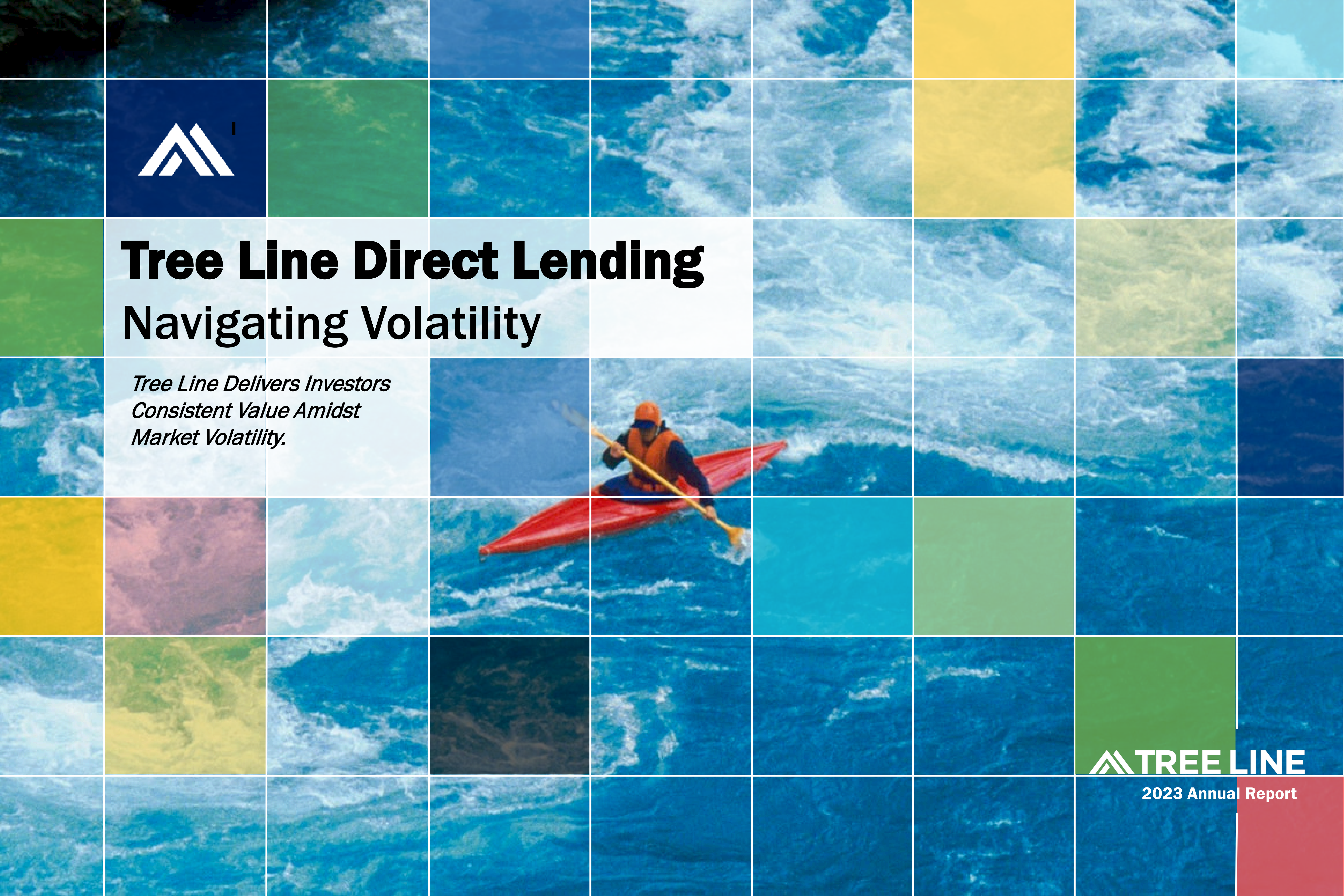


Tree Line Direct Lending

Navigating Volatility

Tree Line Delivers Investors Consistent Value Amidst Market Volatility.

TREE LINE

2023 Annual Report

Our Platform

Relationships Matter.

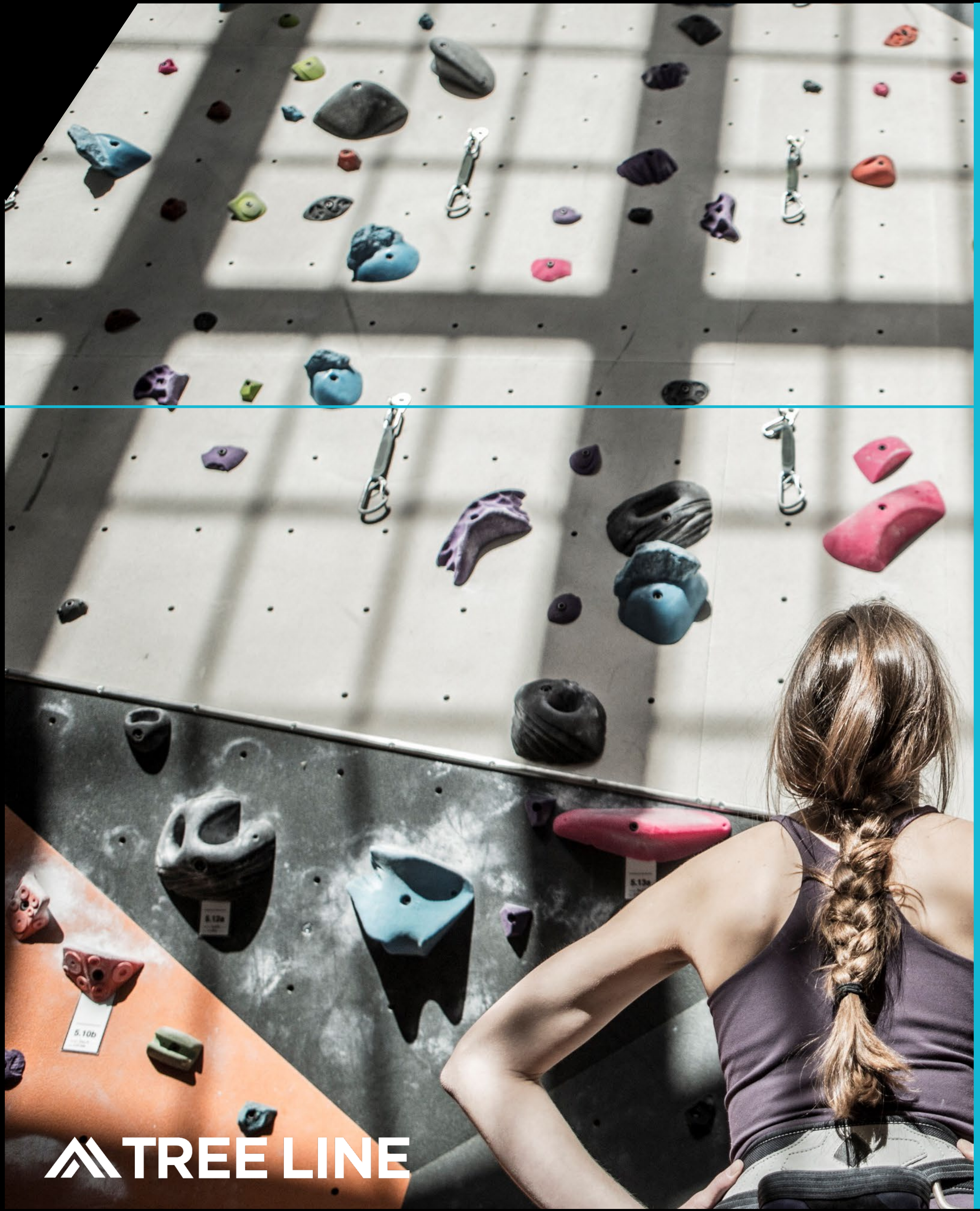
Tree Line has built its platform on relationships. Our team works closely with our investors, sponsors, borrowers and partners to ensure we are delivering the full value of our platform. The combination of our relationships and performance gives us an edge in today's market.

$2.6B
Assets Under Management

$4.2B
Issued Commitments

74
Unique Sponsors Financed

87%
Agent or Lead Lender



Delivering Value

Setting a Direct Lending Strategy that Outperforms.

Tree Line has taken a data-driven approach to its portfolio construction emphasizing credit themes that have proven to consistently outperform in the face of economic volatility. Our daily work aims to deliver investors a stable return in all phases of a cycle.

100%
Maintenance Covenant Packages

98%
Senior Secured Loans

3.8x
Weighted Average Net Leverage[13]

Zero
Payment Defaults Since Start of COVID Pandemic

92%
Sponsor-Owned Borrowers

1.8x
Current Weighted Avg. Fixed Charge Coverage[14]

1
Realized Loss Since Inception

Our Impact ***by the Numbers***

$450K

Direct Charitable Contributions to Non-Profit Organizations

PRI Principles for Responsible Investment

Tree Line became a signatory in October 2020

7

Vetted Non-Profit Partners

1% FOR THE PLANET — MEMBER —

UPWARD BOUND TRIO

PROTECT OUR WINTERS POW

LOS PADRES FORESTWATCH

WILDCOAST COSTASALVAJE

ADVENTURE SCIENTISTS EXPLORE. COLLECT. PROTECT.

COMPASS FAMILY SERVICES Housing. Support. Hope.

Committed to Change

Tree Line has committed to responsible investing by making our ESG Policy an integral part of the investment screening process. We are a signatory to Principles for Responsible Investment and maintain an "avoid harm" approach in our portfolio construction. We have built direct relationships with seven non-profit partners, including 1% for the Planet, and make annual contributions that drive change in our global environment and local communities.

TREE LINE

Please review pages 23 and 24 for important footnotes and disclosures.

In this Year’s Issue

2023 Annual Investor Letter
(p.6-10)

Macro Backdrop
(p.11-15)

Private Debt’s Moment
(p.16-18)

Tree Line’s Resilience
(p.19-22)

Footnotes and Disclosures
(p.23-24)

Investor Letter

June 2023

To our investors,

We look forward to writing this letter each year as it provides us with an opportunity to update those who support us most on the continued growth, development and success of our platform. Over the past 12 months, as global markets delivered volatility and uncertainty, Tree Line delivered its investors access to a stable, consistent and durable strategy that outperformed the broader market. Our success can be measured in the growth of our assets under management, institutional relationships, sponsor relationships, portfolio and team. Tree Line delivered its ninth consecutive year of growth to reach $2.6 billion in assets under management across nine direct lending funds.

Most importantly, our funds are highly diversified, highly performing and maintain stable valuations. On the strength of our consistent performance and addressing the demand for our product and strategy, we are excited to be currently working to establish our 10th, 11th and 12th direct lending funds this year with our second SBIC fund, Tree Line Direct Lending IV and a new separately managed account. 2023 may ultimately be defined as a year of economic uncertainty, but Tree Line continues to expand and build its platform while operating at its strongest point since inception.

