



# Flowstone Opportunity Fund

## Private Equity Secondaries – Case Studies

May 2026

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# Important Information

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**The Shares are speculative and illiquid securities involving substantial risk of loss. An investment in the Fund is appropriate only for those investors who do not require a liquid investment, for whom an investment in the Fund does not constitute a complete investment program, and who fully understand and can assume the risks of an investment in the Fund.** Investors should carefully review and consider potential risks before investing. The Fund has been organized as a non-diversified, closed-end management investment company and designed primarily for long-term investors. An investor should not invest in the Fund if the investor needs a liquid investment. The Fund could experience fluctuations in its performance due to several factors. As a result of these factors, results for any previous period should not be relied upon as being indicative of performance in future periods.

The Fund Investments may include low grade or unrated debt securities ("high yield" or "junk" bonds or leveraged loans) or investments in securities of distressed companies. Such investments involve substantial, highly significant risks. The Fund may invest in mezzanine debt instruments, which are expected to be unsecured and made in companies with capital structures having significant indebtedness ranking ahead of the investments, all or a significant portion of which may be secured. The Portfolio Fund Managers and (subject to applicable law) the Fund may employ leverage through borrowings or derivative instruments and are likely to directly or indirectly acquire interests in companies with highly leveraged capital structures. The Fund and Portfolio Fund Managers may use derivatives and the use of derivative instruments for hedging or speculative purposes by the Fund or the Portfolio Fund Managers could present significant risks, including the risk of losses in excess of the amounts invested. The overall performance of the Fund's secondary investments will depend in large part on the acquisition price paid, which may be negotiated based on incomplete or imperfect information. Secondary investments may also incur contingent liability risk and syndicate risk. Potential lack of diversification and resulting higher risk due to concentration of allocation authority when a single adviser is utilized. The Adviser does not control the investments or operations of the Portfolio Funds. For a complete discussion of risks please review the prospectus carefully.

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# Case Study – Project Envy

## Transaction summary

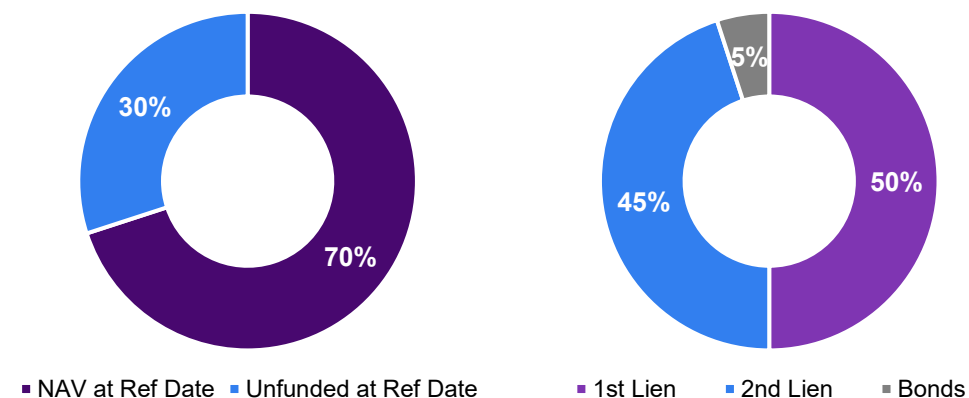
Project Envy is a secondary purchase of a diversified portfolio of credit positions in sponsor-backed middle market companies (average company EBITDA ~\$130mm). The GP was established in 2008 and operates as the credit platform for a high quality, continuous private equity platform with >\$15B AUM.

<b>Transaction Overview</b>	<ul style="list-style-type: none"> <li>Strip sale of assets from the PE manager's balance sheet; \$450mm total transaction size</li> <li>Traditional secondary purchase via commitment to an acquisition vehicle; ~70% of transaction capital used for portfolio acquisition, ~30% used for follow-on and future new investments.</li> <li>Diversified credit portfolio with balanced exposure to various industry sectors.</li> <li>67 positions with a maximum individual position size of only 3.0% (of total NAV).</li> </ul>
<b>Seller Objective</b>	<ul style="list-style-type: none"> <li>Transaction provided the GP with third-party capital, allowing for continued platform expansion.</li> <li>Sought a strategic, experienced partner with a long-term perspective and potential for future transactions.</li> </ul>
<b>Investment Highlights</b>	<ul style="list-style-type: none"> <li>Since inception in 2008, the GP has generated strong risk-adjusted returns, investing ~\$5.0B with no defaults and a cumulative loss ratio of 0.33%.</li> <li>The portfolio has a 9.0% cash yield which reduces investment risk and provides strong visibility on near-term cash flows.</li> <li>The GP and PE manager invested \$125mm in the transaction, helping ensure aligned incentives.</li> <li>The GP benefits from the systematic sharing of insight, knowledge, idea generation &amp; deal sourcing thanks to its strategic relationship with the PE platform.</li> </ul>

## Transaction snapshot

<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	\$7.5m
<b>Purchase price</b>	\$5.3m
<b>Purchase price / par value (at close)</b>	95.5%
<b># of underlying Funds</b>	1
<b># of underlying positions</b>	67
<b>Sourcing</b>	Syndicate
<b>Reference Date</b>	NA
<b>Closing Date</b>	October 31, 2019

## Portfolio Overview



# Case Study – Project Grid

## Transaction summary

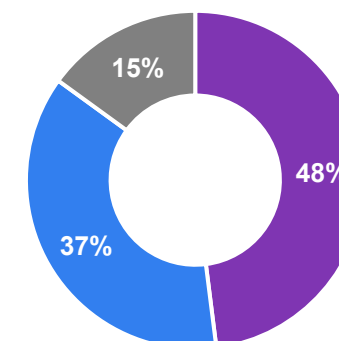
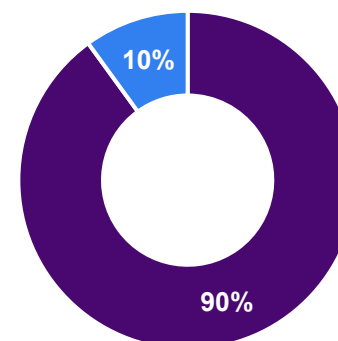
Project Grid is a traditional secondary purchase where FlowStone acquired 15 fund interests, representing a diversified portfolio of 50+ companies with the majority of value in less cyclical industries including healthcare and IT. By leveraging deep relationships with the intermediary, the seller, and the underlying General Partners, FlowStone was able to provide an “end of life” solution while seeking to generate an attractive return for FlowStone investors.

<b>Transaction Overview</b>	<ul style="list-style-type: none"> <li>Secondary purchase of a diversified portfolio of 15 mature buyout, growth and venture funds with more than 50 remaining underlying portfolio positions.</li> </ul>
<b>Seller Objective</b>	<ul style="list-style-type: none"> <li>The Seller was a US-based private markets manager looking to proactively wind-down two older Fund-of-Funds (“FoFs”) programs by selling the underlying portfolios.</li> <li>The remaining net asset value (“NAV”) in the FoFs was small when compared to the already realized value. As a result, the Seller’s price sensitivity was low.</li> <li>The Seller’s main priority was certainty around the buyer’s ability to transfer all assets under a compressed timeline.</li> </ul>
<b>Investment Highlights</b>	<ul style="list-style-type: none"> <li>Several mature assets in less-cyclical industries with meaningful revenues &amp; EBITDA and attractive operational growth metrics.</li> <li>The transaction closed nine months after the reference date, allowing FlowStone to capture additional valuation appreciation across the underlying portfolio.</li> <li>Due to the maturity of the underlying funds, the portfolio is highly cash generative with over 10% of reference NAV already distributed before closing.</li> </ul>

## Transaction snapshot

<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	\$15.3m
<b>Purchase price</b>	\$10.3m
<b>Purchase price / par value (at close)</b>	74.9%
<b># of underlying Funds</b>	15
<b># of underlying positions</b>	50+
<b>Sourcing</b>	Intermediary
<b>Reference Date</b>	March 31, 2019
<b>Closing Date</b>	December 31, 2019

## Portfolio Overview



■ NAV at Ref Date ■ Unfunded at Ref Date

■ Buyout ■ Venture ■ Growth

# Case Study – Project Fin

## Transaction summary

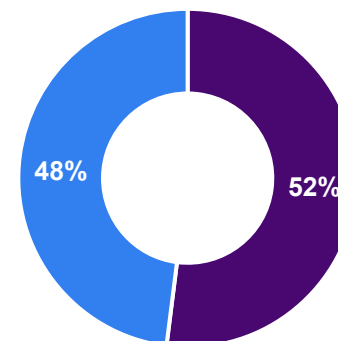
Project Fin is the secondary acquisition of a defaulting limited partner’s commitment to Fin Venture Capital’s (“FVC”) Fund I, a 2018 vintage vehicle focused on investments in the FinTech space. This investment opportunity offered FlowStone the ability to invest in high growth assets below the fund’s original investment cost basis, while still benefitting from the value appreciation that had already occurred during FVC’s ownership. While the fund is focused on early-stage investments, most of the fund’s asset value (72%) is linked to two well-capitalized category leaders with compelling business models and fast-growing end-markets.

<b>Transaction Overview</b>	<ul style="list-style-type: none"> <li>Secondary acquisition of a defaulting LPs interest in Fin Venture Capital Fund I, a portfolio comprised of 12 FinTech assets.</li> </ul>
<b>Seller Objective</b>	<ul style="list-style-type: none"> <li>Due to financial hardship, the original LP defaulted on its original commitment to FVC Fund I.</li> <li>Per the FVC Fund I Limited Partnership Agreement, the GP seized the commitment following the LP’s default and was looking to place it with new LPs.</li> <li>New LPs paid in all outstanding capital calls of the defaulting LP in return for the respective capital account value.</li> </ul>
<b>Investment Highlights</b>	<ul style="list-style-type: none"> <li>High visibility into the portfolio, with 12 of the 14-15 platform investments having already been completed, allowing for detailed diligence while limiting the blind pool risk.</li> <li>The majority of the fund’s asset value is linked to well-capitalized and highly visible portfolio companies that materially mitigated the write-off risk, typically associated with early-stage investing, across the portfolio.</li> <li>Purchase price significantly below the fund’s original investment cost basis, mitigating the potential for capital loss.</li> </ul>

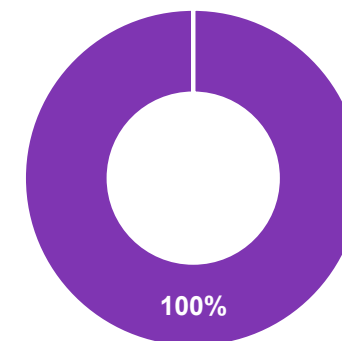
## Transaction snapshot

<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	\$5.0m
<b>Purchase price</b>	\$1.2m
<b>Purchase price / par value (at close)</b>	45.0%
<b># of underlying Funds</b>	1
<b># of underlying positions</b>	12
<b>Sourcing</b>	Intermediary
<b>Reference Date</b>	March 31, 2020
<b>Closing Date</b>	June 30, 2020

## Portfolio Overview



■ NAV at Ref Date ■ Unfunded at Ref Date



■ Venture

# Case Study – Project AMP

## Transaction summary

Project AMP CF entails a commitment to a newly formed continuation vehicle to be managed by a single GP, with whom FlowStone is an existing LP. This new fund structure was setup to acquire a portfolio of medical device companies held across the manager's portfolio. The crossover holdings were rolled into a newly formed vehicle, with two distinct share classes, setup for a select group of existing LP's and new investors, respectively. Given our relationship with the GP and status as an existing LP (due to a prior portfolio deal), Flowstone was presented with the opportunity to roll our exposure and commit capital to a portfolio comprised of attractive medical device and medical technology assets. These three well-performing, high conviction assets will be managed by top tier executive teams and an established, Fund Manager.

**Transaction Overview**

- Structured secondary transaction through a newly formed continuation vehicle that offers exposure to three well-performing assets managed by an institutional, high-conviction manager. FlowStone believes in the quality and resiliency of the underlying asset base and the ability of the GP to manage the portfolio moving forward.

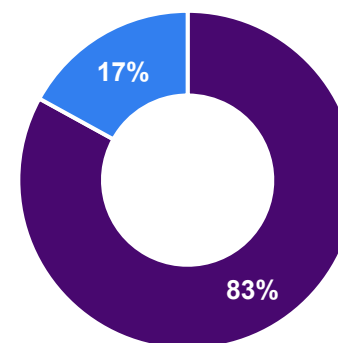
**Investment Highlights**

- Through its initial commitment to a legacy fund managed by the GP, FSOF was amongst a select group of investors provided with the ability to participate in the transaction, offering access to a high-quality GP that has delivered strong returns for investors across multiple economic cycles and fund vintages (2006, 2011, and 2014).
- High visibility into additional valuation appreciation, including organic growth initiatives and accretive M&A opportunities, industry trends that could impact future performance, and potential exit scenarios for each of the assets
- No blind pool risk given the purpose of the continuation vehicle and limited unfunded capital that had been earmarked for follow-ons
- Exposure to companies that have proved resilient across multiple economic cycles and operating environments. The top exposure (representing ~88% of transaction NAV), is represented by an asset in which the manager has expressed a high degree of conviction. This exposure represents an outsized portion of the GP's overall investment portfolio, thus aligning incentives and interests with the GP.

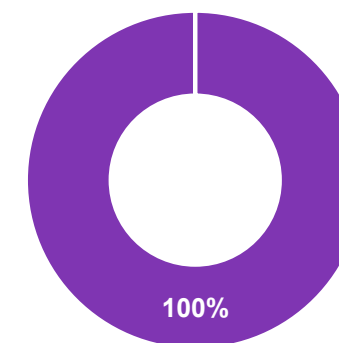
## Transaction snapshot

<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	\$6.0m
<b>Purchase price</b>	\$6.0m
<b>Purchase price / par value (at close)</b>	100.0%
<b># of underlying Funds</b>	1
<b># of underlying positions</b>	3
<b>Sourcing</b>	Proprietary
<b>Reference Date</b>	September 30, 2020
<b>Closing Date</b>	December 31, 2020

## Portfolio Overview



■ NAV at Ref Date ■ Unfunded at Ref Date



■ Buyout

# Case Study – Project Boston College

## Transaction summary

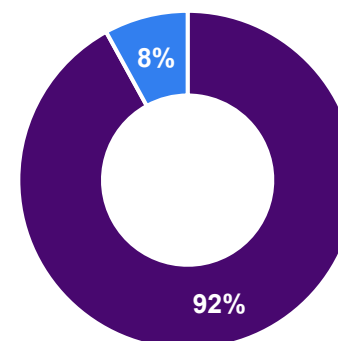
Project Boston College is a traditional secondary investment in which FlowStone acquired an institutional sellers' interest in BC European Capital IX, L.P., an established, high-quality manager. The remaining assets in the portfolio include thirteen companies in diversified industries, including healthcare, technology, and pet services. FlowStone gained exposure to mature buyout assets which had generally demonstrated resiliency to the broader COVID impact on economic growth.

