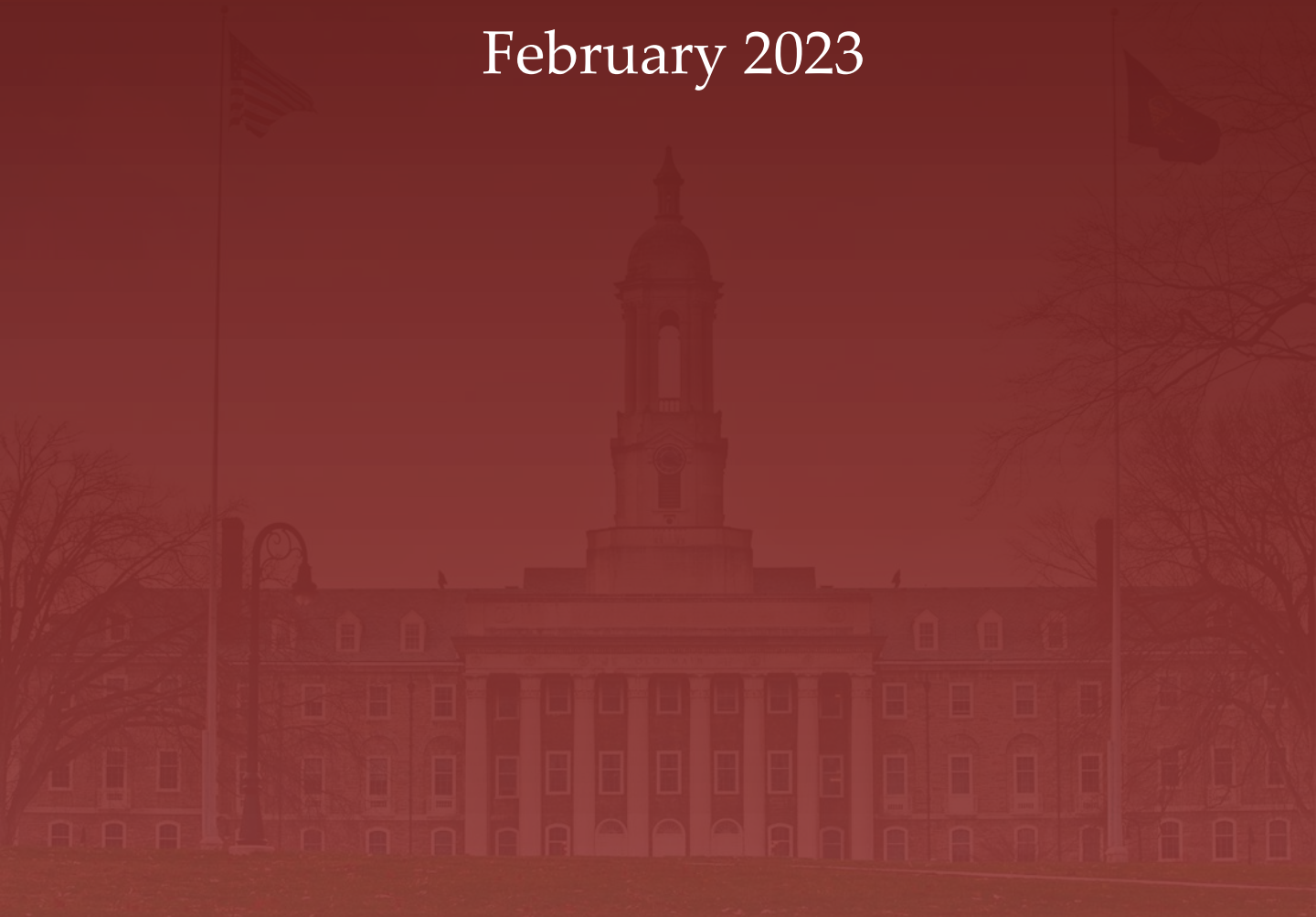


Leveraged Lion Capital Monthly Report

February 2023



LLC Updates

In the month of February, sectors within Leveraged Lion Capital continued their biweekly pitches of leveraged loan and high-yield bond investments.