At the core of what we do, Tree Line targets the lower middle-market to directly originate, underwrite and manage senior secured loan portfolios where company size and credit structure intersect at the highest risk adjusted return. In high growth markets, risk adjusted return can be overlooked and undervalued in allocation decisions. However, in volatile markets, like we've endured over the past several years, it becomes clear which strategies, market segments and managers perform best. This data is incredibly valuable, and we believe it can be a tool to help shape allocation decisions going forward.

It's our view that senior secured debt should play a stabilizing role within a portfolio. It should deliver consistent current return with a very low correlation to public market volatility.

Tree Line's track record of investing over $4.2 billion to 125 borrowers with only one realized loss since inception demonstrates the consistent performance we deliver to investors.

While the short-term economic outlook may remain uncertain, we remain optimistic about the growth in the lower middle-market. A market segment that has seen significant infrastructure built over the past decade with over $300 billion in assets raised in funds of less than $1 billion since 2019 with record levels of dry powder on hand. It is this large and growing market segment that allows us to be highly selective, consistent and obtain superior credit terms, when measured by yield, leverage and covenants.

The market segment that a lender focuses on will largely dictate the structure that it invests in. Upper middle-market lenders simply cannot build portfolios at leverage below 4.0x[13] (or even 5.0x for that matter) and obtain financial covenants.

Tree Line has specifically targeted the lower middle-market for several reasons.

Large & Growing Market

The lower middle-market has attracted hundreds of billions in private equity capital in recent years creating a large and diverse addressable market.

Favorable Yield & Structure

Senior secured debt opportunities in the lower middle-market present opportunities to capture higher yields in conservative credit structures.

Relationship Value

The competitive lender landscape is diverse and fragmented with no one lender or group of lenders able to move the market (i.e. product is not a commodity).

Tree Line continues to evolve, and our growth propels our ability to further develop our funds and products. We want investors to be able to access our core competency in a structure and form suitable for their needs. Whether that is through a levered or unlevered fund, onshore or offshore, call & return or evergreen, we have established a variety of fund products to meet investors' needs.

Investor Letter

A Lender's Market

As we entered the fourth quarter of 2022, it became clear we were operating in a lender's market which has been only reinforced by a continued rise in rates, tightening credit standards and regional bank fallout.

> ***Today, unlevered cash yields are at recent historical highs having surpassed 12% in Q4 2022 and inching higher in 2023.***

When these yields are coupled with reduced leverage levels, full covenants and strong legal documentation, it creates a unique and compelling vintage for investors. We're seeing our funds perform at the high end of targeted ranges and in some cases above the range. M&A volume was down 41% in 2022 compared to 2021, but the market continues to offer steady and high-quality deal flow.

The current market environment is the result of various unforeseen events, including a global pandemic, record levels of stimulus, record M&A volume, historic inflation, an aggressive campaign to raise interest rates and a shock to the regional banking system. This has led to market volatility across the public debt and equity markets. The S&P 500's one-year chart illustrates this point with many dramatic swings all within a 12-month period.

Yield and Structure

In our direct lending market segment, we have experienced favorable movement in both yield and structure. Yields have risen dramatically with a 3-month SOFR rate above 5.0%, an average spread of 6.75% and closing fees ranging between 2.0% and 3.0%. This has created an opportunity to invest in senior secured debt and receive an unlevered cash yield of 12% and higher.

At the peak of the cycle, we had found the most value in companies with less than $15 million of EBITDA poised to grow through acquisition. This is where we have historically built senior secured portfolios with less than 4.0x leverage[13], full covenants and high fixed charge coverages[14], all delivering material cushion in the event economic challenges surface. In the current market environment, however, we have seen larger companies with between $20 and $30 million of EBITDA satisfy our yield and structure targets presenting opportunities to capture an unlevered cash yield of 12% in larger companies. Tree Line's broad relationship coverage has allowed us to capture some of these opportunities and layer them into our portfolio. A great example of the reach we have into the market is an ability to capture attractive risk adjusted return when markets shift.

The regional bank fallout continues to play out in real-time, and although many regional banks seem to have stabilized at this point, there is still immense pressure on deposits and a perception that taking a loan from a regional bank presents elevated risk. This is a tailwind for Tree Line. The first boom for private credit followed the Great Financial Crisis which accelerated bank consolidation and closure. The recent fallout has already resulted in the 17th, 23rd and 37th largest banks in the U.S. close or consolidate. Tree Line is in position to capture the opportunity to fill in further for banks as deposits shuffle up to money-center banks or move to high yield accounts. This will place real pressure on commercial & industrial loan portfolios and Tree Line's institutionally backed platform will resonate with sponsors seeking stability to execute growth plans. That said, we have tremendous banking partners across our platform and continue to prioritize ways we can work together.

It is unclear what will lie ahead but what is clear is we are underwriting and investing in attractive senior secured debt opportunities today. Our portfolio construction benefits from discipline taken at the peak of the market so on a total basis, considering our portfolio is 100% floating rate, we are well positioned to deliver investors compelling and durable returns.

$849M

LTM New Loan Commitments
PF 2Q23

$2.1B

Portfolio Fair Market Value

Portfolio *PF 2Q23*

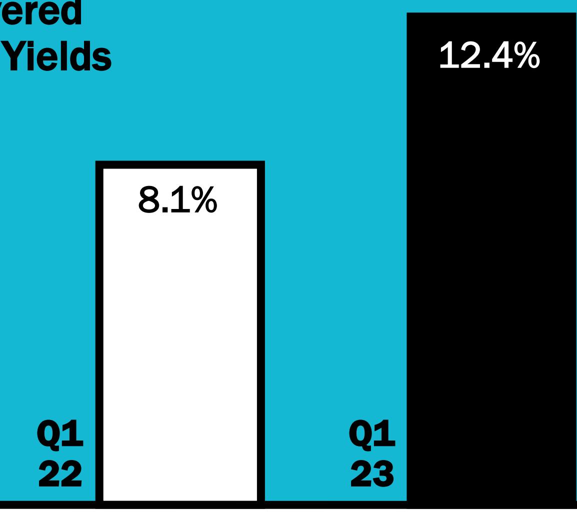
3.8x
Weighted Average Net Leverage[13]

100%
Maintenance Covenant Packages

98%
Senior Secured Loans

92%
Sponsor-Owned Borrowers

Unlevered Cash Yields



Investor Letter

A Stress Tested Strategy

At Tree Line, our daily focus is to deliver our investors attractive current return in durable senior secured portfolios. Senior secured, low leverage, full covenant, sponsor-backed companies in cycle-durable sectors are the core pillars of our investment strategy.

> ***Our entire strategy and portfolio construction philosophy is built on a stress test.***

On average, we lend to companies with valuations of 2.0x or greater than the amount of the debt that we provide resulting in loan-to-values of less than 50%. As a result, our borrowers can withstand a 25-50% decline in cash flow prior to not being able to service debt. We embed covenants in our structures to ensure action can be taken well in advance of a payment default. When markets shift in the face of economic challenge, Tree Line is poised and prepared because of the work we do on a daily basis.

In 2020, as the pandemic impacted global markets, Tree Line delivered consistent and strong performance. Whether measuring Total Return, portfolio valuation, default rates or losses, Tree Line meaningfully outperformed the broader market. The outperformance can be attributed to structure - senior secured, sponsor backed loans with low leverage, full covenants and high free cash flow.

In 2022, inflation set off the Fed's campaign to dramatically increase interest rates. Base rates increased from 29 bps from Q1 2022 to 5.06% in Q2 2023. This rise in interest has placed pressure on a company's ability to service debt. This is the number one question we receive in today's environment. "Are your portfolio companies capable of servicing debt at these interest rate levels?" Tree Line's portfolio is advantaged through its focus on combining low leverage[13] with companies generating high levels of free cash. In Q1 2022, fixed charge coverage (a measure of a company's ability to service debt) was 2.4x and in Q1 2023, fixed charge coverage is 1.8x[14].

Interest rates have certainly reduced fixed charge coverage, but Tree Line started from a position of strength. Not only is Tree Line's portfolio in a strong position to service debt, but it is also capturing significantly higher return for investors with limited risk of default or loss. This is yet another unique example of outperformance in a volatile period of time.

Our data-driven approach will continue to refine and improve our underwriting. As we collect more data across thousands of transactions that we source at Tree Line and tens of thousands of transactions in public BDC filings, we are able to draw conclusions that lead us to limit or eliminate risk in structures and sectors that present a higher likelihood of default or loss. Our strategy was built on delivering investors access to a historically proven and consistent investment approach and it becomes stronger with every market cycle and test we go through.

Portfolio *Performance*[30]

As of 12/31/2022	1 Year	3 Year	5 Year

REDACTED FOR WEBSITE USE

Portfolio *Construction & Resilience*

- ✓ Senior Secured Focus
- ✓ Significant Cash Equity Cushions
- ✓ Sensible Loan Structuring
- ✓ Cycle-tested Borrowers

1.8x

Current Weighted Avg. Fixed Charge Coverage[14]

Zero

Payment Defaults Since Start of COVID Pandemic

A Partnership Approach to Winning Long-term

Looking back on the success Tree Line has had over the past nine years, it always starts with a relationship. The limited partner relationships we've built have led to multiple investments across our platform. The sponsor relationships we've built have led to repeat deal flow and partnering on buy & build strategies. The co-borrower relationships we've built have led to collaboration to capture opportunity or solve challenges. The relationships developed among the Tree Line team have resulted in a cohesive culture across our national footprint. The continued focus on long-term relationships has enabled Tree Line to consistently grow our platform for nine consecutive years since inception and deliver exceptional results.

Tree Line's brand across the private credit market is incredibly strong and consistent. We have taken pride in setting a standard so each experience with our firm is highly consistent. This has led to retention with our investors, retention with our sponsors and retention within our team. The experience our investors, sponsors and borrowers have working with us is something we value greatly. It is for this reason we see our growth in a position to accelerate as we head into our second decade of performance.

500bps

Cumulative Increase in Fed Funds Rate Since March 2022

Tree Line Total Return is calculated by the sum of [Gross Investment Income plus (minus) realized gains/(losses) plus (minus)unrealized gains/(losses)] divided by the Average Amortized Cost of Portfolio. Past performance is not a guarantee or indicator of future results. Please note that returns are annualized. The calculations of returns assumes reinvestment of interest income. Indices are unmanaged and do not incur fees. It is not possible to invest directly in an index. Please review pages 38 and 39 for important footnotes and disclosures. Confidential. Do not distribute.

Investor Letter

Sustainable Growth.

Built on Trust.

