

PE FUNDRAISING AT A GLANCE

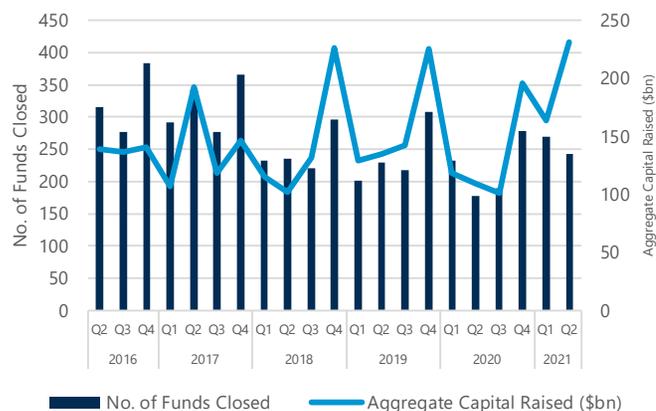
Q2 Trends

- ▶ **Fundraising.** Private equity fundraising surged in Q2.
 - ▶ \$230.9bn was raised globally in Q2, up 29% from \$163.7bn in Q1 2021 and up 53% from \$109bn in Q2 2020 during the early stages of the COVID-19 pandemic.
 - ▶ Buyout funds represented 73% of aggregate capital raised globally in Q2. Several mega buyout funds closed during Q2, and the strong fundraising environment bodes well for H2.
 - ▶ Investors are increasingly interested in growth capital strategies, with 47% of investors targeting these strategies over the next 12 months, up from 39% over the same period in 2020.¹
- ▶ **Secondaries.** Secondaries have represented approximately 6% of the total private equity market in recent years.¹ Since the closing of several large secondaries funds in 2020, the appetite for this sector has softened. Nevertheless, investors continue to use secondaries to accelerate liquidity and rebalance their portfolios. GP-led secondaries transactions, including the formation of continuation vehicles to hold extended-life investments, comprise a significant portion of current activity in this sector.

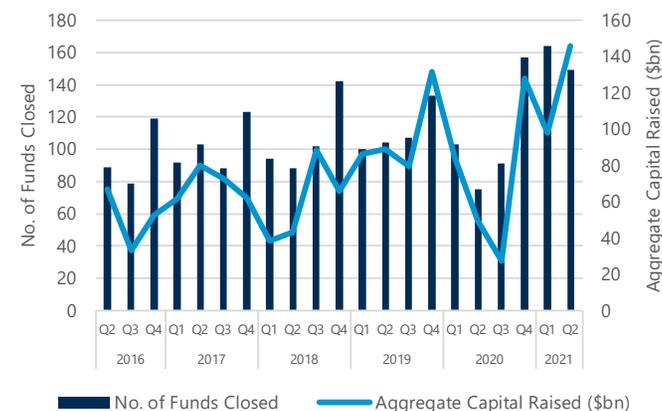
¹Source: Preqin Quarterly Update: Private Equity & Venture Capital Q2 2021.

Second Quarter 2021

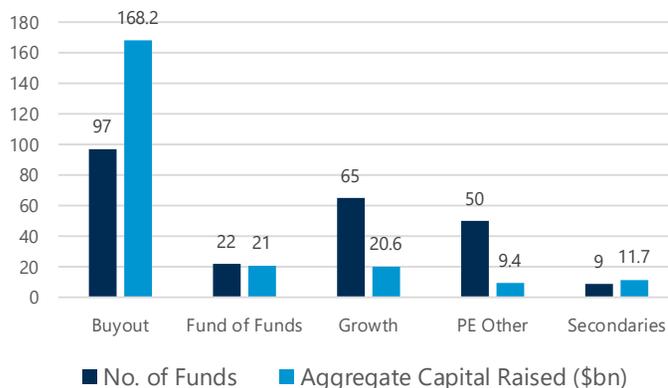
Global Quarterly Private Equity Fundraising



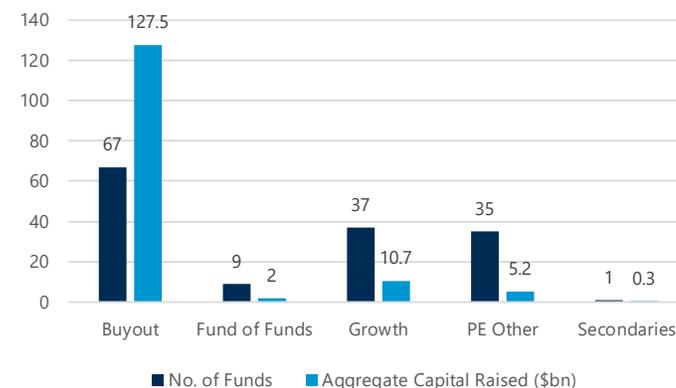
US-Based Quarterly Private Equity Fundraising



Global Private Equity Fundraising by Fund Type: Q2 2021



US-Based Private Equity Fundraising by Fund Type: Q2 2021



*PE Other includes balanced, co-investment, co-investment multi-manager, direct secondaries, hybrid, hybrid fund of funds, PIPE and turnaround funds.

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All charts were compiled by Preqin and the data contained therein have not been reviewed for accuracy by Paul, Weiss. Charts do not include data regarding venture capital funds.

