OAKTREE
OCSL | Specialty Lending Corporation

# Earnings Presentation
# NASDAQ: OCSL

Fourth Quarter 2026

# Forward Looking Statements & Legal Disclosures

Some of the statements in this presentation constitute forward-looking statements because they relate to future events or our future performance or financial condition. The forward-looking statements contained in this presentation may include statements as to: our future operating results and distribution projections; the ability of Oaktree Fund Advisors, LLC (together with its affiliates, "Oaktree") to implement Oaktree's future plans with respect to our business and to achieve our investment objective; the ability of Oaktree and its affiliates to attract and retain highly talented professionals; our business prospects and the prospects of our portfolio companies; the impact of the investments that we expect to make; the ability of our portfolio companies to achieve their objectives; our expected financings and investments and additional leverage we may seek to incur in the future; the adequacy of our cash resources and working capital; the timing of cash flows, if any, from the operations of our portfolio companies; the cost or potential outcome of any litigation to which we may be a party; and the impact of current global economic conditions, including those caused by inflation, an elevated interest rate environment and geopolitical events or all of the foregoing. In addition, words such as "anticipate," "believe," "expect," "seek," "plan," "should," "estimate," "project" and "intend" indicate forward-looking statements, although not all forward-looking statements include these words. The forward-looking statements contained in this presentation involve risks and uncertainties. Our actual results could differ materially from those implied or expressed in the forward-looking statements for any reason, including the factors set forth in "Risk Factors" and elsewhere in our annual report on Form 10-K for the fiscal year ended September 30, 2026. Other factors that could cause actual results to differ materially include: changes or potential disruptions in our operations, the economy, financial markets and political environment, including those caused by tariffs and trade disputes with other countries, inflation and an elevated interest rate environment; risks associated with possible disruption in our operations, the operations of our portfolio companies or the economy generally due to terrorism, war or other geopolitical conflict, natural disasters, pandemics, technology (including artificial intelligence and machine learning technology) or cybersecurity incidents; future changes in laws or regulations (including the interpretation of these laws and regulations by regulatory authorities) and conditions in our operating areas, particularly with respect to business development companies or regulated investment companies; and other considerations disclosed from time to time in our publicly disseminated documents and filings.

We have based the forward-looking statements included in this presentation on information available to us on the date of this presentation, and we assume no obligation to update any such forward-looking statements. Although we undertake no obligation to revise or update any forward-looking statements, whether as a result of new information, future events or otherwise, you are advised to consult any additional disclosures that we may make directly to you or through reports that we in the future may file with the SEC, including annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K.

**Calculation of Assets Under Management**

References to total "assets under management" or "AUM" represent assets managed by Oaktree, a proportionate amount of the AUM reported by DoubleLine Capital LP ("DoubleLine Capital"), and other minority corporate investments. Oaktree's methodology for calculating AUM includes (i) the net asset value (NAV) of assets managed directly by Oaktree, (ii) the leverage on which management fees are charged, (iii) undrawn capital that Oaktree is entitled to call from investors in Oaktree funds pursuant to their capital commitments, (iv) for collateralized loan obligation vehicles ("CLOs"), the aggregate par value of collateral assets and principal cash, (v) for publicly-traded business development companies, gross assets (including assets acquired with leverage), net of cash, and (vi) Oaktree's pro rata portion (20%) of the AUM reported by DoubleLine Capital and other minority corporate investments. This calculation of AUM is not based on the definitions of AUM that may be set forth in agreements governing the investment funds, vehicles or accounts managed and is not calculated pursuant to regulatory definitions.

Unless otherwise indicated, data provided herein are as of September 30, 2026.

Fourth Quarter 2026
Earnings Presentation NASDAQ: OCSL

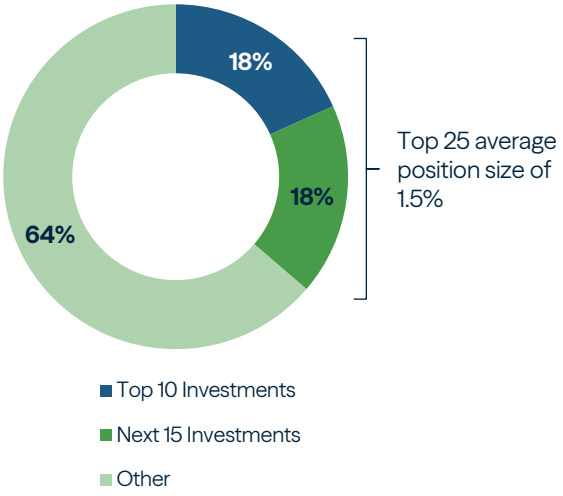
# Financial Highlights for the Quarter Ended September 30, 2026

| | |
|---|---|
| **Earnings Summary**[1] | • GAAP and adjusted net investment income of $0.34 per share for the quarter ended September 30, 2026, as compared with $0.37 in the prior quarter<br>• Declared cash distributions of $0.32 per share that will be payable on December 31, 2026, to stockholders of record as of December 15, 2026<br>• NAV of $15.63 per share, compared with $15.70 per share as of June 30, 2026 |
| **Portfolio and Investment Activity Update** | • Portfolio Update<br>– $2.7 billion at fair value across 170 portfolio companies with a 9.4% weighted average yield on debt investments<br>– 83% senior secured and 91% of the debt portfolio was floating rate<br>– Non-accruals as a percentage of debt investments at fair value and cost of 1.8% and 4.0% respectively, down from a year ago and steady sequentially<br>• Investment Activity<br>– $179 million of new investment commitments, with $162 million of new investment fundings<br>– Received $198 million of proceeds from prepayments, exits, other paydowns and sales<br>– 9.6% weighted average yield on new debt investments |
| **Liquidity and Capital Structure Update** | • 1.00x net debt to equity ratio, down from 1.02x in the prior quarter, below the midpoint of our target leverage range of 0.90x to 1.25x<br>• Weighted average interest rate on debt outstanding of 6.2% inclusive of interest rate swaps<br>• Moody's revised outlook to stable<br>• In September, issued $300 million of 5-year unsecured bonds at T + 240 bps, swapped to SOFR + 258 bps<br>• Liquidity of $1,039 million which includes $45 million of cash and $994 million of undrawn capacity on our credit facility<br>– Pro forma for the expected repayment at maturity in January 2027 of the 2027 Notes using borrowings under our credit facility, underlying liquidity was relatively unchanged compared to the prior quarter |

