

Item 1. Cover Page

FIRM BROCHURE

Dragoneer Investment Group, LLC

**1 Letterman Drive
Building D, Suite M500
San Francisco, CA 94129**

Telephone number: (415) 539-3105

March 28, 2024

This brochure provides information about the qualifications and business practices of Dragoneer Investment Group, LLC (“Dragoneer”). If you have any questions about the contents of this brochure, please contact us at 415-539-3105 and/or email: erin@dragoneer.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about Dragoneer also is available on the SEC’s website at www.adviserinfo.sec.gov.

Dragoneer is registered as an investment adviser with the SEC. SEC registration does not imply a certain level of skill or training.

Item 2. Material Changes

This brochure, dated March 28, 2024 (the “Brochure”), serves as an update to our brochure dated March 31, 2023 (the “Prior Brochure”). This Brochure contains several changes from the Prior Brochure, including, but not limited to: (a) to reflect additional disclosure on how Dragoneer allocates costs, fees and expenses among Allocable Parties (as defined below); (b) updates to Item 8 to reflect new and updated risk factors related to Dragoneer’s investment strategy, including risk factors related to (i) artificial intelligence, (ii) regulatory developments for private funds and their advisers, (iii) regulatory developments related to custody and safeguarding, and (iv) digital assets; and (c) updates to Item 11 to reflect additional disclosure regarding potential and/or actual conflicts of interest faced by Dragoneer related to its exercise of discretion, such as its exercise of discretion in (i) allocating investment opportunities, (ii) engaging in continuation transactions, (iii) allocating fees and expenses among Allocable Parties, (iv) transacting in Subsequent Investments (as defined below) and (v) calculating advisory fees. In addition, we routinely make updates throughout the Brochure to improve and clarify the description of our business practices, compliance policies, and procedures, as well as to respond to evolving industry best practices. Please review this Brochure carefully and in its entirety.

Item 3. Table of Contents

| | Page |
|---|-------------|
| Item 1. Cover Page | 1 |
| Item 2. Material Changes | 2 |
| Item 3. Table of Contents | 3 |
| Item 4. Advisory Business | 4 |
| Item 5. Fees and Compensation | 5 |
| Item 6. Performance-Based Fees and Side-By-Side Management | 18 |
| Item 7. Types of Clients | 19 |
| Item 8. Methods of Analysis, Investment Strategies and Risk of Loss | 20 |
| Item 9. Disciplinary Information | 87 |
| Item 10. Other Financial Industry Activities and Affiliations | 87 |
| Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading | 88 |
| Item 12. Brokerage Practices | 137 |
| Item 13. Review of Accounts | 138 |
| Item 14. Client Referrals and Other Compensation | 138 |
| Item 15. Custody | 139 |
| Item 16. Investment Discretion | 139 |
| Item 17. Voting Client Securities | 139 |
| Item 18. Financial Information | 140 |
| Item 19. Requirements for State-Registered Advisers | 140 |

Item 4. Advisory Business

For purposes of this Brochure, “we,” “us” and “our” refer to Dragoneer, together (where the context permits) with its affiliated general partners of the Funds (as defined below) and other affiliates that provide advisory services to and/or receive advisory fees from the Funds. Such affiliates may or may not be under common control with Dragoneer, but possess a substantial identity of personnel and/or equity owners with Dragoneer. These affiliates may be formed for tax, regulatory or other purposes in connection with the organization of the Funds, or may serve as general partners of the Funds.

Dragoneer is a Delaware limited liability company that was formed in January 2012 and is owned by its members and controlled by Marc Stad.

Dragoneer provides discretionary investment advisory services to (i) privately offered funds or series of privately offered funds for which it acts as sponsor, including funds-of-one (each such fund or series, a “Fund” and together, the “Funds”) and (ii) persons or entities (including private funds) on a managed account basis for which Dragoneer does not act as sponsor (each such arrangement, a “Managed Account,” and the person(s) or entity(ies) funding a Managed Account, a “Managed Account Client”). For the purposes of this Brochure, a “Client” will refer to a Fund (and not the investors in a Fund), a Managed Account Client, a future Fund, including funds-of-one, and/or a future Managed Account Client.

As of December 31, 2023, Dragoneer had approximately \$22,663,899,860 in regulatory assets under management.

Funds.

Dragoneer currently serves as investment adviser to a number of Funds. Each Fund is exempt from registration as an investment company pursuant to Section 3(c)(7) of the Investment Company Act of 1940, as amended (the “1940 Act”). Dragoneer provides investment advice with respect to both public and private companies. Dragoneer generally seeks to construct concentrated investment portfolios for the Funds of high-quality securities and other assets of companies characterized by higher growth, defensible competitive positions and solid financial models.

Some of the Funds are organized in a mini-master feeder structure. The feeder funds are expected to invest substantially all of their assets in their respective master funds.

From time to time, Dragoneer will form capital around a particular investment strategy or theme, or establish, on a transaction-by-transaction basis, investment vehicles, funds-of-one, separately managed accounts or other accounts or arrangements through which certain persons generally invest alongside or with one or more Funds or other Clients (each, a “Co-Investment Vehicle”). Where the context requires or is appropriate, the term “Client” may also apply to Co-Investment Vehicles in this Brochure.

Managed Accounts.

Dragoneer works with each of its Managed Account Clients to develop investment guidelines based upon the Client’s specific investment objectives. Managed Account advisory

services are governed by written agreements (“Managed Account Agreements”) between Dragoneer and the Managed Account Client. Managed Account Clients may amend their investment guidelines as their needs change or impose restrictions on investing in certain securities or types of securities.

Further details regarding Dragoneer’s management of the Funds and Managed Accounts is provided below in Item 8.

Dragoneer does not participate in any wrap fee programs.

Item 5. Fees and Compensation

Detailed below is a brief summary of certain costs, fees and expenses paid by Clients. Investors and prospective investors in a Fund should review the relevant Fund’s offering materials and other constituent documents for an additional discussion of costs, fees and expenses with respect to that Fund. Neither Dragoneer nor any of its supervised persons accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

Funds

Advisory Fees. Dragoneer generally charges asset-based investment advisory fees (which in other contexts are commonly referred to as “management fees”) to Funds pursuant to their applicable investment management agreements (each, an “IMA”). Advisory fees paid by a Fund are indirectly borne by its investors. Such advisory fees are deducted from Fund assets and generally payable quarterly in advance or in arrears, depending upon the Fund. Advisory fees are negotiated with each Client, are compensation, and are not tied to Dragoneer’s overhead expenses or any other costs incurred by it, and Dragoneer has in the past and likely will in the future receive and retain advisory fees in excess of any such expenses and costs. The amount of any investment advisory fee is prorated for periods of less than a full billing cycle at the beginning or end of our provision of investment advisory services, and any prepaid amount in excess of the prorated fee will be returned upon termination of the relevant IMA. Our IMAs generally impose some restrictions on a Fund’s ability to terminate the IMA. The specific restrictions may vary depending on the Fund.

Dragoneer establishes and negotiates with investors in the applicable Fund the precise amount of, and the manner and calculation of, the advisory fees. Such Fund’s IMA and limited partnership agreement or other constitutional and/or offering documents (collectively, “Governing Documents”) received by each investor prior to its investment in the Fund set forth the amount of, and the manner and calculation of, the advisory fees. For many Funds, these advisory fees are and may in the future be charged on the aggregate amount of capital contributions that are invested by a Fund in one or more portfolio investments, and are charged on such aggregate amount until a complete disposition of such applicable portfolio investment by such Fund, without regard to any partial dispositions of such applicable portfolio investment or changes in the value of the underlying portfolio investments.

Certain investors in a Fund, including, for example, the Fund’s general partner, its affiliates and their personnel (including any related entity established by any of the foregoing,

such as trusts, charitable programs, endowments or related programs, family investment vehicles and other estate planning vehicles), strategic investors, and certain “friends and family,” pay reduced or no advisory fees or carried interest at the discretion of the Fund’s general partner (though these investors generally pay their pro rata share of certain Fund expenses, subject to any expense caps or other contractual limitations applicable to such investors that were agreed to by the applicable general partner in its sole discretion). Furthermore, Dragoneer has established and may, from time to time in the future, establish certain investment vehicles through which such investors or other third parties invest alongside or through one or more Funds in one or more investment opportunities, which may (in Dragoneer’s sole discretion) and frequently will pay reduced or no advisory fees or carried interest.

Please see Item 11 for a description of some of the types of side letter agreements we and our related advisers enter into with certain investors in the Funds that provide such investors with customized terms, including with respect to reduced advisory fees.

Please see Item 6 for more information on incentive compensation.

Expenses. As discussed in more detail below, each Fund generally is responsible for all costs, fees and expenses incurred in the organization of, the administration and operation of, and the offering of interests in, the Fund including without limitation, all investment, legal, consulting, accounting, marketing, printing, administrative, filing, travel and travel-related expenses.

As used throughout this Brochure, “travel”, “travel-related” and similar expenses shall be deemed to include, without limitation, (a) commercial and noncommercial transportation costs, fees and expenses (including chartered, private plane, first class and business class travel and private car travel and black car ground transportation), (b) lodging and accommodations (regardless of class, size or type, whether short- or long-term or whether there are other guests or companions staying in such lodging and accommodations, and including high-end lodging and accommodations), (c) costs, fees and expenses associated with cancelled travel, and (d) meals and entertainment, regardless of amount or type, whether inside or outside of business hours, or whether high-end, and regardless of attendees, incurred by Dragoneer, Dragoneer Personnel, Dragoneer’s affiliates (including, without limitation, collector or special purpose vehicles of or with respect to the Fund), service providers, relevant third parties (which may include one or more investors or prospective investors) and each of those entities’ respective personnel (collectively, “T&E Expenses”).

Whenever the terms “cost(s),” “fee(s)” or “expense(s)” are used in this Brochure, irrespective of whether they are used alone or together, each of them collectively include all (whether directly- or indirectly-incurred) costs, fees, expenses (including all T&E Expenses), liabilities, debts, obligations, charges, duties, fines and penalties. They each also include, without limitation, all retainers and transaction-based compensation or success fees, some of which will be discretionary and including both exclusive and non-exclusive engagements with Dragoneer. Throughout this Brochure, (i) whenever a cost, fee or expense is related to an “investment,” the term “investment” generally includes both existing investments and prospective investments regardless of whether such investments are consummated and (ii) whenever a cost, fee or expense is related to an “investor,” the term “investor” generally includes existing and prospective investors, regardless of whether the applicable investment was consummated.

Dragoneer is generally only responsible for its overhead expenses such as rent, utilities, supplies, secretarial expenses, stationery, charges for furniture, fixtures and office equipment, employee benefits including payroll and other taxes and compensation of its actual employees.

Except as otherwise set forth in the Governing Documents, if a Fund or other Client or investor therein is directly or indirectly responsible for a cost, fee or expense relating to an activity, undertaking or otherwise, unless Dragoneer has agreed to a specified cap or limit via a negotiated written contract, such Fund, Client or investor also is responsible for all directly- or indirectly-related costs, fees and expenses (as determined by Dragoneer in its sole discretion, regardless of type or amount or whether at a premium to average or market rates, and including those of Dragoneer, Dragoneer Personnel, Dragoneer's affiliates (including, without limitation, collector or special purpose vehicles of or with respect to the Fund), service providers, relevant third parties (which may include one or more investors or prospective investors) and their respective personnel) in connection with or related to the Fund's offering, administration, operations, investment, or other activities including, without limitation:

- all investment-related expenses, in each case whether or not an investment is consummated, including, without limitation, all expenses in connection with:
 - obtaining third-party market research or market data and analytics, costs, fees and expenses of consultants and fees paid to "expert network" firms in connection with potential and existing investments;
 - investment bankers, consultants, independent contractors and other third-party service providers engaged by or in connection with the Fund, its activities or one or more of its existing or potential investments;
 - bridge financings (including related costs, fees and expenses which may be payable to a Fund or to Dragoneer or an affiliate thereof);
 - research, discovery, sourcing, generating, investigating, diligencing, negotiating, structuring, hedging, making, holding, developing, operating, managing, restructuring, refinancing or disposing of or monitoring potential and existing investments; costs, fees and expenses related to meetings with one or more existing or prospective investors (in each case regardless of whether group or one-on-one in nature, including without limitation during fundraising and in the context of developing or maintaining relationships); and costs, fees and expenses related to attending, participating in or sponsoring trade association meetings, conferences or similar events or meetings in connection with the identification, evaluation or generation of investment opportunities or business sector opportunities, even if such costs, fees and expenses are not related to a specific transaction;
 - costs, fees and expenses incurred in connection with or related to managing and facilitating relationships, which may include attendance at or sponsorship of civic events in such communities, as well as contributions to charitable initiatives or other non-profit organizations;

- management, development, profit-sharing or other costs, fees or expenses (including an Operating Partner's (as defined below) operational or other costs, fees and expenses) charged by or paid to any Operating Partners, advisors or other third parties who manage, source or provide services with respect to potential or existing investments and who are independent contractors and not actual full-time employees of Dragoneer;
- costs, fees and expenses of existing portfolio companies or prospective portfolio companies payable to persons other than affiliates of Dragoneer to the extent not otherwise paid for by such companies;
- costs, fees and expenses payable to persons other than affiliates of Dragoneer and related to the diligence, purchase, sale, settlement, transfer, servicing or custody of investments, including legal, accounting, commitment, structuring or underwriting fees, currency conversions, brokerage commissions, discounts and spreads;
- costs, fees and expenses (including interest expenses) incurred in connection with any indebtedness or other credit arrangement, including any line of credit, loan commitment or letter of credit for the Fund or related to one or more Fund investments, and any borrowings by the Fund prior to the receipt of capital contributions of investors (including the costs, fees and expenses incurred in obtaining, negotiating, entering into, effecting, maintaining, varying, refinancing or terminating such borrowings and commitments and interest arising therefrom);
- costs, fees and expenses associated with making capital calls from and distributions to investors, including costs, fees and expenses of information technology used to facilitate all such activities;
- the legal, accounting and other costs, fees and expenses incurred in forming, establishing, operating, administering, maintaining and winding up any alternative investment vehicle, or special purpose vehicle for making or holding Fund investments;
- costs, fees and expenses incurred in connection with the administration of the Fund payable to persons other than affiliates of Dragoneer, including the costs, fees and expenses associated with legal, accounting, bookkeeping, tax and regulatory compliance including Form PF, the SEC, the Commodity Futures Trading Commission ("CFTC"), the U.S. National Futures Association, the U.S. Treasury, the U.S. Internal Revenue Service ("IRS"), other national, state, provincial or local regulatory and tax authorities in any country or territory (including, without limitation, with regards to FATCA and anti-money laundering rules and regulations) and audit, annual registration or other governmental charges, fees and duties, penalties, costs, fees and expenses in connection with any of the foregoing or with preparing or distributing reports and notices to investors (and any systems, software or the like used, developed, onboarded or otherwise, directly or indirectly, in connection therewith), including the preparation of financial statements, tax returns and Schedule K-1s (or equivalent forms), costs, fees and expenses of order management and portfolio management systems and costs, fees and expenses of an advisory committee or any other committee formed with respect to the Fund or any

investment and any costs, fees and expenses paid to an independent representative appointed by the Fund (such appointee, the “Independent Representative”);

- costs, fees, and expenses related to communications and meetings with one or more existing or prospective investors (in each case regardless of whether group or one-on-one in nature, including without limitation during fundraising and in the context of developing and maintaining relationships, and regardless of whether all investors are invited to participate in or attend such meetings);
- costs, fees, and expenses incurred in connection with the ongoing offering of Fund interests including all marketing, legal, accounting, printing, administrative, consulting and filing costs, fees and expenses;
- obligations arising from, or in connection with, the EU Directive 2011/61/EU on Alternative Investment Fund Managers (the “AIFMD” (which for these purposes shall include any local law, guidance, rule or regulation implementing the AIFMD in any European Economy Area (“EEA”) Member State)) and the United Kingdom Alternative Investment Fund Managers Regulations 2013 as amended by the Alternative Investment Fund Managers (Amendment) (EU EXIT) Regulations 2019 (the “AIFM Law”) or comparable regimes in other jurisdictions (as each may be amended from time to time) (including without limitation, in connection with reporting, disclosures (including pre-sale disclosures and ongoing disclosures), the appointment of a depositary, regulatory filings (including foreign tax withholding and treaty forms), notifications and approvals and any regulatory fees associated with the foregoing (either initially or on an ongoing basis) and the organization or maintenance of any entity used in connection with, the foregoing) (collectively, “Regulatory Expenses”);
- costs, fees and expenses relating to the appointment of anti-money laundering officers to the Fund;
- all costs, fees and expenses incurred directly or indirectly in connection with software, databases and other systems or services from data, SAAS or other service providers used in whole or in part in connection with or for the benefit of the Fund, its investors, any feeder fund, a portfolio company, potential portfolio company or other actual or potential investment (including, without limitation, the cost of acquiring, developing, implementing or maintaining any virtual data room, software, database or systems that support the operations, accounting and/or administration of the Fund and order and portfolio management activities and processes);
- costs, fees and expenses related to third-party valuation agents engaged by or in connection with the Fund or any investment or asset thereof;
- any advisory fee;
- costs, fees and expenses related to filing and similar fees paid directly or indirectly on behalf of or with respect to a Fund, including reimbursements of any costs, fees and expenses to advisers, service providers and other third parties;

- costs, fees and expenses related to risk management and assessment;
- all litigation -related costs, fees and expenses (including those relating in whole or in part to any discovery, subpoenas or administrative requests, and in respect of any formal or informal investigations and/or other proceedings or inquiries), costs, fees and expenses related to judgments and settlements, indemnification and insurance costs, fees and expenses, including the premiums associated with obtaining insurance (including, without limitation, general partner liability insurance, errors and omissions insurance, directors', shareholders', partners', members', employees', agents' and officers' insurance, financial institution bond insurance, crime/fidelity insurance, cyber-security insurance and any other applicable insurance);
- taxes (whether direct or indirect) and any associated costs, fees, duties, or penalties or expenses (including with respect to any systems, software or the like used, developed, onboarded or otherwise, directly or indirectly, in connection therewith);
- costs, fees and expenses of dissolving, liquidating or terminating a Fund; and
- any other costs, fees and expenses that are not otherwise the Fund's responsibility but are approved by a Fund's advisory committee or Independent Representative.

Dragoneer has in the past and in the future likely will agree, in certain instances and in its sole discretion, to cap or limit (however structured, including via the direct or indirect reimbursement of certain costs, fees and expenses) costs, fees and expenses for certain Clients (and/or one or more investors therein), co-investors, or Co-Investment Vehicles (and/or one or more investors therein). See further discussion in the sections titled "*Co-Investments*" and "*Other Conflicts Arising From Customized Terms Provided to Certain Investors*" in Item 11 below.

A Fund's Governing Documents generally set forth the basic principles of how the Fund's general partner intends to allocate the Fund's expenses amongst the Fund's investors while also permitting the Fund's general partner to specially allocate Fund expenses in any manner as the general partner determines in its sole discretion (which includes, where the general partner determines, consideration of the administrative burden in determining whether and how to specially allocate an expense). To the extent a Client invests in a Fund, such Client will also bear any expenses through such investment. By providing the general partner with broad discretion, a Fund's investors consent to the general partner of the relevant Fund and its affiliates, including but not limited to Dragoneer, making decisions in connection therewith that (i) can vary over time and from time to time; (ii) can be inconsistent with other decisions such persons have made or will make with respect to other types of expenses, or with respect to the allocation of any expenses among some or all investors in the relevant Fund or in other Clients; and (iii) can lead to disparate treatment among different Clients and the investors therein than would have resulted had alternative allocation methodologies had been adopted or if the relevant allocation methodologies been more consistently applied. For example (and without limitation), where certain Fund investors are excused from or otherwise do not participate in an investment, the general partner will allocate interest expense or other expenses relating to such investment in its sole discretion (which includes, where the general partner determines, consideration of the administrative burden in determining whether and how to specially allocate an expense), and it is possible and in some

circumstances expected that non-participating investors will ultimately bear expenses relating to such investments even though they did not benefit from such investments.

Managed Accounts

The Managed Accounts' fee and compensation arrangements are established in the Managed Account Clients' investment management and operating agreements with Dragoneer and its affiliates. These Managed Accounts may have performance incentive fees or allocations and these Managed Account Clients reimburse certain Dragoneer expenses, generally including the same types of operating expenses listed above for the Funds. Some Managed Account Clients may pay management fees that are calculated with methodologies addressed in the Managed Accounts' client agreements. The amount of any management fee is prorated for periods of less than a full billing cycle at the beginning or end of our provision of investment advisory services, and any prepaid amount in excess of the prorated fee will be returned upon termination of our investment advisory services.

Portfolio Fees

Dragoneer, its affiliates and their respective officers, directors, advisers, employees, partners, shareholders, members and the like may receive consulting, directors', transaction, upfront, monitoring, break-up (or other similar fees), advisory or other fees in connection with actual or contemplated Client investments (collectively, "Portfolio Fees"). The amount and timing of Portfolio Fees received by Dragoneer, its affiliates and/or the foregoing persons are generally specified in the agreement or other documentation governing the applicable transaction. A payment of Portfolio Fees and reimbursements by portfolio companies and prospective portfolio companies to such persons could create a conflict of interest because the amounts of such Portfolio Fees may be substantial and the relevant Clients and their investors generally would not have a direct interest in these fees. Dragoneer would determine the amount and timing of these Portfolio Fees for the services provided and reimbursements in its own discretion, subject to agreements with sellers, buyers, and management teams, the board of directors of or lenders to portfolio companies, and/or third-party or other co-investors in its transactions, and the amount of such fees and reimbursements would not typically be disclosed to investors in the relevant Clients. As amongst Clients, Portfolio Fees will generally be allocated based on the share of equity invested by the applicable Client (or Dragoneer's estimate of the amount proposed to be invested, in the case of breakup fees and the like) (other than in respect of waived fee amounts allocated to such investment or capital contribution by the general partner of such Client (and such general partner's personnel)) in relation to all equity invested or proposed to be invested by one or more Clients and/or one or more other persons managed, advised, sourced or placed by Dragoneer in the particular transaction. Such Portfolio Fees will be retained by Dragoneer, its affiliates and/or the foregoing persons, as applicable, but the portion of such Portfolio Fees attributable to the Client's investment may offset the advisory fees otherwise payable by the Client. However, the portion of Portfolio Fees allocable to capital invested by a Client, Co-investment Vehicle or third-party investor that does not pay advisory fees will be retained by Dragoneer, its affiliates and/or the foregoing persons, as applicable, and such amounts will not offset any advisory fee. Fees that are allocated to Clients will be shared with such Clients and their investors in accordance with and to the extent required by their Governing Documents, which may permit Dragoneer, its affiliates and/or the foregoing persons, as applicable, to retain such fees and not share them with such Clients

or investors. The Governing Documents from time to time will permit Dragoneer and its affiliates to enter into fee (and/or other economic) sharing arrangements with respect to one or more Clients and/or their investors, the rights of which may not be offered to other Clients or investors. Dragoneer and its affiliates may receive a portion of the monitoring or other fees when investing with third parties that have negotiated for such fees (or otherwise) without providing services to the portfolio company. In addition, the payment of monitoring fees may be accelerated upon certain events, including the occurrence of an initial public offering or strategic exit. Since the monitoring agreements may have prolonged terms (often exceeding ten years and/or subject to automatic extensions and renewal), the financial effect of such acceleration may be substantial, particularly in the event such circumstances occur early in the life of a Client's investment in such portfolio company. Notwithstanding the foregoing, in the event of an initial public offering or other disposition, monitoring fees may continue to be paid.

For the avoidance of doubt, any fees paid to Dragoneer or its personnel after a Client has exited an investment are not considered "Portfolio Fees" and do not reduce the advisory fee.

Any fees that accrue to the benefit of former Dragoneer Personnel (as defined below) or other persons who are or become unaffiliated with Dragoneer (even if any such fee is earned during their tenure with Dragoneer) are not considered "Portfolio Fees" and do not reduce the advisory fees or otherwise benefit the Clients or their investors. Similarly, any fees that accrue to the benefit of Dragoneer Personnel (or other persons who are affiliated with Dragoneer) prior to their association with Dragoneer (even if any fee received in kind is realized or otherwise converted to cash during their tenure with Dragoneer) are not considered "Portfolio Fees" and do not reduce the advisory fees or otherwise benefit the Clients or their investors.

Because certain expenses are paid for by a Client and/or its portfolio companies or, if incurred by Dragoneer and its affiliates, are reimbursed by a Client and/or its portfolio companies, Dragoneer frequently will not and is not required to seek out the lowest cost options when incurring (or causing a Client or its portfolio companies to incur) such expenses, which could result in lower returns to investors.

Payments Made to Operating Partners

Dragoneer and its affiliates also engage and retain senior advisors, advisers, consultants and other similar professionals who are independent contractors ("Operating Partners") and who are expected to, from time to time, receive payments from, or allocations or co-investment rights with respect to, portfolio companies, the Clients and/or other entities. In such circumstances, the amounts of such fees, reimbursements, or other compensation received by such persons, which may be substantial and/or discretionary, are generally retained by such persons and such amounts are not considered "Portfolio Fees," will not be deemed paid to or received by Dragoneer and its affiliates and such amounts will not be subject to the sharing arrangements described above and will not otherwise benefit the Clients or their investors.

Rates of Third-Party Advisors and Service Providers

A Client and its portfolio companies will retain or pay for advisors and service providers, including accountants, administrators, lenders, bankers, brokers, attorneys, sourcing persons and

consultants. Some of these advisors and service providers also provide services to or have other relationships with Dragoneer. These relationships can influence Dragoneer's decision to select or recommend an advisor or service provider to perform services for a Client or its portfolio companies (the cost of which will generally be borne directly or indirectly by such Client or its portfolio companies, as applicable). In certain circumstances, advisors and other service providers may charge rates or establish other terms for advice and services provided to Dragoneer, other Clients or any of their respective affiliates or portfolio companies that are different from and more favorable than those charged in respect of advice and services provided to the Client and its portfolio companies. Moreover, a Client or its portfolio companies may sometimes pay higher rates or amounts than Dragoneer would for such services. In addition, a Client will under certain circumstances be responsible for such expenses even if there is some overlap in services performed by such advisors and/or service providers and services performed by one or more of Dragoneer, a Client's general partner, the Clients and/or their respective members, affiliates, partners, officers and employees (including family members thereof) (such persons and their respective estate planning vehicles or similar vehicles related to such persons, collectively the "Dragoneer Personnel"). One or more of Dragoneer's advisors, including one or more advisors to a Client, may charge in advance on a quarterly basis based on an estimate of the expected services to be rendered to Clients in the quarter ahead. Dragoneer may, in its sole discretion, charge a Client for its share of such estimated expenses. If such advisors subsequently render a larger or smaller invoice to a Client than estimated, Dragoneer may, in its sole discretion, retroactively adjust the charges to such Client and the other Clients, such that such Client may be required to pay additional amounts or may be remitted amounts that Dragoneer determines it has underpaid or overpaid, respectively.

Expense Reimbursement

Additionally, a portfolio company may reimburse Dragoneer for expenses, including without limitation, T&E Expenses (including, as applicable, closing dinners and mementos, cars and meals (inside and outside normal business hours), social and entertainment events with actual or potential portfolio company management and/or personnel or actual or prospective investors, customers, clients, borrowers, brokers and service providers), costs, fees and expenses relating to training programs, meetings or other events, costs, fees and expenses relating to hiring actual or prospective portfolio company personnel (including background checks, recruiting and relocation expenses), indemnification expenses, legal expenses (including legal costs associated with reviewing financing documents and agreements, whether on behalf of a portfolio company borrower or a lender) and similar out-of-pocket expenses, as well as consulting fees and other cash and non-cash compensation and expenses, incurred by Dragoneer and its affiliates in connection with such portfolio company. Such reimbursed expenses are generally not included in the definition of "Portfolio Fees" under the terms of the applicable Governing Documents and are generally not subject to the sharing arrangements described above. On the other hand, a Client may agree to pay costs, fees and expenses of existing portfolio companies or prospective portfolio companies payable to persons other than direct affiliates of Dragoneer or such Client's general partner to the extent not otherwise paid for by such companies, and such costs, fees and expenses may ultimately reduce such Client's returns. For a discussion of material conflicts of interest created by the receipt of such fees and reimbursements, please see Item 11 below.

Calculation and Allocation of Certain Costs, Fees and Expenses

Conflicts of interest arise with respect to Dragoneer's determination of whether certain costs, fees or expenses (or portions thereof) that are incurred are expenses for which the Client is responsible, or are expenses that should be borne by one or more other Clients, a portfolio company, co-investors, a third party and/or Dragoneer or its affiliates (each, an "Allocable Party"). Certain fees, costs and expenses may be the obligation of one particular Allocable Party and may be borne by such Allocable Party, or fees, costs and expenses may be allocated among multiple Allocable Parties. The allocation of fees, costs and expenses is generally governed by a Client's Governing Documents and as set forth herein. Each Client will generally be reliant on the determinations of Dragoneer with regard to the allocation of investment expenses and any common expenses as between the Client and any other Allocable Parties. Such allocations require judgments as to methodology that Dragoneer makes in its sole discretion. Such allocation determinations inherently give rise to conflicts of interest due to the inherent biases in the process and could result in a greater expense to the Clients and portfolio companies.

To the extent not explicitly addressed in the Governing Documents of a Client, Dragoneer can use a variety of methodologies to allocate expenses among Allocable Parties, depending on the circumstances which will apply, where and when Dragoneer deems appropriate in its sole discretion, taking into account factors such as sales to and negotiations with investors (including expense and liability limitations or caps negotiated with such investors and/or relating to Clients, regardless of how those limitations or caps are structured including, but not limited to, reimbursement of investors' and Clients' fees, costs and expenses), counterparties, service providers or others and operational efficiencies and historical practices. In addition, a Client will bear more or less of a particular expense based on the methodology used. Dragoneer will use the methodology it believes is appropriate under the circumstances when determining how to allocate expenses on a pro rata basis (or what "pro rata" means) when it allocates expenses relating to a portfolio investment when multiple Clients have invested (or proposed to invest) in such portfolio investment. In addition, Dragoneer will under certain circumstances determine an allocation of expenses to be fair and equitable even where a Client is required to bear more than its proportional share of such fees or expenses relative to other Allocable Parties receiving the same service or participating in the same transaction. When calculating or allocating costs, fees or expenses, Dragoneer can always take into account Dragoneer's or Dragoneer Personnel's administrative burden, and as a result may and frequently will choose the path that is more administratively easy for Dragoneer or such Dragoneer Personnel and can have the effect of a Client bearing an expense that would otherwise be borne by another party under the terms of the Governing Documents of a Client. See further discussion in the sections titled "*Co-Investments*" and "*Conflicts Arising from Customized Terms Provided to Certain Investors*" in Item 11 below.

Where multiple investments have been made in a single portfolio company over time by multiple Clients, Dragoneer generally expects to (but is not required to) allocate expenses relating to such portfolio company based on the cost of each Client's (or series thereof's) investment, and there will likely be circumstances where the amount of expense borne by a Client (or series thereof) would have been lower if fair market value of each Client's (or series thereof's) investment had been used (especially where that Client (or series thereof) has experienced less appreciation or more depreciation in that investment than other Clients (or series thereof)). While Dragoneer may choose to allocate expenses at the time of allocation according to each Client's proportionate share

of an expense, it is not always possible, practicable or efficient to do so, and a Client will frequently not receive an allocation that is proportionate to its share of an expense. In this situation, Dragoneer may (but is not required to) seek to make subsequent adjustments to expense allocations in its sole discretion. If implicated, a Client may (in Dragoneer's sole discretion) be required to pay additional expenses if it had previously been materially under-allocated an expense, or may receive a reimbursement from another Client if it had been materially over-allocated an expense.

A Client will bear more or less of a particular expense based on the number of Allocable Parties Dragoneer selects to bear the expense in its initial allocation determination. When making expense allocation determinations, Dragoneer generally expects to allocate an expense to one or more Allocable Parties that are in existence and identified as such at the time the expense allocation determination is made. Accordingly, it can be expected that in certain cases Allocable Parties that were not in existence or otherwise identified as Allocable Parties at the time an expense is allocated will ultimately benefit from a particular expense, without having borne any portion of such expense, and in such cases Dragoneer generally does not expect to re-allocate the expense to each such future Allocable Party, and such future Allocable Part(ies) will benefit at the expense of other Allocable Parties, including the Clients.

Furthermore, prospective investors should note that certain Regulatory Expenses may and likely will benefit Dragoneer and/or its affiliates in connection with the offering of interests in the Client. In addition, if a Client borrows in order to make an investment that is then syndicated to co-investors or otherwise syndicated for a party other than the Client, such Client will generally bear the entire interest cost from the borrowing, notwithstanding that the co-investor or party for whom the investment is syndicated receives an indirect benefit from such borrowing. For a discussion of how such conflicts of interest related to allocation of expenses may be resolved, please see "*Resolution of Conflicts*" in Item 11 below.

In addition, the determination of whether to allocate certain expenses to one or more Allocable Parties, including Co-Investment Vehicles, generally is governed by the Clients' Governing Documents (as may be modified herein). Certain Governing Documents of Co-Investment Vehicles provide for expense caps or limits, and the operation of such expense caps or limits in certain cases results in other Clients bearing expense amounts in excess of the expense cap or limit. Such allocation methodology has been disclosed to investors of such Clients bearing the overage amount and, for certain Funds, such allocation methodology has been agreed to by the investors of such Clients pursuant to the Governing Documents of such Clients. Dragoneer has in the past and will from time to time in the future determine that such allocation is fair and equitable due to a variety of factors, including but not limited to the fact that Dragoneer has agreed to this allocation between Co-Investment Vehicles and other Clients, the timing of the transaction, the anticipated benefit to such Client(s) of having co-investors participate in a particular transaction and relative negotiating power.

Costs, fees and expenses incurred in connection with "broken deals," or potential investments that Dragoneer considers but does not consummate, will in Dragoneer's sole discretion, generally be allocated to one or more Clients in whole or in part, unless a third party is contractually obligated to reimburse Dragoneer and/or its affiliates for such amounts. Allocation decisions with respect to such costs, fees and expenses may be made based upon such factors

Dragoneer deems relevant in its sole discretion but that are difficult to predict in advance, including, without limitation, Dragoneer's estimate at any time of which Clients would have ultimately been allocated the investment opportunity, which, in turn, may be founded on various considerations, including without limitation, the size of the relevant Clients, the current or expected size of the portion of the Client attributable to a particular investment type, the relevant Clients' investment objectives and strategies and the size of the contemplated transaction. In addition, the timing of the broken deal may impact Dragoneer's allocation of broken deal expenses, with deals that break prior to the signing of a term sheet or letter of intent more likely to be based upon the committed capital of the relevant Clients (or a comparable methodology), despite this methodology not necessarily reflecting how the deal would have actually been allocated had it been consummated.

Further, Dragoneer may determine not to allocate, and frequently and typically will not allocate (due to contractual restrictions, relationship considerations, or otherwise), any costs, fees and expenses for a "broken deal" to co-investors, including Co-investment Vehicles affiliated with Dragoneer (if any). For example, it is possible that a co-investor will not agree to share expenses with a Client if a transaction is not consummated. Broken or "dead deal" costs (which may be, and often are, substantial) may include, among other things and without limitation, legal, accounting, advisory, consulting, expert network or other third-party expenses, T&E Expenses, all fees, costs and expenses of lenders, investment banks and other financing sources in connection with arranging financing for a proposed investment (including commitment fees), any break-up fees, reverse termination fees, topping, termination or other similar fees, costs of negotiating co-investment documentation (including non-disclosure agreements with counterparties), the costs from onboarding (e.g., KYC) investment entities with a financial institution, expenses incurred in connection with any tax audit, investigation, settlement or review of the Funds, extraordinary expenses such as litigation costs and judgments and other expenses, and any deposits or down payments of cash or other property which are forfeited in connection with a proposed investment that is not consummated.

Unless Dragoneer determines otherwise in its sole discretion or subject to negotiations with a particular co-investor, in general neither Co-investment Vehicles nor co-investors will bear any expenses relating to a proposed but not consummated transaction, even if a co-investment vehicle has been formed for the purpose of investing in the proposed transaction, or if co-investors have otherwise committed to invest in the proposed transaction and regardless of the anticipated investment allocation between the relevant Clients and Co-investment Vehicles. As a result, broken or dead deal costs are generally borne by the Client or Clients selected by Dragoneer as proposed investors for such proposed transaction, which will result in the Client bearing more than its pro rata share of such costs than if the actual transaction and associated co-investment had been consummated. Similarly, co-investors and co-invest vehicles are not typically allocated any share of break-up fees paid by Clients or received by Dragoneer in connection with an unconsummated transaction. Dragoneer will have sole discretion in determining whether a particular allocation among Clients and co-investors or Co-investment Vehicles is fair and equitable. This discretion creates a potential conflict of interest as Dragoneer may have an incentive to allocate expenses to a particular Client over another Client because, for example, different Clients have different fee arrangements, and Dragoneer would have an incentive to allocate fewer expenses (including broken or dead deal costs) to higher fee paying vehicles. This discretion may result in a Client

bearing more than its pro rata portion of certain fees, costs and expenses (including broken or dead deal costs).

As noted above, Dragoneer will from time to time make decisions that it has determined in its sole discretion are fair and equitable under the circumstances. Dragoneer may, in its sole discretion, consult with an independent representative appointed by the Fund or a Fund's advisory committee to aid in the determination of what is fair and equitable; provided that Dragoneer is not obligated to engage such independent representative or advisory committee and Dragoneer is not bound by the independent representative's or advisory committee's determination or recommendation.

Broken or dead deal costs may be, from time to time, in Dragoneer's sole discretion, rolled forward into a subsequently consummated transaction. In such cases, another Client and new co-investors may participate (with or without the original Client) in the subsequently consummated transaction. As a result, the other Client (and/or new co-investors) that would not have participated in the unconsummated transaction will under certain circumstances be responsible for bearing some or all of the broken or dead deal costs incurred by the original Client.

Costs, fees and expenses incurred, directly or indirectly, in connection with a Client's offering of interests generally are an expense of such Client. Not all offering attempts will necessarily lead to the raising of actual commitments to such Client, but admitted investors generally will bear their pro rata share of all such fundraising costs. In addition, even if an investor does not subscribe to such Client, diligence it conducts with respect to Dragoneer and other Clients in connection with its potential investment in such Client may result in such investor's subscription to another Client at a later time. In that situation, the costs, fees and expenses accrued in connection with the investor's engagement will likely be charged to the original Client, although Dragoneer is incentivized (and is permitted, in its sole discretion) to allocate that expense to another Client if the original Client's organization expense limit has been, or is expected to be, exceeded.

Other Client expenses may be specially allocated to specific investors, and expenses of an investor or investors will at times be allocated to a Client, in each case as determined by Dragoneer in its sole discretion. A Client's Governing Documents generally set forth the basic principles of how Dragoneer intends to allocate expenses among such Client's investors while also permitting the Client's general partner to specially allocate expenses in any other manner as the Client's general partner determines (which includes, where the Client's general partner determines, consideration of the administrative burden in determining whether and how to specially allocate an expense). Dragoneer and its affiliates therefore expect to make decisions in connection therewith that (i) may vary over time and from time to time; (ii) may be inconsistent with other decisions such persons have made or will make with respect to other types of expenses, or with respect to the allocation of any expenses among some or all investors in such Client or in other Clients; and (iii) may lead to disparate treatment among different Clients and the investors therein than would have resulted had alternative allocation methodologies been adopted or if the relevant allocation methodologies had been more consistently applied. For example (and without limitation), where certain investors in a Client are excused from or otherwise do not participate in an investment, the general partner of that Client will allocate interest expense or other expenses relating to such investment in its discretion (which includes, where the general partner determines,

consideration of the administrative burden in determining whether and how to specially allocate an expense), and it is possible and in some circumstances expected that non-participating investors will ultimately bear expenses relating to such investments.

Insurance Expenses

A Client will generally bear the expenses of insurance policies, including insurance policies covering multiple Clients, a Client's general partner, and the activities of Dragoneer and its affiliates and various other persons (including Operating Partners), that Dragoneer considers necessary or appropriate, including key personnel insurance policies and insurance policies covering any person individually against all claims and liabilities of every nature arising directly or indirectly by reason of or in connection with any Client investment or being, or holding, having held, or having agreed to hold office as, a partner, officer, member of a Client's advisory committee, a Client's Independent Representative, employee, agent, investment adviser or manager, or independent contractor of the Clients, or being, serving, having served, or having agreed to serve at the request of the Clients as a partner, director, trustee, officer, member, employee, agent or independent contractor of another partnership, limited liability company, corporation, joint venture, trust or other enterprise, or by reason of any action alleged to have been taken or omitted by any such person in any of the foregoing capacities, whether or not in the case of insurance the Client would have the obligation to indemnify such person against such liability. A Client's share (as determined by Dragoneer in its sole discretion and which may and frequently will include amounts attributable to Dragoneer, its affiliates and their respective personnel) of costs, fees and expenses incurred in connection with obtaining and maintaining any such insurance policy or policies, including any commissions and premiums and any expenses incurred in connection with the investigation, prosecution, defense, judgment or settlement of litigation related to such insurance policies, will be borne by the relevant Clients. Such shared insurance policies have an overall cap on coverage for all the insured parties thereunder for each policy period. To the extent insurable claims exceed such cap, a Client may not receive as much in insurance proceeds as it would have received if separate insurance policies had been purchased for each insured party for that policy period. Similarly, multiple insured claims may be made during a single policy period and subject to a single overall cap. To the extent insurance proceeds for one such claim (including claims related a Client's general partner and the activities of Dragoneer and its affiliates) are applied towards a cap and a Client later experiences an insurable claim within the same policy period, such Client's receipts from such insurance policy may also be diminished (potentially entirely).

Brokerage Fees

When a broker is used directly or indirectly in connection with an investment by a Client, such Client will incur brokerage and other transaction costs. For additional information regarding brokerage practices, please see Item 12 below.

Item 6. Performance-Based Fees and Side-By-Side Management

The Funds generally allocate a portion of their investment profits or gains (for certain Funds and in certain circumstances, whether realized or unrealized) to their general partners, which are affiliated with Dragoneer, as a carried interest or a performance allocation, as set forth in each

Fund's Governing Documents. Managed Account Clients may similarly pay performance fees, carried interest or a performance allocation to Dragoneer or our affiliates, as set forth in the Managed Accounts' client agreements. Co-Investment Vehicles also may, in some cases, allocate a portion of their investment profits to their general partners, which are affiliated with Dragoneer, as a carried interest, as set forth in the relevant organizational documents for each Co-Investment Vehicle. Such entitlement to performance-based distributions or fees creates an incentive for us to take, and will frequently result in Dragoneer taking, risks in managing the Clients and Co-Investment Vehicles that we would not otherwise take in the absence of such arrangements.

There is a reduced allocation or no allocation of carried interest, incentive allocation, excess cash flow or performance allocations, as applicable, with respect to certain investors in certain Funds, including, for example, the Fund's general partner, its affiliates and their personnel and certain "friends and family" and strategic investors. Furthermore, as noted above in Item 5, Dragoneer has in the past established and may, from time to time in the future, establish certain investment vehicles that pay reduced or no advisory fees or carried interest.

Additionally, the allocation of carried interest, incentive allocation or performance allocations or the payment of performance fees, as applicable, at different rates creates an incentive for us or our affiliates to disproportionately allocate time, services or functions to Clients and vehicles allocating or paying such amounts at a higher rate, or to allocate investment opportunities to such Clients and vehicles. We have adopted policies and procedures that, among other things, seek to ensure that investment opportunities are allocated in a manner that we believe is consistent with the relevant Governing Documents and otherwise fair and reasonable over time, considering such factors as we deem relevant, but in our sole discretion. See Item 11 below for additional information relating to how we generally address conflicts of interest.

Item 7. Types of Clients

Dragoneer intends to provide investment advice to Funds and the Managed Account Clients, as discussed in Item 4 above. Dragoneer may advise different types of clients in the future.

Each investor in the Funds must generally be an "accredited investor" as defined in Regulation D promulgated under the Securities Act of 1933, as amended ("1933 Act"), and either (1) a "qualified purchaser" under the 1940 Act, (2) a "qualified client," as defined in Rule 205-3 under U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act"), or (3) a "knowledgeable employee" as such term is defined in Section 2(a)(51) of the 1940 Act. Additional restrictions may apply, and are set forth in the Governing Documents for each Fund.

Some (but not all) of the Funds impose a minimum initial investment requirement of up to \$25 million, which may be, at any time and from time to time, waived at the discretion of Dragoneer.

Each Managed Account will typically be structured to accommodate the investment guidelines and control requirements of its particular investors. The conditions for starting and maintaining a Managed Account will vary with the circumstances of each Managed Account and be negotiated and set forth on an individual basis in the relevant Managed Account Agreement.