125
Unique Borrowers Financed

74
Unique Sponsor Equity Partners Financed

32
New Sponsors Financed (Since 2021)

53%
Repeat Deal Flow

169
Add-On Acquisitions Financed

87%
Agent or Lead Lender

Relationship Growth

Our institutional investors have grown their initial equity commitments from over $500 million to $1.8 billion. This represents a 3.4x increase as a result of strong and consistent performance. This has involved significant follow-on support from every single institutional investor that has had the opportunity to re-up on the Tree Line platform. We've seen the number of unique sponsors that we've financed accelerate in recent years. We've closed deals with 74 unique sponsors and have added 31 new sponsors since the start of 2021. We have completed 290 transactions across 125 unique borrowers demonstrating the tremendous impact we can have on lower middle-market borrowers seeking to grow into the middle-market. Tree Line is a highly compelling financing solution that can drive a company into the next phase of its growth enabling management teams to focus on executing their business plan while Tree Line provides a customized financing solution.

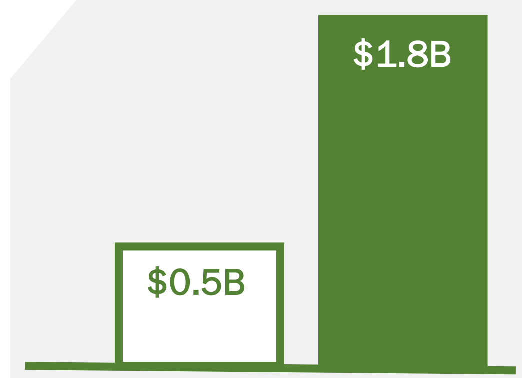
In February of this year, we completed our third annual Ascend Report which examines activity in the lower middle-market. We leverage our deep relationships in the financial sponsor community to gain insights on current investment strategies, themes and market views. This year, we surveyed over 80 private equity firms which produced highly valuable insights. Most importantly, it keeps us focused on our key client relationships in changing economic times and conditions. We want to ensure our products match our sponsor's needs.

We continue to see sponsors place significant focus on buy & build strategies where platform companies are targeted in the lower middle-market and driven through acquisitions into the middle-market capturing enterprise value multiple expansion. In 2022, 53 of our 78 transactions were add-on acquisitions. It is highly valuable to invest further with existing borrowers where we have an information advantage through our initial underwriting work and on-going account management work. We want to ensure there is a complete financing plan to bridge a company's growth from the lower middle-market to the middle-market.

In 2022, to ensure we maximize our lending relationships with sponsors and borrowers, we established a FINRA registered broker dealer, Tree Line Capital Markets, LLC. This facilitates Tree Line delivering financing solutions beyond what our funds can hold. It demonstrates to the sponsor and borrower we have the necessary resources and infrastructure to play an integral capital markets role for their company. This has been a success story for Tree Line over the last 12-months as we have closed $228 million in syndications across 12 deals – none of which sacrificed allocations to our existing funds. This allows us to meet the capital need of growing borrowers when our funds are at their limit.

> ***Market dynamics will continually shift; and while we may currently be in a lender's market, we remain a relationship lender.***

Our relationships are built over many years and are extremely valuable to us. We believe this is a cornerstone to the long-term success of a private credit firm and a key driver to our recent growth.



3.4x

Institutional LP Commitment Growth Since Initial Investment

Scaling Our Team
(Promoting D&I)

Tree Line has built a solid foundation over the past nine years that positions our firm to capture significant growth. The commitment and intention we have placed on culture, values and people has been critically important to our success. We have achieved scale with a highly talented and committed team and expect our team to grow in line with the platform. We remain committed to hiring and training our team members to support our long-term growth. As the platform grows this provides professional development and opportunity for existing investment professionals to advance their careers which is a key driver of retention. Additionally, we hire and develop our own talent which creates long-term value for professionals to advance and contribute at a higher level over time.

Our operations are supported by a dedicated team that directly manage and service our funds and platform. To ensure Tree Line can continue to solve for scale, we partner with best-in-class service providers to support our efforts and growth. A recent example of this is the partnership we established with Alter Domus. Alter Domus, is a middle-market loan servicing platform that can serve as sub-agent on the loans where we act as Administrative Agent.

> ***Since our inception in 2014, we have been Administrative Agent or Lead Lender on 87% of the $4.2 billion in loan commitments closed.***

It is important for Tree Line to be a face to this relationship and work directly with our borrowers, but the Alter Domus partnership delivers our operations and loan servicing team added bandwidth and infrastructure to ensure we have a solution designed to work today and over the long-term.

Tree Line has also invested significant money, time and energy to build a new asset management system with Cobalt, a FactSet Company. The system will speak directly to Alter Domus and give us a streamlined software platform tailored to our needs with an ability to evolve over time. Tree Line's long-term objectives and goals will guide our platform for continued scale and success.

In March 2023, Tree Line formally began to establish its Diversity & Inclusion Policy. We are excited to expand our work on the processes in place to ensure we have a thoughtful, thorough and impactful approach to manage diversity and inclusion across our organization. The biggest opportunity we identified was in how we recruit talent and ensure our efforts were being rewarded with diverse candidate pools that provide the best options available to Tree Line. For entry level positions, we expanded our research on Universities with diverse student bodies and reexamined our hiring timeline to coincide with recruiting seasons on campuses being targeted. This puts Tree Line's talent recruiting efforts in the right places, with the right Universities to ensure our team goals will be achieved.

Over the past 12 months, Tree Line has hired eight professionals of which five were women or people with a diverse background. This is in addition to the diverse team in place which consists of nine women, two of which are on the Senior Leadership Team, across 25 full-time employees.

We will continue our work and recognize there is more we can do. As our platform continues to grow, it is rewarding to see the results of what we can do when we mobilize our resources to act on important initiatives such as D&I.

In Summary

Tree Line is pleased to have delivered continued strong performance, measured against any asset class, but specifically within private credit. We are in the midst of a uniquely attractive vintage of direct lending deals characterized by high yields and disciplined structures. We believe our portfolio construction, which has resisted aggressive or high-risk structures at the peak, will continue to be rewarded and deliver our investors consistent performance. Through multiple periods of volatility over the past four years, Tree Line's data-driven approach with a focus on credit structure continues to outperform the market. Total Return, valuation, yields and credit metrics all highlight this outperformance.

Our platform and brand are synonymous with lower middle-market leadership. We continue to build share and long-term relationships with lower middle-market private equity firms based on the significant value we collectively have created in driving borrower growth.

> ***We are in a relationship driven market and our team has worked to foster these relationships for 20 years.***

Our strategy, products and firm are going to gain momentum as banks exit or tighten lending standards. The lower middle-market is an emerging market segment for both private equity and private credit which continues to provide significant opportunities within the most relevant parts of our economy.

As the market and economic environment continue to present challenge, uncertainty and opportunity, Tree Line's strategy and focus is to provide consistency amidst volatility. We work daily to make your investment in senior secured loans, and more specifically Tree Line's funds, a bright spot for your portfolio.

We are highly appreciative to have the continued support of our investors and look forward to expanding on all we have done together in the remainder of 2023 and for many years to come.

Sincerely,

Tom Quimby
Managing Partner

Jon Schroeder
Managing Partner

Frank Cupido
Partner

The Macro Landscape

- Divergent Policy: Fiscal vs. Monetary
- Collateral Damage: Bank Failures in Focus
- The Next Shoe: CRE Credit Risk in Bank Portfolios
- Consolidation & Capacity: Lending Outlook

Macro Themes

Divergent Policy

Fiscal vs. Monetary

Economic Policy ***by the Numbers***

$5.2T
Total COVID-Era Fiscal Stimulus

$4.8T
Fed Balance Sheet Expansion
(Mar.'20 to May '22)

$2.1T
Peak Excess Consumer Savings

$554B
Fed Balance Sheet Contraction (QT)
(May '22 to May '23)

$550B
Remaining Excess Consumer Savings
(Mar '23)

147bps
Yield Curve Inversion
(Fed Funds:10Y Treas. as of *May 31, 2023)*

Diverging Goals Push Policy Stances Toward Extremes

Since the Fed's recognition of persistent inflationary risks to the US economy in November 2021, monetary (contractionary) and fiscal (expansionary) economic policy stances have been directly at-odds, thereby diluting the impact of individual policy decisions on reaching their goals and pushing policy stances to more extreme levels.

Decisions by the Fed to extend expansionary monetary policies into late-2021 alongside unprecedented levels of fiscal stimulus aimed at bolstering consumer spending has created a $2.6 trillion glut of excess household savings, which have counteracted the Fed's attempts to suppress inflation via rapid increases in short term interest rates and (limited) quantitative tightening (QT). Based on current average savings preferences, the remaining $500 billion of excess savings are expected to remain on household balance sheets supporting consumption into 2024 and potentially beyond if consumer preferences toward savings increase.

The result has been an erosion in financial stability – as banks compete with money market funds for deposits to maintain liquidity buffers while net interest margins (NIMs) on loan books and mark-to-market (MTM) losses on fixed rate treasuries suffer under the pressure of the steepest inversion of the yield curve in recorded history – with limited signs of receding inflationary pressures.

With government funds earmarked for infrastructure programs (Inflation Reduction Act of 2022) still being allocated to projects that will only begin to break ground in late-2023, we expect labor market conditions to remain tight and conducive to persistent inflation.

500bps
Cumulative Increase in Fed Funds Rate
(March '22 to May '23)

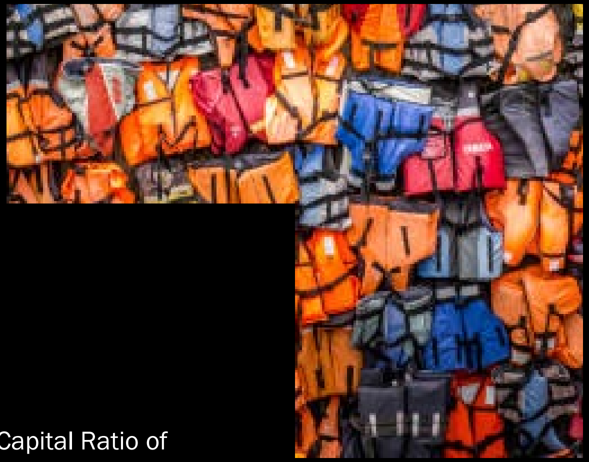
$2T
Additional (Non-COVID) Fiscal Spending Authorized Since late 2021

Regional Banks

Collateral Damage

Mark-to-Market Losses on Fixed Rate Treasury Holdings Create Solvency Concerns at Regional US Banks. Corporate Depositors' Rush to Defend Uninsured Deposits Results in the Failure of Three Regional Banks with Collective Assets of $550 Billion.

The 1H'23 failures of Silicon Valley Bank, Signature Bank, and First Republic Bancorp have exceeded the annual cumulative total failures experienced during the Great Financial Crisis. The rapid collapse of these three banks reflects the broader issue of compressing NIMs resulting from a deep yield curve inversion combined with the impact of rapidly rising interest rates on bank fixed income holdings.



