

# Blackstone Loan Financing Limited (“BGLF”)

## BGLF Portfolio Highlights

**1.2%**  
monthly return

**9.8%**  
dividend yield<sup>(1)</sup>

**€417.6M**  
net assets

**€360.2M**  
market  
capitalisation<sup>(2)</sup>

## Monthly Performance

Total Returns (%)	1-Month Return	YTD Return	LTM Return	Annual ITD Return
BGLF Euro NAV	1.18	13.44	18.56	7.78
BGLF Euro Price	(1.91)	22.01	28.92	6.04
European Loans	0.48	3.45	7.90	3.39
US Loans	0.49	3.98	8.50	4.04

Ticker	NAV / Share <sup>(3)</sup>	Share Price <sup>(2)</sup>	Premium / Discount	Dividend Yield <sup>(1)</sup>
BGLF	€0.8927	€0.7700	(13.74%)	9.77%
BGLP	£0.7664	£0.6450	(15.84%)	10.23%

## Performance Attribution

(as of 31 August 2021)<sup>(4,5)</sup>

Blackstone Corporate Funding (“BCF”) NAV Return Components	BCF Aug-21 Assets (€M)	BCF Aug-21 Return Component (%)				BCF YTD Return Component (%)			
		MTM <sup>(6)</sup>	Income	FX	Total	MTM <sup>(6)</sup>	Income	FX	Total
EUR CLOs	451.9	(0.08)	0.47	-	0.38	(0.67)	5.55	-	4.87
US CLOs	415.6	0.12	0.69	(0.04)	0.77	2.49	6.00	0.08	8.58
US CLO Warehouses	14.8	-	(0.01)	(0.00)	(0.01)	-	0.23	(0.01)	0.22
Directly Held Loans	551.1	0.02	0.18	(0.00)	0.20	0.10	1.08	(0.02)	1.17
Leverage	(270.0)	-	(0.05)	-	(0.05)	-	(0.35)	-	(0.35)
Net Cash and Expenses	2.9	-	(0.06)	(0.01)	(0.07)	-	(0.47)	0.00	(0.47)
<b>BCF Total / Net Return</b>	<b>1,166.5</b>	<b>0.07</b>	<b>1.22</b>	<b>(0.04)</b>	<b>1.24</b>	<b>1.92</b>	<b>12.04</b>	<b>0.06</b>	<b>14.02</b>
BGLF Net Cash and Expenses <sup>(7)</sup>					(0.05)				(0.70)
Rollover Assets <sup>(8)</sup>					(0.01)				0.12
<b>BGLF Net Return</b>					<b>1.18</b>				<b>13.44</b>