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss

The methods of analysis and significant investment strategies used by Dragoneer with regard to the Funds are set forth below. The methods of analysis and significant investment strategies used by Dragoneer with regard to Managed Account Clients vary depending on the needs of each Managed Account Client, but are expected to be generally comparable to those described below for the Funds.

Returns on investments in the Funds and Managed Accounts are not guaranteed; the instruments in which the Funds and Managed Accounts invest may lose value. An investment in a Fund or Managed Account involves a risk of total loss that an Investor or Managed Account Client should be prepared to bear.

Significant Strategies and Methods of Analysis. Dragoneer will seek to achieve the investment objective of each Fund and Managed Account by utilizing a multi-disciplined investment approach, the foundation of which is typically company-specific fundamental analysis. Dragoneer invests in both public and private companies and other assets, depending on the strategy of the Client.

Dragoneer generally seeks to construct investment portfolios of securities and other assets of companies characterized by higher growth, defensible competitive positions, and solid financial models. Dragoneer frequently conducts primary research, seeking to understand the economics, competitive dynamics, and long-term prospects of the companies in which Dragoneer seeks to invest. Investments are made in the open market or in negotiated placements. While these investments are frequently passive, Dragoneer's research efforts and long-term orientation often lead to lasting relationships with corporate management teams. Dragoneer may (and frequently has in the past), in its discretion, create co-investment structures designed to facilitate specific investments.

For Funds and Managed Accounts comprised of publicly-traded securities, Dragoneer generally employs a long-biased strategy focusing primarily on investing and reinvesting each Fund's assets principally in equities (but may invest in options, warrants, and debt securities) of U.S. and non-U.S. corporations traded on U.S. and non-U.S. securities exchanges.

Dragoneer's general strategy is a research-intensive approach that seeks the identification and evaluation of securities offering a favorable risk/return profile. Dragoneer believes that its analysis should provide the Funds with a competitive advantage over time. In many cases, independent, fundamental analysis and a deep network of contacts may help create the potential to find and capitalize on investment opportunities that are not easily accessible or are misunderstood or overlooked by large institutions and other market participants. In certain cases, this research may help identify which companies Dragoneer believes are more suitable to be held as long-term positions and which companies are more appropriately considered as shorter-term opportunities.

The fundamental research required by this strategy frequently includes an analysis of a company and certain competitors' financial positioning, as well as meetings with and/or diligence on a company's management, its competitors, customers and suppliers. Other sources of information may include industry consultants, trade shows and publications. These sources,

coupled with the investment professionals' experience, may offer a different perspective on a situation than "the market" offers, and allow Dragoneer to reach its own assessment surrounding value. The diligence Dragoneer deems reasonable and appropriate to undertake in connection with any particular investment is based on the facts and circumstances applicable to each investment, may vary over time and from time to time, and is subject to Dragoneer's sole discretion and Dragoneer is not required to undertake any specific steps relating to any prospective or current investment. See further discussion below in "*Expedited Transactions*," "*Highly Competitive Market for Investments*," and "*Risks Relating to Due Diligence of Portfolio Companies*."

There can be no assurance that the Funds and Managed Accounts will achieve their investment objectives or avoid substantial losses.

Certain Material Risks. Some of the material risks of investing in the Funds and Managed Accounts include (but are not limited to) the following:

- *Risks Associated with Valuation.* There is no actively traded market for many of the securities owned by the Clients, in particular securities issued by private companies. When estimating fair value, Dragoneer will apply a methodology based on its judgment of what is appropriate and reasonable in light of the nature, facts and circumstances of the investments. Because such valuations, and particularly valuations with respect to debt instruments and securities of private companies, are inherently uncertain, may fluctuate over shorter or longer periods of time and are frequently based on estimates and imperfect information, Dragoneer's determinations of the fair value of one or more investments may differ materially from the actual realizable values of such investments. The process of valuing securities for which reliable market quotations are not available is based on inherent uncertainties and the resulting values may differ from values that would have been determined by other investors or firms or had an active market existed for such securities and will likely differ from the prices at which such securities may ultimately be sold. Additionally, securities of private companies are marked less frequently than public securities and typically rely on lagged company data, which presents challenges to the valuation of such securities when the fundamentals of the company's business are rapidly changing and, as a result, could make the valuations of such securities (and thus the performance of the applicable Client holding such security) appear at times more stable even if the company itself is not similarly stable. A Client's financial condition and results of operations could be adversely affected if the fair value determinations with respect to such investments were higher than the values that such Client ultimately realizes upon the disposition of such investments. In addition, Dragoneer often relies (and is entitled to rely without inquiry) on information provided by outside parties (including but not limited to the private companies in which the Clients invest and any vehicles in which a Client invests to facilitate its co-investment with third parties), and such persons may provide inaccurate, incomplete, not current, conflicted or otherwise unreliable information. Dragoneer may be unable to detect an error, inaccuracy or omission contained in the valuation information. To the extent the information received by a Client is inaccurate or unreliable, the valuation of such Client's assets and liabilities may be inaccurate. Furthermore, third-party pricing information may at times not be available regarding certain of a Client's assets. With respect to the Clients, the exercise of discretion in

valuation (including, for instance, determination of when an investment should be written down or written off) by Dragoneer will give rise to conflicts of interest that can influence Dragoneer's decision-making, as the advisory fees, performance allocation, net asset value for purposes of subscriptions and redemptions, and internal rates of return ("IRRs") of certain Clients are calculated based, in part, on these valuations, and such valuations therefore affect the amount and timing of performance allocations and calculation of advisory fees, as well as Dragoneer's track record and marketing materials, which in turn affect Dragoneer's ability to grow its assets under management via fundraising and its associated compensation. Please see "*Fee Structure*" in Item 11 below for a further discussion regarding the conflicts associated with valuation.

- *Risks from Dispositions of Investments.* In connection with the disposition of an investment, a Client may be required to make representations about the business and financial affairs of a portfolio company, or may be responsible as a selling stockholder for the contents of disclosure documents under applicable securities laws. The Client may also be required to indemnify the purchasers of such investments or underwriters to the extent that any such representations or disclosure documents turn out to be incorrect, inaccurate or misleading or for other reasons. If the assets of the Client are insufficient to pay such indemnification obligations, the investors in the Client could be required to contribute distributions received by them to pay such obligations.
- *Broad Indemnification.* A Client may frequently enter into agreements containing various provisions limiting the liability of the service providers to the Client (including, without limitation, to Dragoneer, any administrator, any placement agent and their respective affiliates, employees, officers and directors) and other persons, and provide broad indemnification to such persons (including a Client's general partner, "partnership representative" within the meaning of Section 6223(a) of the U.S. Internal Revenue Code of 1986, as amended (the "Tax Code"), "designated individual" (under Chapter 63 of the Tax Code), and members of a Client's advisory committee and a Client's Independent Representative). U.S. federal and state securities laws impose liabilities under certain circumstances on persons that cannot be waived by contract, other agreements or documents. Therefore, nothing in those agreements should be deemed or construed in a manner that purports to waive or limit any right to the extent prohibited by law. A Client typically will be included in Dragoneer's current insurance policy (and will be allocated its share of expenses therefor), resulting in coverage for, among others and without limitation, such Client, Dragoneer, Dragoneer's affiliates and their respective employees, officers, directors, agents and representatives. A Client may frequently provide broad indemnities, representations, warranties and covenants in connection with the acquisition, management and disposition of investments or otherwise in connection with the Client's investment program. Indemnification claims may be material and have a material adverse effect on a Client's returns. The indemnification obligations of a Client would be payable from the assets of the Client. As noted above, if the assets of the Client are insufficient to pay such indemnification obligations, the investors in the Client could be required to contribute distributions received by them to pay such obligations. The Client's general partner may cause the Client to purchase, at such Client's sole expense, insurance for the benefit of, among

others and without limitation, the Client, Dragoneer, Dragoneer's affiliates and their respective employees, officers, directors, advisors, agents and representatives.

- *Third-Party Litigation and Investigations by Regulators.* The Clients, Dragoneer, their affiliates and each of their respective direct and indirect partners, members, managers, officers, directors, employees and agents may become involved in litigation and investigations because of their connection to Client activities. Such involvement could, by way of example and without limitation, involve litigation with third parties (including investors, co-investors, owners and other stakeholders of portfolio companies and companies in which an investment was contemplated but not ultimately consummated), formal and informal proceedings related to actual or potential litigation (including being called as a witness, being deposed and being required to comply with extensive document production requests) or investigations by regulators in connection with the Client's investment activities or matters involving actual or potential investments. These risks are elevated where the Client exercises control or significant influence over an issuer's direction, becomes involved in official or unofficial creditor committees or becomes involved in activities that may be considered hostile in nature to an issuer. Any expense incurred in connection with any actual or potential third-party claims or litigation, regulatory inquiries or any other of the foregoing, will be borne by the applicable Client, including without limitation any settlement, disgorgement or judgment, as well as costs, fees and expenses associated with engaging experts and other providers in connection with such matters.

A portfolio company may, from time to time, receive notices from others claiming such portfolio company has infringed their intellectual property rights. The number of these claims may grow because of constant technological change in the software industry, increased user-generated content, the extensive patent coverage of existing technologies, and the rapid rate of issuance of new patents. Additionally, portfolio companies may use "open source" software in their products, or may use such software in the future. Such open source software is licensed by its copyright holders under licenses that in some cases may require disclosure of the company's code to third parties. Copyright owners or third parties may allege that a portfolio company has not complied with the requirements of one or more of these licenses and that confidential code must be publicly disclosed and freely licensed. To resolve these and other intellectual property infringement claims, the Clients and/or portfolio companies may enter into royalty and licensing agreements on terms that are less favorable than currently available, stop selling or redesign affected products, or pay damages to satisfy indemnification commitments with customers. These outcomes would likely cause operating margins to decline. In addition to money damages, in some jurisdictions plaintiffs can seek injunctive relief that may limit or prevent importing, marketing and selling products that have infringing technologies. In some countries, such as Germany, an injunction that may block the sale or licensing of products and services can be issued before the parties have fully litigated the validity of the underlying patents.

- *Material Non-Public Information.* Dragoneer expects to come into possession of material non-public information concerning certain private and, from time to time,

public companies (in which Clients may or may not be invested or evaluating an investment). Under applicable securities laws, this may limit Dragoneer's ability to buy or sell securities issued by such companies or initiate transactions in certain potential investment opportunities on behalf of Clients. Dragoneer may also enter into confidentiality or "stand-still agreements" with respect to certain investment opportunities, which may similarly restrict Dragoneer's ability to buy or sell certain securities or initiate transactions in certain potential investment opportunities on behalf of Clients. In addition, Dragoneer may share and receive various kinds of investment-related data and other information, including related to trends and budgets and financial, industry, market, business operations, customers, suppliers, competitors and other metrics, from other market participants, which could increase the likelihood that Dragoneer will receive material non-public information and be required to restrict trading in certain securities. In such circumstances, Dragoneer may restrict a Client, or a Client may be prohibited by law, policy or contract for a period of time from (i) unwinding or hedging a position in such security, (ii) establishing an initial position or taking any greater position in such security, and/or (iii) pursuing other investment opportunities with respect to such security or, potentially, other related securities. If these restrictions or prohibitions apply to investments in which a Client is considering making an investment, such restrictions or limitations could prevent such Client from accessing a profitable investment opportunity. If such restrictions or limitations apply to existing investments, then such restrictions or limitations could give rise to substantial investment losses (including as a result of the inability to unwind a position), which losses, in the case of investments in which a Client has a short position, are theoretically unlimited. Alternatively, Dragoneer may decline to receive material non-public information in order to avoid investment restrictions, even though access to such information might have been advantageous and other market participants are in possession of such information. See also "*Management of Multiple Clients and Conflicts Relating to Information*" in Item 11 below for further discussion of the conflicts related to Dragoneer's receipt of certain information.

- *Dynamic Investment Strategy.* Dragoneer has the discretion to supplement or change Client investment strategies at any time by making investments in any securities or assets (for example, if Dragoneer believes such investments may offer attractive investment opportunities). As such, a Client may pursue investments outside of the industries, sectors and types of investments in which Dragoneer has previously made investments or has internal experience.
- *Increasing Assets Under Management.* The rates of return achieved by trading advisers or managers often diminish as the assets under their management increases. Dragoneer has not agreed to limit the amount of capital it will manage and over time has seen increases in its assets under management.
- *Business, Legal, Tax and Other Regulatory Risks.* Clients will be subject to a variety of legal, tax and regulatory requirements in the United States and other jurisdictions (including in certain cases, the Cayman Islands) that may limit the scope of their operations or impose material compliance costs and other burdens. Changes to these legal, tax and regulatory requirements could occur during the term of a Client that may

adversely affect such Client. New (or revised) laws or regulations, or interpretations of existing laws may be issued by the IRS, the SEC, the CFTC, the U.S. Treasury Department, the U.S. Federal Reserve or other banking regulators, or other U.S. or non-U.S. governmental regulatory authorities or self-regulatory organizations that could adversely affect such Client. In particular, these agencies are empowered to promulgate a variety of new rules pursuant to financial reform legislation in the United States. A Client may also be adversely affected by changes in the enforcement or interpretation of existing statutes and rules by these governmental regulatory authorities or self-regulatory organizations. For example, there has been an increase in governmental, as well as self-regulatory, scrutiny of the alternative investment industry. Moreover, many emerging-market countries do not have well-developed legal frameworks, and any regulatory supervision that is in place may be subject to manipulation and/or inconsistent and arbitrary interpretation and enforcement. It is impossible to predict what, if any, changes in regulations may occur, but any regulation that restricts the ability of such Client to execute its investment strategy could have a material adverse impact on the Client's performance, and if such Client is found to have failed to comply with any government law or regulation, it may incur penalties or fines. To the extent such penalties and fines are not the result of disabling conduct, they will be allocated as a partnership expense and borne by investors in such Client. In addition, the securities and futures markets are subject to comprehensive statutes, regulations and margin requirements. The CFTC, the SEC, the Federal Deposit Insurance Corporation (the "FDIC"), other regulators and self-regulatory organizations and exchanges are authorized to take extraordinary actions in the event of market emergencies. The regulation of securitization and derivatives transactions and funds that engage in such transactions is an evolving area of law and is subject to modification by government and judicial action.

SEC and Other Investigations. There can be no assurance that a Client, Dragoneer or any of their affiliates or personnel will avoid regulatory examination and possible enforcement actions in the future. The SEC or any other governmental authority, regulatory agency or similar body may take issue with past, present or future practices of Dragoneer or any of its affiliates or personnel, which may adversely affect Dragoneer, its personnel and/or one or more Clients, potentially materially.

Tax Reform Risks. Tax law is subject to change and various historic and current legislative proposals could affect Clients and its investors. Under current law, capital gains in respect of a general partner's right to carried interest will be subject to a three-year "holding period" in order to be classified as "long term capital gains," while the corresponding holding period requirement with respect to capital gains that investors in a Client are allocated is one year. This carried interest holding period requirement could affect investment decisions, including the timing and structure of dispositions and other realization events, and it could adversely impact returns for investors in a Client. For example, the holding period requirement may incentivize the general partner to cause a Client to hold an investment for longer than three years in order for the general partner to obtain a preferential tax rate on carried interest, even if there are attractive realization opportunities prior to that time. Further, there are currently administrative and legislative proposals to further change the tax treatment of "carried

interest” in ways that may be adverse to partners in the general partner. A general partner and Dragoneer may take these potential adverse consequences into account in their management and operation of the Clients and, in addressing these adverse consequences, the interests of the general partner and Dragoneer, on the one hand, may diverge from the interests of the investors in a Client, on the other hand.

Changes to Derivatives Regulation. Through comprehensive global regulatory regimes impacting derivatives (e.g., the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”) and the European Market Infrastructure Regulation, Markets in Financial Instruments Regulation/Markets in Financial Instruments Directive (II)), certain over-the-counter derivatives transactions in which some Clients may engage have become subject to various requirements, such as mandatory central clearing of transactions which include additional margin requirements and in certain cases trading on electronic platforms, pre- and post-trade transparency reporting requirements and mandatory bilateral exchange of variation and initial margin for non-cleared swaps. Because these requirements are evolving, their ultimate impact remains unclear. However, even if a Client itself is not located in a particular jurisdiction or directly subject to the jurisdiction’s derivatives regulations, such Client may still be impacted to the extent such Client enters into a derivatives transaction with a regulated market participant or counterparty that is organized in that jurisdiction or otherwise subject to that jurisdiction’s derivatives regulations.

Based on information available as of the date of this Brochure, the effect of such requirements has generally and is generally expected to continue to (directly or indirectly) increase a Client’s overall costs of entering into derivatives transactions. In particular, margin requirements, position limits and significantly higher capital charges resulting from global capital regulations, even if not directly applicable to a Client, can cause an increase in the pricing of derivatives transactions entered into by market participants to whom such requirements apply or affect the overall ability of such Client to enter into derivatives transactions with certain counterparties. Such global capital regulations and the need to satisfy various requirements by counterparties have resulted in increased funding costs, increased overall transaction costs, and significant balance sheets effects, thereby resulting in changes to financing terms and potentially impacting a Client’s ability to obtain financing. Administrative costs, due to requirements such as registration, recordkeeping, reporting, and compliance, even if not directly applicable to a Client, may also be reflected in such Client’s derivatives transactions. Requirements to trade certain derivatives transactions on electronic trading platforms and trade reporting requirements may lead to (among other things) fragmentation of the markets, higher transaction costs or reduced availability of derivatives, and/or a reduced ability to hedge, all of which could adversely affect the performance of certain of a Client’s trading strategies. In addition, changes to derivatives regulations may impact the tax and/or accounting treatment of certain derivatives, which could adversely impact a Client.

The CFTC and U.S. futures exchanges have established (and continue to evaluate and revise) speculative position limits, referred to as (“position limits”) on the maximum net long or net short positions which any person may hold or control in particular

options, futures and swap contracts. In addition, federal position limits apply to swaps that are economically equivalent to certain futures contracts on agricultural, energy and metal commodities. All positions owned or controlled by the same person or entity, even if in different accounts, must be aggregated for purposes of determining whether the applicable position limits have been exceeded, unless an exemption applies. Thus, even if a Client does not intend to exceed applicable position limits, it is possible that positions of different clients managed by Dragoneer and its affiliates may be aggregated for this purpose. It is possible that the trading decisions of Dragoneer may have to be modified and that positions held by a Client may have to be liquidated in order to avoid exceeding such limits. The modification of investment decisions or the elimination of open positions, if it occurs, may adversely affect the profitability of a Client or of a Client's account.

U.S. Risk Retention Requirements. The credit risk retention requirements of Section 941 of the Dodd-Frank Act (the “U.S. Risk Retention Rules”) require the “sponsor” of a securitization transaction (or a majority-owned affiliate of the sponsor), subject to certain exceptions, to retain, unhedged, at least 5% of the credit risk associated with the securitization until the latest of (x) the date that the securitization has paid down its securities to 33% of their original principal amount, (y) the date that the securitization has sold down its assets to 33% of their original principal amount and (z) the date that is two years after closing. In general, the retained risk must be held in the form either of (i) an “eligible vertical interest,” defined as either (x) a single vertical security or (y) an interest in each class of asset-based securities of the issuing entity that constitutes the same proportion of each class, in each case representing at least 5% of the total securities of each class, (ii) an “eligible horizontal interest,” defined as the most subordinated class of the issuer's asset-based securities, representing at least 5% of the aggregate fair value of all of the issuer's asset-based securities, as determined on the closing date of the transaction or (iii) a combination of the two. There is limited guidance on the application of the U.S. Risk Retention Rules to certain securitization structures. Where the U.S. Risk Retention Rules apply, however, they may increase the costs to originators and securitizers of many asset-backed securities relative to the costs that such parties would face if the U.S. Risk Retention Rules were not in place. These increased costs could be passed along to a Client if it were to invest in such securitized products. In addition, if such Client were to securitize existing investments by creating a special purpose vehicle and contributing a pool of Client assets to it or a related entity, it is possible that such Client could be considered to be a sponsor of such securitization and as a result be required to comply with the risk retention requirements of the U.S. Risk Retention Rules. Such a requirement would increase the costs to such Client of structuring and investing in securitizations.

BEPS. The Organisation for Economic Co-operation and Development (the “OECD”) together with the G20 countries has committed to reduce perceived abusive global tax avoidance, by tackling the strategies that exploit gaps and mismatches in tax rules to artificially shift profits to low or no-tax jurisdictions, referred to as base erosion and profit shifting (“BEPS”). As part of this commitment, an action plan has been developed to address BEPS with the aim of securing revenue by realigning taxation with economic activities and value creation by creating a single set of consensus-based

international tax rules. As part of the BEPS project, new rules dealing with the operation of double tax treaties, the definition of permanent establishments, interest deductibility and how hybrid instruments and hybrid entities are taxed have been and continue to be introduced. In addition to national implementation of BEPS through the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting, which is in the process of transposing the results of the BEPS project into more than 2,000 double tax treaties worldwide, the European Council has adopted and continues to propose Anti-Tax Avoidance Directives that address many similar issues. In continuance of the BEPS project, the OECD has also put forward proposals for a top-up tax on large multinational enterprises whose profits in any jurisdiction are taxed at an effective rate below a global minimum tax rate (expected to be 15%).

Depending on the implementation and interpretation of these new rules, they may have a material impact on how returns to a Client or its investors are taxed. Such rules may also give rise to additional reporting and disclosure obligations for a Client or its investors.

Mandatory Disclosure Rule. On May 25, 2018, the European Union Council adopted Directive 2018/822, amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation, which imposes a reporting obligation on parties involved in cross-border transactions that may be associated with aggressive tax planning (“DAC 6”). More specifically, the reporting obligation applies to cross-border arrangements that, among other things, satisfy one or more “hallmarks” provided for in DAC 6, and that, in certain cases, are coupled with a tax advantage main benefit (“Reportable Arrangements”). In the case of a Reportable Arrangement, the information that must be reported includes the names of all relevant taxpayers and intermediaries as well as an outline of the Reportable Arrangement, the value of the Reportable Arrangement and identification of any member states likely to be concerned by the Reportable Arrangement. The information reported will be automatically exchanged between the tax authorities of all member states of the European Union (the “EU”). The reporting obligation rests in principle with the persons that design, market, organize or make available for implementation or manage the implementation of the Reportable Arrangement or provide assistance or advice in relation thereto (the so-called “intermediaries”). However, in certain cases, the taxpayer itself can be subject to the reporting obligation. The United Kingdom (the “UK”) now applies a more limited set of reporting requirements in line with the OECD’s mandatory disclosure rules. Investments made by a Client may fall within the scope of DAC 6 and/or the UK’s mandatory disclosure rules and thus be reportable.

GAAP Net Asset Value Divergence. Due to GAAP requirements, the net asset value of a Client for purposes of GAAP-compliant financial reporting may diverge from the net asset value of such Client for all other purposes, including for purposes of allocating gains and losses among investors in such Client, which is relevant to, among other things, determining the balance of each capital account, calculating applicable management fees and incentive allocations, and calculating the amounts payable by such Client in respect of a withdrawal by or distribution to an investor. Net asset value

divergence may occur, for example, in connection with the measuring of fair value (as a result of Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 820), recognition of accrued incentive allocation netting related to unrealized private investments or the recognition or unrecognition of uncertain tax positions (as a result of FASB ASC 740).

Relatedly, for purposes of calculating the incentive allocation accruals set forth in the GAAP-compliant financial reporting of a Client, with respect to all of such Client’s investments (including private investments), Dragoneer has assumed, and expects to continue to assume, that all assets and liabilities of such Client are realized at their fair value. In contrast, for actual incentive allocation purposes (and not accruals for purposes of GAAP-compliant reporting), unrealized gains on private investments will not be taken into account in determining the incentive allocation. Accordingly, the actual incentive allocation may differ materially from the incentive allocation accruals described in any such reporting.

Negative Interest Rate. To the extent a Client is obligated to pledge cash collateral to secure its obligations under prime brokerage, currency hedging (and other) arrangements, if interest rates are negative, such Client may be required to pay interest to the secured party at a rate equal to the absolute value of the negative interest rate. Certain U.S. banks, citing Federal Reserve liquidity requirements and/or the costs and/or decreased profitability of holding capital deposits, have indicated that they intend to impose a negative interest rate and/or a balance sheet utilization fee on certain deposits from certain institutional customers. Certain European and other non-U.S. banks have also adopted similar measures. Negative interest rates and/or fees of this type could have an adverse effect on alternative investment funds, such as Dragoneer’s Clients.

Benchmark Rate Risk. Prior to June 30, 2023, certain bonds and loans held by the Funds may have had floating interest rates based on the London Inter Bank Offered Rate (“LIBOR”). LIBOR is an estimate of the interest rates to borrow U.S. dollars, sterling, euros and certain other currencies in the London unsecured interbank market, and was widely used as a reference for setting the interest rate on loans, bonds and derivatives globally. Consistent with prior announcements by the United Kingdom’s Financial Conduct Authority (“FCA”), the representative settings for all Swiss franc, euro, British pound sterling, Japanese yen, and U.S. dollar LIBORs are no longer available as of June 30, 2023, while synthetic 3-month British pound sterling LIBOR and 1-, 3- and 6-month U.S. dollar LIBOR settings are expected to cease at the end of March 2024 and September 2024, respectively.

On March 15, 2022, the United States enacted the Adjustable Interest Rate (LIBOR) Act of 2021 (“LIBOR Act”). The federal LIBOR Act preempts similar state legislation (including that enacted in New York) and provides one national approach for replacing U.S. dollar LIBOR as a reference interest rate in certain contracts, including those with no fallback provisions or with fallback provisions that identify neither a specific replacement rate nor a “determining person” as defined in the legislation, once U.S. dollar LIBOR is no longer published or is no longer representative. The U.S. Federal

Reserve (the “Federal Reserve”) has adopted the final rule that implements the LIBOR Act, which established certain Secured Overnight Financing Rate (“SOFR”)-based benchmark replacements for contracts governed by U.S. law that reference overnight and one-, three-, six- and 12-month tenors of U.S. dollar LIBOR that do not have suitable fallback provisions after June 30, 2023.

As a result of the transition away from LIBOR as a benchmark reference for interest rates, certain bonds and loans held by the Clients may have floating interest rates based on SOFR or, if otherwise provided in the underlying contracts, other alternative benchmark rates.

SOFR Risk. SOFR is a relatively new index rate calculated based on short-term repurchase agreements backed by U.S. Treasury Instruments. While LIBOR is an unsecured rate, SOFR is a secured rate. SOFR, unlike LIBOR, reflects actual market transactions. Accordingly, SOFR is not the economic equivalent of LIBOR. Consequently, there can be no assurance that SOFR will perform in the same way as LIBOR would have at any time, including, without limitation, as a result of changes in interest and yield rates in the market, monetary policy, bank credit risk, market volatility or global or regional economic, financial, political, regulatory, judicial or other events.

Additionally, because SOFR is published by the Federal Reserve Bank of New York (the “New York Fed”) based on data received from other sources, we have no control over its determination, calculation, or publication. There can be no assurance that SOFR will not be discontinued or fundamentally altered in a manner that is materially adverse to the interests of the Clients. If the manner in which SOFR is calculated is changed, that change may result in a reduction of the amount of interest payable on SOFR-linked floating rate instruments and the trading prices of such instruments. Additionally, daily changes in SOFR have, on occasion, been more volatile than daily changes in other benchmark or market rates. Although occasional, increased daily volatility in SOFR would not necessarily lead to more volatile interest payments, the return on and value of SOFR-linked floating rate instruments may fluctuate more than floating rate instruments that are linked to less volatile rates. All of the foregoing risks may affect the performance of the applicable bonds and loans in which the Clients invest, which in turn may adversely affect the performance of the Clients.

Alternative Benchmark Rate Risk. As stated above, some of the bonds and loans held by the Clients may have floating interest rates based on alternative benchmark rates other than SOFR. Such alternative benchmark rates, like SOFR, may not have been widely used by market participants until relatively recently, and they may not perform exactly the same as LIBOR because they are calculated and administered differently. Generally, the use of alternative benchmark rates (including SOFR) may (i) cause the value of the interest rate on such bonds and loans to be uncertain or to be lower or more volatile than it would otherwise be, (ii) result in uncertainty as to the functioning, liquidity or value of such bonds and loans, and/or (iii) involve actions of regulators or rate administrators that may adversely affect certain markets or contracts underlying

such bonds and loans. All of the foregoing could adversely affect the return on and value of the related floating rate instruments in which the Clients invest.

- *CFIUS & National Security/Investment Clearance.* Certain investments by a Client that involve a business connected with or related to national security (including, without limitation, critical technology, critical infrastructure, or sensitive data) may be subject to review and approval by the Committee on Foreign Investment in the United States (“CFIUS”) and/or non-U.S. national security/investment clearance regulators. In the event that CFIUS or another regulator reviews one or more of a Client’s proposed or existing investments, it is possible that CFIUS or such other regulator will seek to impose limitations on or prohibit one or more of a Client’s investments or unwind a transaction. Such limitations or restrictions may prevent a Client from pursuing certain investments, cause delays with respect to consummating such investments or require such Client to consummate an investment on terms that are less advantageous than would be the case absent such restrictions. Where a Client is required to unwind or restructure a transaction, in addition to incurring additional legal, administrative and other costs, such Client may have to dispose of the investment at a price that is less than it would have received had Dragoneer managed the investment to exit at a different time or under different circumstances. Any of these outcomes could adversely affect a Client’s performance with respect to such investments, and thus such Client’s performance as a whole. In addition, from time to time, certain investors in a Client will be non-U.S. investors, and in the aggregate will comprise a substantial portion of a Client’s aggregate capital commitments, which increases the risk that such Client’s investments will be subject to review by CFIUS. While a Client may take certain steps to mitigate risk associated with a given investor, there can be no assurance that any restrictions implemented on any such investor or any such group of investors will allow such Client to maintain, or proceed with, any investment.
- *Pay-To-Play Rules.* Certain governments and their related public investment systems have adopted or may adopt laws, regulations and/or policies governing the making of investments, including “pay-to-play” rules affecting the marketing of investment opportunities and advisory services to such investors and the payment of political contributions, charitable donations and/or gifts in connection with any such marketing. In the event that such regulations and/or policies are deemed to apply with respect to a Client, Dragoneer and/or its affiliates may be required to register with such governments or investment systems and/or comply with certain reporting requirements and other restrictions and guidelines. Dragoneer and/or its affiliates may be subject to civil and/or criminal penalties, and contracts with a Client may become voidable, which may also affect other investors in such Client. Although investors are generally intended to benefit from the implementation of these regulatory regimes, the compliance burdens and other remedies imposed on Dragoneer and its affiliates could absorb significant resources, generate significant costs, fees and expenses for a Client and may affect the manner in which Dragoneer operates such Client.
- *Sovereign Immunity.* Certain investors admitted to a Client may enjoy sovereign or other immunities and privileges under foreign law, and may claim to be or insist on being restricted in their ability to submit to the jurisdiction of particular courts and

tribunals, including those designated in their subscription agreements and such Client's Governing Documents. These factors may make it substantially more difficult for Dragoneer or the other parties to the Client's Governing Documents to enforce the contractual obligations of an investor in such Client, if necessary, by obtaining a judgment or arbitration award and by enforcing that judgment or award against the investor's assets.

- *Defined Benefit Pension Liabilities.* As a result of its equity ownership, representation on the board of directors and/or contractual rights, a Client may be deemed to control, participate in the management of or influence the conduct of one or more of its portfolio companies. This could expose the assets of such a Client to claims by a portfolio company, its other security holders, its creditors or governmental agencies. Under Title IV of the U.S. Employee Retirement Income Security Act of 1974 ("ERISA"), employers who sponsor defined benefit pension plans or contribute to so-called "multiemployer" plans may be liable to the plan or the Pension Benefit Guaranty Corporation in the event of a full or partial plan termination or withdrawal from participation. This liability extends to other entities within the same "controlled group" as well as other "trades or businesses under common control." In 2013, the First Circuit Court of Appeals, in *Sun Capital Partners III, L.P. et al. v. New England Teamsters & Trucking Industry Pension Fund*, found that a private fund (alone or with other funds) could be treated as a "trade or business" for this purpose, depending upon the level of active management and certain other factors, and remanded the case to the District Court for a factual determination. A subsequent 2016 District Court of Massachusetts decision applied the "investment plus" test articulated by the appeals court and ultimately found that two private equity funds operated by the same sponsor were "trades and businesses" for purposes of ERISA. Further, the court found that the funds, neither of which itself owned a controlling 80% interest in the portfolio company, were deemed to be part of a partnership in fact as a result of their joint investment and prior activities and therefore were jointly and severally liable for the pension withdrawal liability of such former portfolio company. In 2019, the First Circuit Court of Appeals reversed the District Court's application of the partnership in fact test, but it did not dispute the legal framework. This is currently an unsettled area of law, and significant questions remain regarding the potential application of the Sun Capital holding and rationale to similar factual situations. If a Client were to be deemed a "trade or business" with the requisite level of ownership of an investment, either alone or with another Client advised by Dragoneer or its affiliates, such Client could face liability for the Title IV obligations of its portfolio companies. In addition, other portfolio companies that are deemed to be in a controlled group or under common control with an entity sponsoring or contributing to a Title IV plan could also be liable for these funding obligations.
- *Funding of Third-Party Consultants or Other Third-Party Service Providers.* It is increasingly common for certain investment managers to attempt to grow their appeal to potential and existing portfolio companies and/or generally improve their status in the industry by offering to cover all or a portion of third-party services to such companies, including but not limited to consulting services and other services by third parties such as human resource recruiting services, and Dragoneer also expects from

time to time to utilize this strategy in relation to its Clients. Such services will under certain circumstances be offered to a potential portfolio company as part of Dragoneer's pitch for an investment in the company, or after an investment is made to improve the company or simply in order to build Dragoneer's relationship with the company's management, regardless of whether Dragoneer intends or expects to make further capital investments in such company. Such services will from time to time be obtained at rates that vary from the standard rates charged by the service provider to a Client, Dragoneer and its affiliates for other similar services (and Dragoneer and its affiliates shall be under no obligation to negotiate such rates), and the associated costs may and often will be material in either case. Where Dragoneer uses this strategy, such costs, fees and expenses will be charged to one or more Clients as determined by Dragoneer in its sole discretion. There is no guarantee that the funding of such services will result in benefits to a Client commensurate with the amount paid by such Client. For example, the target company may decide not to partner with such Client, or if such Client does invest in the company, the incremental benefits (if any) to such Client may be less than the amount paid by such Client for the services. In addition, the services will benefit other shareholders of the company that did not bear the expense of such services (which may include one or more other Clients or Dragoneer Personnel). Further, amounts paid by a Client for such services will benefit companies, including portfolio companies of one or more other Clients, that the paying Client may not be considering, will not consider in the future, and has not considered in the past for potential investment. In other scenarios, such companies will under certain circumstances have once been portfolio companies of the paying Client but have since been realized by the paying Client and retained as portfolio investments of another Client. However, the benefits to Dragoneer and its affiliates from a strategic perspective, including potentially improving their reputations as preferred partners, could be meaningful, providing it with a competitive advantage with respect to other investments in which a Client may or may not participate. In this way, Dragoneer may and often will consider and give weight to the longer-term strategic value such actions may contribute to Dragoneer's continued cultivation and maintenance of its reputation, including for the benefit of future Clients or other investment opportunities, and not just to the near-term ramifications of such action on a Client, even if such Client bears all of the costs and risks associated with such action. See also "*Industry Relationships*" in Item 11 below.

- *The Alternative Investment Fund Managers Directive and the Alternative Investment Fund Managers Regulations.* The AIFMD and the AIFM Law may have an adverse effect on the continued operation of a Client where interests are offered to or placed with investors in the EEA and the UK.

The AIFMD or the AIFM Law may have an adverse effect on the continued operation of a Client in at least the following ways.

The extent to which Dragoneer can market a Client to investors who are domiciled or have a registered office in any EEA Member State or the UK may be more restricted than was the case before the AIFMD or the AIFM Law came into force. This could limit such Client's ability to attract investors based in those EEA Member States or the

UK, resulting in a reduction in the overall amount of capital raised by the Client which limits, in turn, the range of investment strategies and investments that the Client is able to pursue and make.

Dragoneer will be required to comply with additional initial disclosure, annual reporting and regulatory filing requirements in relation to a Client and in certain EEA Member States or the UK it may be required to comply with registration requirements, including the requirement to appoint a depositary or an entity to carry out some of the depositary duties under the AIFMD. Compliance with these requirements may result in additional costs to such Client reducing the returns for investors. The need to comply with the registration requirements may also delay the fundraising process, in turn reducing the speed with which Dragoneer can deploy the capital raised.

The AIFMD and the AIFM Law imposes certain requirements and restrictions on a Client where the Client acquires control of an EEA or UK portfolio company. The EEA or UK portfolio company requirements will include the requirement to make certain notifications and disclosures where the Client acquires or disposes of shares in an EEA or UK portfolio company. The restrictions will include restrictions on the extent to which a Client can bring about or support distributions, acquisition of shares or reductions in the capital of an EEA or UK portfolio company. These requirements and restrictions may limit the use of certain investment and realization strategies, such as dividend recapitalizations and reorganizations. These requirements and restrictions may also place Dragoneer and its Client at a disadvantage as against competitors that do not use a fund structure or whose fund(s) have not been marketed in any EEA Member State or the UK. In addition, compliance with these requirements and restrictions may result in additional costs to a Client, reducing the returns for investors.

There is still some uncertainty as to the manner in and extent to which the AIFMD or the AIFM Law is being implemented in various EEA Member States and the UK. This uncertainty increases the risk of a breach by Dragoneer in an EEA Member State or the UK of the requirements imposed by the AIFMD or the AIFM Law. Such a breach may result in a regulatory authority or court in that or another EEA Member State requiring Dragoneer to return any capital or other funds to investors or otherwise seeking to take other enforcement or remedial action against Dragoneer or a Client. This may result in a reduction in the overall amount of capital available to such Client which limits, in turn, the range of investment strategies and investments that the Client is able to pursue and make or otherwise result in a loss to the Client. Furthermore, there is a risk that the AIFMD or the AIFM Law will be interpreted differently by each EEA Member State or the UK. This may have an adverse effect on the marketing and /or operation of a Client and may result in additional costs, reducing the returns for investors.

As a non-EEA or non-UK AIFM, Dragoneer is not required to comply with all of the requirements set out in the AIFMD or the AIFM Law. Accordingly, and subject to the below, investors in a Client will not receive the full protections or benefits available under AIFMD or the AIFM Law, which would otherwise be available to investors in an AIF managed by an EEA AIFM or UK AIFM.

Notwithstanding the above, in certain or all EEA Member States or the UK, Dragoneer may choose not to market a Client at its own initiative or otherwise take any other action that would result in any measure taken in order to give effect to or supplement the AIFMD or the AIFM Law applying to Dragoneer or a Client. In this respect, Dragoneer will only accept investors where Dragoneer concludes that such investors approached Dragoneer or such Client at their own initiative or that any measure taken in order to give effect to or supplement the AIFMD would not otherwise apply to Dragoneer or the Client. There is a risk that an EEA Member State or UK regulatory or governmental authority may reach a different conclusion to Dragoneer and find that the relevant measures taken in order to give effect to or supplement the AIFMD or the AIFM Law in one or more EEA Member States or the UK do apply to Dragoneer or a Client. Such a finding may result in a regulatory or governmental authority or court in one or more EEA Member States or the UK requiring Dragoneer or such Client to return any capital or other funds to investors or otherwise seeking to take other enforcement or remedial action against Dragoneer or the Client. This may result in a reduction in the overall amount of capital available to such Client which limits, in turn, the range of investment strategies and investments that the Client is able to pursue and make or otherwise result in a loss to the Client.

In November 2023 the European Parliament and the Council of the European Union published their agreed compromise text for a directive (known as “AIFMD II”) to amend AIFMD as it applies in the EEA. The final text is expected to be published in the first half of 2024. AIFMD II (which is not expected to come into force before 2026 and is further subject to grandfathering provisions) includes significant new or amended requirements in respect of, among other things, delegation, loan origination, liquidity risk management, data reporting, depositaries and public disclosure via the European Single Access Point. In particular, there are new requirements that may apply in respect of certain loan origination activity including lending restrictions and risk retention requirements. Each of the new or amended requirements under AIFMD II could have an impact upon Dragoneer, a Client, its investments and/or other costs or expenses which investors are required to bear. At this stage, Dragoneer cannot quantify the impact of these changes or rule out that the new requirements could change further or that new changes could be introduced as AIFMD II continues through the EU legislative process.

- *Changes to the EU.* The UK left the EU on January 31, 2020 (commonly referred to as “Brexit”). During an 11 month transition period, the UK and the EU agreed to a Trade and Cooperation Agreement which sets out the agreement for certain parts of the future relationship between the EU and the UK from January 1, 2021. The Trade and Cooperation Agreement does not provide the UK with the same level of rights or access to all goods and services in the EU as the UK previously maintained as a member of the EU and during the transition period. In particular the Trade and Cooperation Agreement does not include an agreement on financial services. Accordingly, uncertainty remains in certain areas as to the future relationship between the UK and the EU.

From January 1, 2021, EU laws ceased to apply in the UK. However, many EU laws have been transposed into English law and these transposed laws will continue to apply until such time that they are repealed, replaced or amended. The UK government has enacted legislation that will repeal, replace or otherwise make substantial amendments to the EU laws that currently apply in the UK. It is impossible to predict the consequences on a Client and its investments. Such changes could be materially detrimental to investors.

Although one cannot predict the full effect of Brexit, it could have a significant adverse impact on the UK, European and global macroeconomic conditions and could lead to prolonged political, legal, regulatory, tax and economic uncertainty. This uncertainty is likely to continue to impact the global economic climate and may impact opportunities, pricing, availability and cost of bank financing, regulation, values or exit opportunities of companies or assets based, doing business, or having service or other significant relationships in, the UK or the EU, including companies or assets held or considered for prospective investment by a Client.

The future application of EU-based legislation to the private fund industry in the UK and the EU will ultimately depend on how the UK renegotiates the regulation of the provision of financial services within and to persons in the EU. There can be no assurance that any renegotiated terms or regulations will not have an adverse impact on a Client and its investments, including the ability of a Client to achieve its investment objectives. Brexit may result in significant market dislocation, heightened counterparty risk, an adverse effect on the management of market risk and, in particular, asset and liability management due in part to redenomination of financial assets and liabilities, an adverse effect on the ability of Dragoneer and its affiliates to manage, operate and invest a Client and increased legal, regulatory or compliance burden for Dragoneer, its affiliates and/or a Client, each of which may have a negative impact on the operations, financial condition, returns or prospects of such Client.

Areas where the uncertainty created by the UK's withdrawal from the EU is relevant include, but are not limited to, trade within Europe, foreign direct investment in Europe, the scope and functioning of European regulatory frameworks (including with respect to the regulation of alternative investment fund managers and the distribution and marketing of alternative investment funds), industrial policy pursued within European countries, immigration policy pursued within EU countries, the regulation of the provision of financial services within and to persons in Europe and trade policy within European countries and internationally. The volatility and uncertainty caused by the withdrawal may adversely affect the value of a Client's investments and the ability to achieve the investment objective of the Client.

- *Expedited Transactions.* Investment analyses and decisions by Dragoneer will often be undertaken on an expedited basis in order for a Client to take advantage of investment opportunities (for example, competitive or time-constrained opportunities). In such cases, information available to Dragoneer at the time of an investment decision may be limited, and Dragoneer may not have access to or may not request the detailed information necessary for a full evaluation of the investment opportunity.

Even if Dragoneer has obtained data that would be helpful in evaluating an investment opportunity, if the investment must be executed on an expedited or short timeline, Dragoneer may not have time to apply the data in the manner it would have had it not been subject to the time pressure. In such case, Dragoneer may make a decision that is different, and possibly less beneficial to a Client, than one it would have made had it had more time to consider all the data to hand. The data evaluated by Dragoneer in connection with an investment opportunity and the depth of such evaluation typically will vary depending on the size of the investment and whether the investment relates to non-core areas with respect to a Client's investment strategies.

