Private Market Environment

Pathway Research

Third Quarter 2025

PATHWAY® CAPITAL MANAGEMENT

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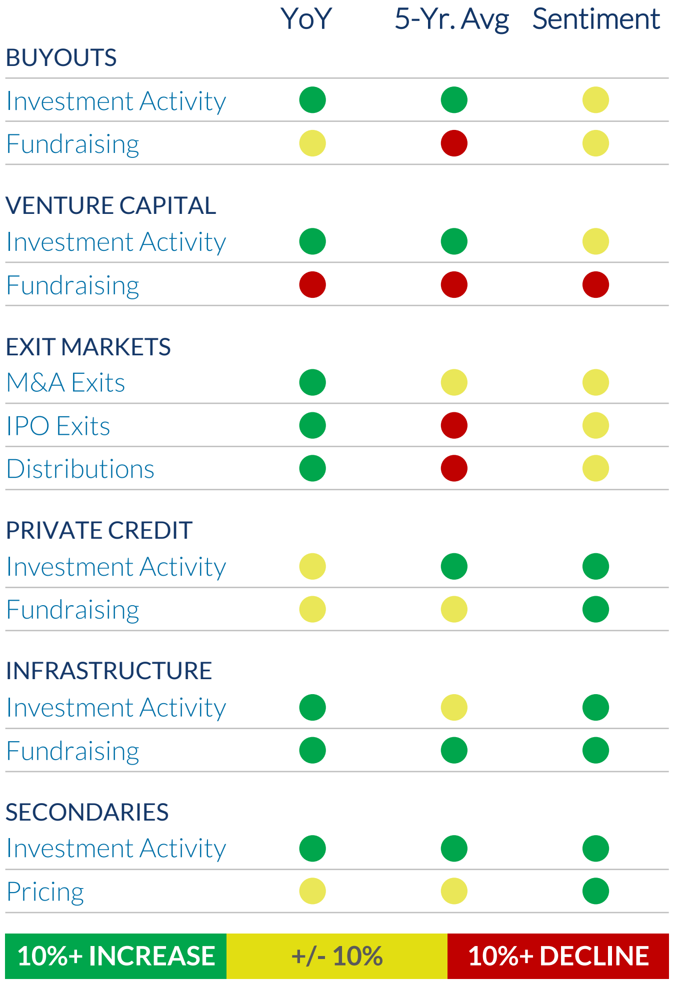
3Q25 Market Review

Third-Quarter Highlights

- Buyout deal value is gaining momentum, driven by large-cap transactions; deal count remains modest, particularly in the middle market.
- Venture capital investment is on pace for a standout year, although activity remains concentrated in a handful of large AI investments.
- M&A exit value globally is up 31% year over year, on track for the second-highest year on record.
- IPO market sentiment continues to improve, supported by strong aftermarket performance from recent listings.
- Private credit supply/demand imbalance is driving a highly competitive environment and spread compression.
- LPs continue to remain highly selective in the fundraising market, impacted by a slower pace of distributions in recent years.
- Increasing investor demand and LP desires for liquidity have continued to boost the secondaries market, which is on pace for a record year.

Pathway Barometer



Macro View

Private market momentum builds despite persistent macroeconomic uncertainty

Private market activity continued to expand in the third quarter of 2025, underscoring steady momentum across most segments despite lingering macroeconomic concerns and the tariff-driven uncertainty that had slowed the recovery earlier in the year. While improving economic growth has driven a more optimistic macroeconomic outlook, investors continue to remain wary of several developing concerns, including stubborn inflation, signs of softness in the labor market, and a record-length government shutdown in the U.S. Private equity performance has begun to improve modestly in recent quarters: the asset class delivered a quarterly return of 3.4% during the second quarter, its strongest quarter since 2021,[1] although it still trailed robust public equity performance during the same period. Many private equity firms maintain an optimistic outlook for 2026, citing improving deal pipelines, healthy operating performance among portfolio companies, and expectations that additional interest rate cuts will drive further improvement in the M&A markets.

M&A exit markets strengthened by active corporate buyers, supporting steady growth in distributions for LPs

M&A exit market activity has continued to climb in 2025, positioning the year as the second-strongest on record. Through the first three quarters of 2025, global PE-backed M&A exit value reached $493 billion—an increase of 31% from the same period in 2024. The market's improvement has been supported by an increase in activity from corporate buyers, who have accounted for over 60% of total sponsor-backed exit value during the year. Notable deals included the $8.8 billion acquisition of Foundation Building Products by Lowe's and the $4.4 billion acquisition of Silvus Technologies by Motorola. The uptick in activity has translated into a healthier year of distributions for LPs, which are on track to exceed the prior year by approximately 25%—the third-consecutive year of growth.

Improving sentiment in the IPO markets is driving an increase in prominent technology IPOs

IPO markets experienced their strongest quarter since 2021, driven by rising equity markets and strong public market reception for many recent VC-backed unicorn IPOs. In the U.S., 23 PE-backed companies held IPOs during the quarter, raising $13.5 billion—more than the amount raised in 2022 and 2023 combined. The quarter featured a number of prominent technology IPOs, including the $1.4 billion offering of Klarna, the $1.2 billion IPO of Figma, and the $788 million listing of Figure, which all priced above their initial target ranges. Importantly, recent listings have continued to generate strong performance. The Renaissance IPO Index, which tracks the performance of recent U.S. listings, produced a quarterly return of 10.6%, outperforming the S&P 500 by approximately 250 basis points during the quarter. Recent activity has been disrupted somewhat by the government shutdown in the U.S., but the positive momentum and healthy pace of new filings has led to an optimistic outlook heading into 2026.

1. SOURCE: MSCI Private Capital Solutions, as of June 30, 2025.

Macro View (continued)

Buyout markets poised for a strong year despite muted deal volume

Despite elements of uncertainty still present in the current environment, buyout markets are on track for a strong year of growth. In the U.S., buyout activity reached $370 billion through the first three quarters of the year, an increase of 46% relative to the same period in 2024. The growth has been fueled primarily by large-cap activity, including the $55 billion take-private of Electronic Arts in 3Q25, the largest buyout on record. The transaction helped drive third-quarter U.S. buyout activity to $185 billion, the strongest quarter since 2007. Although activity in the large end of the market has supported growth in deal value, deal count has declined 4% from the pace of 2024, underscoring continued selectivity in the current environment, particularly in the middle-market segment.

Competition for AI leadership is driving deal flow across the private equity market

The topic of artificial intelligence remains a core theme in discussions with most private equity firms today, who continue to evaluate both potential investment opportunities as well as how new technologies can drive growth and efficiencies at their underlying companies. This focus has been most prevalent in the venture capital industry, where AI investments have accounted for 64% of activity year to date, including record rounds raised by OpenAI, Anthropic, and ScaleAI. However, these themes also remain present across many segments of the private equity market, driven by wide-ranging desire to be at the forefront of AI implementation and the value ascribed to companies that have effectively integrated AI technologies. This focus has driven a number of notable recent exits to large strategics looking to upgrade their AI efforts, including Salesforce's $8.0 billion acquisition of Permira-owned Informatica, which provides an AI-powered cloud data management tool, and Siemens's $5.1 billion acquisition of Insight Partners-owned Dotmatics, which provides AI-driven R&D software for the life sciences market.

Private equity fundraising remains subdued, creating a wide disparity in fundraising success for prospective fund managers

Global private equity fundraising through the first three quarters of 2025 totaled just $384 billion, an increase of 17% year over year but still 23% below the trailing 5-year average. The fundraising market continues to be impacted by a slower pace of investment in most strategies and a highly selective approach from LPs due to several years of lower-than-expected distributions and muted overall performance. The impact has been most evident in the venture capital market, which is down 34% relative to the same period in 2024 and on track for its slowest year since 2017. While we have continued to see the most reputable firms complete efficient fundraising processes, the environment has been more challenging for newer, less proven managers trying to scale their institutional LP base significantly, which has led to longer fundraising periods and a moderation in average fund size increases. Based on current indications, we expect the pipeline to improve in 2026, although the extent of which depends somewhat on continued growth in both deployment and exit pacing in coming quarters.

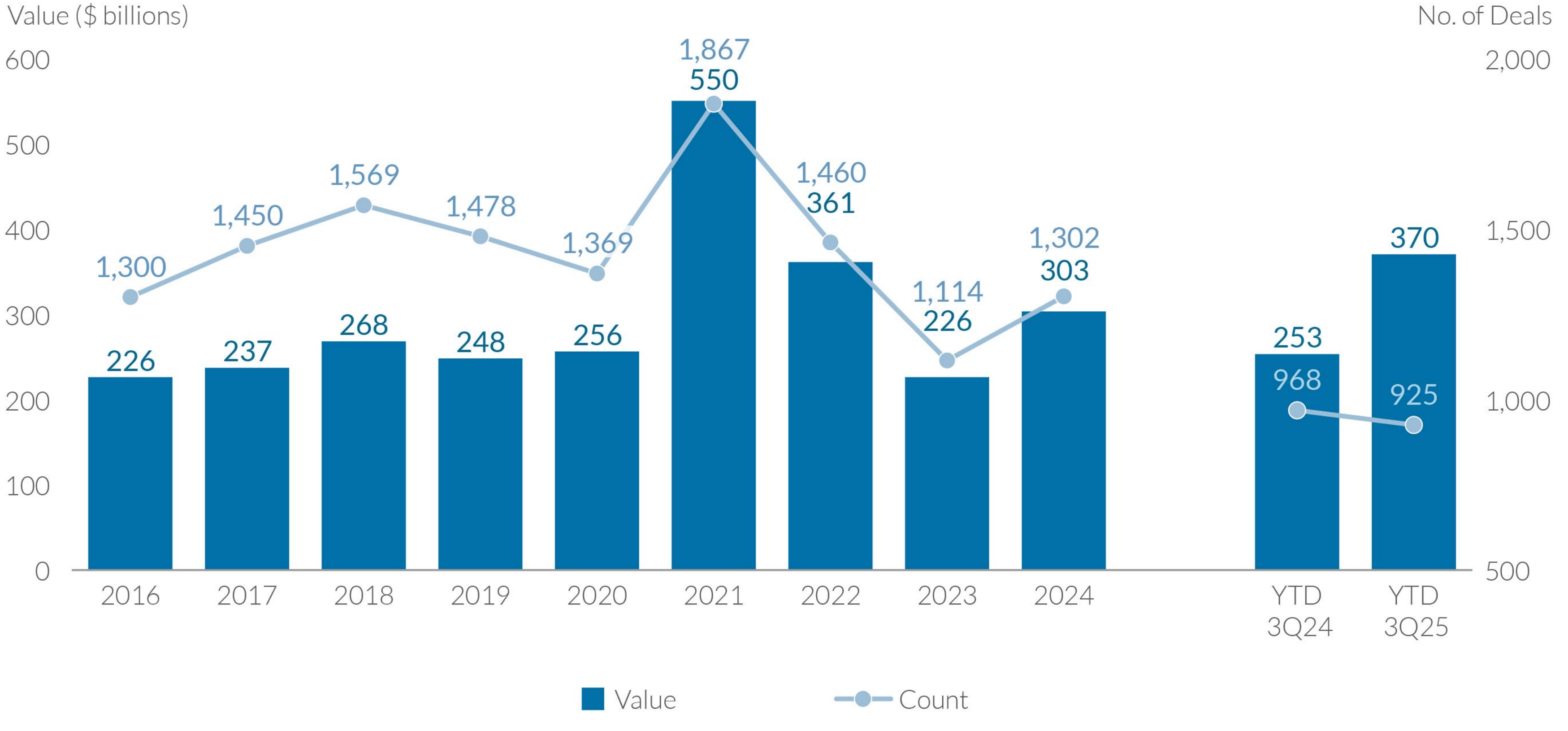
Private Equity Update

U.S. Buyout Markets on Track for Second-Largest Year on Record Despite Modest Deal Count

Buyout activity in the third quarter marked the strongest since 2007, led by Silver Lake and PIF's $55 billion take-private of EA, the largest LBO on record.

U.S. Buyout Investment Activity

At September 30, 2025



YTD 3Q25 Deal Activity

DEAL VALUE
+46%
vs. 3Q24

DEAL COUNT
-4%
vs. 3Q24

NO. OF DEALS $1B+
+12%
vs. 3Q24

AVG. PPM
-1%
vs. 3Q24

SOURCE: Mergermarket.

Activity Continues to Be Driven by a Select Number of Outsized Transactions

Notable U.S. Buyout Investments Announced in 3Q25

Buyer	Target	Industry	Value (MM)
SILVERLAKE	Electronic Arts	Consumer	$55,000
THOMABRAVO	Dayforce	Software	$12,300
Blackstone	Enverus	Software	$6,500
STONE POINT CAPITAL	OneDigital	Financial Services	$3,600
EQT	NEOGOV	Software	$3,000

- Acquisition of EA by Silver Lake and PIF represents the largest LBO in history.
- 10 largest deals account for 80% of total quarterly value.
- Take-private activity remains robust, accounting for 60%+ of quarterly deal value.
- AI capabilities playing prominent role in technology/software landscape.