<b>Transaction Overview</b>	<ul style="list-style-type: none"> <li>Secondary purchase of an interest in BC European Partners IX, a 2011 vintage buyout fund with 13 assets spread across a variety of sectors and geographies; predominantly North America and Western Europe.</li> </ul>
<b>Seller Objective</b>	<ul style="list-style-type: none"> <li>The seller was a large US-based institution seeking to rebalance their portfolio while reducing the number of private equity relationships they manage.</li> </ul>
<b>Investment Highlights</b>	<ul style="list-style-type: none"> <li>Access to a high-quality GP that has delivered strong returns for investors across multiple economic cycles.</li> <li>Strong visibility into additional valuation appreciation from the reference date 6/30 through close.</li> <li>No blind pool risk given the fund vintage year and corresponding limited unfunded amount.</li> <li>Exposure to companies that proved fairly COVID resistant on a blended basis and, in some instances, benefitted from macro tail-winds and changing consumer behavior patterns that may persist.</li> <li>The entry discount combined with the portfolio uplift seeks to provide near-term downside management in the event of unexpected, adverse portfolio moves.</li> </ul>

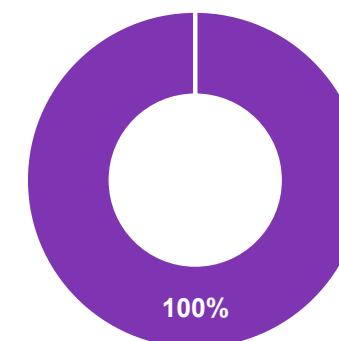
## Transaction snapshot

<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	€16.0m
<b>Purchase price</b>	€9.2m
<b>Purchase price / par value (at close)</b>	61.1%
<b># of underlying Funds</b>	1
<b># of underlying positions</b>	13
<b>Sourcing</b>	Intermediary
<b>Reference Date</b>	June 30, 2020
<b>Closing Date</b>	December 31, 2020

## Portfolio Overview



■ NAV at Ref Date ■ Unfunded at Ref Date



■ Buyout

# Case Study – Project Senator

## Transaction summary

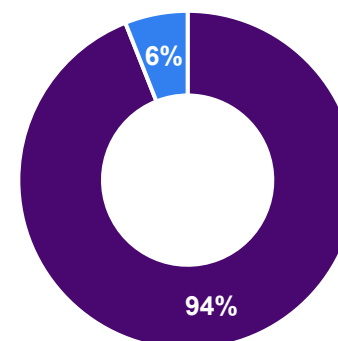
Project Senator is a traditional secondary investment where FlowStone acquired a seller's interest in Reverence Capital Opportunities Fund I, L.P. Reverence Capital ("Reverence") is a private investment firm founded in 2013 that focuses on investments in the Financial Services sector. The Reverence management team has deep experience in the Financial Services sector, having spent extended time at Goldman Sachs and General Atlantic before launching Reverence.

<b>Transaction Overview</b>	<ul style="list-style-type: none"> <li>Secondary purchase of an LP interest in Reverence Capital Opportunities Fund I, L.P, which provides exposure to seven underlying portfolio companies all of which are based in North America.</li> </ul>
<b>Seller Objective</b>	<ul style="list-style-type: none"> <li>The seller is the foundation of a high-net-worth individual who is a personal friend of the Firm's founder.</li> <li>The individual was seeking liquidity on an expedited basis to fund an investment by his Foundation into a COVID-relief fund.</li> </ul>
<b>Investment Highlights</b>	<ul style="list-style-type: none"> <li>Opportunity represents a true secondary as the fund stands 88% drawn as of the reference date. Additionally, based upon the entry discount FSOF is paying, the transaction has the potential for a meaningful write-up at close, seeking to provide a high degree of protection against capital loss in the near term.</li> <li>Exposure to high quality, inflection assets, which still benefit from potential value creation initiatives, helping to drive transaction returns.</li> <li>FlowStone's ability to close the transaction on an expedited timeline allowed us to negotiate a below market price for the asset.</li> </ul>

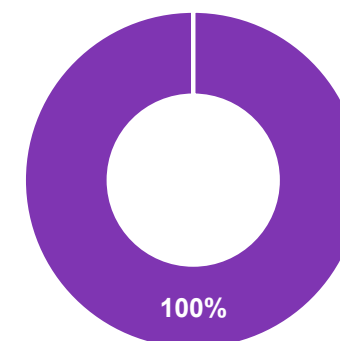
## Transaction snapshot

<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	\$2.0m
<b>Purchase price</b>	\$1.4m
<b>Purchase price / par value (at close)</b>	73.4%
<b># of underlying Funds</b>	1
<b># of underlying positions</b>	7
<b>Sourcing</b>	Intermediary
<b>Reference Date</b>	June 30, 2020
<b>Closing Date</b>	December 31, 2020

## Portfolio Overview



■ NAV at Ref Date ■ Unfunded at Ref Date



■ Buyout

# Case Study – Project Colonial

## Transaction summary

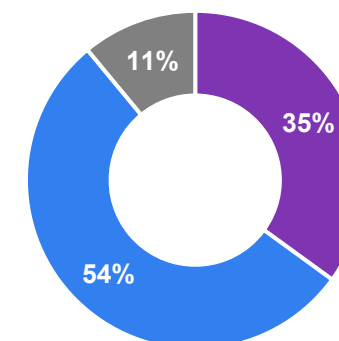
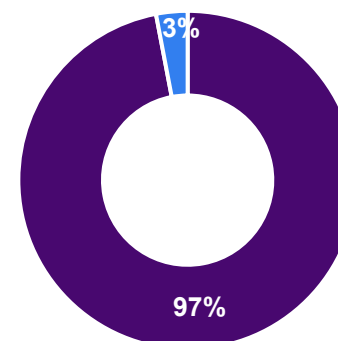
Project Colonial is a secondary purchase of a portfolio where FlowStone acquired 6 fund interests, representing a diversified portfolio of 30+ companies with the bulk of the exposure tied to less cyclical industries and COVID-19 resilient industries including Pharma / Biotech, Healthcare Devices, Healthcare Technology, and Consumer Durables. Through leveraging a deep and long-standing relationship with the intermediary, FlowStone was able to provide a single-solution portfolio bid to the seller, which in turn afforded FSOF the ability to gain exposure to mature buyout / VC interests with a mix of near-term liquidity and room for future value creation across the portfolio.

<b>Transaction Overview</b>	<ul style="list-style-type: none"> <li>Secondary purchase of a diversified portfolio of 6 mature venture, buyout, and growth Funds with more than 30+ remaining underlying portfolio positions</li> </ul>
<b>Seller Objective</b>	<ul style="list-style-type: none"> <li>The Seller was a US-based private markets manager looking to wind-down three of its legacy investment vehicles by selling three separate portfolio, consisting of 7, 6, and 3, collective Fund Interests, respectively.</li> <li>The remaining net asset value (“NAV”) in the portfolio of interest was relatively small when compared realized value across the portfolio since inception. Given the remaining value and the objective to wind down each vehicle before the end of the year, the Seller’s price sensitivity was relatively low for a portfolio of this quality.</li> <li>The Seller’s main priority was certainty around the buyer’s ability to transfer all assets under a compressed timeline, allowing for a year end close.</li> </ul>
<b>Investment Highlights</b>	<ul style="list-style-type: none"> <li>Exposure to a diversified portfolio consisting of Buyout &amp; Seasoned Venture Assets, which included exposure to investment grade managers.</li> <li>The transaction closed six months after the reference date, allowing FlowStone to capture additional valuation appreciation across the underlying portfolio. Additionally, the portfolio is highly cash generative with over 20% of reference NAV already distributed before closing.</li> </ul>

## Transaction snapshot

<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	\$20.9m
<b>Purchase price</b>	\$17.3m
<b>Purchase price / par value (at close)</b>	85.0%
<b># of underlying Funds</b>	6
<b># of underlying positions</b>	30+
<b>Sourcing</b>	Intermediary
<b>Reference Date</b>	June 30, 2020
<b>Closing Date</b>	December 31, 2020

## Portfolio Overview



■ NAV at Ref Date ■ Unfunded at Ref Date ■ Buyout ■ Venture ■ Growth

# Case Study – Project Machine

## Transaction summary

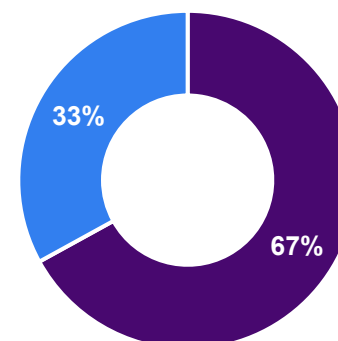
Project Machine is a spin-out of the US team of Kennet Partners (“Kennet”), a lower middle market firm based in the UK. The US team was seeking to fully capitalize on their domestic market and thus amicably agreed with Kennet to spin-out the US team and the corresponding US-based portfolio companies. The new firm is named Savant Growth (“Savant”). Savant entered into exclusivity with a syndicate of secondary investors to capitalize Savant Growth Fund I (“Fund I”). The capital was used to: (i) acquire the equity interests of the 6 US-based portfolio companies from Kennet managed vehicles; and (ii) provide unfunded capital for follow-on investments and management fees.

<b>Transaction Overview</b>	<ul style="list-style-type: none"> <li>Spin-out of the US team of Kennet Partners, which established Savant Growth and Fund I. The transaction provided the FSOF with exposure to 6 high growth software companies, all serving varying end markets.</li> </ul>
<b>Seller Objective</b>	<ul style="list-style-type: none"> <li>Strategic objective of establishing the Savant Growth Franchise, allowing the US team to deploy more capital in North America.</li> </ul>
<b>Investment Highlights</b>	<ul style="list-style-type: none"> <li>Exposure to high growth SaaS businesses, which seek to disrupt legacy industries that have relied on skilled labor to deliver products and services.</li> <li>In looking at the portfolios’ value progression, 3/31/20 appears to be a valuation trough, limiting concerns around potential future value deterioration stemming from COVID headwinds.</li> <li>The entry discount, coupled with the portfolio uplift from the reference date to close, should provide for an attractive write-up and seeks to provide downside management.</li> <li>Highly attractive underlying securities, including preferred/participating preferred equity, which may provide additional downside management.</li> </ul>

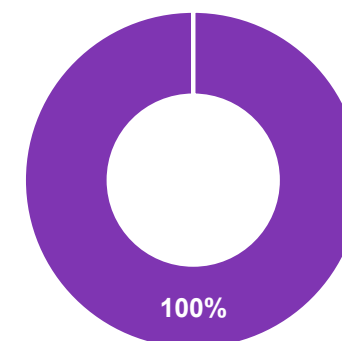
## Transaction snapshot

<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	\$2.6m
<b>Purchase price</b>	\$1.4m
<b>Purchase price / par value (at close)</b>	73.6%
<b># of underlying Funds</b>	1
<b># of underlying positions</b>	6
<b>Sourcing</b>	Intermediary
<b>Reference Date</b>	March 31, 2020
<b>Closing Date</b>	March 31, 2021

## Portfolio Overview



■ NAV at Ref Date ■ Unfunded at Ref Date



■ Buyout

# Case Study – Project TZP

## Transaction summary

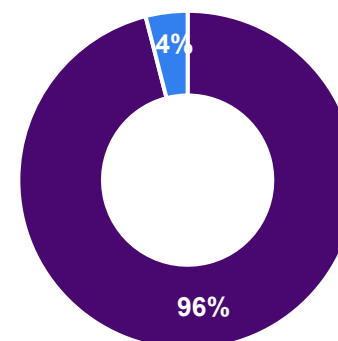
Project TZP is a traditional secondary investment in which FlowStone acquired a high-net-worth individuals' ("HNWI") interest in three separate TZP funds: TZP Small Cap (\$176mm, 2014 vintage), TZP Fund I (\$177mm, 2008 vintage), and TZP Fund II (\$370mm, 2014 vintage). TZP Group ("TZP") is a New York-based firm that focuses on lower middle market buyouts in the Business Services, Consumer Services, and Consumer Products sub-sectors. The firm was founded in 2007 and manages +\$1bn in capital commitments.

<b>Transaction Overview</b>	<ul style="list-style-type: none"> <li>Secondary purchase of LP interests in three separate TZP funds, which provide exposure to 19 underlying portfolio companies that display attractive sector diversification.</li> </ul>
<b>Seller Objective</b>	<ul style="list-style-type: none"> <li>The HNWI has been a close friend of TZP's founder and had supported numerous TZP vehicles over the past several years; however, as the TZP franchise has grown, the seller's commitments have become a small portion of TZP's capital base and presented an administrative burden for the HNWI.</li> <li>The seller raised this with TZP's founder, who then connected FlowStone with the seller.</li> </ul>
<b>Investment Highlights</b>	<ul style="list-style-type: none"> <li>The entry discount, combined with the portfolio uplift from the reference date to close, may provide near-term downside protection.</li> <li>Exposure to high quality, inflection-point assets, which may benefit from ongoing value creation initiatives, helping to drive transaction returns.</li> <li>No blind pool risk given the fund vintage years and corresponding limited unfunded amount.</li> <li>Opportunity to transact with a motivated seller whose core focus was generating liquidity, not maximizing price, which allowed for attractive pricing that yielded an attractive write-up at close.</li> </ul>

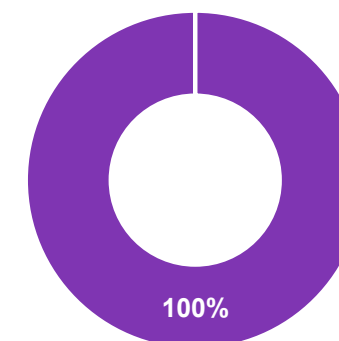
## Transaction snapshot

<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	\$933k
<b>Purchase price</b>	\$668k
<b>Purchase price / par value (at close)</b>	74.1%
<b># of underlying Funds</b>	3
<b># of underlying positions</b>	19
<b>Sourcing</b>	Proprietary
<b>Reference Date</b>	September 30, 2020
<b>Closing Date</b>	March 31, 2021

## Portfolio Overview



■ NAV at Ref Date ■ Unfunded at Ref Date



■ Buyout

# Case Study – Project Destiny

## Transaction summary

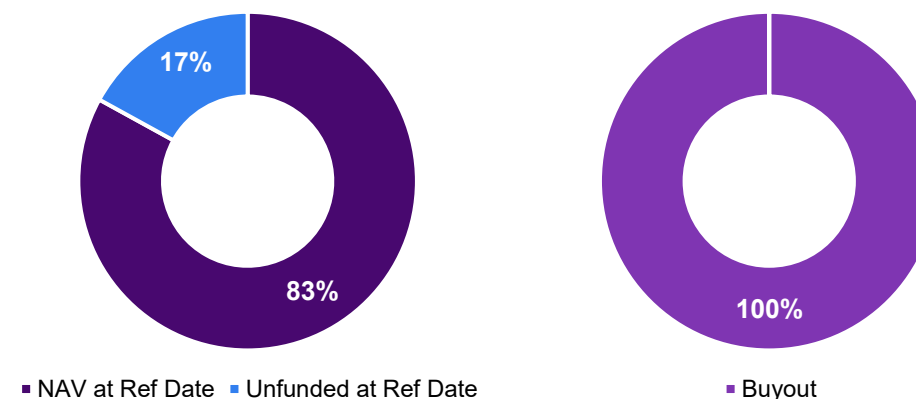
Project Destiny represents the creation of a single-asset continuation fund for a leading provider of digital security and technology infrastructure solutions (the “Company”). The Company is backed by two well-known, high performing sponsors who believe there is material upside in the Company and are pursuing Project Destiny in order to capitalize on the various value creation opportunities made available by increasing the duration of the investment and providing additional growth capital. FSOF participated in Project Destiny in a syndicate capacity alongside other prominent investors.