## Market and Company Commentary

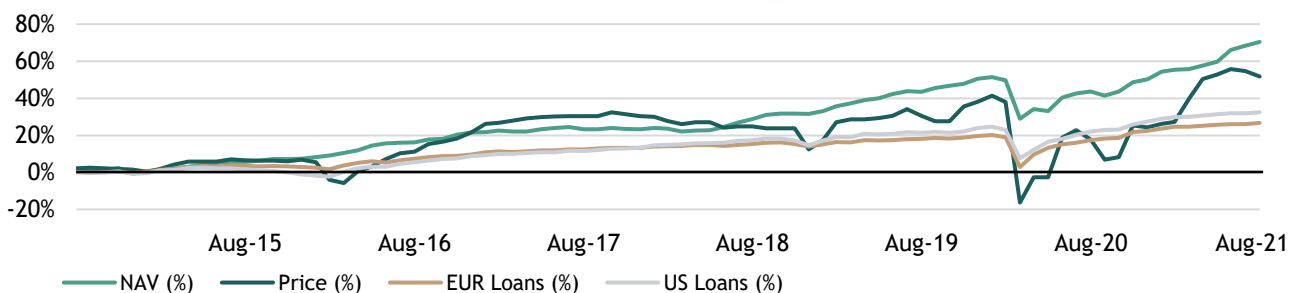
- European and US loan returns were positive in August with returns of 0.48% and 0.49%, respectively<sup>(9)</sup>. Limited primary supply and continued economic recovery provided tailwinds to performance. Despite delta variant concerns weighing on reopening sectors, the benign default environment continued. No new defaults were recorded for August in either region, resulting in the LTM par default rate in the US and European loan market approaching post GFC lows<sup>(9)</sup>.
- With no signs of a summer slowdown in August, global CLO supply increased month-on-month from \$37.4 billion to \$41.1 billion. Gross U.S. CLO issuance, driven largely by new issuance, increased to \$33.3 billion in August, up from \$26.1 billion in July. In contrast, European CLO issuance, fell to €6.6 billion in August, down from €9.5 billion in July, but still far higher than the previous four August issuance totals which averaged €1.7 billion<sup>(10)</sup>. New issue spreads for CLO tranches ended August modestly wider in the US and wider in Europe month-over-month at the top of the stack, while narrowing in lower rated tranches<sup>(11)</sup>.
- Contribution from European CLOs was relatively muted during August due to a mix of offsetting factors. US CLOs benefited from a CLO refinancing, increases in underlying loan spread, and some CLOs benefitted from high recoveries on a restructured position.
- EU CLOs were repositioned during August. Tail risk was selectively reduced by rotating into issuers believed to have better pull to par potential. A resilient secondary technical provided an opportunity for EU CLOs to lighten up on lower coupon paper and raised cash levels in anticipation of more robust primary issuance, and more attractive relative value prospects in September. With the view that the US market would firm into the end of August as new issue seasonally slowed, cash in the US CLOs was deployed into the remaining primary pipeline and secondary market<sup>(12)</sup>.
- During August, Peace Park CLO, a \$661.5 million CLO priced with an AAA-rated coupon of L+113 and a 5-year reinvestment period. BCF purchased approximately 61% or \$39 million of the Income Notes. Avondale Park CLO, a 2020 vintage, European CLO was reset, extending the reinvestment period of the transaction by over 2.5 years from date of reset, whilst concurrently reducing its weighted average cost of capital by 46bp<sup>(13)</sup>. In addition, BCF sold its equity position in Niagara Park CLO at a level that was both accretive to NAV and favourable to mark to market prices. Looking ahead, by freeing up this capital, BCF can recycle the proceeds into future transactions with higher estimated returns, whilst also improving the diversity of the CLO portfolio<sup>(12)</sup>.

Note: BGLF Inception Date: 27 July 2014. Please note that the return component figures may not sum exactly due to rounding. An investor should consider the investment objective, risks, and charges and expenses of BGLF (also, the “Company”) carefully before investing. The prospectus contains this and other information about the Company and may be obtained at [www.blackstone.com/bglf](http://www.blackstone.com/bglf). The prospectus should be read carefully before investing. **Past performance is historical and not a guarantee of future results. There can be no assurance that BGLF or any Blackstone fund will achieve its objectives or avoid substantial losses.**

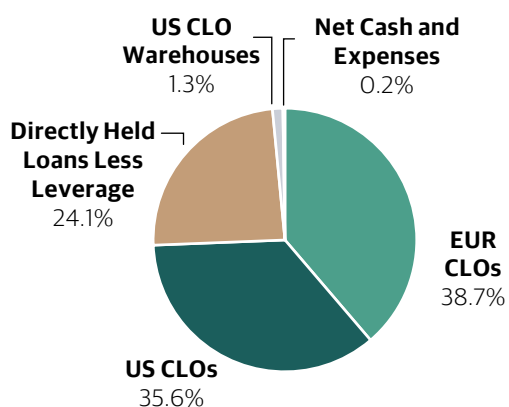
## BGLF Investment Objective

- BGLF's investment objective is to provide shareholders with stable and growing income returns, and to grow the capital value of its investment portfolio by exposure to European and US floating rate senior secured loans and bonds, both directly and indirectly. The Company seeks to achieve its investment objective solely through its investment in Blackstone Corporate Funding ("BCF")<sup>(14)</sup>, which is an investor in global floating rate senior secured loans.
- BCF funds its investment in European and US loans using a variety of funding sources, including equity capital, its 3-year syndicated financing facility, notes issued to the Company, and non-recourse leverage obtained from retaining Income Notes in collateralised loan obligations ("CLOs") that BCF has established.

