

# Blackstone Loan Financing Limited ("BGLF")

## BGLF Portfolio Highlights

**0.4%**

net monthly  
NAV return

**12.0%**

dividend yield<sup>(1)</sup>

**€403.7M**

net assets

**€295.6M**

market capitalisation<sup>(2)</sup>

## Monthly Performance

Total Returns (%)	1-Month Return	YTD Return	LTM Return	Annual ITD Return
BGLF Euro NAV	0.35	5.22	5.22	8.06
BGLF Euro Price	(1.48)	(6.56)	(6.56)	5.05
European Loans	0.34	(3.28)	(3.28)	2.58
US Loans	0.36	(1.06)	(1.06)	3.43

Ticker	NAV / Share <sup>(3)</sup>	Share Price <sup>(2)</sup>	Premium / Discount	Dividend Yield <sup>(1)</sup>
BGLF	€0.9081	€0.6650	-26.77%	12.03%
BGLP	£0.8039	£0.5650	-29.72%	12.25%

Please see page 5 for additional valuation information

## Performance Attribution

(as of 30 December 2022)<sup>(5)</sup>

Blackstone Corporate Funding ("BCF") NAV Return Components	BCF Dec-22 Return Component (%)				BCF YTD Return Component (%)			
	MTM <sup>(6)</sup>	Income	FX	Total	MTM <sup>(6)</sup>	Income	FX	Total
EUR CLOs	0.34	0.65	-	1.00	(3.41)	7.83	-	4.43
US CLOs	(1.27)	0.58	(0.10)	(0.79)	(4.56)	7.77	(0.15)	3.06
CLO Warehouses	-	-	-	-	-	0.27	(0.01)	0.26
Directly Held Loans	(0.06)	0.22	0.01	0.17	(3.87)	2.40	(0.03)	(1.50)
Leverage	-	(0.09)	-	(0.09)	-	(0.71)	-	(0.71)
Net Cash and Expenses	-	(0.07)	-	(0.08)	-	(0.73)	0.03	(0.70)
<b>BCF Total / Net Return</b>	<b>(0.98)</b>	<b>1.29</b>	<b>(0.09)</b>	<b>0.21</b>	<b>(11.84)</b>	<b>16.84</b>	<b>(0.15)</b>	<b>4.85</b>
BGLF Net Cash and Expenses <sup>(7)</sup>				0.14				0.37
<b>BGLF Net Return</b>				<b>0.35</b>				<b>5.22</b>

