

**Blackstone**

This is a marketing communication. Please refer to the Prospectus of the Company before making a final investment decision.

# Blackstone Loan Financing Limited

AS OF 31 DECEMBER 2023

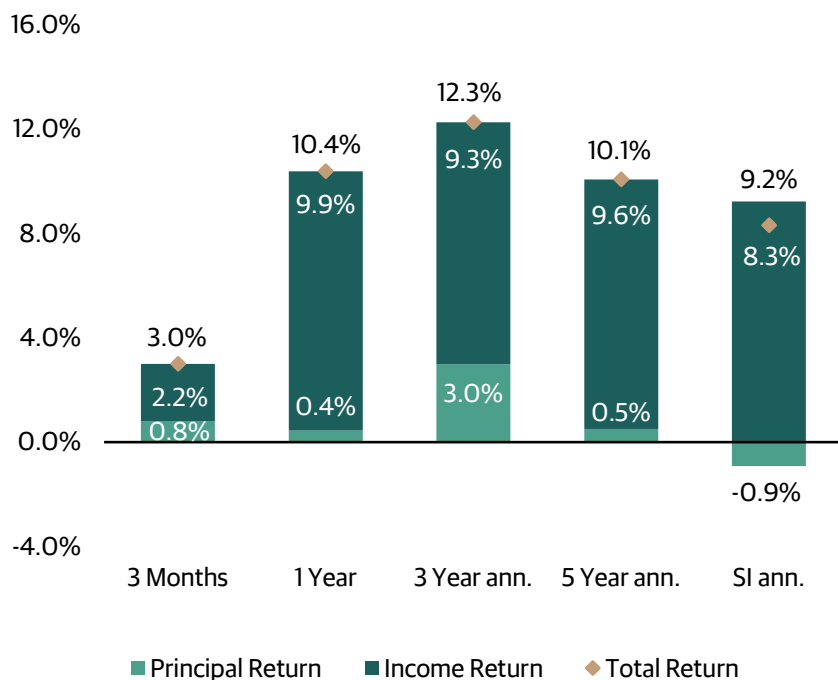
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# I. Overview

# BGLF has provided investors with robust income and total NAV returns since inception

## BGLF € NAV Total Return Components<sup>(1)</sup>



Total Return <sup>(1)</sup> :	BGLF € NAV	Euro Loan Index	US Loan Index
3 Months	3.0%	1.8%	2.9%
1 Year	10.4%	12.5%	13.0%
3 Year Ann.	12.3%	4.4%	5.6%
5 Year Ann.	10.1%	4.1%	5.6%
SI Ann.	8.3%	3.6%	4.4%

€402.8M

Net Assets<sup>(2)</sup>

1.63%

Global CLO net interest margin<sup>(3)</sup>

€261.2M

Market capitalisation

15.3%

LTM Dividend Yield<sup>(4)</sup>

**Past performance does not predict future returns**, and there can be no assurance that a fund will continue to achieve comparable results or that a fund will be able to implement its investment strategy or achieve its investment objectives or avoid substantial losses.

(1) Represents Class A net returns as of 31 December 2023; inception date: 24 July 2014. Return components may not sum due to rounding. Index returns: Credit Suisse Western European Leveraged Loan Index, Hedged to EUR (Euro Loan Index), and US Leveraged Loan Index (US Loans Index). (2) Net assets as of 31 December 2023. (3) As of 31 December 2023. Reflects portfolio WA Asset Coupon less portfolio WA Liability cost as of the reporting date. (4) Expressed as a percentage of NAV. LTM Distribution Yield annualised using the distributions declared over the past four quarters and the average NAV over the period. The Company is not managed in reference to any benchmark index. The index does not represent a benchmark for the Company's performance, but rather is disclosed to allow for comparison of a Fund's performance to that of a well-known and widely recognised index.

53

CLO positions, all actively managed by BXCI<sup>(1)</sup>

10

CLO vintage years

650+

underlying issuers<sup>(2)</sup>

0.08%

since inception default loss rate<sup>(3)</sup>

1.63%

global CLO net interest margin<sup>(4)</sup>

10.3x

debt-to-equity<sup>(5)</sup>

2

new CLO investments in 4Q'23

1.5yrs

WA remaining CLO reinvestment period

+3.0%

BGLF 4Q'23 NAV total return<sup>(6)</sup>

+€3.0M

BGLF 4Q'23 change in net assets<sup>(7)</sup>

1.3x

BGLF LTM dividend cover<sup>(8)</sup>

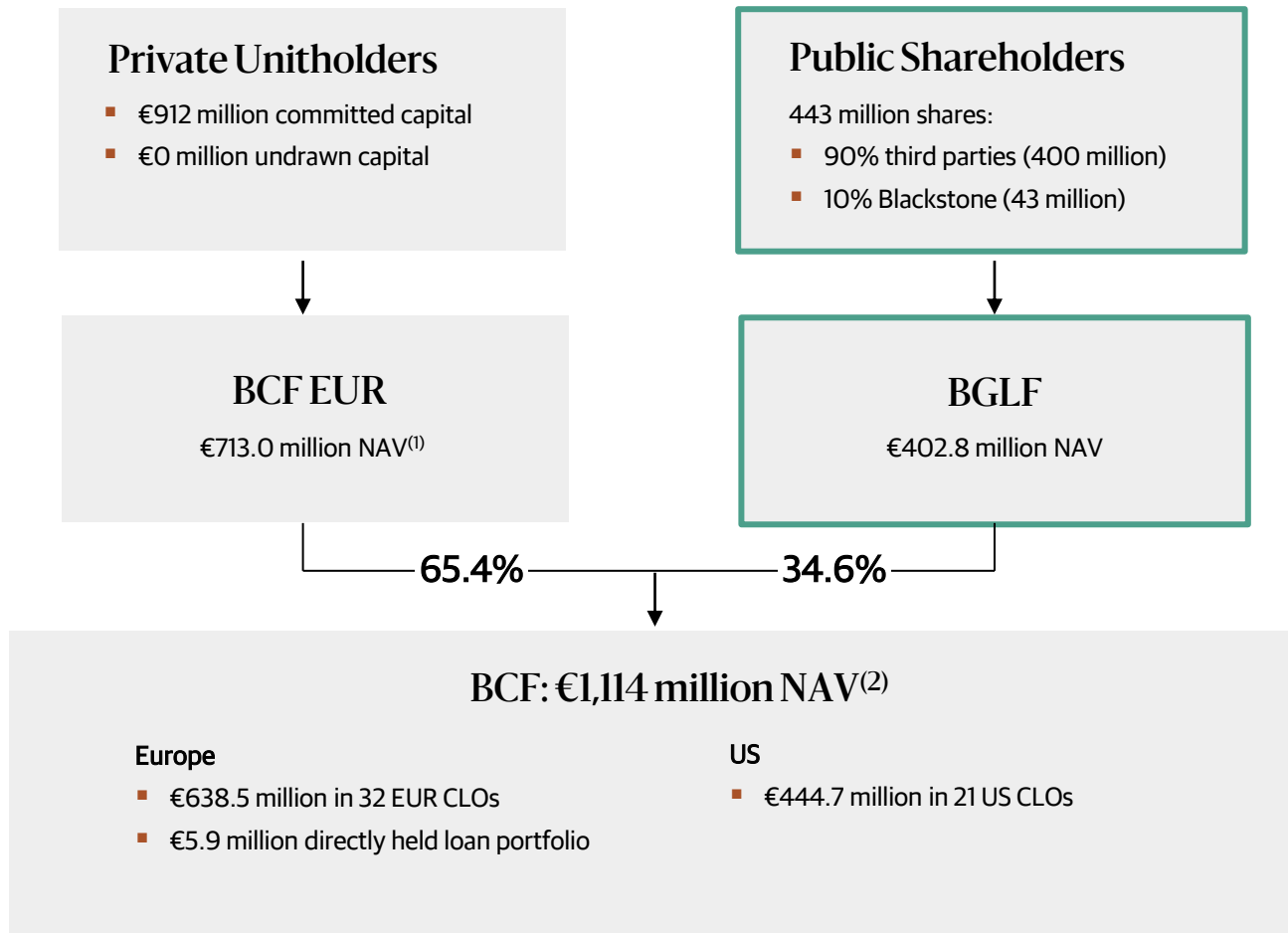
15.3%

BGLF LTM dividend yield<sup>(9)</sup>

- ✓ BGLF awarded 2023 best public closed-end CLO fund by Creditflux<sup>(10)</sup>
- ✓ Blackstone Credit & Insurance is the largest CLO manager globally by AUM, in an asset class where scale matters<sup>(11)</sup>
- ✓ High current income anchored by a robust portfolio of performing assets financed by low-cost CLO debt
- ✓ Diversified look through exposure to a global portfolio of loans and bonds
- ✓ No fund level management fees, reflecting partnership with the BXCI CLO platform

**Past performance does not predict future returns**, and there can be no assurance that a fund will continue to achieve comparable results or that a fund will be able to implement its investment strategy or achieve its investment objectives or avoid substantial losses. This product is subject to the risk of capital loss and investors may not get back the amount originally invested. Diversification does not ensure a profit or protect against losses

## BLACKSTONE CORPORATE FUNDING (“BCF”) STRUCTURE



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Data as of 31 December 2023. Structure is subject to change based on legal, tax and regulatory considerations.

(1) NAV inclusive of all share classes. Feeder % ownership reflective of profit participation notes (PPNs) of BCF held.

(2) NAV inclusive of all share classes. BCF owns a 100% interest in BCM LLC, which in turn owns US CLO positions. BCM LLC has been consolidated for the purposes of this slide. USD holdings in BCM LLC have been converted at a rate of €1.0000:\$1.1039.

### Access to Blackstone Credit's CLO Platform

- Strategic partnership to the well-recognised Blackstone Credit & Insurance CLO platform
- Over 20 years of experience investing across multiple cycles<sup>(1)</sup>

### Active Management

- Low-cost levered exposure to portfolio of secured loans with diversified funding sources
- Immediate exposure to a portfolio diversified by geography, issuer, and vintage
- Loan assets and CLO liabilities actively managed to optimise net interest margin

### Strategy Features

- Generally mid-teen cash-on-cash CLO distributions supporting robust current income
- Well positioned for improving net interest margins
- 'Retention' CLO equity held to maturity and modelled valuation contributes to stable NAV

### Suited To Today's Environment

- Resilient through various market cycles
- Low duration, floating rate assets
- Assets and liabilities match funded

### Alignment of Interests

- No fund-level management fees, 20% fee rebate on CLO management fees<sup>(2)</sup>
- GP investment; Blackstone owns 10% of BGLF<sup>(3)</sup>
- Additional governance oversight from BCF independent board

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(1) Please see the "Important Disclosure Information and Risk Factors" for important information regarding team history.

(2) Blackstone Credit & Insurance (specifically, Blackstone Ireland Limited, Blackstone Liquid Credit Strategies LLC, and Blackstone CLO Management LLC, all of whom are affiliates of Blackstone Credit & Insurance, or "BXCI") is currently rebating 20% of the CLO management fees to BCF pro rata to the value of BCF's CLO equity position. After costs allocated by BXCI to BCF in respect of the relevant CLO, the net rebate on certain of these CLOs is expected to be at least 10% of the management fees received by BXCI. Excludes any incentive/performance management fee Blackstone Credit & Insurance is entitled to receive.

(3) As of 31 December 2023. Blackstone Asia Treasury Pte entered into a 12-month lock-up period at the time of initial issuance of BGLF, which agreement expired on 23 July 2015.

# **II. Fourth Quarter 2023 Results**



## FOURTH QUARTER 2023 RESULTS

### BGLF Earnings & Distributions

- 4Q'23 total return of 3.0% and 10.4% for full year 2023. **BGLF declared a dividend of 3c in 4Q'23, which brings the aggregate dividends payable for the 2023 financial year to 9 cents per share, and results in a LTM dividend yield of 15.3%**
- **The target annual dividend for 2024 is at least 9 cents per share, which represents a total target dividend yield of 15.3%<sup>(1)</sup>**
- LTM dividend cover of 1.3x<sup>(2)</sup>, with retained net earnings available for dividends and other uses at the Board's discretion

### BCF Investment Activity

- €1.3bn of assets purchased and €0.8bn of assets sold, including loans within underlying CLOs<sup>(3)</sup>
- Loan portfolios continued to de-risk away from cyclical sectors, toward higher quality assets in defensive sectors with a focus on relative value and managing underlying loan maturities

### BCF Portfolio Composition

- Diversified portfolio of 650+ issuers through primarily senior secured and floating rate assets
- Marginal downward ratings migration towards lower rated assets. Increase in average loan price as markets recovered from volatility earlier in the year. No material near term refinancing risk as loan maturities wrapped around 2028

### BCF Interest & Margins

- 19bp increase in WA portfolio NIM primarily driven by higher all-in rates for a small directly held loan portfolio, which managed to negate higher overall financing costs (due to an increase in base rates)
- Remaining CLO reinvestment period stayed flat at 1.5 years as the addition of one new reinvesting CLO was able to offset natural ageing of the portfolio

### BCF Capitalisation

- All undrawn capital fully deployed
- BCF's CLO portfolio continues to benefit from the favourable cost of capital relative to the current market owing to refinancing activity in 2021 and early 2022, where ~40% of BCF's CLOs reduced their cost of debt and/or extended reinvestment periods

**Diversification does not ensure a profit or protect against losses.** This product is subject to the risk of capital loss and investors may not get back the amount originally invested. Past performance does not predict future returns, and there can be no assurance that a fund will continue to achieve comparable results or that a fund will be able to implement its investment strategy or achieve its investment objectives or avoid substantial losses.

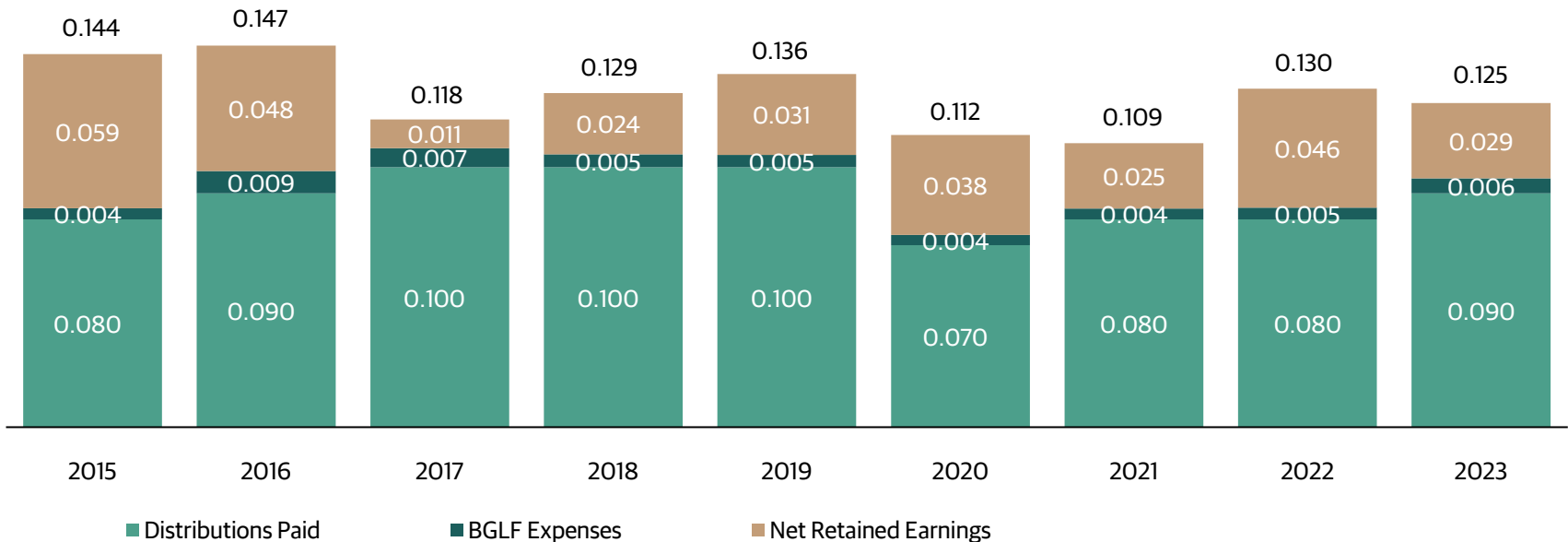
(1) Based on the BGLF Euro closing price of €0.59 per share on 23 January 2024. Please see the BGLF announcement on 23 January 2024 for more information. **The target dividend is a target only and not a profit forecast and there are no assurances that targets will be achieved. It should not be taken as an indication of expected future performance or results.** (2) Calculated as net income received from BCF PPNs received less BGLF expenses divided by distributions paid, each over the last twelve months (3) Includes the total gross trading activity for assets held directly and indirectly by BCF, including gross assets purchased or sold within EUR and USD CLOs. Data reflects trading activity for assets held at the end of the period only and excludes paydowns. Data calculated by Blackstone Credit & Insurance on 15 January 2024.

