

# Castlelake Insurance Capabilities

Q2 2025 · Proprietary & Confidential



## Castlelake Overview

Founded in 2005, Castlelake, L.P. is a global alternative investment manager and one of the most tenured pure-play asset-based investors in the world. Today, the Firm manages **~\$25B of assets<sup>1</sup>** across a portfolio that spans 17 private market funds (16 closed-end funds and one evergreen fund), three separately managed account (SMAs) and investments in eight aircraft asset backed debt vehicles.

### EXPERIENCE NAVIGATING MARKET CYCLES

- 20+ Years Investing
- 38% of Senior Professionals Began Career Pre-GFC<sup>2</sup>

### SIGNIFICANT CAPITAL ACTIVITY

- \$52B Capital Invested<sup>3</sup>
- ~1,300 Transactions Completed

### LARGE TEAM WITH GLOBAL PRESENCE

- 225 Employees<sup>4</sup>
- 8 Global Offices (U.S., Europe, Asia & Middle East)

## Investing Strategy

Castlelake focuses its investment activities on the asset-based finance market, which it believes to be both significant in size and vastly underpenetrated by private capital relative to other private credit strategies including corporate direct lending. Within this market, the Firm pursues five primary strategies including: consumer, small and medium enterprises (SMEs), residential, commercial mortgage and aviation.

### CONSUMER & SMEs

- \$15B Capital Invested<sup>3</sup>
- Acquired ~20M Consumer Accounts<sup>5</sup>

### RESIDENTIAL & COMMERCIAL MORTGAGE

- \$15B Capital Invested<sup>3</sup>
- Financed 37,000+ Real Assets Across Europe & U.S.<sup>5</sup>

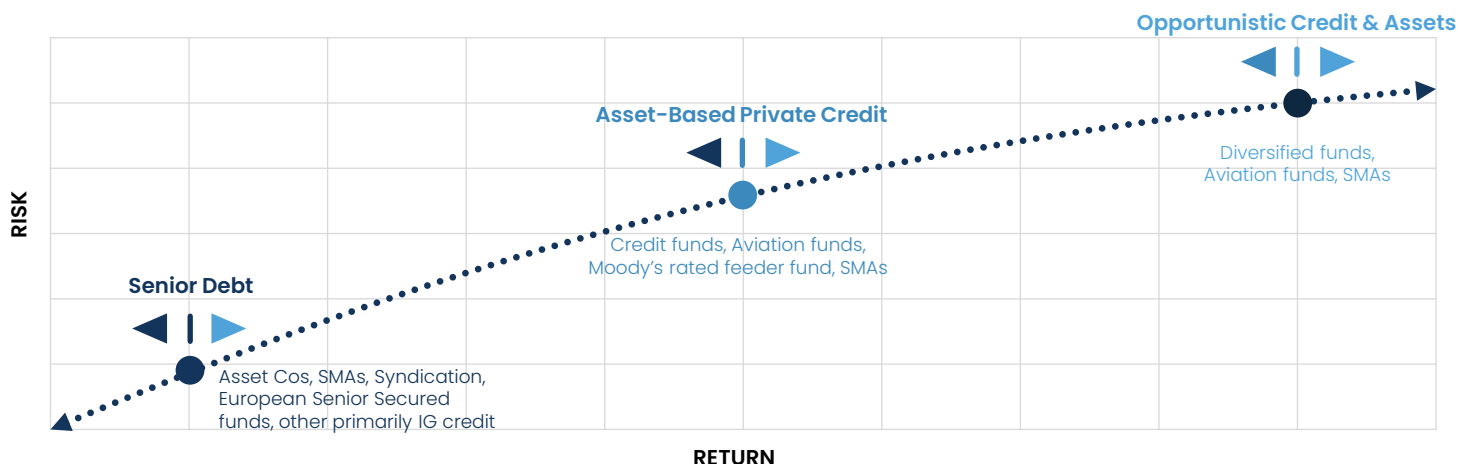
### AVIATION

- \$22B Capital Invested<sup>3</sup>
- Underwrote ~11,000 aircraft<sup>6</sup>

## Investment Objectives & Portfolios

Since its inception, the Firm has strived to innovate, while maintaining an investment objective that is focused on attempting to deliver risk-adjusted returns that are largely non-correlated to other private credit strategies and offer downside protection.

