

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934
Date of Report (Date of earliest event reported): May 3, 2022

Carlyle Secured Lending, Inc.
(Exact name of registrant as specified in charter)

Maryland
(State or Other Jurisdiction
of Incorporation)

No. 814-00995
(Commission
File Number)

80-0789789
(I.R.S. Employer
Identification No.)

One Vanderbilt Avenue, Suite 3400
New York, New York
(Address of Principal Executive Offices)

10017
(Zip Code)

Registrant's telephone number, including area code: (212) 813-4900

N/A

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2 below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class:	Trading Symbol(s)	Name of each exchange on which registered:
Common stock, \$0.01 per share	CGBD	The Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company
If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 – Results of Operations and Financial Condition.

On May 3, 2022, Carlyle Secured Lending, Inc. (the “Company”) issued a summary press release and a detailed earnings presentation announcing its first quarter 2022 financial results. Copies of the summary press release and the earnings presentation are attached hereto as Exhibit 99.1 and Exhibit 99.2, respectively.

The information disclosed under this Item 2.02, including Exhibits 99.1 and 99.2 hereto, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”), and shall not be deemed incorporated by reference into any filing made under the Securities Act of 1933 (the “Securities Act”) or the Exchange Act, except as expressly set forth by specific reference in such filing.

Item 7.01 – Regulation FD Disclosure.

On May 3, 2022, the Company issued a press release, included herewith as Exhibit 99.1, announcing the declaration of a second quarter 2021 base common dividend of \$0.32 per share plus a supplemental common dividend of \$0.08 per share, which are payable on July 15, 2022 to stockholders of record as of June 30, 2022.

The information disclosed under this Item 7.01, including Exhibit 99.1 hereto, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Exchange Act, and shall not be deemed incorporated by reference into any filing made under the Securities Act or the Exchange Act, except as expressly set forth by specific reference in such filing.

Item 9.01 – Financial Statements and Exhibits.

Exhibits 99.1 and 99.2 shall be deemed furnished herewith.

(d) Exhibits:

<u>Exhibit Number</u>	<u>Description</u>
99.1	Summary earnings press release of Carlyle Secured Lending, Inc., dated May 3, 2022.
99.2	Earnings presentation of Carlyle Secured Lending, Inc., dated May 3, 2022.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CARLYLE SECURED LENDING, INC.
(Registrant)

Dated: May 3, 2022

By:

/s/ Thomas M. Hennigan

Name: Thomas M. Hennigan

Title: Chief Financial Officer

CARLYLE

SECURED LENDING

For Immediate Release
May 3, 2022

Carlyle Secured Lending, Inc. Announces First Quarter 2022 Financial Results and Declares Second Quarter 2022 Base Dividend of \$0.32 Per Common Share and Supplemental Dividend of \$0.08 per Common Share

New York - Carlyle Secured Lending, Inc. (together with its consolidated subsidiaries, "we," "us," "our," "CSL" or the "Company", formerly known as TCG BDC, Inc.) (NASDAQ: CGBD) today announced its financial results for its first quarter ended March 31, 2022.

Linda Pace, CSL's Chief Executive Officer said, "Our first quarter financial results were solid and reflect the continued strong performance of our portfolio. We are pleased with both our income generation and overall credit performance, which drove another quarter of growth in our net asset value, despite an increasingly complex investing environment. We are confident in our ability to continue to deliver against our objectives of sustainable income generation and NAV stability going forward."

Selected Financial Highlights

(dollar amounts in thousands, except per share data)

	March 31, 2022	December 31, 2021
Total investments, at fair value	\$ 1,873,183	\$ 1,913,052
Total assets	1,985,958	2,031,350
Total debt	996,141	1,044,022
Total net assets	\$ 950,540	\$ 948,804
Net assets per common share	\$ 17.11	\$ 16.91
	For the three month periods ended	
	March 31, 2022	December 31, 2021
Total investment income	\$ 47,509	\$ 43,972
Net investment income (loss)	25,519	22,449
Net realized gain (loss) and net change in unrealized appreciation (depreciation) on investments and non-investment assets and liabilities	5,164	11,512
Net increase (decrease) in net assets resulting from operations	\$ 30,683	\$ 33,961
Per weighted-average common share—Basic:		
Net investment income (loss), net of preferred dividend	\$ 0.47	\$ 0.40
Net realized gain (loss) and net change in unrealized appreciation (depreciation) on investments and non-investment assets and liabilities	0.09	0.22
Net increase (decrease) in net assets resulting from operations attributable to common stockholders	\$ 0.56	\$ 0.62
Weighted-average shares of common stock outstanding—Basic	52,892,054	53,466,003
Base dividends declared per common share	\$ 0.32	\$ 0.32
Supplemental dividends declared per common share	\$ 0.08	\$ 0.07

First Quarter 2022 Highlights

(dollar amounts in thousands, except per share data)

- Net investment income, net of the preferred dividend, for the three month period ended March 31, 2022 was \$24,644, or \$0.47 per common share, as compared to \$21,574, or \$0.40 per common share, for the three month period ended December 31, 2021.
- Net realized gain (loss) and net change in unrealized appreciation (depreciation) on investments and non-investment assets and liabilities for the three month period ended March 31, 2022 was \$5,164, or \$0.09 per share, as compared to \$11,512, or \$0.22 per share, for the three month period ended December 31, 2021.
- Net increase (decrease) in net assets resulting from operations attributable to common stockholders for the three month period ended March 31, 2022 was \$29,808, or \$0.56 per common share, as compared to \$33,086, or \$0.62 per share, for the three month period ended December 31, 2021.
- Net asset value per common share for the quarter ended March 31, 2022 increased 1.2% to \$17.11 from \$16.91 as of December 31, 2021 and is 3.3% higher than the 4Q19 NAV of \$16.56 prior to the onset of the pandemic.
- During the three month period ended March 31, 2022, the Company exited its debt and equity positions in SolAero, with total proceeds exceeding our December 31, 2021 fair value by \$9.3 million.
- During the three month period ended March 31, 2022, the Company repurchased and extinguished 0.5 million shares of the Company's common stock pursuant to the Company's previously announced \$150 million stock repurchase program at an average cost of \$14.15 per share, or \$7.0 million in the aggregate, resulting in accretion to net assets per share of \$0.03. As of March 31, 2022, there was \$17.7 million remaining under the stock repurchase program.
- On May 2, 2022, the Board of Directors declared a base quarterly common dividend of \$0.32 plus a supplemental common dividend of \$0.08, which are payable on July 15, 2022 to common stockholders of record on June 30, 2022.