<b>Transaction Overview</b>	<ul style="list-style-type: none"> <li>Project Destiny establishes a single-asset continuation fund for a leading provider of high-assurance digital certificates, certificate management, and public-key infrastructure solutions, which enable authentication and encryption for web servers and Internet of Things devices.</li> </ul>
<b>Seller Objective</b>	<ul style="list-style-type: none"> <li>Project Destiny was formed to allow the sponsors and investor syndicate to maximize value in the Company by i) “resetting the duration”, giving the Company additional time to capitalize on growth initiatives and ii) provide a modest amount of follow-on capital for potential M&amp;A and other growth initiatives.</li> </ul>
<b>Investment Highlights</b>	<ul style="list-style-type: none"> <li>Exposure to a market leading software provider, which exhibits significant scale and attractive operational metrics. The business also features high barriers to entry due to complex regulatory and new entrant approval processes.</li> <li>Strong alignment of interests between the GPs and LPs. The lead sponsor contributed all its crystallized carried interest from the sale of the Company to the Continuation Fund and is also investing an additional \$50mm. Additionally, the second sponsor is rolling over ~\$600mm in the transaction.</li> <li>Experienced and high-quality management team that has a track record of driving organic growth.</li> </ul>

## Transaction snapshot

<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	\$10.0m
<b>Purchase price</b>	\$8.3m
<b>Purchase price / par value (at close)</b>	100%
<b># of underlying Funds</b>	1
<b># of underlying positions</b>	1
<b>Sourcing</b>	Intermediary
<b>Reference Date</b>	March 31, 2021
<b>Closing Date</b>	June 30, 2021

## Portfolio Overview



# Case Study – Project Waterfall

## Transaction summary

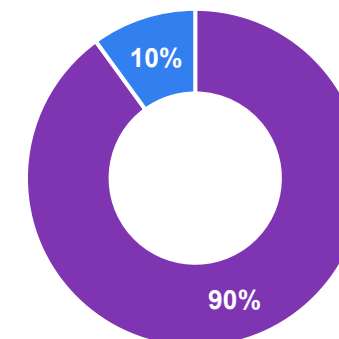
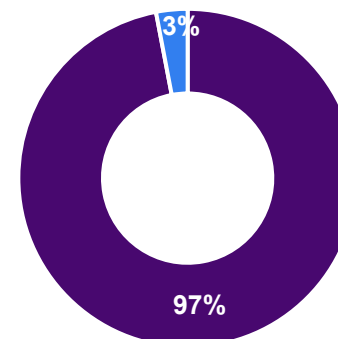
Project Waterfall is a transaction in which FlowStone partnered with a secondary buyer and other investors to acquire a €386mm diversified LP portfolio. The portfolio consists of 98 underlying funds (~90% buyout funds) and provides diversified exposure across key metrics including industry sector, geography and vintage year.

<b>Transaction Overview</b>	<ul style="list-style-type: none"> <li>Project Waterfall provides exposure to 98 underlying funds, the vast majority of which are buyout focused with assets based in North America and Europe. The portfolio is highly diversified and has a weighted average vintage of 2008.</li> </ul>
<b>Seller Objective</b>	<ul style="list-style-type: none"> <li>The seller in this transaction was seeking to wind down an older investment vehicle, as well as raise additional capital for their newest investment vehicle. The secondary transaction solved for these objectives and includes a small commitment to their new fund.</li> </ul>
<b>Investment Highlights</b>	<ul style="list-style-type: none"> <li>Highly cash generative portfolio as referenced by the post reference date distributions, which help to de-risk the transaction relatively quickly.</li> <li>Limited remaining unfunded capital, mitigating blind pool risk.</li> <li>Exposure to a highly diversified asset pool, consisting of 98 funds, 62 GPs, and 11 underlying sectors. The largest individual company exposure accounted for only 3.7% of transaction level NAV.</li> <li>Strong operational performance observed across the portfolio.</li> <li>The transaction closed nine months after the reference date, providing operational visibility and allowing FlowStone to realize additional valuation appreciation across the underlying portfolio.</li> </ul>

## Transaction snapshot

<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	€20m
<b>Purchase price</b>	€17m
<b>Purchase price / par value (at close)</b>	~85.0%
<b># of underlying Funds</b>	98
<b># of underlying positions</b>	400+
<b>Sourcing</b>	Intermediary
<b>Reference Date</b>	September 30, 2020
<b>Closing Date</b>	June 30, 2021

## Portfolio Overview



■ NAV at Ref Date ■ Unfunded at Ref Date

■ Buyout ■ Venture / Growth

# Case Study – Project Orange

## Transaction summary

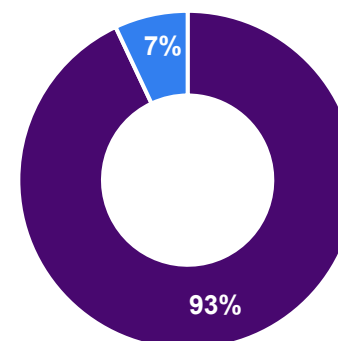
Project Orange is a traditional secondary purchase of 14 LP fund interests with the underlying portfolios comprising of 150+ remaining companies across a variety of different sectors. By leveraging its longstanding relationship with the seller and several of the underlying GPs, FlowStone was able to provide a full portfolio solution, while seeking to generate attractive returns for FlowStone investors.

<b>Transaction Overview</b>	<ul style="list-style-type: none"> <li>FlowStone was invited to participate in the auction of Project Orange, the wind-down of two credit-focused Fund-of-Funds (“FoF”) vehicles. Based on the size and relative quality, FlowStone elected to pursue one of the two vehicles, which offered exposure to 14 credit funds that had a weighted average vintage of 2008. The underlying investments were diversified not only by industry, but also security type. The portfolio had a debt to equity security mix of approximately 30:70.</li> </ul>
<b>Seller Objective</b>	<ul style="list-style-type: none"> <li>The seller is an EU-based private markets manager looking to proactively wind-down two older FoF programs by selling the underlying portfolios.</li> <li>The remaining net asset value in the FoF was small when compared to the already realized value. As a result, the seller’s price sensitivity was low.</li> </ul>
<b>Investment Highlights</b>	<ul style="list-style-type: none"> <li>Due to the maturity of the underlying funds, the portfolio is highly cash generative with over 20% of reference NAV distributed before closing.</li> <li>The transaction closed six months after the reference date, allowing FlowStone to capture additional value appreciation across the underlying portfolio.</li> <li>Low public market exposure, limiting concerns around public market valuation volatility.</li> <li>Headline discount should allow for an optically attractive write-up at close and seeks to provide capital preservation in the near-term.</li> </ul>

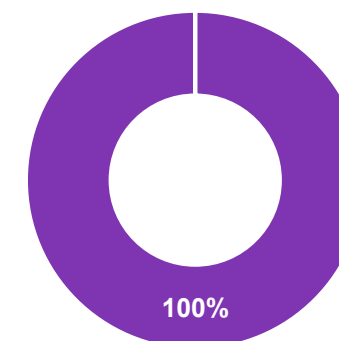
## Transaction snapshot

<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	\$60.0m
<b>Purchase price</b>	\$28.0m
<b>Purchase price / par value (at close)</b>	~87.0%
<b># of underlying Funds</b>	14
<b># of underlying positions</b>	150+
<b>Sourcing</b>	Intermediary
<b>Reference Date</b>	December 31, 2020
<b>Closing Date</b>	June 30, 2021

## Portfolio Overview



■ NAV at Ref Date ■ Unfunded at Ref Date



■ Credit

# Case Study – Project Stew

## Transaction summary

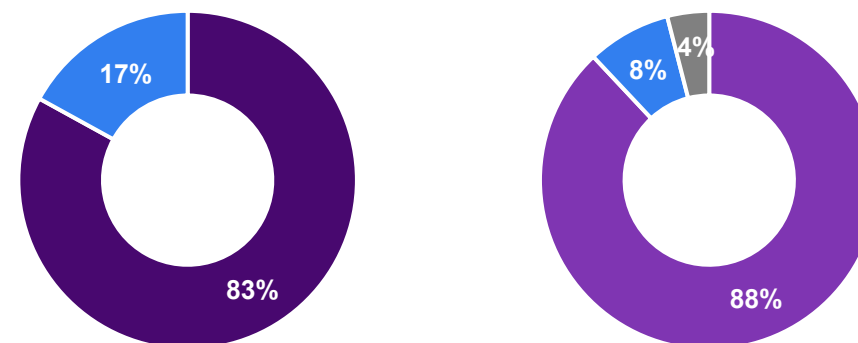
Project Stew is a traditional secondary purchase of 6 LP fund interests, representing a variety of different underlying strategies and geographies. The transaction provides exposure to more than 100 underlying portfolio companies, the majority of which are buyout focused assets based in North America; however, Project Stew also provided exposure to Credit and Fund-of-Funds (“FoF”) strategies, as well as exposure to Western Europe and Rest of World, creating a highly diversified transaction by strategy, geography, and sector.

<b>Transaction Overview</b>	<ul style="list-style-type: none"> <li>Project Stew is a traditional secondary investment involving 6 LP fund interests with a weighted average vintage of 2016.</li> </ul>
<b>Seller Objective</b>	<ul style="list-style-type: none"> <li>The seller is a high-net-worth individual who had stopped allocating to the private equity asset class and thus was seeking to proactively wind down their remaining private equity exposure.</li> <li>A clear priority of the seller was working with a buyer who could provide a “full portfolio solution”.</li> <li>According to the involved intermediary, FlowStone was the only party approved by all underlying fund managers.</li> </ul>
<b>Investment Highlights</b>	<ul style="list-style-type: none"> <li>Exposure to on-the-run portfolios managed by some of the highest quality fund managers.</li> <li>Strong visibility into additional valuation appreciation from the reference date 12/31 through close.</li> <li>FlowStone being the only interested buyer able to provide the Seller with a full portfolio solution, allowed us to price the transaction below ‘market’ levels.</li> </ul>

## Transaction snapshot

<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	\$10.8m
<b>Purchase price</b>	\$7.2m
<b>Purchase price / par value (at close)</b>	75.0%
<b># of underlying Funds</b>	6
<b># of underlying positions</b>	100+
<b>Sourcing</b>	Intermediary
<b>Reference Date</b>	December 31, 2020
<b>Closing Date</b>	June 30, 2021

## Portfolio Overview



■ NAV at Ref Date ■ Unfunded at Ref Date ■ Buyout ■ Credit ■ Fund-of-Funds

# Case Study – Project Sonic

## Transaction summary

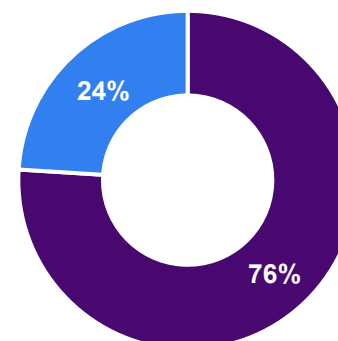
Project Sonic is a traditional secondary purchase of seven buyout and credit-focused limited partnership fund interests. The remaining 50+ underlying portfolio companies are primarily buyout assets and are highly diversified across sectors; specifically Industrial, Defense, Consumer Discretionary and Financial. The majority of businesses are based in North America.

<b>Transaction Overview</b>	<ul style="list-style-type: none"> <li>Project Sonic was a traditional secondary investment involving seven LP fund interests with a weighted average vintage of 2011.</li> </ul>
<b>Seller Objective</b>	<ul style="list-style-type: none"> <li>The seller was a corporate pension plan seeking to wind down a mature private equity Fund of Funds vehicle.</li> <li>The seller was price sensitive. FSOF offered an overall attractive price by excluding lower-quality lines from our proposal.</li> <li>The fund interests FSOF did not pursue included infrastructure assets and funds focused on the APAC region.</li> </ul>
<b>Investment Highlights</b>	<ul style="list-style-type: none"> <li>Transaction provided exposure to attractive underlying assets managed by investment grade fund managers across a variety of sectors.</li> <li>Limited remaining unfunded capital, mitigating blind pool risk.</li> <li>Entry discount coupled with post reference date distribution activity may provide near-term downside protection and an immediate write-up at close.</li> <li>Opportunity to gain exposure to fund managers who have historically exhibited attractive returns across multiple economic cycles and in multiple industries.</li> </ul>

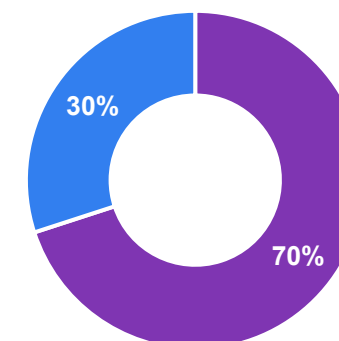
## Transaction snapshot

<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	\$9.5m
<b>Purchase price</b>	\$3.8m
<b>Purchase price / par value (at close)</b>	82.3%
<b># of underlying Funds</b>	7
<b># of underlying positions</b>	50+
<b>Sourcing</b>	Intermediary
<b>Reference Date</b>	March 31, 2021
<b>Closing Date</b>	September 30, 2021

## Portfolio Overview



■ NAV at Ref Date ■ Unfunded at Ref Date



■ Buyout ■ Credit

# Case Study – Project Prometheus

## Transaction summary

Project Prometheus represents a single-asset continuation fund around a leading provider of contingent workforce management solutions (the “Company”). The Company is backed by two well-known fund managers who believe there is material future upside in the Company based on various near-term value creation opportunities. FSOF participated in Project Prometheus as part of a syndicate of prominent investors.

**Transaction Overview**

- Project Prometheus was a single-asset continuation fund created around a leading provider of software-based contingent workforce management solutions, helping Fortune 1000 companies gain insight into, better manage, and reduce their contingent workforce spend.

**Seller Objective**

- Project Prometheus was formed to give company management additional time to capitalize on various value creation opportunities while simultaneously providing certain existing investors in the Company with an option to monetize their ownership.

