

Form 5500

Annual Return/Report of Employee Benefit Plan

OMB Nos. 1210-0110 1210-0089

2024

This Form is Open to Public Inspection

Department of the Treasury Internal Revenue Service

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

Complete all entries in accordance with the instructions to the Form 5500.

Department of Labor Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Part I Annual Report Identification Information

For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

- A This return/report is for: a multiemployer plan, a multiple-employer plan, a single-employer plan, a DFE (specify) E, B This return/report is: the first return/report, the final return/report, an amended return/report, a short plan year return/report, C If the plan is a collectively-bargained plan, check here, D Check box if filing under: Form 5558, automatic extension, the DFVC program, special extension, E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here

Part II Basic Plan Information—enter all requested information

1a Name of plan: OAKTREE MIDDLE-MARKET DIRECT LENDING FUND (PARALLEL 2), L.P. 1b Three-digit plan number (PN): 001 1c Effective date of plan 2a Plan sponsor's name (employer, if for a single-employer plan): Mailing address (include room, apt., suite no. and street, or P.O. Box): City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions): OAKTREE CAPITAL MANAGEMENT, L.P. 333 SOUTH GRAND AVENUE 28TH FLOOR LOS ANGELES, CA 90071 2b Employer Identification Number (EIN): 82-4931180 2c Plan Sponsor's telephone number: 213-830-6300 2d Business code (see instructions)

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

Table with 4 columns: SIGN HERE, Signature of plan administrator, Date, Enter name of individual signing as plan administrator. Includes entries for employer/plan sponsor and DFE.

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2024) v. 240311

<p>3a Plan administrator's name and address <input type="checkbox"/> Same as Plan Sponsor</p> <p>OAKTREE CAPITAL MANAGEMENT, L.P.</p> <p>333 SOUTH GRAND AVENUE, 28TH FLOOR LOS ANGELES, CA 90071</p>	<p>3b Administrator's EIN 26-0189082</p> <p>3c Administrator's telephone number 213-830-6300</p>
<p>4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report:</p> <p>a Sponsor's name</p> <p>c Plan Name</p>	<p>4b EIN</p> <p>4d PN</p>
<p>5 Total number of participants at the beginning of the plan year</p>	<p>5</p>
<p>6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1), 6a(2), 6b, 6c, and 6d).</p> <p>a(1) Total number of active participants at the beginning of the plan year</p> <p>a(2) Total number of active participants at the end of the plan year</p> <p>b Retired or separated participants receiving benefits.....</p> <p>c Other retired or separated participants entitled to future benefits</p> <p>d Subtotal. Add lines 6a(2), 6b, and 6c.....</p> <p>e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.</p> <p>f Total. Add lines 6d and 6e</p> <p>g(1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item)</p> <p>g(2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)</p> <p>h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....</p>	<p>6a(1)</p> <p>6a(2)</p> <p>6b</p> <p>6c</p> <p>6d</p> <p>6e</p> <p>6f</p> <p>6g(1)</p> <p>6g(2)</p> <p>6h</p>
<p>7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)</p>	<p>7</p>

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

<p>9a Plan funding arrangement (check all that apply)</p> <p>(1) <input type="checkbox"/> Insurance</p> <p>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts</p> <p>(3) <input type="checkbox"/> Trust</p> <p>(4) <input type="checkbox"/> General assets of the sponsor</p>	<p>9b Plan benefit arrangement (check all that apply)</p> <p>(1) <input type="checkbox"/> Insurance</p> <p>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts</p> <p>(3) <input type="checkbox"/> Trust</p> <p>(4) <input type="checkbox"/> General assets of the sponsor</p>
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

<p>a Pension Schedules</p> <p>(1) <input type="checkbox"/> R (Retirement Plan Information)</p> <p>(2) <input type="checkbox"/> MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary</p> <p>(3) <input type="checkbox"/> SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary</p> <p>(4) <input type="checkbox"/> DCG (Individual Plan Information) – Number Attached _____</p> <p>(5) <input type="checkbox"/> MEP (Multiple-Employer Retirement Plan Information)</p>	<p>b General Schedules</p> <p>(1) <input checked="" type="checkbox"/> H (Financial Information)</p> <p>(2) <input type="checkbox"/> I (Financial Information – Small Plan)</p> <p>(3) <input type="checkbox"/> A (Insurance Information) – Number Attached <u> 0 </u></p> <p>(4) <input checked="" type="checkbox"/> C (Service Provider Information)</p> <p>(5) <input checked="" type="checkbox"/> D (DFE/Participating Plan Information)</p> <p>(6) <input type="checkbox"/> G (Financial Transaction Schedules)</p>
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Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) Yes No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) Yes No

11c Enter the Receipt Confirmation Code for the 2024 Form M-1 annual report. If the plan was not required to file the 2024 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code 0

SCHEDULE C (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2024 This Form is Open to Public Inspection.
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For calendar plan year 2024 or fiscal plan year beginning **01/01/2024** and ending **12/31/2024**

A Name of plan OAKTREE MIDDLE-MARKET DIRECT LENDING FUND (PARALLEL 2), L.P.	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 OAKTREE CAPITAL MANAGEMENT, L.P.	D Employer Identification Number (EIN) 82-4931180	

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)... Yes No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

ERNST & YOUNG LLP

34-6565596

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10 16 49 50	NONE	238987	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

(a) Enter name and EIN or address (see instructions)

VITEOS FUND SERVICES, LLC

33-1173092

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
49 50	NONE	61330	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

(a) Enter name and EIN or address (see instructions)

CES LIMITED LLC

35-2497677

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
16 50	NONE	16307	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

THE BANK OF NEW YORK MELLON

13-5160382

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
18 50	NONE	6765	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

(a) Enter name and EIN or address (see instructions)

CORTLAND CAPITAL MARKET SERVICES LL

32-0394877

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
49 50	NONE	5651	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE D (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2024 This Form is Open to Public Inspection.
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For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

A Name of plan <u>OAKTREE MIDDLE-MARKET DIRECT LENDING FUND (PARALLEL 2), L.P.</u>	B Three-digit plan number (PN)	<u>001</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>OAKTREE CAPITAL MANAGEMENT, L.P.</u>	D Employer Identification Number (EIN) <u>82-4931180</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN

d Entity code

e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN

d Entity code

e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN

d Entity code

e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN

d Entity code

e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN

d Entity code

e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN

d Entity code

e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN

d Entity code

e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN

d Entity code

e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN

d Entity code

e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN

d Entity code

e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs, other than DCGs)
 (Complete as many entries as needed to report all participating plans. DCGs must report each participating plan using Schedule DCG.)

a Plan name	UNITED PARCEL SERVICE, INC. LOCAL 177, I.B.T. MULTI-EMPLOYER RETIREMENT PLAN	
b Name of plan sponsor	BD OF TRUSTEES, UPS LOCAL 177, IBT MULTI-EMPLOYER RET. PLAN	c EIN-PN 13-1426500-419
a Plan name	NALC ANNUITY TRUST FUND	
b Name of plan sponsor	BOARD OF TRUSTEES, NALC ANNUITY TRUST FUND	c EIN-PN 52-6038252-001
a Plan name	PENSION FUND OF LOCAL NO. 1 OF I.A.T.S.E.	
b Name of plan sponsor	BOARD OF TRUSTEES, PENSION FUND OF LOCAL NO. 1 I.A.T.S.E.	c EIN-PN 13-6414973-001
a Plan name	USW RETIREES OF THE DANA CORPORATION HEALTH CARE PLAN	
b Name of plan sponsor	COMMITTEE MEMBERS OF THE USW RETIREES OF THE DANA CORP. HEALTH CARE PL	c EIN-PN 26-1860594-501
a Plan name	HOWMET AEROSPACE RETIREMENT PLANS MASTER TRUST	
b Name of plan sponsor	HOWMET AEROSPACE INC.	c EIN-PN 25-0317820-038
a Plan name	WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN	
b Name of plan sponsor	WESTERN CONFERENCE OF TEAMSTERS PENSION TRUST FUND BOARD OF TRUSTEES	c EIN-PN 91-6145047-001
a Plan name	ARCONIC CORP. PENSION PLANS MASTER TRUST	
b Name of plan sponsor	ARCONIC CORPORATION	c EIN-PN 84-2745636-101
a Plan name		
b Name of plan sponsor		c EIN-PN
a Plan name		
b Name of plan sponsor		c EIN-PN
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SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2024 This Form is Open to Public Inspection
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For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024	
A Name of plan OAKTREE MIDDLE-MARKET DIRECT LENDING FUND (PARALLEL 2), L.P.	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 OAKTREE CAPITAL MANAGEMENT, L.P.	D Employer Identification Number (EIN) 82-4931180

Part I	Asset and Liability Statement
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1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

	(a) Beginning of Year	(b) End of Year
Assets		
a Total noninterest-bearing cash	1a	
b Receivables (less allowance for doubtful accounts):		
(1) Employer contributions	1b(1)	
(2) Participant contributions	1b(2)	
(3) Other	1b(3)	2624757 1975215
c General investments:		
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	24905011 33731558
(2) U.S. Government securities	1c(2)	
(3) Corporate debt instruments (other than employer securities):		
(A) Preferred	1c(3)(A)	
(B) All other	1c(3)(B)	140065 162351
(4) Corporate stocks (other than employer securities):		
(A) Preferred	1c(4)(A)	2125137 2176195
(B) Common	1c(4)(B)	
(5) Partnership/joint venture interests	1c(5)	
(6) Real estate (other than employer real property)	1c(6)	
(7) Loans (other than to participants)	1c(7)	314380559 205175509
(8) Participant loans	1c(8)	
(9) Value of interest in common/collective trusts	1c(9)	
(10) Value of interest in pooled separate accounts	1c(10)	
(11) Value of interest in master trust investment accounts	1c(11)	
(12) Value of interest in 103-12 investment entities	1c(12)	
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)	
(15) Other	1c(15)	31113458 27408666

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	1d(1)		
(2) Employer real property.....	1d(2)		
e Buildings and other property used in plan operation.....	1e		
f Total assets (add all amounts in lines 1a through 1e).....	1f	375288987	270629494
Liabilities			
g Benefit claims payable.....	1g		
h Operating payables.....	1h		
i Acquisition indebtedness.....	1i		
j Other liabilities.....	1j	183476372	100800738
k Total liabilities (add all amounts in lines 1g through 1j).....	1k	183476372	100800738
Net Assets			
l Net assets (subtract line 1k from line 1f).....	1l	191812615	169828756

