

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): February 23, 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 February 23, 2021, TCG BDC, Inc. (the “Company”) issued a press release announcing its fourth quarter 2020 financial results and a detailed earnings presentation. Copies of the 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 February 23, 2021, the Company issued a press release, included herewith as Exhibit 99.1, announcing its fourth quarter 2020 financial results and the declaration of a first quarter 2021 regular dividend of \$0.32 per share, plus a supplemental dividend of \$0.05 per share, payable on April 16, 2021 to stockholders of record as of March 31, 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	Earnings press release of TCG BDC, Inc., dated February 23, 2021.
99.2	Earnings presentation of TCG BDC, Inc., dated February 23, 2021.

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: February 23, 2021

By:

/s/ Thomas M. Hennigan

Name: Thomas M. Hennigan
Title: Chief Financial Officer

TCG | BDC

CARLYLE GLOBAL CREDIT

For Immediate Release
February 23, 2021

TCG BDC, Inc. Announces Fourth Quarter 2020 Financial Results and Declares First Quarter 2021 Regular Dividend of \$0.32 Per Common Share and Supplemental Dividend of \$0.05 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 fourth quarter ended December 31, 2020.

Linda Pace, TCG BDC's Chief Executive Officer said, "New deal activity in the 4th quarter was robust, as M&A demand accelerated post-Labor Day. Continuing strong portfolio performance, paired with our proactive balance sheet management actions in 2020, positioned us well to participate actively in this attractive originations environment. We enter 2021 with confidence in our ability to deliver sustainable yield and continued positive credit migration as the cycle progresses."

Selected Financial Highlights

(dollar amounts in thousands, except per share data)

	December 31, 2020	September 30, 2020
Total investments, at fair value	\$ 1,825,749	\$ 1,948,173
Total assets	1,922,613	2,008,387
Total debt	983,923	1,074,806
Total net assets	\$ 901,363	\$ 895,222
Net assets per common share	\$ 15.39	15.01
	For the three month periods ended	
	December 31, 2020	September 30, 2020
Total investment income	\$ 43,514	\$ 42,784
Net investment income (loss)	\$ 21,909	\$ 21,234
Net realized gain (loss) and net change in unrealized appreciation (depreciation) on investments and non-investment assets and liabilities	\$ 16,254	\$ 12,374
Net increase (decrease) in net assets resulting from operations	\$ 38,163	\$ 33,608
Per weighted-average common share—Basic:		
Net investment income (loss), net of preferred dividend	\$ 0.38	\$ 0.36
Net realized gain (loss) and net change in unrealized appreciation (depreciation) on investments and non-investment assets and liabilities	\$ 0.28	\$ 0.22
Net increase (decrease) in net assets resulting from operations attributable to common stockholders	\$ 0.66	\$ 0.58
Weighted-average shares of common stock outstanding—Basic	55,961,413	56,308,616
Regular dividends declared per common share	\$ 0.32	\$ 0.32
Supplemental dividends declared per common share	\$ 0.04	\$ 0.05

Fourth Quarter 2020 Highlights

(dollar amounts in thousands, except per share data)

- Net investment income for the three month period ended December 31, 2020 was \$21,044, or \$0.38 per common share, net of the preferred dividend, as compared to \$21,234, or \$0.36 per common share, net of the preferred dividend, for the three month period ended September 30, 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 December 31, 2020 was \$16,254, or \$0.28 per share, as compared to \$12,374, or \$0.22 per share, for the three month period ended September 30, 2020;
- Net increase (decrease) in net assets resulting from operations for the three month period ended December 31, 2020 was \$38,163, or \$0.66 per share, as compared to \$33,608, or \$0.58 per common share, for the three month period ended September 30, 2020;
- On December 8, 2020, the Company issued \$75,000 in aggregate principal amount of 4.500% Senior Unsecured Notes due December 31, 2024;
- During the three month period ended December 31, 2020, the Company repurchased and extinguished 1.0 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 \$10.85 per share, or \$11.3 million in the aggregate, resulting in accretion to net assets per share of \$0.08; and
- On February 22, 2021, the Board of Directors declared a regular quarterly dividend of \$0.32 plus a supplemental dividend of \$0.05, which is payable on April 16, 2021 to stockholders of record on March 31, 2021.