## BGLF EARNINGS & DISTRIBUTIONS

- **BGLF LTM distribution yield of 15.3%<sup>(1)</sup>**, supported by uninterrupted cash flows from each CLO since inception
- The Board declared a 4Q'23 dividend of 3c to deliver at the top end of its 2023 target of €0.08 - €0.09<sup>(2)</sup>. The Board have announced a 2024 Dividend Policy targeting a total annual dividend of at least €0.09 per share
- **1.3x LTM dividend cover<sup>(3)</sup>** - BGLF's net distributable earnings exceeded declared dividends by 32% over the last 12 months, with retained earnings available for dividends and other uses at the Board's discretion

### Historical Distributions and Retained Earnings

(per BGLF share, €)



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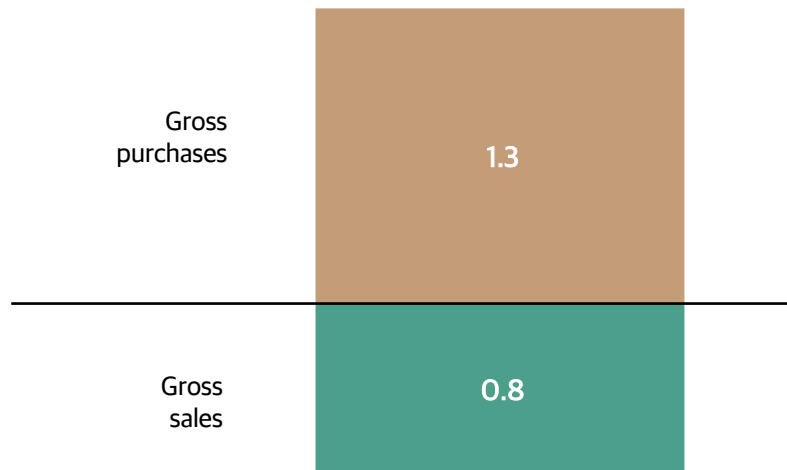
(1) Based on the last four dividends declared and the share price as of 31 December 2023. Please see BGLF's announcement on 23 January 2024 for more information. (2) **The target dividend is a target only and not a profit forecast. It should not be taken as an indication of expected future performance or results** (3) Calculated as net income received from BCF PPNs received less BGLF expenses divided by distributions paid, each over the last 12 months.

### 4Q '23 Portfolio Activity Highlights<sup>(1)</sup>

Added 19 new issuers, sold 28 issuers
WA spread up by 1bp to 3.70%
B2 average facility rating
Diversification among issuers, sectors, and geographies

### 4Q '23 Underlying Loan Portfolio Activity<sup>(2)</sup>

(€ in billions)



- €1.3 billion of assets were purchased and €0.8bn of assets were sold, including directly held loans, and loans within underlying CLOs<sup>(1)</sup>
- Loan portfolios continued to de-risk away from cyclical sectors, toward higher quality assets in defensive sectors with a focus on relative value and managing underlying loan maturities

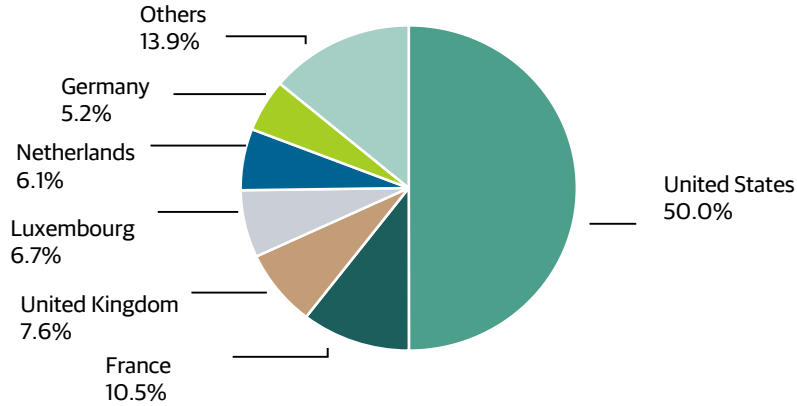
**Past performance does not predict future returns**, and there can be no assurance that a fund will continue to achieve comparable results or that a fund will be able to implement its investment strategy or achieve its investment objectives or avoid substantial losses.

(1) Investment characteristics based on the total purchases of directly held loans, US and European CLOs portfolio assets. (2) Includes the total gross trading activity for assets held directly and indirectly by BCF, including gross assets purchased or sold within EUR and USD CLOs. Data reflects trading activity for assets held at the end of the period only and excludes paydowns. Data as of 31 December 2023 calculated using internal data by Blackstone Credit & Insurance on 15 January 2024. Note: Portfolio data by presented using the gross par amount of assets held directly and indirectly by BCF. The total par amount of all assets held within each CLO are included on a fully consolidated basis and added to those assets held directly by BCF. Subject to change and not a recommendation to buy or sell any security. CLO Note investments are excluded from all figures.

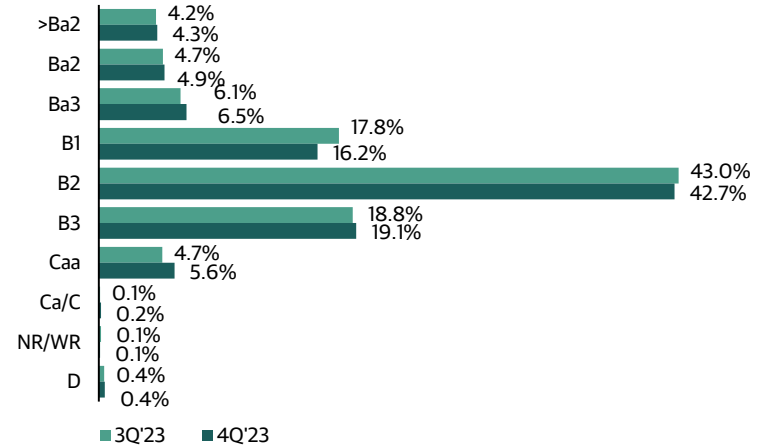
# BCF PORTFOLIO COMPOSITION

- Diversified portfolio of 650+ issuers invested across multiple sectors, geographies, and vintages
- Portfolio of primarily senior secured and floating rate assets

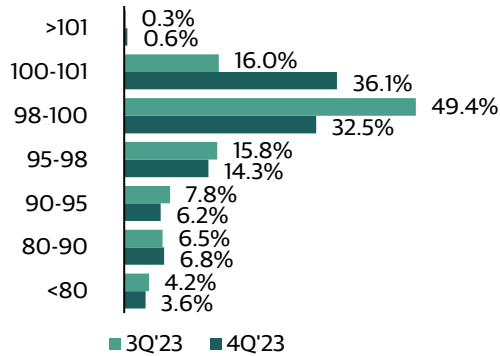
## Country Allocations



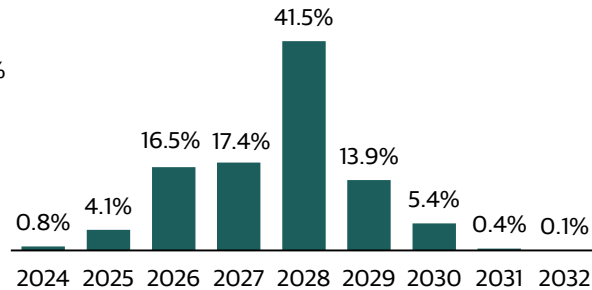
## Moody's Rating Distribution



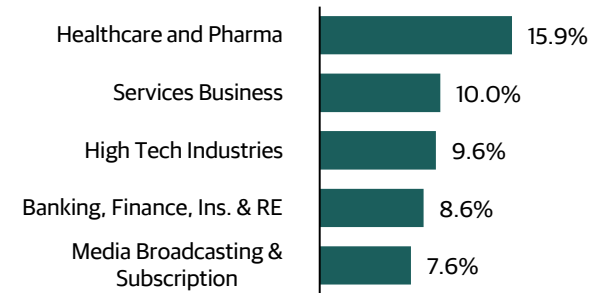
## Price Bands



## Maturities



## Top Five Industry Allocations



Diversification does not ensure a profit or protect against losses.

Note: Portfolio data presented using the gross par amount of assets held directly and indirectly by BCF. The total par amount of all assets held within each CLO are included on a fully consolidated basis and added to those assets held directly by BCF. Subject to change and not a recommendation to buy or sell any security. Data as of 31 December 2023, calculated on 15 January 2024.

## DIVERSIFIED CLO LIABILITIES

- **Diversified portfolio of 53 CLOs spanning 10 vintage years**
- The portfolio continues to benefit from refinancing activity in 2021 and early 2022, where nearly 40% of BCF's CLOs reduced their cost of debt and/or extended reinvestment periods. This leaves the portfolio well positioned to benefit from widening credit spreads and continues to support robust distributions

### CLO Positions By Remaining Reinvestment Period<sup>(2)</sup>

(€ par millions / # CLOs)



### CLO Average WACC By Remaining Reinvestment Period<sup>(3)</sup>

	Out of RP	<1 yr	1-2 yrs	2-3 yrs	3-4 yrs	4-5 yrs	Static
EU	5.64%	5.72%	5.61%	5.78%	6.84%	6.45%	6.24%
US	7.26%	7.05%	N/A	7.12%	7.10%	N/A	N/A

Diversification does not ensure a profit or protect against losses.

As of 31 December 2023, reflective of the continuing Fund unless otherwise stated. (1) Reflects expiration of non-call periods for CLO positions directly or indirectly held by BCF. (2) Reflects total par value of BCF's CLO equity positions and number of CLO positions, split by remaining reinvestment period. US CLOs converted at €1.0000:\$1.1039. (3) Reflects CLO WACC weighted by par value of each CLO equity position, split by remaining reinvestment period. "WACC" is the CLO's weighted average cost of capital (all-in rate inclusive of base rate). US CLOs converted at €1.0000:\$1.1039.

## BCF INVESTMENT ACTIVITY

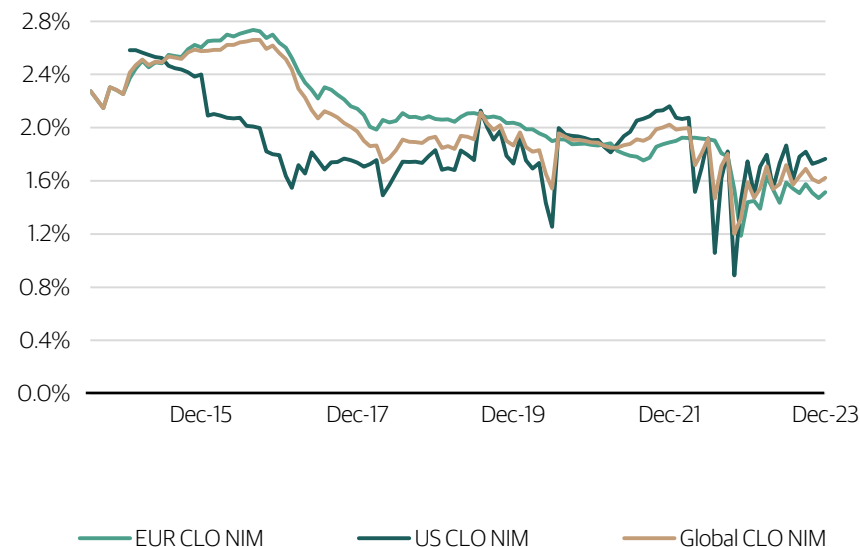
- Globally, CLO WAC increased quarter on quarter predominantly due to rising European and US base rates
- CLO net interest margins have broadly improved since the start of the rate volatility at the end of 2022

### Portfolio Financing Cost

Weighted Average Cost ("WAC") of Liabilities	1Q '23	2Q '23	3Q '23	4Q '23
EUR CLOs	4.31%	5.04%	5.56%	5.87%
US CLOs	6.30%	6.75%	7.07%	7.18%
CLO Warehouses	3.94%	n/a	n/a	n/a
Directly Held Loans	3.90%	4.74%	5.17%	5.41%
<b>Total Portfolio</b>	<b>5.05%</b>	<b>5.66%</b>	<b>6.10%</b>	<b>6.32%</b>

### CLO Net Interest Margins ("NIM")

(rolling 3 month)



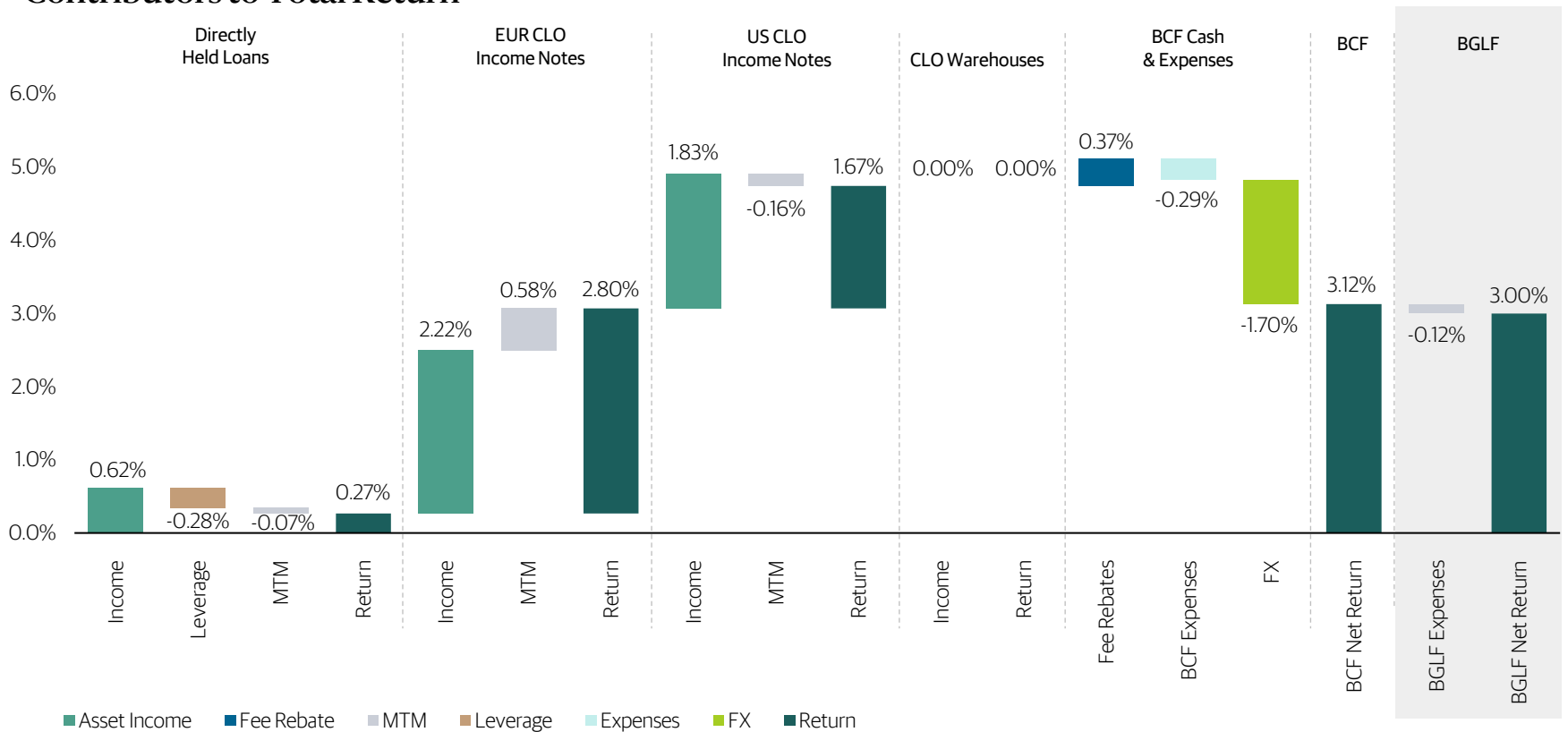
**Past performance does not predict future returns**, and there can be no assurance that a fund will continue to achieve comparable results or that a fund will be able to implement its investment strategy or achieve its investment objectives or avoid substantial losses.

Note: WACC shown in table is reflective of all-in rates and based on data available at the time of reporting. Data for CLO Warehouses and Directly Held Loans calculated by Blackstone Credit & Insurance. Data for EUR and US CLO NIMs calculated based on data available on Kanerai as of 16 January 2024. NIMs calculated using the Gross Coupon, as calculated by Intex, less the weighted average CLO liability coupons, per Intex, for each respective CLO.

# III. Performance

# BGLF's 4Q'23 NAV total return was 3.00%

## Contributors to Total Return



**Past performance does not predict future returns**, and there can be no assurance that a fund will continue to achieve comparable results or that a fund will be able to implement its investment strategy or achieve its investment objectives or avoid substantial losses.

