

CARLYLE

Carlyle Secured Lending, Inc.
Quarterly Earnings Presentation

December 31, 2023

Disclaimer and Forward-Looking Statement

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Information throughout the Presentation provided by sources other than the Company (including information relating to portfolio companies) has not been independently verified and, accordingly, the Company makes no representation or warranty in respect of this information.

The following slides contain summaries of certain financial and statistical information about the Company. The information contained in this Presentation is summary information that is intended to be considered in the context of our SEC filings and other public announcements that we may make, by press release or otherwise, from time to time. We undertake no duty or obligation to publicly update or revise the information contained in this Presentation.

CSL is managed by Carlyle Global Credit Investment Management L.L.C. (the “Investment Adviser”), an SEC-registered investment adviser and a wholly owned subsidiary of The Carlyle Group Inc. (together with its affiliates, “Carlyle”).

This Presentation contains information about the Company and certain of its affiliates and includes the Company’s historical performance. You should not view information related to the past performance of the Company as indicative of the Company’s future results, the achievement of which is dependent on many factors, many of which are beyond the control of the Company and the Investment Adviser and cannot be assured. There can be no assurances that future dividends will match or exceed historical rates or will be paid at all. Further, an investment in the Company is discrete from, and does not represent an interest in, any other Carlyle entity. Nothing contained herein shall be relied upon as a promise or representation whether as to the past or future performance of the Company or any other Carlyle entity.

Q4 2023 Quarterly Highlights

Fourth Quarter Results

- **Net investment income per share was \$0.56 per common share**, up \$0.04 compared to our 3Q23 earnings and represents an all-time record high for core earnings
- **NAV per share was \$16.99**, up 0.8% compared to our 3Q23 NAV of \$16.86 per share
- The change in NAV in 4Q23 was driven by earnings in excess of our dividend for the quarter
- **We increased our base dividend by 8.1% from \$0.37 to \$0.40 per share**
- **We declared a base dividend of \$0.40 plus a \$0.08 supplemental for 1Q24**, equating to an annualized dividend yield of 11.3% on our 4Q23 NAV

Portfolio & Investment Activity

- As of 4Q23, **total fair value of the portfolio was \$1.8 billion** across 128 portfolio companies with a weighted average yield of 12.7%⁽¹⁾, consistent with the prior quarter
- **New investment fundings during the quarter were \$76.9 million** with a weighted average yield of 12.8%. **Total repayments and sales during the quarter were \$96.9 million** with a weighted average yield of 13.5%, driven primarily by repayments of junior investments that resulted in a positive shift in the portfolio mix to first lien loans
- Non-accrual investments as of 4Q23 represented 3.2% and 2.1% of the total portfolio based on amortized cost and fair value, respectively, stable with the prior period
- The annualized dividend yield on our Investment Funds was 12.2% in 4Q23, flat as compared to 3Q23

Liquidity & Capital Activity

- **We paid the 4Q23 base dividend of \$0.37 plus a supplemental dividend of \$0.07 per share**
- **Issued \$85.0 million 8.20% unsecured notes** that mature in December 2028, which are redeemable at par after December 1, 2025
- **Entered into an \$85.0 million interest rate swap** to receive 8.20% fixed rate and pay floating interest rate of SOFR + 3.139% that matures in December 2028
- **Net financial leverage decreased to 1.02x**, at the low end of our target range
- **Total liquidity at 4Q23 was \$420.1 million** in cash and undrawn debt capacity

Note: Per share amounts within this presentation apply to common shares of the Company unless otherwise noted.

(1) On income producing investments at amortized cost.

