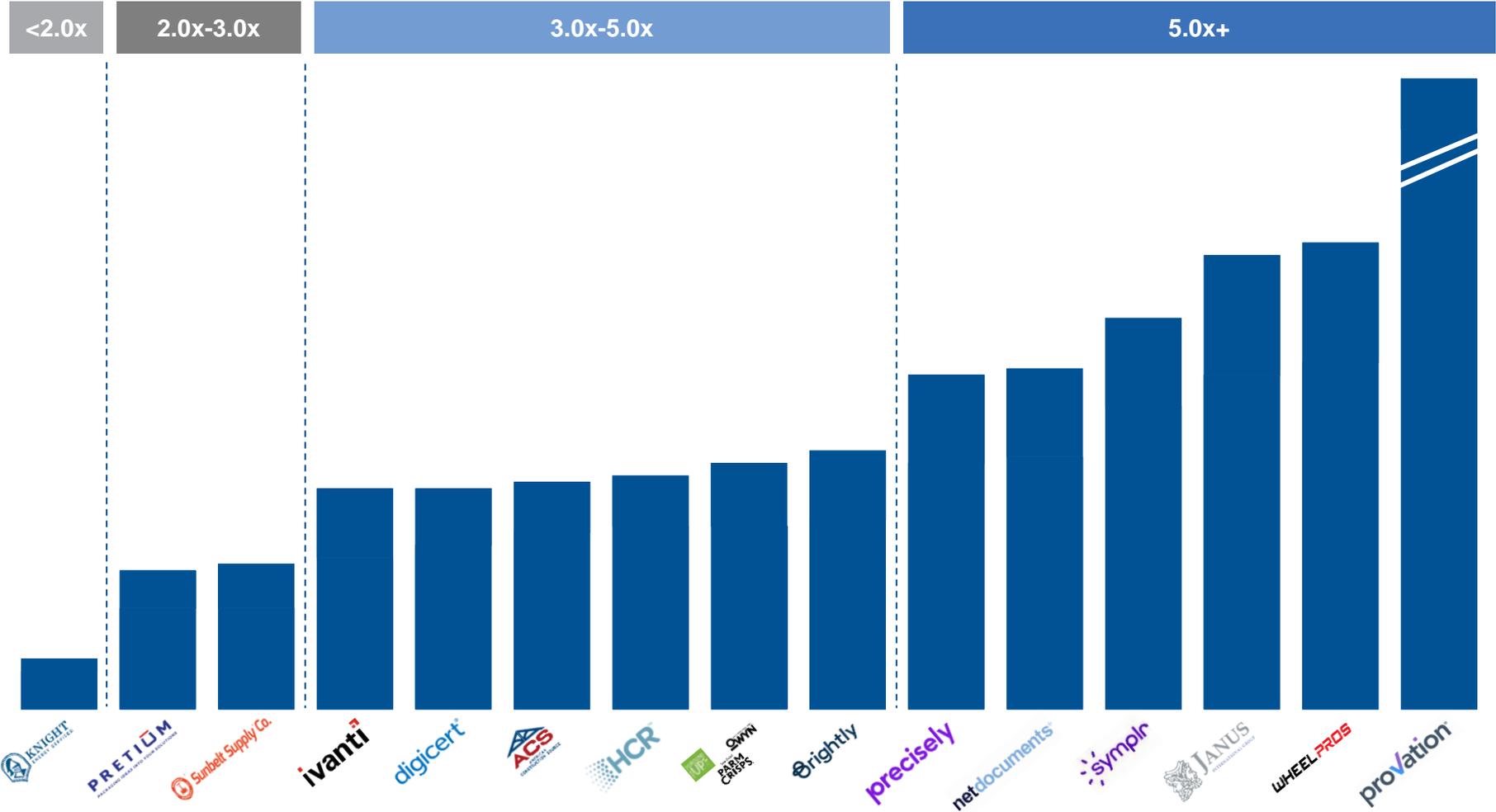
- A network of **35+ operating advisors and executives**
- Average **tenure with Clearlake of 7 years**
- Industry knowledge and additional insights into operating dynamics of businesses
- Assist with sourcing, diligence, governance and, at times, in the day-to-day management of individual portfolio companies

