

RNS Portfolio Update

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BLACKSTONE / GSO LOAN FINANCING LIMITED

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Portfolio Trading Activity

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Blackstone / GSO Loan Financing Limited (the "Company") is pleased to report the results of recent sale activity within its portfolio, which the Company's Board and Adviser believe supports the validity of the Company's valuation policy.

Based on the Adviser's view of the robust market technicals, Blackstone / GSO Corporate Funding DAC ("BGCF"), in which the Company is invested, engaged in an exercise to opportunistically reduce certain positions during the prior two weeks where it held amounts in excess of the economic majority and/or required amount under European Risk Retention regulations. As such, BGCF successfully conducted two BWICS (bids wanted in competition) and executed the sale of 15 minority positions in CLO Income Notes of US and European CLOs, totalling €53.7 million of par notional across seven (7) vintages. In aggregate, the positions were sold at levels in excess of both the mark-to-model and mark-to-market bid prices for those positions. Furthermore, the Adviser believes that the economic majority positions retained by the Company should have additional value.

The Adviser reported that throughout the sale process, it experienced relatively strong market liquidity and broad participation from global participants. The average depth of each CLO Income Note bid was nine (9) counterparties, with many participants bidding on multiple positions as well as the entire set of positions offered. We believe this level of demand and the resulting value is a strong indication of the veracity of the Company's Published NAV.

The following table summarises the recent sales:

	# of Positions	CLO Vintages	Notional Traded (mm)	Wtd Avg Sale Price	Sale Proceeds vs. Market Bid Value (mm)	Sale Proceeds vs. Model Bid Value (mm) ⁽¹⁾	Avg BWIC Market Bid Depth
US CLOs	8	2015-2019	\$ 36.1	43.8	\$0.32	\$0.74	10 ⁽²⁾
EUR CLOs	7	2014-2020	€ 24.0	56.5	€0.49	(€0.43)	8
Total CLOs	15	2014-2020	€ 53.7⁽³⁾	49.5⁽³⁾	€0.75⁽³⁾	€0.18⁽³⁾	9

(1) Please note that the Company's published NAV is calculated using the mid of model valuations rather than the model bid, which are used here for comparison purposes given that the Company and the Adviser believe that bid prices are more relevant to compare to actual trade values. Comparison between Sale Price and Model Valuation is based on the modelled valuations as of the most recent month end prior to the transaction trade date, which for US CLOs was 30th October 2020 and for European CLOs was 30th November. Additionally, the European CLO modelled valuations have not been finalised and are subject to change prior to the final net asset value declaration.

(2) Excludes one position that was not sold via BWIC.

(3) Converted based on an exchange rate of: €1.0000: \$1.21463 as of 3 December 2020.

NOTE: PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE RESULTS AND THERE CAN BE NO ASSURANCE THAT BGLF WILL ACHIEVE COMPARABLE RESULTS.

IMPORTANT INFORMATION

Any reference herein to future returns or distributions is a target and not a forecast and there can be no guarantee or assurance that it will be achieved.

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All investments are subject to risk, including the loss of the principal amount invested. **Past performance is not necessarily indicative of future results, 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. Certain countries have been susceptible to epidemics, most recently COVID-19, which may be designated as pandemics by world health authorities. The outbreak of such epidemics, together with any resulting restrictions on travel or quarantines imposed, has had and will continue to have a negative impact on the economy and business activity globally (including in the countries in which the Company invests), and thereby is expected to adversely affect the performance of the Company's Investments. Furthermore, the rapid development of epidemics could preclude prediction as to their ultimate adverse impact on economic and market conditions, and, as a result, presents material uncertainty and risk with respect to the Company and the performance of its Investments.** All investments to be held by the Company 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.

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