Quarterly Operating Results Detail

<i>(Dollar amounts in thousands, except per share data)</i>	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023
SUMMARY INCOME STATEMENT						
Total investment income	\$ 56,036	\$ 58,375	\$ 60,065	\$ 60,501	\$ 62,685	\$ 241,626
Total expenses ⁽¹⁾	(31,411)	(32,680)	(33,765)	(34,265)	(34,445)	(135,155)
Net Investment Income⁽¹⁾	\$ 24,625	\$ 25,695	\$ 26,300	\$ 26,236	\$ 28,240	\$ 106,471
Net realized and change in unrealized gains (losses)	(13,041)	1,417	(22,462)	2,876	478	(17,691)
Net Income (Loss)⁽¹⁾	\$ 11,584	\$ 27,112	\$ 3,838	\$ 29,112	\$ 28,718	\$ 88,780
Weighted average shares of common stock outstanding	51,310	50,887	50,795	50,795	50,795	50,818
Net Investment Income per Share⁽¹⁾	\$ 0.48	\$ 0.50	\$ 0.52	\$ 0.52	\$ 0.56	\$ 2.10
Net Income (Loss) per Share⁽¹⁾	\$ 0.23	\$ 0.53	\$ 0.08	\$ 0.57	\$ 0.57	\$ 1.75
SUMMARY BALANCE SHEET						
Total investments, at fair value	\$ 1,979,877	\$ 1,973,565	\$ 1,896,420	\$ 1,860,475	\$ 1,841,881	
Cash, cash equivalents and restricted cash	30,506	42,873	54,150	55,218	60,447	
Other assets	31,314	38,969	32,027	41,057	40,250	
Total Assets	\$ 2,041,697	\$ 2,055,407	\$ 1,982,597	\$ 1,956,750	\$ 1,942,578	
Debt and secured borrowings ⁽²⁾	1,077,192	1,092,707	1,037,185	1,003,296	980,183	
Accrued expenses and liabilities	47,082	44,507	45,731	47,010	49,583	
Preferred stock	50,000	50,000	50,000	50,000	50,000	
Total Liabilities and Preferred Stock	\$ 1,174,274	\$ 1,187,214	\$ 1,132,916	\$ 1,100,306	\$ 1,079,766	
Net Assets	\$ 917,423	\$ 918,193	\$ 899,681	\$ 906,444	\$ 912,812	
Preferred stock	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	
Net Assets	\$ 867,423	\$ 868,193	\$ 849,681	\$ 856,444	\$ 862,812	
Common shares outstanding at end of period	51,060	50,795	50,795	50,795	50,795	
Net Asset Value per Common Share	\$ 16.99	\$ 17.09	\$ 16.73	\$ 16.86	\$ 16.99	
LEVERAGE						
Net Financial Leverage⁽³⁾	1.16x	1.16x	1.11x	1.06x	1.02x	
Statutory Debt to Equity⁽⁴⁾	1.30x	1.32x	1.28x	1.23x	1.19x	

Please refer to the Company's Form 10-K for more information.

(1) Inclusive of the preferred stock dividend. (2) Inclusive of deferred financing costs and the effective interest rate swap hedge. (3) Reflects cumulative convertible preferred securities as equity, net of excess cash held at period end, which was \$51.1 million on December 31, 2023. (4) Reflects cumulative convertible preferred securities as debt. These securities are considered "senior securities" for the purposes of calculating asset coverage pursuant to the Investment Company Act.

Origination Activity Detail

<i>(Dollar amounts in thousands and based on par)</i>	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
NEW INVESTMENT FUNDINGS BY ASSET TYPE ⁽¹⁾					
First lien debt	\$ 126,400	\$ 53,164	\$ 44,511	\$ 56,025	\$ 75,004
Second lien debt	318	325	4,825	613	578
Equity ⁽²⁾	1,868	2,361	1,630	2,166	1,349
Total	\$ 128,586	\$ 55,850	\$ 50,966	\$ 58,804	\$ 76,931
Weighted Average Yield at Amortized Cost	11.8%	12.7%	12.4%	13.4%	12.8%

SALES & REPAYMENTS BY ASSET TYPE ⁽¹⁾					
First lien debt	\$ (87,352)	\$ (68,505)	\$ (106,038)	\$ (57,832)	\$ (35,292)
Second lien debt	—	(6,954)	—	(28,891)	(50,588)
Equity ⁽²⁾	(60)	(829)	(1,495)	(1,543)	(11,034)
Total	\$ (87,412)	\$ (76,288)	\$ (107,533)	\$ (88,266)	\$ (96,914)
Weighted Average Yield at Amortized Cost	10.1%	10.1%	11.5%	12.5%	13.5%