## Market and Company Commentary

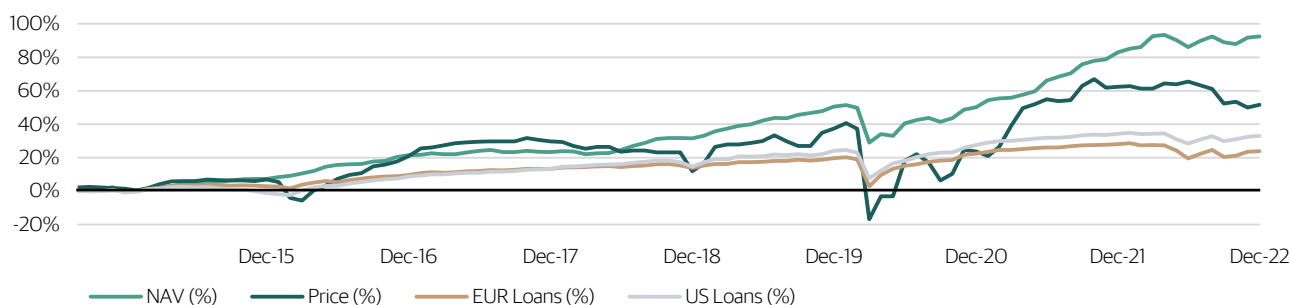
- December was a relatively subdued month, rounding off an otherwise eventful year impacted by the Russia-Ukraine conflict, recession fears and rising inflation. Although the Fed and ECB both slowed their latest round of rate hikes to 50bp, hawkish comments from key policymakers continued to stir markets<sup>(8)</sup>. The rising rate environment allowed leveraged loans to outperform other asset classes once again in December, a trend that prevailed across 2022. European loans returned 0.34% in December and -3.28% for 2022, while US loans returned 0.36% and -1.06% respectively<sup>(4)</sup>. By comparison, high yield markets returned -11.64% in Europe and -11.19% in the US for the year<sup>(9)</sup>, while the S&P 500 recorded its worst annual return since 2008 at -18.83%<sup>(10)</sup>.
- Primary CLO issuance slowed down considerably in December. Issuers priced just \$4.7 billion across 11 deals in the US and €1.1 billion across three deals in Europe, bringing the annual new issuance volume to \$129.3 billion and €26.2 billion respectively<sup>(11)</sup>. This represents the second-highest annual new issuance amount for the US, behind a record-breaking 2021, while the 2022 European new issuance level just managed to overtake 2020 volumes<sup>(12)</sup>.
- Rating downgrades to CCC remain a central theme for both regions and BCF's trading activity was focused on de-risking and rotating into higher quality assets. Throughout the month, CLOs took advantage of stronger bids in the market to adjust position sizes relative to credit quality.
- BCF's CLO valuations were mixed in December as higher quality loan prices rebounded in Europe but remained flat in the US after a strong start to the quarter. The dynamic market environment leading up to December benefited BCF's European CLOs, where the rally in those loan prices lifted the valuations of more seasoned CLOs in the portfolio. Conversely, assumed reinvestment prices were higher for US CLOs and some loans were sold at a discount, all of which led to generally lower valuations for the month.
- During December, there were no new issues or refinancing activity within the BCF portfolio. Over the course of a challenging year for CLO issuance, BCF invested in five new issue CLOs and executed on one refinancing and two resets. Heading into 2023, BCF remains focused on continued strong income generation from the portfolio, whether through opportunistic new CLO issuance or refinancing, resetting, or redeeming existing CLOs.

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. FOR PROFESSIONAL INVESTORS/ QUALIFIED INVESTORS USE ONLY.**

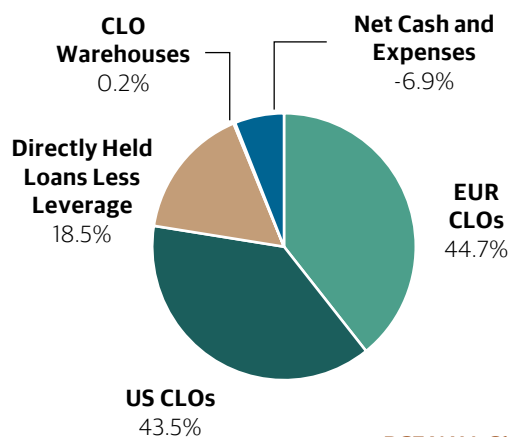
## BGLF Investment Objective

- 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>(13)</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>(3,4,5)</sup>