- *Highly Competitive Market for Investments.* The business of identifying, negotiating, acquiring, monitoring, managing and selling investments within the scope of a Client's investment program is highly competitive, and involves a high degree of uncertainty. In recent years, the growth equity business has become even more competitive due to a substantially increased flow of capital into growth equity funds and similar investment organizations. A Client will encounter competition from other persons or entities with similar investment objectives, some of whom may have greater resources or experience than the Client and Dragoneer, and such competition may cause Dragoneer to take or omit steps that it might not otherwise take or omit absent such competition (including, without limitation, with regards to reduced or accelerated investment due diligence, accelerated timelines for negotiation, closing and internal approval, increased valuations and reduced negotiation of deal terms). In some cases, competing investment funds may be exempt from certain foreign investment and ownership limitations, generally or with respect to a particular industry, and may more easily stand ready to consummate transactions in the sellers' desired currency. There can be no assurance that suitable investment opportunities will exist or that Dragoneer will successfully identify, select, access, develop, negotiate and consummate a sufficient number of opportunities to permit a Client to invest some or all of its committed capital or to invest such capital on attractive terms. To the extent that any portion of a Client's committed capital is not invested or invested on less attractive terms, the Client's potential returns may be diminished.
- *Equity Investments.* The market price of securities owned by a Client may go up or down, sometimes rapidly or unpredictably. A risk of investing in a Client is that the equity securities in such Client's portfolio will decline in value due to factors affecting equity securities markets generally or particular industries or issuers represented in those markets. The values of equity securities may decline due to general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. They may also decline due to factors which affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry. Other risks of investing globally in equity securities may include changes in currency exchange rates, exchange control regulations, expropriation of assets or nationalization, imposition of withholding taxes, and difficulty in obtaining and enforcing judgments against non-U.S. entities. In addition, securities which Dragoneer believes are fundamentally undervalued or incorrectly valued may not ultimately be

valued in the capital markets at prices and/or within the time frame Dragoneer anticipates. As a result, a Client may lose all or substantially all of its investment in any particular instance.

- *Initial Public Offerings.* Participation in and trading of securities with respect to initial public offerings is an investment approach in which Dragoneer actively engages on behalf of Clients. To this end, Dragoneer maintains relationships with investment banks, service providers, company executives and others which will, from time to time, result in allocations to one or more Clients of securities of companies in initial public offerings. The possibility of the purchase and sale by a Client from time to time of securities of companies in initial public offerings or shortly thereafter involves special risks, including a limited number of shares available for trading, unseasoned trading, lack of investor knowledge of the company and limited operating history. These factors could contribute to substantial price volatility for the shares of these companies and, thus, for the Client. The limited number of shares available for trading in some initial public offerings may make it more difficult for the Client to buy or sell shares without an unfavorable impact on prevailing market prices. Further, such risk may be exacerbated if one or more other Dragoneer Clients attempt to buy or sell the same securities as the Client in any public offering. In addition, some companies in initial public offerings are involved in relatively new industries or lines of business, which may not be widely understood by investors. Some of these companies may be undercapitalized or regarded as developmental stage companies, without revenues or operating income, or the near-term prospects of achieving them.

To the extent a Client participates in initial public offerings registered under the Securities Act (i.e., new issues), investors who are “restricted persons” under FINRA rules, as well as executive officers and directors of certain companies that have or may have certain investment banking relationships with broker-dealers selling new issues, will be limited in the amount of profits or losses that they may be allocated from such new issues in which such Client invests or prohibited entirely from participating in such new issues. Any investor that does not provide satisfactory notification to show that it is not subject to FINRA-related limitations on participation in new issues will be presumed to be subject to them.

To the extent an investor is subject to new issue limitations, and a Client’s investment in an initial public offering yields high returns, that investor may have meaningfully lower performance than that experienced by investors that are not subject to such restrictions, and to whom a disproportionate amount of the new issue profit will be allocated. Investors should also be aware, however, that the purchase of new issues or other initial public offerings involves greater risk than securities trading in general. Although investors typically assume that new issues and other securities in an initial public offering will open at a price higher than their initial price, and that they will continue to trade at a premium until they are liquidated, there is no guarantee that either of these scenarios will occur. The prices of newly issued securities may not increase as anticipated and, in fact, may decline more rapidly. In that case, to the extent that new issues losses are incurred, all or most of such losses will be allocated to non-restricted investors, and the investment returns of such investors will be negatively

impacted as a result. This result may be multiplied for investors depending on the proportion of restricted and unrestricted investors in a Client. Dragoneer is not obligated to limit the number of restricted investors in a Client, and if there is a large proportion of restricted investors, then new issues profits could significantly enhance, while new issues losses could disproportionately diminish, the investment returns of non-restricted investors compared to what they would be if no investors were restricted. Clients generally do not provide a breakdown regarding the proportion of such Clients' profits and losses that are attributable to new issues. Entities that invest in such Clients should assume that all profits and losses of such Clients are attributable to new issues for purposes of their compliance with applicable FINRA rules.

- *Convertible Securities.* Some Clients will invest in convertible securities. Convertible securities are bonds, debentures, notes, preferred stocks or other securities that give the holder the right to convert or exchange the security for an amount of common stock (or equivalent) of the same or different issuer within a particular period of time at a specified price or based on a formula. Generally a convertible security entitles its holder to receive interest, which may be paid in cash or in-kind (e.g., a dividend) until the convertible security matures or is redeemed, repurchased, converted or exchanged. Convertible securities have unique investment characteristics in that they generally: have higher yields than common stocks, but lower yields than comparable non-convertible securities; have a stated value; and provide the potential for capital appreciation if the market price of the underlying common stock increases. The value of a convertible security is a function of its "investment value" (determined by its yield in comparison with the yields of other securities of comparable maturity and quality that do not have a conversion privilege) and its "conversion value" (the security's worth, at market value, if converted into the underlying security). The investment value of a convertible security is influenced by changes in interest rates, with investment value declining as interest rates increase and increasing as interest rates decline. The credit standing of the issuer, volatility of the issuer's securities and other similar dated option instruments and other factors may also have an effect on the convertible security's investment value. The conversion value of a convertible security is determined by the market price of the underlying security (e.g., common stock). If the conversion value is low relative to the investment value, the price of the convertible security is governed principally by its investment value. To the extent the market price of the underlying common stock approaches or exceeds the conversion price, the price of the convertible security will be increasingly influenced by its conversion value. A convertible security generally will sell at a premium over its conversion value by the extent to which investors place value on the right to acquire the underlying common stock while holding a fixed-income security. Generally, the amount of the premium decreases as the convertible security approaches maturity.

A convertible security may be subject to redemption at the option of the issuer at a price established in the convertible security's governing instrument. If a convertible security held by a Client is called for redemption, such Client generally will be required to permit the issuer to redeem the security, convert it into the underlying common stock or sell it to a third party. Any of these actions could have an adverse effect on such Client's ability to achieve its investment objective.

- *General Economic, Market Disruption, Health Crises, Terrorism and Geopolitical Risk.* The value of a Client's investments could be affected by factors affecting the economy and securities markets generally, such as real or perceived adverse economic conditions, supply and demand for particular instruments, changes in the general outlook for certain markets or corporate earnings, interest rates, political developments or adverse investor sentiment generally. A Client is subject to the risk that war, terrorism, global health crises or similar pandemics, and other related geopolitical events may lead to increased short-term market volatility and have adverse long-term effects on world economies and markets generally, as well as adverse effects on issuers of securities and the value of a Client's investments. Those events as well as other changes in world economic, political and health conditions also could adversely affect individual issuers or related groups of issuers, securities markets, interest rates, credit ratings, inflation, investor sentiment and other factors affecting the value of a Client's investments. At such times, a Client's exposure to a number of other risks described elsewhere in this section can increase. See also "*Coronavirus Outbreak Risks.*"
- *Russian Invasion of Ukraine.* On February 21, 2022, Russian President Vladimir Putin ordered the Russian military to invade two regions in eastern Ukraine (the Donetsk People's Republic and Luhansk People's Republic regions) and shortly thereafter commenced a full-scale invasion of Russia's pre-positioned forces into Ukraine. This had led various countries (including the United States) to issue sanctions against Russia and against certain foreign individuals and national leaders who have supported Russia's invasion of Ukraine. Further sanctions may be forthcoming. Russia's invasion of Ukraine, related cyberattacks, the displacement of persons both within Ukraine and to neighboring countries and the increasing international sanctions could have a negative impact on various economies and business activity globally (including in the countries in which the Clients invest), and therefore could adversely affect the performance of the Clients' investments. Furthermore, given the ongoing and evolving nature of the conflict and its ongoing escalation, it is difficult to predict the conflict's ultimate impact on global economic and market conditions, and, as a result, the situation presents material uncertainty and risk with respect to the Clients and the performance of their investments or operations, and the ability of the Clients to achieve their investment objectives.
- *Israel-Hamas War.* On October 7, 2023, the Hamas militant group breached the fences separating Israel and Gaza and carried out a violent terrorist attack. The foregoing attack sparked an armed conflict, which is currently ongoing, between Hamas and other Palestinian militant groups and Israel, known as the 2023 Israel-Hamas war. Although since the establishment of the State of Israel a state of hostility has existed in varying degrees of intensity between various Arab countries and Israel, the current conflict between Israel and Hamas has escalated to a heightened level not seen in recent years and may escalate further. Additionally, while Israel has entered into peace agreements with both Egypt and Jordan, and several other Middle Eastern and North African countries have normalized relations with Israel, the 2023 Israel-Hamas war has created tremendous unrest and uncertainty in the region, which may threaten any such peace agreements. A further expansion of the hostilities between Israel and Palestine could have significant international ramifications. The 2023 Israel-Hamas war could

potentially have a significant adverse impact and result in significant losses to Clients, including those described above in “*Russian Invasion of Ukraine*”. The ultimate impact of the Israel-Hamas war and its effect on global economic and commercial activity and conditions, and on the operations, financial condition and performance of Clients or any particular industry, service provider, business or investee country, and the duration and severity of those effects is impossible to predict.

- *Climate Change.* Clients may acquire investments that are located in, or have operations in, areas that are subject to climate change. Any investments located in coastal regions may be affected by any future increases in sea levels or in the frequency or severity of hurricanes and tropical storms, whether such increases are caused by global climate changes or other factors. There may be significant physical effects of climate change that have the potential to have a material effect on the Clients’ business and operations. Physical impacts of climate change may include: increased storm intensity and severity of weather (e.g., floods or hurricanes); sea level rise; fires; and extreme and changing temperatures. As a result of these impacts from climate-related events, the Clients may be vulnerable to the following: risks of property damage to the Clients’ investments; indirect financial and operational impacts from disruptions to the operations of the Clients’ investments from severe weather; increased insurance premiums and deductibles or a decrease in the availability of coverage for investments in areas subject to severe weather; decreased net migration to areas in which investments are located, resulting in lower than expected demand for both investments and the products and services of the Clients’ investments; increased insurance claims and liabilities; increase in energy costs impacting operational returns; changes in the availability or quality of water, food or other natural resources on which the Clients’ business depends; decreased consumer demand for consumer products or services resulting from physical changes associated with climate change (e.g., warmer temperature or decreasing shoreline could reduce demand for residential and commercial properties previously viewed as desirable); incorrect long-term valuation of an equity investment due to changing conditions not previously anticipated at the time of the investment; and economic distributions arising from the foregoing.
- *Recent Regulatory Developments for Private Funds and their Advisers.* In recent years, the SEC has proposed and adopted, and continues to adopt, various changes to the rules relating to private funds and their advisers. On August 23, 2023, the SEC adopted previously proposed new rules and amendments to existing rules (collectively, the “Private Funds Rules”) under the Advisers Act specifically related to advisers of private funds.

The Private Funds Rules will impose new and substantial requirements on advisers and the funds they advise, including with respect to quarterly reporting, restricted activities, preferential treatment of investors, audit requirements, adviser-led secondaries and annual compliance reviews. The Private Funds Rules, in addition to any other new rules adopted by the SEC, are expected to significantly impact the business of Dragoneer and its affiliates, its Clients and/or their investments. As a result of the new rules, Dragoneer may determine, in its sole discretion, to restrict or refrain from providing information regarding a Fund or Client in response to investor requests.

Dragoneer also will be required to circulate to investors in certain Clients the material terms of any preferential treatment agreed in connection with investments in a Client (i.e., all side letter terms), without regard to any most favored nation provision. This may and likely will ultimately impact Dragoneer's decisions with respect to agreeing to certain preferential rights. The Private Funds Rules include certain audit requirements, which may require Dragoneer to select a different auditor or obtain an additional audit, even if Dragoneer does not believe it is in the best interest of a Client or its investors to do so and regardless of any associated expenses the applicable Client will be required to bear. Further, many provisions of the Private Funds Rules require Dragoneer to make a variety of subjective determinations as to whether and how such rules apply to a Client and Dragoneer's related obligations. Dragoneer will face conflicts of interest in making such determinations, including for example with respect to whether certain fees and expenses may be charged to a Client, whether certain provisions may have a material negative impact on certain investors and whether certain allocations are fair and equitable, and in each case Dragoneer's determinations shall be binding on the applicable Clients regardless of such conflicts of interest and how or whether they are resolved. Dragoneer's and a Client's compliance responsibilities and associated costs including, without limitation, insurance expenses, are also expected to increase. Dragoneer also will be subject to increased risk of exposure to additional regulatory scrutiny, litigation, censure and penalties for noncompliance or perceived noncompliance as a result of the Private Funds Rules, and any noncompliance or perceived noncompliance with such rules may negatively impact a Client (for example, by increasing the likelihood of redemptions from certain Clients), as well as its investment activities (for example, by decreasing the likelihood that such Client can source or secure attractive investment opportunities), thereby materially reducing returns to investors.

Several trade groups representing private fund managers have filed a legal challenge to the Private Funds Rules and other legal challenges to the Private Funds Rules may be forthcoming. Regardless of the outcome of these lawsuits, the implementation of these new rules is expected to create additional burdens for advisers to private funds.

Since 2021, the SEC has proposed and, in some cases, finalized several new rules regarding a wide range of topics related to private funds and their investment managers. For example, the SEC has proposed new rules requiring the reporting and public disclosure of a manager's positions in security-based swaps, including credit default swaps, equity total return swaps and related positions and a new regulatory framework governing the safeguarding of registered investment manager's client assets that, if adopted as proposed, could fundamentally change current structures for brokerage accounts and derivatives margin, among other things. The SEC has also finalized new rules restricting activities that could be considered to be manipulative in connection with security-based swaps, new rules regarding beneficial ownership and public reporting by managers under Section 13 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and new rules requiring the central clearing of certain cash and repurchase transactions involving U.S. Treasuries. The SEC has also finalized new rules requiring investment managers to file monthly confidential reports with the SEC regarding equity short sales and related activity as well as a new rule that will

require reporting and public disclosure of securities loan transaction information (not including party names); this may include, but is not limited to, information about securities loans entered into in connection with short sales. These and other proposed new rules, whether assessed on an individual or collective basis, could fundamentally change the current regulatory framework for relevant markets and market participants, including having a material impact on activities of private fund advisers and their funds. While it is currently difficult to predict the full impact of these new rules, these rules could make it more difficult for a Client to execute certain investment strategies and may have a material adverse effect on a Client's ability to generate returns.

In addition, the SEC recently proposed to amend existing rules promulgated under the Advisers Act relating to custody and safeguarding assets that would potentially require changes to the operation of private funds managed by registered investment advisers. The proposed rules impose new and more stringent requirements relating to the custody and safeguarding of client assets and relationships with custodians. These proposed rules are subject to notice and comment and may be revised substantially before being adopted. There can be no assurances that any final rules will be promulgated, what the terms of the final rules will be if promulgated and when any such rules would take effect. Any such final rules may result in increased costs, expenses and compliance burdens for Dragoner and/or a Client, may result in the inability of a Client to make certain investments and may require amendments to a Client's applicable Governing Documents, this Brochure and/or custodial agreements, the costs of which will be borne by the relevant Client.

- *Inflation.* Inflation is a sustained rise in overall price levels. Moderate inflation is associated with economic growth, while high inflation can signal an overheated economy. Inflation risk is the risk that the value of assets or income from investments will be less in the future as inflation decreases the value of money (i.e., as inflation increases, the values of a Client's assets can decline). Inflation may pose a risk to investors because it can reduce savings and investment returns. Inflation and rapid fluctuations in inflation rates have had in the past, and may in the future have, negative effects on economies and financial markets, particularly in emerging economies. Furthermore, wages, prices of inputs and borrowing costs increase during periods of inflation, which can negatively impact returns on investments. Governmental efforts to curb inflation often have negative effects on the level of economic activity. Central banks, such as the U.S. Federal Reserve, generally attempt to control inflation by regulating the pace of economic activity. They typically attempt to affect economic activity by raising and lowering short-term interest rates. At times, governments may attempt to manage inflation through fiscal policy, such as by raising taxes or reducing spending, thereby reducing economic activity; conversely, governments can attempt to combat deflation with tax cuts and increased spending designed to stimulate economic activity. Inflation rates may change frequently and significantly as a result of various factors, including unexpected shifts in the domestic or global economy and changes in economic policies, and a Client's investments may not keep pace with inflation, which may result in losses to the Client and its investors. Further, certain countries, including the U.S., have recently seen increased levels of inflation and there can be no assurance that continued and more wide-spread inflation will not become a serious problem in

the future and have an adverse impact on a Client's returns. If inflation continues to increase, the real value of a Client's investments could decline and the interest payments on a Client's borrowings, if any, may increase.

- *Market Volatility.* General fluctuations in the market prices of securities, which may be impacted by, among other things, macro-economic events, inflation, or changes in interest or currency rates, will also affect the value of investments held by a Client. Volatility and instability in the securities markets will also likely increase the risks inherent in the Client's investments. Both private investments and public investments are subject to the risks associated with volatile and instable securities markets. The duration and ultimate effect of current market conditions and whether such conditions may worsen cannot be predicted. There can be no assurance that such economic and market conditions will be favorable in respect of both the investment and disposition activities of a Client. In reaction to changing economic and market conditions, regulators in the United States and several other countries have undertaken in the past and may undertake in the future regulatory actions and implement other measures to ensure stability in the financial markets. Despite these efforts and the efforts of securities regulators of other jurisdictions, global financial markets could become and remain extremely volatile. In addition, new regulations and any changes in the political environment could limit a Client's activities and investment opportunities or change the functioning of capital markets. Unpredictable changes in social and political patterns and trends may have an impact on consumer behavior and create a negative effect on the profitability of a Client's investment program. A Client may be adversely affected to the extent that it seeks to dispose of any of its investments into an illiquid or volatile market, and the Client may find itself unable to dispose of investments at prices that Dragoneer believes reflect the fair value of such investments. Prospective investors should note that information in this Brochure is presented as of the date of this Brochure, unless otherwise specified, and the information contained herein is subject to change based on the market fluctuations and other risks described herein.
- *Micro, Small and Medium Capitalization Companies.* Investments in securities of micro- and smaller-capitalization companies involve higher risks in some respects than do investments in securities of larger "blue-chip" companies. For example, prices of securities of micro- and small-capitalization and even medium-capitalization companies are often more volatile than prices of securities of large-capitalization companies and may not be based on standard pricing models that are applicable to securities of large-capitalization companies. Furthermore, the risk of bankruptcy or insolvency of many smaller companies (with the attendant losses to investors) may be higher than for larger, "blue-chip" companies. Finally, due to thin trading in the securities of some micro- and small-capitalization companies, an investment in those companies may be illiquid.
- *Reliance on Third Parties.* Dragoneer and a Client may require, and rely upon, the services of a variety of third parties, including but not limited to attorneys, accountants, bankers, brokers, custodians, valuation agents, consultants (including "finders" and similar persons engaged to assist a Client and its general partner with developing and taking advantage of portfolio deal flow, as well as "experts" and similar persons

engaged to assist with the assessment of technologies, markets and other matters) and various other persons or agents. Such general partner's selection of third parties who are inferior to other third parties who might otherwise have been engaged to provide a service and/or the failure of any third parties to perform their duties or otherwise satisfy their obligations to a Client or its affiliates could have a material adverse effect upon such Client. Except as otherwise explicitly provided in a Client's Governing Documents, the costs, fees and expenses associated with such third parties will be paid by the applicable Client(s), regardless of whether the services levels or level of engagement from such third parties meet the Client's or Dragoneer's expectations at any time or over time.

- *Risks Relating to Due Diligence of Portfolio Companies.* Before making investments, Dragoneer will typically seek to conduct due diligence that it deems reasonable and appropriate based on the facts and circumstances applicable to each investment. For example, Dragoneer's due diligence process typically will be less extensive with respect to smaller investments and investments in non-core areas with respect to the applicable Clients' investment strategies, or with respect to more competitive investment opportunities (regardless of size or whether or not the opportunity is in a core area for the applicable Client(s)). Due diligence may entail evaluation of important and complex business, financial, tax, accounting, regulatory and legal issues. Outside consultants, legal advisors, accountants, investment banks and other third parties may also be and frequently are involved in the due diligence process to varying degrees depending on the type of investment and competitive dynamic. Such involvement of third-party advisors or consultants presents a number of risks primarily relating to Dragoneer's reduced control of the functions that are outsourced. In addition, if Dragoneer is unable to timely engage third-party providers, its ability to evaluate and acquire more complex targets could be adversely affected. When conducting due diligence and making an assessment regarding an investment, Dragoneer will rely on various resources available to it, including information provided by the target of the investment and, in some circumstances, third-party investigations. The due diligence investigation that Dragoneer carries out with respect to any investment opportunity will not reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity. Moreover, such an investigation will not necessarily result in the investment being successful. Conduct occurring at portfolio companies, even activities that occurred prior to a Client's investment therein, could have an adverse impact on such Client.
- *Reliance on the Management of Portfolio Companies.* There can be no assurance that any portfolio company's existing management team, or any new team, will be able to operate successfully. In addition, the interests, obligations and duties of a portfolio company's management team may not necessarily (and frequently will not) align with the interests of a Client or the investors. It will be primarily the responsibility of company management to operate each portfolio company business on a day-to-day basis. If a Client invests in emerging companies, there may be a limited ability to evaluate the management of such companies based on past performance and such companies may be more reliant on individual members of the management team than more established companies. Instances of fraud and other deceptive practices

committed by the management team of portfolio companies in which a Client has an investment may undermine Dragoneer's due diligence efforts with respect to such companies. If such fraud is committed, it could materially adversely affect the valuation of such Client's investments and Dragoneer's ability to source future investments, and may contribute to overall market volatility that can negatively impact such Client's investment portfolio.

- *Additional Capital Requirements of Portfolio Companies.* Certain of a Client's portfolio companies, especially those in a development or "platform" phase, may require additional financing to satisfy their working capital requirements or acquisition strategies. The amount of such additional financing will depend upon the maturity and objectives of the particular portfolio company. Each such round of financing (whether from a Client or other investors) is typically intended to provide a portfolio company with enough capital to reach the next major corporate milestone. If the funds provided are not sufficient, a company may have to raise additional capital at a price unfavorable to the existing investors, including the applicable Client. In addition, such Client may make additional debt and equity investments or exercise warrants, options or convertible securities that were acquired in the initial investment in such company in order to preserve such Client's proportionate ownership when a subsequent financing is planned, or to protect such Client's investment when such portfolio company's performance does not meet expectations. The availability of capital is generally a function of capital market conditions that are beyond the control of such Client or any portfolio company. There can be no assurance that the portfolio companies will be able to predict accurately the future capital requirements necessary for success or that additional funds will be available from any source.
- *Less Established Companies.* Clients may make investments in companies that are in a conceptual or relatively early stage of development. These companies are often characterized by short operating histories, new technologies and products, quickly evolving markets and management teams that may have limited experience working together, all of which enhance the difficulty of evaluating these investment opportunities. The management of such companies will need to implement and maintain successful marketing, finance personnel and other operational strategies in order to become and remain successful. Other substantial operational risks to which such companies are subject include uncertain market acceptance of the company's products or services, a high degree of regulatory risk for new or untried and/or untested business models, products and services, high levels of competition among similarly situated companies, lower capitalizations and fewer financial resources and the potential for rapid organizational or strategic change. In addition, such companies may not be profitable at the time of investment and may experience substantial fluctuations in their operating results. The success of such companies may also depend on the management talents and efforts of one person or a small group of persons whose death, disability or resignation would adversely affect their businesses.

Relative to more mature companies, emerging companies often have not yet developed comprehensive legal, regulatory, financial audit, control and similar compliance or reporting capabilities. This will make it more difficult for Dragoneer to conduct

diligence upon prospective portfolio companies and to monitor companies in which a Client has invested, which enhances the risks that otherwise successful portfolio companies will experience adverse consequences due to violations of legal, regulatory or similar obligations. It also enhances the risks that portfolio companies or a Client will experience adverse consequences due to intentional wrongdoing by portfolio company personnel or third parties.

In addition to the risks above, emerging technology companies are subject to risks based on the characteristics of the industry, including the possibility that rapid technological developments may render such companies' technology obsolete, uneconomical or uncompetitive prior to the company achieving profitability. The public market for technology and other emerging growth companies is extremely volatile. Any such investments in emerging companies are considered highly speculative and are more likely to result in the loss of a Client's entire investment.

- *SPAC Investments.* Certain Clients may invest in units of, shares of, warrants to purchase stock of, and other interests in special purpose acquisition companies or similar special purpose entities that pool funds to seek potential acquisition opportunities (collectively, "SPACs"). The funds raised by the SPAC in its initial public offering ("IPO") are held in trust until the SPAC successfully consummates an initial business combination ("IBC"). If the SPAC fails to consummate an IBC within a specified amount of time, typically 12-24 months (which may be extended in certain circumstances), or if the transaction does not obtain the requisite approval from the public shareholders, the trust proceeds are returned to the public shareholders.

Clients may also invest in a SPAC through a private placement in connection with an IBC, including through a private investment in public equity ("PIPE") transaction. In such event, a Client would not have a claim to assets in the trust account and would not be entitled to redeem its investment in connection with the IBC. In addition, in connection with any such investment, a Client may agree to vote in favor of an IBC and not to redeem shares purchased in the IPO or in the open market. Clients may also be required to agree not to transact in or hedge the securities of the SPAC for a specified period of time. As a result, a Client could have a prolonged period of exposure to a particular SPAC without the ability to liquidate or hedge the position. Such investments are also subject to the risks associated with PIPEs as discussed in "*Private Investments in Public Equities*" below and to conflicts in connection with information-gathering by Dragoneer as discussed in "*Management of Multiple Clients and Conflicts Related to Information.*"

Because SPACs and similar entities have no operating history or ongoing business other than seeking to complete a business combination with one or more companies, the value of each of their securities is largely dependent on the ability of the entity's management to identify and complete a successful business combination within the designated time period. Some SPACs may pursue acquisitions only within certain industries or regions, and may encounter substantial competition for attractive targets. An investment in a SPAC is subject to a variety of risks, including, among others, that (i) as a newly formed company with no operating history, there is little basis on which

to evaluate the SPAC's ability to consummate a successful IBC; (ii) an attractive business combination target may not be identified at all and the SPAC may be required to liquidate and return any remaining monies to shareholders; (iii) shareholders may not be afforded an opportunity to vote on the proposed business combination; (iv) a business combination, if effected, may prove unsuccessful and an investment in the SPAC may lose value; (v) the warrants or other rights with respect to the SPAC held by a Client may expire worthless or may be repurchased or retired by the SPAC at an unfavorable price; (vi) a Client may be delayed in receiving any redemption or liquidation proceeds from a SPAC to which it is entitled; (vii) an investment in a SPAC may be diluted in connection with the business combination or by additional financings; (viii) no or only a thinly traded market for shares of or interests in a SPAC may develop, leaving a Client unable to sell its interest in the SPAC or to sell its interest only at a price below what the Client believes is the SPAC interest's intrinsic value; (ix) the values of investments in SPACs may be highly volatile and may depreciate significantly over time; (x) assets in the SPAC may be subject to third-party claims, which could reduce the per share liquidation price received by the investors in the SPAC; (xi) the investor would be unable to redeem due to the failure to hold the securities in the SPAC on the record date or the failure to vote against the acquisition; (xii) a SPAC investment may be subject to an extended lock-up period and other restrictions on resale and redemption, including those in connection with a private placement voting and support agreement; and (xiii) the regulatory landscape around SPACs continues to evolve and may be unfavorable to a SPAC shareholder.

In addition, a SPAC Sponsor and a Client may invest in certain "at-risk" capital of a SPAC, in order to finance certain underwriting and other third-party expenses incurred in connection with the SPAC's IPO and ongoing operations. In exchange for funding the at-risk capital, the SPAC Sponsor and the Client may receive private placement warrants of the SPAC, units of the SPAC or shares of the SPAC, and the Client may also receive direct or indirect limited liability company interests in the SPAC Sponsor. An investment in the at-risk capital of a SPAC is subject to complete loss if the SPAC does not complete a business combination within the designated time period. Investments in a SPAC sponsor consist of securities issued on a private placement basis, which are subject to legal and contractual lock-ups and transfer restrictions and are illiquid. In connection with a business combination, a SPAC sponsor may agree to forfeitures, earn outs, additional lock ups, or other agreements that may have the effect of reducing the value of any such investments.

- *Late-Stage Investments and Access to Public Markets.* A portion of a Client's investment portfolio will likely consist of securities issued by companies that expect to go public within a relatively short period of time. However, there can be no guarantee that any portfolio company investment will result in a liquidity event via public offering on the anticipated timeline, or at all. In addition, certain of the Client's portfolio companies may choose to access the public markets through non-traditional means, including direct listings, which may not be successful or may lead to increased volatility in the trading price of their securities. Because there is no marketed offering conducted as part of a direct listing, a market for the securities may not develop as anticipated, or at all. Accessing the public markets through non-traditional means, such

as a direct listing, has and may continue to draw questions from regulators and could subject any Client portfolio company attempting such strategy to additional cost and uncertainty as it navigates the evolving landscape. See also “*Illiquidity of Investments*” below.

- *Publicly Traded Companies.* A portion of a Client’s investment portfolio may consist of securities issued by publicly traded companies (e.g., as the result of an initial public offering effected by a previously private portfolio company, acquisition of a private portfolio company by a publicly traded company or a direct investment in publicly traded securities). The fact that a portfolio company is publicly traded will not necessarily reduce the business and other risks associated with an investment in such company. Investments in publicly traded companies often are subject to other risks, such as increased risks of litigation and greater securities law and other regulatory burdens, as well as risks associated with “insider trading” and similar rules.
- *Risks Related to Investments in the Technology Sector.* A significant portion of a Client’s investments is expected to be concentrated in equity and equity-related securities of technology-oriented companies. These companies will generally be smaller and less-seasoned than more established companies and their equity securities will tend to be more volatile than the overall stock market. As a result, events affecting these companies – for example, intellectual property issues (including litigation over proprietary rights to technology), product roll-out delays or failures, rapid obsolescence, constant technical innovation, shifting technical standards, government regulation, new social trends, disproportionately large research budgets, marketing expenses and market penetration by competitors and the inability to attract and retain qualified technical and managerial employees – will affect the value of such Client’s portfolio. In some instances, laws or regulations have been adopted or proposed that may pose material challenges to technology-oriented companies’ respective business models. There can be no assurance that laws or regulations will not be passed that will have a material adverse effect on a Client’s portfolio companies.

A Client may also invest in the securities of issuers in the business services sector (such as providers of credit risk analysis and reporting, educators, payroll providers, merchant processors and staffing providers, among others), which investments generally involve a number of the risks associated with the technology sector. Investing in securities of media companies (which may engage in the production or distribution of television, film, radio, internet and other content) and telecommunications companies (which may provide traditional and wireless telephone services, paging, data transmission services, equipment retailing and internet services) also involves substantial risks. Whereas traditionally media and telecommunications companies were considered to be in different sectors, these sectors have increasingly converged and oftentimes overlap in the services they provide. Companies in the media and telecommunications sector may encounter distressed cash flows due to the need to commit substantial capital to meet increasing competition, particularly in formulating new products and services using new technology. In addition, media and telecommunications companies may be subject to greater price volatility than the overall market due to a variety of factors, including: changing government regulations,

changing consumer tastes, intense competition, and strong market reactions to technological developments throughout the industry. Technology-reliant sectors are challenged by various factors, including rapidly changing market conditions and participants, new competing products and services and improvements in existing products and services. There is no assurance that products or services sold by companies will not be rendered obsolete or adversely affected by competing products and services or other challenges. In the event that technology-reliant sectors decline or that companies are unable to utilize technology successfully and competitively, returns to investors may decrease.

- *Risks Related to Health Care Sector.* A Client may invest in the securities of issuers in the health care sector, which investments involve substantial risks, including: (i) the fact that certain companies in the portfolio of such Client may have limited operating histories; (ii) the fact that the scarcity of management and marketing personnel with appropriate scientific or medical training may result in slow or impeded growth of a company; (iii) the possibility of lawsuits related to patents or products; (iv) obsolescence of products; (v) change in government policies; (vi) changes in investor sentiments and preferences with regard to healthcare sector investments (some of which are generally perceived as risky); (vii) volatility in the U.S. stock markets that affects the prices of health care company securities resulting in substantial volatility in the performance of such Client; (viii) the difficulty and burden of securing intellectual property rights in the field of medical devices, diagnostics, pharmaceuticals and biotechnology; and (ix) the fact that many companies in the health care sector are subject to extensive government regulation.
- *Risks Related to Investments in the Consumer Sector.* A Client may invest in the securities of issuers in the consumer sector, which investments involve substantial risk. The success of consumer product manufacturers and retailers is tied closely to the performance of the overall domestic and global economy, interest rates, competition and consumer confidence. Success depends heavily on disposable household income and consumer spending. Also, companies in the consumer discretionary sector may be subject to severe competition, which may have an adverse impact on their respective profitability. Changes in demographics and consumer tastes can also affect the demand for, and success of, consumer products and services in the marketplace.
- *Risks Related to Investments in the Financial Services Sector.* A Client may invest in the securities of issuers in the financial services sector, including investment and commercial banks, insurance companies, specialty finance firms, mortgage originators and other companies engaged in the financial services industry (collectively, “Financial Services Institutions”). Such investments involve substantial risk. In the course of conducting their business operations, Financial Services Institutions are exposed to a variety of risks that are inherent to the financial services industry, including (i) fluctuations in interest rates, exchange rates, equity and commodity prices and credit spreads caused by global and local market and economic conditions; (ii) credit-related losses that can occur as a result of an individual, counterparty or issuer being unable or unwilling to honor its contractual obligations; (iii) the potential inability to repay short-term borrowings with new borrowings or assets that can be quickly converted into cash

while meeting other obligations; (iv) operational failures or unfavorable external events; (v) potential changes to the established rules and policies of various U.S. and non-U.S. legislative bodies and regulatory and exchange authorities, such as U.S. Federal and state securities, bank regulators and industry participants; (vi) risks associated with litigation, investigations or proceedings by private claimants and governmental and self-regulatory agencies arising in connection with a Financial Services Institution's activities; and (vii) its continuing ability to compete effectively in the market. While Financial Services Institutions seek to manage these and other risks through risk management policies and procedures, there can be no assurance that any such Financial Services Institution's risk management practices will be effective.

- *Risks Related to Investments in Insurance and Reinsurance Industry.* Investments in public and private insurance and reinsurance companies, catastrophe bonds, weather derivatives, life insurance policies and annuities, and other securities linked to insurance and reinsurance risks and similar factors, are subject to all of the numerous inherent risks of the insurance and reinsurance industry, such as weather-related and other natural or man-made catastrophes, which are unpredictable and may result in significant losses. A significant natural disaster, such as a hurricane or earthquake, or terrorist incident, or a series of such events, could have a material, adverse effect on a Client's investments in such companies and securities linked thereto.
- *Dependence on Patents, Trademarks and Other Intellectual Property.* Certain of the companies in which a Client invests will depend heavily on intellectual property rights ("IP"), including patents, copyrights, trade secrets, trademarks and servicemarks. The ability to effectively enforce patent, trademark and other IP laws will affect the value of many of these companies. IP disputes are frequent and can preclude commercialization of products, and IP litigation is costly and could subject a portfolio company to significant liabilities to third parties. The presence of patents or other proprietary rights belonging to other parties may lead to the termination of the research and development of a portfolio company's particular product. There can be no assurance that a Client or a portfolio company will be able to protect its own IP rights or will have the financial resources to do so, or that competitors will not develop technologies substantially equivalent or superior to a company's technologies. Unauthorized access or theft of proprietary information may make a portfolio company or its products and services less valuable and more vulnerable to malicious attack. While piracy adversely affects portfolio company revenue in all jurisdictions, the impact on revenue from outside the U.S. is significant, particularly in countries where laws are less protective of IP rights. The absence of harmonized patent laws makes it more difficult to ensure consistent respect for the patent rights of portfolio companies. Reductions in the legal protection for software IP rights could adversely affect portfolio companies.
- *Software Code Protection.* The development and protection of source code is critical to many businesses in the software sector. If an unauthorized disclosure of a significant portion of a portfolio company's source code occurs, such portfolio company could potentially lose future trade secret protection for such source code. The loss of trade secret protection could make it easier for others to compete with such portfolio

company's products by copying their code and functionality, which could adversely affect such portfolio company's revenue and operating margins. Unauthorized disclosure of source code could also increase security risks (e.g., viruses, worms, and other malicious software programs that may attack a portfolio company's products and services). Costs for remediating the unauthorized disclosure of source code and other cybersecurity breaches may include those related to increased protection, reputational damage, loss of market share, liability for stolen assets or information and repairs to damaged systems. Remediation costs may also include incentives offered to maintain a portfolio company's business and/or customer relationships following a security breach.

- *Risks of Artificial Intelligence (“AI”).* Dragoneer's ability to use, manage and aggregate data may be limited by the effectiveness of its policies, systems and practices that govern how data is acquired, validated, used, stored, protected, processed and shared. Failure to manage data effectively and to aggregate data in an accurate and timely manner may limit Dragoneer's ability to manage current and emerging risks, as well as to manage changing business needs and to adapt to the use of new tools, including AI. Dragoneer will under certain circumstances (but is not required to) decide to restrict or place limitations on certain uses of third-party and open source AI tools, such as ChatGPT, which decision might hinder or inhibit Dragoneer's effectiveness and negatively impact investment returns for Clients. Dragoneer's employees and consultants and a Client's portfolio companies will under certain circumstances also use these tools, which use could pose additional risks relating to the protection of Dragoneer's and such portfolio companies' proprietary data, including the potential exposure of Dragoneer's or such portfolio companies' confidential information to unauthorized recipients and the misuse of Dragoneer's or third-party intellectual property, which could adversely affect Dragoneer, a Client or its portfolio companies. Use of AI tools may result in allegations or claims against Dragoneer, a Client or its portfolio companies related to violation of third-party intellectual property rights, unauthorized access to or use of proprietary information and failure to comply with open-source software requirements. Additionally, AI tools may produce inaccurate, misleading or incomplete responses that could lead to errors in Dragoneer's and its employees' and consultants' decision-making, portfolio management or other business activities, which could have a negative impact on Dragoneer or on the performance of a Client and its investments. Such AI tools could also be used against Dragoneer, a Client or its investments in criminal or negligent ways. As the use and availability of AI tools has grown, the U.S. Congress and a number of U.S. federal and state agencies have been examining the AI tools and their use in a variety of industries, including financial services. These agencies have issued proposed or adopted a variety of rules and other guidance regarding the use of AI. AI similarly faces an uncertain regulatory landscape in many foreign jurisdictions. Ongoing and future regulatory actions with respect to AI generally or AI's use in any industry in particular may alter, perhaps to a materially adverse extent, the ability of Dragoneer, a Client or its investments to utilize AI in the manner it has to-date, and may have an adverse impact on the ability of Dragoneer, a Client or its investments to continue to operate as intended.

- Long-Term Nature of Investments; Potential Retention of Proceeds or Recall of Distributions.* Interests in Clients are intended for long-term investment by the investors in such Clients and for investors who can accept the risks associated with making highly speculative, illiquid investments in privately negotiated transactions. Some and potentially many portfolio investments will be long-term in nature and it is uncertain when profits on portfolio investments will be realized, if at all. Although a Client may earn current interest or dividends on some of its portfolio investments, it is generally expected that invested capital will in many instances not be returned (if at all) for a significant period of time after initial investment. In addition, the amount and timing of distributions (if any) of portfolio investment proceeds will in all cases be subject to the availability of cash after satisfying obligations or setting aside reasonable reserves for anticipated obligations of such Clients or for permitted reinvestment. Accordingly, no assurance can be made as to the amount and timing of any distributions. Certain amounts distributed to an investor under the applicable Governing Documents will be added to such investor's remaining commitment and will be subject to drawdown without limitation as to time or amount. This may result in an investor's remaining commitment exceeding the investor's original commitment to a Client, and the failure to fund a drawdown may result in an investor being subject to the default remedies set forth in the applicable Governing Documents. In addition, there is no guarantee that investments into which recycled amounts are invested will be successful, and a Client may lose all amounts invested in new investments funded by recycled amounts if such investments do not perform well.
- Investments with Third Parties.* A Client may co-invest with third parties in certain portfolio companies from time to time. Such Client will frequently not have control over these investments and, therefore, may have a limited ability to protect its position therein. Such portfolio investments may involve risks not present in portfolio investments where a third party is not involved, including the possibility that a Client may not be able to implement investment decisions or exit strategies because of limitations on such Client's control of the investment under applicable agreements with the third-party partners or co-investors, the risk that third-party partners or co-investors may become bankrupt or have other financial difficulties resulting in a negative impact on the portfolio investment, or may at any time (and frequently will) have economic or business interests or goals that are inconsistent or in conflict with those of the Client. In addition, there is a risk that a third-party partner or co-investor may be in a position to take action contrary to a Client's interests, the risk of liability based upon the actions of a third-party partner or co-investor and the risk of disputes or litigation with such partners and the inability to enforce fully all rights (or the incurrence of additional risk in connection with enforcement of rights) are additional risks not necessarily present in portfolio investments where a third party is not involved.
- Concentration of Investments.* Investments are expected to be concentrated in relatively few companies, industries or markets. Such non-diversification would make a Client more susceptible to risks associated with a single economic, political or regulatory occurrence than a more diversified portfolio might be. Such Client could be subject to significant losses if it holds a relatively large position in a single company, industry, market, geographical area, country or a particular type of investment that

declines in value, and the losses could increase even further if investments cannot be liquidated without adverse market reaction or are otherwise adversely affected by changes in market conditions or circumstances. In certain cases, a Client may acquire majority or greater interests in portfolio companies, which could further increase the vulnerability of the portfolio. An investment in such Client will increase the exposure of investors that are also invested in other Clients to the extent that such other Clients invest in the same portfolio company.

- *Illiquidity of Investments.* Some Clients may invest in both publicly-traded companies and private companies, while other Clients may invest principally in private companies. The markets for certain of a Client's public investments may be thinly traded from time to time. A Client's ability to sell public investments may be adversely affected by various factors, including limited trading volume, lack of a market maker, or legal restrictions. Short sales are particularly subject to liquidity risk because a Client's purchase of securities or currencies to close out a short position can itself cause the price of the securities or currencies to rise further, thereby exacerbating the loss. It is also possible that a domestic or international securities exchange or a governmental authority (such as the SEC) may suspend or restrict trading on an exchange or in particular securities or other instruments traded on the exchange. It may not always be possible to execute a buy or sell order at the desired price or to liquidate an open public investment position, either due to market conditions on exchanges or due to the operation of "circuit breakers." This lack of liquidity and market depth could disadvantage a Client, both in the realization of the prices which are quoted and in the execution of orders at desired prices or in desired quantities. In addition, some or all of a Client's investments in private companies could consist of securities that are subject to restrictions on sale because they were acquired from the issuer in "private placement" transactions. Generally, such Client will not be able to sell these securities publicly without the expense and time required to register the securities under the 1933 Act, or will be able to sell the securities only under Rule 144 or other rules under the 1933 Act that permit only limited sales under specified conditions. When restricted securities are sold to the public, such Client may be deemed to be an "underwriter" with respect thereto for the purposes of the 1933 Act and be subject to liability as such under the 1933 Act. In addition, practical limitations may inhibit a Client's ability to liquidate certain of its private investments since the issuer will be privately held and such Client may own a substantial percentage of the issuer's equity securities. Dispositions of such investments in illiquid securities may require a lengthy period of time. These investments may be difficult to value and to sell or otherwise liquidate, and the risk of investing in such companies is generally much greater than the risk of investing in publicly traded securities. Sales may also be limited by market conditions, which may be unfavorable for sales of securities of particular issuers or issuers in particular industries. Such limitations could prevent a successful sale of such Client's private investments, result in delay of any such sale, or reduce the amount of proceeds that might otherwise be realized.
- *FCPA and Anti-Corruption Considerations.* In some countries, there is a greater acceptance than in the United States of government involvement in commercial activities and of corruption. Under the U.S. Foreign Corrupt Practices Act of 1977, as

amended (the “FCPA”), it is unlawful for U.S. persons and, in certain circumstances, foreign persons to pay or offer bribes, directly or indirectly, to a foreign official in order to obtain, retain, or direct business. In recent years, the U.S. Department of Justice and the SEC have devoted greater resources to enforcement of the FCPA. In addition, with the enactment in 2013 of the Bribery Act, the United Kingdom significantly expanded the reach of its anti-bribery laws.