## In-House O.P.S.<sup>®</sup> Resources

- Clearlake professionals with experience across specific areas - **Technology, Procurement, ESG, Legal, Compliance and Human Resources**
- Assist portfolio company management in execution of value creation plan
- Average of **16+ years of experience in each of their fields**

# Realizations Since 2020

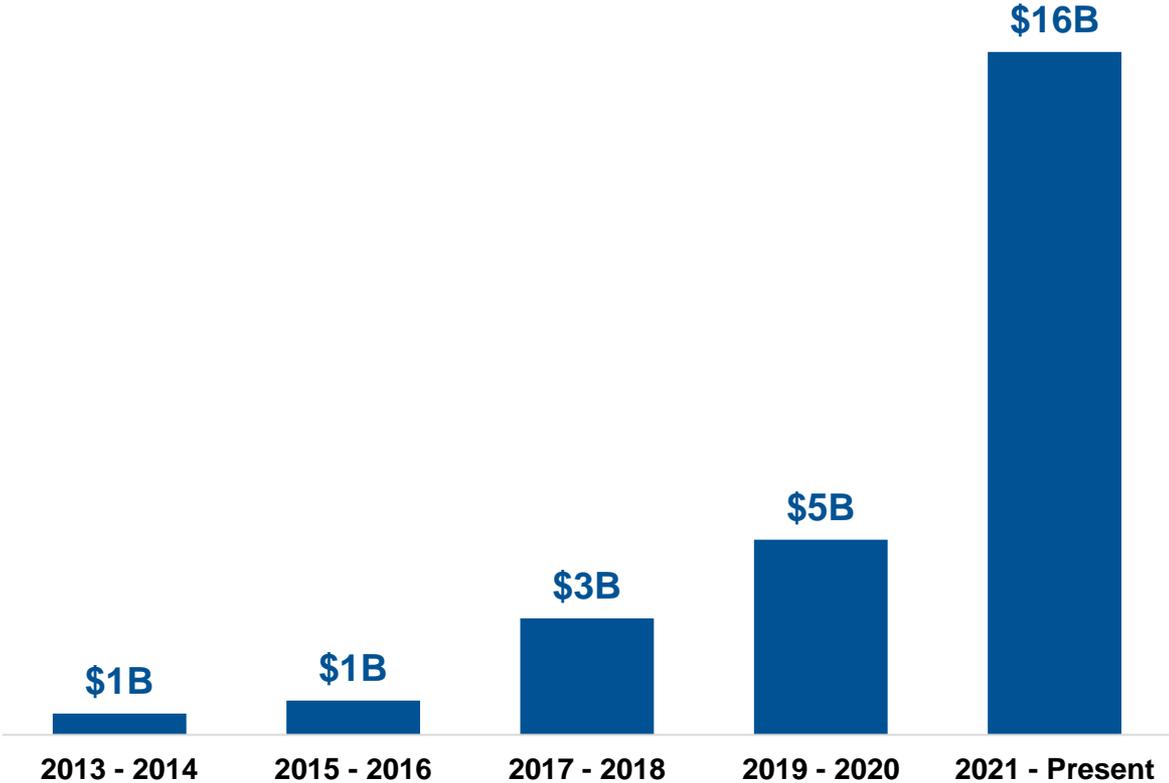
14 of 15 investments with total returns of 2.0x gross MOIC or greater



Note: Past performance is not a guarantee or indicator of future results. Height of bars represents investment-level MOIC. Includes inception-to-date returns for control platform investments that have been realized or partially realized since January 2020 with total returns as of June 30, 2023. Performance does not include co-investments or investments held in continuation vehicles. Fund performance and additional information regarding the calculation of performance figures, including those extracted from a portfolio, is available upon request.

# Recent Realizations

***Pace of Gross Realizations Has Increased in Recent Years***



Select Exits Jan 2021 to Present<sup>1</sup>



25+ credit positions

Note: As of October 2023. Past performance is not a guarantee or indicator of future results. Figures in chart above rounded to the nearest billion. Fund performance and additional information regarding the calculation of performance figures, including those extracted from a portfolio, are available upon request.