Portfolio and Investment Activity

(dollar amounts in thousands, except per share data, unless otherwise noted)

As of March 31, 2022, the fair value of our investments was approximately \$1,873,183, comprised of 156 investments in 117 portfolio companies/investment funds across 27 industries. This compares to the Company's portfolio as of December 31, 2021, as of which date the fair value of our investments was approximately \$1,913,052, comprised of 154 investments in 117 portfolio companies/investment funds across 27 industries.

As of March 31, 2022 and December 31, 2021, investments consisted of the following:

Type—% of Fair Value	March 31, 2022		December 31, 2021	
	Fair Value	% of Fair Value	Fair Value	% of Fair Value
First Lien Debt	\$ 1,224,117	65.4 %	\$ 1,232,084	64.4 %
Second Lien Debt	304,202	16.2	341,776	17.9
Equity Investments	78,699	4.2	77,093	4.0
Investment Funds	266,165	14.2	262,099	13.7
Total	\$ 1,873,183	100.0 %	\$ 1,913,052	100.0 %

The following table shows our investment activity for the three month period ended March 31, 2022:

Principal amount of investments:	Funded		Sold/Repaid	
	Amount	% of Total	Amount	% of Total
First Lien Debt	\$ 110,594	99.1 %	\$ (108,253)	74.9
Second Lien Debt	249	0.2	(36,325)	25.1
Equity Investments	820	0.7	(3)	—
Investment Funds	—	—	—	—
Total	\$ 111,663	100.0 %	\$ (144,581)	100.0 %

Overall, total investments at fair value decreased by 2.1%, or \$39,869, during the three month period ended March 31, 2022 after factoring in repayments, sales, net fundings on revolvers and delayed draws and net change in unrealized appreciation (depreciation).

As of March 31, 2022, the total weighted average yield for our first and second lien debt investments on an amortized cost basis was 7.72%, which includes the effect of accretion of discounts and amortization of premiums and are based on interest rates as of March 31, 2022. As of March 31, 2022, on a fair value basis, approximately 1.6% of our debt investments bear interest at a fixed rate and approximately 98.4% of our debt investments bear interest at a floating rate, which primarily are subject to interest rate floors.

The Company has investments in two credit funds, Middle Market Credit Fund, LLC (“Credit Fund”) and Middle Market Credit Fund II, LLC (“Credit Fund II”), which represented 14.2% of the Company's total investments at fair value.

Total investments at fair value held by Credit Fund, which is not consolidated with the Company, decreased by 3.1%, or \$29,142, during the three month period ended March 31, 2022 after factoring in repayments, sales, net fundings on revolvers and delayed draws and net change in unrealized appreciation (depreciation). As of March 31, 2022, Credit Fund had total investments at fair value of \$897,817, which were comprised of 100.0% of first lien senior secured loans at fair value. As of March 31, 2022, on a fair value basis, 100.0% of Credit Fund's debt investments bear interest at a floating rate, which primarily are subject to interest rate floors.

Total investments at fair value held by Credit Fund II, which is not consolidated with the Company, decreased by 6.3%, or \$14,976 during the three month period ended March 31, 2022 after factoring in repayments, sales, and net change in unrealized appreciation (depreciation). As of March 31, 2022, Credit Fund II had total investments at fair value of \$224,313, which were comprised of 88.7% of first lien senior secured loans and 11.3% of second lien senior secured loans at fair value. As of March 31, 2022, on a fair value basis, approximately 2.3% of Credit Fund II's debt investments bear interest at a fixed rate and approximately 97.7% of Credit Fund II's debt investments bear interest at a floating rate, which primarily are subject to interest rate floors.

As part of the monitoring process, our Investment Adviser has developed risk policies pursuant to which it regularly assesses the risk profile of each of our debt investments and rates each of them based on the following categories, which we refer to as “Internal Risk Ratings”. Key drivers of internal risk ratings include financial metrics, financial covenants, liquidity and enterprise value coverage.

Internal Risk Ratings Definitions

<u>Rating</u>	<u>Definition</u>
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 bases 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.

Our Investment Adviser monitors and, when appropriate, changes the investment ratings assigned to each debt investment in our portfolio. Our Investment Adviser reviews our investment ratings in connection with our quarterly valuation process. The following table summarizes the Internal Risk Ratings of our debt portfolio as of March 31, 2022 and December 31, 2021:

	March 31, 2022		December 31, 2021	
	Fair Value	% of Fair Value	Fair Value	% of Fair Value
(dollar amounts in millions)				
Internal Risk Rating 1	\$ 16.9	1.1 %	\$ 3.8	0.2 %
Internal Risk Rating 2	1,152.0	75.4	1,205.5	76.6
Internal Risk Rating 3	290.3	19.0	299.5	19.0
Internal Risk Rating 4	28.0	1.8	27.6	1.8
Internal Risk Rating 5	41.1	2.7	37.5	2.4
Total	\$ 1,528.3	100.0 %	\$ 1,573.9	100.0 %

As of March 31, 2022 and December 31, 2021, the weighted average Internal Risk Rating of our debt investment portfolio was 2.3 and 2.3, respectively.