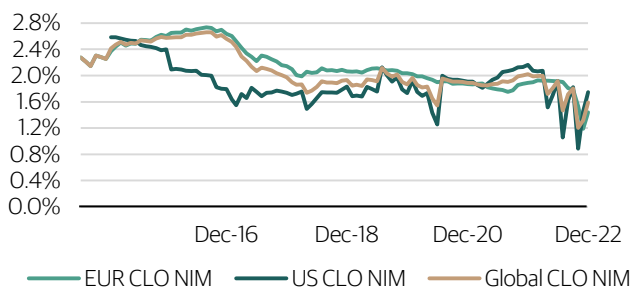


## BCF Look Through Summary: 685 Issuers<sup>(14)</sup>

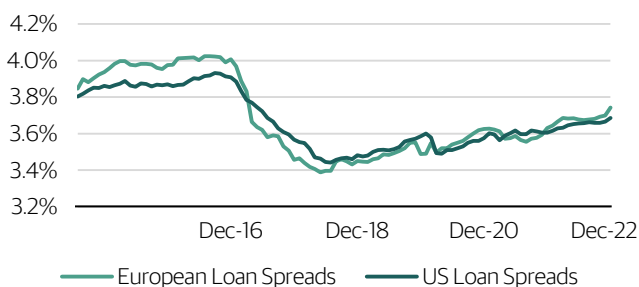


	% of NAV <sup>(16)</sup>	WA Asset Coupon <sup>(17)</sup>	WA Liability Cost <sup>(17)</sup>	WA Remaining RPs (CLOs)
EUR CLOs	44.71%	4.88%	3.44%	1.9 Years
US CLOs	43.47%	7.42%	5.66%	1.7 Years
Directly Held Loans (less leverage)	18.48%	5.61%	3.01%	n/a
CLO Warehouses	0.23%	5.82%	3.03%	n/a
Net Cash & Expenses	-6.89%	-	-	n/a
<b>Total Portfolio</b>	<b>100.0%</b>	<b>6.04%</b>	<b>4.27%</b>	<b>1.8 Years</b>

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



## Market Loan Spreads<sup>(4)</sup>



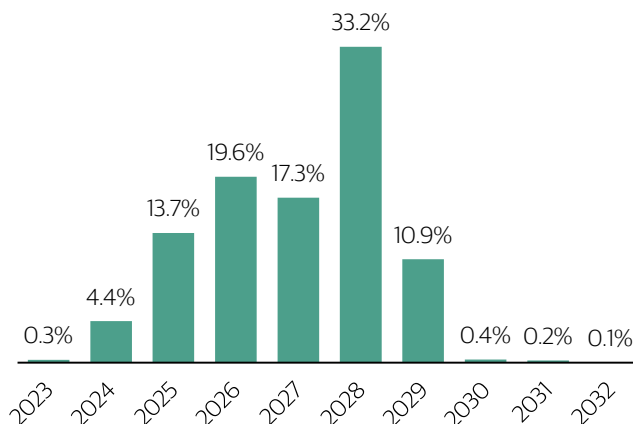
Past performance is not necessarily indicative of future results. There can be no assurance that BGLF or any Blackstone fund will achieve its objectives or avoid substantial losses. Future holdings and/or allocations may be subject to change.

# BCF Look Through Summary: 675 Issuers (cont'd)<sup>(14)</sup>

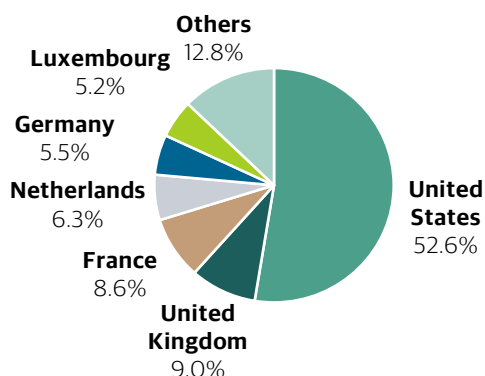
## Top 10 Issuers

Issuer	Sector	Weight
Ziggo	Media Broadcasting and Subscription	1.09%
Numericable	Media Broadcasting and Subscription	0.94%
Masmovil	Telecommunications	0.87%
Virgin Media	Media Broadcasting and Subscription	0.85%
WS Audiology	Media Broadcasting and Subscription	0.83%
EG Group	Retail	0.82%
Thyssenkrupp	Capital Equipment	0.80%
ION Trading	Banking, Finance, Ins. and RE (FIRE)	0.76%
AkzoNobel	Chemicals, Plastics and Rubber	0.72%
Ineos Quattro	Chemicals, Plastics and Rubber	0.71%
<b>Total</b>		<b>8.40%</b>

