Special Report: Private Credit - The Opportunity Is Broad; Manager Outcomes Are Not

aranca

September 2026

Table of Content

Scale Alone Does Not Define a Private Credit Manager – Top 10 Platforms

Leading platforms differ materially in strategy mix, experience, and credit capabilities despite their scale

Scale (out of top 10 by Credit AUM)
Top 5 (USD 2.3tn) = ~77%
Apollo | Blackstone | Ares | KKR | GS

3 Stress periods (GFC | COVID | Rate shock)
6 of 10 platforms
Apollo | KKR | Ares | Goldman |Golub | Tikehau

Regional specialization
2 of 10
Tikehau - Europe | Golub - US middle market

Direct Lending is the common core
10/10
Differentiation lies in strategy mix, borrower segment, and credit specialization

Manager	HQ	Geography	Credit AUM USD Bn[1]	AUM scale	Since	Stress cycle exp.	Core private credit strategy
Apollo Global Management	New York	Global	834		1990	● ● ●	Corporate credit | structured credit | direct lending
Blackstone Credit & Insurance	New York	Global	536		2008	○ ● ●	Sr. direct lending | opportunistic | CLO | ABL | real estate
Ares Management	Los Angeles	Global	423		1997	● ● ●	Direct lending | liquid & alt credit | APAC | opportunistic
KKR Credit	New York	Global	293		1976	● ● ●	Direct lending | asset-based finance
Goldman Sachs Asset Management	New York	Global	253		1996	● ● ●	Direct origination across the full capital structure
Carlyle Group	Washington DC	Global	209		2018	○ ● ●	Direct lending | real-asset credit | other private credit
HPS Investment Partners (BlackRock)	New York	Global	197		2007	● ● ●	Corporate PC | asset-based finance | liquid credit
Blue Owl Capital	New York	Global	159		2016	○ ● ●	Direct lending | liquid & alt credit | investment grade
Golub Capital	New York	US	90		1994	● ● ●	US middle-market direct lending | PE-sponsor backed
Tikehau Capital	Paris	Europe	29		2004	● ● ●	European direct lending | private debt | CLO

Cycles originated through: ● originated through ○ launched after *G = GFC (2008) | C = COVID (2020) | R = Rate shock (2022–24)*

Source: *Aranca Research, Fund Factsheets, Bloomberg, SEC filings | 1) Reflects manager-reported assets and may include direct lending, liquid and structured credit, asset-based finance, real assets, and other credit strategies.*

Scale Creates Access; Credit Discipline Drives Manager Differentiation

With direct lending widespread, manager quality is defined by underwriting, portfolio construction, and risk-adjusted returns

1-Yr Return dispersion	Distribution rates are tightly clustered	Expense dispersion is significant	Portfolio construction drives dispersion.
774 bps	**190 bps**	**646 bps**	**Concentration matters**
TCAP 10.0% vs OTIC 2.26%	8.00%–9.90% across the cohort	OCIC 1.54% vs ASIF 8.00%	Sister vehicles: OCIC 5.65% vs OTIC 2.26%

Private Credit Vehicle	Portfolio Investments (USD Bn)	1-yr return[1]	Dist. rate	Expense ratio[2]	Sr. secured %	Notes
TPG Twin Brook (TCAP)	4.8	10.00%	9.90%	2.93%	97%	Return leader; strong senior-secured protection
HPS Corporate Lending (HLEND)	24.2	7.10%	9.80%	3.52%	95%	Best risk-adjusted profile; high-quality senior book
T. Rowe / OHA Select (OCREDIT)	3.1	6.63%	9.20%	NA	98%	Cleanest credit structure; smallest scale
Oaktree Strategic Credit (OSCF)	6.8	5.82%	8.60%	7.14%	92%	Strong asset coverage; high fee drag
Blue Owl Credit Income (OCIC)	35.7	5.65%	9.26%	1.54%	91%	Lowest cost; strong core allocation profile
Apollo Debt Solutions (ADS)	26.9	5.50%	8.00%	NA	80%	Most diversified; lower senior-secured exposure
Golub Capital Private Credit (GCRED)	9.6	5.13%	8.50%	3.97%	96%	Strong first-lien focus; peer-level returns
Ares Strategic Income (ASIF)	22.6	4.54%	9.63%	8.00%	79%	Attractive gross income; high costs compress net return
Blackstone Private Credit (BCRED)	77.6	3.80%	8.30%	2.82%	97%	Largest scale; weakest 1-year return
Blue Owl Technology Income (OTIC)	5.1	2.26%	9.26%	1.73%	91%	Technology concentration weighs on performance

