The Private—Public Divide

GOLUB CAPITAL

Corporate credit can operate in traditional, public or liquid markets or in alternative, private, less liquid forms.

Public Credit

Traditional, Liquid Markets

- **Investment-Grade Credit**
- **High Yield Debt**
- **Leveraged (or Syndicated) Loans**

- **Traditional public credit** includes investment-grade and sub-investment-grade debt in the form of high-yield and broadly syndicated/leveraged loans.
- Public credit is available only to larger established companies; the debt is tradable in liquid markets, and investors can invest via traditional passive or active mutual funds or exchange traded funds.

Private Credit

Alternative, Less Liquid Markets

- **Direct Lending**
- **Distressed Debt**
- **Mezzanine Finance**
- **Special Situations**
- **Venture Debt**

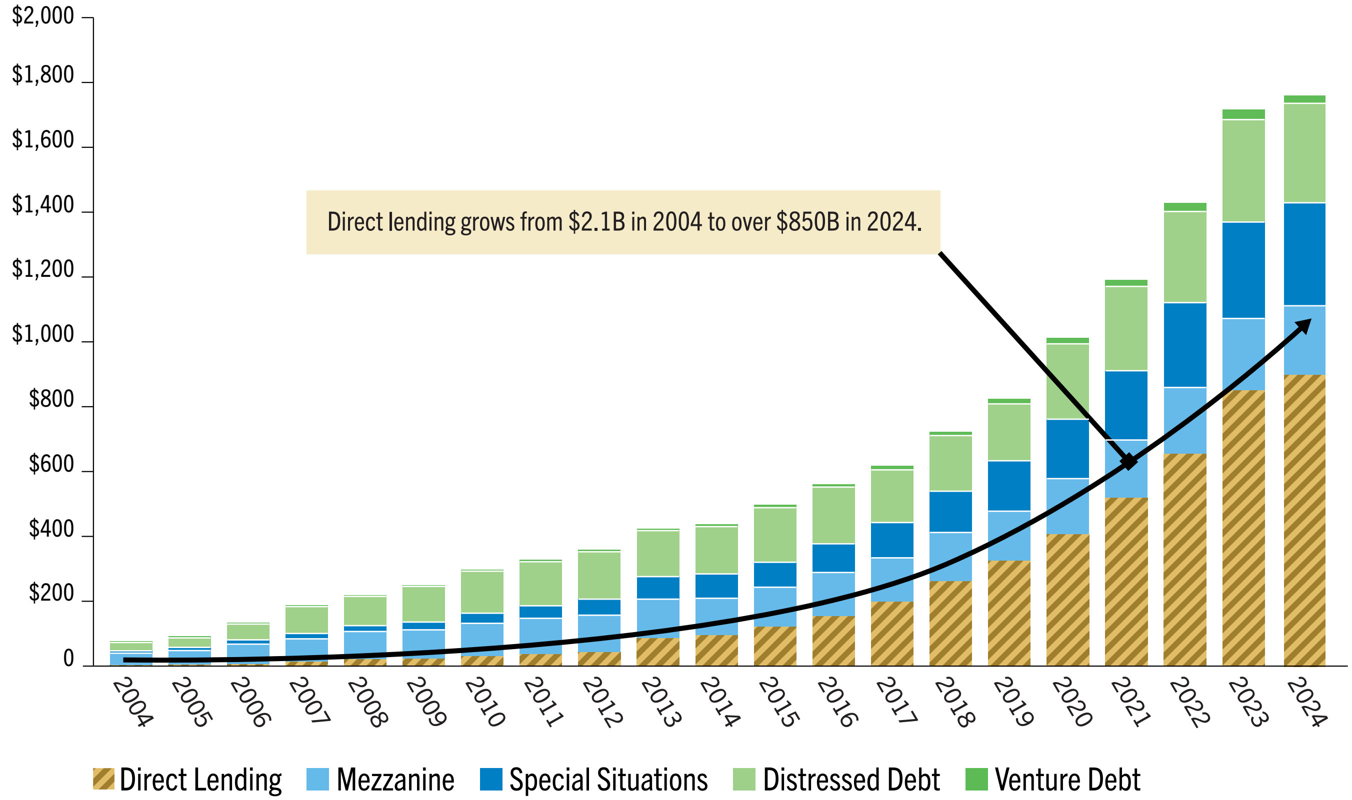
- **Alternative, private credit** is issued by smaller companies that have been orphaned by public debt markets. It's less liquid and often held to maturity by the lender.
- Private credit strategies take several distinct forms (direct lending is the largest). Investors can access these strategies through private funds, business development companies (BDCs) and other vehicles.

What's in a Name: Unpacking Private Credit

GOLUB CAPITAL

After two decades of growth, direct lending is now the largest sub-category of private credit.

Private Credit Assets Under Management



Private Credit... aka...
Direct Lending?

