

# CAPTRUST

---

This material describes the nature of Dyal Homecourt Partners LP (the “Master Fund”), a private fund managed by Dyal Advisors, LLC and sponsored by Blue Owl Capital Partners, Inc that has a minimum investment of \$10million. CAPTRUST has performed due diligence and evaluated the tenets of investing the Master Fund (which has been formed for the purpose of acquiring minority interests in NBA teams and other strategic private investments). CAPTRUST is sharing this confidential information (as an overview) with current (prequalified) CAPTRUST clients who have expressed an indication of interest in this alternative investment opportunity.

In 2022, CAPTRUST formed a “feeder” fund (“CAPTRUST 2022 Homecourt Fund, LP”) for the purpose of investing in the Master Fund which is the subject of this presentation, and in response to demand for alternative investment opportunities put forth by CAPTRUST ultra high net worth (wealth) clients, as well as non-retirement plan institutional clients, who seek diversification beyond the traditional equity and fixed income markets.

This material should be preceded (or accompanied) by the CAPTRUST 2022 Homecourt Fund, LP’s confidential private placement memorandum (the “Memorandum”) that will contain a detailed disclosure of the risks of investing in the CAPTRUST 2022 Homecourt Fund, LP. The Memorandum will also be accompanied by subscription documents which will be required in order to participate in this alternative investment opportunity.

**An investment in the CAPTRUST 2022 Homecourt Fund, LP is suitable only for sophisticated investors and requires the financial ability and willingness to accept the high risks and lack of liquidity inherent in an investment in the Master Fund. Investors must be prepared to bear such risks for an extended period of time. No assurance can be given that the investment objectives of the Master Fund (and therefore, CAPTRUST 2022 Homecourt Fund, LP) will be achieved or that investors will receive a return of their invested capital. In addition, investment results may vary substantially on a monthly, quarterly or annual basis. Investors could lose all or some of their invested capital.**

Please discuss these risks with your CAPTRUST Financial Advisor when considering whether a subscription in the CAPTRUST 2022 Homecourt Fund, LP will help you meet your investment goals and objectives. This overview of the Master Fund and is being provided for informational purposes only and is not a solicitation to invest. Please do not redistribute.





Official partnership with the **NBA**

# DYAL | HOMECOURT PARTNERS

**DYAL** HOMECOURT PARTNERS

# EXECUTIVE SUMMARY

Official partnership with the **NBA**

# EXECUTIVE SUMMARY



In 2021, private equity firms invested nearly \$2 billion in professional sports leagues, with the NBA attracting the majority of those investments.<sup>1</sup>

## Professional sports assets have emerged as an attractive institutional asset class<sup>2</sup>

- Highly valuable recurring global media rights assets which seek to provide stable and attractive returns (e.g., the NBA has delivered a 15.3x cumulative gross multiple since 1999 according to Forbes data<sup>3</sup>)
- Outsized valuation growth and low correlation with broader equity markets
- Scarce assets that are at the center of the experience economy
- Tax attributes may allow U.S.-investors to offset passive investment income
- The NBA has been the most sought-after institutional investment when compared to other U.S. professional sports leagues, attracting ~67% of the \$2bln invested in the industry during 2021 according to PitchBook

## The National Basketball Association's ("NBA") structure promotes economic and competitive parity via several structural guardrails that can help to mitigate risk and drive returns

- The NBA equally distributes league-derived revenue amongst the 30 teams and employs a revenue sharing system that allows smaller market teams to be financially competitive. The largest contributor of league-derived revenue is the national broadcast deal currently paying ~\$2.7bln annually.<sup>4</sup>
- League Wide Credit Facility provides each team access to low interest rate debt, while \$325mln combined debt limit at the TeamCo and HoldCo level is enforced.<sup>4</sup>
- Collective Bargaining Agreement between the NBA and NBA Players Association helps promote financial stability, cost controls and competitive balance.

**As of report date unless otherwise specified. Past performance is not indicative of future results.** There is no assurance that advantages and objectives described herein will be achieved and there can be no guarantee as to present or future exclusivity.

**Note:** The National Basketball Association ("NBA") has provided proprietary data for professional sports investment information which Blue Owl makes no representations about its accuracy, fairness, correctness or completeness of the information or opinion contained herein.

**1.** CNBC: Private equity invaded sports in 2021 with nearly \$2 billion in deals, and the NBA was in high demand 2/6/2022. All investments in the NBA during the time period were minority transactions as institutions are not permitted to be "control" owners. **2.** Barron's: Private Equity and Live Sports: It's All About the Broadcast Rights . **3.** Calculated as aggregate league value as provided by Forbes. **4.** FitchRatings.com: Rates NBA's Hardwood Funding Notes 'A-' & Affirms Outstanding Debt; Outlook Stable 6/3/2022

# EXECUTIVE SUMMARY

Dyal's official partnership with the NBA grants purchase rights that afford the Fund special advantages in constructing a diversified portfolio of NBA minority stakes

**1** Dyal is one of the only pre-approved institutional buyers who can assemble a portfolio of NBA minority stakes

**2** Dyal is permitted to own up to 20% equity in all 30 NBA franchises

**3** Dyal is fully exempt from the NBA's 25 beneficial owners' limit

Dyal HomeCourt Partners seeks to deliver attractive private equity-like returns that have historically exhibited low correlation to the broader equity markets

- HomeCourt Partners is able to opportunistically purchase stakes at minority discounts
- Dyal places high value on minority ownership protections such as "tag rights," positioning the fund to potentially capitalize on lucrative change-of-control arbitrage opportunities

- Investments at HoldCo level can provide economic exposure to diverse set of assets (e.g., NBA franchise, ancillary commercial real estate, arena, etc.)
- HomeCourt Partners can also provide fulcrum capital to ownership groups pursuing control purchases

HomeCourt Partners Portfolio To Date			
<i>Dyal HomeCourt fully exited its interest, effective February 7, 2023</i>			
Date Invested	July / Oct. 2021	Dec. 2021 / Jan. 2022	Aug. / Sep. 2021
% Equity Owned	5-10%	5-10%	5-10%
Entry Value Discount or Premium to Like-Market Transactions <sup>1</sup>	Discount	Discount	Discount
Designated Market Area (aka "DMA") Ranking	11 <sup>th</sup>	7 <sup>th</sup>	20 <sup>th</sup>
Media Revenue % Exposure @ Underwriting	~50-60% between national and local media rights	~40-50% between national and local media rights	~40-50% between national and local media rights
Expected Gross / Net IRR @ Underwriting <sup>2</sup>	Mid-teens (base case)	Mid-teens (base case)	Mid-teens (base case)
Expected Gross / Net MOIC@ Underwriting <sup>3</sup>	>2.0x (base case)	>2.0x (base case)	>2.0x (base case)

**As of report date unless otherwise specified. Past performance is not indicative of future results.** There is no assurance that advantages and objectives described herein will be achieved and there can be no guarantee as to present or future exclusivity. All investments are subject to risk, including the loss of principal amount invested. The information provided and described herein is for discussion and illustrative purposes only. There is no guarantee that any or all of the objectives, targets will be achieved. Target/hypothetical return are the time of underwriting and furthermore, in no circumstances should the target or hypothetical be regarded as a representation, warranty, or prediction that a Blue Owl fund will achieve or is likely to achieve any particular result or that an investor will be able to avoid losses, including total loss of their investment. Inherent in any investment is the potential for loss. Illustrative returns assumptions assume investments are exited in the seventh year where forecasted revenue at underwriting is capitalized by 7-12x exit multiple resulting in a net/gross IRR and MOIC in the mid-teens and >2.0x, respectively. Revenue growth assumptions at underwriting are informed by conversations with respective team management. **1.** Dyal's LTM revenue entry multiple compared to historical LTM revenue entry multiples of historical minority transactions in like-markets as determined by Designated Market Area ranking. **2.** Gross IRR defined as internal rate of return excluding management fees and carry generated over the forecast period at the time of underwriting. **3.** Gross MOIC defined as multiple of invested capital excluding management fees and carry generated over the forecast period at the time of underwriting. Net MOIC defined as multiple on invested capital including management fees and carry generated over the forecast period at the time of underwriting.

**DYAL** HOMECOURT PARTNERS

# WHY INVEST?

Official partnership with the **NBA**

# ABOUT BLUE OWL

## BLUE OWL FIRM OVERVIEW

Assets Under Management

Owl Rock manages  
**\$68.6 BN**

Dyal Capital manages  
**\$48.5 BN**

Oak Street manages  
**\$21.1 BN**

**Blue Owl** is an alternative asset manager providing investors access to Direct Lending, GP Capital Solutions and Real Estate strategies

We aim to provide institutional and private wealth clients access to compelling and differentiated investment opportunities

**Blue Owl** invests across the private market ecosystem, providing debt and equity solutions to businesses and financial sponsors, including private equity and venture capital firms

NYSE: OWL

BBB from S&P  
and Fitch<sup>1</sup>

Over 520  
employees

Headquarters in  
New York with 9  
other offices

All data as of December 31, 2022. Past performance is not a guarantee of future results.

<sup>1</sup>A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time. For complete ratings definitions please visit [www.standardandpoors.com](http://www.standardandpoors.com) and [www.fitchratings.com](http://www.fitchratings.com).



With over **\$138 billion of assets** under management, **Blue Owl** is a leading provider of private capital solutions

### A Solutions Provider

Blue Owl's complementary strategies allow for enhanced origination opportunities and access to unique, proprietary deal flow

- **Owl Rock** is a leading capital provider to middle- and upper- middle-market businesses with over 640 sponsor relationships
- **Dyal Capital** is a leading capital provider to large multi-product private capital managers with over 55 partnerships since inception
- **Oak Street** is a leader in providing real estate solutions and focuses on structuring sale-leaseback transactions as well as providing seed and strategic capital to real estate operators

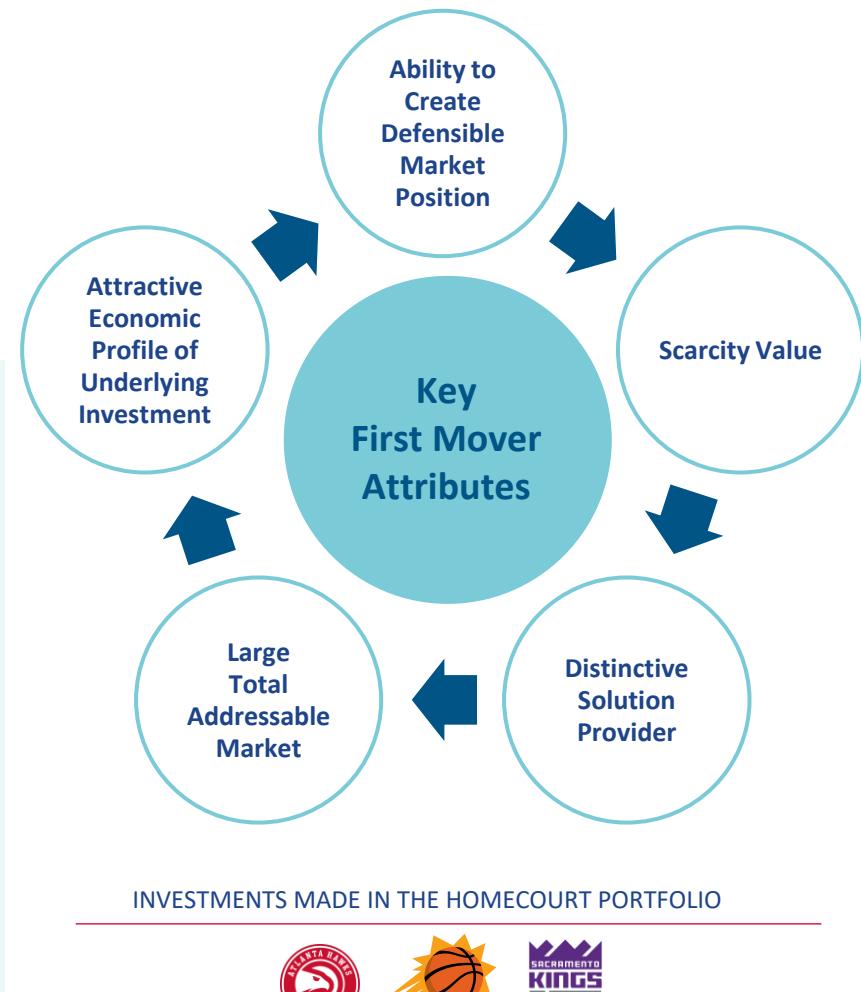
### Track record

- Since inception, Blue Owl's investment strategies have provided clients access to attractive risk-adjusted returns with demonstrated ability to source opportunities in all market environments
- Our investment team of over 125 professionals is led by an executive team with decades of experience managing successful alternative investment businesses

# A HISTORY OF IDENTIFYING ATTRACTIVE INVESTMENT OPPORTUNITIES IN UNDERSERVED MARKETS

## A Brief History of Dyal

With \$48.5 billion of AuM, Dyal Capital is a leading capital provider to large multi-product private capital managers. Starting as a **first mover** in 2012 with a \$1.3 billion fund, Dyal has established **55+ partnerships** since inception.



# NBA ASSETS SHARE ATTRACTIVE ATTRIBUTES WITH OTHER INVESTIBLE INDUSTRIES

We believe **underwriting** reveals franchise economics are similar to technology and media assets

Consistent and Predictable Revenue	<b>High Recurring Revenue</b>	<ul style="list-style-type: none"> <li>Large percentage of league and team revenue is comprised of multi-year media and sponsorship contracts with annual growth escalators</li> <li>At underwriting, teams exhibit a material percentage of contracted revenue on a next-twelve-months (NTM) basis</li> </ul>
	<b>Valuable Intellectual Property Provider</b>	<ul style="list-style-type: none"> <li>Distributors, advertisers and consumers place high value on NBA content</li> <li>Live sports provides predictable programming that is the most popular content on linear TV</li> <li>The NBA is recognized as the premier provider of basketball content and basketball talent globally</li> </ul>
	<b>Strong Customer Loyalty / Retention</b>	<ul style="list-style-type: none"> <li>Customer loyalty is not highly correlated to team performance or other KPIs</li> <li>Fandom is often passed down through generations</li> <li>Shift in fandom within the league still benefits the league as a whole</li> </ul>
Profitability	<b>League Structure Promotes Profitability and Economic Parity</b>	<ul style="list-style-type: none"> <li>League-Derived Revenue: Split evenly amongst the 30 teams, creating a strong economic ballast</li> <li>50/50 BRI<sup>1</sup> Split: Equitable economic split with players promotes stable cost structure</li> <li>Revenue Sharing: Redistribution of excess profits generated by larger market teams shared with smaller market teams</li> <li>Luxury Tax System: Progressive tax system allows owners to pay salaries to players above the luxury tax threshold, in which case luxury taxes are levied on the owner and tax payments are aggregated and redistributed to non-luxury tax paying teams<sup>2</sup></li> </ul>
Robust Capital Structure	<b>Strict League Imposed Indebtedness Limits</b>	<ul style="list-style-type: none"> <li>Maximum indebtedness for teams during the 2021-2022 season was \$325mln (\$275mln at TeamCo and \$50mln at HoldCo)</li> <li>Limitations prevent owners from over-levering assets further de-risking equity investments</li> </ul>
	<b>Access to Low-Interest Debt</b>	<ul style="list-style-type: none"> <li>NBA has league wide credit facility (LWCF) available to teams at attractive interest rates<sup>3</sup></li> <li>LWCF is collateralized by the league's national media contracts<sup>3</sup></li> </ul>

