BLUE OWL

Investing in Private Markets: Software Lending

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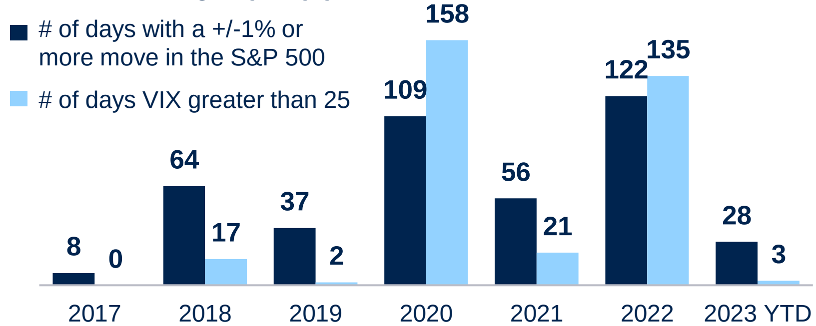
Today's market presents several challenges

In the current public market environment, income-seeking investors may be finding it increasingly difficult to find yield and total returns without taking on excessive risk

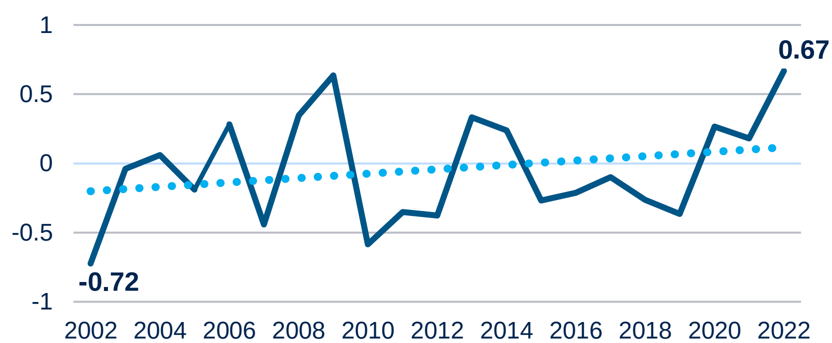
Heightened volatility in public markets presents additional risk and threatens the balance of investment portfolios.

Volatile trading days by year[1]



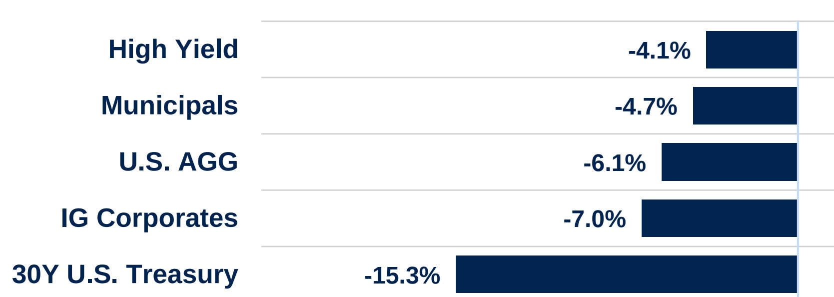
The income portion of a portfolio is meant to provide **returns uncorrelated from equity markets.** This is becoming increasingly untrue in public assets.

Correlation between bonds and equities - Last 20 years[2]



The traditional income suite is **highly susceptible to rising rates and inflation.**

Illustrative impact of 1% rise in interest rates[3]