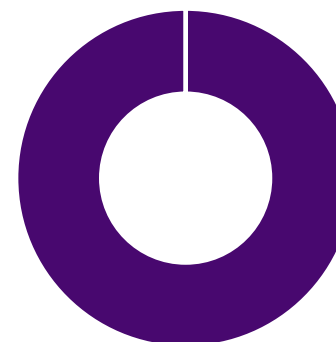
**Investment Highlights**

- Exposure to a leading contingent workforce management provider with significant scale and an attractive financial profile, marked by a high degree of recurring revenue, high retention rates, robust EBITDA margins, and negative net working capital.
- Tail-winds for the contingent workforce market stemming from a fundamental shift in the employment market, accelerated by the global pandemic.
- Strong alignment of incentives between the GPs, LPs, and company management.

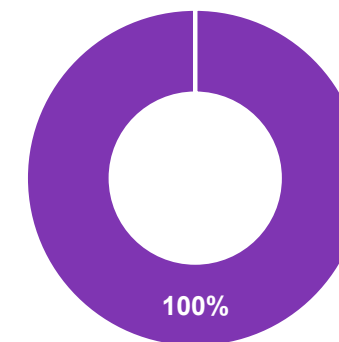
## Transaction snapshot

<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	\$7.5m
<b>Purchase price</b>	\$7.5m
<b>Purchase price / par value (at close)</b>	100.0%
<b># of underlying Funds</b>	1
<b># of underlying positions</b>	1
<b>Sourcing</b>	Intermediary
<b>Reference Date</b>	June 30, 2021
<b>Closing Date</b>	September 30, 2021

## Portfolio Overview



■ NAV at Ref Date



■ Buyout

# Case Study – Project Barrel

## Transaction summary

Project Barrel is a traditional secondary purchase of 24 partnership interests across a variety of strategies including buyout, venture, fund-of-funds, and co-Investments. The majority of the Net Asset Value is concentrated in buyout fund interests. The transaction provides exposure to over 200 underlying portfolio companies operating in a variety of sectors including healthcare, information technology, consumer discretionary, and industrial. Project Barrel provides exposure predominantly to North American assets, as well as Western Europe.

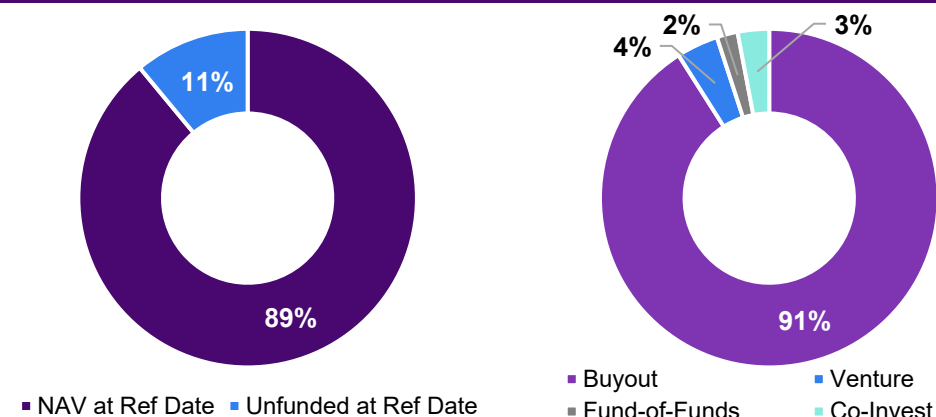
<b>Transaction Overview</b>	<ul style="list-style-type: none"> <li>Project Barrel is a traditional secondary investment involving 22 fund interests and two co-investments, with a weighted-average vintage of 2013.</li> </ul>
<b>Seller Objective</b>	<ul style="list-style-type: none"> <li>The seller is a Swiss-based private bank and asset manager seeking to wind down one of their fund-of-fund products.</li> <li>The seller is highly focused on a full portfolio solution given the desire to wind down the fund-of-fund product and seeks a buyer that would underwrite the entire transaction.</li> </ul>
<b>Investment Highlights</b>	<ul style="list-style-type: none"> <li>The transaction provides exposure to attractive underlying assets managed by investment grade fund managers across a variety of sectors.</li> <li>The remaining portfolio includes several assets acquired over the last 3-4 years, leaving meaningful room for potential value appreciation until exit</li> <li>Limited remaining unfunded capital, mitigating blind pool risk.</li> <li>Complementary exposure relative to previous transactions the FSOF had completed.</li> <li>Opportunity to gain exposure to fund managers who have historically exhibited attractive returns across multiple economic cycles and in multiple industries.</li> </ul>

\*Representative of fund interests that transferred at 12/31 versus 1/1 or later in Q1

## Transaction snapshot

<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	\$48.4m
<b>Purchase price</b>	\$41.2m
<b>Purchase price / par value (at close)</b>	97.3%
<b># of underlying Funds</b>	22
<b># of underlying positions</b>	200+
<b>Sourcing</b>	Intermediary
<b>Reference Date</b>	June 30, 2021
<b>Closing Date</b>	December 31, 2021

## Portfolio Overview

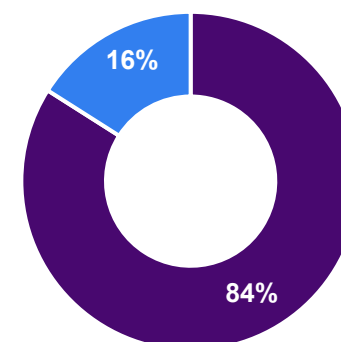


# Case Study – Project Playthrough

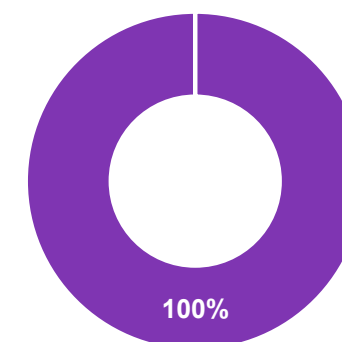
Transaction summary	
<p>Project Playthrough entails the creation of a single-asset continuation fund around a leading provider of mission critical replacement parts to the foodservice industry (the “Company”). The Company is backed by two well-known, investment-grade fund managers who believe there is material upside potential in the Company driven by various near-term value creation opportunities. FSOF participates in Project Playthrough as a member of an investor syndicate.</p>	
<b>Transaction Overview</b>	<ul style="list-style-type: none"> <li>Project Playthrough is a single-asset continuation fund created around a leading provider of mission critical replacement parts to the foodservice industry and other select markets through high-tech, customer-focused distribution capabilities.</li> </ul>
<b>Seller Objective</b>	<ul style="list-style-type: none"> <li>Project Playthrough provides company management additional time to capitalize on various value creation opportunities while simultaneously providing certain existing investors in the company with an option to monetize their ownership.</li> <li>The Project Playthrough structure allows for the existing fund manager to maintain full control of the investment throughout the term of the continuation fund. In addition, the manager’s most recent fund also invested in the transaction, obtaining exposure to the Company.</li> </ul>
<b>Investment Highlights</b>	<ul style="list-style-type: none"> <li>Attractive financial profile based on strong revenue and EBITDA growth, high free cash flow conversion and margins.</li> <li>Large, diverse, blue-chip customer base and exclusive OEM relationships, which lead to increased customer wins and high retention rates.</li> <li>Strong alignment of incentives between the GP, LPs, and Company management.</li> <li>International expansion opportunity stemming from a sizable add-on acquisition.</li> </ul>

Transaction snapshot	
<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	\$7.4m
<b>Purchase price</b>	\$6.3m
<b>Purchase price / par value (at close)</b>	102%
<b># of underlying Funds</b>	1
<b># of underlying positions</b>	1
<b>Sourcing</b>	Intermediary
<b>Reference Date</b>	June 30, 2021
<b>Closing Date</b>	December 31, 2021

## Portfolio Overview



■ NAV at Ref Date ■ Unfunded at Ref Date



■ Buyout

# Case Study – Project Fusion

## Transaction summary

Project Fusion entails the creation of a single-asset continuation fund around a fully integrated, life sciences commercial services company (the “Company”). The Company is backed by two well-known, investment-grade fund managers who believe there is material upside potential in the Company driven by various near-term value creation opportunities including strategic M&A. FSOF participates in Project Fusion as a syndicate member alongside other prominent investors.

<b>Transaction Overview</b>	<ul style="list-style-type: none"> <li>Project Fusion is a single-asset continuation fund created around a fully integrated, life sciences commercial services company designed to solve pricing, access, reimbursement, adherence, and product delivery challenges.</li> </ul>
<b>Seller Objective</b>	<ul style="list-style-type: none"> <li>Project Fusion provides Company management additional time to capitalize on various value creation opportunities while simultaneously providing certain existing investors in the Company with an option to monetize their ownership.</li> <li>The Project Fusion structure allows for the existing fund manager to maintain full control of the investment throughout the term of the continuation fund and provides unfunded capital to pursue a sizable, near-term acquisition target.</li> </ul>
<b>Investment Highlights</b>	<ul style="list-style-type: none"> <li>The Company’s customer base is blue-chip and diversified, with minimal customer concentration and high retention and satisfaction rates.</li> <li>Attractive competitive dynamics stemming from increased scale and breadth of service offering.</li> <li>Strong alignment of incentives between the GP, LPs, and Company management.</li> <li>Launch of a new service offering, which had greatly outpaced forecasted projections since introduction.</li> <li>Opportunity to capitalize on a market shift in the commercialization pathway of drug therapies.</li> </ul>

## Transaction snapshot

<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	\$10.0m
<b>Purchase price</b>	\$8.5m
<b>Purchase price / par value (at close)</b>	100%
<b># of underlying Funds</b>	1
<b># of underlying positions</b>	1
<b>Sourcing</b>	Intermediary
<b>Reference Date</b>	June 30, 2021
<b>Closing Date</b>	December 31, 2021

## Portfolio Overview



■ NAV at Ref Date ■ Unfunded at Ref Date

■ Buyout

# Case Study – Project Sierra

## Transaction summary

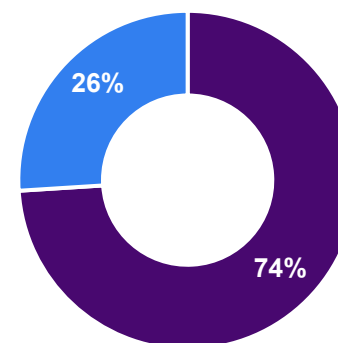
Project Sierra entails the creation of a single-asset continuation fund around a leading global provider of healthcare governance, risk management, and compliance software (the “Company”). The Company is backed by two well-known, investment-grade fund managers who believe there is significant upside in the Company when capitalizing on various near-term value creation opportunities. FSOF participates in Project Sierra as syndicate member alongside other prominent investors.

<b>Transaction Overview</b>	<ul style="list-style-type: none"> <li>Project Sierra is a single-asset continuation fund created around a leading global provider of healthcare governance, risk management, and compliance software for healthcare providers and payers with proprietary technology, a strong value proposition, and a powerful organic growth model.</li> </ul>
<b>Seller Objective</b>	<ul style="list-style-type: none"> <li>Project Sierra allows the sponsors and investor syndicate to maximize value in the Company by i) “resetting the duration”, giving the Company additional time to capitalize on growth initiatives and ii) providing a modest amount of follow-on capital for potential M&amp;A and other growth initiatives.</li> <li>The transaction provides certain existing investors in the Company with an option to monetize their ownership.</li> </ul>
<b>Investment Highlights</b>	<ul style="list-style-type: none"> <li>Attractive financial profile as evidenced by the recurring revenue model, high margins, and strong customer retention.</li> <li>Revenue model provides exceptional visibility into financial performance</li> <li>Strong alignment of incentives between the GP, LPs, and Company management.</li> <li>Highly experienced management team with a track record of delivering strong outcomes in partnership with private equity sponsors.</li> </ul>

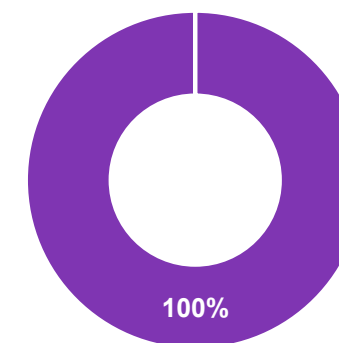
## Transaction snapshot

<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	\$10.0m
<b>Purchase price</b>	\$8.5m
<b>Purchase price / par value (at close)</b>	100%
<b># of underlying Funds</b>	1
<b># of underlying positions</b>	1
<b>Sourcing</b>	Intermediary
<b>Reference Date</b>	June 30, 2021
<b>Closing Date</b>	December 31, 2021

## Portfolio Overview



■ NAV at Ref Date ■ Unfunded at Ref Date



■ Buyout

# Case Study – Project Green

## Transaction summary

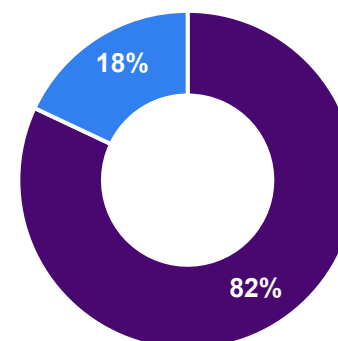
Project Green entails the creation of a single-asset continuation fund around a leading provider of diversified environment and infrastructure services (the “Company”). The Company is backed by a well-known, investment-grade fund manager that believes there is material future upside in the Company when capitalizing on various near-term value creation opportunities. FSOF participates in Project Green as part of a syndicate alongside other prominent investors.

<b>Transaction Overview</b>	<ul style="list-style-type: none"> <li>Project Green is a single-asset continuation fund created around a leading provider of highly technical infrastructure and environment services with a geographic footprint serving the entire US market.</li> </ul>
<b>Seller Objective</b>	<ul style="list-style-type: none"> <li>Project Green provides company management additional time to capitalize on various value creation opportunities while simultaneously providing certain existing investors in the company with an option to monetize their ownership.</li> <li>Also, the Project Green structure allows the fund manager to invest additional capital from their most recent fund in the company to participate in the potential valuation upside.</li> </ul>
<b>Investment Highlights</b>	<ul style="list-style-type: none"> <li>Strong alignment of incentives between the GP, LPs, and Company management.</li> <li>Company performance through COVID, helping to validate the non-discretionary nature of the Company’s offering.</li> <li>The entry valuation appears to represent a significant discount from the public comp set and precedent transactions.</li> <li>Attractive financial profile as evidenced by the strong revenue and EBITDA growth, high free cash flow conversion, and margins.</li> </ul>

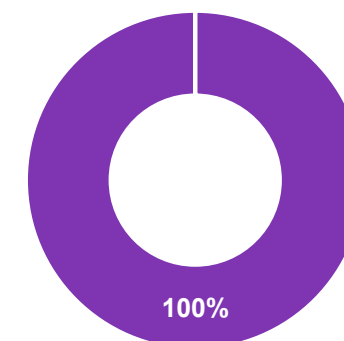
## Transaction snapshot

<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	\$3.5m
<b>Purchase price</b>	\$2.9m
<b>Purchase price / par value (at close)</b>	100%
<b># of underlying Funds</b>	1
<b># of underlying positions</b>	1
<b>Sourcing</b>	Intermediary
<b>Reference Date</b>	March 31, 2021
<b>Closing Date</b>	December 31, 2021

## Portfolio Overview



■ NAV at Ref Date ■ Unfunded at Ref Date



■ Buyout

# Case Study – Project Flag

## Transaction summary

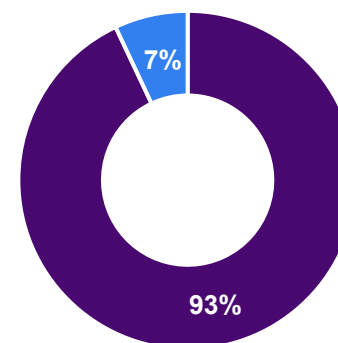
Project Flag is a traditional secondary purchase of 3 fund interests, which are managed by an investment-grade sponsor. The transaction provides exposure to more than 220 underlying portfolio companies operating in a variety of sectors including the Financial Services, Technology, Business Services, and Healthcare industries. Project Flag provides broad based geographic exposure, with the majority of the portfolio companies based in North America or Western Europe.