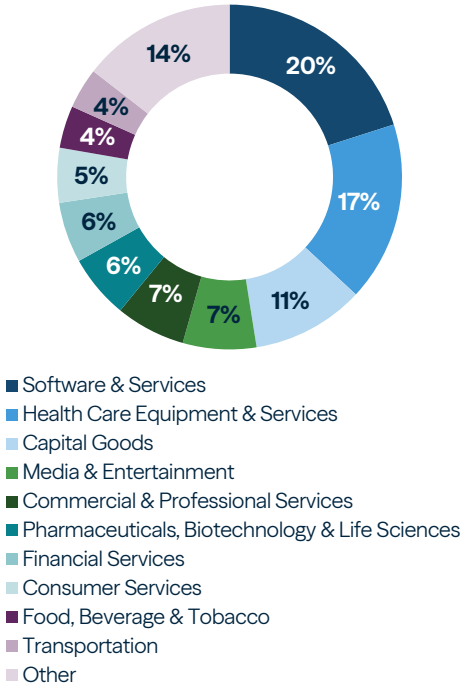
1. See appendix for a description of non-GAAP measures.

# Portfolio Summary

## Diverse Portfolio[1]

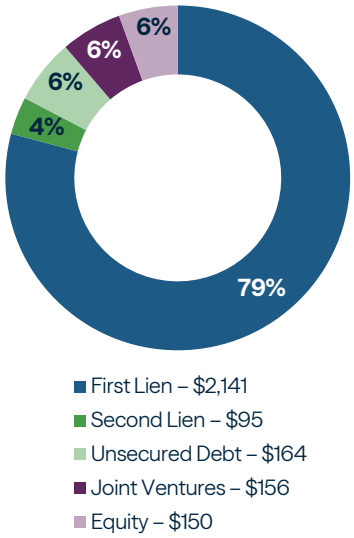



## Industry Composition[1,2]




## Portfolio Composition

(As % of total portfolio at fair value; $ in millions)




| $2.7B In Total Investments | 170 Portfolio Companies | 9.4% Weighted Average Yield on Debt Investments | Median Portfolio EBITDA of $179M[3] |
|---|---|---|---|

As of September 30, 2026
Note: Numbers may not sum due to rounding.

1. Excludes multi-sector holdings, which is primarily composed of investments in Senior Loan Fund JV I LLC (the "Kemper JV") and OCSI Glick JV LLC (the "Glick JV"), joint ventures that invest primarily in senior secured loans of middle market companies.
2. Based on GICS industry group classification.
3. Excludes investments in negative EBITDA borrowers, life sciences lending, royalty interest financings, structured products, non-accruals, recurring revenue businesses, equity positions and other non-EBITDA borrowers.

# Portfolio Highlights

| ($ in thousands, at fair value) | As of | | | | |
|---|---|---|---|---|---|
| | 9/30/2026 | 6/30/2026 | 3/31/2026 | 12/31/2025 | 9/30/2025 |
| Investments at Fair Value | $2,706,366 | $2,741,814 | $2,766,367 | $2,949,092 | $2,847,782 |
| Number of Portfolio Companies | 170 | 163 | 163 | 167 | 143 |
| Average Portfolio Company Debt Investment Size | $16,789 | $17,585 | $17,544 | $18,068 | $20,500 |
| **Asset Class:** | | | | | |
| First Lien | 79.1% | 81.5% | 83.7% | 84.8% | 83.5% |
| Second Lien | 3.5% | 3.0% | 1.8% | 1.6% | 2.4% |
| Unsecured Debt | 6.1% | 5.9% | 5.2% | 3.7% | 3.2% |
| Equity | 5.5% | 3.9% | 3.7% | 4.4% | 5.0% |
| Joint Venture Interests | 5.8% | 5.6% | 5.6% | 5.6% | 6.0% |
| **Interest Rate Type for Debt Investments:** | | | | | |
| % Floating-Rate | 91.0% | 91.4% | 91.0% | 91.3% | 90.7% |
| % Fixed-Rate | 9.0% | 8.6% | 9.0% | 8.7% | 9.3% |
| **Yields:** | | | | | |
| Weighted Average Yield on Debt Investments[1] | 9.4% | 9.3% | 9.3% | 9.3% | 9.8% |
| Cash Component of Weighted Average Yield on Debt Investments | 8.4% | 8.2% | 8.4% | 8.5% | 8.9% |
| Weighted Average Yield on Total Portfolio Investments[2] | 9.1% | 9.1% | 9.0% | 9.1% | 9.4% |

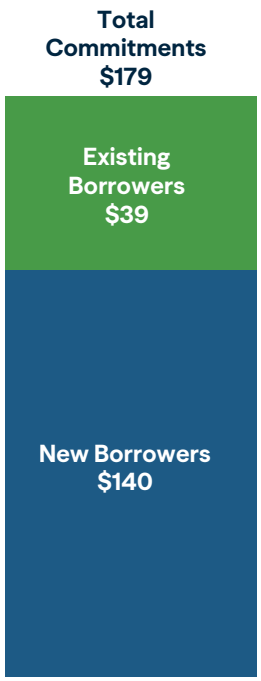
Note: Numbers may not sum due to rounding.