**As of report date unless otherwise specified. Past performance is not indicative of future results.** There is no assurance that advantages and objectives described herein will be achieved or can persist in the future. As of report date unless otherwise specified. Past performance is not indicative of future results. There is no assurance that advantages and objectives described herein will be achieved and there can be no guarantee as to present or future exclusivity. All investments are subject to risk, including the loss of principal amount invested. The information provided and described herein is for discussion and illustrative purposes only. There is no guarantee that any or all of the objectives, targets will be achieved. Target/hypothetical return are the time of underwriting and furthermore, in no circumstances should the target or hypothetical be regarded as a representation, warranty, or prediction that a Blue Owl fund will achieve or is likely to achieve any particular result or that an investor will be able to avoid losses, including total loss of their investment. Inherent in any investment is the potential for loss. Illustrative returns assumptions assume investments are exited in the seventh year where forecasted revenue at underwriting is capitalized by 7-12x exit multiple resulting in a net/gross IRR and MOIC in the mid-teens and >2.0x, respectively. Revenue growth assumptions at underwriting are informed by conversations with respective team management. <sup>1</sup> BRI<sup>1</sup> is defined as Basketball Related Income as per the NBA Collective Bargaining Agreement ("CBA"). <sup>2</sup> Luxury Tax threshold for the 2021-2022 NBA season was approximately \$136.6mln. <sup>3</sup> FitchRatings.com: Rates NBA's Hardwood Funding Notes 'A-' & Affirms Outstanding Debt; Outlook Stable 6/3/2022

# LEAGUE STRUCTURE PROMOTES ECONOMIC & COMPETITIVE PARITY



## League Generated Revenue Split 1/30th



Largest contributor of league driven revenue comes from the national media rights deal paying the league \$2.7 billion annually from 16/17 through the 24/25 season<sup>1</sup>

## Basketball Related Income Split 50/50 Between Owners & Players<sup>2</sup>



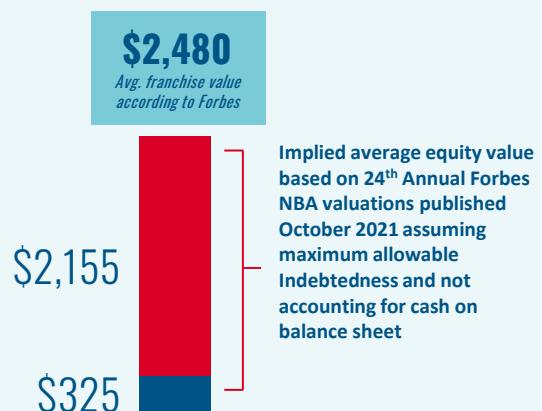
NBA has equitable split of sport related income when compared to the other "Big 4"<sup>3</sup> US professional sports leagues which contributes to labor peace

## Luxury (Progressive) Tax System for Teams with High Player Spend<sup>5</sup>

LUXURY TAX		
Threshold	Tax Payment per \$1 (Non-Repeater)	Tax Payment per \$1 (Repeater)
\$5,000,000	\$1.50	\$2.50
\$10,000,000	\$1.75	\$2.75
\$15,000,000	\$2.50	\$3.50
\$20,000,000	\$3.25	\$4.25
\$25,000,000	\$3.75	\$4.75
\$30,000,000	\$4.25	\$5.25
\$35,000,000	\$4.75	\$5.75
\$40,000,000	\$5.25	\$6.25

Luxury taxes are paid to the League and then reallocated to non-luxury taxpayers which promotes competitive parity

## \$325M Indebtedness Limitation<sup>6</sup>



Past performance is no assurance of future results. Blue Owl does not provide tax advice, please ensure to consult with your tax professionals. Metrics mentioned on this slide are subject to change year-to-year. Note: The National Basketball Association ("NBA") has provided proprietary data for revenue sharing which Blue Owl makes no representations about its accuracy, fairness, correctness or completeness of the information or opinion contained herein.

1. Sports Media Watch: NBA announces 9-year TV deal with ESPN, Turner Sports 10/5/2014. 2. 2017 NBA-NBPA Collective Bargaining Agreement (Effective as of 7/1/2017). 3. Big 4 U.S. professional sports leagues include: National Basketball Association, National Football League, Major League Baseball and National Hockey League. 4. Revenue sharing resources shared by the National Basketball Association. 5. Hoops Hype: How does the NBA's luxury tax work? 10/18/2018. 6. Forbes: The NBA's Most Valuable Teams 2021-22: New York Knicks Lead A Trio Now Worth Over \$5 Billion Each 10/18/2021.

## Smaller Market Teams Receive Revenue Sharing<sup>4</sup>

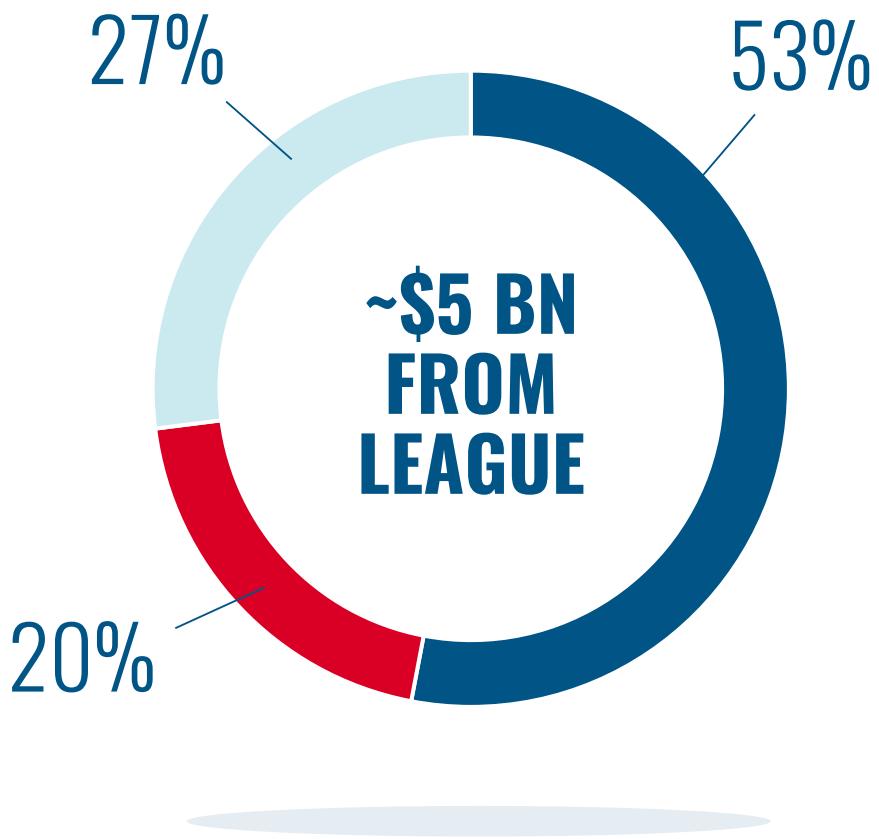


Redistribution of profits to smaller market teams which allows all teams to make a reasonable profit and compete for championships

## Access to Low-Interest Credit Facility



# NBA BOASTS A DIVERSIFIED, GROWING REVENUE BASE PART 1 OF 2



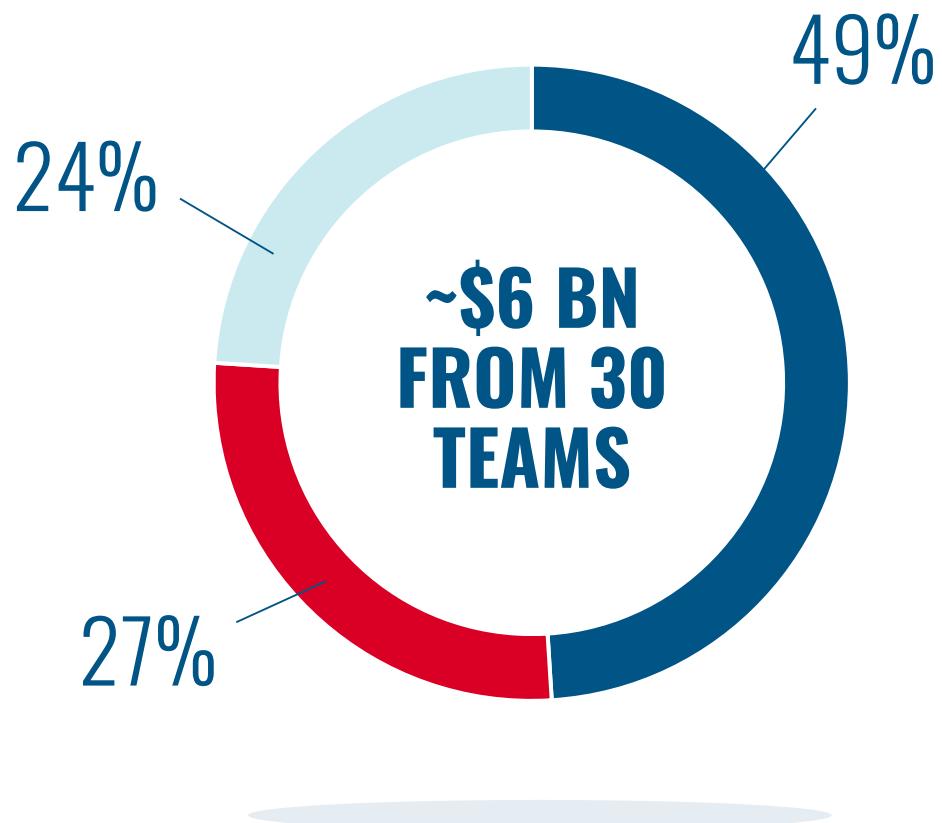
## League Revenue Perspectives

National TV	International	Other
<p>Current deals with ESPN and Turner provides league committed growth</p> <ul style="list-style-type: none"> <li>AAV: \$2.7bln (2.8x previous deal)</li> <li>Term: 9-years through '24/'25 season</li> <li>Escalators: 5% annually (teams will receive ~\$100mln in final year)</li> <li>Revenue is split evenly amongst 30 NBA franchises</li> </ul> <p><b>ESPN</b> <b>abc</b> <b>TNT</b></p>	<p>'21/'22 International revenue totaled ~\$1bln</p> <ul style="list-style-type: none"> <li>10-year growth: ~15% CAGR</li> <li>NBA content is licensed in 215 countries</li> <li>Lucrative media deals (e.g., Tencent in China for 5 yrs / \$1.5bln)</li> <li>Basketball Africa League (BAL) launched in 2021</li> <li>200+ games played abroad</li> </ul> <p><b>beIN MEDIA GROUP</b> <b>sky sports</b> <b>Tencent 腾讯</b> <b>Rakuten</b></p>	<p>Consists of NBA digital media, sponsorship, licensing and other league revenues</p> <ul style="list-style-type: none"> <li>Younger, tech-savvy fan base that engages heavily on social media (2.1 bln likes and followers<sup>1</sup>)</li> <li>Multi-year sponsorships with leading firms</li> <li>Lucrative licensing deals with merchandise and data analytics companies</li> </ul> <p><b>NBA Store</b> <b>NBA.COM</b> <b>NBA TV</b> <b>NBA LEAGUE PASS</b> <b>GATORADE</b> <b>AMERICAN EXPRESS</b> <b>State Farm</b> <b>KIA</b></p>

Past performance is no assurance of future results. Information on this slide has been provided by the NBA directly. Blue Owl makes no representations about its accuracy, fairness, correctness or completeness of the information or opinion contained herein.

<sup>1</sup>National Basketball Association communications: <https://pr.nba.com/nba-nbpa-sorare-partnership/>

# NBA BOASTS A DIVERSIFIED, GROWING REVENUE BASE PART 2 OF 2



## Team Revenue Perspectives

Tickets/Suites	Content	Other
<ul style="list-style-type: none"> <li>Arena attendance has recovered well following the covid pandemic with 92% average occupancy across the league for the 21/22 season vs. 95% for the 18/19 season</li> <li>Teams have embraced analytical approach to ticket pricing which has boosted revenue and profitability</li> <li>Suite contracts offer teams incremental contracted revenue mostly from leading local and national corporations</li> <li>Season tickets add valuable level of fan intimacy and revenue predictability</li> </ul>	<ul style="list-style-type: none"> <li>Teams have the right to negotiate local TV and radio media rights deals to complement national media rights deals negotiated by the league on behalf of the teams</li> <li>Local media rights contracts are typically long-dated with annual escalators</li> <li>Recently teams have begun to monetize direct-to-consumer content at the local level</li> <li>Contracts usually provide attractive economic incentives for playoff appearances</li> </ul>	<b>Consists of signage, concessions, merchandise, sponsorships and other revenue streams</b> <ul style="list-style-type: none"> <li>State-of-the-art arenas generate revenue for both NBA and non-NBA events</li> <li>Teams permitted to monetize strength of local market to generate sponsorships which adds incremental contracted revenue oftentimes with annual escalators</li> </ul>

# NBA HAS EXPERIENCED OUTSIZED CAPITAL APPRECIATION BOLSTERED BY GROWING REVENUE

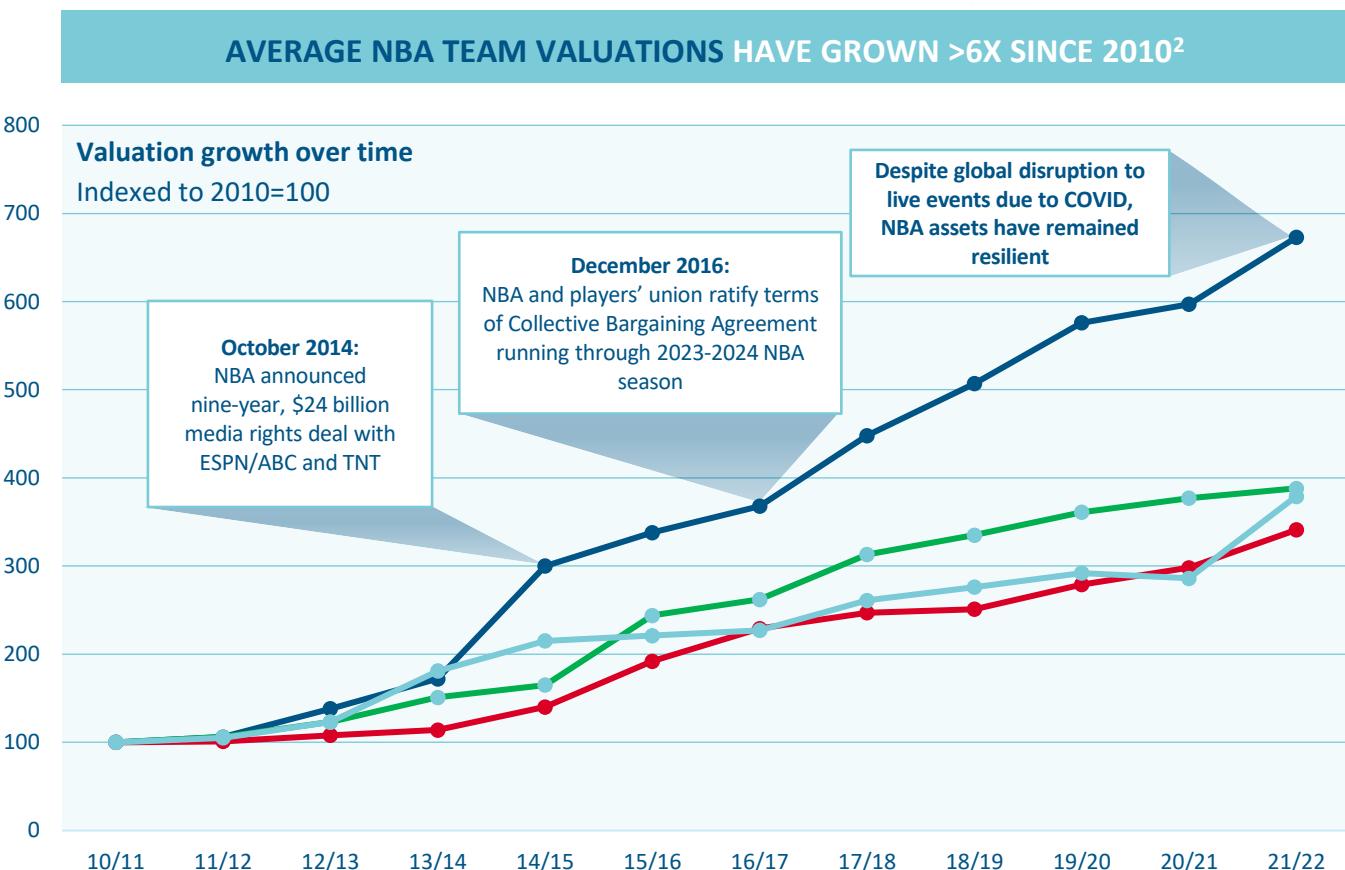


**45%** LEAGUE-MANAGED

**League Revenue Sources**  
National/International Content, Merchandising & League Sponsorships

**55%** TEAM-MANAGED

**Team Revenue Sources**  
Tickets & Suites  
Local Content, Arena & Team Sponsorships



Past performance is no assurance of future results. Team revenue information on this slide has been provided by the NBA directly. Blue Owl makes no representations about its accuracy, fairness, correctness or completeness of the information or opinion contained therein.