<b>Transaction Overview</b>	<ul style="list-style-type: none"> <li>Project Flag is a traditional secondary investment involving 3 fund interests with a weighted average vintage of 2017.</li> </ul>
<b>Seller Objective</b>	<ul style="list-style-type: none"> <li>The seller was a large US-based pension which found itself overallocated to private equity (vs. their internal allocation targets) after their public market portfolio had decreased significantly since the beginning of 2022.</li> <li>Finding a buyer who was approved by the sponsor and who has proven its ability to close under an accelerated timeline were key priorities.</li> </ul>
<b>Investment Highlights</b>	<ul style="list-style-type: none"> <li>Transaction provides exposure to attractive, brand name funds, which are highly diversified by sector, geographic region, and size, at an attractive price due to Seller motivation.</li> <li>Limited remaining unfunded capital, mitigating blind pool risk.</li> <li>Complementary exposure relative to previous transactions the FSOF had completed.</li> <li>Opportunity to increase exposure to a fund manager who has historically exhibited attractive returns across multiple economic cycles and in multiple industries.</li> <li>Entry discount may provide near-term downside protection, as well as an attractive write-up at close.</li> </ul>

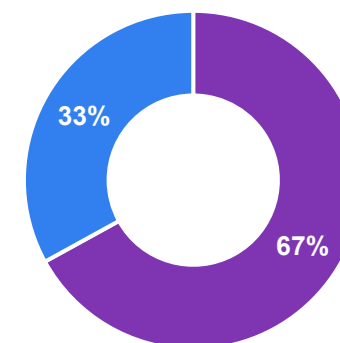
## Transaction snapshot

<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	\$70.0m
<b>Purchase price</b>	\$58.1m
<b>Purchase price / par value (at close)</b>	89.0%
<b># of underlying Funds</b>	3
<b># of underlying positions</b>	220+
<b>Sourcing</b>	Intermediary
<b>Reference Date</b>	December 31, 2021
<b>Closing Date</b>	June 30, 2022

## Portfolio Overview



■ NAV at Ref Date ■ Unfunded at Ref Date



■ Buyout ■ Growth

# Case Study – Project Owl

## Transaction summary

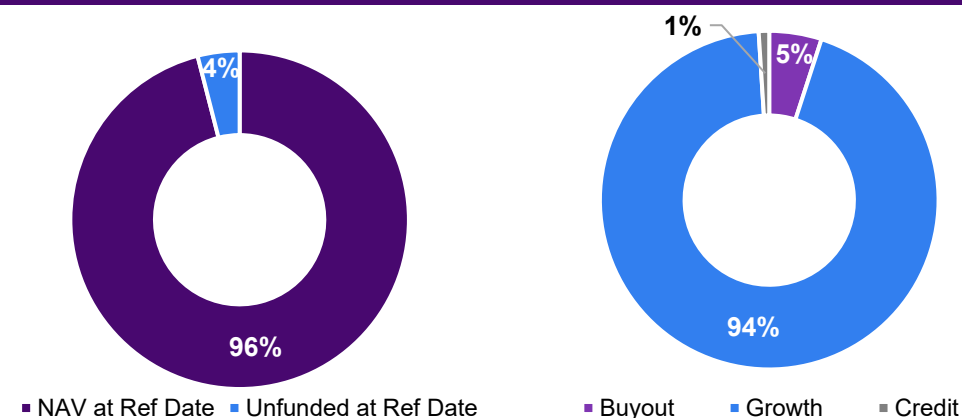
Project Owl is a traditional secondary purchase of 12 venture capital and buyout-focused limited partnership fund interests. The transaction provides exposure to 130+ underlying portfolio companies, which are primarily venture capital assets and are highly diversified across sectors; specifically, the Information Technology, Consumer Discretionary, and Financial industries. The majority of businesses are based in North America.

<b>Transaction Overview</b>	<ul style="list-style-type: none"> <li>Project Owl was a traditional secondary investment involving 12 LP fund interests with a weighted average vintage of 2008.</li> </ul>
<b>Seller Objective</b>	<ul style="list-style-type: none"> <li>The seller was a US-endowment, looking to wind down an investment vehicle managed on their behalf by a US-based Fund of Funds firm.</li> <li>A clear priority of the seller was working with a buyer who could provide a “full portfolio solution” in order to minimize execution risks and costs.</li> <li>According to the involved intermediary, FlowStone was the party approved by the most underlying fund managers which made our offer stand out.</li> </ul>
<b>Investment Highlights</b>	<ul style="list-style-type: none"> <li>Entry discount coupled with post reference date distribution activity may provide for near-term downside protection and an immediate write-up at close.</li> <li>Exposure to a basket of 130+ underlying companies diversified by sector, while geographically concentrated in North America.</li> <li>Strong visibility into valuation movements from the reference date 9/30 through close.</li> <li>Limited remaining unfunded capital, mitigating blind pool risk.</li> </ul>

## Transaction snapshot

<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	\$69.2m
<b>Purchase price</b>	\$47.5m
<b>Purchase price / par value (at close)</b>	73.2%
<b># of underlying Funds</b>	12
<b># of underlying positions</b>	130+
<b>Sourcing</b>	Intermediary
<b>Reference Date</b>	September 30, 2021
<b>Closing Date</b>	June 30, 2022

## Portfolio Overview



# Case Study – Project Astro

## Transaction summary

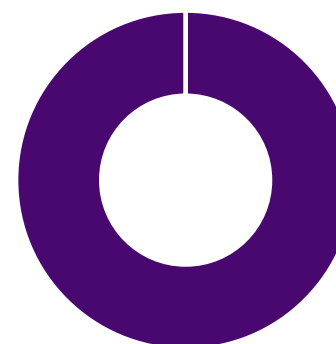
Project Astro entails the creation of a single-asset continuation fund around an AI-driven cybersecurity software company (the “Company”). The Company is backed by a syndicate of well-known fund managers who believe there is material upside potential in the Company driven by continued strong top-line growth and various near-term value creation opportunities. FSOF participated in Project Astro alongside other prominent investors.

<b>Transaction Overview</b>	<ul style="list-style-type: none"> <li>Project Astro is a single-asset continuation fund created around a growth-stage cybersecurity software company focused on providing automated security validation solutions to enterprise businesses across all industry verticals.</li> </ul>
<b>Seller Objective</b>	<ul style="list-style-type: none"> <li>Project Astro provides certain existing investors in the Company with an option to monetize their ownership while enabling the fund manager to retain minority ownership of the Company across three funds.</li> <li>The transaction provides the Company with the follow-on capital necessary to execute on its growth strategy plan to scale for a potential IPO.</li> </ul>
<b>Investment Highlights</b>	<ul style="list-style-type: none"> <li>Project Astro is structured with a preferred return providing a write-up at close and downside protection .</li> <li>The Company is backed by a syndicate of managers who have significant operational expertise in the technology and cybersecurity sectors.</li> <li>Strong alignment of incentives between the GP, LPs, and Company management.</li> <li>The Company has an impressive management team and competitive position in a fragmented, high growth market.</li> </ul>

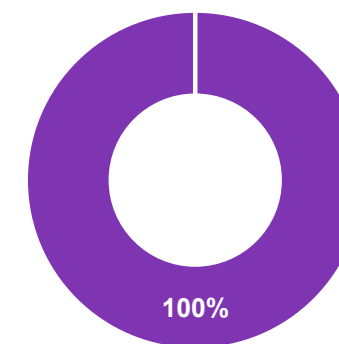
## Transaction snapshot

<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	\$17.1m
<b>Purchase price</b>	\$10.1m
<b>Purchase price / par value (at close)</b>	59.2%
<b># of underlying Funds</b>	1
<b># of underlying positions</b>	1
<b>Sourcing</b>	Intermediary
<b>Reference Date</b>	December 31, 2021
<b>Closing Date</b>	September 30, 2022

## Portfolio Overview



■ NAV at Ref Date



■ Venture

# Case Study – Project Porsche

## Transaction summary

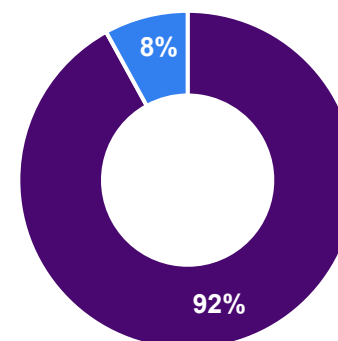
Project Porsche is a transaction in which FlowStone partnered with a secondary buyer to acquire a \$340mm LP portfolio. The portfolio consists of 7 underlying funds, which are all Buyout focused, and provides diversified exposure across key metrics including industry sector, geography and vintage year. Additionally, the transaction provides exposure to 115 underlying companies, many of which have demonstrated strong revenue and EBITDA growth, as well as margin expansion, during the investment period.

<b>Transaction Overview</b>	<ul style="list-style-type: none"> <li>Project Porsche provides exposure to 7 underlying funds, all of which are buyout focused with assets almost entirely based in North America and Western Europe. The portfolio is highly diversified and has a weighted average vintage of 2016.</li> </ul>
<b>Seller Objective</b>	<ul style="list-style-type: none"> <li>The seller in this transaction was seeking liquidity as part of a portfolio management exercise, stemming from the broad-based public market downturn, which resulted in overallocation to private market investments relative to publics.</li> <li>The seller was highly focused on achieving a sale prior to their fiscal year-end and was enticed by a full portfolio solution and the opportunity to transact with one buyer as opposed to multiple parties, albeit at a lower price than the single fund interest bids.</li> </ul>
<b>Investment Highlights</b>	<ul style="list-style-type: none"> <li>Strong operational performance observed across the portfolio .</li> <li>Exposure to a diversified asset pool, consisting of 7 funds, 10 underlying sectors, and more than 100 underlying portfolio companies.</li> <li>Limited remaining unfunded capital, mitigating blind pool risk.</li> <li>The transaction closed nine months after the reference date, providing operational visibility and allowing FlowStone to realize additional valuation appreciation across the underlying portfolio.</li> </ul>

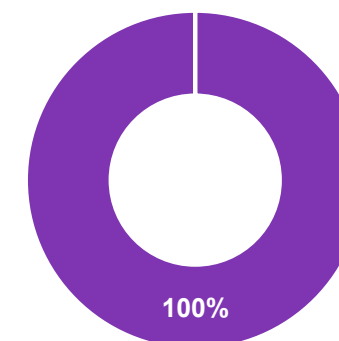
## Transaction snapshot

<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	\$42.3m
<b>Purchase price</b>	\$33.0m
<b>Purchase price / par value (at close)</b>	83.4%
<b># of underlying Funds</b>	7
<b># of underlying positions</b>	115
<b>Sourcing</b>	Intermediary
<b>Reference Date</b>	December 31, 2021
<b>Closing Date</b>	September 30, 2022

## Portfolio Overview



■ NAV at Ref Date ■ Unfunded at Ref Date



■ Buyout

# Case Study – Project Allegro

## Transaction summary

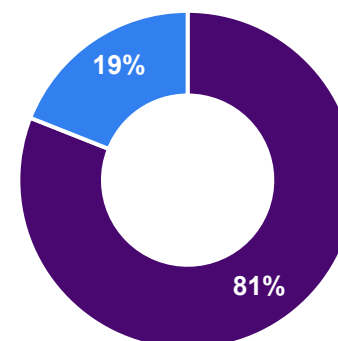
Project Allegro entails the creation of a single-asset continuation fund around a governance, risk, and compliance software company (the “Company”). The Company is backed by a well-known fund manager who believes there is material upside potential in the Company driven by various near-term value creation opportunities including strategic M&A. FSOF participated in Project Allegro in an investor syndicate alongside other prominent investors.

<b>Transaction Overview</b>	<ul style="list-style-type: none"> <li>Project Allegro is a single-asset continuation fund created around a company providing information governance and litigation management software designed to deliver key insights, process workflows, data management, and cost savings across critical legal risk areas.</li> </ul>
<b>Seller Objective</b>	<ul style="list-style-type: none"> <li>Project Allegro allows the sponsor and investor syndicate to maximize value in the Company by providing the capital necessary to implement value creation plans and pursue potential M&amp;A targets.</li> <li>The transaction enables the fund manager to make a meaningful follow-on investment out of their latest flagship fund to “double-down” on the Company’s next phase of growth.</li> <li>The transaction provides certain existing investors in the Company with an option to monetize their ownership.</li> </ul>
<b>Investment Highlights</b>	<ul style="list-style-type: none"> <li>The Company boasts an attractive financial profile championed by strong historical recurring revenue and EBITDA growth.</li> <li>Strong alignment of incentives between the GP, LPs, and Company management.</li> <li>Competitive positioning with unique scale and integrated product portfolio in fragmented market.</li> <li>The fund manger has an attractive track record, delivering consistent top quartile returns in prior continuation vehicles and flagship funds.</li> </ul>

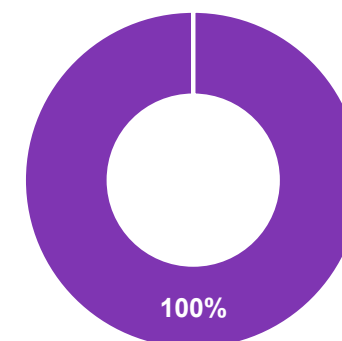
## Transaction snapshot

<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	\$10.0m
<b>Purchase price</b>	\$8.1m
<b>Purchase price / par value (at close)</b>	100.0%
<b># of underlying Funds</b>	1
<b># of underlying positions</b>	1
<b>Sourcing</b>	Intermediary
<b>Reference Date</b>	September 30, 2021
<b>Closing Date</b>	September 30, 2022

## Portfolio Overview



■ NAV at Ref Date ■ Unfunded at Ref Date



■ Buyout

# Case Study – Project Fountain

## Transaction summary

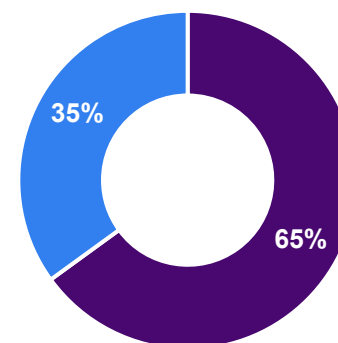
Project Fountain entails the creation of a multi-asset continuation fund around a portfolio of 5 companies operating across the Food / Restaurant, Education, and Business Services sectors. The companies are backed by a well-known fund manager who has extensive experience investing in franchise-based businesses and believes there is significant upside across the portfolio when capitalizing on various near-term value creation opportunities. The FSOF participated in Project Fountain as syndicate member alongside other prominent investors.

