

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 4, 2021

TCG BDC, 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 4, 2021, TCG BDC, Inc. (the “Company”) issued a summary press release and a detailed earnings presentation announcing its first quarter 2021 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 4, 2021, the Company issued a press release, included herewith as Exhibit 99.1, announcing the declaration of a second quarter 2020 regular common dividend of \$0.32 per share plus a supplemental common dividend of \$0.04 per share, which are payable on July 15, 2021 to stockholders of record as of June 30, 2021.

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	<u>Summary earnings press release of TCG BDC, Inc., dated May 4, 2021.</u>
99.2	<u>Earnings presentation of TCG BDC, Inc., dated May 4, 2021.</u>

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.

TCG BDC, INC.
(Registrant)

Dated: May 4, 2021

By: /s/ Thomas M. Hennigan
Name: Thomas M. Hennigan
Title: Chief Financial Officer



For Immediate Release
May 4, 2021

TCG BDC, Inc. Announces First Quarter 2021 Financial Results and Declares Second Quarter 2021 Regular Dividend of \$0.32 Per Common Share and Supplemental Dividend of \$0.04 per Common Share

New York - TCG BDC, Inc. (together with its consolidated subsidiaries, "we," "us," "our," "TCG BDC" or the "Company") (NASDAQ: CGBD) today announced its financial results for its first quarter ended March 31, 2021.

Linda Pace, TCG BDC's Chief Executive Officer said, "Our first quarter financial results were solid, and we are pleased with the strong momentum in our business. Our fundamental credit performance continues to improve alongside the macroeconomic recovery in the U.S., and as we look forward, we are well positioned to deliver attractive and sustainable income to our shareholders."

Selected Financial Highlights

(dollar amounts in thousands, except per share data)

	March 31, 2021		December 31, 2020	
Total investments, at fair value	\$	1,841,634	\$	1,825,749
Total assets		1,904,087		1,922,613
Total debt		945,475		983,923
Total net assets	\$	910,520	\$	901,363
Net assets per common share	\$	15.70	\$	15.39
		For the three month periods ended		
		March 31, 2021	December 31, 2020	
Total investment income	\$	40,848	\$	43,514
Net investment income (loss)		20,679		21,909
Net realized gain (loss) and net change in unrealized appreciation (depreciation) on investments and non-investment assets and liabilities		15,225		16,254
Net increase (decrease) in net assets resulting from operations	\$	35,904	\$	38,163
Per weighted-average common share—Basic:				
Net investment income (loss), net of preferred dividend	\$	0.36	\$	0.38
Net realized gain (loss) and net change in unrealized appreciation (depreciation) on investments and non-investment assets and liabilities		0.29		0.28
Net increase (decrease) in net assets resulting from operations attributable to common stockholders	\$	0.65	\$	0.66
Weighted-average shares of common stock outstanding—Basic		55,039,010		55,961,413
Regular dividends declared per common share	\$	0.32	\$	0.32
Supplemental dividends declared per common share	\$	0.05	\$	0.04

First Quarter 2021 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, 2021 was \$19,804, or \$0.36 per common share, as compared to \$21,044, or \$0.38 per common share, for the three month period ended December 31, 2020.
- 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, 2021 was \$15,225, or \$0.29 per share, as compared to \$16,254, or \$0.28 per share, for the three month period ended December 31, 2020.
- Net increase (decrease) in net assets resulting from operations attributable to common stockholders for the three month period ended March 31, 2021 was \$35,029, or \$0.65 per common share, as compared to \$37,298, or \$0.66 per share, for the three month period ended December 31, 2020.
- During the three month period ended March 31, 2021, 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 \$12.03 per share, or \$5.6 million in the aggregate, resulting in accretion to net assets per share of \$0.03. As of March 31, 2021, there was \$47.6 million remaining under the stock repurchase program.
- On May 3, 2021, the Board of Directors declared a regular quarterly common dividend of \$0.32 plus a supplemental common dividend of \$0.04, which are payable on July 15, 2021 to common stockholders of record on June 30, 2021.

Portfolio and Investment Activity

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

As of March 31, 2021, the fair value of our investments was approximately \$1,841,634, comprised of 164 investments in 119 portfolio companies/investment fund across 27 industries. This compares to the Company's portfolio as of December 31, 2020, as of which date the fair value of our investments was approximately \$1,825,749, comprised of 160 investments in 117 portfolio companies/investment fund across 27 industries.

