

# BlackRock Private Credit Fund (BDEBT)

BlackRock®

2024

## Private credit unleashed

BlackRock Private Credit Fund (BDEBT) is a non-traded business development company (“BDC”) seeking to target attractive risk-adjusted returns produced primarily from current income generated by investing mostly in directly-originated, senior-secured corporate debt investments. Access private credit with BlackRock’s institutional credit team.

### Access private credit

Seeks returns primarily generated by current income from private credit investments and targets monthly distributions.<sup>1</sup>

### Easy to implement

Provides 1099 tax reporting, low investment minimums, and monthly subscriptions in an SEC-regulated vehicle.<sup>2</sup>

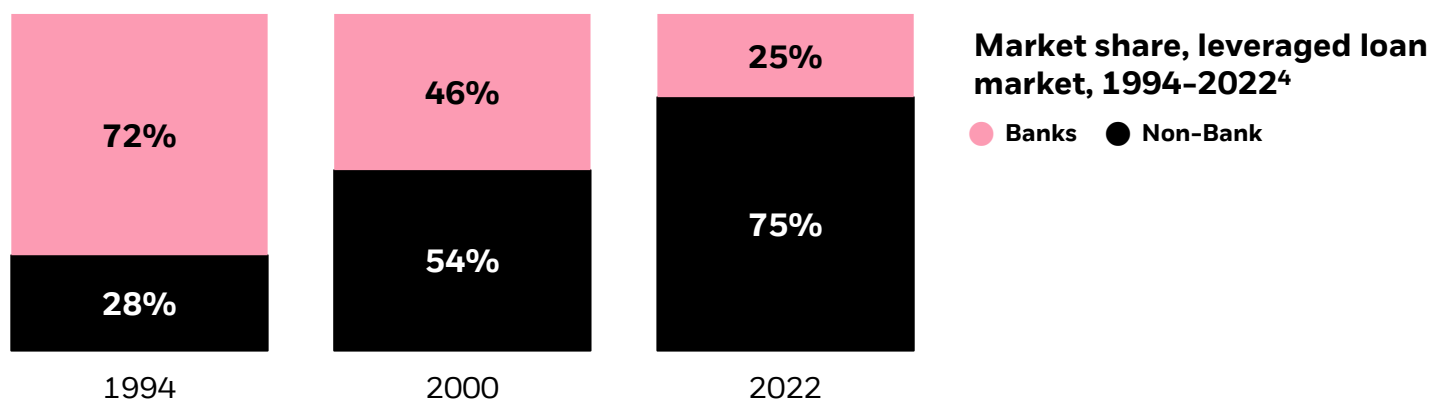
### BlackRock edge

Access our differentiated deal sourcing, underwriting, and management capabilities backed by BlackRock’s \$81B<sup>3</sup> private debt business.

## It’s time to move beyond traditional credit

Direct lending is a form of private credit when a non-bank lender makes a loan to a business, and usually refers to first-lien loans made to middle-market companies. The opportunity in this space continues to grow as banks have retreated from lending and access is democratized.