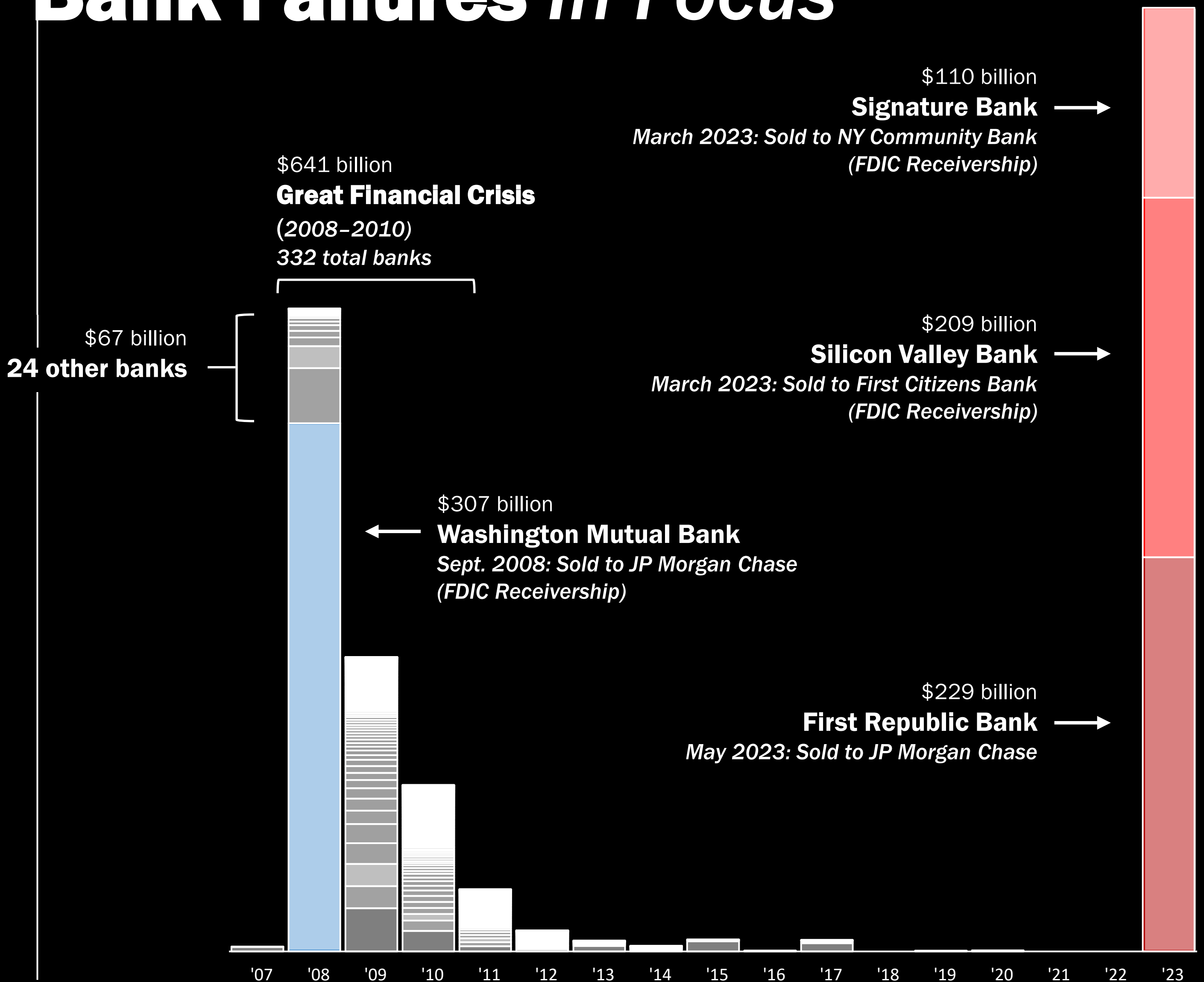
84%

Average Ratio of Uninsured Deposits to Total Deposits at SVB, SBNY, and FRC *(Prior to Failure)*

7%

Average Tier 1 Capital Ratio of SIVB, SBNY, and FRC *(Prior to Failure)*

Bank Failures *In Focus*



Credit Risks

The Next Shoe

Impairments in Commercial Real Estate (CRE) Loan Portfolios.

Significant & Growing CRE Exposure at Regional Banks Presents the Next Source of Stress to the US Banking System

The COVID-19 pandemic has resulted in the acceleration and adoption of certain behavioral trends that have materially impacted the use of large segments of the CRE market. The forced adoption of remote work policies across many services sectors during pandemic lockdowns – and the unexpected positive results in maintaining employee productivity – has resulted in the broad adoption of 'flexible work' policies, which have drastically reduced the need for large segments of office space. In addition, the acceleration of e-commerce adoption during 2020 has exacerbated headwinds in the already-stressed brick-and-mortar retail market resulting in accelerated downward rent and value trends for pure-retail properties and incremental cash flow issues for multi-use office/retail properties.

These behavioral trends and their negative impact on demand for office and retail space has caused a rapid decline in CRE values; creating impairments in legacy bank CRE loan portfolios. These losses have not been realized as owners have broadly been able to cover debt service through legacy lease cash flows. However, as larger proportions of legacy lease portfolios rollover at significantly lower rates and/or mortgages reach maturity, owners and lenders will be forced to either sell the assets or restructure the loans where the losses will be felt by lenders.

Regional banks have been able to maintain liquidity by accessing the Fed's Bank Term Funding Program (BTFP), with Tier 1 Equity Capital buffers eroded by negative NIMs and MTM losses on trading securities, the impact of CRE loan losses on bank solvency will continue to increase.

CRE Risk *Fundamentals*

31%
Cell Phone Activity in Downtown San Francisco Relative to 2019 Levels (2022)

19%
Cumulative Confirmed Impairment of Retail & Office CRE Loans *(See Chart)*

Regional Banks

CRE Loan Exposure Continues to Increase Despite Deteriorating Credit Fundamentals

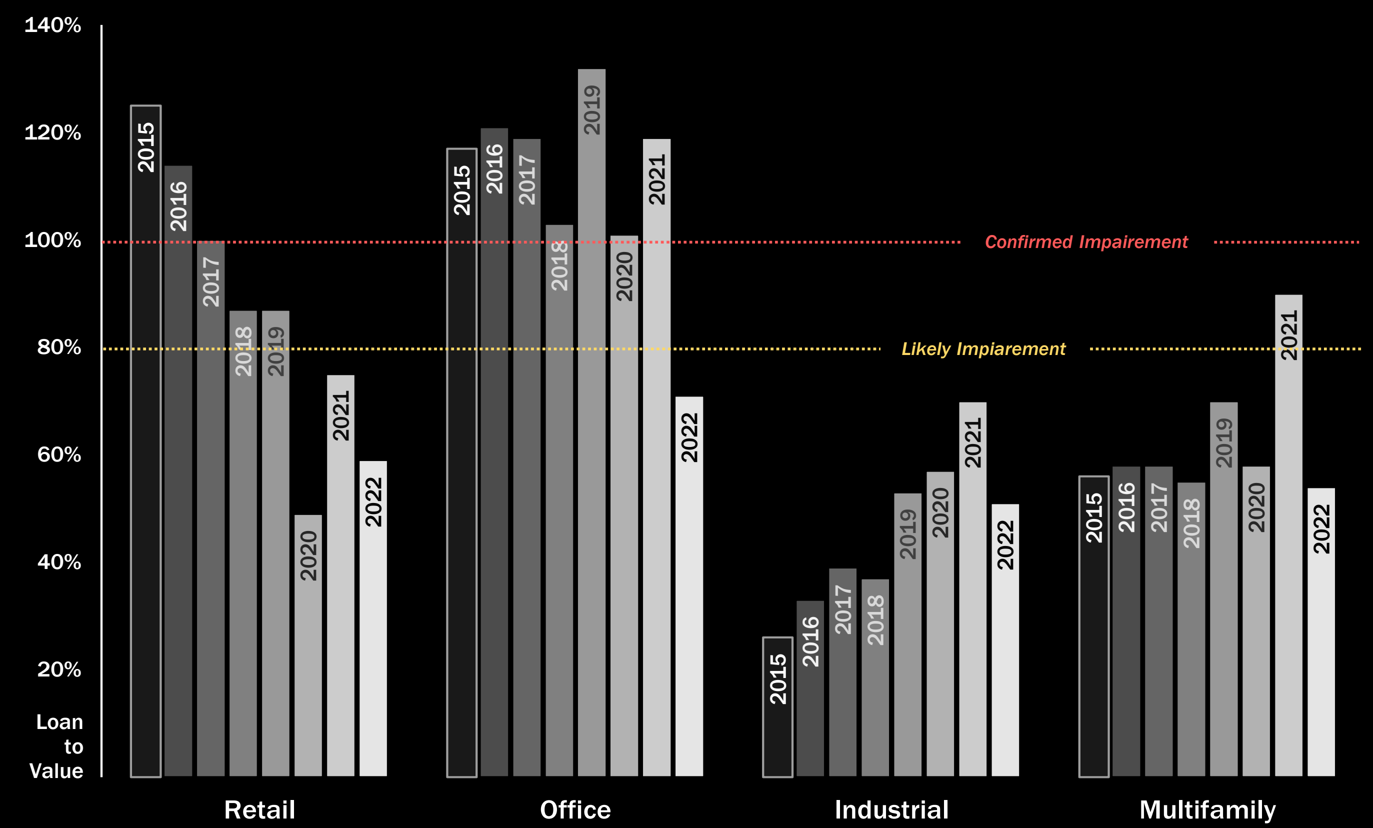
67%
Proportion of All Outstanding CRE Loans Held by Small/Regional Banks (May '23)

$2.0T
CRE Loan Exposure Across Regional Banks *(May '23)*

295%
CRE Loans / (Tier 1 Capital + Loss Reserves)

