



CNL Strategic Capital is pleased to announce the acquisition of MAP Retirement (MAP), a third-party administrator of retirement plans serving small and midsize businesses across all 50 states.

Company Overview



- Founded in 1993 and headquartered in Appleton, WI
- 30+ years of experience
- MAP provides plan design and implementation, plan administration, compliance, fiduciary services and customized support
- Currently supports approximately 3,700 plans and 200,000 participants

Transaction Details

CNL Strategic Capital Total Invested Capital

\$29.5M

Key Acquisition Attributes

Durable and Growing Business Model

- CNL Strategic Capital believes that MAP provides resilient, non-discretionary services to a large industry
- Between Dec. 31, 2014, through Dec. 31, 2023, MAP has achieved a compound annual revenue growth rate of approximately 19.2% primarily driven by growth in customer count and revenue per plan¹

Attractive Financial Profile

- The potential for high recurring revenue
- Strong EBITDA margins
- High free cash flow conversion

Opportunity

Potential future growth opportunities include:

- Growth of customer retirement plan and associated participants.
- Enhanced cross-sell opportunities across a broader customer base
- Expansion of regional and national sales and marketing efforts as the scale of the business develops
- Continued acquisition of strategic targets with new, complementary products/services

All data as of acquisition date, July 18, 2024 unless otherwise noted.

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

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

¹ Represents historical financial information prior to acquisition and should not be viewed as current or future performance for this acquired business or CNL Strategic Capital as the future is uncertain. The increase of revenues does not guarantee an increase in profit.

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 sufficient 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. 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. 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 are subject to change.
- **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.
 - 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.
- 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 unique 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.