Portfolio and Investment Activity

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

As of December 31, 2020, the fair value of our investments was approximately \$1,825,749, comprised of 160 investments in 117 portfolio companies/investment funds across 27 industries with 63 sponsors. This compares to the Company's portfolio as of September 30, 2020, as of which date the fair value of our investments was approximately \$1,948,173, comprised of 146 investments in 114 portfolio companies/investment funds across 28 industries with 63 sponsors.

As of December 31, 2020 and September 30, 2020, investments consisted of the following:

Type—% of Fair Value	December 31, 2020		September 30, 2020	
	Fair Value	% of Fair Value	Fair Value	% of Fair Value
First Lien Debt (excluding First Lien/Last Out Debt)	\$ 1,161,881	63.63 %	\$ 1,344,575	69.01 %
First Lien/Last Out Debt	62,182	3.41	78,616	4.04
Second Lien Debt	284,523	15.58	287,659	14.77
Equity Investments	33,877	1.86	32,987	1.69
Investment Funds	283,286	15.52	204,336	10.49
Total	\$ 1,825,749	100.00 %	\$ 1,948,173	100.00 %

The following table shows our investment activity for the three month period ended December 31, 2020:

Principal amount of investments:	Funded		Sold/Repaid	
	Amount	% of Total	Amount	% of Total
First Lien Debt (excluding First Lien/Last Out Debt)	\$ 137,122	53.42 %	\$ (333,349)	83.34 %
First Lien/Last Out Debt	9,945	3.88	(26,414)	6.60
Second Lien Debt	30,629	11.93	(38,971)	9.74
Equity Investments	857	0.33	(1,282)	0.32
Investment Funds	78,122	30.44	—	—
Total	\$ 256,675	100.00 %	\$ (400,016)	100.00 %

Overall, total investments at fair value decreased by 6.3%, or \$122,424, during the three month period ended December 31, 2020 after factoring in repayments and sales, net fundings on revolvers and delayed draws and net change in unrealized appreciation (depreciation).

As of December 31, 2020, the weighted average yields for our first and second lien debt investments on an amortized cost basis were 7.21% and 9.15%, respectively, with a total weighted average yield of 8.12%. Weighted average yields include the effect of accretion of discounts and amortization of premiums and are based on interest rates as of December 31, 2020. As of December 31, 2020, 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.

Total investments at fair value held by Middle Market Credit Fund, LLC ("Credit Fund"), which is not consolidated with the Company, decreased by 18.2%, or \$235,031, during the three month period ended December 31, 2020 after factoring in

repayments, sales, net fundings on revolvers and delayed draws and net change in unrealized appreciation (depreciation). As of December 31, 2020, Credit Fund had total investments at fair value of \$1,056,381, which comprised 97.5% of first lien senior secured loans, 2.3% of second lien senior secured loans at fair value, 0.2% of equity investments at fair value. As of December 31, 2020, on a fair value basis, approximately 2.3% of Credit Fund's debt investments bear interest at a fixed rate and approximately 97.7% of Credit Fund's debt investments bear interest at a floating rate, which primarily are subject to interest rate floors.

Middle Market Credit Fund II, LLC ("Credit Fund II") was formed on November 3, 2020 as a joint venture with Cliffwater Direct Lending Fund and is not consolidated with the Company. Credit Fund II's initial portfolio of \$250 million in aggregate principal balance was contributed by the Company. As of December 31, 2020, Credit Fund II had total investments at fair value of \$246,421, which comprised 90.1% of first lien senior secured loans and 9.9% of second lien senior secured loans at fair value. As of December 31, 2020, 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":

Internal Risk Ratings Definitions

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.

Our Investment Adviser's risk rating model is based on evaluating portfolio company performance in comparison to the base case when considering certain credit metrics including, but not limited to, adjusted EBITDA and net senior leverage as well as specific events including, but not limited to, default and impairment.

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 December 31, 2020 and September 30, 2020:

	December 31, 2020		September 30, 2020	
	Fair Value	% of Fair Value	Fair Value	% of Fair Value
(dollar amounts in millions)				
Internal Risk Rating 1	\$ 19.1	1.27 %	\$ 38.8	2.27 %
Internal Risk Rating 2	1,047.5	69.44	1,201.4	70.22
Internal Risk Rating 3	361.1	23.93	380.8	22.26
Internal Risk Rating 4	48.1	3.19	48.9	2.86
Internal Risk Rating 5	32.8	2.17	40.9	2.39
Total	\$ 1,508.6	100.00 %	\$ 1,710.8	100.00 %

As of December 31, 2020 and September 30, 2020, the weighted average Internal Risk Rating of our debt investment portfolio was 2.4 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 December 31, 2020 and September 30, 2020 was \$43,514 and \$42,784, respectively. This \$730 net increase was primarily due to an increase in income recognized from OID accretion from prepayments, higher fee income, and an increase in total dividends from the credit funds. This was partially offset by lower interest income from a lower weighted average principal, which was primarily due to the contribution of assets to Credit Fund II.