1. Annual stated yield earned plus net annual amortization of OID or premium earned on accruing investments, including the Company's share of the return on debt investments in the Kemper JV and Glick JV, and excluding any amortization or accretion of interest income resulting solely from the cost basis established by ASC 805 for the assets acquired in connection with the mergers of Oaktree Strategic Income Corporation (the "OCSI Merger") and Oaktree Strategic Income II, Inc. (the "OSI2 Merger"). See appendix for a description of the non-GAAP financial measures.
2. Annual stated yield earned plus net annual amortization of OID or premium earned on accruing investments and dividend income, including the Company's share of the return on debt investments in the Kemper JV and Glick JV, and excluding any amortization or accretion of interest income resulting solely from the cost basis established by ASC 805 for the assets acquired in connection with the OCSI Merger and the OSI2 Merger. See appendix for a description of the non-GAAP financial measures.

# 4Q 2026 Investment Activity

## New Investment Highlights

($ in millions)

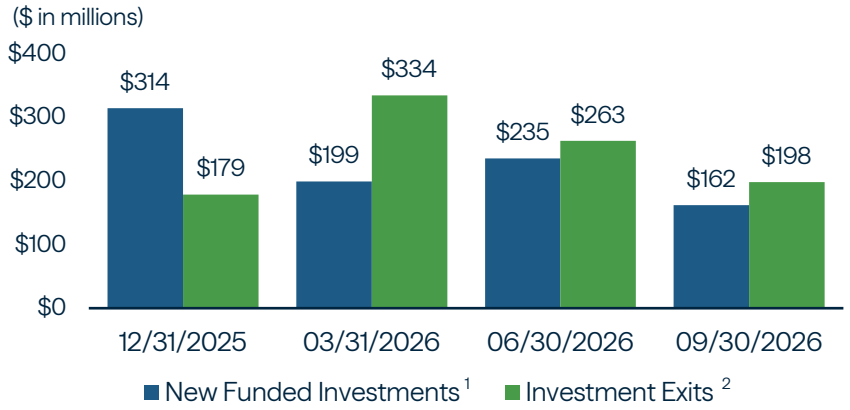



**12**
new borrowers

**9.6%**
weighted average yield on new debt commitments

**100%**
also held by other Oaktree funds

## Historical Funded Originations and Exits




## Private Investment Paydowns

| | |
|---|---|
| **$144M** Proceeds | **$143M** Fair Value at Prior Quarter End |
| **100.5** Average Exit Price | **99.6** Average Mark at Prior Quarter End |

As of September 30, 2026
Note: Numbers rounded to the nearest million or percentage point and may not sum as a result.
1. New funded investments includes drawdowns on existing delayed draw and revolver commitments.
2. Investment exits includes proceeds from prepayments, exits, other paydowns and sales.

# Recent Investment Activity

| ($ in thousands) | As of | | | | |
|---|---|---|---|---|---|
| | 9/30/2026 | 6/30/2026 | 3/31/2026 | 12/31/2025 | 9/30/2025 |
| **Investments in Oaktree Specialty Lending Corporation** | | | | | |
| New Investment Commitments | $178,500 | $206,400 | $204,100 | $316,600 | $208,200 |
| Funded | $134,800 | $180,100 | $166,200 | $287,200 | $176,600 |
| Unfunded | $43,700 | $26,300 | $37,900 | $29,400 | $31,600 |
| Fundings of Previously Unfunded Commitments | $27,600 | $55,400 | $32,400 | $26,600 | $43,800 |
| Sales and Repayments | ($197,800) | ($262,800) | ($334,100) | ($178,500) | ($177,000) |
| **Net Funded Investment Activity[1]** | **($35,400)** | **($27,300)** | **($135,500)** | **$135,300** | **$43,400** |
| | | | | | |
| New Investment Commitments in New Portfolio Companies | 12 | 7 | 10 | 28 | 9 |
| New Investment Commitments in Existing Portfolio Companies | 9 | 7 | 5 | 13 | 10 |
| Portfolio Company Exits | 5 | 7 | 15 | 4 | 15 |
| | | | | | |
| Weighted Average Yield at Cost on New Debt Investment Commitments | 9.6% | 10.0% | 9.2% | 8.7% | 9.7% |

1. Net funded investment activity includes drawdowns on existing revolver commitments.

# Recent Investment Activity

## New Investment Commitment Detail

($ in millions)

| | | | Security Type | | | Market | | | |
|---|---|---|---|---|---|---|---|---|---|
| Fiscal Quarter | Investment Commitments | Number of Deals | First Lien | Second Lien | Unsecured & Other | Private Placement | Primary (Public) | Secondary (Public) | Avg. Secondary Purchase Price |
| 3Q2022 | $132 | 28 | $100 | $6 | $25 | $63 | $5 | $63 | 91% |
| 4Q2022 | $97 | 11 | $65 | -- | $32 | $71 | $22 | $4 | 92% |
| 1Q2023 | $250 | 25 | $214 | $10 | $26 | $188 | $49 | $14 | 82% |
| 2Q2023 | $124 | 9 | $124 | -- | -- | $118 | $5 | $1 | 81% |
| 3Q2023 | $251 | 10 | $227 | $24 | $0.2 | $224 | $20 | $7 | 85% |
| 4Q2023 | $87 | 6 | $87 | -- | -- | $76 | $12 | -- | N/A |
| 1Q2024 | $370 | 24 | $354 | -- | $16 | $302 | -- | $68 | 90% |
| 2Q2024 | $396 | 35 | $364 | -- | $32 | $205 | $99 | $92 | 98% |
| 3Q2024 | $339 | 20 | $302 | $3 | $34 | $256 | $58 | $24 | 97% |
| 4Q2024 | $259 | 19 | $252 | $5 | $2 | $227 | $32 | -- | N/A |
| 1Q2025 | $198 | 13 | $198 | -- | -- | $198 | -- | -- | N/A |
| 2Q2025 | $407 | 32 | $357 | $11 | $39 | $230 | $60 | $117 | 98% |
| 3Q2025 | $147 | 11 | $147 | -- | -- | $147 | -- | -- | N/A |
| 4Q2025 | $208 | 19 | $182 | $22 | $4 | $136 | $9 | $63 | 95% |
| 1Q2026 | $317 | 41 | $290 | -- | $27 | $191 | $17 | $109 | 93% |
| 2Q2026 | $204 | 15 | $116 | $35 | $53 | $149 | $39 | $17 | 98% |
| 3Q2026 | $206 | 14 | $138 | $32 | $37 | $188 | -- | $18 | 100% |
| **4Q2026** | **$179** | **21** | **$107** | **$5** | **$66** | **$107** | **$62** | **$10** | **96%** |

Note: Numbers may not sum due to rounding. Excludes any positions originated, purchased and sold within the same quarter and the assets acquired in the OSI2 Merger.

