Single-Asset CVs: How They Stack Up

Continuation vehicles (CVs), including single-asset CVs, have become a prevalent tool for general partners (GPs) seeking continued value creation, extended ownership of high-performing assets, and liquidity options for existing limited partners (LPs). As fundraising conditions and exit markets remain mixed, CVs have emerged as a strategic avenue for retaining companies with strong momentum and clear pathways to continued value creation.

To assess how these assets have performed relative to the broader private and public markets, Lincoln International analyzed 1) portfolio companies involved in single-asset transactions completed between January 2024 and June 2025, and 2) a subset of these portfolio companies valued by Lincoln International (the CV Companies) (see "Methodology" for more information). We benchmarked the median performance of the CV Companies against:

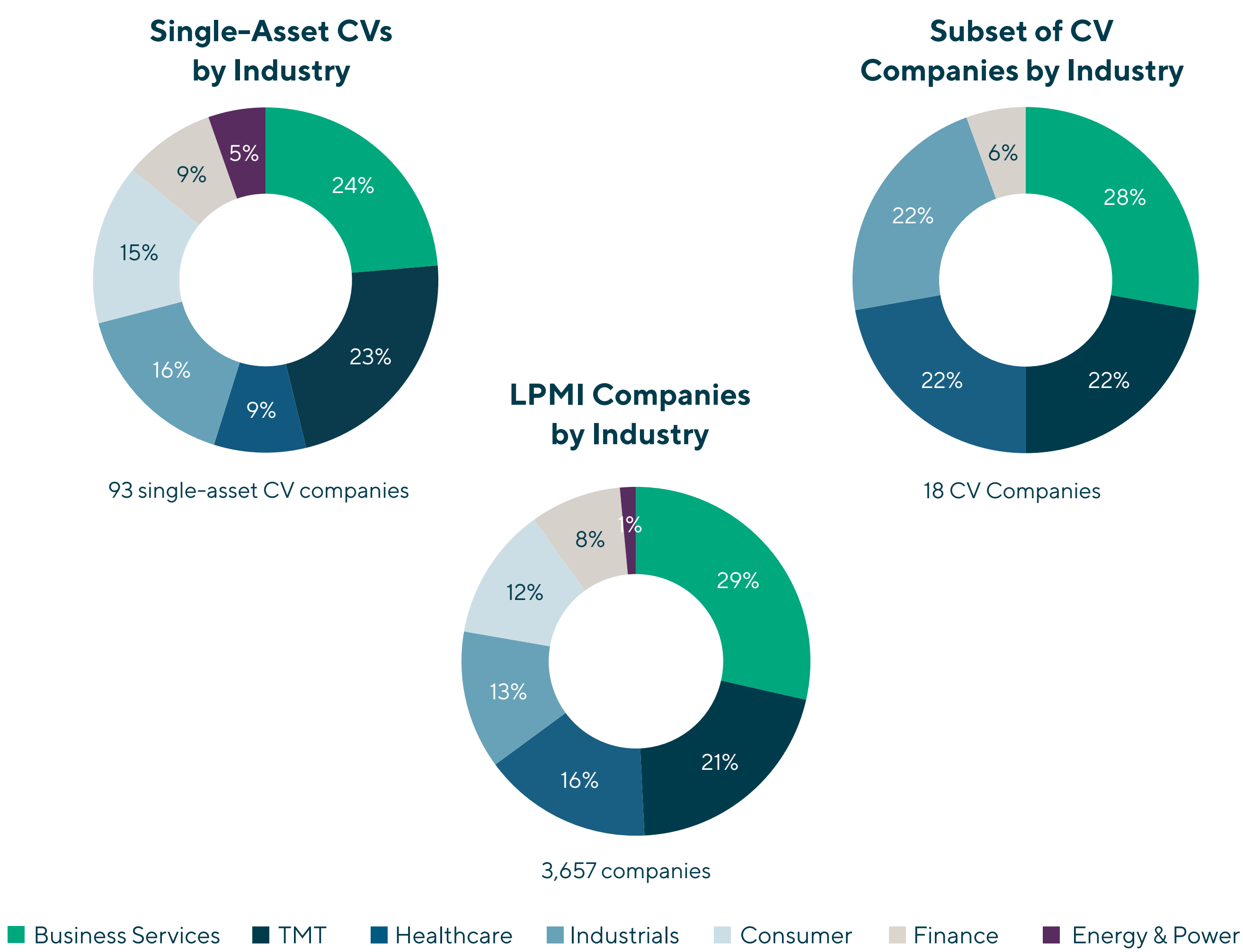
- Lincoln Private Market Index (LPMI), representing 6,250+ private equity-backed companies
- The Russell 2000, representing a diversified public-market peer group (RUT)