1. Represents fully or partially realized platform investments that realized \$100MM or more since January 2021 and inclusive of co-investments and single-asset continuation vehicles. Examples of exits are intended to be illustrative in nature and should not be construed to assert or imply that any future investment in any particular company, related companies, or securities will achieve similar results.

# Clearlake Infrastructure & Team<sup>1</sup>



**José E. Feliciano**  
Managing Partner  
& Co-Founder

**Behdad Eghbali**  
Managing Partner  
& Co-Founder



**Fred Ebrahemi**  
Partner, COO & GC



**Colin Leonard**  
Partner



**Prashant Mehrotra**  
Partner



**James Pade**  
Partner



**Arta Tabaei**  
Partner



**Pedro Urrutia**  
Partner, CFO



**Martin Arzac**  
MD



**Shalini Bala Subramaniam**  
MD



**John Cannon**  
MD



**Chris Cooper**  
MD



**John Curran**  
MD



**Patrick Gilligan**  
MD



**Dan Groen**  
MD



**Paul Huber**  
MD



**Tony La Rosa**  
MD



**Nate Mejias**  
Principal



**Kelvin Chang**  
SVP



**Sean Courtney**  
SVP



**Dilshat Erkin**  
SVP



**Marcelia Freeman**  
SVP



**Ben Kruger**  
SVP



**Emily Mullins**  
SVP



**Erik Hansen**  
VP



**Raisa Johnston**  
VP



**Ali Frey**  
O.P.S.® Manager, ESG



**Neeka Choobineh**  
Sr. Associate



**Seamus FitzPatrick**  
Sr. Associate



**Reyhan Kader**  
Sr. Associate



**Josh Kim**  
Sr. Associate



**Darien Lee**  
Sr. Associate



**Alvaro Rodrigo Merino**  
Sr. Associate



**Lauren Alarab**  
Associate



**Marco Alfaro**  
Associate



**Sarah Anania**  
Associate



**Max Dahl**  
Associate



**Mark Guberman**  
Associate



**Matthew Jeong**  
Associate



**Cartier Juan**  
Associate



**Grace Kang**  
Associate



**Austin Meek**  
Associate



**Mikayla Mills**  
Associate



**Bob Morabia**  
Associate



**Harrison Osborne**  
Associate



**Rylan Pade**  
Associate



**Leonard Qian**  
Associate



**Nikki Shah**  
Associate



**Ethan Strijbosch**  
Associate



**Glib Stronov**  
Associate



**Megan Ikeda**  
Analyst



**Adriana Santos**  
O.P.S.®

## Experienced Investment Team<sup>2</sup>

**45**

investment professionals

**20**

years of experience on average across senior investment professionals<sup>3</sup>