# Our Approach to Software Investing

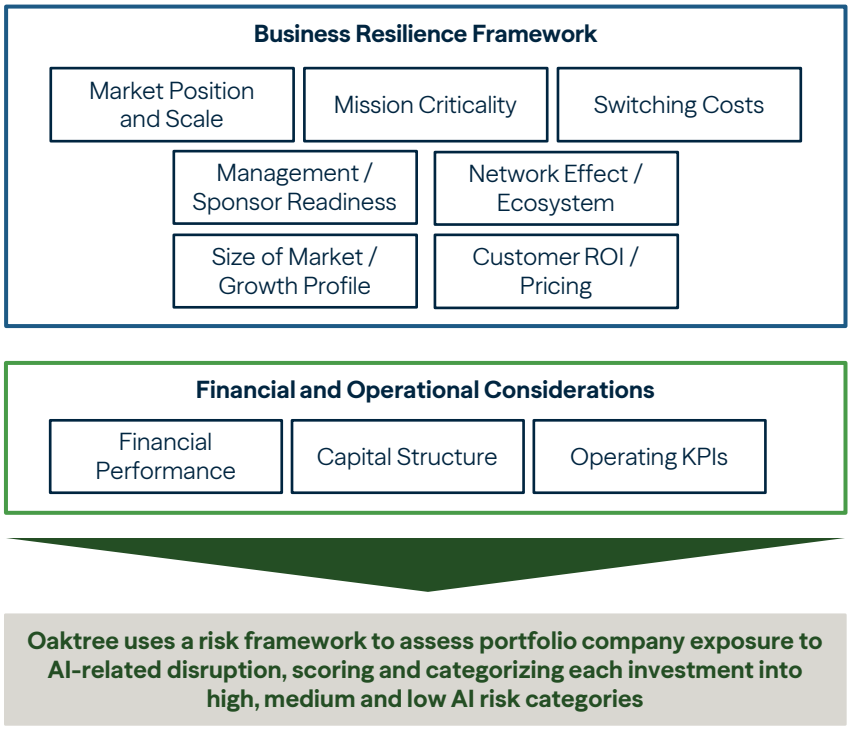
## Software Performance in OCSL[1]

| | |
|---|---|
| **$510M**<br>Fair Value of Software Portfolio | **26**<br>Number of Portfolio Companies |
| **94%**<br>First Lien | **0.78%**<br>ARR Loan at Fair Value |
| **3**<br>Portfolio Companies Electing PIK | **1.3%**<br>Software PIK as a % of Total Investment Income |

## Software Portfolio Metrics[1,2]

| Portfolio Metrics | LTM |
|---|---|
| Median EBITDA | $186 million |
| Approximate Median EBITDA Growth (%) Since Deal Inception | High Teens |
| Approximate Median EBITDA Margin | ~40% |
| Weighted Average LTV | 56% |
| Weighted Average Interest Coverage | 1.9x |

## AI Risk Scorecard




**Oaktree uses a risk framework to assess portfolio company exposure to AI-related disruption, scoring and categorizing each investment into high, medium and low AI risk categories**