<b>Transaction Overview</b>	<ul style="list-style-type: none"> <li>Project Fountain is a multi-asset continuation fund created around a portfolio of leading consumer-focused brands, with most of the overall exposure linked to leading Food / Restaurant platforms operating in the fast food or fast casual space.</li> </ul>
<b>Seller Objective</b>	<ul style="list-style-type: none"> <li>Project Fountain allows the sponsor and investor syndicate to maximize value across the portfolio by i) “resetting the duration”, giving the portfolio companies additional time to capitalize on growth initiatives and ii) providing follow-on capital for potential M&amp;A and other growth initiatives.</li> <li>The transaction provides certain existing investors in the companies with an option to monetize their ownership.</li> </ul>
<b>Investment Highlights</b>	<ul style="list-style-type: none"> <li>Platforms exhibit attractive financial profiles as evidenced by the strong revenue and EBITDA growth, high free cash flow conversion, and margins.</li> <li>The entry valuations across the portfolio appear to represent a significant discount from the public comp sets and precedent transactions.</li> <li>Strong alignment of incentives between the GP, LPs, and company management teams.</li> <li>GP expertise investing in the Food / Restaurant sector as evidenced by the historical track record.</li> </ul>

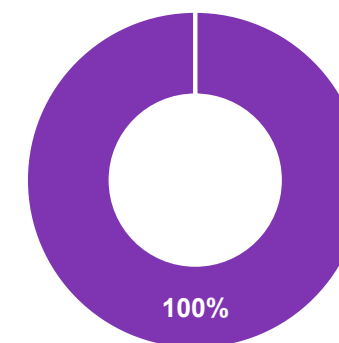
## Transaction snapshot

<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	\$20.9m
<b>Purchase price</b>	\$12.6m
<b>Purchase price / par value (at close)</b>	93.2%
<b># of underlying Funds</b>	1
<b># of underlying positions</b>	5
<b>Sourcing</b>	Intermediary
<b>Reference Date</b>	December 31, 2021
<b>Closing Date</b>	September 30, 2022

## Portfolio Overview



■ NAV at Ref Date ■ Unfunded at Ref Date



■ Buyout

# Case Study – Project Ignite

## Transaction summary

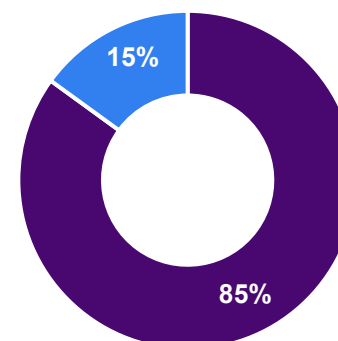
Project Ignite entails the creation of a single-asset continuation fund around a distributor of foodservice packaging and janitorial sanitation products in North America (the “Company”). Our view of the General Partner’s value creation strategy and underwriting of the transactions suggests there is material future upside potential in the Company. We believe value will be driven by continued strong top-line growth and various near-term value creation opportunities.

<b>Transaction Overview</b>	<ul style="list-style-type: none"> <li>Project Ignite is a single-asset continuation fund created around a leading pure-play distributor of foodservice packaging and janitorial sanitation products, capable of providing flexible and customized solutions with national scale and an unmatched product portfolio.</li> </ul>
<b>Seller Objective</b>	<ul style="list-style-type: none"> <li>Project Ignite allows the sponsor and investor syndicate to maximize value in the Company by i) extending the investment’s duration, providing additional time to capitalize on growth initiatives and ii) providing follow-on capital for potential acquisitions and other growth initiatives.</li> <li>The transaction provides certain existing investors in the Company with an option to monetize their ownership.</li> </ul>
<b>Investment Highlights</b>	<ul style="list-style-type: none"> <li>Good company performance through COVID, helping to validate the mission critical nature of the Company’s offering.</li> <li>Strong alignment of incentives between the GP, LPs, and Company management.</li> <li>Attractive financial profile as evidenced by the revenue and EBITDA growth, high customer retention, and expanding margins.</li> <li>The Company has an experienced and successful management team and competitive position in a fragmented market that is ripe for consolidation.</li> </ul>

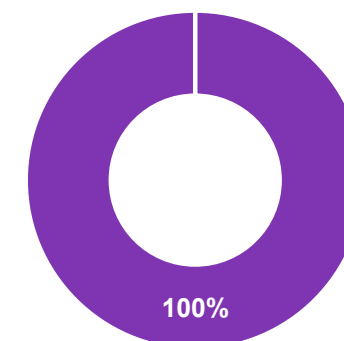
## Transaction snapshot

<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	\$7.6m
<b>Purchase price</b>	\$6.5m
<b>Purchase price / par value (at close)</b>	100%
<b># of underlying Funds</b>	1
<b># of underlying positions</b>	1
<b>Sourcing</b>	Intermediary
<b>Reference Date</b>	June 30, 2022
<b>Closing Date</b>	December 31, 2022

## Portfolio Overview



■ NAV at Ref Date ■ Unfunded at Ref Date



■ Buyout

# Case Study – Project Zipper

## Transaction summary

Project Zipper is a traditional secondary investment in which FlowStone acquired an interest in a fund managed by an established buyout manager. The assets in the portfolio include twelve companies in diversified industries, including Business Services, Consumer Discretionary, and Healthcare, among others. FlowStone gained exposure to mature buyout assets, which had generally demonstrated resiliency to broader macroeconomic issues such as COVID, inflation, and supply chain challenges.

- Transaction Overview**
- Secondary purchase of a 2016 vintage buyout fund, which provided exposure to 12 platform companies, all of which are private enterprises and based in North America.
  - FlowStone acquired one position (of twenty total) in the portfolio, based on our knowledge of the manager and assets.

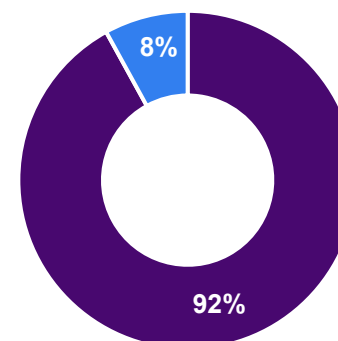
- Seller Objective**
- The seller in this transaction was a large, international pension plan seeking liquidity as part of its broader portfolio management.

- Investment Highlights**
- Visibility into additional valuation appreciation from the reference date 6/30 through close.
  - The fund manager senior team has never generated a realized loss on any portfolio holding, providing high confidence in asset resiliency and the GP's ability to manage companies through challenging economic environments.
  - Limited blind pool risk given the fund vintage year and corresponding unfunded amount.
  - Attractive underlying exposure highlighted by assets that are entirely private, buyout focused, and based in North America.
  - Strong operational performance to date across the portfolio, with observable YoY momentum from both a top line and profitability standpoint.

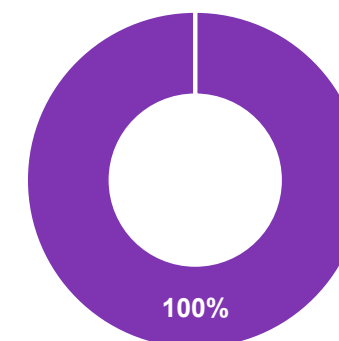
## Transaction snapshot

<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	\$33.8m
<b>Purchase price</b>	\$26.6m
<b>Purchase price / par value (at close)</b>	83.6%
<b># of underlying Funds</b>	1
<b># of underlying positions</b>	12
<b>Sourcing</b>	Intermediary
<b>Reference Date</b>	June 30, 2022
<b>Closing Date</b>	December 31, 2022

## Portfolio Overview



■ NAV at Ref Date ■ Unfunded at Ref Date



■ Buyout

# Case Study – Project Tetra

## Transaction summary

Project Tetra entails the creation of a single-asset continuation fund around a branded pharmaceutical company (the “Company”) focused on oncology and non-opioid pain. The Company is backed by a well-known fund manager and management team who have built several successful therapeutics businesses and believe there is material upside potential in the Company driven by a proven buy-and-build M&A strategy. FSOF participated in Project Tetra in an investor syndicate alongside other prominent investors.

**Transaction Overview**

- Project Tetra is a single-asset continuation fund created around a company providing branded pharmaceutical products focused on oncology and non-opioid pain across the United States and Canada.

**Seller Objective**

- Project Tetra allows the sponsor and investor syndicate to maximize value in the Company by providing the additional time and capital necessary to implement value creation plans and scale the business through a buy-and-build M&A strategy.
- The transaction provides certain existing investors in the Company with an option to monetize their ownership.

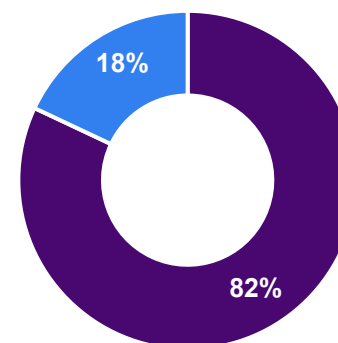
**Investment Highlights**

- The Company boasts an attractive financial profile championed by strong historical revenue and EBITDA growth.
- Highly experienced management team that has partnered with the fund manager to build two prior successful therapeutics businesses.
- Competitive positioning with a durable product portfolio well insulated from genericization.
- The fund manager has an attractive track record, delivering consistent top quartile returns throughout economic cycles in prior flagship funds.

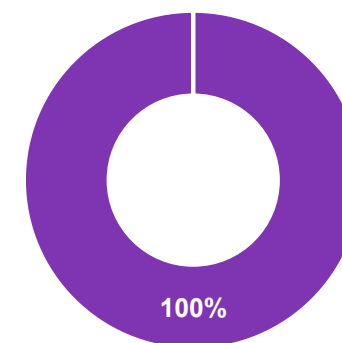
## Transaction snapshot

<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	\$6.0m
<b>Purchase price</b>	\$5.1m
<b>Purchase price / par value (at close)</b>	100.0%
<b># of underlying Funds</b>	1
<b># of underlying positions</b>	1
<b>Sourcing</b>	Intermediary
<b>Reference Date</b>	June 30, 2022
<b>Closing Date</b>	March 31, 2023

## Portfolio Overview



■ NAV at Ref Date ■ Unfunded at Ref Date



■ Buyout

# Case Study – Project Rose

## Transaction summary

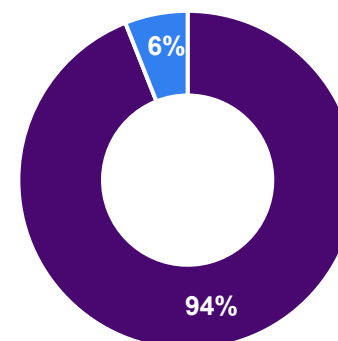
Project Rose is a traditional secondary purchase of four buyout-focused limited partnership fund interests. The transaction provides exposure to 56 underlying portfolio companies, which are highly diversified across sectors; specifically, the Business Services, Healthcare, and Industrial industries. The majority of businesses are privately held and based in North America.

- |                              |  |
|------------------------------|--|
| <b>Transaction Overview</b>  | <ul style="list-style-type: none"> <li>Project Rose was a traditional secondary purchase of LP interests in four separate funds managed by a single GP with a weighted average vintage of 2018.</li> <li>FlowStone acquired four positions of 11 total in the portfolio, based on our knowledge of the manager and assets.</li> <li>The transaction provided exposure to 56 platform companies, diversified by sector, and predominantly based in the United States.</li> </ul>  |
| <b>Seller Objective</b>      | <ul style="list-style-type: none"> <li>The seller was a US-based university endowment seeking to rebalance their portfolio while reducing the number of private equity relationships under management.</li> </ul>  |
| <b>Investment Highlights</b> | <ul style="list-style-type: none"> <li>Strong operational performance to date across the portfolio, with observable YoY momentum from both a top line and profitability standpoint.</li> <li>Exposure to a basket of 50+ underlying companies, diversified by sector, while geographically concentrated in North America.</li> <li>High visibility into valuation movements from the reference date 12/31 through close.</li> <li>Average remaining investment year of the underlying platforms, indicating the portfolio should display a blend of value appreciation and cash flow generation.</li> <li>Limited remaining unfunded capital, mitigating blind pool risk.</li> </ul> |

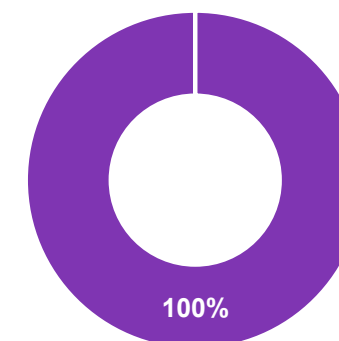
## Transaction snapshot

<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	\$42.2m
<b>Purchase price</b>	\$37.8m
<b>Purchase price / par value (at close)</b>	95.1%
<b># of underlying Funds</b>	4
<b># of underlying positions</b>	56
<b>Sourcing</b>	Intermediary
<b>Reference Date</b>	December 31, 2022
<b>Closing Date</b>	June 30, 2023

## Portfolio Overview



■ NAV at Ref Date ■ Unfunded at Ref Date



■ Buyout

# Case Study – Project Prosper

## Transaction summary

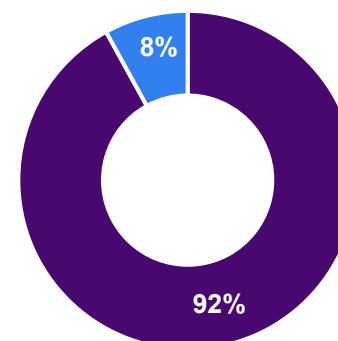
Project Prosper is a traditional secondary purchase of two buyout-focused limited partnership fund interests, which were included as part of a broader portfolio sale. The transaction provides exposure to 65 underlying portfolio companies, which are highly diversified across sectors; specifically, the Information Technology, Industrial, and Infrastructure Services industries. The majority of businesses are privately held and based in North America or Western Europe.