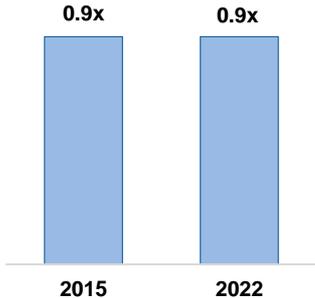
**50+**

boards and creditors' committees

**35+**

operating advisors and execs

### Investment Professional / Portfolio Company<sup>4</sup>

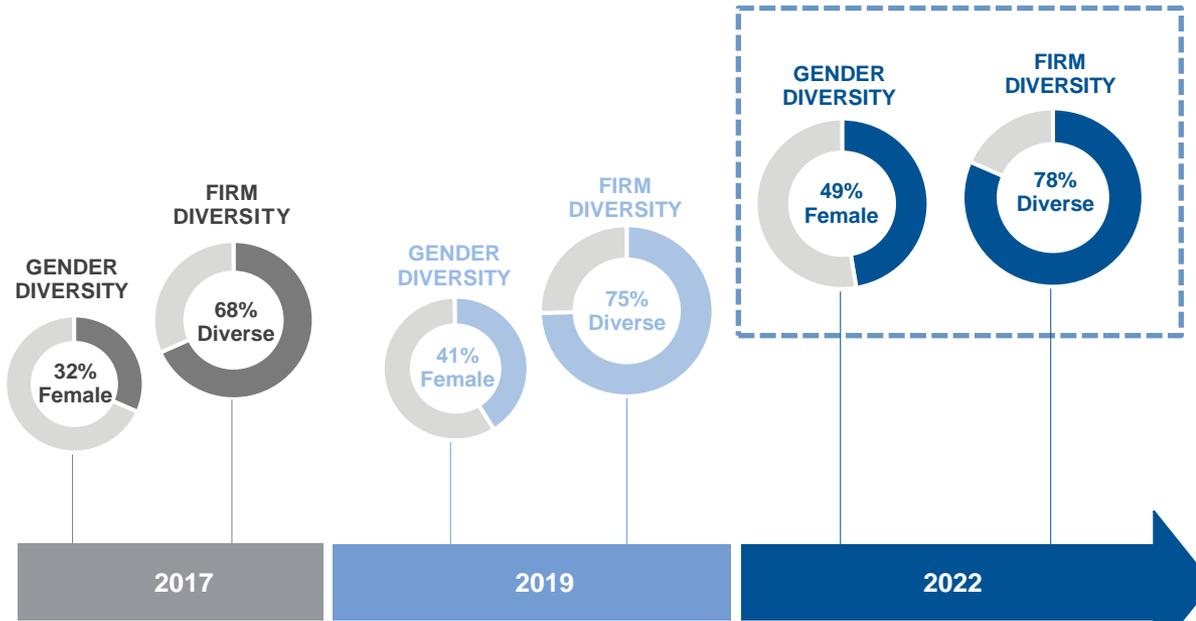


1. Team page and charts herein exclude WhiteStar professionals.  
2. As of October 2023.

3. Includes investment professionals at the VP-level and above. May include experience at firms prior to Clearlake.  
4. As of December of each year. Includes portfolio companies where Clearlake either has control or shared control.

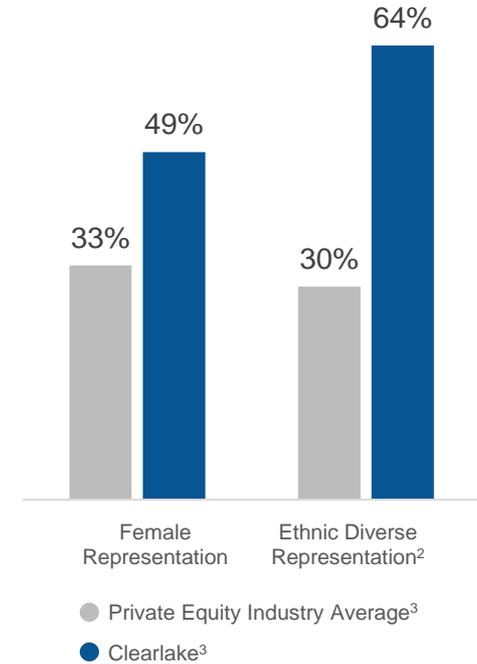
# Diversity & Inclusion at Clearlake

## Firmwide Diversity<sup>1</sup> Progression



**Committed to fostering and cultivating a culture of diversity and equal opportunity**

## Diversity in the PE Industry



- Seeking professionals who have intellectual rigor and diversity of talent, including a broad range of education, life experiences, perspectives, and skills
- Strategic relationships with diverse oriented nonprofit organizations locally, nationally, and internationally



1. As of December 2022. Minorities and/or diverse individuals self-identifying in one or more of the following categories: Female, Hispanic or Latino, Black or African American, Native Hawaiian or Pacific Islander, Asian, American Indian or Alaskan Native, Middle Eastern or North African, Two or More Races, and/or Other Ethnic Group (persons of any racial or ethnic group not categorized by the foregoing). Excludes Clearlake part-time employees and WhiteStar professionals.

2. To compare against the applicable benchmark, Clearlake has excluded non-ethnically diverse females from this figure, as the benchmark defines diverse representation as ethnic and racial minorities in entry-level to managing director roles.

3. Private Equity Industry Average according to McKinsey & Company 2022 Diversity in Global Private Markets Study. Figures above are based on representation as of December 2022.

