



**MONROE
CAPITAL**

MONROE CAPITAL

EXPERIENCE. SECURITY. CONSISTENCY

October 27, 2021



WELCOME

TED KOENIG, PRESIDENT & CHIEF EXECUTIVE OFFICER



MONROE CAPITAL

**18 YEAR TRACK
RECORD**
OF SUCCESSFULLY
DELIVERING
ATTRACTIVE RETURNS

25.0%+
**CASH-ON-CASH
RETURNS PER ANNUM**
IN OUR CLO DURING
THE CRISIS PERIOD OF
2008-2009¹⁻³

9.6%
**GROSS UNLEVERED
RETURNS SINCE
INCEPTION¹⁻³**

BROAD AND
EXTENSIVE NETWORK:
**PRIVATE EQUITY
SPONSORS, REGIONAL
BANKS, INVESTMENT
BANKS AND ADVISORS**

**UN PRI, UN GLOBAL
COMPACT, ILPA
DIVERSITY IN ACTION
SIGNATORIES**

FIRM OVERVIEW AND UPDATE

FOUNDED IN 2004, MONROE CAPITAL LLC (“MONROE”) PROVIDES PRIVATE CREDIT SOLUTIONS TO BORROWERS IN THE U.S. AND CANADA; MONROE SPECIALIZES IN FINANCING COMPANIES WITH LESS THAN \$35 MILLION OF EBITDA.

- Monroe Capital Management Advisors, LLC, an affiliate of Monroe Capital LLC, is a SEC-registered investment adviser with \$10.3 billion of committed and managed capital (as of July 1, 2021)

HEADQUARTERED IN CHICAGO, MONROE HAS GROWN TO A TEAM OF APPROXIMATELY 150 EMPLOYEES WITH 75 INVESTMENT PROFESSIONALS THAT ARE FOCUSED ON DEAL SOURCING AND UNDERWRITING

- Monroe’s senior management averages over 25 years of experience
- Seven additional offices in Atlanta, Boston, Los Angeles, Naples, New York, San Francisco and Seoul

DIFFERENTIATED ORIENTATION PLATFORM

- Senior origination employees located in four offices in the U.S.
- Deep industry relationships with regional banks, private equity sponsors, investment banks, joint venture partners, intermediaries and service providers
- Reputation for timely, efficient and seamless deal execution

DISCIPLINED UNDERWRITING STANDARDS WITH A 18 YEAR TRACK RECORD IN DIRECT LENDING / PRIVATE CREDIT

- “Credit First – Zero Loss” Mentality – strong underwriting infrastructure with turnaround and restructuring experience
- Focus on downside and principal protection has led to an 9.6% GROSS unlevered returns on Monroe Capital’s 495 directly originated loan transactions¹⁻³

DIVERSIFIED PRIVATE CREDIT PLATFORM FOR INSTITUTIONAL AND RETAIL INVESTORS

- Institutional Direct Lending and Opportunistic Private Credit Closed-End Fund Vehicles
- Retail Focused Private Credit Fund Vehicles
- Collateralized Loan Obligations (“CLOs”)
- Public and Unlisted Business Development Company (“BDC”)
- Institutional Separate Managed Accounts (“SMAs”)
- Rated Note Structures – Commingled Feeders and SMAs

1. Prior investment performance is not indicative of or a guarantee of future results. Please see important disclaimers at the back of this presentation.

2. Investments include all directly originated loans held by all of Monroe’s funds for the period from January 2004 through June 30, 2021. The returns of this selected group of investments are provided for illustrative purposes only, and do not reflect the returns of all investments made by the predecessor firm and the referenced Monroe advised funds, which returns may be materially different from the returns of this selected group.








3. The gross investment performance referenced above is presented on a gross unlevered basis before the effects of leverage, management fees, “carried interest” or incentive fees, taxes, and other fund expenses to which an investor in a Fund would be subject. Any future investor’s return will be reduced by the advisory fees and other expenses that such investor may incur as a client of Monroe Capital Management Advisors, LLC. All such advisory fees of Monroe Capital Management Advisors, LLC are described in Part 2A of its Form ADV.