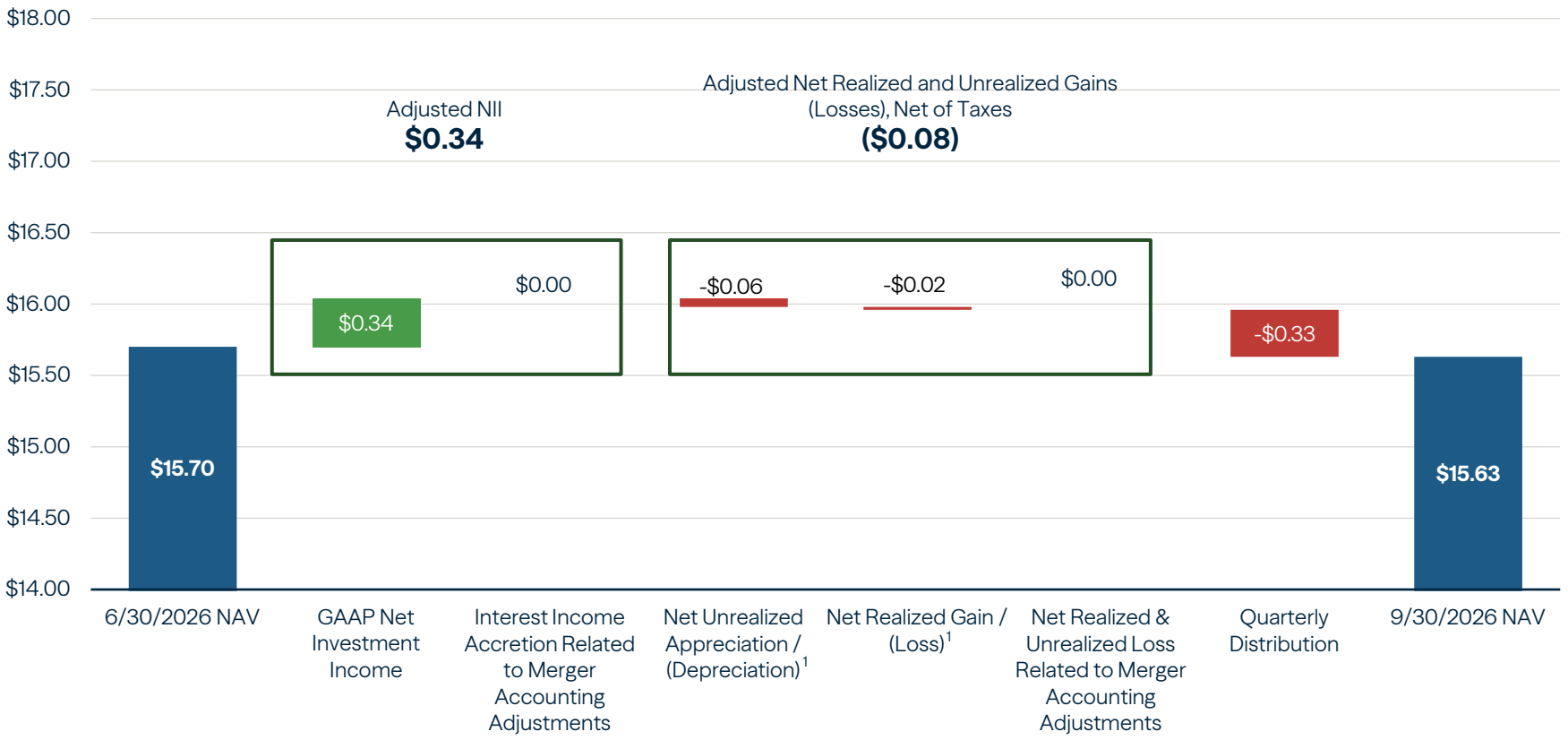
As of September 30, 2026
1. Based on GICS industry group classification. Excludes equity holdings.
2. Based on most recently available financials. Excludes investments in negative EBITDA borrowers, non-accruals, recurring revenue businesses and restructured positions.

# Financial Highlights

| Operating Results | 9/30/2026 | 6/30/2026 | 3/31/2026 | 12/31/2025 | 9/30/2025 |
|---|---|---|---|---|---|
| GAAP Net Investment Income per Share | $0.34 | $0.37 | $0.39 | $0.42 | $0.41 |
| Adjusted Net Investment Income per Share[1] | $0.34 | $0.37 | $0.38 | $0.41 | $0.40 |
| Net Realized and Unrealized Gains (Losses), Net of Taxes per Share | ($0.08) | ($0.02) | ($0.60) | ($0.35) | ($0.13) |
| Adjusted Net Realized and Unrealized Gains (Losses), Net of Taxes per Share[1] | ($0.08) | ($0.02) | ($0.60) | ($0.34) | ($0.12) |
| Earnings (Loss) per Share | $0.26 | $0.35 | ($0.21) | $0.06 | $0.28 |
| Adjusted Earnings (Loss) per Share[1] | $0.26 | $0.34 | ($0.22) | $0.06 | $0.28 |
| Quarterly Distributions per Share | $0.30 | $0.30 | $0.30 | $0.40 | $0.40 |
| Quarterly Supplemental Distributions per Share | $0.02 | $0.03 | $0.04 | -- | -- |
| Total Quarterly Distributions per Share | $0.32 | $0.33 | $0.34 | $0.40 | $0.40 |
| NAV per Share | $15.63 | $15.70 | $15.69 | $16.30 | $16.64 |
| Weighted Average Shares Outstanding | 88,086 | 88,086 | 88,086 | 88,086 | 88,086 |
| **Balance Sheet** | | | | | |
| Investment Portfolio (at Fair Value) | $2,706,366 | $2,741,814 | $2,766,367 | $2,949,092 | $2,847,782 |
| Cash and Cash Equivalents | $45,137 | $39,921 | $51,261 | $80,813 | $79,630 |
| Total Assets | $2,822,963 | $2,858,192 | $2,894,417 | $3,098,251 | $3,002,991 |
| Total Debt Outstanding[2] | $1,384,588 | $1,438,842 | $1,481,650 | $1,610,022 | $1,486,880 |
| Net Assets | $1,376,613 | $1,383,055 | $1,382,064 | $1,436,187 | $1,465,813 |
| Total Debt to Equity Ratio | 1.03x | 1.05x | 1.08x | 1.12x | 1.02x |
| Net Debt to Equity Ratio | 1.00x | 1.02x | 1.04x | 1.07x | 0.97x |
| Weighted Average Interest Rate on Debt Outstanding[3] | 6.2% | 5.9% | 5.9% | 6.1% | 6.5% |

1. See appendix for a description of the non-GAAP measures.
2. Net of unamortized financing costs.
3. Includes effect of the interest rate swap agreements the Company entered into in connection with the issuance of our unsecured notes.

# Net Asset Value Per Share Bridge




Note: Numbers may not sum due to rounding. Net asset value per share amounts are based on the shares outstanding at each respective quarter end. Net investment income per share, net unrealized appreciation / (depreciation), and net realized gain / (loss) are based on the weighted average number of shares outstanding for the period. See appendix for a description of the non-GAAP measures.

1. Excludes reclassifications of net unrealized appreciation / (depreciation) to net realized gains / (losses) as a result of investments exited during the quarter.