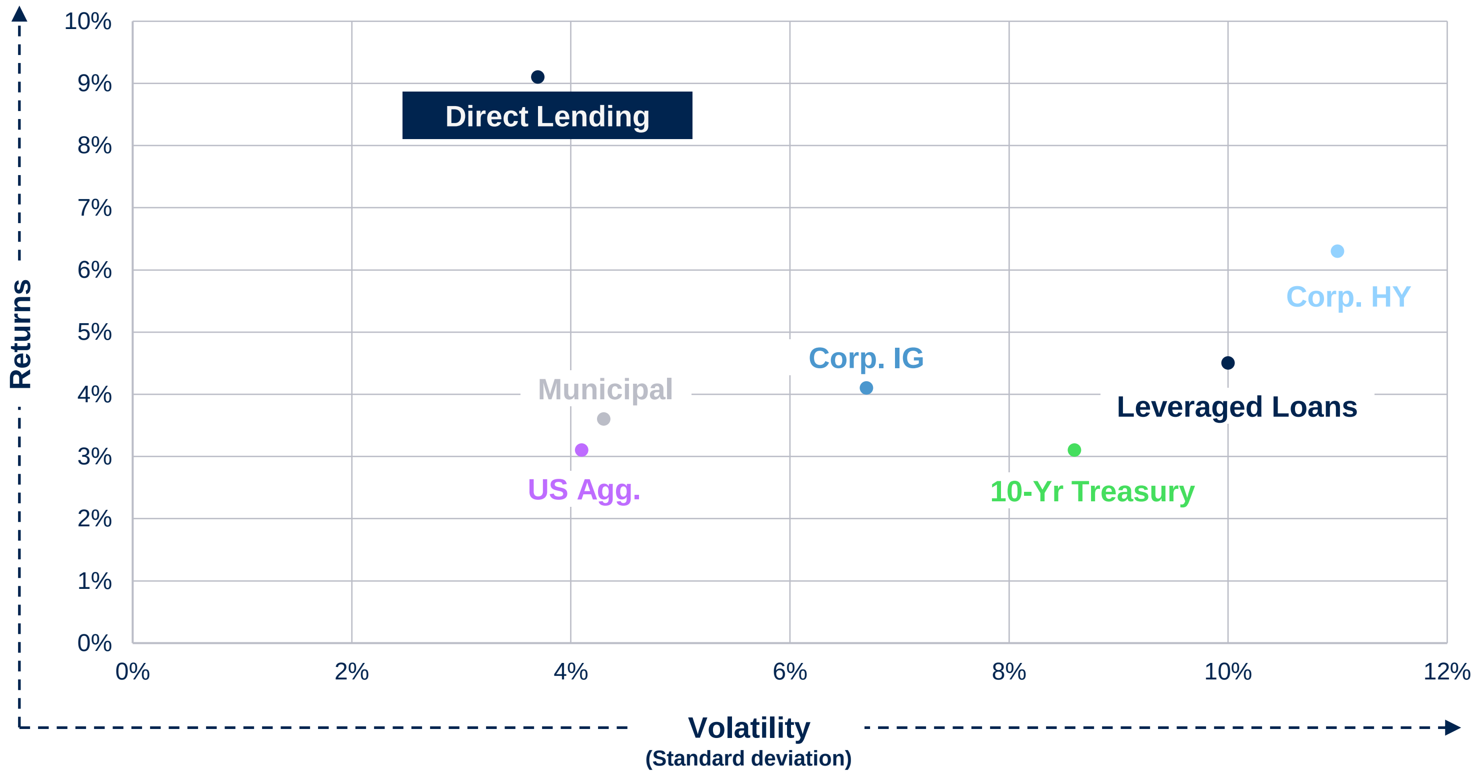


As of March 31, 2023. The past performance is not a guarantee of future results. There can be no assurance that historical trends will continue. Indices listed do not represent benchmarks for the funds but allow for comparison of a fund's performance to an Index. An investor cannot invest directly in an index. Index performance does not reflect fees and expenses. **1.** Source: Bloomberg **2.** Annual Update (as of 12/31/22) Source: Bloomberg. Bonds represented by : U.S. Aggregate Bond Index, Equities represented by S&P 500. **3.** Chart is for illustrative purposes only. Fixed income sectors shown are provided by Barclays and are represented by the following Bloomberg Barclays Indices—High Yield: U.S. Corporate High-Yield Bond Index; Municipals: Municipal Bond 10-Year Index; U.S. Bonds: U.S. Aggregate Bond Index; IG Corporates: U.S. Corporates Index. Change in price is calculated as New Price = (Price + (Price * -Duration * Change in Interest Rates)) + (.05 * Price * Convexity * (Change in Interest Rates)^2) For index definitions, please see the Index Definitions page following this presentation. Fixed income security risks include credit, liquidity, call, duration, and interest-rate risk. Investments in high-yield ("junk") bonds involve greater risk of price volatility, illiquidity, and default than higher-rated debt securities Municipal securities may be adversely impacted by state/local, political, economic, or market conditions. Obligations of U.S. Government agencies are supported by varying degrees of credit but are generally not backed by the full faith and credit of the U.S. Government.