As of March 31, 2021 and December 31, 2020, investments consisted of the following:

<u>Type—% of Fair Value</u>	<u>March 31, 2021</u>		<u>December 31, 2020</u>	
	<u>Fair Value</u>	<u>% of Fair Value</u>	<u>Fair Value</u>	<u>% of Fair Value</u>
First Lien Debt (excluding First Lien/Last Out)	\$ 1,164,592	63.2 %	\$ 1,161,881	63.6 %
First Lien/Last Out	62,061	3.4	62,182	3.4
Second Lien Debt	299,322	16.3	284,523	15.6
Equity Investments	35,030	1.9	33,877	1.9
Investment Funds	280,629	15.2	283,286	15.5
Total	\$ 1,841,634	100.0 %	\$ 1,825,749	100.0 %

The following table shows our investment activity for the three month period ended March 31, 2021:

<u>Principal amount of investments:</u>	<u>Funded</u>		<u>Sold/Repaid</u>	
	<u>Amount</u>	<u>% of Total</u>	<u>Amount</u>	<u>% of Total</u>
First Lien Debt (excluding First Lien/Last Out)	\$ 98,408	65.0 %	\$ (106,827)	71.7 %
First Lien/Last Out	—	—	(246)	0.2
Second Lien Debt	52,369	34.6	(41,531)	27.9
Equity Investments	645	0.4	(446)	0.3
Investment Funds	—	—	—	—
Total	\$ 151,422	100.0 %	\$ (149,050)	100.1 %

Overall, total investments at fair value increased by 0.9%, or \$15,885, during the three month period ended March 31, 2021 after factoring in repayments, sales, net fundings on revolvers and delayed draws and net change in unrealized appreciation (depreciation).

As of March 31, 2021, the total weighted average yield for our first and second lien debt investments on an amortized cost basis was 7.63%, which includes the effect of accretion of discounts and amortization of premiums and are based on interest rates as of March 31, 2021. As of March 31, 2021, on a fair value basis, approximately 0.9% of our debt investments bear interest at a

fixed rate and approximately 99.1% 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 15.2% 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 6.9%, or \$73,104, during the three month period ended March 31, 2021 after factoring in repayments, sales, net fundings on revolvers and delayed draws and net change in unrealized appreciation (depreciation). As of March 31, 2021, Credit Fund had total investments at fair value of \$983,277, which comprised 97.3% of first lien senior secured loans and 2.4% of second lien senior secured loans at fair value, 0.2% of equity investments at fair value. As of March 31, 2021, on a fair value basis, approximately 2.7% of Credit Fund's debt investments bear interest at a fixed rate and approximately 97.3% of Credit Fund's debt investments bear interest at a floating rate, which primarily are subject to interest rate floors.

As of March 31, 2021, total investments at fair value held by Credit Fund II, which is not consolidated with the Company, increased by 0.8%, or \$1,954, during the three month period ended March 31, 2021 after factoring in repayments, sales, net fundings on revolvers and delayed draws and net change in unrealized appreciation (depreciation). As of March 31, 2021, Credit Fund II had total investments at fair value of \$248,375, which comprised 90.5% of first lien senior secured loans and 9.5% of second lien senior secured loans at fair value. As of March 31, 2021, on a fair value basis, approximately 0.9% of Credit Fund II's debt investments bear interest at a fixed rate and approximately 99.1% 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, 2021 and December 31, 2020:

	March 31, 2021		December 31, 2020	
	Fair Value	% of Fair Value	Fair Value	% of Fair Value
(dollar amounts in millions)				
Internal Risk Rating 1	\$ 19.1	1.3 %	\$ 19.1	1.3 %
Internal Risk Rating 2	1,097.9	71.9	1,047.5	69.4
Internal Risk Rating 3	324.9	21.3	361.1	23.9
Internal Risk Rating 4	49.6	3.2	48.1	3.2
Internal Risk Rating 5	34.5	2.3	32.8	2.2
Total	\$ 1,526.0	100.0 %	\$ 1,508.6	100.0 %

As of March 31, 2021 and December 31, 2020, the weighted average Internal Risk Rating of our debt investment portfolio was 2.3 and 2.4, respectively.

Consolidated Results of Operations

(dollar amounts in thousands, except per share data)

Total investment income for the three month periods ended March 31, 2021 and December 31, 2020 was \$40,848 and \$43,514, respectively. This \$2,666 net decrease was primarily due to lower interest income from a lower average loan balance as well as lower OID accretion and prepayment fees due to lower loan prepayments in the quarter. This was partially offset by higher total dividends from the credit funds.

Total expenses for the three month periods ended March 31, 2021 and December 31, 2020 were \$20,169 and \$21,605, respectively. This \$1,436 net decrease during the three month period ended March 31, 2021 was due to lower credit facility fees and a decrease in the management and incentive fee expense in the three month period ended March 31, 2021.

During the three month period ended March 31, 2021, the Company recorded a net realized and unrealized gain on investments of \$15,532. This was driven by tightening market yields and improving credit fundamentals, resulting in increases in fair value.