### Banks retreating from credit markets has created private debt opportunities<sup>4</sup>

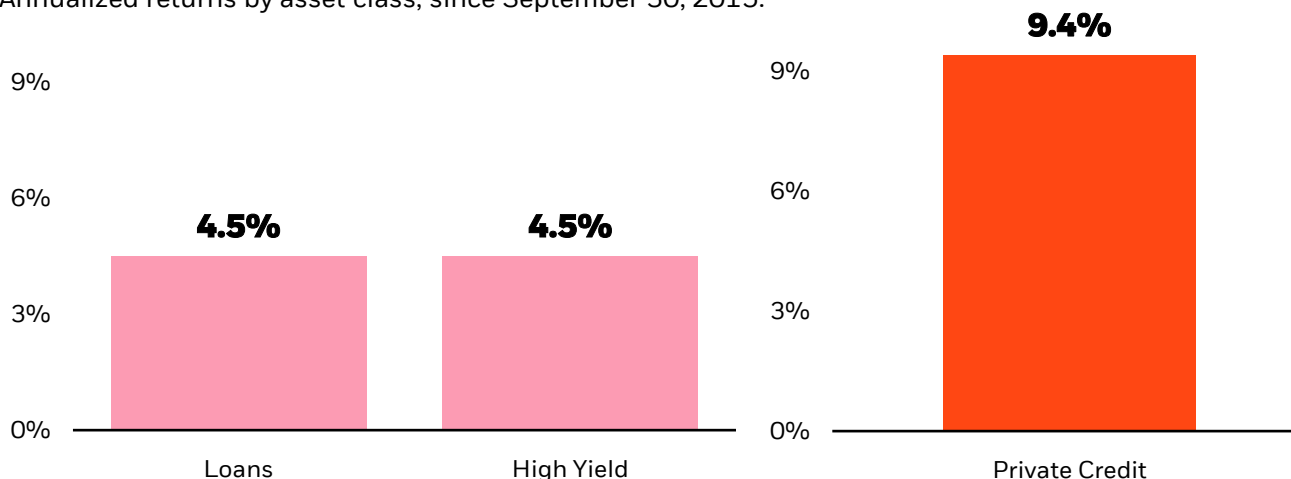


<sup>1</sup> The Fund expects to pay regular monthly distributions. Any distributions we make will be at the discretion of our Board of Trustees, considering factors such as our earnings, cash flow, capital needs and general financial condition and the requirements of Delaware law. As a result, our distribution rates and payment frequency may vary from time to time. **Distribution payments are not guaranteed, and BlackRock Private Credit Fund may pay distributions from sources other than cash flow from operations, including, without limitation, the sale of assets, borrowings, return of capital or offering proceeds, and advances or the deferral of fees and expense reimbursements, and has no limits on such amounts it may pay from such sources.** <sup>2</sup> Subscriptions for our Common Shares must be received in good order by the Fund at least 5 business days prior to the first business day of the month. The Fund commenced operations on 06/01/22. It is expected that the Fund will offer to repurchase Shares (through written tender offers) on a quarterly basis of up to 5% of the shares outstanding, subject to the discretion of the Board. However, there can be no assurance that the Fund will repurchase shares on a quarterly basis or at all. Further, if the Fund repurchases shares, there is no guarantee that shareholders will be able to sell all of the Shares that they desire to sell in any particular quarter. Therefore, Shares of the Fund are appropriate only for those investors who do not require a liquid investment and who are aware of the risks involved in investing in the Fund. <sup>3</sup> Source: BlackRock as of 12/31/2023. <sup>4</sup> S&P LCD as of 12/31/2023