Total expenses for the three month periods ended December 31, 2020 and September 30, 2020 were \$21,605 and \$21,550, respectively, a net increase of \$55.

During the three month period ended December 31, 2020, the Company recorded a net realized and unrealized depreciation gain of \$16,254. This was primarily driven by continued tightening of market yields resulting in increases in fair value, as well as the successful exit of our investment in Hydrofarm at par.

Liquidity and Capital Resources

(dollar amounts in thousands, except per share data)

As of December 31, 2020, the Company had cash and cash equivalents of \$68,419, notes payable and senior unsecured notes (before debt issuance costs) of \$449,200 and \$190,000, respectively, and secured borrowings outstanding of \$347,949. As of December 31, 2020, the Company had \$340,051 of remaining unfunded commitments and \$207,365 available for additional borrowings under its revolving credit facility, subject to leverage and borrowing base restrictions. During the three months ended December 31, 2020, the Company repaid all amounts outstanding under the revolving credit facility of its wholly owned subsidiary, and the facility was terminated.

Dividend

On February 22, 2021, the Board of Directors declared a regular quarterly dividend of \$0.32 plus a supplemental dividend of \$0.05, which is payable on April 16, 2021 to stockholders of record on March 31, 2021.

On December 31, 2020, the Company declared and paid a dividend on the Preferred Stock for the period from October 1, 2020 to December 31, 2020 in the amount of \$0.438 per Preferred Share to the holder of record on December 31, 2020.

Conference Call

The Company will host a conference call at 11:00 a.m. EST on Wednesday, February 24, 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)

	December 31, 2020 (unaudited)	September 30, 2020 (unaudited)
ASSETS		
Investments, at fair value		
Investments—non-controlled/non-affiliated, at fair value (amortized cost of \$1,574,182 and \$1,840,796, respectively)	\$ 1,509,271	\$ 1,737,044
Investments—non-controlled/affiliated, at fair value (amortized cost of \$37,571 and \$0, respectively)	26,180	—
Investments—controlled/affiliated, at fair value (amortized cost of \$311,213 and \$233,131, respectively)	290,298	211,129
Total investments, at fair value (amortized cost of \$1,922,966 and \$2,073,927, respectively)	1,825,749	1,948,173
Cash and cash equivalents	68,419	37,088
Receivable for investment sold	4,313	74
Deferred financing costs	3,633	3,651
Interest receivable from non-controlled/non-affiliated investments	12,634	12,791
Interest receivable from non-controlled/affiliated investments	569	—
Interest and dividend receivable from controlled/affiliated investments	6,480	5,754
Prepaid expenses and other assets	816	856
Total assets	\$ 1,922,613	\$ 2,008,387
LIABILITIES		
Secured borrowings	\$ 347,949	\$ 513,332
2015-1R Notes, net of unamortized debt issuance costs of \$2,664 and \$2,726, respectively	446,536	446,474
Senior Notes, net of unamortized debt issuance costs of \$562 and \$0, respectively	189,438	115,000
Payable for investments purchased	809	—
Interest and credit facility fees payable	2,439	3,405
Dividend payable	19,892	20,830
Base management and incentive fees payable	11,549	11,473
Administrative service fees payable	85	85
Other accrued expenses and liabilities	2,553	2,566
Total liabilities	1,021,250	1,113,165
NET ASSETS		
Cumulative convertible preferred stock, \$0.01 par value; 2,000,000 and 2,000,000 shares issued and outstanding as of December 31, 2020 and September 30, 2020, respectively	50,000	50,000
Common stock, \$0.01 par value; 198,000,000 shares authorized; 55,320,309 and 56,308,616 shares issued and outstanding at December 31, 2020 and September 30, 2020, respectively	553	563
Paid-in capital in excess of par value	1,081,436	1,093,250
Offering costs	(1,633)	(1,633)
Total distributable earnings (loss)	(228,993)	(246,958)
Total net assets	\$ 901,363	\$ 895,222
NET ASSETS PER COMMON SHARE	<u>\$ 15.39</u>	<u>\$ 15.01</u>