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers.....	2a(1)(A)		
(B) Participants.....	2a(1)(B)		
(C) Others (including rollovers).....	2a(1)(C)		
(2) Noncash contributions.....	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		0
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	3174989	
(B) U.S. Government securities.....	2b(1)(B)		
(C) Corporate debt instruments.....	2b(1)(C)	16375	
(D) Loans (other than to participants).....	2b(1)(D)		
(E) Participant loans.....	2b(1)(E)		
(F) Other.....	2b(1)(F)	28132356	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		31323720
(2) Dividends:			
(A) Preferred stock.....	2b(2)(A)	232904	
(B) Common stock.....	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		
(3) Rents.....	2b(3)		
(4) Net gain (loss) on sale of assets:			
(A) Aggregate proceeds.....	2b(4)(A)	1371707	
(B) Aggregate carrying amount (see instructions).....	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result.....	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets:			
(A) Real estate.....	2b(5)(A)		
(B) Other.....	2b(5)(B)	-5839087	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		3179499
d Total income. Add all income amounts in column (b) and enter total.....	2d		30268743

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)		
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other.....	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		0
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		11467022
i Administrative expenses:			
(1) Salaries and allowances	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Recordkeeping fees	2i(3)		
(4) IQPA audit fees	2i(4)	90643	
(5) Investment advisory and investment management fees	2i(5)	2740389	
(6) Bank or trust company trustee/custodial fees	2i(6)		
(7) Actuarial fees	2i(7)		
(8) Legal fees	2i(8)		
(9) Valuation/appraisal fees	2i(9)		
(10) Other trustee fees and expenses	2i(10)		
(11) Other expenses.....	2i(11)	1670498	
(12) Total administrative expenses. Add lines 2i(1) through (11)	2i(12)		4501530
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		15968552

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		14300191
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		36284050

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) Unmodified (2) Qualified (3) Disclaimer (4) Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) DOL Regulation 2520.103-8 (2) DOL Regulation 2520.103-12(d) (3) neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: **ERNST & YOUNG LLP**

(2) EIN: **34-6565596**

d The opinion of an independent qualified public accountant is **not attached** as part of Schedule H because:

(1) This form is filed for a CCT, PSA, DCG or MTIA. (2) It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l. DCGs do not complete lines 4e, 4f, 4k, 4l, and 5, and DCGs generally complete the rest of Part IV collectively for all plans in the DCG, except as otherwise provided (see instructions).

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)			
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X	
e Was this plan covered by a fidelity bond?			
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?			
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?			
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?			
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)			
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?			
l Has the plan failed to provide any benefit when due under the plan?			
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? Yes No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) Yes No Not determined
 If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.



OAKTREE MIDDLE-MARKET DIRECT LENDING FUND
(PARALLEL 2), L.P.

Consolidated Financial Statements

December 31, 2024

Confidential

Oaktree Middle-Market Direct Lending Fund (Parallel 2), L.P.
Consolidated Financial Statements
December 31, 2024

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Oaktree Capital Management, L.P.
1301 Avenue of the Americas, 34th floor
New York, NY 10019

p 212 284-1960
www.oaktreecapital.com

To Our Limited Partners:

The Oaktree Middle-Market Direct Lending Fund (Parallel 2) (the “Fund,” or “MMDL” when combined with all commingled Oaktree Middle-Market Direct Lending funds, excluding separate accounts) earned a gross return of 1.6% in the fourth quarter, bringing the year-to-date return to 10.6% (both figures are before fees and expenses). The Fund’s net IRR since its inception in March 2018 is 11.9%.

As of December 31, 2024, 119.1% of committed capital was invested (or 59.6% of investable capital, assuming the use of one turn of leverage). The table below provides additional information regarding the figures noted above.

Oaktree Middle-Market Direct Lending Fund (Parallel 2), L.P. as of December 31, 2024	
Limited Partner commitments	\$255,000,000
Asset-based leverage (assuming 1x leverage)	\$255,000,000
Fund investible capital	\$510,000,000
Drawn capital, net of recallable distributions and realizations	\$203,719,500
Asset-based leverage used, net of realizations	\$100,018,167
Subscription facility used, net of realizations	-
Total invested capital, net of realizations	\$303,737,167
Percent of Limited Partner Commitments	119.11%
Percent of Fund investible capital	59.60%

Exits

Accupac, a Palladium Equity portfolio company, is an outsourced contract manufacturer and packager of branded liquids, lotions, gels, and creams for the over-the-counter (OTC), personal care, and specialty medical product markets. In January 2020, MMDL Funds provided \$27.5 million of a \$210.5 million first lien credit facility to support the sponsor’s leveraged buyout of the company. In December 2024, the Fund fully exited its position when the company refinanced its existing credit facility. We’re pleased with the 9.8% investment level IRR and 1.4x multiple of invested capital generated by the Fund’s debt investment.

Cenexel, a Webster Equity Partners portfolio company, is a clinical research site manager focused primarily on central nervous system and pain-related studies. In November 2019, MMDL Funds provided \$14.3 million of a \$85.8 million first lien term loan and \$10.0 million of a \$40.0 million delayed draw term loan (DDTL). In March 2021, the Fund purchased \$2.5 million of an incremental first lien term loan and \$5.0 million of incremental DDTL to fund an add-on and finance future acquisitions. In March 2022, the Fund, alongside other Oaktree funds, purchased \$10.0 million of a \$150.0 million incremental DDTL to fund future acquisitions. In December 2024, the Fund's investment was repaid by other lenders who participated in a maturity extension, which we declined to participate in. We're pleased with the 9.5% investment level IRR and 1.4x multiple of invested capital generated by the Fund's investment.

PRGX, an Ardian portfolio company, provides recovery audit and contract compliance services designed to improve clients' source-to-pay businesses processes. In March 2021, the Fund, alongside other Oaktree funds, provided \$72.6 million of a \$137.0 million first lien term loan, \$5.3 million of a revolving credit facility, and \$0.9 million of equity co-investment to support the sponsor's take-private of the company. In December 2024, the Fund was fully repaid on its debt investment and received a 1.98x dividend on its equity investment following a dividend recapitalization financing, which Oaktree declined to participate in. We're pleased with the 11.4% investment level IRR and 1.4x multiple of invested capital generated by the Fund's debt investment. The Fund's equity [investment] remains outstanding.

Portfolio Updates

Polychem is a manufacturer of plastic strapping and system solutions for the packaging industry. The company's products are used to bundle together items such as lumber panels, bricks, pavers, textile fibers, and cans and bottles. As a reminder, the company made a substantial downward revision to its earnings forecast during 3Q2024 and in October, lenders executed an amendment to deal with financial covenant defaults.

As part of this amendment, lenders engaged a financial advisor to help identify key challenges faced by the business. The advisor identified several issues including (a) poor hiring decisions due to outsourcing the staffing function and (b) increased scrap rates because of the new and inexperienced employee base. As a result, the company has agreed to bring staffing back in-house and revamp their training process, which should begin to improve operational problems.

Since liquidity continued to remain tight, lenders and the sponsor reached an agreement in January that required the sponsor to contribute \$5.0 million in new cash equity. The key terms included (a) a maturity extension through August 2026, (b) partial PIK interest flexibility, (c) a waiver of current covenants through 3Q2025, (d) reopening additional revolving credit facility capacity, and (e) a requirement for the sponsor to engage a banker to run a sale process for the business in early 2026.

We believe this amendment will provide the company with adequate liquidity and help maximize recovery prospects in 2026. We continue to maintain active dialogue with the sponsor as we closely monitor performance.

ABX is a flexible packaging manufacturer of films primarily for the North American protein, cheese, and specialty food end markets. As a reminder, the Fund, alongside other Oaktree funds, committed to a first lien term loan, delayed draw term loan, and revolving credit facility to support the acquisition of six berry facilities in January 2021.

In late 3Q2024, ABX notified lenders of an expected covenant default. At this time, liquidity had become very tight, prompting discussions between the lenders and the sponsor about a longer-term solution,

which involved meaningful cash equity support from the sponsor. Despite the sponsor's repeated assurances of their strong intent to back the business, they unexpectedly withdrew their support in November 2024 and asked lenders to assume this responsibility.

Lenders subsequently entered into a short-term forbearance agreement and contributed \$4.5 million in the form of a super-priority loan. The Fund provided \$2.2 million of the super-priority debt (priced at a 2.0x liquidation preference). We also required the immediate appointment of a Chief Restructuring Officer (CRO) and an independent board member.

BRG was selected as the CRO, and an independent board member with extensive restructuring experience was also appointed. BRG and the independent board member provided lenders with an updated forecast showing the need for an additional \$12.5-\$15.0 million of liquidity support. In February 2025, two of three lenders provided a \$5.0 million incremental super-priority term loan (pari to the existing super-priority loan). The Fund provided \$3.3 million with a higher liquidation preference of 3.0x.

The situation remains ongoing and we expect the company will require another capital infusion in late March 2025. Additionally, it's possible the sponsor steps in as a co-lender to help provide liquidity and buys out one of the three lenders.

Despite the recent negative developments, we believe that management, with the assistance of the CRO, is focused on a reasonably achievable plan for 2025. Year-to-date performance has been tracking to plan, and we'll continue to provide further updates in future letters.

Virtex Enterprises provides electronic-manufacturing services, such as system integration, product engineering, and printed circuit board assembly to customers in the industrial, aerospace and defense, automotive and medical equipment markets. As a reminder, in September 2024, first lien lenders exercised their proxy rights to take over the board. Since then, the first-and second-lien lenders and the sponsor have been negotiating an amendment, which will likely include an equity injection from the sponsor to improve liquidity in exchange for the sponsor regaining board control and other favorable changes to the credit facility. Although short-term liquidity is adequate and the sponsor's willingness to contribute additional cash equity is a positive, the upcoming loss of a key customer will likely dampen the forecast for 2025. In addition, a difficult and fatigued first lien lender group continue to extend negotiations, which we fear could dampen the sponsor's enthusiasm to contribute new cash equity. We continue to monitor the investment closely and as the situation remains ongoing, we'll continue to provide updates in future letters.