<sup>1</sup>. As provided by the National Basketball Association: percentage of league and team managed revenue. <sup>2</sup>. Forbes annual NBA, NFL, MLB and NHL valuation articles published from 2011 – 2022.

# OUTSIZED RETURNS WITH LOW CORRELATION TO THE BROADER EQUITY MARKETS



22-YEAR CORRELATIONS (2000+)

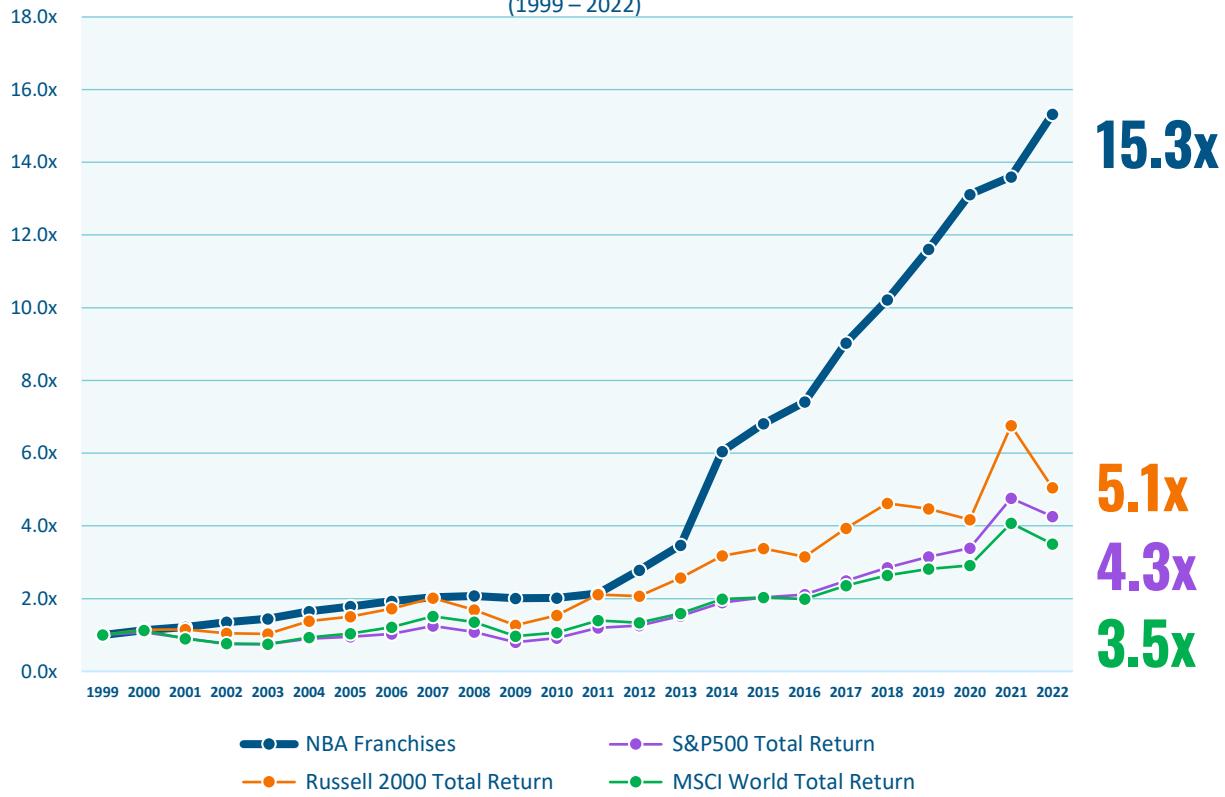
	NBA Franchises	S&P 500	Russell 2000	MSCI World
NBA Franchises		0.09	0.03	0.07
S&P 500	0.09		0.80	0.93
Russell 2000	0.03	0.80		0.83
MSCI World	0.07	0.93	0.83	

10-YEAR CORRELATIONS (2012+)

	NBA Franchises	S&P 500	Russell 2000	MSCI World
NBA Franchises		0.04	0.01	0.05
S&P 500	0.04		0.94	0.97
Russell 2000	0.01	0.94		0.92
MSCI World	0.05	0.97	0.92	

PERFORMANCE DURING  
RISK-OFF MARKET ENVIRONMENTS

	2000 to 2002	2007 to 2009
NBA Franchises	+35%	+4%
S&P 500	-38%	-16%
Russell 2000	-21%	-17%
MSCI World	-42%	-14%

CUMULATIVE RETURN MULTIPLE OF THE NBA vs. MAJOR PUBLIC INDICES  
(1999 – 2022)

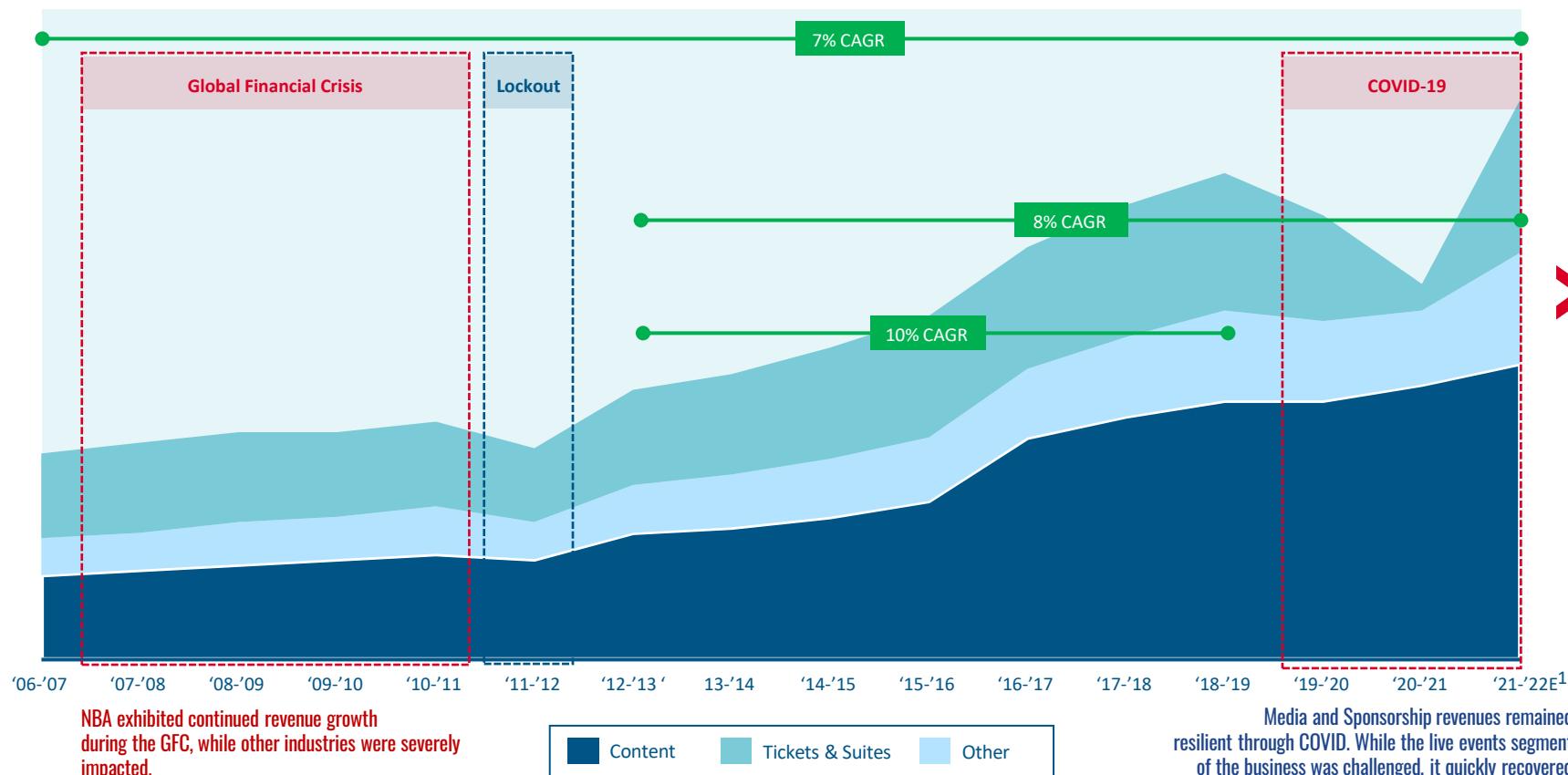
The past performance is not a guarantee of future results. Indices listed do not represent benchmarks for the funds but allow for comparison of a fund's performance to an index. An investor cannot invest directly in an index. Index performance does not reflect fees and expenses.

Data source: Forbes annual NBA valuation data published 1999–2022, CapitalIQ provides public equity index metrics from 1999–2022.

# HISTORICAL CYCLICAL RESILIENCE: LEAGUE REVENUES



**Revenue Growth** through market cycles



**>50%**

of league  
revenues are  
derived from  
Content

NBA exhibited continued revenue growth during the GFC, while other industries were severely impacted.

Content      Tickets & Suites      Other

Media and Sponsorship revenues remained resilient through COVID. While the live events segment of the business was challenged, it quickly recovered once COVID protocols were relaxed.

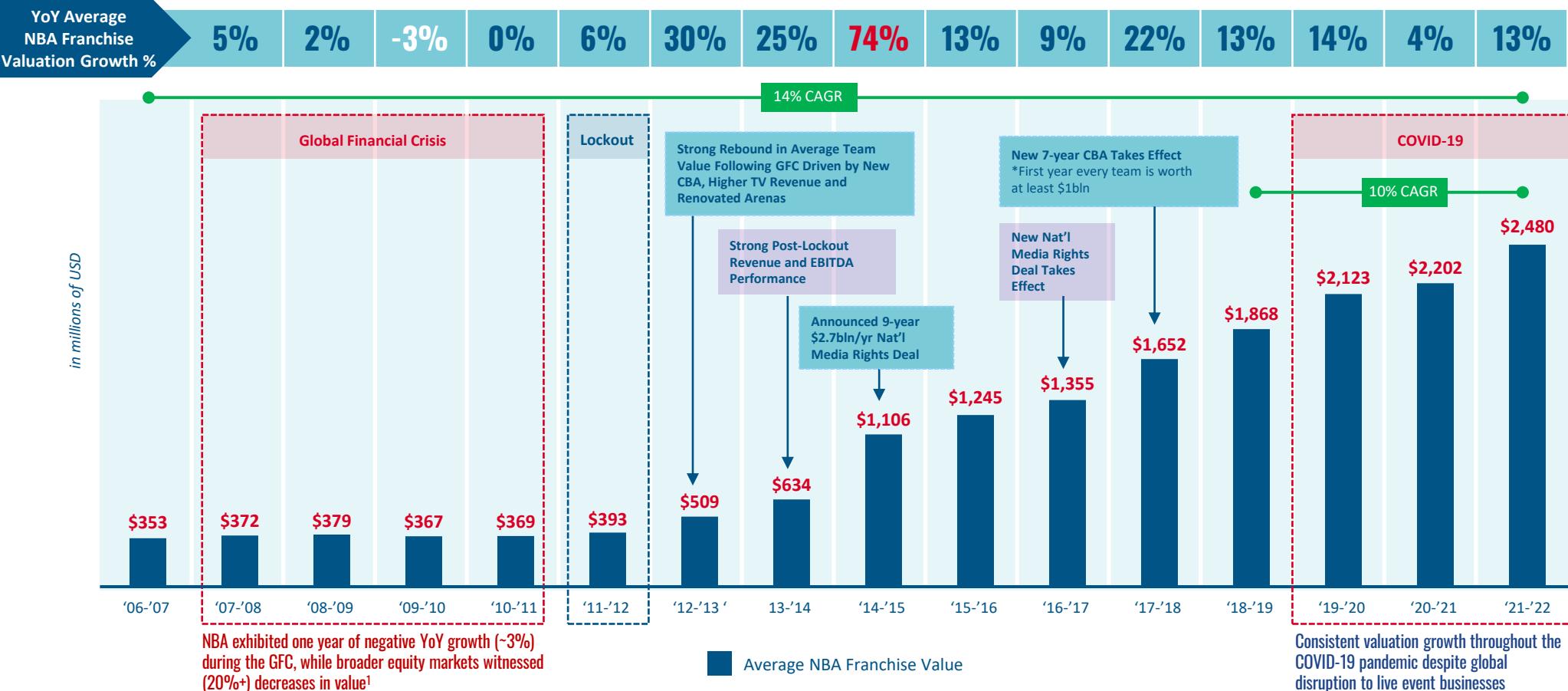
Past performance is no assurance of future results. **NOTE:** Information on this slide has been provided by the NBA directly. Blue Owl makes no representations about its accuracy, fairness, correctness or completeness of the information or opinion contained therein.

Data source: National Basketball Association: league revenues. Note: CAGRs shown are calculated using total league revenue for respective years. <sup>E1</sup>Estimated financial performance for the 21/22 season as provided by the National Basketball Association.

# HISTORICAL CYCLICAL RESILIENCE: FRANCHISE VALUATIONS



**Strong Valuation Growth** through market cycles



# DYAL HOMECOURT ADDRESSES THE STRUCTURAL CHALLENGES OF INVESTING IN NBA TEAMS

## HISTORICAL BARRIERS TO MINORITY OWNERSHIP

### 1 Ownership Restrictions

- NBA owners can only own interest in one team
- Limit of 25 beneficial owners per team
- Ownership interest must be 1% or greater

### 2 Transaction Vetting

- Extensive vetting and approval required by team's controlling governor and the League for both purchasing and selling direct interests

### 3 Capital Constraints

- Significant capital requirements due to appreciation of franchise value

### 4 No Structured Process

- Owners desiring liquidity often have to go find it on their own



**CLICK TO PLAY** DYAL HOMECOURT VIDEO

PASSWORD: DHP

**As of report date unless otherwise specified. Past performance is not indicative of future results.** There is no assurance that advantages and objectives described herein will be achieved or can persist in the future.

\*Some of the benefits described above may only be available to certain investors based on commitment size. There is no guarantee that all of the specific League-derived or Dyal HomeCourt-derived perks discussed herein will be provided based on, among other things, the availability of premium tickets, the success of the franchise(s) HomeCourt invests in, and the number of perks provided in a given period. Similarly, there can be no assurance that the perks that may eventually be provided to investors will have similar characteristics to those discussed herein. League derived perks are limited in nature and, as such, an eligible investor may not be able to receive every potential perk available. For avoidance of doubt, certain League derived perks require an individual investor to invest amounts greater than the currently stated \$10mm minimum in order to be eligible. The minimum to be eligible for League derived perks may change over time and, as such, your eligibility to participate in these perks may change should your investment amount fall below the minimum amount required. Dyal HomeCourt derived perks are perks provided by the fund to investors and prospective investors in HomeCourt and, for the avoidance of doubt, any guests that they may invite. Perks will not necessarily be of equal value. These perks will be paid for by HomeCourt and, as such, investors will be indirectly paying for perks received by individuals other than themselves. In addition, there will be a limited number of perks available during any given season and these perks may not be available to all investors. Perks may not be allocated evenly to all investors. Investors with larger investments in HomeCourt will be eligible to receive a greater number of Dyal derived perks during a given season.