Falling Asset Values

***Vintage Analysis:** Average Mark-to-Market LTV Ratio by Year Loan Originated*[29]



Lending Outlook

Domestic Banking *at a Glance*

14K

Peak Number of Chartered US Banks in the Early-1980s

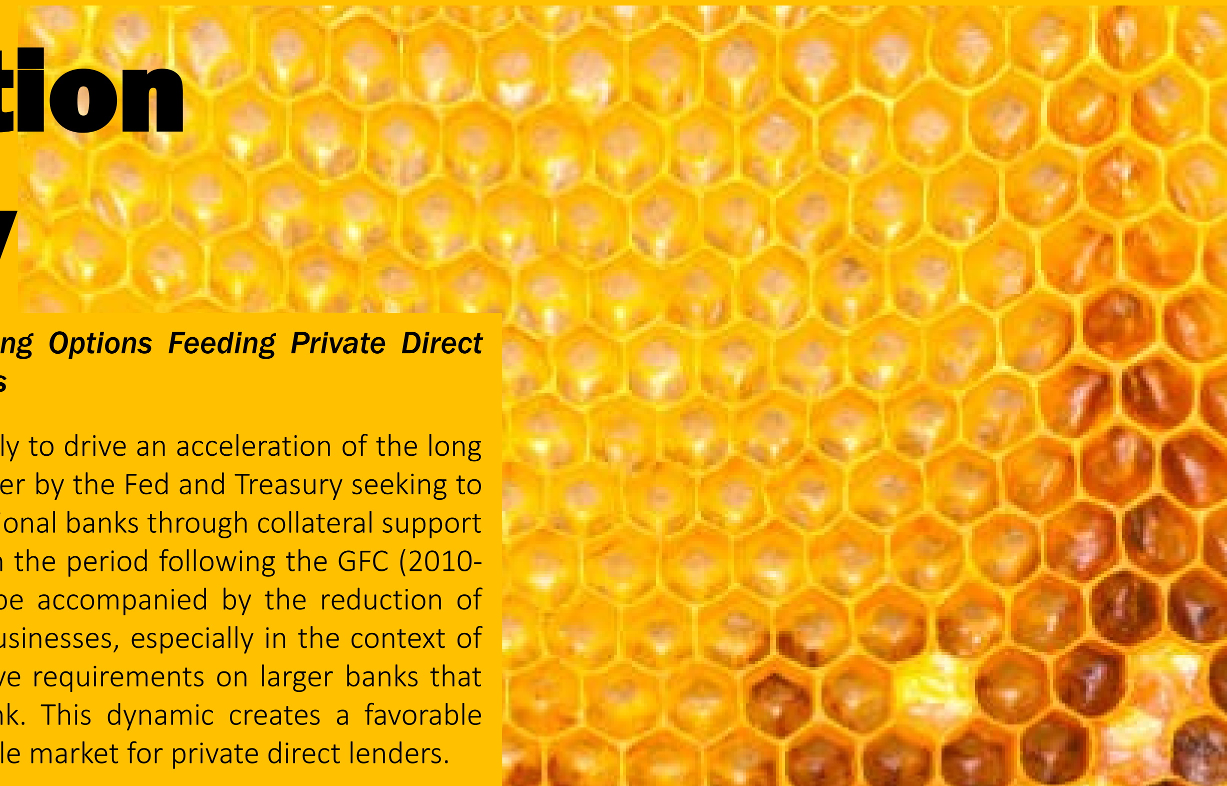
32:1

Ratio of Banks in the US Compared to the Average of the Next 29 Most Diverse National Banking Markets *(March 2023)*

$210B

Below Investment Grade C&I Term Loan Holdings of US Banks (Dec. 2022)

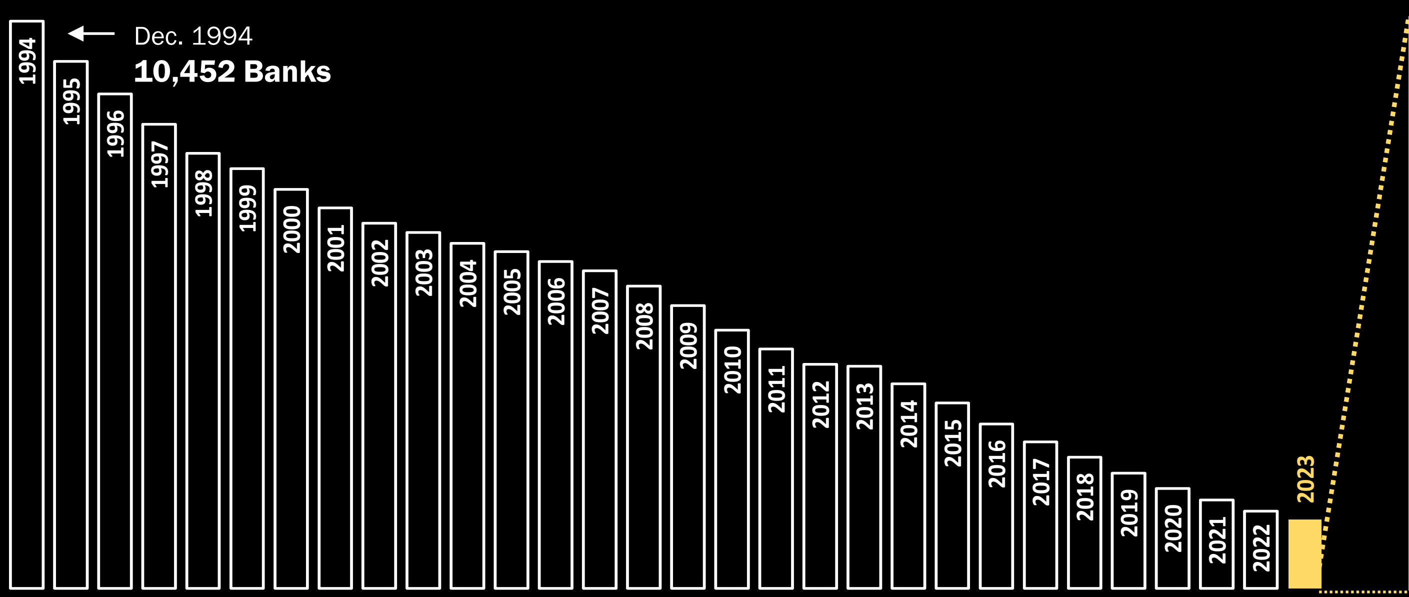
Consolidation & Capacity



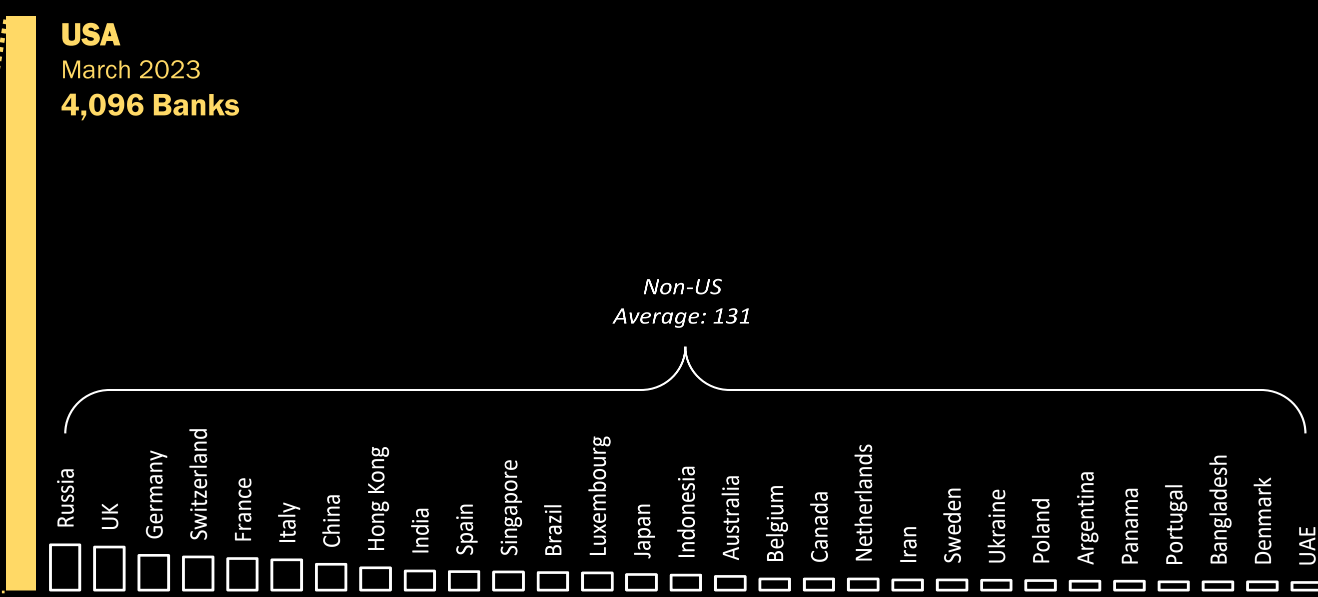
Middle Market Borrowers Find Fewer Lending Options Feeding Private Direct Lenders Growing Demand on Favorable Terms

Continued stress in the US banking sector is likely to drive an acceleration of the long secular trend toward consolidation, fueled further by the Fed and Treasury seeking to unwind their increased exposures to weaker regional banks through collateral support and deposit guaranty programs. Consistent with the period following the GFC (2010-2012), we expect a wave of consolidation to be accompanied by the reduction of direct C&I lending to regional middle market businesses, especially in the context of transactions that would create increased reserve requirements on larger banks that fall under the Fed's supervision via Dodd-Frank. This dynamic creates a favorable supply-demand imbalance for credit in the middle market for private direct lenders.

One-Way Trend: *US Bank Consolidation Tend (Dec. 1984 – Mar. 2023)*



American Exceptionalism: *More Banks Than Next 29 Most Diverse Markets Combined*



Private Debt's Moment

A Lender's Market

Fundraising Momentum

A Rare Vintage

Market Analysis

Fundraising Momentum

Institutions Continue to Increase Private Credit Allocations

The outlook for the Private Credit market remains optimistic as more than 63% of investors are aiming to increase their allocations and projections for the decade show an increase in pension portfolio allocation to the sector of over 55%.