<b>Transaction Overview</b>	<ul style="list-style-type: none"> <li>Project Prosper was a traditional secondary investment involving two LP fund interests with a weighted average vintage of 2017.</li> </ul>
<b>Seller Objective</b>	<ul style="list-style-type: none"> <li>The seller was a Canadian foundation seeking to rebalance overallocation to the private equity asset class.</li> <li>FlowStone was part of a select group that was an approved buyer for all portfolio interests, enabling the FSOF to provide the seller with multiple potential transaction solutions.</li> </ul>
<b>Investment Highlights</b>	<ul style="list-style-type: none"> <li>Entry discount provides for near-term downside protection in the event of adverse portfolio moves and an immediate write-up at close.</li> <li>Limited remaining unfunded capital, mitigating blind pool risk.</li> <li>Strong visibility into valuation appreciation from the reference date 12/31 through close.</li> <li>Minimal public exposure, reducing concerns associated with public market volatility.</li> <li>Entry valuations that represented a discount to intrinsic value.</li> <li>Exposure to private equity managers who have invested across multiple economic cycles, while delivering strong returns for investors.</li> </ul>

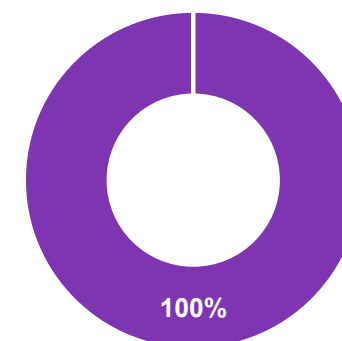
## Transaction snapshot

<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	\$46.5m
<b>Purchase price</b>	\$38.8m
<b>Purchase price / par value (at close)</b>	87.6%
<b># of underlying Funds</b>	2
<b># of underlying positions</b>	65
<b>Sourcing</b>	Intermediary
<b>Reference Date</b>	December 31, 2022
<b>Closing Date</b>	June 30, 2023

## Portfolio Overview



■ NAV at Ref Date ■ Unfunded at Ref Date



■ Buyout

# Case Study – Project Jordan

## Transaction summary

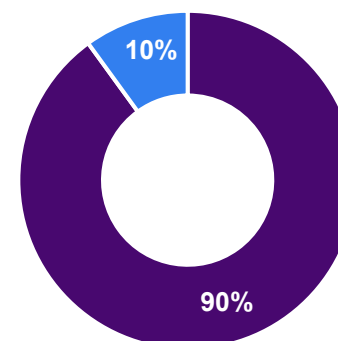
Project Jordan entails the creation of a multi-asset continuation fund around a portfolio of 3 companies operating across the Insurance Brokerage sector. The companies are backed by a well-known fund manager who has extensive experience investing in Financial & Transaction Services businesses and believes there is significant upside across the portfolio when capitalizing on various near-term value creation opportunities. The FSOF participated in Project Jordan as syndicate member alongside other prominent investors.

<b>Transaction Overview</b>	<ul style="list-style-type: none"> <li>Project Jordan is a multi-asset continuation fund created around a diversified set of insurance brokerage companies that seek to connect customers with carriers in large addressable markets around the globe.</li> </ul>
<b>Seller Objective</b>	<ul style="list-style-type: none"> <li>Project Jordan allows the sponsor and investor syndicate to maximize value across the portfolio by i) “resetting the duration”, giving the portfolio companies additional time to capitalize on growth initiatives and ii) providing follow-on capital for potential M&amp;A and other growth initiatives.</li> <li>The transaction provides certain existing investors in the companies with an option to monetize their ownership.</li> </ul>
<b>Investment Highlights</b>	<ul style="list-style-type: none"> <li>Platforms exhibit attractive financial profiles as evidenced by the strong revenue and EBITDA growth, high free cash flow conversion, and margins.</li> <li>The entry valuations across the portfolio appear to represent a significant discount from the public comp sets and precedent transactions.</li> <li>Strong alignment of incentives between the GP, LPs, and company management teams.</li> <li>GP expertise investing in the Financial &amp; Transaction Services sector as evidenced by the historical track record.</li> </ul>

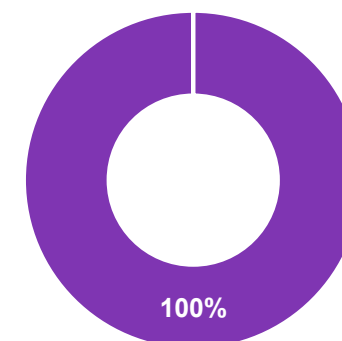
## Transaction snapshot

<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	\$12.2m
<b>Purchase price</b>	\$8.9m
<b>Purchase price / par value (at close)</b>	80.3%
<b># of underlying Funds</b>	1
<b># of underlying positions</b>	3
<b>Sourcing</b>	Intermediary
<b>Reference Date</b>	September 30, 2022
<b>Closing Date</b>	June 30, 2023

## Portfolio Overview



■ NAV at Ref Date ■ Unfunded at Ref Date



■ Buyout

# Case Study – Project Ranger

## Transaction summary

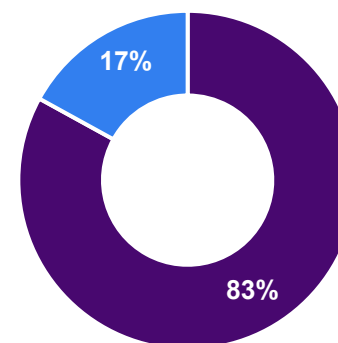
Project Ranger is a traditional secondary purchase of seven buyout-focused limited partnership fund interests. The transaction provides exposure to 230 underlying portfolio companies and is highly diversified not only by individual company, but also by end-market. The largest industry exposures include the Information Technology, Healthcare, and Industrials sectors, among others. The majority of businesses are privately held and based in North America or Western Europe.

<b>Transaction Overview</b>	<ul style="list-style-type: none"> <li>Project Ranger was a traditional secondary investment involving seven LP fund interests with a weighted average vintage of 2016.</li> </ul>
<b>Seller Objective</b>	<ul style="list-style-type: none"> <li>The seller was a family office that had encountered cash flow challenges and thus sought accelerated liquidity.</li> <li>FlowStone was an approved buyer for all funds within the portfolio, helping to provide the seller with a comprehensive portfolio solution.</li> <li>Given imminent cash requirements, the seller was seeking to divest off all portfolio positions by the end of Q1 '24.</li> </ul>
<b>Investment Highlights</b>	<ul style="list-style-type: none"> <li>Entry discount may provide near-term downside protection in the event of adverse portfolio moves and an immediate write-up at close.</li> <li>Limited remaining unfunded capital, mitigating blind pool risk.</li> <li>Strong visibility into valuation appreciation from the reference date 9/30 through close.</li> <li>Exposure to private equity managers who have invested across multiple economic cycles, while delivering strong returns for investors.</li> <li>Relatively low leverage across the portfolio, mitigating concerns of potential defaults or follow-on equity cures.</li> </ul>

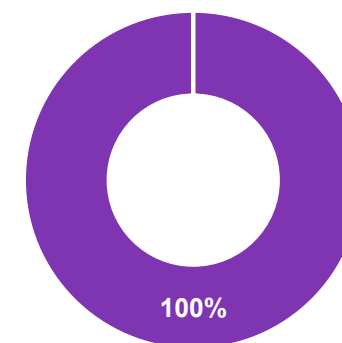
## Transaction snapshot

<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	\$23.1m
<b>Purchase price</b>	\$15.4m
<b>Purchase price / par value (at close)</b>	77.7%
<b># of underlying Funds</b>	7
<b># of underlying positions</b>	230
<b>Sourcing</b>	Intermediary
<b>Reference Date</b>	September 30, 2023
<b>Closing Date</b>	March 31, 2024

## Portfolio Overview



■ NAV at Ref Date ■ Unfunded at Ref Date



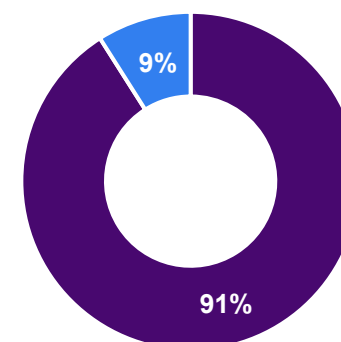
■ Buyout

# Case Study – Project ST

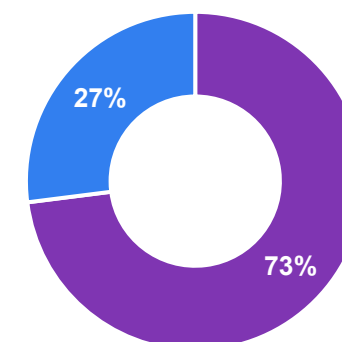
Transaction summary	
<p>Project ST is a traditional secondary purchase of two buyout/growth-focused limited partnership fund interests. The transaction provides exposure to 122 underlying portfolio companies, which are highly diversified across sectors and geographies with most businesses located in North America.</p>	
<b>Transaction Overview</b>	<ul style="list-style-type: none"> <li>Project ST is a traditional secondary investment involving two LP fund interests with a weighted average investment vintage of 2020.</li> </ul>
<b>Seller Objective</b>	<ul style="list-style-type: none"> <li>The seller was an insurance company in Taiwan, looking to generate liquidity from their broader PE portfolio by bringing 4 Funds (managed by 3 GPs) to market.</li> <li>FlowStone is a primary investor with one of the underlying GPs and therefore we had 'real-time' insights into the underlying portfolio.</li> <li>The seller was price sensitive and FlowStone was able to identify a sub-portfolio which optically priced well as of the reference date.</li> <li>The fund interests excluded by FSOF consisted of a European buyout funds displaying weaker underlying YoY operational performance and a growth focused fund with outsized exposure to businesses located in China.</li> </ul>
<b>Investment Highlights</b>	<ul style="list-style-type: none"> <li>Entry discount coupled with post reference date distribution activity may provide near-term downside protection and an immediate write-up at close.</li> <li>Exposure to a basket of 112 underlying companies diversified by sector and, while geographically concentrated in North America, still provides exposure to fast growing economies like India.</li> </ul>

Transaction snapshot	
<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	\$50.6m
<b>Purchase price</b>	\$39.7m
<b>Purchase price / par value (at close)</b>	84.7%
<b># of underlying Funds</b>	2
<b># of underlying positions</b>	122
<b>Sourcing</b>	Intermediary
<b>Reference Date</b>	September 30, 2023
<b>Closing Date</b>	March 31, 2024

## Portfolio Overview



■ NAV at Ref Date ■ Unfunded at Ref Date



■ Buyout ■ Growth

# Case Study – Project Athena

## Transaction summary

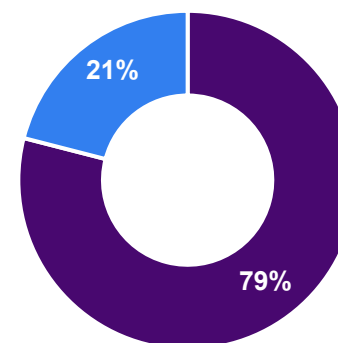
Project Athena entails the creation of a single-asset continuation fund around a consumer goods market data and information services company (the “Company”). The Company is backed by a consortium of well-known fund managers who believe there is material upside potential in the Company driven by the realization of synergies following a recent transformational merger. FSOF participated in Project Athena in an investor syndicate alongside other prominent investors.

<b>Transaction Overview</b>	<ul style="list-style-type: none"> <li>Project Athena is a single-asset continuation fund created around a company providing global market information solutions, data, analytics, and consulting services for the consumer-packaged goods and general merchandising industries.</li> </ul>
<b>Seller Objective</b>	<ul style="list-style-type: none"> <li>Project Athena allows the sponsors and investor syndicate to maximize value in the Company by (i) “resetting the duration,” giving the Company additional time to capitalize on growth initiatives and (ii) providing a modest amount of follow-on capital for potential M&amp;A and other growth initiatives.</li> <li>The transaction provides existing investors in the Company with an option to monetize their ownership position.</li> </ul>
<b>Investment Highlights</b>	<ul style="list-style-type: none"> <li>Strong visibility into additional valuation appreciation from the reference date through close.</li> <li>Strong alignment of incentives between the GP, LPs, and Company management.</li> <li>Competitive advantages with a market-leading position in the US and proprietary data platform.</li> <li>Diverse customer base with vast opportunities for addressable market expansion.</li> <li>Predictable and visible recurring revenue model.</li> <li>Company managed by a consortium of three fund managers who have generated consistent top-quartile returns in prior flagship funds.</li> </ul>

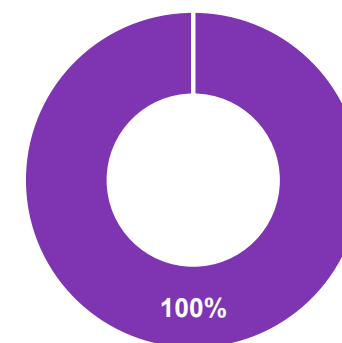
## Transaction snapshot

<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	\$8.0m
<b>Purchase price</b>	\$6.3m
<b>Purchase price / par value (at close)</b>	77.0%
<b># of underlying Funds</b>	1
<b># of underlying positions</b>	1
<b>Sourcing</b>	Intermediary
<b>Reference Date</b>	March 31, 2024
<b>Closing Date</b>	June 30, 2024

## Portfolio Overview



■ NAV at Ref Date ■ Unfunded at Ref Date



■ Buyout

# Case Study – Project Sol

## Transaction summary

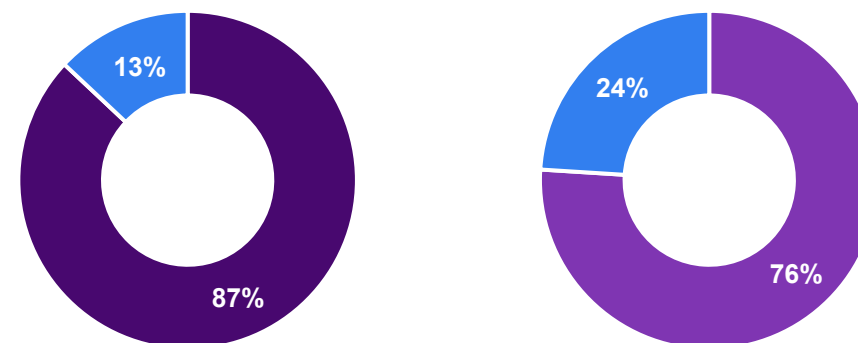
Project Sol is a traditional secondary purchase of three buyout and two growth-focused limited partnership fund interests. The transaction provides exposure to 49 underlying portfolio companies, which are diversified across the Information Technology, Financials, Healthcare, and Consumer sectors, among others. FlowStone was able to provide a mosaic solution to acquire a portfolio of high-quality private equity assets approaching the harvest phase of their investment lifecycle.