## DYAL ADVANTAGE

1st

Pre-approved institutional buyer

1st

Entity allowed to invest in **unlimited number** of NBA teams

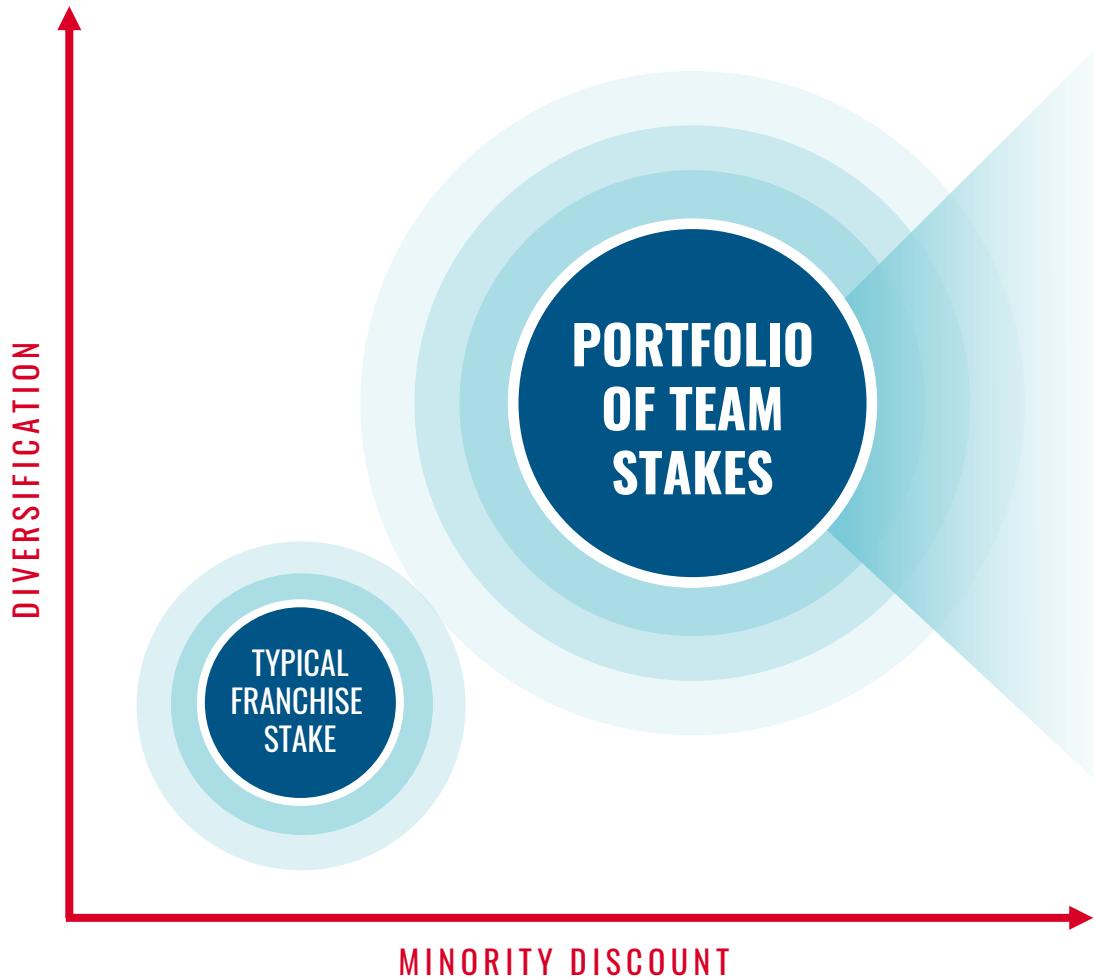
1st

Entity fully exempt from **25** beneficial owners limit

## PERKS

Provision of perquisites to investors that meet certain predefined investment thresholds (see slide 35 for more details)\*

# HOMECOURT'S FUND STRUCTURE ALLOWS FOR UNIQUE INVESTOR ADVANTAGES



## FUND STRUCTURE

Dyal HomeCourt Partners' ("DHP") **innovative structure** allows for possibility of acquiring a stake at minority discount and holding interest until a control transaction (allows an exit at a price that may include a control premium)

## LEAGUE VALUE APPRECIATION

Access to NBA's **anticipated long-term value appreciation** with the **added benefit of diversification** vs. ownership in a single or limited number of team(s)<sup>1</sup>

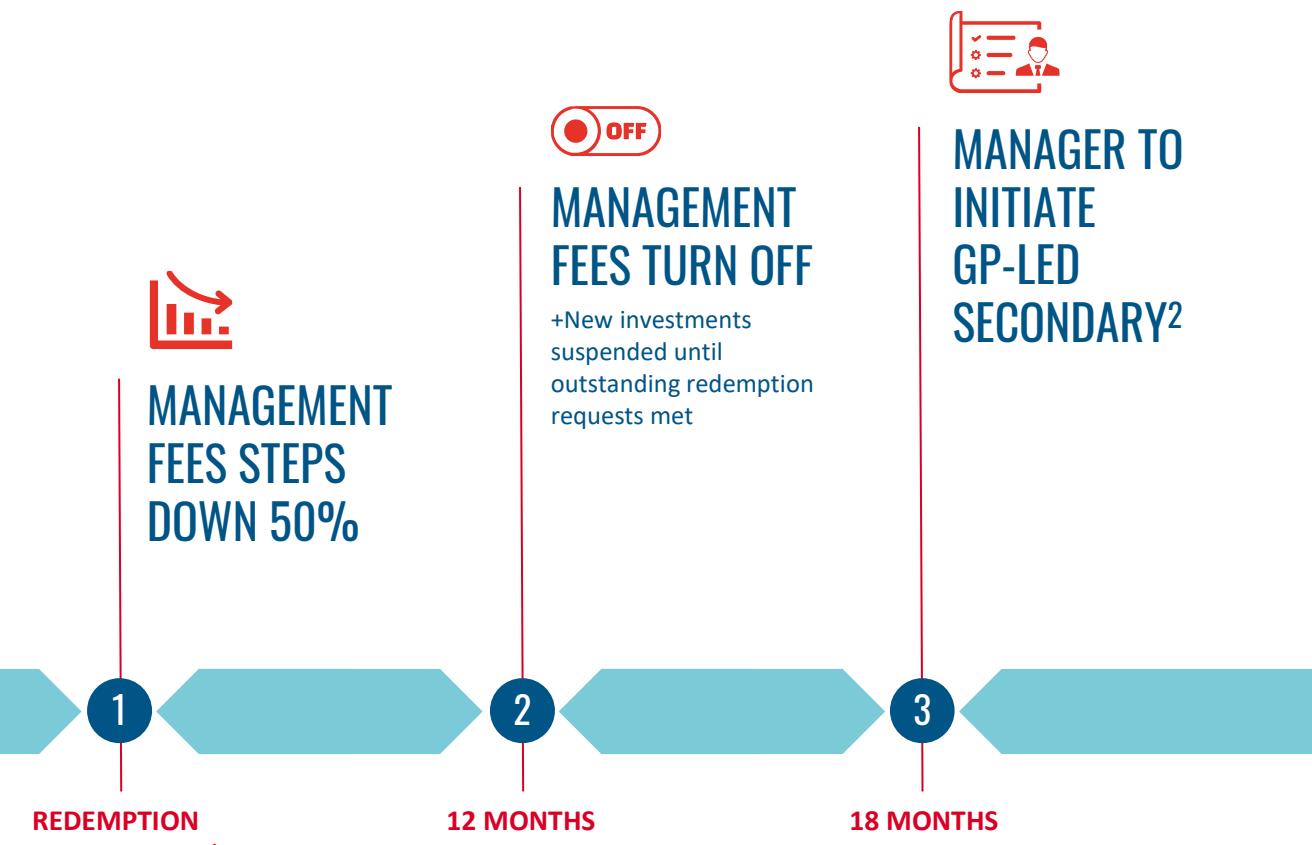
## PERPETUAL CAPITAL

Dyal's perpetual capital theoretically allows us to be the **ideal long-term partner** to NBA franchises as we will never be forced to sell DHP's interest due to perpetual fund structure

As of report date unless otherwise specified. Past performance is not indicative of future results. There is no assurance that advantages and objectives described herein will be achieved and there can be no guarantee as to present or future exclusivity. Diversification does not guarantee a profit or protect against a loss in a declining financial market.

<sup>1</sup>. Anticipated value to ultimately be determined by market activity.

# LP STRUCTURE: DESIGNED TO ALIGN GP & LP INTERESTS IN MEETING REDEMPTION REQUESTS



**Liquidity Mechanisms**  
of a Traditionally Structured  
Private Equity Fund

**ASSET SALES**

**EXCESS CASH**

**PORTFOLIO SALES**

**GP-LED SECONDARY<sup>2</sup>**

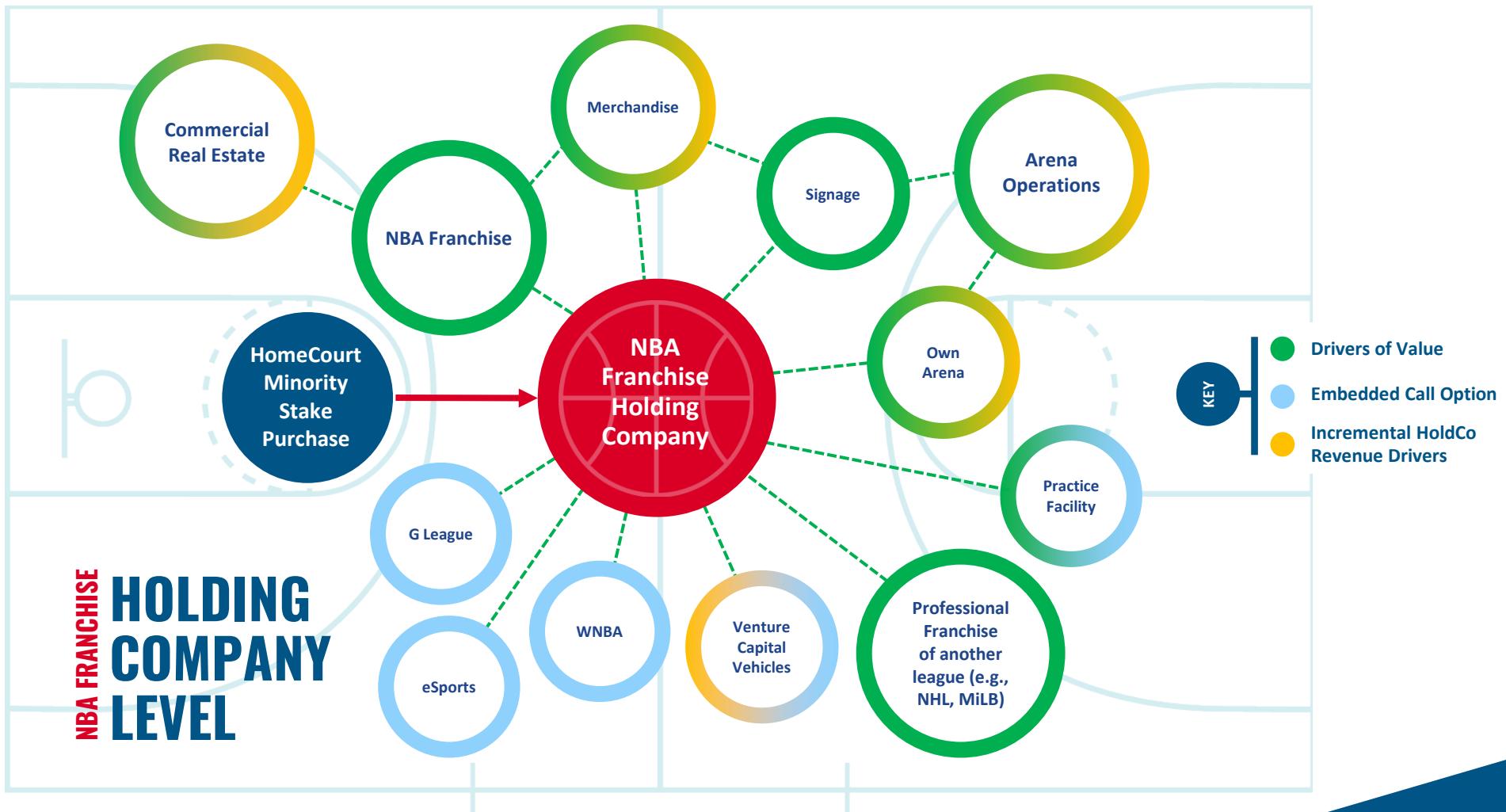
**NEW SUBSCRIPTIONS**

at Prevailing NAV

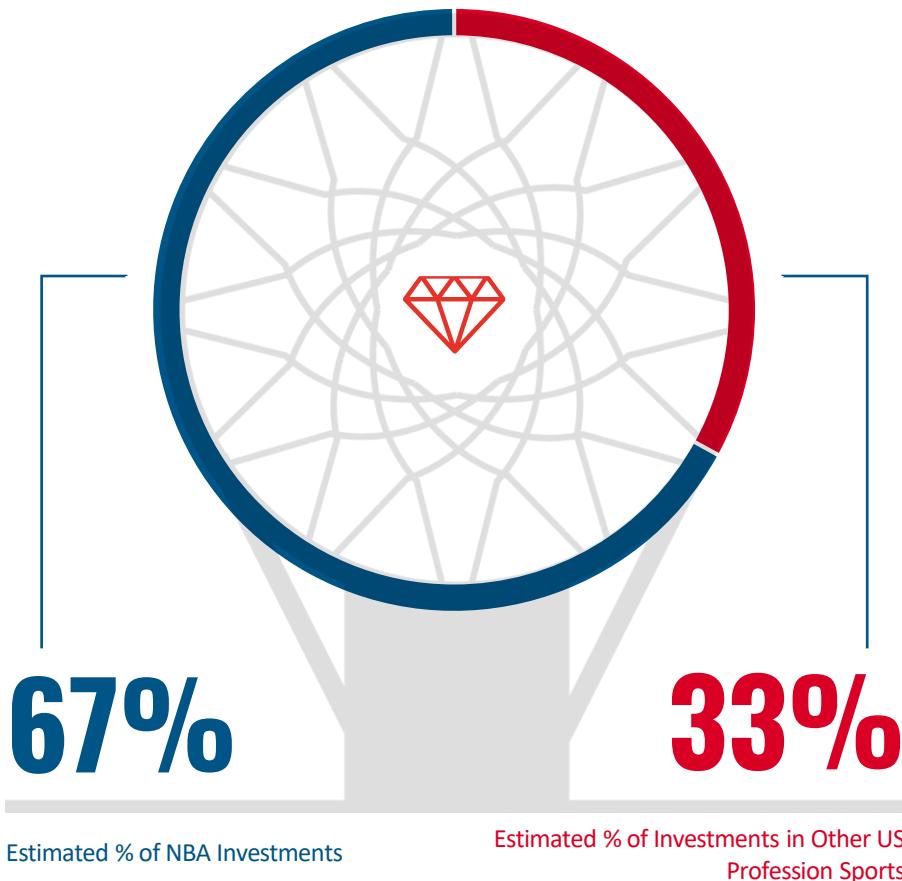
This information is summary in nature and is in no way complete, and these terms have been simplified for illustrative purposes. Information subject to change based on Amended and Restated Limited Partnership Agreement. You must rely only on the information contained in the PPM in making any decision to invest.