RumbleOn is the largest powersports retail dealer in the United States with an omnichannel platform that allows consumers to buy and sell powersports vehicles. We last wrote about RumbleOn in our 4Q2023 letter when the company had paid down \$120 million of its outstanding debt.

Over the past 12 months, the company's performance has remained relatively weak. This is primarily attributable to (a) lower sales volume due to a challenging macroeconomic environment that has impacted the company's core customer and (b) a bloated cost structure, which we've discussed in prior letters. Since mid-2024, the company has actioned \$32 million of annualized cost savings in an effort to improve profitability.

In November, the lenders executed an amendment to provide covenant relief as the company expected to breach its 4Q2024 and 2025 leverage covenants. In exchange, the company agreed to (a) raise \$30 million of additional capital to repay the \$39 million of convertible bonds which came due on January 1, 2025 and (b) sign an engagement letter with an investment bank to pursue a refinancing of the term loan. We look forward to providing updates on the refinancing process in future letters.

Market Update

Current economic indicators continue to suggest a soft-landing scenario; however, we believe many of the Trump Administration's proposed policies could drive inflation higher and/or materially change our views on a soft-landing. The former could keep interest rates elevated, putting continued pressure on overleveraged corporate balance sheets. However, a more relaxed regulatory regime may lead to an increase in deal-making activity.

While President Trump could ease some of his more aggressive trade and immigration policies, we expect to see an increase in U.S. trade barriers and a continuation of the deficit spending policies of recent years. Both factors could boost price growth. The result of this inflationary pressure will likely lead to a continuation of "higher-for-longer" interest rates (primarily affecting short term rates such as three-month SOFR), which will benefit all-in yields of new floating-rate based credit investments. However, the balance sheets of both public and private debt issuers who took on too much debt when interest rates were low will likely face more stress if interest rates remain elevated. For the most overleveraged companies, this stress could escalate into distress, potentially leading to higher default rates and non-accruals.

We also believe President Trump will seek to reduce taxes and regulations, and favor policies that are pro-business (especially for U.S. businesses that source domestically). As a result, we initially anticipated corporate M&A would substantially increase during 2025 and thus boost demand for private credit funding, including junior capital. However, the new administration's rapid pace of implementing new policies designed to increase tariffs, cut immigration, reduce the federal work force, and decrease government spending has resulted in meaningful uncertainty, causing a notable slowdown in the M&A market in recent weeks. Lenders and sponsors are now waiting to see the effects of new policies.

That being said, we believe deal activity may still improve this year if we begin to see signs of stability in the near future. Increased activity could correct the supply-demand imbalance in which a flood of capital into private credit and a dearth of M&A has led to a general tightening of senior yield spreads in private credit deals over the past 12 months, with first lien loans continuing to price at SOFR + 450-500 bps. Due to reduced base rates and tighter first lien spreads, junior capital now offers all-in yields up to roughly 400 bps higher than senior direct lending, typically on a fixed-rate basis.

Despite lower LBO activity, we're increasingly seeing attractive non-traditional junior capital opportunities with companies that require assistance refinancing existing capital structures. Additionally, private equity sponsors are looking for incremental purchasing power in the form of junior debt to finance large-cap leveraged buyouts as quality assets continue to trade for high purchase price multiples. Given attractive yields and reasonable leverage levels, we believe the current junior capital opportunity set is very compelling and that Oaktree is well positioned to take advantage given our long track record and the limited number of lenders in the space.

Firm Update

We're heartbroken by the devastation caused by the fires in Los Angeles, Oaktree's headquarters and home since our founding in 1995. In response to these tragic events, we deployed a variety of resources to ensure the safety and well-being of our employees, and will continue to do so to support the long and challenging road to recovery for them and the broader Los Angeles community. Despite these challenging circumstances, our global employee base and business continuity program kept our operations running without interruption, allowing us to continue serving our clients.

Please let us know if you have any questions about this letter, and feel free to contact us at any time.

Very truly yours,

A handwritten signature in cursive script that reads "Raj".

Raj Makam
Portfolio Manager

A handwritten signature in cursive script that reads "Christina".

Christina Lee
Co-Portfolio Manager

March 18, 2025

Oaktree Middle-Market Direct Lending Fund (Parallel 2), L.P.
 Operating Highlights
 December 31, 2024
 (Unaudited)

(In thousands)

	Year Ended December 31, 2024	March 28, 2018* through December 31, 2024
Operating Results		
Net income	<u>\$ 14,300</u>	<u>\$ 96,364</u>
Percent Return		
Before management fees and expenses	10.6% (a)	14.6% (b)
After management fees and expenses	8.1% (a)	11.9% (c)
Multiple of Capital (d)		
Before management fees and expenses		1.5
After management fees and expenses		1.4
Multiple of Capital Returned (e)		
After management fees and expenses		0.7
Net assets of Fund at end of period.....		<u>\$ 169,829</u>

Fund-level returns presented herein may include the effect of subscription line financing, where applicable.

* Commencement of operations.

(a) Represents the Fund's time-weighted rate of return for the year indicated.

(b) Represents the Fund's internal rate of return since inception.

(c) Represents the Non-Affiliated Limited Partners' internal rate of return since inception.

(d) Calculated as (Net Asset Value + Distributions) ÷ Paid-In Capital; also referred to as Investment Multiple.

(e) Calculated as Distributions ÷ Paid-In Capital; also referred to as Realization Multiple.

Oaktree Middle-Market Direct Lending Fund (Parallel 2), L.P.
 Consolidated Statement of Assets and Liabilities
 as of December 31, 2024

(In thousands)

ASSETS:

Investments at fair value (cost \$238,777).....	\$ 230,014
Cash and cash equivalents	10,209
Cash pledged as collateral	23,523
Interest receivable.....	1,915
Receivable for investments sold.....	61
Other assets.....	<u>4,921</u>
Total assets	<u>270,643</u>

LIABILITIES:

Borrowings under revolving credit facilities (Note 7).....	100,018
Interest payable on borrowings.....	636
Accrued expenses and other liabilities	<u>160</u>
Total liabilities	<u>100,814</u>

Commitments and contingencies (Note 6)

Net assets	<u>\$ 169,829</u>
------------------	-------------------

Oaktree Middle-Market Direct Lending Fund (Parallel 2), L.P.
 Consolidated Statement of Operations
 Year Ended December 31, 2024

(In thousands)

INVESTMENT INCOME:

Income:	
Interest	\$ 34,485
Other	<u>251</u>
Total income	<u>34,736</u>
Expenses:	
Interest expense	11,467
Investment management fees	2,740
Credit facility fees	459
Professional fees	340
Administration fees	251
Custody fees	25
Other	<u>686</u>
Total expenses	<u>15,968</u>
Net investment income	<u>18,768</u>

**NET REALIZED GAIN/(LOSS) AND CHANGE IN UNREALIZED APPRECIATION/
 DEPRECIATION ON INVESTMENTS, DERIVATIVES AND FOREIGN CURRENCY:**

Net realized gain on investments	1,372
Net change in unrealized depreciation on investments	<u>(5,840)</u>
Net realized gain/(loss) and change in unrealized appreciation/depreciation on investments, derivatives and foreign currency	<u>(4,468)</u>
Net income	<u>\$ 14,300</u>

Oaktree Middle-Market Direct Lending Fund (Parallel 2), L.P.
Consolidated Statement of Cash Flows
Year Ended December 31, 2024

(In thousands)

CASH FLOWS PROVIDED BY OPERATING ACTIVITIES:

Net investment income	\$ 18,768
Adjustments to reconcile to net cash provided by operating activities-	
Purchases of investments	(9,350)
Sales and repayments of investments	119,753
Interest paid in kind	(1,109)
Accretion of original issue and market discount	(453)
Changes in assets and liabilities:	
Decrease in receivable for investments sold	15
Decrease in interest receivable	634
Increase in other assets	(472)
Decrease in interest payable on borrowings	(3,236)
Decrease in accrued expenses and other liabilities	<u>(11)</u>
Net cash provided by operating activities	<u>124,539</u>

CASH FLOWS USED IN FINANCING ACTIVITIES:

Repayments on revolving credit facility	(79,428)
Capital distributions	(16,751)
Income distributions	<u>(19,533)</u>
Net cash used in financing activities	<u>(115,712)</u>

Total increase in cash, cash equivalents and restricted cash	8,827
Cash, cash equivalents and restricted cash at beginning of year	<u>24,905</u>
Cash, cash equivalents and restricted cash at end of year	<u>\$ 33,732</u>

Supplemental disclosure of cash flow information:

Cash paid during the year for interest	<u>\$ 14,703</u>
--	------------------

Oaktree Middle-Market Direct Lending Fund (Parallel 2), L.P.
 Consolidated Statement of Changes in Partners' Capital

(In thousands)

	Non-Affiliated Limited Partners	General Partner	Total
Partners' committed capital	\$ 250,000	\$ 5,000	\$ 255,000
<i>March 28, 2018* through December 31, 2023</i>			
Contributions	\$ 364,725	\$ 8,015	\$ 372,740
Capital distributions.....	(174,851)	(4,433)	(179,284)
Income distributions	(82,042)	(1,665)	(83,707)
Allocation of net income	80,178	1,886	82,064
Partners' capital at December 31, 2023	188,010	3,803	191,813
<i>Year ended December 31, 2024</i>			
Capital distributions.....	(16,364)	(387)	(16,751)
Income distributions	(19,150)	(383)	(19,533)
Allocation of net income	13,961	339	14,300
Change in Partners' capital	(21,553)	(431)	(21,984)
Partners' capital at December 31, 2024	\$ 166,457	\$ 3,372	\$ 169,829

* Commencement of operations.