## BGLF Cumulative Performance Since Inception To Date ("ITD")<sup>(3,4)</sup>

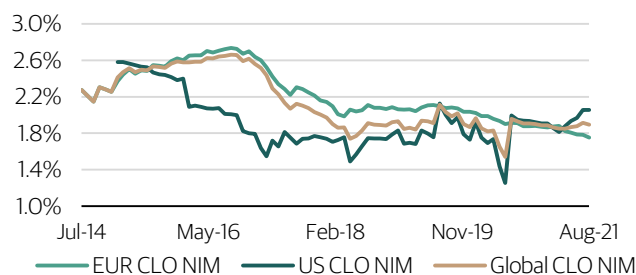


## BCF Look Through Summary: 712 Issuers<sup>(15)</sup>

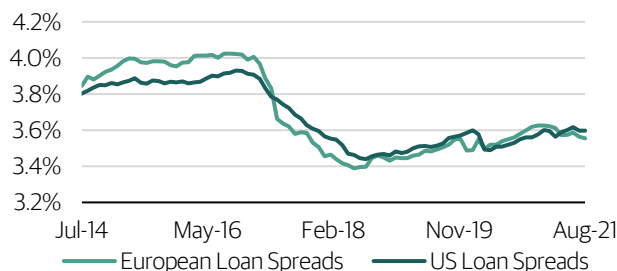


	% of NAV <sup>(16)</sup>	WA Asset Coupon <sup>(17)</sup>	WA Liability Cost <sup>(17)</sup>	WA Remaining RPs (CLOs)
EUR CLOs	38.74%	3.59%	1.83%	2.0 Years
US CLOs	35.63%	3.83%	1.78%	2.2 Years
Directly Held Loans (less leverage)	24.10%	3.72%	1.35%	n/a
US CLO Warehouses	1.27%	4.01%	1.22%	n/a
Net Cash & Expenses	0.25%	-	-	n/a
<b>Total Portfolio</b>	<b>100.0%</b>	<b>3.71%</b>	<b>1.69%</b>	<b>2.1 Years</b>

## CLO Net Interest Margins<sup>(17)</sup>



## European and US Loan Spreads<sup>(4)</sup>



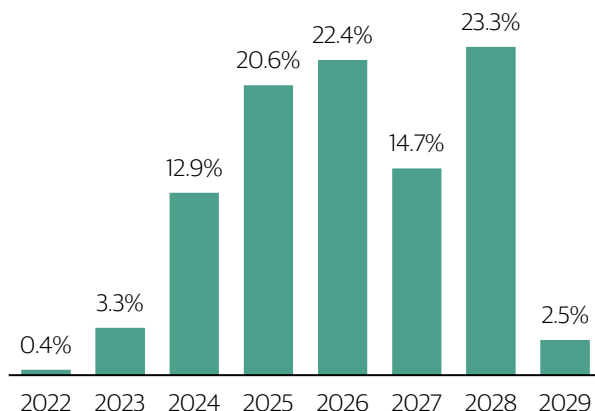
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# BCF Look Through Summary: 712 Issuers (cont'd)<sup>(15)</sup>