Key Insights from Lincoln's Transaction Opinion & Board Advisory Team

1 Industry Concentration Highlights Investor Preferences

Among the 93 companies acquired in single-asset CV transactions that occurred in 2024 and H1 2025:

- Business services and technology companies accounted for the largest share, reflecting strong recurring-revenue models and long growth runways.
- Healthcare followed, driven by durable demand, strong downside protection, potential for further industry consolidation and assets with proven clinical or commercial traction.
- Industrials and consumer followed, as sponsors in these sectors often use CVs to continue operational improvements or complete add-on acquisitions.
- Energy showed a higher concentration among single-asset CVs than the broader LPMI, driven by fewer traditional exit options and longer value-creation timelines.

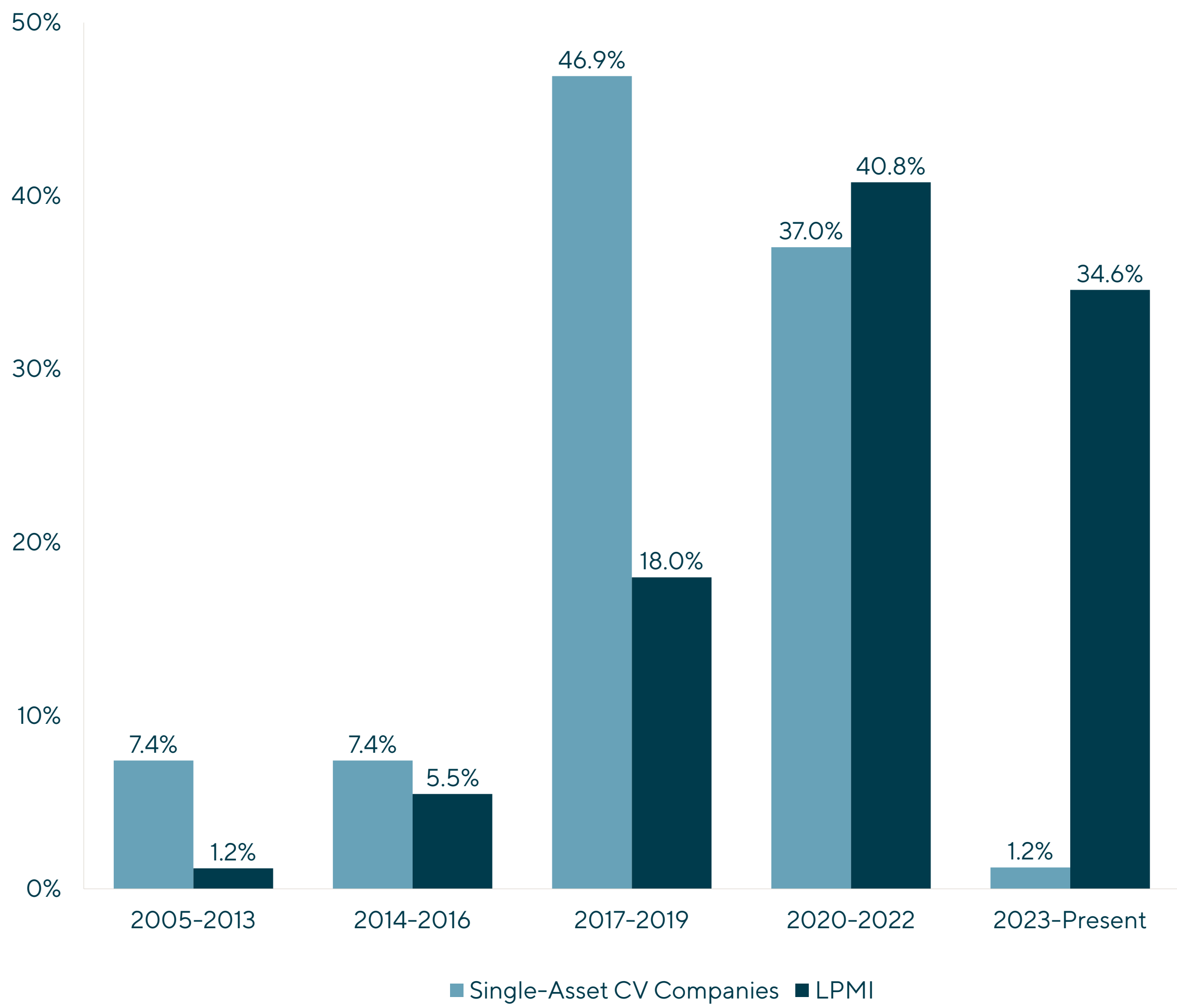


2 Holding Period Trends Indicate CVs Target Mature, High-Performing Assets

- Across 81 observed single-asset CV transactions with publicly available initial investment dates, the average holding period of the selling fund was 5.7 years. Among the LPMI companies valued in Q2 2025, the average time since investment of the securities valued by Lincoln is 3.8 years.

This difference highlights a defining feature of single-asset CVs: compared with more diversified multi-asset continuation funds or traditional private equity funds, single-asset CVs typically involve mature, high-performing assets that have reached or surpassed traditional fund-life horizons but still offer meaningful upside.

Initial Investment Data of CV Transaction Selling Funds vs. Companies in the LPMI 81 single-asset CV companies