U.S Buyout Breakdown by Deal Size and Industry

KEY THEMES

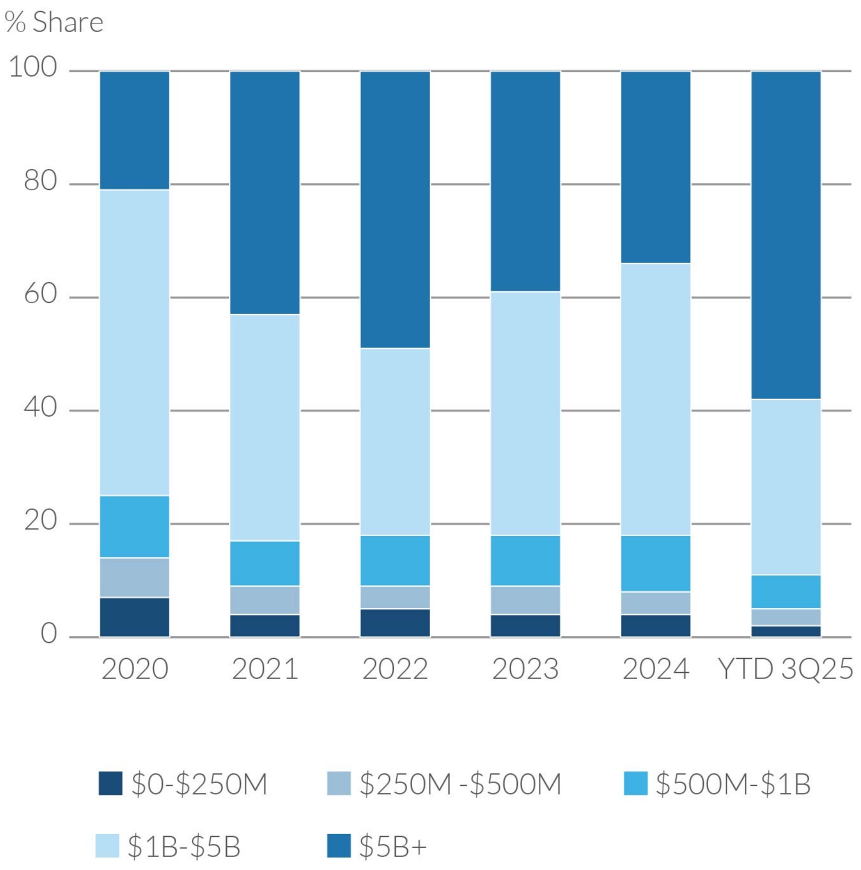
Increasing concentration in largest deals

Emphasis on quality assets, secular growth trends

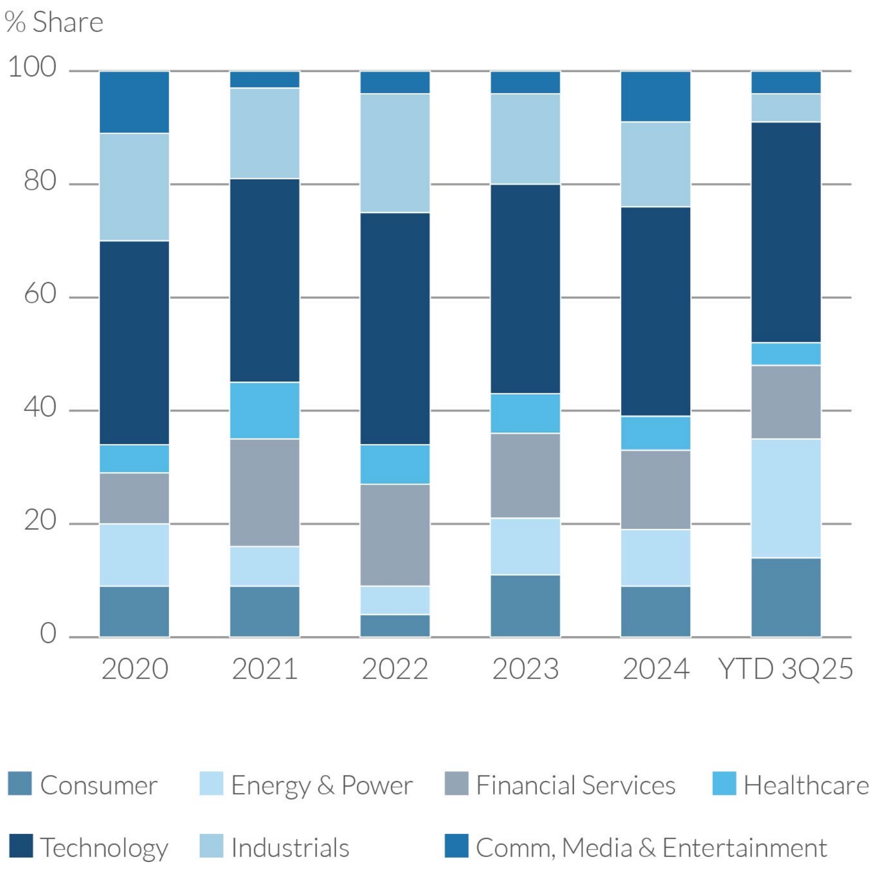
AI driving investment in energy & infrastructure

Tariff uncertainty impacting certain industrial/consumer end markets

Deal Size



Industry

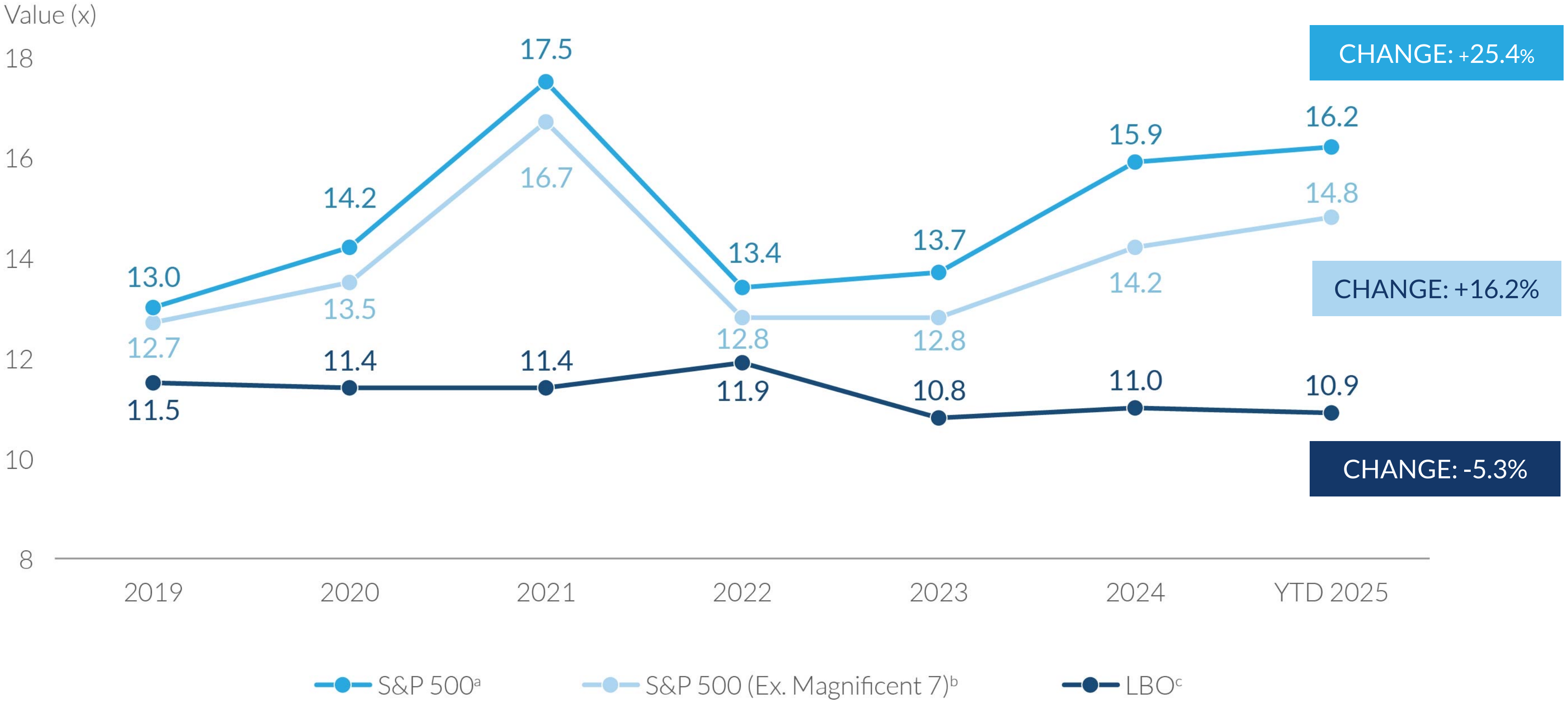


SOURCE: Mergermarket.

Buyout Multiples Remain Flat, Widening the Valuation Gap vs. Public Markets

Public Market vs. Private Market EV/EBITDA Multiples

At September 30, 2025



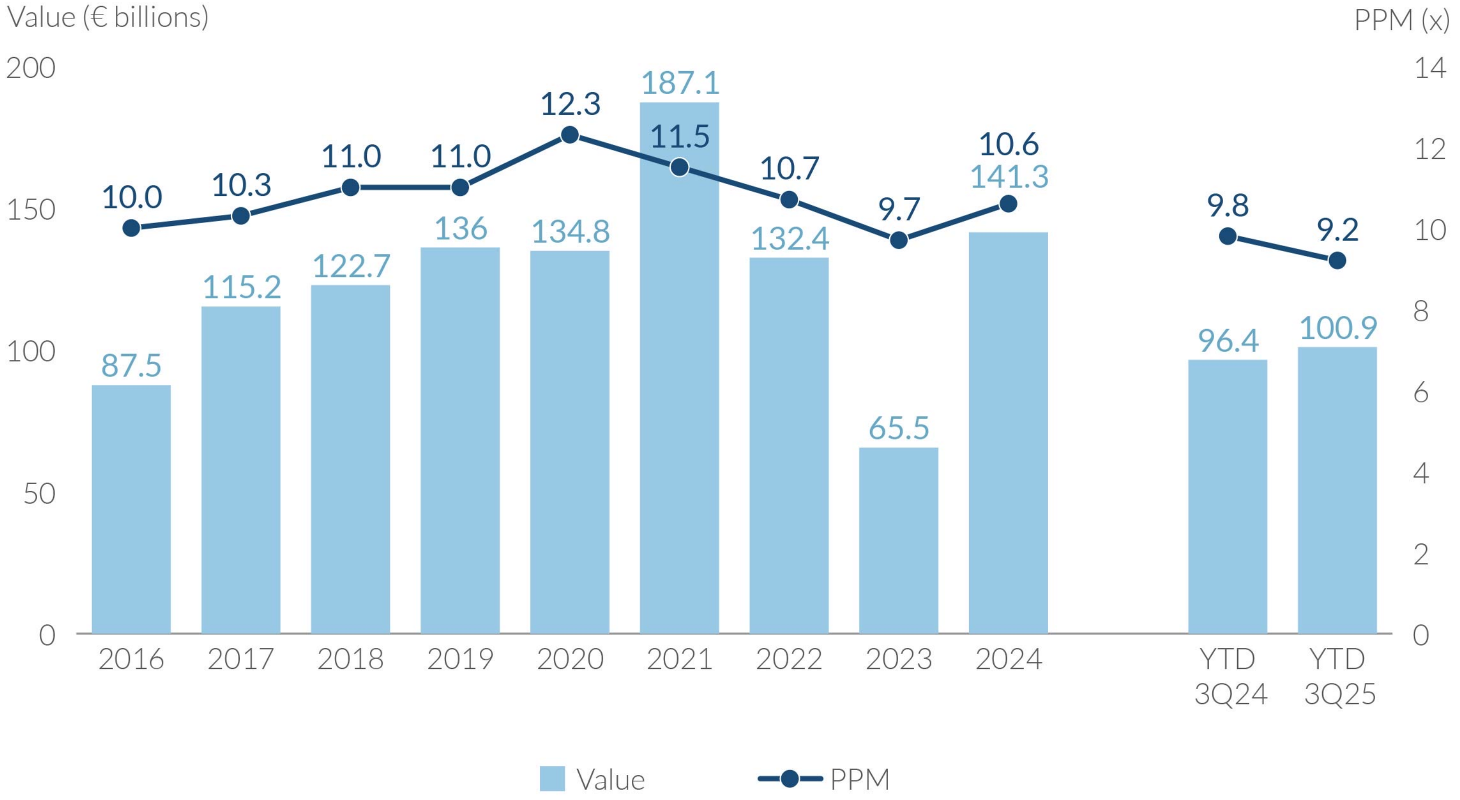
- Moderate decline in buyout multiples in 2025.
- Public valuations have outpaced private valuations since the 2010s.
- Magnificent 7 explain only a limited part of the delta.
- Current valuation gap of 49%.

NOTE: Investors should consider the limitations inherent in comparisons between public and private markets; private market investments may pose additional and/or different risks. [a]SOURCE: Bloomberg. Represents the average EV/TTM EBITDA multiple of all companies included in the S&P 500 index, as of the years listed. [b]SOURCE: Bloomberg. Represents the average EV/TTM EBITDA multiple of all companies included in the S&P 500 (ex. Magnificent 7) index, as of the years listed. [c]SOURCE: PitchBook LCD. Represents the average trailing EV/EBITDA multiple for all transactions included in the PitchBook LCD data set during the years listed.

Buyout Activity in Europe Rebounds in 3Q25

EU Buyout Investment Activity

At September 30, 2025



SOURCE: LSEG Data & Analytics; Pathway Research; and PitchBook LCD.

- European buyout activity accelerated in 3Q25, rebounding from a subdued second quarter weighed down by tariff-related uncertainty.
- Deal value surged 55% quarter on quarter to €40.3 billion, partly reflecting a softer 2Q base. The third quarter's total was 22% above the 5-year average.
- The rebound was driven primarily by large-cap transactions, including two transactions exceeding €6 billion in enterprise value.
- Middle-market activity has recovered more gradually from its trough in 2023, with YTD deal value reaching €21.0 billion—a 13% year-on-year increase.

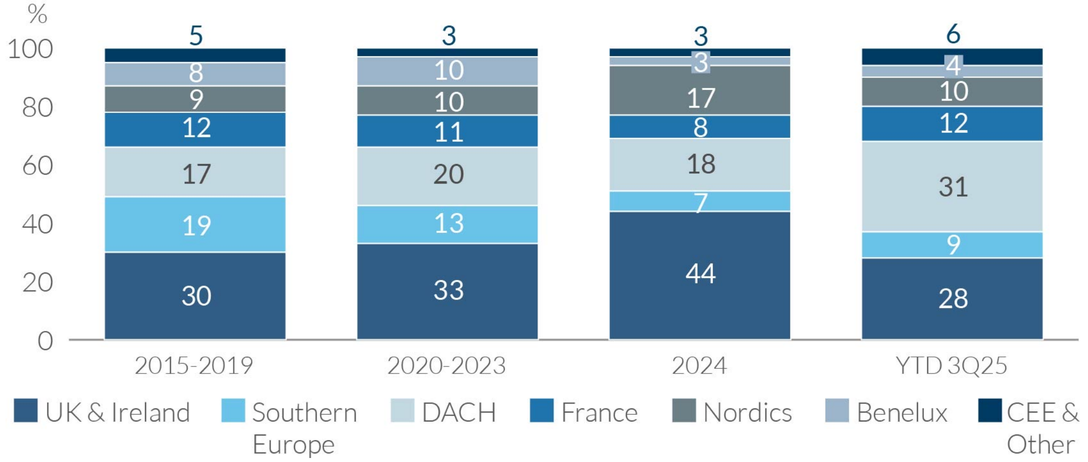
European Activity Supported by U.S. Sponsors and the DACH Market

- U.S. sponsor participation remained a defining feature of European buyout activity in 2025, particularly in the large-cap segment.
- Five of the six largest deals in the quarter involved U.S. sponsors: KKR, Advent, GTCR, Stonepeak, and Apollo. Similarly, the three largest deals last quarter were also led by U.S. sponsors.
- Of the 20 large-cap buyouts announced in the first three quarters, 14 involved U.S. sponsors, accounting for over 70% of total transaction value. This underscores continued cross-Atlantic appetite for European assets, supported by favorable macro conditions and relatively attractive valuations.
- Following a relatively slow second quarter, the DACH region emerged as Europe's strongest buyout market, accounting for €16.2 billion in deal value and two of the five largest transactions in the third quarter.