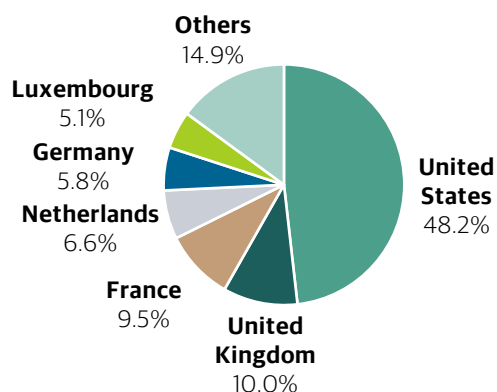
## Top 10 Issuers

Issuer	Sector	Weight
EG Group Ltd	Retail	0.91%
Numericable	Media Broadcasting and Subscription	0.83%
Ziggo Finance BV	Media Broadcasting and Subscription	0.75%
Sivantos / Siemens	Healthcare and Pharmaceuticals	0.74%
Virgin Media	Media Broadcasting and Subscription	0.74%
Thyssenkrupp	Capital Equipment	0.74%
AkzoNobel	Chemicals, Plastics and Rubber	0.73%
UPC	Media Broadcasting and Subscription	0.69%
R&R Ice Cream Plc	Beverage, Food and Tobacco	0.67%
ION Trading	Banking, Finance, Ins. & RE (FIRE)	0.60%
<b>Total</b>		<b>7.41%</b>

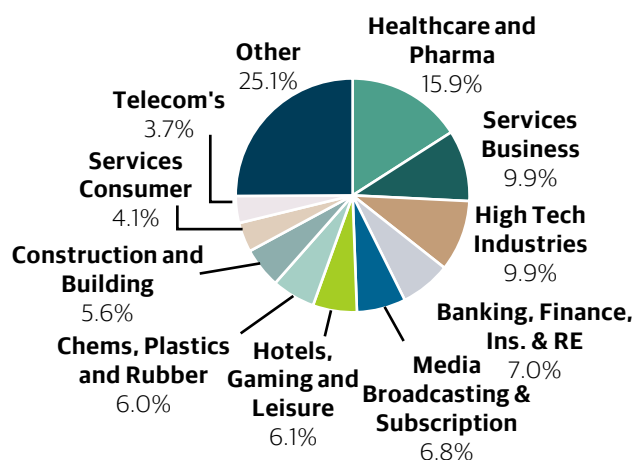
## Maturities



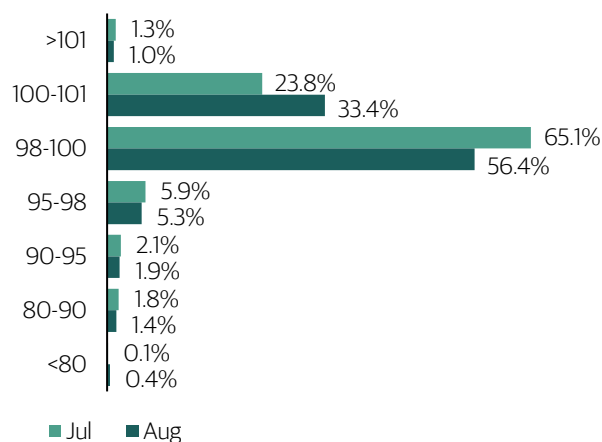
## Country Allocations



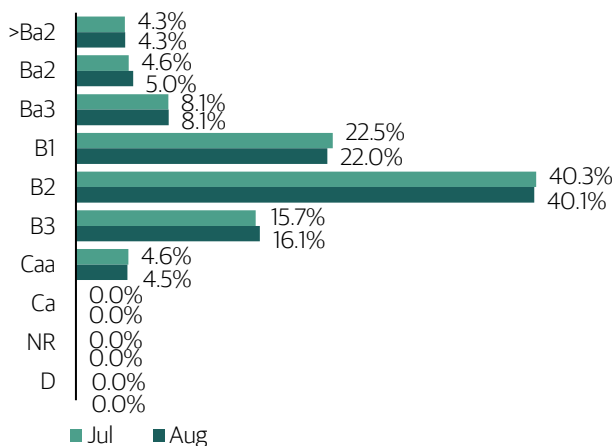
## Top 10 Industry Allocations



## Asset Price Bands and Ratings



## Moody's Rating Distribution



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# CLO Income Note, Vertical, and US CLO Warehouse Positions<sup>(17,18)</sup>