Current Fundraising Trends
Metrics and Stats

55%
Est. Increase of Pension Allocations to Private Credit Over Next Decade

63%
LPs will increase allocation to Private Credit (Prequin 2023)[24]

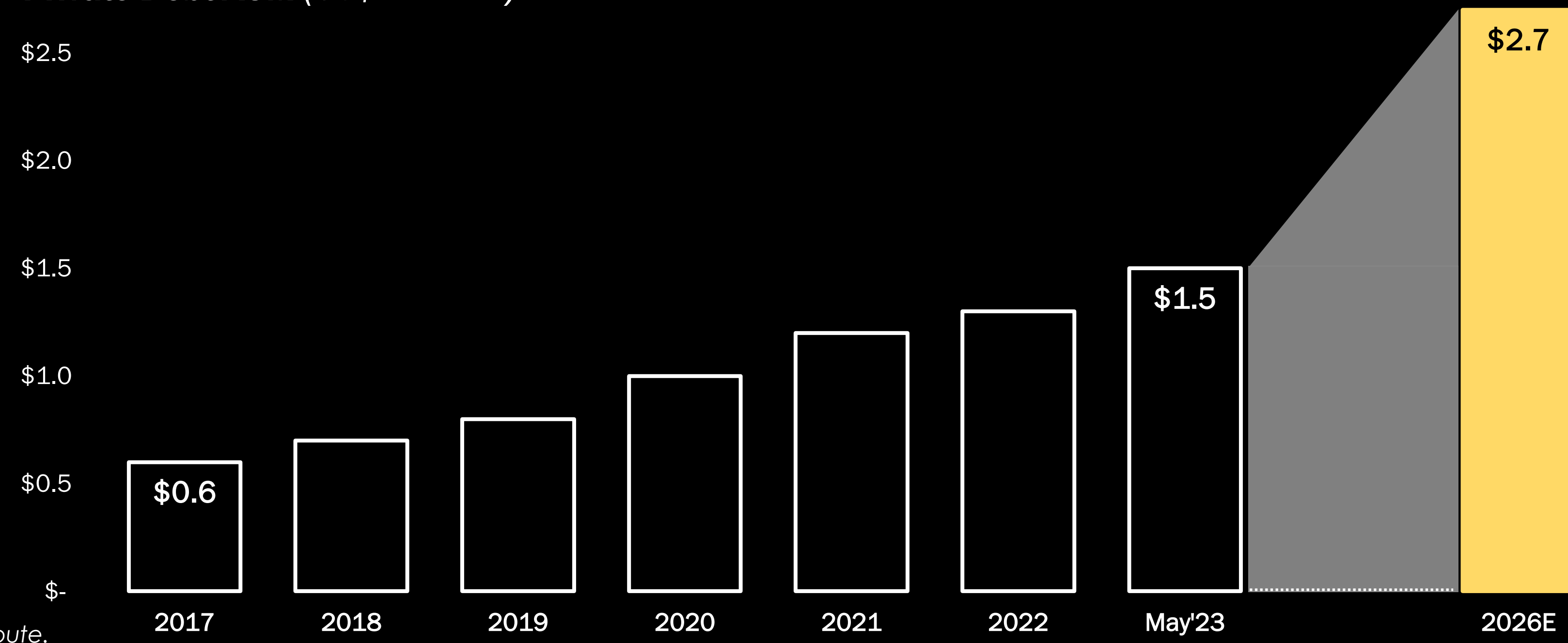
27%
Direct Lending Annualized Growth in North America (2015-2021)[24]

Projected Pension Allocation to Private Debt *(WSJ)*

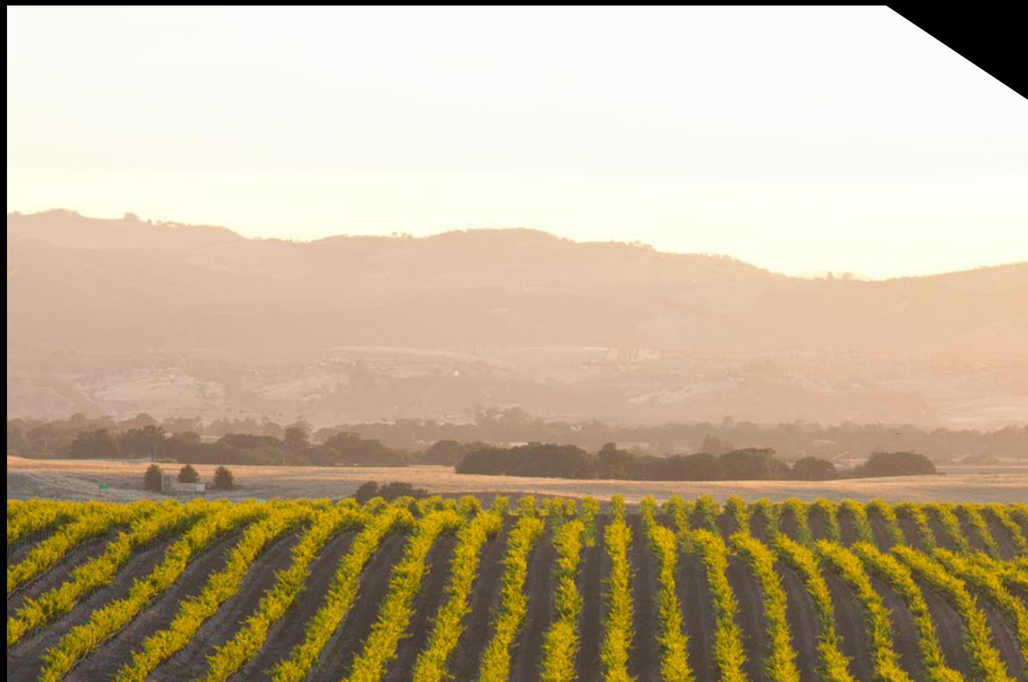
Current (2023)
3.8%

Projected (2033)
5.9%

Private Debt AUM *(US$ Trillions)*[24]



Credit Risks



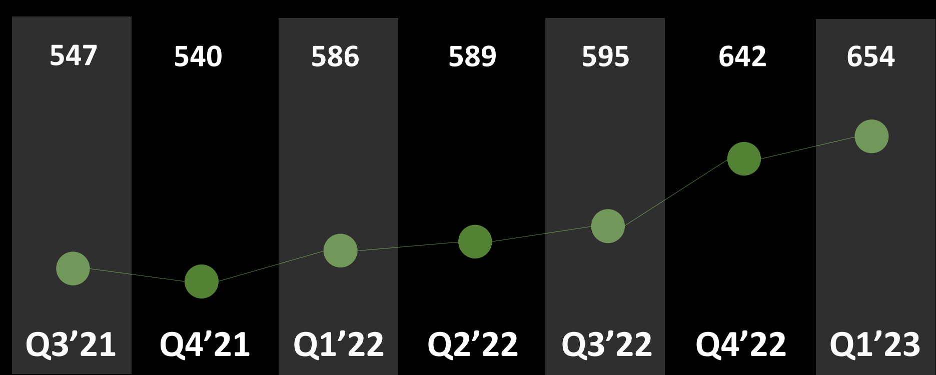
A Rare Vintage

Current Environment Creates Attractive Vintage; History Supports Stability of Returns

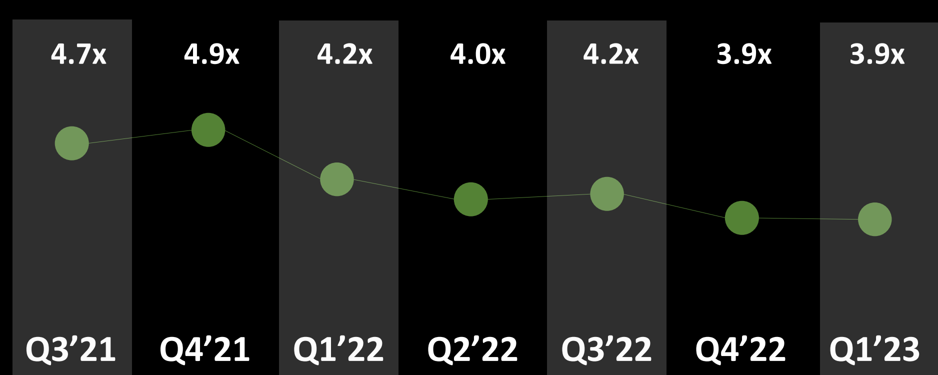
The current economic backdrop is resulting in opportunities for lenders to be increasingly selective on deal selection. This reduced competition has driven spreads ~100 bps higher in the past 12 months and leverage ~0.75x during the same time period.

Although the current lending environment is cautious, long-term returns of private debt have shown consistent stability as compared to equity and high yield debt indices. The Cliffwater Direct Lending index, an asset-weighted index comprising over 11k loans totaling over $263 billion in principal value, returned 6.3% in 2022 versus -12.2% in 2022 in the case of the Bloomberg HY bond ETF.

Private Debt Market Unitranche Spreads (KBRA)[25]

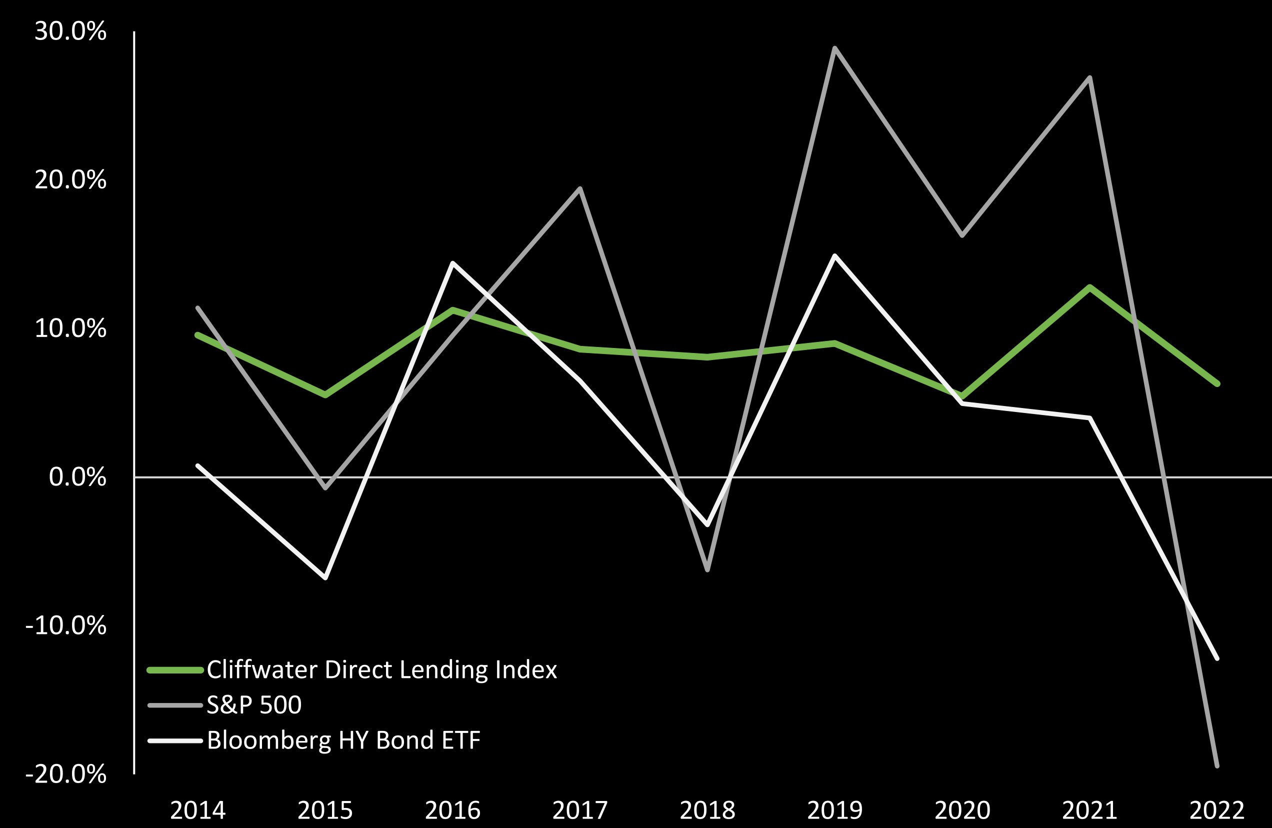


Private Debt Senior Leverage (KBRA)[25]



Senior Lending's Stability of Returns[21,26]