Private credit offers an alternative

Investments in direct loans to private companies can introduce enhanced risk-adjusted returns and meaningful diversification to portfolios. Floating rate structure may provide stability in rising rate environments.

Historical risk/return since 2005[1]



Historical correlation[2]

	Corporate High Yield	Corporate Investment Grade	Municipal Bonds	US Aggregate Bonds	10 Year Treasury
Direct Lending	0.75	0.23	0.14	-0.17	-0.53

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1. As of March 31, 2023. Sources: Bloomberg; Cliffwater. Benchmarks: Direct Lending = Cliffwater Direct Lending Index; U.S. Aggregate Bonds = Bloomberg Barclays US Aggregate Bond Index; Municipal Bonds = Bloomberg Barclays U.S. Municipal Index; Corp. Investment Grade = Bloomberg Barclays U.S. Corporate Bond Index; High Yield = Bloomberg Barclays US High Yield Index; Leveraged Loans = SP LSTA Leveraged Loan Index; 10-Yr Treasury = Bloomberg Barclays 10 Year US Treasury Index; Equities = S&P 500 Index; PE = Private Equity Total Return Index USD. Risk measured as standard deviation of quarterly returns. 2. As of March 31, 2023 since 1/1/2005. Correlation data is as of Report Date. Sources: Bloomberg; Cliffwater Direct Lending Index (“CDLI”). Benchmarks: Cliffwater Direct Lending Index, Bloomberg Barclays US Aggregate Bond Index, Bloomberg Barclays U.S. Municipal Index, Bloomberg Barclays U.S. Corporate Bond Index, Bloomberg Barclays US High Yield Index, SP LSTA Leveraged Loan Index.

Within direct lending, software has defensive characteristics

Software and technology companies have historically had favorable, risk-mitigating attributes for lenders

Mission critical solutions

Technology/software is fundamental to business operations

Highly recurring revenue

Strong visibility into recurring revenue streams

Market leaders

Dominant or growing players selling to established blue-chip customer bases

Strong profitability

Strong unit economics create substantial operating leverage

Strong customer retention

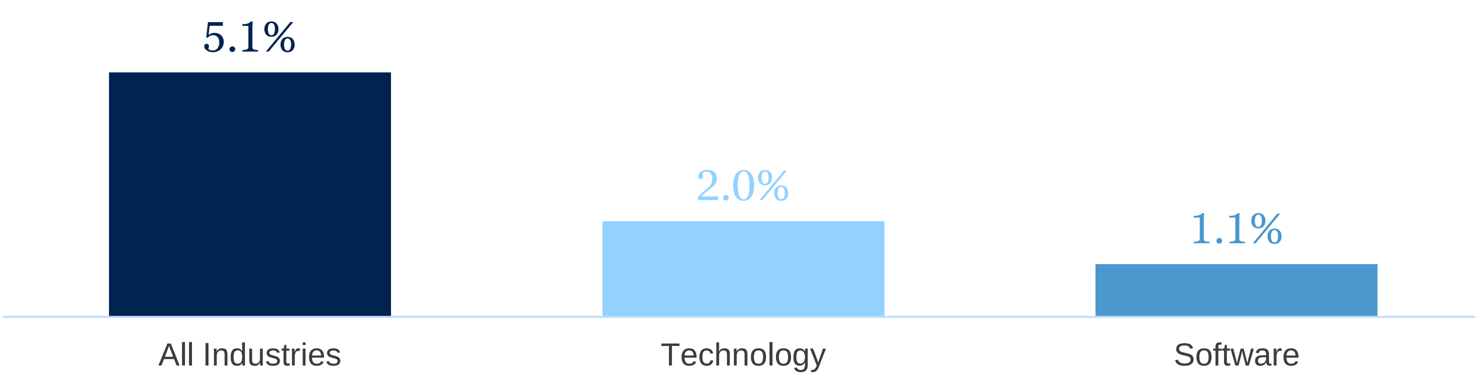
Highly embedded software with meaningful switching costs

