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Blackstone / GSO Loan Financing Ltd - BGLF Carador Income Fund Plc Rollover Offer Proposal
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Blackstone / GSO Loan Financing Limited

The Board of Blackstone / GSO Loan Financing Limited ("BGLF") announces a proposal to offer newly issued shares ("BGLF Shares") to shareholders of Carador Income Fund plc ("Carador"). This proposal is subject to, inter alia, regulatory consent and the approval of shareholders of both BGLF and of Carador.

Carador is an Ireland domiciled investment company with a similar investment portfolio to BGLF. Carador is managed by GSO / Blackstone Debt Funds Management LLC, which is the investment adviser, or the affiliate of the investment adviser, to CLOs in BGLF's investment portfolio. Carador today announced the result of a strategic review following an extensive consultation with its shareholders. Whilst there was a significant amount of support for Carador to continue offering its shareholders exposure to CLOs, a number expressed a desire for a return of their capital. In response to this feedback, the Carador Board will convene a shareholders' meeting to consider the orderly winding up of that company. In addition, given the interest expressed by a number of Carador shareholders to retain an exposure to CLOs, the Carador Board considered various options leading to a proposal to offer its shareholders an opportunity to roll over their shareholding into BGLF.

It is anticipated that those Carador shareholders electing to receive BGLF Shares will be issued with newly issued "C" shares, in consideration for a transfer of a pool of CLO assets from Carador (the "Carador Assets"). This mechanism allows for the Carador Assets to be transferred to BGLF where they are held in a ring-fenced C Share portfolio. After the C Share portfolio is aligned with BGLF's investment policy, it is expected that the C Shares will convert into ordinary BGLF shares and the portfolios will

merge. The costs of the rollover will be allocated between BGLF's main fund and the C Share asset pool reflecting the expected benefit to existing and new BGLF shareholders. In particular, the enlargement of the BGLF portfolio potentially increases the fund's asset diversification and spreads fixed costs over a larger pool of assets, decreasing the total expense ratio.

The Board of BGLF, recognising the benefits for its own shareholders, supports such a proposal and is liaising with its professional advisers to determine the most practicable method of implementing it. A further announcement will be made in due course.

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