“THERE IS MORE PRICING POWER AND BETTER STRUCTURES AND MORE LENDER COVENANT PROTECTIONS IN THE LOWER PART OF THE MID-MARKET BECAUSE IT’S FAR MORE FRAGMENTED AND LESS EFFICIENT.”

- TED KOENIG, CEO

Award winning firm

 <p>Creditflux An Acuris company</p>	<p>2021, 2020, 2019, AND 2018 Best U.S. Direct Lending Fund by Creditflux⁵</p>
 <p>PENSION BRIDGE</p>	<p>2020 Private Credit Strategy of the Year by Pension Bridge⁷</p>
 <p>THE M&A ATLAS AWARDS AMERICAS Middle Markets</p>	<p>2021 Middle Markets Lender of the Year, U.S.A. by Global M&A Network⁴ 2020 Mid Markets Lender of the Year in the Americas by Global M&A Network⁴ 2019, 2018, 2017, 2016, 2015, 2014 AND 2013 Small Middle Markets Lender of the Year in the Americas by Global M&A Network⁴</p>
 <p>Private Debt Investor AWARDS 2020</p>	<p>2020 Lender of the Year by Private Debt Investor¹ 2020, 2018, 2017, 2016, AND 2015 Lower Mid-Market Lender of the Year in the Americas by Private Debt Investor¹ 2020 CLO Manager of the Year by Private Debt Investor¹ 2014 Senior Lender of the Year in the Americas by Private Debt Investor¹ 2013 Unitranche Lender of the Year in the Americas by Private Debt Investor¹</p>
 <p>MERGERS & ACQUISITIONS</p>	<p>2018 Lender of the Year by Mergers & Acquisitions⁶</p>
 <p>2016 THE M&A ADVISOR AWARD WINNER</p>	<p>2016 Lender Firm of the Year by The M&A Advisor²</p>
 <p>SBA U.S. Small Business Administration</p>	<p>2015 Small Business Investment Company (SBIC) of the Year by U.S. Small Business Administration³</p>

1. These awards are determined annually through a PDI reader poll and aim to recognize the contributions of industry participants to the development of the private debt asset class. Winners were selected by eligible voters among the private debt, private equity and institutional investor communities. For additional information, please visit: <https://www.privatedebtinvestor.com>.

2. This award is based on the firm's notable transactions, expertise, track record, team leadership and client service. Monroe Capital's nomination for this award is not indicative of the future performance of any Monroe managed fund. For additional information, please visit: www.maadvisor.com.

3. The SBIC of the Year award is based on the fund's overall performance and demonstrated commitment to supporting the growth and expansion of small businesses. Monroe Capital's nomination for this award is not indicative of the future performance of any Monroe managed fund. For additional information regarding this award, please visit: <https://www.sbia.org>.

4. The Small Middle and Middle Markets Lender of the Year Awards, in the Americas and U.S.A., is based on the firm's notable transactions, expertise, track record, team leadership and client service. For purposes of these awards, a Small Middle and Mid-Markets Lender is a lender in the middle market to lower market segments qualified per sweet spot range on EBITDA average between \$5 to 100 million. Monroe Capital's nomination for this award is not indicative of the future performance of any Monroe managed fund. For additional information regarding these awards, please visit: <https://globalmanetwork.com>.

5. These direct lending awards are calculated based on several criteria including a combination of net IRR, leverage calculations, and capital deployed. This award is based solely on detailed, data driven metrics. For additional information, please visit <http://creditflux.com/>.

6. This award is based on the firm's growth, volume of loans and their significance, innovation, thought leadership and influence on the M&A industry. For additional information, please visit: <https://www.themidmarket.com>.

7. This award is based on the fund's overall performance and the firm's expertise, growth, track record, team leadership, ESG strategy and client service.