Net Investment Activity	\$ 41,174	\$ (20,438)	\$ (56,567)	\$ (29,462)	\$ (19,983)
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TOTAL INVESTMENT PORTFOLIO BY ASSET TYPE ⁽³⁾⁽⁴⁾					
First lien debt	68.6%	68.5%	67.1%	68.4%	71.3%
Second lien debt	13.3%	13.1%	14.0%	12.7%	10.2%
Equity	4.8%	5.2%	5.4%	5.4%	5.0%
Investment funds	13.3%	13.2%	13.5%	13.5%	13.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Weighted Average Yield on Debt Investments at Amortized Cost⁽⁵⁾	11.7 %	12.0 %	12.6 %	12.8 %	12.8%
Weighted Average Yield on Income Producing Investments at Amortized Cost⁽⁵⁾	11.8 %	12.1 %	12.6 %	12.7 %	12.7%

Please refer to the Company's Form 10-K for the year ended December 31, 2023 ("Form 10-K") for more information. No assurance is given that the Company will continue to achieve comparable results.

(1) Excludes activity related to the Investment Funds. (2) Based on cost/proceeds of equity activity. (3) At quarter end. (4) As a percentage of fair value. (5) Weighted average yields exclude investments on non-accrual status. Weighted average yields of income producing investments include Credit Fund and Credit Fund II, as well as income producing equity investments.

Portfolio Highlights

Total investments at fair value (\$mm)	\$1,842
Weighted Average Yield on Income Producing Investments at Amortized Cost ⁽¹⁾	12.7%
Number of investments	173
Number of portfolio companies	128
Average exposure by portfolio company ⁽²⁾	0.8%
Non-accrual investments ⁽²⁾	2.1%

Floating Rate
99%

Senior Secured Exposure⁽³⁾
95%

Company EBITDA⁽⁴⁾
(Median)
\$76mm

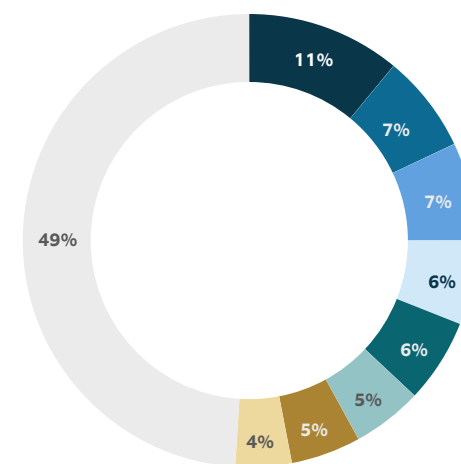
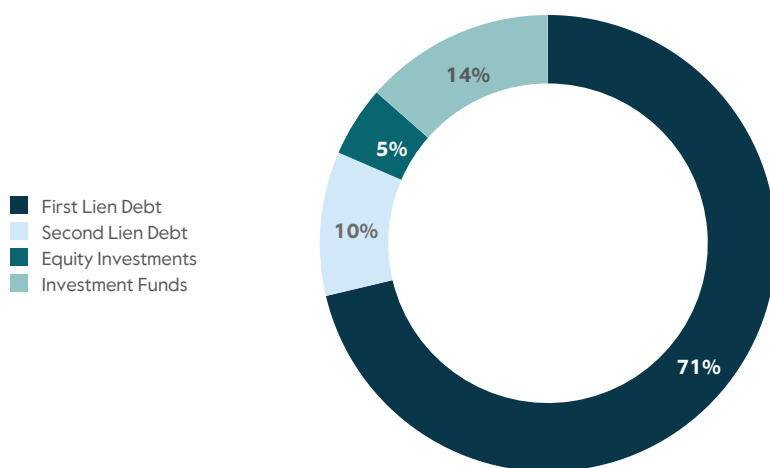
Sponsored
92%

Key Statistics

Asset Mix⁽²⁾

Portfolio

Industry Exposure⁽²⁾⁽³⁾



(1) Weighted average yields exclude investments placed on non-accrual status. Weighted average yields of income producing investments include Credit Fund and Credit Fund II, as well as income producing equity investments. (2) As a percentage of fair value. (3) Represents CSL's exposure to the respective underlying portfolio companies, including CSL's proportionate share of the portfolio companies held in the Investment Funds. (4) Excludes equity positions, loans on non-accrual, unfunded commitments, and certain asset-backed, asset-based, and recurring revenue loans.