Dragoneer’s or a Client’s ongoing relationships may be affected by activity that has potential implications under anti-corruption and anti-bribery laws, which could necessitate discontinuing an existing relationship or activity, or the imposition of other legally required or advisable measures. It is possible that individuals purporting to act on behalf of Dragoneer or affiliates of portfolio companies, particularly in cases where a Client does not control such portfolio company, could engage in activities that could have legal implications under such laws, including allegations of violations of such laws, whether before or after such Client makes an investment. Any allegation or determination that a Client or Dragoneer has liability arising from a violation of the FCPA or other applicable anti-corruption laws or anti-bribery laws could subject such Client or Dragoneer to, among other things, civil and criminal proceedings and penalties, fines, profit disgorgement, injunctions on future conduct, securities litigation and a general loss of investor confidence, any one of which could adversely affect the Dragoneer’s business prospects and/or financial position, as well as a Client’s ability to achieve its investment objective and/or conduct its operations.

- *Non-U.S. Investments.* Clients may invest in portfolio companies that are headquartered in, have their principal place of business in, or are organized under the laws of jurisdictions other than, or that have a substantial portion of their assets or business operations outside of, the United States. Such investments, in addition to bearing the risks generally discussed in this Item 8, may often be subject to a greater risk than U.S. investments due to non-U.S. economic, political, and legal developments and uncertainty, including less developed corporate laws regarding fiduciary duties of officers and directors and the protection of investors, greater volatility in currency exchange rates, exchange control regulations (including currency blockage), greater controls on foreign investment and limitations on realization of investments, repatriation of invested capital and on the ability to exchange local currencies for U.S. dollars, nationalization or expropriation of assets or nationalization, confiscatory taxation, imposition of taxes on dividends, interest payments, capital gains, or other income, the need for approval by government or other authorities to make investments, and possible difficulty in obtaining and enforcing judgments against non-U.S. entities and other factors beyond the control of Dragoneer. Furthermore, issuers of non-U.S. securities are subject to different, often less comprehensive accounting, reporting or disclosure requirements than U.S. issuers. The securities markets of some countries in which a Client may invest have substantially less volume than those in the United States, and securities of certain companies in these countries are less liquid and more volatile than securities of comparable U.S. companies. Accordingly, these markets may be subject to greater influence by adverse events generally affecting the market, and by large investors trading significant blocks of securities, than is usual in the United States. Brokerage commissions and other transaction costs on securities exchanges in

non-U.S. countries are generally higher than in the United States. Non-U.S. securities settlements may in some instances be subject to delays and related administrative uncertainties. In some countries, there are restrictions on investments or investors such that the only practicable way for a Client to invest in such markets is by entering into swaps or other derivative transactions with its prime brokers or others. Such transactions involve counterparty risks which are not present in the case of direct investments and which may not be controllable by Dragoneer. No assurance can be given that a change in political or economic climate, or particular legal or regulatory risks, including changes in regulations regarding foreign ownership of assets or repatriation of funds or changes in taxation, might not adversely affect an investment by a Client.

- *Currency Risk.* A Client's investments that are not denominated in its home currency are subject to the risk that the value of a particular currency will change in relation to one or more other currencies. Among the factors that may affect currency values are trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments. Officials in foreign countries may from time to time take actions in respect of their currencies that could significantly affect the value of a Client's assets denominated in those currencies or the liquidity of such investments. For example, a foreign government may unilaterally devalue its currency against other currencies, which would typically have the effect of reducing the U.S. dollar value of investments denominated in that currency. A foreign government may also limit the convertibility or repatriation of its currency or assets denominated in that currency. A Client may, but is not required to and frequently may not, invest in foreign currencies, foreign currency futures contracts and options thereon, forward foreign currency exchange contracts, or any combination thereof for hedging purposes, but there can be no assurance that such strategies will be implemented, or if implemented, will be effective.
- *Investments in Emerging Markets.* Clients may invest in emerging markets, which may include China, India and Brazil. Investments in emerging markets involve a greater degree of risk than investing in developed countries. Among other things, emerging market investments may be subject to the following risks: less publicly available information; more volatile markets and unstable market conditions; changes in interest rates, availability of credit and inflation rates; less liquidity or available credit; uncertainty in enforceability of documents; changes in local laws and regulations (including nationalization of industries); political or economic instability (including wars, terrorist acts or security operations); the relatively small size of the securities markets in such countries and the lower volume of trading and less strict securities market regulation; less favorable tax or legal provisions; price controls and other restrictive governmental actions; changes in or non-approval of tariffs or other fees or rates charged; potential severe inflation or other serious adverse economic developments; unstable currency; expropriation of property; confiscatory taxation; imposition of withholding and other taxes on income or gross sales proceeds or dispositions; fluctuations in the rate of exchange between currencies; non-convertibility of currencies which can result in the inability to repatriate funds; costs

associated with currency conversion; and certain government policies that may restrict a Client's investment opportunities. The foregoing may result in lack of liquidity and in price volatility. The economies of emerging markets may differ favorably or unfavorably from the economy of developed countries in such respects as growth of gross domestic product, rate of inflation, currency depreciation, asset reinvestment, resource self-sufficiency and balance of payments position. In addition, emerging market countries may have a greater risk of default on external debt when their economies experience a downturn. These risks of sovereign default could adversely affect the value of a Client's portfolio. Further, emerging markets are generally heavily dependent upon international trade and, accordingly, have been and may continue to be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. The economies of certain emerging markets may be based predominantly on only a few industries and may be vulnerable to changes in trade conditions and may have higher levels of debt or inflation. Companies in emerging countries are generally subject to less stringent and less uniform accounting, auditing, corporate governance and financial reporting standards, practices and disclosure requirements than those applicable to companies in developed countries. In particular, valuation of assets, depreciation, exchange differences, deferred taxation, contingent liabilities and consolidation may be treated differently from accounting standards in more developed countries. Consequently, there is less publicly available information about an emerging country company than about a company in a developed market. Certain issuers located in emerging markets, such as banks and other financial institutions, may be subject to less stringent regulations than would be the case for issuers in developed countries and, therefore, investments in these entities potentially carry greater risk. In addition, a Client's investment opportunities in certain emerging markets may be restricted by legal limits on foreign investment in local securities or restrictions on the ability to convert currency or to take currencies out of certain countries. In emerging markets, there is often less governmental supervision and regulation of business and industry practices, stock exchanges, over-the-counter markets, brokers, dealers, counterparties and issuers than in other more established markets. Any regulatory supervision that is in place may be subject to manipulation or control. Some emerging market countries do not have mature legal systems comparable to those of more developed countries. Moreover, the process of legal and regulatory reform may not be proceeding at the same pace as market developments, which could result in investment risk. In addition, the regulatory landscape of emerging markets can lead to a Client's portfolio investment(s) being bought or sold for non-fundamental reasons to ensure compliance with such regulations. Legislation to safeguard the rights of private ownership may not yet be in place in certain areas, and there may be the risk of conflict among local, regional and national requirements. In certain cases, the laws and regulations governing investments in securities may not exist or may be subject to inconsistent or arbitrary application or interpretation. Both the independence of judicial systems and their immunity from economic, political or nationalistic influences remain largely untested in many countries. A Client may also encounter difficulties in pursuing legal remedies or in obtaining and enforcing judgments in non-U.S. courts. Nonetheless, if a Client is found to have failed to comply

with any government law, rule or regulation, it may incur penalties or fines, and to the extent such penalties and fines are not the result of disabling conduct they will be allocated as a partnership expense and borne by investors in such Client.

- *Settlement in Emerging Markets.* There can be no guarantee of the operation or performance of settlement, clearing and registration of transactions in emerging market countries nor can there be any guarantee of the solvency of any securities system or that such securities system will properly maintain the registration of a Client or such Client's custodian as the holder of securities. Where organized securities markets and banking and telecommunications systems are underdeveloped, concerns inevitably arise in relation to settlement, clearing and registration of transactions in securities. Furthermore, due to the local postal and banking systems in many emerging market countries, no guarantee can be given that all entitlements attaching to quoted and over-the-counter traded securities acquired by a Client, including those related to dividends, can be realized.

Some emerging markets currently dictate that monies for settlement be received by a local broker a number of days in advance of settlement, and that assets are not transferred until a number of days after settlement. This exposes the assets in question to risks arising from acts, omissions and solvency of the broker and counterparty risk for that period of time.

Emerging Market Exchange Control and Repatriation. It may not be possible for a Client to repatriate capital, dividends, interest and other income from emerging markets, or it may require governments' consents to do so. Such Client could be adversely affected by the introduction of, or delays in, or refusal to grant any such consent for the repatriation of funds or by any official intervention affecting the process of settlement of transactions. Economic or political conditions could lead to the revocation or variation of consent granted prior to investment being made in any particular country or to the imposition of new restrictions.

Emerging Market Inflation. Some countries in which a Client may invest have experienced substantial rates of inflation in recent years. Inflation and rapid fluctuations in inflation rates have had, and may in the future have, negative effects on the economies and securities markets of certain emerging economies. There can be no assurance that inflation will not become a serious problem in the future and have an adverse impact on such Client's investments in these countries or such Client's returns from such investments.

Emerging Market Counterparty and Liquidity Risk. There can be no assurance that there will be any market for any investments acquired by a Client or, if there is such a local market, that there will exist a secure method of delivery against payment that would, in the event of a sale by or on behalf of such Client, avoid exposure to counterparty risk on the buyer. It is possible that, even if a market exists for such investment, that market may be highly illiquid. Such lack of liquidity may adversely affect the value or ease of disposal of such investments. There is a risk that

counterparties may not perform their obligations and that settlement of transactions may not occur.

Geopolitical and Regional Risk. In emerging markets, ethnic, religious, historical and other divisions may give rise to tensions, which may result in instability of financial markets, corruption, military conflict and terrorism. Terrorism in emerging markets has the ability to cause major disruptions and negatively impact such market's economy and could lead to a reduction of a Client's assets or an entire loss in value of an investment. Terrorism and related military actions may lead to increased short-term market volatility and have adverse long-term effects on markets generally and such Client specifically. Emerging markets may have a weak or a still developing governmental or authoritative structure that creates a climate of corruption, either state sponsored or at the local or individual level; this could include, but is not limited to, selective or arbitrary investigations and prosecutions by the government, corrupt judicial actions or thriving black markets, which all have the ability to impact the value of such Client's investments. Neither terrorism nor corruption is unique to emerging markets but there is a heightened probability, compared with developed markets, that these factors will have an effect on the value of such Client's investments.

- *Significant Developments Stemming from Changes in the U.S.* Any change to the political, economic, or social environment in the U.S. could have a significant adverse effect on a Client. For example, a contentious domestic political environment, political and diplomatic events within the United States or the U.S. government's inability at times to agree on a long-term budget and deficit reduction plan has in the past, and may in the future, adversely affect the U.S. regulatory landscape (including government shutdowns, the inability to pass legislation and other dysfunctions), the general market environment and/or investor sentiment, which could have an adverse impact on a Client's investments and operations. Additional and/or prolonged U.S. federal government shutdowns may affect investor and consumer confidence and may adversely impact financial markets and the broader economy, perhaps suddenly and to a significant degree.
- *Investments in the PRC.* In general, the economic, political, and social conditions and legal structures in the People's Republic of China (solely for the purposes of this memorandum, excluding Hong Kong Special Administrative Region, Macau Special Administrative Region and the islands of Taiwan, the "PRC") differ in significant ways from those of most developed countries and other emerging markets, and these differences present a variety of risks that could impair a Client's ability to achieve its investment objective. The following risk factors, in addition to the risks associated with non-U.S. and emerging market investments described above, are applicable to investments in the PRC (the "PRC Investments").

Regulations Governing Foreign Investment Enterprises. The PRC has adopted a broad range of laws, administrative rules and regulations that govern the conduct and operations of companies in the PRC that receive capital investments from foreign investors (known as "Foreign Investment Enterprises" or "FIEs"), including the PRC Foreign Investment Law that became effective on January 1, 2020. These laws, rules

and regulations provide some incentives to encourage the flow of investment into the PRC, but they also subject FIEs to a set of restrictions that may not always apply to domestic companies in the PRC. For example, FIEs are prohibited from participating in certain industries and may only participate in certain other industries if they are at least partially-owned by domestic PRC investors. The rules and regulations regulating FIE participation in certain industries in the PRC are codified in the List of Encouraged Industries for Foreign Investment and the Foreign Investment Negative List, which are administered by the PRC Ministry of Commerce and its local branch offices (“MOFCOM”) and the PRC National Development and Reform Commission and its local branch offices (“NDRC”). Dragoneer cannot provide any assurance that laws or regulations in the PRC will not restrict a Client’s ability to invest in the PRC. Such Client may be required to apply for PRC government approvals with respect to its purchase and/or disposal of any investment that consists of an equity investment in a PRC company. In certain industries there is no guarantee that such Client will be able to obtain such approvals. Current PRC laws and regulations provide MOFCOM and other regulators with significant discretion to delay or restrict foreign investment for broad public policy reasons such as antitrust and national security. Further, MOFCOM has the power to require that the terms of an investment be altered as a precondition to approval. Altered terms can include the amount of ownership granted, as well as governance and liquidity rights. PRC regulatory authorities may cause delays or refuse to grant necessary approvals and the process of securing approvals may result in a level of expenses to such Client which exceeds the level of expenses necessary to make investments of a similar nature in other jurisdictions. Under current PRC laws and regulations, the industries and businesses in which FIEs are prohibited or restricted to participate may include, without limitation, certain internet businesses, internet news information services, online publication services, online audio and video programs, business premises for internet-access services, and internet cultural business (excluding music), and services for internet information release by the public. Further, the Measures for the Security Review of Foreign Investments (the “Security Review Measures”) jointly issued by the NDRC and MOFCOM has taken effect since January 18, 2021. Under the Security Review Measures, investment activities by foreign investors that are either in certain particular industries (such as military industry, infrastructure, information technology and financial services) or in close proximity of military and military industry facilities may be subject to the review and approval of the PRC government on the grounds of national security. In those circumstances, there is no guarantee that such Client will be able to obtain the approval in a timely fashion or at all.

As a “foreign person” under PRC laws, such Client is subject to the foreign ownership/investment restrictions discussed above. As a result, part of the PRC Investments’ businesses may be conducted through contractual arrangements with entities in which equity holders (including Dragoneer) do not own any equity interests and instead have an indirect financial interest, known as Variable Interest Equity (“VIE”). VIEs and their subsidiaries hold the licenses, approvals and key assets that may be essential for the applicable PRC Investments’ business operations. These contractual arrangements may not be as effective in providing control over the VIE and its subsidiaries as direct ownership. For example, the VIE may fail to take actions

required for the PRC Investments' operations despite its contractual obligation to do so. In addition, it cannot be assured that the VIE's shareholders would always act in the best interests of the PRC Investments and such Client. If a VIE or its shareholders fail to perform their respective obligations under the contractual arrangements of which they are a party, the PRC Investments and Client may incur substantial costs and expend substantial resources to enforce its rights under the contracts. Such Client may have to rely on legal remedies under PRC law, including seeking specific performance or injunctive relief and claiming damages, which may not be effective and will be subject to uncertainties in the PRC legal system.

In recent years, the PRC government has indicated on several occasions that it has been closely watching the use of the VIE structure and might decide to strengthen the supervision and regulation thereof in the future. Furthermore, there have been several precedents in which PRC arbitration tribunals deemed certain VIE agreements null and invalid because they, working as a whole, circumvented the PRC laws and regulations for guiding foreign investment. While the PRC Foreign Investment Law does not explicitly restrict VIEs, it has a catch-all provision under the definition of "foreign investment" that includes investments made by foreign investors in the PRC through other means as provided by laws, administrative regulations or provisions prescribed by the State Council of the PRC. The language leaves open the possibility of future laws and regulations that further specify contractual arrangements as a form of foreign investment, in which case it will be uncertain whether foreign investors' VIE agreements in connection with businesses in restricted industries will be deemed to have violated PRC laws and regulations. If the PRC government indeed determines that the VIE structure adopted by such Client's portfolio companies for their business operations does not comply with PRC laws and regulations, the relevant governmental authorities would have broad discretion in dealing with such violation against the subsidiaries or the VIEs, including levying fines, confiscating income, revoking the business licenses or operating licenses, discontinuing or placing restrictions or onerous conditions on their operations, requiring costly and disruptive restructuring, and taking other regulatory or enforcement actions that could be harmful to their business. In addition, with regard to any transaction between subsidiaries and VIEs, the PRC taxation department may adjust the taxable revenue or income deriving from such transaction and impose additional taxes, penalties and/or fines on VIEs and/or subsidiaries, if it considers such transaction to not comply with the arm's length principle. Any of these actions could cause significant disruption to the business operations of such Client's portfolio companies, that rely on the VIE structure, which would in turn materially and adversely affect their business, financial condition and results of operations.

Economic Risks in the PRC. The investment performance with respect to the PRC Investments will depend significantly on the economic conditions and developments in the PRC. The PRC's economy differs from the economies of most developed countries in many respects, including with respect to the level of involvement by the government and state-owned enterprises ("SOEs"), level of development, rate of inflation, level of depreciation, level of capital investment, growth rate, control of foreign exchange, and allocation of resources. The PRC's economy has historically been planned by the

government, but has generally been transitioning to becoming a more market-oriented economy. Despite these reforms, the government continues to exercise significant control over the PRC's economic growth by way of the allocation of resources, control over payment of foreign currency-denominated obligations and monetary policy and provision of preferential treatment to particular industries or companies. The PRC government typically participates to a significant degree, through ownership interests or regulation, in local business, often exercising a controlling influence in certain key sectors of the economy, such as telecommunications, banking and financial institutions, air and rail transportation, electrical power, steel and shipbuilding, and mining and natural resources. Government-controlled entities also play strong roles in the economic system. Businesses can encounter difficulties resulting from undue interference from sources other than market forces. Such difficulties may damage the businesses in which a Client may invest. For example, China imposed tough rules and made sweeping reforms to the education sector in 2021, banning companies that provide private tutoring from raising capital, making profits or going public. Moreover, the laws, regulations and legal requirements in the PRC, including the laws that apply to foreign entities or foreign investment, are subject to frequent changes, which are often sudden and difficult to predict. The interpretation and enforcement of such laws are uncertain and subject to sudden change, and there can be no assurance regarding the direction of these economic reforms or the effects these measures may have on a Client's investments in the PRC. The availability of attractive investment opportunities for such Client to invest in PRC Investments may depend in part upon the PRC's promotion of liberalization policies regarding foreign investment and encouragement of private sector initiatives. Accordingly, government actions or failure to continue with economic liberalization policies in the future (or changes in the government itself) could have a significant impact on economic conditions in the PRC, which in turn could affect such Client's investments. In the past few years, a series of actions by Chinese regulators spanning real estate, banking and finance, healthcare, antitrust and data security has heightened investor concerns to the PRC market. In addition, Chinese regulators have placed heavy scrutiny on certain Chinese companies that apply for overseas listing (such as for cybersecurity, national security, anti-monopoly and other reasons) since 2021. In response, the SEC announced that it would halt new initial public offerings on U.S. stock exchanges from Chinese companies until certain disclosure requirements have been satisfied. Those actions by the Chinese / U.S. regulators might have an adverse impact on exit by a Client from certain PRC Investments.

Furthermore, while the PRC's economy has experienced significant overall growth in the past decades, growth rates have been declining in the recent few years and have varied significantly across regions, among various economic sectors and over time and may not be sustainable. Although the PRC government has implemented various measures to encourage economic development (including, but not limited to, the allocation of resources), some of these initiatives may have a negative effect on the Client's PRC Investments. Further, the economic conditions of the PRC are sensitive to global economic conditions. The global financial markets have experienced significant disruptions since 2008 and the United States, Europe and other economies have experienced periods of recession since then. The global macroeconomic

environment is facing new challenges, and there is considerable uncertainty over the long-term effects of the expansionary monetary and fiscal policies adopted by the central banks and financial authorities of some of the world's leading economies. Recent international trade disputes, including tariff actions announced by the United States, the PRC and certain other countries, and the uncertainties created by such disputes may cause disruptions in the international flow of goods and services and may adversely affect the PRC economy as well as global markets and economic conditions. Any severe or prolonged slowdown in the global economy may adversely affect the PRC economy which in turn may adversely affect the business and operating results of the Client's PRC Investments.

In response to the global slowdown and certain geopolitical events, the PRC government unveiled in 2020 a "dual circulation" strategy to shift the dependence on overseas markets and technology to domestic counterparts, and there can be no assurance that economic growth in the PRC under the new strategy will continue at the same rate. Natural disasters and public health crises including Covid-19 may also affect the growth of the global economy in general and the economy of the PRC in particular. The PRC has also in the past and may in the future experience economic downturns due to, for example, government austerity measures, changes in government policies relating to capital spending, limitations placed on the ability of commercial banks to make loans, reduced levels of exports and international trade, inflation, interest rate volatility, lack of financial liquidity, stock market volatility and fluctuations in worldwide commodity prices. Any of these developments could contribute to a decline in business and consumer spending in addition to other adverse market conditions. There can be no assurance that economic and financial difficulties will not occur and thereby adversely affect the value of the Client's PRC Investments or make it more difficult for the Client to locate appropriate investment opportunities in the PRC. Further, investors should understand that a Client, and therefore indirectly its investors, may lose the entirety of any capital invested in a PRC Investment given the inherent uncertainty surrounding investments in the PRC.

Limited Access to Stock Markets, Market Volatility and Limited Liability. Some Clients may invest in the securities of companies listed on a PRC stock exchange, or in companies with a view toward exiting such investments after such companies become listed on a PRC stock exchange. Furthermore, listing of a company on certain stock exchanges in the PRC may be subject to more stringent and substantive requirements than in the United States, Europe or Hong Kong, and provides fewer exit opportunities or channels for the applicable Client. Securities markets in the PRC tend to be less developed, less liquid and more volatile than the securities markets of the United States and certain developed countries. In addition, limited access is accorded to foreign investors, including Clients, to trade on PRC securities markets. Currently, foreign investors are permitted, subject to applicable regulations, (i) to acquire securities issued by the companies listed on a PRC stock exchange or securities transfer by agreement from shareholders of such listed company, through special schemes such as a qualified foreign strategic investor scheme, a qualified foreign institutional investors scheme and/or the Shanghai Hong Kong Stock Connect and (ii) to dispose of listed securities (whether acquired in such manner as set forth in (i) or in private transactions prior to

such company becoming listed, subject to certain lock-up period restrictions). Stock markets in the PRC have in the past experienced substantial price volatility and no assurance can be given that such volatility will not recur in the future. Such recurrence may increase the risks associated with the acquisition and disposition of investments. A high proportion of the shares of many PRC companies may be held by a limited number of persons. A relatively limited number of issuers in the PRC securities markets may represent a disproportionately large percentage of market capitalization and trading value. This limited liquidity of securities markets may affect such Client's ability to acquire or dispose of securities at the price and time it wishes to do so. Certain PRC securities markets may be susceptible to being influenced by these individuals trading significant blocks of securities or making large dispositions of securities following the failure to meet margin calls when due. Commissions from trading on stock exchanges in the PRC are also generally higher than in developed countries. The illiquidity of an investment of such Client may continue even if the underlying company obtains a listing on a PRC stock exchange. In addition, the recent downturn of PRC economy has seriously affected the PRC securities markets, which may impede or prevent a Client from successfully exiting from its investments. The recent volatility in the Chinese stock markets reflects the unpredictability of the China economy, and may indicate a lack of confidence in recovery of the economy.

Dividend Payment Restrictions. A Client may lose a source of liquidity if portfolio companies in the PRC are restricted from paying dividends or making other distributions to such Client. Current PRC regulations permit companies in the PRC to pay dividends only out of their respective accumulated profits, if any, determined in accordance with PRC accounting standards and regulations. In addition, companies in the PRC are required to set aside at least 10% of their accumulated after-tax profits each year, if any, as reserves until the aggregate amount of such reserves reaches 50% of the PRC company's registered capital. These reserves are not distributable as cash dividends. In addition, current PRC regulations prohibit the allocation of tax losses among subsidiaries in the PRC. Further, if a portfolio company incurs debt, the instruments governing the debt may restrict its ability to pay dividends or make other payments to such Client. The portfolio companies in the PRC usually generate their revenues in Renminbi, which is not freely convertible into other currency. As a result, any restriction on currency exchange under PRC laws and regulations may limit the ability of a Client's portfolio companies in the PRC to pay dividends to such Client.

Accounting, Disclosure and Regulatory Standards. Accounting, financial, auditing and other reporting standards, practices and disclosure requirements in the PRC are not equivalent to those in the United States and certain Western European countries and may differ in fundamental ways. Entities in the PRC generally disclose less financial and other information publicly, and are subject to less stringent and less uniform accounting, auditing and financial reporting than entities in various developed countries. Accordingly, information available to a Client, including both general economic and commercial information and information concerning specific portfolio companies, may be less reliable and less detailed than information available in more financially developed countries and, accordingly, less information may be available to investors. Although the generally accepted accounting principles in use in the PRC

have undergone significant development in recent years that bring them more in line with international standards, this is an ongoing process and assets and profits appearing on the financial statements of a PRC company may not reflect its financial position or results of operations in the way they would be reflected had such financial statements been prepared in accordance with U.S. generally accepted accounting principles (“GAAP”).

Due to different interpretations and local accounting practices, in certain circumstances the reported financial statements, whether audited or unaudited, which purport to comply with U.S. GAAP may in fact be improperly prepared or may not be prepared by an accountant or auditor (even absent cases of fraud or misrepresentation), or may not accurately reflect the financial position of a company in light of all available operational information. Further, different companies may have different approaches in recording non-financial data. As a result, such data of one company may not be directly comparable with that of another company in the same industry, which in turn may adversely affect Dragoneer’s ability to evaluate the target company. In addition, there can be no assurance that Dragoneer will be able to get accurate financial or operational information from a target company, especially in cases of fraud or intentional misrepresentation.

In certain instances, a Client may not have access to all available information to determine fully the origination, credit appraisal and underwriting practices utilized with respect to such Client’s investments or the manner in which such investments have been serviced and/or operated.

As a result and in light of the above, Dragoneer’s due diligence activities may frequently provide less information than due diligence reviews conducted in more developed countries, which will increase the risk related to such Client’s investments in the PRC. No guarantee can be given that Dragoneer or a Client will obtain the information or assurances that an investor in a more developed economy would obtain before proceeding with an investment.

U.S. PRC Relations. External relations, such as the China-U.S. relationship regarding trade, currency exchange, intellectual property protection, etc., could also have implications with respect to capital flow and business operations. U.S. social, political, regulatory and economic conditions prompting changes in laws and policies governing foreign trade, manufacturing, developments and investments in the PRC could adversely affect the performance of a Client’s investments. For example, in recent years, the U.S. federal government implemented an aggressive trade policy with respect to the PRC, including imposing tariffs on certain imports of the PRC, criticizing the PRC government for its trade policies, taking actions against individual PRC companies, imposing sanctions on certain officials of the Hong Kong government and the PRC central government and issuing executive orders that prohibit certain transactions with certain China-based companies and their respective subsidiaries. Recent events have added to uncertainty in such relations, including restrictions imposed by the U.S. government limiting the ability of U.S. persons to invest in certain Chinese companies and the ability of Chinese companies to engage in activities or

transactions inside the U.S. In addition, the PRC government has implemented, and may further implement, measures in response to new trade policies, treaties and tariffs initiated by the U.S. government, for example, the passing of the Hong Kong national security law by the National People's Congress of China (the "National Security Law") which criminalizes certain offenses including subversion of the Chinese government and collusion with foreign entities. The National Security Law subsequently prompted the promulgation in the U.S. of the Hong Kong Autonomy Act and executive orders setting forth additional sanctions. The U.S. has also imposed sanctions on senior Chinese officials and certain employees of Chinese technology companies, adding a number of new Chinese companies to the Department of Commerce's Entity List. The United Kingdom also suspended its extradition treaty with Hong Kong and extended its arms embargo on China to Hong Kong. It is possible that additional sanctions, export controls and/or investment restrictions will be announced. Escalation of China-U.S. tensions resulting from these events and the retaliatory countermeasures that the national and state governments have taken and may take (including U.S. sanctions and anti-sanction laws in China), as well as other economic, social or political unrest in the future, could have a material adverse effect on or could limit the activities of Dragoneer, the Clients or their portfolio companies. In such context, some China companies and entrepreneurs prefer to receive capital only from domestic investors as opposed to foreign investors; as a result, the activities of Dragoneer, the Clients or their portfolio companies may be further limited or restricted.

Interpretation of Laws and Resolutions of Disputes. The PRC legal system is a civil law system based on written statutes, where prior court decisions have limited precedential value. The PRC legal system is evolving rapidly, and the interpretations of many laws, regulations and rules may contain inconsistencies, and enforcement of these laws, regulations and rules involves uncertainties. Furthermore, the PRC legal system is based, in part, on government policies and internal rules, some of which are not published in a timely manner, or at all, but which may have retroactive effect. The administration and judicial interpretation and implementation of laws and the resolution of commercial disputes (including contractual disputes) in the PRC may be subject to the exercise of considerable discretion by both administrative and judicial officials and may be influenced by external forces unrelated to the legal merits of a particular matter or dispute. Courts in the PRC may lack experience in commercial dispute resolution, may be subject to political or other influence, and many of the procedural remedies for enforcement and protection of legal rights found in more developed jurisdictions may not be available in the PRC. Furthermore, the enforceability of contracts in the PRC, especially with governmental entities and SOEs, is relatively uncertain. These uncertainties could limit the legal protections available to a Client and its investments in the PRC. In addition, it is difficult to predict the effect of future developments in the PRC legal system, particularly with regard to equity and equity-related investments by foreign investors, including the promulgation of new laws, changes to existing laws or their interpretation or enforcement, or the preemption of local regulations by national laws. Even where laws and contractual terms are clearly stated, obtaining swift and equitable enforcement of the legal rights of a Client or its portfolio companies may not be possible.

Uncertainty with Respect to Indirect Transfers of Equity Interests in the PRC Portfolio Companies. It is not uncommon for PRC companies to have non-PRC holding companies in the Cayman Islands, the British Virgin Islands, Hong Kong or other jurisdictions, in which case a Client, like other foreign investors, may invest into such non-PRC holding companies instead of the PRC companies directly. In February 2015, the State Administration of Taxation of the PRC issued the Bulletin on Issues of Enterprise Income Tax on Indirect Transfers of Assets by Non-PRC Resident Enterprises (“SAT Bulletin 7”). Pursuant to SAT Bulletin 7, an “indirect transfer” of PRC assets, including a transfer of equity interests in an unlisted non-PRC holding company of a PRC resident enterprise by non-PRC resident enterprises like a Client may be recharacterized and treated as a direct transfer of the underlying PRC assets, if such arrangement does not have a reasonable commercial purpose and was established for the purpose of avoiding payment of PRC enterprise income tax. As a result, gains derived from such indirect transfer by a Client may be subject to PRC enterprise income tax currently at a rate of 10% for the transfer of equity interests in a PRC resident enterprise. The PRC tax authorities have the discretion under SAT Bulletin 7 to make adjustments to the taxable capital gains based on the difference between the fair value of the taxable assets transferred and the cost of investment. If the PRC tax authorities make adjustments to the taxable income of the transactions under SAT Bulletin 7, a Client’s income tax costs associated with such transactions will be increased, which may have an adverse effect on such Client’s financial condition, results of operations and investment returns.

- *Subsequent Investments.* A Client may be presented with the opportunity to make a subsequent investment in a portfolio company in which it or another Client holds an interest (e.g., opportunities to invest in a later round of fundraising by a portfolio company) or participate in a leveraging or recapitalization transaction involving a portfolio company in which another Client has already invested (a “Subsequent Investment”), either because such portfolio investment’s performance and/or liquidity have been below expectations or because additional capital is required to fund growth. There can be no assurance that such Client will be allocated or desire to make Subsequent Investments or that it will have sufficient funds to do so, and other Clients or Co-Investment Vehicles may instead be allocated some or all of such Subsequent Investment opportunity. Any decision by such Client not to make Subsequent Investments or its inability to make them may have a substantial negative impact on a portfolio company in need of such an investment and may dilute such Client’s existing portfolio company investment and/or may diminish such Client’s ability to influence future developments relating to such portfolio company. See Item 11 for additional risks and conflicts relating to Subsequent Investments.
- *Failure to Make Capital Contributions.* If an investor fails to pay when due installments of its capital commitment to a Client, and the contributions made by non-defaulting investor and borrowings by such Client are inadequate to cover the defaulted capital contribution, the Client may be unable to pay its obligations when due. As a result, a Client may be subjected to significant penalties that could materially adversely affect the returns to the investors (including non-defaulting investors). In addition, the non-defaulting investors may be required to increase their contributions to the

investment (resulting from the defaulted capital contribution and in respect of Subsequent Investments) which, in turn, will increase the concentration of such investor's investment in the Client and increase such investor's risk of loss.

- *Leveraged Portfolio Companies.* A Client may invest in companies whose capital structures have significant leverage. The use of leverage has the potential to magnify the gains or the losses on investments and to make such Client's returns more volatile, and such investments are inherently more sensitive to declines in revenues and to increases in expenses and interest rates. The leveraged capital structure of such investments will increase the exposure of the portfolio companies to adverse economic factors such as downturns in the economy or deterioration in the condition of the applicable portfolio company or its industry. In the event any portfolio company cannot generate adequate cash flow to meet debt service, such Client may suffer a partial or total loss of capital invested in the portfolio company.
- *Hedging Transactions.* Dragoneer is not required to attempt to hedge portfolio positions of a Client. Furthermore, Dragoneer may not anticipate a particular risk so as to hedge against it. A Client may utilize a variety of financial instruments (including options and derivatives), both for investment purposes and for risk management purposes, at any time, from time to time and without limit in order to seek to: (i) protect against possible changes in the market value of such Client's investment portfolio (or any portion of or investments in such investment portfolio) resulting from fluctuations in the securities markets and changes in interest rates; (ii) protect the unrealized gains (if any) in the value of such Client's investment portfolio (or any portion of or investments in such investment portfolio); (iii) facilitate the sale of any such investments; (iv) enhance or preserve returns, spreads or gains on any investment in such Client's portfolio; (v) hedge the interest rate or currency exchange rate on any of such Client's liabilities or assets; (vi) protect against increases in the price of securities such Client anticipates purchasing at a later date; and/or (vii) for any other reason that Dragoneer deems appropriate. The success of Dragoneer's hedging strategy is subject to Dragoneer's ability to correctly assess the degree of correlation between the performance of the instruments used in the hedging strategy (if any) and the performance of the investments in the portfolios being hedged. Since the characteristics of many securities change as markets change or time passes, the success of the instances when Dragoneer hedges portfolio positions in a Client is also subject to Dragoneer's ability to continually recalculate, readjust and execute hedges in an efficient and timely manner. While a Client may enter into certain hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for such Client than if they had not engaged in any such hedging transactions.
- *Short Sales.* Unless otherwise specified in the applicable Governing Documents, Clients may engage in short sales at any time, from time to time and without limit. A short sale involves the sale of a security that a Client does not own in the expectation of purchasing the same security (or a security exchangeable therefor) at a later date at a lower price. A short sale involves a theoretically unlimited risk of an increase in the market price of the security sold short, increasing the cost of buying those securities to cover the short position, and thus a possible unlimited loss to such Client. There can

be no assurance that the security necessary to cover a short position will be available for purchase or to be borrowed. Purchasing securities to close out the short position can itself cause the price of the securities to rise further, thereby exacerbating the loss. Securities borrowed to be sold short are generally required to be returned to the lender on short notice. Thus, such Client would be required to purchase the security at the market price. If the market price increases, such Client could be required to purchase the securities at a higher price in order to close out the short positions. This may result in losses to such Client.

Under adverse market conditions, a Client may have difficulty purchasing securities to meet its short sale delivery obligations, and may have to sell portfolio securities to raise the capital necessary to meet its short sale obligations at a time when it would be unfavorable to do so. If a request for return of borrowed securities occurs at a time when other short sellers of the securities are receiving similar requests, a “short squeeze” can occur, and such Client may be compelled to replace borrowed securities previously sold short with purchases on the open market at the most disadvantageous time, possibly at prices significantly in excess of the proceeds received in originally selling the securities short.

A Client may also engage in short sales as part of a long/short strategy to hedge a long position that it holds in a security, including short sales “against the box” where it owns the security, or to enable such Client to express a view as to the relative value between long and short positions in various securities. There is no assurance that the objective of these strategies will be achieved. Specifically, there is no assurance that the increase in value of any long (or short) position in a security will more than offset any decrease in value of the corresponding short (or long) position or that both positions will not decrease in value. Thus, it is possible that a Client could realize a net loss on both components were the general partner of such Client to undertake this type of transaction.

- *General Debt Risks.* Certain Clients may invest in debt and debt-like instruments. Debt instruments are subject to, among other risks, credit risk, interest rate risk and prepayment risk.

“Credit risk” refers to the likelihood that an issuer will default in the payment of principal and/or interest on an instrument. Financial strength and solvency of an issuer are the primary factors influencing credit risk. In addition, lack or inadequacy of collateral or credit enhancement for a debt instrument may affect its credit risk. Credit risk may change over the life of an instrument, and debt obligations that are rated by rating agencies are often reviewed and may be subject to downgrade.

“Interest rate risk” refers to the risks associated with market changes in interest rates. Interest rate changes may affect the value of a debt instrument indirectly (especially in the case of fixed rate debt securities) and directly (especially in the case of debt instruments whose rates are adjustable). In general, rising interest rates will negatively impact the price of a fixed rate debt instrument and falling interest rates will have a positive effect on price. Adjustable rate instruments also react to interest rate changes

in a similar manner although generally to a lesser degree (depending, however, on the characteristics of the reset terms, including the index chosen, frequency of reset and reset caps or floors, among other factors). Interest rate sensitivity is generally more pronounced and less predictable in instruments with uncertain payment or prepayment schedules. In addition, interest rate increases generally will increase the interest carrying costs to a Client of borrowed securities and leveraged investments.

“Pre-payment risk” refers to the risk that a borrower could repay the principal on an obligation held by a Client earlier than expected. This may happen when there is a decline in interest rates, when the borrower’s improved credit or operating or financial performance allows the refinancing of certain classes of debt with lower cost debt. The yield of such Client’s investment assets may be affected by the rate of pre-payments differing from Dragoneer’s expectations. In addition, if such Client is unable to reinvest the proceeds of such pre-payments received in investments expected to be as profitable, the proceeds generated by such Client will decline as compared to Dragoneer’s expectations.

- *Risks Associated with Derivatives.* Derivatives are financial contracts whose value depends on, or is derived from, the value of an underlying asset, reference rate or index. Certain Clients may use derivatives, including swaps, for any purpose including, among other things, as a substitute for taking a position in or selling an underlying asset, to increase the applicable Client’s leverage, or as part of a strategy designed to reduce or increase exposure to other risks, such as interest rate, credit or currency risk. A Client’s use of derivative instruments involves risks different from, and possibly greater than, the risks associated with investing directly in securities and other traditional investments. Derivatives are subject to a number of risks described elsewhere in this section, such as interest rate risk, market risk, liquidity risk, credit risk and counterparty risk. They also involve the risk of mispricing or improper valuation, the risk of ambiguous documentation, and the risk that changes in the value of the derivative may not correlate perfectly with the underlying asset, rate or index. To the extent a Client invests in derivative instruments, counterparty exposures can develop and such Client takes the risk of nonperformance by the other party on the contract. For uncleared derivatives, this risk may differ materially from that of cleared derivatives transactions that generally are supported by guarantees of clearing organizations, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered directly between two counterparties on an “over-the-counter” basis generally do not benefit from such protections and expose the parties to the risk of counterparty default. In the international securities markets, the existence of less mature settlement structures and systems can result in settlement default and exposure to counterparty credits. If a Client invests in a derivative instrument, it could lose more than the principal amount invested; such losses could be significant and could adversely affect the Client’s performance.

Certain derivatives that may be used by a Client, including futures, options on futures, certain interest rate swaps and certain credit default index swaps, are required to be or are capable of being cleared. In a cleared derivatives transaction, the applicable

Client's counterparty is a central derivatives clearing organization, or clearing house, rather than a bank or broker. The credit risk of market participants with respect to cleared derivatives is concentrated in a few clearing houses, and it is not clear how an insolvency proceeding of a clearing house would be conducted and what impact an insolvency of a clearing house would have on the financial system. Since such Client is not a member of a clearing house, and only members of a clearing house can participate directly in the clearing house, such Client will hold cleared derivatives transactions through accounts at clearing members, who are registered in the United States as futures commission merchants who are members of the clearing houses. Such Client will make and receive payments owed under cleared derivatives transactions (including margin payments) through its accounts at clearing members. Such Client's clearing members guarantee such Client's performance of its obligations to the clearing house. Such Client may be subject to a risk of loss in the event of the bankruptcy of any of its clearing brokers. If such Client's clearing brokers become bankrupt or insolvent, commit fraud, or otherwise default on their obligations to such Client, such Client may not receive all amounts owed to it in respect of its trading, despite the clearing house fully discharging all of its obligations. Furthermore, in the event of the bankruptcy of one of the clearing brokers, such Client could be limited to recovering only a pro rata share of all available funds segregated on behalf of the clearing broker's combined customer accounts with respect to the relevant asset class, even though certain property specifically traceable to such Client (for example, Treasury bills deposited by such Client with the clearing broker as margin) was held by the clearing broker. Financial difficulty, fraud or misrepresentation at any of these institutions could lead to significant losses as well as impair the operational capabilities or capital position of such Client. In contrast to bilateral derivatives transactions, following a period of advance notice to such Client, clearing members can generally require termination of existing cleared derivatives transactions at any time and increase the amount of margin required to be provided by such Client to the clearing member for any cleared derivatives transaction above the amount of margin that was required at the beginning of the transaction. Any such termination or increase could interfere with the ability of such Client to pursue its investment strategy. Also, such Client is subject to execution risk if it enters into a derivatives transaction that is required to be cleared (or which Dragoneer expects to be cleared), and no clearing member is willing to clear the transaction on such Client's behalf. In that case, the transaction might have to be terminated, and such Client could lose some or all of the benefit of any increase in the value of the transaction after the time of the trade.

In the case of over-the-counter derivatives, the bankruptcy or insolvency of the counterparty may (or may not) allow a Client to elect to terminate early with respect to some or all the transactions under the agreement with that counterparty, and the relevant agreement may permit the non-defaulting party to calculate a single net payment to close out applicable transactions. However, there is no guarantee that the terms of such agreement will be enforceable, including, for example, when bankruptcy or insolvency laws impose restrictions on or prohibitions against rights to terminate, offset obligations or apply collateral to the counterparty's obligations.

Additionally, in the event of a counterparty's (or its affiliate's) insolvency, the possibility exists that a Client's ability to exercise remedies, such as the termination of transactions, netting of obligations or realization on collateral, could be stayed or eliminated under special resolution regimes adopted in the United States, the EU and various other jurisdictions. Such regimes provide governmental authorities broad authority to intervene when a financial institution is experiencing financial difficulty. In particular, in the EU, governmental authorities could reduce, eliminate or convert to equity the liabilities of a counterparty experiencing financial difficulties (sometimes referred to as a "bail-in").

Assets held outside the United States may be subject to different and/or diminished protection in the event of the failure of a counterparty located in such jurisdiction.

Some types of derivatives are required to be executed on an exchange or on a swap execution facility. A swap execution facility is a trading platform where multiple market participants can execute derivatives by accepting bids and offers made by multiple other participants in the platform. While this execution requirement is designed to increase transparency and liquidity in the cleared derivatives market, trading on a swap execution facility can create additional costs and risks for the applicable Client. For example, swap execution facilities typically charge fees, and if such Client executes derivatives on a swap execution facility through a broker intermediary, the intermediary may impose fees as well. Also, such Client may indemnify a swap execution facility, or a broker intermediary who executes cleared derivatives on a swap execution facility on such Client's behalf, against any losses or costs that may be incurred as a result of such Client's transactions on the swap execution facility.

- *Trade Errors.* Dragoneer places orders on behalf of Clients to buy, sell and otherwise trade in investments. Over time there is the potential for errors relating to such trading. Trade errors are not errors in judgment, strategy, market analysis, economic outlook, etc., but rather errors in the placement, execution or settlement of a trade (other than, for example, settlement delays that occur in the ordinary course of business), and may include purchasing securities not legally permitted for an account or fund, or not within an account's or fund's investment guidelines; purchasing or selling the wrong security, or an incorrect amount of a security, for an account or fund; purchasing or selling securities for the wrong account or fund; selling a security instead of buying a security or vice versa; or allocating securities to the wrong account or fund. Trade errors may result from keystroke errors that occur when entering trades into an electronic trading system or typographical or drafting errors related to derivatives contracts or similar agreements or similar human errors. Trade errors may result in losses but may also result in gains or avoided losses. To the extent an error is caused by a third party, such as a broker, Dragoneer may (but is not obligated to) seek to recover losses associated with such error from such third party, taking into account such factors as it deems relevant (including but not limited to operational, contractual and relationship-driven considerations). Subject to the terms of the Governing Documents or Managed Account Agreement of a Client, as applicable, and the IMA, any losses associated with a trade error will be borne by (and any gains will benefit) the Client.