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

	For the three months ended	
	December 31, 2020	September 30, 2020
Investment income:		
From non-controlled/non-affiliated investments:		
Interest income	\$ 34,001	\$ 34,789
Other income	2,973	2,110
Total investment income from non-controlled/non-affiliated investments	36,974	36,899
From non-controlled/affiliated investments:		
Interest income	14	—
Total investment income from non-controlled/affiliated investments	14	—
From controlled/affiliated investments:		
Interest income	48	135
Dividend income	6,478	5,750
Total investment income from controlled/affiliated investments	6,526	5,885
Total investment income	43,514	42,784
Expenses:		
Base management fees	7,063	7,134
Incentive fees	4,480	4,322
Professional fees	800	937
Administrative service fees	140	167
Interest expense	6,907	7,291
Credit facility fees	1,655	728
Directors' fees and expenses	95	86
Other general and administrative	431	498
Total expenses	21,571	21,163
Net investment income (loss) before taxes	21,943	21,621
Excise tax expense	34	387
Net investment income (loss)	21,909	21,234
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	(8,783)	(209)
Currency gains (losses) on non-investment assets and liabilities	23	(11)
Net change in unrealized appreciation (depreciation) on investments:		
Non-controlled/non-affiliated	28,425	12,906
Non-controlled/affiliated	(900)	—
Controlled/affiliated	1,086	2,134
Net change in unrealized currency gains (losses) on non-investment assets and liabilities	(3,597)	(2,446)
Net realized and unrealized gain (loss) on investments and non-investment assets and liabilities	16,254	12,374
Net increase (decrease) in net assets resulting from operations	38,163	33,608
Preferred stock dividend	865	856
Net increase (decrease) in net assets resulting from operations attributable to Common Stockholders	\$ 37,298	\$ 32,752
Basic and diluted earnings per common share:		
Basic	\$ 0.66	\$ 0.58
Diluted	\$ 0.62	\$ 0.55
Weighted-average shares of common stock outstanding:		
Basic	55,961,413	56,308,616
Diluted	61,224,570	61,571,773

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 December 31, 2020, TCG BDC has invested approximately \$6.3 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, including the impact of COVID-19 on the business. 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:**

L. Allison Rudary
+1-212-813-4756
allison.rudary@carlyle.com

Media:

Brittany Berliner
+1-212-813-4839
Brittany.berliner@carlyle.com

CARLYLE

TCG BDC, Inc.
Quarterly Earnings Presentation

DECEMBER 31, 2020

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 February 24, 2021 and the Company's Annual Report on Form 10-K for the year ended December 31, 2020. The information contained herein should 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, including the impact of COVID-19 on the business. We identify these statements by the use of forward-looking terminology such as "anticipates," "believes," "expects," "intends," "will," "should," "may," "plans," "contemplates," "believes," "seeks," "estimates," "would," "could," "targets," "projects," "outlook," "potential," "predicts" and variations of these words and similar expressions to describe 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 and 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 subject to change 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 focused BDC externally managed by The Carlyle Group⁽¹⁾
- Current market capitalization of \$664 million⁽²⁾ (NASDAQ listed; ticker: CGBD)
- Track record of consistent dividend delivery to shareholders – LTM dividend yield of 9.6% quarter-end net asset value ("NAV")

INVESTMENT STRATEGY

- Directly originate private credit investments with a focus on U.S. private equity firms
- Maintain appropriately diversified, defensively oriented portfolio of primarily secured debt instruments
- Utilize Carlyle's extensive platform resources to generate differentiated results for BDC 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 \$56bn of AUM, has a 20-year track record of successful credit 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 represent 25% 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 December 31, 2020 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 February 22, 2021. (3) LTM average of approximately 70% of fair value, and excludes loans categorized as first lien last out.