Notable EU PE Investments Announced in 3Q25

Buyer	Target	Region	Value (MM)
CapVest	Stada	Germany	€10,032
KKR	Spectris PLC	UK	£4,800
Advent	Reckitt Benckiser (Essential Home Unit)	UK	£3,578
GTCR	Zentiva	Czech Republic	€4,100
Stonepeak	IFCO Systems	Germany	€2,737

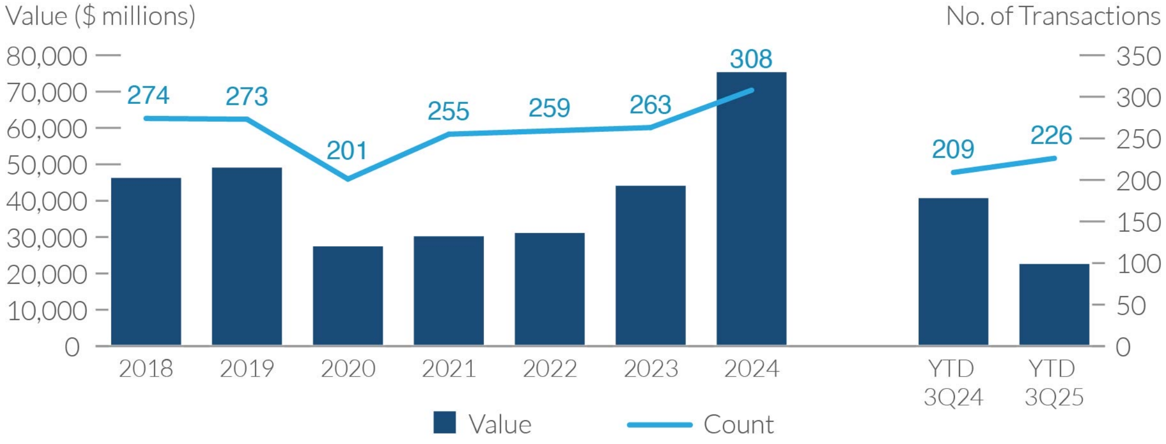
European Buyout Activity by Region



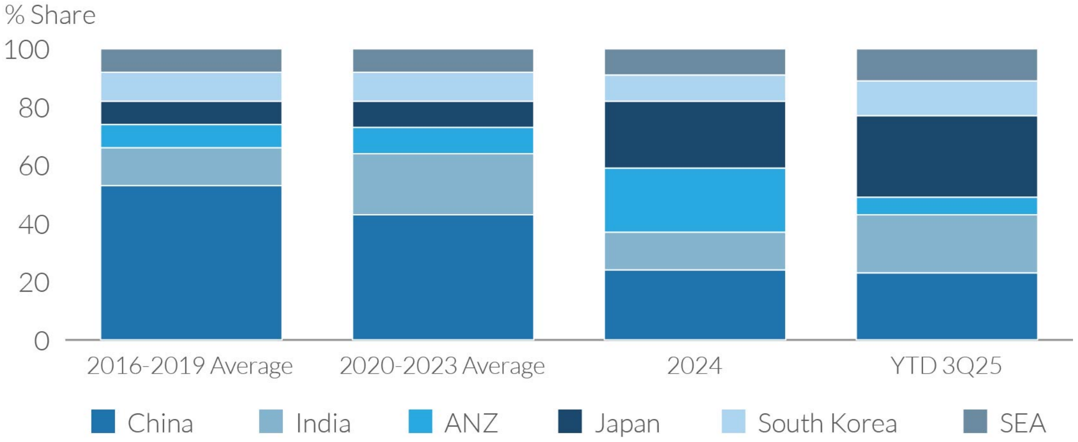
SOURCE: LSEG Data & Analytics.

Market Uncertainty has Impacted Asia Buyout Markets Despite Positive Signs in Several Regions

Asia Buyout Activity



Share of Asia-Pacific PE Investment Value by Region



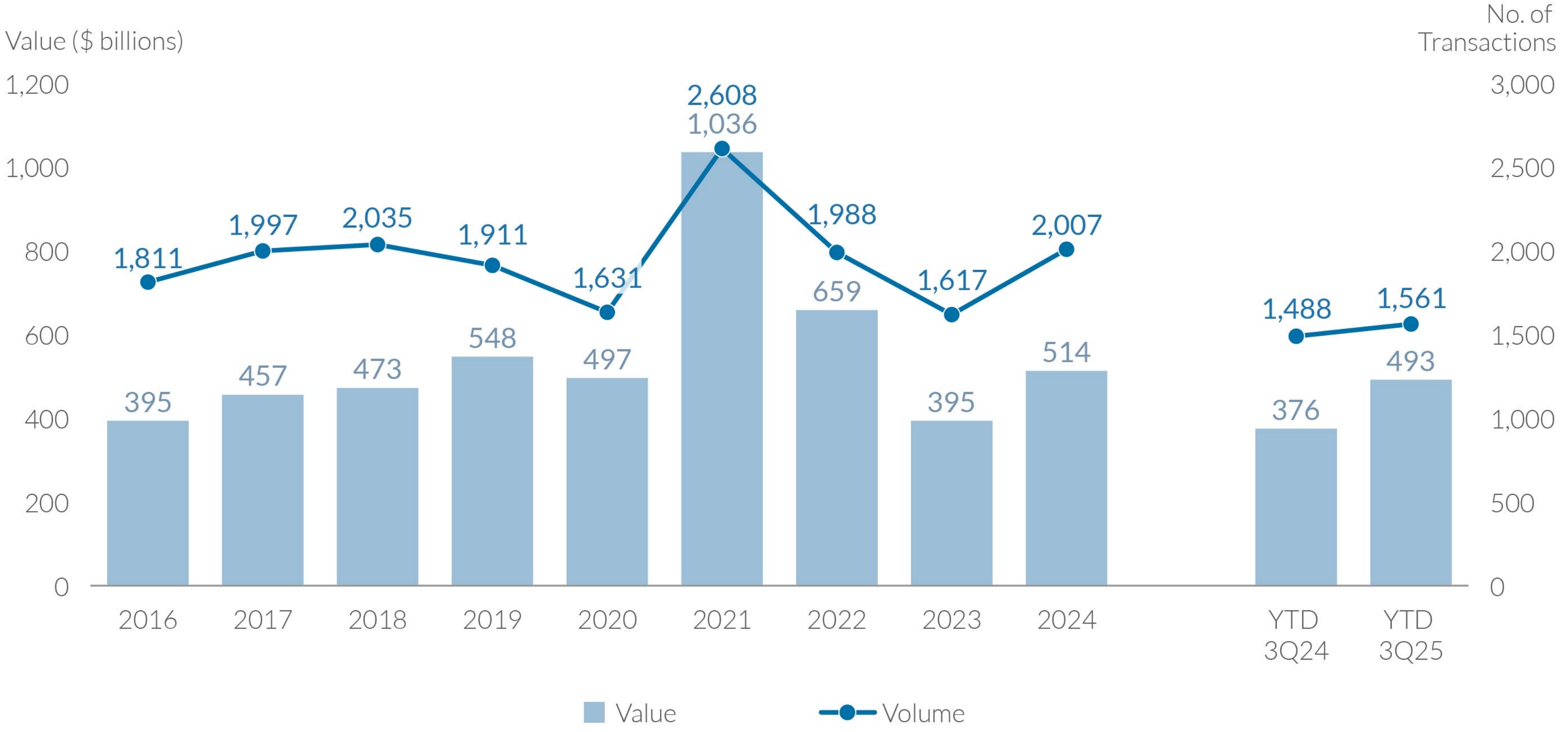
SOURCE: Mergermarket; Pathway Research. NOTE: As of September 30, 2025.

- Asia buyout activity has slowed following an active 2024, impacted by trade uncertainty following U.S. tariff announcements.
- Third-quarter activity improved, driven by 2 large-cap transactions by Bain Capital: the ¥740 billion ($4.9 billion) carve-out of York Holdings and the ¥510 billion ($3.3 billion) carve-out of Mitsubishi Tanabe Pharma.
- Despite the slowdown, the Japanese market continues to attract investor attention, emerging as the most active country in the region across all investment strategies in 2025. Several Japanese buyout managers have been able to raise increasingly larger funds.
- Signs of market recovery in China are gradually emerging, fueled by strong public market performance, narrowing buyer–seller expectations, and ongoing restoration of investor confidence.

M&A Exit Markets Tracking for a Strong Year, Supported by Increasing Deal Size

Global PE-Backed M&A Exit Activity

At September 30, 2025



- Growth in deal value is on pace for a strong annual total (+31% YoY), driven by continued interest for quality companies, larger average deal sizes, and robust corporate participation.
- Deal count has been more modest (+5% YoY), hampered by inconsistent deal quality and uncertainty in certain tariff-sensitive industries.

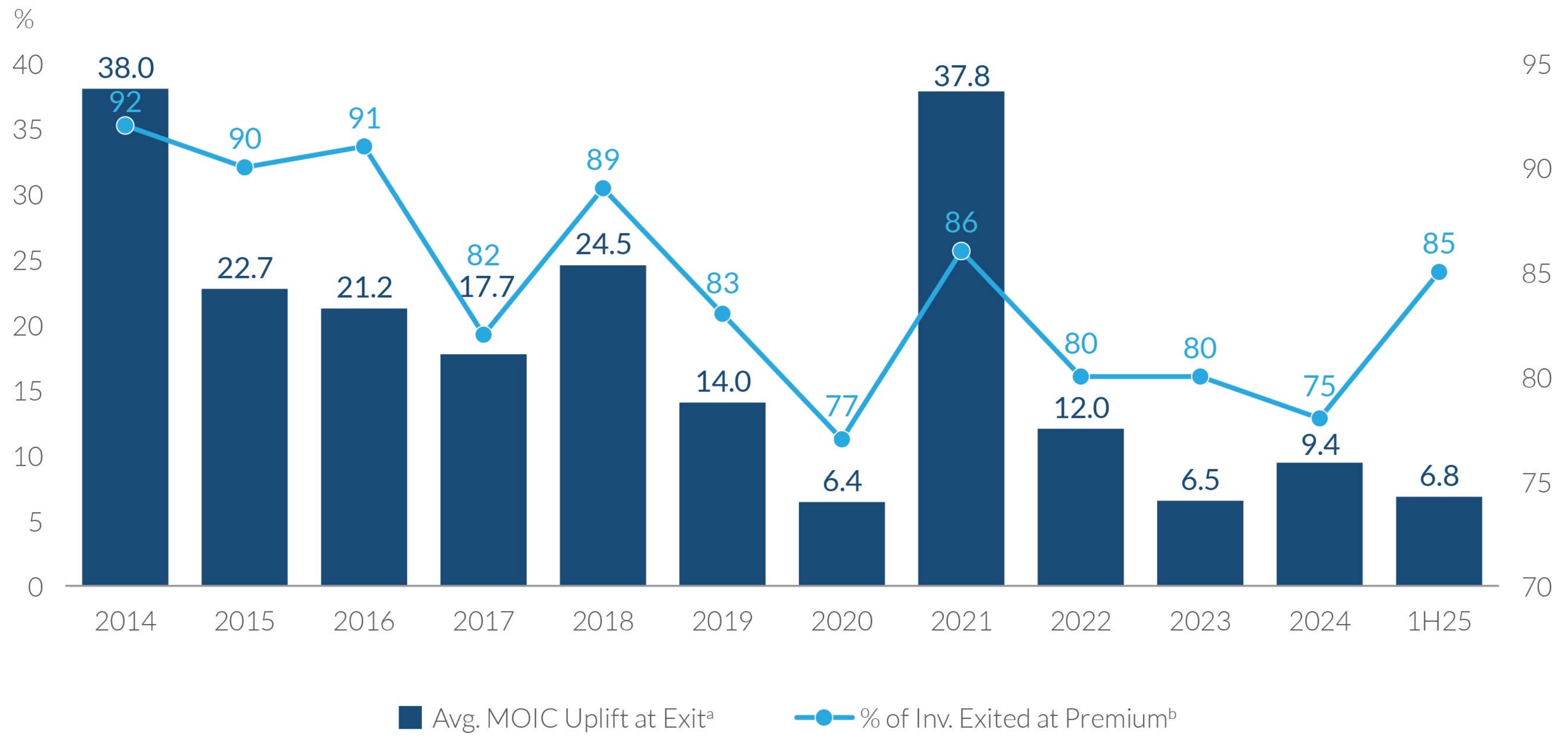
SOURCE: Mergermarket.