- *Minority Positions in Portfolio Companies.* A Client may not have control of some or all of its portfolio companies. Such Client will therefore have a limited ability to protect its investments through the operation of such portfolio companies. In such situations, such Client will be significantly reliant on the management and boards of directors of such portfolio companies, which may include representatives of other investors with whom such Client is not affiliated and whose interests may conflict with the interests of such Client. Where a Client holds a minority stake, it may be more difficult for a Client to liquidate its interests than it would be had such Client owned a controlling interest in such company. Even if a Client has contractual rights to seek liquidity of such Client's minority interests in such companies, it may be very difficult to sell such interests or seek a sale of such company on terms acceptable to the Client, especially in cases where the other investors in such company have different business and investment objectives and goals.
- *Joint Ventures.* To the extent an investment is structured as a joint venture, a Client's ability to manage the joint venture will depend upon the nature and terms of the joint venture and such Client's relative ownership stake in the investment, each of which will be determined by negotiation at the time of the investment and the determination of which is subject to the discretion of Dragoneer. Depending on Dragoneer's perception of the relative risks and rewards of a particular investment, Dragoneer may elect to invest in structures that afford relatively little or no operational and/or management control to a Client or to Dragoneer and its affiliates. Dragoneer may enter into such arrangements on terms that restrict a Client's ability to dispose of its investment for significant periods of time. A Client may invest under circumstances where it does not control the investment and where a third party does control, or have veto rights over, the investment. Such arrangements present risks not present with wholly-owned investments, such as the possibility that a co-investor becomes bankrupt, develops business interests or goals that conflict with the Fund's interests and goals in respect of the investment, or acts in a way that results in the triggering of a buy/sell or other governance provision at an inopportune time.
- *Bridge Investments.* A Client may make investments in debt and/or equity securities in order to facilitate, preserve or enhance such Client's investment in a portfolio company or prospective portfolio company ("Bridge Investments"). Some Bridge Investments may be made on an unsecured basis in anticipation of a future issuance of equity or long-term debt securities; however, for reasons not always in a Client's control, such long-term securities may not be issued and such Bridge Investments may remain outstanding. In such event, the interest rate on such loans may not adequately reflect the risk associated with the unsecured position taken by a Client.
- *Ongoing Engagement of Service Providers and Industry Contacts.* Dragoneer has cultivated and leverages an extensive network of service providers and industry contacts to source, finance, execute, syndicate, improve, maintain and support the various transactions it undertakes. Dragoneer believes that maintaining and expanding this network, as well as Dragoneer's reputation as a reliable and preferred partner, provides Dragoneer and its Clients with a valuable competitive advantage in sourcing, executing and capitalizing on investments. In making decisions regarding, for

example, the retention of service providers, consultants or advisors, the making of certain investments and related trading and hedging strategies (including, without limitation, in connection with initial public offerings), Dragoneer may and often will consider and give weight to the longer-term strategic value such actions may contribute to Dragoneer's continued cultivation and maintenance of such networks and reputation, including for the benefit of future funds or other investment opportunities and Dragoneer, its affiliates and their personnel, and not just to the near-term ramifications of such action on a particular Client, even if such Client would bear all of the costs and risks associated with such action. For example, Dragoneer may choose to engage certain bankers or other service providers, consultants or advisors in connection with a Client's activities, even though such services may be better provided by other persons, in order to cultivate relationships with such banker or service provider, consultants or advisors for the benefit of future investment opportunities in which the Client will not necessarily be able to participate or from which the Client will not necessarily receive a benefit. In addition, service providers, consultants or advisors will under certain circumstances include investors in a Client.

- *Custodial Risk.* A Client's brokers or custodians will have custody of such Client's securities, cash, distributions and rights accruing to such Client's securities accounts. SEC rules require the brokers to maintain possession and control of fully paid securities held in such Client's account and to establish certain reserves for the benefit of customers. However, subject to these limitations, the brokers generally have the ability to loan, pledge, and rehypothecate the securities in such Client's account, as is typical market practice, and may have insufficient assets to meet all of its obligations to customers in the event of an insolvency of the brokers. Also, even if the brokers do have sufficient assets to meet all customer claims, there could be a delay before such Client receives assets to satisfy its claims. In order to manage the risks associated with broker insolvency, such Client may establish relationships with multiple brokers. However, there can be no assurance that such Client will be able to establish or maintain such relationships. In addition, such Client may not be able to identify potential solvency concerns with respect to the Client's brokers or to transfer assets from one broker to another broker in a timely manner.

In addition to holding a Client's securities through third parties such as clearing corporations, other brokers, or banks, such Client may hold securities, cash and other assets directly with banks or other third parties not associated with the brokers. As a result, such Client may be subject to credit risk with respect to such third parties as well as with respect to the brokers. In addition, certain of such Client's assets may be held by non-U.S. affiliates of such Client's brokers and entities other than the brokers. Assets held by such non-U.S. affiliates may be subject to legal regimes that provide fewer or different investment protections than the United States (including with respect to the priority of any claims that such Client may have upon a bankruptcy, insolvency or liquidation of any affiliate, which may result in such Client being an unsecured creditor of such affiliate rather than having a priority "customer" claim). Placement of such Client's brokers in bankruptcy or a similar proceeding outside of the United States could result in a great deal of uncertainty as to the status of assets or the ultimate recovery, if any, of such assets held by such custodian. In addition, such Client may

provide certain of its assets as collateral to counterparties in connection with “over-the-counter” derivatives contracts such as swaps. If such Client has over-collateralized derivative contracts, it is likely to be an unsecured creditor of any such counterparty in the event of its insolvency.

A Client may change the brokerage or custodial arrangements at any time without notice to its investors. There may be operational and other delays associated with changes in brokerage or custodial arrangements even if such Client decides to reduce the risks of having a particular broker or counterparty hold assets.

Custody and Banking Risks. The Clients will maintain funds with one or more banks or other depository institutions (“banking institutions”), which may include US and non-US banking institutions, and may enter into credit facilities or have other financial relationships with banking institutions. The distress, impairment or failure of one or more banking institutions with whom the Clients, their portfolio companies, the general partner of such Clients and/or Dragoneer transact (directly or indirectly) may inhibit the ability of the Clients or their portfolio companies to access depository accounts or lines of credit at all or in a timely manner. In such cases, the Clients may be forced to delay or forgo investments or to call capital when it is not otherwise desirable to do so, resulting in lower performance for the Clients. In the event of such a failure of a banking institution where the Client or one or more of its portfolio companies holds depository accounts access to such accounts could be restricted and FDIC protection may not be available for balances in excess of amounts insured by the FDIC (and similar considerations may apply to banking institutions in other jurisdictions not subject to FDIC protection). In such instances, the Clients and their affected portfolio companies may not recover such excess, uninsured amounts and instead, would only have an unsecured claim against the banking institution and participate pro rata with other unsecured creditors in the residual value (if any) of the banking institution’s assets. The loss of amounts maintained with a banking institution or the inability to access such amounts for a period of time, even if ultimately recovered, could be materially adverse to the Clients or their portfolio companies. One or more investors or a Client’s general partner could also be similarly affected and unable to fund capital calls, further delaying or deferring new investments. In addition, a Client’s general partner likely will not be able to identify all potential solvency or stress concerns with respect to a banking institution or to transfer assets from one bank to another in a timely manner in the event a banking institution comes under stress or fails.

- *Possibility of Fraud and Other Misconduct of Employees and Service Providers.* Misconduct by employees of Dragoneer, service providers to Dragoneer or the Clients and/or their respective affiliates could cause significant losses to such Clients. Misconduct may include entering into transactions without authorization, the failure to comply with operational and risk procedures, including due diligence procedures, misrepresentations as to investments being considered by such Clients, the improper use or disclosure of confidential or material non-public information, which could result in litigation, regulatory enforcement or serious financial harm, including limiting the business prospects or future marketing activities of such Client and noncompliance with applicable laws or regulations and the concealing of any of the foregoing. Such

activities may result in reputational damage, litigation, business disruption and/or financial losses to such Clients. No assurances can be given that Dragoneer will be able to identify or prevent such misconduct.

- *Outside Traders.* Dragoneer generally expects that its personnel will generally retain responsibility for a Client's trading and related activities. However, a Client may engage one or more a third parties to provide trading functions and other trade-related support services (any such third parties unaffiliated with Dragoneer or such Client's general partner, "Outside Traders"). For example, such Client may engage Outside Traders to trade on such Client's behalf outside of Dragoneer's normal business hours (e.g., in non-U.S. markets or markets that operate 24 hours per day). The engagement of Outside Traders is subject to certain risks that could adversely affect the relevant Client and its investors. Such risks may include the possibility of errors related to their trading or other occurrences of incorrect trading. In addition, an Outside Trader may be unavailable during necessary trading times (e.g., a non-U.S. Outside Trader), leading to Dragoneer's inability to complete a trade at a time that would be most advantageous to the relevant Client.
- *Private Investments in Public Equities.* A Client may invest in PIPEs, and thereby take a position in a public company. In a PIPE transaction, there may be an extended period of time between signing and closing. Furthermore, in connection with such transactions, the Client may be required to enter into a lock-up agreement and will be subject to securities law restrictions on its ability to liquidate the shares. As a result, the Client may be required to bear the price risk for an extended period of time. In addition, such Client may have to commit to purchase a specified number of shares at a fixed price, with the closing conditioned upon, among other things, the SEC's preparedness to declare effective a resale registration statement covering the resale, from time to time, of the shares sold in the private financing. To the extent that the public market for such companies declines, it is possible that PIPE transactions may generate losses or returns that do not justify the risk associated with such investments. In addition, due to securities law regulations, such Client may be restricted from selling, or hedging its exposure to, such securities that it has acquired through a PIPE and in certain circumstances, all the securities of such public company acquired by the Client whether through a PIPE or otherwise, during a time when such Client would otherwise seek to do so. For example, such Client may be required to hold such security even though the value of such security is continuing to decrease. Such restrictions could have an adverse effect on such Client and its ability to achieve its investment objective.
- *Preferred Securities.* Certain preferred securities contain provisions that allow an issuer under certain conditions to skip or defer distributions for a stated period without any adverse consequences to the issuer. If a Client owns a preferred security that is deferring its distribution, it may be required to report income for tax purposes despite the fact that it is not receiving current income on this position. Preferred securities often are subject to legal provisions that allow for redemption in the event of certain tax or legal changes or at the issuer's call. In the event of redemption, such Client may not be able to reinvest the proceeds at comparable rates of return. Preferred securities are subordinated to bonds and other debt securities in an issuer's capital structure in

terms of priority for corporate income and liquidation payments and, therefore, will be subject to greater credit risk than those debt securities.

- *Depository Receipts.* Certain Clients may purchase sponsored or unsponsored American Depositary Receipts, European Depositary Receipts and Global Depositary Receipts (collectively “Depository Receipts”) typically issued by a bank or trust company which evidence ownership of underlying securities issued by a corporation. Generally, Depository Receipts in registered form are designed for use in the U.S. securities market and Depository Receipts in bearer form are designed for use in securities markets outside the U.S. Depository Receipts may not necessarily be denominated in the same currency as the underlying securities into which they may be converted. Depository Receipts may be issued pursuant to sponsored or unsponsored programs. In sponsored programs, an issuer has made arrangements to have its securities trade in the form of Depository Receipts. In unsponsored programs, the issuer may not be directly involved in the creation of the program. Although regulatory requirements with respect to sponsored and unsponsored programs are generally similar, in some cases it may be easier to obtain financial information from an issuer that has participated in the creation of a sponsored program. Accordingly, there may be less information available regarding issuers of securities underlying unsponsored programs and there may not be a correlation between such information and the market value of the Depository Receipts.
- *Portfolio Companies in Regulated Industries.* A Client may be subject to certain restrictions when considering investments in regulated industries, such as banking, insurance, food and drug, gaming or communications. For example, there may be limits on the aggregate amount of investment by affiliated investors that may not be exceeded in certain regulated industries without the grant of a license or other regulatory or corporate consent or, if exceeded, may cause such Client to suffer disadvantages or business restrictions. As a result, Dragoneer may restrict or limit transactions or exercise of rights for such Client, or limit the amount of voting securities purchased for such Client or restrict the type of governance rights it acquires or exercises in connection with its investments in regulated industries. In addition to limits that may be imposed on certain industries, it is also possible that a given product or industry could be deemed illegal after an investment has been made in such product or industry. In that case, the value of the investment would be significantly reduced, potentially to nothing, and the performance of a Client could be materially adversely affected.
- *Risks Related to Cannabis-Related Investments.* A Client may make investments in cannabis-related products. As a result of the liberalization of laws relating to the cultivation, production and supply of cannabis and cannabis-related products in certain foreign jurisdictions, it is possible for a Client to invest in businesses outside the United States which carry out (legally in the relevant jurisdiction) activities related to cannabis. In the United States, cannabis is a Schedule I controlled substance under the U.S. Controlled Substances Act of 1970, as amended (the “CSA”). Even in those jurisdictions in which the manufacture and use of adult-use and medical-use cannabis has been legalized at the state level, the possession, use and cultivation of cannabis all

remain violations of federal law that are punishable by imprisonment, substantial fines and forfeiture. Moreover, individuals and entities may violate federal law if they intentionally aid and abet another in violating these federal controlled substance laws, or conspire with another to violate them. The attractiveness of cannabis-related investments to a Client would decline if the federal government were to strictly enforce federal law regarding cannabis. In January 2018, the U.S. Department of Justice (the “DOJ”) rescinded certain memoranda, including the DOJ Memorandum by former Deputy Attorney General James Michael Cole (the “Cole Memo”) issued on August 29, 2013 under the Obama Administration, which had characterized enforcement of federal cannabis prohibitions under the CSA to prosecute those complying with state regulatory systems allowing the use, manufacture and distribution of medical-use cannabis as an inefficient use of federal investigative and prosecutorial resources when state regulatory and enforcement efforts are effective with respect to enumerated federal enforcement priorities under the CSA. Despite the Cole Memo’s rescission, the federal government has brought no enforcement actions against state law compliant cannabis licensees. It is unclear whether the current administration will return to the approach adopted by the Cole Memo, but if such actions are brought in the future, they could have an adverse impact on a Client’s cannabis investments.

- *Adverse Consequences of Ownership of Controlling Interest in Portfolio Companies.* It is expected that a Client will at times potentially own a controlling percentage of the common equity of some portfolio companies which, depending upon the amount of equity owned by such Client, contractual arrangements between the portfolio company and the Client, and other relevant factual circumstances, could result in an extension to one year of the 90-day bankruptcy preference period with respect to payments made to the Client. The exercise of control and/or significant influence over a company imposes additional risks of liability for environmental damage, product defects, failure to supervise management, pension and other fringe benefits, violations of government regulations (including securities laws) and other types of liability in which the limited liability generally characteristic of business operations may be ignored. In addition, because of its equity ownership, representation on the board of directors and/or contractual rights, third parties may claim from time to time that such Client controls, participates in the management of or influences the conduct of portfolio companies. These factors could expose the assets of the Client to claims by a portfolio company, its other security holders, its creditors or governmental agencies. The possibility that such claims will be successful cannot be precluded.
- *Risks Associated with Provision of Managerial Assistance.* Dragoneer or the general partner of a Client may obtain rights to participate in or influence the conduct of the management of portfolio companies, which could expose Dragoneer or such general partner to claims by such portfolio company, its security holders and its creditors. If these liabilities were to occur, certain Clients and their investors could suffer losses. Furthermore, identifying and implementing potential operating improvements at portfolio companies is difficult and entails a high degree of uncertainty. There can be no assurance that a Client will be able to successfully identify and implement such improvements or that such improvements, if made, will result in improved financial performance. Some portfolio companies may depend for their success on the efforts of

one person or a small group of persons whose death, disability, or resignation would adversely affect their businesses.

- *Cash, Money Market Funds and Other Investments.* Some Clients will invest all or a portion of their assets in cash or cash items for various purposes, including without limitation for investment purposes, pending other investments or as provision for margin. These cash items may include a number of money market instruments such as negotiable or non-negotiable securities issued by or short-term deposits with the U.S. and non-U.S. governments and agencies or instrumentalities thereof, bankers' acceptances, commercial paper, repurchase agreements, bank certificates of deposit, and short-term debt securities of U.S. or non-U.S. issuers. Some Clients may also hold interests in money market funds. An investment in a money market fund is not a deposit of any bank and is not insured or guaranteed by the FDIC or any other government agency. Certain money market funds seek to preserve the value of their shares at \$1.00 per share, although there can be no assurance that they will do so, and it is possible to lose money by investing in such a money market fund. A major or unexpected change in interest rates or a decline in the credit quality of an issuer or entity providing credit support, an inactive trading market for money market instruments or adverse market, economic, industry, political, regulatory, geopolitical, and other conditions could cause the share price of such a money market fund to fall below \$1.00. It is possible that such a money market fund will issue and redeem shares at \$1.00 per share at times when the fair value of the money market fund's portfolio per share is more or less than \$1.00. Recent adopted and proposed changes in the regulation of money market funds may affect the operations and structures of money market funds. While investments in cash items and money market funds generally involve relatively low risk levels, they may produce lower than expected returns, and could result in losses. Investments in cash items and money market funds may also provide less liquidity than anticipated by a Client at the time of investment.
- *Risks Associated with Distributions In-Kind prior to Winding Up and Liquidation.* Subject to the terms and conditions in the Governing Documents, a Client may, from time to time and in the applicable general partner's sole discretion, make in-kind distributions to investors of liquid securities prior to winding up and liquidation of such Client. If a distribution is made in kind, immediately prior to the distribution, Dragoneer generally determines the fair value of the property distributed for purposes of calculating any incentive allocation allocable to the applicable general partner in connection with the distribution. There is no guarantee that the fair value assigned to any property distributed in kind will represent the value that will, or could, be realized, by an investor on the eventual disposition of that property. To the extent that the fair value assigned is higher than the value that actually is or could be realized, the applicable general partner may receive a greater incentive allocation than it would have received had such Client instead liquidated the property and distributed the proceeds to such investor. Such securities may experience periods of price volatility or a decline in market value. In particular, immediately following a distribution of securities, trading volume may be insufficient to support sales by investors without such sales triggering a price decline, which makes it difficult or impossible for all investors to sell such securities at the distribution price. In addition, illiquid securities distributed in-

kind generally will not be readily marketable or disposable due to a variety of legal or practical limitations on sale. Further, public securities may be distributed to investors in any quantity, whether or not such securities are liquid or illiquid. Accordingly, investors must be prepared to bear the risks of owning such securities for an indefinite period of time and incurring material costs, fees and expenses in connection with any disposition thereof. In addition, the price at which securities are sold following a distribution in kind can be negatively impacted due to low trading volume and other factors. The timing of when an investor sells any or all securities it receives in connection with a distribution in kind is entirely determined by the investor. As a result, and by way of example only, if many or all investors that received the distribution attempt to sell at similar times, the prices at which they are able sell could be negatively impacted, which could in turn negatively impact any Clients or other investors that continue to hold any interests in the same company.

Risks Associated with Distributions In-Kind in connection with Winding Up and Liquidation. Certain securities may not be susceptible to sale or other realization by a Client before the end of the term of the Client (if applicable), and, subject to the terms and conditions in the Governing Documents, a Client may (in the applicable general partner's sole discretion) make in-kind distributions to investors of such illiquid securities (as well as cash and/or other assets of a Client) in connection with winding up and liquidating a Client. In addition to the risks described above with respect to liquid securities (which may also be distributed in connection with winding up and liquidation of the Client), illiquid securities distributed in-kind generally will not be readily marketable or disposable due to a variety of legal or practical limitations on sale. Accordingly, investors must be prepared to bear the risks of owning such securities for an indefinite period of time and incurring material costs, fees and expenses in connection with any disposition thereof.

General Risks Associated with Distributions In-Kind. The value of securities distributed both prior to, or in connection with, winding up and liquidation will likely increase or decrease before an investor sells such securities, potentially materially, and there can be no assurance that the value of such assets as determined for purposes of the Governing Documents will ultimately be realized. The risk of loss and delay in liquidating these securities will be borne solely by the investors, with the result that the investors may ultimately receive less cash than they would have received if they had been paid in cash. From time to time, Dragoneer will distribute to investors securities in-kind from multiple Clients. For operational reasons, these securities may not necessarily be distributed by the different Clients to investors at the same time. Accordingly, some investors will receive securities and potentially be able to sell such securities sooner than investors who have not yet received their securities. The sales prices received by such investors, should they decide to sell their securities, may differ materially because of general market conditions at the time of the relevant sales (which may result in prices rising or falling day-on-day), and also because the sale by the investors who received the distribution earlier and sell earlier could potentially have the result of reducing the price available to investors who receive the distribution and sell later, particularly if the earlier-selling investors sell a material amount of securities such that the price available to later-selling investors is reduced. Nevertheless, the

distribution price of such securities will be established under the provisions of the Governing Documents and will not be adjusted to reflect actual sale prices obtained by the investors. Furthermore, to the extent that an investor receives interests in special purpose vehicles, such investor will generally have no voting rights or any control over when and at what price the securities in which such vehicles have an interest are sold.

General Partner's Option to Receive Distributions In-Kind. Independent of whether any securities have been delivered in-kind to investors, a Client's general partner shall have the option to receive some or all distributions in kind in lieu of cash. The Client's general partner and its affiliates, their respective direct and indirect partners, members and employees, and any wealth or estate planning vehicles beneficially owned by such persons and/or their family members (subject to the Client's general partner's consent) also are entitled to receive some or all distributions in kind in lieu of cash, including without limitation for purposes of tax planning or making charitable contributions and estate planning transfers.

- *Risks Relating to Digital Assets.* Some Clients may invest in "digital assets" (i.e., cryptographically derived digital assets, sometimes referred to as digital currencies, block chain tokens or tokens, coins, virtual currencies, or cryptocurrencies, as well as other assets available on public blockchains or public ledgers), in companies that develop, operate or maintain infrastructures for digital assets networks or that operate in or around the digital assets networks or in investment vehicles that invest in such digital assets or companies ("Digital Asset-related Investments"). Digital Asset-related Investments generally represent a speculative investment and involve a high degree of risk, even if hedged.

The price of digital assets has fluctuated widely over the past several years and may continue to fluctuate significantly. Price volatility is influenced by many unpredictable factors, such as market perception, the development of competing digital assets, the lack of clear governance over digital asset networks, capacity constraints, changes in government regulation, the occurrence of an adverse incident relating to one or more digital assets (including digital assets not held by a Client), inflation rates, interest rate movements, and general economic and political conditions. The SEC, CFTC, certain state regulators and other U.S. and non-U.S. government or quasi-governmental agencies have asserted authority over digital assets. Those entities and other U.S. and non-U.S. government or quasi-governmental agencies have recently and may, in the future, adopt laws, regulations, directives or other guidance that affect digital assets. The effect of any future U.S. federal or state or non-U.S. legal or regulatory changes is impossible to predict, but such change could be substantial and adverse to the value of the Fund's digital assets investments. Furthermore, the taxation of Digital Assets-related Investments is uncertain and/or continuously evolving in the United States and many other jurisdictions.

Digital Asset Trading Risk. Some Clients may trade digital assets on an over-the-counter ("OTC") basis or on a digital asset exchange. Exchanges on which digital assets trade generally are relatively new and largely unregulated, and may therefore be more exposed to fraud, mismanagement and failure than established, regulated

exchanges for other products. Furthermore, many such trading venues, including digital asset exchanges and OTC venues, do not provide the public with significant information regarding their ownership structure, management teams, corporate practices or regulatory compliance. As a result, the marketplace may lose confidence in, or may experience problems relating to, digital asset trading venues. Digital asset trading venues may impose daily, weekly, monthly or customer-specific transaction or distribution limits or suspend withdrawals entirely, rendering the exchange of digital assets for fiat currency difficult or impossible. Participation in digital asset trading venues requires users to take on credit risk.

Over the past several years, a number of digital asset exchanges have been closed due to fraud, failure or security breaches. In many of these instances, the customers of such digital asset exchanges were not compensated or made whole for the partial or complete losses of their account balances in such digital asset exchanges. Furthermore, many digital asset exchanges lack certain safeguards put in place by more traditional exchanges to enhance the stability of trading on the exchange and prevent flash crashes, such as limit-down circuit breakers. As a result, the prices on digital asset exchanges may be subject to larger and/or more frequent sudden declines than assets traded on more traditional exchanges. A lack of stability in digital asset exchanges, manipulation of digital asset markets by digital asset exchange customers and the closure or temporary shutdown of such exchanges due to fraud, business failure, hackers or malware may result in greater volatility in the market price of digital assets.

On February 15, 2023, the SEC published proposed amendments to Rule 206(4)-2 under the Advisers Act (the so-called “custody rule”), which would, if adopted in their proposed form, impose requirements on operators of digital asset exchanges that wish to continue to facilitate trading for institutional investors. The proposed rule would prohibit investment advisers registered under the Advisers Act, including Dragoneer, from trading on behalf of clients on centralized exchanges, unless exchange operators are registered as broker-dealers under the Exchange Act, as amended, or the exchanges operate on a non-custodial basis (e.g., do not require users to deposit digital assets prior to trading). There are currently no centralized digital asset exchanges that meet these requirements. If adopted without significant modifications, these amendments will materially adversely limit the Clients’ ability to trade digital assets, which could have a material and adverse impact on one or more Client’s ability to pursue its investment objective.

Further, the SEC has published proposed rules (and subsequent updates to those proposed rules) imposing new obligations on alternative trading systems (“ATSs”). The SEC’s proposed rule would make clear that rules governing ATSs apply to digital asset exchanges, including non-custodian custodial decentralized exchanges, that are not deemed “exchanges” under U.S. securities law. There are currently no digital asset exchanges, centralized or decentralized, that meet the proposed requirements (nor that meet the current requirements for an ATS). If adopted without significant modifications, these amendments may cause centralized and decentralized digital asset exchanges to cease operations or prohibit customers located in, resident of, or that otherwise have a nexus to the United States. Any of those outcomes would materially

and adversely limit the Clients' ability to trade digital assets, which could have a material and adverse impact on one or more Client's ability to pursue its investment objective.

Digital Asset Custody Risk. Some Clients are expected to use one or more custodians to hold such Clients' digital assets. There is a risk that part or all of such Clients' digital assets held by a digital asset custodian could be lost, stolen, or destroyed, potentially by the loss or theft of the private keys associated with the public addresses that hold such Clients' digital assets. If digital assets are lost, stolen, or destroyed, it is unlikely that such Clients will be able to replace missing digital assets and may be limited in their ability to seek reimbursement for such loss from the applicable custodian. Digital assets held by custodians will also be subject to the risks generally applicable to investments held at custodians. See also "*Custodial Risk*" above.

Further, there can be no assurance that the custodians used by a Client will be deemed "qualified custodians" under Rule 206(4)-2 under the Advisers Act (the so-called "custody rule") or meet any other qualifications under any other regulatory regime. On February 15, 2023, the SEC published proposed amendments to the custody rule, which would, if adopted in their proposed form, impose a variety of new requirements on investment advisers registered under the Advisers Act, including Dragoner, and on qualified custodians. Among other obligations, the amended custody rule would require registered investment advisers to hold virtually all assets (including all digital assets, even those that are treated as commodities, and collateral posted in connection with any derivatives) with a qualified custodian, rather than only "securities and funds" as required by the current custody rule. The amended rule would also impose new substantial reporting obligations on qualified custodians and mandate certain required contractual provisions in custody agreements. There is a risk that one or more Client's custodians may not be able or may choose not to meet the requirements of a qualified custodian, in which case the relevant Client would need to identify and engage new or additional custodians. Further, there may not be a suitable qualified custodian that will agree to hold certain assets (in particular, certain digital assets) that the Clients currently hold or intend to hold in the future. Finally, updates to the custody rule may make it impossible or impractical for the Clients to trade digital assets on centralized digital asset exchanges. In exactly what form any amendments to the custody rule may be adopted is unclear, but it is expected that any amendments will have an adverse, and potentially materially adverse, effect on the Clients and their investments.

Risk of Digital Asset Futures and Other Derivatives. Some Clients may invest in digital assets futures contracts. There can be no guarantee that there will be a correlation between price movements in the digital asset futures and the underlying asset. The market for digital asset futures is relatively new and is still developing. As a result, digital asset futures markets may be thinly traded relative to other futures markets, and digital asset futures may experience significant price volatility. For example, exchange-specified collateral for certain digital assets futures is substantially higher than for most other futures contracts, and collateral may be set as a percentage of the value of the contract, which means that collateral requirements for long positions can

increase if the price of the contract rises. In addition, futures commission merchants may require collateral beyond the exchange's minimum requirement and may also restrict trading activity in digital asset futures by imposing position limits or other restrictions. Specifically, certain digital assets futures are subject to daily limits that may impede a market participant's ability to exit a position during a period of high volatility.

Exchanges where digital assets are traded (which are the source of the price(s) used to determine the cash settlement amount for digital asset futures) have experienced technical and operational issues, making digital assets prices unavailable at times. If settlement prices for digital asset futures are unavailable (which may occur following a trading suspension imposed by the exchange due to large price movements or following a fork of the digital assets, or for other reasons) or Dragoneer determines such settlement prices are unreliable, the fair value of the digital asset futures may be difficult to determine. These circumstances may be more likely to occur with respect to digital asset futures.

The prices at which digital assets and related derivatives trade have, historically, been more volatile than other commodities. This volatility may result in a Client being required to post comparatively large initial or ongoing margin amounts with counterparties and may require that such Client post additional margin in short time frames, potentially requiring such Client to sell other assets at inopportune times and/or to close out trades prematurely. As a general matter, derivative instruments referencing digital assets are limited (e.g., by available underlier, derivative instrument type and notional size), and as a result a Client may be unable to efficiently pursue its investment objectives. Digital assets are traded on numerous exchanges and other venues, many of which may be unregulated, as well as through private transactions. As a result, it may be difficult for a Client or a trading counterparty to determine the value of digital assets and in turn digital assets derivatives, which may have an adverse effect on these investments. See also "*Risks Associated with Derivatives*" above.

- *Privacy and Data Protection Risk.* Dragoneer and the Clients' portfolio companies will process personal information, including by storing and maintaining personal data related to their respective members, affiliates, employees and representatives, natural person investors, service provider representatives, customers and others. Such processing of personal information, which may also include the use of third-party processors and cloud-based services, will impose legal, operational and regulatory requirements and risks on Dragoneer and the Clients' portfolio companies. In recent years, there has been an increase in legal requirements relating to the collection, storage, use and transfer of personal information, and the legal framework around such matters is expected to continue to develop at both the international, federal and state level. Certain activities of Dragoneer, the Clients' portfolio companies and/or their respective affiliates may, for example, be subject to the California Consumer Privacy Act (as amended by the California Privacy Rights Act) or the Cayman Data Protection Act (As Revised) and other foreign, federal and state privacy laws such as the EU's General Data Protection Regulation. Dragoneer and/or its affiliates may not be able to accurately anticipate the ways in which regulators and courts will apply or interpret the

law. Implementation, interpretation or application of privacy and data protection laws in a manner inconsistent with Dragoneer's expectations may adversely affect the Clients. For example, the failure of Dragoneer, or one or more of its affiliates providing services to a Client, to comply with privacy and data protection laws could result in negative publicity, operational disruptions, loss of data, and may subject such Client to significant costs associated with litigation, settlements, regulatory action, judgments, liabilities or penalties and mandatory remediation. The same risks will apply to Client portfolio companies that fail to comply with privacy and data protection laws. Because Dragoneer and/or its affiliates use services that involve the storage, use and transmission of personal information over the Internet, such parties may have been and will likely continue to be targets of attempted cyber- and other security threats by outside third parties, including technically sophisticated and well-resourced bad actors attempting to access or steal data, intercept communications, and divert funds. Dragoneer and/or its affiliates are vulnerable to, and from time to time may experience, unauthorized access to data and/or breaches of confidential information due to criminal conduct, physical break-ins, hackers, employee or insider malfeasance and/or improper employee or contractor access, computer viruses, programming errors, denial-of-service attacks, ransomware events, phishing schemes, fraud, terrorist and/or nation-state attacks, political protests, human error or other breaches by insiders or third parties or similar disruptive problems. It is not possible to prevent all security threats to the systems and data of Dragoneer and/or its affiliates, and even if it was technically possible, Dragoneer may not be able to prevent such security threats. Techniques used to obtain unauthorized access, disable or degrade service or sabotage systems change frequently and may be difficult to detect for long periods of time and at times such unauthorized access may remain undetected for an extended period of time. A breach or failure of third-party vendors' software, hardware, network, or a third-party vendors' inability to effectively resolve such failures or breaches in a timely manner, could result in the invasion of Dragoneer's network. The same risks will apply to Client portfolio companies. If Dragoneer, a Client portfolio company or one or more of their respective affiliates uses or discloses information improperly or suffers a security breach impacting personal information, they may be obligated to notify government authorities, stakeholders or individuals affected, which may divert Dragoneer's, its affiliates' and portfolio company management's time and effort and entail operational disruptions, loss of data, loss of market confidence and goodwill and substantial expense, particularly if any litigation or enforcement action or mandatory remediation were to also arise out of such breach.

- *Technology and Cybersecurity Risk.* Dragoneer, the Clients' service providers and other market participants increasingly depend on complex and often interconnected information technology and communications systems to conduct business functions. These systems are subject to a number of different threats and other risks that could adversely affect the Clients and their investors, despite efforts to adopt technologies, processes and procedures intended to mitigate these risks and protect the security of their computer systems, software, networks and other technology assets, as well as the security, confidentiality, integrity and availability of information belonging to the Client and its investors. For example, systems used by Dragoneer and the Clients' service providers may be vulnerable to damage or interruption from malware, network

failures, computer and telecommunication failures, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Additionally, unauthorized third parties may attempt to improperly access, modify, disrupt the operations of, encrypt or otherwise prevent access to these systems of Dragoneer, the Clients' service providers and counterparties, as well as the data stored by these systems, including investor information. Dragoneer and the Clients' service providers may be subject to ransomware or other attacks that could cause a substantial business disruption or loss of availability of data that could prevent the Clients and Dragoneer from executing its investment strategy or accessing an account, which could lead to financial losses. Third parties may also attempt to fraudulently induce employees, customers, third-party service providers or other users of Dragoneer's, its affiliates' and/or their respective service providers' systems to disclose sensitive information in order to gain access to Dragoneer's, its affiliates' and/or their respective service providers' data or that of the Clients' investors or to transfer funds to unauthorized third parties. A successful penetration or circumvention of the security of Dragoneer's, its affiliates' and/or their respective service providers' systems by unauthorized third parties could result in the loss or theft of an investor's data or funds, the inability to access electronic systems, loss or theft of proprietary information or corporate data, physical damage to a computer or network system or costs associated with system repairs. Such incidents could cause the Clients, Dragoneer or their service providers to incur regulatory penalties, reputational damage, additional compliance and remediation costs, increased insurance premiums or financial loss. In addition, a Client could incur substantial costs related to investigation and remediation of the cybersecurity incident, increasing and upgrading cybersecurity protections including its administrative, technical, organizational and physical controls, acts of identity theft, unauthorized use or loss of proprietary information, adverse investor reaction, increased insurance premiums or difficulties obtaining insurance coverage, or litigation, regulatory actions or other legal risks.

Additionally, it is expected that the Clients' portfolio companies will provide products and services that are dependent on the availability and proper operation of third-party information technology, including cloud-based services and the Internet. Many of these companies will both market and provide their services by means of the Internet. Disruptions to the Internet or other external network could have a material adverse effect on the business of a portfolio company if customers are unable to access the company's website or services. In addition to disruptions to the Internet, the information and technology systems that portfolio companies use or rely on may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. If these systems are compromised, become inoperable for extended periods of time or cease to function properly, portfolio companies may incur material time or expenses to fix or replace them and to seek to remedy the effects of such issues. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in a portfolio company's operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data of the portfolio companies,

including personal or proprietary information. Such a failure could harm such entity's reputation, subject any such entity and its respective affiliates to legal claims or otherwise materially adversely affect their business and financial performance. Changes in laws and regulations related to the Internet and other external networks or changes in the infrastructure of the Internet itself could also affect the Clients' portfolio companies. U.S. federal, U.S. state or foreign government bodies or agencies have in the past adopted, and may in the future adopt, laws and regulations affecting the use of the Internet as a commercial medium. Such regulation may materially adversely impact portfolio companies' businesses and business models. Also, domestic and foreign government agencies and private organizations may begin to impose taxes, fees or other charges for accessing the Internet or for the commerce conducted and services provided via the Internet.

- *Force majeure.* Force majeure is the term generally used to refer to an event beyond the control of the party claiming that the event has occurred, including acts of God, fire, flood, weather, earthquakes, war, terrorism, pandemics and labor strikes. Dragoneer is, and a number of the Clients' portfolio companies may be, located in the San Francisco Bay Area, which has in the past and may during the term of the Clients experience significant earthquakes or fires. The threat of fires has in the past and will likely in the future prompt a key electrical utility company to shut down power in parts of the Bay Area on high fire alert days, and future prolonged power outages will likely occur as the fire season becomes longer and more intense each year. These and other force majeure events in the Bay Area and elsewhere in the world may adversely affect the ability of Dragoneer, a portfolio company or the parties with whom they do business to perform their respective obligations, under a contract or otherwise. In addition, dealing with any force majeure event will divert Dragoneer's and portfolio company management's time and effort, and the cost of repairing or replacing damaged assets could be considerable. Repeated or prolonged service interruptions may result in permanent loss of customers, substantial litigation, or penalties for regulatory or contractual non-compliance. In some cases, project agreements can be terminated if the force majeure event is so catastrophic as to render it incapable of remedy within a reasonable, pre-agreed time period. Force majeure events that are impossible or costly to cure may also have a permanent adverse effect on the Clients or a portfolio company, and the Clients' potential returns would be diminished as a result.

Item 9. Disciplinary Information

Dragoneer has no applicable information to disclose on this item.

Item 10. Other Financial Industry Activities and Affiliations

Neither Dragoneer nor any of its management persons is registered, or has an application pending to register, as a broker-dealer, registered representative of a broker-dealer, futures commission merchant ("FCM"), commodity pool operator ("CPO") or commodity trading advisor ("CTA"). In addition, neither Dragoneer nor any of its management persons is an associated person of an FCM, a CPO or CTA.

Dragoneer (or a related person or designee) typically holds an investment in Client investment vehicles and therefore may be viewed as having an incentive to favor such Client investment vehicles. As described in the response to Item 6, Dragoneer has adopted controls, such as its allocation policy, that are intended to help mitigate some of the incentives Dragoneer has to favor one Client over others.

Beijing Longling Huanya Guanlizixun Youxian Gongsi (“Dragoneer Asia”) is located in, and organized as a limited liability company under the laws of, the PRC. Under a Memorandum of Understanding (“MOU”) between Dragoneer and Dragoneer Asia, Dragoneer Asia is a Participating Affiliate of Dragoneer as that term is used in relief granted by the staff of the SEC allowing U.S. registered advisers to use investment management resources of unregistered advisory affiliates subject to the regulatory supervision of the registered adviser. Dragoneer Asia and its employees who provide services to the Clients are considered under the MOU to be “associated persons” of Dragoneer as that term is used under the Advisers Act for purposes of Dragoneer’s required supervision. Dragoneer Asia has agreed to submit to the jurisdiction of the SEC and to the jurisdiction of the U.S. courts for actions arising under the U.S. securities laws in connection with the investment management services they provide for any Clients.

Dragoneer does not currently recommend or select other investment advisers for its Clients, although it may do so in the future.

Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Dragoneer has adopted a Code of Ethics (“Code”) pursuant to Rule 204A-1 under the Advisers Act. All “access persons” (including employees, managers, officers and other applicable personnel) of Dragoneer must comply with the Code. The Code sets forth standards of conduct expected of Dragoneer’s personnel, which reflect the fiduciary obligations of Dragoneer and its personnel to its Clients, and requires Dragoneer’s personnel to comply with applicable federal securities laws. The Code also requires any employee of Dragoneer to report potential violations of the Code promptly to the Chief Compliance Officer (“CCO”). Dragoneer provides each employee with a copy of the Code and any amendments, and employees are required to provide a written acknowledgement that they have received the Code, as amended from time to time.

Under the Code, access persons must submit an annual report of brokerage accounts and holdings along with an annual acknowledgement and certification stating that the individual will comply with the Code. The Code further requires personnel to submit certain quarterly transaction reports (or brokerage statements) that detail the individual’s relevant securities transactions for the quarter. Finally, the Code also contains restrictions on the use of insider information and non-public information regarding a Dragoneer Client.

Clients and prospective clients can obtain a copy of the Code upon request by contacting Erin Schneider by telephone (415-539-3105) or by email (erin@dragoneer.com).

Participation or Interest in Client Transactions

Certain employees and affiliates of Dragoneer may invest in and alongside the Clients, either through the general partners, as direct investors in the Clients or otherwise. A Client or its

general partner, as applicable, may reduce all or a portion of the advisory fee, carried interest and/or incentive allocation related to investments held by such persons. For further details regarding these arrangements, as well as conflicts of interest presented by them, please see below.

Dragoneer may provide certain information to one or more prospective investors in a Client or a co-investment opportunity that it does not provide to all of the prospective investors or limited partners.

Resolution of Conflicts

In the case of all conflicts of interest, Dragoneer's determination as to which factors are relevant, and the resolution of such conflicts, will be made using Dragoneer's good faith judgment, but in its sole discretion. In resolving conflicts, Dragoneer may consider various factors, including the interests of the applicable Clients, Dragoneer and its affiliates with respect to the immediate issue and/or with respect to their longer-term courses of dealing. Certain procedures for resolving specific conflicts of interest are set forth below. When conflicts arise, the following factors may mitigate, but will not eliminate, conflicts of interest:

- (1) Dragoneer will consider the appropriateness of an investment from the viewpoint of a Client;
- (2) Certain conflicts of interest may be resolved by set procedures, restrictions or other provisions contained in the Governing Documents for the Clients;
- (3) Some Clients have established an advisory committee. In certain circumstances, members of such advisory committee(s) have in the past and are expected in the future to consult with Dragoneer as to, and/or approve, certain actual or potential material conflicts of interest. Also, alternatively, an Independent Representative has in the past and may in the future be utilized to help resolve such conflicts;
- (4) Dragoneer has adopted and implemented certain policies and procedures designed to help reduce certain conflicts of interest; and
- (5) Prior to subscribing for interests in a Client, each investor receives information relating to significant potential conflicts of interest arising from the proposed activities of the Client.

In certain instances, some conflicts of interest may be resolved in a manner adverse to a Client, including as a result of Dragoneer taking into account its own interests or those of its affiliates in resolving such conflicts. There can be no assurance that Dragoneer will identify or resolve all conflicts in a manner that is favorable to the Clients, and the Client's investors will not necessarily be entitled to receive notice or disclosure of the actual occurrence of conflicts or have any right to consent to them as they arise.

Other Potential Conflicts of Interest

The Clients are subject to a number of actual and potential conflicts of interest. The following descriptions of conflicts of interest and the conflicts discussed elsewhere in this

Brochure do not purport to be a complete list or explanation of the conflicts involved with the management of the Clients. Actual and prospective investors in a Client should also consult its Governing Documents for additional details on the conflicts of interest associated with an investment in such Client. *Unless otherwise explicitly stated in the applicable Governing Documents of a Client, Dragoneer and its affiliates (including its personnel) shall be permitted to act upon and take account of the conflicts described herein in its and their sole discretion.*

Allocation of Investment Opportunities

When Dragoneer is presented the opportunity to make investments, it has established certain policies and procedures (as may be amended from time to time) to guide the determination of allocations of such investments (including with respect to Subsequent Investments) among Clients, which permit, though do not require, Dragoneer to take into account some or all of a wide range of factors determined in Dragoneer's sole discretion, related to such Clients as Dragoneer deems applicable and to the investment itself, which may include but are not limited to: (a) such Client's investment objectives and investment focus; (b) transaction sourcing and completion (including, with respect to an investment originated by a third party, the relationship of the Client to such third party) and the provision of strategic value with respect to one or more actual or prospective transactions or other initiatives over time; (c) such Client's liquidity and reserves (including whether the Client is able to commit to invest all capital required to consummate a particular investment opportunity and the extent to which Dragoneer in its sole discretion, at any time and from time to time, believes the applicable Client should limit its exposure to less liquid investments); (d) structural and operational differences between such Clients; (e) such Client's diversification (including the actual, relative or potential exposure of a Client to the type of investment opportunity in terms of its existing portfolio); (f) lender covenants and other limitations; (g) amount of capital available for investment by each such Client as well as such Client's projected future capacity for investment (including whether a Client is able to invest all capital required to consummate a particular investment opportunity) and anticipated co-investment (if any); (h) the size, liquidity and duration of the investment; (i) future ability to put capital to work in an investment; (j) such Client's targeted rate of return (if any); (k) stage of development of the prospective portfolio company or other investment; (l) composition of such Client's portfolio and such Client's investment concentration parameters (including, without limitation, parameters such as geography, industry, issuer, volatility, leverage or other similar risk metrics) and the scope of a Client's investment mandate including whether mandates are identified as primary or secondary, and whether the mandate is not limited or otherwise restricted to specific types of investments/assets; (m) suitability as a Subsequent Investment with respect to a current portfolio investment of a Client or to upsize an existing investment; (n) expected timing to execute an investment; (o) the use of leverage in the proposed capital structure; (p) the availability of other suitable investments for each such Client; (q) risk considerations; (r) cash flow considerations; (s) the centrality of an investment to a Client's strategy; (t) asset class restrictions; (u) industry, geography, and other similar or related factors; (v) minimum and maximum investment size requirements; (w) tax and accounting implications; (x) whether an investment opportunity requires additional consents or authorizations from Clients, their investors or third parties; (y) avoiding allocations that could result in *de minimis* or odd lot investments or otherwise create operational burden that Dragoneer in its sole discretion determines to be excessive; (z) legal, contractual or regulatory constraints; (aa) any other relevant limitations imposed by or conditions set forth in the applicable offering and organizational documents of each Client; and/or (bb) any other criteria as

Dragoneer deems relevant in its sole discretion. The application of the factors set forth above will frequently result in investment allocations on a non-pro rata basis that may also vary over time, and there can be no assurance (and it is not expected) that a Client will participate in all investment opportunities that fall within its investment objective. Dragoneer may in its sole discretion allocate participation in a manner different from the expectation described above at any time.