Source: BXCI. Represents BGLF cumulative asset and net returns from 1 October 2023 to 31 December 2023, reflective of the continuing Fund unless otherwise stated. MTM refers to mark to model for EUR and US CLOs and mark to market for Directly Held Loans. CLO Income Notes are valued by BCF's third party valuation provider using a CLO intrinsic calculation methodology, loan asset valuations are based on the average of broker quotes received from Markit and bonds prices are provided by IDC. Further details of BCF's valuation policy can be found in BGLF's annual accounts. Please note that the return component figures may not sum exactly due to rounding. Note: The illustration is not indicative of future results, and there can be no assurance that the Fund will achieve these results. There is no guarantee that the future investments made by the Fund will continue to be identical to the make-up of such current portfolio. Moreover, future investments to be made by the Fund may differ substantially from the investments included in the current portfolio of the Fund.



## BGLF MONTHLY € NAV TOTAL RETURN PERFORMANCE

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
<b>2023</b>													
BGLF € NAV	1.53%	0.57%	0.80%	0.87%	-1.15%	-0.42%	1.46%	1.32%	2.00%	1.11%	-0.19%	2.06%	<b>10.39%</b>
European Loan Index	2.73%	0.79%	0.02%	1.20%	0.83%	0.95%	1.15%	1.36%	0.98%	-0.33%	0.97%	1.19%	<b>12.46%</b>
US Loan Index	2.57%	0.63%	-0.10%	0.95%	-0.09%	2.24%	1.30%	1.15%	0.88%	0.03%	1.19%	1.61%	<b>13.04%</b>
<b>2022</b>													
BGLF € NAV	1.22%	0.45%	3.51%	0.44%	-1.66%	-2.11%	1.89%	1.44%	-1.77%	-0.62%	2.12%	0.35%	<b>5.22%</b>
European Loan Index	0.29%	-0.90%	0.09%	-0.13%	-2.44%	-3.80%	2.37%	1.91%	-3.39%	0.65%	1.92%	0.34%	<b>-3.28%</b>
US Loan Index	0.36%	-0.50%	0.04%	0.17%	-2.51%	-2.06%	1.87%	1.53%	-2.17%	0.85%	1.11%	0.36%	<b>-1.06%</b>
<b>2021</b>													
BGLF € NAV	2.79%	0.67%	0.20%	1.27%	1.28%	4.00%	1.38%	1.18%	3.19%	1.14%	0.54%	2.33%	<b>21.82%</b>
European Loan Index	0.91%	0.81%	0.00%	0.43%	0.42%	0.31%	0.04%	0.48%	0.44%	0.14%	0.15%	0.42%	<b>4.63%</b>
US Loan Index	1.27%	0.67%	0.06%	0.51%	0.52%	0.41%	0.00%	0.49%	0.65%	0.24%	-0.15%	0.63%	<b>5.40%</b>
<b>2020</b>													
BGLF € NAV	0.61%	-1.10%	-13.84%	3.91%	-0.77%	5.51%	1.54%	0.81%	-1.63%	1.60%	3.58%	0.96%	<b>-0.22%</b>
European Loan Index	0.51%	-1.03%	-13.57%	6.66%	3.28%	1.57%	0.82%	1.20%	0.74%	0.25%	2.66%	0.61%	<b>2.38%</b>
US Loan Index	0.53%	-1.35%	-12.46%	4.29%	3.80%	1.35%	1.88%	1.50%	0.69%	0.17%	2.13%	1.30%	<b>2.78%</b>
<b>2019</b>													
BGLF € NAV	1.25%	1.90%	1.21%	1.26%	0.67%	1.59%	1.13%	-0.19%	1.41%	0.78%	0.77%	1.83%	<b>14.46%</b>
European Loan Index	1.15%	0.93%	-0.07%	0.98%	-0.04%	0.13%	0.44%	0.05%	0.56%	-0.35%	0.41%	0.75%	<b>5.03%</b>
US Loan Index	2.30%	1.57%	-0.12%	1.59%	-0.23%	0.22%	0.05%	-0.28%	0.42%	-0.49%	0.55%	1.61%	<b>8.17%</b>
<b>2018</b>													
BGLF € NAV	0.52%	-0.21%	-1.23%	0.40%	0.08%	1.50%	1.89%	1.46%	1.81%	0.53%	-0.06%	-0.14%	<b>6.70%</b>
European Loan Index	0.66%	0.13%	0.10%	0.47%	0.03%	-0.49%	0.51%	0.36%	0.57%	0.20%	-0.72%	-1.26%	<b>0.55%</b>
US Loan Index	1.08%	0.18%	0.32%	0.49%	0.19%	0.10%	0.83%	0.41%	0.68%	0.01%	-0.82%	-2.29%	<b>1.14%</b>
<b>2017</b>													
BGLF € NAV	0.14%	0.76%	-0.53%	0.01%	0.95%	0.63%	0.44%	-1.01%	-0.02%	0.65%	-0.46%	-0.18%	<b>1.38%</b>
European Loan Index	1.00%	0.46%	-0.29%	0.29%	0.52%	0.03%	0.48%	-0.02%	0.34%	0.33%	0.07%	0.00%	<b>3.30%</b>
US Loan Index	0.53%	0.59%	0.08%	0.44%	0.38%	-0.06%	0.78%	-0.14%	0.41%	0.66%	0.12%	0.39%	<b>4.25%</b>
<b>2016</b>													
BGLF € NAV	0.95%	0.67%	1.32%	1.28%	2.31%	0.98%	0.34%	0.13%	1.28%	0.37%	1.96%	0.97%	<b>13.28%</b>
European Loan Index	-0.32%	-0.93%	2.06%	1.35%	0.74%	-0.60%	1.16%	0.88%	0.74%	0.50%	0.18%	0.63%	<b>6.52%</b>
US Loan Index	-0.73%	-0.56%	2.64%	1.90%	0.91%	0.03%	1.41%	0.79%	0.87%	0.77%	0.32%	1.15%	<b>9.88%</b>
<b>2015</b>													
BGLF € NAV	1.36%	0.82%	0.76%	0.86%	1.05%	-0.07%	1.42%	0.09%	0.57%	0.83%	0.07%	0.07%	<b>8.11%</b>
European Loan Index	0.42%	1.06%	0.73%	0.88%	0.50%	-0.23%	0.50%	-0.17%	-0.33%	0.18%	-0.11%	-0.32%	<b>3.14%</b>
US Loan Index	0.26%	1.41%	0.39%	0.90%	0.20%	-0.31%	0.09%	-0.65%	-0.67%	-0.14%	-0.89%	-0.95%	<b>-0.38%</b>
<b>2014</b>													
BGLF € NAV								0.78%	0.21%	0.26%	1.12%	-3.05%	<b>-0.73%</b>
European Loan Index								0.13%	-0.07%	0.03%	0.37%	-0.61%	<b>-0.16%</b>
US Loan Index								0.23%	-0.52%	0.29%	0.46%	-1.10%	<b>-0.65%</b>

**Past performance does not predict future returns**, and there can be no assurance that a fund will continue to achieve comparable results or that a fund will be able to implement its investment strategy or achieve its investment objectives or avoid substantial losses. The volatility and risk profile of the indices presented is likely to be materially different from that of a Fund. In addition, the indices employ different investment guidelines and criteria than a Fund and do not employ leverage; as a result, the holdings in a Fund and the liquidity of such holdings may differ significantly from the securities that comprise the indices. Currency fluctuations may have an adverse effect on the value, price, income or costs of the product which may increase or decrease as a result of changes in exchange rates.

BGLF € NAV net total returns for BGLF Ordinary Shares; inception date: 24 July 2014. Source: Credit Suisse: Western European Leveraged Loan Index, Hedged to EUR (European Loan Index), and US Leveraged Loan Index (US Loan Index), as of 31 December 2023. 2014 does not represent a complete 12-month period. For returns shown in complete trailing 12-month periods, please see slide 39. BGLF € NAV calculated by BGLF's Administrator in accordance with the provisions of the BGLF Prospectus.

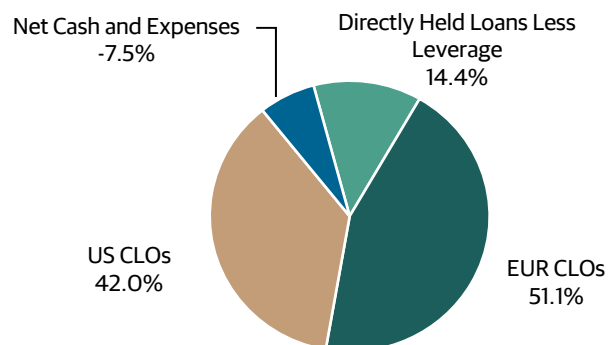
Please see "Important Disclosure Information" including "Index Comparison".

# IV. Portfolio Activity

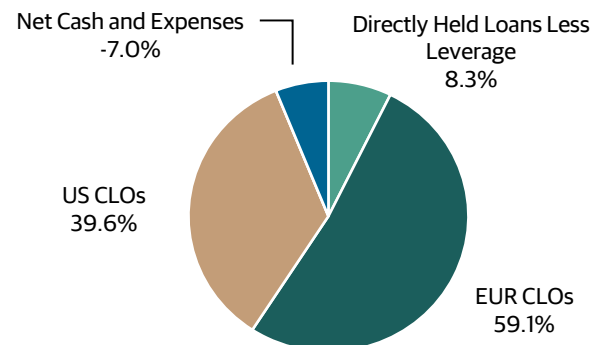
## SUMMARY OF BCF INVESTMENT PORTFOLIO

- Increase in European CLO portfolio weighting due to two new European deals
- 19bp increase in WA portfolio NIM primarily driven by higher all-in rates for a small directly held loan portfolio, which managed to negate higher overall financing costs (due to an increase in base rates)
- Remaining CLO reinvestment period stayed flat at 1.5 years as the addition of one new reinvesting CLO was able to offset natural ageing of the portfolio

### BCF Portfolio: September 2023<sup>(1)</sup>



### BCF Portfolio: December 2023<sup>(1)</sup>



	WA Asset Coupon	WA Liability Cost	WA Net Interest Margin	WA Remaining CLO Reinvestment Periods
EUR CLOs	7.14%	5.56%	1.58%	1.6 Yrs
USD CLOs	8.89%	7.07%	1.82%	1.3 Yrs
CLO Warehouses	n/a	n/a	n/a	n/a
Directly Held Loans	7.35%	5.17%	2.19%	n/a
<b>Total Portfolio</b>	<b>7.85%</b>	<b>6.10%</b>	<b>1.75%</b>	<b>1.5 Yrs</b>

	WA Asset Coupon	WA Liability Cost	WA Net Interest Margin	WA Remaining CLO Reinvestment Periods
EUR CLOs	7.39%	5.87%	1.51%	1.7 Yrs
USD CLOs	8.95%	7.18%	1.77%	1.2 Yrs
CLO Warehouses	n/a	n/a	n/a	n/a
Directly Held Loans	11.19%	5.41%	5.79%	n/a
<b>Total Portfolio</b>	<b>8.26%</b>	<b>6.32%</b>	<b>1.94%</b>	<b>1.5 Yrs</b>

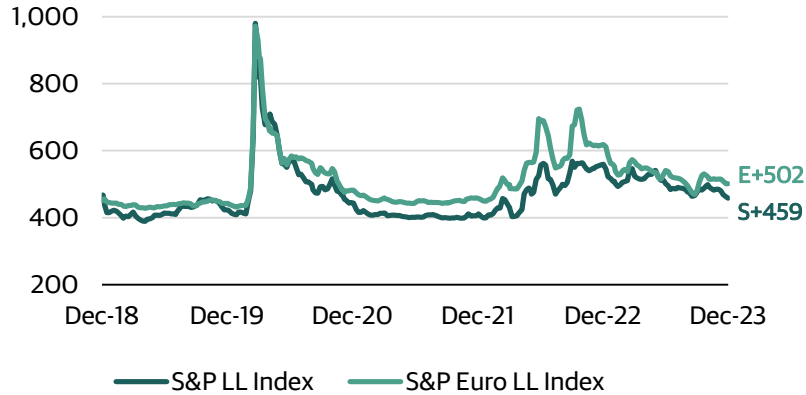
Diversification does not ensure a profit or protect against losses.

(1) Asset Sources: Directly Held Assets represent par balance of BCF's on-balance sheet assets; Indirect Assets calculated as the sum of EUR and USD CLO Assets; EUR and USD CLO Assets represented by the total Target Par for each CLO, weighted for each CLO's respective BCF investment; Liability sources: Credit Facility balance presented as total drawn amount less actual cash balance and expected cash to be received from unsettled trades; EUR and USD CLO balances represent outstanding debt tranches, weighted for each CLO's respective BCF investment. Portfolio allocation and weighting for each weighted average are based on the percentage of BCF's net asset value as of 30 September 2023 and 31 December 2023, using data for CLOs calculated based on data available on Kanerai as of 17 October 2023 and 16 January 2024, respectively. All data reflective of the continuing fund only, unless otherwise stated.

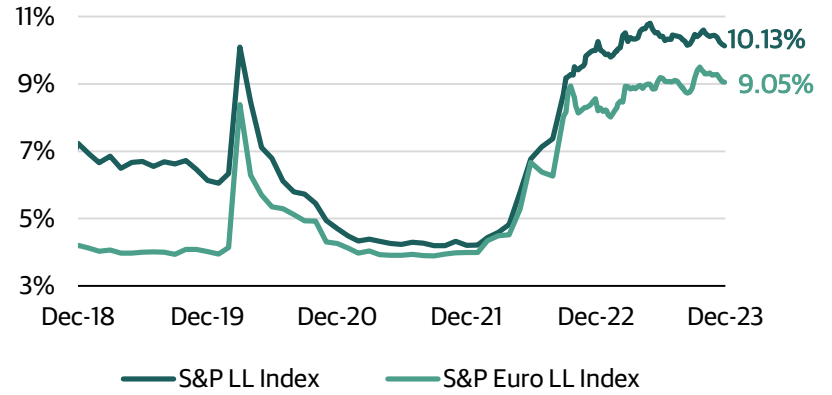
# V. Market Themes

### Spread to Maturity

(S+ / E+)

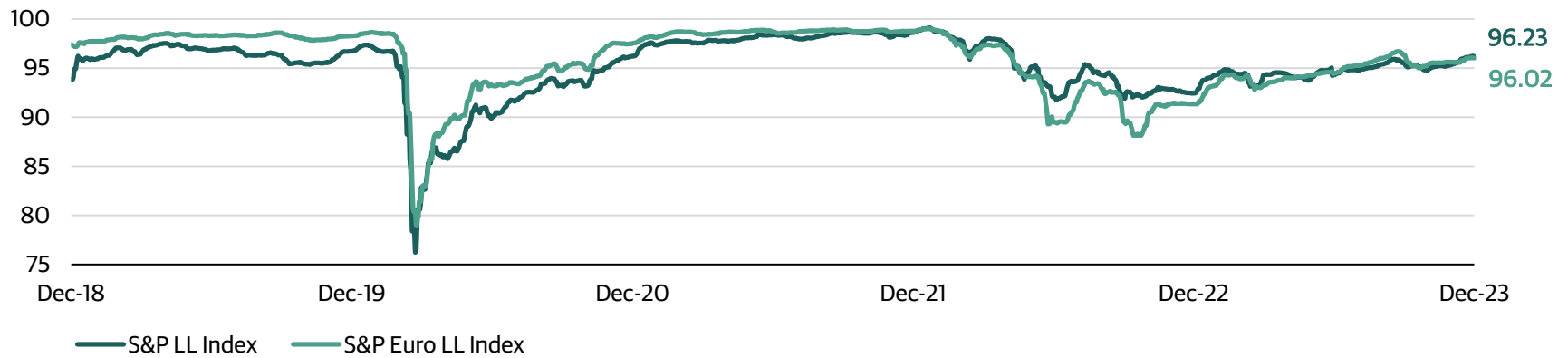


### Yield to Maturity



### Average Bid Price

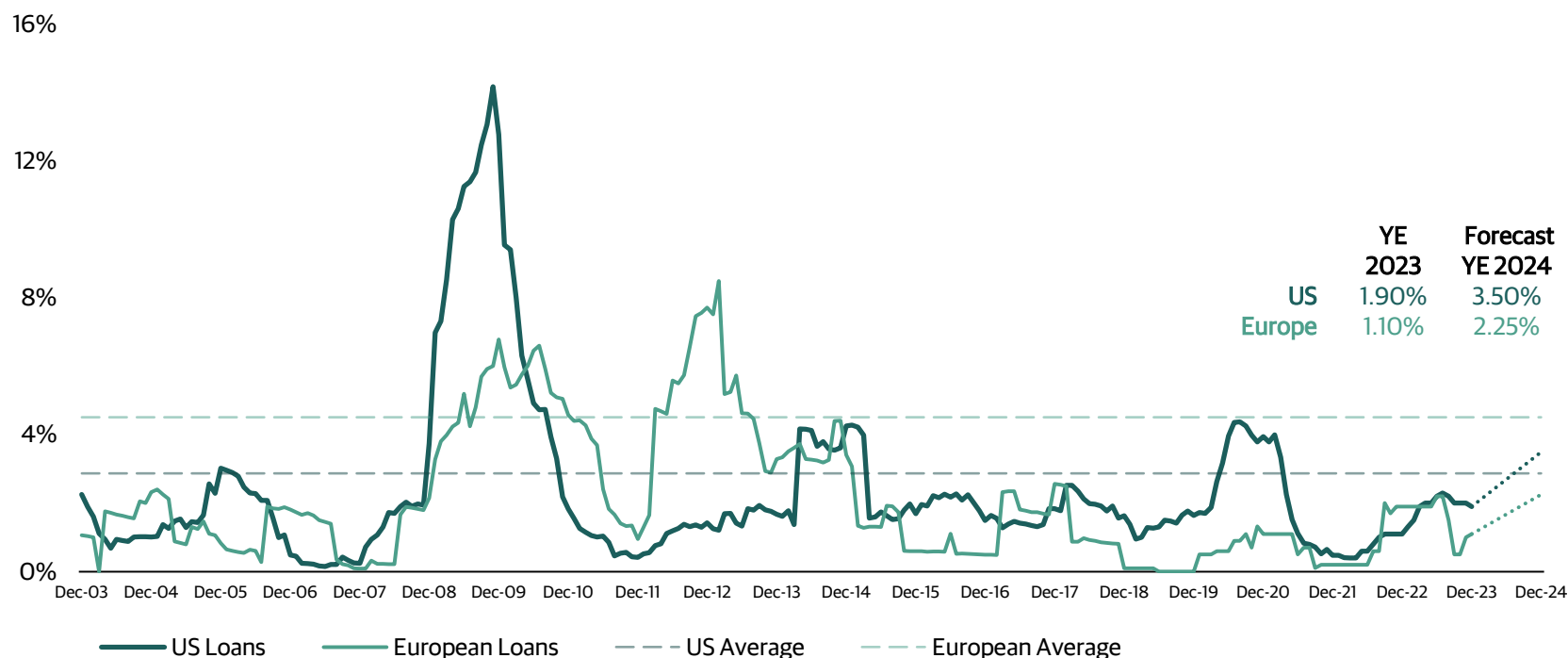
(\$ / €)



**Past performance does not predict future returns**, and there can be no assurance that such returns will be achieved, that any fund will achieve comparable results or that any fund will be able to implement its investment strategy or achieve its investment objectives.