Liquidity and Capital Resources

(dollar amounts in thousands, except per share data)

As of March 31, 2021, the Company had cash and cash equivalents of \$35,493, notes payable and senior unsecured notes (before debt issuance costs) of \$449,200 and \$190,000, respectively, and secured borrowings outstanding of \$309,397. As of March 31, 2021, the Company had \$378,603 of remaining unfunded commitments and \$358,091 available for additional borrowings under its revolving credit facilities, subject to leverage and borrowing base restrictions.

Dividends

On May 3, 2021, the Board of Directors declared a regular quarterly common dividend of \$0.32 plus a supplemental common dividend of \$0.04, which are payable on July 15, 2021 to common stockholders of record on June 30, 2021.

On March 31, 2021, the Company declared and paid a cash dividend on the Preferred Stock for the period from January 1, 2021 to March 31, 2021 in the amount of \$0.438 per Preferred Share to the holder of record on March 31, 2021.

Conference Call

The Company will host a conference call at 11:00 a.m. EDT on Wednesday, May 5, 2021 to discuss these quarterly financial results. The call and webcast will be available on the TCG BDC website at tcgbdc.com. The call may be accessed by dialing +1 (866) 394-4623 (U.S.) or +1 (409) 350-3158 (international) and referencing "TCG BDC Financial Results Call." The conference call will be webcast simultaneously via a link on TCG BDC's website and an archived replay of the webcast also will be available on the website soon after the live call for 21 days.

TCG BDC, INC.
CONSOLIDATED STATEMENTS OF ASSETS AND LIABILITIES
(dollar amounts in thousands, except per share data)

	March 31, 2021 (unaudited)	December 31, 2020
ASSETS		
Investments, at fair value		
Investments—non-controlled/non-affiliated, at fair value (amortized cost of \$1,575,395 and \$1,574,182, respectively)	\$ 1,528,400	\$ 1,509,271
Investments—non-controlled/affiliated, at fair value (amortized cost of \$38,395 and \$37,571, respectively)	27,650	26,180
Investments—controlled/affiliated, at fair value (amortized cost of \$311,202 and \$311,213, respectively)	285,584	290,298
Total investments, at fair value (amortized cost of \$1,924,992 and \$1,922,966, respectively)	1,841,634	1,825,749
Cash and cash equivalents	35,493	68,419
Receivable for investment sold/repaid	1,192	4,313
Deferred financing costs	3,502	3,633
Interest receivable from non-controlled/non-affiliated investments	12,948	12,634
Interest receivable from non-controlled/affiliated investments	580	569
Interest and dividend receivable from controlled/affiliated investments	7,925	6,480
Prepaid expenses and other assets	813	816
Total assets	\$ 1,904,087	\$ 1,922,613
LIABILITIES		
Secured borrowings	\$ 309,397	\$ 347,949
2015-1 Notes payable, net of unamortized debt issuance costs of \$2,602 and \$2,664, respectively	446,598	446,536
Senior Notes, net of unamortized debt issuance costs of \$520 and \$562, respectively)	189,480	189,438
Payable for investments purchased	12,818	809
Interest and credit facility fees payable	2,427	2,439
Dividend payable	20,280	19,892
Base management and incentive fees payable	11,047	11,549
Administrative service fees payable	202	85
Other accrued expenses and liabilities	1,318	2,553
Total liabilities	993,567	1,021,250
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, 2021 and December 31, 2020	50,000	50,000
Common stock, \$0.01 par value; 200,000,000 shares authorized; 54,809,262 and 55,320,309 shares issued and outstanding at March 31, 2021 and December 31, 2020, respectively	548	553
Paid-in capital in excess of par value	1,075,871	1,081,436
Offering costs	(1,633)	(1,633)
Total distributable earnings (loss)	(214,266)	(228,993)
Total net assets	\$ 910,520	\$ 901,363
NET ASSETS PER COMMON SHARE	\$ 15.70	\$ 15.39

TCG BDC, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(dollar amounts in thousands, except per share data)
(unaudited)