February was also busy with several Guest Speakers meeting with the organization. Brian Callahan, Co-Chair of the LLC Board of Directors, spoke in class about his involvement with the organization and experience in electronic loan trading. Mike Coppola, President of LLC in 2018, met with the class over Zoom and gave advice on navigating the recruiting process. Eugene Weissberger, Managing Director at Mesirow Financial, held an educational overview of credit agreements.

Additionally, we concluded our first ever fundraising campaign for THON. LLC partnered with the Penn State Asset Management Group to raise a combined \$3,091 to support cancer research and help pay medical bills for pediatric cancer patients.

Finally, alumni from Cowen Investment Banking and Citi Sales & Trading spoke with our organization about upcoming internship opportunities.

February Sector Pitches

Sector	Pitch	Result
Consumer & Retail	Goodyear 2025 Senior Unsecured Notes	Disapproved
Energy	Nine Energy 2028 Senior Secured Notes	Disapproved
Healthcare	ICON 2026 Senior Secured Notes	Approved
Industrials	Ingersoll Rand 2027 Term Loan B	Disapproved
Information Technology	Ultra Clean Holdings 2025 Term Loan B	Approved
Materials	Eldorado Gold 2029 Senior Unsecured Notes	Approved
Media & Communications	Warner Music Group 2028 Term Loan B	Approved
REGAL-FIG	Playa Hotels & Resorts 2028 Term Loan B	Approved

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S&P Global

Leveraged Loan & HY Bond News

Leveraged loans gained 0.63% during the month of February, posting positive returns for the fifth straight month. Gross issuance hit a 12-month high of \$38.70 bn with net issuance more than doubling to \$9.60 bn from \$4.60 bn last month, the highest monthly total since June 2022.

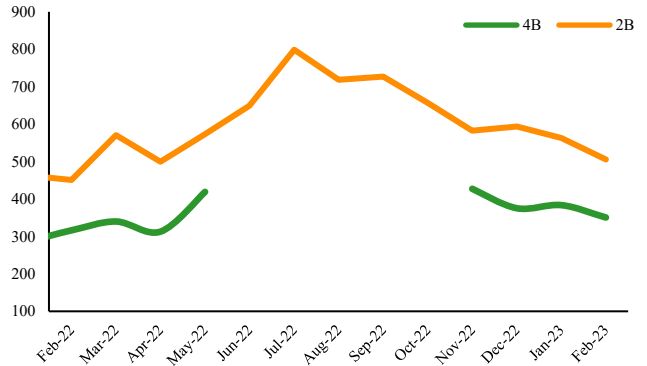
CLO volume made a strong impression with 35 deals totaling \$15.00 bn, representing more than twice the amount in January and slightly more than the \$14.60 bn a year ago. This was the first time the CLO market broke \$15.00 bn in a single month since November 2021 when volume totaled a towering \$24.69 bn. Loan mutual fund outflows remained relatively unchanged for the month, but repayments continued to dominate the market. A string of bond deals to repay loans drove repayment activity of \$9.30 bn, with big names such as Caesars Entertainment, Alliant Holdings, Mauser, and TransDigm leading the way for bond-for-loan repayments of over \$1.00 bn.

High-yield bond returns ended the month at (1.30%), as retail cash outflows and inflation data was interpreted as inevitable longer-lasting interest rate hikes. February's data brings the total year-to-date return to 2.57%. High-yield volume reached \$13.90 bn across 17 issuances, with \$1.50 bn for LBOs and \$12.30 bn for refinancings.

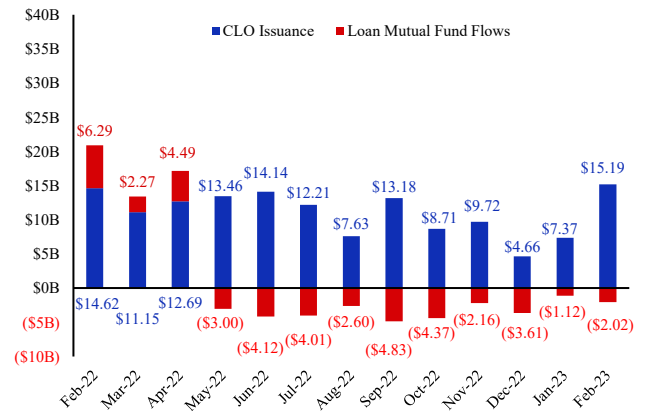
CIO Commentary

For the month of February 2023, Leveraged Lion Capital's leveraged loan portfolio returned (0.32%) nominally, an underperformance to the LSTA 100 Index of 0.44%. Leveraged Lion Capital's high yield bond portfolio returned (3.11%) nominally, an underperformance to the HY Index of 0.90%. High-yield bond performance dwindled as inflation data did not suggest an optimistic outlook and the market expects additional interest rate hikes from the Federal Reserve.