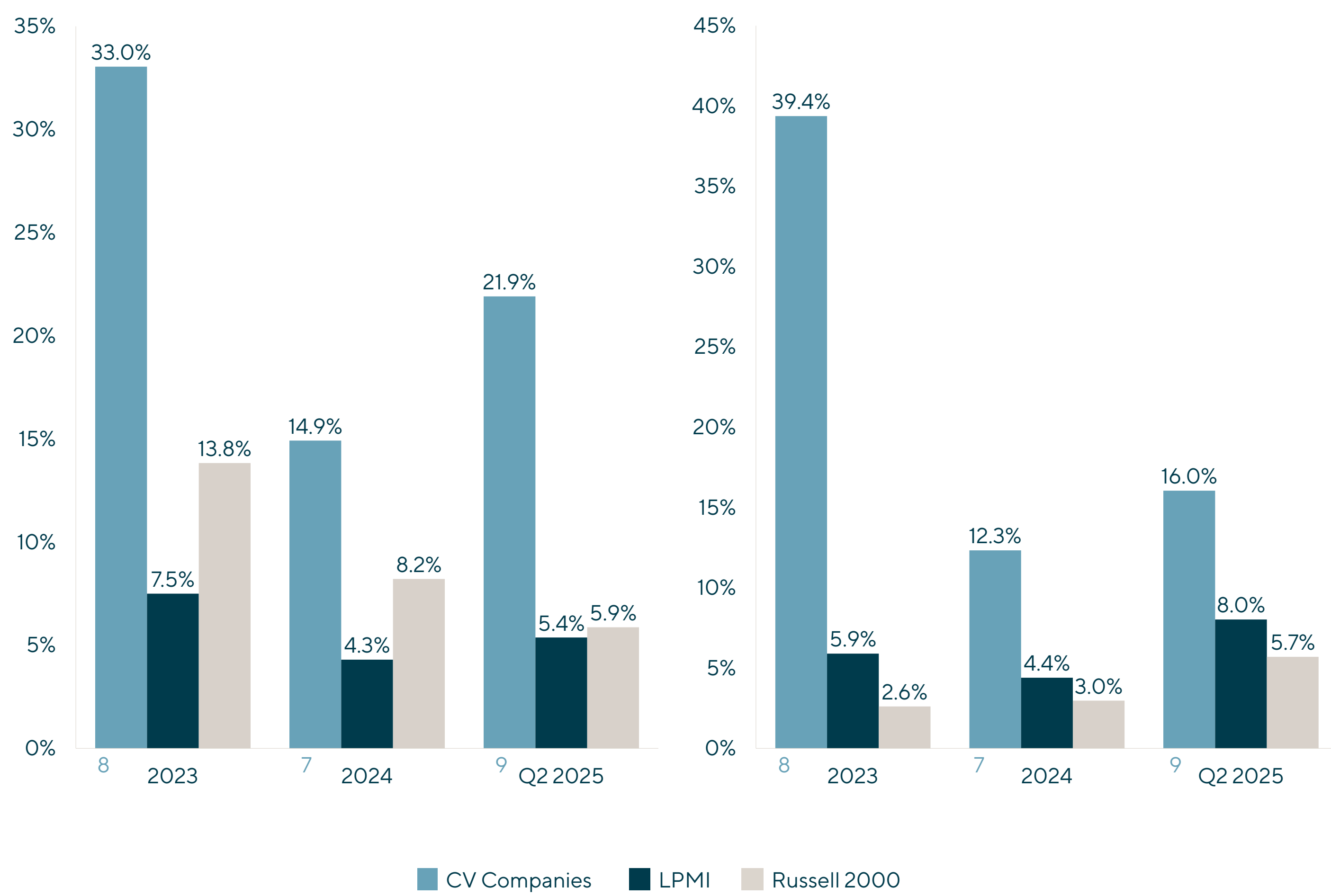


3 Single-Asset CV Companies Delivered Stronger Revenue and EBITDA Growth

- Across 2023, 2024 and into 2025, the CV Companies significantly outperformed both the LPMI and RUT benchmarks in year-over-year revenue and EBITDA growth.
- GPs typically transfer companies with proven scalability, resilient financial trajectories and clear levers for continued expansion. With additional time and