# Default rates ended below analyst expectations and both regions currently remain within long-term historical averages

## Loan Historical Default Rates

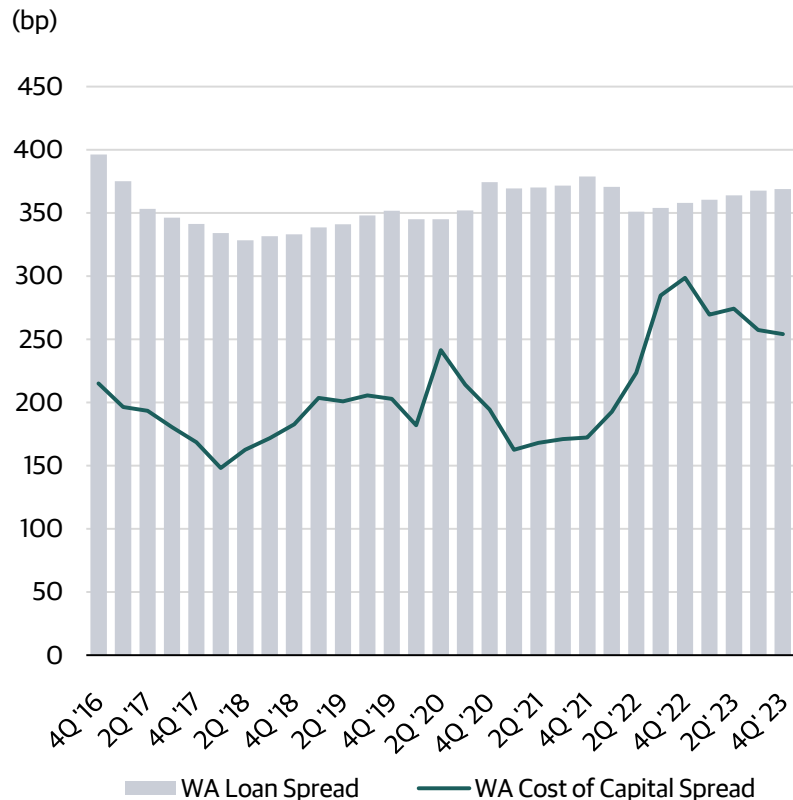


**Past performance does not predict future returns**, and there can be no assurance that Blackstone Credit & Insurance will achieve comparable results or that any entity or account managed or advised by Blackstone Credit & Insurance will be able to implement its investment strategy or achieve its investment objectives. Please refer to the Blackstone Credit & Insurance Loan Default Track Record in the “Important Disclosure Information” section of this Presentation for further information on the default track record.

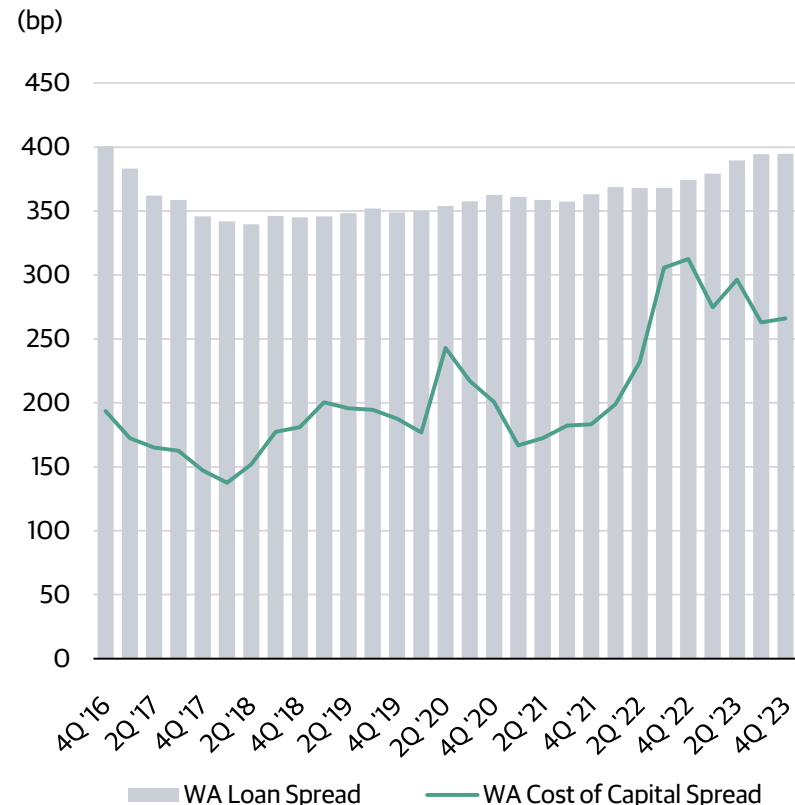
Source: Blackstone Credit & Insurance, UBS as of 31 December 2023. The above represents Blackstone’s views and believes, unless otherwise indicated. Default rate represented by LTM par-weighted default rate. 2024 US and European loan default rate forecasts are based on UBS research (as of 11 January 2024).

# Average quarterly arbitrage remained broadly flat in 4Q '23 as CLO cost of capital and loan spreads continue to stabilise

## US WA Spread and Cost of Capital



## European WA Spread and Cost of Capital

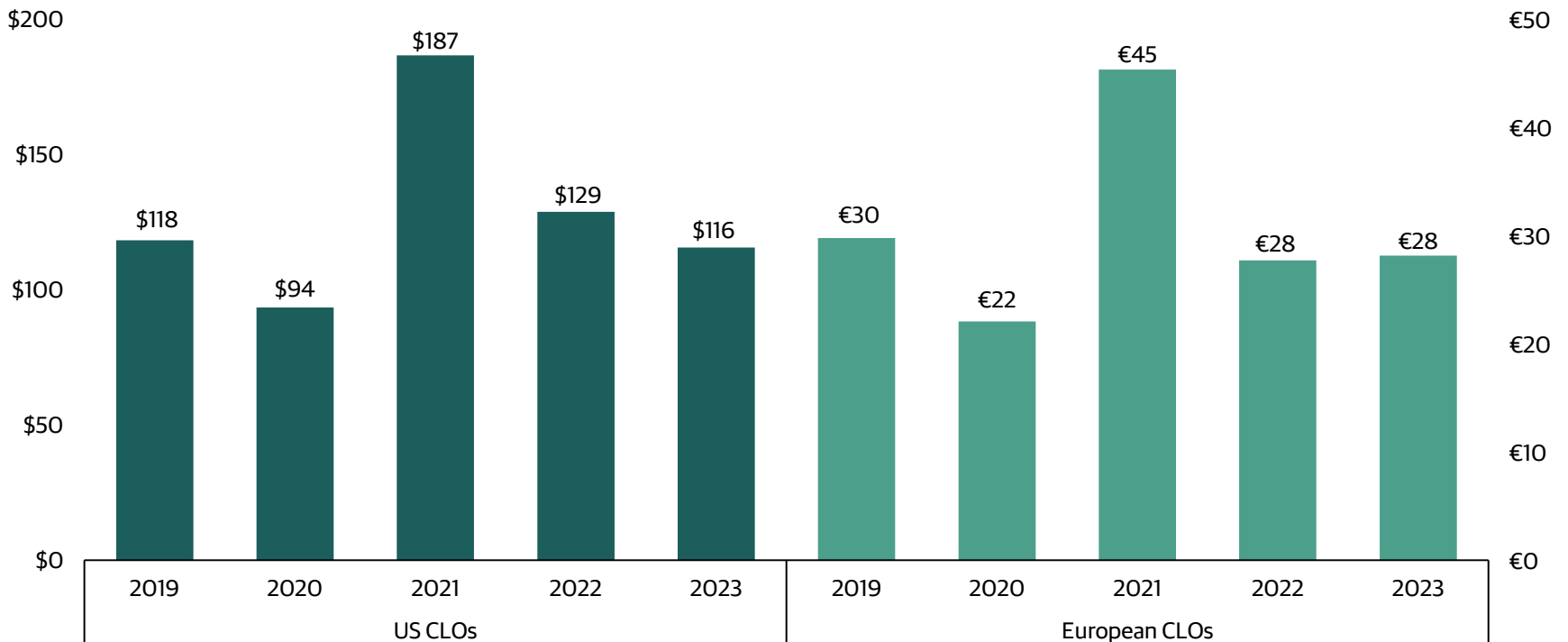


There can be no guarantee that the trends depicted herein will continue.

Source: S&P LCD for WA Cost of Capital, S&P for U.S. loan spreads and Credit Suisse for European loan spreads, as of 31 December 2023.

# Despite a challenging market for CLO creation, new issuance remained robust over 2023

U.S. and European CLO New Issue Volume  
(\$/€ in billions)



There can be no guarantee that the trends depicted herein will continue.



# **VI. Portfolio and Market Outlook**

# Portfolio and Market Outlook

- The final quarter of 2023 capped a year of outperformance for global credit markets, over other asset classes. The macro environment remained supportive as falling inflation fueled investor expectations for the Fed and ECB to pivot, while data releases highlighted continued economic resilience, raising hopes for a soft landing. The Fed and ECB held rates steady over the quarter, although a more dovish tilt from the Fed re-energised the rally across bonds and equities underway since early November. Greater certainty around the rate and inflation picture has created a steadier outlook for 2024
- Against this backdrop, US and European loans produced the strongest year for the asset class since 2009<sup>(1)</sup>, returning 12.5% in Europe and 13.0% in the US, over the year<sup>(2)</sup>. Floating rates assets, including senior loans and CLOs, have withstood various macro headwinds to offer compelling yields and benefit from the elevated rate environment
- Underlying corporate fundamentals have been supportive for loan performance and defaults finished the year below analysts' estimates, and within historical averages. Despite some deterioration in corporate margins and interest coverage, we believe that balance sheets for the majority of issuers are well-positioned for a higher rate, slower growth environment. We expect these fundamentals to continue to drive performance in 2024. We expect to see further separation between the performance of higher and lower quality assets, meaning individual credit selection will be a key determinant of performance
- We continue to ensure resilience in our CLO portfolios, by prioritising a robust buffer above collateral quality tests, avoiding downgrades and test breaches. Our main emphasis will continue to be on active risk management, by repositioning away from issuers at risk of potential downgrades and instead rotating towards robust companies in defensive sectors, or what we call "good neighbourhoods". Our objective is to capture new opportunities arising from price differentials, by acquiring discounted assets that present compelling relative value. Ultimately, we aim to boost CLO equity returns through the appreciation of these underlying assets
- Given the wind-down of BCF is now effective, as of the new year, portfolio management will remain focused on effectively navigating through evolving market dynamics, whilst monitoring opportunities to refinance CLOs when we believe the economics are attractive. We will continue to leverage our resources and experience across numerous credit cycles to manage in a prudent manner that is supportive of capital preservation and CLO returns to investors

There can be no assurance that any Blackstone strategy or product will achieve their objectives or avoid significant losses. Risk Management seeks to mitigate risk but does not reduce or eliminate risk. There is no guarantee that the trends depicted herein will continue or will not reverse. This product is subject to the risk of capital loss and investors may not get back the amount originally invested.

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Source: Blackstone, unless otherwise stated. Reflects Blackstone Credit & Insurance's views and opinions as of February 2024. (1) Pitchbook LCD Weekly Wrap, as of 5 January 2024. (2) Credit Suisse: Western European Leveraged Loan Index, Hedged to EUR (European Loans), and US Leveraged Loan Index (US Loans), as of 31 December 2023.

# VII. Appendix

## BCF LOOK THROUGH PORTFOLIO DETAILS

	# Facilities	Portfolio Par (€M)	Total Par Outstanding (€M)	Moody's Industry	Country	Moody's Corporate Rating	Moody's Facility Rating	WA Price	WA Spread	WA Coupon (All-In Rate)	WA Maturity (Years)
Issuer 1	12	253	14,190	Media Broadcasting and Subscription	France	B2	B2	86.8	4.46%	7.14%	4.3
Issuer 2	4	250	6,816	Media Broadcasting and Subscription	Netherlands	B1	B1	95.0	3.11%	6.40%	5.3
Issuer 3	8	215	10,005	Media Broadcasting and Subscription	United States	Ba2	Ba2	98.2	2.90%	6.77%	5.2
Issuer 4	3	202	4,025	Banking, Finance, Insurance and Real Estate	Ireland	B2	B2	97.9	4.48%	8.95%	4.3
Issuer 5	2	186	3,128	Healthcare and Pharmaceuticals	Denmark	B2	B2	98.7	3.93%	8.50%	2.2
Issuer 6	4	175	6,050	Telecommunications	United Kingdom	B2	B1	99.3	4.10%	7.35%	3.9
Issuer 7	7	172	4,358	Chemicals, Plastics and Rubber	United States	Ba2	Ba3	97.8	2.72%	5.85%	2.7
Issuer 8	3	170	4,337	Capital Equipment	Luxembourg	B1	Ba3	100.4	3.73%	8.29%	3.6
Issuer 9	4	168	2,191	Banking, Finance, Insurance and Real Estate	United States	B1	B1	96.0	3.01%	6.09%	4.8
Issuer 10	5	167	4,413	Media Broadcasting and Subscription	United States	Ba3	Ba3	98.7	2.84%	7.06%	5.2
Issuer 11	2	165	4,512	Beverage, Food and Tobacco	United States	Ba2	Ba2	99.6	2.17%	6.73%	3.1
Issuer 12	2	160	6,177	High Tech Industries	United States	B2	B2	99.2	3.75%	8.25%	5.2
Issuer 13	3	157	3,728	Media Broadcasting and Subscription	Belgium	Ba2	Ba2	98.8	2.23%	6.46%	4.9
Issuer 14	5	152	6,851	Services Business	United States	B2	B2	96.3	3.76%	7.45%	4.4
Issuer 15	4	141	5,745	Healthcare and Pharmaceuticals	Spain	B1	B2	96.8	2.79%	5.64%	4.1
Issuer 16	1	138	2,270	Healthcare and Pharmaceuticals	United Kingdom	B2	B2	100.1	5.00%	9.07%	2.9
Issuer 17	3	133	2,962	Banking, Finance, Insurance and Real Estate	United States	B1	B1	99.2	4.05%	8.56%	4.6
Issuer 18	4	129	4,425	Services Business	Sweden	Ba3	B1	99.4	3.31%	6.81%	4.0
Issuer 19	4	127	3,150	Healthcare and Pharmaceuticals	France	B2	B2	94.9	3.33%	6.76%	4.1
Issuer 20	3	125	3,750	Telecommunications	Netherlands	B2	B1	99.6	4.01%	7.69%	5.3
Issuers 21-664	915	19,644	895,458	Various	Various	B2	B2	96.9	3.74%	8.27%	4.1
<b>Total (664 Issuers)</b>	<b>998</b>	<b>23,030</b>	<b>998,543</b>					<b>97.0</b>	<b>3.70%</b>	<b>8.13%</b>	<b>4.1</b>

The portfolio reflected in this presentation is as of a certain date, and there is no guarantee that the future investments made by the Fund will continue to be identical to the make-up of the current portfolio. Moreover, the future investments to be made by the Fund may differ substantially from the investments included in the current portfolio. Therefore, subject to any relevant investment limitations, the current portfolio parameters, concentration, spread distribution and other factors related to the current portfolio could all be materially different than those of the future portfolio acquired by the Fund.