Consolidated Results of Operations

(dollar amounts in thousands, except per share data)

Total investment income for the three month periods ended March 31, 2022 and December 31, 2021 was \$47,509 and \$43,972, respectively. This \$3,537 net increase was primarily due to income received from the exit of the investment in SolAero, which had been a non-accrual position.

Total expenses for the three month periods ended March 31, 2022 and December 31, 2021 were \$21,990 and \$21,523, respectively. This \$467 net increase during the three month period ended March 31, 2022 was mainly due to an increase in incentive fees in the three month period ended March 31, 2022 as a result of higher investment income during the period, partially offset by lower management fees and interest expense.

During the three month period ended March 31, 2022, the Company recorded a net realized and unrealized gain of \$5,164. This was driven primarily by higher valuations on watchlist names and an increase in the valuation of the investment in the Credit Fund, partially offset by the negative impact of widening market yields and, to a lesser extent, inflation driven earnings impacts at certain borrowers.

Liquidity and Capital Resources

(dollar amounts in thousands, except per share data)

As of March 31, 2022, the Company had cash, cash equivalents and restricted cash of \$69,512, notes payable and senior unsecured notes (before debt issuance costs) of \$449,200 and \$190,000, respectively, and secured borrowings outstanding of \$359,679. As of March 31, 2022, the Company had \$328,321 of remaining unfunded commitments and \$328,518 available for additional borrowings under its revolving credit facility, subject to leverage and borrowing base restrictions.

Dividends

On May 2, 2022, the Board of Directors declared a base quarterly common dividend of \$0.32 plus a supplemental common dividend of \$0.08, which are payable on July 15, 2022 to common stockholders of record on June 30, 2022.

On March 25, 2022, the Company declared and paid a cash dividend on the Preferred Stock for the period from January 1, 2022 to March 31, 2022 in the amount of \$0.438 per Preferred Share to the holder of record on March 31, 2022.

Conference Call

The Company will host a conference call at 8:30 a.m. EDT on Wednesday, May 4, 2022 to discuss these quarterly financial results. The call and webcast will be available on the CSL website at carlylesecurableding.com. The call may be accessed by dialing +1 (866) 394-4623 (U.S.) or +1 (409) 350-3158 (international) and referencing "Carlyle Secured Lending Financial Results Call." The conference call will be webcast simultaneously via a link on Carlyle Secured Lending's website and an archived replay of the webcast also will be available on the website soon after the live call for 21 days.

CARLYLE SECURED LENDING, INC.
CONSOLIDATED STATEMENTS OF ASSETS AND LIABILITIES
(dollar amounts in thousands, except per share data)

	March 31, 2022 (unaudited)	December 31, 2021
ASSETS		
Investments, at fair value		
Investments—non-controlled/non-affiliated, at fair value (amortized cost of \$1,610,824 and \$1,631,067, respectively)	\$ 1,576,247	\$ 1,607,731
Investments—non-controlled/affiliated, at fair value (amortized cost of \$38,332 and \$38,462, respectively)	30,771	30,286
Investments—controlled/affiliated, at fair value (amortized cost of \$271,097 and \$288,024, respectively)	266,165	275,035
Total investments, at fair value (amortized cost of \$1,920,253 and \$1,957,553, respectively)	1,873,183	1,913,052
Cash, cash equivalents and restricted cash	69,512	93,074
Receivable for investment sold/repaid	13,060	530
Deferred financing costs	2,882	3,066
Interest receivable from non-controlled/non-affiliated investments	15,284	11,011
Interest receivable from non-controlled/affiliated investments	611	611
Interest and dividend receivable from controlled/affiliated investments	9,212	8,522
Prepaid expenses and other assets	2,214	1,484
Total assets	\$ 1,985,958	\$ 2,031,350
LIABILITIES		
Secured borrowings	\$ 359,679	\$ 407,655
2015-1R Notes payable, net of unamortized debt issuance costs of \$2,356 and \$2,417, respectively	446,844	446,783
Senior Notes, net of unamortized debt issuance costs of \$382 and \$416, respectively)	189,618	189,584
Payable for investments purchased	328	323
Interest and credit facility fees payable	2,727	2,467
Dividend payable	21,035	20,705
Base management and incentive fees payable	12,304	11,819
Administrative service fees payable	825	482
Other accrued expenses and liabilities	2,058	2,728
Total liabilities	1,035,418	1,082,546
NET ASSETS		
Cumulative convertible preferred stock, \$0.01 par value; 2,000,000 shares authorized; 2,000,000 shares issued and outstanding as of March 31, 2022 and December 31, 2021	50,000	50,000
Common stock, \$0.01 par value; 198,000,000 shares authorized; 52,647,158 and 53,142,454 shares issued and outstanding at March 31, 2022 and December 31, 2021, respectively	527	532
Paid-in capital in excess of par value	1,045,424	1,052,427
Offering costs	(1,633)	(1,633)
Total distributable earnings (loss)	(143,778)	(152,522)
Total net assets	\$ 950,540	\$ 948,804
NET ASSETS PER COMMON SHARE	\$ 17.11	\$ 16.91

CARLYLE SECURED LENDING, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(dollar amounts in thousands, except per share data)