	Closing / [Expected Close] Date	Deal Size (M)	Position Owned (M)	% of Tranche	% of BCF NAV	Reinvest. Period Left (Yrs)	Current Asset Coupon	Current Liability Cost	Current Net Interest Margin	NIM 3M Prior	Distributions Through Last Payment Date <sup>(17)</sup>	
											Ann.	Cum.
<b>EUR CLO Income Note Investments</b>												
Phoenix Park	Jul-14	€ 417	€ 23.3	51.4%	1.2%	1.7	3.58%	1.78%	1.81%	1.81%	14.0%	98.0%
Sorrento Park	Oct-14	248	29.5	51.8%	0.8%	0.0	3.61%	2.77%	0.84%	1.26%	14.2%	96.8%
Castle Park	Dec-14	168	24.0	52.2%	1.0%	0.0	3.52%	2.96%	0.57%	1.26%	13.9%	93.4%
Dartry Park	Mar-15	427	26.6	51.1%	1.2%	3.7	3.62%	1.67%	1.95%	1.90%	13.9%	88.6%
Tymon Park	Dec-15	416	22.7	51.0%	1.3%	4.0	3.57%	1.80%	1.77%	2.05%	15.7%	87.9%
Elm Park	May-16	522	31.9	56.1%	1.8%	4.1	3.57%	1.70%	1.87%	1.90%	17.5%	89.9%
Griffith Park	Sep-16	456	26.0	53.4%	1.6%	1.7	3.59%	1.57%	2.02%	2.04%	10.3%	48.3%
Clarinda Park	Nov-16	417	23.1	51.2%	1.3%	3.5	3.64%	1.70%	1.94%	1.92%	11.4%	54.1%
Palmerston Park	Apr-17	408	24.0	53.3%	1.3%	0.0	3.52%	1.57%	1.95%	2.01%	14.0%	59.7%
Clontarf Park	Jul-17	414	29.0	66.9%	1.5%	0.0	3.48%	1.59%	1.89%	1.90%	15.0%	60.9%
Willow Park	Nov-17	412	23.4	60.9%	1.4%	0.9	3.52%	1.58%	1.94%	1.91%	17.5%	63.6%
Marlay Park	Mar-18	413	24.6	60.0%	1.5%	0.6	3.50%	1.40%	2.10%	2.11%	19.3%	63.8%
Milltown Park	Jun-18	409	24.1	65.0%	1.7%	0.9	3.56%	1.50%	2.06%	2.06%	18.0%	55.6%
Richmond Park	Jul-18	548	46.2	68.3%	1.7%	0.0	3.52%	1.53%	1.98%	2.01%	18.1%	54.4%
Sutton Park	Oct-18	408	24.0	66.7%	1.6%	1.7	3.58%	1.72%	1.86%	1.86%	17.5%	45.4%
Crosthwaite Park	Feb-19	516	33.0	64.7%	2.2%	4.0	3.57%	1.75%	1.81%	1.83%	13.8%	28.2%
Dunedin Park	Sep-19	408	25.3	52.9%	1.6%	2.6	3.60%	1.78%	1.82%	1.85%	11.7%	21.7%
Seapoint Park	Nov-19	405	21.6	70.5%	1.5%	2.7	3.60%	1.84%	1.76%	1.77%	15.8%	24.1%
Holland Park	Nov-19	428	39.1	72.1%	1.6%	2.7	3.63%	1.90%	1.73%	1.71%	11.1%	16.6%
Vesey Park	Apr-20	404	24.5	80.3%	1.9%	3.2	3.64%	1.97%	1.67%	1.68%	22.3%	28.9%
Avondale Park	Jun-20	409	22.7	63.0%	2.0%	1.9	3.64%	2.52%	1.12%	1.06%	14.5%	16.1%
Deer Park	Sep-20	343	20.5	71.9%	1.6%	2.1	3.57%	2.27%	1.30%	1.29%	8.6%	7.1%
Marino Park	Dec-20	324	17.0	71.4%	1.4%	2.4	3.74%	1.84%	1.89%	1.92%	n/a	n/a
Carysfort Park	Apr-21	406	25.1	80.7%	2.1%	3.9	3.67%	1.68%	1.99%	1.95%	n/a	n/a
Rockfield Park	Jul-21	404	24.0	80.0%	1.9%	3.9	3.72%	1.75%	1.96%	n/a	n/a	n/a
<b>USD CLO Income Note Investments</b>												
Dorchester Park	Feb-15	\$ 350	\$ 44.5	67.0%	1.2%	0.0	3.54%	1.89%	1.66%	1.80%	16.2%	103.3%
Grippen Park <sup>(19)</sup>	Mar-17	611	29.8	50.1%	1.6%	0.6	3.85%	1.86%	1.99%	1.93%	14.7%	64.0%