Throughout the Firm's evolution, Castlelake has introduced several types of investment portfolios spanning along the cost of capital spectrum to meet its investors portfolio needs. Today, the Firm offers various portfolios that focus on different risk/return profiles.



## Castlelake's Value Proposition to Insurers

### Broaden Investable Universe

- Asset expertise in large, scalable opportunities with experience in asset structuring and rating products
- Ability to quickly transact at potentially attractive rates of return within diverse sectors

### Enhanced Yield

- Seeks opportunities to originate credit at a potential premium to public alternatives
- Aims to offer issuers differentiated and flexible lending terms which we believe can lead to wider spreads

### Efficient Structure

- Integrated, full-solution financing across warehouse lending to term-out phase
- Customizable mandates for investors' preferred structures, such as rated products

### Improved Allocations

- Investors potentially benefit from increased certainty of product allocations
- Deal flow sourced through non-traditional channels

## Insurance Investor Attachment Points

### RATED FEEDER FUNDS

Rated structure provides exposure to fund investments while aiming to satisfy structural needs of certain regulatory sensitive investors

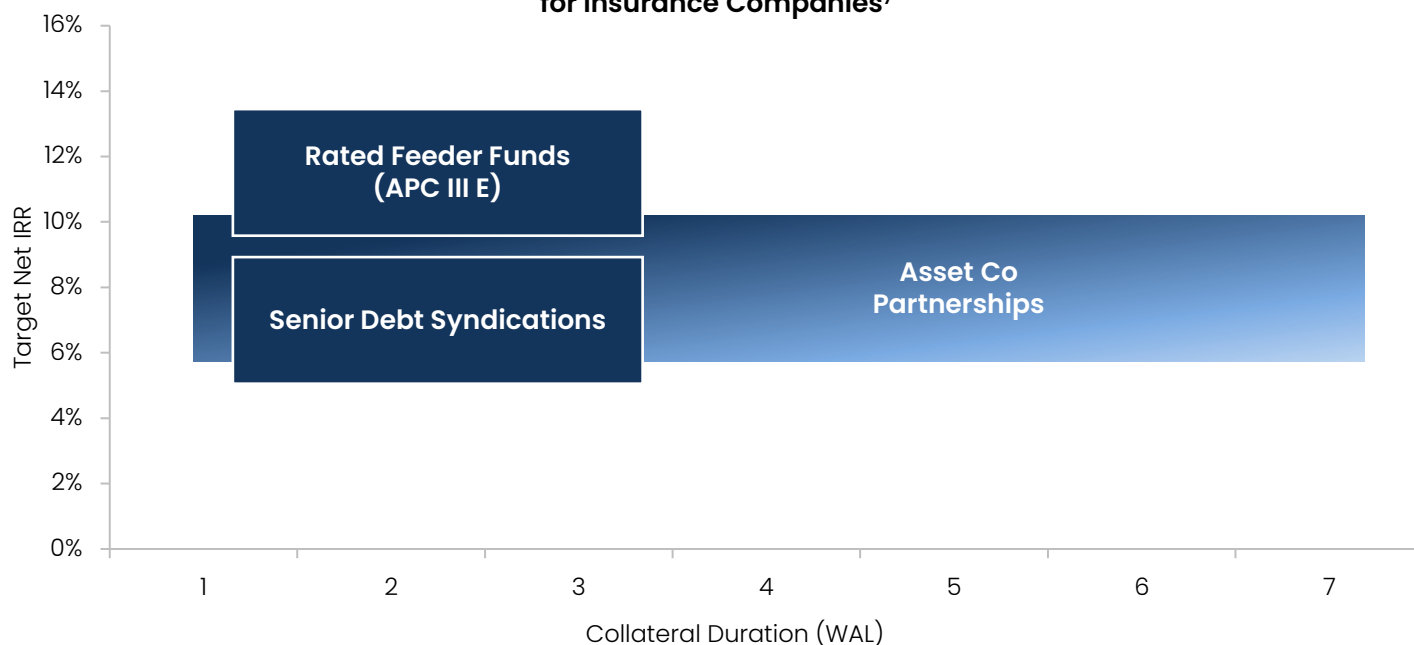
### ASSET CO PARTNERSHIPS

Targeted investment opportunities in single asset-class loan portfolios with a rated capital stack