# Capital Structure Overview

**0.90x to 1.25x**
**Target Leverage Ratio**

**Investment Grade Rated**
**By Moody's And Fitch**

**88%**
**Unsecured Borrowings[2]**
**(64% pro forma)**

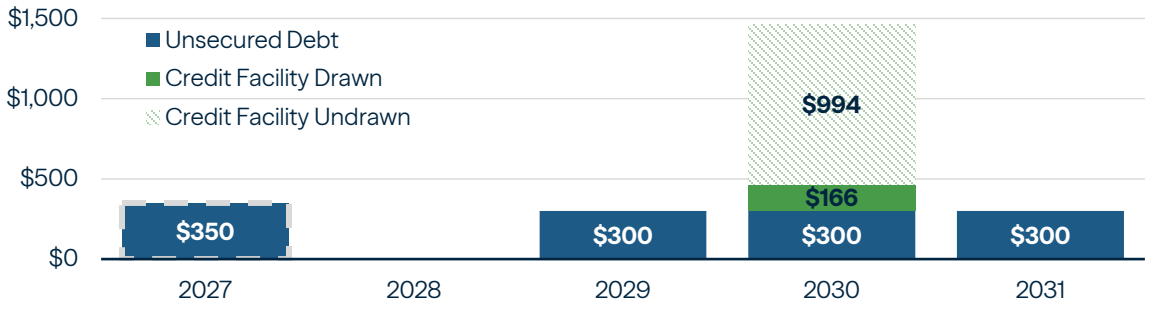
**$1,039M**
**Available Liquidity[3]**
**($689M pro forma)**

## Funding Sources

| ($ in millions) | Facility Size | 09/30/26 Outstanding | Interest Rate | Maturity |
|---|---|---|---|---|
| Secured Debt | | | | |
| Corporate Revolver | $1,160 | $166 | SOFR + 1.875% | Apr-30 |
| **Secured Debt Subtotal** | **$1,160** | **$166** | | |
| Unsecured Debt | | | | |
| 2027 Notes | $350 | $350 | 2.70% (SOFR + 1.66%)[1] | Jan-27 |
| 2029 Notes | $300 | $300 | 7.10% (SOFR + 3.13%)[1] | Feb-29 |
| 2030 Notes | $300 | $300 | 6.34% (SOFR + 2.19%)[1] | Feb-30 |
| 2031 Notes | $300 | $300 | 7.00% (SOFR + 2.58%)[1] | Sep-31 |
| **Unsecured Debt Subtotal** | **$1,250** | **$1,250** | | |
| **Total Debt** | **$2,410** | **$1,416** | | |

## Maturities

($ in millions)



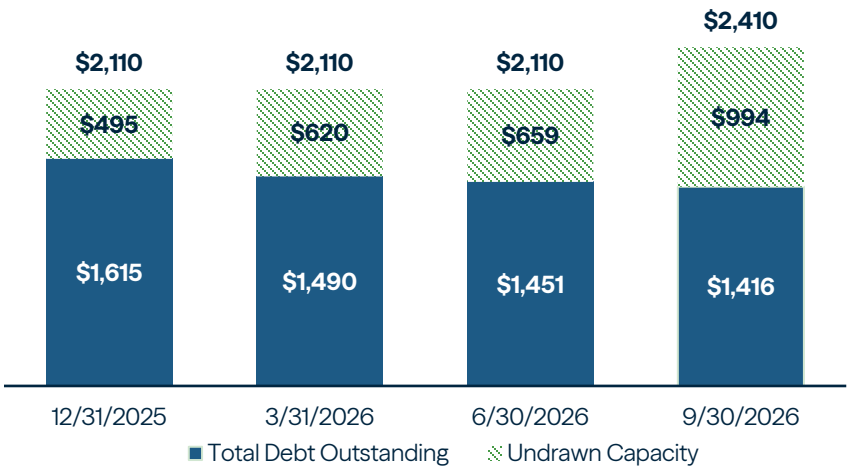

**Diverse and flexible sources of debt capital**

As of September 30, 2026
Note: Numbers may not sum due to rounding.
1. The Company entered into an interest rate swap agreement under which the Company receives a fixed interest rate and pays a floating rate based on three-month SOFR plus a spread.
2. Pro forma for the expected repayment at maturity in January 2027 of the 2027 Notes using borrowings under our credit facility, unsecured borrowings of 64%.
3. Liquidity was composed of $45 million of unrestricted cash and cash equivalents and $994 million of undrawn capacity under the credit facility (subject to borrowing base and other limitations). Pro forma for the expected repayment at maturity in January 2027 of the 2027 Notes using borrowings under our credit facility, total liquidity would be approximately $689 million.

# Funding and Liquidity Metrics

## Leverage Utilization

($ in millions)




| ($ in millions) | 12/31/25 | 3/31/26 | 6/30/26 | 9/30/26 |
|---|---|---|---|---|
| Cash and Equivalents | $81 | $51 | $40 | $45 |
| Net Assets | $1,436 | $1,382 | $1,383 | $1,377 |
| Total Leverage | 1.12x | 1.08x | 1.05x | 1.03x |
| **Net Leverage** | **1.07x** | **1.04x** | **1.02x** | **1.00x** |

## Liquidity Overview

| ($ in millions) | 12/31/25 | 3/31/26 | 6/30/26 | 9/30/26 |
|---|---|---|---|---|
| Credit Facilities Committed | $1,160 | $1,160 | $1,160 | $1,160 |
| Credit Facilities Drawn | ($665) | ($540) | ($501) | ($166) |
| Cash and Equivalents | $81 | $51 | $40 | $45 |
| **Total Liquidity** | **$576** | **$671** | **$699** | **$1,039[1]** |
| Unfunded Commitments[2] | ($247) | ($250) | ($208) | ($226) |
| Unavailable Unfunded Commitments[3] | -- | -- | -- | $1 |
| **Adjusted Liquidity** | **$329** | **$421** | **$491** | **$815** |
| Expected repayment of 2027 Notes | -- | -- | -- | ($350) |
| **Pro Forma Adjusted Liquidity** | **--** | **--** | **--** | **$465** |

**Ample liquidity to support funding needs[4]**

Note: Numbers may not sum due to rounding,

1. Pro forma for the expected repayment at maturity in January 2027 of the 2027 Notes using borrowings under our credit facility, total liquidity would be approximately $689 million.
2. Excludes unfunded commitments to the Kemper JV and Glick JV.
3. Includes unfunded commitments ineligible to be drawn due to certain limitations in credit agreements.
4. As of September 30, 2026, we have analyzed cash and cash equivalents, availability under our credit facility, the ability to rotate out of certain assets and amounts of unfunded commitments that could be drawn and believe our liquidity and capital resources are sufficient to invest in market opportunities as they arise.