Data reflective of 31 December 2023, calculated by Blackstone Credit & Insurance using internal data as of 15 January 2024. Portfolio data by presented using the gross par amount of assets held directly and indirectly by BCF. The total par amount of all assets held within each CLO are included on a fully consolidated basis and added to those assets held directly by BCF. CLO Note investments are excluded from all figures. Data within the table is calculated by Blackstone Credit & Insurance using internal data.

## EUROPEAN HORIZONTAL CLO RISK RETENTION INVESTMENTS

	Closing Date	Refi / Reset Date (Closing)	Remaining RI Period (Yrs)	Non-Call End	Deal Size (€m)	BCF Position (€m)	BCF Cost (€m)	Position as % of Tranche <sup>(1)</sup>	Valuation as % of BCF NAV	Ann. Cash-on-Cash <sup>(2)</sup>	Cum. Cash-on-Cash <sup>(2)</sup>	WA Cost of Debt <sup>(2)</sup>	Gross Coupon <sup>(2)</sup>	NIM	Cashflow Diversion Cushion <sup>(2)</sup>	Highest of Caa / CCC Balance <sup>(2)</sup>	Defaulted Assets <sup>(2)</sup>	
<b>EUR CLO Income Notes</b>																		
Phoenix Park	Jul-14	Oct-18	0.0	Oct-20	411.8	16.4	15.6	51.4%	1.0%	13.2%	122.4%	5.63%	7.30%	1.67%	4.09%*	4.44%	0.43%	
Dartry Park	Mar-15	Feb-21	1.3	Jun-22	424.1	18.8	16.5	51.1%	1.3%	12.5%	107.9%	5.63%	7.42%	1.79%	4.66%	5.54%	0.41%	
Tymon Park	Dec-15	Jul-21	1.6	Aug-23	414.6	16.0	14.5	51.0%	1.4%	14.5%	113.8%	5.70%	7.55%	1.85%	4.10%	4.68%	0.52%	
Elm Park	May-16	Mar-21	1.8	Oct-22	519.4	22.5	22.5	54.0%	1.9%	15.0%	110.7%	5.58%	7.38%	1.80%	4.49%	4.32%	0.39%	
Griffith Park	Sep-16	Mar-21	0.0	Mar-22	454.8	18.3	16.3	53.4%	1.4%	11.7%	84.0%	5.36%	7.23%	1.87%	4.85%*	5.11%	0.31%	
Clarinda Park	Nov-16	Feb-21	1.1	Aug-22	416.6	16.3	13.7	51.2%	1.4%	11.8%	82.3%	5.71%	7.43%	1.72%	4.35%	4.75%	0.34%	
Palmerston Park	Apr-17	Nov-19	0.0	Apr-20	292.6	16.9	15.2	53.3%	0.8%	12.5%	81.7%	5.89%	7.14%	1.25%	9.81%*	6.85%	0.95%	
Clontarf Park	Jul-17	n/a	0.0	Aug-19	228.2	20.4	18.5	66.9%	0.9%	12.6%	79.3%	6.11%	7.21%	1.10%	11.37%*	9.84%	2.34%	
Willow Park	Nov-17	n/a	0.0	Jan-20	295.6	16.5	14.8	60.9%	0.8%	16.2%	95.1%	5.58%	7.11%	1.52%	4.86%*	3.16%	0.15%	
Marlay Park	Mar-18	n/a	0.0	Apr-20	367.1	17.4	14.6	60.0%	1.0%	18.6%	103.2%	5.03%	7.01%	1.98%	5.17%*	5.04%	0.54%	
Milltown Park	Jun-18	n/a	0.0	Jul-20	374.0	17.0	15.1	65.0%	1.2%	17.8%	95.2%	5.30%	7.14%	1.84%	5.43%*	5.25%	0.52%	
Richmond Park	Jul-18	n/a	0.0	Jul-20	320.9	32.6	18.5	68.3%	1.1%	15.4%	80.6%	5.97%	7.22%	1.25%	11.82%*	5.92%	0.86%	
Sutton Park	Oct-18	n/a	0.0	Nov-20	401.6	16.9	15.1	66.7%	1.4%	16.8%	81.3%	5.52%	7.15%	1.63%	4.93%*	4.26%	0.48%	
Crosthwaite Park	Feb-19	Apr-21	1.7	Nov-22	516.0	23.3	19.0	64.7%	2.1%	14.9%	71.5%	5.51%	7.23%	1.72%	4.23%	4.37%	0.00%	
Dunedin Park	Sep-19	Nov-21	2.4	Nov-23	421.1	17.9	15.6	52.9%	1.4%	18.6%	77.6%	5.73%	7.27%	1.53%	4.90%	3.85%	0.44%	
Seapoint Park	Nov-19	n/a	0.4	Nov-21	403.4	15.2	15.1	70.5%	1.9%	14.0%	49.1%	5.69%	7.54%	1.84%	4.62%	3.06%	0.25%	
Holland Park	Nov-19	n/a	0.4	Nov-21	424.9	27.6	15.2	72.1%	2.0%	11.2%	44.9%	5.74%	7.41%	1.66%	3.58%	4.31%	1.22%	
Vesey Park	Apr-20	n/a	0.9	May-22	402.5	17.3	16.1	80.3%	2.3%	17.2%	61.0%	5.81%	7.50%	1.69%	5.44%	2.25%	0.49%	
Avondale Park	Jun-20	Aug-21	2.2	Sep-23	409.1	16.0	14.4	63.0%	1.4%	29.4%	103.5%	5.71%	7.26%	1.55%	4.86%	4.46%	0.50%	
Deer Park	Sep-20	Oct-21	2.3	Oct-23	354.9	14.4	13.0	71.9%	1.5%	28.7%	88.2%	5.71%	7.47%	1.76%	5.10%	2.28%	0.57%	
Marino Park	Dec-20	Feb-22	0.0	Feb-23	322.0	12.0	11.8	71.4%	1.7%	17.9%	50.4%	5.57%	7.53%	1.95%	4.34%	5.37%	0.84%	
Carysfort Park	Apr-21	n/a	1.6	Jul-22	404.1	17.7	16.5	80.7%	2.2%	15.8%	40.3%	5.63%	7.56%	1.93%	4.98%	3.36%	0.50%	
Rockfield Park	Jul-21	n/a	1.5	Jul-23	402.0	16.9	15.9	80.0%	2.3%	15.0%	33.3%	5.57%	7.46%	1.89%	4.84%	3.20%	0.00%	
Dillon's Park	Sep-21	n/a	2.3	Sep-23	404.7	18.5	16.5	84.0%	2.3%	15.0%	30.6%	5.59%	7.49%	1.90%	5.19%	2.77%	0.00%	
Cabinteely Park	Dec-21	n/a	2.6	Aug-23	404.2	16.7	15.7	75.6%	2.0%	14.6%	27.6%	5.79%	7.41%	1.61%	4.43%	4.83%	0.25%	
Otranto Park	Mar-22	n/a	2.9	Nov-23	442.9	25.3	23.7	96.3%	3.0%	14.3%	23.2%	6.04%	7.44%	1.40%	4.57%	4.66%	0.23%	
Clonmore Park <sup>(3)</sup>	Aug-22	n/a	3.1	Feb-24	340.9	16.9	15.8	100.0%	1.9%	6.1%	7.7%	6.94%	7.57%	0.63%	4.40%	2.00%	0.71%	
Edmondstown Park <sup>(3)</sup>	Dec-22	n/a	3.6	Jun-24	378.6	22.8	22.1	100.0%	3.2%	9.2%	7.8%	7.02%	7.72%	0.70%	4.71%	1.17%	0.00%	
Bushy Park	Mar-23	n/a	3.8	Oct-24	390.1	17.3	15.0	61.3%	2.1%	13.3%	7.6%	6.49%	7.66%	1.17%	4.83%	1.84%	0.00%	
Glenbrook Park	Jul-23	n/a	4.1	Jan-25	339.1	23.0	21.8	100.0%	3.0%	n/a	n/a	6.53%	7.79%	1.26%	4.88%	1.85%	0.00%	
Wilton Park	Nov-23	n/a	4.4	May-25	395.4	34.9	21.9	100.0%	3.8%	n/a	n/a	6.39%	7.59%	1.26%	5.02%	1.00%	0.00%	
Cumulus 2023-1	Nov-23	n/a	n/a (static)	May-25	319.1	24.9	34.9	100.0%	3.2%	n/a	n/a	6.24%	7.22%	1.20%	n/a	n/a	n/a	
<b>EUR CLO Income Note Total</b>			<b>1.7</b>		<b>€12,396</b>	<b>€625</b>	<b>€551</b>	<b>73.0%</b>	<b>59.1%</b>	<b>15.0%</b>	<b>66.8%</b>	<b>5.87%</b>	<b>7.39%</b>	<b>1.53%</b>	<b>5.45%</b>	<b>4.02%</b>	<b>0.44%</b>	
<b>US CLO Income Note Total<sup>(3)</sup></b>			<b>1.2</b>		<b>\$12,850</b>	<b>\$524</b>	<b>\$442</b>	<b>55.2%</b>	<b>39.6%</b>	<b>16.5%</b>	<b>72.8%</b>	<b>7.18%</b>	<b>8.95%</b>	<b>1.77%</b>	<b>2.30%</b>	<b>6.48%</b>	<b>0.26%</b>	
<b>Global CLO Income Note Total<sup>(3)</sup></b>			<b>1.5</b>		<b>€24,037</b>	<b>€1,099</b>	<b>€951</b>	<b>62.9%</b>	<b>98.7%</b>	<b>15.7%</b>	<b>69.6%</b>	<b>6.45%</b>	<b>8.08%</b>	<b>1.63%</b>	<b>4.08%</b>	<b>5.03%</b>	<b>0.36%</b>	

**Past performance does not predict future returns.** There can be no assurance that any Fund or investment will achieve its objectives or avoid substantial losses.

Data as of 31 December 2023, reflective of the continuing Fund unless otherwise stated. Note that a CLO's definition of a defaulted asset may differ from that of BCF. For example, as asset rated "SD" (Selective Default) is considered a defaulted asset within certain CLOs but is not considered a defaulted asset by BCF and the Manager. (1) Reflective of the entire BCF Fund. (2) Source: Kanerai, with data available on 16 January 2024. Cash-on-cash distributions based on cost. WA Cost of Debt (weighted average cost of liabilities) represents the weighted average all-in rate (coupon) of each liability tranche. Gross Coupon, as calculated by Intex as the all-in rate, not available for deals that are not yet included in Intex. For post-reinvestment CLOs, the Interest Diversion Test does not divert cashflows; the Junior OC cushion is shown here instead (labelled \*). For Highest of Caa / CCC / CCC Balance shown based on the highest of Moody's, S&P, and/or Fitch ratings. (3) Vertical retention investments shown on slide 30 are included in summary statistics, redeemed CLOs are excluded. Note that some recent CLOs may not have all datapoints available before their first interest payment date. Blackstone | 28

## US HORIZONTAL CLO RISK RETENTION INVESTMENTS

	Closing Date	Refi / Reset Date (Closing)	Remaining RI Period (Yrs)	Non-Call End	Deal Size (\$m)	BCF Position (\$m)	BCF Cost (\$m)	Position as % of Tranche <sup>(1)</sup>	Valuation as % of BCF NAV	Ann. Cash-on-Cash <sup>(2)</sup>	Cum. Cash-on-Cash <sup>(2)</sup>	WA Cost of Debt <sup>(2)</sup>	Gross Coupon <sup>(2)</sup>	NIM	Cashflow Diversion Cushion <sup>(2)</sup>	Highest of Caa / CCC Balance <sup>(2)</sup>	Defaulted Assets <sup>(2)</sup>
<b>US CLO Income Notes<sup>(3)</sup></b>																	
Gripen Park	Mar-17	n/a	0.0	Apr-19	412.6	21.0	18.6	50.1%	0.7%	13.9%	91.4%	7.67%	8.91%	1.24%	3.14%*	6.90%	0.05%
Thayer Park	May-17	Feb-21	2.3	Apr-23	522.1	19.3	15.9	50.1%	1.4%	14.4%	92.3%	7.17%	9.11%	1.94%	3.06%	7.40%	0.29%
Catskill Park	May-17	Apr-21	0.0	Apr-19	717.0	39.5	34.6	50.1%	1.0%	14.0%	89.7%	7.57%	8.98%	1.41%	0.49%*	5.70%	0.77%
Dewolf Park	Aug-17	Oct-21	0.0	Apr-22	594.7	22.4	19.9	50.1%	1.2%	15.9%	97.3%	7.13%	9.01%	1.89%	1.91%*	6.33%	0.03%
Gilbert Park	Oct-17	n/a	0.0	Oct-19	924.2	36.5	33.1	50.1%	1.5%	14.7%	87.7%	7.39%	8.90%	1.50%	2.13%*	6.40%	0.04%
Long Point Park	Dec-17	n/a	0.0	Jan-20	555.6	20.8	18.7	50.1%	1.1%	19.1%	110.7%	7.13%	8.92%	1.79%	0.81%*	7.60%	0.27%
Stewart Park	Jan-18	n/a	0.0	Jan-20	799.8	65.0	38.4	50.1%	1.1%	11.6%	66.8%	7.17%	8.89%	1.72%	0.22%*	5.90%	0.60%
Cook Park	Apr-18	n/a	0.0	Apr-20	984.2	37.8	34.3	50.1%	2.0%	16.8%	92.7%	7.03%	8.96%	1.93%	0.52%*	8.40%	0.03%
Fillmore Park	Jul-18	n/a	0.0	Jul-20	560.8	21.3	19.4	52.3%	1.7%	17.1%	89.1%	7.03%	8.97%	1.94%	2.66%*	7.50%	0.06%
Harbor Park	Dec-18	n/a	0.1	Jan-21	714.5	28.0	24.2	50.1%	2.4%	15.1%	73.2%	7.08%	9.02%	1.94%	2.10%	6.90%	0.10%
Southwick Park	Aug-19	Nov-21	0.6	Nov-22	503.5	18.4	15.8	59.9%	1.9%	17.8%	73.9%	7.01%	9.12%	2.11%	2.79%	7.30%	0.06%
Beechwood Park	Dec-19	Mar-22	3.0	Jan-24	816.0	34.5	29.6	61.1%	3.3%	16.7%	63.8%	7.15%	8.89%	1.74%	3.87%	5.50%	0.10%
Allegany Park	Jan-20	Feb-22	3.1	Jan-24	505.6	21.3	18.5	66.2%	2.1%	15.2%	57.3%	7.17%	8.88%	1.71%	3.28%	6.20%	0.12%
Harriman Park	Apr-20	Apr-21	2.3	Apr-23	499.3	20.6	18.4	70.0%	2.3%	22.4%	78.4%	7.14%	8.92%	1.78%	4.29%	6.20%	0.12%
Cayuga Park	Aug-20	Aug-21	2.5	Jul-23	397.6	16.1	14.5	72.0%	1.9%	25.8%	82.1%	7.02%	8.89%	1.87%	3.63%	5.70%	0.13%
Point Au Roche Park	Jun-21	n/a	2.6	Jul-23	457.3	18.7	16.5	61.2%	1.9%	18.3%	42.2%	7.16%	8.93%	1.78%	3.79%	6.30%	0.03%
Peace Park	Sep-21	n/a	2.8	Oct-23	660.3	27.5	23.4	60.8%	2.8%	18.4%	37.8%	7.10%	8.85%	1.75%	4.10%	4.70%	0.03%
Whetstone Park	Dec-21	n/a	3.1	Jan-24	505.8	20.2	18.2	62.5%	2.1%	19.7%	36.7%	7.08%	9.01%	1.93%	3.27%	6.30%	0.60%
Boyce Park	Mar-22	n/a	3.3	Apr-24	762.3	31.5	27.3	61.8%	3.3%	19.6%	31.7%	6.99%	8.98%	1.99%	3.40%	7.20%	0.64%
<b>US CLO Income Note Total</b>			<b>1.2</b>		<b>\$12,850</b>	<b>\$524</b>	<b>\$442</b>	<b>55.2%</b>	<b>39.6%</b>	<b>16.5%</b>	<b>72.8%</b>	<b>7.18%</b>	<b>8.95%</b>	<b>1.77%</b>	<b>2.30%</b>	<b>6.48%</b>	<b>0.26%</b>
<b>EUR CLO Income Note Total</b>			<b>1.7</b>		<b>€12,396</b>	<b>€625</b>	<b>€551</b>	<b>73.0%</b>	<b>59.1%</b>	<b>15.0%</b>	<b>66.8%</b>	<b>5.87%</b>	<b>7.39%</b>	<b>1.53%</b>	<b>5.45%</b>	<b>4.02%</b>	<b>0.44%</b>
<b>Global CLO Income Note Total</b>			<b>1.5</b>		<b>€24,037</b>	<b>€1,099</b>	<b>€951</b>	<b>62.9%</b>	<b>98.7%</b>	<b>15.7%</b>	<b>69.6%</b>	<b>6.45%</b>	<b>8.08%</b>	<b>1.63%</b>	<b>4.08%</b>	<b>5.03%</b>	<b>0.36%</b>

**Past performance does not predict future returns.** There can be no assurance that any Fund or investment will achieve its objectives or avoid substantial losses.