Highly capital efficient

Low capex and working capital results in high free cash flow

Cumulative default allocation by industry[1]

(Since 1998)

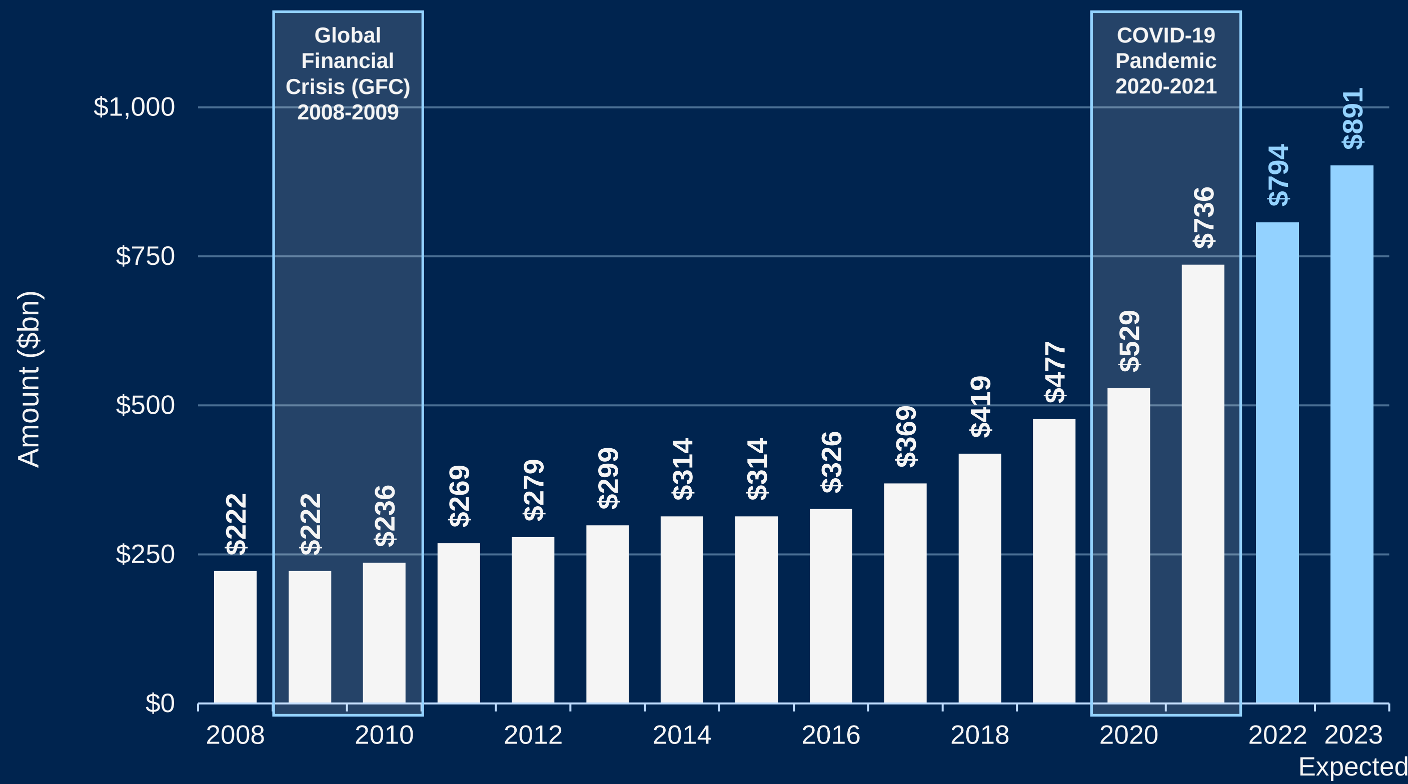


Past performance is not a guarantee of future results. All investments involve risk including potential loss of principal. Source: Default rates comprise S&P LCD loan data from 1/1/1998 through March 31, 2023, and there can be no guarantee that historical trends will continue. 1. LCD defines a default as an event in which the company files for bankruptcy, the facility gets downgraded to D by S&P (not due to below par buybacks), or the interest payment is missed without a forbearance. Industry default rate is calculated by taking the total industry default amount in US dollars and dividing it by the total default amount in US dollars of all loans. The All-Industries default rate shown represents a weighted average of all industry default rates by each industry default amount. The specific industries shown herein are included as representative of the technology sector generally and are not intended to reflect a sole or primary area of investment of any Blue Owl strategy. Software is a sub-category in LCD database named “Software and Data Integration;” Tech is classified as “Computers and Electronics.” LCD represents Leveraged Commentary & Data, a provider of leveraged loan news, analytics, and index products. LCD is an offering of S&P Global Market Intelligence.

Access a rapidly growing, largely non-public market