Valuation Uplifts at Exit Continue to Support Buyout Valuations

Despite a more challenging exit environment, exits have consistently transacted above prior marks

MOIC Uplift at Exit Relative to One Year Prior

At June 30, 2025



2014–2025

20.1%
Avg. Valuation Uplift at Exit[a]

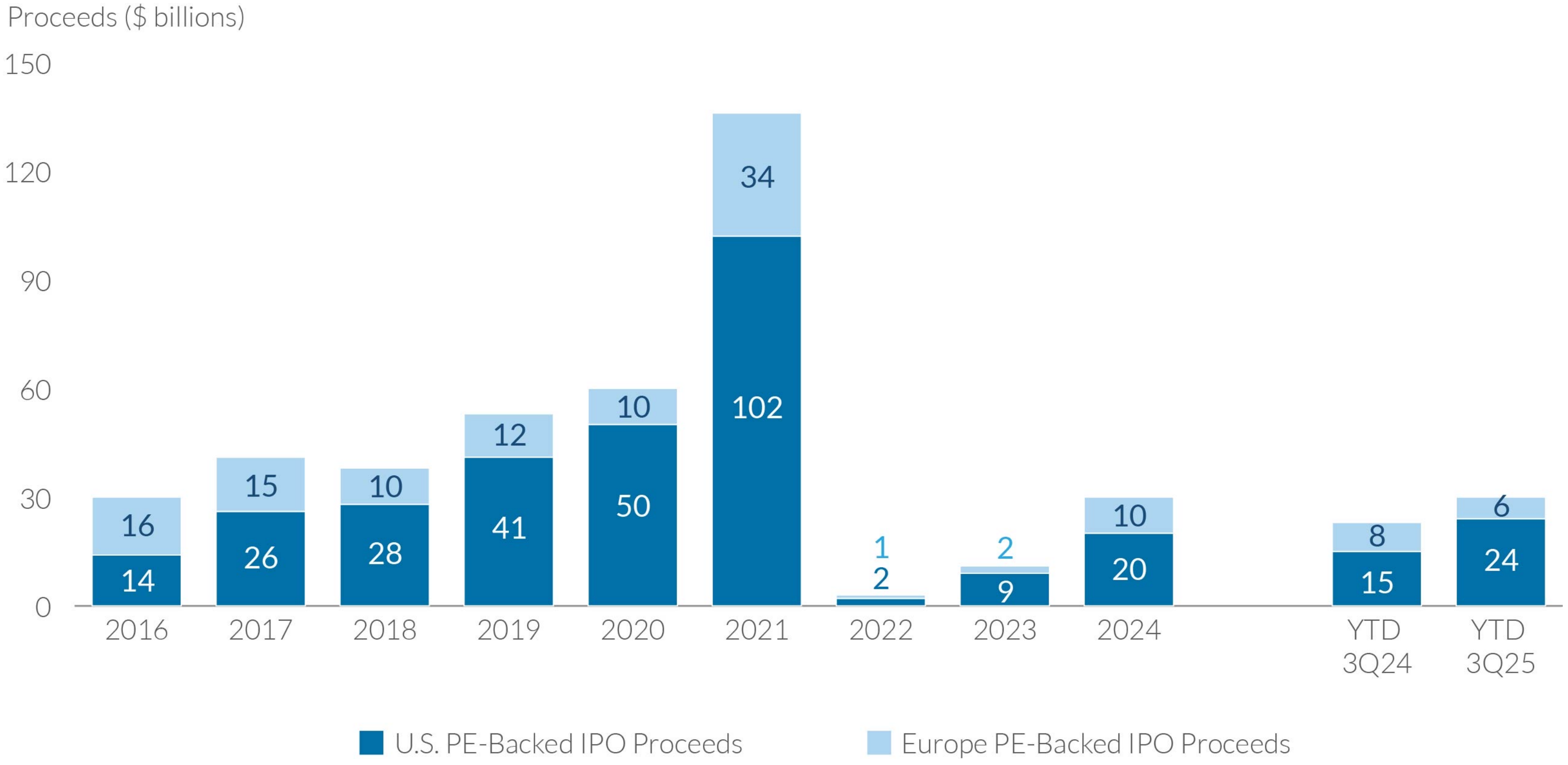
84.7%
Percentage of Companies Exited at Premium[b]

SOURCE: Pathway Research. Based on buyout investments in Pathway's database with exit dates from 2014 to June 30, 2025. Data comprises 1,594 underlying investments. [a]Represents the average percentage uplift in MOIC for underlying investments relative to their valuations one year prior to exit. [b]Represents the percentage of companies exit at or above their valuations one year prior to exit.

Sentiment in IPO Markets Rises with Strong Aftermarket Performance

PE-Backed IPO Issuance

At September 30, 2025



- The 23 U.S. PE-backed IPOs in 3Q25 marked the highest quarterly figure since 2021.
- Increasing activity from highly valued technology companies provides a positive sign for the VC market.
- Aftermarket performance continues to be strong: the quarter's listings generated an average gain of 25% from listing to quarter-end.

SOURCE: Mergermarket

IPO Scorecard: Recent U.S. IPO Performance Hints at Stronger Market

2024/2025 PE-Backed Technology IPOs

Company	IPO Date	IPO Size (MM)	Initial Filing Range	Offer Price	First Day Return	Return From IPO
Astera Labs	Mar-24	$712.8	$27–$30	$36.00	72.3%	352.3%
Reddit	Mar-24	$748.0	$31–$34	$34.00	48.4%	440.1%
Ibotta	Apr-24	$577.3	$76–$84	$88.00	17.3%	-67.0%
Rubrik	Apr-24	$752.0	$28–$31	$32.00	15.6%	123.5%
Waystar	Jun-24	$967.5	$20–$23	$21.50	-3.7%	66.5%
ServiceTitan	Dec-24	$624.8	$52–$57	$71.00	42.3%	29.6%
SailPoint	Feb-25	$1,380.0	$19–$21	$23.00	-4.4%	-13.3%
CoreWeave	Mar-25	$1,500.0	$47–$55	$40.00	0.0%	167.3%
eToro	May-25	$620.0	$46–$50	$52.00	28.8%	-35.6%
Circle	Jun-25	$1,054.0	$24–$26	$31.00	168.5%	222.6%
Chime	Jun-25	$864.0	$24–$26	$27.00	37.4%	-33.0%
Figma	Jul-25	$1,218.9	$25–$28	$33.00	250.0%	39.3%
Klarna	Sep-25	$1,372.5	$35–$37	$40.00	14.6%	-12.8%
Netskope	Sep-25	$908.20	$15–$17	$19.00	18.4%	14.7%
Figure	Sep-25	$787.5	$18–$20	$25.00	24.4%	42.8%
StubHub	Sep-25	$800.0	$22–$25	$23.50	-6.4%	-22.4%

Below Range | Within Range | Above Range

75%
Priced above initial target range

$930m
Average IPO size

+45%
Average first-day pop

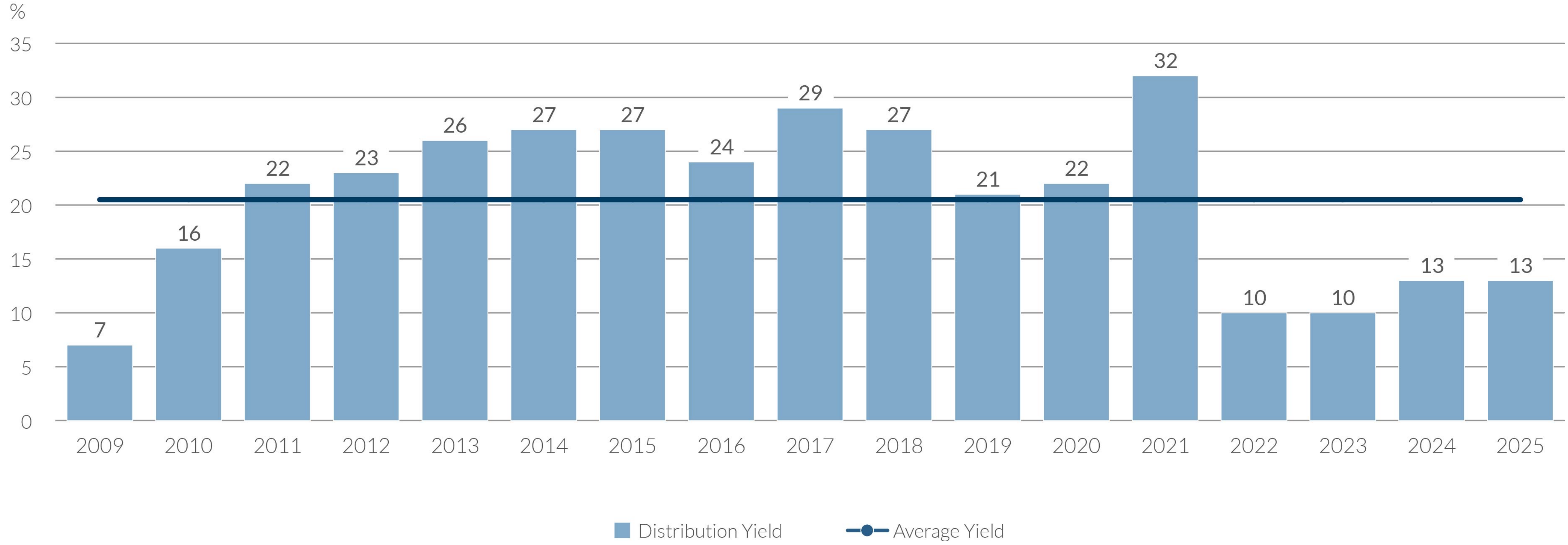
+82%
Average increase from IPO price[a]

SOURCE: Renaissance Capital. NOTE: Includes only PE-backed technology IPOs that raised greater than $500 million through an IPO. [a]As of November 6, 2025.

PE Distributions Remain below the 10-Year Average but Have Improved Modestly

Private Equity Distribution Yield

At September 30, 2025

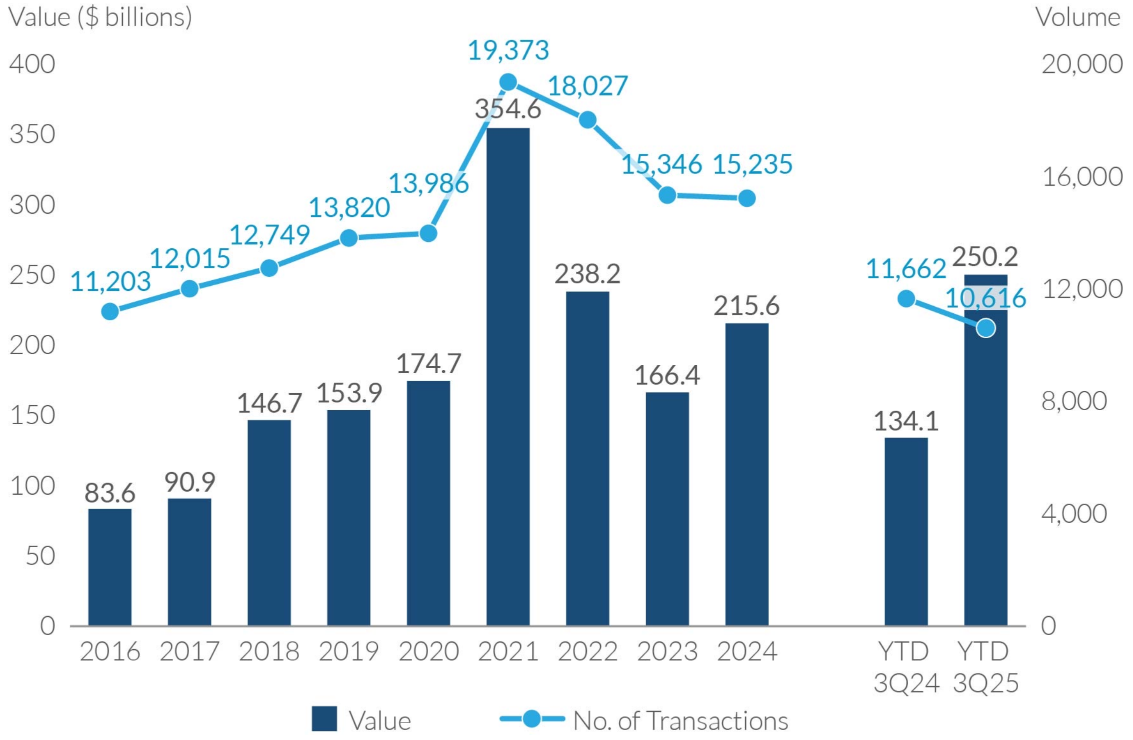


SOURCE: Pathway Research, as of September 30, 2025. NOTES: Distribution yield is defined as annual distributions divided by the prior period ending market value. Data includes a representative sample of private equity portfolios tracked by Pathway, which comprises over $68 billion invested from 1993 to 2025 and may differ from overall market statistics.

Outsized AI Investments Are Reviving U.S. Venture Capital Activity

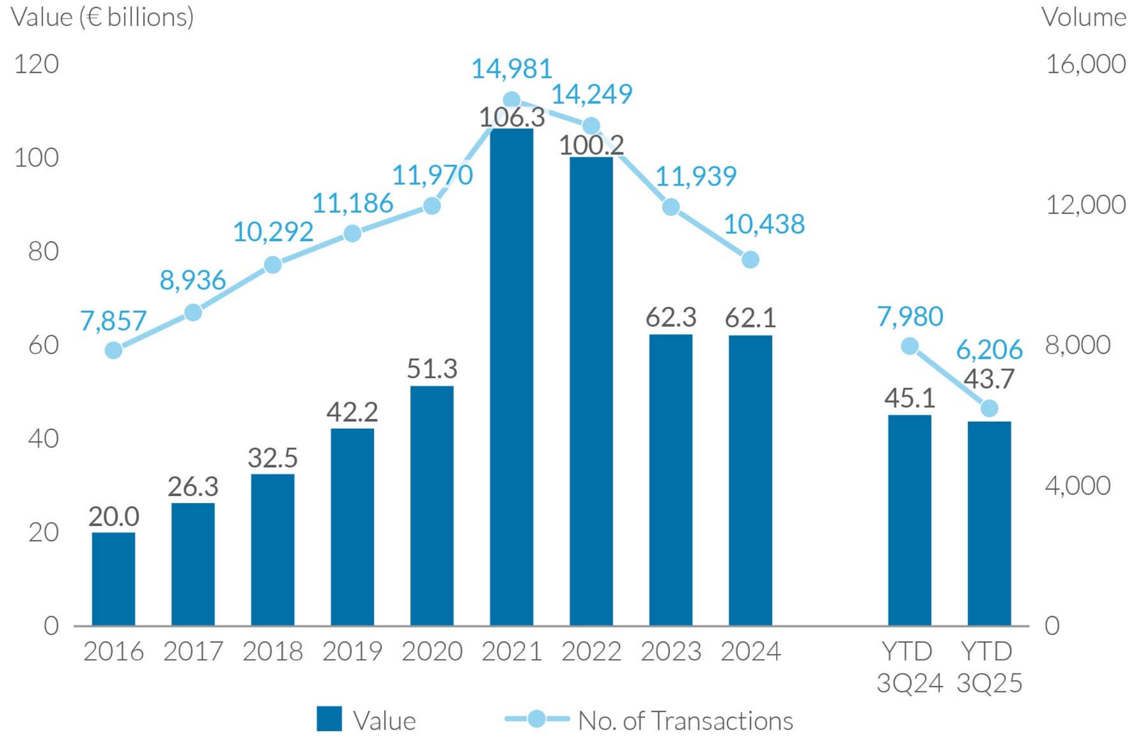
Investment activity has bounced back sharply in the U.S., although record-setting rounds for large AI platforms are masking softness in other parts of the market.