Data as of 31 December 2023, reflective of the continuing Fund unless otherwise stated. Note that a CLO's definition of a defaulted asset may differ from that of BCF. For example, as asset rated "SD" (Selective Default) is considered a defaulted asset within certain CLOs but is not considered a defaulted asset by BCF and the Manager. (1) Reflective of the entire BCF Fund. (2) Source: Kanerai, with data available on 16 January 2024. Cash-on-cash distributions based on cost. WA Cost of Debt (weighted average cost of liabilities) represents the weighted average all-in rate (coupon) of each liability tranche. Gross Coupon, as calculated by Intex as the all-in rate, not available for deals that are not yet included in Intex. For post-reinvestment CLOs, the Interest Diversion Test does not divert cashflows; the Junior OC cushion is shown here instead (labelled \*). For Highest of Caa / CCC / CCC Balance shown based on the highest of Moody's, S&P, and/or Fitch ratings. (3) Vertical retention investments shown on slide 30 are included in summary statistics, redeemed CLOs are excluded.

## US VERTICAL CLO RISK RETENTION INVESTMENTS

	Closing Date	Refi / Reset Date (Closing)	Remaining RI Period (Yrs)	Non-Call End	Deal Size (\$m)	BCF Position (\$m)	BCF Cost (\$m)	Position as % of Tranche <sup>(1)</sup>	Valuation as % of BCF NAV	% Ann. Cash-on-Cash <sup>(2)</sup>	Cum. Cash-on-Cash <sup>(2)</sup>	WA Cost of Debt <sup>(2)</sup>	Gross Coupon <sup>(2)</sup>	NIM	Cashflow Diversion Cushion	Highest of Caa / CCC / CCC Balance <sup>(2)</sup>	Defaulted Assets <sup>(2)</sup>
<b>Vertical Retention Investments<sup>(3)</sup></b>																	
<b>Tallman Park</b>	May-21	n/a	2.3	Apr-23	409.5	1.5	1.2	5.0%	0.17%	19.6%	46.9%	7.21%	8.97%	1.76%	5.12%	4.80%	0.03%
<b>Wehle Park</b>	Apr-22	n/a	3.3	Apr-24	547.0	1.8	1.5	5.0%	0.23%	21.2%	33.0%	7.23%	8.91%	1.68%	4.53%	4.60%	0.49%
<b>Vertical Retention Total</b>			<b>2.8</b>		<b>\$956.5</b>	<b>\$3.3</b>	<b>\$2.7</b>	<b>5.0%</b>	<b>0.39%</b>	<b>20.5%</b>	<b>39.4%</b>	<b>7.22%</b>	<b>8.94%</b>	<b>1.72%</b>	<b>4.80%</b>	<b>4.69%</b>	<b>0.28%</b>

**Past performance does not predict future returns.** There can be no assurance that any Fund or investment will achieve its objectives or avoid substantial losses.

Data as of 31 December 2023, reflective of the continuing Fund unless otherwise stated. Note that a CLO's definition of a defaulted asset may differ from that of BCF. For example, as asset rated "SD" (Selective Default) is considered a defaulted asset within certain CLOs but is not considered a defaulted asset by BCF and the Manager. (1) Reflective of the entire BCF Fund. (2) Source: Kanerai, with data available on 16 January 2024. Cash-on-cash distributions based on cost. WA Cost of Debt (weighted average cost of liabilities) represents the weighted average all-in rate (coupon) of each liability tranche. Gross Coupon, as calculated by Intex as the all-in rate, not available for deals that are not yet included in Intex. For Highest of Caa / CCC / CCC Balance shown based on the highest of Moody's, S&P, and/or Fitch ratings. (3) Vertical retention investments are financed by a repurchase agreements. BCF owns 5% of each tranche (including equity). The total position owned is reflective of the gross exposure less the financed amount. BCF cost is adjusted for purchase price at issuance. Note: vertical retention investments are included in summary statistics on slide 28 and 29, redeemed CLOs are excluded.

## REDEEMED OR FULLY SOLD CLOs

	Region	Vintage	Exit Method	Sale/Redemption Date	BCF Position Prior To Exit (m)	Current Valuation as % of BCF NAV <sup>(1)</sup>	Realised IRR To Date <sup>(2)</sup>	WA Ann. Distribution Through Last Payment <sup>(3)</sup>
<b>Myers Park</b>	U.S.	2018	Sale	Mar-21	\$26.4	N/A	11.1%*	16.4%
<b>Greenwood Park</b>	U.S.	2018	Sale	Mar-21	\$53.9	N/A	19.0%*	19.7%
<b>Orwell Park</b>	Europe	2015	Redemption	May-21	€24.2	N/A	13.6%*	23.5%
<b>Stratus 2020-2</b>	U.S.	2020	Redemption	Jun-21	\$24.2	N/A	37.6%	93.3%
<b>Niagara Park</b>	U.S.	2019	Sale	Aug-21	\$22.1	N/A	16.6%*	14.9%
<b>Sorrento Park</b>	Europe	2014	Redemption	Oct-21	€29.5	N/A	8.7%*	18.2%
<b>Castle Park</b>	Europe	2014	Redemption	Oct-21	€24.0	N/A	11.6%*	23.3%
<b>Dorchester Park</b>	U.S.	2015	Redemption	Oct-21	\$44.5	N/A	11.7%*	18.0%
<b>Buckhorn Park</b>	U.S.	2019	Sale	Feb-22	\$24.2	N/A	16.0%*	19.5%

**Past performance does not predict future returns.** There can be no assurance that any Fund or investment will achieve its objectives or avoid substantial losses.

Data as of 31 December 2023. (1) Certain CLOs may be in the process of being redeemed. The residual valuation as a % of BCF NAV is reflective of remaining distributions to be made. Once no further distributions are expected, valuation will appear as "N/A". Excludes any separate fee notes still held associated with the CLOs listed above. (2) Realised IRRs for redemptions are reflective of distributions made to BCF to date. IRRs may change as further distributions to income noteholders are made. For fully sold CLOs, realised IRR includes sale proceeds returned to BCF. IRRs denoted with an \* are inclusive of fee rebates. (3) Source: Intex and Kanerai, with data available as of 16 January 2024. Cumulative distributions for redeemed CLOs include return of principal; cumulative distributions for fully sold CLOs do not include sale proceeds.



## CLO SECURITISATION PERFORMANCE BY VINTAGE – CURRENT PORTFOLIO

- CLO securitisations continued to generate uninterrupted cashflows, resulting in robust mid-teen average annualised distributions
- EU CLO 4Q'23 annualised cash on cash distributions improved on last quarter's distributions, as the base rates used for assets caught up with those used for liabilities<sup>(1)</sup>
- US CLO 4Q'23 annualised cash on cash distributions were lower on average, skewed by two deals in which a proportion of cashflows to equity were diverted in order to cure their Junior OC tests. Both CLOs were able to cure this test following their payment dates in October, and subsequently, residual cash was distributed to equity. Outside of these two deals, distributions were broadly flat quarter on quarter, and in line with expected run rates

### WA Annualised Cash on Cash Distribution Rates<sup>(2)</sup>

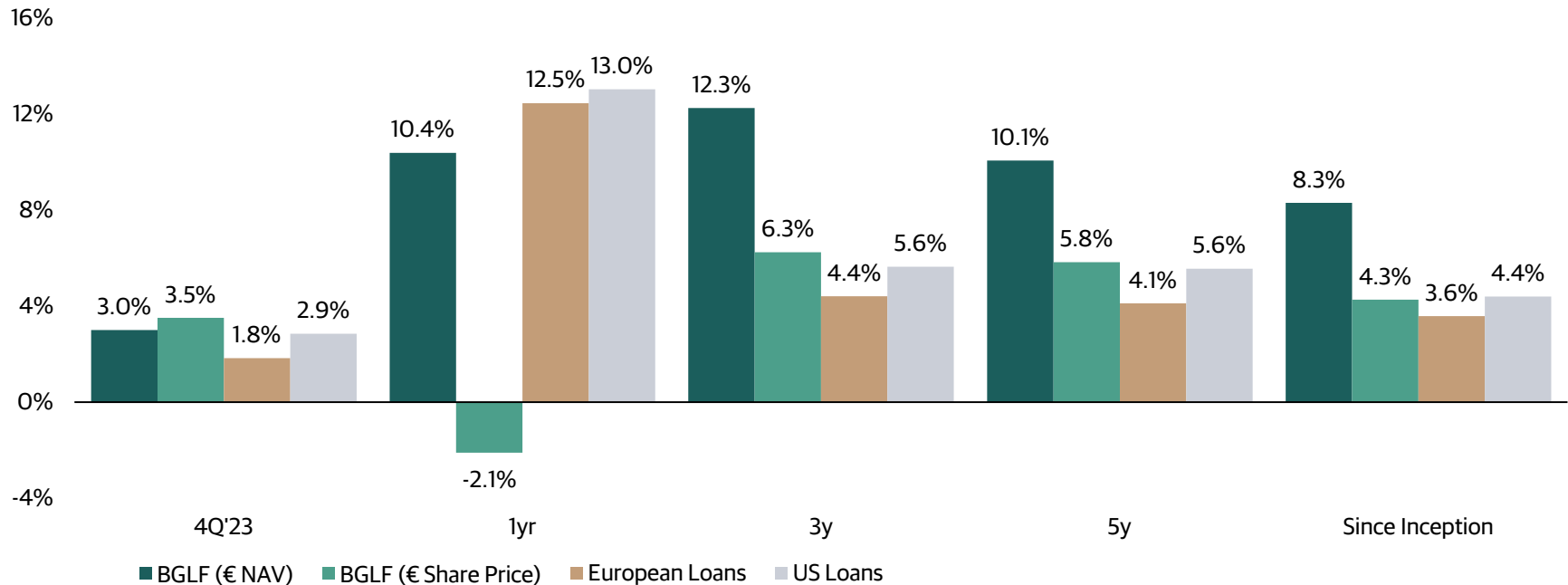
CLO Vintage	European CLO Income Notes				US CLO Income Notes				Global	
	Par (€M)	# of CLOs	4Q '23 Annualised Distribution	Average Annualised Distribution	Par (\$M)	# of CLOs	4Q '23 Annualised Distribution	Average Annualised Distribution	4Q '23 Annualised Distribution	3Q '23 Annualised Distribution
2014	16.4	1	12.0%	13.2%	0	0	n/a	n/a	12.0%	6.6%
2015	34.8	2	10.6%	13.4%	0	0	n/a	n/a	10.6%	7.4%
2016	57.2	3	12.7%	13.0%	0	0	n/a	n/a	12.7%	8.8%
2017	53.9	3	8.8%	13.7%	159.5	6	9.8%	15.1%	9.5%	10.8%
2018	83.9	4	13.3%	16.8%	152.2	4	11.1%	14.3%	12.0%	13.6%
2019	83.9	4	13.0%	14.3%	52.9	2	20.6%	17.0%	15.7%	18.4%
2020	59.7	4	16.1%	23.4%	58.0	3	17.5%	20.7%	16.7%	16.7%
2021	69.8	4	15.3%	15.1%	67.9	4	18.3%	18.8%	15.7%	16.2%
2022	65.0	3	15.0%	10.4%	33.3	2	19.3%	19.7%	16.7%	13.1%
2023	100.1	4	13.3%	13.3%	n/a	0	n/a	n/a	16.7%	n/a
<b>Total / Wtd Avg</b>	<b>624.6</b>	<b>32</b>	<b>13.3%</b>	<b>15.0%</b>	<b>568.0</b>	<b>21</b>	<b>13.8%</b>	<b>16.5%</b>	<b>13.5%</b>	<b>13.7%</b>

**Past performance does not predict future returns**, and there can be no assurance that a fund will continue to achieve comparable results or that a fund will be able to implement its investment strategy or achieve its investment objectives or avoid substantial losses.

(1) Reflects Blackstone Credit & Insurance's views and opinions as of January 2024. (2) Annualised quarterly cash distribution based on the 'current' portfolio (excludes sold and redeemed transactions) as at the end of each quarter, comparing like for like versus the previous quarter. Annualised quarterly cash on cash distribution defined as annual quarterly distribution as a percentage of original equity investment at cost. Average based on par value of CLOs within each vintage. Weighted average data based on CLOs that paid a distribution over the quarter and with data available Kanerai as of 17 October 2023 for 3Q'23 and as of 16 January 2024 for 4Q'23, reflective of the continuing BCF Fund unless stated otherwise.

# BGLF has delivered strong returns versus the loan market across multiple time periods

## Annualised Net Total Return



**Past performance does not predict future returns**, and there can be no assurance that a fund will continue to achieve comparable results or that a fund will be able to implement its investment strategy or achieve its investment objectives or avoid substantial losses. The volatility and risk profile of the indices presented is likely to be materially different from that of a Fund. In addition, the indices employ different investment guidelines and criteria than a Fund and do not employ leverage; as a result, the holdings in a Fund and the liquidity of such holdings may differ significantly from the securities that comprise the indices.

BGLF € NAV net total returns for BGLF Ordinary Shares; inception date: 24 July 2014. Source: Credit Suisse: Western European Leveraged Loan Index, Hedged to EUR (European Loans), and US Leveraged Loan Index (US Loans), as of 31 December 2023. BGLF € NAV calculated by BGLF's Administrator in accordance with the provisions of the BGLF Prospectus. Please see "Important Disclosure Information" including "Index Comparison".

# VIII. Key Risk Factors

## KEY RISK FACTORS AS DETERMINED BY THE ENTITIES DISTRIBUTING THIS COMMUNICATION

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All investments are subject to risk, including the loss of the principal amount invested. Past performance does not predict future returns, and there can be no assurance that BGLF will achieve comparable results, will meet its target returns, achieve its investment objectives or be able to implement its investment strategy. All investments to be held by BGLF involve a substantial degree of risk, including the risk of total loss. The value of shares and the income from them is not guaranteed and can fall as well as rise due to stock market and currency movements. When you sell your investment you may get back less than you originally invested. You should always seek expert legal, financial, tax and other professional advice before making any investment decision.

**Material changes impacting the Company's business.** Material changes affecting global debt and equity capital markets may have a negative effect on the Company's business, financial condition, results of operations, NAV and/or the market price of the Shares. Unexpected volatility, illiquidity, governmental action, currency devaluation or other events in the global markets could impair the value of the Company's investments and could cause some or all of the Company's investments to incur substantial losses.

**Investment strategy risk.** Market factors may result in the failure of the investment strategy. Strategy-specific losses may result from excessive concentration by multiple market participants in the same investment or general economic or other events that adversely affect particular strategies (for example the disruption of historical pricing relationships). The investment strategy employed by the Company is speculative and involves substantial risk of loss in the event of a failure or deterioration in the financial markets.

**Risks associated with fully subordinated investments.** The Company is exposed to the most subordinated tranche of a CLO and all payments of principal and interest on such CLO income notes are fully subordinated. In addition, investments in loan warehouses are expected to be the most subordinated tranche of debt issued in the loan warehouse. CLO income notes and certain investments in loan warehouses are volatile, and Interest and principal payments in respect of such investments are based on residual amounts available, if any, to make such payments, and accordingly interest and principal payments payable on such instruments are not fixed.

**Nature of the loans and bonds.** The CLOs in which the Company is invested will commonly invest in a portfolio of loans and bonds consisting at the time of acquisition of senior secured obligations, unsecured senior loans, second lien loans, mezzanine obligations and high yield bonds, as well as certain other investments, all of which will have greater credit and liquidity risk than investment grade sovereign or corporate bonds or loans. The lower rating of below investment grade collateral reflects a greater possibility that adverse changes in the financial condition of an obligor or in general economic conditions or both may impair the ability of the relevant obligor, as the case may be, to make payments of principal or interest. Such investments may be speculative.