Oaktree Middle-Market Direct Lending Fund (Parallel 2), L.P.
Consolidated Schedule of Investments
as of December 31, 2024

Principal Amount*/ No. of Shares, Units, Warrants or Ownership Interest	Investments	Cost	Fair Value
	Aerospace & Defense (4.9% of Net Assets)		
387,453	Arotech Corp., Senior Secured 1st Lien Delayed Draw Term Loan, SOFR+6.00% (Floor: 1%) due 10/22/2026	\$ 384,169	\$ 387,453
7,963,794	Arotech Corp., Senior Secured 1st Lien Term Loan, SOFR+6.00% (Floor: 1%) due 10/22/2026	<u>7,844,337</u>	<u>7,963,794</u>
	<i>Total Aerospace & Defense</i>	<u>8,228,506</u>	<u>8,351,247</u>
	Building Products (2.7%)		
250,400	SlipNOT (Traction Technologies Holdings LLC), Class A Common Equity	250,400	411,354
1,352,300	SlipNOT (Traction Technologies Holdings, LLC), Senior Secured 1st Lien Revolving Credit Facility, SOFR+5.65% (Floor: 1%) due 12/18/2025	(5,199)	(5,199)
4,214,559	SlipNOT (Traction Technologies Holdings, LLC), Senior Secured 1st Lien Term Loan, SOFR+5.65% (Floor: 1%) due 12/18/2025	<u>4,198,357</u>	<u>4,198,357</u>
	<i>Total Building Products</i>	<u>4,443,558</u>	<u>4,604,512</u>
	Chemicals (3.1%)		
5,223,899	Boulder Scientific Company LLC, Senior Secured 1st Lien Term Loan, SOFR+4.75% (Floor: 1%), due 12/28/2025	<u>5,137,432</u>	<u>5,171,660</u>
	Commercial Services & Supplies (16.6%)		
766	CMS Group Holdings LP, Class A2 Units	<u>771,211</u>	<u>1,804,685</u>
126	Lockmasters Security Holdings Inc, Common Units	<u>126,000</u>	<u>216,898</u>
1,329,991	Onpoint Group LLC (MHE Intermediate Holdings LLC), Senior Secured Delayed Draw Term Loan, SOFR+6.00% (Floor: 1%) due 07/21/2027	1,303,375	1,313,366
914,414	Onpoint Group LLC (MHE Intermediate Holdings LLC), Senior Secured Revolver, SOFR+6.00% (Floor: 1%) due 07/21/2027	175,112	171,544
3,699,381	Onpoint Group LLC (MHE Intermediate Holdings LLC), Senior Secured Term Loan-B, SOFR+6.00% (Floor: 1%) due 07/21/2027	<u>3,667,942</u>	<u>3,652,769</u>
	MHE Intermediate Holdings LLC, subtotal	<u>5,146,429</u>	<u>5,137,679</u>
653,100	Seaga Intermediate Holdings Inc, Senior Secured 1st Lien Revolver, SOFR+5.00% (Floor: 1.00%), due 10/27/2026	(6,531)	(6,531)
10,531,431	Seaga Intermediate Holdings Inc, Senior Secured 1st Lien Term Loan, SOFR+5.00% (Floor: 1.00%), due 10/27/2026	10,426,117	10,426,117
27	Seaga Investment Holdings Inc, Common Equity	<u>272,200</u>	<u>272,200</u>
	Seaga Parent Holdings Inc, subtotal	<u>10,691,786</u>	<u>10,691,786</u>

(continued)

Oaktree Middle-Market Direct Lending Fund (Parallel 2), L.P.
Consolidated Schedule of Investments (continued)
as of December 31, 2024

Principal Amount*/ No. of Shares, Units, Warrants or Ownership Interest	Investments (continued)	Cost	Fair Value
	Commercial Services & Supplies (continued)		
1,918,664	LEP PSB Midco LLC, Senior Secured Revolver, SOFR+5.50% (Floor: 1%) due 02/28/2028	\$ 1,898,496	\$ 1,755,577
9,453,546	LEP PSB Midco LLC, Senior Secured Term Loan, SOFR+5.50% (Floor: 1%) due 02/28/2028	9,354,722	8,649,995
	Unlimited Technology Inc, subtotal	<u>11,253,218</u>	<u>10,405,572</u>
	<i>Total Commercial Services & Supplies</i>	<u>27,988,644</u>	<u>28,256,620</u>
	Construction & Engineering (6.6%)		
2,553,539	BMS Enterprises, Senior Secured 1st Lien Delayed Draw Term Loan, SOFR+5.50% (Floor: 1%), due 09/30/2026	2,537,041	2,489,700
8,892,697	BMS Enterprises, Senior Secured 1st Lien Term Loan, SOFR+5.50% (Floor: 1%), due 09/30/2026	8,837,314	8,670,380
	<i>Total Construction & Engineering</i>	<u>11,374,355</u>	<u>11,160,080</u>
	Construction Materials (0.5%)		
13,906	Trench Plate Rental Co., Common Stock	1,113,980	895,574
	Containers & Packaging (9.7%)		
1,124,244	ABX Innovative Packaging Solutions LLC (Advanced Barrier Extrusions LLC) Sr Sec Super Priority TL 1st Lien 15.00% PIK 12/06/2029 (USD)	1,124,244	1,124,244
13,181,726	ABX Innovative Packaging Solutions LLC, Senior Secured 1st Lien Term Loan, SOFR+7.50% (Floor: 1%), due 11/30/2026	12,918,092	10,453,109
3,237	GP ABX Holdings LLC, Series B 20.00% PIK Preferred Equity	323,758	-
1,536,930	GP ABX Holdings Partnership LP, Common Equity	1,343,027	-
	ABX Innovative Packaging Solutions LLC, subtotal	<u>15,709,121</u>	<u>11,577,353</u>
5,768,168	Polychem Corp., Senior Secured 1st Lien Term Loan-B, SOFR+5.00%, due 03/15/2025	5,739,326	4,891,406
	<i>Total Containers & Packaging</i>	<u>21,448,447</u>	<u>16,468,759</u>
	Distributors (3.5%)		
1,793,549	FSK Pallet Holding Corp., Senior Secured 1st Lien Incremental Term Loan, SOFR+6.00% (Floor: 1.25%) due 12/23/2026	1,782,245	1,734,362
8,832	FSK Pallet LP, Class A Units	901,800	4,185,831
	<i>Total Distributors</i>	<u>2,684,045</u>	<u>5,920,193</u>
	Diversified Consumer Services (2.8%)		
162,351	Salisbury House LLC, Senior Subordinated Convertible Notes, 15.0% PIK, Class A Units, due 08/31/2025	162,351	162,351
2,599,358	Salisbury House LLC, Senior Subordinated Notes, 11.25% due 08/30/2026	2,580,846	2,599,358

(continued)

Oaktree Middle-Market Direct Lending Fund (Parallel 2), L.P.
Consolidated Schedule of Investments (continued)
as of December 31, 2024

Principal Amount*/ No. of Shares, Units, Warrants or Ownership Interest	Investments (continued)	Cost	Fair Value
	Diversified Consumer Services (continued)		
1,261,200	Salisbury House, LLC, Senior Subordinated 1st Lien Delayed Draw Notes, 11.25%, due 08/30/2026	\$ 1,235,976	\$ 1,261,200
542	SBH Group Holdings, L.P., Class A-2 Units	545,030	704,838
	<i>Total Diversified Consumer Services</i>	<u>4,524,203</u>	<u>4,727,747</u>
	Electric Utilities (9.8%)		
1,317,000	Sparus Holdings Inc, Class A Common Units	1,317,000	3,292,500
13,544,813	Sparus Holdings Inc, Senior Secured 1st Lien Term Loan, SOFR+5.00% (Floor: 1%), due 03/19/2027	13,444,550	13,273,917
	<i>Total Electric Utilities</i>	<u>14,761,550</u>	<u>16,566,417</u>
	Electrical Equipment (1.6%)		
887,300	Paragon (WCI-Gigawatt Purchaser LLC), Senior Secured 1st Lien Revolver, SOFR+5.75% (Floor: 1.00%), due 11/19/2027	228,093	208,220
928,589	Paragon (WCI-Gigawatt Purchaser LLC), Senior Secured 1st Lien Term Loan, SOFR+5.75% (Floor: 1.00%), due 11/19/2027	919,672	898,874
	Paragon, subtotal	<u>1,147,765</u>	<u>1,107,094</u>
5,180,131	VirTex Enterprises LP, Senior Secured 2nd Lien Term Loan, SOFR+9.75% (Floor: 1.0%), due 06/30/2026	5,086,649	1,381,541
211,074	VirTex Enterprises LP, Senior Secured Incremental 2nd Lien Term Loan, SOFR+4.0% (Floor: 2.5%), due 12/31/2025	205,810	205,810
217,775	VirTex Investment Holdings LLC, Class A-2 Non-Voting Units	168,320	-
	VirTex Enterprises LP, subtotal	<u>5,460,779</u>	<u>1,587,351</u>
	<i>Total Electrical Equipment</i>	<u>6,608,544</u>	<u>2,694,445</u>
	Food Products (3.9%)		
1,558,516	VG Target Holdings LLC, Senior Secured Revolver, SOFR+5.50% (Floor: 1%), due 08/02/2027	1,407,169	1,109,896
6,946,376	VG Target Holdings LLC, Senior Secured Term Loan, SOFR+5.50% / 0.50% PIK (Floor: 1%), due 08/02/2027	6,888,790	5,557,100
	<i>Total Food Products</i>	<u>8,295,959</u>	<u>6,666,996</u>
	Ground Transportation (7.9%)		
13,467,728	HF Parent LLC, Senior Secured 1st Lien Term Loan, SOFR+5.75% (Floor: 1%), due 12/03/2026	13,338,340	13,467,728
	Health Care Providers & Services (30.0%)		
357	42 North Dental Group Holdings LLC, Class A2 Common Equity	789,609	789,610
1,508,800	42 North Dental LLC, Senior Secured 1st Lien Revolving Credit Facility, SOFR+5.25% (Floor: 1%) due 12/29/2026	1,100,471	1,083,821

(continued)

Oaktree Middle-Market Direct Lending Fund (Parallel 2), L.P.
Consolidated Schedule of Investments (continued)
as of December 31, 2024