## Appendix - Endnotes

---



# Endnotes

---

- 1) *Past performance is not necessarily indicative of future results. Total Value (as defined below) includes unrealized values that vary significantly over time as there is no assurance that reported unrealized values can or will be realized; such values may have been estimated from unobservable inputs, assumptions, and multiple traditional and non-traditional valuation approaches; such assumptions, believed to be reasonable by Clearlake, may nonetheless be inaccurate and/or subject to material differences based on judgment and other subjective measures; and future actual realized returns may differ materially from the unrealized values reflected (please see Note 4, below, for additional information on unrealized values). The information reflected above reflects investment activity that has taken place during various economic cycles and during a period of time when Clearlake has undergone changes in the composition of its investment professionals, including its investment committee, and may undergo further changes from time to time. The Clearlake Funds have historically used short-term capital call facilities to allow for better cash management purposes and to provide interim financing prior to the receipt of capital contributions. The costs associated with such facilities are borne by the Clearlake Funds and are included in the expenses used to calculate the Net Multiple and Net IRR across CCP II, CCP III, CCP IV, CCP V, CCP VI and CCP VII, Flagship Plus, COP I, COP II and COP III since inception. As a result of these and other various factors, there can be no assurance that the Fund will achieve its investment objectives or avoid losses. Performance data relating to co-investment vehicles managed by Clearlake are not included.*
- 2) *Invested Capital represents the aggregate amount of cash invested and excludes amounts from co-investment vehicles, third parties, and reserves for add-on capital, except where otherwise noted. From time to time, Invested Capital in the security of an investment may be realized and “rolled” into a new security of the same company. Invested Capital listed may only reflect the total Invested Capital invested at any one time and not the amount of the capital originally invested plus the amount that was “rolled” into the new investment.*
- 3) *Realized proceeds are recorded on the dates of receipt by the relevant Clearlake Funds and represent the sum of the cash proceeds generated from dispositions, transaction fees, dividends and interest income, without deducting taxes payable and are recorded prior to deduction of expenses, management fees and carried interest.*
- 4) *Unrealized values and other related financial information may be based on unaudited, preliminary estimates and valuations. There is no single standard for determining fair value in good faith of private investments and, in many cases, fair value is best expressed as a range of fair values from which a single estimate can be derived. When appropriate, those values are based on estimated preliminary financial information at June 30, 2023 and are derived from a regularly quoted price on a nationally recognized exchange, by averaging suitable broker-dealer bids either received by Clearlake or aggregated through a third-party service provider and includes interest/dividends receivable. Investments where there is no regularly or reliable quoted price or broker-dealer bid are determined based on the enterprise values at which the investments could be sold in a reasonable period of time. Enterprise values of investments are determined using any combination of valuation approaches deemed relevant by Clearlake including market comparables, discounted cash flow, sum-of-the-parts, and other relevant analyses, in accordance Clearlake’s valuation policy. Consideration is given to such factors as historical and projected financial data for the company, valuations of comparable companies, the size and scope of the company’s operations, the strengths and weaknesses of the company, potential market receptivity to an offering of securities by the company, the size of the investment in the company, information regarding transactions or offers for the company’s securities (including the transaction effecting the investment and the elapsed period of time since), industry information and assumptions, general economic and market conditions, indicative guidance from potential underwriters, and other factors deemed relevant. In accordance with Clearlake’s valuation policy and as part of its portfolio valuation process, these valuations are reviewed by the auditors at year-end and certain valuations are typically reviewed by an independent third-party valuation firm at least semi-annually to determine whether they were reasonable. These valuation review procedures may not include an audit, review, compilation, information verification, or any other form of examination or attestation of the underlying portfolio company and data used to perform the valuation review. While unrealized investments are valued based on assumptions that Clearlake believes are reasonable under the circumstances, whether on a public market basis or an estimated fair market value basis, the actual realized returns on unrealized investments will depend on, among other factors, future operating results (including, without limitation, the implementation of specific strategic and operational initiatives, performance of management and employees, and legal, regulatory, and other risk factors specific to each portfolio company), the value of the assets and market conditions at the time of disposition, any related transaction costs, and the timing and manner of sale, all of which may differ from the assumptions on which the valuations used in the prior performance data contained herein are based. Accordingly, the actual realized returns on these unrealized investments may differ materially from the Unrealized Values included within the Total Value and there can be no assurance that these investments will be realized at the valuations included within the Total Value. The unrealized values of certain portfolio companies used to reflect the total fund Unrealized Value as of June 30, 2023 were reviewed by an independent third-party valuation firm but not by the auditors.*
- 5) *Total Value represents the sum of the realized proceeds and unrealized value (see Note 4, above) of the applicable investments.*
- 6) *The Gross Multiple for individual investments is calculated using the Total Value divided by the Invested Capital. At the fund level, the Gross Multiple is calculated using the Total Value divided by the total or “peak” invested capital or the maximum amount of capital at risk while such investment was held (net of recycled capital). The Gross Multiple does not include fees, carried interest, or expenses, including, without limitation, taxes, broken deal expenses, transaction costs, and other expenses of the Fund or portfolio company, which substantially reduce returns to investors.*
- 7) *Net Multiple represents the respective Gross Multiple as reduced by management fees, carried interest, and expenses. Net Multiples calculated using other calculation methodologies may result in different net multiples due to timing of investments, timing of when capital is called/funded, the effect of recycling capital, and various other reasons. Furthermore, the use of a capital call facility or other subscription-based credit facility (or other long-term leverage) in a fund results in a lower Net Multiple due to interest and other financing costs.*