capital, these assets can execute operational improvements, add-on acquisitions and buy-and-build strategies without the pressure of a near-term exit.

LTM Revenue Growth

LTM EBITDA Margin



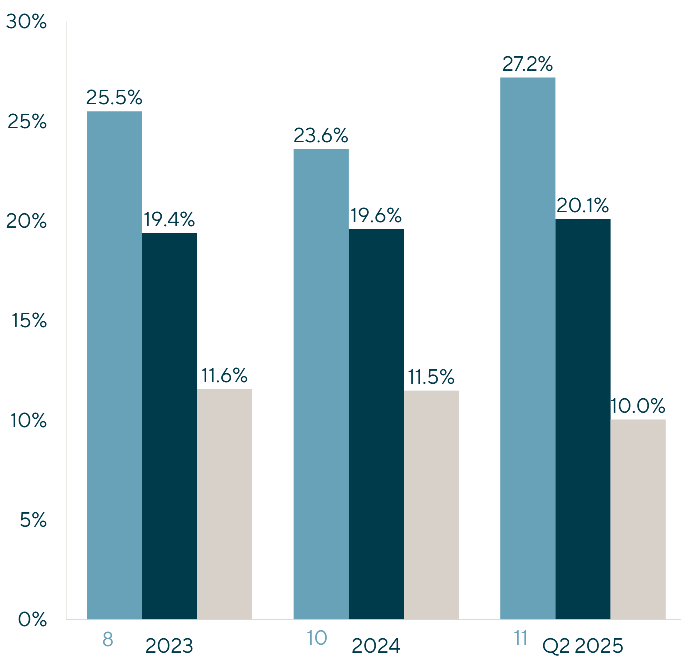
4 Higher Gross Margins and EBITDA Margins Reflect Mature Operational Profiles

The CV Companies maintain consistently higher gross margins and EBITDA margins relative to both the LPMI and RUT benchmarks.