<sup>1</sup> A Limited Partner may deliver a notice (a "Redemption Request") that it wants to invoke the redemption provision described herein with respect to all or a portion of its Interest, which notice will designate the effective date of the proposed Redemption (the "Redemption Effective Date"). A Redemption Effective Date must be as of the end of a semi-annual calendar period (i.e., a June 30 or a December 31) and the applicable Redemption Request must be delivered at least 180 days prior to the Redemption Effective Date. No Redemption Effective Date will be set before the seventh anniversary of the date a Limited Partner's subscription is accepted. <sup>2</sup> The General Partner is only obligated to use commercially reasonable efforts to initiate a GP-Led Secondary if it does not reasonably anticipate that redemption requests will be satisfied from cash flow or a primary issuance.

# ECONOMIC EXPOSURE TO A DIVERSIFIED SET OF ASSETS AT HOLDING COMPANY LEVEL



# DATA SHOWS THE NBA IS AN ATTRACTIVE ASSET CLASS FOR INSTITUTIONAL INVESTORS



Of the **~\$2 billion** of institutional capital invested in U.S. professional sports leagues in 2021, **~67%** was spent on minority NBA equity stakes according to PitchBook<sup>1</sup>

- NBA exhibits the highest cumulative return amongst “Big 4” U.S. professional sports leagues from '02 – '21 according to Forbes data<sup>2</sup>
- Low correlation to broader equity markets
- Attractive return profile
- Numerous tailwinds contributing to attractive growth trajectory
- Global scalability

We believe the NBA compares favorably to other U.S. professional sports leagues

	NBA	NFL	MLB	NHL
1 Global appeal	●	○	○	○
2 International super stars	●	○	○	○
3 Attractive fan demographics for media partners	●	○	○	○
4 Allowance of institutional capital	●	○	●	●

As of report date unless otherwise specified. Past performance is no assurance of future results. NOTE: Information on this slide has been provided by the NBA directly. Blue Owl makes no representations about its accuracy, fairness, correctness or completeness of the information or opinion contained therein. There is no assurance that advantages and objectives described herein will be achieved and there can be no guarantee as to present or future exclusivity.

<sup>1</sup> CNBC: Private equity invaded sports in 2021 with nearly \$2 billion in deals, and the NBA was in high demand 2/6/2022 <sup>2</sup> Big 4 U.S. professional sports leagues include: National Basketball Association, National Football League, Major League Baseball and National Hockey League.

# ROBUST PIPELINE OF NEAR-TERM INVESTMENT OPPORTUNITIES WITH ATTRACTIVE CO-INVESTMENT INCENTIVES



Dyal has actionable near-term pipeline of

**\$600+**  
MILLION



Fund structure allows for new investors to get **investment exposure to portfolio back to “dollar one”**

	TEAM 1	TEAM 2	TEAM 3	TEAM 4	EXISTING PORTFOLIO	
DMA Ranking <sup>1</sup>	Top 10	Top 15	Top 10	Top 10	Follow on opportunities for incremental percentages at original valuation	
Estimated Investment Range (in millions)	\$20-50	\$75-275	\$250-300	\$75-100		
Co-Investment Opportunity?	✓	✓	✓	✓		
Co-Investment Fee Rate	Management Fee Free / Carry Free					
Founders Class Fee Rate	<b>Management Fee: 1.25% (vs. 2%), Carry: 15% (vs. 20%)</b>					

As of September 2022. FOR ILLUSTRATIVE PURPOSES ONLY. The above information is representative of Dyal's Homecourt Partner's potential team pipeline and is subject to appropriate due diligence. Dyal makes no representations or assurances that any of these teams would be included in the portfolio. Pipeline is subject to change at any time without notice.

<sup>1</sup> “DMA” is defined as Designated Market Area by Nielsen which measures media consumption, ranked by local television homes with a ranking of #1 being the highest ranking achievable.

**DYAL** HOMECOURT PARTNERS

# NBA GROWTH INITIATIVES

Official partnership with the **NBA**

# THE NBA IS POSITIONED TO CAPITALIZE ON COMPELLING GROWTH OPPORTUNITIES



1



- The NBA is positioned to benefit from the increasing value ascribed to sports media rights
- The NBA provides valuable content to its traditional broadcast partners who view the content as essential to the pay-TV model
- Direct-to-consumer rights, which are not currently included in the NBA's national media rights deals, have propelled sports media rights valuations as seen in recent deals

2



- Basketball is a global sport and the NBA is recognized as the provider of premier basketball talent
- 15% CAGR over the past decade with attractive expansion opportunities in emerging markets
- Basketball Africa League (BAL) launched in 2021 and features 12 club teams across Africa
- Since 1978, the NBA has played 205 games in more than 20 countries outside of the U.S. and Canada in key markets such as China, India and Mexico

3



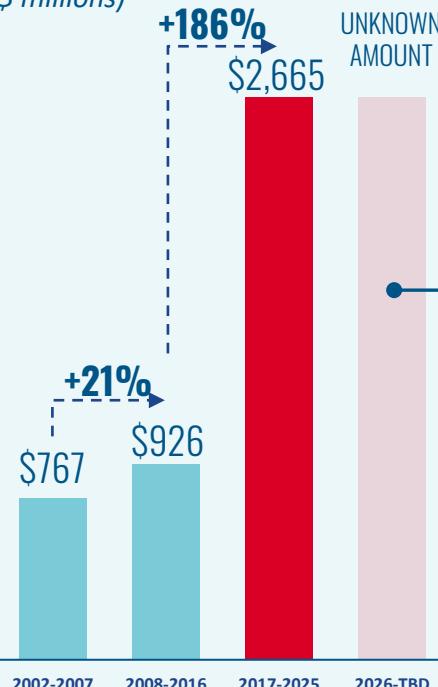
- 31 states and territories have legalized some form of sports gambling and are operational, 24 of which include mobile sports gambling. An additional 5 states have legalized sports gambling, including mobile sports gambling, but have not yet launched
- State legislatures have also moved to adopt in-arena sports betting
- Significant opportunity for league and team level revenue generation

As of report date unless otherwise specified. Past performance is no assurance of future results. **NOTE:** Information on this slide has been provided by the NBA directly. Blue Owl makes no representations about its accuracy, fairness, correctness or completeness of the information or opinion contained therein. There is no assurance that advantages and objectives will be achieved.

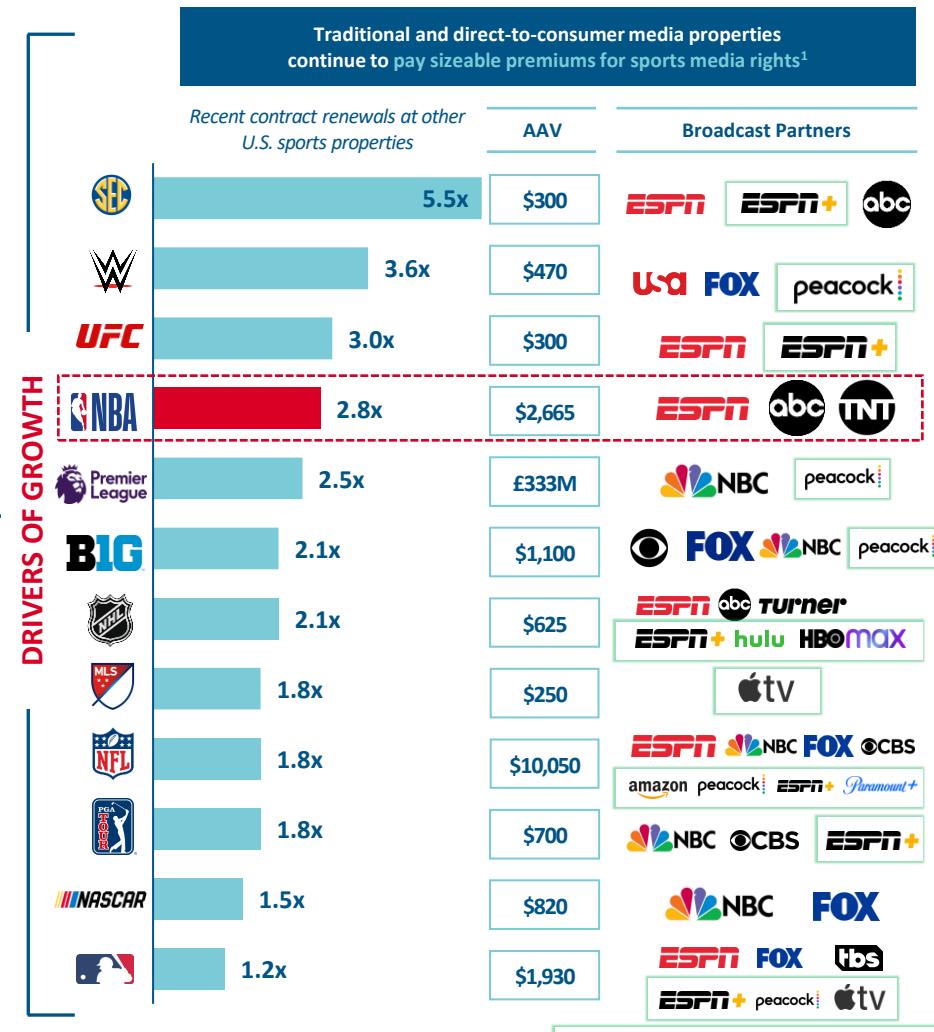
<sup>1</sup>American Gaming Association data as of 9/1/2022.

# 1 NBA FRANCHISE OWNERSHIP PROVIDES EXPOSURE TO VALUABLE MEDIA RIGHTS

**Historical average annual contract value of NBA national media rights agreements (\$ millions)**



Upside potential to new deal

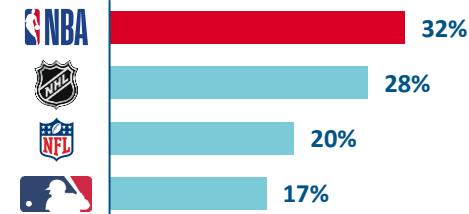


As of report date unless otherwise specified. Past performance is no assurance of future results. **NOTE:** Information on this slide has been provided by the NBA directly. Blue Owl makes no representations about its accuracy, fairness, correctness or completeness of the information or opinion contained therein. There is no assurance that advantages and objectives will be achieved.

<sup>1</sup> Sports Media Advisors. <sup>2</sup> PJT Partners report from May 2020. Note: Multiples illustrate increase in Average Annual value for respective leagues based on analysis conducted by Sports Media Advisors.

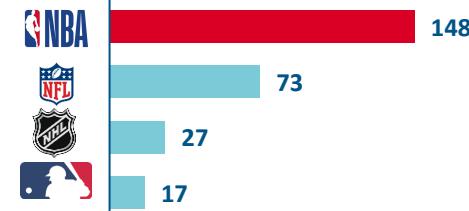
The NBA's viewership base is attractive to media companies and advertisers alike<sup>2</sup>

Percentage of viewers between 18 to 34 years old



NBA has robust social media engagement

Social media followers of major sports leagues (in millions)



NBA is an attractive content provider for emerging 3rd party DTC platforms which currently have no legal right to NBA content

Emerging DTC content providers

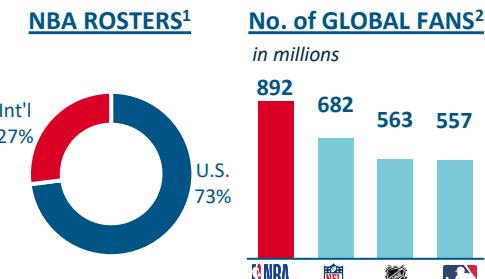


## 2 THE NBA CONTINUES TO EXPAND ITS GLOBAL FOOTPRINT



### COMMENTARY

- International revenue has been the fastest growing portion of NBA revenue over the past decade growing at a 15% CAGR while accounting for 9% of the NBA's total revenue
- Significant opportunity to increase percentage of international media revenue from 20% today
- NBA remains a highly sought-after sports property for international media companies
- The NBA recently permitted teams to sell international sponsorships



WHEREVER THE  
NBA PLAYS, THE  
WORLD FOLLOWS

**215**

Games aired in over  
215 countries and  
territories

**2.1bln**

Likes and followers globally  
across league, team and  
player social media platforms

**892mln**

Global fans age 18+, the  
most of any U.S. professional  
sports league. Second is the  
NFL with 682mln.

**70%**

of all social media  
followers are  
abroad

**430**

international NBA  
branded retail stores  
and sites

**341**

NBA events  
in 53 countries in  
2018

### LEAGUE INTERNATIONAL OPERATIONS/PRESENCE

#### sky sports

Agreed to 4-year rights deal in the U.K and Ireland for 170+ live games beginning with the 19/20 season

#### ESPN

Majority rights holder throughout South America, Central America, Caribbean and Sub-Saharan Africa

In July 2021 Barack Obama announced a strategic partnership and minority stake in the NBA Africa

Distribution partners across the European region include:



France coverage  
expires 2024



DACH coverage  
expires 2023<sup>3</sup>



Partnership to make NBA content accessible to 700+ million consumers across Alibaba's platforms

#### Tencent 腾讯

5-year \$1.5bn deal signed in 2019, expires following the 24/25 season

#### Rakuten

Exclusive rights provider of NBA content to Japan.

Represents Rakuten's first U.S. professional sports deal.

Previous jersey patch deal with Golden State reportedly paid team ~\$20mln/yr.

Two (2) exhibition games were played in India in 2019.

Distribution partner through 2024:



Distribution partners across Australia include:

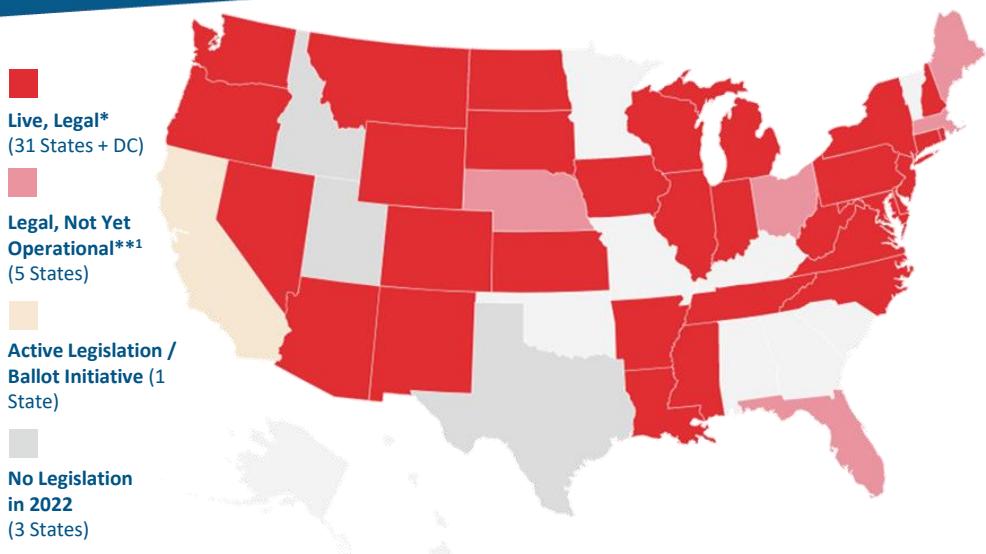


NBA rights across Middle East and North Africa (excluding Israel)

As of report date unless otherwise specified. Past performance is no assurance of future results. NOTE: Information on this slide has been provided by the NBA directly. Blue Owl makes no representations about its accuracy, fairness, correctness or completeness of the information or opinion contained therein. There is no assurance that advantages and objectives will be achieved.

Source: National Basketball Association. Note: "CAGR" defined as compound annual growth rate. All topics listed under the League International Operations/Presence section of this page can be located on NBA.com/news. **1.** Reflects opening night rosters for 21/22 season as per National Basketball Association. **2.** YouGov. **3.** "DACH" includes Germany, Austria and Switzerland.