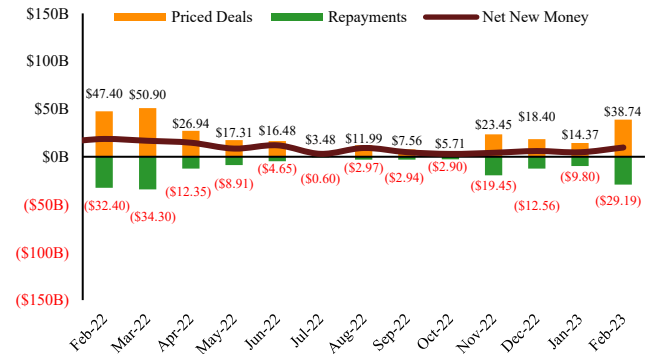
Regular Way Deal Pricing



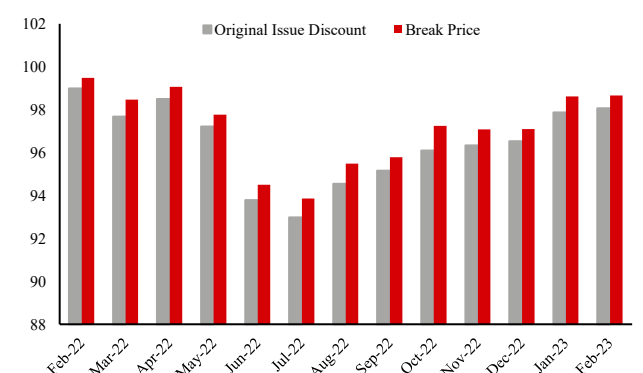
CLO/Mutual Fund Flows



Net New Money



Break vs. Issue Price



New-Issue Market Trends

Breaking the trend for the past four months, the market saw three pricings flex up, although the vast majority remained flex down as arrangers flexed pricing tighter for the month. In the middle market, sponsors and banks are turning to the direct deals due to a sporadic new-issue institutional market. Buyout debt has been well received, as companies are continuing to use the private markets instead of a syndicated solution.

Credit/Documentation Trends

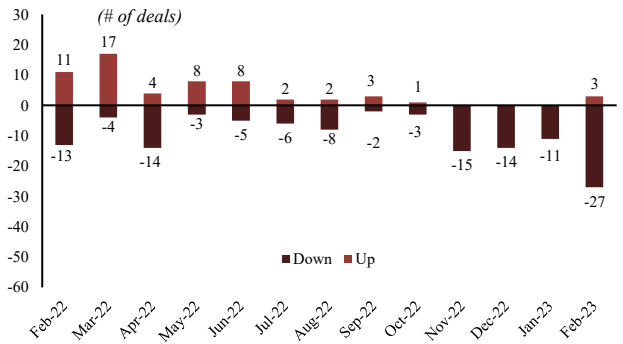
The average Documentation Score for February tightened to 3.78 for all loans, as loan volume was limited recently. For PE-backed loans, which represents a more consistent sample, the average score only changed slightly from 4.13 to 4.12. 85.00% of institutional loans cleared covenant-lite, a dip of 8.00% compared to 93.00% in January as investors reevaluate market conditions. Four loans included MFN sunsets compared to seven in January, which brings the total rolling-three-month count to 19.

