



December 1, 2025

Dear Limited Partner,

In this inaugural quarterly letter, we want to begin by thanking each of you for the trust you have placed in our firm to steward your capital alongside our own. We are excited about the prospects for the new SBIC Strategic Credit Fund and are hard at work continuing to augment a first-rate team dedicated to sourcing and underwriting investment opportunities. The fund had a final closing at approximately \$287 million, exceeding our hard cap after a successful and accelerated fundraising period. This pool of capital affords us an opportunity to invest in both debt and equity securities in small private businesses across the country. We will continue our long-held strategy of partnering with founders, families, and management teams as the first institutional capital investment in high-potential middle market companies across a diverse set of industries including manufacturing, services, environmental and industrial markets.

Spencer Klein joined us in September as a Principal and will serve on the fund's investment committee. Spencer joined from Capital Southwest, where he spent over a decade sourcing and underwriting credit and equity investments in lower middle market operating companies. While at Capital Southwest, Spencer was involved in over 80 transactions and deployed over \$1 billion of capital. John Baizer has been with us since May as a Senior Associate. John, an Austin native, joined us from DW Healthcare, a Park City-based private equity firm. We are actively seeking to add investment professional talent to compliment Spencer and John, as well as the existing Blue Sage team. Please do not hesitate to reach out if you know of talented investors who might be interested in joining the Blue Sage family.

We have been busy evaluating a robust pipeline of opportunities. During the third quarter, the team reviewed 63 opportunities, discussed eight in-depth with the Investment Committee and entered into one Letter of Intent. The first platform investment in the fund is tracking toward a year-end or first quarter 2026 closing. We will have more information to share on this opportunity in future letters. We are excited about the initial deal flow for the fund and have been encouraged by the synergistic sourcing strategy across the Blue Sage family of funds.

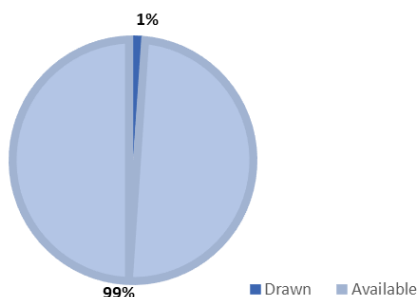
As we enter the holiday season, we are grateful for all the Blue Sage constituents including our limited partners, our team members, and our operating company partners. These partnerships enrich our professional endeavors and allow us to participate in deeply rewarding work. Thank you.

Investment and Capital Call Status

As of September 30, 2025, Blue Sage Strategic Credit Fund, L.P. had called a total of approximately

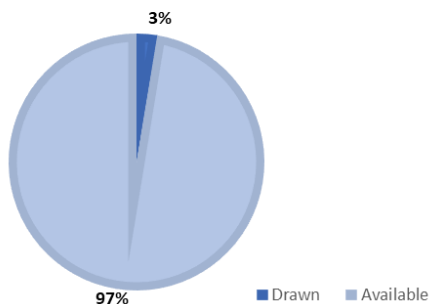
\$3 million: \$3 million from Private Limited Partners and \$0 million from the SBA. The amount of capital called represents approximately 1% of the total capital available to the Fund on September 30, 2025 as indicated in the following chart.

CAPITAL CALL STATUS OF ENTIRE FUND
(AS OF SEPTEMBER 30, 2025)



Examining the Private Capital alone (please see the chart below), we have called approximately 3% of the Private Capital to date

CAPITAL CALL STATUS OF PRIVATE CAPITAL
(AS OF SEPTEMBER 30, 2025)



Thank you again for your continued support of Blue Sage Capital. As always, please feel free to reach out to any of us if you have any questions or comments regarding the portfolio. We are very appreciative and respectful of the opportunity that you have awarded us to invest your capital

alongside ours to help build excellent niche-leading companies. Thank you for your continued confidence in Blue Sage Capital. If you have any Blue Sage or investment-related questions, please contact Peter Huff at (512) 536-1901. If you have any questions related to the financial statements, please contact Alan Mire at (512) 536-1902.

Sincerely,

A handwritten signature in blue ink that reads "Peter Huff".

Peter Huff
Partner

A handwritten signature in blue ink that reads "Jonathan Pearce".

Jonathan Pearce
Partner

A handwritten signature in blue ink that reads "Eric Weiner".

Eric Weiner
Partner

A handwritten signature in blue ink that reads "Spencer Klein".

Spencer Klein
Principal