

The Brief Case: Private Markets

»» What Are Private Markets?

Private markets refer to investments made in assets not traded on public exchanges, such as private equity, private credit, real estate, and infrastructure.

»» How Do Private Markets Differ from Traditional Investments?

- **Traditional Investments (Stocks and Bonds):** Involve assets that are publicly traded, highly liquid, and widely accessible to everyday investors.
- **Private Market Investments:** Involve direct investments in companies or assets, typically through an investment firm. These markets are typically less liquid and may have longer investment horizons.

»» What Role Can Private Markets Play in a Portfolio?

Private markets, as alternatives to traditional stocks and bonds, offer:

- **Diversification:** Reducing reliance on public markets by spreading risk across different asset types.¹
- **Potential for Higher Returns:** Private market investments seek to offer higher returns, often due to niche opportunities and illiquidity premiums.
- **Income Generation:** Private credit, for example, can provide consistent cash flows, particularly appealing in falling interest rate environments.

POTENTIAL BENEFITS

- **Access** to deals not commonly found in public markets
- **Flexible structuring**—Private deals can be tailored to meet specific financial goals
- **Growing opportunity set** with larger universe of private companies vs. public companies

CONSIDERATIONS

- **More complex** and generally only accessible through a manager
- **Generally less liquid** than public markets
- **Potentially more risk** in exchange for potential return premium

¹ Diversification does not eliminate the risk of loss.

DISCLOSURES

This document should not be relied upon as investment advice or be considered as an offer to sell or solicitation to buy any security.

This document (together with any additional materials provide in connection herewith) has been prepared by TCG Capital Markets L.L.C (together with its affiliates, "Carlyle") for informational purposes only. It is not intended to be (and may not be relied on in any manner as) legal, tax, investment, accounting or other advice or as an offer to sell or a solicitation of an offer to buy any securities of any investment product or any investment advisory service, including any limited partnership or comparable limited liability equity interests in any fund, managed account or other similar investment vehicle or product sponsored by Carlyle (each, a "Fund"). Any such offer or solicitation may only be made pursuant to such Fund's final confidential private placement memorandum and/or the related subscription documents, which will be furnished to qualified investors on a confidential basis at their request for their consideration in connection with such offering. The information contained in this document (together with any additional materials provide in connection herewith) is superseded by, and is qualified in its entirety by, such offering materials. This document (together with any additional materials provide in connection therewith) may contain proprietary, trade-secret, confidential and commercially sensitive information. U.S. federal securities laws (and many other non-U.S. securities laws and regulations) prohibit you and your organization from trading in any public security or making investment decisions about any public security on the basis of information included in these materials. References to any portfolio investment are intended to illustrate the application of Carlyle's investment process only and should not be used as the basis for making any decision about purchasing, holding or selling any securities. Nothing herein should be interpreted or used in any manner as investment advice. The information provided about these portfolio investments is intended to be illustrative and it is not intended to be used as an indication of the current or future performance of Carlyle's portfolio investments.

An investment in a fund entails a high degree of risk. Including the risk of loss. A Fund will be actively managed by Carlyle. There is no assurance that a Fund's investment objective will be achieved or that investors will receive a return on their capital. Investors must read and understand all the risks described in a Fund's final confidential private placement memorandum and/or the related subscription documents before making a commitment. The recipient also must consult its own legal, accounting and tax advisors as to the legal, business, tax and related matters concerning the information contained in this document to make an independent determination regarding the consequences of a potential investment in a Fund, including U.S. federal, state, local and non-U.S. tax consequences. Unless otherwise explicitly stated, the investments underlying any Fund or other investment program, or any specific investment thereof, do not take into account the EU criteria for environmentally sustainable economic activities.

Do not rely on any opinions, predictions, projections or forward-looking statements contained herein. Certain information contained in this document constitutes "forward-looking statements" that are inherently unreliable and actual events or results may differ materially from those reflected or contemplated herein. None of Carlyle or any of its representatives makes any assurance as to the accuracy of those predictions or forward-looking statements. Carlyle expressly disclaims any obligation or undertaking to update or revise any such forward-looking statements. The views and opinions expressed herein (including Carlyle's position in the private equity industry and advantages of its business operations) are those of Carlyle as of the date hereof and are subject to change based on prevailing market and economic conditions and will not be updated or supplemented.

This document is not intended for general distribution and it may not be copied, quoted or referenced without TCG Capital Market's prior written consent.

TCG Capital Markets L.L.C. is part of The Carlyle Group ("Carlyle") and comprises its Global Private Wealth business segment. An information barrier has been erected between Carlyle and the rest of Carlyle that restricts certain information from being shared, including information regarding Carlyle portfolio investments. All investment programs managed by Carlyle are intended to operate in accordance with the information barrier protocols and supplemental compliance procedures specific to Carlyle's Global Private Wealth business segment. The information herein relates solely to Carlyle and not to Carlyle more generally, except as otherwise noted.

Carlyle may process the personal data of a recipient or its representatives. More information about how Carlyle processes personal data can be found at www.Carlyle.com/privacy-policy.

Prospective investors will be given the opportunity to ask questions and are encouraged to contact Carlyle to discuss the procedures and methodologies used to calculate the investment returns, as well as any terms and conditions of any Fund offering.

Where applicable, this document has been distributed by TCG Capital Markets L.L.C., a broker-dealer affiliated with Carlyle which is registered with the SEC and is member of the Financial Industry Regulatory Authority. Related financial products and services are only available to investors deemed to be "qualified purchasers" as defined in Section 2(a)(5) of the Investment Company Act of 1940, as amended, and "accredited investors" as defined in Regulation D of the 1933 Securities Act, as amended. When TCG Capital Markets L.L.C. presents a fund, strategy or other product to a prospective investor, TCG Capital Markets L.L.C. does not evaluate any information necessary to determine whether an investment in the fund, strategy or other product is in the best interests of, or is suitable for, the investor. You should exercise your own judgment and/or consult with a professional advisor to determine whether it is advisable for you to invest in any Carlyle strategy or product. TCG Capital Markets L.L.C. will not make any recommendation regarding, and will not monitor, any investment made by any investor in any Carlyle fund, strategy or other product. For financial advice relating to an investment in any Carlyle fund, strategy or product, contact a professional advisor.