### SENIOR DEBT SYNDICATIONS

Asset-based senior debt investments featuring structured credit enhancements

### Castlelake Offers a Broad Spectrum of Investment Opportunities for Insurance Companies<sup>7</sup>



## Asset-Based Private Credit (APC) Evergreen Strategy

Castlelake's Asset-Based Private Credit strategy\* was formed to lend against non-bank opportunities in the asset-based finance market and aims to provide unitranche loans that are secured against financial and hard assets with a focus on consumer, SME, residential, commercial mortgage, and aviation/other. The strategy pursues opportunities that, in Castlelake's view, have equity cushion, generate meaningful cashflow and include potential protection from principal impairment through market cycles. Levered unitranche loans and other debt investments backed by financial and hard assets can, in Castlelake's opinion, provide attractive downside protection because the liquidation of those assets creates a minimum floor that can be valued. Additionally, Castlelake believes assets that generate cashflow may enable the strategy to pay down its investment basis more quickly, and potentially reduce risk in the process. Additionally, the strategy targets self-liquidating strategies where Castlelake believes principal return can be covered from cashflow produced by the underlying asset as opposed to a capital markets refinancing. Castlelake believes this is a differentiator from traditional corporate direct lending and key to achieving the diversification benefits of low correlation and low volatility, relative to stock and bond indices, that Castlelake intends to deliver with the strategy.

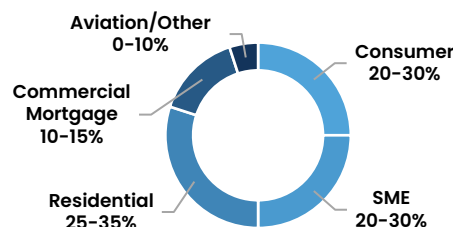
\*In 2023, Castlelake began referring to its existing Income Opportunities fund strategy as its Asset-Based Private Credit fund strategy. This description describes Castlelake's Asset-Based Private Credit strategy as of the date of this presentation.

### Strategy at a Glance<sup>9</sup>

- Diversified asset-based private credit strategy
- Enhanced liquidity with quarterly subscriptions and redemptions
- Option to invest directly in fund or via Moody's rated structure
- Open-ended format offering operational efficiencies gained through optional distribution reinvestment program and reduced re-underwriting demands
- 10 to 12% target net IRR<sup>7</sup>; 7 to 10% target annualized yield<sup>8</sup>
- Target investment duration: 23 to 36 months
- Data room available for prospective investors

### Estimated Portfolio Allocation<sup>9</sup>

Castlelake sees what it believes is an attractive and expanding opportunity set in targeted strategies driven primarily by the retrenchment of traditional bank capital due to regulatory constraints similar to the developments seen in the corporate direct lending markets.



The composition of the portfolio is expected to vary based on the opportunity set and Castlelake's investment views at the time.

## APC Evergreen Rated Feeder Vehicle Summary of Terms<sup>10</sup>

### Investment Objective

The Feeder Vehicle has been formed for the purpose of investing directly as a limited partner in Castlelake Asset-Based Private Credit III Evergreen A, L.P., a Delaware limited partnership. Feeder Vehicle Investors will be limited partners in the Feeder Vehicle and will not be limited partners of the Main Fund.

### Interests: Loans

Each interest will consist of:

- Limited partner interests in the Feeder Vehicle;
- A Baa2 rated Secured loan to be issued by the Feeder Vehicle;
- A Baa3 Unsecured loan to be issued by the Feeder Vehicle; and
- Ba2 Preferred Interests to be issued by the Feeder Vehicle

### Maturity

- Secured and unsecured debt classes: 7 years
- Preferred interests: 50 years

## European Senior Secured (ESS) Strategy

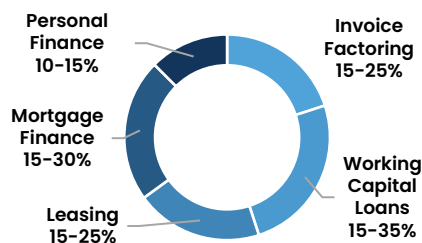
Castlelake developed its European Senior Secured strategy to invest in unlevered, whole loan asset-based credit opportunities. The strategy is focused on investing in opportunities that, in Castlelake's view, generate durable cashflow, are comparatively short duration and include potential protection from principal impairment throughout market cycles. Additionally, Castlelake believes assets that generate cashflow may enable the strategy to amortize its investment basis more quickly, and potentially reduce risk in the process. Castlelake believes this is a differentiator from traditional corporate direct lending and key to achieving the diversification benefits of low correlation and low volatility, relative to stock and bond indices, that Castlelake intends to deliver with the strategy.

