



CNL Strategic Capital is pleased to announce a co-investment in USA Industries, a manufacturer of industrial flow control and testing products.

Company Overview

- Founded in 1982 and headquartered in Houston, TX
- Serving refinery / petrochemical, chemical, and industrial end markets



Transaction Details

CNL Strategic Capital's total invested capital alongside Levine Leichtman Capital Partners VII, L.P.

\$5M

Key Acquisition Attributes

Durable and growing business model that we believe:

- Reflects strong historical revenue growth, supported in part by its long-tenured and diverse customer base.
- Is well positioned to benefit from the anticipated product demand associated with required maintenance, repairs and operational needs within the end markets which USA Industries serves.
- Has potential competitive advantages in speed of delivery, customer service and customization through USA Industries' large number of products in its portfolio combined with its in-house engineering expertise.

Opportunity

Potential future growth opportunities include:

- Geographic expansion
- New product development
- Strategic M&A to further bolster the company's scale and presence

All data as of Dec. 11, 2025 (the acquisition date), unless otherwise noted.

This is not an offer to sell nor a solicitation of an offer to purchase CNL Strategic Capital. Only the prospectus makes such an offer. This material should be read in conjunction with the prospectus in order to fully understand the objectives, risks and charges associated with an investment.

Information subject to change. Businesses acquired may be subject to losses, which negatively impact the portfolio and shareholder returns. There is no assurance the stated objectives will be met.

Please read the prospectus, 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.

RISK FACTORS

- **Offering Risk.** 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 your investment. CNL Strategic Capital's offering is on a best-efforts basis. There is no guarantee that CNL Strategic Capital will raise additional funds; therefore, it may not be able to acquire targeted assets, which reduces diversification and increases the potential of volatility.
- **Investment Objective Risk.** There is no assurance the investment strategy or objectives of CNL Strategic Capital will be achieved. Inability to invest the net offering proceeds on acceptable terms, consistent with the business strategy and within the time frame contemplated by the offering may exist. CNL Strategic Capital may face risks with respect to the evaluation and management of future acquisitions.
- **Undue Reliance on Managers or Past Performance.** CNL Strategic Capital Management, LLC is acting as the manager. The sub-manager is Levine Leichtman Strategic Capital, LLC, an affiliate of Levine Leichtman Capital Partners, LLC (LLCP). Each managing entity is an investment adviser registered with the U.S. Securities and Exchange Commission. Investors should not rely on the past performance of the managers and their respective affiliates as an indication of future performance. CNL Strategic Capital is a different investment vehicle with fees and risks dissimilar to the managers' other funds and this is the first time the managers have partnered together.
- **Conflicts of Interest Risk.** CNL Strategic Capital's managers and their respective affiliates face conflicts of interest, including those that result from compensation arrangements and allocations of business opportunities. See the prospectus for details. CNL Strategic Capital pays substantial fees and expenses to the manager, the sub-manager, the managing dealer or their respective affiliates. These payments increase the risk that investors will not earn a profit on their investment. In certain cases, CNL Strategic Capital will invest alongside the sub-manager, its affiliates and third parties. 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. CNL Strategic Capital will not purchase these businesses unless a majority of the independent directors determines the transaction is fair and reasonable.
- **Inability to make Distributions Risk.** Distributions are not guaranteed in frequency or amount. Distributions paid are not solely based upon performance. Distributions may be funded from multiple sources, including, but not limited to, offering proceeds, borrowings, net investment income and expense waivers. Distributions that are not derived from net income produced by performance may not be sustainable and may dilute investors. Subject to certain conditions being met, CNL Strategic Capital is obligated to repay expense support to the managers over several years, which will reduce future income available for distributions.
- **Use of Leverage Risk.** CNL Strategic Capital's strategy is to use leverage in an amount not to exceed 35% of its gross assets; however, CNL Strategic Capital may exceed the 35% at any time, if approved by a majority of its independent directors. Separate from the fund's leverage, certain businesses in its portfolio may have third-party debt. The use of leverage and its limits is subject to change. For the most current fund leverage, please reference CNL Strategic Capital's recent SEC filings.
- **Valuation Risk.** Asset valuations will be estimates of fair value, which is calculated from CNL Strategic Capital's financial statements prepared in accordance with GAAP, and do not represent the amount an investor would receive now or at any time in the future. CNL Strategic Capital's estimate of fair value for the portfolio is inherently subjective, and the net asset value (NAV) may not accurately reflect the actual price at

which its assets could be liquidated. The realized value of shares will be dependent upon market conditions that are beyond anyone's ability to control or predict.

- **Liquidity Risk.** An investment in CNL Strategic Capital is illiquid. 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 may receive less than their purchase price. The share repurchase program has numerous restrictions and offers redemptions up to 2.5% of CNL Strategic Capital's aggregate NAV per calendar quarter and up to 10% of the aggregate NAV for the prior four quarters. The board of directors may suspend or modify the program at any time.
- **Past performance is not indicative of future results.**
- An investment in CNL Strategic Capital does not provide investors with a direct ownership interest in the underlying businesses. Controlling interests in privately held businesses, by nature, pose certain incremental risks as compared to public companies, including less access to capital, reduced financial reporting transparency and fewer regulations, which could impact the complex business valuations.
- 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.
- This is not an offer to sell nor a solicitation of an offer to purchase the securities described herein. Only the prospectus makes such an offer. This material should be read in conjunction with the prospectus in order to fully understand the investment objectives, risks and charges associated with an investment.
- This offering is not suitable for everyone; investors are expected to meet the minimum financial suitability standards. CNL Strategic Capital is not a short-term investment.
- CNL Strategic Capital, LLC is a direct participation program, taxed as a partnership.
- Managing dealer of CNL Strategic Capital is CNL Securities Corp., member FINRA/SIPC. CNL Securities and its associates cannot provide investment advice for any individual or any individual situation and are not acting in a fiduciary capacity. Contact your financial professional to learn more about CNL product offerings and how they may complement and help diversify your portfolio. Investments should be chosen based on your individual objectives, risk tolerance and goals.
- 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 professionals should not place undue reliance on any forward-looking statements. CNL Strategic Capital undertakes no obligation to publicly update or revise any forward-looking statements.