Overview of Investment Funds

Key Statistics – Credit Fund

CSL Investment at cost (\$mm)	\$193
CSL ownership	50.0 %
Yield of debt investments at cost ⁽¹⁾	11.2 %
Leverage	1.4x
Effective cost of debt	SOFR +2.70%
Annualized dividend yield to CSL	11.4 %

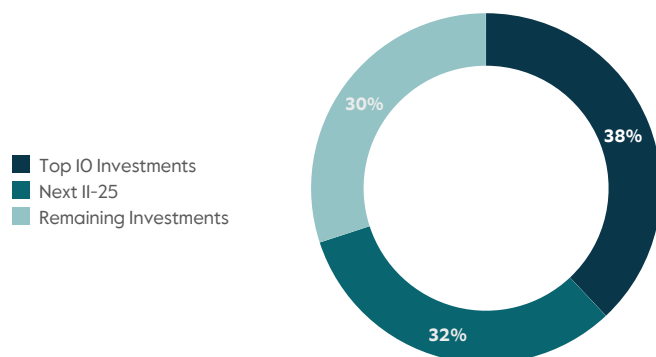
Key Statistics – Credit Fund II

CSL Investment at cost (\$mm)	\$78
CSL ownership	84.1 %
Yield of debt investments at cost ⁽¹⁾	12.0 %
Leverage	2.0x
Effective cost of debt	SOFR + 2.88%
Annualized dividend yield to CSL	14.2 %

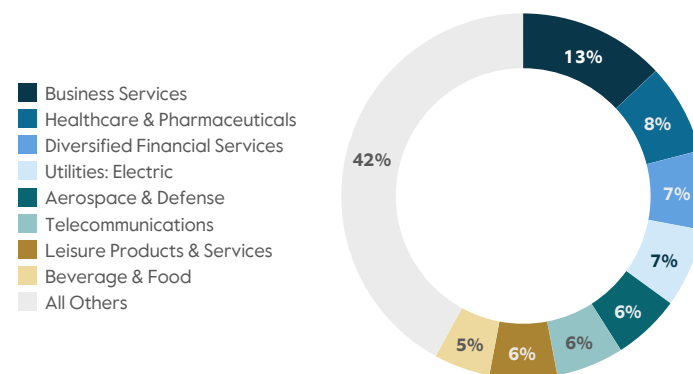
Combined Investment Funds Portfolio

Portfolio	Asset Yield	Floating Rate	First Lien	CSL Dividend Yield	% of CSL Portfolio
\$999	11.4%	99.5%	97.5%	12.2%	13.5%

Diversification by Borrower



Diversification by Industry



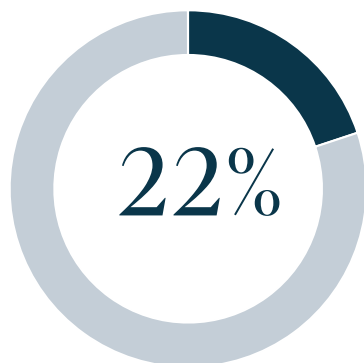
⁽¹⁾ Weighted average yields at cost of the debt investments include the effect of accretion of discounts and amortization of premiums and are based on interest rates as of period end. Weighted average yields exclude investments placed on non-accrual status. Actual yields earned over the life of each investment could differ materially from the yields presented above.

Funding and Capital Management Overview

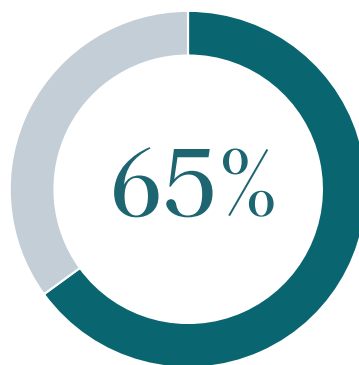
Overview of Balance Sheet Financing Facilities