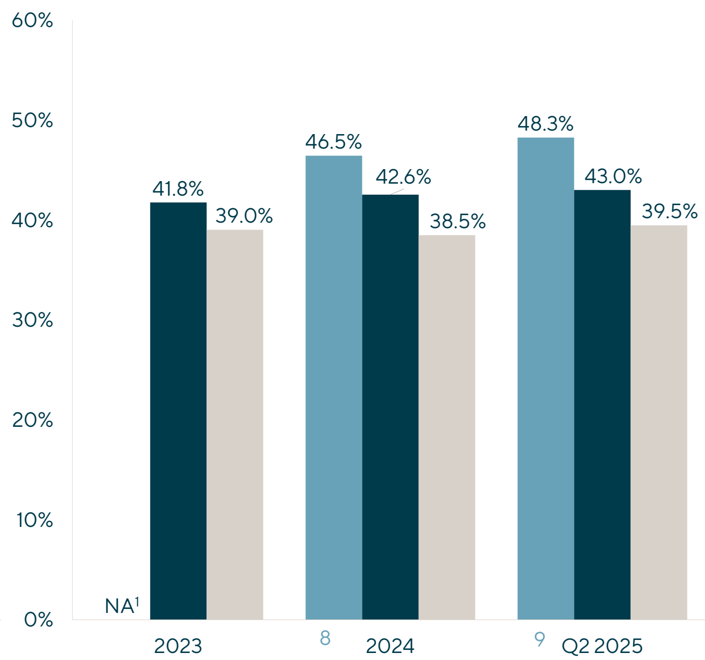
Key drivers include:

- Generally higher-quality companies
- Completion of foundational operational improvements
- More stable business models with demonstrated profitability
- Leaner cost structures and disciplined governance

LTM EBITDA Growth



LTM Gross Margin



CV Companies LPMI Russell 2000

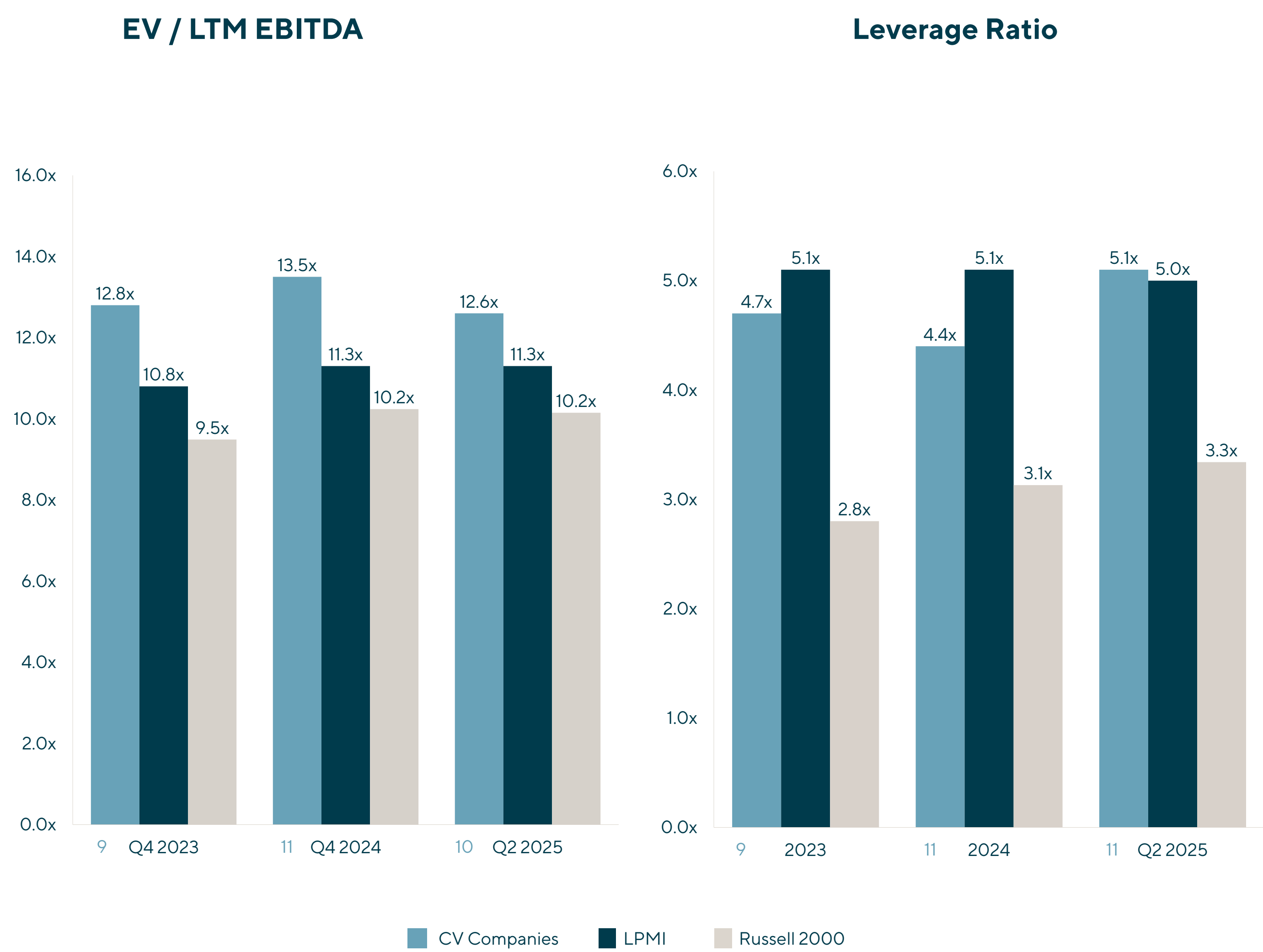
(1) *CV Companies' median gross margin is excluded due to lack of sufficient data*