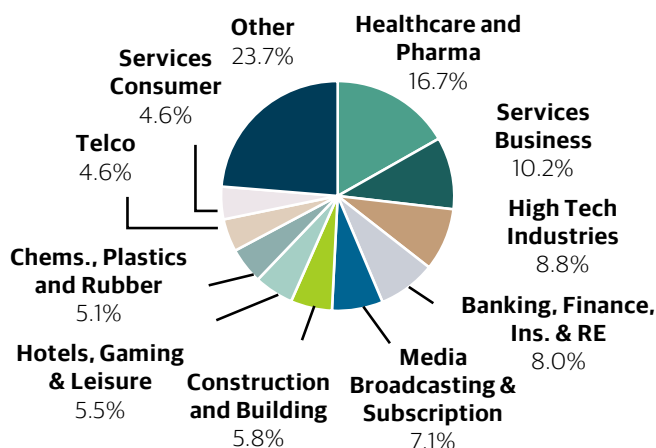
## Maturities



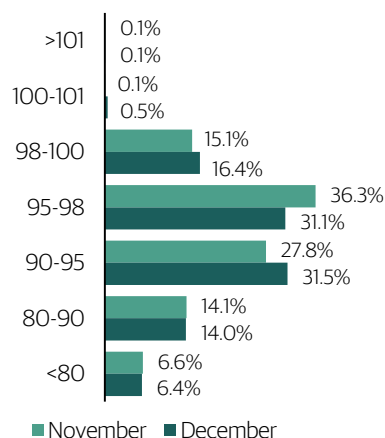
## Country Allocations



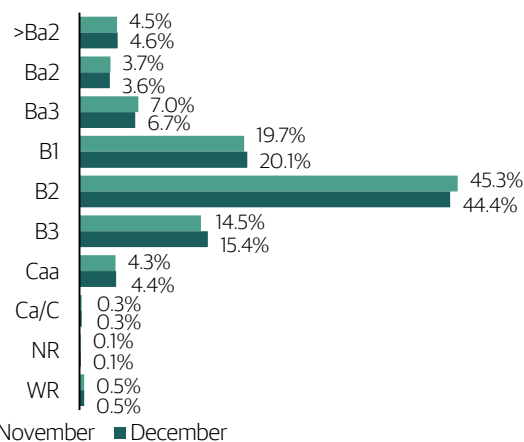
## Top 10 Industry Allocations



## Asset Price Bands and Ratings



## Moody's Rating Distribution



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

'Current' Portfolio	Closing / [Expected Close] Date	Deal Size (M)	Position Owned (M)	% of BCF NAV	Reinvest. Period Left (Yrs)	Current Asset Coupon <sup>(18)</sup>	Current Liability Cost <sup>(18)</sup>	Current NIM	NIM 3M Prior	Distributions Through Last Payment Date <sup>(16)</sup>		Ownership of Tranche <sup>(17)</sup>
										Ann.	Cum.	
<b>EUR CLO Income Note Investments</b>												
Phoenix Park	Jul-14	€ 417	€ 22.4	1.2%	0.3	4.94%	3.31%	1.63%	1.85%	13.7%	113.1%	51.4%
Dartry Park	Mar-15	425	25.6	1.2%	2.3	4.60%	3.26%	1.35%	2.04%	22.3%	173.8%	51.1%
Tynon Park	Dec-15	415	21.9	1.4%	2.6	5.14%	3.22%	1.92%	2.13%	15.4%	105.3%	51.0%
Elm Park	May-16	520	30.7	1.8%	2.8	4.98%	3.05%	1.93%	2.21%	16.1%	102.6%	56.1%
Griffith Park	Sep-16	456	25.0	1.7%	0.4	4.92%	3.29%	1.63%	1.96%	11.3%	70.3%	53.4%
Clarinda Park	Nov-16	417	22.2	1.3%	2.1	4.97%	3.50%	1.47%	1.90%	11.8%	71.0%	51.2%
Palmerston Park	Apr-17	365	23.1	0.9%	0.0	4.43%	3.06%	1.37%	1.91%	13.4%	74.1%	53.3%
Clontarf Park	Jul-17	317	27.9	1.1%	0.0	4.67%	3.52%	1.14%	1.58%	13.8%	73.4%	66.9%
Willow Park	Nov-17	412	22.5	0.9%	0.0	4.58%	2.91%	1.67%	2.03%	17.2%	83.8%	60.9%
Marlay Park	Mar-18	413	23.7	1.0%	0.0	4.63%	2.63%	2.00%	2.29%	19.1%	86.7%	60.0%
Milltown Park	Jun-18	409	23.2	1.2%	0.0	4.75%	2.80%	1.95%	2.29%	18.4%	79.7%	65.0%
Richmond Park	Jul-18	430	44.4	1.2%	0.0	4.74%	3.10%	1.65%	1.97%	17.0%	72.3%	68.3%
Sutton Park	Oct-18	408	23.1	1.7%	0.4	4.84%	3.42%	1.42%	1.84%	17.3%	66.7%	66.7%
Crosthwaite Park	Feb-19	516	31.8	2.0%	2.7	4.75%	3.53%	1.22%	1.10%	15.4%	58.6%	64.7%
Dunedin Park	Sep-19	422	24.4	1.3%	3.4	4.88%	3.59%	1.29%	1.65%	22.3%	70.9%	52.9%
Seapoint Park	Nov-19	403	20.7	1.8%	1.4	4.56%	3.62%	0.94%	1.52%	14.4%	39.6%	70.5%