Top-quartile / low cost / high 1L | Mid-cohort | Caution | Bottom / high cost / low 1L

***Source:** Aranca Research, Fund Factsheets, Bloomberg, SEC filings | 1) 1-yr return is as of 30-Jun-2026; 2) Excludes interest expenses*

Private Credit Manager Due Diligence Framework

A four-stage process evaluates manager capability, portfolio quality, performance, fund economics and liquidity

DD process - four sequential gates

01

Illustrative eligibility screen

Fund AUM ≥ USD 3bn | ≥3-yr operating history | distribution rate ≥5% | senior-secured ≥75%

02

Documentation review

SEC 10-Q / 10-K | Form ADV | fund factsheet | audited financials | LP report

03

Weighted scoring – 11 Parameters

Score 0 - 2 (with 0.5 steps) | 4 categories | composite max at 2.00.

04

Benchmark & monitor

Peer-cohort medians | Cliffwater CDLI | LSTA loan index | quarterly NAV, distribution coverage & credit-stress watch.

Weighted framework - where manager quality is differentiated

45% **Product** Suitability | Process | Fees	**25%** **Team** Depth | Stability | Alignment
20% **Performance** 1Yr net return | Sr Sec % | Distribution Coverage |	**10%** **Organisation** Platform AUM & parent | Liquidity (redemption terms and gate history)

Five decisive questions the framework must answer

- Has the manager originated through at least one full credit cycle (GFC, COVID, or 2022-24 rate shock)?
- What share of originations is proprietary vs syndicated / broker-led?
- What is the cumulative loss rate (defaults × 1 - recovery) - not gross yield?
- What does the LP keep after fees, expenses and leverage costs?
- Do redemption terms match underlying asset duration - and what is the historical fulfilment ratio?

***Framework**: Institutional manager-selection methodology aligned to ILPA DDQ 2.0. Weights indicative; recalibrate for mandate.* ***Scope**: non-traded BDCs, interval funds and evergreen private-credit vehicles. Cohort data from Q1 2026 SEC filings and manager factsheets. Benchmarks: Cliffwater CDLI, LSTA Loan Index.*

Evaluating Top 5 Platforms (Based on Investments)

Scale is not a proxy for quality; fees, track record, and team depth drive differentiation

Parameter	Weights	BCRED	OCIC	ADS	HLEND	ASIF
Suitability	20%	1	1.5	1.5	1	1
Investment process	15%	1	1	1.5	1.5	1.5
Fees	10%	0.5	2	1.5	1	0
Org. stability	10%	1.5	1	1	1.5	1
Team depth	15%	1.5	1	1.5	1.5	2
Team stability	5%	1	1	1	1	1
Alignment	5%	1	1	1	1	1
Track record	20%	0.5	1	1	1.5	1.5
Weighted score	100%	**0.975**	**1.2**	**1.3**	**1.3**	**1.225**
Rating		B	B+	A	A	B+
Rank		5	4	1	2	3