# 3 REGULATED BETTING CONTINUES TO DRIVE FAN ENGAGEMENT & DRIVE LEAGUE VALUE



"Live, Legal" denotes states where single-game sports betting is legally offered to consumers through retail and/or online sportsbooks. States classified as "Legal – Not Yet Operational" have authorized sports betting, but have yet to launch. "Active Legislation / Ballot Initiative" denotes Bills to legalize sports betting have been pre-filed/introduced or a voter referendum is scheduled. 10 states not mentioned in above chart have "dead legislation" (i.e., bill was not called for First Reading).

## SPORTS BETTING BY THE NUMBERS

**31<sup>1</sup>**

U.S. states / territories have legalized sports betting and are operational

**~66%<sup>2</sup>**

Of the US population lives in a state where gambling has been legalized and is operational or has been legalized and operations are underway

**70%<sup>3</sup>**

Of Americans surveyed said they would be more likely to watch a game if they bet on it

## Sports Betting League Level Monetization Opportunities

Increased value of national and international media rights due to sports bettor viewing habits

Recently permitted sponsorship category has quickly become amongst the top revenue producing categories for the NBA

Live data and licensing deals with sports betting operators (e.g., recently reported \$1bln deal with Sportradar)

## Sports Betting Team Level Monetization Opportunities

In-arena sportsbook operations

Sponsorship and other in-arena advertising

Local media rights

Revenue sharing partnerships with betting operators

As of report date unless otherwise specified. Past performance is no assurance of future results. There is no assurance that advantages and objectives will be achieved.

Source: Status of betting legislation in the U.S. is provided by American Gaming Association as of 9/1/2022 [1](#). American Gaming Association data as of 9/1/2022. [2](#). 2020 U.S. Census data.

[3](#). Additional hours of sports content consumed by sports bettors based on survey from FanDuel in 2016. [4](#). Sports Pro Media: NBA and Sportradar Sign \$1bln Betting Data and Streaming Deal

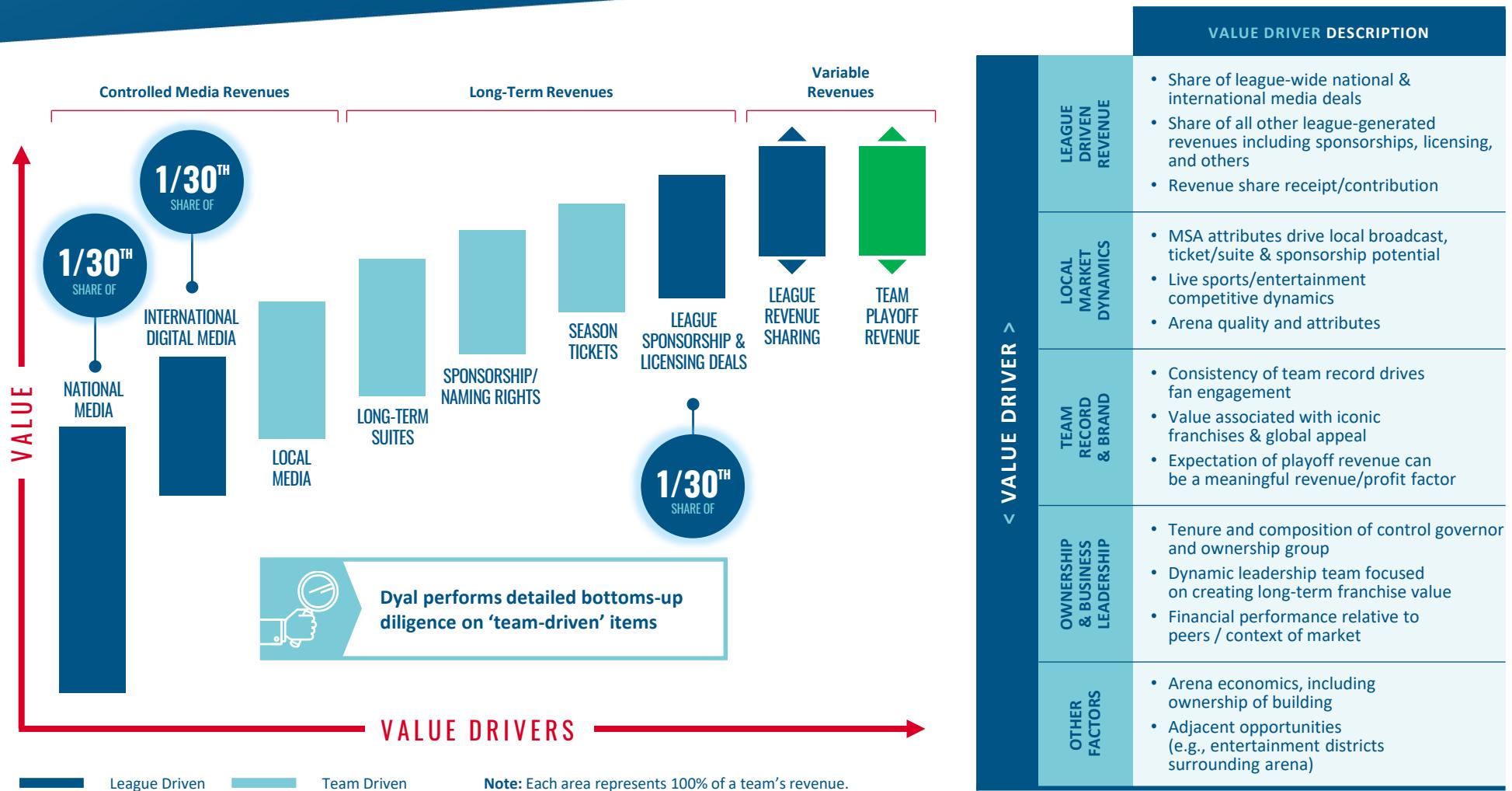
11/7/2021. Note: mobile sports betting currently unavailable in Florida pending ongoing litigation.

**DYAL** HOMECOURT PARTNERS

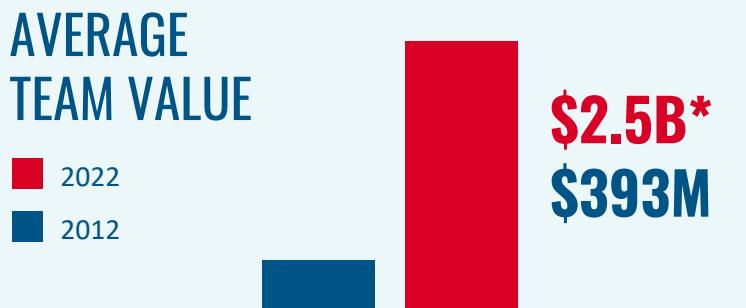
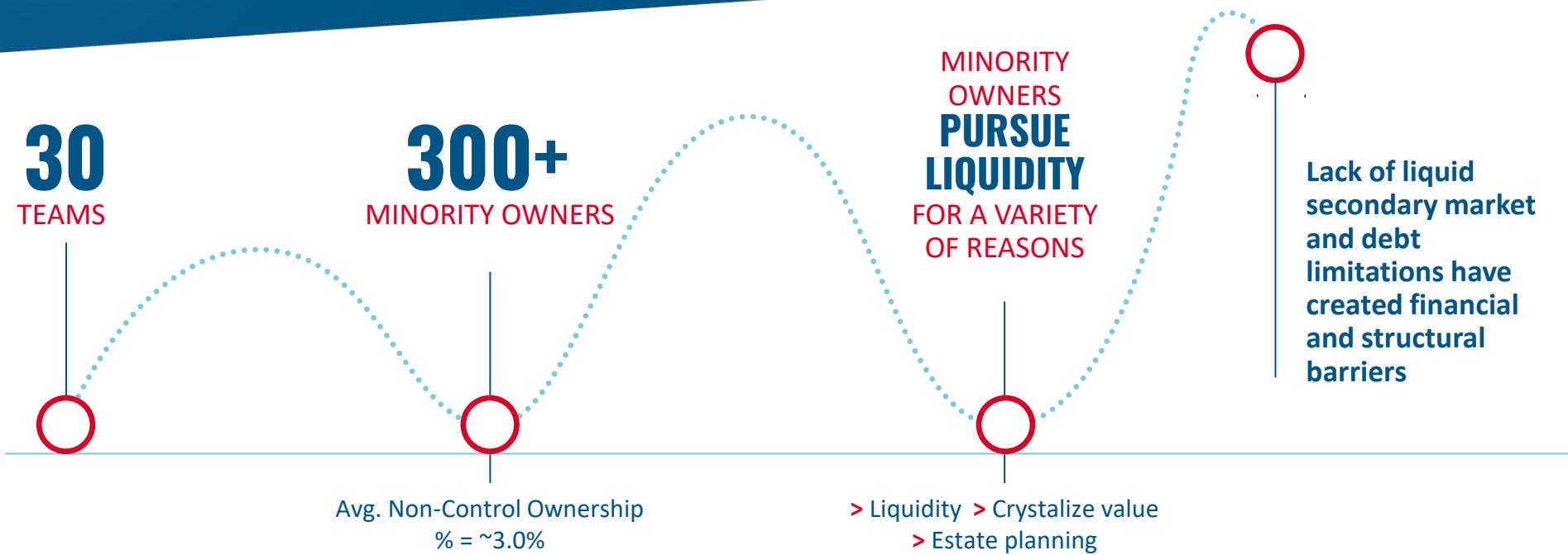
# VALUATION CONSIDERATIONS

Official partnership with the **NBA**

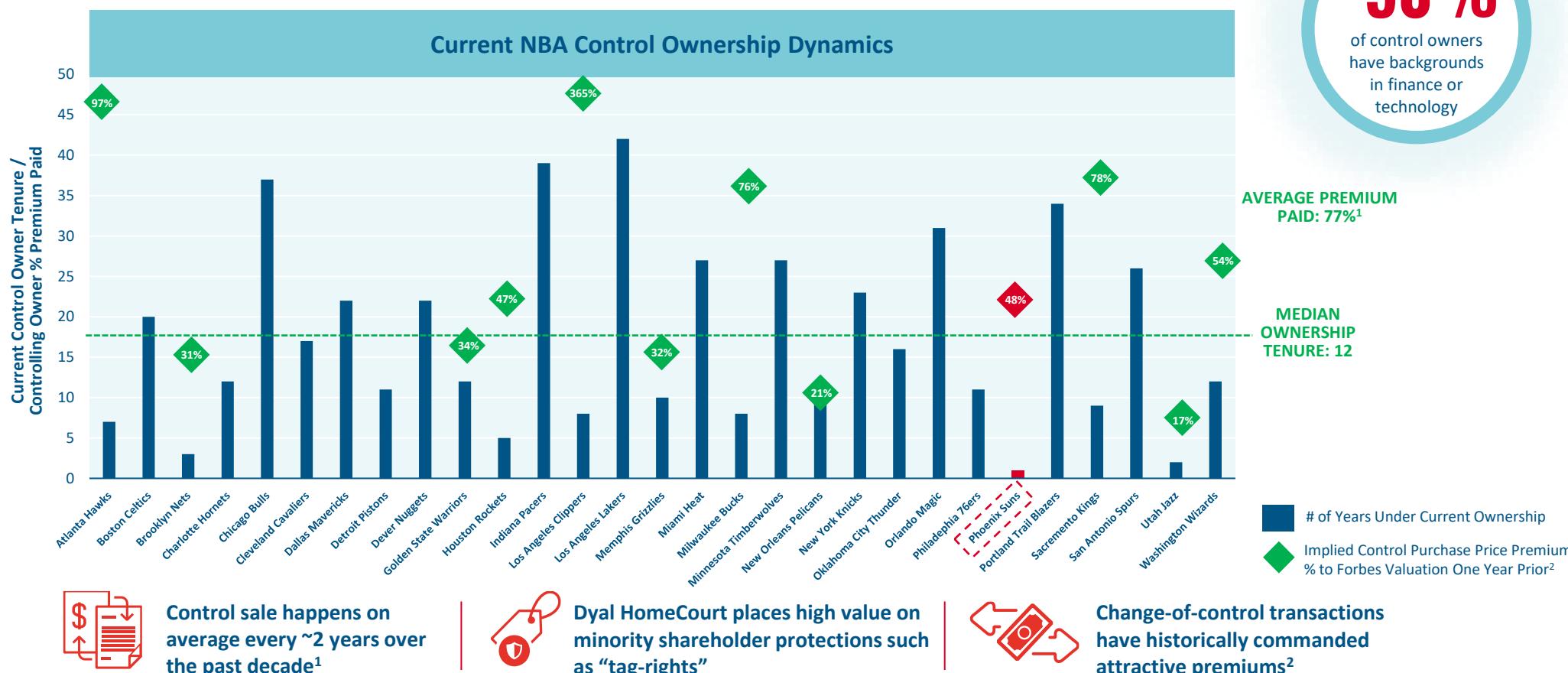
# DYAL VALUATION FRAMEWORK & DRIVERS OF NBA FRANCHISE VALUE



# LEAGUE MATURATION & LEGACY OWNERSHIP STRUCTURES CAN CREATE OPPORTUNITIES



# CURRENT OWNERSHIP MARKET DYNAMICS CAN PRESENT FAVORABLE OPPORTUNITIES



As of report date unless otherwise specified. Past performance is no assurance of future results. There is no assurance that advantages and objectives will be achieved.

Note: Transaction premiums showed for purchases dating back to 2011. Both the Detroit Pistons and Philadelphia 76ers were excluded from the list due to both transactions taking place during the Global Financial Crisis resulting in purchases prices we do not view as being accurate representations franchise value; however, a completed dataset with these transaction is available upon request. Both the Denver Nuggets and Washington Wizards were ascribed enterprise values using the prior year's percentage contribution of aggregate enterprise value for both the NBA and NHL teams in the HoldCo according to Forbes for the respective teams (e.g., 2009 Washington Wizards Forbes value plus 2009 Washington Capitals Forbes value = total implied value. The 2009 Washington Wizards Forbes value divided by total implied value = a percentage which was then applied to the reported purchased price for the franchise for comparison). Dataset excludes the Toronto Raptors who are owned by Maple Leaf Sports & Entertainment. All topics listed under the Current NBA Control Ownership Dynamics section of this page can be located on espn.com/nba. 1 Forbes annual NBA valuation publications utilized to calculate estimated control premium percentage paid for franchise.

# NBA ESG INITIATIVES



# NBA ESG

## KEY INITIATIVES



## ENVIRONMENTAL

- Role on the Steering Committee of UNFCCC Sport for Climate Action Framework
- 10 LEED-Certified NBA Arenas
- Carbon Offset Programming Tied to League Events

## SOCIAL

- NBA Cares
- NBA Foundation
- National Basketball Social Justice Coalition
- NBA Mind Health
- Social Justice & Civic Engagement Programming
- HBCU Fellowship Program

## GOVERNANCE

- Employee Resource Teams (9)
- Assistant Coaches Program
- Supplier Diversity Programs & Standards
- Strategic Talent Acquisition Partnerships

### NBA Cares

NBA Cares is the league's primary global social responsibility entity

### NBA GREEN

Partnership with the Green Sports Alliance to generate awareness and funds for protecting the environment

### NBA Academy

Development initiative for top international high school-age prospects in Australia, China, India, Mexico and Senegal

### NATIONAL BASKETBALL SOCIAL JUSTICE COALITION



Raising awareness, educating and advocating for meaningful reform with a focus on criminal justice reform and voting access

### jr.nba

Jr. NBA includes a free, membership-based program for existing youth basketball leagues/organizations

### NBA FOUNDATION

Philanthropic arm furthering economic empowerment in the black community

**DYAL** HOMECOURT PARTNERS

# FUND STRUCTURE

Official partnership with the **NBA**

# SUMMARY FUND TERMS



## SUMMARY FUND TERMS

DYAL PARTICIPATION	MANAGEMENT FEE	CARRIED INTEREST	LIQUIDITY	ADVISORY COMMITTEE
<b>1%</b> of Total Initial Commitments (Currently approximately \$20 million)	<b>2%</b> per year on investment cost, adjusted for NAV verification events (subject to Founder round discounts)	<b>20%</b> Per annum of profits in Limited Partner's capital account above 8% priority return, calculated upon a NAV verification event and payable after 7-year lockup (subject to Founder round discounts)	<b>7 YR</b> initial lock-up and ability to make a redemption election on a semi-annual basis thereafter (subject to 180 days prior notice). Liquidity to come principally from offering of interests.	 To be formed from the Limited Partners

This information is summary in nature and is in no way complete, and these terms have been simplified for illustrative purposes and may change materially at any time without notice. In particular, this information omits certain important details about the stated terms and does not address certain other key Fund terms or risks or represent a complete list of all Dyal HomeCourt terms. If you express an interest investing in Dyal HomeCourt, you will be provided a Private Placement Memorandum ("PPM") and other documents ("Fund Documents"), which shall govern in the event of any conflict with the general terms listed herein. You must rely only on the information contained in the Fund Documents in making any decision to invest. Please see PPM for corresponding terms.