**Discount to NAV.** The Shares may trade at a discount to the Net Asset Value per Share (of the relevant class) and shareholders may be unable to realise their Shares on the market at the Net Asset Value per Share (of the relevant class) or at any other price. The discount may arise for a variety of reasons, including due to market or economic conditions or to the extent investors undervalue the Underlying Companies.

**Valuation Risk.** The Company's investments may be difficult to value accurately and, as a result, the Company may be subject to valuation risk. The Company is entitled to rely, without independent investigation, upon pricing information and valuations furnished by third parties, including pricing services and valuation sources.

## KEY RISK FACTORS AS DETERMINED BY THE ENTITIES DISTRIBUTING THIS COMMUNICATION

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**Conflicts of Interest.** There may be occasions when the Company and their affiliates will encounter potential conflicts of interest in connection with Blackstone's activities including, without limitation, the allocation of investment opportunities, relationships with Blackstone and its affiliates' investment banking and advisory clients, and the diverse interests of investors.

**Highly Competitive Market for Investment Opportunities.** The activity of identifying, completing and realising attractive investments is highly competitive, and involves a high degree of uncertainty. There can be no assurance that the Company, through its investment in BCF, will be able to locate, consummate and exit investments that satisfy its objectives or realise upon their values or that the Company will be able to fully invest its capital. There is no guarantee that investment opportunities will be allocated to BCF, and in turn the Company, and/or that the activities of Blackstone's other funds will not adversely affect the interests of such Company.

**Material, Non-Public Information.** In connection with other activities of Blackstone, certain Blackstone personnel may acquire confidential or material non-public information or be restricted from initiating transactions in certain securities, including on a Company's behalf. As such, the Company may not be able to initiate a transaction or sell an investment. In addition, policies and procedures maintained by Blackstone to deter the inappropriate sharing of material non-public information may limit the ability of Blackstone personnel to share information with personnel in Blackstone's other business groups, which may ultimately reduce the positive synergies expected to be realised by the Company as part of the broader Blackstone investment platform.

**No Assurance of Investment Return.** Prospective investors should be aware that an investment in the Company is speculative and involves a high degree of risk. There can be no assurance that the Company will achieve comparable results, implement its investment strategy, achieve its objectives or avoid substantial losses or that any expected returns will be met. The Company's performance may be volatile. An investment should only be considered by qualified investors who can afford to lose all or a substantial amount of their investment. The Company's fees and expenses may offset or exceed its profits.

**Recent Market Events Risk.** Local, regional, or global events such as war (e.g., Russia/Ukraine), acts of terrorism, public health issues like pandemics or epidemics (e.g., COVID-19), recessions, or other economic, political and global macro factors and events could lead to a substantial economic downturn or recession in the U.S. and global economies and have a significant impact on the Fund and its investments. The recovery from such downturns is uncertain and may last for an extended period of time or result in significant volatility, and many of the risks discussed herein associated with an investment in the Fund may be increased.

**Reliance on Key Management Personnel.** The success of the Company will depend, in large part, upon the skill and expertise of certain Blackstone professionals. In the event of the death, disability or departure of any key Blackstone professionals, the business and the performance of the Company may be adversely affected.

**Please refer to the BGLF prospectus and most recent annual or interim reports for additional information on risk factors.**

# **IX. Important Disclosure Information**

## NOTES TO 'BGLF AND BCF HIGHLIGHTS'

Portfolio stats and performance is reflective of the continuing BCF Fund, unless stated otherwise.

- 1) As of 31 December 2023.
- 2) Data as of 31 December 2023 using internal Blackstone Credit & Insurance data calculated on 15 January 2024. Reflects directly held loans and look through holdings of CLOs. Reflective of the continuing Fund.
- 3) As of 31 December 2023. Sources: Blackstone Credit & Insurance. Blackstone Credit & Insurance data used for BCF defaults, calculated on a look through basis. BCF defaults defined as (a) missed a payment, (b) filed bankruptcy, or (c) were downgraded by Moody's, Fitch, or S&P to D. Recovery rate excluded from years with zero defaults. Please see the BCF Loan Default Track Record in the "Important Disclosure Information" section of this Presentation for further information on the default track record. **Past performance does not predict future returns**, and there can be no assurance that a fund will continue to achieve comparable results or that a fund will be able to implement its investment strategy or achieve its investment objectives or avoid substantial losses.
- 4) As of 31 December 2023. Reflects portfolio WA Asset Coupon less portfolio WA Liability cost as of the reporting date. Please see slide 18 for more details.
- 5) As of 31 December 2023. Calculated based on a look through basis for BCF's portfolio. Asset Sources: Directly Held Assets represent par balance of BCF's on-balance sheet assets; Indirect Assets calculated as the sum of EUR and USD CLO Assets; EUR and USD CLO Assets represented by total current collateral value inclusive of cash for each CLO, weighted for each CLO's respective BCF investment. Liability sources: Credit Facility balance presented as total drawn amount less actual cash balance and expected cash to be received from unsettled trades; Repo reflects cost of debt to purchase debt of vertical retention investment; EUR and USD CLO balances represent outstanding debt tranches, weighted for each CLO's respective BCF investment. Data for EUR and US CLOs calculated based on data available on Kanerai as of 16 January 2024.
- 6) BGLF € NAV net total returns for BGLF Ordinary Shares as of 31 December 2023; inception date: 24 July 2014.
- 7) Change in net assets as of 30 September 2023 and 31 December 2023, reflective of the entire BCF Fund.
- 8) Calculated as net income received from BCF PPNs received less BGLF expenses divided by distributions paid, each over the last 12 months.
- 9) As calculated by BGLF's Administrator in accordance with the provisions of the BGLF Prospectus. Per share data based on final number of shares in the period. Distribution Yield based on the last four declared dividends and the share price as of 31 December 2023. Please see the BGLF announcement on 23 January 2024 for more information. The Board has declared a Dividend Policy targeting a total annual dividend of at least €0.09 for 2024. **The target dividend is a target only and not a profit forecast and there are no assurances that targets will be achieved. It should not be taken as an indication of BGLF's expected future performance or results.**
- 10) Creditflux, as of 4 May 2023: <https://www.creditflux.com/CLOs/2023-05-04/CSAM-makes-it-threeina-row-after-Creditflux-manager-of-the-year-award-win>.
- 11) Largest manager globally by AUM: Creditflux, as of 31 December 2023, and includes all varieties of Blackstone Credit & Insurance originated CLOs.

## BGLF MONTHLY € NAV TOTAL RETURN PERFORMANCE

Trailing 12 months ending:	December '23	December '22	December '21	December '20	December '19
<b>Discrete Performance</b>					
BGLF € NAV	10.39%	5.22%	21.82%	(0.22%)	14.46%
European Loan Index	12.46%	(3.28%)	4.63%	2.38%	5.03%
US Loan Index	13.04%	(1.06%)	5.40%	2.78%	8.17%

**Past performance does not predict future returns**, and there can be no assurance that a fund will continue to achieve comparable results or that a fund will be able to implement its investment strategy or achieve its investment objectives or avoid substantial losses. The volatility and risk profile of the indices presented is likely to be materially different from that of a Fund. In addition, the indices employ different investment guidelines and criteria than a Fund and do not employ leverage; as a result, the holdings in a Fund and the liquidity of such holdings may differ significantly from the securities that comprise the indices. Currency fluctuations may have an adverse effect on the value, price, income or costs of the product which may increase or decrease as a result of changes in exchange rates.

BGLF € NAV net total returns for BGLF Ordinary Shares; inception date: 24 July 2014.

Source: Credit Suisse: Western European Leveraged Loan Index, Hedged to EUR (European Loan Index), and US Leveraged Loan Index (US Loan Index), as of 31 December 2023. BGLF € NAV calculated by BGLF's Administrator in accordance with the provisions of the BGLF Prospectus.



## IMPORTANT DISCLOSURE INFORMATION

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### Important notice in relation to Blackstone Loan Financing Limited ("The Company" or "BGLF")

This document has been issued by Blackstone Loan Financing Limited (the "Company"), and should not be taken as an inducement to engage in any investment activity and is for the purpose of providing information about the Company. This document does not constitute or form part of, and should not be construed as, any offer for sale or subscription of, or solicitation of any offer to buy or subscribe for, any share in the Company or securities in any other entity, in any jurisdiction, including the United States, Canada, Japan or South Africa nor shall it, or any part of it, or the fact of its distribution, form the basis of, or be relied on in connection with, any contract or investment decision whatsoever, in any jurisdiction.

This document, and the information contained therein, is not for viewing, release, distribution or publication in or into the United States, Canada, Japan, South Africa or any other jurisdiction where applicable laws prohibit its release, distribution or publication, and will not be made available to any national, resident or citizen of the United States, Canada, Japan or South Africa. The distribution of this document in other jurisdictions may be restricted by law and persons into whose possession this document comes must inform themselves about, and observe, any such restrictions. Any failure to comply with the restrictions may constitute a violation of the federal securities law of the United States and the laws of other jurisdictions.

The Company is a Jersey registered alternative investment fund, and it is regulated by the Jersey Financial Services Commission as a 'listed fund' under the Collective Investment Funds (Jersey) Law 1988 (the "Funds Law") and the Jersey Listed Fund Guide published by the Jersey Financial Services Commission. The Jersey Financial Services Commission is protected by the Funds Law against liability arising from the discharge of its functions thereunder. This document is an advertisement for the purposes of the Financial Services (Advertising) (Jersey) Order 2008, and it has not been approved by the Jersey Financial Services Commission. No liability whatsoever (whether in negligence or otherwise) arising directly or indirectly from the use of this document is accepted and no representation, warranty or undertaking, express or implied, is or will be made by the Company, or any of their respective directors, officers, employees, advisers, representatives or other agents ("Agents") for any information or any of the opinions contained herein or for any errors, omissions or misstatements. None of the Agents makes or has been authorised to make any representation or warranties (express or implied) in relation to the Company or as to the truth, accuracy or completeness of this document, or any other written or oral statement provided.

Although the portfolio reflected in this document (the "Portfolio") is consistent with the investment strategy of the Company, there is no guarantee that the portfolio acquired will be identical to the make-up of the Portfolio. Moreover, the future investments to be made by the Company may differ substantially from the investments included in the Portfolio. Therefore, the Portfolio parameters, industry concentration, rating concentration, spread distribution and other factors related to the Portfolio could all be materially different than those of the future portfolio acquired by the Company.

### Certain Risks Associated with the Managed Wind-down

**Please refer to the EGM circular, located in the "Investor Documents" section of the BGLF website, for more information on risks (section 3.9) and definitions of terms: [www.blackstone.com/bglf](http://www.blackstone.com/bglf).**

Certain inherent conflicts of interest may arise between the interests of the Company and those of BCF, BCM and Blackstone Ireland Limited and their affiliates as well as those of other investors in BCF. In addition, further conflicts may arise between the interests of such parties in relation to the Managed Wind-down. While the parties will seek to manage actual and potential conflicts of interest in a fair and equitable manner and in accordance with their respective duties and regulatory obligations, Shareholders should be aware that such conflicts will not necessarily be resolved in favour of the Company's interests.

### Important notice from the entities distributing this communication

BGLF has engaged Blackstone Ireland Fund Management Limited to produce this report and BGLF (including its directors) has not been involved in the production of the report or verified the accuracy of its contents and therefore accepts no responsibility for the information herein.

This update presentation ("**Presentation**") is being furnished to you to provide preliminary summary information regarding an investment in BGLF and/or BCF EUR (together, the "**Fund**"), is for informational purposes only and it does not constitute an offer to sell, or a solicitation of an offer to buy, any investment in, or to participate in any trading strategy with Blackstone Ireland Fund Management Limited or Blackstone Ireland Limited (together, the "**Manager**") or its affiliates in the credit-focused business unit of Blackstone Inc. ("**Blackstone**"), including without limitation, Blackstone Credit & Insurance (together with the Manager and their affiliates in the credit-focused business unit of Blackstone, "**Blackstone Credit & Insurance**"). The offering is made only to qualifying investors through a separate subscription agreement for the Fund and the governing and operating documents for the Fund (together as may be amended or supplemented from time to time, the "**Operative Documents**"). The Operative Documents contain material information (including a discussion of potential conflicts of interest) not contained in this document, and supersede and qualify in its entirety the information set forth herein. Any decision to invest in, or withdraw from, the Fund should be made after reviewing the appropriate Operative Documents, conducting such investigations as the investor deems necessary and consulting the investor's own legal, accounting, and tax advisors in order to make an independent determination of the suitability and consequences of the investment. Risks associated with investment in the Fund include, without limitation, illiquidity of an investment, risk of default of the underlying debt instrument, and risk of loss of principal.

Certain information contained herein has been obtained from published and non-published sources prepared by other parties, which in certain cases has not been updated through the date hereof. While such information is believed to be reliable for the purpose used herein, Blackstone Credit & Insurance does not assume any responsibility for the accuracy or completeness of such information and such information has not been independently verified by Blackstone Credit & Insurance. In particular, you should note that, since many of the investments described are unquoted, net asset value figures in relation to the Fund are based wholly or partly on estimates of the values of the Fund's investments provided by the originating banks of those underlying investments or other market counterparties, which estimates may themselves have been subject to no verification or auditing process or may relate to a valuation at a date before the date of the relevant net asset valuation for the Fund, or which have otherwise been estimated by Blackstone Credit & Insurance. In addition, certain performance related information contained in this Presentation, including information sourced from third parties, may be based on data that was prepared and/or provided to the applicable sources by certain CLO market participants, and there can be no assurance that such data is inclusive or representative of comparable data for the entire CLO market. Reproduction and distribution of third-party content in any form is prohibited except with the prior written permission of the related third party. Third-party content providers do not guarantee the accuracy, completeness, timeliness or availability of any information, and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of such content. Third-party content providers give no express or implied warranties, including, but not limited to, any warranties of merchantability or fitness for a particular purpose or use. Third-party content providers shall not be liable for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including lost income or profits and opportunity costs or losses costs by negligence) in connection with any use of their content, including ratings.

**Past performance does not predict future returns**, and there can be no assurance that the Fund will achieve results comparable to its earlier results or those of any of Blackstone Credit & Insurance's prior funds, special purpose investment vehicles, co-investment vehicles or non-fund relevant transactions, or that the Fund will be able to implement its investment strategy or achieve its investment objectives.

Information contained herein which relates to the net asset value performance of the Fund may not be indicative of how the Fund's investments may perform in the future. Moreover the values of such investments may fluctuate considerably and the historic net asset values shown for such Fund take no account of the costs or practical difficulties of realising some or all of such investments. The value of investments mentioned herein may go down as well as up and investors may not get back the amount invested. No assurance can be given that the investment objective will be achieved. Information on past performance, where given, is not necessarily a guide to future performance. Changes in rates of exchange between currencies may cause the value of investments to decrease or increase. Investments mentioned herein may not be suitable for all recipients and in each case potential investors are advised not to take any investment decision unless they have taken independent advice from an appropriately authorised advisor.

Certain information contained in this document constitutes "forward-looking statements", which can be identified by the use of forward-looking terminology such as "may", "will", "should", "expect", "anticipate", "target", "intend", "continue", or "believe", or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, actual events or results or the actual performance of the Fund described herein may differ materially from those reflected or contemplated in such forward-looking statements.

## IMPORTANT DISCLOSURE INFORMATION (CONT'D)

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Any targets, forecasts, estimates, or similar returns set forth herein are based on Blackstone Credit & Insurance's belief about the returns that may be achievable on investments that the Fund intends to pursue. Targets, forecasts, and estimates are necessarily speculative in nature, and it can be expected that some or all of the assumptions underlying the targets, forecasts, and estimates will not materialise or will vary significantly from actual results. Such returns are based on Blackstone Credit & Insurance's current view in relation to future events and financial performance of potential investments and various models, estimations and "base case" assumptions made by Blackstone Credit & Insurance, including estimations and assumptions about events that have not occurred. Among the assumptions to be made by Blackstone Credit & Insurance in performing its analysis are (i) the amount and frequency of current income from an investment, (ii) the holding period length, (iii) EBITDA growth and cost savings over time, (iv) the manner and timing of sale, (v) exit multiples reflecting long-term averages for the relevant asset type, (vi) customer growth and other business initiatives, (vii) availability of financing, (viii) potential investment opportunities Blackstone Credit & Insurance is currently or has recently reviewed and (ix) overall macroeconomic conditions such as GDP growth, unemployment and interest rate levels. While such "base case" assumptions are based on assumptions that Blackstone Credit & Insurance believes are reasonable under the circumstances, they are subject to uncertainties, and changes. Any such modification could be adverse to the actual overall returns. The inclusion of targets, forecasts and estimates herein should not be regarded as a representation or guarantee regarding the reliability, accuracy or completeness of the assumptions or information contained herein and neither Blackstone Credit & Insurance nor Blackstone is under any obligation to update or otherwise revise the target returns to reflect circumstances existing after the date when made to reflect the occurrence of future events, even in the event that any or all of the assumptions underlying the target returns are later shown to be incorrect. Actual events and conditions may differ materially from the assumptions used to establish returns and there is no guarantee that the assumptions will be applicable to the Fund's investments. None of Blackstone Credit & Insurance, Blackstone, its affiliates or any of the respective directors, officers, employees, partners, shareholders, advisers and agents of any of the foregoing makes any assurance, representation or warranty as to the accuracy of such assumptions.