- In 2004, the Private Credit category had just $50 billion in assets and was dominated by Distressed and Mezzanine Debt investing. Direct Lending amounted to just over $2 billion in assets at the time.
- Since then, Direct Lending has grown rapidly and today has over $850 billion in assets invested across Private Funds and Business Development Companies (BDCs).
- Direct Lending now represents about half of the total assets in the entire Private Credit category, and for some, it's become synonymous with Private Credit as a whole.

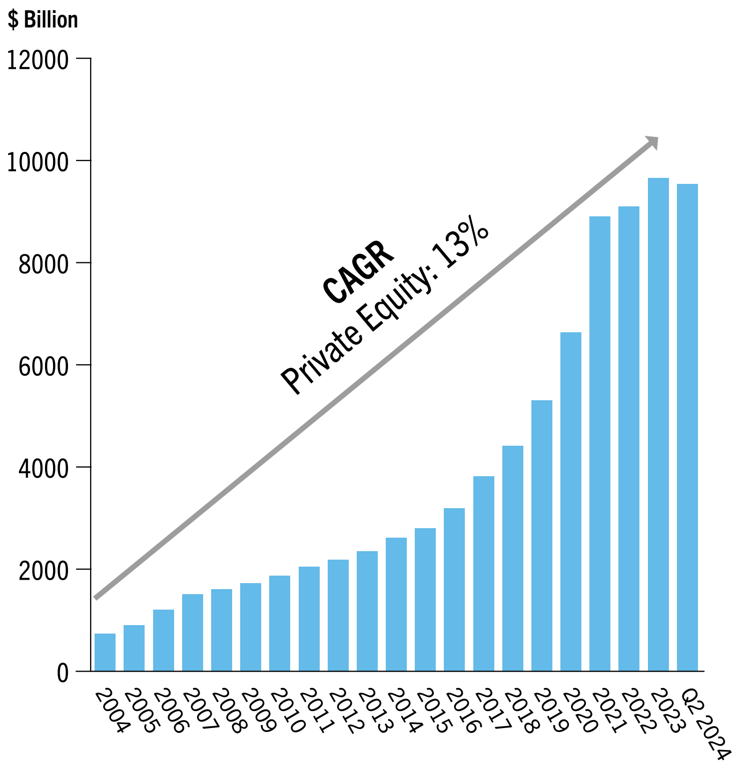
Source: Preqin. As of September 30, 2024.

The Symbiosis of Private Equity and Private Credit

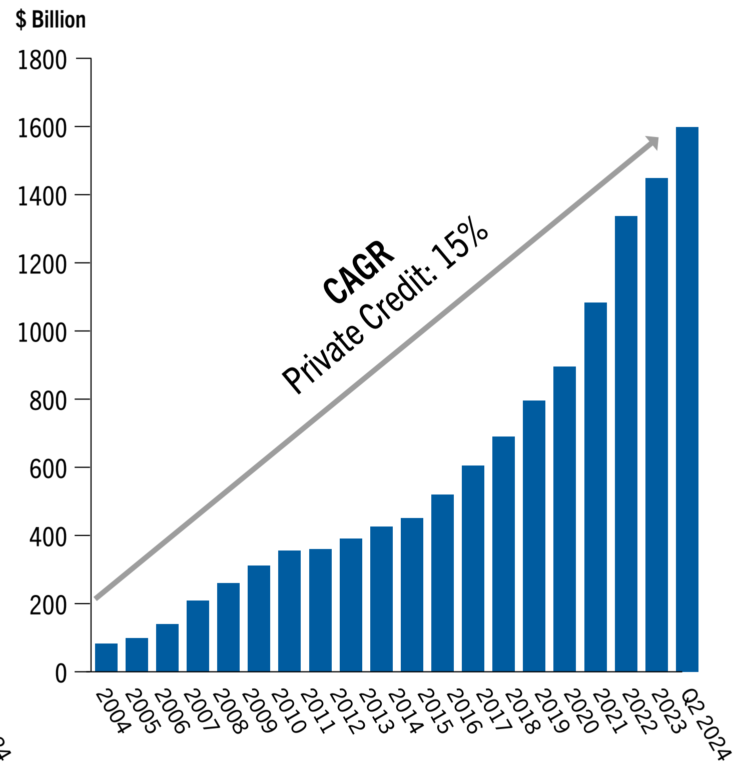
GOLUB CAPITAL

Private credit has grown in parallel with private equity as sponsors turn increasingly to private lenders for their debt capital solutions.

Growth of Private Equity



Growth of Private Credit



Hand in Hand

- The dramatic rise in popularity of private equity took shape over the first two decades of this century—with assets rising from around $800 billion in 2004 to over $9.5 trillion by 2023.
- This growth was driven by PE's return advantage over public markets, which drew interest from allocators of all stripes.
- Less often noted is the coincident path of PE's natural sidekick—private credit—indicated by their nearly identical growth rates over that period.

Source: Preqin. As of June 2024.

Note: Certain statements herein constitute forward-looking statements, which relate to future events, future performance or future financial condition. Actual results could differ materially from those implied or expressed in forward-looking statements for any reason, and future results could differ materially from historical performance.

