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***AIFMD Article 23 - Regular and Periodic Disclosures***

*in respect of*

Blackstone Loan Financing Limited

(the "Fund")

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**June 2021**

## **SCOPE OF DISCLOSURES**

1. This document includes certain information in respect of the Fund for the period 1 January 2020 through 31 December 2020 (the "Reporting Period").
2. This information is made available by Blackstone Loan Financing Limited (the "Investment Advisor") in order to comply with the annual requirements for periodic and regular disclosure to investors set out under (i) Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers (the "AIFMD") and (ii) the Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 (the "Regulation"), as applicable in the jurisdictions of the European Economic Area or in the United Kingdom where the Fund has been registered for marketing under the national private placement regimes. These disclosures for 31 December 2020 have been produced in accordance with AIFMD and the Regulation.
3. This document contains only those periodic disclosures which may be disclosed at the same time as the annual report prepared pursuant to the AIFMD is made available to investors. Any disclosure which Article 108 or 109 of the Regulation requires to be made immediately or without undue delay (as the case may be) would be made separately, either immediately or without undue delay as is required under the Regulation.

## **IMPORTANT NOTICES TO RECIPIENTS**

1. This Article 23 Annual Disclosure (this "Disclosure") is confidential.
2. This confidential Disclosure is being provided to investors of the Fund solely for the purpose of providing disclosures in connection with the requirements of the AIFMD. By accepting this Disclosure, you expressly acknowledge that the information contained in this Disclosure is as of 31 December 2020 and that more recent information is available from the Investment Advisor to investors of the Fund and that other material changes with respect to the Fund and its investments may not be reflected in this Disclosure. The delivery of this Disclosure shall not under any circumstances create an assumption that the information presented herein is correct as of any time subsequent to 31 December 2020. This Disclosure is not, and may not be relied upon in any manner as, legal, tax, financial or investment advice or as an offer to sell or a solicitation of an offer to buy any security, product or service or to provide investment advice. This Disclosure does not purport to contain all of the information that may be required to evaluate an investment in the Fund and each recipient is urged to consult its tax, legal, financial, accounting and other advisors about the matters discussed herein.

## **INTERPRETATION**

1. References to statutory provisions, regulations, notices or the AIFMD shall include those provisions, regulations, notices or the AIFMD as amended, extended, consolidated, substituted, re-issued or re-enacted from time to time.
2. Unless the context otherwise requires and except as varied or otherwise specified in this Disclosure, words and expressions contained in this Disclosure shall bear the same meaning as in the Prospectus of the Fund (as amended, restated or supplemented from time to time, the "Offering Memorandum"), as applicable; provided that, if there is any conflict between words defined in this Disclosure and the Offering Memorandum, this Disclosure shall prevail.

### **Assets Subject to Special Arrangements Arising from their Illiquid Nature**

1. As at 31 December 2020, none of the Fund's assets were subject to any special arrangements arising from their illiquid nature, including any relating to side pockets, gates or similar arrangements.

### **Risk Profile and Risk Management Systems**

1. The Fund is not subject to Article 15 of the AIFMD (Risk Management) and the systems and procedures it uses for risk management are not required to conform to the particulars of Article 15 (and the Regulation).
2. See Section B34 of the Offering Memorandum for a description of the Fund's risk limitations.
3. There is no breach to the risk limits to be reported as at 31 December 2020.
4. The main features of the risk management systems by which the Investment Advisor identifies, measures, manages and monitors the risks to which the Fund is or might be exposed are described in: Section B34 of the Fund's Offering Memorandum, the Investment Advisor's Part 2A of the Form ADV, and Note 10 of the Fund's audited financial statements for the financial year ended 31 December 2020. The Investment Advisor's Form ADV is available at the SEC's website [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) (click on the link "Investment Adviser Search", select "Investment Adviser Firm" and type in "Blackstone Ireland Limited").

### **Total Leverage**

1. The total amount of leverage employed by the Fund, as at 31 December 2020, was as follows:

Gross method: 94.85%

Commitment method: 94.85%

There have not been any changes to the maximum amounts of leverage that may be employed or the restrictions on the use of borrowings or the giving or guarantees. There is no re-use of collateral or any guarantee provided under the Fund's leveraging arrangements.

The leverage of the Fund on a gross exposure basis (the "gross method") is calculated in accordance with Article 7 of the Regulation. This involves taking the sum of the absolute values of all positions of the Fund, including borrowings (other than borrowings of a temporary nature fully covered by capital commitments) and derivative positions (i.e., without taking into account any netting or hedging benefit), dividing by the NAV, and expressing the quotient as a percentage.

The leverage of the Fund on a commitment basis (the "commitment method") is calculated in accordance with Article 8 of the Regulation. This involves taking the sum of the absolute values of all positions of the Fund (as in the case of the gross method), but taking account of any reduction in exposure due to hedging and netting arrangements. The leverage calculation is then made by dividing the sum of the exposures of the Fund (allowing for netting and hedging) by the NAV and expressing the quotient as a percentage.