Software demand is inelastic and increasingly viewed as a “utility,” but a vast majority of the industry is not accessible via public markets

Estimated worldwide software spending[1]
(Since 2008)



99%

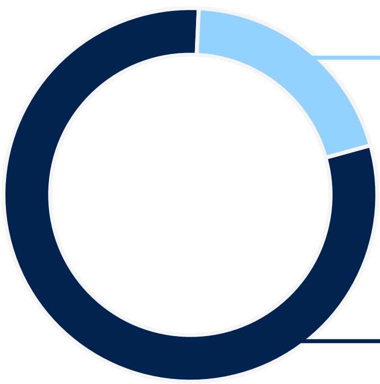
of U.S. technology companies are not publicly traded[2,3]

As of April 2023 unless otherwise noted. **The past performance is not a guarantee of future results. All investments involve risk of loss, including loss of principal invested. There can be no assurance that historical trends will continue.** **1.** Gartner, Newsroom: Worldwide IT & Software Spending; pulled from press releases. **2.** Public Technology Companies represented by Russell 3000 list of IT holdings. **3.** Technology Total Market Source: CompTIA Cyberstates 2022 report as of March 2022.

Blue Owl's software lending strategy

A differentiated approach that offers access to software and technology companies without the excessive risk inherent in public equity markets

Our approach to software investment



Growth capital (10-20%)

- Made up of preferred and common equity, convertible notes, warrants, and unsecured debt.
- Seeks to provide income and the **potential to participate in the upside** of favorable equity markets.

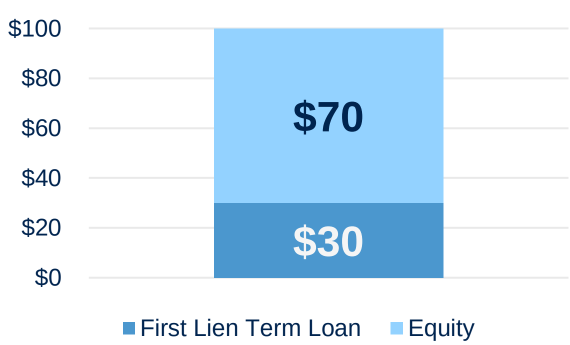
Traditional financing (80-90%)

- Made up of first and second lien senior secured loans made to established private software companies, diversified by end market; targeting 1-2% position sizes and **low loan-to-values (LTV).**
- Seeks to provide an **attractive current income** stream for portfolios in all market conditions.