# Seeking yield while keeping an eye on risk

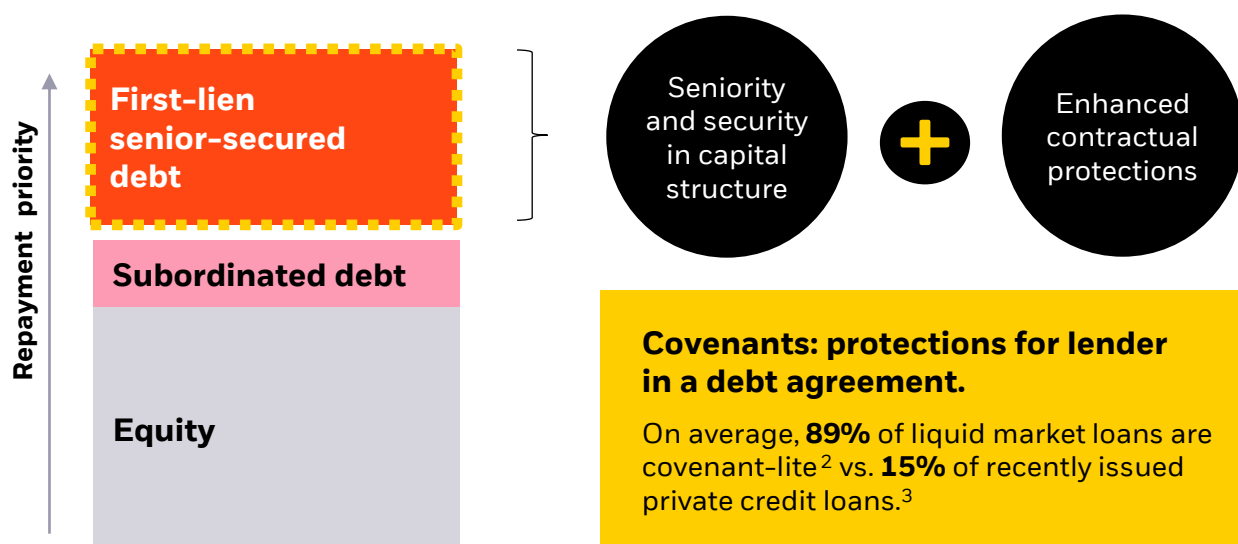
## Private credit has historically delivered attractive returns...<sup>1</sup>

Annualized returns by asset class, since September 30, 2015.



## ...and potential structural protections

Private credit may offer potential investor protections through privately negotiated terms, covenants and pricing. BDEBT focuses on senior-secured loans, which are first to be repaid in the event of default.



<sup>1</sup> Source: BlackRock, Bloomberg, Morningstar LSTA, Cliffwater. Annualized historical total returns over the period from September 30, 2015 through September 30, 2023. September 30, 2015 is the inception date of the Cliffwater Direct Lending Index (CDLI). Return data of selected asset categories represented by: **High Yield** = Bloomberg U.S. Corporate High Yield Index as of 9/30/23; **Loans** = Morningstar LSTA Leveraged Loan Index as of 9/30/23. **Private Credit** = CDLI as of 9/30/23. **Index performance is shown for illustrative purposes only and does not reflect any deduction for fees or expenses. You cannot invest directly in an unmanaged index. Not indicative of the Fund's performance or distribution rate.** The Fund's portfolio, at any given point in time, may be composed of some, all or none of the asset classes shown. An investment in the Fund is different from a direct investment in any of the asset classes shown above. Fees and expenses will be deducted from any investment in the Fund. This is the most recent data available, but recent market events may have had material impact on the data as presented. Do not rely on this data to make investment decisions.

**For illustrative purposes only. Not intended for comparison.** The CDLI is included within this document to demonstrate how private markets perform differently from public markets during the same time period. Note that the indices contain several differences in the way that they are calculated, including the following, and therefore may not represent a fully accurate representation of the private/public credit market. The CDLI is an asset-weighted index based off of quarterly SEC filings required of BDCs, whose primary asset holdings are U.S. middle market corporate loans. SEC filing and transparency requirements eliminate common biases of survivorship and self-selection. The index returns are generally published 75 days after calendar quarter-end. The public indices are rebalanced regularly, typically monthly. The public indices are market-value weighted. The CDLI index is based off of SEC filings with transparency requirements. The CDLI is calculated using financial statements and other filings for the eligible BDCs (so the index's figures are based on the BDCs' underlying holdings), thus making it unlevered and gross of fees. BDCs whose filings are the source of the CDLI are regulated by the SEC under the Investment Company Act of 1940. For more information on the indices, see page 6.

BlackRock is not making any recommendation or soliciting any action based upon the information contained herein. This information is furnished to you with the express understanding that it does not constitute: (i) an offer, solicitation or recommendation to invest in a particular investment in any jurisdiction; (ii) a means by which any such investment may be offered or sold; or (iii) advice or an expression of BlackRock's view as to whether a particular investment is appropriate for you and meets your financial objectives. **Past performance is no guarantee of future results.**

<sup>2</sup> Covenant-lite is a term used to describe a loan with the type of financing that is issued with fewer restrictions on the borrow and fewer protections for the lender. **Source:** Investopedia <https://www.investopedia.com/terms/c/covenant-lite-loans.asp> <sup>3</sup> As of December 31, 2022. Liquid Market Loans represented by S&P/ LSTA leveraged loan index. **Source:** LLI Factsheet. Private credit loans sourced from Lincoln International Valuation and Opinions Group as of March 2023. Most recent available to BlackRock.