U.S. VC Investment Activity



Investment value nearly tracking at 2021 levels, despite a 9% decline in new financings YoY.

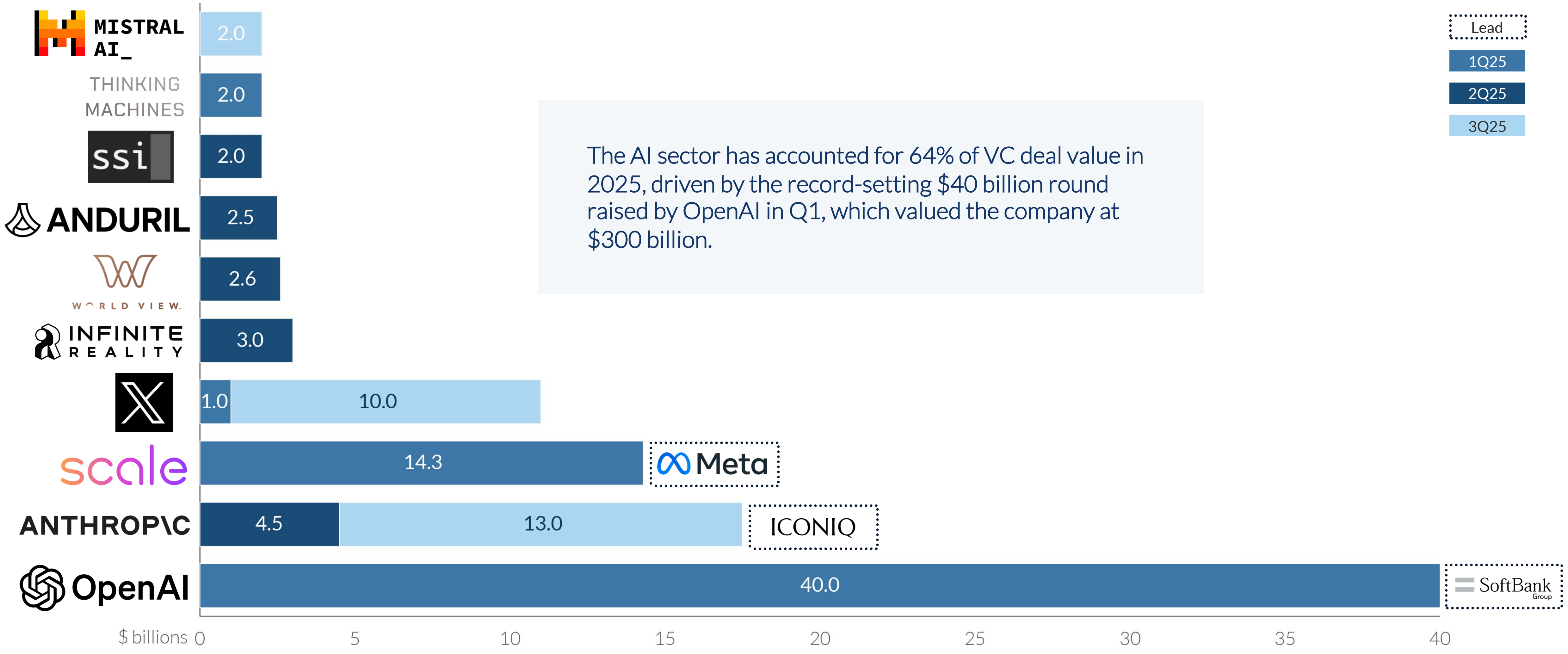
European VC Investment Activity



Activity in Europe has remained subdued, in line with trends over the past two years.

SOURCE: PitchBook-NVCA Venture Monitor Report. NOTE: As of September 30, 2025.

Notable Venture Capital Deals in 2025



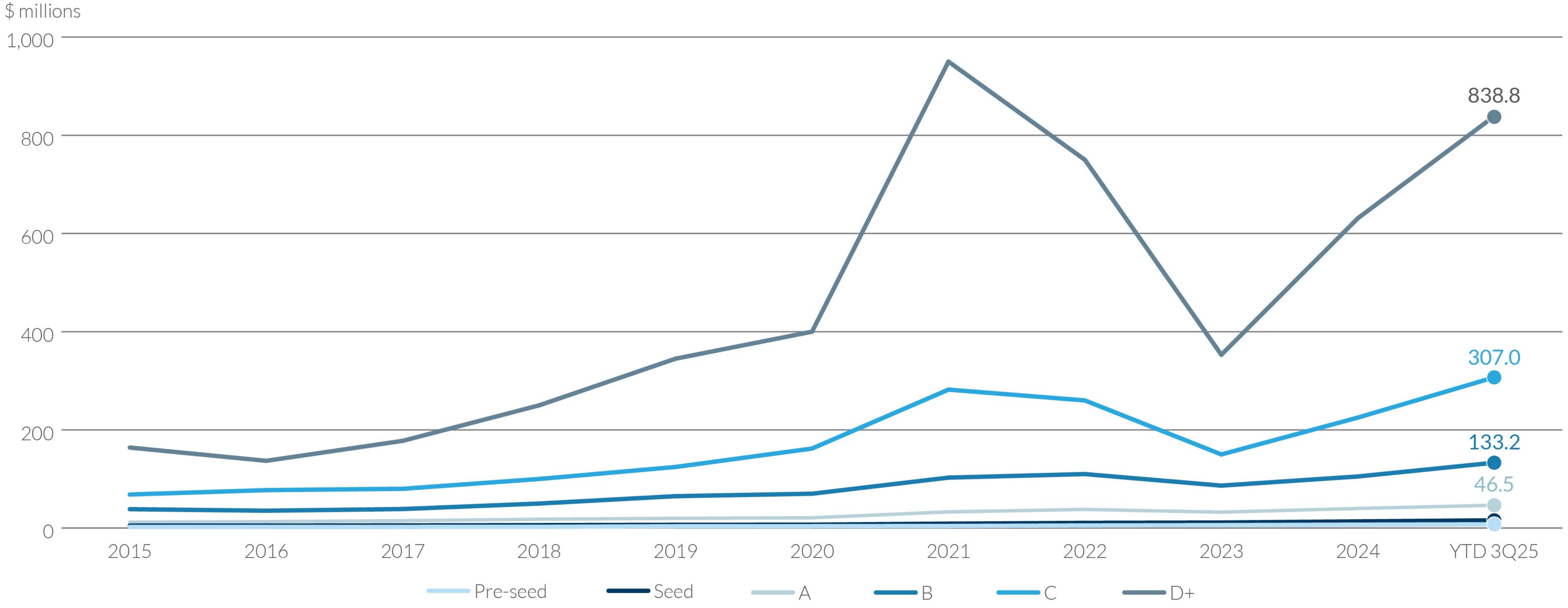
The AI sector has accounted for 64% of VC deal value in 2025, driven by the record-setting $40 billion round raised by OpenAI in Q1, which valued the company at $300 billion.

SOURCE: PitchBook Data, Inc.; Pathway Research.

Median Pre-money Valuations Continue to Recover, Particularly for Later-Stage Rounds

Median U.S. VC Pre-money Valuation

At September 30, 2025

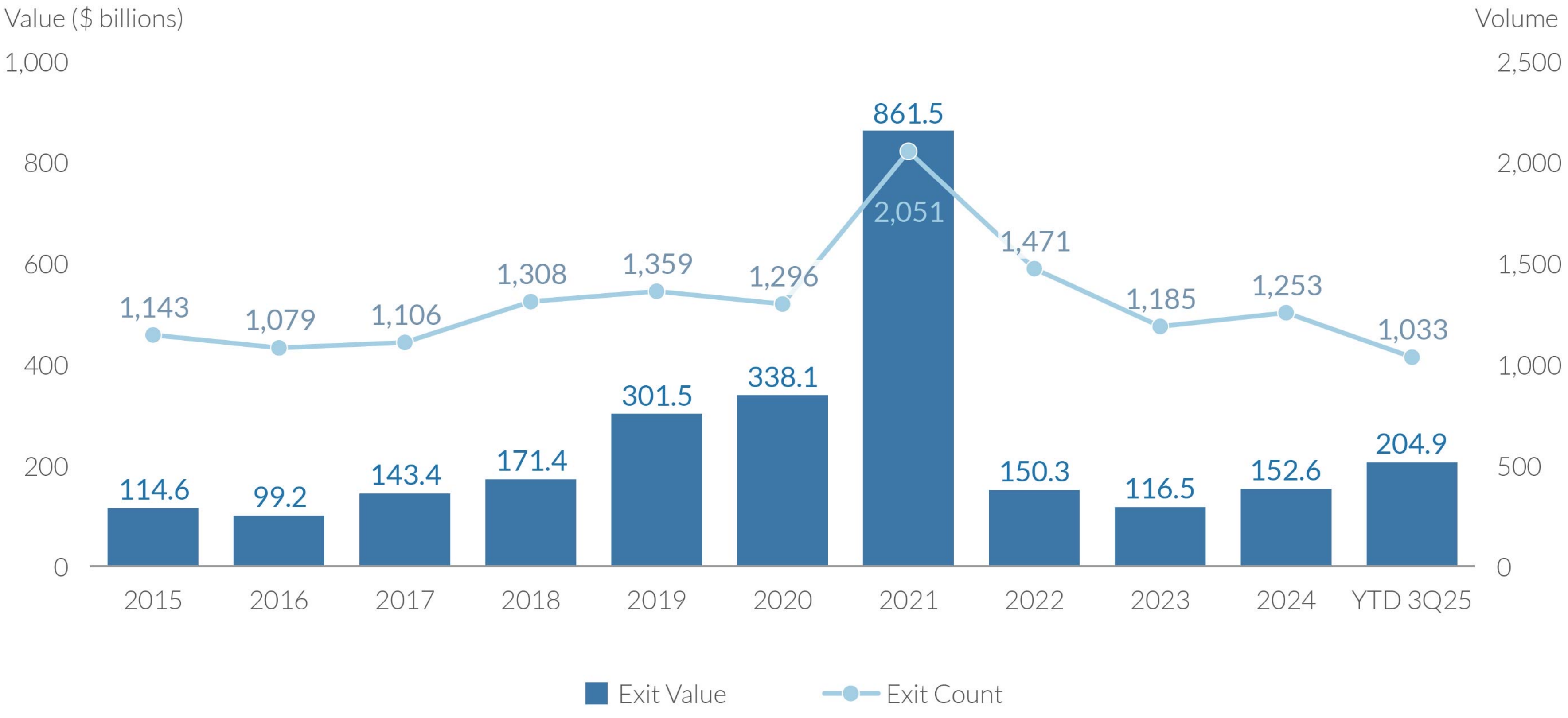


SOURCE: PitchBook Data, Inc.

VC Exit Activity Reaches Highest Level since 2021

U.S. VC Exit Activity

At September 30, 2025



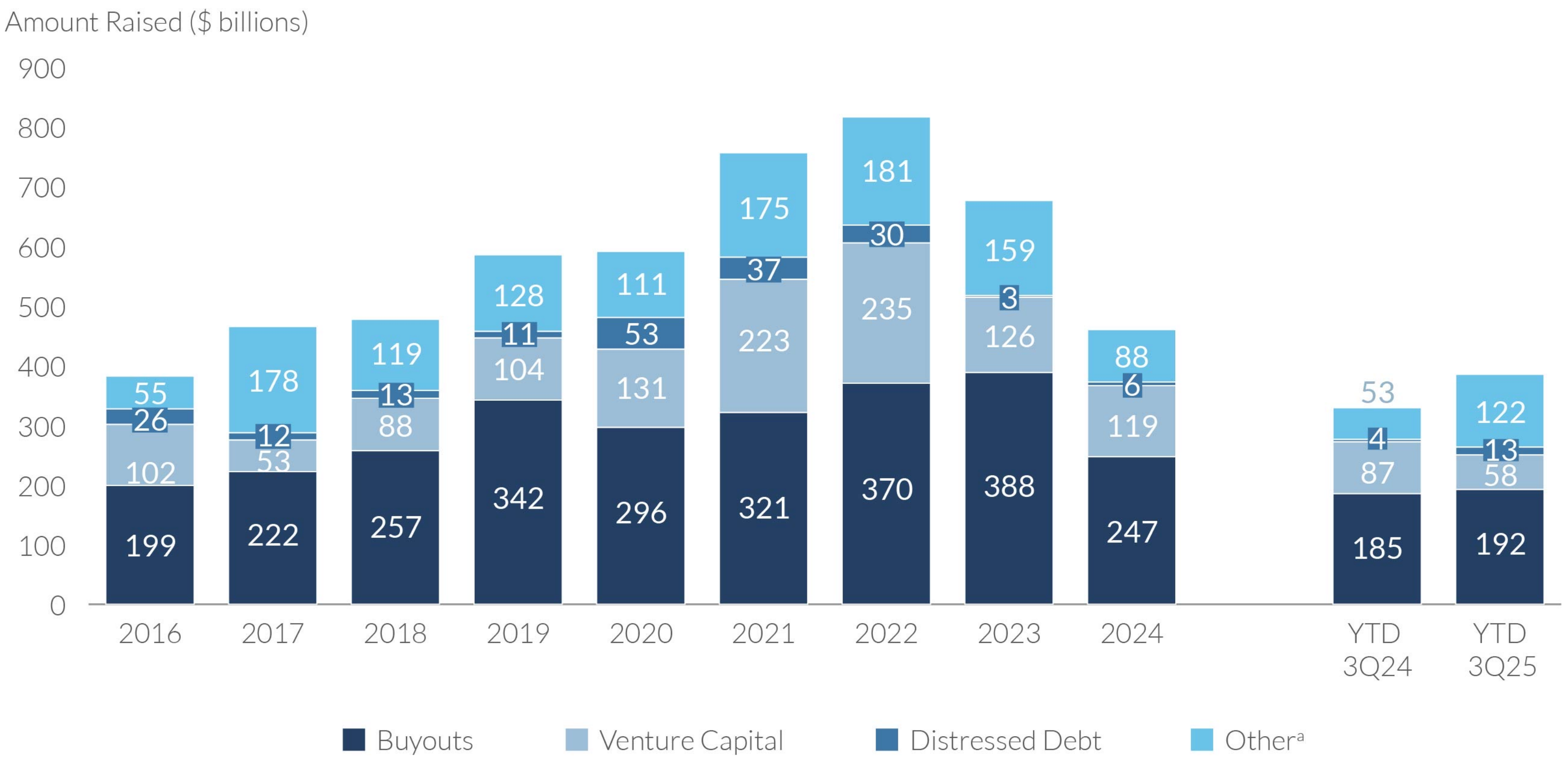
SOURCE: PitchBook-NVCA Venture Monitor Report.