	For the three month periods ended	
	March 31, 2021	December 31, 2020
Investment income:		
From non-controlled/non-affiliated investments:		
Interest income	\$ 31,756	\$ 34,001
Other income	1,467	2,973
Total investment income from non-controlled/non-affiliated investments	33,223	36,974
From non-controlled/affiliated investments:		
Interest income	38	14
Other income	3	—
Total investment income from non-controlled/affiliated investments	41	14
From controlled/affiliated investments:		
Interest income	56	48
Dividend income	7,528	6,478
Total investment income from controlled/affiliated investments	7,584	6,526
Total investment income	40,848	43,514
Expenses:		
Base management fees	6,800	7,063
Incentive fees	4,257	4,480
Professional fees	691	800
Administrative service fees	282	140
Interest expense	6,975	6,907
Credit facility fees	519	1,655
Directors' fees and expenses	116	95
Other general and administrative	405	431
Total expenses	20,045	21,571
Net investment income (loss) before taxes	20,803	21,943
Excise tax expense	124	34
Net investment income (loss)	20,679	21,909
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	1,672	(8,783)
Controlled/affiliated investments	1	—
Currency gains (losses) on non-investment assets and liabilities	(82)	23
Net change in unrealized appreciation (depreciation) on investments:		
Non-controlled/non-affiliated	17,916	28,425
Non-controlled/affiliated	646	(900)
Controlled/affiliated	(4,703)	1,086
Net change in unrealized currency gains (losses) on non-investment assets and liabilities	(225)	(3,597)
Net realized and unrealized gain (loss) on investments and non-investment assets and liabilities	15,225	16,254
Net increase (decrease) in net assets resulting from operations	35,904	38,163
Preferred stock dividend	875	865
Net increase (decrease) in net assets resulting from operations attributable to Common Stockholders	\$ 35,029	\$ 37,298
Basic and diluted earnings per common share:		
Basic	\$ 0.65	\$ 0.66
Diluted	\$ 0.60	\$ 0.62
Weighted-average shares of common stock outstanding:		
Basic	55,039,010	55,961,413
Diluted	60,306,312	61,224,570

About TCG BDC, Inc.

TCG BDC is an externally managed specialty finance company focused on lending to middle-market companies. TCG BDC 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, 2021, TCG BDC has invested approximately \$6.4 billion in aggregate principal amount of debt and equity investments prior to any subsequent exits or repayments. TCG BDC's investment objective is to generate current income and capital appreciation primarily through debt investments in U.S. middle market companies. TCG BDC has elected to be regulated as a business development company under the Investment Company Act of 1940, as amended.

Web: tcgbdc.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.

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CARLYLE

TCG BDC, Inc.
Quarterly Earnings Presentation

MARCH 31, 2021

Disclaimer and Forward-Looking Statement

This presentation (the "Presentation") has been prepared by TCG BDC, Inc. (together with its consolidated subsidiaries, "we," "us," "our," "TCG BDC" 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 5, 2021 and the Company's Annual Report on Form 10-K for the year ended December 31, 2020. 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 we cannot possibly 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 subject to change over time and 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.

TCG BDC 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 this 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 dividend payments 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 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.

TCG BDC Highlights

TCG BDC OVERVIEW

- Middle-market lending oriented BDC externally managed by The Carlyle Group
- Current market capitalization of \$754 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 regular 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

BENEFITS OF CARLYLE

- Founded in 1987, Carlyle is a leading global alternative asset manager with \$200bn of AUM
- Carlyle's Global Credit segment, with \$59bn of AUM, has a 20-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

DEFENSIVELY POSITIONED PORTFOLIO

- Well-diversified by issuer and industry: top 10 borrowers and top 3 industries are each less than 10% and 24% 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

Source: The Carlyle Group. As of March 31, 2021 unless otherwise stated.

(1) TCG BDC is externally managed by the Investment Adviser, which is a wholly-owned subsidiary of The Carlyle Group. (2) As of May 3, 2021

Q1 2021 Quarterly Results


First Quarter Results

- Net investment income was \$0.36 per common share, net of the preferred dividend comfortably covering the regular quarterly dividend of \$0.32
- Tightening market yields and continued improvement in credit performance resulted in net realized/unrealized gains of \$15 million, or \$0.29 per share
- NAV per common share increased 2.0% to \$15.70 at IQ21 from \$15.39 at 4Q20
- Total non-accruals were essentially flat at 3.3% of total investments at fair value

Portfolio & Investment Activity

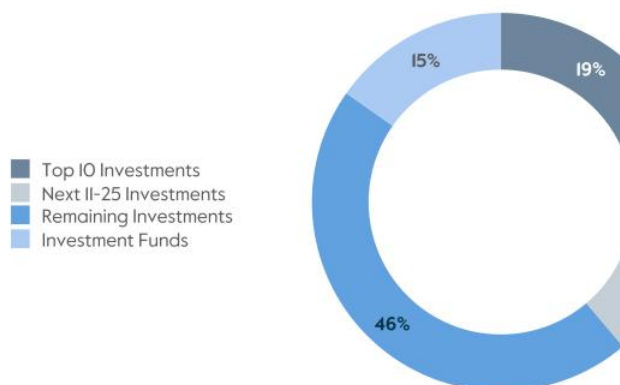
- Total investments at fair value of \$1.8 billion at IQ21, up slightly as compared to 4Q20
- Net portfolio fundings in IQ21 totaled \$3 million, with new investment activity of \$73 million, repayments of \$73 million and strategic sales of \$76 million
- Weighted average yield of new investments was 8.4%, compared to 7.8% for those that were repaid or sold
- Positive portfolio risk rating migration and no new non-accruals