In addition, Dragoneer will, from time to time, consider an investment opportunity for one Client and then subsequently determine to have another Client make the investment. In making any such determination, Dragoneer may (but is not required to) consider a variety of factors, including those set forth above. Conflicts of interest arise in connection with such a reallocation, including those set forth above. In addition, a conflict of interest exists because the Client that ultimately invests will benefit from the initial evaluation, investigation and due diligence undertaken by Dragoneer on behalf of the prior Client for which the investment was initially considered. In certain cases, such reallocation determination can be expected to occur after a significant period of time has passed and the Client to which the investment was originally allocated has incurred substantial out-of-pocket expenses in connection with evaluating, investigating and diligencing such investment. The investing Client typically will not be required to reimburse the original Client for such expenses. In the event that the investing Client does reimburse the original Client for some or all out-of-pocket expenses incurred in connection with evaluating, investigating and diligencing such investment, the investing Client typically will not pay interest on any such amounts reimbursed to the original Client. Alternatively, if the investing Client does pay interest on such amounts to the initial Client, there can be no assurance any such interest will be paid over at the same time as such reimbursement or that the amount of such interest will be sufficient to compensate the original Client. Dragoneer is subject to a variety of actual and potential conflicts of interest in connection with causing one Client to incur expenses that may ultimately benefit another Client, and, similarly, in determining the need for, calculating the amount of, and effecting any reimbursement between Clients. For example, Dragoneer would have an incentive to allocate expenses away from a Client where Dragoneer, its affiliates, “friends and family” investors or strategic investors own a greater percentage of the Client as compared to another Client. Moreover, these determinations, calculations, and terms are not arm’s length arrangements and there can be no assurance that the allocation of such expenses is in the best interest of the Clients. There can be no assurance that the amounts reimbursed (if any) to the original Client will be commensurate with the benefit received by the investing Client.

Each Client may at any time and will from time to time invest (and/or divest) with or independently of any other Client, including with respect to Subsequent Investments, which Dragoneer may in its sole discretion determine to allocate entirely to one or more Co-Investment Vehicles. Additionally, Dragoneer may at any time and will from time to time take into account strategic relationships and the provision of strategic value with respect to one or more actual or prospective transactions or other initiatives over time when making or disposing of investments.

From time to time certain investment opportunities involve interests in investments of one or more Clients that are part of a restructuring or similar transaction (e.g., continuation vehicles). In such instances, investors in the Clients involved in such a transaction are typically given priority rights to roll over their existing interests or otherwise reinvest in such investment opportunities (for instance, through a newly formed “continuation fund”). As a result, other Clients may not be allocated all or any portion of such an investment opportunity, even if such opportunity falls within

a Client's investment objectives or strategy. See "*Continuation Transactions*" below for a discussion of additional conflicts associated with continuation transactions.

Dragoneer makes determinations about investment opportunities based solely on its expectations at the time such investments and dispositions are made, however Dragoneer's views and investments and their characteristics may change at any time and from time to time, and there can be no assurance that an investment or disposition may prove to have been more suitable for another Client in hindsight. Such determinations are inherently subjective and give rise to conflicts of interest due to the inherent biases in the process. Unless otherwise set forth in the relevant Client's Governing Documents, to the extent that Dragoneer determines in its sole discretion that it is desirable for all or any portion of an investment opportunity to be purchased by or sold to third parties, including without limitation affiliates of Dragoneer, limited partners of a Client, strategic partners or other third parties, such opportunity need not be made available to the Clients. Unless otherwise explicitly set forth in the relevant Client's Governing Documents, Dragoneer shall not be obligated to offer any opportunities to any Client.

Dragoneer will generally determine whether a particular investment opportunity is within the investment strategy of a Client and will make investment decisions (including decisions on when to purchase or dispose of investments) in its sole discretion, taking into account such factors as Dragoneer deems relevant under the circumstances. Dragoneer may determine the appropriate allocation for a Client based on considerations and methods applied at the time the investment opportunity is identified, at a time prior to the identification of the investment opportunity (e.g., Dragoneer may determine to apply a consistent formula to all investment allocation decisions during a period, such as a calendar quarter or year, as of the beginning of that period) or after the investment opportunity is identified (e.g., if a Client chooses to sell a portion to another Client or one or more affiliated or third-party co-investors, Dragoneer may not determine the appropriate allocation until up to 90 days (or longer, subject to the applicable Governing Documents) after the acquisition of the investment), and Dragoneer may change or modify its approach to such considerations and methods from time to time and at any time, and may apply different considerations and methods to investments made at or around the same time, in each case without limitation. In addition, Dragoneer may apply different considerations and methods to different categories or investments or based on, for example and without limitation, the relative sizes of investment opportunities. For example, primarily because of the initial and ongoing legal, accounting and operational expenses and burdens associated with certain private investments, Dragoneer may (and currently expects that it frequently will), in its sole discretion, from time to time and at any time, limit a Client's participation in private investments to investments in excess of a predetermined size, which parameters Dragoneer may waive, re-evaluate and/or change from time to time and at any time in its sole discretion. To the extent that Dragoneer adopts, at any moment in time, a systematic approach to determining a Client's appropriate investment allocation size, those determinations generally will not be individually evaluated or reassessed in connection with each such investment allocation, and such systematic approach (if any) may be modified or abandoned, or exceptions thereto created, in whole or in part at any time and from time to time. Dragoneer has no obligation to disclose any such systematic approach (if any).

Where two or more Clients could trade in the same public securities at or around the same time, Dragoneer will generally evaluate whether the opportunity is appropriate for each such Client, and the desired positions for those Clients, if any. Dragoneer could be influenced in its

determinations by considerations such as the relative performance of the Clients and the anticipated incentive allocations or distributions therefrom, ultimately determining to allocate the purchase and sale of securities to a Client based on those considerations. If Dragoneer later determines that the security is suitable for purchase or sale by a Client not initially allocated a portion of the opportunity, this investment sequencing may lead to results that are materially less attractive for that Client than would have been the case in the absence of the prior allocations made to other Clients. Further, in the case of an investment opportunity related to a public investment that has a limited trading volume, Dragoneer may determine to cause two or more Clients to make or dispose of investments alongside one another, resulting in those Clients making or disposing of investments over a longer period than if only a single Client had made or disposed of the investment. If the public investment's price increases over the investment period, each Client could pay a higher average price for the investment than if it had invested alone over a shorter period of time. If the public investment's price decreases over the investment period, each Client disposing of the investment could receive a lower average price for the investment than if it had disposed of the investment alone over a shorter period of time.

Dragoneer may be motivated to allocate investments that are especially volatile or considered "high-risk/high-reward" to a Client that is later in its investment cycle with an established investment track record. If such an investment performs poorly, it could have an outsized impact on the performance of a relatively new fund that has made few other investments. In contrast, poor performance by a volatile, high-risk investment will generally have a relatively more muted impact on a more mature fund with a well-established portfolio of investments. Accordingly, in order to achieve a better fund track record, which is important not just to limited partners in a Client but also in connection with Dragoneer's fundraising activities (including fundraising for successor funds), Dragoneer could be motivated to allocate one or more high-risk investments away from one Client while it is in its early investment stage, but more motivated to allocate such investments to another Client once its portfolio has grown and it is better positioned to weather a volatile investment. This may result in deals that ultimately prove to be highly profitable being allocated away from a Client in its early stages, or a Client receiving in its later stage more volatile investments, which may perform poorly, than it would have had it been at a different point in its investment cycle. Alternatively, Dragoneer may decide to allocate to a Client early in its operating history a short-term investment that it has a strong conviction will be highly profitable, and the relatively outsized impact this is expected to have on such Client's internal rate of return (and Dragoneer's future fundraising efforts) could be one (or the primary or sole) factor in making this decision. However, there is no guarantee that any such investment will perform as Dragoneer predicts; strong performance will have a disproportionately positive impact, and poor returns a disproportionately negative impact, on such a Client's early returns. Investors should be aware of this dynamic in the context of understanding a Client's returns and motivations for Dragoneer's allocations of investments. Furthermore, differences between one Client and other Clients regarding the rates and/or timing of payment of carried interest and management fees create incentives for Dragoneer to allocate certain investment opportunities to one client or another Client and away from the first Client. For example, Dragoneer may be incentivized to allocate an investment that it perceives to be especially promising to a Client that has realized enough prior gains to pay carried interest or that is above (or closer to being above) any applicable high-water mark. Additionally, Dragoneer may also be incentivized to allocate investments to Clients with lower performance as compared to other Clients if such Clients or its investors are deemed important from a relationship or strategic perspective.

A conflict also arises in allocating an investment opportunity if the potential investment target could be acquired by either a Client or a portfolio company of another Client. In making such an allocation determination, Dragoneer may consider one or more of the factors set forth above and may make a determination in its sole discretion.

In addition, Dragoneer Personnel in certain instances have in the past and may in the future have pre-existing investments in opportunities in which a Client may invest. Dragoneer Personnel may in their sole discretion make decisions (including decisions on when and at what price to purchase or dispose of investments) for such accounts that are different from those decisions made by Dragoneer on behalf of a Client, and misalignment influencing such decisions could exist between such accounts and such Client, including due to different criteria, interests and investment objectives of the Dragoneer Personnel and the Client, including, among other things, the price at which the respective accounts originally bought into the investment and the price at which such accounts would find it attractive to exit the investment and any waiver of a liquidation preference. In other cases, Dragoneer Personnel may have discretion over their pre-existing investments in an opportunity into which a Client subsequently invests. In such a case, the Dragoneer Personnel may buy, hold or sell positions in such investment without regard to the timing of the Client's investment or divestment. Dragoneer generally does not exercise control over investment decisions made by or on behalf of Dragoneer Personnel. Unless otherwise explicitly specified in the applicable Governing Documents, Dragoneer is permitted to make all decisions, including all investment decisions (purchase or sale), for any one Client (or any series or class of a Client) in its complete discretion and completely independently of all other Clients (or series or class of a Client), any other vehicle that Dragoneer or its affiliates manage or control (including, without limitation, any Co-Investment Vehicle (as defined below)), and any Dragoneer Personnel. As a result, and by way of example only, a Client could seek to purchase (or sell) certain investments at or around the time Dragoneer Personnel or other Clients (or series or class of other Clients) are selling (or purchasing or holding) the same investments. See "*Securities Transactions of Dragoneer and Its Personnel*" for additional information. Additionally, personal investments by Dragoneer Personnel will in certain instances influence or lead to restrictions or requirements regarding potential and/or current Client investments, and the timing and terms of the disposition thereof, which would be at the expense of the relevant Clients and may be detrimental to such Clients over time.

Deal Syndication

Some Clients may purchase assets from and/or sell assets to any other Client, Dragoneer or its affiliates in connection with the syndication of an investment opportunity amongst such persons. In addition, some Clients may purchase assets and temporarily hold all or a portion of such assets to facilitate an investment by one or more affiliated investors (including other Clients) or third-party investors or consultants. Moreover, Dragoneer and Dragoneer Personnel will, from time to time, reallocate a personal investment to a Client.

The Governing Documents of the Clients permit the general partner to, in its sole discretion, adjust post-closing allocations of a syndicated investment among a Client and other Clients during the term of the syndication period (a "Syndication Period") referenced in the relevant Clients' syndication guidelines (the "Syndication Guidelines"). The ultimate allocation of the syndicated investment among the Clients may occur a significant time following purchase.

Such post-closing allocations of syndicated investments will be made in accordance with the Clients' Governing Documents and the allocation policy described herein. Clients may incur contractual obligations or risks, or may pre-fund investments, prior to receipt of the underlying securities. Because the Syndication Guidelines do not apply until the underlying securities are received, the ultimate allocations of such securities may differ from the anticipated allocation at the time of pre-funding or at the time the Client incurred the aforementioned contractual obligations or risks.

If the syndication is not ultimately consummated, the applicable Client would end up holding a larger portion of the investment than it otherwise expected or desired to hold and accordingly, without limitation, the Client's portfolio investments would be concentrated in fewer companies, industries or markets, and the Client would have fewer available assets to pursue other potential investment opportunities. The risk of a syndication not being consummated will increase in the event an investment decreases in value during the Syndication Period, for reasons including, but not limited to, currency fluctuations and market factors. If a syndication is not consummated, a Client will bear all losses in connection with the investment. Conversely, in the event an investment increases in value during and/or following the Syndication Period, a Client would lose the benefit of any such future increase. A Client will bear any currency risk related to a syndicated investment prior to its sale to another Client or other affiliated or third-party investor. Dragoneer will in certain circumstances negotiate a larger allocation of an investment in a portfolio company than it might otherwise have done in anticipation of making some portion of such deal syndication investors, including investors that may be charged management fees and/or carried interest. This creates a conflict of interest whereby Dragoneer is incentivized to cause the Client (in situations where the Client is the syndicating Client) to hold an investment in excess of what such Client actually desires, for the benefit of Dragoneer and its affiliates, even though Dragoneer could have avoided such syndication by negotiating an allocation of a smaller investment in the portfolio company or causing a different Client to be the syndicating vehicle. If the applicable syndication is not consummated (including an investment with respect to which a Client signs a binding term sheet in anticipation of a syndication that does not ultimately occur), such Client will be exposed to the risks described above even though the Client did not necessarily derive a commensurate benefit.

Co-investments

From time to time, Dragoneer will form Co-Investment Vehicles. We have the option to offer one or more Clients, Co-Investment Vehicles, Dragoneer Personnel or third parties the opportunity to invest alongside a Client (or in lieu of a Client (for example, if a Client has not decided to participate in an opportunity)). This situation frequently (but not exclusively) arises when the amount of capital necessary to complete a transaction exceeds the amount we determine is appropriate for the relevant Client, after taking into account additional capital to be contributed by other Clients and any co-underwriters and co-sponsors (including other third-party managed pooled investment vehicles in which we or our personnel hold an interest), as well as other parties or consultants that assisted in sourcing or completing the transaction or provide or have provided other strategic value to Dragoneer or its affiliates over time. Subject to a Client's Governing Documents, we also have the option to systematically offer co-investment opportunities (allowing, for instance, an investor to co-invest in an aggregate fixed dollar amount over the life of a Client or in each Client investment of a certain size or that has certain other characteristics). There are

circumstances where Dragoneer determines, for strategic or other reasons, some or all of the amount that could have otherwise been invested by a particular Client will instead be allocated, in Dragoneer's sole discretion, to one or more co-investors (for example, in the context of co-investors that Dragoneer believes in its sole discretion provide potential direct or indirect strategic value to Dragoneer or its affiliates (including without limitation with respect to fundraising or deal sourcing over time)).

The amount of Portfolio Fees generated as a result of co-investments in connection with any portfolio company will not reduce the advisory fees paid by the Clients and will therefore be retained by Dragoneer. The allocation of co-investment opportunities will, in many or all cases, also involve a benefit to Dragoneer in addition to the receipt of Portfolio Fees, including the receipt of advisory fees or allocation of carried interest from the co-investor, perceived or actual strategic value to Dragoneer or its affiliates (including without limitation with respect to direct or indirect fundraising or deal sourcing over time), and/or capital commitments to Clients (including successor Clients). As a result of the foregoing, Dragoneer could be incentivized to, and from time to time will, allocate a greater portion of an investment to a co-investor than it would have otherwise allocated absent such an arrangement or economic terms, including but not limited to allocating to co-investors that pay higher advisory fees or carried interest than other potential co-investors.

A Client's general partner and its affiliates are permitted to make capital commitments and/or contributions to co-investment opportunities and co-investment vehicles investing alongside Clients. Such amounts so committed or contributed are permitted, at the option of the applicable Client's general partner, to be deemed part of the amount Dragoneer is otherwise required to contribute to the Clients. Any such amounts would be in full or partial satisfaction of amounts that would otherwise be invested in the Client in respect of such investment, which could reduce the amount (if any) of such co-investment available to the limited partners. In addition, any such amounts invested by a Client's general partner or its affiliates in co-investments alongside the Client and deemed part of the amount Dragoneer is otherwise required to contribute will result in the general partner and/or its affiliates contributing less to the Client than Dragoneer's capital commitment to such Client would otherwise imply.

In addition, Co-Investment Vehicles may at any time and from time to time be formed to make more than one investment alongside a Client (or in lieu of a Client (if the Client has not decided to participate in an opportunity)). In such cases, the Co-investment Vehicle will have a priority right to make co-investments in some of all of the investments made by such Client. The existence of such a priority right will significantly reduce or eliminate co-investment opportunities available to the investors.

Subject to any explicit restrictions contained in the Governing Documents of the relevant Client or any side-letter or other terms negotiated with respect to such Client, we have complete discretion to determine to whom, in what order (i.e., before, alongside or after any or all Clients are allocated any of such opportunity) and if or when we will offer co-investment opportunities. In particular,

- we may at any time and from time to time give some or all of any co-investment opportunity to one or more Co-Investment Vehicles or any of our personnel, affiliates,

consultants, advisors, strategic partners or other third parties, including persons who we believe will provide a benefit to a Client and/or one or more portfolio companies or who provide a strategic sourcing or similar benefit to Dragoneer, a Client, and/or a portfolio company and one or more of their respective affiliates, due to industry or regulatory expertise or connections or otherwise;

- we have complete discretion on whether to offer to any investors in any Client any co-investment opportunities, and investing in a Client does not give an investor any rights, entitlements or priority to co-investment opportunities;
- we are permitted to offer co-investment opportunities to some investors but not all of them; and
- allocations of co-investment opportunities between investors often will not correspond to their pro rata interests in the relevant Client and an investor may be offered fewer co-investment opportunities than other investors in the same Client, with the same, larger or smaller capital commitments to such Client.

Each co-investment opportunity (should any exist) is likely to be different and allocation of each such opportunity will be dependent upon Dragoneer's assessment (in its sole discretion) of the facts and circumstances specific to that unique situation (e.g., timing, industry, size, geography, asset class, projected holding period, exit strategy and counterparty). Dragoneer from time to time agrees to give particular investors, Clients, or other third parties priority access to co-investment opportunities. The existence of such priority or other contractual co-investment access rights could affect Dragoneer's decision to offer certain opportunities for co-investment and could limit the ability of Clients or their investors to be offered certain co-investment opportunities.

While the criteria we use in making discretionary co-investment decisions vary from opportunity to opportunity, frequently the most important factors with respect to co-investors not affiliated with Dragoneer include Dragoneer's assessment at the time of:

- certainty of funding—that is, whether the potential co-investor has the financial resources to provide the requisite capital in a timely fashion;
- certainty of execution—for example, whether a potential co-investment party has a history of participating in opportunities and/or the sophistication and experience of the potential co-investor and its ability to promptly respond to and complete a co-investment opportunity, including an evaluation of whether the potential co-investment party has a complicated tax structure that would require particular structuring implementation or covenants that would not otherwise be required;
- the size of the potential co-investor's commitment to one or more Clients and the anticipated importance of the potential co-investor to future Dragoneer fundraising campaigns;
- the ability of the potential co-investor to make a meaningful contribution to the transaction, such as in sourcing or completing the transaction or providing operational skills or insight; and

- the overall strategic benefit to Dragoneer and its affiliates over time (including without limitation with respect to fundraising) of offering a co-investment opportunity to the potential co-investor.

Other criteria that may from time to time be relevant include Dragoneer's assessment at the time of:

- the expertise of the potential co-investor with respect to the geographic location or business activities or industry of the prospective target company or investment;
- the ability of a potential co-investment party to aid in operating or monitoring a portfolio company or the possession of certain expertise by a potential co-investment party and the potential co-investment party's relationship with the management team of the potential portfolio company and whether the potential co-investment party has any existing positions in the portfolio company;
- the extent to which a potential co-investor has been provided a greater amount of co-investment opportunities relative to others;
- whether the potential co-investment party would require any governance rights that would complicate the transactions (or, alternatively, whether the potential co-investment party would be willing to defer to Dragoneer and assume a passive role in governing a portfolio company);
- whether the potential co-investment party has made or will make commitments to invest in other Clients (including concurrently with the applicable co-investment or in the future) as well commitments to future Clients of Dragoneer;
- whether the co-investment opportunity is being provided in connection with an investor's potential investment in or acquisition of interests through a secondary transfer of the Clients (i.e., a stapled co-investment opportunity);
- the ability of a potential co-investment party to hold investments for longer periods of time (or indefinitely);
- the investment objectives and existing portfolio of the potential co-investor;
- the legal or regulatory constraints to which the proposed investment is expected to give rise;
- the reporting, public relations, competitive, confidentiality or other issues that may also arise as a result of the co-investment;
- Dragoneer's evaluation of whether a particular potential co-investment party has provided value in the sourcing, establishing relationships, participating in diligence and/or negotiations for such potential transaction or is expected to provide value to the business or operations of a portfolio company post-closing;

- personal relationships between a potential co-investment party and Dragoneer, its affiliates and their personnel, as well as tangible and intangible benefits derived from such personal relationships; and
- any other facts or circumstances that we deem appropriate or relevant in our sole discretion.

We expect that these factors will lead us to favor some investors in Clients and other potential co-investors over others with respect to the frequency with which we offer them co-investment opportunities. Dragoneer also expects to allocate certain co-investors a greater proportion of an investment opportunity than others as a result of these factors. We are not required to, and do not, consider all of the factors described above in any particular investment, some factors may be more or less important depending upon the nature of the particular investment and attendant circumstances and factors not listed or addressed above may also be considered as Dragoneer deems relevant at the applicable time in its sole discretion. Our exercise of our discretion in allocating investment opportunities among potential co-investors and in the manner discussed above often will not result in proportional allocations among such co-investors, and such allocations will likely be more or less advantageous to some relative to others. For example, Dragoneer will in certain circumstances be incentivized to offer a co-investment opportunity to certain persons over others based on its economic or other arrangements with such persons (including, for example, whether Dragoneer and/or the applicable general partners are entitled, under arrangements made with certain potential co-investment parties, to additional management fees and/or carried interest based on the availability of co-investment opportunities offered to such parties). In addition, co-investments will not necessarily be made on the same terms as the relevant Client's investment. For example, co-investors will in certain circumstances purchase their interests in a portfolio investment at the same time as the relevant Client(s) or purchase their interests from the applicable Client(s) after such Client(s) have consummated the full investment in the portfolio investment (also known as a post-closing sell down or transfer).

Co-investors also may not and frequently will not pay the same or any advisory fees or carried interest in connection with a co-investment, and they may negotiate to cap or limit their expenses in the co-invest vehicle, in which case the Client will, under certain circumstances, cover amounts in excess of such cap (regardless of how such cap is structured, including via the direct or indirect reimbursement of co-investors' certain costs, fees and expenses), together with any amounts in excess of any other contractual limitations applicable to such vehicle or investments in which such vehicle and the Client participate. Moreover, investors in Clients and other third parties approached as potential co-investors generally do not bear any transaction costs of investments that are not consummated and are not subject generally to the same risks to which the relevant Client(s) are throughout the investment process.

In the event that we determine to offer an investment opportunity to co-investors, there can be no assurance that we will be successful in offering a co-investment opportunity to a potential co-investor, in whole or in part, that the closing of such co-investment will be consummated in a timely manner, that the co-investment will take place on the terms and conditions that will be preferable for a Client or that expenses incurred by a Client with respect to the offering of the co-investment will not be substantial, and the Clients bear the risk that any or all excess portion of an investment is not sold or is sold on unattractive terms. Further, it is possible that a potential co-investment party may experience financial, legal or regulatory difficulties and may from time to

time have economic, tax, regulatory, contractual or other business interests or goals that are inconsistent with those of a Client and as a result, may take a different view from Dragoneer as to appropriate strategy for an investment or may be in a position to take a contrary action to a Client's interests. In the event that we are not successful in finding co-investors for a particular opportunity, a Client will consequently have greater exposure to the related investment opportunity than was intended, and would bear the entire portion of any fees, costs and expenses related to such investment including, but not limited to, break-up fees, and hold a larger than expected portion of such investment, which could make the Client more susceptible to fluctuations in value resulting from adverse economic or business conditions. Moreover, an investment by a Client that is not offered to co-investors as anticipated could significantly reduce the Client's overall investment returns. Therefore, it is possible that a Client that overcommits to an investment will bear a disproportionate allocation of the risks associated with the transaction without being compensated for assuming such risks.

Dragoneer or its affiliates may at any time and from time to time establish dedicated Co-Investment Vehicles for specific investors in order to facilitate investments by the relevant investors as co-investment parties alongside a Client that can have more favorable rights and/or terms than the Clients and/or other co-investors. Any such vehicle will be established at Dragoneer's or its affiliates' sole discretion and Dragoneer and its affiliates have no obligation to offer a similar opportunity to any other investor.

Investors in a Co-Investment Vehicle typically bear all expenses related to the vehicle's formation and operation, and the vehicle will also generally bear its pro rata portion of expenses incurred in the making of an investment. However, if the potential investment is not consummated, the full amount of any expenses relating to the potential but not consummated investment and the formation and related costs of the Co-Investment Vehicle to which investors have not yet been admitted will typically be borne entirely by the Clients we select in our discretion as proposed investors for such investment, rather than the Co-Investment Vehicle or other co-investors. With respect to Co-Investment Vehicles, any fees or reimbursements to be received by Dragoneer are generally negotiated on a vehicle-by-vehicle basis.

In addition, Dragoneer and its affiliates have discretion to receive performance-based compensation, management fees or similar fees from co-investors.

Distributions In-Kind to a Client's General Partner

The Governing Documents of a Client may permit a Client's general partner to cause the Client to distribute some or all of such general partner's share of securities resulting from an investment disposition by a Client to the general partner or its affiliates (including direct and indirect managing directors, officers, employees and other similar personnel) in-kind, while disposing of investors' share of such securities and distributing the net cash proceeds of such sale of securities to the investors. When a Client's general partner and its affiliates receive securities in-kind and investors receive a share of cash proceeds, the Client's general partner will receive such securities before investors' share of such securities are sold and net cash proceeds are distributed. The Client's general partner therefore calculates its allocation of shares based on its own estimates. To the extent such estimates are ultimately inaccurate, the general partner could receive more shares than it is entitled to receive or fewer shares than it is entitled to receive and

may make such adjustments to distributions as it shall deem appropriate in its sole discretion to give effect to the distribution provisions of the Client's Governing Documents. In addition, the process of estimating and distributing securities in-kind to a Client's general partner can, and sometimes will, result in a delay of the sale of the securities allocable to investors and ultimately result in a less favorable sale price for such securities, reducing the proceeds distributed to investors. A Client's general partner is particularly incentivized to receive distributions in-kind of securities that it expects to increase in value, and in cases where the increase eventuates, if investors received cash distributions instead of in-kind distributions, such investors will be denied the benefits of that increase had the Client retained the securities, and the general partner will receive more value from the securities than it would have had its carried interest been paid in cash. A Client's general partner may from time to time also elect to receive its carried interest in the form of an in-kind distribution of securities of a portfolio company for purposes of permitting one or more direct or indirect officers (including direct and indirect managing directors, officers, employees and other similar personnel of the general partner to donate such securities to charity (which may include private foundations, fund or other charities so chosen by such person). Any tax efficiencies to such personnel associated with this form of charitable giving may have the effect of reinforcing or enhancing the general partner's incentives otherwise resulting from the existence of its carried interest and therefore, the general partner may have (and is permitted to act upon) conflicts of interest in making such decisions on behalf of a Client (including, for instance, the timing of disposition of investments).

Subject to the applicable Governing Documents and any applicable side letter, a Client's general partner has the sole power to determine whether to make in-kind distributions. In certain instances for certain Clients, the valuation of in-kind distributions to all investors, including for purposes of calculating carried interest to the general partner, will be based on a lag and will not be valued as of the date such distribution is declared (such date, the "Declaration Date"); however, unless otherwise provided in the Governing Documents or any applicable side letter, when a general partner determines to make a distribution in-kind only to itself, carried interest is generally determined based on the net sales price the investors receive when the securities are sold. Subject to the applicable Governing Documents and any applicable side letter, the applicable general partner generally has the sole power to choose whether to make in-kind distributions to all investors, to make in-kind distributions only to itself or to sell the security and not distribute in-kind to any investor. Accordingly, if the value of an investment has been decreasing, the general partner has an incentive to effect an in-kind distribution to all investors to obtain a higher valuation and a higher carried interest, as opposed to an in-kind distribution solely to itself, and such determination is in the sole discretion of the general partner. In addition, investors may not receive the distributed securities until a date following the Declaration Date due to operational or other requirements or practical considerations. Accordingly, the value of such securities may differ, or decrease, among the valuation date(s), the Declaration Date and the date such securities are actually received. The applicable general partner is subject to additional conflicts of interest with respect to in-kind distributions. For example, a general partner has an incentive to distribute securities in-kind when there are liquidity constraints or other restrictions on sale that do not apply to a distribution in-kind. A general partner also has an incentive to distribute securities in-kind where doing so would be advantageous to the general partner for tax purposes. These incentives lead the general partner to favor in-kind distributions under certain circumstances. As stated above, it is in the general partner's sole discretion whether to declare a distribution in-kind, and to whom to declare a distribution in-kind. The general partner will factor in its own interests in

making these decisions regarding distributions in-kind, and may exercise this discretion in ways that are inconsistent over time and from time to time.

In the event a Client's general partner, or its affiliates (including direct and indirect managing directors, officers, employees and other similar personnel), receive distributions in-kind from an investment disposition, each of the general partner and its affiliates will generally act in its own interest with respect to its share of securities and may determine to sell the distributed securities (which may include selling its securities prior to the time at which the investor sells its distributed securities), hold on to the distributed securities for such time as such person shall determine or distribute such securities to its direct and indirect partners. The general partner's direct or indirect partners will exercise independent control over such securities once received, and may hold, manage or dispose of such securities as they see fit, subject to any applicable laws or contractual obligations. The ability of each of the general partner and its affiliates (including direct and indirect managing directors, officers, employees and other similar personnel) to act in its own interest with respect to such distributed shares creates a conflict of interest between the general partner, Dragoneer or their affiliates and the Clients to the extent that the Clients continue to hold interests in the same securities. These conflicts may be exacerbated due to the enhanced knowledge and information the general partner has relative to the limited partners with respect to such securities.

In addition, a Client's general partner from time to time receives distributions in-kind in connection with the sales of securities owned by a Client, or an investor in a Client, that the general partner elects in its sole discretion, to roll into a new vehicle or maintain in an existing vehicle. Depending on the way in which costs, fees, and expenses are allocated pursuant to the applicable vehicle's Governing Documents, the general partner may bear a disproportionately lower share of the costs, fees, and expenses in the new or existing vehicle to the extent its interests originated in this manner.

New Issues

Dragoneer expects that it will seek and be presented with the opportunity to invest in new issues that will be suitable for certain Clients. A Client's general partner has discretion under such Client's Governing Documents to specially allocate profits and losses from new issues among the Client's investors. In particular, such Client's general partner may specially allocate new issues profits and losses away from investors that are "restricted persons" (as defined under FINRA rules), or, in the case of investors that are entities, that are owned by "restricted persons," as it deems necessary or advisable to comply with such Client's contractual obligations. However, such Client's general partner may also exercise such discretion for operational, administrative or other considerations. Any such exercise of such Client's general partner's discretion may result in affiliates of Dragoneer participating in such Client receiving a greater allocation of a new issue opportunity than they otherwise would have had the Client's general partner used a different approach. For example, Dragoneer expects to seek (and is incentivized to seek) issuer-directed IPO allocations, which would allow certain "restricted persons," including Dragoneer Personnel and affiliates, to participate in the new issue profit and loss to an extent they would not otherwise have been permitted; in those circumstances, certain "restricted persons" may be eligible to participate to a greater degree than if the IPO allocation were not issuer-directed. Similarly, Dragoneer Personnel benefit more from participating in a Client's share of new issue profits when

they invest through a vehicle than when they invest directly. To the extent a Client's investment in an initial public offering yields high returns, participating investors may have meaningfully higher performance than if they had not participated. While the inverse may also be true, to the extent that investments in new issues are profitable, a Client's general partner's allocation of such investments to investors affiliated with Dragoneer will benefit those investors and correspondingly reduce returns to investors who would have otherwise have received all or a greater portion of the allocation. See also "*Certain Material Risks – Initial Public Offerings*" in Item 8 above.

Cross-Transactions

In certain cases, Dragoneer will, from time to time cause a Client to purchase investments from another Client, or it will cause a Client to sell investments to another Client. Such transactions create conflicts of interest because, by not exposing such buy and sell transactions to market forces, a Client may not receive the best price otherwise possible, or Dragoneer might have an incentive to improve the performance of one Client by selling underperforming assets to another Client in order, for example, to earn fees. Additionally, in connection with such transactions, Dragoneer, its affiliates and/or their professionals (i) will, from time to time, have significant investments, or intentions to invest, in the Client that is selling and/or purchasing such an investment or (ii) otherwise have a direct or indirect interest in the investment (such as through certain other participations in the investment). Dragoneer and its affiliates generally receive management or other fees in connection with their management of the relevant Clients involved in such a transaction, and generally are entitled to share in the investment profits of the relevant Clients.

Depending on the transaction structure, these transactions may disproportionately benefit the purchasing, selling or merging Client (or Dragoneer as a result of its interests in a particular Client), and one Client may incur expenses or forego gains that would have been obtained had it not entered into such transaction. For example, Dragoneer may be incentivized to support a less successful portfolio company of an older Client by causing a newer Client with a longer remaining term and investment period to purchase a part or all of such portfolio company in order to provide Dragoneer additional time to potentially manage it to an exit and increase the likelihood of Dragoneer or an affiliate receiving carried interest. Conversely, Dragoneer may be incentivized to sell an attractive investment in an older Client to a newer Client to increase the amount of fees received by Dragoneer or an affiliate with respect to such an investment. Determining the valuation or other terms of such transactions may also create a conflict of interest due to Dragoneer's consideration of the particular terms (including the fee terms) of the Clients and Dragoneer's interest in such Clients. Such acquisition or merger may result in the acquiring entity purchasing a Client's portfolio company at a valuation that is: (a) not the highest price than could have been obtained in the market had there been a robust sales process with multiple third party bidders or (b) higher than the value of the company resulting in an overvaluation.

Under certain circumstances, Dragoneer will reduce the investment of one or more Clients in an investment and increase the investment of other Client(s) in such investment, and will, therefore, effect such transactions by directing the transfer of such investment between such Clients or through any other transaction structure (for example, distribution of portfolio company interests from one Client and contribution of such interests to another Client). Any costs, fees and expenses associated with any such transaction will be borne by such Clients in accordance with

such Clients' Governing Documents and, to the extent not addressed in the applicable Governing Documents, in accordance with an allocation that Dragoneer deems, in its sole discretion, appropriate.

To address these conflicts of interest, in connection with effecting such transactions, Dragoneer will follow the Investment Allocation Requirements of the relevant Clients (e.g., the Governing Documents of certain Clients may provide for the rebalancing of investments at certain times and at a cost set forth in those Governing Documents so that these Clients' resulting ownership of investments is generally proportionate to the relative capital commitments of a Client). To the extent the applicable procedures and considerations are not addressed in the Investment Allocation Requirements, Dragoneer will follow its policies and procedures with respect to cross transactions. There can be no assurance that any such conflicts will or can be resolved in a manner that is beneficial to each Client or portfolio company nor is there any assurance that such transaction will be equally or similarly profitable or advantageous to each participating Client.

Principal Transactions

Section 206 under the Advisers Act regulates principal transactions among an investment adviser and its affiliates, on the one hand, and the clients thereof, on the other hand. Very generally, if an investment adviser or an affiliate thereof proposes to purchase a security from, or sell a security to, a client (what is commonly referred to as a "principal transaction"), the adviser must make certain disclosures to the client of the terms of the proposed transaction and obtain the client's consent to the transaction. In connection with Dragoneer's management of the Clients, Dragoneer and its affiliates may engage in principal transactions. Dragoneer has established certain policies and procedures to comply with the requirements of the Advisers Act as they relate to principal transactions, including that disclosures required by Section 206 of the Advisers Act be made to the applicable Client(s) regarding any proposed principal transactions and that any required prior consent to the transaction be received.

Continuation Transactions

From time to time Dragoneer may determine that it is in the best interest of one or more Clients holding an investment in one or more portfolio companies (respectively, the "selling Client" and the "portfolio company") to transact with another Client (the "purchasing Client") in order to provide the selling Client's investors with an option to either: (1) receive cash proceeds from the selling Client's sale or transfer of such portfolio company and/or (2) "roll" (i.e., retain) their interest in such portfolio company. These types of transactions are often referred to as "continuation transactions." In connection with such continuation transactions, Dragoneer may require the investors in the purchasing Client to make an additional investment in a Client or commit to invest in a future Client. In addition to those conflicts of interest described above under "*Cross-Transactions*," conflicts of interest arise in these continuation transactions because, without limitation, (i) Dragoneer and its affiliates generally expect to charge some or all investors in the purchasing Client certain fees, expenses and costs, including (without limitation) an advisory fee and carried interest (which economics are likely to be different than the selling Client), and the transactions will have the potential to result in the receipt of more advisory fees and carried interest by Dragoneer and its affiliates than if the portfolio company were retained by the selling Client;

(ii) such transactions may result in, as applicable (a) the crystallization of carried interest (or accelerated potential to receive future carried interest) with respect to the selling Client, and where carried interest is crystallized, Dragoneer and its affiliates will receive such carried interest from its investment in such portfolio company immediately, rather than waiting for another realization event or (b) the faster allocation of incentive allocation (or reduction of any high water mark) with respect to the selling Client; (iii) Dragoneer and Dragoneer Personnel are expected to have the ability to make material investments in the purchasing Client, which, if exercised, may cause them to take actions that benefit the purchasing Client; (iv) Dragoneer is actively involved in negotiating the terms of the sale on behalf of the selling Client, on the one hand, and the purchasing Client, on the other hand (including the determination of the transaction sale price and the allocation of expenses incurred in the transaction); (v) such transactions may provide Dragoneer and its affiliates an opportunity to build valuable and/or strategic relationships with actual or potential investors in a Client and/or a future Client; (vi) individual carry recipients at Dragoneer and their carry allocations may differ significantly between the selling Client and the purchasing Client, which creates an incentive for certain individuals to recommend the sale to the purchasing Client rather than sell the interest in the portfolio company to a third party; and/or (vii) if there is a requirement for an investor in the purchasing Client to make an investment in a Client or a commitment to invest in a future Client (a) Dragoneer will be incentivized to favor such investors because of the potential for Dragoneer and its affiliates to earn additional advisory fees with respect to any such investment or commitment to invest, and (b) such requirement could affect the price at which such investors agree to participate in the indirect purchase of the asset(s) from the selling Client. With respect to the conflict of interest in connection with the determination of sale price listed above, the sale price may reflect a price that is higher than market value, causing the purchasing Client to pay too high a price for its indirect interests in the portfolio company or purchase securities with terms that are less favorable than the prevailing market terms, thereby benefitting the selling Client at the expense of the purchasing Client. Conversely, a conflict exists with respect to the determination of whether the acquisition price at which the purchasing Client acquires indirect interests in the portfolio company is at a price that is lower than market value and whether the purchasing Client is paying too low a price for such interests in the portfolio company or purchasing securities with terms that are more favorable than the prevailing market terms, thereby benefitting the purchasing Client at the expense of selling Client and also potentially making it easier for Dragoneer and its affiliates to earn carried interest from the purchasing Client with respect to the portfolio company. As a result, the consideration paid by the purchasing Client may be more or less than what the portfolio company is ultimately worth had it been sold outright to one or more third-party buyers. Additionally, with respect to conflicts of interest that may arise in continuation transactions as a result of the allocation of costs, fees and expenses incurred in connection with the transaction, Dragoneer might determine to allocate some or all of the costs, fees and expenses solely to selling investors and not to the “rolling investors” or “new investors” in the purchasing Client, or vice versa, or in any combination thereof.

To the extent not addressed in a Client’s Governing Documents, Dragoneer will address conflicts of interest that arise in connection with continuation transactions as set forth above under “*Cross-Transactions.*”

Cross-Guarantees, Cross-Collateralization and Common Special Purpose Vehicles of Dragoneer Funds

In certain circumstances a Client and its portfolio companies may enter into cross-collateralization arrangements (including with respect to asset pools) with other Clients (including Co-investment Vehicles) and their portfolio companies, particularly in circumstances in which better financing terms are available through a cross-collateralized arrangement. Any cross-collateralization arrangements among Clients could result in a Client losing its interests in otherwise performing investments due to poorly performing or non-performing investments of another Client in the collateral pool. Similarly, a lender could require that it face only one portfolio company of the Clients, even though multiple portfolio companies of the Clients benefit from the lending, which will typically result in (i) the portfolio company facing the lender being solely liable with respect to the entire obligation, and therefore being required to contribute amounts in respect of the shortfall attributable to other portfolio companies, and (ii) portfolio companies of the Clients being jointly and severally liable for the full amount of the obligation, liable on a cross-collateralized basis or liable for an equity cushion (which cushion amount may vary depending upon the type of financing or refinancing (e.g., cushions for refinancings may be smaller)). The portfolio companies of the applicable Clients benefiting from a financing may enter into a back-to-back or other similar reimbursement agreements to ensure no portfolio company bears more than its pro rata portion of the debt and related obligations. It is not expected that the portfolio companies would be compensated (or provide compensation to other portfolio companies) for being primarily liable, or jointly liable, for other portfolio companies pro rata share of any financing.

In addition, a Client investment may be made through one or more special purpose vehicles through which other Clients (including Co-Investment Vehicles) also invest in the underlying portfolio company. Such special purpose vehicles may enter into hedging, leveraging or other arrangements with respect to some or all of the assets of the special purpose vehicle. In addition to the applicable considerations set forth in the prior paragraph, if such Clients engage in the arrangement in a non-pro rata manner, for example, if a Client's liabilities under a hedge position borne at the special purpose vehicle is disproportionately higher than its interest in the underlying investment that is being hedged, the potential loss to such Client on such hedge position could be in excess of its interests in the underlying investment. Since special purpose vehicles form one pool of capital, irrespective of the independent status of the Clients contributing to the vehicle, the pledge by such vehicle of collateral in connection with a trade will affect all participating Clients, even if such Clients did not receive the benefit of the trade that gave rise to the pledge.

Fees and Other Compensation Payable by Dragoneer Clients

Dragoneer and its affiliates furnish investment management and advisory services to Clients that may have management fees and carried interest, incentive allocations, performance fees or other performance-based compensation at higher rates than those paid by other Clients to Dragoneer, or in which portfolio managers or other personnel of Dragoneer have an interest. As a result, Dragoneer faces conflicts of interest in allocating investment opportunities and its investment professionals' time and resources between a particular Client and other Clients.

Conflicting Investment Interests

Dragoneer and its affiliates provide investment advice to other Clients. Other Clients may have investment objectives, programs, strategies and positions that are similar to or that conflict with those of a Client, or may compete with or have interests adverse to a Client. As a result, Dragoneer's investment advice to other Clients may (and is expected to), from time to time, conflict or compete with a Client's investment activities, including by recommending that other Clients buy or sell securities at different times than a Client, or when a Client is doing the opposite. If other Clients invest in the same investment opportunity as a Client, the price at which that investment can be purchased or sold and the availability of that investment could be affected. This is true of both private investments and public investments. For example, the ability of a Client and other Clients to purchase certain publicly traded securities, including thinly traded securities with respect to which a Client desires to build a position over a period of time, may be impacted by other Clients' participating in the market. The ability of a Client to purchase the desired amount of the security and the price at which it is able to do so will be affected by Dragoneer's sequencing of purchases by Clients, the price and volatility of such security and other market factors.