MONROE CAPITAL

U.S. MIDDLE MARKET ESTIMATED AT 200,000 COMPANIES

U.S. MIDDLE MARKET, \$6.0T, IS EQUIVALENT TO THE WORLD'S 3RD LARGEST ECONOMY⁶

MIDDLE MARKET LOANS HAVE LOWER DEFAULTS AND HIGHER RECOVERIES

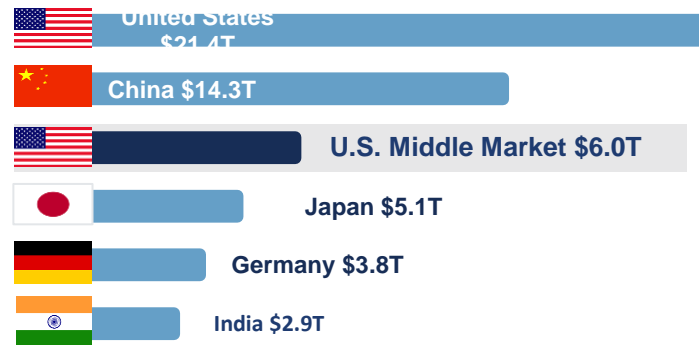
CUSTOMIZED COVENANT AND DEFAULT PROVISIONS TAILORED TO SUIT INDIVIDUAL BORROWERS

CONSERVATIVE STRUCTURE OF MIDDLE MARKET LOANS, TYPICALLY LOWER MULTIPLES AND LOAN-TO-VALUE

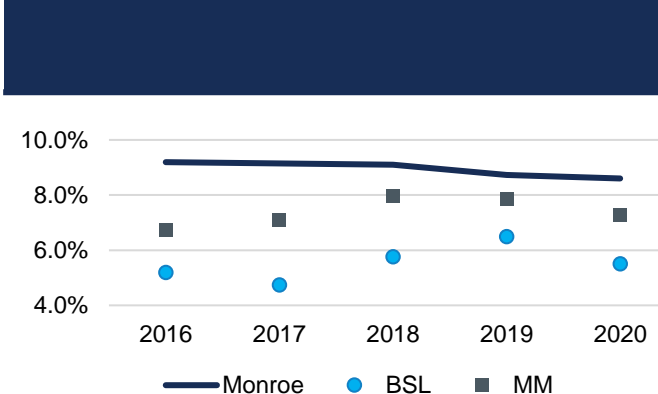
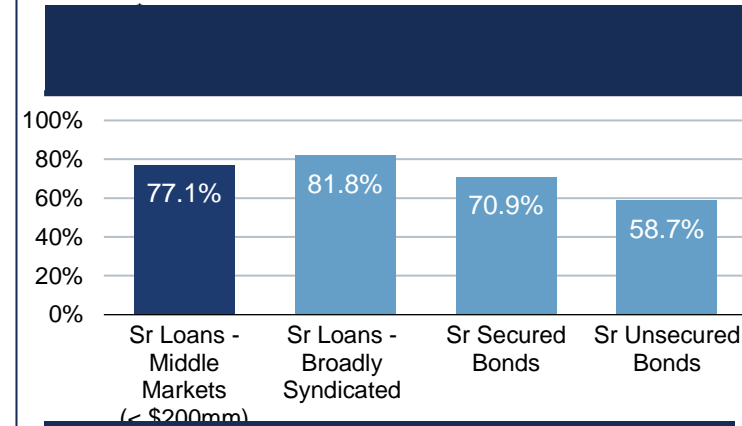
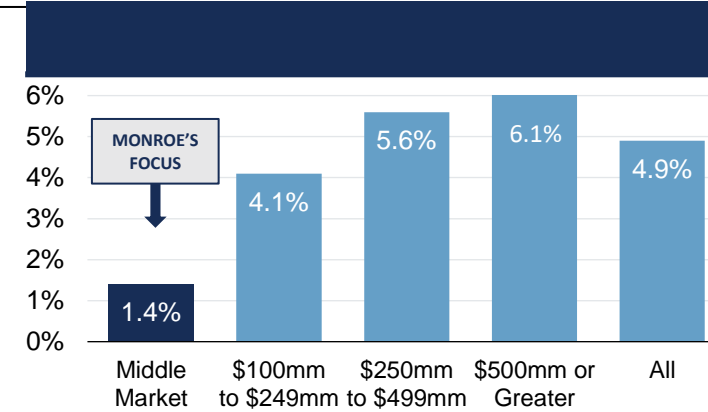
MIDDLE MARKET OPPORTUNITY SET