# Know your BDCs

Unlisted Business Development Companies (BDCs) are SEC-regulated vehicles that seek to offer access to private credit investments in an efficient fund structure. The advantages of BDEBT include:



## Private credit exposure

Targets a portfolio almost entirely invested in senior-secured private credit opportunities, providing investors with meaningful exposure.<sup>1</sup>



## Seeks regular distributions<sup>2</sup>

Targets monthly distributions.<sup>2</sup> Generally, BDCs distribute 90% of income annually and allow for income pass-through with single-layer taxation.



## Efficiency and more transparency

Anticipated quarterly liquidity, monthly subscriptions, 1099 tax reporting, regular valuations and public reporting as an SEC-regulated fund.<sup>3</sup>

<sup>1</sup> The Fund may invest up to 100% of its assets in securities acquired directly from issuers in privately negotiated transactions subject to an initial ramp up period. <sup>2</sup> The Fund expects to pay regular monthly distributions. Any distributions we make will be at the discretion of our Board of Trustees, considering factors such as our earnings, cash flow, capital needs and general financial condition and the requirements of Delaware law. As a result, our distribution rates and payment frequency may vary from time to time. **Distribution payments are not guaranteed, and BlackRock Private Credit Fund may pay distributions from sources other than cash flow from operations, including, without limitation, the sale of assets, borrowings, return of capital or offering proceeds, and advances or the deferral of fees and expense reimbursements, and has no limits on such amounts it may pay from such sources.** <sup>3</sup> The Fund commenced operations on 06/01/22. It is expected that the Fund will offer to repurchase Shares (through written tender offers) on a quarterly basis of up to 5% of the shares outstanding, subject to a portfolio liquidity threshold and at the discretion of the Board. However, there can be no assurance that the Fund will repurchase shares on a quarterly basis or at all. Further, if the Fund repurchases shares, there is no guarantee that shareholders will be able to sell all of the Shares that they desire to sell in any particular quarter. **Shares of the Fund are still considered illiquid and appropriate only for those investors who do not require a liquid investment and who are aware of the risks involved in investing in the Fund.**

## BlackRock's distinctive private credit experience

BlackRock's global credit platform has large, centralized teams focused on sourcing **high quality private credit opportunities** across all market cycles. As a leader in private credit investing with a 23+ year track record, we can identify value in unique and complex transactions where others cannot.

**23+**

years lending to middle market companies

**\$38B**

deployed across 1164 transactions<sup>4</sup>

**822**

deals reviewed in 2023 from multi-channel sources<sup>5</sup>

**6%**

investment selection rate for 2023<sup>5</sup>

Source: BlackRock as of 12/31/2023. The figures shown relate to past performance. Past performance is not a reliable indicator of current or future results and should not be the sole factor of consideration when selecting a product or strategy. The above does not represent an investable portfolio. <sup>4</sup> Reflects Direct Lending transactions funded between June 21, 2000 and September 30, 2023 across multiple funds and accounts managed by Tennenbaum Capital Partners, LLC ("TCP") and investment professionals in BlackRock's U.S. Private Capital group. On 1 August 2018, BlackRock acquired TCP and the TCP investment professionals comprise the majority of the Direct Lending investment team. Certain of the legacy TCP vehicles are dedicated direct lending/performing credit funds and others include both of legacy TCP's core strategies (including special situations). Investments that were initially "Special Situations" investments are not included. Special Situations are: rescue loans, distressed-for-control, deep value, and structured equity investments. <sup>5</sup> Source: BlackRock as of 12/31/23, 822 deals reviewed and 48 deals completed in 2023.