Principal Amount*/ No. of Shares, Units, Warrants or Ownership Interest	Investments (continued)	Cost	Fair Value
Health Care Providers & Services (continued)			
3,812,197	42 North Dental LLC, Senior Secured 1st Lien Term Loan, SOFR+5.25% (Floor: 1%) due 12/29/2026	\$ 3,786,242	\$ 3,755,014
9,521,531	42 North Dental LLC, Senior Secured Delayed Draw Term Loan, SOFR+5.25% (Floor: 1%) due 12/29/2026	9,458,344	9,378,708
	42 North Dental LLC, subtotal	<u>15,134,666</u>	<u>15,007,153</u>
1,720,499	NJEye LLC, Senior Secured 1st Lien Delayed Draw Term Loan, SOFR+4.75% (Floor: 1%), due 9/14/2024	1,719,237	1,720,499
10,061,329	NJEye LLC, Senior Secured 1st Lien Term Loan, SOFR+4.75% (Floor: 1%), due 9/14/2024	10,053,950	10,061,329
1,504	Prism Vision Holdings LLC, Preferred Stock, 8% PIK NJEye LLC, subtotal	<u>1,503,900</u>	<u>2,127,881</u>
		<u>13,277,087</u>	<u>13,909,709</u>
7,860,834	ONsite Parent LLC, Senior Secured 1st Lien Term Loan, SOFR+6.25% (Floor: 1%) due 12/28/2027	7,748,424	7,782,225
507	ONsite Topco LLC, Class A Common Equity ONsite Topco LLC, subtotal	<u>507,200</u>	<u>374,082</u>
		<u>8,255,624</u>	<u>8,156,307</u>
1,827,989	Harren HCA Inc., Senior Secured 1st Lien Delayed Draw Term Loan, SOFR+6.00% (Floor: 1%) due 08/09/2027	1,812,137	1,782,289
9,260,717	Harren HCA Inc., Senior Secured 1st Lien Term Loan, SOFR+6.00% (Floor: 1%) due 08/09/2027	9,180,409	9,029,199
13,406	Pearl Acquisition LLC, Class A Units Pearl Acquisition LLC, subtotal	<u>1,340,624</u>	<u>1,201,981</u>
		<u>12,333,170</u>	<u>12,013,469</u>
697,976	Solaris (Urology Partners Co LP), Class O2 Units	697,976	1,111,983
591,640	Varsity DuvaSawko Holdings LP, Class A Common Stock	628,743	782,037
	<i>Total Health Care Providers & Services</i>	<u>50,327,266</u>	<u>50,980,658</u>
Hotels, Restaurants & Leisure (4.6%)			
661,786	One World Fitness PFF LLC, Senior Secured 1st Lien Delayed Draw Term Loan, SOFR+5.25% (Floor: 1%) due 11/26/2025	653,965	659,139
7,156,238	One World Fitness PFF LLC, Senior Secured 1st Lien Term Loan, SOFR+5.25% (Floor: 1%) due 11/26/2025	7,135,038	7,127,613
	<i>Total Hotels, Restaurants & Leisure</i>	<u>7,789,003</u>	<u>7,786,752</u>
IT Services (1.6%)			
2,875,100	Tyto Athene LLC, Senior Secured 2nd Lien Notes, 10.75%, due 10/01/2028	2,846,370	2,731,345
97	Tyto Athene, Class A Preferred Equity	96,628	48,314

(continued)

Oaktree Middle-Market Direct Lending Fund (Parallel 2), L.P.
Consolidated Schedule of Investments (continued)
as of December 31, 2024

Principal Amount*/ No. of Shares, Units, Warrants or Ownership Interest	Investments (continued)	Cost	Fair Value
	IT Services (continued)		
1,972	Tyto Athene, Common Equity	\$ 1,972	\$ 986
	<i>Total IT Services</i>	<u>2,944,970</u>	<u>2,780,645</u>
	Leisure Products (5.6%)		
9,638,053	Easy Way Holdings LLC, Senior Secured 1st Lien Term Loan, SOFR+7.50% (Floor: 1%), due 01/15/2026	<u>9,521,188</u>	<u>9,483,845</u>
	Machinery (2.1%)		
1,768,851	P.T. International LLC, Senior Subordinated Delayed Draw Notes, 10.0% Cash / 2.0% PIK, due 06/30/2028	1,735,823	1,713,841
1,544,323	P.T. International LLC, Senior Subordinated Notes, 10.0% Cash / 2.0% PIK, due 06/30/2028	1,529,933	1,496,294
256	Solve Group Holdings LP, Class A2 Units	<u>255,600</u>	<u>383,400</u>
	<i>Total Machinery</i>	<u>3,521,356</u>	<u>3,593,535</u>
	Professional Services (0.6%)		
376,800	PRGX (Pluto Parent LLC), Class B Common Units	-	<u>923,160</u>
	Specialty Retail (10.4%)		
953,444	LUV Car Wash Group LLC, Senior Secured Delayed Draw Term Loan-B, SOFR+7.15% (Floor: 1%) due 12/09/2026	943,910	943,910
12,253,455	LUV Car Wash Group LLC, Senior Secured Delayed Draw Term Loan-C, SOFR+7.15% (Floor: 1%) due 12/09/2026	12,171,354	12,130,919
1,000	LUV Car Wash Holdings LLC, Class A Common Stock	<u>1,000,000</u>	<u>1,000,000</u>
	LUV Car Wash, subtotal	<u>14,115,264</u>	<u>14,074,829</u>
874,953	RumbleON Inc., Senior Secured 1st Lien Delayed Draw Term Loan, SOFR+7.25% due 08/31/2026	856,556	822,457
2,899,255	RumbleON Inc., Senior Secured 1st Lien Term Loan, SOFR+7.25% due 08/31/2026	2,838,293	2,725,299
20,206	RumbleOn Inc., Warrants, Strike \$11.25, due 08/14/2028	<u>147,504</u>	<u>53,546</u>
	RumbleON Inc, subtotal	<u>3,842,353</u>	<u>3,601,302</u>
	<i>Total Specialty Retail</i>	<u>17,957,617</u>	<u>17,676,131</u>
	Textiles, Apparel & Luxury Goods (0.3%)		
606,600	Carnegie Fabrics LLC, Senior Secured 1st Lien Revolver, SOFR+5.25% (Floor: 1.00%), due 04/29/2028	(5,459)	(13,952)
591,435	Carnegie Fabrics LLC, Senior Secured 1st Lien Term Loan, SOFR+5.25% (Floor: 1.00%), due 04/29/2028	<u>586,112</u>	<u>577,832</u>
	<i>Total Textiles, Apparel & Luxury Goods</i>	<u>580,653</u>	<u>563,880</u>

(continued)

Oaktree Middle-Market Direct Lending Fund (Parallel 2), L.P.
Consolidated Schedule of Investments (continued)
as of December 31, 2024

Principal Amount*/ No. of Shares, Units, Warrants or Ownership Interest	Investments (continued)	Cost	Fair Value
	Wireless Telecommunication Services (6.6%)		
32,265	Centerline Communications LLC Sr Sec REV 1st Lien SOFR+6.00% Cash and 1.50% PIK (Floor: 1.00%) 08/10/2027 (USD)	\$ 32,265	\$ 22,263
7,808,127	Centerline Communications LLC, Senior Secured 1st Lien Delayed Draw Term Loan, SOFR+6.00% (Floor: 1%) due 08/10/2027	7,729,659	5,387,608
2,405,600	Centerline Communications LLC, Senior Secured 1st Lien Revolver, SOFR+6.00% (Floor: 1%) due 08/10/2027	2,384,912	1,659,864
6,092,833	Centerline Communications LLC, Senior Secured 1st Lien Term Loan, SOFR+6.00% (Floor: 1%) due 08/10/2027	<u>6,040,645</u>	<u>4,204,054</u>
	<i>Total Wireless Telecommunication Services</i>	<u>16,187,481</u>	<u>11,273,789</u>
	Total Investments (135.4%)	<u>\$ 238,777,097</u>	<u>230,014,373</u>
	Excess Liabilities over Cash and Other Assets (-35.4%)		<u>(60,185,617)</u>
	Net Assets (100.0%)		<u>\$ 169,828,756</u>

* Principal amounts denote investments denominated in U.S. Dollars unless otherwise indicated. Investments are issued by U.S. companies unless parenthetically indicated in investment description.

Oaktree Middle-Market Direct Lending Fund (Parallel 2), L.P.
 Consolidated Schedule of Investments (continued)
 as of December 31, 2024

	Cost	Fair Value	Percentage of Net Assets
Investments by country:			
United States	<u>\$ 238,777,097</u>	<u>\$ 230,014,373</u>	<u>135.4</u> %
Investments by type:			
Bank debt	\$ 209,290,857	\$ 197,881,773	116.4 %
Corporate debt	15,383,758	11,551,740	6.8
Preferred equity	1,924,286	2,176,195	1.3
Common equity	<u>12,178,196</u>	<u>18,404,665</u>	<u>10.9</u>
Total investments	<u>\$ 238,777,097</u>	<u>\$ 230,014,373</u>	<u>135.4</u> %

Oaktree Middle-Market Direct Lending Fund (Parallel 2), L.P.
Notes to Consolidated Financial Statements
December 31, 2024
(Amounts in thousands)

NOTE 1 – Organization:

Oaktree Middle-Market Direct Lending Fund (Parallel 2), L.P. (the “Fund”) was formed on March 23, 2018 as a closed-end Delaware limited partnership for the purpose of allowing qualified benefit plan investors to pool their assets to make direct lending investments. The Fund is part of a larger fund complex which includes Oaktree Middle-Market Direct Lending Fund, L.P. and Oaktree Middle-Market Direct Lending Fund (Parallel), L.P. (collectively, the “Leveraged Funds”), Oaktree Middle-Market Direct Lending Unlevered Fund, L.P. and Oaktree Middle-Market Direct Lending Unlevered Fund (Parallel), L.P. (collectively, the “Unleveraged Funds”) and various feeder funds. For various purposes under the Fund’s partnership agreement, the date of the Fund’s “Initial Investment” relates back to the date of the first investment made by the Leveraged Fund (which the Fund will participate in by means of a multi-fund allocation procedure, subject to certain ERISA vehicle consideration) which occurred before the Fund’s initial closing. The Fund commenced operations on March 28, 2018 (the date of the initial investment). The Fund had its first closing on October 25, 2018 (the “Initial Closing”). The Fund will seek to generate returns principally through investments in directly originated senior secured first lien and unitranche loans to middle-market companies located in North America. Investment opportunities will be sourced through Oaktree’s proprietary internal origination network. To preserve maximum flexibility to take advantage of investment opportunities, the Fund is permitted to invest up to 40% of the Aggregate Leveraged Capital Commitments (as defined in the Agreement), based on cost, in other securities, including second lien, mezzanine and equity securities. Capitalized terms not defined herein shall have the meanings set forth in the Agreement.