# Endnotes

- 8) *The IRR is the annualized return calculated using the actual timing of investment inflows and outflows. An IRR is generally a function of the length of time from the initial investment to ultimate realization and, for a given dollar amount realized, the IRR will decrease as the investment holding period increases. Gross IRR calculations reflect an IRR through June 30, 2023, based on the investment cash outflows and investment cash inflows at the level of the Fund, including other cash flows that represent an economic benefit to the fund (and not based on the time of investors' contribution of capital and investors' receipt of proceeds), and ending unrealized values and are before management fees, carried interest and/or incentive allocation, and expenses (including, without limitation, taxes, broken deal expenses, transaction costs, and other expenses of the Fund or portfolio company), which substantially reduce returns to investors. Net IRR calculations are computed based on the actual dates of aggregate limited partners' capital contributions and distributions and the aggregate limited partners' capital at the end of the period (unrealized value) and reflect the deduction of management fees (net of transaction fee offsets), carried interest (assuming the appropriate Fund distribution methodology), and Fund expenses, all of which may individually or in the aggregate substantially reduce the Net IRR. The Net IRR reported for CCP II is the Net IRR of the onshore vehicle only because the onshore and offshore vehicles report separately and are not consolidated for financial statement purposes; if such financial statements were consolidated, the Net IRR for CCP II would be lower than reported herein on account of additional expenses and blocker taxes. Individual limited partner IRRs will vary, among other things, on the timing of entering the Fund, use of alternative investment vehicles, taxes related to alternative investment vehicles, tax liability variations among limited partners, and other factors such as management fee or carried interest agreements (including applicable discounts or rebates to the General Partner, affiliates, and/or other investors). CCP II and CCP III also had certain investors that were not subject to the same level of carried interest as other limited partners of such funds. Employees and other related persons of Clearlake do not bear management fees or carried interest. Other than the Net IRR for CCP II, Net IRRs for the Clearlake Flagship Funds do not account for the foregoing. See Note 9, below, for an illustration of what the Net IRR was in each Clearlake Flagship Fund for an investor who paid the full amount of management fees and carried interest. Historically, Clearlake Flagship Funds have used capital call facilities for the use of short-term bridging of capital calls. The Net IRR has been calculated using actual limited partner cash flows. Such use of a capital call facility or other subscription-based credit facility (or other long-term leverage) in a fund may result in a higher reported Net IRR than if the facility had not been utilized and instead the limited partners' capital had been contributed at the inception of an investment.*
- 9) *The Net IRR and Net Multiple for an investor who paid the full amount of management fees and carried interest in Clearlake Capital Partners VII, L.P., Clearlake Capital Partners VII (Offshore), L.P., and Clearlake Capital Partners VII (USTE), L.P., was 4.9% and 1.0x, 5.0% and 1.0x, and 5.0% and 1.0x, respectively. The Net IRR and Net Multiple for an investor who paid the full amount of management fees and carried interest in Clearlake Capital Partners VI, L.P., Clearlake Capital Partners VI (Offshore), L.P., and Clearlake Capital Partners VI (USTE), L.P., was 26.2% and 1.6x, 26.1% and 1.6x, and 26.1% and 