Default Statistics

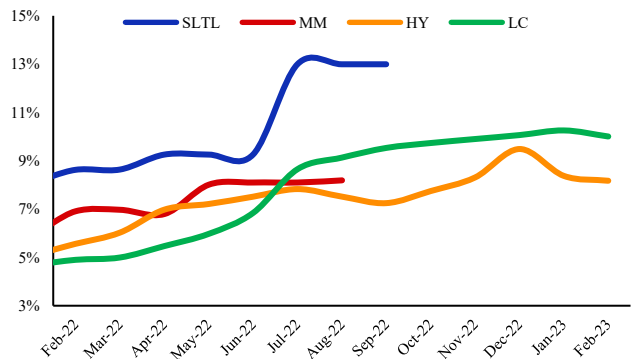
February saw seven defaults that collectively totaled \$4.61 bn, including Avaya, KNB Holdings, and Riverbed Technology. The TTM default rate came out at 1.90%, up from 1.70% in January and 1.60% at the end of last year. The volume of Fitch's Top Market Concern Loans stood at \$49.60 bn, up from \$46.70 bn last month and representing 3.00% of leveraged loans.

Data and charts used in the February CIO Commentary (pages 2 & 3) were directly retrieved from the LevFin Insights February Monthly Report, the Loan Syndications and Trading Association (LSTA) "February Secondary Market Monthly," Covenant Review, Fitch Ratings, and Thomson Reuters Lipper for educational purposes only. Data and charts for the Monthly Charts and Portfolio Analytics Report (located on page 6) were directly retrieved from Bloomberg, the LSTA, and S&P Global for educational purposes only. Leveraged Lion Capital is not associated with any of the aforementioned organizations and does not take credit for data and charts used in this report. No copyright infringement intended.

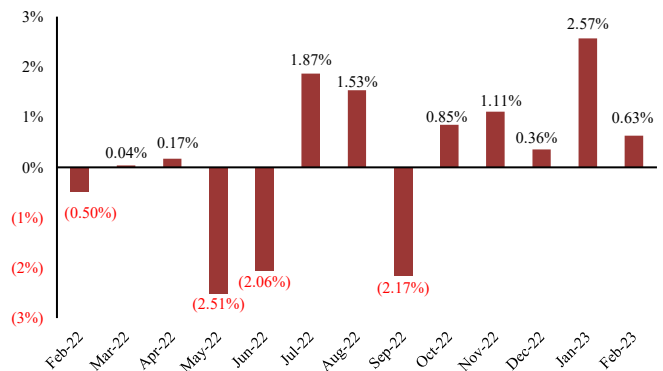
Flex Activity



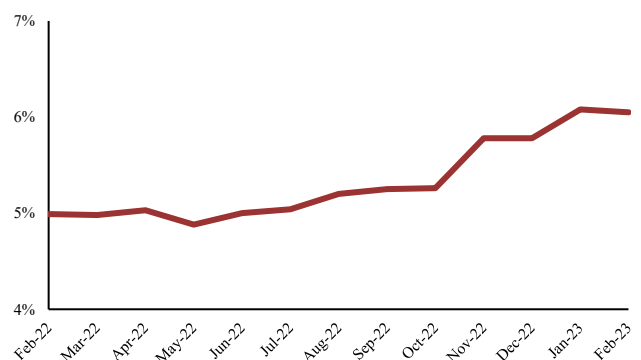
New-Issue Yield to Maturity



Monthly Returns



% of Outstanding Loans rated CCC



Sector Summaries

Consumer & Retail

Lead Analyst: Max Aurilio

Consumer and Retail returned 1.35% nominally this month. The Sector's best performing holding this month was Energizer Holdings, trading up 1.48% nominally. Energizer recently declared their quarterly dividend at its usual price of \$0.30 per share. The Sector's worst performing holding this month was G-III Apparel Group, returning 1.09% nominally. G-III is being investigated for securities fraud by several law firms after their stock fell 44.66% after they released 3Q22 fiscal earnings. The sector will continue monitoring earnings data from companies in the S&P Consumer Staples as it comes out; currently 72.70% have beat consensus in 4Q22 while 27.30% have missed with 11 of 33 companies reporting so far.

Energy & Utilities

Lead Analyst: Ivan Sosa

Energy bonds have returned 0.22% nominally this month. The Sector's best performing holding this month was NGL Energy Partners' Secured Bond, returning 0.30% nominally. The market has reacted positively to NGL's announcement of redemption of their 7.50% notes which are due this year. The Sector's worst performing holding this month was Antero Midstream's Unsecured Bond, returning (2.90%) nominally. The market reacted negatively to AM's announcement of an increase in its long-term debt, causing investors to worry about the AM's ability to repay debt. The Sector will be monitoring demand for oil and subsequent changes in prices.