### Strategy at a Glance<sup>9</sup>

- Diversified European asset-based private credit strategy
- Gain exposure to hard and financial assets by extending short duration, self-liquidating loans
- Generate compelling risk-adjusted returns with low correlation relative to other private credit strategies
- Quarterly subscriptions and redemptions
- Option to invest directly in fund or via rated feeder structure
- 7 to 9% target net IRR<sup>7</sup>; 6 to 7% target annualized yield<sup>8</sup>
- Target investment duration: 24 to 36 months
- Seeks efficient capital treatment for Solvency II investors
- Data room available for prospective investors

### Estimated Portfolio Allocation<sup>9</sup>

We are seeing an attractive and expanding opportunity set in markets where Castlelake has extensive asset experience, driven primarily by the retrenchment of traditional bank capital due to European regulatory constraints.



The composition of the portfolio is expected to vary based on the opportunity set and Castlelake's investment views at the time.

## ESS Rated Feeder Vehicle Summary of Terms<sup>10</sup>

### Investment Objective

A Feeder Vehicle intended to be formed for the purpose of investing directly as a limited partner in Castlelake European Senior Secured, SCSp, a proposed Luxembourg special limited partnership.

### Interests: Loans

Each interest will consist of:

- Limited partner interests in the Feeder Vehicle;
- An A rated loan to be issued by the Feeder Vehicle;
- a BBB- loan to be issued by the Feeder Vehicle; and
- a B+ loan to be issued by the Feeder Vehicle

### Maturity [Closed-End or Evergreen]

- Closed-End – Turbo to begin at harvest phase with legal final of [12] years
- Evergreen – Soft maturity at year [6] which will be a pre-wired redemption request, legal final of [12] years

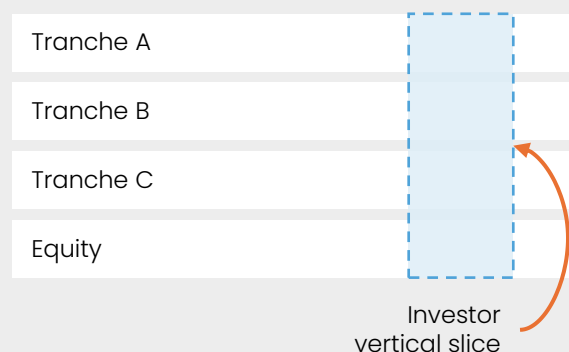
### Currency

Master and Feeder Fund will be denominated in Euros with optionality to swap back to desired currency

## Asset Co Strategy

An Asset Co is an investment vehicle that deploys capital on an unlevered whole loan basis to purchase pools of receivables with a defined investment buy-box consisting of a single type of asset from a single originator. Asset Cos can purchase assets in back book and forward flow format and can be held by a single investor or a small group of investors. Castlelake's in-house Capital Markets Team structures the vehicle in response to investors' regulatory capital preferences, and investors gain exposure to a vertical slice of the structure. Castlelake expects to source assets from a variety of channels, including existing relationships and captive origination platforms.

### Hypothetical Rated Capital Stack



### Asset Co Strategies in Focus

- DSCR
- Subprime Auto
- Student Loans
- Residential Solar
- Aviation Secured Loans
- Near-Prime Credit Cards

### Other Potential Investable Sectors

- Manufactured Housing
- Home Improvement
- Pilot & Trade School Student Loans

## Senior Debt Syndication

We believe Castlelake is positioned to capture the growing opportunity to originate senior risk in the asset-based private credit markets at what we believe is attractive relative value to the public capital markets. Castlelake structured and syndicated 24 transactions totaling over \$6.6B in 2024 and has syndicated approximately \$21.8B since 2020.<sup>11</sup> Castlelake currently has ownership interests in several originators and has relationships with forward flow originators that gives it access to assets that can be financed with structured products. Castlelake believes its capital base and structured credit capabilities and experience would be well suited to address opportunities within several sectors that are underserved.