Q2 Trends

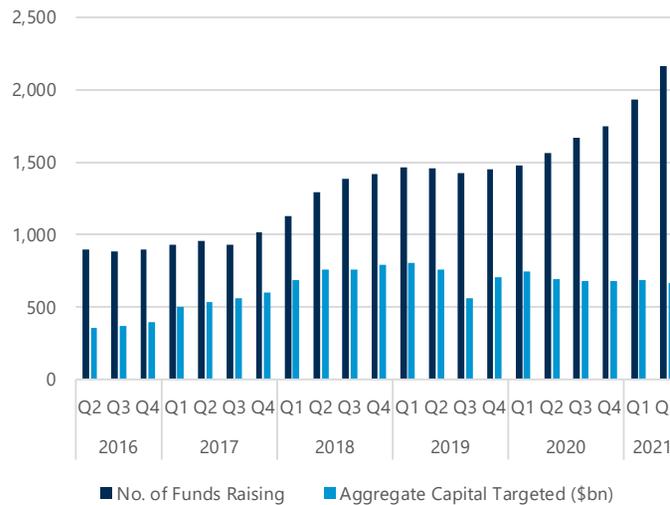
Second Quarter 2021

- Funds in Market.** A record number of private equity funds (2161) entered the global market in Q2, an 11% increase from Q1, resulting in the most funds in the market at any time over the last five years. Aggregate capital targeted in Q2 was \$666.9bn, down 2.6% from Q1.
- AUM; Dry Powder.** Global private equity AUM and dry powder reached all-time highs of \$3.886tn and \$1.263tn, respectively, at the end of Q4 2020.
- Institutional Investors.** The COVID-19 pandemic did not diminish the appetite of institutional investors for private equity. The world's 100 biggest private equity investors, including pension funds, insurers, foundations/endowments, sovereign wealth funds and other institutional investors, held more than \$1.2tn in private equity assets at the end of Q4 2020, up 19% from the previous year.²

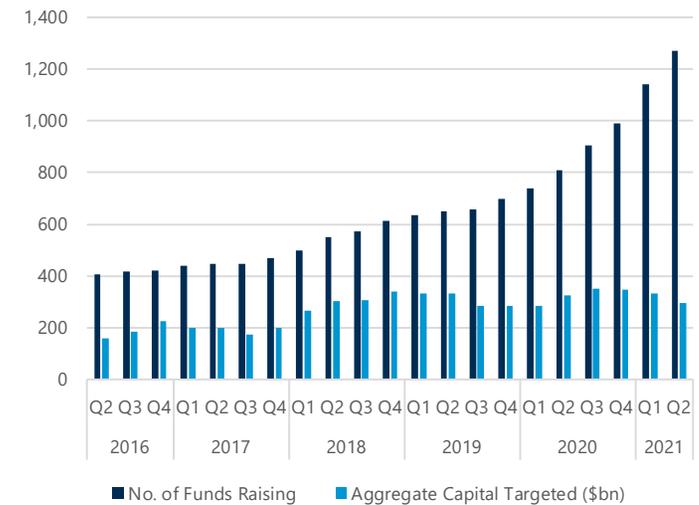
- ESG.** ESG-driven strategies continue to gain in popularity. Investors are increasingly interested in private equity firms that consider ESG in their investment strategy, engage with portfolio companies on ESG topics and can deliver measurable metrics on ESG performance. Relatedly, the SEC's Division of Examinations recently highlighted certain compliance risks regarding ESG-related products, including whether firms are accurately disclosing their ESG investing approaches (e.g., adherence to certain global ESG frameworks) and have adopted and implemented policies, procedures and practices that accord with their ESG-related disclosures.

²Source: Private Equity International Global Investor 100 (2021).

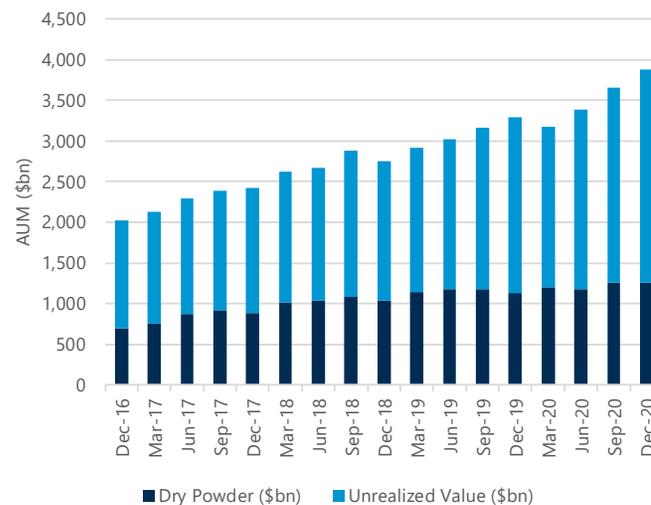
Global Quarterly Private Equity Funds in Market



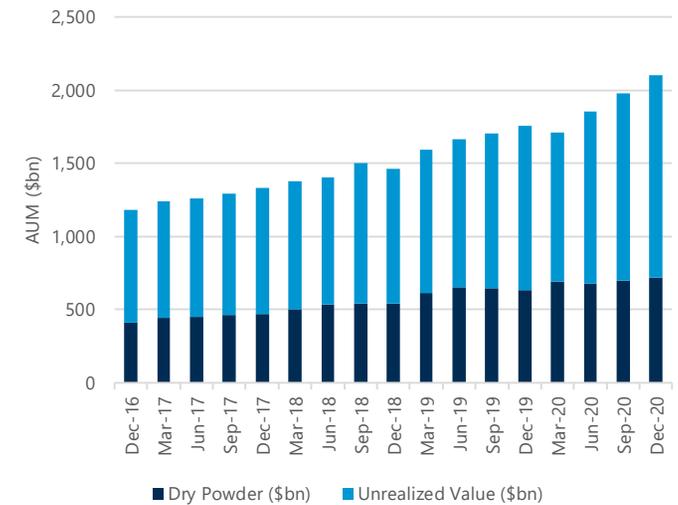
US-Based Quarterly Private Equity Funds in Market



Global Quarterly Private Equity AUM



US-Based Quarterly Private Equity AUM



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