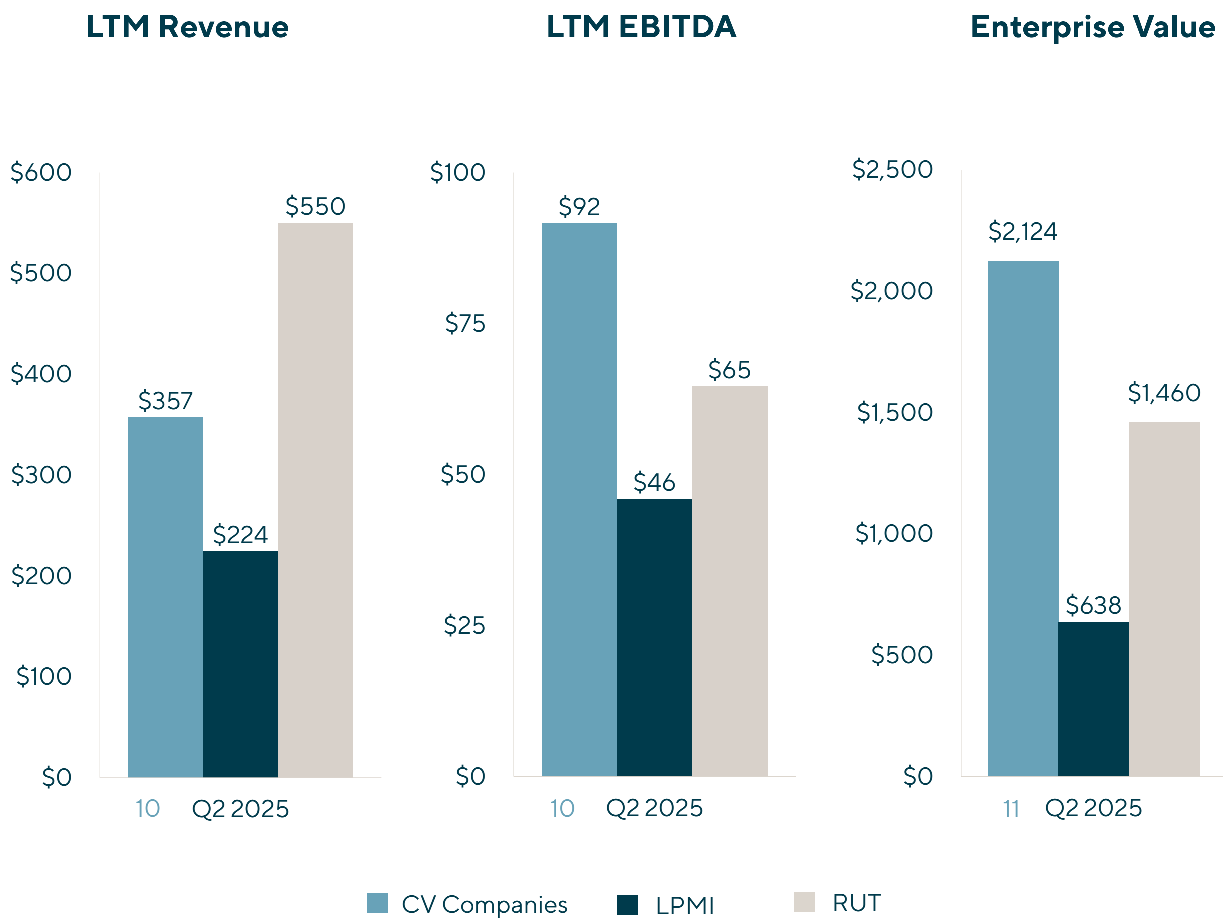
5 Premium Multiples, Lower Leverage, Larger Scale