The Fund’s Amended and Restated Limited Partnership Agreement, dated as of October 29, 2018 (as it may be further amended or restated from time to time thereafter, the “Agreement”), was entered into by and among Oaktree Middle-Market Direct Lending GP, L.P., a Delaware limited partnership, as general partner (the “General Partner”), and the Limited Partners of the Fund. The Fund appointed Oaktree Capital Management, L.P., a Delaware limited partnership (“Oaktree” or the “Investment Manager”), as its investment manager to provide portfolio management and administrative services pursuant to a Management Agreement, dated as of October 29, 2018 (as amended or restated from time to time, the “Management Agreement”). Notwithstanding the appointment of the Investment Manager, the management and the conduct of the activities of the Fund remain the ultimate responsibility of the General Partner and all investment decisions shall be made exclusively by the General Partner in accordance with the Agreement. The Fund’s term will expire eight years after March 28, 2018 (the “Initial Investment Date”) unless extended or terminated earlier in accordance with the Agreement. Partners may not withdraw from the Fund prior to its termination.

From time to time the General Partner may determine that, for legal, tax, regulatory or other considerations, an investment shall be made through an alternative investment vehicle (“AIV”). Each AIV will be managed by Oaktree or an affiliate and be governed by organizational documents containing provisions substantially similar to those of the Fund.

As of December 31, 2024, the Limited Partners of the Fund have total committed capital of \$250,000, of which \$199,725, or 79.9% of committed capital, net of recallable distributions, has been drawn. The General Partner committed total capital of \$5,000, of which \$3,995, or 79.9% of committed capital, net of recallable distributions, has been drawn.

NOTE 2 – Significant Accounting Policies:

PRINCIPLES OF ACCOUNTING

The accompanying consolidated financial statements were prepared in conformity with generally accepted accounting principles in the United States of America (“U.S. GAAP”). The preparation of these consolidated financial statements requires the General Partner to make estimates and assumptions that affect the reported amounts

Oaktree Middle-Market Direct Lending Fund (Parallel 2), L.P.
Notes to Consolidated Financial Statements (continued)
December 31, 2024
(Amounts in thousands)

NOTE 2 – Significant Accounting Policies (continued):

PRINCIPLES OF ACCOUNTING (CONTINUED)

of assets and liabilities at the date of the consolidated financial statements and the reported amounts of income and expense during the reporting period. Actual results could differ from these estimates.

The Fund is an investment company and follows specialized accounting and reporting requirements for investment companies established under U.S. GAAP.

The Fund's consolidated financial statements include the accounts of certain special purpose vehicles that were formed for the purpose of acquiring certain investments. Such special purpose vehicles directly or indirectly own the underlying investments, which are presented on the consolidated condensed schedule of investments in the respective industry and geographic region of the underlying investments. The profits and losses associated with such investments are reflected in the consolidated statement of operations based on the respective characteristic of the income or expense from the underlying investments. All material intercompany balances and transactions have been eliminated.

Investments denominated in non-U.S. currencies are recorded in the consolidated financial statements after translation into U.S. dollars using the spot exchange rate on the last business day of the period. Purchases, sales, income and expenses are translated at the spot exchange rate prevailing on the respective dates of such transactions. The effect on investments of changes in exchange rates is included in net realized gain or loss and changes in unrealized appreciation or depreciation on investments. Gains and losses on foreign currency transactions related to other assets and liabilities of the Fund are not significant and therefore are not separately reported.

INVESTMENT VALUATIONS

U.S. GAAP establishes a hierarchal disclosure framework, which prioritizes the inputs used in measuring financial instruments at fair value into three levels based on their market observability. Market price observability is affected by a number of factors, including the type of instrument and the characteristics specific to the instrument. Financial instruments with readily available quoted prices from an active market or for which fair value can be measured based on actively quoted prices generally will have a higher degree of market price observability and a lesser degree of judgment inherent in measuring fair value.

Financial assets and liabilities measured and reported at fair value are classified as follows:

- *Level I* – Quoted unadjusted prices for identical instruments in active markets to which the Fund has access at the date of measurement. The types of investments in Level I include exchange-traded equities, debt and derivatives with quoted prices.
- *Level II* – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are directly or indirectly observable. Level II inputs include interest rates, yield curves, volatilities, prepayment risks, loss severities, credit risks and default rates. The types of investments in Level II generally include corporate bonds and loans, government and agency securities, less liquid and restricted equity investments, over-the-counter traded derivatives and other investments where the fair value is based on observable inputs.
- *Level III* – Valuations for which one or more significant inputs are unobservable. These inputs reflect the General Partner's assessment of the assumptions that market participants use to value the investment based

Oaktree Middle-Market Direct Lending Fund (Parallel 2), L.P.
Notes to Consolidated Financial Statements (continued)
December 31, 2024
(Amounts in thousands)

NOTE 2 – Significant Accounting Policies (continued):

INVESTMENT VALUATIONS (CONTINUED)

on the best available information. Level III inputs include prices of quoted securities in markets for which there are few transactions, less public information exists or prices vary among brokered market makers. The types of investments in Level III include non-publicly traded equity, debt, real estate and derivatives.

In some instances, an instrument may fall into different levels of the fair value hierarchy. In such instances, the instrument's level within the fair value hierarchy is based on the lowest of the three levels (with Level III being the lowest) that is significant to the fair value measurement. The assessment of the significance of an input requires judgment and considers factors specific to the instrument. Transfers of assets into or out of each fair value hierarchy level as a result of changes in the observability of the inputs used in measuring fair value are accounted for as of the beginning of the reporting period. Transfers resulting from a specific event, such as a reorganization or restructuring, are accounted for as of the date of the event that caused the transfer.

In the absence of observable market prices, the General Partner values Level III investments using valuation methodologies applied on a consistent basis. The quarterly valuation process for Level III investments begins with each portfolio company, or security being initially valued by the investment or valuation teams. The valuations are then reviewed and approved by the valuation team and the valuation committee of each investment strategy, which consists of senior members of the investment team. All Level III investment values are ultimately approved by the valuation committees and designated investment professionals as well as the valuation officer who is independent of the investment teams. Results of the valuation process are evaluated each quarter, including an assessment of whether the underlying calculations should be adjusted or recalibrated. In connection with this process, the General Partner evaluates changes in fair value measurements from period to period for reasonableness, considering items such as industry trends, general economic and market conditions, and factors specific to the investment.

Certain assets are valued using prices obtained from pricing vendors or brokers. The General Partner seeks to obtain prices from at least two pricing vendors for the subject or similar securities. In cases where vendor pricing is not reflective of fair value, a secondary vendor is unavailable, or no vendor pricing is available, a fair value comprised of quotes for the subject or similar securities received from broker dealers may be used. These investments may be classified as Level III because the quoted prices may be indicative in nature for securities that are in an inactive market, may be for similar securities, or may require adjustment for investment-specific factors or restrictions. Generally, the General Partner does not adjust any of the prices received from these sources, and all prices are reviewed by the General Partner. The General Partner evaluates the prices obtained from brokers or pricing vendors based on available market information, including trading activity of the subject or similar securities, or by performing a comparable security analysis to ensure that fair values are reasonably estimated. The General Partner also performs back-testing of valuation information obtained from pricing vendors and brokers against actual prices received in transactions. In addition to on-going monitoring and back-testing, the General Partner performs due diligence procedures over pricing vendors to understand their methodology and controls to support their use in the valuation process.

Non-publicly traded debt and equity securities and other securities or instruments for which reliable market quotations are not available are valued by the General Partner using valuation methodologies applied on a consistent basis. These securities may initially be valued at the acquisition price as the best indicator of fair value. The General Partner reviews the significant unobservable inputs, valuations of comparable investments and other similar transactions for investments valued at acquisition price to determine whether another valuation methodology should be utilized. Subsequent valuations will depend on facts and circumstances known as of the valuation date and the application of valuation methodologies further described below. The fair value may also be based on a pending transaction expected to close after the valuation date. These valuation methodologies involve a significant degree of management judgment. Accordingly, valuations do not necessarily represent the amounts which may eventually be realized from sales or other dispositions of investments. Fair values may differ from the values that would have been

Oaktree Middle-Market Direct Lending Fund (Parallel 2), L.P.
 Notes to Consolidated Financial Statements (continued)
 December 31, 2024
 (Amounts in thousands)

NOTE 2 – Significant Accounting Policies (continued):

INVESTMENT VALUATIONS (CONTINUED)

used had a ready market for the investment existed, and the differences could be material to the consolidated financial statements.

Exchange-Traded Investments

Securities listed on one or more national securities exchanges are valued at their last reported sales price on the date of valuation. If no sale occurred on the valuation date, the security is valued at the mean of the last “bid” and “ask” prices on the valuation date. Securities that are not marketable due to legal restrictions that may limit or restrict transferability are generally valued at a discount from quoted market prices. The discount would reflect the amount market participants would require due to the risk relating to the inability to access a public market for the security for the specified period and would vary depending on the nature and duration of the restriction and the risk and volatility of the underlying securities. Securities with longer duration restrictions or higher volatility are generally valued at a higher discount. Such discounts are generally estimated based on put option models or analysis of market studies. Instances where discounts have been applied to quoted prices of restricted listed securities have been infrequent. The impact of such discounts is not material to the consolidated financial statements.

Credit-Oriented Investments

Certain investments in corporate debt which are not listed or admitted to trading on any securities exchange are valued at the mean of the last bid and ask prices on the valuation date based on quotations supplied by recognized quotation services or by reputable broker-dealers.

The market yield approach is considered in the valuation of non-publicly traded debt investments, utilizing expected future cash flows, discounted using estimated current market rates. Discounted cash flow calculations may be adjusted to reflect current market conditions and/or the perceived credit risk of the borrowers. Consideration is also given to a borrower’s ability to meet principal and interest obligations; this may include an evaluation of collateral or the underlying value of the borrower utilizing techniques described below under “Non-Publicly Traded Equity Investments.”