	Commitment	Outstanding	Maturity Date	Pricing ⁽¹⁾
Credit facility	\$790	\$260	8/31/2028 ⁽²⁾	SOFR + 1.88%
2015-IR notes	\$449	\$449	10/15/2031	SOFR + 2.00% ⁽³⁾⁽⁴⁾
2024 senior notes	\$190	\$190	12/31/2024	4.66%
2028 senior notes	\$85	\$85	12/01/2028	SOFR + 3.14% ⁽⁵⁾
Total / Weighted Average⁽³⁾	\$1,514	\$984	5.4 years	6.97%

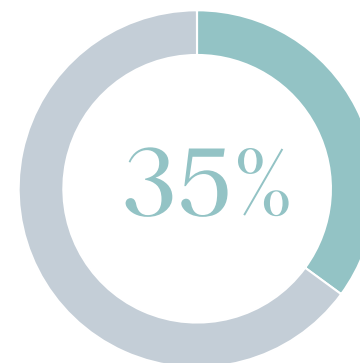
% of Utilized Balance Sheet
Leverage Fixed



% of Committed Balance Sheet
Leverage Utilized



% of Utilized Balance Sheet
Leverage Mark-To-Market



(1) SOFR borrowings are subject to an additional spread adjustment. (2) \$135,000 of the \$790,000 in principal will mature on May 25, 2027. (3) Represents the weighted average interest rate for the 2015-IR Notes over the various tranches of issued notes, excluding a \$25 million note that has a fixed interest rate of 4.56%. (4) Weighted average maturity and pricing amounts are calculated based on amount outstanding. (5) Represents the floating interest rate paid by the Company as part of the interest rate swap agreement. The interest rate of the 2028 notes is 8.20%.

Net Asset Value Per Share Bridge

Q4 2023



Full Year 2023



Note: The net asset value per share and dividends declared per share are based on the shares outstanding at each respective quarter-end. Net investment income per share and net change in realized and unrealized appreciation (depreciation) per share are based on the weighted average number of shares outstanding for the period. Net investment income is also net of the preferred dividend. Totals may not sum due to rounding.

Risk Rating Distribution

- As of December 31, 2023, three borrowers were on non-accrual status, representing 2.1% of total investments at fair value and 3.2% at amortized cost.

PORTFOLIO RISK RATINGS				
Internal Risk Rating	September 30, 2023		December 31, 2023	
	Fair Value	% of Fair Value	Fair Value	% of Fair Value
1	\$27.1	1.8%	\$30.3	2.0%
2	1,187.9	78.8%	1,158.0	77.3%
3	256.3	17.0%	273.3	18.2%
4	36.6	2.4%	38.1	2.5%
5	—	—%	—	—%
Total	\$1,507.9	100.0%	\$1,499.7	100.0%

RATING	DEFINITION
1	Borrower is operating above expectations, and the trends and risk factors are generally favorable.
2	Borrower is operating generally as expected or at an acceptable level of performance. The level of risk to our initial cost basis is similar to the risk to our initial cost basis at the time of origination. This is the initial risk rating assigned to all new borrowers.
3	Borrower is operating below expectations and level of risk to our cost basis has increased since the time of origination. The borrower may be out of compliance with debt covenants. Payments are generally current although there may be higher risk of payment default.
4	Borrower is operating materially below expectations and the loan's risk has increased materially since origination. In addition to the borrower being generally out of compliance with debt covenants, loan payments may be past due, but generally not by more than 120 days. It is anticipated that we may not recoup our initial cost basis and may realize a loss of our initial cost basis upon exit.
5	Borrower is operating substantially below expectations and the loan's risk has increased substantially since origination. Most or all of the debt covenants are out of compliance and payments are substantially delinquent. It is anticipated that we will not recoup our initial cost basis and may realize a substantial loss of our initial cost basis upon exit.

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Appendix

An abstract graphic on the right side of the page, consisting of several overlapping circles of varying shades of blue and white, creating a sense of depth and movement.