Dividend & Capital Activity

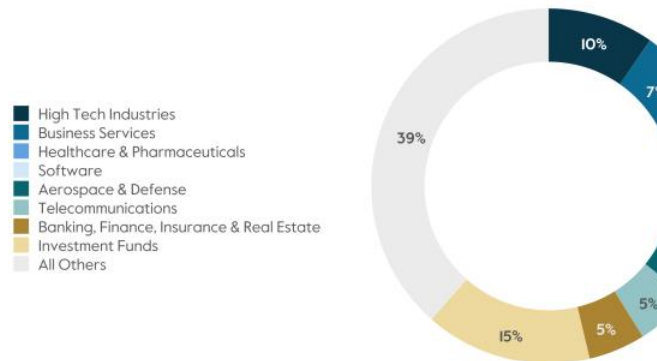
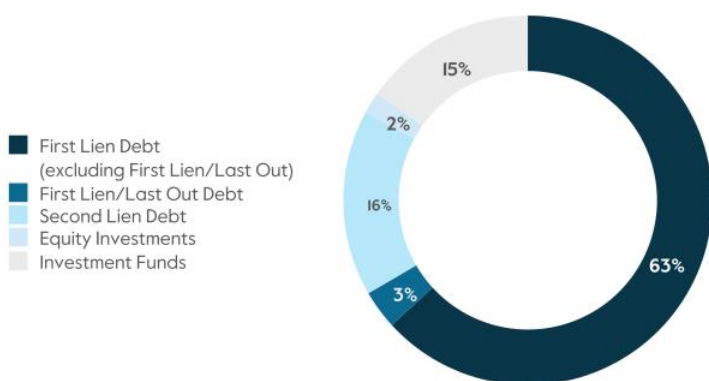
- Paid IQ21 regular dividend of \$0.32 plus a supplemental dividend of \$0.05 per share resulting in a LTM dividend yield of 9.4% based on quarter-end NAV
 - Declared 2Q21 regular dividend of \$0.32 plus a supplemental dividend of \$0.05 per share
 - Share repurchases in IQ21 totaled 0.5 million shares for \$5.6 million, contributing \$0.03 per share of accretion to net asset value
 - IQ21 net financial leverage of 1.04x, essentially flat to 4Q20 and at the lower end of the 1.0x-1.4x target range
-
- 

Portfolio Highlights

Total Investments and Commitments (\$mm)	\$1,991
Unfunded Commitments ⁽¹⁾ (\$mm)	\$149
Total Investments at Fair Value (\$mm)	\$1,842
Yield of Debt Investments at Cost ⁽²⁾ (%)	7.63%
Yield of Debt Investments at Fair Value ⁽²⁾ (%)	7.99%
Number of Investments	164
Number of Portfolio Companies	119
Floating / Fixed ⁽³⁾ (%)	99.1% / 0.9%



KEY STATISTICS ASSET MIX DIVERSIFICATION BY BORROWER INDUSTRY



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 present above. Weighted average yields for TCG BDC do not include TCG BDC's investment in Credit Fund or Credit Fund II. (3) % of fair value of first and second lien debt.

Financial Performance Summary

(Dollar amounts in thousands, except per share data)

	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021
Key Metrics per Common Share					
Net Investment Income ⁽¹⁾	\$ 0.42	\$ 0.38	\$ 0.36	\$ 0.38	\$ 0.38
Net Realized & Unrealized Gains (Losses)	(2.57)	0.61	0.22	0.28	0.28
Net Income (Loss)	(2.15)	0.99	0.58	0.66	0.66
Dividends Paid	0.37	0.37	0.37	0.36	0.36
Impact of Share Repurchases	0.14	—	—	0.08	0.08
Net Asset Value	\$ 14.18	\$ 14.80	\$ 15.01	\$ 15.39	\$ 15.50
Common Shares Outstanding (in thousands)					
Weighted Average Shares Outstanding for the Period	59,588	56,309	56,309	55,961	55,961
Shares Outstanding at End of Period	56,309	56,309	56,309	55,320	54,800
Portfolio Highlights					
Total Investments at Fair Value	\$2,024,277	\$1,907,555	\$1,948,173	\$1,825,749	\$1,841,000
Number of Portfolio Companies	110	111	114	117	117
Average Size of Investment in Portfolio Company (Notional) ⁽²⁾	\$20,337	\$18,380	\$18,380	\$16,200	\$16,200
Weighted Average all-in Yield on Debt Investments at Amortized Cost ⁽³⁾	7.74%	7.34%	7.44%	7.57%	7.57%
Weighted Average all-in Yield on Debt Investments at Fair Value ⁽³⁾	8.56%	7.90%	7.94%	8.01%	8.01%
Financial Position (at Quarter End)					
Net Assets	\$798,534	\$883,304	\$895,222	\$901,363	\$910,000
Debt	1,262,960	1,035,799	1,074,806	983,923	945,000
Net Financial Leverage ⁽⁴⁾	1.58x	1.17x	1.20x	1.06x	1.06x
Statutory Debt To Equity ⁽⁵⁾	1.58x	1.31x	1.33x	1.21x	1.21x