Q4 2020 Quarterly Results

Fourth Quarter Results

- Net investment income per common share was \$0.38 per common share, net of preferred dividend, again comfortably covering the regular dividend of \$0.32
- Continued improvement in credit performance with net realized/unrealized gain of \$6.3 million, or \$0.28 per share
- NAV per common share increased 2.5% to \$15.39 at 4Q20 from \$15.00 at 3Q20
- Total non-accruals decreased to 3.2% of total investments at fair value

Portfolio & Investment Activity

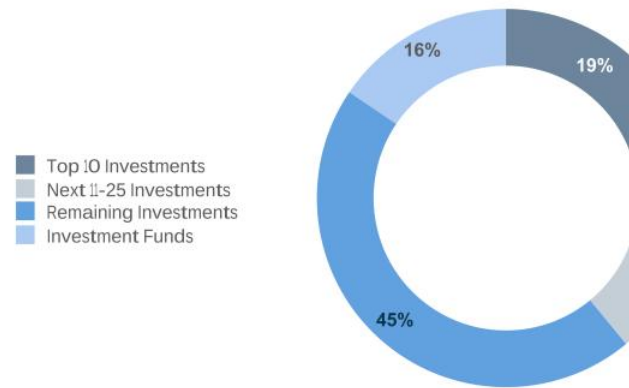
- Total investments at fair value was \$1.8 billion at 4Q20, compared to \$1.9 billion at 3Q20
- Robust fourth quarter investment origination of \$257 million with a yield of 9.6%. M&A demand rebounded from the depths of the crisis
- Closed on Middle Market Credit Fund II, LLC ("Credit Fund II") and contributed \$100 million in senior secured debt principal from TCG BDC in exchange for 84% stake

Dividend & Capital Activity

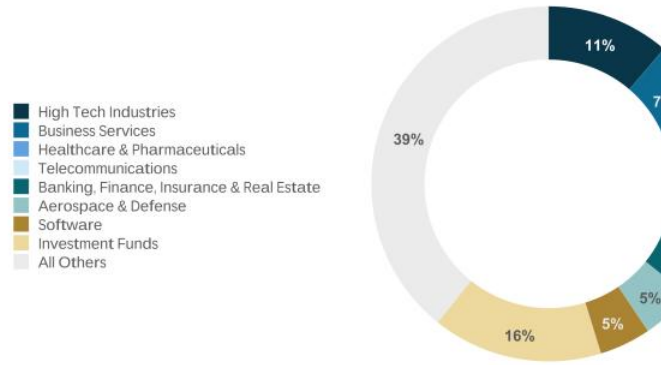
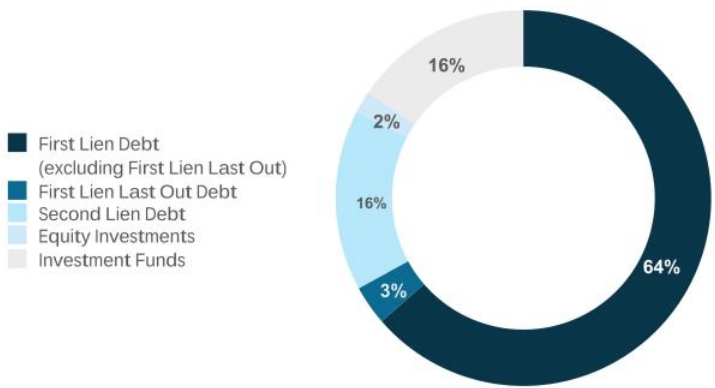
- Declared 1Q21 regular dividend of \$0.32 plus a supplemental dividend of \$0.04 per share
- Paid 4Q20 regular dividend of \$0.32 plus a supplemental dividend of \$0.04 per share resulting in a LTM dividend yield of 9.6% based on quarter-end NAV
- Resumed share repurchases with an additional 1.0 million shares for \$1.3 million, contributing \$0.08 per share in NAV accretion
- Closed a private offering of \$75 million in aggregate principal amount of 4.50% unsecured notes due December 31, 2024, further strengthening our balance sheet

Portfolio Highlights

Total Investments and Commitments (\$mm)	\$1,975
Unfunded Commitments ⁽¹⁾ (\$mm)	\$150
Investments at Fair Value (\$mm)	\$1,826
Yield of Debt Investments at Cost ⁽²⁾ (%)	8.12%
Yield of Debt Investments at Fair Value ⁽²⁾ (%)	8.59%
Number of Investments	160
Number of Portfolio Companies	117
Floating / Fixed ⁽³⁾ (%)	99.1% / 0.9%



KEY STATISTICS **ASSET MIX** **DIVERSIFICATION BY BORROWER** **INDUSTRY**



⁽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 disc 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 TCG BDC do not include TCG 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)