Non-Publicly Traded Equity Investments

The fair values of private equity investments are determined by using a market approach or income approach. A market approach utilizes valuations of comparable public companies or transactions and generally seeks to establish the enterprise value of the portfolio company using a market multiple approach. This approach takes into account a specific financial measure (such as EBITDA, adjusted EBITDA, free cash flow, net operating income, net income, book value or net asset value) believed to be most relevant for the given company. Consideration may also be given to such factors as acquisition price of the security, historical and projected operational and financial results for the portfolio company, the strengths and weaknesses of the portfolio company relative to its comparable companies, industry trends, general economic and market conditions and other factors deemed relevant. The income approach is typically a discounted cash flow method that incorporates expected timing and level of cash flows. It incorporates assumptions in determining growth rates, income and expense projections, discount rates, capital structure, terminal values and other factors. The applicability and weight assigned to market and income approaches are determined based on the availability of reliable projections and comparable companies and transactions.

The valuation of securities may be impacted by expectations of investors’ receptiveness to a public offering of the securities, the size of the holding of the securities and any associated control, information with respect to transactions or offers for the securities (including the transaction pursuant to which the investment was made and the period of time elapsed from the date of the investment to the valuation date) and applicable restrictions on the transferability of the securities.

Oaktree Middle-Market Direct Lending Fund (Parallel 2), L.P.
Notes to Consolidated Financial Statements (continued)
December 31, 2024
(Amounts in thousands)

NOTE 2 – Significant Accounting Policies (continued):

INVESTMENT TRANSACTIONS AND INCOME RECOGNITION

The Fund records investment transactions on trade date for publicly traded securities or when the Fund has an enforceable right to acquire the security, which is generally on the closing date if not publicly traded. Realized gains and losses on investments are recorded on a specific identification basis. The Fund records income on an accrual basis unless the related investment is in default or if the collection of the income is otherwise considered doubtful. The Fund may hold investments which provide that interest is partially payable in-kind rather than in cash. Original issue discounts on fixed income securities are accreted using the effective yield method over the life of the security. Dividend income is recognized on the ex-dividend date.

INCOME TAXES

As a partnership, the Fund is not subject to U.S. federal income tax. Instead, for U.S. federal income tax purposes, the partners of the Fund that are subject to U.S. tax are responsible for their allocable share of the Fund's net taxable income and are required to take into account their distributive share of each item of the Fund's income, gain, loss, deduction and credit, whether or not distributed. Consequently, no income tax provision has been made in the accompanying consolidated financial statements. The Fund intends generally to conduct its affairs so that its activities do not constitute a U.S. trade or business and do not create a taxable presence in any of the jurisdictions outside of the U.S. in which the General Partner and/or Investment Manager has offices or in which the Fund has made any investments. Dividends, certain interest as well as other income realized by the Fund from sources within the U.S. may be subject to U.S. withholding tax on certain non-U.S. partners. Interest, dividends and other income realized by the Fund from non-U.S. sources and capital gains realized on the sale of investments in non-U.S. issuers may be subject to withholding and other taxes levied by the jurisdiction in which the income is sourced. Certain activities of the Fund may cause partners in the Fund to be subject to state and local taxes.

The Fund files tax returns as prescribed by the tax laws of the jurisdictions in which it operates. Management determines whether a tax position of the Fund is more likely than not to be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position. For tax positions meeting the more likely than not threshold, the maximum tax benefit recognized is limited to the amount that is more than 50% likely to be realized upon ultimate settlement. Management has analyzed the tax positions expected to be taken on the Fund's tax returns for all open tax years (generally, current year and all prior years since the Fund's inception) for all major jurisdictions, and has concluded that no provision for income taxes is required in the Fund's consolidated financial statements. The Fund's tax returns for tax years for which the applicable statutes of limitation have not expired are subject to examination by federal, state, local and foreign jurisdictions, where applicable. The Fund has no examinations in progress as of December 31, 2024.

CASH, CASH EQUIVALENTS AND RESTRICTED CASH

The Fund considers all highly liquid cash investments, primarily investments in money market funds and a collective trust which operates similar to a money market fund, to be cash equivalents and are valued at cost, which approximates fair value. As of December 31, 2024, the Fund held \$1,800 of cash equivalents, which are considered a Level I investment under the U.S. GAAP fair value hierarchy. Cash and cash equivalents may also include cash denominated in foreign currencies. As of December 31, 2024, the Fund did not hold cash denominated in foreign currencies.

Cash pledged as collateral represents amounts pledged for long-term financing arrangements as contractually required by the lender. As of December 31, 2024, total cash, cash equivalents and restricted cash shown in the consolidated statement of cash flows is comprised of cash and cash equivalents of \$10,209 and cash pledged as collateral of \$23,523, as reported in the consolidated statement of assets and liabilities.

Oaktree Middle-Market Direct Lending Fund (Parallel 2), L.P.
Notes to Consolidated Financial Statements (continued)
December 31, 2024
(Amounts in thousands)

NOTE 2 – Significant Accounting Policies (continued):

ORGANIZATIONAL COSTS

Organizational costs are expensed as incurred. Organizational costs in excess of \$2,000 for the Fund, any Feeder Fund, the Leveraged and Unleveraged Funds (as defined in the Agreement), in aggregate, will offset against management fees (see Note 5). Aggregate organizational expenses incurred from the commencement of operations through December 31, 2024 amounted to \$2,377.

RISKS AND UNCERTAINTIES

The Fund invests primarily in directly originated senior secured loans that entail substantial inherent risks. A portion of the Fund's assets may consist of securities that are thinly traded, securities and other assets for which no market exists and/or securities which are restricted as to their transferability under applicable securities laws and/or documents governing particular transactions of the Fund.

Investments are subject to concentration and industry risk. Such concentrations may subject the investments to additional risks resulting from changes in political, regulatory, or economic conditions in such industry which could cause the investments and their markets to be less liquid and prices more volatile. Investment performance of a few sectors may have a significant impact on the performance of the Fund.

The Fund may have investments denominated in non-U.S. currencies or non-U.S. domiciled entities. There are risks and special considerations not typically associated with U.S. investments. Such risks may include, but are not limited to, investment and repatriation restrictions, currency exchange rate fluctuations, adverse political, social and economic developments, less liquidity and smaller capital markets, and certain local tax law considerations.

Credit risk is the potential loss the Fund may incur from the failure of a counterparty or an issuer to make payments according to the terms of an investment contract. The Fund's counterparties include its custodian bank, major brokerages and affiliates with which the Fund has relationships. The Fund continually monitors the creditworthiness of the financial institutions with which it conducts business.

Bank debt has exposure to certain degrees of risk, including interest rate, market risk, and the potential non-payment of principal and interest, including default or bankruptcy of the issuer. Loans are generally subject to prepayment risk, which will affect the maturity and yield of such loans. The Fund may enter into bank debt participation agreements through contractual relationships with a third party selling such participations but not with the borrower. As a result, the Fund assumes the credit risk of the borrower and the selling participant.

Oaktree Middle-Market Direct Lending Fund (Parallel 2), L.P.
Notes to Consolidated Financial Statements (continued)
December 31, 2024
(Amounts in thousands)

NOTE 3 – Fair Value:

The table below summarizes the valuation of the Fund's investments by the U.S. GAAP fair value hierarchy levels as of December 31, 2024:

	Level I	Level II	Level III	Total
Investments:				
Bank debt	\$ -	\$ -	\$ 197,882	\$ 197,882
Corporate debt	-	-	11,551	11,551
Preferred equity	-	-	2,176	2,176
Common equity	-	-	18,405	18,405
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 230,014</u>	<u>\$ 230,014</u>

The following table sets forth a summary of changes in the fair value of the Fund's Level III investments for the year ended December 31, 2024:

	Bank Debt	Corporate Debt	Preferred Equity	Common Equity	Total
Balance, December 31, 2023	\$ 306,288	\$ 17,676	\$ 2,125	\$ 17,234	\$ 343,323
Purchases	10,628	209	77	-	10,914
Sales and repayments	(113,201)	(5,806)	-	(744)	(119,751)
Realized gains (losses), net	899	84	-	368	1,351
Unrealized gains (losses), net	(6,732)	(612)	(26)	1,547	(5,823)
Balance, December 31, 2024	<u>\$ 197,882</u>	<u>\$ 11,551</u>	<u>\$ 2,176</u>	<u>\$ 18,405</u>	<u>\$ 230,014</u>

There were no transfers into or out of Level III investments during the year ended December 31, 2024.

The following table sets forth a summary of valuation techniques and quantitative information utilized in determining the fair value of the Fund's Level III investments as of December 31, 2024:

Investment Type	Fair Value	Valuation Technique	Significant Unobservable Inputs
Credit-oriented investments:			
	\$ 173,642	Discounted cash flow	Discount rate (range: 9% – 18%)
	35,791	Market approach (comparable companies)	Earnings multiple (range: 6x – 9x)
Equity investments:			
	20,527	Market approach (comparable companies)	Earnings multiple (range: 6x – 16x)
	54	Black Scholes Merton	Not applicable
	<u>\$ 230,014</u>		

Oaktree Middle-Market Direct Lending Fund (Parallel 2), L.P.
Notes to Consolidated Financial Statements (continued)
December 31, 2024
(Amounts in thousands)

NOTE 3 – Fair Value (continued):

As described in Note 2, other factors beyond the unobservable inputs described above have a significant impact on our investment valuations. A significant amount of judgment may be required when using unobservable inputs, including assessing the accuracy of source data and the results of pricing models. The General Partner assesses the accuracy and reliability of the sources it uses to develop unobservable inputs. These sources may include third-party vendors that the General Partner believes are reliable and commonly utilized by other market participants. Additional details regarding the application of valuation techniques and significant unobservable inputs described above are as follows:

- The discount rate is the significant unobservable input used in the discounted cash flow method, which is generally used for performing credit-oriented investments in which the Fund does not have a controlling interest in the underlying issuer, as well as certain equity investments and real estate loan portfolios. An increase (decrease) in the discount rate would result in a lower (higher) fair value measurement.
- Multiple of earnings or underlying assets is the significant unobservable input used in the market approach, which is generally used for distressed credit-oriented investments, credit-oriented investments in which the Fund has a controlling interest in the underlying issuer and equity investments. An increase (decrease) in the multiple generally results in a higher (lower) fair-value measurement; however, for credit-oriented investments in which the Fund has a controlling interest in the underlying issuer, a change in the multiple may not result in a change to the fair value measurement.
- Earnings multiples are based on comparable public companies or transactions with comparable companies. The General Partner typically utilizes multiples of EBITDA; however, in certain cases the General Partner may use other earnings multiples believed to be most relevant to the investment. The General Partner typically applies the multiple to trailing-twelve-month's EBITDA; however, in certain cases other earning measures, such as pro forma EBITDA, may be utilized if deemed to be more relevant.
- The fair value of options is estimated using the Black Scholes Merton valuation model. The Fund uses the following methods to determine the underlying assumptions: expected volatilities are based on the historical and implied volatilities of comparable companies or the subject company if the subject company is publicly traded; expected term is based on the shorter of the expected hold period for the option or the contractual term; and the risk-free rate is based on the yields on U.S. Treasury bills or bonds issued with similar terms to the expected term of the option.