# Strategic Joint Ventures are Accretive to Earnings

## OCSL's JVs are income-enhancing vehicles that primarily invest in senior secured loans of middle market companies and other corporate debt securities

### Key Attributes:

- Equity ownership: 87.5% OCSL and 12.5% joint venture partner
- Shared voting control: 50% OCSL and 50% joint venture partner

### Kemper JV Characteristics

(At fair value)

| | |
|---|---|
| **$114M**<br>OCSL's Investments in the Kemper JV | **4.2%**<br>% of OCSL's Portfolio |
| **$3.3M**<br>Net Investment Income[1] | **11.6%**<br>Return on OCSL's Investment (Annualized)[2] |

### Glick JV Characteristics

(At fair value)

| | |
|---|---|
| **$42M**<br>OCSL's Investments in the Glick JV | **1.5%**<br>% of OCSL's Portfolio |
| **$1.1M**<br>Net Investment Income[3] | **11.3%**<br>Return on OCSL's Investment (Annualized)[2] |

**Combined Portfolio Summary**

| Investment Portfolio | First Lien | Portfolio Company Count | Wtd. Avg. Debt Portfolio Yield | Leverage Ratio |
|---|---|---|---|---|
| $547M | 98% | 144 | 7.7% | 2.0x |

As of September 30, 2026
1. Represents OCSL's 87.5% share of the Kemper JV's net investment income (excluding subordinated note interest expense) earned during the quarter ended September 30, 2026.
2. Calculated as OCSL's share of each respective joint venture's net investment income annualized, divided by the fair value of OCSL's investments in each joint venture as of June 30, 2026.
3. Represents OCSL's 87.5% share of the Glick JV's net investment income (excluding subordinated note interest expense) earned during the quarter ended September 30, 2026.

# Appendix

# Quarterly Statement of Operations

| ($ in thousands) | For the three months ended | | | | |
|---|---|---|---|---|---|
| | 9/30/2026 | 6/30/2026 | 3/31/2026 | 12/31/2025 | 9/30/2025 |
| **Investment income** | | | | | |
| Interest income | $59,938 | $61,636 | $65,253 | $66,923 | $69,716 |
| PIK interest income | $4,786 | $5,209 | $3,455 | $3,848 | $4,094 |
| Fee income | $1,679 | $976 | $1,299 | $2,972 | $2,122 |
| Dividend income | $1,808 | $1,612 | $378 | $1,353 | $1,383 |
| **GAAP total investment income** | **$68,211** | **$69,433** | **$70,385** | **$75,096** | **$77,315** |
| Interest income amortization related to merger accounting adjustments | ($206) | ($281) | ($641) | ($615) | ($449) |
| **Adjusted total investment income** | **$68,005** | **$69,152** | **$69,744** | **$74,481** | **$76,866** |
| **Expenses** | | | | | |
| Base management fee | $6,945 | $7,046 | $7,107 | $7,544 | $7,309 |
| Part I incentive fee | $4,807 | $2,373 | -- | $1,188 | $7,103 |
| Part II incentive fee | -- | -- | -- | -- | -- |
| Interest expense | $23,754 | $24,139 | $25,626 | $26,659 | $26,031 |
| Other operating expenses[1] | $2,657 | $3,051 | $3,286 | $2,985 | $2,703 |
| **Total expenses** | **$38,163** | **$36,609** | **$36,019** | **$38,376** | **$43,146** |
| Management fees waived | -- | -- | -- | -- | -- |
| Part I incentive fees waived | -- | -- | -- | -- | ($1,897) |
| **Net expenses** | **$38,163** | **$36,609** | **$36,019** | **$38,376** | **$41,249** |
| (Provision) benefit for taxes on net investment income | ($229) | ($303) | ($4) | ($17) | ($264) |
| **GAAP net investment income** | **$29,819** | **$32,521** | **$34,362** | **$36,703** | **$35,802** |
| Less: Interest income accretion related to merger accounting adjustments | ($206) | ($281) | ($641) | ($615) | ($449) |
| Add: Part II incentive fee | -- | -- | -- | -- | -- |
| **Adjusted net investment income** | **$29,613** | **$32,240** | **$33,721** | **$36,088** | **$35,353** |

Note: See appendix for a description of the non-GAAP measures.
1. Includes professional fees, directors fees, administrator expense and general and administrative expenses.