	For the three month periods ended	
	March 31, 2022	December 31, 2021
Investment income:		
From non-controlled/non-affiliated investments:		
Interest income	\$ 33,828	\$ 34,616
Other income	1,962	1,748
Total investment income from non-controlled/non-affiliated investments	35,790	36,364
From non-controlled/affiliated investments:		
Interest income	48	43
Other income	2	2
Total investment income from non-controlled/affiliated investments	50	45
From controlled/affiliated investments:		
Interest income	3,873	28
Dividend income	7,524	7,524
Other income	272	11
Total investment income from controlled/affiliated investments	11,669	7,563
Total investment income	47,509	43,972
Expenses:		
Base management fees	7,050	7,319
Incentive fees	5,228	4,487
Professional fees	783	721
Administrative service fees	406	281
Interest expense	7,099	7,280
Credit facility fees	517	465
Directors' fees and expenses	160	141
Other general and administrative	394	473
Total expenses	21,637	21,167
Net investment income (loss) before taxes	25,872	22,805
Excise tax expense	353	356
Net investment income (loss)	25,519	22,449
Net realized gain (loss) and net change in unrealized appreciation (depreciation) on investments and non-investment assets and liabilities:		
Net realized gain (loss) from:		
Non-controlled/non-affiliated investments	4,575	7,854
Non-controlled/affiliated	—	1
Controlled/affiliated	1,264	—
Currency gains (losses) on non-investment assets and liabilities	(368)	(30)
Net change in unrealized appreciation (depreciation) on investments:		
Non-controlled/non-affiliated	(11,243)	2,713
Non-controlled/affiliated	614	(4)
Controlled/affiliated	8,057	838
Net change in unrealized currency gains (losses) on non-investment assets and liabilities	2,265	140
Net realized and unrealized gain (loss) on investments and non-investment assets and liabilities	5,164	11,512
Net increase (decrease) in net assets resulting from operations	30,683	33,961
Preferred stock dividend	875	875
Net increase (decrease) in net assets resulting from operations attributable to Common Stockholders	\$ 29,808	\$ 33,086
Basic and diluted earnings per common share:		
Basic	\$ 0.56	\$ 0.62
Diluted	\$ 0.53	\$ 0.58
Weighted-average shares of common stock outstanding:		
Basic	52,892,054	53,466,003
Diluted	58,194,422	58,753,254

About Carlyle Secured Lending, Inc.

CSL is an externally managed specialty finance company focused on lending to middle-market companies. CSL is managed by Carlyle Global Credit Investment Management L.L.C., an SEC-registered investment adviser and a wholly owned subsidiary of The Carlyle Group Inc. Since it commenced investment operations in May 2013 through March 31, 2022, CSL has invested approximately \$7.2 billion in aggregate principal amount of debt and equity investments prior to any subsequent exits or repayments. CSL's investment objective is to generate current income and capital appreciation primarily through debt investments in U.S. middle market companies. CSL has elected to be regulated as a business development company under the Investment Company Act of 1940, as amended.

Web: carlylesecurableding.com

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements that involve substantial risks and uncertainties. You can identify these statements by the use of forward-looking terminology such as "anticipates," "believes," "expects," "intends," "will," "should," "may," "plans," "continue," "believes," "seeks," "estimates," "would," "could," "targets," "projects," "outlook," "potential," "predicts" and variations of these words and similar expressions to identify forward-looking statements, although not all forward-looking statements include these words. You should read statements that contain these words carefully because they discuss our plans, strategies, prospects and expectations concerning our business, operating results, financial condition and other similar matters. We believe that it is important to communicate our future expectations to our investors. There may be events in the future, however, that we are not able to predict accurately or control. You should not place undue reliance on these forward-looking statements, which speak only as of the date on which we make it. Factors or events that could cause our actual results to differ, possibly materially from our expectations, include, but are not limited to, the risks, uncertainties and other factors we identify in the sections entitled "Risk Factors" and "Cautionary Statement Regarding Forward-Looking Statements" in filings we make with the Securities and Exchange Commission, and it is not possible for us to predict or identify all of them. We undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Contacts:

Investors:
Tom Hennigan
+1-212-813-4900
publicinvestor@carlylesecurableding.com

Media:
Kristen Greco
+1-212-813-4763
kristen.greco@carlyle.com

CARLYLE

Carlyle Secured Lending, Inc.
Quarterly Earnings Presentation

March 31, 2022

Disclaimer and Forward-Looking Statement

This presentation (the "Presentation") has been prepared by Carlyle Secured Lending, Inc. (together with its consolidated subsidiaries, "we," "us," "our," "CSL" or the "Company") (NASDAQ: CGBD) and may only be used for informational purposes only. This Presentation should be viewed in conjunction with the earnings conference call of the Company held on May 4, 2022 and the Company's Annual Report on Form 10-K for the year ended December 31, 2021. The information contained herein may not be used, reproduced, referenced, quoted, linked by website, or distributed to others, in whole or in part, except as agreed in writing by the Company.

This Presentation does not constitute a prospectus and should under no circumstances be understood as an offer to sell or the solicitation of an offer to buy our common stock or any other securities nor will there be any sale of the common stock or any other securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of such state or jurisdiction.

This Presentation provides limited information regarding the Company and is not intended to be taken by, and should not be taken by, any individual recipient as investment advice, a recommendation to buy, hold or sell, or an offer to sell or a solicitation of offers to purchase, our common stock or any other securities that may be issued by the Company, or as legal, accounting or tax advice. An investment in securities of the type described herein presents certain risks.

This Presentation may contain forward-looking statements that involve substantial risks and uncertainties. You can identify these statements by the use of forward-looking terminology such as "anticipates," "believes," "expects," "intends," "will," "should," "may," "plans," "continue," "believes," "seeks," "estimates," "would," "could," "targets," "projects," "outlook," "potential," "predicts" and variations of these words and similar expressions to identify forward-looking statements, although not all forward-looking statements include these words. You should read statements that contain these words carefully because they discuss our plans, strategies, prospects and expectations concerning our business, operating results, financial condition and other similar matters. We believe that it is important to communicate our future expectations to our investors. There may be events in the future, however, that we are not able to predict accurately or control. You should not place undue reliance on these forward-looking statements, which speak only as of the date on which we make them. Factors or events that could cause our actual results to differ, possibly materially from our expectations, include, but are not limited to, the risks, uncertainties and other factors we identify in the sections entitled "Risk Factors" and "Cautionary Statement Regarding Forward-Looking Statements" in filings we make with the Securities and Exchange Commission (the "SEC"), and it is not possible for us to predict or identify all of them. We undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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.