Since December 31, 2023, three Level III credit-oriented investments changed valuation technique from discounted cash flow to market approach and one Level III equity investment changed valuation technique from other to black scholes merton valuation model. There have been no other changes in techniques utilized to value Level III investments that resulted in a material impact on the consolidated financial statements.

NOTE 4 – Allocations and Distributions:

During the period from the Initial Investment Date through March 27, 2022, (the "Investment Period"), the General Partner shall make distributions of Distributable Current Income. A Partner's Remaining Capital Commitment shall not be increased by any distribution of Distributable Current Income. Distributable Current Income shall be distributed at least quarterly, unless the General Partner determines to delay any such quarterly distribution because such Distributable Current Income of the Fund is less than 0.25% of total Capital Commitments, provided that the Fund shall not be required to distribute Distributable Current Income so long as such cash is (i) used to pay Fund Expenses and any other Fund obligations or (ii) set aside as such reserves as the General Partner may determine in its sole discretion. The General Partner may elect to make distributions of Distributable Disposition Proceeds at such

Oaktree Middle-Market Direct Lending Fund (Parallel 2), L.P.
Notes to Consolidated Financial Statements (continued)
December 31, 2024
(Amounts in thousands)

NOTE 4 – Allocations and Distributions (continued):

times as determined by the General Partner in its sole discretion. The distribution of any Distributable Disposition Proceeds prior to the termination of the Investment Period will, unless otherwise determined by the General Partner in its sole discretion, increase such Partner's Remaining Capital Commitment. Distributable Disposition Proceeds that are retained by the Fund may be reinvested (and will reduce unfunded Capital Commitments as a result of such reinvestment) in lieu of a corresponding amount being drawn by the Fund, including after the end of the Investment Period.

From the day following the end of the Investment Period through the end of the Term, Distributable Cash shall be periodically distributed to the Partners at such times as determined by the General Partner in its sole discretion, provided that the General Partner shall not be required to make such distributions unless cash receipts of the Fund exceed the greater of 5% of total Capital Commitments and \$25 million, net of expenses, fees and amounts reserved for Follow-On Investments and appropriate reserves. The Fund shall not be required to distribute Distributable Cash so long as such cash is (a) used to make Follow-On Investments, to complete Permitted Investments that the Fund, on or before the termination of the Investment Period, has written commitments to make, to pay for Fund Expenses or to repay Indebtedness of the Fund (together with any interest and other amounts payable thereon), or (b) set aside as appropriate reserves as contemplated by the Agreement. Distributable Cash shall be apportioned among the Partners in proportion to their Sharing Percentages.

Distributions are recorded in the consolidated financial statements on the date the General Partner notifies Limited Partners.

NOTE 5 – Investment Management Fee and Expenses:

During the period from the Initial Investment Date through its eighth anniversary, Oaktree will receive quarterly in advance an investment management fee at a rate equal to 1.5% per annum of the respective Aggregate Contributed Capital of the Limited Partners unless a Special Fee Percentage (as defined in the Agreement) is applied to any Special Fee Partner (as defined in the Agreement). These management fees are reduced by excess organizational expenses and advisory, director and certain other fees received by the General Partner, the Investment Manager and their respective affiliates in connection with their work on the Fund's investments. In addition, they are also reduced by placement fees paid by the Fund in connection with the marketing and sale of interests in the Fund. During the year ended December 31, 2024, there were no fees for advisory, director, placement fees, excess organizational expenses or other services offset against management fees.

In addition, Oaktree receives an Administration Fee (as defined in the Agreement) equal to 0.10% per annum of the Limited Partners' Capital Commitment, paid quarterly in advance.

Oaktree may charge the Fund a Small Commitment Fee (as defined in the Agreement), in respect of, and allocated only to those Limited Partners whose commitments are less than \$10 million, or such lower threshold as Oaktree may determine in its sole discretion. The Small Commitment Fee will equal 0.25% per annum of such Small Commitment Limited Partners' allocable portion of the Aggregate Contributed Capital and will be calculated and paid in arrears at the end of the year.

To the extent permitted by ERISA, the Fund pays for all expenses incurred in direct connection with the business of the Fund, including fees and expenses for outside contracted services (principally custodian, legal, audit and tax preparation fees); fees associated with unconsummated investments; costs of valuing investments; insurance, broker and finder fees relating to investments; any other investment-related costs.

Oaktree Middle-Market Direct Lending Fund (Parallel 2), L.P.
Notes to Consolidated Financial Statements (continued)
December 31, 2024
(Amounts in thousands)

NOTE 6 – Commitments and Contingencies:

In the normal course of business, the Fund enters into contracts that contain a variety of representations and warranties and which provide general indemnifications. The Fund's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Fund that have not yet occurred. However, based on experience, the Fund expects the risk of loss to be remote.

The Fund may be a party to certain credit agreements, providing for the issuance of letters of credit and revolving loans, which may require the Fund to extend additional loans to investee companies. The Fund uses the same investment criteria in making these unrecorded commitments as it does for investments, which are included in the consolidated statement of assets and liabilities. The unfunded liability associated with these credit agreements is equal to the amount by which the contractual loan commitment exceeds the sum of the amount of funded debt and cash held in escrow, if any. As of December 31, 2024, the Fund had outstanding debt commitments of \$4,533.

As of December 31, 2024, the Fund had no potential unfunded equity investment commitments.

As an investment company under U.S. GAAP, the Fund is required to disclose financial support provided to investees, and whether such support was provided pursuant to previously existing contractual obligations or at the discretion of the General Partner. During the year ended December 31, 2024, the Fund did not provide financial support to its investees.

NOTE 7 – Revolving Credit Facility:

On August 28, 2019, Oaktree MMDL Aggregator, LLC and Oaktree MMDL Aggregator, 2 LLC, special purpose vehicles (the "SPVs") of the Fund, entered into a revolving credit agreement with Wells Fargo Bank, N.A. as lender, administrative agent, and collateral agent. The SPV borrowers are separate entities from the Fund with their own separate creditors. Capitalized terms not defined herein shall have the meanings set forth in the Loan and Security Agreement (the "LSA"). The credit facility is secured by the portfolio investments held by the SPV and will mature on September 29, 2025. Advances bear interest at a rate of SOFR plus 2.45%.

Pursuant to the LSA, the Fund has been appointed as the Collateral Manager of the SPVs for the purpose of performing certain collateral management functions including, investment selections, investment-related duties and functions, collateral servicing duties and certain administrative and back office functions on behalf of the SPVs as delegated under the LSA. The SPVs shall pay to the Collateral Manager a quarterly management fee in arrears, equal to the Outstanding Balance of all Loans as of the last calendar day in the month immediately prior to each Payment Date divided by the number of days in such Accrual Period multiplied by 0.2% per annum.

The Fund capitalized debt issuance costs totaling \$2,564 in connection with entering into the LSA. These costs consisted primarily of structure and upfront fees paid to the lenders, and are amortized over the term of the facility. The LSA prescribes customary financial covenants and operating covenants, including: periodic financial reporting requirements, limitations on the incurrence of additional indebtedness, limitations on liens that can be placed on the SPVs' assets, limitations on the investments that the SPVs can make (other than in the ordinary course of the SPVs' business), and limitations on distributions. The LSA is subject to a borrowing base that applies specified advance rates to assets held by the SPVs. As of December 31, 2024, the SPVs have pledged securities with total fair value of \$198,158 as collateral in support of this facility. As of December 31, 2024, \$23,523 of cash was pledged as collateral. The SPVs are in compliance with the covenants outlined in the LSA.

As of December 31, 2024, the SPVs had outstanding advances of \$100,018. The carrying value of the outstanding advances approximates fair value due to its short-term nature.

Oaktree Middle-Market Direct Lending Fund (Parallel 2), L.P.
 Notes to Consolidated Financial Statements (continued)
 December 31, 2024
 (Amounts in thousands)

NOTE 8 – Financial Highlights of the Non-Affiliated Limited Partner Class:

Non-Affiliated Limited Partners' internal rate of return as of:

December 31, 2023	12.6%
December 31, 2024	11.9%

	<u>Year Ended December 31, 2024</u>
Ratio of net investment income to average Non-Affiliated Limited Partners' capital	10.3%
Ratio of management fees and expenses to average Non-Affiliated Limited Partners' capital:	8.8%

Non-Affiliated Limited Partners' internal rate of return is net of management fees and expenses. Returns are calculated from inception through the date indicated. The individual investor's results may vary due to varying fee arrangements, the timing of capital transactions, or expenses associated with blocker structures.

The expense and net investment income ratios are calculated based on expenses and income allocated to the Non-Affiliated Limited Partner class taken as a whole. Average Non-Affiliated Limited Partners' capital is obtained by calculating the monthly average for the year ended December 31, 2024.

NOTE 9 – Subsequent Events:

Subsequent events have been reviewed through March 18, 2025, the date these financial statements became available for distribution to the partners, and no material subsequent events were identified.



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Report of Independent Auditors

The General Partner
Oaktree Middle-Market Direct Lending Fund (Parallel 2), L.P.

Opinion

We have audited the consolidated financial statements of Oaktree Middle-Market Direct Lending Fund (Parallel 2), L.P. (the “Fund”), which comprise the consolidated statement of assets and liabilities, including the consolidated schedule of investments, as of December 31, 2024, and the related consolidated statements of operations, changes in partners’ capital and cash flows for the year then ended, and the related notes (collectively referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund at December 31, 2024, and the results of its operations, changes in its partners’ capital and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Fund and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund’s ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund’s internal control. Accordingly, no such opinion is expressed.



- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Ernst + Young LLP

March 18, 2025

Oaktree Middle-Market Direct Lending Fund (Parallel 2), L.P.

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See

Audited Financial

Statements

For

Schedule of Assets Held

(Schedule H 4i)