Additionally, the objectives, programs, strategies and positions of one Client may overlap to different degrees with the objectives, programs, strategies and positions of another Client. Dragoneer will face conflicts of interest regarding the allocation of investment opportunities among such Clients, as further described above in "*Allocation of Investment Opportunities*," and those conflicts will increase as the overlap between Clients increase. In addition, even with respect to Clients that have significantly overlapping objectives, programs, strategies and positions, Dragoneer's investment advice to one Client may differ and, at times, compete with or disadvantage another Client. Further, as Clients may consist of pooled investment vehicles with numerous investors and, from time to time, investment vehicles with only one investor unaffiliated with Dragoneer, as well as Managed Accounts, the interests of, or duties to, a particular Client or investor as compared to another Client or investor will at times differ. For example, one Fund with a limited universe of investors could (and in certain instances is expected to) negotiate to have greater information, liquidity or economic rights as compared to another Fund with more investors, and the investors in the Fund with more numerous investors could be disadvantaged by such rights with respect to overlapping portfolio investments or otherwise.

A Client may co-invest with another Client or invest in a portfolio company or in any security or issuer in which another Client has previously made or subsequently will make (or enter an agreement to make) an investment, in either the same security or a different security within a portfolio company's capital structure. Conflicts arise in connection with such investments. Questions arise as to whether payment obligations and covenants should be enforced, modified or waived, whether payments should be accelerated, or whether debt should be refinanced. Decisions about what action should be taken in a troubled situation, including whether or not to enforce claims or bring litigation against the portfolio company, whether or not to advocate or initiate a restructuring or liquidation inside or outside of bankruptcy, the terms of any work-out or restructuring or other concessions may be given in such a situation raise conflicts of interest, and Dragoneer may be incentivized to choose a course of action that benefits one Client to the detriment of another Client, particularly in Clients that have invested (or entered an agreement to invest) in different securities within the same portfolio company, as described further below. The terms of the relevant Client's investment, including the types of securities purchased and their

position within a portfolio company's capital structure, may be different from the terms of the other Clients' investments and such investment, even if made in the same security of an issuer, may be made or disposed of at a different time, and/or in different amounts (including, for the avoidance of doubt, on a non-pro rata basis), than the investment by the other Client(s), including without limitation due to Dragoneer's assessment of the perceived benefits to the relevant Clients and to Dragoneer and its affiliates over time. Investments by a Client in portfolio companies or in any security or issuer in which one or more other Clients have a pre-existing interest may be acquired at higher or lower prices than those at which such Client(s) invested, or the relevant Client may acquire securities that differ significantly from the securities of such portfolio company held by another Client, including with respect to seniority, dividends, voting rights and participation in liquidation proceeds. The different prices paid for, or terms or relative amounts of, securities held by the relevant Client, on the one hand, and another Client, on the other hand, will create conflicts of interest, including the possibility that such purchase by a Client is used to support the price of an investment in the same issuer or security by another Client.

In addition, certain of Dragoneer's personnel may invest in companies that, at the time of such investment, are not within the size and scope of the relevant Client's investment strategy or are not made available to such Client due to restrictions or limitations imposed by the target company, but that may in the future fall within the size and scope of the Client's investment strategy or be made open to the Client's investment. Such investments will create a conflict of interest if Dragoneer later determines that it is appropriate for a Client to invest in such companies, including those conflicts discussed above. In addition, where more than one Client invests in the same portfolio company, there can be no assurance that such parties will dispose of investments at the same time and on the same terms. For example, because Dragoneer may have an incentive to show realized returns in connection with other fundraising activities (including fundraising for a successor fund) or because one Client's term may expire before the end of another Client's term, such Clients may dispose of the investment at different times. Investments disposed of at different times will likely be disposed of at different valuations and, as a result, each Client may realize different returns as compared to the same investment held by another Client. These variations in timing may be detrimental to a Client. Alternatively, if the general partner of a Client causes such Client to exit an investment at the same time as another Client, such Client may dispose of its interest earlier than it ordinarily would have and may, as a result, experience lower returns than it otherwise may have earned on such investments had it held the investment longer. This could occur, for example, in a situation where a Client is pressured to sell at the same time as another Client with a shorter term or with a much larger stake in the portfolio company in order to avoid its interest becoming a minority position that does not command a control premium. Or, a Client may be contractually forced to dispose of an investment early if another Client holds a drag-along right or if a buyer only desires to purchase the entirety of Dragoneer's interest in the applicable company. In addition, investors may receive different consideration (for instance, investors in one Client may receive cash whereas investors in another Client may be provided the opportunity to receive distributions in-kind), which may impact the realized return ultimately received by investors. Further, Dragoneer may have limited ability to divest investments in a particular portfolio company, and where Clients cumulatively hold more interests in a portfolio company than buyers are willing to purchase, Dragoneer will have to allocate the divestment opportunity amongst the relevant Clients. Where such considerations prevent a Client from fully realizing an investment opportunity at an attractive price, such Client's returns with respect to such investment will be lower than they would have otherwise been if no future realization event offering equal or

greater returns is identified. Additionally, Dragoneer may face a conflict of interest and be incentivized to, and expects to from time to time and at any time, allocate a limited divestment opportunity to a Client that is able to recycle amounts realized in connection with the divestment according to its Governing Documents. Additionally, as discussed above in *“Risks Associated with Distributions In-Kind prior to Winding Up and Liquidation,”* from time to time one Client may elect to distribute securities in kind to its general partner and investors where another Client elects to sell the same securities in the open market. Dragoneer faces conflicts of interest in determining these divestment options on behalf of such Clients and the timing/sequencing thereof, because the general partner and investors may ultimately compete in the public market to sell the same securities. This could negatively impact the timing and price at which either the investors, the applicable Client, or both, are able to sell their securities, particularly where the distribution in kind is a material portion of the trading volume of the securities.

In certain circumstances, if more than one Client is participating in an investment, one Client may bear more than its pro rata share of expenses relating to such investment if the other Client or Clients does not have the resources to bear such expenses (including, for instance, as a result of insufficient reserves and/or the inability to call capital to cover such expenses).

As noted above, the situation may arise where one Client holds an interest in one part of a company’s capital structure while another Client holds an interest in another. Equity holders and debt holders have different (and often competing) motives, incentives, liquidity goals and other interests with respect to a portfolio company. In the event that such investments are made by a Client, the interests of such Client will at times conflict with the interest of such other Client (particularly in the case of financial distress of such portfolio company), with such conflicting interests and/or investment objectives including the structuring of, or exercise of rights with respect to, investment transactions and the timeframe for and the method of exiting the investment. Similarly, the situation may arise where one Client holds, or agrees with a portfolio company to make, an investment in the same or different interests of the company’s structure than that held by another Client, and then faces the question of whether to bring litigation against the portfolio company in connection with a particular issue. Decisions taken by one Client (which are expected to be managed by the same, or substantially the same, individuals at Dragoneer or one of its affiliates) in these circumstances to further its interests may be adverse to the interests of other Dragoneer Clients. For example, one Client could acquire a significant equity stake in a company whose debt securities are already held by another Client. As a creditor of the company, the Client holding debt could take actions, consistent with its obligations to maximize the return to its investors, that would be adverse to the interests of the Client holding more junior securities. The Client holding debt, for instance, could cause the acceleration of the portfolio company’s debt or exercise other rights it has that could precipitate a sharp decline in the value of the equity held by the other Client. The Client holding debt would be under no obligation to take any action or refrain from taking any action to prevent or mitigate any losses by the other Client. In addition, the involvement of such persons at both the equity and debt levels could inhibit strategic information exchanges among fellow creditors. In certain circumstances, Clients may be prohibited from exercising voting or other rights, and may be subject to claims by other creditors with respect to the subordination of their interest. Or, in the case of litigation against a portfolio company in which a Client has invested, for example where the company breaches an agreement in connection with the sale of new shares to another Client, or another Client brings a claim against the company in which the class of interests the Client holds cannot participate, the outcome of such litigation

could have an adverse effect on the portfolio company (including rendering the company insolvent), to the detriment of the Client, but to the benefit of other Clients that receive any award arising from the litigation.

In the event that one Client has a controlling or significantly influential position in a portfolio company, it will have the ability to elect some or all of the board of directors of such a portfolio company, thereby influencing or controlling the policies and operations, including the appointment of management, future issuances of securities, payment of dividends, incurrence of debt and entering into extraordinary transactions. In addition, a controlling Client is likely to have the ability to determine, or influence, the outcome of operational matters and to cause, or prevent, a change in control of such a company. Such management and operational decisions may, at times, be in direct conflict with other Clients that have invested in the same portfolio company that do not have the same level of control or influence over the portfolio company.

In such circumstances described above, Dragoneer could take steps to seek to address the potential conflicts of interest between the various Clients, including causing a Client to take certain actions that, in the absence of such conflict, it would not take (e.g., a Client may divest itself of an asset it otherwise may have retained, Dragoneer may establish information barriers, certain matters may be referred to an advisory committee or a third party, or a Client may only invest in securities that seeks to align the interests with other investing Clients). Any such steps could have the effect of benefiting one Client or Dragoneer at the expense of another Client.

The application of a Client's Governing Documents and Dragoneer's policies and procedures are expected to vary based on the particular facts and circumstances surrounding each investment by two or more Client's in different classes of an issuer's capital structure (as well as across multiple issuers or borrowers within the same overall capital structure) and, as such, there may be a degree of variation and potential inconsistencies, in the manner in which potential or actual conflicts are addressed.

Subsequent Investments

Dragoneer faces conflicts of interest when a Client makes a Subsequent Investment. Dragoneer generally allocates Subsequent Investment opportunities in its discretion, according to its allocation policies and procedures and as described above in "*Allocation of Investment Opportunities*." Accordingly, the Client that made an initial investment generally is not given priority when allocating a Subsequent Investment opportunity. Allocation of Subsequent Investment opportunities among Clients subjects Dragoneer to the conflicts of interest described in "*Allocation of Investment Opportunities*." For example, Dragoneer would be incentivized to allocate an investment it considers to carry higher risk to a Client that is late in or beyond its investment period, since poor performance by a volatile, high-risk investment will generally have a relatively more muted impact on a more mature fund with a well-established portfolio of investments and investment track record. Alternatively, Dragoneer would have an incentive to allocate to a Client early in its operating history a short-term Subsequent Investment opportunity that Dragoneer has a strong conviction will be highly profitable, which would have a greater impact on the investment performance of such Client. Among other things, this would make it easier for Dragoneer to raise future funds based on the advertised performance of such Client.

Additionally, Dragoneer at times will make a Subsequent Investment in a portfolio company because such Subsequent Investment protects the rights given to the investing Client (or another Client) previously or for reputational, relationship or strategic reasons (which reasons may primarily or solely relate to or benefit Dragoneer and/or Dragoneer Personnel), even when such Subsequent Investment's valuation has decreased since the original investment. These reputational, personal and strategic benefits and protections will, from time to time, benefit and/or accrue to other Clients, including, for example, co-investment vehicles that do not make Subsequent Investments, and/or Dragoneer at the expense of the current Client(s) investing in such Subsequent Investment. In addition, certain Funds will have side pockets within the Fund that are comprised of different investors and the protections afforded by such a Subsequent Investment (e.g., protections that protect preferred shareholders from being converted into common shareholders by virtue of participating in a Subsequent Investment) will in certain cases inure to the benefit of one investor (or a group of investors) over another investor (or group of investors) at the expense of the investor(s) that are participating in the Subsequent Investment. In determining to make a Subsequent Investment and as a general matter, Dragoneer owes a fiduciary duty to its Clients and not to the individual investors in those Clients.

Dragoneer faces conflicts of interest where it allocates a Subsequent Investment opportunity to the same Client that made the original investment. Dragoneer may be required to determine, in its sole discretion, whether the Subsequent Investment opportunity should be classified as a "Follow On Investment" as defined in the Client's Governing Documents, which triggers certain contractual obligations thereunder or under Dragoneer's policies and procedures. For example, the Governing Documents of some Clients provide that the Client is permitted to make Follow On Investments beyond its investment period. Accordingly, Dragoneer has an incentive to classify a Subsequent Investment as a Follow On Investment where it seeks to allocate an investment it considers to carry higher risk to a Client that is beyond its investment period, as described above. This also presents a conflict of interest because the determination to allocate a Subsequent Investment opportunity to a Client beyond its investment period results in the Client investing in aggregate more than it otherwise would.

Dragoneer also faces conflicts of interest where a Client that did not make the initial investment is allocated a Subsequent Investment opportunity. It is possible that occurs because, among other reasons, the Client that originally made the investment no longer has sufficient reserves to make the Subsequent Investment. Where the Subsequent Investment represents different terms or involves a different class of securities from the initial investment, Clients would hold investments in different levels of the portfolio company's capital structure, which subjects Dragoneer to the conflicts of interest discussed in "*Conflicting Investment Interests*."

Among other potential conflicts, Dragoneer faces conflicts in structuring or negotiating the terms of a Subsequent Investment. For instance, Dragoneer would be incentivized to cause the original Client to be cashed out at a price that is higher or lower than market value and/or to cause the Client that later invests to pay too high or too low a price for the company or to purchase securities with terms that are more or less favorable than the prevailing market terms to the extent that its Clients have differing fee terms, have differing historic investment performance, are at different places in their investment periods (or are beyond their investment periods) or based on other factors. In addition, Dragoneer faces conflicts of interest among its Clients due to the dilution of an original Client's economic and/or voting interests as a result of a Subsequent Investment.

Furthermore, a conflict of interest will also arise where a Client participates in a Subsequent Investment, as that Client will benefit from the initial evaluation, investigation and due diligence undertaken by Dragoneer on behalf of the original Client and from operational or other information about such portfolio company acquired from the original Client's ownership of interests in the portfolio company. In such circumstances, the later investing Client will not be required to reimburse the original Client for expenses incurred in connection with researching the initial investment. An original Client's investment in a portfolio company may be made at a higher or lower valuation than the investment in such portfolio company by any later investing Client, and any Subsequent Investment by one or more other Clients in a portfolio company would dilute the original Client's interest in such portfolio company.

"Follow On Investments" are defined in certain Clients' Governing Documents. Under the governing Documents of certain Clients, a "Follow On Investment" is an acquisition by the Client of additional securities issued by the issuer of, or in the general partner's sole discretion, securities or other investments substantially related to an original investment. For purposes of allocating participation in the Follow On Investment amongst investors, the general partner may, in its discretion: (1) treat the Follow On Investment as a new investment and allocate participation in such investment amongst all investors on the date of the investment, or (2) allocate participation in the Follow On Investment solely to the partners that participated in the original investment to which the Follow On Investment relates. In the first instance, Dragoneer generally treats the Follow On Investment as a new portfolio investment. In the second, Dragoneer generally treats the Follow On Investment as part of the original portfolio investment, even if the securities or other assets were purchased at different times. Because certain Client's management fees are calculated by applying a percentage to the applicable advisory fee base, which for Certain Clients is calculated as the lower of cost or fair value, the management fee assessed and paid by those Clients can vary depending on whether Dragoneer determines a Follow On Investment to be a new portfolio investment or part of the original portfolio investment. This creates a conflict of interest as Dragoneer is incentivized to characterize a Follow On Investment in a way that increases the advisory fees it is able to charge its Clients or that otherwise would be beneficial to Dragoneer.

Management of Multiple Clients and Conflicts Relating to Information

Dragoneer receives and generates various kinds of portfolio company data and other information, including information related to or created in connection with financial, industry, market, business operations, trends, budgets, customers, suppliers, competitors, financial information, commercial and transactional information, user data, cost data and related data or information. This information may, in certain instances, include confidential and/or sensitive information received or generated in connection with efforts on behalf of one Client's investment (or prospective investment) in a portfolio company. Dragoneer also intends to utilize such data for purposes of identifying new investments opportunities for Clients. Information from a portfolio company owned by a Client may enable Dragoneer to better understand a particular industry and develop and execute investment strategies in reliance on that understanding for Dragoneer and other Clients that do not own an interest in such portfolio company, without compensation or benefit to such Client or its portfolio companies. Further, data is expected to be aggregated across the Clients and their respective portfolio companies for the benefit of Dragoneer and its Clients. Dragoneer may also share data from a portfolio company of one Client with a portfolio entity of another Client (subject to any applicable restrictions), which may increase a

competitive disadvantage for, and indirectly harm, such portfolio company as well as the Client invested in that portfolio company. Portfolio companies may incur incremental expenses in collecting and organizing information requested or required to be furnished to Dragoneer (which expenses are indirectly borne by Clients). Additionally, Dragoneer may decide to “wall cross” with respect to non-public information of a portfolio company or enter into information-sharing and confidentiality arrangements with actual or prospective portfolio companies and other sources of information that may limit the internal distribution and use of such data. Dragoneer has already used and is likely in the future to use this type of information in a manner that may provide a material benefit to Dragoneer, its affiliates, or to certain other Clients without compensating or otherwise benefitting the Client or Clients from which such information was obtained. In addition, Dragoneer may have an incentive to pursue investments in portfolio companies based on the data and information expected to be received or generated. Furthermore, with limited exceptions, Dragoneer is generally free to use data and information from a Client’s activities in its sole discretion for the benefit of Dragoneer and other Clients. The sharing and use of data and other information presents potential conflicts of interest and any benefits received by Dragoneer or its personnel will not be subject to the advisory fee offset provisions or otherwise shared with a Client or its investors. Dragoneer has in the past utilized and is likely in the future to utilize such information to benefit Dragoneer, its affiliates and/or certain Clients. For example, Dragoneer may “wall cross” with respect to non-public information of a portfolio company in order to evaluate an opportunity for some Clients and not other Clients. Although a Client may experience limitations set forth in “*Material Non-Public Information*” above as a result, Dragoneer is not prohibited from taking such action.

Dragoneer and its affiliates may also enter into formal or informal arrangements with portfolio investments to facilitate the sharing of data and/or data analytics. Subject to applicable legal, regulatory and contractual requirements, these information sharing arrangements are designed to allow Dragoneer, the Clients and the Clients’ portfolio companies to better discern economic or other trends and developments. Information sharing may involve conflicts of interest between the Clients and/or between the Clients and Dragoneer. For example, data analytics based on inputs from one portfolio company may inform business decisions by other portfolio investments, or investment decisions by Dragoneer and its affiliates, without the source of the data being directly compensated. It is difficult, if not impossible, to measure exactly the benefits any particular entity receives from these kinds of arrangements, or to provide specific and direct monetary compensation for such information. Dragoneer and its affiliates may utilize such data outside of Client activities in a manner that may provide a material benefit to Dragoneer, without directly compensating or otherwise benefiting the Clients. As a result, Dragoneer has an incentive and is permitted to pursue investments (on its own behalf or on behalf of the Clients) based on the data that may be accessible as a result of owning such investments, and/or to utilize such data in a manner that benefits Dragoneer and/or investments held by other Clients.

Conflicts Relating to the General Partner and Dragoneer

Dragoneer may compete against, or engage in business with (i.e., through co-investments and joint ventures) another investment adviser with which Dragoneer or its affiliates or a member of their personnel has a relationship or from which Dragoneer or its affiliates or their personnel otherwise derives financial or other benefit. Such relationships may influence decisions that Dragoneer makes with respect to Clients.

In addition, Dragoneer, its affiliates, and members, officers, principals and employees of Dragoneer and its affiliates may at any time and from time to time buy or sell securities or other instruments that Dragoneer has recommended to Clients. Officers, principals and employees of Dragoneer may at any time and from time to time also buy securities in transactions offered to but rejected by Clients. See “*Securities Transactions of Dragoneer and Its Personnel*” for a discussion of related conflicts of interest.

Subject to the Governing Documents of a Client, Dragoneer and a Client’s general partner may in their sole discretion reserve for the general partner and/or its members, and the affiliates of the general partner and its members and their respective officers, employees, partners, shareholders, and members (the “GP Affiliated Entities”), the right to invest for the accounts of such GP Affiliated Entities amounts that would otherwise be available for a Client with respect to any investment opportunity, including but not limited to co-investments alongside the Client. This reserve right gives rise to conflicts of interest. For example, a GP Affiliated Entity would be incentivized to exercise this right, or invest a greater amount, when it views the investment opportunity as attractive, resulting in a reduced allocation or no allocation to a Client. The potential exists for the GP Affiliated Entity to invest in such company and realize significantly higher investment returns than any of the Client’s investment transactions generate for its own investors. In addition, if such a GP Affiliated Entity invested alongside a Client, any Dragoneer Personnel involved with such GP Affiliated Entity would have an incentive to focus on creating value in the portfolio companies in which he or she made investments, even if it would be in the Client’s interest for the personnel to prioritize other portfolio companies that would be more significant drivers of overall Client returns.

By reason of their responsibilities in connection with other activities of Dragoneer, certain Dragoneer Personnel may acquire confidential or material non-public information or be restricted from initiating transactions in certain securities. The Clients will not be free to act upon any such information. Due to these restrictions, the Clients may not be able to initiate a transaction that it otherwise might have initiated and may not be able to sell an investment that it otherwise might have sold.

From time to time Dragoneer Personnel have in the past, and at any time in the future may, invest in funds or other entities managed by limited partners of a Client, which could incentivize such Dragoneer Personnel to afford the limited partner preferential or favored treatment, such as, for example, increased access to co-investment opportunities, and could create conflicts of interest to the extent such other funds compete with a Client for investment opportunities or invest in competing portfolio companies.

It is frequently the case that a Client’s general partner and/or its affiliates have significant economic interests, including direct investments or with respect to carried interest, in certain Clients, which are greater than the economic interests it has in other Clients. This incentivizes Dragoneer, in exercising its investment allocation discretion, to allocate the most attractive investment opportunities to Clients in which it or its affiliates have greater economic interests, which may in turn result in other Clients receiving smaller allocations of the investment opportunities or none at all.

Fee Structure

The Governing Documents of certain Funds generally provide that, after the Fund's commitment period ends, the capital base used to calculate the applicable advisory fee owed to Dragoneer should be reduced if the general partner determines that any portfolio investment has suffered a "permanent impairment" in value. In particular, the Governing Documents of certain Funds provide that the value of a portfolio investment that Dragoneer has determined to have suffered a "permanent impairment in value" shall be written down to its then fair value. Those Governing Documents also provide that the general partner can write up the value of a portfolio investment, but not above its acquisition cost, if, due to changed circumstances, the fair value of such portfolio investment has increased. Such general partner has sole discretion in determining whether a portfolio investment has been permanently impaired as well as in determining whether to subsequently write up the value of that investment due to changed circumstances or otherwise determine such investment is no longer permanently impaired. Accordingly, a conflict of interest exists because Dragoneer has an incentive to determine that a portfolio investment has not been permanently impaired to ensure that the advisory fee base does not decrease as a result of such decision. Dragoneer also is incentivized to write up an investment that it previously had determined was permanently impaired, or otherwise determine such investment is no longer permanently impaired, to increase its advisory fee.

Dragoneer has internal procedures with respect to calculating management fees and permanent impairment determinations. These procedures provide that Dragoneer has the discretion to either (a) write down any portfolio investment whose fair value is less than cost to its then fair value and use such fair value for purposes of calculating the applicable management fee base or (b) undertake a permanent impairment analysis based on a variety of factors, described below. For the avoidance of doubt, Dragoneer's decision with respect to option (a) or (b) above is made in its sole discretion, and Dragoneer has the ability to choose option (a) or (b), notwithstanding any prior determination to choose option (a) or (b). In addition, option (a) described above is not required under the Governing Documents, and Dragoneer has the ability to not choose option (a) in any circumstance, at any time and from time to time, in its sole discretion.

If Dragoneer elects option (b) under its permanent impairment procedures, Dragoneer is permitted, but is not obligated, to consider (or not consider) whatever criteria it deems relevant in determining whether a portfolio investment is permanently impaired, which may include, without limitation, Dragoneer's assessment of the following: (i) how long the investment has been held; (ii) the length of time the investment has been marked down below cost and the magnitude and consistency of such markdown; (iii) the anticipated permanency of the mark down going forward; (iv) the treatment of the mark down for U.S. federal income tax or applicable accounting purposes; (v) the anticipated holding period of the investment; (vi) the historic or anticipated volatility in the investment's valuation; (vii) the impact of more general market conditions on the valuation relative to factors specific or unique to the portfolio investment; (viii) whether different valuation methodologies are yielding meaningfully different potential valuations or whether such methodologies yield consistent valuations; (ix) the anticipated recovery path for the investment; (x) peer company valuations; and (xi) any other factors Dragoneer determines relevant in its sole

discretion. Weighting some factors over others may result in a portfolio investment being more likely to be categorized as a permanently impaired and vice versa.

The fact that Dragoneer has written down an investment below cost does not (and typically would not) mean that the investment has been permanently impaired. There can be no assurance that an investment, in hindsight, that should have been determined to be permanently impaired, or should have been determined to be permanently impaired at an earlier date, or would have been determined by another party to have been permanently impaired or determined to be permanently impaired at an earlier date, will be deemed to be permanently impaired at such times.

For certain Clients, Dragoneer also has discretion in determining what constitutes a “portfolio investment” under that Client’s Governing Documents, which impacts, among other things, the calculation of the capital base against which that Client is assessed advisory fees. As discussed above, for certain Clients, the determination of whether a Follow On Investment is a new investment or part of the original portfolio investment can impact the calculation of advisory fees. Dragoneer also has in the past and may in the future determine, in its sole discretion, that a single portfolio investment can be comprised of: securities or other assets purchased at different times (for example, an investment that is executed over a series of days, weeks, months or longer); different classes or types of securities in a particular issuer (for example, in a secondary purchase of securities in which multiple securities are bundled together in what Dragoneer considers one ultimate transaction); securities or other assets acquired as the result of multiple purchases made as part of one overarching investment decision with respect to a particular company or opportunity; and/or when a Client makes a subsequent investment primarily in order to protect or enhance a prior investment (for example, in a “pay to play” scenario when protecting the liquidation preference or other rights or features associated with an earlier investment in certain securities of a particular issuer is conditioned upon making a subsequent investment, perhaps months or years later, in different securities of such issuer, which may be at a less favorable valuation or with less favorable terms). Such discretion creates conflicts of interest for Dragoneer because the determination of what constitutes a portfolio investment may and often will impact various mechanics under each Client’s Governing Documents, including the calculation of the advisory fee base and/or incentive allocation or performance fee (and thus Dragoneer’s compensation) and, if applicable, the determination of whether an investment has been permanently impaired. Dragoneer has an incentive to determine what does and does not constitute a particular portfolio investment in a way that would increase the advisory fees and other compensation it is able to charge or receive from its Clients or that otherwise would be beneficial to Dragoneer.

As discussed above in Item 6, the general partners of many Clients are entitled to carried interest, incentive allocation or performance allocation under the terms of the Governing Documents of such Clients. Such general partners are affiliates of Dragoneer. This entitlement creates an incentive for Dragoneer to cause a Client to make investments that are riskier or more speculative than would be the case in the absence of such performance-based compensation. Over the term of such Client, the incentive described in the preceding sentence may potentially be mitigated in part by clawback obligations applicable to the relevant general partner under the terms of the Governing Documents of such Client. This clawback obligation may also create an incentive for the general partner to defer disposition of one or more investments or delay the liquidation of a Client if the disposition and/or liquidation would result in a realized loss to the Client or would otherwise result in a clawback situation for the relevant general partner. Dragoneer has broad

discretion regarding the allocation of investment opportunities between Clients. Because the relevant general partner's carried interest, incentive allocation, performance allocation and clawback obligations, as applicable, could vary with respect to the Clients, Dragoneer could be incentivized to allocate opportunities among Clients in a manner that would maximize the carried interest, incentive allocation or performance allocation, as applicable, distributed to (or expected to be retained by) the relevant general partner.

Pursuant to the Governing Documents, the general partner of a Client may elect to receive its carried interest in the form of a direct or indirect in-kind distribution of securities of a portfolio company, including for purposes of permitting one or more general partner or affiliate personnel to donate such securities to charity (which may include private foundations, fund or other charities so chosen by such personnel). Any tax efficiencies to such general partner or affiliate personnel associated with this form of charitable giving may have the effect of reinforcing or enhancing the general partner's incentives otherwise resulting from the existence of its carried interest and therefore, the general partner has a conflict of interest (on which it may act) in making decisions on behalf of the Clients (including, for instance, the timing of disposition of investments).

In addition, the general partner of a Client is incentivized to hold on to investments that have poor prospects for improvement in order to receive ongoing management fees in the interim and, potentially, a more likely or larger carried interest distribution if such asset's value appreciates in the future. This incentive is increased by the presence of the clawback obligation of the general partner. In addition, instances where the advisory fee payable to Dragoneer by a Client is based on invested or committed capital relative to such investments, the advisory fee paid with respect to such investment will be higher than if the advisory fee were based on the fair value of such investment (or such portion of that investment that the Client continues to hold).

Indebtedness and Guarantees

Many Clients are authorized to borrow funds directly or indirectly from time to time, including without limitation to pay expenses, organizational expenses, and management fees of the Client (if applicable), to provide interim financings to the extent necessary to consummate the purchase of investments prior to the Client's receipt of capital contributions from its investors or otherwise to facilitate an investment or to make cash available for distributions or other permitted uses by the Client and to provide guarantees of or other credit support for the obligations of third parties, subject to certain limitations under the Governing Documents of such Clients. As security for such borrowing, guarantees or other credit support, a Client may grant liens on any of such Client's assets to a lender or other counterparty. Each of the Client and the general partner of such Client, as applicable, will have the right to pledge, assign or create any other security interest in or over all or a portion of uncalled commitments, the right of the general partner to deliver notices to investors demanding capital contributions, the proceeds of such capital contributions and any account into which such capital contributions are paid.

Certain parties participating in an investment (including, without limitation, certain co-investment parties) are not expected to bear their pro rata share of expenses relating to a subscription facility used for making an investment (including, without limitation, interest expenses, origination and other costs). As a result, a Client at times can bear a disproportionate cost in connection with the extension of credit. In addition, because such parties are not expected

to be parties to the subscription facility, the Client will bear a disproportionate amount of the credit risk in incurred the debt on behalf of the other parties. While such use of borrowed funds increases returns if a Client earns a greater return on the investments purchased with borrowed funds than it pays for such funds, the use of leverage decreases returns if the Client fails to earn as much on such incremental investments as it pays for such funds. In addition, to the extent that a Client's IRR with respect to a specific investment is calculated based on the date that capital is called from the investors rather than the date that the investment is made, the Client's use of borrowed funds to delay the date on which capital is called generally make net IRR calculations higher than such calculations otherwise would be without fund-level borrowing. The Client's general partner therefore likely has a conflict of interest in deciding whether to borrow funds because such general partner may receive disproportionate benefits from such borrowings (including with respect to marketing the Client or other Clients). Furthermore, the borrowed funds the Client uses to make an investment are generally treated as invested capital for purposes of calculating the relevant Client's advisory fee.

To the extent a subscription facility is due upon demand by a lender (such as upon an event of default or otherwise), such a demand may be issued at an inopportune time at which liquidity is generally constrained, potentially resulting in greater defaults as a result of such liquidity constraints and/or investors facing similar capital calls in multiple funds and being unable to satisfy all such demands simultaneously. The batching of capital calls may amplify the magnitude of potential defaults by investors as a result of there being fewer but larger capital calls. Moreover, the existence of a subscription facility may impair an investor's ability to transfer its interest in a Client as a result of restrictions imposed on such transfers by the lender.

Failure to satisfy the terms of debt incurred by the Client can have negative consequences. For example, if such debt is secured by the right of the Client's general partner to deliver notices to investors demanding capital contributions, the relevant lender, or an agent thereof, may call capital directly from the investors to the extent necessary to repay such borrowings in full. If securities are pledged to brokers to secure debt under a Client's margin account, such securities could be subject to a "margin call," pursuant to which such Client would be required to either deposit additional funds with the broker or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. In addition, the Client might need to liquidate one or more of its investments at a time when it might not otherwise choose to do so, in order to satisfy the Client's obligations under such indebtedness. In addition, the Client may engage in certain derivative transactions that implicitly contain leverage and subject the Client to similar and additional risks to those discussed above. The lenders may require a Client to be jointly and severally liable with a feeder fund. Borrowing by a Client may also generate unrelated business taxable income for U.S. tax-exempt investors.

The use of borrowed funds will differ based on available credit facility capacity and contractual terms applicable to each Client and each such credit facility. Therefore, as the subscription credit facilities utilized by the Clients may have different terms, while the Clients may be invested in the same investment, and while the valuation of such investment generally would be consistently determined pursuant to the relevant Governing Documents, the investment return among the Clients may differ as a result.

Dragoneer from time to time pools multiple Client investments in a single special purpose vehicle on a non-segregated basis, and will from time to time enter into margin and other facilities in such special purpose vehicles that create collateral interests in all of the assets of a special purpose vehicle. As a result, one Client may ultimately indirectly collateralize borrowings and transactions by other Clients, and could experience losses as a result.

In addition, a Client may, from time to time, lend certain amounts to Dragoneer and its affiliates with respect to its pro rata share of an investment in those circumstances in which such Client is borrowing with respect to the investment on a short-term basis.

Diverse Investor Group

The investors in a Client often have conflicting investment, tax and other interests with respect to their investments in the Client. Dragoneer will under certain circumstances take tax considerations (including, but not limited, to the impact on taxes of a Client's general partner and/or U.S. tax implications of a particular investor) into account in determining when a Fund's investments should be sold or otherwise disposed of, and may assume certain market risk and incur certain expenses in this regard to achieve favorable tax treatment of a transaction; however, no assurances can be provided that any such favorable tax treatment will be achieved or achieved equally for all investors. Further, the conflicting interests of individual investors generally relate to or arise from, among other things, the nature of investments made by the Client, the structuring or the acquisition of investments and the nature and timing of disposition of investments. As a result, conflicts of interest may arise in connection with the decisions made by the relevant general partner and/or Dragoneer, including with respect to the nature or restructuring of investments that may be more beneficial for one investor (or such Client's general partner and/or Dragoneer) than for another investor (or such Client's general partner and/or Dragoneer), especially with respect to investors' individual tax situations. The Client's general partner and/or Dragoneer will make such decisions in its sole discretion, and there is no assurance that the outcome, particularly with respect to tax, will be the most beneficial possible to any particular investor and the general partner and/or Dragoneer can take into account interests of it and its affiliates in making such decisions.

Conflicts with Portfolio Companies

Officers and employees of Dragoneer currently (though infrequently), and may in the future, serve as directors and officers of certain portfolio companies and, in that capacity, will be required to make decisions that they consider in the best interests of such portfolio companies and their respective shareholders. In certain circumstances, for example in situations involving bankruptcy or near-insolvency of a portfolio company, actions that may be in the best interests of the portfolio company may not be in the best interests of a Client, and vice versa. Accordingly, in these situations, there will be conflicts of interest between such individual's duties as an officer or employee of Dragoneer and such individual's duties as a director or officer of such portfolio company. Such individuals may make decisions for a portfolio company that negatively impact returns received by a Client investing in the portfolio company. In addition, to the extent an officer or employee serves as a director on the board of more than one portfolio company, such officer or employee's fiduciary duties among the two portfolio companies may create a conflict of interest.

In addition, Dragoneer may continue to receive other fees from a portfolio company after a Client has fully exited its ownership interest (for instance, in respect of consulting arrangements or group purchasing arrangements). In such circumstances, any fees received with respect to such exited investment are not subject to the advisory fee offset described herein, or otherwise shared with the Clients and/or investors.

In addition, from time to time, Dragoneer may recruit a management team to pursue a new “platform” opportunity expected to lead to the formation of a future portfolio company, or to undertake a “build-up strategy” to acquire and develop assets in a particular sector involving a particular strategy. In other instances, a new platform could be formed to recruit an existing or newly formed management team to build such platform through acquisitions and organic growth. In certain circumstances, such platform employees may include former Dragoneer employees, or current or former senior advisors or consultants to Dragoneer and its affiliates. The structure of each platform and the engagement of personnel will vary, including whether a management team’s services are exclusive to the platform and whether the members of the management team are employed directly by the platform or indirectly through a separate management company established to manage such platform. Platform structures may change during the investments’ hold period, for instance, in connection with restructurings or dispositions. The management team of a platform investment may provide services with respect to other platform investments of more than one Client, or provide the same or similar services for unaffiliated parties. The service provided by the platform management team could be similar to, and in some cases overlap with, the services provided by Dragoneer to the Clients. The Client will bear the expenses of the management team or portfolio company, as the case may be, including any sourcing costs and management costs, overhead expenses, management or other fees, employee compensation (including cash compensation and profits-interest), diligence expenses or other related expenses in connection with backing the management team or the build out of the platform company. Such expenses may be borne directly by the applicable Client as partnership expenses or indirectly as the Client bears the start-up and ongoing expenses of the newly formed platform portfolio company. Such costs, fees and expenses will not offset the management fee and are in addition to management fees and other compensation (e.g., carried interest) received by Dragoneer.

Conflicts Relating to Special Purpose Acquisition Companies (“SPACs”)

Dragoneer and/or its affiliates have in the past sponsored and, may in the future sponsor, one or more SPACs (the “Dragoneer SPACs”) and, in connection therewith, will from time to time receive founder shares in such SPAC (the “Founder Shares”) as the sponsor of the SPAC (the “Sponsor”). The issuance of Founder Shares will have an indirect dilutive effect on the interests of the entity (e.g., a Client) investing in the SPAC. Founder Shares are also expected to have certain preferential rights. Dragoneer and/or its affiliates expect, from time to time, to provide at-risk capital to the Dragoneer SPAC in exchange for private placement warrants (each, a “Private Warrant”), which may subject a Client to further dilution. Dragoneer’s and/or its affiliates’ receipt of Founder Shares, Private Warrants, shares of common stock of the Dragoneer SPAC (“Common Shares”), or any other form of equity or compensation from a Dragoneer SPAC will create a conflict of interest if a Client invests in the Dragoneer SPAC. Among other things, the Sponsor could be incentivized to take increased investment risk or complete an initial business combination with a privately-held target company (the “IBC”) on terms that are less favorable to a Client in order to complete an IBC within the Dragoneer SPAC’s designated time period, usually 24 months

unless otherwise extended (the “Designated Time Period”), to avoid losing the value of its investments. This conflict will be increased as the Dragoneer SPAC nears the end of the Designated Time Period.

A portfolio company may pursue an IBC with a Dragoneer SPAC rather than an investment by a Client in order to achieve public market liquidity. Dragoneer will generally not have control over this decision by a portfolio company but its economic interest will vary based upon whether the outcome is an IBC or investment by a Client.

*FPA*s. Dragoneer or an affiliate will from time to time cause a Client to make a contractual investment commitment to a Dragoneer SPAC at the time of the IBC under a fixed amount forward-purchase agreement (an “FPA”) with the Dragoneer SPAC. By making the Client’s FPA commitment, Dragoneer or an affiliate could cause a Client to make a future investment in a Dragoneer SPAC. If the FPA is a conditional FPA, the board of directors of the SPAC, in its sole discretion, will determine whether to call all, some or none of the FPA at the time of the IBC. In deciding whether or not to call the conditional FPA and in what amount, the Dragoneer SPAC board may consider a number of factors, including, among others, the capital needs of the underlying business target, the target’s preference as to how diversified its shareholder base should be and other relevant factors, and will be made in the best interests of the SPAC. There is no guarantee that all or any of the amount which a forward purchase investor commits to invest under a conditional FPA will be called, even if such commitment would be an attractive investment opportunity, and the Client may not otherwise be able to participate in the Dragoneer SPAC’s IBC. The Dragoneer SPAC may also choose to call third-party capital raised by Dragoneer beyond the Dragoneer SPAC itself in priority to amounts committed under a Client’s conditional FPA. In addition, in certain circumstances, the investor in an FPA would forego other investment opportunities for the duration of the FPA commitment. Additionally, if the Dragoneer SPAC board calls any or all of the Client’s FPA commitment, the Client will not have the option to opt out of the FPA commitment, even if the IBC does not present an attractive investment opportunity to the Client.

If a Client is a party to an FPA, the fact that such Client has made an FPA commitment to a Dragoneer SPAC would directly benefit such Dragoneer SPAC (and, by extension, would benefit the Sponsor) in at least three different ways (even if the Client never actually benefits). First, by giving initial public offering (“IPO”) investors more confidence that such Dragoneer SPAC will have sufficient cash for an attractive IBC, the Client’s FPA investment commitment is likely to make the IPO more attractive to potential IPO investors, which could improve the chances that the IPO can close on relatively favorable terms to such Dragoneer SPAC (and, by extension, to the Sponsor). Second, in pursuing the IBC after the IPO closing, such Dragoneer SPAC will likely be a more attractive IBC partner to potential target companies because the Client’s FPA commitment exists and is readily available to call upon in connection with an IBC closing. Third, with the Client’s FPA commitment (and regardless of the number of public shareholders that redeem their shares in connection with the IBC’s public announcement), the Sponsor is more likely to realize value from the Founder Shares, the Private Warrants and/or Common Shares prior to the expiration of the Designated Time Period, at the possible exclusion or expense of the Client. Meanwhile, the Client will not benefit from the FPA commitment, unless (a) such Dragoneer SPAC successfully completes an IBC closing within the Designated Time Period; (b) in the case of a conditional FPA, the Dragoneer SPAC calls some or all of the Client’s FPA commitment in connection with the IBC

closing; and (c) the post-IBC company has, creates, and maintains sufficient value for all shareholders over and above the Client's investment-cost basis. Finally, even if the Client ultimately benefits from the FPA commitment, that benefit would be small relative to the ultimate benefits that the Sponsor receives from the Founder Shares, Private Warrants and/or Common Shares.

Private Investments in Public Equities ("PIPEs"). A Client's PIPE investment in a Dragoneer SPAC also creates conflicts of interest. Similar to a Client's FPA commitment, a PIPE investment provides certain benefits to the overall transaction as it increases the likelihood of a successful IBC by providing committed capital for the IBC, which also benefits Dragoneer as the Sponsor and holder of the Founder Shares and Private Warrants.

Dual Sources of Fees/Carry. Dragoneer or an affiliate will receive management fees and carried interest from a Client on any ultimate Client gains attributable to the Client's investment in a SPAC target company. Dragoneer and its affiliates will also benefit from the receipt of Founder Shares, Private Warrants and/or Common Shares. The management fee in respect of the Client's investment in the SPAC will be borne by the Client and will not be offset by Founder Shares, Private Warrants or Common Shares issued to or acquired by the Sponsor.

Governance. Even though a majority of a Dragoneer SPAC's board will consist of independent directors, Dragoneer or an affiliate will select those independent directors in the first instance and has the sole authority to elect all directors before any IBC closing. In addition, certain Dragoneer Personnel will serve on a Dragoneer SPAC's board of directors and may, from time to time, be authorized to act without further approval from the independent directors. In some cases, the Dragoneer SPAC's board may take a position that is contrary to the interests of a Client, which, in some cases, may also be contrary to the desires of Dragoneer Personnel serving on the board. Conflicts of interest also exist where Dragoneer Personnel serve on a Dragoneer SPAC's board, as such personnel may consider the interests of the Dragoneer SPAC when deciding whether and how much to call from a conditional FPA to which a Client is party and other matters relating to the SPAC that impact such Client, including negotiating a transaction with a portfolio company of such Client.

Key Personnel. Certain members of Dragoneer's team who are managing a Client's investment will under certain circumstances become officers, serve on the board of directors of the Dragoneer SPAC, and/or otherwise assist in the Dragoneer SPAC's exploration of potential business combination opportunities. The time spent by such personnel in connection with the Dragoneer SPAC's activities will be substantial and can detract from time spent directly managing the Client's investments.

Transactions with Dragoneer Portfolio Companies. The acquisition of pre-existing portfolio companies of a Client by a Dragoneer SPAC, or by a third-party SPAC in which a Dragoneer SPAC, Dragoneer or another Client participates, creates additional conflicts of interest. A Client may from time to time invest in Dragoneer SPACs or third-party SPACs that subsequently acquire pre-existing portfolio companies of one or more other Clients. Or, Dragoneer or a Client may contribute at-risk capital to acquire syndicated founders shares of a third-party SPAC or participate in a third-party SPAC via a PIPE, which third-party SPAC subsequently acquires pre-existing portfolio companies of a Client, combines with a target together with a Dragoneer SPAC

or competes directly with a Dragoneer SPAC for the same target. The associated conflicts of interest include, for example, the following: (i) the Sponsor may be motivated to acquire a pre-existing Dragoneer portfolio company (including a poorly performing portfolio company) or to acquire a portfolio company from a Client at a higher price in order to avoid losing its investment in Private Warrants or Founder Shares if it does not consummate an IBC within the Designated Time Period and because Dragoneer or an affiliate would likely receive carried interest upon the sale of a portfolio company to the SPAC and (ii) Dragoneer may be incentivized to cause a portfolio company of a Client to sell at a lower price to the SPAC in order to increase the value of the Sponsor's Founder Shares and/or Private Warrants or the interests Dragoneer or other Clients have in a third-party SPAC. These examples are merely illustrative of the many conflicts of interest that could arise in a transaction between a Dragoneer SPAC and a portfolio company, and such conflicts likely will not always be resolved in favor of a Client. In the event that a Dragoneer SPAC completes an IBC with an existing portfolio company, consent by or notice to the Client's advisory committee may or may not be required pursuant to any Client's Governing Documents. In addition, to the extent such a transaction is deemed to be a cross-transaction, the conflicts and procedures described under "*Cross-Transactions*" above would also be applicable to such a transaction.