Historical Annual Total Return by Asset Class



Tree Line's Resilience

LMM Credit View: *Conservative Structures Drive Liquidity Cushions*

Tree Line's LMM Leadership

Market Analysis

LMM Credit View

Conservative Structures Drive Liquidity Cushions

Q1 2023 Tree Line Portfolio

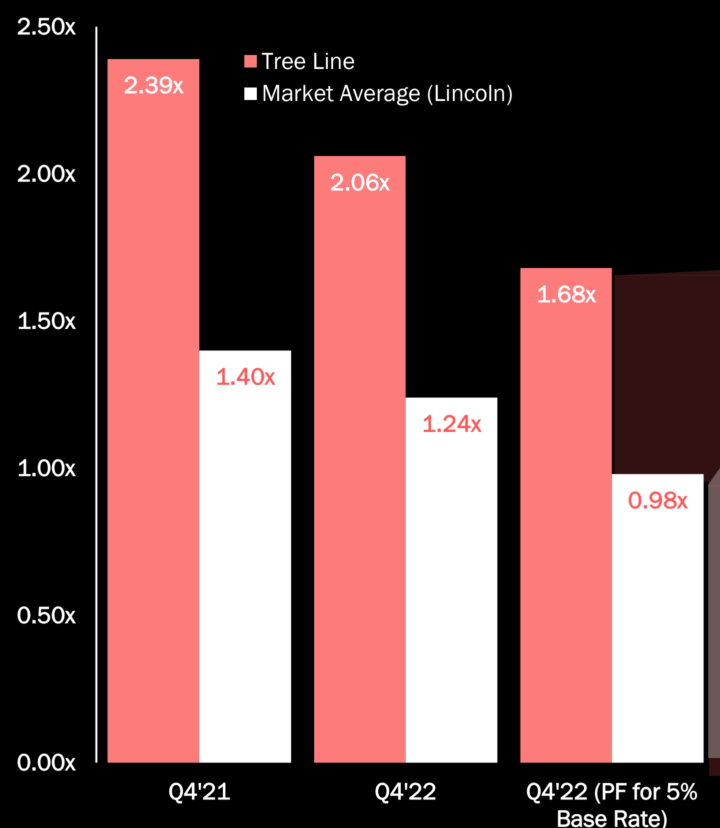
3.8x
Net Leverage[13]

1.8x
Fixed Charge Coverage[14]

12.4%
Unlevered Cash Yield (Spread + Base Rate + Amortized Fees)

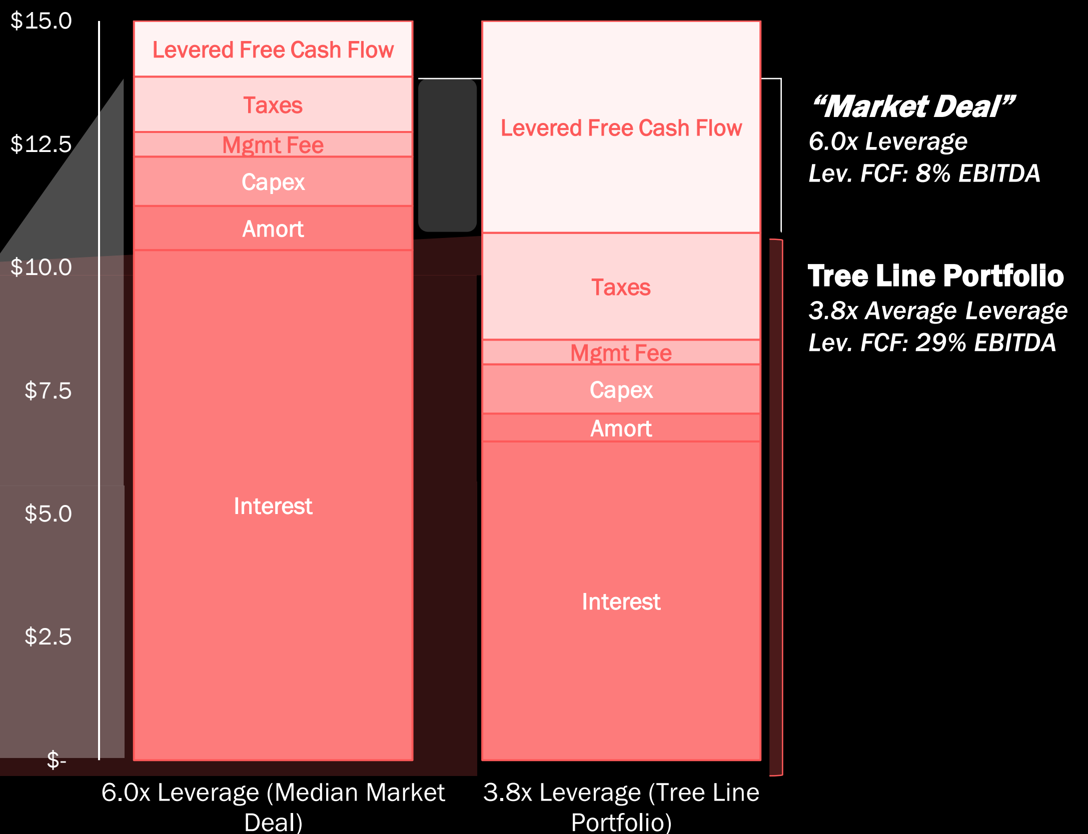
Lower Leverage Creates Liquidity Cushion[25]

Tree Line vs Market Rolling Fixed Charge Coverage Levels



Tree Line Borrowers Have Room to Maneuver Despite Rates[25]

Rapidly Increasing Interest Burdens Leave Little Excess Cash Flow



The median deal surveyed by KBRA Direct Lending Deals showed ~6.0x leverage[13] in 2022 as compared to Tree Line's portfolio which currently sits at 3.8x. When annualizing today's 5% base rates, this results in nearly 70% of EBITDA used for debt service (assuming a 650 spread, 5% base rates and 1% amortization) for a 6.0x levered deal versus 43% in the case of a 3.8x deal, resulting in very little free cash flow cushion. A 3.8x deal will have nearly four times the free cash flow cushion of a 6.0x deal in today's market, leaving the 3.8x borrower with far more room to maneuver in the event of a downturn.

As a result, Tree Line's portfolio has shown resiliency on a fixed charge coverage ("FCC")[14] basis as compared to the broader market, which on average is grappling with FCC levels < 1.0x when annualizing current base rates. Coupled with the ability to lend at over 12% cash yields, Tree Line's conservative structures provide compelling risk-adjusted return opportunities.

Lower Middle Market *Summary*

$312B

Raised in Funds < $500M Since 2019[27]

+175K

Companies with between $10-$100m in Revenue[28]

Market Analysis

Tree Line's LMM Leadership

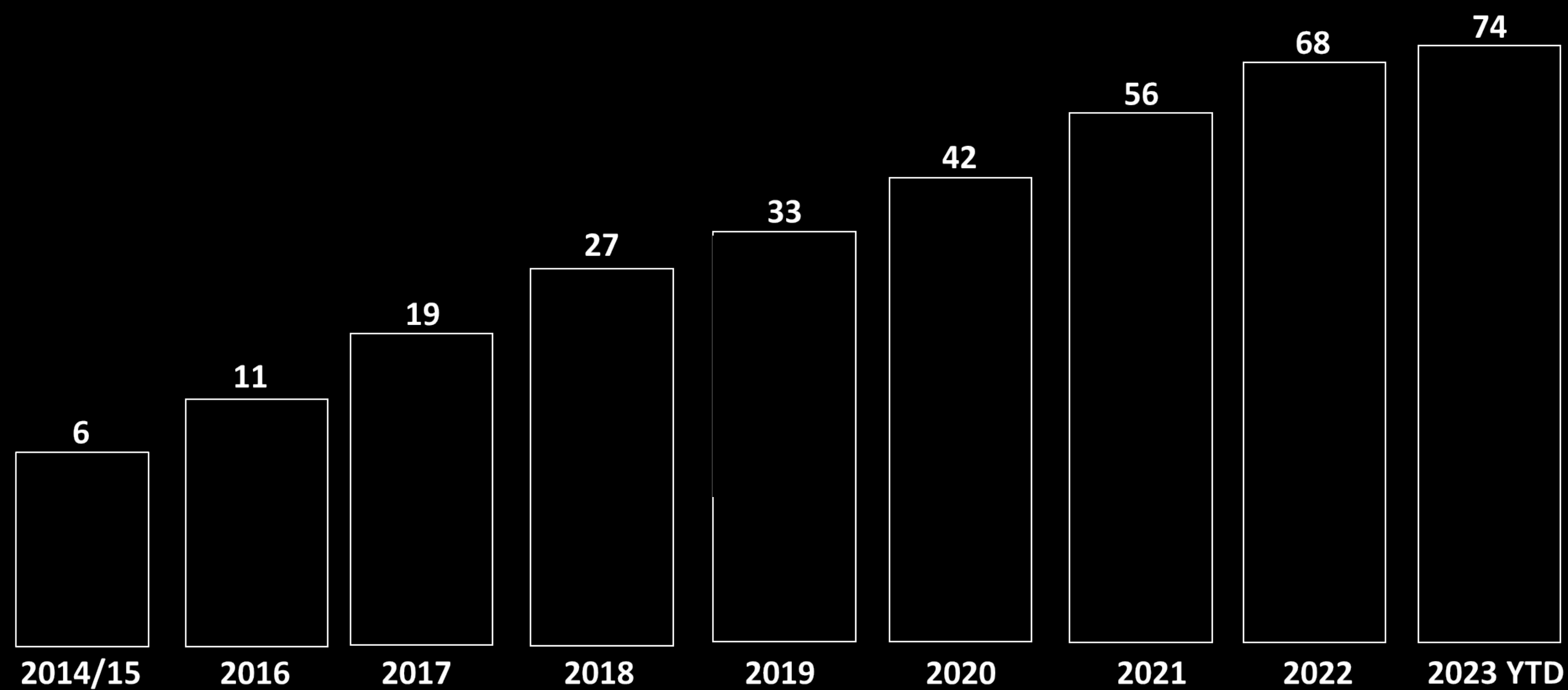
Private Equity Relationship Expansion Driven by Certainty of Execution and Market Expertise

Tree Line has cultivated a track record of consistent execution for its private equity relationships, characterized by quick and transparent feedback, certainty to close and unique ability to build middle market businesses through add-ons.

We have also prioritized maintaining a leading point of view in LMM private credit, which is best portrayed in our annual Ascend Report. This analysis highlights the investment expectations of over 80 private equity groups, with valuable insights related to fundraising, capital structures, sectors of interest and hiring trends.

The factors have resulted in Tree Line closing deals with 12-14+ new private equity firms annually, with significant repeat transactions.