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. (1) Net of the preferred dividend. (2) Excludes equity investments. (3) Weighted average yields 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 at period end. (4) Reflects cumulative convertible preferred securities as equity. (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

(Dollar amounts in thousands and based on par/principal)

	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q
Originations and Net Investment Activity					
Investment Fundings	\$ 328,119	\$ 63,080	\$ 60,826	\$ 256,675	\$ 1!
Unfunded Commitments, Net Change	(45,902)	13,630	7,706	24,184	
Sales and Repayments	(288,190)	(264,200)	(36,441)	(400,016) ⁽³⁾	(14
Net Investment Activity	\$ (5,973)	\$ (187,490)	\$ 32,091	\$ (119,157)	\$

Originations by Asset Type⁽¹⁾

First Lien Debt (excluding First Lien/Last Out Debt)	43.9%	65.4%	99.4%	76.8%	
First Lien/Last Out Debt	—%	33.2%	—%	5.6%	
Second Lien Debt	50.0%	0.6%	—%	17.2%	
Equity Investments	6.1%	0.8%	0.6%	0.5%	

Total Investment Portfolio at Fair Value⁽²⁾

First Lien Debt (excluding First Lien/Last Out Debt)	73.0%	69.0%	69.0%	63.6%	
First Lien/Last Out Debt	2.8%	4.1%	4.0%	3.4%	
Second Lien Debt	13.6%	14.6%	14.8%	15.6%	
Equity Investments	1.5%	1.7%	1.7%	1.9%	
Investment Funds	9.2%	10.6%	10.5%	15.5%	

Please refer to the Company's Form 10-Q for the quarter ended March 31, 2021 ("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. (3) Includes sales of \$247 million to Credit Fund II at its formation.

Quarterly Operating Results Detail

(Dollar amounts in thousands)

	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2019
Investment Income					
Interest income	\$ 41,009	\$ 35,026	\$ 33,114	\$ 32,242	\$ 29,114
Payment-In-Kind interest income	643	1,202	1,810	1,821	2,110
Income from Credit Funds	6,549	5,500	5,750	6,478	7,110
Other income	2,344	3,547	2,110	2,973	1,110
Total investment income	\$ 50,545	\$ 45,275	\$ 42,784	\$ 43,514	\$ 40,544
Expenses					
Management fees ⁽¹⁾	\$ 7,386	\$ 7,065	\$ 7,134	\$ 7,063	\$ 6,110
Incentive fees ⁽²⁾	5,086	4,667	4,322	4,480	4,110
Interest expense and credit facility fees	12,769	10,231	8,019	8,562	7,110
Other expenses	1,280	1,520	1,688	1,466	1,110
Excise tax expense	52	100	387	34	110
Net expenses	\$ 26,573	\$ 23,583	\$ 21,550	\$ 21,605	\$ 20,650
Net investment income	\$ 23,972	\$ 21,692	\$ 21,234	\$ 21,909	\$ 20,000
Net realized and change in unrealized gains (losses)	(145,072)	34,466	12,374	16,254	15,110
Net income (loss)	\$ (121,100)	\$ 56,158	\$ 33,608	\$ 38,163	\$ 35,110

(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 capital. 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 I of the Company's Form IO-Q for additional details.

Quarterly Balance Sheet Detail

(Dollar amounts in thousands, except per share data)