## BlackRock Private Credit Fund – select offering details<sup>1</sup>

<b>Structure</b>	Investment Company Act of 1940 non-traded business development company (BDC)
<b>Term</b>	Continuous offering of our Common shares, evergreen <sup>2</sup>
<b>Investment objective</b>	Target high risk-adjusted returns produced primarily from current income generated by investing primarily in directly-originated, senior-secured corporate debt instruments
<b>Geographic focus</b>	Primarily North America (US and Canada)
<b>Eligible assets</b>	<ul style="list-style-type: none"> <li>• Middle market direct lending</li> <li>• Broadly syndicated loans / high yield bonds</li> </ul>
<b>Potential investment ranges<sup>3</sup></b>	<ul style="list-style-type: none"> <li>• First Lien: 65-75%</li> <li>• Second Lien: 5-15%</li> <li>• Venture Lending: 5-15%</li> <li>• Cash / Semi-liquid loans: 10%</li> </ul>
<b>Leverage</b>	<ul style="list-style-type: none"> <li>• Maximum 2:1 (minimum asset coverage of 150%)</li> <li>• Anticipate up to 1.25x leverage</li> </ul>
<b>Management fee</b>	<ul style="list-style-type: none"> <li>• 1.25% on net assets</li> </ul>
<b>Incentive fee</b>	<ul style="list-style-type: none"> <li>• <b>Ordinary income:</b> 12.5% of net investment income</li> <li>• <b>Capital gains:</b> 12.5% of cumulative net realized gains less net unrealized depreciation</li> <li>• Subject to 5% <u>total return</u> hurdle with a 3-year lookback</li> </ul>
<b>Subscriptions</b>	Monthly <sup>4</sup>
<b>Distributions</b>	Expected monthly at the discretion of the Board of Trustees <sup>5</sup>
<b>Shareholder liquidity</b>	Subject to board approval, we expect to provide quarterly share repurchases of up to 5% of shares outstanding, subject to 2% repurchase fee on shares held for less than one year. The Board of Trustees may amend or suspend these share repurchases if it deems such action to be in the best interest of shareholders <sup>6</sup>
<b>Investor eligibility</b>	Either (1) a net worth of at least \$250,000 or (2) a gross annual income of at least \$70,000 and a net worth of at least \$70,000 <sup>7</sup>
<b>Tax reporting</b>	Form 1099-DIV

<sup>1</sup> Certain terms of the Fund are highlighted above. This summary is qualified in its entirety by the more detailed information contained in the Fund's prospectus, as applicable, and related documentation, all of which should be reviewed carefully and contain additional terms to those included in this summary. These terms are subject to change. <sup>2</sup> A continuously offered closed-end fund is a type of fund permitted to offer an unlimited number of shares and sell them on a continuous basis. However, shares are not redeemable upon request by the shareholder on a daily basis. Instead, shares can only be sold periodically on stated repurchase dates, generally every three, six, or twelve months, as disclosed in the fund's prospectus. <sup>3</sup> Please note that the Fund will not have any maximum defined allocation range for asset strategy, asset class or geography. The Fund has no requirements at any point in time to be at, or above, 90% in private credit. The proposed target allocation strategy and target depend upon a variety of factors, including prevailing market conditions and investment availability. BlackRock intends to implement the target allocation, however no guarantee is given that the target allocation ranges will be met. The actual portfolio composition may significantly differ from the figures shown above. See the prospectus for a complete discussion of the Fund's investment strategies and risks. Currently anticipated long-term allocations, following an initial ramp-up period. <sup>4</sup> Subscriptions for our Common Shares must be received in good order by the Fund at least 5 business days prior to the first business day of the month. <sup>5</sup> The Fund expects to pay regular monthly distributions. Any distributions we make will be at the discretion of our Board of Trustees, considering factors such as our earnings, cash flow, capital needs and general financial condition and the requirements of Delaware law. As a result, our distribution rates and payment frequency may vary from time to time. **Distribution payments are not guaranteed, and BlackRock Private Credit Fund may pay distributions from sources other than cash flow from operations, including, without limitation, the sale of assets, borrowings, return of capital or offering proceeds, and advances or the deferral of fees and expense reimbursements, and has no limits on such amounts it may pay from such sources.** <sup>6</sup> The Fund commenced operations on 06/01/22. It is expected that the Fund will offer to repurchase Shares (through written tender offers) on a quarterly basis of up to 5% of the shares outstanding, subject to a portfolio liquidity threshold and subject to the discretion of the Board. However, there can be no assurance that the Fund will repurchase shares on a quarterly basis or at all. Further, if the Fund repurchases shares, there is no guarantee that shareholders will be able to sell all of the Shares that they desire to sell in any particular quarter. Therefore, Shares of the Fund are appropriate only for those investors who do not require a liquid investment and who are aware of the risks involved in investing in the Fund. <sup>7</sup> Additional eligibility requirements may apply to investors in certain states.