THE U.S. MIDDLE MARKET, DEFINED AS COMPANIES WITH ANNUAL REVENUES BETWEEN \$10 MILLION AND \$1 BILLION, IS EQUIVALENT IN SIZE TO THE WORLD'S 3RD LARGEST ECONOMY AT \$6.0 TRILLION^{1,2,6,7}

- There are nearly **200,000 companies** with an **estimated \$500BN of outstanding debt** that make up this group
- These companies are owned by families, entrepreneurs, private equity sponsors and occasionally, public shareholders
- These companies manufacture, distribute, or otherwise provide a necessary product or service filling an important market niche
- They generate approximately **one third of the private sector GDP** and **employ approximately 48 million people**
- These businesses outperformed through the financial crisis by adding **2.2 million jobs** across major industry sectors
- As of Q4 2020, the rate of year-over-year revenue growth for middle market companies was -1.2% and the middle market anticipates 2.0% growth in the next 12 months
- Middle Market firms **contribute nearly \$6.0 trillion to the national economy annually**



1. National Center for the Middle Market, Q4'20 Middle Market Indicator
 2. The World Bank, 2019 GDP
 3. S&P LCD, Default Review Q4 20
 4. S&P LCD 1987-Q4 20
 5. Refinitiv LPC, an offering of S&P Global Market Intelligence. Middle Market by Deal Size Category Data 4Q20. Yield consists of average LIBOR or Floor during the year plus spread plus OID annualized over a three-year period.
 6. State of the Middle Market 2020, Umpqua Bank & DHM, December 2019
 7. Refinitiv LPC's 4Q20 Middle Market Sponsored Private Deal Analysis



TOP 10 PREDICTIONS FOR 2022

- 1. U.S. ECONOMIC RECOVERY IS WELL UNDERWAY (Q2 GDP – 6.5% ANNUALIZED GROWTH RATE)**
- 2. PENT UP CONSUMER DEMAND WILL DRIVE U.S. ECONOMY IN THE NEAR TERM**
- 3. U.S. STOCK MARKET VALUATIONS REMAIN AT ALL TIME HIGHS AND WILL GO HIGHER
(CAVEATS – COVID AND POLITICS)**
- 4. SUPPLY CHAIN AND EMPLOYMENT CHALLENGES WILL CONSTRAIN CONTINUED ECONOMIC EXPANSION**
- 5. INFLATION RISK IS REAL AND UNDERESTIMATED – INTEREST RATES WILL RISE, SLOWLY AND
MARGINALLY**
- 6. PE DRY POWDER AND LEVERAGE FINANCE LIQUIDITY WILL DRIVE MIDDLE MARKET M&A,
RECAPS/DIVIDENDS AND PUBLIC TO PRIVATE TRANSACTIONS**
- 7. ECONOMIC STIMULUS AND TAX POLICY WILL IMPACT M&A AND MIDDLE MARKET ACTIVITY**
- 8. RECORD TRANSFERS OF GENERATIONAL WEALTH IS COMING—IT WILL AFFECT M&A AND HOW PEOPLE
INVEST**
- 9. WHAT IS HOT – HEALTHCARE, BUSINESS SERVICES/SOFTWARE, TECHNOLOGY**
WHAT IS NOT HOT – TEXTILES/APPAREL, PAPER/PACKAGING, LEISURE/ENTERTAINMENT
- 10. COVID?!**

DISCLAIMER NOTICE

No person has been authorized to make any statement concerning the Funds or any other entity managed by the Company other than as set forth herein, and any such statements, if made, may not be relied upon. An investment in Company managed funds carries certain risks, including without limitation the risk of loss of principal, lack of liquidity, limited transferability, use of leverage and market disruptions, as will be further described in the Offering Documents, and is suitable only for qualified investors that fully understand the risks of such investments. The information contained herein does not take into account the particular investment objectives or financial circumstances of any specific person who may receive such information.