Holland Park	Nov-19	426	37.6	1.8%	1.4	5.03%	3.67%	1.36%	1.57%	11.5%	34.5%	72.1%
Vesey Park	Apr-20	403	23.6	2.2%	1.9	4.98%	3.69%	1.29%	1.49%	18.5%	47.0%	80.3%
Avondale Park	Jun-20	409	21.9	1.4%	3.2	4.84%	3.87%	0.97%	0.95%	70.3%	179.5%	63.0%
Deer Park	Sep-20	355	19.7	1.4%	3.3	5.01%	3.18%	1.82%	1.94%	35.4%	73.5%	71.9%
Marino Park	Dec-20	323	16.4	1.6%	1.0	4.81%	2.98%	1.82%	2.28%	18.7%	33.9%	71.4%
Carysfort Park	Apr-21	405	24.2	2.0%	2.6	5.02%	3.26%	1.76%	1.88%	17.9%	28.0%	80.7%
Rockfield Park	Jul-21	403	23.1	2.0%	2.5	4.96%	3.08%	1.88%	2.12%	17.8%	21.6%	80.0%
Dillon's Park	Sep-21	406	25.2	2.1%	3.3	5.06%	3.14%	1.92%	2.02%	16.9%	17.7%	84.0%
Cabinteely Park	Dec-21	404	22.7	1.8%	3.6	4.90%	3.65%	1.25%	1.70%	15.7%	14.1%	75.6%
Otranto Park	Mar-22	443	34.6	2.7%	3.9	4.96%	3.83%	1.13%	1.91%	14.0%	8.8%	100.0%
Clonmore Park	Aug-22	341	23.0	1.5%	4.1	5.20%	3.86%	1.34%	0.26%	n/a	n/a	100.0%
Edmondstown Park	Dec-22	379	31.1	2.6%	4.6	5.40%	5.59%	-0.19%	n/a	n/a	n/a	100.0%
<b>USD CLO Income Note Investments</b>												
Grippen Park	Mar-17	\$ 576	\$ 28.7	1.0%	0.0	7.39%	6.00%	1.38%	1.43%	14.7%	82.3%	50.1%
Thayer Park	May-17	523	26.3	1.7%	3.3	7.47%	5.77%	1.70%	1.68%	15.1%	82.2%	50.1%
Catskill Park	May-17	986	53.9	1.6%	0.0	7.46%	5.85%	1.62%	1.71%	15.1%	82.0%	51.6%
Dewolf Park	Aug-17	614	30.6	1.4%	0.0	7.48%	5.53%	1.95%	2.00%	15.9%	81.5%	51.6%
Gilbert Park	Oct-17	1,022	49.8	2.2%	0.0	7.43%	5.76%	1.67%	1.73%	15.5%	77.2%	50.8%
Long Point Park	Dec-17	611	28.4	1.5%	0.0	7.44%	5.50%	1.94%	1.77%	19.9%	95.3%	50.1%
Stewart Park	Jan-18	874	88.7	1.5%	0.0	7.41%	5.55%	1.86%	1.93%	14.2%	67.2%	50.1%
Cook Park	Apr-18	1,025	51.6	2.8%	0.3	7.48%	5.42%	2.05%	1.86%	17.5%	79.2%	50.1%
Fillmore Park	Jul-18	561	29.1	1.8%	0.5	7.46%	5.50%	1.96%	1.93%	17.6%	74.1%	54.3%
Harbor Park	Dec-18	715	38.2	2.5%	1.1	7.45%	5.70%	1.41%	1.67%	15.2%	58.1%	50.1%
Southwick Park	Aug-19	503	25.1	1.9%	1.6	7.47%	5.63%	1.84%	1.78%	17.0%	53.6%	59.9%
Beechwood Park	Dec-19	816	47.1	3.3%	4.0	7.32%	5.68%	1.64%	1.62%	16.9%	47.7%	61.1%
Allegany Park	Jan-20	506	29.1	2.2%	4.1	7.34%	5.72%	1.62%	1.66%	14.8%	41.0%	66.2%