CSL Highlights

CSL OVERVIEW

- Middle-market lending oriented BDC externally managed by The Carlyle Group ⁽¹⁾
- Current market capitalization of \$727 million⁽²⁾ (NASDAQ listed; ticker: CGBD)
- Consistent track record of delivering sustainable income to shareholders, with earnings well in excess of base dividend and upside provided by recurring supplemental dividends

INVESTMENT STRATEGY

- Directly originate private credit investments with a focus on U.S. private equity finance
- Maintain appropriately diversified, defensively constructed portfolio of primarily senior secured debt instruments
- Utilize Carlyle's extensive platform resources to generate differentiated results for shareholders

DEFENSIVELY POSITIONED PORTFOLIO

- Well-diversified by issuer and industry: top 10 borrowers and top 3 industries are 20% and 30% of exposure, respectively
- Heavily concentrated in first lien loans, of which ~90% contain a financial covenant
- Approximately half the exposure of broader markets to cyclical industries

BENEFITS OF CARLYLE

- Founded in 1987, Carlyle is a leading global alternative asset manager with \$325bn of AUM
- Carlyle's Global Credit segment, with \$91 billion of AUM, has a 21-year track record of successful leveraged finance market investing
- Carlyle's broad capabilities, scaled capital base, and depth of expertise create sustainable competitive advantages across market environments

Source: The Carlyle Group. As of March 31, 2022 unless otherwise stated.
(1) CSL is externally managed by the Investment Adviser, which is a wholly-owned subsidiary of The Carlyle Group. (2) As of May 2, 2022

Q1 2022 Quarterly Results

First Quarter Results

- Net investment income was \$0.47 per common share, again comfortably exceeding the quarterly base dividend of \$0.32
- Continued improvement in watchlist names contributed to net realized/unrealized gains of \$5 million, or \$0.09 per share. Total proceeds from successful exit of SolAero were \$9 million in excess of 4Q21 valuation
- NAV per common share increased 1.2% to \$17.11 per share at IQ22, from \$16.91 at 4Q21, and is 3.3% higher than the 4Q19 NAV of \$16.56
- Overall credit performance remains strong; both Derm Growth Partners III and Direct Travel showed improvement during IQ22

Portfolio & Investment Activity

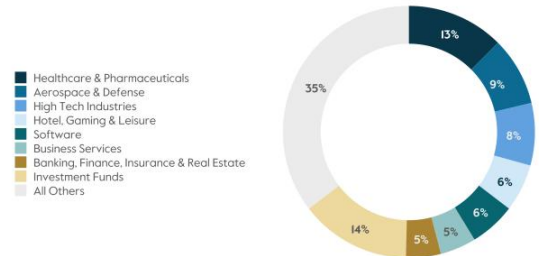
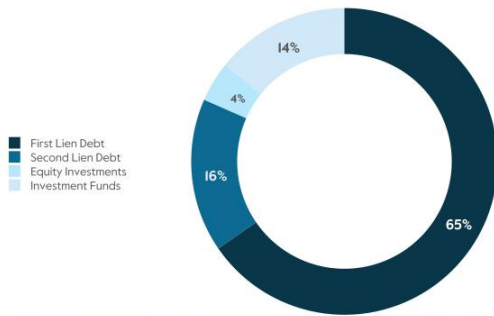
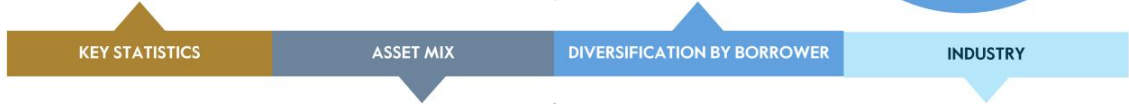
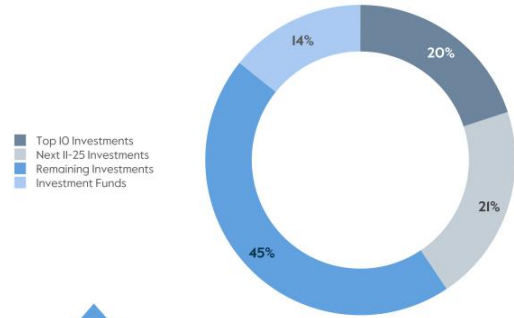
- Total investments at fair value were \$1.9 billion at IQ22, down (2.1)% compared to 4Q21
- Seasonally slower deal environment resulted in new investment activity of \$114 million with a weighted average yield on debt investments of 7.7%
- Repayments totaled \$159 million with a weighted average yield on debt investments of 8.1%

Dividend & Capital Activity

- Paid IQ22 base dividend of \$0.32 plus a supplemental dividend of \$0.08 per share, resulting in a LTM dividend yield of 8.9% based on quarter-end NAV
- Declared 2Q22 base dividend of \$0.32 plus a supplemental dividend of \$0.08 per share
- Share repurchases in IQ22 totaled 0.5 million shares for \$7.0 million, contributing \$0.03 per share of accretion to net asset value
- IQ22 net financial leverage of 0.98x, slightly down from 4Q21 and just under the lower end of 1.0x-1.4x target range

Portfolio Highlights

Total Investments and Commitments (\$mm)	\$2,111
Unfunded Commitments ⁽¹⁾ (\$mm)	\$238
Total Investments at Fair Value (\$mm)	\$1,873
Yield of Debt Investments at Cost ⁽²⁾ (%)	7.72%
Yield of Debt Investments at Fair Value ⁽²⁾ (%)	7.96%
Number of Investments	156
Number of Portfolio Companies	117
Floating / Fixed ⁽³⁾ (%)	98.4% / 1.6%



Note: Totals may not sum due to rounding. (1) Excludes the Company's commitments to fund capital to Middle Market Credit Fund, LLC ("Credit Fund"), which is not consolidated with the Company. (2) Weighted average yields 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. Actual yields earned over the life of each investment could differ materially from the yields presented above. Weighted average yields for CSL do not include CSL's investment in Credit Fund or Credit Fund II. (3) % of fair value of first and second lien debt.