Thayer Park <sup>(19)</sup>	May-17	524	27.4	50.1%	1.3%	4.6	3.84%	1.76%	2.07%	1.95%	15.7%	65.7%
Catskill Park <sup>(19)</sup>	May-17	1,029	56.0	51.6%	2.6%	0.6	3.86%	1.71%	2.15%	2.02%	15.1%	63.0%
Dewolf Park <sup>(19)</sup>	Aug-17	614	31.7	51.6%	1.7%	1.1	3.89%	1.85%	2.04%	1.94%	16.0%	62.0%
Gilbert Park <sup>(19)</sup>	Oct-17	1,022	51.8	50.8%	2.7%	1.1	3.83%	1.81%	2.03%	1.95%	16.1%	59.9%
Long Point Park <sup>(19)</sup>	Dec-17	611	29.5	50.1%	1.6%	1.4	3.88%	1.56%	2.32%	2.16%	20.7%	73.3%
Stewart Park <sup>(19)</sup>	Jan-18	874	92.2	50.1%	1.7%	1.3	3.85%	1.59%	2.26%	2.12%	14.3%	49.8%
Cook Park <sup>(19)</sup>	Apr-18	1,025	53.6	50.1%	2.9%	1.6	3.82%	1.48%	2.34%	2.29%	18.1%	59.1%
Fillmore Park	Jul-18	561	30.2	54.3%	1.8%	1.9	3.85%	1.65%	2.20%	2.11%	15.8%	46.6%
Harbor Park	Dec-18	715	39.7	50.1%	2.2%	2.4	3.84%	1.75%	2.09%	1.98%	16.0%	41.3%
Buckhorn Park	Mar-19	509	24.2	50.1%	1.4%	4.9	3.80%	2.10%	1.70%	1.58%	15.9%	37.0%
Niagara Park	Jun-19	453	0.0	0.0%	0.0%	2.9	3.84%	1.60%	-1.60%	1.88%	14.9%	30.6%
Southwick Park <sup>(19)</sup>	Aug-19	503	26.1	59.9%	1.5%	2.9	3.79%	2.08%	1.72%	1.74%	17.0%	32.4%
Beechwood Park <sup>(19)</sup>	Dec-19	810	48.9	61.1%	2.7%	3.4	3.86%	2.12%	1.74%	1.73%	15.8%	24.9%
Allegany Park <sup>(19)</sup>	Jan-20	505	30.2	66.2%	1.8%	3.4	3.86%	2.08%	1.78%	1.72%	13.3%	20.0%
Harriman Park <sup>(19)</sup>	Apr-20	503	29.2	70.0%	1.9%	4.6	3.85%	1.76%	2.09%	2.08%	37.4%	46.7%
Payuga Park <sup>(19)</sup>	Aug-20	401	22.9	72.0%	1.9%	4.9	3.84%	1.74%	2.10%	1.54%	22.8%	21.2%
Point Au Roche Park	Jun-21	457	26.5	61.2%	1.7%	4.9	3.99%	1.71%	2.28%	n/a	n/a	n/a
<b>Vertical Retention Investments</b>												
Tallman Park <sup>(20)</sup>	May-21	410	2.1	5.0%	0.2%	4.6	3.90%	1.69%	2.21%	n/a	n/a	n/a
<b>US Warehouse Investments<sup>(18)</sup></b>												
	Initial Investment Date	Closing / [Expected Close] Date	Investment (€M) <sup>(21)</sup>	Investment (\$M) <sup>(21)</sup>	Current Loan Exposure (\$M) <sup>(22)</sup>	Current Asset Coupon	Current Liability Coupon	Net Interest Margin				
Peace Park Warehouse	May-21	Sep-21	€ 14.3	\$ 17.4	\$ 649.4	4.01%	1.22%	2.79%				
<b>Redeemed CLOs</b>												
	Vintage	Redemption Date	Deal Size (M)	Position Owned Prior To Redemption (M)	% of Tranche Prior To Redemption	Current Valuation As % of BCF NAV	Realised IRR <sup>(24)</sup>	Cum. Distributions Through Last Payment Date <sup>(17)</sup>				
Orwell Park <sup>(23)</sup>	2015	May-21	€ 303	€ 24.2	51.00%	0.05%	13.4%	156.40%				
Stratus 2020-2 <sup>(19)(23)</sup>	2020	Jun-21	\$ 261	\$ 24.2	100.00%	0.01%	38.2%	125.20%				