Quarterly Balance Sheet Detail

<i>(Dollar amounts in thousands, except per share data)</i>	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
ASSETS					
Investments—non-controlled/non-affiliated, at fair value	\$ 1,671,488	\$ 1,661,414	\$ 1,588,732	\$ 1,556,390	\$ 1,539,120
Investments—non-controlled/affiliated, at fair value	45,367	50,996	51,668	52,670	53,382
Investments—controlled/affiliated, at fair value	263,022	261,155	256,020	251,415	249,379
Total Investments, at Fair Value	1,979,877	1,973,565	1,896,420	1,860,475	1,841,881
Cash, cash equivalents and restricted cash	30,506	42,873	54,150	55,218	60,447
Receivable for investments sold/repaid	1,528	6,908	1,396	3	36
Interest and dividend receivable	24,023	26,174	24,703	33,539	33,725
Prepaid expenses and other assets	5,763	5,887	5,928	7,515	6,489
Total Assets	\$ 2,041,697	\$ 2,055,407	\$ 1,982,597	\$ 1,956,750	\$ 1,942,578
LIABILITIES & NET ASSETS					
Debt and secured borrowings	\$ 1,077,192	\$ 1,092,707	\$ 1,037,185	\$ 1,003,296	\$ 980,183
Payable for investments purchased	287	—	—	—	—
Interest and credit facility fees payable	6,749	6,782	7,097	7,340	8,591
Dividend payable	22,446	22,321	22,320	22,321	22,321
Base management and incentive fees payable	12,681	12,729	12,804	12,636	13,067
Administrative service fees payable	1,711	1,221	1,439	2,577	2,991
Other accrued expenses and liabilities	3,208	1,454	2,071	2,136	2,613
Total Liabilities	\$ 1,124,274	\$ 1,137,214	\$ 1,082,916	\$ 1,050,306	\$ 1,029,766
Preferred Stock	50,000	50,000	50,000	50,000	50,000
Total Liabilities and Preferred Stock	\$ 1,174,274	\$ 1,187,214	\$ 1,132,916	\$ 1,100,306	\$ 1,079,766
Net Assets	\$ 867,423	\$ 868,193	\$ 849,681	\$ 856,444	\$ 862,812
Net Asset Value Per Common Share	\$ 16.99	\$ 17.09	\$ 16.73	\$ 16.86	\$ 16.99

Please refer to the Company's Form 10-K for more information.

Quarterly Income Statement Detail

<i>(Dollar amounts in thousands, except per share data)</i>	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023
INVESTMENT INCOME						
Interest income ⁽¹⁾	47,021	49,136	50,870	51,457	52,056	203,519
Dividend income from credit funds	8,276	8,276	8,276	8,276	8,276	33,104
Other income	739	963	919	768	2,353	5,003
Total Investment Income	\$ 56,036	\$ 58,375	\$ 60,065	\$ 60,501	\$ 62,685	\$ 241,626
EXPENSES						
Management fees	\$ 7,378	\$ 7,236	\$ 7,185	\$ 7,080	\$ 7,014	\$ 28,515
Incentive fees	5,277	5,472	5,593	5,530	6,027	22,622
Interest expense and credit facility fees	15,238	17,281	17,873	18,222	18,335	71,711
Other expenses	1,792	1,293	1,589	1,708	1,782	6,372
Excise tax expense	851	523	650	850	412	2,435
Net Expenses	\$ 30,536	\$ 31,805	\$ 32,890	\$ 33,390	\$ 33,570	\$ 131,655
Preferred stock dividend	875	875	875	875	875	3,500
Net Investment Income⁽²⁾	\$ 24,625	\$ 25,695	\$ 26,300	\$ 26,236	\$ 28,240	\$ 106,471
Net realized and change in unrealized gains (losses)	(13,041)	1,417	(22,462)	2,876	478	(17,691)
Net Income (Loss)⁽²⁾	\$ 11,584	\$ 27,112	\$ 3,838	\$ 29,112	\$ 28,718	\$ 88,780
Net Investment Income per Common Share	\$ 0.48	\$ 0.50	\$ 0.52	\$ 0.52	\$ 0.56	\$ 2.10
Net Income (Loss) per Common Share	\$ 0.23	\$ 0.53	\$ 0.08	\$ 0.57	\$ 0.57	\$ 1.75

Note: There can be no assurance that we will continue to earn income at this rate and our income may decline. If our income declines, we may reduce the dividend we pay and the yield you earn may decline. Refer to the consolidated financial statements included in Part II, Item 8 of the Company's Form 10-K for additional details.

(1) Inclusive of payment-in-kind interest income. (2) Presented net of the preferred stock dividend for the period.