This material is provided to you for informational purposes only. This is neither an offer to sell nor a solicitation of any offer to buy any securities in any fund managed by Monroe Capital (the "Company" or "Monroe"). Any offering is made only pursuant to the relevant offering documents and the relevant subscription application (collectively, the "Offering Documents"), all of which must be read in their entirety. The information contained herein will be superseded by, and is qualified in its entirety by reference to, the Offering Documents, which will contain information about the investment objectives, terms and conditions of any such fund and will also contain tax information and risk disclosures that are important to any investment decision regarding any such fund. No offer to purchase securities will be made or accepted prior to receipt by the prospective purchaser of these documents and the completion of all appropriate documentation. This document is not an advertisement and is not intended for public use or distribution. 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 purpose, nor may it be disclosed, without prior written consent of the Company. Notwithstanding anything to the contrary herein, each investor (and each employee, representative, or other agent of each such investor) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of (i) any such fund and (ii) any of its transactions, including any materials (including tax analyses) provided to the investor relating to such tax treatment and tax structure. Unless otherwise indicated herein, all information is current as at the date of this presentation.

The targeted performance contained herein is provided for illustrative purposes only and is not intended to serve as, and must not be relied upon by any person as, a guaranty, an assurance, a prediction of a definitive statement of fact or a probability. Actual events and circumstances are difficult or impossible to determine and may differ from assumptions. No representation or warranty is made as to the reasonableness of the assumptions made with respect to determining the targeted performance or that all assumptions used in determining the targeted performance have been stated or fully considered. Such targeted performance was not prepared with a view towards public disclosure or compliance with any published guidelines. Actual performance and realized returns will depend on, among other factors, future operating results, the value of the assets and market conditions at the time of disposition, legal and contractual restrictions, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions on which the targeted valuations used in any performance data contained herein are based. The actual performance and realized returns of any entity or transaction described herein may differ materially from the targeted returns. As a sophisticated investor, you accept and agree to use such information only for the purpose of discussing with the Company your preliminary interest in investing in Monroe products.

Returns herein are presented on a gross of fees basis by investment. Such returns would be reduced by certain fees and expenses, including Monroe's management fee, as is more fully describe in the applicable Private Fund's confidential private offering memorandum, partnership agreement/memorandum or articles of association (as applicable), and Monroe's Form ADV Part 2A. As an example, an investor with an initial \$10,000.00 investment on January 1, 2018, earning a recurring 1.25% quarterly gross return (5.00% annualized), and paying a 0.38% quarterly management fee (1.50% annual fee) would have grown to \$12,820.37 on a gross of fees basis and \$11,903.40 on a net of fees basis by December 31, 2022 (5 years).

The prior performance of certain Company managed funds set forth herein is provided for illustrative purposes only and may be based on unaudited, preliminary information and subject to change (including as a result of the realization of unrealized investments). Such performance is presented on a net basis and reflects the (i) impact of fees and expenses borne by investors in the referenced Company managed funds and (ii) reinvestment of earnings. Please refer to the Offering Documents for Monroe products for a description of the fees and expenses that will be applicable to investors in Monroe products. Such prior investment performance is not necessarily indicative of Monroe products' future investment results. There can be no assurance that Monroe products will achieve comparable results or be able to avoid losses. In addition, there can be no assurance that investments with an unrealized value will be realized at the valuations shown, as actual realized returns will depend on, among other factors, future operating results, 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 assumptions on which valuations contained herein are based.