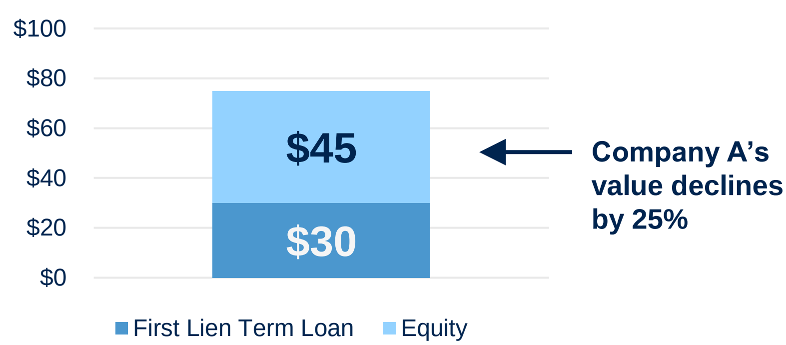
Loan-to-Value: Illustrative impact on company A

In the event of a decline in a company's market value, debt investors are "cushioned" by equity

Loan-to-Value = 30%



Loan-to-Value = 40%



Charts are for illustrative purposes only and are not representative of any investment's performance. Actual results may vary. Senior secured loans may provide priority of payment, but payment is not guaranteed. Senior secured loans are subject to risks, including that loans can be difficult to value and are highly illiquid; they are also subject to nonpayment, collateral, bankruptcy, default, extension, prepayment and insolvency risks. Collateral securing any loan may lose some or all of its value over time, which could have adverse consequences on investment including loss of principal. Blue Owl focuses primarily on originating senior-secured loans to middle market companies but as disclosed in offering documents, Blue Owl software strategies may also invest in unsecured loans, subordinated loans, equities and warrants.

Blue Owl: A proven technology investor

With a team of 30+ investment professionals dedicated to technology investing, Blue Owl is a market leader in direct lending to software companies. Since inception, Blue Owl's direct lending team has reviewed approximately $548 billion of technology opportunities and deployed over $31 billion of capital across the platform.

Blue Owl Credit Experience[3]

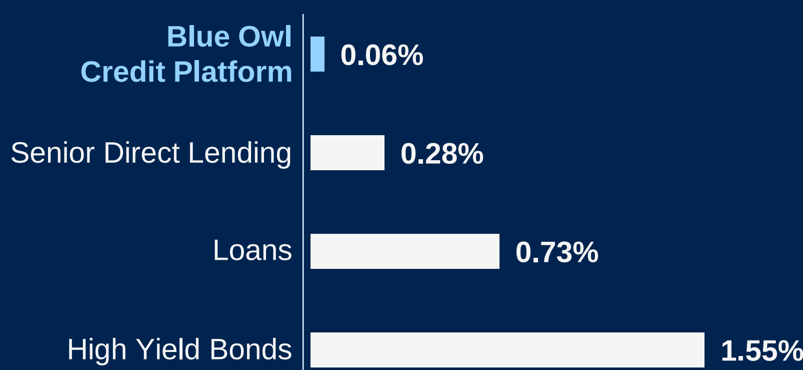
~$65B Capital deployed

400+ Total deals closed

0.06% Annualized loss rate[1]

0% Technology-related defaults[3]

Average annual loss rates[1,2]



As of March 31, 2023. Past performance is not a guarantee of future results. There can be no assurance that historical trends will continue during the life of any fund.