Healthcare

Lead Analyst: Luke Zoll

Healthcare loans returned 0.28% nominally this month and bonds returned (1.41%) nominally. The Sector's best performing holding this month was RadNet's Term Loan B, trading up 0.38% nominally. The market reacted positively to RadNet's fourth quarter financial report which recorded record high levels of revenue and adjusted EBITDA. The Sector's worst performing holding this month was HealthEquity 2029 Senior Unsecured Notes, returning (3.23%) nominally. The company underperformed following HealthEquity's identification of several risks such as cyber security breaches and the difficulty of integrating recent and future acquisitions into the company's portfolio. The sector will be monitoring potential public health policy changes addressed in the upcoming WHO forum on health in the well-being economy.

Industrials

Lead Analyst: Nihar Kalikota

The Industrials Sector returned (2.22%) nominally this month. The Sector's best performing holding this month was Danaos Corporation's 2028 Senior Unsecured Notes, trading up 1.21% nominally. The Company reported earnings this month in which Adjusted EBITDA rose 67.30% YoY. The Sector's worst performing holding this month was Tutor Perini's 2025 Senior Unsecured Notes, returning (5.74%) nominally. Despite the massive trade-down of Tutor Perini's price, the Company received \$75.00 mm from the U.S. Army for building renovations. The Sector will be monitoring the S&P Global Composite PMI on March 3rd.

Sector Summaries

Information Technology*Lead Analyst: Peyton Brezski*

Information Technology loans returned (0.38%) nominally this month and bonds returned (7.77%) nominally. The Sector's best performing holding this month was Macom 2028 TL B, trading down (0.12%) nominally. The company reported strong 1Q23 earnings this month with revenue up 12.80% YoY and added 4.45% to its operating margin YoY. The Sector's worst performing holding this month was Consensus Cloud Solutions 2028 Sr. Unsecured Bond, returning (7.77%) nominally. The company reported 4Q22 earnings this month with revenue up slightly YoY and EBITDA down slightly YoY, however, FY 2023 guidance sees both metrics slightly higher. The Sector will be monitoring the release of the S&P Global US Sector PMI on March 3, which will provide insight into the level of output from the IT sector in February.

Materials*Lead Analyst: Nick Skiadas*

The Material sector returned (2.65%) nominally this month. The Sector's best performing holding this month was Tronox's 2028 TL B, returning (.75%) nominally. The company recently announced a quarterly dividend of \$0.125 per share. The Sector's worst performing holding this month was Mercer International's 2029 Senior Unsecured Notes, returning (4.06%) nominally. The market reacted negatively to Mercer's poor 4Q22 earnings report, in which the company recorded a ~\$68.00 mm in YoY EBITDA. The Sector will be looking to move into El Dorado Gold's 2029 Senior Unsecured Notes to hedge against First Quantum Minerals' regulatory troubles in Panama.

Media & Communications*Lead Analyst: David Harris*

The Media and Communications sector returned (3.23%) nominally this month. The Sector's best-performing holding this month was Warner Music Group's 2028 Term Loan B, trading down (0.38%) nominally. The sector recently moved into WMG's Term Loan B with the funds from moving out of LogMeIn's 2027 Senior Unsecured Notes. WMG also missed its 1Q23 earnings and revenue estimates earlier this month. The Sector's worst-performing holding this month was Townsquare Media's 2026 Senior Unsecured Notes, returning (2.60%) nominally. We moved out of half of our position in TSQ this past month and are looking to move out of the rest of the position in the coming weeks after they announce earnings on March 14th. The sector will be monitoring advertising revenues across the major players in the high-yield space.

REGAL-FIG*Lead Analyst: Daniel Alpert*

REGAL-FIG returned (0.31%) nominally this month. The Sector's best performing holding this month was Playa Hotel and Resort's Term Loan B, trading up 0.38% nominally. The company has exceeded expectations on their earnings for the past four quarters. The Sector's worst performing holding this month was Walker & Dunlop, returning (0.88%) nominally. Walker & Dunlop Q4 earnings and revenues missed estimates, marking the third time in the previous four that they have missed earnings estimates. Recently, Sedgwick CMS Holdings completed a \$3.50 bn refinancing, a trend that has started to reappear in the financial service industry.