Consistent Growth *Unique Sponsor Relationships & Closed Deals*



Tree Line Sponsor *Exposure*

18
Targeted Sponsor Markets In the US

32
New Sponsors Financed Since 2021

74
Cumulative Unique Sponsors Financed

Streamlined.
Reliable.
Proven.

Disclaimer

Opinions

Opinions expressed through page 22 are those of Tree Line Capital Partners, LLC as of June 2023 and are subject to change.

Tree Line Data Points

All data through page 22 reflects proforma performance as of June 30, 2023, unless otherwise noted.

The information provided herein with respect to TLDL, TLDL (SC), TLCS, TLDL II, and TLDL III (as defined on the Footnotes / Glossary page) has been provided for informational purposes only and does not constitute an offer to sell, or solicitation of offers to buy or convert, securities in TLDL, TLCL (SC), TLCS, TLDL II, TLDL III or any other existing or to be formed issuer. Investments in TLCS and SBIC II can be made only pursuant to a subscription agreement, confidential private offering memorandum and related documents and after careful consideration of the risk factors set forth therein.

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This presentation contains forward-looking statements relating to the plans, objectives, opportunities, future performance and business of Tree Line Capital (as defined on the Footnotes / Glossary page) and the future performance of the debt markets in North America generally. Statements regarding anticipated returns, forecasts and projections rely on a number of economic and financial variables and are inherently speculative. Forecasts relating to market conditions, returns and other performance indicators are not guaranteed and are subject to change without notice. Forecasts are based on complex calculations and formulas that contain substantial subjectivity and no express or implied prediction is made hereby with respect to TLDL, TLCL (SC), TLCS, TLDL II an TLDL III. There can be no assurance that market conditions will perform according to any forecast or that Tree Line Capital will achieve its objectives or that investors will receive a return of their capital. Target returns are based on a number of assumptions related to the market factors relevant to the proposed investment strategy, including, but not limited to, interest rates, supply and demand trends, and the terms and costs of debt financing. Further, past performance is not indicative of future results. Investors are cautioned not to place undue reliance on any forward-looking statements or examples included in this presentation and Tree Line Capital does not assume any obligation to update any forward-looking statements.

The information herein includes targeted yields and internal rates of returns (“IRR”), which are based on a variety of factors and assumptions and involves significant elements of subjective judgment and analysis. Targeted yields and IRRs are being presented because they provide insight into the level of risk that Tree Line Capital is likely to seek with respect to the relevant product. The targeted yields and IRRs are a measure of relative risk of a portfolio of investments, with higher targets reflecting greater risk. Targeted yields and IRRs are estimates based on a variety of assumptions regarding, among other things, current and future asset yields for such investments and projected cash flows related thereto, current and future market and economic conditions, prevailing and future interest rates, including the cost of use of leverage, where applicable, historical and future credit performance for such investments, and other factors outside of Tree Line Capital’s control. The targeted yields and IRRs are subject to uncertainties and are based upon assumptions which may prove to be invalid and may change without notice. Other foreseeable and unforeseeable events, which were not taken into account, may occur. Investors should not rely upon the targeted yields or IRRs in making an investment decision. Although Tree Line Capital believes there is a sound basis for such targets, no representations are made as to the accuracy of such targets, and there can be no assurance that such targets will be realized or achieved. Additional information concerning the assumptions used in connection with the target returns is available upon request.

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Important footnotes

1. *TLDL refers to Tree Line Direct Lending, LP. TLDL is managed by Tree Line Capital (as defined below).*
2. *TLDL (SC) refers to Tree Line Direct Lending Swiss Capital, LP. TLDL (SC) is managed by Tree Line Capital (as defined below).*
3. *TLDL II refers to Tree Line Direct Lending II, LP. TLDL II is managed by Tree Line Capital (as defined below).*
4. *TLDL III refers to Tree Line Direct Lending III, LP. TLDL III is managed by Tree Line Capital (as defined below).*
5. *TLCS refers to Tree Line Credit Strategies, LP. TLCS is managed by Tree Line Capital (as defined below).*
6. *SMA refers to Tree Line Swiss Capital Debt Fund, LP. Tree Line Capital (as defined below) serves as the advisor to the SMA.*
7. *Tree Line Funds refers to TLDL, TLDL(SC), TLDL II and TLDL III.*
8. *All Funds refers to TLDL, TLDL (SC), TLDL II, TLDL III, TLCS and SMA.*
9. *SBIC Fund refers to Enhanced SBIC II, LP, a successor fund to SBIC I that is managed by Tree Line Capital.*
10. *Tree Line Capital, Tree Line, and TLCP refers to Tree Line Capital Partners, LLC.*
11. *Portfolio FMV is defined as the cumulative fair market value of all investments by the funds managed by Tree Line Capital as determined in accordance with Tree Line Capital's valuation policies and guidelines. These metrics reflect certain management estimates supported in certain instances by valuations performed by third-party valuation firms.*
12. *Wtd Average Gross Unlevered YTM is defined as the expected yield, including the coupon and closing fees, of an investment that is held to maturity and payments are made as scheduled. The Gross Unlevered YTM for an equity co-investment is defined as the expected return assuming a liquidity event on the maturity date of TLCP's loan and TLCP deal team's forecasted EBITDA, cash, debt, and EV/EBITDA multiple on such date.*
13. *Wtd Average Leverage is defined as the sum of (a) the product of (i) the leverage multiple for each investment [X] (calculated by dividing the most recently reported outstanding loan balance [Y] for each investment by the most recently reported LTM EBITDA for each company) and (ii) [Y], divided by (b) the total outstanding loan balance for the entire portfolio of investments held by All Funds.*
14. *Wtd Average Fixed Charge Coverage is defined as the sum of (a) the product of (i) the LTM fixed charge coverage multiple for each investment [X] (calculated by dividing (x) the trailing twelve months' EBITDA less the sum of trailing twelve months' unfinanced capital expenditures, cash tax payments, and other permitted distributions and/or restricted payments by (y) the trailing twelve months' cash interest payments and mandatory debt repayments) and (ii) the outstanding loan balance [Y] for the entire portfolio of investments held by All Funds.*
15. *Total Return to Date is defined as the cumulative cash inflow related to each specific investment by each specific Fund up to the referenced point in time noted in each respective table. Returns are shown for specific investments. There can be no guarantee that any target return or any other fund objectives will be realized. It should not be assumed that any investment will be realized at projections shown or will be profitable. Actual results will vary and may differ materially from the target return. Returns to investors from a Fund will aggregate returns from all the respective Fund's investments and will be reduced by fund-level fees, including asset management fees and incentive distributions, and investor-level taxes, all of which reduce returns to investors.*
16. *Wtd Average Unlevered Gross Cash Yield is defined as the sum of (a) the product of [X] the sum of for each respective investment (i) the effective margin over base rate at close, (ii) the effective base rate at close, (iii) any annual administrative fee divided by the outstanding principal balance, and (iv) any closing fee expressed as a percentage of the outstanding principal balance divided by the tenor of the investment, and (b) the principal balance outstanding [Y] for each respective investment made during the time period referenced. Note: Wtd Average Unlevered Gross Yield does not include common equity or like investments in the calculation of outstanding principal.*
17. *Intentionally Omitted.*
18. *Average values are shown for LTM Revenue and LTM EBITDA. LTM financial data as of most recently reported period. Weighted average calculations do not include fund guaranty loans as borrower level financial information is not indicative of the loan's performance due to the loan relying primarily on the support from the institutional fund owner of the borrower via a guaranty agreement rather than the cash flow and enterprise value of the individual borrower. LTM Leverage weighted average calculation also excludes equity investments.*
19. *"Realized Gross IRR" figures are used herein instead of "Net Realized IRR" as a "Net Realized IRR" cannot be reasonably calculated on a per investment basis or a discreet group of investments. "Realized Gross IRR" and "Realized Gross MOIC" figures are calculated before giving effect to fund-level expenses, management fees and carried interest, which reduce returns to investors. The "Realized Gross IRR" figures are gross internal rates of return, meaning aggregate, compounded, annual gross rates of return on investments, calculated on a monthly basis. "Realized Gross MOIC" is the ratio of the realized proceeds from the applicable investment to the aggregate amount invested by a Fund in such portfolio company. "Realized Gross IRR" and "Realized Gross MOIC" are calculated before taxes to investors. There can be no assurance that the past performance of the Funds and its investments will be replicated or that any future investments of the Funds will have performance attributes comparable to the investments described herein. Past performance is not indicative of future results.*
20. *Total Return measures the cumulative unlevered, gross of fees performance for TLDL, TLDL II, TLDL III and TLCS. The Total Return composite reflects cash flows and performance across multiple Funds and economic cycles. No investor has received such returns, and any composites are provided for illustrative purposes only. The Total Return is a gross metric and is utilized here to provide a relevant comparison to the selected indices, which do not reflect any deductions for expenses. Net performance figures for each fund are available below.*
21. *Cliffwater Direct Lending Index website, as of June-2022 LLC. The Cliffwater Direct Lending Index (the "CDLI") is an asset-weighted index of over 8,000 directly originated middle market loans totaling $191 billion in assets. 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 requirements. The CDLI is asset-weighted by reported fair value. Other industry participants may make different determinations regarding the focus of these BDC portfolios.*
22. *S&P Global Leveraged Loan Index.*
23. *CME Group.*
24. *Prequin, 2023.*
25. *Per Tree Line portfolio information, Tree Line free cash flow and debt service assumptions for a typical borrower, and data published by KBRA and Lincoln International.*
26. *The Bloomberg High Yield Bond ETF seeks to provide investment results that, before fees and expenses, correspond generally to the price and yield performance of the Bloomberg High Yield Very Liquid Index (the "Index"). Seeks to provide a diversified exposure to US dollar-denominated high yield corporate bonds with above-average liquidity. A more cost efficient way to implement a high yield exposure than via individual bonds. Rebalanced on the last business day of the month.*
27. *Pitchbook, Private Debt Report 2022.*
28. *US Census 2012.*
29. *Newmark Research, MSCI, Real Capital Analytics, as of May 11, 2023.*
30. *Any references to a securities index are made for informational purposes only and an investment in the Fund is unlike an investment in any index of securities. The investment characteristics of such indices may differ materially from the Fund, and an investment in the Fund is not comparable to an investment in such an index or in the securities that comprise the index. The risk/return profile in such indices are also typically materially different from that of any Fund. Index providers utilize their own methodologies for calculating or reporting performance, which differs from the methodologies used by Tree Line, including, without limitation, with respect to recycled capital or use of fund-level leverage. Moreover, each Fund does not trade in all (or possibly any) of the securities or loans represented in such indices, and a Fund may employ leverage, hedging, and other investment strategies that may not be incorporated in these indices. In addition, investing in a Fund is generally subject to expenses, management fees and performance fees or allocations payable by such fund, none of which are reflected in the indices. For the foregoing and other reasons, the returns achieved by Tree Line and the returns of the indices should not be considered*