	Q4 2019	Q1 2020	Q2 2020	Q3 2020	
Net Asset Value per Common Share					
Net Investment Income ⁽¹⁾	\$0.43	\$0.42	\$0.38	\$0.36	
Net Realized & Unrealized Appreciation (Depreciation)	0.02	(2.57)	0.61	0.22	
Net Income (Loss)	0.46	(2.15)	0.99	0.58	
Dividends Paid	0.55	0.37	0.37	0.37	
Impact of Share Repurchases	0.06	0.14	—	—	
Net Asset Value	\$16.56	\$14.18	\$14.80	\$15.01	
Common Shares Outstanding (in thousands)					
Weighted Average Shares Outstanding for the Period	58,785	59,588	56,309	56,309	
Shares Outstanding at End of Period	57,764	56,309	56,309	56,309	
Portfolio Highlights					
Total Fair Value of Investments	\$2,123,964	\$2,024,277	\$1,907,555	\$1,948,173	\$
Number of Portfolio Companies	112	110	111	114	
Average Size of Investment in Portfolio Company (Notional) ⁽²⁾	\$19,848	\$20,337	\$18,380	\$18,380	
Weighted Average all-in Yield on Investments at Amortized Cost ⁽³⁾	8.22%	7.74%	7.34%	7.44%	
Weighted Average all-in Yield on Investments at Fair Value ⁽³⁾	8.50%	8.56%	7.90%	7.94%	
Debt to Equity					
Net Assets	\$956,471	\$798,534	\$883,304	\$895,222	
Debt	\$1,177,832	\$1,262,960	\$1,035,799	\$1,074,806	
Net Financial Leverage at Quarter End ⁽⁴⁾			1.17x	1.20x	
Statutory Debt To Equity at Quarter End ⁽⁵⁾	1.23x	1.58x	1.31x	1.33x	

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 include the effect of accretion of discounts and amortization of premiums and are based on interest rates as of each respective period end. Actual over the life of each investment could differ materially from the yields presented above. (4) Net of excess cash held at period end and reflects cumulative convertible preferred securities as equity. (5) Reflects cumulative convertible preferred 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)

	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020
TCG BDC Originations and Net Investment Activity					
Investment Fundings	\$ 289,763	\$ 328,119	\$ 63,080	\$ 60,826	\$ 256,000
Unfunded Commitments, Net Change	(23,963)	(45,902)	13,630	7,706	(24,000)
Sales and Repayments	(319,882)	(288,190)	(264,200)	(36,441)	(400,000)
Net Investment Activity	\$ (54,082)	\$ (5,973)	\$ (187,490)	\$ 32,091	\$ (167,000)

TCG BDC Originations by Asset Type ⁽¹⁾

	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020
First Lien Debt (excluding First Lien, Last Out Debt)	87.8%	43.9%	65.4%	99.4%	71.0%
First Lien, Last Out Debt	3.5%	—%	33.2%	—%	—%
Second Lien Debt	7.9%	50.0%	0.6%	—%	1.0%
Equity Investments	0.8%	6.1%	0.8%	0.6%	—%

TCG BDC Total Investment Portfolio at Fair Value ⁽²⁾

	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020
First Lien Debt (excluding First Lien, Last Out Debt)	74.6%	73.0%	69.0%	69.0%	66.0%
First Lien, Last Out Debt	3.7%	2.8%	4.1%	4.0%	—%
Second Lien Debt	11.0%	13.6%	14.6%	14.8%	1.0%
Equity Investments	1.0%	1.5%	1.7%	1.7%	—%
Investment Funds	9.6%	9.2%	10.6%	10.5%	—%

Please refer to the Company's Form IO-K for the year ended December 31, 2020 ("Form IO-K") for more information. No assurance is given that the Company will continue to achieve comparable results.
⁽¹⁾ Excludes activity related to the Investment Funds. ⁽²⁾ At quarter end.