Disclaimer

GOLUB CAPITAL

In this document, the terms "Golub Capital" and "Firm" (and, in responses to questions that ask about the management company, general partner or variants thereof, the terms "Management Company" and "General Partner") refer, collectively, to the activities and operations of Golub Capital LLC, GC Advisors LLC ("GC Advisors"), GC OPAL Advisors LLC ("GC OPAL Advisors") and their respective affiliates or associated investment funds. A number of investment advisers, such as GC Investment Management LLC ("GC Investment Management"), Golub Capital Liquid Credit Advisors, LLC (Management Series) and OPAL BSL LLC (Management Series) (collectively, the "Relying Advisers") are registered in reliance upon GC OPAL Advisors' registration. The terms "Investment Manager" or the "Advisers" may refer to GC Advisors, GC OPAL Advisors (collectively the "Registered Advisers") or any of the Relying Advisers. For additional information about the Registered Advisers and the Relying Advisers, please refer to each of the Registered Advisers' Form ADV Part 1 and 2A on file with the SEC. Certain references to Golub Capital relating to its investment management business may include activities other than the activities of the Advisers or may include the activities of other Golub Capital affiliates in addition to the activities of the Advisers. This document may summarize certain terms of a potential investment for informational purposes only. In the case of conflict between this document and the organizational documents of any investment, the organizational documents shall govern.

Information is current as of the stated date and may change materially in the future. Golub Capital undertakes no duty to update any information herein. Golub Capital makes no representation or warranty, express or implied, as to the accuracy or completeness of the information herein.

Views expressed represent Golub Capital's current internal viewpoints and are based on Golub Capital's views of the current market environment, which is subject to change. Certain information contained in these materials discusses general market activity, industry or sector trends or other broad-based economic, market or political conditions and should not be construed as investment advice. There can be no assurance that any of the views or trends described herein will continue or will not reverse. Forecasts, estimates and certain information contained herein are based upon proprietary and other research and should not be interpreted as investment advice, as an offer or solicitation, nor as the purchase or sale of any financial instrument. Forecasts and estimates have certain inherent limitations, and unlike an actual performance record, do not reflect actual trading, liquidity constraints, fees, and/or other costs. In addition, references to future results should not be construed as an estimate or promise of results that a client portfolio may achieve. Past events and trends do not imply, predict or guarantee, and are not necessarily indicative of, future events or results. Private credit involves an investment in non-publicly traded securities which may be subject to illiquidity risk. Portfolios that invest in private credit may be leveraged and may engage in speculative investment practices that increase the risk of investment loss.

This presentation has been distributed for informational purposes only, and does not constitute investment advice or the offer to sell or a solicitation to buy any security. This presentation incorporates information provided by third-party sources that are believed to be reliable, but the information has not been verified independently by Golub Capital. Golub Capital makes no warranty or representation as to the accuracy or completeness of such third-party information. No part of this material may be reproduced in any form, or referred to in any other publication, without express written permission.

Past performance does not guarantee future results.

All information about the Firm contained in this document is presented as of May 2025, unless otherwise specified.

The Morningstar Indexes are the exclusive property of Morningstar, Inc. Morningstar, Inc., its affiliates and subsidiaries, its direct and indirect information providers and any other third party involved in, or related to, compiling, computing or creating any Morningstar Index (collectively, "Morningstar Parties") do not guarantee the accuracy, completeness and/or timeliness of the Morningstar Indexes or any data included therein and shall have no liability for any errors, omissions, or interruptions therein. None of the Morningstar Parties make any representation or warranty, express or implied, as to the results to be obtained from the use of the Morningstar Indexes or any data included therein.

"Cliffwater," "Cliffwater Direct Lending Index," and "CDLI" are trademarks of Cliffwater LLC. The Cliffwater Direct Lending Indexes (the "Cliffwater Indexes") and all information on the performance or characteristics thereof ("Cliffwater Index Data") are owned exclusively by Cliffwater LLC, and are referenced herein under license. Neither Cliffwater nor any of its affiliates sponsor or endorse, or are affiliated with or otherwise connected to, Golub Capital, or any of its products or services. All Cliffwater Index Data is provided for informational purposes only, on an "as available" basis, without any warranty of any kind, whether express or implied. Cliffwater and its affiliates do not accept any liability whatsoever for any errors or omissions in the Cliffwater Indexes or Cliffwater Index Data, or arising from any use of the Cliffwater Indexes or Cliffwater Index Data, and no third party may rely on any Cliffwater Indexes or Cliffwater Index Data referenced in this report. No further distribution of Cliffwater Index Data is permitted without the express written consent of Cliffwater. Any reference to or use of the Cliffwater Index or Cliffwater Index Data is subject to the further notices and disclaimers set forth from time to time on Cliffwater's website at https://www.cliffwaterdirectlendingindex.com/disclosures.

20250815.GC.TILE