Portfolio Analysis

Leveraged Lion Capital

Portfolio Analysis for February 2023

CURRENT HOLDINGS (as of 2/28/2023)

Company Name	Sector	Maturity	LIBOR Spread	Buy-In Price	Buy-In Amount	Opening Price ¹	Closing Price	Facility Rating ²	Feb Return (bps)
G-III	Consumer	8/15/2025	7.875%	102.453	\$6,631.81	95.265	93.713	B1/BB-	(155.2) bps
Energizer	Consumer	3/31/2029	4.375%	96.312	\$6,000.00	87.350	84.542	B2/B	(280.8) bps
Darling Ingredients	Consumer	6/15/2030	6.000%	100.280	\$6,000.00	99.890	96.665	Ba2/BB+	(322.5) bps
Antero Midstream	Energy	3/1/2027	5.750%	90.805	\$1,337.09	97.401	94.579	Ba3/BB	(282.2) bps
Genesis Energy	Energy	1/15/2027	8.000%	102.513	\$1,302.29	98.629	97.655	B2/B	(97.4) bps
NGL Energy Partners	Energy	2/1/2026	7.500%	101.939	\$716.26	95.135	95.419	B2/B	28.4 bps
Weatherford International	Energy	9/15/2028	6.500%	93.001	\$1,383.51	99.913	98.138	Ba3/BB-	(177.5) bps
HealthEquity	Healthcare	10/1/2029	4.500%	98.857	\$3,706.91	89.984	87.076	B3/B	(290.8) bps
RadNet	Healthcare	4/23/2028	L + 300	100.000	\$3,710.00	99.000	99.375	B1/B	37.5 bps
Tutor Perini	Industrials	5/1/2025	6.875%	96.232	\$4,865.76	89.423	83.680	B3/B-	(574.3) bps
Enpro Industries	Industrials	10/15/2026	5.750%	95.656	\$3,000.00	98.713	95.308	B2/BB	(340.5) bps
Danaos Corp	Industrials	3/1/2028	8.500%	110.708	\$7,000.00	96.897	98.109	B1/BB	121.2 bps
MACOM Technology	IT	5/19/2024	L + 225	100.125	\$5,000.00	99.500	99.375	Ba1/BB	(12.5) bps
Consensus Cloud Solutions	IT	10/15/2028	6.500%	103.937	\$5,040.33	94.362	87.029	B2/B+	(733.3) bps
Digi International	IT	12/22/2028	L + 500	98.500	\$5,153.90	100.250	99.625	B2/BB	(62.5) bps
Mercer International	Materials	2/1/2029	5.125%	102.340	\$4,910.00	86.132	82.068	Ba3/B+	(406.4) bps
First Quantum Minerals	Materials	4/1/2025	7.500%	103.901	\$4,910.00	99.054	97.300	WR/B+	(175.4) bps
U.S. Steel	Materials	3/1/2029	6.875%	104.281	\$5,000.00	101.308	99.487	B1/BB-	(182.1) bps
Tronox	Materials	3/11/2028	L + 225	99.375	\$4,000.00	99.000	98.250	Ba2/BB	(75.0) bps
Warner Music Group	M&C	1/20/2028	S + 300	99.375	\$4,250.00	99.000	98.625	Ba3/BB+	(37.5) bps
MicroStrategy	M&C	6/15/2028	6.125%	97.012	\$2,000.00	84.708	82.981	Ba3/B-	(172.7) bps
Tegna	M&C	9/15/2029	5.000%	100.354	\$6,000.00	94.310	88.529	Ba3 / BB	(578.1) bps
Townsquare Media	M&C	2/1/2026	6.875%	105.415	\$3,000.00	93.829	91.230	B2/B	(259.9) bps
Virtu Financial	REGAL-FIG	1/13/2029	S + 300	99.750	\$2,148.85	99.500	99.000	Ba3/B+	(50.0) bps
Walker & Dunlop	REGAL-FIG	12/16/2028	S + 225	99.750	\$1,453.94	99.000	98.125	Ba1/BB+	(87.5) bps
Everi Holdings	REGAL-FIG	8/3/2028	L + 250	100.000	\$2,000.16	99.875	99.500	Ba2/BB+	(37.5) bps
Playa Hotels and Resorts	REGAL-FIG	12/15/2028	S + 425	99.875	\$2,000.00	99.250	99.625	B2/B	37.5 bps