CIRCULAR 230 NOTICE:

TO ENSURE COMPLIANCE WITH TREASURY DEPARTMENT CIRCULAR 230, YOU ARE HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF FEDERAL TAX ISSUES IN THIS DOCUMENT IS NOT INTENDED OR WRITTEN

TO BE RELIED UPON, AND CANNOT BE RELIED UPON, FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON YOU UNDER THE INTERNAL REVENUE CODE; (B) SUCH DISCUSSION IS INCLUDED HEREIN IN CONNECTION WITH THE PROMOTION OR MARKETING (WITHIN THE MEANING OF CIRCULAR 230) BY THE COMPANY OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) YOU SHOULD SEEK ADVICE BASED ON YOUR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

The information contained herein may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that reflect the current views of the Company with respect to, among other things, future events and financial performance. We generally identify forward-looking statements by the terminology such as "outlook," "believe," "expect," "potential," "continue," "may," "will," "should," "could," "seek," "approximately," "predict," "intend," "plan," "estimate," "anticipate," "opportunity," "comfortable," "assume," "remain," "maintain," "sustain," "achieve," "see," "think," "position" or the negative version of those words or other comparable words. Any forward-looking statements contained in this presentation are based upon historical information and on the Company's current plans, estimates and expectations. The inclusion of this or other forward-looking information should not be regarded as a representation by the Company or any other person that the future plans, estimates or expectations contemplated by the Company will be achieved. We caution that forward-looking statements are subject to numerous assumptions, estimates, risks and uncertainties, including but not limited to global economic, business and market geopolitical conditions; U.S. and foreign regulatory developments relating to, among other things, financial institutions and markets, government oversight and taxation; the conditions impacting the private investment industry; the Company's ability to successfully compete for fund investors, professional talent and investment opportunities; the Company's successful formulation and execution of its business and growth strategies; the Company's ability to appropriately manage conflicts of interest, and tax and other regulatory factors relevant to the Company's business; as well as assumptions relating to the Company's operations, financial results, financial condition, business prospects, growth strategy and liquidity. If one or more of these or other risks or uncertainties materialize, or if the Company's assumptions or estimates prove to be incorrect, the Company's actual results may vary materially from those indicated in these statements. These factors are not and should not be construed as exhaustive and should be read in conjunction with the other cautionary statements and risks. Any forward-looking statements contained in this presentation are made only as of the date of this presentation. The Company does not undertake to update any forward-looking statement, whether as a result of new information, future developments or otherwise. Prior returns and performance contained in these materials are not necessarily indicative of future results and all investments are subject to risk of loss.

The reference to Monroe Capital Management Advisors, LLC as an SEC-registered investment adviser does not imply a certain level of skill or training.

Third Party Recognitions and Rankings

From time to time, Monroe Capital Management Advisors, LLC, Monroe Capital, LLC and their affiliates (collectively, "Monroe Capital") may be recognized or ranked by independent third-party rating services or publications, summaries of which may be included [in this presentation / on our website]. Such recognitions or rankings are generally based on information prepared or submitted by the recognized advisory firm, and are usually limited only to those advisory firms who choose to participate in such surveys. Any third-party recognition or ranking that may be included [in this presentation / on our website] should not be construed as a guarantee that any client or prospective client will experience any specific level of investment performance or receive any specific level of customer service, as a result of such recognition or ranking. Furthermore, any such recognition or ranking should not be construed as an endorsement by any of Monroe Capital's clients. As such, clients and prospective clients should not put undue reliance on any of these statements.

Monroe Funds utilized for Track Record returns in this report: Monroe Capital Partners Fund LP; Monroe Capital Partners Fund II, LP; Monroe Capital Corporation; Monroe Capital Senior Secured Direct Loan Fund LP; Monroe Capital Private Credit Fund II LP; Monroe Capital Private Credit Fund III LP; Monroe FCM Direct Loan Fund LP; Monroe Private Credit Fund A LP; Monroe Capital Private Credit Fund I LP; Monroe Capital Fund SCSp SICAV-RAIF - Private Credit Fund (Marsupial); Monroe Capital Private Credit Fund VT LP; MC Funding Ltd. The selection criteria for track record is generally as follows: (i) senior and secured private loan investments; (ii) investments originated, agented, underwritten and structured by the partners of Monroe; (iii) club transactions with a small number of co-lending partners versus broadly syndicated transactions and/or (iv) directly originated opportunistic investments. The returns of this selected group of investments are provided for illustrative purposes only, and do not reflect the returns of all investments made by the predecessor firm and the referenced Monroe advised funds, which returns may be materially different from the returns of this selected group.