Financial Performance Summary

	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022
<i>(Dollar amounts in thousands, except per share data)</i>					
Net Investment Income ⁽¹⁾	\$ 0.36	\$ 0.38	\$ 0.39	\$ 0.40	\$ 0.47
Net Realized & Unrealized Gains (Losses)	0.29	0.39	0.48	0.22	0.09
Net Income (Loss)	0.65	0.77	0.87	0.62	0.56
Dividends Paid	0.37	0.36	0.38	0.39	0.40
Impact of Share Repurchases	0.03	0.02	0.02	0.03	0.03
Net Asset Value	\$ 15.70	\$ 16.14	\$ 16.65	\$ 16.91	\$ 17.11
Common Shares Outstanding (in thousands)					
Weighted Average Shares Outstanding for the Period	55,039	54,538	53,955	53,466	52,892
Shares Outstanding at End of Period	54,809	54,210	53,714	53,142	52,647
Portfolio Highlights					
Total Investments at Fair Value	\$1,841,634	\$1,872,311	\$1,948,206	\$1,913,052	\$1,873,183
Number of Portfolio Companies	119	118	123	117	117
Average Size of Investment in Portfolio Company (Notional) ⁽²⁾	\$16,389	\$16,533	\$16,358	\$16,800	\$15,660
Weighted Average all-in Yield on Debt Investments at Amortized Cost ⁽³⁾	7.63%	7.73%	7.69%	7.68%	7.72%
Weighted Average all-in Yield on Debt Investments at Fair Value ⁽³⁾	7.99%	8.01%	7.92%	7.87%	7.96%
Financial Position (at Quarter End)					
Net Assets	\$910,520	\$924,831	\$944,394	\$948,804	\$950,540
Debt	945,475	1,001,234	1,061,815	1,044,022	996,141
Net Financial Leverage ⁽⁴⁾	1.04x	1.03x	1.07x	1.02x	0.98x
Statutory Debt To Equity ⁽⁵⁾	1.16x	1.21x	1.25x	1.22x	1.16x

Note: The net asset value per share and dividends declared per share are based on the common shares outstanding at each respective quarter-end. Net investment income per common share and net change in realized and unrealized appreciation (depreciation) per common share are based on the weighted average number of common shares outstanding for the period. Totals may not sum due to rounding. (1) Net of the preferred dividend. (2) Excludes equity investments. (3) Weighted average yields include the effect of accretion of discounts and amortization of premiums and are based on interest rates as of each respective period end. Actual yields earned over the life of each investment could differ materially from the yields presented above. (4) Reflects cumulative convertible preferred securities as equity, net of excess cash held at period end, which was \$70.6 million on March 31, 2022. (5) 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/principal)</i>	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022
Originations and Net Investment Activity					
Investment Fundings	\$ 151,422	\$ 215,426	\$ 276,955	\$ 236,010	\$ 111,663
Unfunded Commitments, Net Change	(356)	27,255	6,582	(2,491)	57,398
Sales and Repayments	(149,050)	(202,624) ⁽³⁾	(215,120)	(272,529)	(144,581)
Net Investment Activity	\$ 2,016	\$ 40,057	\$ 68,417	\$ (39,010)	\$ 24,480
Originations by Asset Type⁽¹⁾					
First Lien Debt	65.0 %	85.2 %	78.6 %	83.1 %	99.0%
Second Lien Debt	34.6%	5.8%	21.3%	5.8%	0.2%
Equity Investments	0.4%	9.0%	0.2%	11.1%	0.7%
Total Investment Portfolio at Fair Value⁽²⁾					
First Lien Debt	66.6%	66.5%	65.5%	64.4%	65.4%
Second Lien Debt	16.3%	16.7%	18.1%	17.9%	16.2%
Equity Investments	1.9%	2.9%	2.7%	4.0%	4.2%
Investment Funds	15.2%	13.9%	13.7%	13.7%	14.2%

Please refer to the Company's Form 10-Q for the quarter ended March 31, 2022 ("Form 10-Q") 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) At quarter end.

Quarterly Operating Results Detail

(Dollar amounts in thousands, except per share data)	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022
Investment Income					
Interest income	\$ 29,725	\$ 30,443	\$ 33,039	\$ 32,225	\$ 34,028
Payment-In-Kind interest income	2,125	2,318	2,441	2,462	3,721
Income from Credit Funds	7,528	7,488	7,523	7,524	7,524
Other income	1,470	2,407	759	1,761	2,236
Total investment income	\$ 40,848	\$ 42,656	\$ 43,762	\$ 43,972	\$ 47,509
Expenses					
Management fees ⁽¹⁾	\$ 6,800	\$ 6,991	\$ 7,233	\$ 7,319	\$ 7,050
Incentive fees ⁽²⁾	4,257	4,420	4,516	4,487	5,228
Interest expense and credit facility fees	7,494	7,560	7,954	7,745	7,616
Other expenses	1,494	1,909	1,810	1,616	1,743
Excise tax expense	124	139	163	356	353
Net expenses	\$ 20,169	\$ 21,019	\$ 21,676	\$ 21,523	\$ 21,990
Net investment income	\$ 20,679	\$ 21,637	\$ 22,086	\$ 22,449	\$ 25,519
Net realized and change in unrealized gains (losses)	15,225	21,231	25,534	11,512	5,164
Net income (loss)	\$ 35,904	\$ 42,868	\$ 47,620	\$ 33,961	\$ 30,683
Net investment income per Common Share	\$ 0.36	\$ 0.38	\$ 0.39	\$ 0.40	\$ 0.47
Net income (loss) per Common Share	\$ 0.65	\$ 0.77	\$ 0.87	\$ 0.62	\$ 0.56