- 3Q25 marked the strongest quarter since 2021.
- Seven unicorns completed IPOs during the quarter.
- The AI, cryptocurrency, and space industries dominate activity.
- Notable acquisitions all came from top tech companies acquiring AI-driven businesses.

The Fundraising Market Remains Highly Competitive

Global Fundraising by Strategy

At September 30, 2025



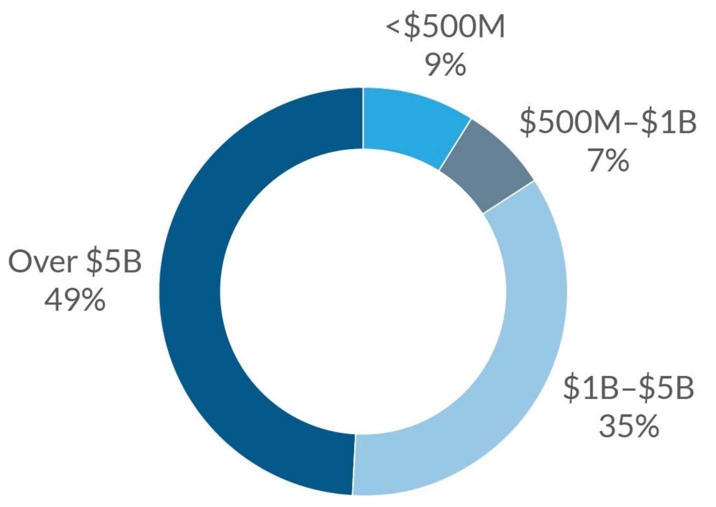
- Muted performance and lower distributions across the industry have forced many LPs to be highly selective.
- Despite a slower third quarter, YTD 2025 fundraising totaled $384 billion, 17% ahead of the same period in 2024.
- VC fundraising remains slow, impacted by the lack of liquidity in recent vintages.
- The pipeline for 2026 appears to be stronger.

SOURCE: LSEG Data & Analytics; Pathway Research. NOTES: Data is continuously updated and therefore subject to change. Amounts may not foot due to rounding. [a]Comprises special situations and other fund strategies not classified as buyout-, venture capital–, or credit-focused.

Fundraising Has Continued to Skew Toward Larger, Experienced Managers

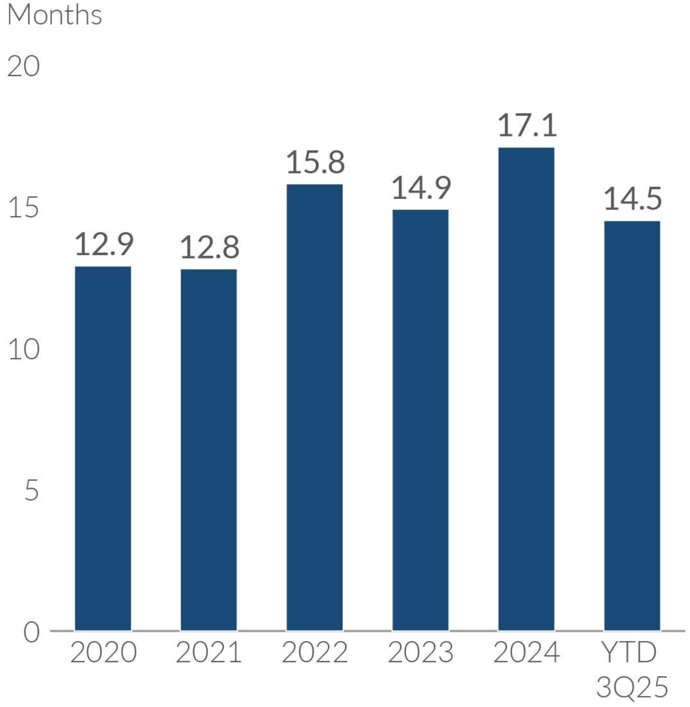
A more challenging fundraising environment has created opportunities for LPs, including better access, longer diligence periods, larger allocations, and enhanced relationships with target managers.

% of Capital Raised by Fund Size
At September 30, 2025



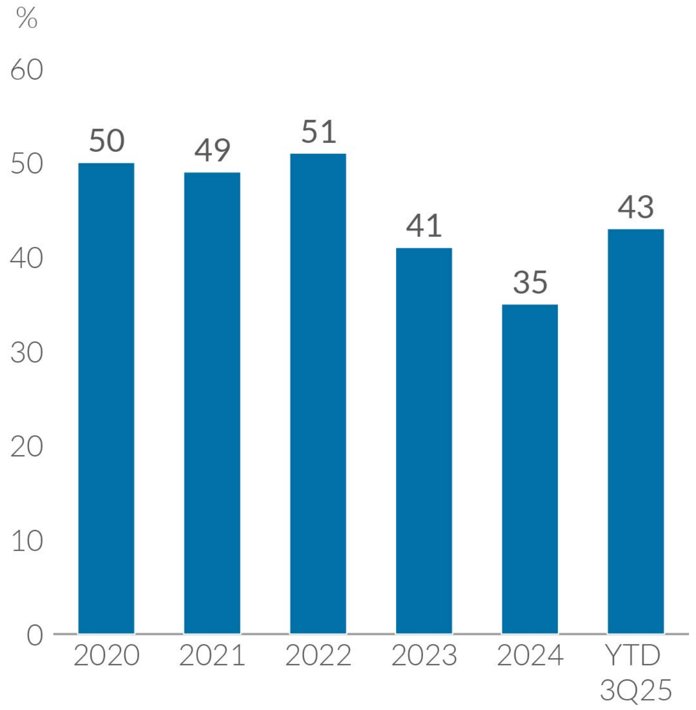
Nearly half of capital raised by funds $5bn+

Avg. Fundraising Length
At September 30, 2025



Trendline reversing in ‘25 but still above LT average

Median Step-Up in Fund Size
At September 30, 2025



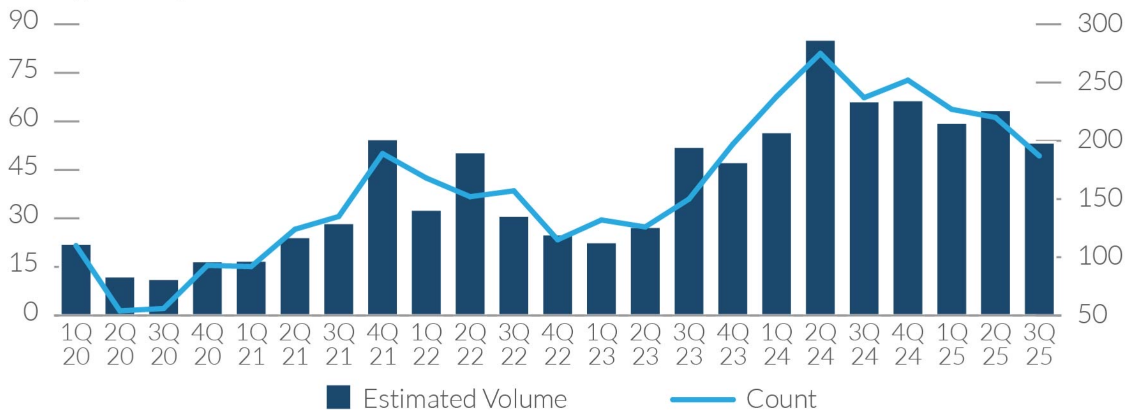
Fund size increases down from market peak

SOURCE: LSEG Data & Analytics; PitchBook Data, Inc.; Pathway Research.

Private Credit Update

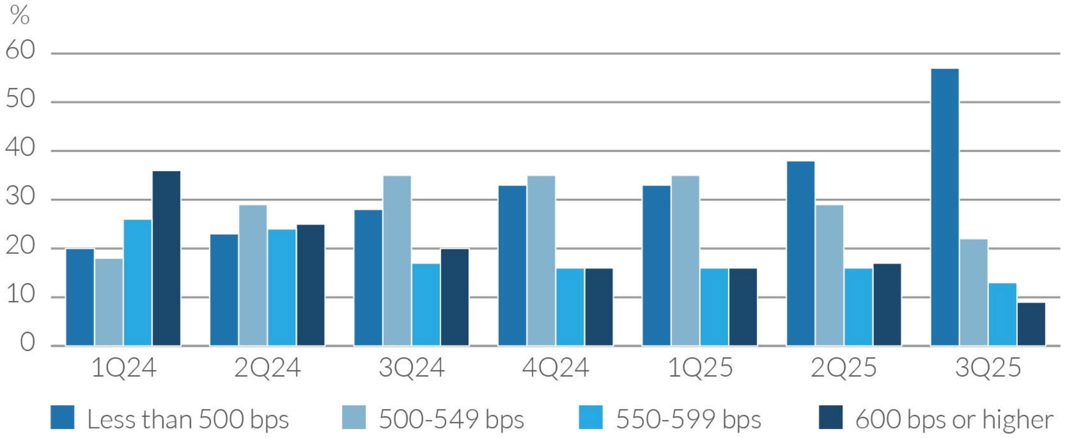
Supply/Demand Imbalance Driving a Highly Competitive Environment and Spread Compression

Direct Lending Deal Count and Estimated Volume



SOURCE: PitchBook LCD. NOTES: Geography: U.S. As of September 30, 2025.

Spread Distribution of PE-Backed Private Credit Loans



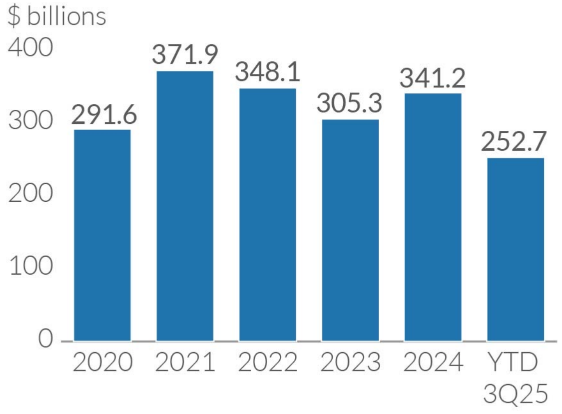
SOURCE: Mergermarket; Pathway Research. NOTE: As of September 30, 2025.

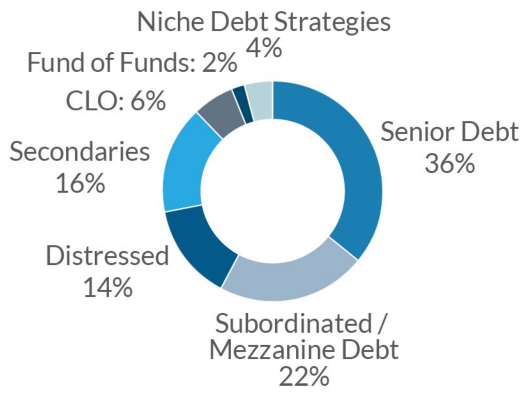
- Direct lending volume in 3Q totaled $53.6 billion, a decrease of ~15% from both the prior quarter and year-ago period. Large, public BDCs reported lower net fundings in 1H25 compared with the year-ago period. PE-backed M&A activity remains below expectations, but pipeline appears to be building.
- Similar to the BSL markets, the low supply of new financing opportunities has led to spread compression in direct lending. The share of loans with spreads lower than 500bps increased to 57% in 3Q, up from 38% in the prior quarter. Private credit loans with spreads greater than 600bps accounted for just 9% of deals in 3Q, compared with 36% in 1Q24.
- Technology, healthcare, and services remain the top sectors of interest for direct lenders. Notable direct lending facilities announced or funded in 3Q include a $2.75 billion facility for software company Flexera and a $2.3 billion facility for automotive parts manufacturer TI Automotive.
- Private Credit GP M&A activity remained active in the third quarter. In September, Rithm Capital announced its agreement to acquire Crestline Management, a credit-focused manager with $17 billion in AUM. In August, Manulife announced its acquisition of Comvest Credit, a middle-market-focused lender with $15 billion in AUM.

Robust Private Credit Fundraising Market; Increase in Capital Raised by Non-LP Vehicles

- Private credit fundraising across all strategies totaled $252.7 billion YTD 3Q, putting 2025 in line with the pace of the record-setting total of $372 billion raised in 2021.
- Senior debt strategies accounted for the largest portion of fundraising at 36%; however, the strategy's share declined significantly from the average of 45% over the past five years. Secondary fundraising accounted for 16% of the YTD total, up from just 1% in 2024.
- Non-traditional vehicles, including evergreen private BDCs and credit interval funds, have amassed significant inflows and AUM, driven by robust demand from both institutional and retail/wealth-oriented investors. Total AUM for non-LP private credit vehicles is nearly $600 billion, up from $100 billion at the end of 2018.
- Asset-based lending strategies are expected to garner an increasing share of fundraising due to ongoing bank retrenchment from the sector and investors seeking to diversify from corporate cash-flow lending.