	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q4 2019
Assets					
Investments—non-controlled/non-affiliated, at fair value	\$ 1,826,422	\$ 1,692,073	\$ 1,737,044	\$ 1,509,271	\$ 1,520,000
Investments—non-controlled/affiliated, at fair value	—	—	—	26,180	26,180
Investments—controlled/affiliated, at fair value	197,855	215,482	211,129	290,298	280,000
Total investments, at fair value	2,024,277	1,907,555	1,948,173	1,825,749	1,826,180
Cash and cash equivalents	65,525	29,916	37,088	68,419	30,000
Receivable for investment sold/repaid	15,655	53	74	4,313	—
Deferred financing costs	4,026	3,749	3,651	3,633	—
Interest Receivable from non-controlled/non-affiliated Investments	10,406	10,873	12,791	12,634	1,000
Interest Receivable from non-controlled/affiliated Investments	—	—	—	569	—
Interest and Dividend Receivable from controlled/affiliated Investments	6,350	5,589	5,754	6,480	—
Prepaid expenses and other assets	587	899	856	816	—
Total assets	\$ 2,126,826	\$ 1,958,634	\$ 2,008,387	\$ 1,922,613	\$ 1,900,000
Liabilities & Net Assets					
Secured borrowings	\$ 701,609	\$ 474,386	\$ 513,332	\$ 347,949	\$ 300,000
2015-I Notes payable, net of unamortized debt issuance costs	446,351	446,413	446,474	446,536	446,413
Senior Notes, net of unamortized debt issuance costs	115,000	115,000	115,000	189,438	189,438
Payable for investments purchased	24,345	61	—	809	1,000
Interest and credit facility fees payable	6,100	4,532	3,405	2,439	—
Dividend payable	20,824	21,379	20,830	19,892	20,824
Base management and incentive fees payable	12,333	11,572	11,473	11,549	11,549
Administrative service fees payable	98	129	85	85	—
Other accrued expenses and liabilities	1,632	1,858	2,566	2,553	—
Total liabilities	\$ 1,328,292	\$ 1,075,330	\$ 1,113,165	\$ 1,021,250	\$ 990,000
Net assets	\$ 798,534	\$ 883,304	\$ 895,222	\$ 901,363	\$ 910,000
Total liabilities & net assets	\$ 2,126,826	\$ 1,958,634	\$ 2,008,387	\$ 1,922,613	\$ 1,900,000
Net Asset Value Per Common Share	\$14.18	\$14.80	\$15.01	\$15.39	\$15.00

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

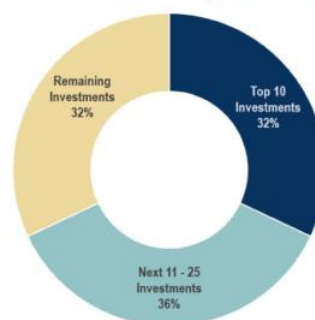
Investment Funds Update (15% of TCG BDC Portfolio)

Key Statistics - Credit Fund

Total Investments and Commitments (\$mm)	\$1,061
Unfunded Commitments (\$mm)	\$77
Total Investments at Fair Value (\$mm)	\$983
Yield of Debt Investments (%) ⁽¹⁾	6.1%
Number of Investments	55
First Lien Exposure (%) ⁽²⁾	97%
Floating / Fixed (%) ⁽³⁾	97.3% / 2.7%
Dividend Yield to TCG BDC	9%

Portfolio Composition - Credit Fund

Diversification by Borrower



Industry

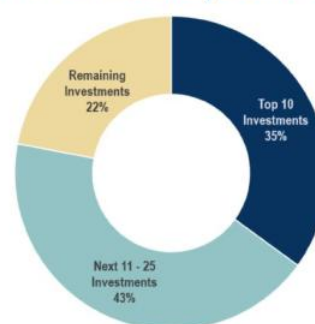


Key Statistics - Credit Fund II

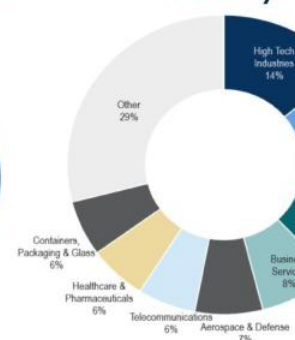
Total Investments and Commitments (\$mm)	\$248
Unfunded Commitments (\$mm)	\$0
Total Investments at Fair Value (\$mm)	\$248
Yield of Debt Investments (%) ⁽¹⁾	7.3%
Number of Investments	42
First Lien Exposure (%) ⁽²⁾	91%
Floating / Fixed (%) ⁽³⁾	99.1% / 0.9%
Dividend Yield to TCG BDC	13%