Harriman Park	Apr-20	501	28.1	2.3%	3.3	7.33%	5.75%	1.58%	1.61%	25.7%	64.2%	70.0%
Cayuga Park	Aug-20	399	22.0	1.9%	3.5	7.35%	5.51%	1.85%	1.69%	30.6%	66.7%	72.0%
Point Au Roche Park	Jun-21	457	25.5	1.9%	3.6	7.43%	5.74%	1.69%	1.77%	19.9%	25.9%	61.2%
Peace Park	Sep-21	661	37.5	2.9%	3.8	7.38%	5.71%	1.67%	1.50%	19.8%	20.9%	60.8%
Whetstone Park	Dec-21	506	27.5	2.2%	4.1	7.42%	5.70%	1.72%	1.74%	21.8%	18.9%	62.5%
Boyce Park	Mar-22	762	43.0	3.4%	4.3	7.52%	5.63%	1.89%	3.66%	20.7%	12.8%	61.8%
<b>Vertical Retention Investments<sup>(19)</sup></b>												
Tallman Park	May-21	\$ 410	\$ 2.1	0.2%	3.3	7.42%	5.77%	1.65%	1.70%	21.9%	30.5%	5.0%
Wehler Park	Apr-22	\$ 547	\$ 2.4	0.2%	4.3	7.43%	5.81%	1.62%	3.38%	28.7%	15.9%	5.0%
<b>Warehouse Investments<sup>(20,21)</sup></b>	<b>Initial Investment Date</b>	<b>Closing / [Expected Close] Date</b>	<b>Investment (€M)<sup>(22)</sup></b>	<b>Current Loan Exposure (€M)<sup>(22)</sup></b>	<b>Current Asset Coupon</b>	<b>Current Liability Coupon</b>	<b>Net Interest Margin</b>					
Killiney Hill Park	Jul-22	[Q1 2023]	€ 2.5	€ 26.0	5.82%	3.03%	2.79%					
<b>Redeemed Or Fully Sold CLOs</b>	<b>Region</b>	<b>Vintage</b>	<b>Exit Method</b>	<b>Sale/ Redemption Date</b>	<b>BCF Position Prior To Exit (€/\$M)</b>	<b>Current Valuation as % of BCF NAV<sup>(23)</sup></b>	<b>Realised IRR To Date<sup>(24)</sup></b>	<b>Ann. Distribution Through Last Payment<sup>(25)</sup></b>				
Myers Park	U.S.	2018	Sale	Mar-21	\$26.4	N/A	11.1%*	16.4%				
Greenwood Park	U.S.	2018	Sale	Mar-21	\$53.9	N/A	19.0%*	19.7%				
Orwell Park	Europe	2015	Redemption	May-21	€24.2	N/A	13.8%*	23.5%				
Stratus 2020-2	U.S.	2020	Redemption	Jun-21	\$24.2	N/A	37.6%*	93.3%				
Niagara Park	U.S.	2019	Sale	Aug-21	\$22.1	N/A	16.6%*	14.9%				
Sorrento Park	Europe	2014	Redemption	Oct-21	€29.5	N/A	9.7%*	18.2%				
Castle Park	Europe	2014	Redemption	Oct-21	€24.0	N/A	11.7%*	23.3%				
Dorchester Park	U.S.	2015	Redemption	Oct-21	\$44.5	<0.01%	11.6%*	19.8%				
Buckhorn Park	U.S.	2019	Sale	Feb-22	\$24.2	N/A	16.0%*	19.5%				