**DYAL** HOMECOURT PARTNERS

# OWNERSHIP PERQUISITES

Official partnership with the **NBA**

\*Some of the benefits described above may only be available to certain investors based on commitment size. There is no guarantee that all of the specific League-derived or Dyal HomeCourt-derived perks discussed herein will be provided based on, among other things, the availability of premium tickets, the success of the franchise(s) HomeCourt invests in and the number of perks provided in a given period. Similarly, there can be no assurance that the perks that may eventually be provided to investors will have similar characteristics to those discussed herein. League derived perks are limited in nature and, as such, an eligible investor may not be able to receive every potential perk available. For avoidance of doubt, certain League derived perks require an individual investor to invest amounts greater than the currently stated \$10mm minimum in order to be eligible. The minimum to be eligible for League derived perks may change over time and, as such, your eligibility to participate in these perks may change should your investment amount fall below the minimum amount required. Dyal HomeCourt derived perks are perks provided by the fund to investors and prospective investors in HomeCourt and, for the avoidance of doubt, any guests that they may invite. perks will not necessarily be of equal value. These perks will be paid for by HomeCourt and, as such, investors will be indirectly paying for perks received by individuals other than themselves. In addition, there will be a limited number of perks available during any given season and these perks may not be available to all investors. perks may not be allocated evenly to all investors. Investors with larger investments in HomeCourt will be eligible to receive a greater number of Dyal derived perks during a given season.

**DYAL** HOMECOURT PARTNERS: APPENDIX A

# FUND INVESTMENT CASE STUDIES

Official partnership with the **NBA**

# CASE STUDY: PHOENIX SUNS



## TEAM OVERVIEW

<b>Control Owner</b>	Robert Sarver, acquired in 2004
<b>Minority Ownership</b>	Broad ownership group
<b>Arena</b>	Footprint Center (newly renovated 2020)
<b>Local Media</b>	Bally Sports Arizona

## TRANSACTION OVERVIEW

Dyal acquired an initial <5% stake from multiple owners in July 2021 and has since completed an upsize investment in October 2021 for a <5% stake at the team valuation initially agreed to. Dyal continues to opportunistically seek to acquire additional interests from other minority owners of the team.

As of February 7, 2023, HomeCourt fully divested its interest in the Phoenix Suns.

## DRIVERS OF FRANCHISE VALUE

<b>League Driven Revenue</b>	The Suns receive an above average portion of their revenue from NBA national media rights, providing upside exposure to a renewal of league media rights (renewals typically occur at meaningful step-up to existing contracts with annual escalators).
<b>Local Market Dynamics</b>	Phoenix Metropolitan is the 11th largest media market (per Nielsen) and one of the faster growing metro areas. Basketball is not the only game in town, but fans are strong supporters of the franchise, particularly to the extent team is competitive on the court. Arena is newly renovated (2020) and provides fans with a premier gameday experience. Sponsorship base is highly stable and experiencing positive momentum even before the 20/21 NBA Finals run (not priced into underwriting). Phoenix Suns and Mercury each received gaming licenses, allowing them to partner with different gaming operations and participate in a portion of in-state gaming activity initiated on such platforms.
<b>Team Brand</b>	Franchise has a young and talented roster that has dramatically improved on-court performance, as demonstrated by '20/21 NBA Finals appearance. Ticket sales for next year have already exceeded underwriting.
<b>Ownership Group &amp; Business Leadership</b>	Control owner has found creative ways to extract value from incremental revenue sources, such as using Covid play stoppage to perform arena renovations and create incremental sponsorships. Given the Team's proximity to deep-pocketed Los Angeles market we believe it would make it an attractive future control acquisition.

**Past performance is not indicative of future results. All investments are subject to risk, including the loss of the principal amount invested.** This information is being provided for illustrative/informational purposes only. Important limitations to consider when reviewing case studies are that they typically identify only instances in which the investment thesis was successful and do so with the benefit of hindsight. As such, it should not be assumed that future investments made on behalf of any Blue Owl Fund will be comparable in quality or performance to the investments described herein. Case studies for all investments made by Blue Owl on behalf of its clients are available upon request. There can be no assurance that the funds described herein or their investments will achieve comparable results.

# CASE STUDY: ATLANTA HAWKS

## TEAM OVERVIEW

<b>Control Owner</b>	Tony Ressler, acquired in 2015
<b>Minority Ownership</b>	Broad ownership group
<b>Arena</b>	State Farm Arena (renovated in 2018)
<b>Local Media</b>	Bally Sports Southeast

## TRANSACTION OVERVIEW

Dyal acquired an initial **5-10%** stake from multiple owners in December 2021 and continues to opportunistically seek to acquire additional interests from other minority owners of the team.

## DRIVERS OF FRANCHISE VALUE

<b>League Driven Revenue</b>	The Hawks receive a material portion of their revenue from the NBA's national media rights, which provides strong ballast of league revenue with contracted escalators, and potential to experience meaningful increase at renewal.
<b>Local Market Dynamics</b>	Atlanta is the 7th largest Designated Media Area and benefits from being one of the fastest growing metro areas in the nation (3rd fastest growing population) while 29 Fortune 1000 companies are located in Atlanta.  Arena underwent a full-scale \$200mln+ renovation in 2018 which has improved the value of arena sponsorship assets and has increased demand for non-NBA events. Note: in 2019 State Farm Arena was voted #1 NBA Game Experience, #1 In-Arena F&B, #2 In-Arena Retail and Best Concert Venue by Pollstar.
<b>Team Brand</b>	In recent history the Hawks have achieved above average on-court success having made the playoffs in all but four seasons over the past 15 years.  Recent on-court performance has increased ticket utilization and arena revenue stems to benefit from increased number of non-NBA events held in Atlanta. The ongoing \$5bln development of Centennial Yards, which is adjacent to State Farm Arena, will likely further contribute to the premier game day experience.
<b>Ownership Group &amp; Business Leadership</b>	Control owner is a sophisticated investor and has employed a deep bench of talented executives with business backgrounds that will likely help to drive franchise value into the foreseeable future.  The team has a vested interest in promoting and embracing the diversity of Atlanta's community as demonstrated in the teams' unique approach to corporate sponsorships and partnerships.  Team has a relatively long tail of minority owners, providing the potential to increase the size of the Fund's investment over time.

**Past performance is not indicative of future results. All investments are subject to risk, including the loss of the principal amount invested.** This information is being provided for illustrative/informational purposes only. Important limitations to consider when reviewing case studies are that they typically identify only instances in which the investment thesis was successful and do so with the benefit of hindsight. As such, it should not be assumed that future investments made on behalf of any Blue Owl Fund will be comparable in quality or performance to the investments described herein. Case studies for all investments made by Blue Owl on behalf of its clients are available upon request. There can be no assurance that the funds described herein or their investments will achieve comparable results.



# CASE STUDY: SACRAMENTO KINGS



## TEAM OVERVIEW

<b>Control Owner</b>	Vivek Ranadivé, acquired in 2013
<b>Minority Ownership</b>	Broad ownership group
<b>Arena</b>	Golden1Center (opened in 2016)
<b>Local Media</b>	NBC Sports California

## DRIVERS OF FRANCHISE VALUE

<b>League Driven Revenue</b>	The Kings receive a large portion of their revenue from the NBA's national media rights, which provides strong ballast of league revenue with contracted escalators, and potential to experience meaningful increase at renewal.
<b>Local Market Dynamics</b>	The Kings enjoy the benefit of being the only professional sports team in the City of Sacramento, making it one of two cities in the top 20 of Nielsen's national designated market area ("DMA") rankings with only one professional sports franchise, providing the Team with a captive and loyal fan base and predictable game day revenue. The franchise operates its ultra modern arena (opened in 2016) and owns the surrounding real estate (hotel, retail, office), which provides uncorrelated exposure to non-NBA live events. Local media rights provide high stability (>10 years remaining) with favorable contracted growth escalators. Sponsorships and suites have long duration associated with new arena. Team generates superior profitability for its market size.
<b>Team Brand</b>	NBA basketball is the only professional sport in Sacramento. Operating the arena and owning the surrounding real estate adjacent to the arena (hotel, retail, office) provides local fans with a premier live event experience. Franchise has a young core of players with high upside potential. Team currently faces a favorable salary cap scenario.
<b>Ownership Group &amp; Business Leadership</b>	Control owner has taken a business-like approach to managing the franchise, building an ultra modern tech-enabled arena and developing surrounding real estate. Team has a relatively long tail of minority owners (that allowed the city to retain and the current control owner to acquire the franchise in 2013), providing the potential to increase the size of the Fund's investment over time. Given the Team's proximity to affluent Bay Area market we believe it would make it an attractive future control acquisition.

## TRANSACTION OVERVIEW

Dyal acquired an initial **<5%** stake in August 2021 and has since completed an upsize investment in September 2021 for a **<5%** stake at the team valuation initially agreed to. Dyal continues to opportunistically seek to acquire additional interests from other minority owners of the team.

**Past performance is not indicative of future results. All investments are subject to risk, including the loss of the principal amount invested.** This information is being provided for illustrative/informational purposes only. Important limitations to consider when reviewing case studies are that they typically identify only instances in which the investment thesis was successful and do so with the benefit of hindsight. As such, it should not be assumed that future investments made on behalf of any Blue Owl Fund will be comparable in quality or performance to the investments described herein. Case studies for all investments made by Blue Owl on behalf of its clients are available upon request. There can be no assurance that the funds described herein or their investments will achieve comparable results.

# DYAL HOMECOURT PARTNERS TEAM



## Dyal Investment Team



**Michael Rees**  
Co-President  
of Blue Owl



**Sean Ward**  
Senior  
Managing  
Director



**Andrew Laurino**  
Senior  
Managing  
Director



**Andrew Polland**  
Chief  
Operating  
Officer, Blue  
Owl



**Mark O'Sullivan**  
Managing  
Director



**Matthew Rees**  
Managing  
Director  
(London)



**Kevin Purcell**  
Managing  
Director



**Michael Conley**  
Managing  
Director



**Marc Pillemeyer**  
Managing  
Director



**Jamie Lurie**  
Managing  
Director



**Michael Gabriel**  
Principal



**Lamar Cardinez**  
Principal



**Matt Talbot**  
Principal



**Alyssa Olsen**  
Vice  
President



**Josh Improta**  
Senior  
Associate



**Samantha Shober**  
Senior  
Associate



**Alexandra Berliner**  
Associate



**Savannah Brooks**  
Associate



**Nick DalCortivo**  
Associate



**Caroline Parsons**  
Associate



**Diana Altman**  
Analyst



**Andrew Filocoma**  
Analyst



**Michael D.  
Jackson**  
Strategic  
Advisor<sup>1</sup>

## Dyal Finance Team



**Jennifer Brouse**  
Managing  
Director



**Patrick Dwyer**  
Principal



**Joe Miata**  
Principal



**Sydney Hagan**  
Vice  
President

# IMPORTANT INFORMATION



Unless otherwise indicated, the Report Date referenced herein is 9/30/2022.

Past performance is not a guide to future results and is not indicative of expected realized returns.

**Assets Under Management ("AUM") refers to the assets that we manage and are generally equal to the sum of (i) net asset value ("NAV"); (ii) drawn and undrawn debt; and (iii) uncalled capital commitments.**

This presentation contains proprietary information regarding Blue Owl Capital Inc. ("Blue Owl"), its affiliates and investment program, funds sponsored by Blue Owl, including the Owl Rock Funds, Dyal Funds and the Oak Street Funds (collectively the "Blue Owl Funds") as well as investment held by the Blue Owl Funds. This presentation and the information contained in this presentation may not be reproduced or distributed to persons other than the recipient without express permission from Blue Owl.

The views expressed and, except as otherwise indicated, the information provided are as of the report date and are subject to change, update, revision, verification, and amendment, materially or otherwise, without notice, as market or other conditions change. Since these conditions can change frequently, there can be no assurance that the trends described herein will continue or that any forecasts are accurate. In addition, certain of the statements contained in this presentation may be statements of future expectations and other forward-looking statements that are based on the current views and assumptions of Blue Owl and involve known and unknown risks and uncertainties (including those discussed below) that could cause actual results, performance, or events to differ materially from those expressed or implied in such statements. These statements may be forward-looking by reason of context or identified by words such as "may, will, should, expects, plans, intends, anticipates, believes, estimates, predicts, potential or continue" and other similar expressions. Neither Blue Owl, its affiliates, nor any of Blue Owl's or its affiliates' respective advisers, members, directors, officers, partners, agents, representatives or employees or any other person (collectively the "Blue Owl Entities") is under any obligation to update or keep current the information contained in this document.

This presentation contains information from third party sources which Blue Owl has not verified. No representation or warranty, express or implied, is given by or on behalf of the Blue Owl Entities as to the accuracy, fairness, correctness or completeness of the information or opinions contained in this presentation and no liability whatsoever (in negligence or otherwise) is accepted by the Blue Owl Entities for any loss howsoever arising, directly or indirectly, from any use of this presentation or its contents, or otherwise arising in connection therewith.

**All investments are subject to risk, including the loss of the principal amount invested.** These risks may include limited operating history, uncertain distributions, inconsistent valuation of the portfolio, changing interest rates, leveraging of assets, reliance on the investment advisor, potential conflicts of interest, payment of substantial fees to the investment advisor and the dealer manager, potential illiquidity, and liquidation at more or less than the original amount invested. Diversification will not guarantee profitability or protection against loss. Performance may be volatile, and the NAV may fluctuate.

**Performance Information:** Where performance returns have been included in this presentation, Blue Owl has included herein important information relating to the calculation of these returns as well as other pertinent performance related definitions.

**This presentation is for informational purposes only and is not an offer or a solicitation to sell or subscribe for any fund and does not constitute investment, legal, regulatory, business, tax, financial, accounting, or other advice or a recommendation regarding any securities of Blue Owl, of any fund or vehicle managed by Blue Owl, or of any other issuer of securities. Only a definitive offering document can make such an offer.**

**NBA Control Rights.** The NBA will have significant rights with regard to the Fund and its investment activities, including the right to (i) share in the management fee and incentive amount generated by the Fund, (ii) approve all investments and dispositions of the Fund, (iii) approve or reject, in its sole discretion, each new Investor in the Fund (including the transferee of an Investor), (iv) require the Fund to involuntarily redeem an Investor under certain circumstances, and (v) following the occurrence of specified events, cause the removal of the General Partner and, with Investor consent, appoint a replacement. The NBA may have potential conflicts of interest in the exercise of such rights and will not owe any duties (fiduciary or otherwise) to the Fund or any Investor and may act solely in its own interests and without regard to any potential conflict of interest or impact on the Fund or any Investor.