⁽¹⁾ Beginning October 1, 2017, the base management fee is calculated at an annual rate of 1.50% of the Company's gross assets, excluding cash and cash equivalents but including assets acquired through the use of leverage. In addition, on August 6, 2018, the Company's Board of Directors approved a one-third (0.50%) reduction in the 1.50% annual base management fee rate charged by the Investment Adviser on assets financed using leverage in excess of 1.0x debt to equity. Effective July 1, 2018, the reduced annual fee of 1.00% applies to the average value of the Company's gross assets as of the end of the two most recently completed calendar quarters that exceeds the product of (i) 200% and (ii) the average value of the Company's net asset value at the end of the two most recently completed calendar quarters. ⁽²⁾ Effective October 1, 2017, the Investment Adviser agreed to charge 17.5% instead of 20% with respect to the entire calculation of the incentive fee.

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 I, Item 1 of the Company's Form 10-Q for additional details.

Quarterly Balance Sheet Detail

	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022
<i>(Dollar amounts in thousands, except per share data)</i>					
Assets					
Investments—non-controlled/non-affiliated, at fair value	\$ 1,528,400	\$ 1,579,256	\$ 1,643,584	\$ 1,607,731	\$ 1,576,247
Investments—non-controlled/affiliated, at fair value	27,650	28,562	30,410	30,286	30,771
Investments—controlled/affiliated, at fair value	285,584	264,493	274,212	275,035	266,165
Total investments, at fair value	1,841,634	1,872,311	1,948,206	1,913,052	1,873,183
Cash, cash equivalents and restricted cash	35,493	59,404	46,164	93,074	69,512
Receivable for investment sold/repaid	1,192	5,769	23,235	530	13,060
Deferred financing costs	3,502	3,386	3,256	3,066	2,882
Interest Receivable from non-controlled/non-affiliated Investments	12,948	11,388	13,486	11,011	15,284
Interest Receivable from non-controlled/affiliated Investments	580	578	581	611	611
Interest and Dividend Receivable from controlled/affiliated Investments	7,925	7,961	7,866	8,522	9,212
Prepaid expenses and other assets	813	1,369	1,376	1,484	2,214
Total assets	\$ 1,904,087	\$ 1,962,166	\$ 2,044,170	\$ 2,031,350	\$ 1,985,958
Liabilities & Net Assets					
Secured borrowings	\$ 309,397	\$ 365,060	\$ 425,545	\$ 407,655	\$ 359,679
2015-IR Notes payable, net of unamortized debt issuance costs	446,598	446,659	446,721	446,783	446,844
Senior Notes, net of unamortized debt issuance costs	189,480	189,515	189,549	189,584	189,618
Payable for investments purchased	12,818	875	68	323	328
Interest and credit facility fees payable	2,427	2,463	3,045	2,467	2,727
Dividend payable	20,280	19,502	20,388	20,705	21,035
Base management and incentive fees payable	11,047	11,391	11,752	11,819	12,304
Administrative service fees payable	202	373	661	482	825
Other accrued expenses and liabilities	1,318	1,497	2,047	2,728	2,058
Total liabilities	\$ 993,567	\$ 1,037,335	\$ 1,099,776	\$ 1,082,546	\$ 1,035,418
Net assets	\$ 910,520	\$ 924,831	\$ 944,394	\$ 948,804	\$ 950,540
Total liabilities & net assets	\$ 1,904,087	\$ 1,962,166	\$ 2,044,170	\$ 2,031,350	\$ 1,985,958
Net Asset Value Per Common Share	\$15.70	\$16.14	\$16.65	\$16.91	\$17.11

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

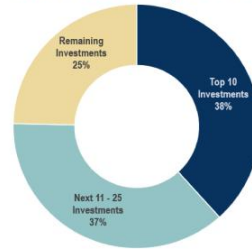
Investment Funds Update (14% of CSL Portfolio)

Key Statistics - Credit Fund

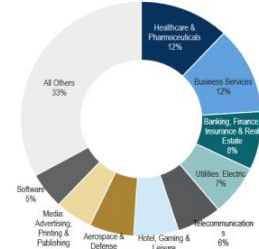
Total Investments and Commitments (\$mm)	\$973
Unfunded Commitments (\$mm)	\$75
Total Investments at Fair Value (\$mm)	\$898
Yield of Debt Investments (%) ⁽¹⁾	6.1%
Number of Investments	44
First Lien Exposure (%)	100%
Floating / Fixed (%) ⁽²⁾	100.0% / 0.0%
Dividend Yield to CSL	10%

Portfolio Composition - Credit Fund

Diversification by Borrower



Industry

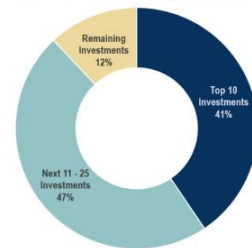


Key Statistics - Credit Fund II

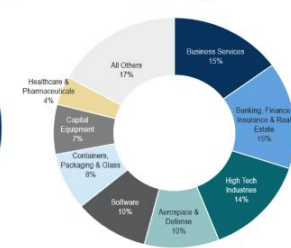
Total Investments and Commitments (\$mm)	\$224
Unfunded Commitments (\$mm)	\$0
Total Investments at Fair Value (\$mm)	\$224
Yield of Debt Investments (%) ⁽¹⁾	7.4%
Number of Investments	33
First Lien Exposure (%)	89%
Floating / Fixed (%) ⁽²⁾	97.7% / 2.3%
Dividend Yield to CSL	13%