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## Discrete Annual Performance<sup>(3,4)</sup>

	31/08/2016 – 31/08/2017 –	31/08/2017 – 31/08/2018 –	31/08/2018 – 31/08/2019 –	31/08/2019 – 31/08/2020 –	31/08/2020 – 31/08/2021–
BGLF EURO NAV	6.10%	4.45%	11.48%	0.12%	18.56%
European Loans	4.64%	2.55%	2.35%	-0.51%	7.90%
US Loans	5.85%	5.29%	3.38%	0.57%	8.50%

### Endnotes

BGLF does not pay any management or performance fees. The Adviser earns a management and performance fee on CLOs it manages in which BCF invests. CLO management fees are typically 0.5% per annum on the CLO assets. The Adviser rebates 20% of the CLO management fees it receives to BCF, pro-rata to CLO Income Notes in which BCF invests directly or indirectly. The Rollover Portfolio Manager shall not be entitled to any management fee or performance fee in relation to the performance of the services under the Rollover Portfolio Management Agreement. Capitalised terms used but not defined herein have the meanings assigned to them in the Company's Prospectus dated 23 November 2018.

- (1) Dividend Yield presented on an LTM basis, based on the last four dividends declared and the share price as of 31 August 2021. Please see the BGLF announcement on 22 January 2021 for more information. **The target dividend is a target only and not a profit forecast.** It should not be taken as an indication of BGLF's expected future performance or results. There is no guarantee that the target dividend can or will be achieved or can be continued if achieved. There may be other additional risks, uncertainties and factors that could cause the returns generated by BGLF to be materially lower than the target dividend. Accordingly, investors should not place any reliance on such target.
- (2) Bloomberg, as of 31 August 2021.
- (3) 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. BGLP NAV per share is converted at the exchange rate of €1.0000:£0.8585 as of 31 August 2021. The exchange rate used by BGLF's Administrator may differ from that of Bloomberg and that used by the London Stock Exchange, which may result in a variation between BGLF's premium / discount to its NAV and BGLP's premium / discount to its NAV.
- (4) Credit Suisse: Leveraged Loan Index, Western European Leveraged Loan Index (hedged to EUR) as of 31 August 2021.
- (5) YTD and Monthly performance are non-annualised. Dividends are assumed to be reinvested at the NAV. **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.** CLO Income Notes are valued by using the CLO Intrinsic Calculation Methodology, Rollover Assets are valued using the CLO Mark to Market Methodology, loan asset valuations are based on broker quotes received from Markit and bonds prices are provided by IDC. Further details of BCF's valuation policy can be found in the Company's annual accounts. Please refer to the below for important information, including information about performance results.
- (6) MTM refers to mark to model for EUR and US CLOs and mark to market for Directly Held Loans. Please refer to footnote above regarding valuation methodology.
- (7) BGLF Expenses includes the impact of cash.
- (8) The market value of Rollover Assets totaled €1,107,932 or 0.27% of BGLF NAV, as of 31 August 2021.
- (9) Credit Suisse Leveraged Loan Index; Western European Leveraged Loan Index (hedged to EUR); Default Report as of 31 August 2021.
- (10) LCD Global Databank, as of 31 August 2021. Data includes refinancing and reset activity.
- (11) Barclays CLO & Leveraged Loan Monthly Update August 2021.
- (12) The opinions expressed herein reflect the current opinions of Blackstone as of the date 31 August 2021 and do not constitute investment advice with respect to any investment or fund managed by Blackstone or any third-party, and are not intended to be a prediction of how any investments or financial markets will perform in the future. Diversification does not ensure a profit or protect against losses.
- (13) Weighted average cost of capital ("WACC") calculation uses the coupon's spread component for each liability tranche and includes the full coupon on fixed rate tranches. Calculation excludes X-notes.
- (14) Blackstone Corporate Funding DAC ("BCF") was incorporated in Ireland on 16 April 2014.