# Quarterly Statement of Operations (cont'd)

| (in thousands, except per share amounts) | For the three months ended | | | | |
|---|---|---|---|---|---|
| | 9/30/2026 | 6/30/2026 | 3/31/2026 | 12/31/2025 | 9/30/2025 |
| **Net realized and unrealized gains (losses)** | | | | | |
| Net unrealized appreciation (depreciation) | $4,935 | $48,210 | ($39,339) | ($32,418) | ($18,164) |
| Net realized gains (losses) | ($12,062) | ($49,539) | ($13,610) | $1,342 | $6,940 |
| (Provision) benefit for taxes on realized and unrealized gains (losses) | ($66) | ($252) | ($303) | ($19) | - |
| **GAAP net realized and unrealized gains (losses), net of taxes** | **($7,193)** | **($1,581)** | **($53,251)** | **($31,095)** | **($11,224)** |
| Net realized and unrealized losses (gains) related to merger accounting adjustments | $185 | ($477) | $559 | $710 | $375 |
| **Adjusted net realized and unrealized gains (losses), net of taxes** | **($7,008)** | **($2,058)** | **($52,692)** | **($30,385)** | **($10,849)** |
| **GAAP net increase (decrease) in net assets resulting from operations** | **$22,626** | **$30,940** | **($18,889)** | **$5,608** | **$24,578** |
| Interest income amortization (accretion) related to merger accounting adjustments | ($206) | ($281) | ($641) | ($615) | ($449) |
| Net realized and unrealized losses (gains) related to merger accounting adjustments | $185 | ($477) | $559 | $710 | $375 |
| **Adjusted earnings (loss)** | **$22,605** | **$30,182** | **($18,971)** | **$5,703** | **$24,504** |
| **Per share data:** | | | | | |
| GAAP total investment income | $0.77 | $0.79 | $0.80 | $0.85 | $0.88 |
| *Adjusted total investment income* | *$0.77* | *$0.79* | *$0.79* | *$0.85* | *$0.87* |
| GAAP net investment income | $0.34 | $0.37 | $0.39 | $0.42 | $0.41 |
| *Adjusted net investment income* | *$0.34* | *$0.37* | *$0.38* | *$0.41* | *$0.40* |
| GAAP net realized and unrealized gains (losses), net of taxes | ($0.08) | ($0.02) | ($0.60) | ($0.35) | ($0.13) |
| *Adjusted net realized and unrealized gains (losses), net of taxes* | *($0.08)* | *($0.02)* | *($0.60)* | *($0.34)* | *($0.12)* |
| GAAP net increase/decrease in net assets resulting from operations | $0.26 | $0.35 | ($0.21) | $0.06 | $0.28 |
| *Adjusted earnings (loss)* | *$0.26* | *$0.34* | *($0.22)* | *$0.06* | *$0.28* |
| Weighted average common shares outstanding | 88,086 | 88,086 | 88,086 | 88,086 | 88,086 |
| **Shares outstanding, end of period** | **88,086** | **88,086** | **88,086** | **88,086** | **88,086** |

# Strategic Actions In Support of OCSL

| | |
|---|---|
| **Equity Raise** | • On February 3, 2025, Oaktree purchased $100 million of newly issued shares of OCSL common stock at a price of $17.63/share equal to net asset value per share on January 31, 2025<br>• This transaction represented a 10% premium to the closing stock price on January 31, 2025, and resulted in a nearly 7% increase in net assets at the time of share issuance<br>• The equity raise (coupled with additional leverage) increased dry powder for deployment, enabling growth and further diversification of the portfolio |
| **Incentive Fee Cap** | • In the first fiscal quarter of 2025, Oaktree implemented an incentive fee cap (i.e., a total return hurdle). Since the implementation of the incentive fee cap, OCSL has retained $36.7 million in Part I incentive fees that would have otherwise been paid to Oaktree.<br>• This arrangement includes a lookback provision that commences October 1, 2024, building to a rolling 12 quarter lookback by the Company's 2027 fiscal year-end<br>• The incentive fee cap formalized our process and provided clarity |

**Oaktree remains committed to the long-term growth and success of OCSL**

# Non-GAAP Disclosures

The OCSI Merger and the OSI2 Merger (the "Mergers") were accounted for as asset acquisitions in accordance with the asset acquisition method of accounting as detailed in ASC 805-50, Business Combinations—Related Issues ("ASC 805"). The consideration paid to each of the stockholders of OCSI and OSI2 were allocated to the individual assets acquired and liabilities assumed based on the relative fair values of the net identifiable assets acquired other than "non-qualifying" assets, which established a new cost basis for the acquired investments under ASC 805 that, in aggregate, was different than the historical cost basis of the acquired investments prior to the OCSI Merger or OSI2 Merger, as applicable. Additionally, immediately following the completion of the Mergers, the acquired investments were marked to their respective fair values under ASC 820, Fair Value Measurements, which resulted in unrealized appreciation / depreciation. The new cost basis established by ASC 805 on debt investments acquired will accrete / amortize over the life of each respective debt investment through interest income, with a corresponding adjustment recorded to unrealized appreciation / depreciation on such investment acquired through its ultimate disposition. The new cost basis established by ASC 805 on equity investments acquired will not accrete / amortize over the life of such investments through interest income and, assuming no subsequent change to the fair value of the equity investments acquired and disposition of such equity investments at fair value, the Company will recognize a realized gain / loss with a corresponding reversal of the unrealized appreciation / depreciation on disposition of such equity investments acquired.

The Company's management uses the non-GAAP financial measures described above internally to analyze and evaluate financial results and performance and to compare its financial results with those of other business development companies that have not adjusted the cost basis of certain investments pursuant to ASC 805. The Company's management believes "Adjusted Total Investment Income", "Adjusted Total Investment Income Per Share", "Adjusted Net Investment Income" and "Adjusted Net Investment Income Per Share" are useful to investors as an additional tool to evaluate ongoing results and trends for the Company without giving effect to the accretion income resulting from the new cost basis of the investments acquired in the Mergers because these amounts do not impact the fees payable to Oaktree under its fourth amended and restated investment advisory agreement (the "A&R Advisory Agreement"), and specifically as it relates to "Adjusted Net Investment Income" and "Adjusted Net Investment Income Per Share", without giving effect to Part II incentive fees. In addition, the Company's management believes that "Adjusted Net Realized and Unrealized Gains (Losses), Net of Taxes", "Adjusted Net Realized and Unrealized Gains (Losses), Net of Taxes Per Share", "Adjusted Earnings (Loss)" and "Adjusted Earnings (Loss) Per Share" are useful to investors as they exclude the non-cash income/gain resulting from the Mergers and used by management to evaluate the economic earnings of its investment portfolio. Moreover, these metrics align the Company's key financial measures with the calculation of incentive fees payable to Oaktree under the A&R Advisory Agreement (i.e., excluding amounts resulting solely from the lower cost basis of the acquired investments established by ASC 805 that would have been to the benefit of Oaktree absent such exclusion).