<b>Transaction Overview</b>	<ul style="list-style-type: none"> <li>Project Sol is a traditional secondary investment involving five LP fund interests with a weighted average investment vintage of 2017.</li> </ul>
<b>Seller Objective</b>	<ul style="list-style-type: none"> <li>The seller was a US-based foundation seeking to generate liquidity from their broader portfolio of private assets, consisting of 14 private equity, distressed debt, and energy funds.</li> <li>FlowStone is a primary investor with one of the underlying GPs, granting us 'real-time' insights into the underlying portfolio.</li> <li>FlowStone targeted the PE bucket given our familiarity with the underlying managers and strong YoY asset operating performance.</li> </ul>
<b>Investment Highlights</b>	<ul style="list-style-type: none"> <li>Entry discount coupled with post-reference date distribution activity and portfolio operational momentum provides for near-term downside protection and an immediate write-up at close.</li> <li>Portfolio managed by established GPs well-positioned to maximize value of the remaining assets.</li> <li>Exposure to a basket of 49 underlying companies diversified by sector while geographically concentrated in North America.</li> <li>Reasonable leverage levels across remaining assets, providing flexibility to capital structures.</li> <li>Optimal secondary entry point, acquiring a portfolio of high-performing assets approaching the harvest phase of their respective investment lifecycles.</li> </ul>

## Transaction snapshot

<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	\$23.5m
<b>Purchase price</b>	\$17.4m
<b>Purchase price / par value (at close)</b>	84.0%
<b># of underlying Funds</b>	5
<b># of underlying positions</b>	49
<b>Sourcing</b>	Intermediary
<b>Reference Date</b>	March 31, 2024
<b>Closing Date</b>	September 30, 2024

## Portfolio Overview



■ NAV at Ref Date ■ Unfunded at Ref Date

■ Buyout ■ Growth

# Case Study – Project Lego

## Transaction summary

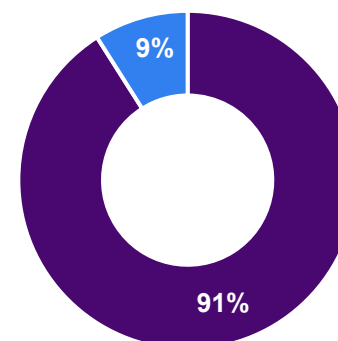
Project Lego entails the creation of a multi-asset continuation fund around a diversified portfolio of 10 venture and growth-stage companies (the “Companies”) operating across the Enterprise Software, Financial Technology, and Consumer Staples sectors. The Companies are backed by a sponsor and investor syndicate who see material upside potential across the portfolio driven by the Companies’ operational growth rates and ample cash reserves.

<b>Transaction Overview</b>	<ul style="list-style-type: none"> <li>Project Lego is a multi-asset continuation fund created around a diversified portfolio of 10 mature venture and growth-stage companies operating across numerous technology and consumer-focused verticals</li> </ul>
<b>Seller Objective</b>	<ul style="list-style-type: none"> <li>Project Lego allows the sponsor and investor syndicate to maximize value in the Companies by (i) “resetting the duration,” giving each Company additional time to capitalize on growth initiatives and (ii) providing a modest amount of follow-on capital for potential M&amp;A and growth initiatives.</li> <li>The transaction provides existing investors in the Companies with an option to monetize their ownership position.</li> </ul>
<b>Investment Highlights</b>	<ul style="list-style-type: none"> <li>High visibility into operational growth of underlying assets from the reference date through close.</li> <li>Companies display attractive financial traits as evidenced by the recurring revenue profiles, strong topline growth, and ample cash runways.</li> <li>Strong alignment of incentives between the GP, LPs, and Company management teams.</li> <li>The entry valuations across the portfolio appear to represent a significant discount from the public comp sets, precedent transactions, and most recent financing rounds.</li> <li>Company managed by a top-quartile sponsor who has extensive expertise investing in technology as evidenced by their historical track record.</li> </ul>

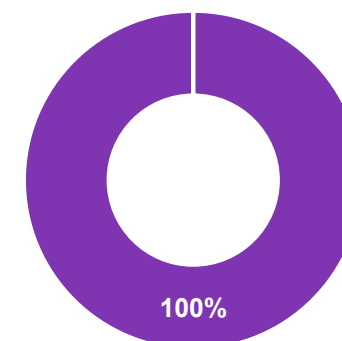
## Transaction snapshot

<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	\$19.6m
<b>Purchase price</b>	\$17.9m
<b>Purchase price / par value (at close)</b>	100.4%
<b># of underlying Funds</b>	1
<b># of underlying positions</b>	10
<b>Sourcing</b>	Intermediary
<b>Reference Date</b>	December 31, 2023
<b>Closing Date</b>	December 31, 2024

## Portfolio Overview



■ NAV at Ref Date ■ Unfunded at Ref Date



■ Venture

# Case Study – Project Jade

## Transaction summary

Project Jade is a co-investment opportunity involving a UK-based specialty insurance broker with wholesale, retail, and MGA capabilities. The Company is backed by three sponsors with extensive experience in the Financial Services sector, specifically insurance distribution businesses. The sponsors and the co-investors see material future upside potential stemming from continued strong organic growth and M&A activity, which targets markets / geographies that are in the early or middle stages of consolidation.

<b>Transaction Overview</b>	<ul style="list-style-type: none"> <li>▪ The FSOF is an existing investor in the business through the majority sponsor. The asset has performed very well over our initial hold period, generating a 2.0x / 65.0% gross total return.</li> <li>▪ The majority sponsor sold a minority stake to a private equity firm that the FSOF knows very well and has current exposure to.</li> <li>▪ As part of this transaction, the FSOF and other co-investors were offered the opportunity to co-invest on the same terms as the new minority investor and on a no fee / carry basis.</li> </ul>
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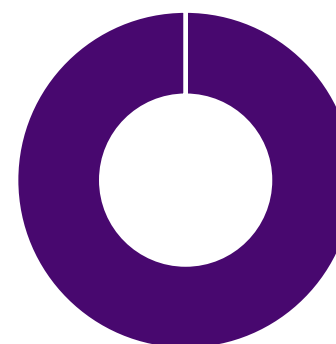
<b>Seller Objective</b>	<ul style="list-style-type: none"> <li>▪ Given the strong performance of the asset, the majority sponsor pursued this transaction to generate liquidity for LPs.</li> <li>▪ Additionally, the transaction facilitated the involvement of a new minority investor that has a strong track record of creating value in insurance distribution platforms.</li> </ul>
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<b>Investment Highlights</b>	<ul style="list-style-type: none"> <li>▪ Strong historical operating performance as demonstrated by the revenue and EBITDA CAGRs, as well as the steadily expanding margin profile.</li> <li>▪ M&amp;A strategy targets markets that are characterized as being in the early or middle stages of consolidation, providing substantial runway for future add-on activity - Company is a proven M&amp;A platform, having executed 100+ acquisitions since 2020.</li> <li>▪ Track record and insurance distribution expertise of the lead sponsors.</li> </ul>
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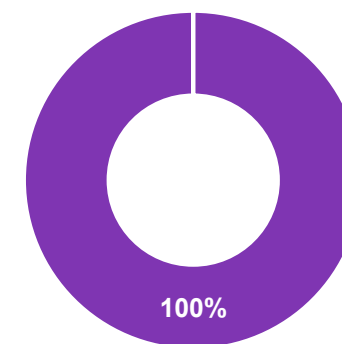
## Transaction snapshot

<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	\$11.8m
<b>Purchase price</b>	\$10.9m
<b>Purchase price / par value (at close)</b>	91.6%
<b># of underlying Funds</b>	1
<b># of underlying positions</b>	1
<b>Sourcing</b>	Proprietary
<b>Reference Date</b>	September 30, 2024
<b>Closing Date</b>	June 30, 2025

## Portfolio Overview



■ NAV at Ref Date



■ Buyout

# Case Study – Project Patagonia

## Transaction summary

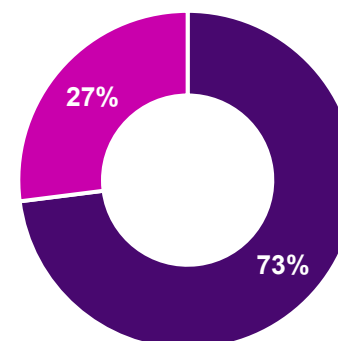
Project Patagonia is a traditional secondary purchase of four buyout-focused limited partnership fund interests. The transaction provides exposure to 38 underlying portfolio companies, which are diversified across the Financials, Industrials, Information Technology, and Consumer sectors, among others. FlowStone was able to provide a mosaic solution to acquire a portfolio of high-quality private equity assets approaching the harvest phase of their investment lifecycle.

<b>Transaction Overview</b>	<ul style="list-style-type: none"> <li>Project Patagonia is a traditional secondary investment involving four LP fund interests with a weighted average investment vintage of 2019.</li> <li>FlowStone targeted this subset of funds given our familiarity with the underlying managers and strong YoY asset operating performance.</li> </ul>
<b>Seller Objective</b>	<ul style="list-style-type: none"> <li>The seller was a Chile-based asset manager seeking to generate liquidity from their broader portfolio of private assets, consisting of 14 private equity funds and co-investments.</li> </ul>
<b>Investment Highlights</b>	<ul style="list-style-type: none"> <li>Entry discount coupled with post-reference date distribution activity and strong portfolio operational momentum provides near-term downside protection and an immediate write-up at close.</li> <li>95.9% of NAV concentrated in privately-held businesses, significantly limiting valuation volatility and providing a more predictable path to liquidity.</li> <li>Sector composition anchored in Financials and Industrials, representing 57.4% of NAV, reflecting a defensively-oriented portfolio with limited concentration in higher-multiple technology assets.</li> <li>Diversified asset pool geographically concentrated in North America with reasonable leverage levels across remaining assets.</li> <li>Cash generative portfolio with post-reference date distributions accounting for 17.4% of NAV.</li> </ul>

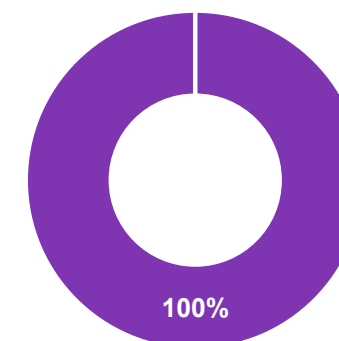
## Transaction snapshot

<b>Transaction type</b>	Secondary
<b>Total Deal Size at close (NAV + Unfunded)</b>	\$33.1m
<b>Purchase price</b>	\$26.3m
<b>Purchase price / par value (at close)</b>	92.0%
<b># of underlying Funds</b>	4
<b># of underlying positions</b>	38
<b>Sourcing</b>	Intermediary
<b>Reference Date</b>	September 30, 2025
<b>Closing Date</b>	March 31, 2026

## Portfolio Overview



■ NAV at Ref Date ■ Unfunded at Ref Date



■ Buyout

# Glossary

**Buyout** - Control investments in established, cash flow positive companies are generally classified as buyouts. Buyout investments may focus on small-, mid- or large-capitalization companies, and such investments collectively represent a majority of the capital deployed in the overall private equity market. The use of debt financings, or leverage, is prevalent in buyout transactions — particularly in the large-cap segment.

**EBITDA** - earnings before interest, taxes, depreciation, and amortization. It is a measure of a company's operating performance that focuses on profitability from core business activities before accounting for financing decisions, tax structure, and non cash accounting charges. EBITDA is commonly used to compare operating performance across companies and industries

**GP or General Partner** – The investment manager of a private equity fund.

**Harvest Phase** - The stage in a private equity fund's life cycle when the fund's manager begins to liquidate the fund's assets through the public and/or private capital markets. This stage typically begins in years 4-6 of a fund's life, as the investments have matured, and the investment manager has built value above cost in the individual company investments.

**Intermediary** – Transactions where a broker is involved and acts as an intermediary between the buy and sell side.

**J-Curve** – The value development pattern in which the net asset value of a private-equity fund typically declines moderately during the early years of the private-equity fund's life as investment related fees and expenses are incurred before investment gains have been realized. As the fund matures and portfolio companies are sold, the pattern typically reverses with increasing net asset value and distributions.

**Proprietary** – Transactions originated via the FlowStone Opportunity Fund platform where a broker is not involved

**Syndicate** – A group of buyers who combine to purchase a specific interest

**Synthetic** – Secondary investors acquire an interest in a new limited partnership that is formed specifically to hold a portfolio of investments. Typically, the manager of the new fund had historically managed the assets as a captive portfolio

**Primary or Primary Investment** – Primary investments (primaries) are interests or investments in newly established private equity funds. Primary investors subscribe for interests during an initial fundraising period, and their capital commitments are then used to fund investments in several individual operating companies (typically ten to thirty) during a defined investment period. The investments of the fund are usually unknown at the time of commitment, and investors typically have little or no ability to influence the investments that are made during the fund's life

**Seasoned Primary** – Similar to a Primary Investment; however, when the investor commits to the fund during the initial fundraising period, the newly established fund has already completed a number of transactions. Importantly, there is still a relatively high amount of unfunded capital that will be drawn down to make new platform investments

**Secondary or Secondary Investment** – Secondary Investments are interests in existing private equity funds that are acquired in privately negotiated transactions, typically after the end of the private equity fund's fundraising period. The investments of the acquired fund are usually known at the time of acquisition, and the majority of the fund's capital is typically drawn down and invested by the time of the fund's acquisition

# Glossary

**LP or Limited Partner** – An investor in a private equity fund.

**Primary Investments** - Primary investments (primaries) are interests or investments in newly established private equity funds. Primary investors subscribe for interests during an initial fundraising period, and their capital commitments are then used to fund investments in several individual operating companies (typically ten to thirty) during a defined investment period. The investments of the fund are usually unknown at the time of commitment, and investors typically have little or no ability to influence the investments that are made during the fund’s life.

**Vintage** - the vintage of a private equity fund refers to the calendar year in which the fund begins making investments, typically measured from the year of its first capital call or first investment. Vintage year is used to compare fund performance across different market environments and economic cycles.

**Secondary Investments (“Secondaries”)** - Secondary Investments are interests in existing private equity funds that are acquired in privately negotiated transactions, typically after the end of the private equity fund’s fundraising period. The investments of the acquired fund are usually known at the time of acquisition, and the majority of the fund’s capital is typically drawn down and invested by the time of the fund’s acquisition.

**SWF** - Sovereign Wealth Fund

**Syndicate** – A group of buyers who combine to purchase a specific interest.

**Transaction(s)** - Transactions are defined as the number of individual investment transactions closed by the Fund during the measurement period. For example, a primary commitment is counted as one transaction. A completed secondary acquisition of assets is counted as one transaction, irrespective of the number assets acquired in that transaction. “Transactions” does not provide a measure of diversification but is intended to summarize the Fund’s new investment activity during the measurement period.

**Venture** - Investments in new and emerging companies are usually classified as venture capital. Such investments are often in technology and healthcare related industries. Companies financed by venture capital are generally not cash flow positive at the time of investment and may require several rounds of financing before the company can be sold privately or taken public. Venture capital investors may finance companies along the full path of development or focus on certain sub-stages in partnership with other investors.

## **Secondary Fund Size Classification**

Vintage Year	Small-Cap	Mid-Cap	Large-Cap
2000-2004	<\$50MM	\$50-\$250MM	>\$250MM
2005-2009	<\$300MM	\$300-\$1,500MM	>\$1,500MM
2010-2011	<\$500MM	\$500-\$2,500MM	>\$2,500MM