### Asset-Backed Financing Opportunities<sup>12</sup>

- Equipment Lease
- SME Loan
- Small Balance Commercial
- DSCR Loan
- RTL Loan
- Student Loan
- Aircraft Loan
- Leasing Company Term Loan
- Subprime Auto
- Subprime Unsecured Installment
- Subprime Credit Card
- Near-Prime Credit Card

### Since Inception Investment Activity<sup>13</sup>

**\$33B+**  
Debt Capital  
Raised

**93**  
Syndications

**30**  
Rated  
Transactions

### Our Relationships

**200+**  
Lender Relationships

**40+**  
Banking Relationships

Note: Data is since inception in 2005 through December 31, 2024 and includes aviation investments across all funds and vehicles managed by Castlake, excluding hedge funds and co-investments, unless otherwise noted. Past performance is not necessarily indicative of future results and there can be no assurance that projections or estimates of future performance will be realized.

1. Assets under management ("AUM") means all equity and debt across all private market funds, accounts and vehicles, including ABS, securitization and lending vehicles, managed by Castlake as of December 31, 2024, including uncalled callable capital commitments (including capital for which investors have no obligation to authorize deployment) and holdings of third parties. AUM as used herein is not the equivalent of "regulatory assets under management."
2. As of April 1, 2025, and defined as 2008 or earlier. Represents Castlake PEG and investment professionals classified as senior director-level or above. Includes aviation team members, but excludes contingent workers, fixed-term employees and interns.
3. Capital invested includes debt and equity invested across all private market funds and vehicles managed by Castlake from inception in 2005 to December 31, 2024. Note that certain draw downs and paydowns of debt are held in vehicles where our fund administrator is not administering the books and records for the vehicle. Additionally, debt draw down is comprised of a net monthly change in balance that results in an increase in principal outstanding balance, while debt pay down is comprised of a net monthly change in balance that results in a decrease in principal outstanding balance.
4. As of April 1, 2025.
5. Reflects Castlake's investment activity as of September 30, 2024.
6. Castlake estimate as of September 30, 2024.
7. Target returns and targeted investment/portfolio characteristics are aspirational and presented solely to provide insight into investment objectives and the anticipated risk profile of the applicable strategies, and are subject to significant limitations. There can be no assurance that Target Net IRRs or targeted investment/portfolio characteristics will be met or that Castlake will be successful in finding investment opportunities for the Fund in order to achieve the Target Net IRR or meet these anticipated characteristics. Castlake is not constrained by these parameters when making investments. Actual investments will be subject to market conditions that could have material impact on performance and possibly result in a significant decline in portfolio value. Due to the nature of target returns, there are no assumptions or criteria used in the calculation of target returns.
8. Targeted distributions paid quarterly. Target yields are aspirational and presented solely to provide insight into the funds' investment objectives and the anticipated risk profile of the fund's strategy, and are subject to significant limitations and are not guarantees of any particular outcome.
9. Portfolio construction described is a hypothetical portfolio and not an actual portfolio. No assurance is given that the strategy's actual portfolio will be constructed to the parameters outlined. Actual portfolio construction is likely to deviate materially from the percentages listed.
10. All terms and conditions contained herein are subject to and will be superseded by the final private placement memorandum, limited partner agreement (as amended, restated and/or supplemented from time to time and subscription agreement).
11. Represents the total volume of capital syndicated by Castlake's Capital Markets team to third parties as well as discretionary SMAs between January 1, 2020 and December 31, 2024.
12. The pipeline opportunities represent a reasonable estimate by Castlake management using currently-available information, judgments and assumptions believed to be reasonable in the circumstances. This information is being provided for discussion purposes and actual events or conditions may differ materially.
13. Values shown include debt capital raised across each of Castlake's investment strategies (Real Assets, Specialty Finance, and Aviation) by year from 2014 through December 2024. Values shown include debt capital raised for investments across each of Castlake's strategies as well as external debt financing for Castlake's corporate leasing company, Castlake Aviation Limited ("CA").

