



CNL Strategic Capital is pleased to announce its acquisition of Auriemma U.S. Roundtables (Auriemma Roundtables), a market leader in data analytics and advisory services for the consumer finance industry. For over 25 years, Auriemma Roundtables has provided leading companies with access to critical business intelligence and benchmarking to make data-driven decisions and optimize their operations.

Company Overview

auriemma roundtables

- Established in 1992, headquartered in New York, NY
- Approximately 90 percent customer retention rate
- Subscription-based model, which creates a fairly predictable revenue stream
- Four key value drivers:
 - Executive “roundtable” meetings
 - Proprietary benchmarking and analytics
 - Customized data packages and peer group studies
 - Industry advocacy

Transaction Details

CNL Strategic Capital’s Total Invested Capital:
\$44.5 million

Auriemma Roundtables’ Former President’s Total Invested Capital:
\$10.6 million

Key Acquisition Attributes

Industry Leader

- Serves more than 100 blue-chip clients across specific consumer finance segments, such as American Express, JP Morgan, Bank of America, Target, and PayPal
- Currently six times larger than its closest direct competitor

Engaged Management Investing Alongside CNL Strategic Capital

- Former president and current board member owns 19 percent of the company

Attractive Financial Profile

- “Give to get” data model believed to create significant barrier to entry
- Low concentration risk with no client comprising more than five percent of revenue

Durable and Growing Business Model

- 16 percent revenue compound annual growth rate from 2005 to 2018¹
- Grew number of memberships by 23 percent during the Great Recession (2008 to 2010)

Opportunity

Auriemma Roundtables’ potential future growth opportunities:

- Enhance existing product offerings and expand into new industries
- Monetize proprietary data with existing and new clients
- Pursue strategic acquisitions

There is no assurance the stated objectives will be met.

All data as of March 31, 2019, unless otherwise noted. Acquisition date was Aug. 1, 2019.

This is not an offer to sell nor a solicitation of an offer to buy shares of CNL Strategic Capital. Only the prospectus or private placement memorandum (PPM) makes such an offer. This piece must be read in conjunction with the prospectus or PPM to understand fully all the objectives, risks, charges and expenses associated with an investment and must not be relied upon to make a decision.

CNL Strategic Capital is managed by CNL Strategic Capital Management, LLC and sub-managed by Levine Leichtman Strategic Capital LLC. Each managing entity is an investment adviser registered with the U.S. Securities and Exchange Commission. The performance of CNL Strategic Capital may not replicate the experience of these entities.

Past performance is not indicative of future results. Information subject to change. Businesses acquired may be subject to losses, which negatively impact financials. Figures represent experience in a bull market.

¹ Represents historical information prior to acquisition and should not be viewed as current or future performance for this acquired business or CNL Strategic Capital. Any returns for CNL Strategic Capital will be substantially different as this figure does not account for fees or expenses, which are applicable to this offering.



RISK FACTORS

- An investment in CNL Strategic Capital, LLC is considered speculative and involves a high degree of risk, including the loss of all or a substantial amount of investment. CNL Strategic Capital is not a short-term investment. This offering is not suitable for everyone; investors are expected to meet the minimum financial suitability standards. CNL Strategic Capital also has available a private placement offering for accredited investors meeting the minimum investment amount of \$1,000,000 (\$5,000,000 for legal entities), as applicable. See the Suitability Requirements section of the CNL Strategic Capital's PPM for complete details.
- CNL Strategic Capital is a recently formed entity that has a limited operating history. It may be unable to successfully implement its business and acquisition strategies or meet its investment objectives. Investors will not have the opportunity to evaluate businesses prior to acquisition.
- This is a "best efforts" offering. If CNL Strategic Capital is unable to raise substantially more funds, it will be limited in the number of businesses it acquires, which reduces diversification and increases the potential for volatility.
- Co-investing with other investment groups will increase the risk that third parties may make decisions with which CNL Strategic Capital does not fully agree. In certain cases, CNL Strategic Capital will invest alongside the sub-manager's affiliates or other clients. CNL Strategic Capital will not purchase these businesses unless a majority of the independent directors determines the transaction is fair and reasonable.
- Distributions are not guaranteed in frequency or amount. Distributions will be paid from net investment income and, in addition, may be paid from offering proceeds, borrowings or reimbursable expense support, which will reduce future cash available for distributions and be dilutive to future shareholders.
- Subject to certain exceptions, CNL Strategic Capital may use leverage in an amount not to exceed 50 percent of its gross assets, subjecting it to inflation and interest rate risk. Leverage can magnify the potential for loss or gain, which can impact an investment's volatility and returns.
- An investment in CNL Strategic Capital is illiquid, and no secondary market is expected to develop. Shares sold in this offering will not be listed on an exchange or quoted through a quotation system for the foreseeable future, if ever. If investors are able to sell their shares, they will likely receive less than their purchase price.
- An investment in CNL Strategic Capital does not provide investors with a direct ownership interest in the underlying businesses.
- Transferability of shares is severely limited for private placement offerings.

- Controlling interests in privately held businesses, by nature, pose certain incremental risks as compared to public companies, such as the ability to withstand financial distress.
- The businesses acquired may be unable to meet their debt and other obligations, which could negatively impact the overall value of the business.
- CNL Strategic Capital will be dependent upon earnings and cash flow from the businesses it acquires in order to generate earnings and cash flow to, first, satisfy its financial obligations and second, to make distributions to shareholders.

GENERAL NOTICES

- Broker-dealers and investment advisors are reminded that CNL Strategic Capital's communications must be accompanied or preceded by a prospectus regarding the public offering or a PPM regarding the private offering. CNL Securities and its associates cannot provide investment advice for any individual or any individual situation, and are not acting in a fiduciary capacity. Please speak with your financial advisor regarding what share class may be best for your investment strategy. Managing dealer and placement agent of CNL Strategic Capital is CNL Securities Corp., member FINRA/SIPC.
- Neither the U.S. Securities and Exchange Commission, the Attorney General of the State of New York nor any other state regulator has passed on or endorsed the merits of this offering. Any representation to the contrary is unlawful.
- Forward-looking statements are based on current expectations and may be identified by words such as *believes*, *anticipates*, *expects*, *may*, *will*, *continues*, *could*, *targeted*, and terms of similar substance, and speak only as of the date made. Actual results could differ materially due to risks and uncertainties that are beyond the offering's ability to control or accurately predict. Investors and financial advisors should not place undue reliance on any forward-looking statements.
- Please read the prospectus or PPM, including the Risk Factors section, for full details. The prospectus is available at sec.gov and cnlstrategiccapital.com, or may be obtained by calling 866-650-0650. The private offering documents are available from your financial advisor or by calling 866-650-0650. The PPM will be supplemented as the offering experiences material changes.