## Important Notes

**Investors should consider the Fund's investment objective, risks, charges and expenses carefully before investing. This and other information about the Fund can be found in the Fund's current prospectus (the "Prospectus"). The Prospectus should be read carefully before investing. Copies of the Fund's prospectus may be obtained on the SEC EDGAR website.**

The Fund's investment program entails risk. There can be no assurance that the investment objective of the Fund will be achieved or that its investment program will be successful.

Capitalized terms used but not defined herein have the meanings ascribed to them in the Prospectus.

Investing involves risks, including possible loss of principal.

An investment in the Fund involves a high degree of risk and should be considered speculative. You could lose some or all of your investment.

**There can be no assurance that the Fund's investment objective will be achieved or that the Fund's investment program will be successful.**

International investing involves risks, including risks related to foreign currency, limited liquidity, less government regulation, and the possibility of substantial volatility due to adverse political, economic or other developments. These risks are often heightened for investments in emerging/developing markets or smaller capital markets

The information provided here is neither tax nor legal advice. Investors should speak to their tax professional for specific information regarding their tax situation. Investment involves risk including possible loss of principal. The Fund does not intend to list its shares on any securities exchange, and the Fund does not expect any secondary market to develop for the shares.

The Fund is designed for long-term investors and an investment in the shares should be considered illiquid. Investors should consider their investment goals, time horizons and risk tolerance before investing in the Fund.

While the amount of the Fund's net assets allocated to private investments may vary over time, under normal circumstances "Advisor") anticipates allocating at least 80% of the Fund's total assets (net assets plus borrowings for investment purposes) to these types of investments. See "Risk Factors –Our investments in prospective portfolio companies may be risky, and we could lose all or part of our investment –Private Investments Risk", and "Risk Factors –As required by the 1940 Act, a significant portion of our investment portfolio is and will be recorded at fair value as determined in good faith and, as a result, there is and will be uncertainty as to the value of our portfolio investments" and "Determination of Net Asset Value" in the prospectus.

Distribution payments are not guaranteed, and BlackRock Private Credit Fund may pay distributions from sources other than cash flow from operations, including, without limitation, the sale of assets, borrowings, return of capital or offering proceeds, and advances or the deferral of fees and expense reimbursements, and that BlackRock Private Credit Fund has no limits on such amounts it may pay from such sources.

Neither the Securities and Exchange Commission nor any state securities regulator has approved or disapproved of these securities or determined if the Fund's prospectus is truthful or complete. Any representation to the contrary is a criminal offense. Securities regulators have also not passed upon whether this offering can be sold in compliance with existing or future suitability or conduct standards including the 'Regulation Best Interest' standard to any or all purchasers.