1.6x, respectively. The Net IRR and Net Multiple for an investor who paid the full amount of management fees and carried interest in Clearlake Capital Partners V, L.P., Clearlake Capital Partners V (Offshore), L.P., and Clearlake Capital Partners V (USTE), L.P. was 41.5% and 2.1x, 41.2% and 2.1x, and 41.2% and 2.1x, respectively. The Net IRR and Net Multiple for an investor who paid the full amount of management fees and carried interest in Clearlake Capital Partners IV, L.P. and Clearlake Capital Partners IV (Offshore), L.P. was 29.6% and 2.1x and 29.5% and 2.0x, respectively. The Net IRR and Net Multiple for an investor who paid the full amount of management fees and carried interest in Clearlake Capital Partners III, L.P. was 40.7% and 2.9x, respectively. The Net IRR and Net Multiple for an investor who paid the full amount of management fees and carried interest in Clearlake Capital Partners II, L.P. and Clearlake Capital Partners II (Offshore), L.P. was 15.0% and 1.7x and 14.0% and 1.6x, respectively. All performance data presented in this Note 9 is as of June 30, 2023. The Net Multiple in the foregoing analysis is calculated using (i) (A) distributions to a limited partner plus (B) such limited partner's ending capital account value divided by (ii) such limited partner's total contributions (including deemed contributions). Clearlake Capital Partners I, L.P. had only one non-affiliated investor and therefore, in light of that distinguishing characteristic, has been excluded from the foregoing analysis.*
- 10) *From time to time, capital called by a fund and invested in a portfolio company may be returned to the fund after the exit of such investment. This capital may be redeployed into another portfolio company investment without the need to call additional capital from limited partners. Net of Recycled Capital reflects the effect of capital called and used in more than one portfolio company investment and the "peak" amount of actual limited partners' capital at risk in aggregate portfolio company investments at any one time during life of the Fund.*
- 11) *Benchmarking Performance Source: Cambridge Benchmarks (as of Q2 2023) data compiled from Cambridge selected U.S Private equity funds, including fully liquidated partnerships, formed between 2012 to 2021; US private equity IRRs and multiples by vintage year. Returns data from Cambridge is net of fees, expenses, and carried interest. For CCP VI (2020 vintage), the data set comprises 66 funds. For CCP V (2017 vintage) the data set comprises 49 funds. For CCP IV (2015 vintage) the data set comprises 66 funds. For CCP III (2012 vintage) the data set comprises 46 funds. Note that the ranking is not indicative of the adviser's future performance. Investors generally cannot invest directly in the Cambridge Benchmarks, which are presented for reference purposes only. The statistical data regarding the Cambridge Benchmarks is based on self-reporting which may be incomplete or unreliable. Clearlake intends for CCP III – VI to pursue a private equity strategy, although CCP III – VI may also make investments outside of this strategy from time to time and may not pursue other strategies followed by some or all of the funds comprising the Cambridge Benchmarks nor will CCP III – VI invest in the funds comprising the Cambridge Benchmarks. In addition, an investment in any of CCP III – VI generally will be subject to expenses, management fees and carried interest charged or payable by the respective Fund, none of which are reflected in these indices. For the foregoing and other reasons, the returns achieved by the CCP III – VI and returns of the Cambridge Benchmarks should not be considered comparable.*

---

## **Investor Relations**

233 Wilshire Boulevard, Suite 800  
Santa Monica, CA 90401  
Phone: (310) 400-8800  
Email: [ir@clearlake.com](mailto:ir@clearlake.com)