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This Presentation has been prepared for information purposes only and does not constitute an offer to sell or a solicitation of an offer to buy any security, investment product, or service. Offers to sell, and solicitations of offers to buy, the securities issued by Castlake Funds (as defined below) will be made exclusively by a private fund's offering materials relating to such securities. The securities issued by any Castlake Fund have not been approved or disapproved by the securities regulatory authority of any state or by the U.S. Securities and Exchange Commission (the "SEC"), or by any regulator outside the United States. Any representation to the contrary is unlawful. No securities of any Castlake Fund will be, nor have been, registered under the U.S. Securities Act of 1933, as amended, the securities laws of any state of the United States or the securities laws of any other jurisdiction, nor is such registration contemplated. No sale of Castlake Fund interests will be made in any jurisdiction in which the offer, solicitation, or sale is not authorized or to any person to whom it is unlawful to make the offer, solicitation or sale. No Castlake Fund will be registered as an investment company under the U.S. Investment Company Act of 1940, as amended, and consequently the investors therein will not be afforded the protections thereof. Potential investors are required to inform themselves of, and to observe, any legal restrictions on their involvement in the offering. Further, this Presentation has not been approved by the SEC, the Financial Industry Regulatory Authority, the Commodity Futures Trading Commission or any other regulatory authority or securities commission in the United States or elsewhere. This Presentation contains opinions, which are expressed as of the date recorded and may change as subsequent conditions vary.

This Presentation contains only a high-level summary and does not contain all material information pertinent to an investment decision. This Presentation is not intended to be used as the primary basis for investment decisions, nor should it be construed as advice designed to meet the needs of an individual investor. Each recipient of this Presentation should conduct its own inquiries as to the adequacy, accuracy or completeness and reliability of any information, whether such information is contained in this Presentation or not, and should consult its own attorney, business adviser and tax adviser as to legal, business, tax and related matters concerning the information contained herein and to the advisability of any investment in any Castlake investment strategy, such as a particular investor's investment objectives or tolerance for risk. Nothing herein is intended to constitute legal, tax or investment advice from Castlake nor should the contents of this Presentation be construed as such. Castlake shall not have any liability to the recipient, the recipient's affiliates or to any of the recipient's, its affiliates or their respective representatives relating to or resulting from the recipient's use or consideration of this Presentation or any errors or inaccuracies therein or omissions therefrom. Furthermore, the recipient should not rely (and should not claim reliance) upon any representations made (whether oral or written) by Castlake or a relevant investment vehicle in connection with the recipient's investigation of the accuracy of the information contained herein or in making the recipient's investment decision, other than as provided in the disclosure documentation.

Certain information contained in this Presentation is not purely historical in nature but constitutes "forward-looking statements," which can be identified by the use of forward-looking terminology such as "may," "will," "should," "expect," "anticipate," "target," "project," "estimate," "intend," "continue" or "believe," or the negatives thereof or other variations thereon or comparable terminology. These statements may include, among other things, projections, forecasts, estimates, view on the economy or markets, and specific trade ideas and investment strategies. These forward-looking statements are based upon certain assumptions and are necessarily speculative in nature. The assumptions upon which forward-looking statements are based may not be stated in this Presentation. Due to various risks and uncertainties, actual events or results or the actual performance of the relevant Castlake Fund may differ materially from those reflected or contemplated in such forward-looking statements. All forward-looking statements included are based on certain information available to Castlake on the date of this letter and are subject to change without notice. Castlake does not assume any duty to update any forward-looking statement. Investors in the relevant Castlake Fund should not rely on these forward-looking statements in deciding whether to invest in such fund. All statements, including forward-looking statements and discussions of the business environment and investment strategy of Castlake and the Castlake Funds included herein, are subject to the impact of the ongoing COVID-19 outbreak, which may substantially and adversely impact Castlake's or the Castlake Funds' execution of their investment strategies and which has introduced a number of known and unknown risks and uncertainties into the business of Castlake and the Castlake Funds. Nothing contained herein is, or shall be relied upon as, a promise or representation as to the past or future.

Information presented in relation to performance, track record and examples of prior investment strategy includes only the Income Funds and generally does not reflect the entire performance, track record and prior investment strategy of Castlake, which specifically excludes (i) all other Castlake Funds and funds and vehicles not deemed to be private markets funds in Castlake's income opportunities strategy and (ii) certain co-investment vehicles; provided that further information with respect to those strategies may be made available upon request. The past performance of investments with which Castlake's team members were involved is not necessarily indicative of Castlake's future results. While the investment professionals of Castlake have previous experience making and managing investments at their predecessor firms, the investment strategies employed by Castlake may differ from previous investments made by such personnel. Information contained herein regarding investments made and/or managed by one or more investment professionals of Castlake is provided to illustrate the nature of such investments and the related investment strategy and process with respect to investments of the type to be made in a Castlake managed investment strategy. In certain cases, other professionals and/or affiliates or other individuals had substantial involvement in, and made substantial contributions to, certain prior investments. Certain of such professionals, affiliates and individuals will not be involved in managing the investment strategies or their investments.