Allocation. Conflicts of interest will from time to time arise in connection with the allocation of investment opportunities, including (i) between a Dragoneer SPAC and Clients with respect to prospective targets and (ii) among Clients with respect to any investments in a Dragoneer SPAC. In addition, the conflicts and procedures described under "*Allocation of Investment Opportunities*" above are also applicable with respect to allocating an investment opportunity in a SPAC among Clients. Conflicts of interest can also arise with respect to allocation of certain expenses. For example, a Dragoneer SPAC could invest in an opportunity initially considered by a Client and would therefore benefit from such Client's prior diligence, often without any corresponding obligation to reimburse such Client for the cost of diligence or related expenses.

The Sponsor will under certain circumstances establish Dragoneer SPACs with different terms and capital structures than those described above. For example, the Sponsor may establish Dragoneer SPACs in which: (i) the Sponsor does not transfer any Founder Shares to certain or all of the participating Clients or (ii) the Sponsor syndicates the at-risk capital to third party investors, but not to any Client. The terms and capital structure of each Dragoneer SPAC will be established at the Sponsor's sole discretion. In addition, neither Dragoneer nor the Sponsor has any obligation to offer any opportunities to invest in any Dragoneer SPAC to any Client, including through an FPA, a PIPE, or any other form of investment, nor do they have any obligation to offer a specific type of investment, such as Founder Shares or Private Warrants, in a Dragoneer SPAC to a Client.

Dragoneer Business Lines

Dragoneer has, and may in the future create, separate business lines, including Dragoneer SPACs, which its affiliates, portfolio companies of a Client and third parties may engage or in which such persons may otherwise interact or invest. As a result of these activities, Dragoneer is subject to a number of actual and potential conflicts of interest, greater regulatory oversight and more legal and contractual restrictions than if it had one line of business.

A Client and other Clients may participate in transactions related to Dragoneer's separate lines of business, and Dragoneer may therefore benefit in the launch of such businesses due to the support of such Client and other Clients. Investors will generally not receive a benefit from any fees earned by Dragoneer or its personnel from these other businesses, and such fees, grants of equity and other economic benefits will not reduce any applicable management fees.

Pursuant to the terms of a Client's Governing Documents, no investor shall, solely by being an investor in such Client, have any rights to participate in any manner in any profits or income earned or derived by or accruing to such Client's general partner or any of its affiliates from the conduct of any business or from any transaction in securities effected by such Client's general partner or any of its affiliates for any account other than that of the Client.

Business with and Among Portfolio Companies and Investors and Prospective Investors

Given the collaborative nature of Dragoneer's business and the portfolio companies in which Clients have invested, there are situations where Dragoneer is in the position of recommending the services of a portfolio company to other portfolio companies of the Clients, which may involve fees, commissions, servicing payments and/or discounts to Dragoneer, an affiliate, or a portfolio company. Dragoneer will generally have a conflict of interest in making such recommendations, in that Dragoneer has an incentive to maintain goodwill between it and the existing and prospective portfolio companies for the Clients, while the products or services recommended may not necessarily be the best available to the portfolio companies held by the Clients. The benefits received by a portfolio company providing a service may be greater than those received by the Client(s) and its portfolio companies receiving the service.

Portfolio companies controlled by a Client may provide services to Dragoneer, certain Client investors or prospective investors. This creates a conflict of interest, as Dragoneer has an incentive to cause the portfolio company to favor itself, or those investors or prospective investors relative to other portfolio company clients or customers in terms of pricing or otherwise, which could adversely affect the portfolio company's profitability to a Client. Additionally, the portfolio company could recommend to its clients or customers that they invest in a Client.

Current, prospective or former executives, directors and founders or other affiliates of portfolio companies of the Clients, and executives of the banks and other lending institutions that provide financing to the portfolio companies of the Clients (each, a "Strategic Investor") have and likely will invest as limited partners in the Clients. Some of these limited partners will under certain circumstances not pay fees and/or carried interest, or will pay reduced fees and/or carry, on their investment. Further, such limited partners will under certain circumstances have different information about Dragoneer and the Clients than limited partners not similarly positioned. Dragoneer may also, in certain circumstances, be incentivized to take (or refrain from taking) certain actions with respect to a portfolio company in order to maintain the goodwill with such limited partner/Strategic Investor such that they continue to invest with that Client or make additional investments in other Clients and/or provide leads to and/or otherwise assist with existing or future underlying investments made or contemplated by the Clients, among other reasons. In addition, Dragoneer may be incentivized to allocate investment opportunities to the Clients with certain Strategic Investors over other Clients that do not have certain Strategic Investors, and

Dragoneer may be incentivized to allocate fees and expenses away from Clients with certain Strategic Investors.

Dragoneer's relationships with current, prospective or former executives, directors and founders or other affiliates of portfolio companies of the Clients, and executives of the banks and other lending institutions that provide financing to the portfolio companies of the Clients will under certain circumstances lead to conflicts of interest, including conflicts of interest with respect to portfolio companies of the Clients that are associated with such individuals and entities. For example, such relationships could influence decisions as to whether to invest in or divest from a portfolio company and the timing of such an investment decision or the enforcement of rights relating to investing in such portfolio company. Such decisions could inure to the benefit (or detriment) of one Client over another Client.

In certain instances, a Client's portfolio company competes with, is a customer of, or is a service provider to, another Client's portfolio company. In providing advice to a portfolio company's business, Dragoneer may consider the interests of one portfolio company or Client and is not obligated to, and need not, take into consideration the interests of other relevant portfolio companies or Clients. As a result, a conflict of interest may arise in these instances because advice and recommendations provided by Dragoneer to a portfolio company may have adverse consequences to a separate portfolio company owned by another Client. The performance and operations of a competitor, customer or service provider portfolio company could conflict with, and adversely affect the performance and operations of another portfolio company, or could adversely affect prices, business opportunities or potential acquisition opportunities. For instance, a portfolio company may seek to expand its market share at the expense of another portfolio company, withdraw business from another portfolio company in favor of another company offering the same product or service at a lower price, increase its own prices, purchase assets from, or sell assets to, another portfolio company, commence litigation against another portfolio company, or prevent one portfolio company from commencing litigation against another portfolio company.

From time to time a Client's portfolio companies will be counterparties or participants in agreements, transactions or other arrangements with other portfolio companies of such Client or other Clients. These agreements, transactions and other arrangements will involve payment of fees and other amounts, none of which will result in any offset to the advisory fee. Such agreements, transactions and other arrangements frequently will be entered into without the consent or direct involvement of the Clients and/or Dragoneer, and without the consent of any advisory committee.

In addition, certain portfolio companies controlled by a Client may engage in activities that could adversely affect another Client and/or its portfolio company, including, for instance, as a result of laws and regulations or certain jurisdictions (such as bankruptcy, environmental, consumer protection and/or labor or union laws) that may not recognize or permit the segregation of assets and liabilities between separate entities. Such jurisdictions may also allow for recourse against assets that are under common control with, or part of the same economic group as the entity that has incurred the liability. This may result in the assets of a Client and/or a portfolio company being used to satisfy the obligations or liabilities of another Client or its portfolio company.

Dragoneer and/or its affiliates may at any time and from time to time engage in business opportunities arising from a Client's investment in a portfolio company (for example, without limitation, entering into a joint venture with a portfolio company or making a proprietary investment in a portfolio company). This creates a conflict of interest, as such interests are a benefit arising from the Client's investment and may vary from the applicable Client's interest (including, for example, whether to make a subsequent investment, or to exercise pro rata rights, right of first refusal rights or options to participate in the initial public or other offerings of a portfolio company (whether or not such rights were previously negotiated or secured), and in each case, if so, how much (if any) should be allocated to the Client versus, for example and without limitation, other Clients, other affiliated third-party investors or Dragoneer Personnel).

Dragoneer and its affiliates have in the past and may in the future hire part-time or full-time employees (including interns and secondees) who are employees of, or relatives of such employees, or are otherwise associated with, an investor, portfolio company or service provider. There is no guarantee Dragoneer can or will control the associated conflicts of interest (including, for instance, preferential hiring practices and benefits to one investor over another investor) and there may be a continuing appearance of a conflict of interest. Specifically, personnel of a portfolio company also have in the past and may in the future be seconded to Dragoneer or its affiliates on a temporary basis or serve in an internship capacity including at cost or at no cost. To the extent portfolio company personnel are seconded at cost or at no cost, the portfolio company, and therefore any applicable Client, will ultimately bear the cost of such compensation.

In addition, Dragoneer has in the past, and may in the future, cause a Client to enter into a transaction with a portfolio company of the Client or another Client, including purchasing an asset from, or selling an asset to, a portfolio company. This creates a conflict of interest as the interests of the purchasing or selling Client differ from those of the counterparty portfolio company.

Additionally, a Client's portfolio companies may be counterparties or participants in agreements, transactions or other arrangements with portfolio companies of other Clients managed by Dragoneer or Dragoneer's affiliates that may not have otherwise been entered into but for the affiliation with Dragoneer, and which may provide economic or other benefits to affiliates of Dragoneer that are not subject to the advisory fee offset provisions described herein. For example, Dragoneer may in the future cause portfolio companies to enter into agreements regarding group procurement (which may depend on the volume of services purchased under these agreements and which may be pooled across multiple portfolio companies and discounted due to scale), benefits management, data management and/or mining, technology development, purchase or title and/or other insurance policy (which may be pooled across multiple portfolio companies and discounted to scale) and other similar operational initiatives that may result in fees, better pricing, rebates, servicing payments, commissions or similar payments and/or discounts being paid to Dragoneer, its affiliates or a portfolio company, including related to a portion of the savings achieved by the portfolio company. Dragoneer may have a conflict of interest because its economic benefit may incentivize Dragoneer to maintain such arrangements. It should not be assumed that a company related to, or otherwise affiliated with, Dragoneer will only take actions that are beneficial to, or not opposed to, the interests of a Client and its portfolio companies.

From time to time a Client could hold an investment in a different layer of the capital structure than an investor or another party with which Dragoneer has a material relationship, in

which case Dragoneer could have an incentive to cause the Client or the portfolio company to offer more favorable terms to such parties (including, for instance, financing arrangements).

Service Providers

Services required by a Client (including some services historically provided by Dragoneer or its affiliates to the Clients) may, for certain reasons including efficiency and economic considerations, be outsourced in whole or in part to third parties or licensed software, in each case in the discretion of Dragoneer or its affiliates. This can create a conflict of interest because Dragoneer and its affiliates have an incentive to outsource such services at the expense of the Clients to, among other things, leverage the use of Dragoneer personnel and retain (on a net basis) a greater proportion of any associated fees and compensation paid by the applicable Clients. Such services may include, without limitation, deal sourcing, asset management, information technology and system-support professionals, licensed software, depository, data processing, client relations, administration, custodial, marketing and marketing-reviews, accounting, valuation, trading, legal, human resources, client services, compliance, cybersecurity, corporate secretarial and tax support, director services and other similar services. Outsourcing may not occur universally for all Clients and accordingly, certain costs may be incurred by a Client for a third-party service provider that are not incurred for comparable services by other Clients. The decision by Dragoneer to initially perform a service for a Client in-house does not preclude a later decision to outsource such services (or any additional services) in whole or in part to a third-party service provider in the future and Dragoneer has no obligation to inform such Clients or investors of such a change. Such services may also supplement or be performed alongside services performed by Dragoneer. In addition, certain internal service providers (such as internal accountants) may “shadow” or otherwise review the reports of other services provided by such third parties. The costs, fees and expenses of any such third-party service providers will be borne by the relevant Clients.

If a service provider provides services to a Client on the property of Dragoneer, such Client may also be responsible for any overhead, rent or other fees, costs and expenses charged by Dragoneer in connection with an on-site arrangement.

Dragoneer and/or its affiliates generally engages certain service providers to provide services to Dragoneer, the Clients and/or the portfolio companies, including services during the due diligence and acquisition process. Such service providers or their affiliates are, in certain circumstances, investors in a Client or affiliates of such investors and may include, for example, investment or commercial bankers, outside legal counsel pension consultants and/or other investors who provide services (including mezzanine and/or other lending arrangements). The engagement of any such service provider may be concurrent with an investor’s admission to a Client, or during the term of such investor’s investment in the Client. This creates a conflict of interest, as Dragoneer may give such investor preferred economics or other terms with respect to its investment in a Client, enhanced information or may have an incentive to offer such investor co-investment opportunities that it would not otherwise offer to such investor. In addition, Dragoneer will have a conflict of interest in recommending the retention or continuation of a service provider to the Clients or a portfolio company if such recommendation, for example, is motivated by a belief that the service provider will continue to invest in Clients or will provide Dragoneer information about markets and industries in which Dragoneer operates, will provide

other services that are beneficial to Dragoneer and/or will provide financial sponsorship of events held by Dragoneer (such as transaction closing dinners or outings, or informational summits or training events for Dragoneer or portfolio company personnel). Dragoneer generally has an incentive to recommend the products or services of certain investors or prospective investors in the Clients to the Clients or their portfolio companies for use or purchase, even though the products or services recommended may not necessarily be the best available to the Clients or the portfolio companies.

Dragoneer generally may in its discretion, contract directly with, or recommend to a Client or to a portfolio company thereof (in response to a solicitation for a recommendation or otherwise) that it contract for services with, a related person of Dragoneer or an affiliate (including but not limited to a portfolio company of a Client). When making such a recommendation, Dragoneer, because of its financial or other business interest, has an incentive to recommend the related or other person even if another person is more qualified to provide the applicable services and/or can provide such services at a lesser cost.

Additionally, former Dragoneer employees may also become employees, officers or directors of, or otherwise be engaged by, third-party service providers that provide services to Dragoneer, the Clients and/or portfolio companies. While employed by Dragoneer, the cost of the compensation, benefits and attributable overhead provided to these individuals are paid by Dragoneer unless a Client's Governing Documents permit certain allocations of internal expenses to the Client. If a former Dragoneer employee becomes an employee or consultant of a third party that also provides services to a Client, such former Dragoneer employee may be assigned by such third party to provide services to that account. In such instance, the cost of the third-party service provider attributable to the former Dragoneer employee working on the Client will be borne entirely by the Client and no such amounts will reduce the management fee paid or the carried interest distributed by such Client on the basis that such person used to be a former Dragoneer employee.

Additionally, employees of Dragoneer or its affiliates, and/or their family members or relatives may have ownership, employment, or other economic or other interests in certain service providers. These relationships can influence Dragoneer in determining whether to select, or recommend such service provider to perform services for a Client or a portfolio company. There is a possibility that Dragoneer, because of financial, business interest, or other reasons, may favor such retention or continuation even if a better price and/or quality of service could be obtained from another person.

Certain other service providers to Dragoneer, the Clients and/or the portfolio companies, or affiliates of such service providers, may also provide goods or services to or have business, personal, financial or other relationships with Dragoneer, its affiliates and personnel (or family members thereof), or Dragoneer portfolio companies. For example, a service provider will, from time to time, provide Dragoneer, its affiliates and personnel with services with respect to their personal affairs. These relationships may influence its decision to select or recommend an advisor or service provider to perform services for the Clients or the portfolio companies (the cost of which will generally be borne directly or indirectly by the relevant Clients or the portfolio companies, as applicable). Such service providers (or their employees) may also source investment opportunities, be co-investors or commercial counterparties or entities in which Dragoneer and/or

the Clients have an investment, and payments by a Client and/or such portfolio companies may indirectly benefit Dragoneer and/or such Client.

The Clients may from time to time and at any time pay a fee to an investment bank with respect to a particular transaction which fee may, in whole or in part reflect a payment to the investment bank for finding deals for Dragoneer and the Clients in the future. As a result, the Client paying the fee to the investment bank may not receive the benefit of the future deals source by the investment bank and the other Client to which the deal is allocated will not be required to reimburse the paying Client for such fee.

Investors may at any time and from time to time be introduced to Dragoneer, or may be brought in a Client, by a third-party consultant from which Dragoneer or a related person purchases products and to which Dragoneer or a related person may make payments, including in connection with conferences sponsored or hosted by the third-party consultant.

Dragoneer, its personnel, the Clients and the portfolio companies of the Clients may engage common service providers. In certain circumstances, the service provider may charge varying rates or engage in different arrangements for services provided to Dragoneer, its personnel, the Clients, and/or the portfolio companies. As a result, Dragoneer or its personnel from time to time receive a more favorable rate on services provided to it by such a common service provider than the rates payable by the Clients and/or the portfolio company, or from time to time receive a discount on services even though the Clients and/or the portfolio companies receive a lesser, or no, discount. This creates a conflict of interest between Dragoneer and its personnel, on the one hand, and the Clients and/or portfolio companies, on the other hand, in determining whether to engage such service providers, including the possibility that Dragoneer will favor the engagement or continued engagement of such persons if it, or its personnel, receives a benefit from such service providers, such as lower fees, that it would not receive absent the engagement of such service provider by the Clients and/or the portfolio companies. Neither the Clients nor investors in the Clients will receive the benefit of any such favorable rate or discount provided to Dragoneer, its personnel and family members or its affiliates, and the advisory fee paid by any Client will not be reduced in connection with such favorable rate or discount.

In addition, service providers often charge varying amounts or may have different fee arrangements for different types of services provided. For instance, fees for various types of work often depend on the complexity of the matter, the expertise required and the time demands of the service provider. As a result, to the extent the services required by Dragoneer or its affiliates differ from those required by the Clients and/or its portfolio companies, Dragoneer and its affiliates will pay different rates and fees than those paid by the Clients and/or its portfolio companies.

Compensation to service providers may not be easily benchmarked or comparable to a standard market rate. Subject to the terms of the Governing Documents of a Client, neither the general partner, Dragoneer nor any of their respective affiliates shall have any obligation to conduct such benchmarking at any time.

Dragoneer or its affiliates engage certain service providers (including law firms) on behalf of the Clients and personnel of such service provider may be seconded to Dragoneer or its affiliates on a temporary basis or serve in an internship capacity, pursuant to various arrangements including

at cost or at no cost. Dragoneer is, from time to time, a beneficiary of these arrangements as well. Such personnel may provide services in respect of multiple matters, including in respect of matters related to Dragoneer, its affiliates and/or portfolio companies and in any such circumstance the benefits or costs of any such personnel will be allocated in Dragoneer's discretion taking into consideration the usage of such personnel. The advisory fee will not be offset or reduced as a result of these arrangements or any fees, expense reimbursements or other costs related thereto. In such circumstances, a conflict of interest exists because Dragoneer or its affiliates have an incentive to select one service provider over another on the basis that Dragoneer or its affiliates may receive the benefit of seconded employees from such service provider, particularly where the compensation and expenses for such personnel during the secondment are borne in whole or in part by the service provider and not Dragoneer or its affiliates. In certain cases, secondees will provide services for Clients that constitute a Client expense and therefore a corresponding portion of such seconded's compensation will be borne by the Client.

Dragoneer and the Clients will generally engage common legal counsel and other service providers in a particular transaction, including a transaction in which there may be conflicts of interest (e.g., cross transactions and other affiliated transactions). Members of the law firms engaged to represent the Clients may be investors in a Client, and may also represent one or more portfolio companies or investors in a Client. In the event of a significant dispute or divergence of interest between Clients, Dragoneer and/or its affiliates, the parties may engage separate counsel in the sole discretion of Dragoneer and its affiliates, and in litigation and other circumstances separate representation may be required.

Dragoneer from time to time may cause (and in the past has caused) Clients to bear some or all of the cost and expense of engaging certain third-party service providers on behalf of a portfolio company. In the event a Client is not the sole shareholder of the applicable portfolio company, other shareholders will benefit from the costs incurred by such Client and will not reimburse the Client for their pro rata portion of the cost of any such service provider.

Securities Transactions of Dragoneer and Its Personnel

Personal investment by investment professionals and other personnel of Dragoneer or its affiliates and persons related thereto can present potential conflicts of interest. Dragoneer and Dragoneer Personnel will, under certain circumstances and subject to certain restrictions, buy and sell securities or other investments for their own accounts, including making investments in securities of public and private issuers separate from Clients or alongside Clients at different times or in non-pro rata amounts, or in different classes or levels of the capital structure. To the extent that Dragoneer Personnel make an investment for their own account in a portfolio company that, following such investment, is later determined to be suitable or appropriate for a Client (e.g., a later round of financing), such Dragoneer Personnel may make a concurrent or subsequent investment in the portfolio company, even if such investment limits the Client's desired allocation, or may maintain or sell their interests at any time, in each case without regard to the actions of the Client. Dragoneer may encourage Dragoneer Personnel to make personal investments to provide additional sourcing opportunities for new investments to be made by Clients. Dragoneer Personnel holding an investment for their own account in a portfolio company that is later determined to be suitable or appropriate for a Client may also participate in making such determination and may and frequently will be involved in recommending the investment to a Client. This presents various

actual and potential conflicts of interest, including without limitation because the Dragoneer Personnel would have independent financial, relationship-driven or other interests in causing a Client to invest in that opportunity (potentially at a higher price or with worse terms than in the absence of such conflicts), and the Dragoneer Personnel's investment or relationships may be enhanced as a result of a Client's investment. In addition, Dragoneer Personnel will under certain circumstances invest in private equity funds, venture capital funds, hedge funds, real estate funds, mutual funds and other investments, including potential competitors of the Clients (including investments for purposes of sourcing future investment opportunities). The investment policies, fee arrangements and other circumstances of these investments may vary from those of the Clients. In the event Dragoneer Personnel make an investment with the intent to source future investments for the Clients, there is a greater likelihood that the Clients will make investments in the same portfolio companies in which Dragoneer Personnel hold an interest as described above. Dragoneer has established policies and procedures requiring certain approvals for investments in private companies and private funds, and certain types of personal securities transactions, by certain Dragoneer Personnel. However, the potential exists for personal securities transactions by Dragoneer Personnel, including those which have been pre-cleared or approved in advance, to generate significantly higher investment returns to such personnel than any of the Clients' investment transactions generate for their own investors. There will also be circumstances where a company identified as a potential investment opportunity for a Client is determined not to be suitable or appropriate for such Client, which determination is subject to the conflicts of interest stated above in "*Allocation of Investment Opportunities*" and "*Co-investments*" above. Dragoneer Personnel or other co-investors may from time to time and at any time invest in such company and realize significantly higher investment returns than any of the Client's investment transactions generate for its own investors. Investors will not have access to the results of such trading. It is also possible that Dragoneer, in its sole discretion, later determines that such a company is a suitable investment for a Client due to developments with respect to the company or such Client's portfolio or, subject to the terms of such Client's Governing Documents, changes to Dragoneer's investment approach. In such a circumstance, such Client may invest in the company even though Dragoneer Personnel already hold interests in it, and, subject to Dragoneer's pre-clearance policy, Dragoneer Personnel will be permitted to buy additional interests, maintain their interests or sell their interests, in each case without regard to the actions of such Client. A conflict of interest will in certain circumstances arise because such investing Dragoneer Personnel will, for some investments, benefit from the evaluation, investigation, and due diligence undertaken by Dragoneer on behalf of a Client for actual and prospective investments or investments that are evaluated but not consummated by such Client. In addition, the actions that Dragoneer Personnel take in managing their personal investments in a company in which a Client later invests may be in conflict with the interests of such Client. In such circumstances, the investing Dragoneer Personnel will not share or reimburse the Client and/or Dragoneer for any expenses incurred in connection with the investment opportunity.

As a result of Dragoneer Personnel's securities transactions in securities or other instruments that Dragoneer has recommended to a Client or has determined not to be suitable or appropriate for a Client, conflicts of interest will arise, including because such investing Dragoneer Personnel will, for some investments, benefit from the evaluation, research, investigation, and due diligence undertaken by Dragoneer on behalf of the Clients for actual and prospective investments or investments that are evaluated but not consummated by a Client. In such circumstances, the investing Dragoneer Personnel will not share or reimburse a Client and/or Dragoneer for any

expenses incurred in connection with the investment opportunity, and such expenses may be and frequently will be substantial. Dragoneer Personnel will under certain circumstances receive securities held by a Client as a distribution in kind in situations in which such Client continues to hold or evaluate future investments in those securities, and the Client will be responsible for expenses related to such securities (including without limitation in connection with any evaluation, research, investigation, and due diligence) without reimbursement from the applicable Dragoneer Personnel.

Outside Activities of Investors & Relationships with Investors

Investors have business interests and engage in activities in addition to their investment in a Client, including business interests and activities in direct competition with the Clients and the portfolio companies, and may engage in transactions with, and provide services to, such Client or its portfolio companies (which may include providing leverage or other financing to such Client or its portfolio companies as determined by Dragoneer in its sole discretion). None of the Clients, any investor or any other person shall have any rights by virtue of the Clients' Governing Documents or any related agreements in any business ventures of any investor. Investors will from time to time engage in transactions with, and provide services to, Dragoneer, the Clients or the portfolio companies. Such relationships will from time to time include but are not limited to (i) providing leverage or other financing to a Client or its portfolio companies as determined by Dragoneer in its sole discretion; (ii) introducing investment opportunities, and (iii) engaging in co-investment transactions alongside each other. Investors, and in certain cases Dragoneer and its affiliates, will have conflicting loyalties in these situations, including incentives to provide such investors better terms in a Client or information rights.

Outside Activities of Dragoneer Personnel and Their Family Members

Certain personnel and other professionals of Dragoneer have family members or relatives that are actively involved in industries and sectors in which the Clients invest or have business, personal, financial or other relationships with companies in such industries and sectors (including the advisors and service providers described elsewhere in this Brochure) or other industries, which gives rise to potential or actual conflicts of interest. For example, such family members or relatives might be officers, directors, personnel or owners of companies or assets which are actual or potential investments of the Clients, service providers to the Clients or other counterparties of the Clients and the portfolio companies and/or assets. The fees for services provided by such service providers may or may not be at the same rate charged by other third party service providers and Dragoneer is not required to select service providers who may have lower rates (or to engage in any benchmarking of such fees). Moreover, in certain instances, the Clients or the portfolio companies may purchase or sell companies or assets from or to, or otherwise transact with companies that are owned by such family members or relatives or in respect of which such family members or relatives have other involvement. Certain family members or relatives, and the firms with which they are associated, invest in Clients and will be granted more favorable terms as compared to other investors. In most such circumstances, the Clients' Governing Documents will not preclude Clients from undertaking any of these investment activities or transactions. Investors rely on Dragoneer to manage these conflicts in its sole discretion.

Other Benefits

Dragoneer, its affiliates and their personnel and related parties will receive intangible and other benefits, discounts and perquisites arising or resulting from their activities on behalf of a Client, which will not offset or reduce management fees or otherwise be shared with a Client, its portfolio companies or investors. For example, airline or hotel stays will result in “miles” or “points”, rebates, or credit in loyalty or status programs. Such benefits will, whether or not *de minimis* or difficult to value, inure exclusively to the benefit of Dragoneer, its affiliates or their personnel or related parties receiving it, even though the cost of the underlying service is borne by the Clients, their investors and/or by the portfolio companies. Similarly, Dragoneer, its affiliates and their personnel and related parties, and third parties designated by the foregoing, also may receive discounts on products and services provided by portfolio companies and customers or suppliers of such portfolio companies. Investors consent to the existence of these arrangements and benefits.

Conflicts Arising from Customized Terms Provided to Certain Investors

Investors increasingly expect to make investments in private investment funds on customized terms. We accommodate these expectations by entering into written agreements, which we refer to as “side letters,” or establishing separate accounts, that provide such investors with customized terms. These customized terms may result in preferential treatment with respect to, among other things:

- the fee structure, including reduced advisory fees and/or carried interest;
- the capping of all or certain expenses at an agreed amount;
- the offering of co-investment opportunities;
- the ability to opt out of certain types of investments;
- the reporting obligations of the applicable Client;
- consent rights with respect to certain amendments to documents that govern their rights and obligations and those of the applicable Client;
- the right to transfer interests in the applicable Client;
- the right to withdraw from the applicable Client or certain investments in the event of adverse tax, regulatory or other events;
- the right to appoint a representative to the advisory committee or board of directors of the relevant Client, if applicable;
- additional confidentiality protections;
- the right to disclose certain information to underlying investors or to the public;

- structuring or excuse rights with respect to certain types of investments;
- modification of representations;
- modification of indemnification and/or liability and other obligations; or
- any other terms, whether economic, procedural or otherwise.

We consider many factors in deciding whether to accord investors in Clients customized terms via a side letter and are more likely to grant preferential treatment to the following types of investors:

- investors that have made or have proposed to make relatively large commitments to the Client that Dragoneer perceives as important to future Dragoneer fundraising campaigns or sourcing of investments or that Dragoneer otherwise believes may prove of strategic or other value to Dragoneer and its affiliates over time;
- investors that are subject to specific legal, tax or regulatory requirements or policies applicable to them; and
- other investors meeting any other criteria we consider reasonable in our discretion.

We have no obligation to offer any such additional rights, terms or conditions to any investor in any Client, except to the extent required by the Governing Documents of the applicable Client or the terms of individual side letters, and it is possible that providing such rights to an investor may impact the rights and/or increase the obligations of other investors or limit such Client's ability to recover from such investor to the extent it would have otherwise been able had it not agreed to such terms. For example, certain types of investors will not agree to certain representations, the indemnification or exculpation obligations under a Client's Governing Documents or may require a cap on liability in connection with their investments. If an investor whose liability is so capped becomes liable for an amount in excess of that cap, and a Client has a remaining unpaid liability in respect of such investor's interest, other investors typically will be required to bear that excess liability. Also, investors will have no recourse against a Client, the applicable Client's general partner, Dragoneer or their respective affiliates in the event that certain investors receive additional or different rights or terms pursuant to such side letters, some of which rights may impact the rights and/or increase the obligations of other investors.

In addition, investors may from time-to-time request to transfer their interest in a Client to one or more affiliates, related persons, or third parties. Any such transfer requires the consent of the Client's general partner, which consent may be granted or withheld in the general partner's sole discretion, and except for such consent requirement, the enumerated obligations of the transferor and transferee under the applicable Governing Document and certain conditions which the general partner may waive if it deems in the best interests of the Client to do so, the applicable Governing Document shall not govern the terms of such transfer. When consenting to transfers, Client's general partner may impose certain conditions in some situations, but not others. For example, the general partner may determine to reset the lock-up period for any transferred interest as a condition of a transfer to a third party, but may determine not to impose a new lock-up period when a related or otherwise favored person is the transferee. Further, in connection with a transfer,

the transferring parties could receive additional information that is not distributed to other investors and prospective investors. If the transfer is to a Client's general partner, Dragoneer, or any of their respective direct and indirect partners, members, employees and affiliates (each a "GP Related Person"), the transferor should expect the GP Related Person to have significantly more information with respect to the Client, its portfolio investments and future prospects of the Client. Such information disparity will benefit the GP Related Person when negotiating the terms of the transfer.

Additionally, subject to the terms of the Governing Documents, a Client's general partner has the sole discretion to enforce or waive default provisions with respect to an investor and may make such determinations on an investor-by-investor basis. A general partner may be incentivized to waive default provisions with respect to investors depending on the nature (for example, business, professional, personal, financial or other), duration and other factors related to the relationship the investor has with Dragoneer and its affiliates. Also, if an investor fails to pay when due installments of its capital commitment to a Client, and the contributions made by non-defaulting investor and borrowings by such Client are inadequate to cover the defaulted capital contribution, the Client may be unable to pay its obligations when due. As a result, a Client may be subjected to significant penalties that could materially adversely affect the returns to the investors (including non-defaulting investors). In addition, the non-defaulting investors may be required to increase their contributions to the investment, resulting in the defaulted capital contribution and in respect of subsequent investments which, in turn, will increase the concentration of such investor's investment in the Client and increase such investor's risk of loss.

Industry Relationships

Dragoneer and its employees and partners have developed many relationships with third parties that have the potential to raise conflicts of interest. Such third parties include, but are not limited to, investment bankers, consultants, formal and informal advisors and Dragoneer's separate account clients. Certain of such third parties are expected to introduce investment opportunities to Dragoneer, provide investment banking, consulting or formal or informal advisory services or benefits to Dragoneer, or provide other business or investment services to Dragoneer, its Clients or one or more portfolio companies. Such third parties are expected to receive direct or indirect compensation (which compensation may not be easily benchmarked or comparable to a standard market rate, and neither a Client's general partner, Dragoneer nor any of their respective affiliates shall have any obligation to conduct such benchmarking at any time) or access to co-investments from such Client, or such portfolio companies for providing these services. Dragoneer will allocate the costs of these services, such as the provision of consulting or other services to prospective or existing portfolio companies, in its sole discretion. Dragoneer expects that Clients will from time to time pay for some or all of such services, which payment may or may not bring commensurate benefit to such Clients, but is expected to improve Dragoneer's and its affiliates' relationships with such portfolio companies, service providers and their respective management teams, as well as improve Dragoneer's reputation in the industry more generally. This will likely benefit each of Dragoneer and/or its affiliates by, among other things, increasing its ability to raise capital for other investment programs and to consummate investments with companies in which it may seek to invest through its Clients. Such relationships also confer certain intangible and/or other personal benefits and/or perquisites upon Dragoneer Personnel, including luxury entertainment or travel. Notwithstanding the foregoing, Dragoneer

believes that such industry relationships, including personal relationships with Dragoneer Personnel, indirectly provide longer-term benefits (including strategic, sourcing or similar benefits) to current or future Clients and/or Dragoneer. See also “*Ongoing Engagement of Service Providers and Industry Contacts*” and “*Funding of Third-Party Consultants or Other Third-Party Service Providers*.”

Furthermore, investment bankers, consultants, formal and informal advisors and other service providers to a Client and its portfolio companies, and the portfolio companies’ directors, officers and employees, including placement agents and their principals, may be investors in such Client and potentially on preferential terms. This could present a conflict of interest to such Client’s general partner in deciding whether to utilize the services of such service providers, or to pay such service providers higher fees out of such Client’s assets in return for such service provider’s willingness to invest in such Client, which could result in additional fees for Dragoneer and incentive allocation for such Client’s general partner.

Advisory Committee and Independent Representative

Many of the Clients have established an advisory committee, consisting of representatives of investors. A conflict of interest may exist when some, but not all, limited partners are permitted to designate a member to the advisory committee because those designating limited partners will, for instance, have greater information rights. The advisory committee will also have the ability to approve certain material conflicts of interests with respect to Dragoneer and the applicable Client, which could be disadvantageous to some or all investors, including those investors who do not designate a member to the advisory committee. In some cases, an Independent Representative will be appointed to help resolve such conflicts. In general, the limited partners will not be entitled to review the actions or deliberations of the advisory committee or the Independent Representative. In addition, advisory committee members and the Independent Representative have no fiduciary obligations to the Clients or their partners other than to act in good faith. Advisory committee members may take into consideration their own interests in a particular matter and are not required to take into consideration the interests of the Clients or any of the other partners. The members of the advisory committees may themselves be subject to various conflicts of interest (including as investors in other Clients or due to their relationships with Dragoneer or its personnel).

Charitable Initiatives

Dragoneer may, from time to time, require, cause or invite Clients and/or a portfolio company to make contributions to charitable initiatives, or other non-profit organizations that Dragoneer believes could, directly or indirectly, enhance the value of the Clients’ investments, assist in completing an acquisition of a portfolio company or other transaction (whether or not documented at the time of such acquisition or transaction) or otherwise serve a business purpose for, or be beneficial to, the Clients or their portfolio company. Such contributions could be designed to benefit employees of a portfolio company, the community in which a portfolio company operates or a charitable cause essential to, or consistent with, the business purpose of a portfolio company. In certain instances, such charitable initiatives could be sponsored by, affiliated with or related to current or former employees of Dragoneer, portfolio company management teams, advisors, service providers, vendors, joint venture partners, and/or other

persons or organizations associated with Dragoneer, the Clients or the portfolio companies. These relationships could influence Dragoneer's decision whether to require, cause or invite the Clients or the portfolio companies to make charitable contributions. Further, from time to time, such charitable contributions by the Clients or the portfolio companies could supplement or replace charitable contributions that Dragoneer would have otherwise made. Also, in certain instances, Dragoneer may, from time to time, select a service provider or other counterparty to the Clients or their investments based, in part, on the charitable initiatives of such person where Dragoneer believes such charitable initiatives could, directly or indirectly, enhance the value of the Clients' investments or otherwise be beneficial to the portfolio companies.

Item 12. Brokerage Practices

In the absence of specific instructions from a Client, Dragoneer's policy is to arrange for the execution of transactions for publicly traded securities in Client accounts through brokers, dealers, foreign exchange brokers, or other lawful persons, intermediaries or clearing entities (each, a "Broker") that Dragoneer selects in its sole discretion in accordance with its policies and procedures on best execution. Assessing brokers and other intermediaries involves both qualitative and quantitative factors, and frequently will not result in the lowest brokerage commission. Consequently, in a particular transaction a Client may pay a brokerage commission in excess of that which another broker might have charged for executing the same transaction. Dragoneer is responsible for determining what securities will be purchased and sold for each Client and selecting the Brokers to execute the transactions on behalf of Clients. Purchases and sales of securities for Clients are made in accordance with the investment objectives, strategies and policies of each Client.

Dragoneer may consider the range and quality of services a broker may provide, which may include some or all of best total trade price, trading volume, liquidity, the number of securities involved, the size of transaction, the potential for information leakage, the likely market impact due to the transaction in the market, related research services and costs (including but not limited to commissions, fees and transaction taxes, such as stamp duties). As a result, Dragoneer may cause a Client to pay a brokerage commission in excess of that which another broker might have charged for executing the same transaction if it determines that the commission paid was reasonable in relation to the value of the services provided by the broker.

Dragoneer may generate "soft dollars" with regard to trades made on behalf of Clients. "Soft dollars" refers to Dragoneer's receipt of research or other products or services other than execution from brokers. Research products may include, among other things, permitted computer databases and quotation software, in each case, to access research or that provide research directly, other software, databases and certain other technical and telecommunication services utilized in the investment management process. Research services (which may be in written or oral form or electronic) may include, among other things, research concerning market, economic and financial data, statistical information, data on pricing and availability of securities, financial publications, electronic market quotations and news, performance measurement and pricing services, permitted risk management analysis and performance studies, analyses concerning specific securities, companies or sectors, and market, economic and financial studies and forecasts. Clients do not receive a direct monetary benefit from brokerage and research products

and services; however, these products and services may be useful to Dragoneer in providing investment advice to its Clients.

When Dragoneer uses Client brokerage commissions (or markups or markdowns) to obtain research or other products or services, Dragoneer may receive a benefit because it does not have to produce or pay for the research, products or services. As a result, Dragoneer may have an incentive (on which it may act) to select or recommend a broker-dealer based on its interest in receiving the research or other products or services, rather than on its Clients' interest in receiving the most favorable execution.

Dragoneer will at times make payments for eligible research and brokerage services either via a portion of the commission paid to the executing broker/dealer or through client commission sharing arrangements ("CSAs"). Any research received can be used to service all Clients to which it is applicable, whether or not the Client's commissions were used to obtain the research, and services received from a broker (or paid for by commissions paid to a broker) that executed transactions for a particular Client account will not necessarily be used specifically in providing investment advice to that particular Client account. Some Client accounts will generate more CSA credits than other Client accounts for a variety of reasons, including but not limited to account size, trading frequency, and the investment strategy in which the account is managed.

Because Dragoneer's Clients often seek to buy and sell the same investments, Dragoneer may aggregate purchases and sales of investments. Dragoneer will generally seek to aggregate purchases and sales when Dragoneer believes that aggregation will be beneficial to the applicable Clients, including when it will result in the execution of transactions in a more timely and efficient manner, such as a reduction in overall execution costs and impact on the market price of the underlying securities.

Item 13. Review of Accounts

Dragoneer generally monitors and reviews the Funds and Managed Accounts on a periodic basis for overall adherence to the Fund's or Managed Account's investment objective and strategies, as well as any guidelines or restrictions.

Fund investors receive annual audited financial statements and unaudited quarterly account statements directly from the Fund's administrator. Managed Account clients receive account statements directly from their chosen custodian on the frequency agreed with that custodian. Dragoneer may supplement these statements with reports, letters or other communications.

Item 14. Client Referrals and Other Compensation

Dragoneer does not receive an economic benefit from any person who is not a Client for providing investment advice or other advisory services and does not expect to compensate any person for client referrals.

While not compensation for Client referrals, Dragoneer has in the past engaged, and will from time to time in the future engage, one or more persons to act as a placement agent for a Fund in connection with the offer and sale of interests to certain potential investors. Such persons generally will receive a fee based on the sale of such interests to potential investors. Such fee will

be set forth in the placement agent agreement and will be allocated consistent with the Governing Documents of a Fund.

Item 15. Custody

Item 15 is not applicable to Dragoneer.

Item 16. Investment Discretion

Dragoneer will generally have discretionary authority over the investment activities of the Funds and Managed Accounts. For the Funds, this discretionary authority is generally granted to Dragoneer pursuant to the organizational documents of each Fund and/or pursuant to Dragoneer's investment management agreement with such Fund. For the Managed Accounts, this discretionary authority and any limitations thereon are set forth in the applicable investment management agreement. However, Dragoneer may not have signing authority on behalf of some or all of its Managed Accounts. In all cases, Dragoneer is obligated to exercise its investment discretion in a manner consistent with the stated investment objectives, policies, guidelines and restrictions/limitations for a particular Client account.

Item 17. Voting Client Securities

Voting Proxies

Dragoneer has the authority to vote all proxies on behalf of the Funds, and may be delegated the authority to vote proxies held in a Managed Account as the proxies are received by Dragoneer from the Managed Account Clients. Dragoneer has adopted a policy governing the voting of proxies that is designed to seek to ensure that Dragoneer votes Fund securities in what it believes are the best interest of its Funds. Dragoneer may, but is not obligated to, vote proxies in its sole discretion. Dragoneer has no obligation to review or consider proxies and can decide to vote or not vote any or all proxies in its sole discretion for any reason. As a result, there may be a significant number of proxies that are not reviewed or voted, even if the issuer is requesting a vote on an issue that could be material to a Fund's interest in the issuer. As a long-term orientated investor, in most cases, Dragoneer's policy is to vote the proxies it decides to vote (if any) in accordance with the recommendations of management of the issuer. If there is a material conflict of interest between the interests of Dragoneer and its Clients, Dragoneer will endeavor to resolve such conflict in a manner that is consistent with Dragoneer's assessment of the best interest of the Clients.

If a Managed Account Client has not delegated the power to vote proxies to Dragoneer, that Managed Account Client may direct Dragoneer to vote in a particular manner at any time upon written notice to Dragoneer. In those circumstances, Dragoneer will comply with the Managed Account Client's specific directions to vote proxies, whether or not such directions specify voting proxies in a manner that is different from these policies and procedures. In instances where Dragoneer does not have authority to vote Managed Account Client proxies, it is the responsibility of the Managed Account Client to instruct the relevant custodian bank or banks or prime broker to mail proxy material directly to such Managed Account Client.

Clients may obtain a copy of these proxy voting policies, and obtain information about how Dragoneer has voted its Clients' proxies, or discuss any particular solicitation by calling 415-539-3105.

Participation in Class Actions and Other Litigation Matters

Dragoneer may have occasion to consider whether to participate in litigation on behalf of a Fund, including by filing proofs of claim in class actions. Dragoneer shall not be responsible for monitoring the pendency of class actions or other litigation matters that, in Dragoneer's sole discretion, are believed unlikely to have a material bearing upon the Fund's overall financial position. Additionally, Dragoneer has complete discretion to determine, based on the facts and circumstances of each case or on broader policy considerations, whether to file proof of claims for the Funds in any class action of which Dragoneer is made aware of. In some (if not all) circumstances, Dragoneer may determine it is in the best interests of the Fund not to file a proof of claim.

Item 18. Financial Information

Dragoneer does not require or solicit prepayment of any advisory fees more than six months in advance. As a result, Dragoneer is not required to provide a balance sheet for its most recent fiscal year. Dragoneer is unaware of any financial condition that is reasonably likely to impair its ability to meet its commitments to its Clients. Dragoneer has not been the subject of a bankruptcy petition during the past 10 years.

Item 19. Requirements for State-Registered Advisers

Item 19 is not applicable to Dragoneer.