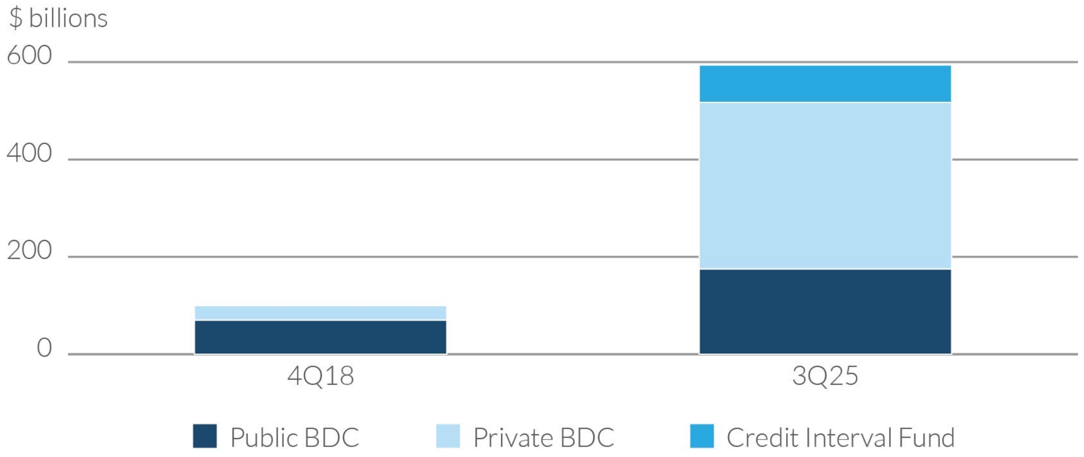
Annual Private Credit Fundraising





SOURCE: Private Debt Investor.

AUM Growth of BDC and Credit Interval Funds



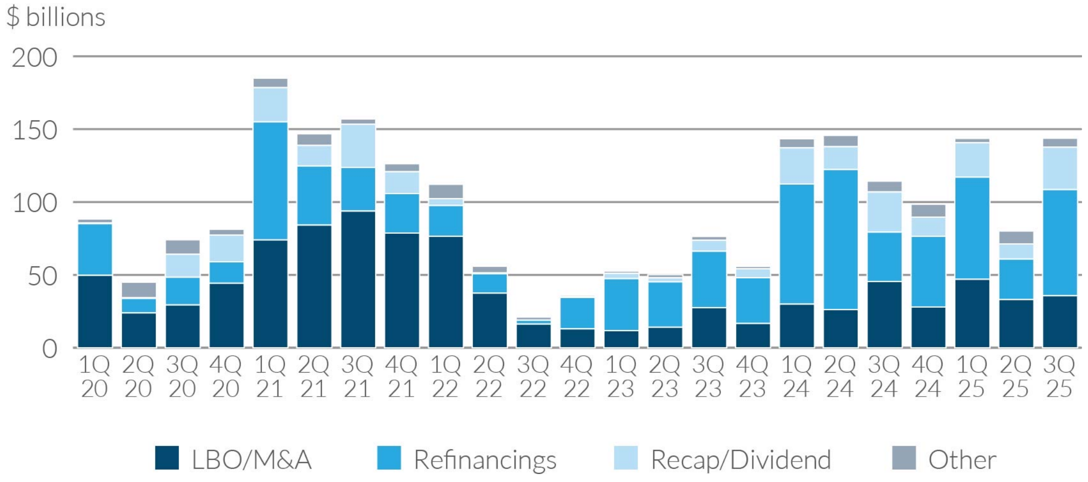
SOURCE: Intervalfundtracker.com; LSEG LPC BDC Report. NOTE: As of September 30, 2025.

Broadly Syndicated Markets Are Accommodative, Increasing Competition for Direct Lenders

- Following a tariff-impacted 2Q, leveraged loan issuance rebounded strongly in 3Q, increasing 76% to $143.7 billion. However, new money issuance (non-refinancing issuance) remains constrained by lower-than-expected M&A activity.
- The lack of new supply coupled with robust CLO issuance kept spreads low for new loans and opened the door for dividend recap transactions; PE-backed dividend recaps reached a record-high of $34.7 billion YTD 3Q25.
- Lower rates and looser documentation drove many private credit borrowers to refinance their debt in the broadly syndicated markets. $25.9 billion in private credit loans have been refinanced with leveraged loans YTD 3Q25.
- Robust refinancing and extension activity has pushed out the debt maturity wall: 95% of leveraged loans outstanding mature in 2028 or later, increasing runway for many highly levered borrowers.

U.S. Institutional New Issue Loan Volume

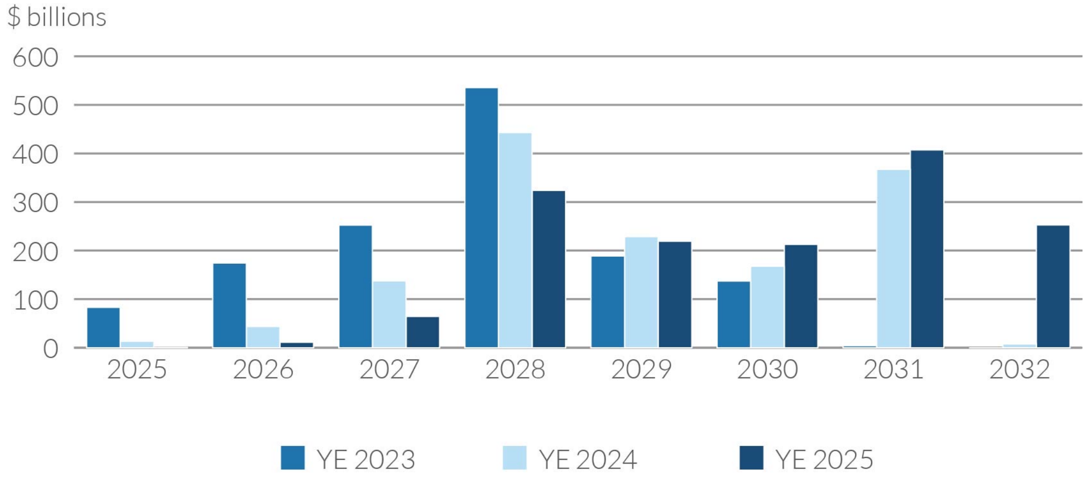
At September 30, 2025



SOURCE: PitchBook LCD. NOTE: Excludes repricings and other amendments.

Maturity Wall—U.S. Leveraged Loan Index

At September 30, 2025

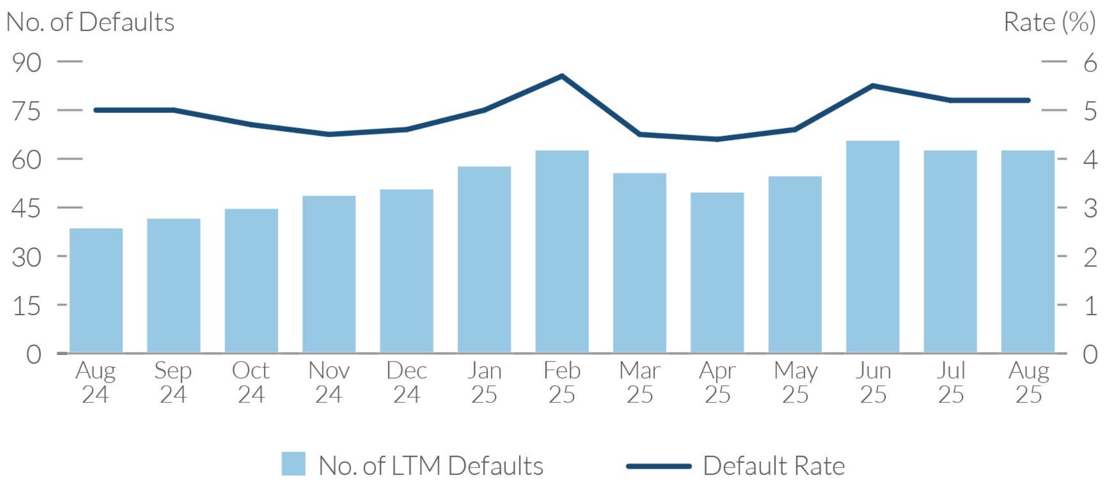


SOURCE: PitchBook LCD; Morningstar LSTA U.S. Leveraged Loan Index–Maturity Breakdown.

PIK Conversions and DDEs Elevating Default Rates; Bankruptcies and Payment Defaults Remain Low

- Traditionally calculated leveraged loan default rates remain at low levels: 1.5% TTM default rate for the LSTA Leveraged Loan Index, as of September 30, 2025. Including distressed debt exchanges, the default rate increases to 4.3%.
- Similarly, the Fitch Private Credit Default rate, which includes interest deferrals and PIK conversions, was 5.2% at the end of August. The default rate including only payment defaults and bankruptcies was just 1.0%
- Direct lenders are reporting increases in cash-to-PIK conversion and covenant waiver requests from borrowers seeking time and flexibility to navigate the high-interest-rate environment and idiosyncratic operational challenges. PIK share of interest income for BDCs remains at near-record levels (~8%).
- The Morningstar LSTA Leveraged Loan Index distressed ratio, which measures the percentage of the index trading below 80, ended the quarter at 2.9%, little changed from the end of 2024.

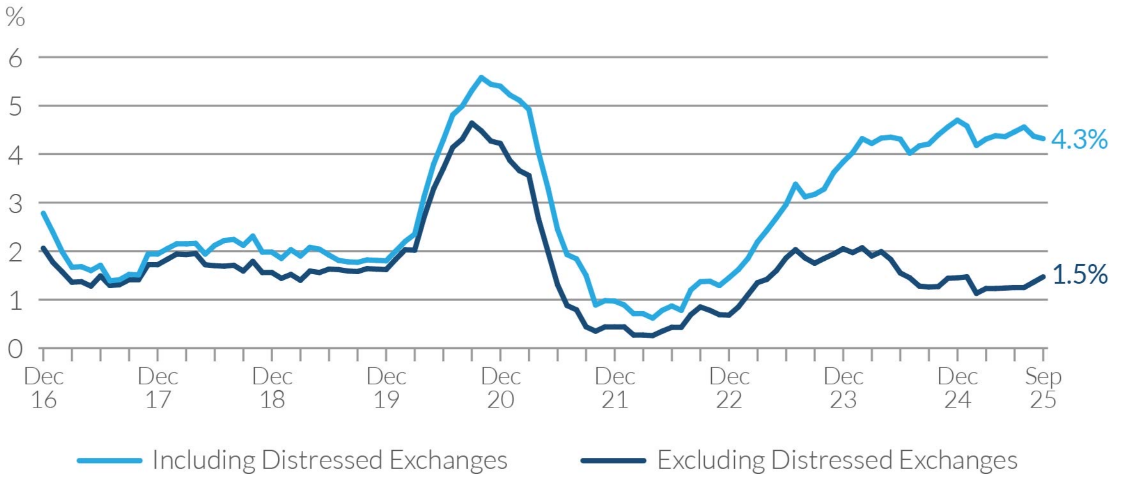
Fitch Private Credit Default Rate



SOURCE: Fitch Ratings PRO U.S. Private Credit Default Rate.

LSTA U.S. Leveraged Loan Default Rate

At September 30, 2025



SOURCE: PitchBook LCD

Direct Lending Market Conditions: Sponsored Middle Market

	2021	1H23	3Q25
Credit Documentation ▶▶▶	Less Restrictive	More Restrictive	Restrictive
Middle-Market Spread ▶▶▶	500–600bps	600–725bps	475–550bps
3-Month SOFR ▶▶▶	~0.0%	~5.0%	~4.3%
OID ▶▶▶	98	97	98/99
Unitranche Leverage Multiples ▶▶▶	Up to 6.5x	Up to 5.5x	Up to 6.0x
Unitranche Loan-to-Value ▶▶▶	Up to 65%	Up to 50%	Up to 60%
Average Equity Contribution % ▶▶▶	35%–50%	50%–60%	40%–55%
Unitranche Yield-to-3-Year Call ▶▶▶	6.5%–8.0%	11.5%–13.0%	9.5%–10.5%

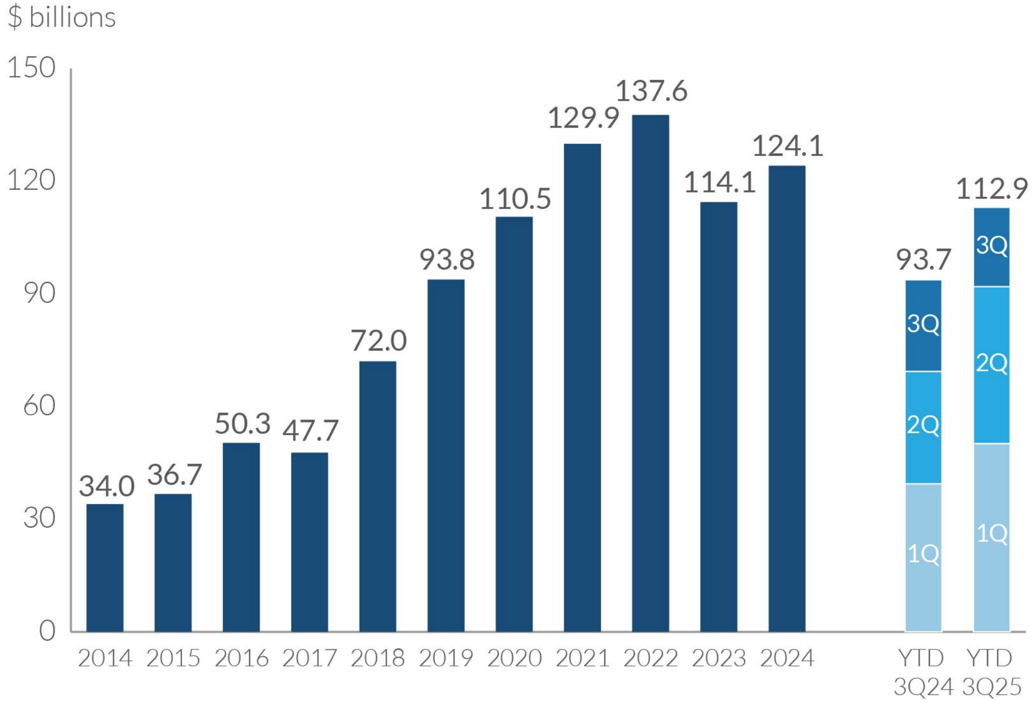
SOURCE: Pathway Capital Management. NOTES: Based on Pathway's general observations of current market data and is subject to change depending on the market environment. Not all deals will have all these characteristics. Past performance does not guarantee future results.