References to targeted or expected characteristics of investments, portfolios or strategies are also provided as indicators of Castlake's objectives, anticipated risk profiles of each product line and as to how Castlake intends to manage the Castlake Funds and are not intended to be viewed as indicators of likely performance returns to investors. There can be no assurances that these characteristics will be met or that Castlake will be successful in finding investment opportunities that meet these anticipated parameters. Investments are expected to generally meet these characteristics, but investments are not solely constrained to these characteristics. In addition, descriptions of investment pipelines or indicative transactions are provided as an illustration of certain characteristics of the marketplace in which Castlake has investing experience and in which Castlake currently anticipates that it may have an opportunity to deploy capital. There can be no assurance these descriptions of investment pipelines or indicative transactions will prove accurate or that anticipated investment opportunities will indeed be available. Further, there can be no assurance any investment pipeline or indicative transaction opportunities will be consummated nor that any such investment will result in positive returns.

Net IRR for a Castlake Fund refers to the aggregate, annual, compound, internal rate of return on contributed capital, calculated after payment of management fees, partnership expenses, carried interest and other fees and expenses. Net IRR is computed based on the dates of the deemed inflows (capital contributions), outflows (distributions) and the ending limited partners' capital as of the date noted, which reflects the deduction for management fees, carried interest and other fees and expenses. Net IRR is presented from the applicable Castlake Fund's initial capital contribution date, assuming dispositions as of the date noted, of assets at fair value. An individual limited partner's Net IRR may vary based on the timing of capital contributions and distributions. Net IRRs are reflected on a net basis and reflect the deduction of management fees, partnership expenses, carried interest and other fees and expenses borne by investors. In light of different management fee or carried interest rates applicable to certain affiliated investors in certain of the Castlake Funds, net returns assume a blended average management fee and/or carried interest for each such Castlake Fund, thereby taking into account the overall management fees and carried interest paid and anticipated to be paid in respect of such Castlake Fund. In addition, cash inflows and outflows attributable to Bridge Financings (as defined in the Offering Materials) are excluded from the waterfall calculation in the limited partnership agreements for certain Castlake Funds to the extent that such bridge capital has been returned; as such, cash inflows and outflows attributable to Bridge Financings are excluded from the performance data to the extent that such bridge capital has been returned. Accordingly, investors in any individual Castlake Fund may experience different returns than the aggregated returns presented for such Castlake Fund given the foregoing factors.

Gross IRR for each investment is calculated using the cashflows from such investment from the date of investment (as opposed to the date of capital contributions made by an investor in respect of such investment) through (x) with respect to any unrealized portion of such investment, as of the date noted, or (y) with respect to any realized portion of such investment, the date of realization, and therefore, does not reflect actual cashflows to and from limited partners. The Gross IRR calculations include the unrealized value associated with these investments. There can be no assurance that any unrealized investment will be realized at its unrealized value or at a value comparable thereto. Gross IRRs for investments are also referred to herein as Investment IRRs and Gross Investment IRRs. Whether for an investment or a Castlake Fund, the Gross IRRs are reflected on a gross basis and do not reflect deductions for management fees, carried interest and other fees and expenses borne by investors, which are substantial. In addition to the above, gross Target IRR calculations include the unrealized value associated with the applicable investments. There can be no assurance that any unrealized investment will be realized at its unrealized value or at a value comparable thereto.

"Assets under management" or "AUM" refers to the assets that Castlake manages or advises and is not the equivalent of "regulatory assets under management". Our AUM generally equals the sum of the following:

- a. the aggregate net asset value of the Castlake Funds and separately managed accounts and related vehicles, plus the capital that Castlake is entitled to call (including capital over which Castlake has limited discretion and for certain of which such investors have no requirement to authorize deployment) from investors in those funds and vehicles (including Castlake's commitments to those funds and vehicles and those of Castlake partners, professionals and employees) pursuant to the terms of their capital commitments to those funds and vehicles;
- b. the aggregate net asset value of third-party equity held in co-investment and similar structures and the fair value of, asset-backed structures, securitization, and lending vehicles; and
- c. the aggregate amount of outstanding external debt held in asset-backed structures, securitization, and lending vehicles.