**This document is not an offer to sell securities of the Fund and is not a solicitation of an offer to buy securities of the Fund in any jurisdiction where the offer or sale is not permitted. The offering and sale of securities of the Fund is not authorized in the State of Texas, and this offering is not being marketed for sale to residents of the State of Texas.**

### Risks:

Investing in our Common Shares involves a high degree of risk. You should purchase these securities only if you can afford a complete loss of your investment. See "Risk Factors" in the Fund prospectus. Also consider the following:

- We have no prior operating history and there is no assurance that we will achieve our investment objective.
- This is a "blind pool" offering and thus you will not have the opportunity to evaluate our investments before we make them.
- You should not expect to be able to sell your shares regardless of how we perform.
- You should consider that you may not have access to the money you invest for an extended period of time.
- We do not intend to list our shares on any securities exchange, and we do not expect a secondary market in our shares to develop prior to any listing.

- Because you may be unable to sell your shares, you will be unable to reduce your exposure in any market downturn.
- We intend to implement a share repurchase program, but only a limited number of shares will be eligible for repurchase and repurchases will be subject to available liquidity and other significant restrictions.
- An investment in our Common Shares is not suitable for you if you need access to the money you invest. See “Suitability Standards” and “Share Repurchase Program.”
- We cannot guarantee that we will make distributions, and if we do we may fund such distributions from sources other than cash flow from operations, including, without limitation, the sale of assets, borrowings, return of capital or offering proceeds, and we have no limits on the amounts we may pay from such sources.
- Distributions may also be funded in significant part, directly or indirectly, from temporary waivers or expense reimbursements borne by the Adviser or its affiliates, that may be subject to reimbursement to the Adviser or its affiliates. The repayment of any amounts owed to our affiliates will reduce future distributions to which you would otherwise be entitled.
- We expect to use leverage, which will magnify the potential for loss on amounts invested in us.
- We qualify as an “emerging growth company” as defined in the Jumpstart Our Business Startups Act and we cannot be certain if the reduced disclosure requirements applicable to emerging growth companies will make our Common Shares less attractive to investors.
- We intend to invest in securities that are rated below investment grade by rating agencies or that would be rated below investment grade if they were rated. Below investment grade securities, which are often referred to as “junk,” have predominantly speculative characteristics with respect to the issuer’s capacity to pay interest and repay principal. They may also be illiquid and difficult to value.

The **Cliffwater Direct Lending Index (CDLI)** is an index that assists investors to better understand private credit as an asset class. The CDLI seeks to measure the unlevered, gross of fees performance of U.S. middle market corporate loans, as represented by the underlying assets of Business Development Companies (“BDCs”), including both exchange-traded and unlisted BDCs, subject to certain eligibility criteria. The CDLI is an asset-weighted index that is calculated on a quarterly basis using financial statements and other information contained in the U.S. Securities and Exchange Commission (“SEC”) filings of all eligible BDCs. Eligibility is set as all assets held by BDCs that (1) are regulated by the SEC as a BDC under the Investment Company Act of 1940; (2) have a substantial majority (approximately 75%) of reported total assets represented by direct loans made to corporate borrowers, as categorized by each BDC and subject to Cliffwater’s discretion, and (3) file SEC form 10-Q (or 10-K, as applicable) within 75 (or 90) calendar days following the current Valuation Date. If a BDC meets the eligibility criteria, but has not filed its report on Form 10-K or 10-Q with the SEC at the time the index is reconstituted, asset information from its report will be included in the index at the time of the next reconstitution. This information is derived from sources that are considered reliable, but BlackRock does not guarantee the veracity, currency, completeness or accuracy of this information.

The **Morningstar LSTA Leveraged Loan Index** is a market value-weighted index designed to measure the performance of the US leveraged loan market based upon market weightings, spreads and interest payments.

The **Bloomberg US Corporate High Yield Index** measures the US high yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody’s, Fitch and S&P is Ba1/BB+/BB+ or below. The index is market-value weighted and rebalanced monthly.

**Not FDIC Insured | May Lose Value | No Bank Guarantee**

## Have questions?

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