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## Discrete Annual Performance<sup>(1,3,4)</sup>

Trailing 12 months ending:	December '22	December '21	December '20	December '19	December '18
BGLF € NAV	5.22%	21.82%	(0.22%)	14.46%	6.70%
European Loans	(3.28%)	4.63%	2.38%	5.03%	0.55%
US Loans	(1.06%)	5.40%	2.78%	8.17%	1.14%

## Supplementary Valuation Information

Below you will find a comparison of BGLF's published NAV/share, which uses a mark to model valuation framework to value the underlying CLO Income Notes, against an estimated IFRS NAV/share, where underlying CLO Income Notes are valued using a mark to market valuation framework. You will also find a simplified comparison of assumptions used in the valuation process, both of which are provided by the same third-party valuation provider. Note that this is provided to investors as supplementary information only and is not intended to replace BGLF's published NAV per share. BGLF and BCF's valuation policies remain unchanged. It is worth noting that BCF's directly held loans and bonds are already valued on a mark to market basis.

	Mark to Model	Mark to Market
BGLF NAV/share	€0.9081	€0.6784
Constant Default Rate	2.0%	2.0%
Constant Prepayment Rate	25%	20%
Reinvestment Spread (bp over LIBOR) <sup>(26)</sup>	360.36	363.99
Recovery Rate Loans	65.00%	65.00%
Recovery Lag (Months)	0	0
Discount Rate <sup>(26)</sup>	15.00%	25.30%

## 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. Capitalised terms used but not defined herein have the meanings assigned to them in the Company's Prospectus dated 23 November 2018. All data and information relating to NAV, other than the comparison section above, is provided on the basis of the published NAV, which uses a mark to model valuation framework to value the underlying CLO Income Notes. Such valuations are conducted by our third-party valuation agent. Further details of BCF's valuation policy can be found in the Company's annual accounts.

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

- Dividend Yield presented on an LTM basis, based on the last four dividends declared and the share price as of 30 December 2022. Please see the BGLF announcement on 24 January 2022 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.
- Bloomberg, as of 30 December 2022.
- 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. BGLF NAV per share is converted at the exchange rate of €1.0000:£0.8853 as of 30 December 2022. 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 BGLF's premium / discount to its NAV. 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.
- Credit Suisse: Leveraged Loan Index, Western European Leveraged Loan Index (hedged to EUR) as of 30 December 2022. Indices are provided for illustrative purposes only. They have not been selected to represent benchmarks or targets for the Company. The indices may include holdings that are substantially different than investments held by BCF and do not reflect the strategy of BCF. Comparisons to indices have limitations because indices have risk profiles, volatility, asset composition and other material characteristics that may differ from BCF. The indices do not reflect the deduction of fees or expenses.
- Data is unannualised. 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, 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.
- 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 valuations.
- Reflects impact of cash balances held and expenses incurred at the BGLF level, including NAV impact of repurchased shares.
- Bloomberg News reports, December 2022
- Credit Suisse Western European High Yield Index; Bloomberg US High Yield Index as of 30 December 2022. 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.
- Pitchbook LCD December Wrap, as of January 2023.
- Barclays CLO & Leverage Loan Monthly Update, as of 3 January 2023.
- Pitchbook LCD, Global CLO Databank, as of 30 December 2022.
- Blackstone Corporate Funding DAC ("BCF") was incorporated in Ireland on 16 April 2014