Infrastructure Update

Infrastructure Fundraising on Track for a Record Year

Global Private Infrastructure Capital Raised

At September 30, 2025



- Global demand for infrastructure continues to drive strong fundraising trends, and 2025 is on pace to surpass previous record levels.
- While third-quarter fundraising was driven primarily by mid-market Europe-focused funds, several large, global managers are actively fundraising and have closes planned for 4Q25.

SOURCE: Pathway Research.

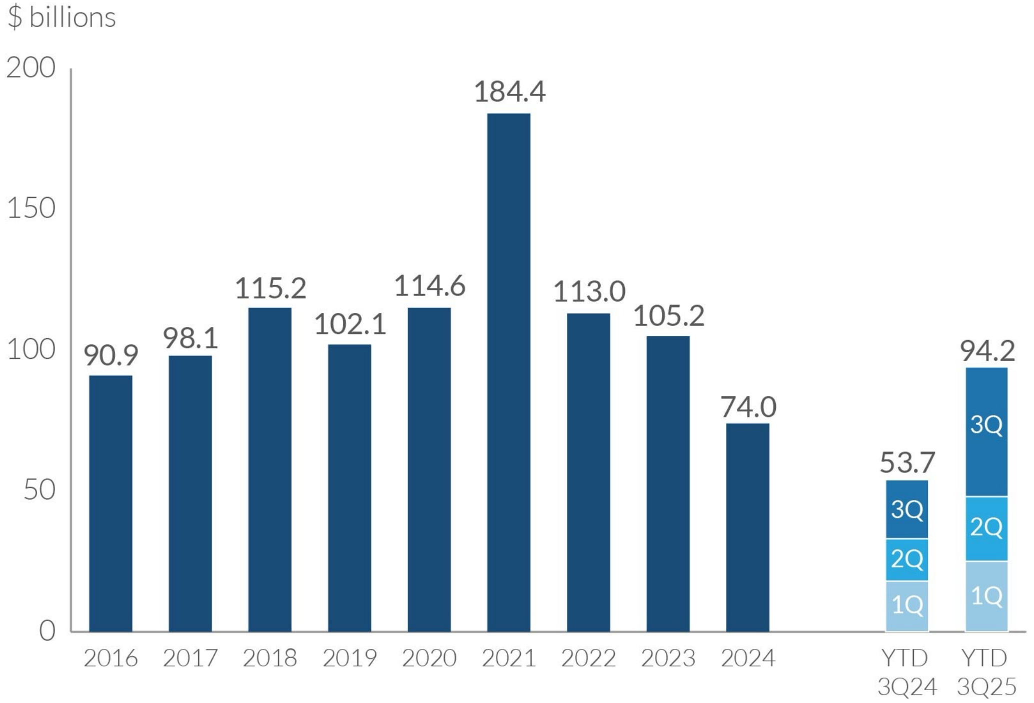
Notable Funds Raised in 3Q25

Fund	Regional Focus	Value ($MM)
Asterion Industrial Infra Fund III	Europe	4,000
iCON Infrastructure Partners VII	Europe and N. Amer.	3,700
ICG Infrastructure Fund II	Europe	3,700
Macquarie Green Energy Transition Solutions	Europe, N. Amer., APAC	2,400
Macquarie European Infrastructure Debt Fund	Europe	1,400

Infrastructure Deal Activity Shows a Strong Rebound, with Building Momentum from Announced Deals

Infrastructure Deal Value

At September 30, 2025



- Year-to-date volumes have rebounded after a slowdown in 2024, and several additional large transactions have been announced, including Aligned Data Centers ($40 billion, Blackstone/GIP), an LS Power gas-fired generation portfolio ($12 billion, NRG Energy), TXNM Energy ($12 billion, Brookfield), and Lumen (AT&T, $6 billion).

SOURCE: Pathway Research.

Notable Infrastructure Deals in 3Q25

Asset/Company	Acquirer	Industry	Region	Deal Size ($MM)
Colonial Pipeline	Brookfield	Oil & Gas	U.S.	9,000
Innergex Renewable Energy	La Caisse	Renewables	U.S. , Canada	7,500
Port Arthur LNG	KKR	Oil & Gas	U.S.	7,000
Infra Group	Intermediate Capital Group	Utilities	Europe	3,500
Grain LNG	ECP, Centrica	Oil & Gas	UK	2,000

Infrastructure Is Well-Positioned in an Inflationary Environment

4.6%
CPI 5-Year CAGR[1]

41%
Household Utility Cost Growth Since 2020[2]

10.7%
Global Private Infrastructure 5-Year IRR[1]

- Liberation Day and U.S. tariff policy changes, as well as rising global inflation forecasts, have reignited investor concerns over inflation.
- 2025 inflation has been driven in part by electricity prices, which provide tailwinds and investment opportunities to infrastructure managers.
- Infrastructure can serve as a safe haven from inflation, as long-term contracts with inflation-linked escalators can often benefit during periods of inflation.
- Private infrastructure has outperformed inflation notably in recent years. Over the past five years, the MSCI Global Infrastructure benchmark has outperformed the CPI by 614bps.[3]

1. SOURCE: U.S. Bureau of Labor Statistics, as of June 30, 2025. 2. SOURCE: J.D. Power, as of September 2025. 3. SOURCE: MSCI Private Capital Solutions, as of June 30, 2025.

Secondaries Update

Secondary Market Volume Projected to Reach Record in 2025

$60bn
3Q25 Market Volume

$165bn
YTD 2025 Market Volume

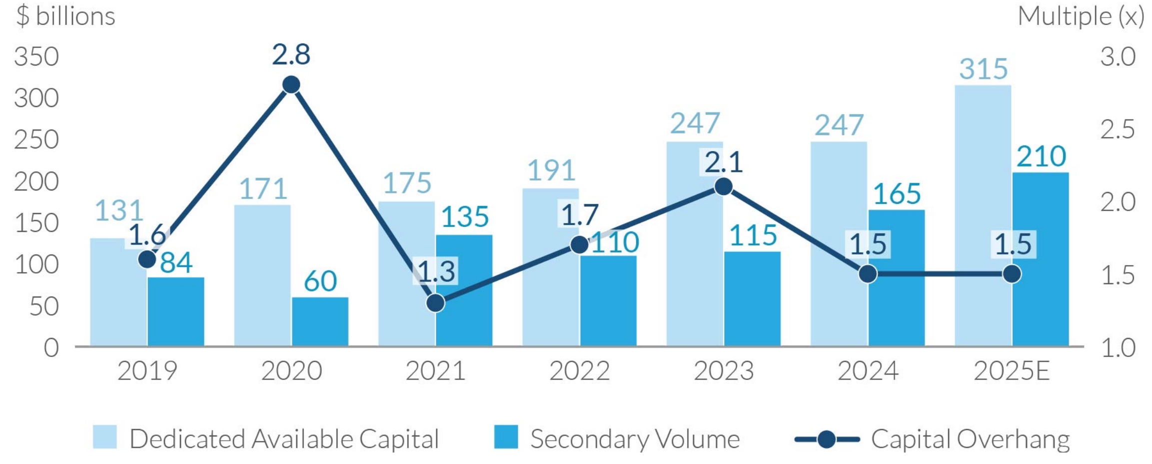
$210+bn
2025E Market Volume

- Transaction activity projected to reach record levels in 2025, with $165 billion in total volume during the first three quarters of 2025.
- GP-led secondary transactions accounted for ~52% of total market volume during the third quarter.
- LP-led secondary activity continued to be robust during the quarter, with ~$29 billion of 3Q25 LP-led volume (~48% of total market volume).

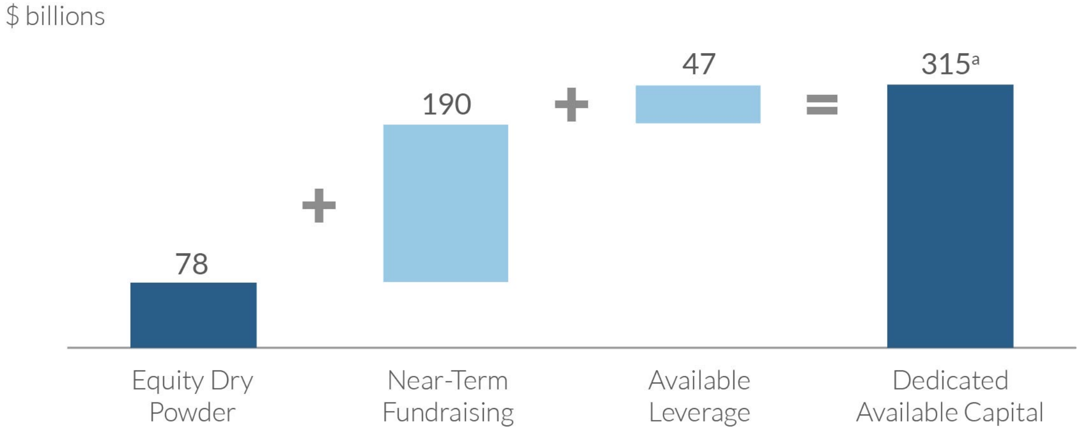
SOURCE: PJT Q3 2025 Secondary Market Insight - Preqin data; PJT Market Intelligence. NOTE: The information presented has been developed internally and/or obtained from sources believed to be reliable; however, Pathway does not guarantee the accuracy, adequacy, or completeness of such information. Pathway has not independently verified such information and accepts no responsibility or liability for any error, omission, or inaccuracy of such information.

Strong Investor Interest Has Driven Substantial Growth in Secondaries Dry Powder

Capital Overhang Multiple



Dedicated Available Capital



[a]Full-year 2025 estimates representative of dry powder levels as of 3Q25.

CAPITAL OVERHANG KEY STATS[1]

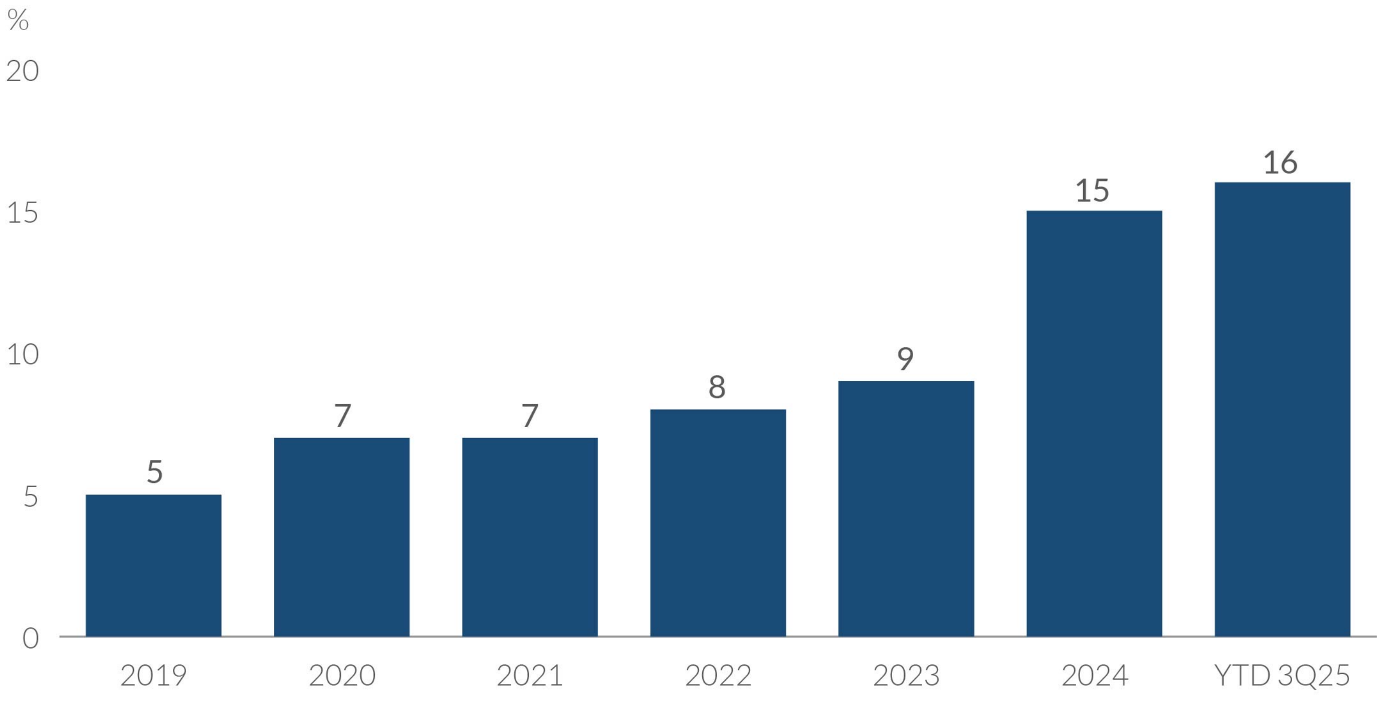
$315bn	$210bn	1.5x
Dedicated Available Capital	2025E Secondary Volume	Secondary Market Capital Overhang

SOURCE: PJT Q3 2025 Secondary Market Insight - Preqin data; PJT Market Intelligence. NOTE: The information presented has been developed internally and/or obtained from sources believed to be reliable; however, Pathway does not guarantee the accuracy, adequacy, or completeness of such information. Pathway has not independently verified such information and accepts no responsibility or liability for any error, omission, or inaccuracy of such information. 1. Full-year 2025 estimates represent dry powder levels as of the third quarter of 2025.

GP-Led Transactions: Insight on Global Exit Environment

GP-Led Exit Volume as a % of Total M&A Exit Volume

At September 30, 2025



- GP-led volume continues to represent a meaningful % of total sponsor exit volume, representing ~16% of YTD 2025 total volume.
- GP-led continuation vehicles continue to see growing market adoption: there have been 155+ managers that have raised more than one continuation vehicle to generate exits for their limited partners.
- YTD 2025, transaction sizes have been as large as $3+ billion, highlighting the growth of the GP-led market.
- Demand remains strong for GP-led transactions, with the market seeing new entrants into the secondary market during 2025.

SOURCE: PJT Q3 2025 Secondary Market Insight - Preqin data; PJT Market Intelligence. NOTE: The information presented has been developed internally and/or obtained from sources believed to be reliable; however, Pathway does not guarantee the accuracy, adequacy, or completeness of such information. Pathway has not independently verified such information and accepts no responsibility or liability for any error, omission, or inaccuracy of such information.