This Presentation does not constitute a financial promotion, investment advice or an inducement or incitement to participate in any product, offering, or investment. It does not constitute or form part of any offer to issue or sell, or any solicitation of any offer to subscribe or purchase any investment nor shall it or the fact of its distribution form the basis of, or be relied on in connection with, any contract. No representation, warranty or undertaking, express or implied, is given as to the accuracy or completeness of the information or opinions contained in this Presentation by Blackstone Credit & Insurance, the Manager, Blackstone, the Fund, or any of their respective directors, officers, managers, shareholders, partners, members or employees and no liability is accepted by such persons for the accuracy or completeness of any such information or opinions.

Any comparisons herein of the investment performance of a referenced fund(s) to a benchmark or an index are qualified as follows: (i) the volatility of such benchmark or index may be materially different from that of the referenced fund(s); (ii) such benchmark or index may employ different investment guidelines and criteria than the referenced fund(s) and, therefore, holdings in such fund(s) may differ significantly from holdings of the securities that comprise such benchmark or index; and (iii) the performance of such benchmark or index may not necessarily have been selected to represent an appropriate benchmark or index to compare to the performance of the referenced fund(s), but rather, is disclosed to allow for comparison of the referenced fund's (or funds') performance (or the performance of the assets held by such fund(s)) to that of a well-known benchmark or index. A summary of the investment guidelines for any such benchmark or index is available upon request. No representation is made as to the risk profile of any benchmark or index relative to the risk profile of any Fund.

## IMPORTANT DISCLOSURE INFORMATION (CONT'D)

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**ESG.** ESG initiatives related to Blackstone's portfolio, portfolio companies, and investments (collectively, "portfolio companies") are aspirational and not guarantees or promises that all or any such initiatives will be achieved. Statements about ESG initiatives or practices related to portfolio companies do not apply in every instance and depend on factors including, but not limited to, the relevance or implementation status of an ESG initiative to or within the portfolio company the nature and/or extent of investment in, ownership of, control or influence exercised by Blackstone with respect to the portfolio company and other factors as determined by investment teams, corporate groups, asset management teams, portfolio operations teams, companies, investments, and/or businesses on a case by case basis. In particular, the ESG initiatives or practices described are less applicable to or not implemented at all with respect to Blackstone's public markets investing businesses, specifically, Credit, Hedge Fund Solutions (BAAM) and Harvest. In addition, Blackstone will not pursue ESG initiatives for every portfolio company. Where Blackstone pursues ESG initiatives for portfolio companies, there is no guarantee that Blackstone will successfully enhance long term shareholder value and achieve financial returns. There can be no assurance that any of the ESG initiatives described will exist in the future, will be completed as expected or at all, or will apply to or be implemented uniformly across Blackstone business units or across all portfolio companies within a particular Blackstone business unit. Blackstone may select or reject portfolio companies or investments on the basis of ESG related investment risks, and this may cause Blackstone's funds and/or portfolio companies to underperform relative to other sponsors' funds and/or portfolio companies which do not consider ESG factors at all or which evaluate ESG factors in a different manner. Any selected investment examples, case studies and/or transaction summaries presented or referred to are provided for illustrative purposes only and should not be viewed as representative of the present or future success of ESG initiatives implemented by Blackstone or its portfolio companies or of a given type of ESG initiatives generally. There can be no assurances that Blackstone's investment objectives for any fund will be achieved or that its investment programs will be successful. Past performance is not a guarantee of future results. While Blackstone believes ESG factors can enhance long term value, Blackstone does not pursue an ESG based investment strategy or limit its investments to those that meet specific ESG criteria or standards, except with respect to products or strategies that are explicitly designated as doing so in their Offering Documents or other applicable governing documents. Any such ESG factors do not qualify Blackstone's objectives to seek to maximize risk adjusted returns. Some, or all, of the ESG initiatives described may not apply to the Company's investments and none are binding aspects of the management of the assets of the Company. The Company does not promote environmental or social characteristics, nor does it have sustainable investments as its objective. A decision to invest should take into account the objectives and characteristics of the Company as set out in more detail in the Prospectus, which can be accessed at [www.blackstone.com/bglf](http://www.blackstone.com/bglf). Further information can be found at [www.blackstone.com/european-overview](http://www.blackstone.com/european-overview).

## IMPORTANT DISCLOSURE INFORMATION (CONT'D)

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Prospective investors should be aware that an investment in the Fund involves a high degree of risk. There may be occasions when the management company of the Fund, the principals, Blackstone Credit & Insurance, Blackstone and their affiliates will encounter potential conflicts of interest in connection with the Fund's activities including, without limitation, the allocation of investment opportunities, relationships with Blackstone Credit & Insurance's and/or Blackstone's other activities, and the diverse interests of the Fund's investors. In addition, Blackstone Credit & Insurance, Blackstone, and their affiliates engage in a broad spectrum of activities, which may include activities where the interests of certain divisions of Blackstone Credit & Insurance, Blackstone and their affiliates or the interests of their clients may conflict with the interest of the partners in the Fund. Because Blackstone Credit & Insurance, Blackstone, and their affiliates have many different asset management, advisory and other businesses, they are subject to a number of actual and potential conflicts of interest, greater regulatory oversight, and more legal and contractual restrictions than that to which they would otherwise be subject if they had just one line of business. In addressing these conflicts and regulatory, legal, and contractual requirements across various businesses, Blackstone Credit & Insurance, Blackstone, and their affiliates have implemented certain policies and procedures (e.g., information walls) that may reduce the positive synergies that the Fund expects to utilise for purposes of finding attractive investments. As a consequence, that information, which could be of benefit to the Fund, might become restricted to those other businesses and otherwise be unavailable to the Fund, and could also restrict the Fund's activities. There can be no assurance that any conflict of interest will be resolved in the manner most favourable to the Fund or any investor therein.

Prospective investors should note that certain senior members of the Manager's team have been working together since 1998 while at other institutions, starting at the IndoSuez Capital Division of Crédit Agricole. These team members moved to Royal Bank of Canada in 2001, joined GSO in 2005, and joined Blackstone in 2008 in connection with Blackstone's acquisition of GSO. Certain historical information contained in this material includes references to vehicles and managed accounts managed by members of the Manager's team while at other institutions indicated above. In March 2008, together with the acquisition of GSO and certain of its affiliates by Blackstone, the legacy collateralised loan obligation business of GSO Debt Funds Management LLC (now known as GSO / Blackstone Debt Funds Management LLC) was combined with the legacy collateralised loan obligation business of Blackstone Debt Advisors L.P. Past performance is not an indication of future investment returns, and there can be no assurance that such returns will be achieved.

In January 2012, GSO closed on the acquisition of Harbourmaster Capital Management ("Harbourmaster"), combining the legacy GSO / Blackstone European CLO platform with the legacy Harbourmaster CLO platform. Through this acquisition, the majority of the Harbourmaster team, including certain senior members, joined GSO / Blackstone. Our track record for European CLO management begins with the inception of the legacy Harbourmaster track record on 31 October 2001. Following January 2012, total combined returns are represented by the combined entity of GSO / Blackstone and Harbourmaster. In 2020, GSO capital rebranded to Blackstone Credit & Insurance.

The use of this Presentation in certain jurisdictions may be restricted by law. The products mentioned in this document may not be eligible for sale in some states or countries, nor suitable for all types of investors; their value and the income they produce may fluctuate and/or be adversely affected by interest rates or other factors. Prospective investors should inform themselves as to the legal requirements and tax consequences of an investment in the Fund within the countries of their citizenship, residence, domicile, and place of business.

Although the current portfolio reflected in this Presentation (the "**Current Portfolio**") is consistent with the investment strategy of the Fund, there is no guarantee that the portfolio acquired will continue to be identical to the make-up of the Current Portfolio. Moreover, the future investments to be made by the Fund may differ substantially from the investments included in the Current Portfolio. Therefore, the Current Portfolio parameters, industry concentration, rating concentration, spread distribution and other factors related to the Current Portfolio could all be materially different than those of the future portfolio acquired by the Fund.

## IMPORTANT DISCLOSURE INFORMATION (CONT'D)

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Blackstone Ireland Limited and Blackstone Ireland Fund Management Limited are authorised and regulated by the Central Bank of Ireland.

Blackstone Ireland Limited, Blackstone Ireland Fund Management Limited, the funds they manage, or specific investments made by the funds were selected as the winner of the awards referenced herein by Creditflux based upon a formula developed by Creditflux and/or other performance-based and non-performance-based, subjective criteria. In addition, their selection to receive the awards and/or their rankings may have been based on a limited universe of participants, and therefore there can be no assurance that a different sampling of participants might not achieve different results. There may be other categories for which Blackstone Credit & Insurance, GSO, Blackstone, Harbourmaster Capital, Blackstone Ireland Limited, Blackstone Ireland Fund Management Limited, the funds they manage, or specific investments made by the funds were nominated or considered but did not receive an award or rank. The awards/rankings may not be representative of a particular investor's experience or the future performance of the awardees. There is no guarantee that similar awards or rankings will be obtained by the awardees or any other funds managed by GSO, Blackstone, Blackstone Ireland Limited, or Blackstone Ireland Fund Management Limited in the future. The information provided above is solely for informational purposes and should not be construed, or relied upon, as any indication of future performance of Blackstone Credit & Insurance, GSO, Blackstone, Harbourmaster Capital, Blackstone Ireland Limited, Blackstone Ireland Fund Management Limited, or any of its funds or investments.

### **BCF Loan Default Track Record**

BCF's track record includes the US middle market loans, European floating rate notes, and broadly syndicated loans held on a look-through basis by BCF, including through European and US CLOs, CLO Warehouses, and directly on its balance sheet. The Manager defines defaults as (a) missed a payment, (b) filed bankruptcy, or (c) were downgraded by Moody's, S&P, or Fitch (in the case of European issuers) to D. The Manager may sell a loan, including immediately prior to default, and such loan will not be treated as a default. If as asset within a CLO defaults prior to BCF's investment in that CLO, the default is excluded from the calculation.

BCF's average annual principal loss rate for the period from Jul 2014–Dec 2019 is calculated by multiplying the respective average annual default rate for that period by (1 minus the respective average recovery rate for that period). As of 4Q'23, recovery rates have been excluded from the calculation for years without defaults.

BCF's average annual default rate is a weighted average of the yearly BCF default rates, weighted by the average of BCF's NAV at the start and end of each respective year. In other words, the average annual default rate is calculated by multiplying each year's default rate by the average annual BCF NAV in the same year and dividing that total by the sum of BCF's annual NAVs across all years. For any particular year, the default rate is calculated by first calculating the default rates by portfolio allocation, which are calculated as the defaulted notional amount for the year within each portfolio allocation (Directly Held Assets, European CLOs, US CLOs, CLO Warehouses), divided by the each of the following: Directly Held Assets: par balance of BCF's on-balance sheet assets; European CLO and US CLO: total Target Par for each respective CLO, weighted for each CLO's respective BCF investment; CLO Warehouses: par balance of warehouse assets. BCF's average annual default rate is then calculated by weighting each portfolio allocation's average annual default rate by BCF's portfolio allocation percentages based on NAV.

BCF's average recovery rate is a weighted average of the yearly BCF recovery rates, weighted by BCF's defaulted notional amount for each year. In other words, the average recovery rate is calculated by multiplying each year's recovery rate by the defaulted notional amount in the same year and dividing that total by the sum of defaulted notional amounts across all years. For any particular year, the recovery rate is calculated by first calculating the recovery rates by portfolio allocation, which are calculated as the recovery amount for the year within each portfolio allocation (Directly Held Assets, European CLOs, US CLOs, CLO Warehouses), divided by the defaulted notional of each respective portfolio allocation. In other words, the year's recovery rate is calculated by multiplying each defaulted asset's recovery rate by the defaulted notional amount of that defaulted asset and dividing that total by the sum of defaulted notional amounts of all assets defaulted in that year. For a given defaulted position, the recovery rate is calculated as the amount received on the position by BCF through its investments via (a) sale, (b) paydown, and/or (c) restructuring of the defaulted asset, divided by the amount originally paid by BCF through its investments for the asset (across all portfolios in which the asset was held).

## IMPORTANT DISCLOSURE INFORMATION (CONT'D)

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### AUSTRALIA

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Any person to whom the securities or financial products described in this document are issued must not, within 12 months after the issue, offer, transfer or assign that security or financial product to investors in Australia except in circumstances where disclosure to investors is not required under the Act.

The information in this document has been prepared without taking into account any recipient's investment objectives, financial situation, taxation position or particular needs or requirements and should not be relied on for the purposes of making any investment decision. Before acting on the information the investor should consider its appropriateness having regard to their objectives, financial situation and needs.

This document has not been prepared only for Australian investors. It:

- may contain references to dollar amounts which are not Australian dollars;
- may contain financial information which is not prepared in accordance with Australian law or practices;
- may not address risks associated with investment in foreign currency denominated investments; and
- may not address Australian tax issues.

To the extent that this document contains financial product advice, that advice is provided by, or on behalf of, The Blackstone Group (Australia) Pty Limited ACN 149 142 058 / Blackstone Real Estate Australia Pty Limited ACN 604 167 651. The Blackstone Group (Australia) Pty Limited / Blackstone Real Estate Australia Pty Limited holds an Australian financial services licence authorising it to provide financial services in Australia (AFSL 408376) / (AFSL 485716).

## IMPORTANT DISCLOSURE INFORMATION (CONT'D)

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### CANADA

Blackstone Securities Partners L.P. ("BSP") will serve as a placement agent for the Fund in Canada. BSP relies on the International Dealer Exemption in each province of Canada pursuant to section 8.18 of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations.

These materials and the information contained herein are not, and under no circumstances are to be construed as, a prospectus, an offering memorandum, an advertisement or a public offering of securities in Canada or any province or territory thereof. Under no circumstances are these materials and the information contained herein to be construed as an offer to sell securities or as a solicitation of an offer to buy securities in any jurisdiction of Canada. Any offer or sale of the securities described herein in Canada will be made only under an exemption from the requirements to file a prospectus with the relevant Canadian securities regulators and only by a dealer properly registered under applicable securities laws or, alternatively, pursuant to an exemption from the registration requirement in the relevant province or territory of Canada in which such offer or sale is made. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon the merits of the investments described herein and any representation to the contrary is an offence. Under no circumstances is the information contained herein to be construed as an offer or solicitation to provide investment advice in any province or territory of Canada.

Upon receipt of these materials, each Canadian recipient will be deemed to have represented that the recipient is an "accredited investor" as such term is defined in section 1.1 of National Instrument 45-106 Prospectus Exemptions and, in Ontario, in section 73.3(1) of the Securities Act (Ontario), as applicable, and, where required by law or as a condition to receiving these materials, a "permitted client" as such term is defined in section 1.1 of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations, respectively. In addition, upon receipt of these materials, each Canadian recipient hereby confirms that it has expressly requested that these documents be drawn up in the English language only. De plus, des réception de ces documents, chaque récipiendaire canadien confirme par la présente qu'il a expressément demandé que ces documents soient rédigés seulement en anglais.

THE PARTNERSHIP IS NOT PRESENTLY, NOR DOES IT INTEND TO BECOME, A "REPORTING ISSUER", AS SUCH TERM IS DEFINED UNDER APPLICABLE PROVINCIAL OR TERRITORIAL SECURITIES LEGISLATION, IN ANY PROVINCE OR TERRITORY OF CANADA IN WHICH THE INTERESTS WILL BE OFFERED AND THERE CURRENTLY IS NO PUBLIC MARKET FOR ANY OF THE INTERESTS IN CANADA, AND ONE MAY NEVER DEVELOP.



## IMPORTANT DISCLOSURE INFORMATION (CONT'D)

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### CERTAIN EEA COUNTRIES AND THE UK

In the UK, Denmark, Finland, The Republic Of Ireland, this communication is issued by Blackstone Europe LLP ("BELL") of 40 Berkeley Square, London, W1J 5AL (registration number OC352581), which is authorised and regulated by the Financial Conduct Authority (the "FCA") (firm reference number 520839) in the United Kingdom and which maintains appropriate licenses in other relevant jurisdictions.

In the EEA, other than in, Denmark, Finland, the Republic of Ireland, this communication is made by Blackstone Europe Fund Management S.à r.l. ("BEFM") of 2-4 Rue Eugène Ruppert, L-2453, Luxembourg (registration number B212124), which is authorized by the Luxembourg Commission de Surveillance du Secteur Financier (reference number A00001974).

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## IMPORTANT DISCLOSURE INFORMATION (CONT'D)

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