## Endnotes (cont'd)

- 14) 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. Totals may not sum due to rounding.
- 15) Reflective of the entire BCF Fund.
- 16) As of 30 December 2022.
- 17) Data for EUR and US CLOs calculated based on data available on Intex as of 11 January 2023 for non-redeemed CLOs. Global CLO NIM is a weighted average measure. Data for CLO Warehouses and Directly Held Loans calculated by Blackstone Credit.
- 18) Debt tranches of certain US CLOs are referenced against SOFR. Some proportion of US CLO collateral may be based on SOFR and subject to change over time.
- 19) The vertical retention investment in Tallman Park and Wehle 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.
- 20) CLO Warehouses may have an additional third party first loss provider invested alongside of BCF.
- 21) Warehouse Investment is calculated as the cumulative trade date EUR proceeds utilised to fund each warehouse.
- 22) The Current Loan Exposure for CLO Warehouse Investments is reflected by trade date; Investment amount is reflected by settlement date.
- 23) As of 11 January 2023. Certain CLOs in the process of being redeemed. The residual valuation as a % of BCF NAV is reflective of remaining distributions to be made. Once no remaining distributions are expected, valuation will appear as "N/A".
- 24) Realised IRRs for redemptions are reflective of distributions made to BCF to date, with data available in Intex as of 11 January 2023. IRRs may change as further distributions to income noteholders are made. For fully sold CLOs, realised IRR includes sale proceeds returned to BCF (reflected on a traded basis). IRRs denoted with an \* are inclusive of fee rebates (separate notes reflecting rights to future rebates may still be held by BCF). Past performance is not necessarily indicative of future results, 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.
- 25) Source: Intex, with data available as of 11 January 2023. Annualised distributions for redeemed CLOs include return of principal; annualised distributions for fully sold CLOs do not include sale proceeds.
- 26) These assumptions are calculated as a weighted average across the European and US CLO Income Notes.

## 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, meet 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 their income 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.

**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

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

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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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**Termination of marketing arrangements.** Please note that the Company may decide to terminate the arrangements made for the marketing of the Company in one or more EU member states pursuant to the Company's marketing passport in accordance with the procedure provided for under the laws that implement Article 93a of Directive 2009/65/EC (the UCITS Directive) or Article 32a of Directive 2011/61/EU (the AIFMD Directive) as applicable.

**Russian Invasion of Ukraine.** On February 24, 2022, Russian troops began a full-scale invasion of Ukraine and, as of the date of this Material, the countries remain in active armed conflict. Around the same time, the United States, the United Kingdom, the European Union, and several other nations announced a broad array of new or expanded sanctions, export controls, and other measures against Russia, Russia-backed separatist regions in Ukraine, and certain banks, companies, government officials, and other individuals in Russia and Belarus. The ongoing conflict and the rapidly evolving measures in response could be expected to have a negative impact on the economy and business activity globally (including in the countries in which BCF invests), and therefore could adversely affect the performance of the Fund's investments. The severity and duration of the conflict and its impact on global economic and market conditions are impossible to predict, and as a result, could present material uncertainty and risk with respect to BCF and the performance of its investments and operations, and the ability of BCF and the Company to achieve its investment objectives. Similar risks will exist to the extent that any portfolio entities, service providers, vendors or certain other parties have material operations or assets in Russia, Ukraine, Belarus, or the immediate surrounding areas.

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