Portfolio Composition - Credit Fund II

Diversification by Borrower

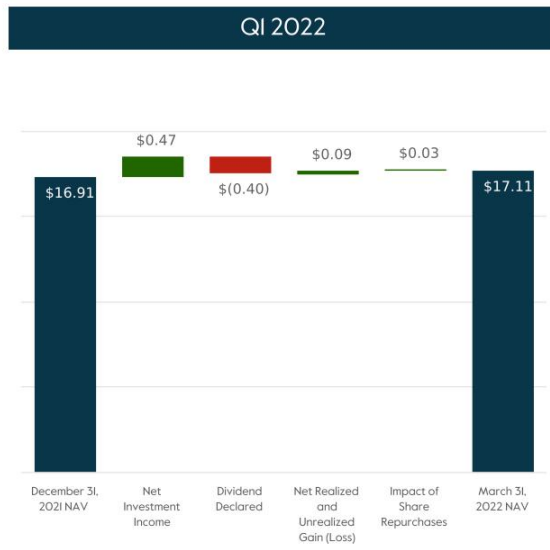


Industry



⁽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. Actual yields earned over the life of each investment could differ materially from the yields presented above. ⁽²⁾ % of fair value of first and second lien debt.

Net Asset Value Per Share Bridge



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 March 31, 2022, three borrowers were on non-accrual status, representing 3.7% of total investments at fair value and 4.6% at amortized cost.

Portfolio Risk Ratings						
<i>(Dollar amounts in millions)</i>						
Internal Risk Rating	September 30, 2021		December 31, 2021		March 31, 2022	
	Fair Value	% of Fair Value	Fair Value	% of Fair Value	Fair Value	% of Fair Value
1	\$ 3.8	0.2%	\$ 3.8	0.2%	\$ 16.9	1.1%
2	1,245.1	76.5%	1,205.5	76.6%	1,152.0	75.4%
3	311.8	19.2%	299.5	19.0%	290.3	19.0%
4	28.1	1.7%	27.6	1.8%	28.0	1.8%
5	39.4	2.4%	37.5	2.4%	41.1	2.7%
Total	\$ 1,628.1	100.0%	\$ 1,573.9	100.0%	\$ 1,528.3	100.0%

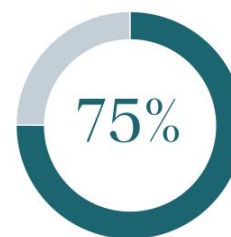
Rating	Definition
1	Borrower is operating above expectations, and the trends and risk factors are generally favorable.
2	Borrower is operating generally as expected or at an acceptable level of performance. The level of risk to our initial cost bases is similar to the risk to our initial cost basis at 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.

Funding and Capital Management Overview

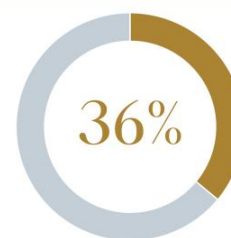
Overview of Financing Facilities ⁽¹⁾

	Size	Original Tenor / Maturity Date	Pricing
Credit Facility ⁽²⁾	\$688 million	5 years (4 year revolving); maturity date 10/28/25	L+2.25% / 37.5 bps unused fee
2015-IR Notes ⁽²⁾⁽⁴⁾	\$449 million	10/15/2031	2.38% ⁽⁵⁾
2019 Senior Unsecured Notes	\$115 million	12/31/2024	4.75% Fixed
2020 Senior Unsecured Notes	\$75 million	12/31/2024	4.50% Fixed
Credit Fund Sub Facility ⁽²⁾	\$640 million	6 years (3 years revolving); maturity date 5/22/2024	L+2.25% / 50-75 bps unused fee
Credit Fund Warehouse II Facility ⁽⁵⁾	\$150 million	3 years (2 years revolving); maturity date 8/16/2022	L+1.50%
Credit Fund II Senior Notes ⁽⁶⁾	\$158 million	11/3/2030	L+2.73% ⁽⁷⁾

% of Committed Balance Sheet Leverage Utilized



% of Utilized Balance Sheet Leverage Mark-To-Market



Cumulative Convertible Preferred Stock ⁽⁸⁾

Price	Shares Outstanding	Dividend	Convertible Feature
\$25 per share / \$50 million total	2,000,000	7.0% Cash or 9.0% PIK	Convertible at the option of the holder at the Liquidation Preference divided by \$9.43

(1) Refer to Notes 7 and 8 to the consolidated financial statements included in Part I, Item 1 of the Company's Form 10-Q for additional details. (2) Size represents maximum principal amount of the facility and is subject to availability under the facility, which is based on certain advance rates multiplied by the value of certain portfolio investments of the Company, Credit Fund, or Credit Fund II (subject to certain concentration limitations) and may be net of certain other indebtedness that the Company, Credit Fund or Credit Fund II may incur in accordance with the terms of the facility. Middle Market Credit Fund SPV, LLC (the "Credit Fund Sub") is a wholly-owned subsidiary of Credit Fund and is consolidated in Credit Fund's consolidated financial statements. (3) Weighted average interest rate, including amortization of debt issuance costs on the 2015-IR Notes for the quarter ended March 31, 2022. (4) Carlyle Direct Lending CLO 2015-IR LLC, the issuer, is a wholly-owned and consolidated subsidiary of the Company. (5) MMCF Warehouse II, LLC, is a wholly-owned and consolidated subsidiary of Credit Fund. Prior to August 2021, borrowings bore interest at a rate of L+115 bps. (6) Middle Market Credit Fund II SPV, LLC (the "Credit Fund II Sub") is a wholly-owned and consolidated subsidiary of Credit Fund II. (7) Pricing varies by class under the terms of the facility agreement. (8) Refer to Note 10 to the consolidated financial statements included in Part I, Item 1 of the Company's Form 10-Q for additional details.