SECTOR ANALYSIS

Sector Analysis	Loans	LSTA 100 ³	Relative	Bonds	LLC HY ³	Relative
Consumer & Retail	-	0.06%	-	-2.66%	-0.98%	-1.67%
Energy	-	0.10%	-	-1.61%	-1.83%	0.22%
Healthcare	0.38%	0.10%	0.28%	-3.23%	-1.82%	-1.41%
Industrials	-	0.06%	-	-2.22%	-1.14%	-1.08%
IT	-0.38%	0.11%	-0.49%	-7.77%	-1.99%	-5.78%
Materials	-	0.08%	-	-2.65%	-1.44%	-1.21%
Media & Communications	-0.38%	0.18%	-0.56%	-4.49%	-3.23%	-1.26%
REGAL-FIG	-0.31%	0.09%	-0.40%	-	-1.60%	-
Total	-0.32%	0.12%	-0.44%	-3.11%	-2.21%	-0.90%

PORTFOLIO OVERVIEW

LLC Portfolio (beginning 1/1/2018)

Beginning Portfolio Value	\$124,854.79
Current Portfolio Value	\$95,299.71
Cash Balance	\$59,034.97

LLC Portfolio (YTD)

Beginning Portfolio Value	\$95,696.79
Current Portfolio Value	\$95,299.71
Cash Balance	\$59,034.97
Accumulated Interest	\$11,305.55

RELATIVE PERFORMANCE

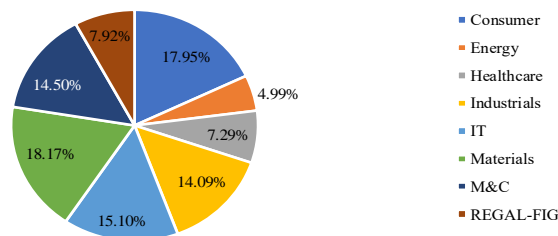
February 2023 Performance

Leveraged Lion Capital	-2.25%
LSTA 100 Index	0.12%
LLC vs. LSTA 100	-0.44%
LLC HY	-2.21%
LLC vs. LLC HY	-0.90%

YTD Performance

Leveraged Lion Capital	-0.30%
LSTA 100 Index	3.03%
LLC vs. LSTA 100	-3.34%
LLC HY	0.76%
LLC vs. LLC HY	-1.06%

PORTFOLIO BREAKDOWN



FEBRUARY BEST PERFORMER



NOTES

¹ Opening prices for instruments added to the portfolio during the month are the price at market close on the day that the position was initiated, not necessarily the start of the month. ² Most recent available ratings. ³ Estimates for LSTA 100 and "LLC High Yield" index individual sector performance. For the most accurate measure of Leveraged Lion Capital's relative performance, please refer to Total figures.

FEBRUARY WORST PERFORMER



Spring 2023 Organizational Overview

Leveraged Lion Capital is the nation's first student-run syndicated paper loan and high yield bond portfolio. Founded in Spring 2017 at The Pennsylvania State University, the organization aims to educate undergraduate students about the world of fixed income through the utilization of various resources and unique relationships with financial organizations and institutions, including Bank of America, the LSTA, and S&P Global Market Intelligence. Managing an approximately \$125 million paper portfolio, students seek to learn the fundamentals of credit analysis via a hands-on approach by researching, analyzing, and pitching U.S. leveraged loans and high yield bonds to the rest of the organization. The portfolio is divided into eight sectors that are derived from the S&P/LSTA 100 Index, consisting of Consumer & Retail, Energy, Healthcare, Industrials, Information Technology, Materials, Media & Communications, and REGAL-FIG (Real Estate, Gaming & Leisure, Financial Institutions Group).

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