1. Average annual loss rate based on total annual net realized losses across Blue Owl platform divided by the average aggregate quarterly cost of investments. The loss rate is based on the average loss rates in each year since inception from 2016 to 1Q23. Loss rates by fund: OBDC (-0.17%), OBDC II (-0.12%), OBDC III (-0.08%), OCIC (-0.05%), OTF (-0.04%), OTF II (0.00%), OTIC (0.00%), OFLF (0.00%), OLF (0.00%). 2. Source: SP LCD, Cliffwater, JP Morgan. Market loss rates calculated as average loss rates and defined as: for loans, based on SP LCD default rates for all loan $ defaults as percentage of total outstanding and calculated as default*(1 – average historical Recovery Rate) from 2016 to 1Q23; Direct Lending based on Cliffwater Direct Lending Index realized gains/losses from 2Q16 to 4Q22; High Yield Bonds based on JP Morgan Default Monitor annual defaults and calculated as default* (1 – average historical Recovery Rate) from 2016 to 1Q23; Recovery rates for loans of range from 48-63% by year and 22-55% for bonds and are based on JP Morgan Default Monitor, May 1, 2023.. 3. Blue Owl has experienced defaults and non-accruals across the direct lending platform.

Software lending: Purpose-built for today's uncertain environment

Income investors are facing challenges in today's marketplace.

- Volatility
- Correlation
- Rising rates

Direct lending to software companies can mitigate market risk.

- Diversified by end markets
- Stable recurring revenues
- Mission-critical products & services

Blue Owl's differentiated approach can provide attractive total returns with downside protection.

- Proven track record in software investing
- Access to private companies
- Senior secured, low LTV

To learn more about Blue Owl's software lending funds, contact your Blue Owl representative.

Important Information

Unless otherwise indicated, the Report Date referenced herein is March 31, 2023.

Past performance is not a guide to future results and is not indicative of expected realized returns.

Assets Under Management ("AUM") refers to the assets that we manage and are generally equal to the sum of (I) net asset value ("NAV"); (ii) drawn and undrawn debt; and (iii) uncalled capital commitments.

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Important Information

Definitions

Cross-asset Correlation measures the degree to which the price of a financial instrument is affected by a change in the price of another instrument of a different asset class.

Index Definitions

U.S Equity represented by the S&P 500 Index: A stock market index that measures the stock performance of 500 large companies listed on stock exchanges in the United States. Indices are not actively managed and investors cannot invest directly in the indices.

10-Year Treasury: The 10-year Treasury note is a debt obligation issued by the United States government with a maturity of 10 years upon initial issuance. A 10-year Treasury note pays interest at a fixed rate once every six months and pays the face value to the holder at maturity.

Corp. Investment Grade represented by the Bloomberg Barclays U.S. Corporate Bond Index. This index measures the investment grade, fixed-rate, taxable corporate bond market. It includes USD-denominated securities publicly issued by US and non-US industrial, utility and financial issuers. Indices are not actively managed and investors cannot invest directly in the indices.

Corp. High Yield represented by the Bloomberg Barclays US Corporate High Yield Index. This index measures the USD-denominated, high yield, fixed-rate corporate bond market. Indices are not actively managed and investors cannot invest directly in the indices.

Municipal bonds represented by the Bloomberg Barclays U.S. Municipal Index. This index covers the USD-denominated long-term tax-exempt bond market. The index has four main sectors: state and local general obligation bonds, revenue bonds, insured bonds and prerefunded bonds. (Future Ticker: I00730US) Indices are not actively managed and investors cannot invest directly in the indices.

Leveraged Loans represented by the S&P/LSTA Leveraged Loan Index. This index is a common benchmark and represents the 100 largest and most liquid issues of the institutional loan universe. Indices are not actively managed and investors cannot invest directly in the indices.

Direct lending represented by the Cliffwater Direct Lending Index (CDLI). The CDLI seeks to measure the unlevered, gross of fee performance of U.S. middle market corporate loans, as represented by the asset-weighted performance of the underlying assets of Business Development Companies (BDCs), including both exchange-traded and unlisted BDCs, subject to certain eligibility requirements. Indices are not actively managed and investors cannot invest directly in the indices.

U.S. Agg represents the Bloomberg Barclays US Aggregate Bond Index. This index is a broad-based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, mortgage-backed securities, asset backed securities and commercial mortgaged backed securities. Indices are not actively managed and investors cannot invest directly in the indices.

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