- (15) Portfolio data by Issuer, Industry, Country, Rating and Loan Price Bands are presented using the gross par amount of assets held directly and indirectly by BCF. Indirect asset holdings are held within CLOs BCF has invested in. 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. Portfolio holdings, Rating, Country, Industry and Loan Price Band distributions are subject to change and are not recommendations to buy or sell any security. CLO Note and CLO warehouse investments are excluded from all figures. Data calculated by Blackstone Credit.
- (16) Calculated on BCF's net assets as of 31 August 2021.
- (17) Data for EUR and US CLOs calculated based on data available on Intex as of 6 September 2021 for non-redeemed CLOs. Global CLO NIM is a weighted average measure. Data for US CLO Warehouses and Directly Held Loans calculated by Blackstone Credit.
- (18) US CLO Warehouses may have an additional third party first loss provider invested alongside of BCF.
- (19) Position as a percent of tranche represents the percentage ownership of Blackstone CLO Management LLC ("BCM"), in which BCF is invested and owns 100% of Series 2 and Series 3 of BCM through its PPN investment in BCM. On 1 July 2020, Blackstone / GSO US Corporate Funding Ltd. ("BGUCF") was merged into the BCM, at which time 86.02%, the BCM's ownership of BGUCF, of each asset was transferred to BCM. As this resulted in BCM holding less than the majority of certain CLO positions, BGM has since purchased a small amount of these CLOs in order to maintain a majority economic position in each CLO investment.
- (20) The vertical retention investment in Tallman Park CLO is financed by a repurchase agreement. BCF owns 5% of each tranche (including equity). The total position owned is reflective of the gross exposure less the financed amount.
- (21) Warehouse Investment is calculated as the cumulative trade date USD proceeds and equivalent EUR proceeds utilised to fund each warehouse.
- (22) The Current Loan Exposure for the CLO Warehouse Investments is reflected on a trade date basis while the investment amount is reflected on a settlement date basis.

## Endnotes (cont'd)

- 23) Orwell Park equity is in the process of being redeemed. The residual position is reflective of one remaining equity distribution to be made. Stratus 2020-2 equity is also in the process of being redeemed. The equity will be fully redeemed once all accrued interest been received and distributed. Distributions include return of principal.
- 24) Realised IRRs are reflective of distributions made to equity holders to date based on data available on Intex as of 6 September 2021. Presented on a net basis; they are calculated after fees and expenses and represent proceeds from investments that have been disposed. The Stratus CLO 2020-2 was redeemed within 10 months of closing. Due to the nature of how the IRR is calculated, returns for the CLO are likely higher than they would be otherwise due to the CLO's limited operating history. The CLO's IRR benefited from the low average purchase price of assets in the portfolio. Orwell Park realised IRR is inclusive of fee rebates received. Stratus 2020-2 does not receive a fee rebate.

## Key risk factors as determined by the entities distributing this communication

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. 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.

**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.

**Epidemics/Pandemics.** Certain countries have been susceptible to epidemics which may be designated as pandemics by world health authorities, most recently COVID-19. 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 invest), 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.

Blackstone undertakes no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

**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.

## Key risk factors as determined by the entities distributing this communication (cont'd)

**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.

**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.

## Important Disclosure Information

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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.

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