**Copyright© Blue Owl Capital Inc. 2023. All rights reserved.** This presentation is proprietary and may not to be reproduced, transferred, or distributed in any form without prior written permission from Blue Owl. It is delivered on an "as is" basis without warranty or liability. By accepting the information, you agree to abide by all applicable copyright and other laws, as well as any additional copyright notices or restrictions contained in the information.

# GLOBAL DISCLOSURES



**Notice to Prospective Investors in EEA:**

The Fund, to the extent made available, may be made available in the European Economic Area ("EEA") in accordance with the Alternative Investment Fund Managers Directive (Directive (2011/61/EU)) (the "AIFMD") as a private placement to a limited number of investors. In relation to each member state of the EEA (each a "Member State"), interests in the Fund may only be made available to professional investors (as such investors are defined in Article 4(1) of the AIFMD) in a Member State to the extent that (1) the Fund is permitted to be marketed to professional investors in the relevant Member State in accordance with the AIFMD (as implemented into the local law/regulation of the relevant Member State); or (2) the Fund may otherwise be made available in that Member State (including at the initiative of the investor). This Presentation is not an offering document and is only provided to parties which qualify as professional investors as described above.

**Notice to Prospective Investors in UK:**

If communicated by Blue Owl Capital UK Limited, this material may be distributed to, or directed at, only the following persons: (i) persons who are "investment professionals" as defined in article 14(5) of the FSMA 2000 (Promotions of Collective Investment Schemes)(Exemptions) Order 2001 (the "PCISE Order"); (ii) persons who are high-net-worth companies, unincorporated associations, partnerships or trusts falling within any of the categories of persons described in article 22 of the PCISE Order; and (iii) any other person to whom it may otherwise lawfully be made in accordance with the PCISE Order or rule 4.12.4 of the Conduct of Business Sourcebook of the FCA Handbook (all such persons together being referred to as "Relevant Persons"). Persons who are not Relevant Persons must not act on or rely on this material or any of its contents. Any investment or investment activity to which this material relates is available only to Relevant Persons and will be engaged in only with Relevant Persons. Recipients must not distribute, publish, reproduce or disclose this material, in whole or in part, to any other person.

If communicated by Blue Owl Capital Holdings this material may be distributed to, or directed at, only the following persons: (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "FP Order"), (ii) high-net-worth entities falling within Article 49(2) of the FP Order, and (iii) any other persons to whom it may otherwise lawfully be communicated (all such persons together being referred to as "FPO Relevant Persons"). Persons who are not FPO Relevant Persons must not act on or rely on this material or any of its contents. Any investment or investment activity to which this material relates is available only to FPO Relevant Persons and will be engaged in only with FPO Relevant Persons. Recipients must not distribute, publish, reproduce or disclose this material, in whole or in part, to any other person.

**This communication is directed only at professional clients or eligible counterparties as defined by the Financial Conduct Authority in the United Kingdom.**

Blue Owl Capital UK Limited (937360) is an Appointed Representative of Kroll Securities Limited (FRN 466588) which is authorised and regulated by the Financial Conduct Authority.

**The return may increase or decrease as a result of currency fluctuations. Please Note the \$ symbol throughout this presentation refers to USD.**

**Notice to Prospective Investors in Switzerland:**

This material will be exclusively made to, and directed at, qualified investors (the "Qualified Investors"), as defined in Article 10(3) and (3ter) of the Swiss Collective Investment Schemes Act ("CISA") and its implementing ordinance. Accordingly, this product has not been and will not be registered with the Swiss Financial Market Supervisory Authority ("FINMA"). This material and/or any other offering or marketing materials relating to this product may be made available in Switzerland solely to Qualified Investors.

**Notice to Prospective Investors in Israel:**

This material is intended only to qualified investors listed in the First Supplement of the Israeli Securities Law of 1968 (the "Israeli Securities Law" and "Qualified Investors"). It may not be reproduced or used for any other purpose, nor be furnished to any other person other than those Qualified Investors to whom copies were sent. No action has been, or will be, taken in Israel that would permit an offering of the securities/units of Blue Owl or a distribution of this material to the public in Israel. Only Qualified Investors who in each case have provided written confirmation that they qualify as Qualified Investors, and that they are aware of the consequences of such designation and agree thereto, may invest in Blue Owl Funds, in all cases under circumstances that will fall within the private placement exemptions of the Israeli Securities Law and any applicable guidelines, publication or rulings issued from time to time by the Israel Securities Authority. Anyone who purchases securities/units of Blue Owl Funds is doing so for its own benefit and for its own account and not with the aim or intention of distributing or offering such securities/units to other parties. Anyone who purchases the securities/units of Blue Owl shall do so in accordance with its own understanding and discretion and after it has obtained any relevant investment, financial, legal, business, tax or other advice or opinion required by it in connection with such purchase. For the avoidance of doubt, nothing in this material should be considered "investment advice" or "investment marketing", as defined in the Regulation of Investment Advice, Investment Marketing and Portfolio Management Law of 1995.

# GLOBAL DISCLOSURES



**When Distributed by Blue Owl Hong Kong:**

This presentation is provided by Blue Owl Capital HK Limited, a licensed corporation regulated by the Securities and Futures Commission in Hong Kong to carry on a business in Type 1 (dealing in securities) regulated activity in Hong Kong. This presentation and its contents have not been approved by any regulatory authority in Hong Kong. This presentation will only be distributed by Blue Owl Capital HK Limited (i) to "professional investors" within the meaning of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and any rules made thereunder.

**Notice to Prospective Investors in Hong Kong**

This presentation is provided by Blue Owl Capital HK Limited, a licensed corporation regulated by the Securities and Futures Commission in Hong Kong to carry on a business in Type 1 (dealing in securities) regulated activity in Hong Kong. This presentation and its contents have not been approved by any regulatory authority in Hong Kong. This presentation will only be distributed by Blue Owl Capital HK Limited (i) to "professional investors" within the meaning of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and any rules made thereunder, or (ii) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) or which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

**When distributed in Korea:**

Neither the Partnership nor any of its affiliates is making any representation with respect to the eligibility of any recipients of the information contained herein (the "Information") to acquire the Interests under the laws of Korea, including, but without limitation, the Foreign Exchange Transaction Law of Korea (the "FETL") and the regulations thereunder. The Interests are being offered and sold in Korea only to Qualified Professional Investors as defined in Article 301, Paragraph 2 of the Enforcement Decree of the Financial Investment Services and Capital Markets Act of Korea (the "FSCMA"), and pursuant to the requirements or applicable exemptions under the FSCMA. The Partnership has not been, nor will it be, registered in Korea for any public offering, and the Information is not, and under no circumstances is to be construed as, an advertisement for a public offering of the Interests in Korea.

The Interests have not been and will not be registered with the Financial Services Commission of Korea for a public offering in Korea under the FSCMA. Accordingly, none of the Interests may be offered, sold or delivered, directly or indirectly, or offered, sold or delivered to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea (as such term is defined in the FETL and its Enforcement Decree) except pursuant to applicable laws and regulations of Korea. Furthermore, the Interests may not be re-sold to any Korean resident unless such Korean resident complies with all applicable regulatory requirements (including, but not limited to, governmental approval requirements under the FETL and its subordinate decrees and regulations) in connection with his or her purchase of the Interests.

Recipients of the Information are advised to exercise caution in relation to the offer and should seek independent professional advice in connection with any purchase and the risks associated with such investment.

**Notice to Prospective Investors in Brunei**

This Memorandum has not been delivered to, licensed or permitted by the Brunei Darussalam Central Bank ("the Authority"), nor has it been registered with the Registrar of Companies. This document is for informational purposes only and does not constitute an invitation or offer to the public. As such, it must not be distributed or redistributed to and may not be relied upon or used by any person in Brunei other than the person to whom it is directly communicated and who belongs to the class of persons as defined under Section 20 of the Brunei Securities Market Order, 2013.

This Memorandum relates to a foreign collective investment scheme which is not subject to any form of domestic regulation by the Authority. The Authority is not responsible for reviewing or verifying any prospectus or other documents in connection with this collective investment scheme. The Authority has not approved this Memorandum or any other associated documents nor taken any steps to verify the information set out in this Memorandum and is not responsible for it. The Interests to which this Memorandum relates may be illiquid or subject to restrictions on their resale. Prospective purchasers should conduct their own due diligence on the Interests. If you do not understand the contents of this document, you should consult a licensed financial adviser.

**Notice to Prospective Investors in Kuwait:**

The material presented is not for circulation to private investors nor to the public in Kuwait. Blue Owl Funds have not been licensed for offering in Kuwait by the Kuwait Capital Markets Authority or any other relevant Kuwaiti government agency. The offering of Blue Owl Funds in Kuwait on the basis of a private placement or public offering is, therefore, restricted in accordance with Law No. 7 of 2010 and the bylaws thereto (as amended). No private or public offering of Blue Owl Funds are being made in Kuwait, and no agreement relating to the sale of Blue Owl Funds will be concluded in Kuwait. No marketing or solicitation or inducement activities are being used to offer or market Blue Owl Funds in Kuwait.

# GLOBAL DISCLOSURES



## **Notice to Prospective Investors in UAE (including DIFC)**

This information does not constitute or form part of any offer to issue or sell, or any solicitation of any offer to subscribe for or purchase, any securities or investment products in the UAE (including the Dubai International Financial Centre and the Abu Dhabi Global Market) and accordingly should not be construed as such. Furthermore, this information is being made available on the basis that the recipient acknowledges and understands that the entities and securities to which it may relate have not been approved, licensed by or registered with the UAE Central Bank, the Dubai Financial Services Authority, the UAE Securities and Commodities Authority, the Financial Services Regulatory Authority or any other relevant licensing authority or governmental agency in the UAE.

The content of this report

## **Notice to Prospective Investors in Singapore**

This presentation has not, and will not be, approved by the Monetary Authority of Singapore and is not intended for circulation or distribution in or into Singapore, other than to persons who are "institutional investors" as defined in the Securities and Futures Act (Chapter 289) of Singapore, to whom this presentation is sent.

## **Notice to Prospective Investors in China**

This presentation and any material or information contained or incorporated by reference herein relating to Blue Owl have not been, and will not be, submitted to or approved/verified by or registered with the China Securities Regulatory Commission ("CSRC") or other relevant governmental and regulatory authorities in the People's Republic of China (the "PRC") (which, for the sole purpose herein, does not include Hong Kong, Macau or Taiwan) pursuant to relevant laws and regulations and thus may not be supplied to the public in the PRC or used in connection with any offer for the subscription or sale of Blue Owl products in the PRC. Neither this Introduction to Blue Owl Capital nor any material or information contained or incorporated by reference herein relating to Blue Owl products constitutes an offer to sell or the solicitation of an offer to buy any securities in the PRC.

Blue Owl products may only be invested by PRC investors that are authorised to engage in the investment in Blue Owl products of the type being offered or sold. PRC investors are responsible for informing themselves about and observing all legal and regulatory restrictions, obtaining all relevant government regulatory approvals/licenses, verification and/or registrations themselves, including, but not limited to, any which may be required from the People's Bank of China, the State Administration of Foreign Exchange, CSRC, the China Banking and Insurance Regulatory Commission and other relevant regulatory bodies, and complying with all relevant PRC regulations, including, but not limited to, all relevant foreign exchange regulations and/or overseas investment regulations.

## **Notice to Prospective Investors in Malaysia**

No approval, registration, authorisation or recognition of or from the Securities Commission of Malaysia has been applied for or will be obtained for the making available, offering for subscription or purchase, or issuing invitation to subscribe for or purchase, the Partnership Units under the Capital Markets and Services Act 2007 ("CMSA"). Accordingly, this Memorandum or any amendment or supplement hereto may not be circulated or distributed in Malaysia directly or indirectly for the purpose of any offer of the Partnership Units and no person may make available, offer for subscription or purchase, or issue invitation to subscribe for or purchase, any of the Partnership Units directly or indirectly to anyone in Malaysia, unless the making available, offering for subscription or purchase, or issuing invitation to subscribe for or purchase, the Partnership Units falls within any of the categories specified in Schedule 5 of the CMSA.

No offering material or document has been or will be registered with the Securities Commission of Malaysia under the CMSA. Accordingly, no person may issue, offer for subscription or purchase, make an invitation to subscribe for or purchase, any of the Partnership Units directly or indirectly to anyone in Malaysia, and no person may issue, circulate or distribute this Memorandum directly or indirectly to anyone in Malaysia unless the issue, offer for subscription or purchase, or invitation to subscribe for or purchase, the Partnership Units is made to persons specified in the applicable categories of Schedule 5 of the CMSA, and is an excluded offer, excluded invitation or excluded issue under Schedule 6 or Schedule 7, as the case may be, of the CMSA in which case this Memorandum will be deposited as an information memorandum and where necessary registered as a disclosure document with the Securities Commission of Malaysia under the CMSA.

## **Notice to Prospective Investors in Thailand**

The securities referred to in this presentation have not been and will not be registered under the Securities and Exchange Act B.E. 2535 (1992), as amended (the "SEC Act") and may not be offered, sold, delivered within Thailand, except pursuant to an exemption from, or in a transaction not subject to, the registration requirement under the SEC Act. Except with respect to eligible investors in Thailand where such offer is permitted by law, nothing in this presentation constitutes an offer or an invitation by or on behalf of either the issuer of the securities to subscribe for or purchase any of the securities described herein and access has been limited so that it shall not constitute a general advertisement or solicitation in Thailand.

You are reminded that you have accessed this presentation on the basis that you are a person into whose possession this presentation may be lawfully delivered in accordance with the laws of Thailand. If you have gained access to this transmission contrary to the foregoing restrictions, you will be unable to purchase any of the securities described therein. You are advised to exercise caution in relation to the offer, and should seek independent professional advice in connection with any purchase and the risks associated with such investment.

# GLOBAL DISCLOSURES



You are not authorized and may not forward or deliver this presentation, electrically or otherwise, to any other person or reproduce this presentation in any manner or whatsoever. Any forwarding, distribution, or reproduction of this presentation in whole or in part is unauthorized. Failure to comply with the above directives may result in a violation of the SEC Act. If you have gained access to this transmission contrary to any of the foregoing restrictions, you are not authorized and will not be able to purchase any of the securities described therein.

#### **Notice to Prospective Investors in Japan**

The Interests have not been and will not be registered in Japan pursuant to Paragraph 1, Article 4 of the Financial Instruments and Exchange Act of Japan (Act No.25 of 1948, as amended, the "FIEA") in reliance upon the exemption from the registration requirements since the offering constitutes the private placement to qualified institutional investors only as provided for in "i" of Item 2, Paragraph 3, Article 2 of the FIEA. A transferor of the Interests shall not transfer or resell them except where a transferee is a qualified institutional investor under Article 10 of the Cabinet Office Ordinance concerning Definitions provided in Article 2 of the Financial Instruments and Exchange Act of Japan (the Ministry of Finance Ordinance No.14 of 1993, as amended).

#### **Notice to Prospective Investors in Australia**

This presentation is issued by Dyal Advisors LLC. Dyal Advisors LLC is exempt from the requirement to hold an Australian financial services licence under the Corporations Act 2001 (Cth) (the Act) in respect of the financial services it is providing. Dyal Advisors LLC is regulated by the SEC under United States laws, which differ from Australian laws.

This presentation may only be provided to and our services may only be provided to wholesale clients (as defined in section 761G of the Act). This presentation contains general information only, does not contain any personal advice and does not take into account any prospective investors' objectives, financial situation or needs.

#### **Notice to Prospective Investors in Uruguay**

The sale of the shares qualifies as a private placement pursuant to section 2 of Uruguayan law 18,627. The shares must not be offered or sold to the public in Uruguay, except in circumstances which do not constitute a public offering or distribution under Uruguayan laws and regulations. The shares are not and will not be registered with the Financial Services Superintendency of the Central Bank of Uruguay. The shares correspond to investment funds that are not investment funds regulated by Uruguayan law 16,774 dated September 27, 1996, as amended.

Adtrax #: 5466037.1