Across 2023, 2024 and into 2025, the CV Companies exhibit:

Key drivers include:

- Higher EV/EBITDA multiples than both the LPMI and RUT, reflecting (i) add-on track record and (ii) higher growth levels and margins
- While the CV Companies are still more levered than the RUT, as expected for sponsor-backed businesses, they generally exhibit lower leverage levels than the LPMI
- Larger company size based on enterprise value (EV) than both the LPMI and RUT





LPMI Overview

On a quarterly basis, Lincoln determines the enterprise fair value of 6,250+ portfolio companies for more than 225 sponsors (i.e., private equity groups and lenders to private equity groups). These portfolio companies report quarterly financial results to the sponsor or lender. Lincoln obtains this information and determines the appropriate enterprise value multiple so as to compute the enterprise value in accordance with the fair value measurement principles of generally accepted accounting principles. In assessing enterprise value, Lincoln relies on well-accepted valuation methodologies such as the market approach and income approach considering each company's historical and projected performance and other qualitative and quantitative factors. Finally, each valuation is then vetted by auditors, company management, boards of directors and regulators. Upon concluding each quarterly valuation cycle, Lincoln aggregates the underlying financial performance and enterprise value data for analysis.

Methodology

Lincoln identified 93 single-asset CVs between 2024 and H1 2025. For Exhibits 1–2, Lincoln relied on publicly available information for the identified CVs and compared these data points with the global universe of portfolio companies included in the LPMI.

Among the 93 single-asset CVs, 18 companies were directly matched to the LPMI database, enabling detailed benchmarking of their financial performance against both the broader LPMI universe and the Russell 2000 for Exhibits 3–5.

Median performance statistics for the Russell 2000 were sourced from Bloomberg.

The Lincoln Difference

Lincoln's dedicated transaction opinions and board advisory team provides best-in-class financial advice to general partners, boards of directors, special committees, investors, creditors, trustees and other fiduciaries on a broad range of transactions. Being housed in a global investment bank with highly active Mergers & Acquisitions and Capital Advisory Groups, we bring deep product and industry expertise and real-world experience to each of our transaction opinion engagements. Please let us know if we can help you navigate a continuation vehicle transaction.

Ready to discuss the opportunities ahead for you?
Connect with a senior professional at connect@lincolninternational.com