- **AUM ranking inverts composite ranking:** The largest vehicle by Investments (BCRED, USD 77.6bn) ranks last on composite at 0.975 (rating B); the fourth- and third-largest (HLEND USD 24.2bn, ADS USD 26.9bn) tie for the top rating at 1.3 (rating A). Scale is not a proxy for framework quality within this group.
- **The composite range is 0.325 points - tight but bounded:** All five funds score within a 0.325 spread (BCRED 0.975 → HLEND / ADS 1.3). Two vehicles hit A rating; two hit B+; only BCRED sits in the B band. No fund in the top 5 by AUM is in the top scoring band alone.
- **Fees and track record separate the field:** BCRED scores 0.5 on both fees and track record - the only two parameters where any of the five score below 1.0. Conversely, the two A-rated vehicles (ADS, HLEND) average 1.25 on fees and 1.25 on track record. These two 10–20% weighted parameters, taken together, account for the entire composite spread within this cohort.
- **6 of 8 parameters cluster within the 1.0 - 1.5 range - differentiation is concentrated in fees and track record:** Suitability, investment process, org. stability, team depth, team stability, alignment and (for four of five funds) track record all score in the 1.0-1.5 band. Ranking within the top 5 by AUM is decided by fees and one credit-book parameter - not by team or platform quality.
- **OCIC's fees score of 2.0 stands out:** The only ‘excellent’ (2.0) score that lifts OCIC to B+ (1.2) despite mid-pack readings on every other parameter - evidence that a single top score on a 10% weighted parameter can outweigh multiple average scores.

Source: *Aranca Research, Fund Prospectus, Bloomberg, SEC filings*

Manager Selection: Scale Does Not Determine Portfolio Quality

BCRED ranks 5th despite being the largest, while HLEND ranks among the leaders despite a smaller portfolio

Manager assessment | Key portfolio implications | Cross-manager findings

A — #3 in Scale	A — #4 in Scale	B+ — #5 in Scale	B+ — #2 in Scale	B — #1 in Scale
Apollo	**BlackRock / HPS**	**Ares**	**Blue Owl**	**Blackstone**
ADS | USD27bn	*HLEND | USD24bn*	*ASIF | USD23bn*	*OCIC | USD35.7bn*	*BCRED | USD78bn*
#1 in Score	**#2 in Score**	**#3 in Score**	**#4 in Score**	**#5 in Score**
1.30	**1.28**	**1.23**	**1.20**	**0.98**
DD verdict Strong risk-adjusted profile	**DD verdict** Strong risk-adjusted profile	**DD verdict** Attractive gross income; fee drag	**DD verdict** Cost-efficient core candidate	**DD verdict** Requires closer scrutiny
Driver: Highest composite score; strong diversification, but lower senior-secured exposure is a consideration.	**Driver:** Strong return with high senior-secured exposure and established platform support.	**Driver:** Strong distribution profile, but elevated expenses materially reduce net economics.	**Driver:** Lowest expense ratio in the cohort supports stronger net economics.	**Driver:** Largest vehicle but lowest composite score among the top five; weaker recent return and fee score.

Aranca Take: Private Credit Is Not a Homogeneous Trade

- **Total return, not headline distribution**, is where manager outcomes diverge.
- Credit stress is concentrated rather than broad based: monitor rising PIK/deferred interest, weakening coverage and non-accrual trends before headline defaults emerge.
- Higher-scoring vehicles generally combine high senior-secured exposure, moderate fees and limited single-sector concentration.
- Preference signals: high senior-secured exposure, low PIK and diversified / hard-asset exposure.
- **Key monitoring indicators:** PIK share | Non-accruals | Distribution coverage | Redemption fulfilment | NAV/market-price dispersion

Source: *Aranca Research, Bloomberg, Company filings, Q1 2026 SEC filings; Q2 2026 tender disclosures.*

2500+

Global clients

500+

Strong, professional team across multi-disciplinary domains

120+

Sectors and sub-sectors researched by our analysis

80+

Countries where we have delivered projects

ABOUT ARANCA

Growth Advisory & Procurement

CXOs in Strategy, SBUs, Sales, Marketing, CI/MI, Innovation

Technology | IP Research & Advisory

R&D, Tech Scouting, Open Innovation, IP Teams, Product Development

Valuation & Financial Advisory

CFOs in Start-ups, PE/VC Firms, Corporate M&A Teams, Mid-market Companies

Investment Research & Analytics

Brokerage, Hedge Funds, IRPs, I-Banks, AMCs, Investor Relations

Decide Fearlessly

From startups to the Fortune 500, private equity and global financial firms, Aranca is the trusted research and advisory partner for over 2500 companies

www.aranca.com