Portfolio Composition - Credit Fund II

Diversification by Borrower



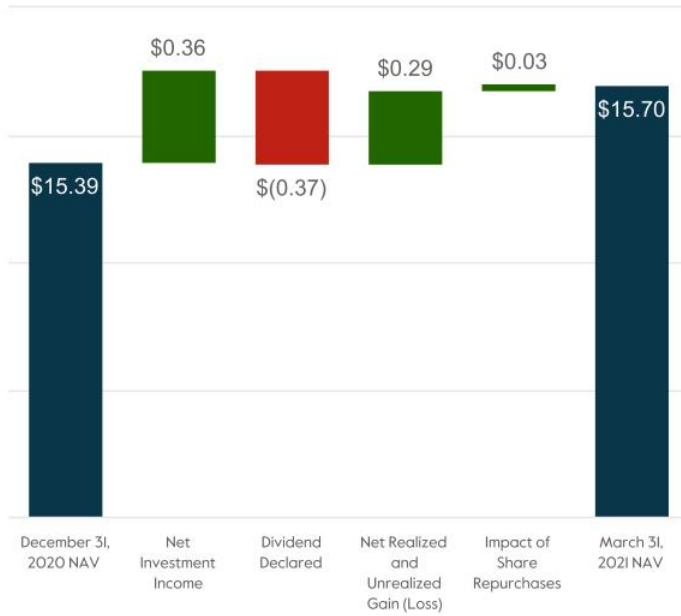
Industry



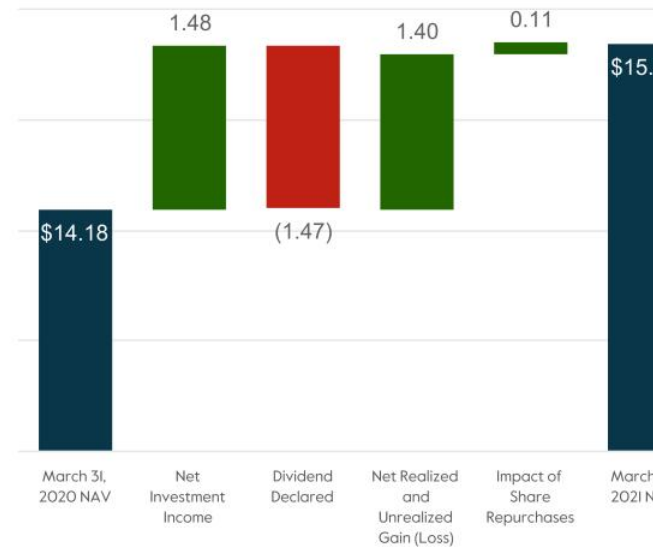
⁽¹⁾ Weighted average yields at cost of the debt investments include the effect of accretion of discounts and amortization of premiums and are based on interest rates as of period end. Actual yields earned over the life of each investment could differ materially from the yields presented above. ⁽²⁾ First lien, excluding loans categorized as first lien last out, as a % of fair value. ⁽³⁾ % of fair value of first and second lien debt.

Net Asset Value Per Share Bridge

Q1 2021



LTM Q1 2021



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.

Risk Rating Distribution

- As of March 31, 2021, 4 borrowers were on non-accrual status, representing 3.3% of total investments at fair value and 5.4% at amortized cost.

Portfolio Risk Ratings						
Internal Risk Rating	September 30, 2020		December 31, 2020		March 31, 2021	
	Fair Value	% of Fair Value	Fair Value	% of Fair Value	Fair Value	% of Fair Value
1	\$ 38.8	2.3%	\$ 19.1	1.3%	\$ 19.1	
2	1,201.4	70.2%	1,047.5	69.4%	1,097.9	70.2%
3	380.8	22.3%	361.1	23.9%	324.9	22.3%
4	48.9	2.9%	48.1	3.2%	49.6	3.3%
5	40.9	2.4%	32.8	2.2%	34.5	2.4%
Total	\$ 1,710.8	100.0%	\$ 1,508.6	100.0%	\$ 1,526.0	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.

Funding and Capital Management Overview

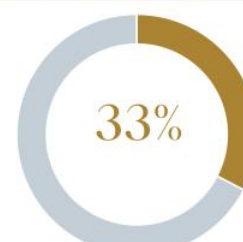
Overview of Financing Facilities ⁽¹⁾

	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% ⁽³⁾
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 2019-2 Notes ⁽⁹⁾	\$256 million	4/15/2029	3.39% ⁽³⁾
Credit Fund Warehouse II Facility ⁽⁵⁾	\$150 million	3 years (2 years revolving); maturity date 8/16/2022	L+1.15%
Credit Fund II Sub Facility ⁽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 \$9.49

(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) Maximum principal amount of the facility and is subject to availability, which is based on certain advance rates multiplied by the portfolio investments of the Company or Credit Fund (subject to concentration limitations) and may be net of certain other indebtedness. (3) Weighted average interest rate on the 2015-IR Notes and 2019-2 Notes. (4) Carlyle Direct Credit Fund II SPV, LLC (the "Credit Fund") is a wholly-owned subsidiary of Credit Fund and is consolidated in the consolidated financial statements. (5) MMCF Warehouse II, LLC, is a wholly-owned and consolidated subsidiary of Credit Fund. Borrowings will bear interest at a rate beginning August 2021. (6) Middle Market Credit Fund II SPV, LLC (the "Credit Fund II Sub") is a wholly-owned and consolidated subsidiary of Credit Fund. Pricing varies by class under the terms of the facility agreement. (7) Middle Market Credit Fund II SPV, LLC (the "Credit Fund II Sub") is a wholly-owned and consolidated subsidiary of Credit Fund. (8) 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. (9) MMCF CLO 2019 is a wholly-owned and consolidated subsidiary of Credit Fund.