Quarterly Operating Results Detail

(Dollar amounts in thousands)

	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020
Investment Income					
Interest Income	\$44,248	\$41,009	\$35,026	\$33,114	\$33,114
Payment-In-Kind Interest Income	910	643	1,202	1,810	1,810
Income From Credit Funds	7,028	6,549	5,500	5,750	5,750
Other Income	1,279	2,344	3,547	2,110	2,110
Total Investment Income	\$53,465	\$50,545	\$45,275	\$42,784	\$42,784

(Dollar amounts in thousands)

	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020
Expenses					
Management Fees ⁽¹⁾	7,702	7,386	7,065	7,134	7,134
Incentive Fees ⁽²⁾	5,383	5,086	4,667	4,322	4,322
Interest Expense & Credit Facility Fees	13,321	12,769	10,231	8,019	8,019
Other Expenses	1,447	1,280	1,520	1,688	1,688
Excise Tax Expense	235	52	100	387	387
Net Expenses	28,088	26,573	23,583	21,550	21,550
Net Investment Income	25,377	23,972	21,692	21,234	21,234
Net Realized and Change in Unrealized Gains (Losses)	1,459	(145,072)	34,466	12,374	12,374
Net Income (Loss)	\$26,836	\$(121,100)	\$56,158	\$33,608	\$33,608

(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 1, 2017, 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, a 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 gross assets as of 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 II, Item 8 of the Company's Form 10-K for additional details.

Quarterly Balance Sheet Detail

(Dollar amounts in thousands, except per share data)

	Q4 2019	Q1 2020	Q2 2020	Q3 2020	
Assets					
Investments—non-controlled/non-affiliated, at fair value	\$1,897,057	\$1,826,422	\$1,692,073	\$1,737,044	\$1
Investments—non-controlled/affiliated, at fair value	—	—	—	—	
Investments—controlled/affiliated, at fair value	226,907	197,855	215,482	211,129	
Total investments, at fair value	2,123,964	2,024,277	1,907,555	1,948,173	1
Cash and cash equivalents	36,751	65,525	29,916	37,088	
Receivable for investment sold	6,162	15,655	53	74	
Deferred financing costs	4,032	4,026	3,749	3,651	
Interest Receivable from Non-Controlled/Non-Affiliated Investments	9,462	10,406	10,873	12,791	
Interest Receivable from Non-Controlled/Affiliated Investments	—	—	—	—	
Interest and Dividend Receivable from Controlled/Affiliated Investments	6,845	6,350	5,589	5,754	
Prepaid expenses and other assets	317	587	899	856	
Total assets	\$2,187,533	\$2,126,826	\$1,958,634	\$2,008,387	\$1,
Liabilities & Net Assets					
Payable for investments purchased	\$—	\$24,345	\$61	\$—	
Secured borrowings	616,543	701,609	474,386	513,332	
2015-1 Notes payable, net of unamortized debt issuance costs	446,289	446,351	446,413	446,474	
Senior Notes, net of unamortized debt issuance costs	115,000	115,000	115,000	115,000	
Interest and credit facility fees payable	6,764	6,100	4,532	3,405	
Dividend payable	31,760	20,824	21,379	20,830	
Base management and incentive fees payable	13,236	12,333	11,572	11,473	
Administrative service fees payable	77	98	129	85	
Other accrued expenses and liabilities	1,393	1,632	1,858	2,566	
Total liabilities	1,231,062	1,328,292	1,075,330	1,113,165	1
Net assets	956,471	798,534	883,304	895,222	
Total liabilities & net assets	\$2,187,533	\$2,126,826	\$1,958,634	\$2,008,387	\$1,
Net Asset Value Per Common Share	\$16.56	\$14.18	\$14.80	\$15.01	

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

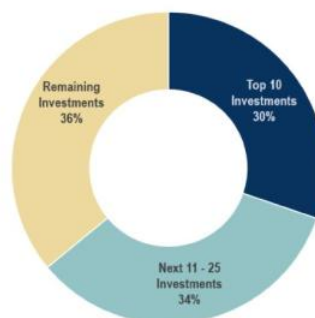
Investment Funds Update (16% of TCG BDC Portfolio)

Credit Fund Key Statistics - Credit Fund

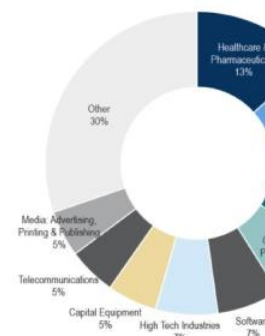
Total Investments and Commitments (\$mm)	\$1,138
Unfunded Commitments (\$mm)	\$81
Investments at Fair Value (\$mm)	\$1,056
Yield of Debt Investments (%) ⁽¹⁾	6.0%
Number of Investments	58
First Lien Exposure (%) ⁽²⁾	97%
Floating / Fixed (%) ⁽³⁾	97.7% / 2.3%
Dividend Yield to TCG BDC	9%

Portfolio Composition - Credit Fund

Diversification by Borrower



Industry

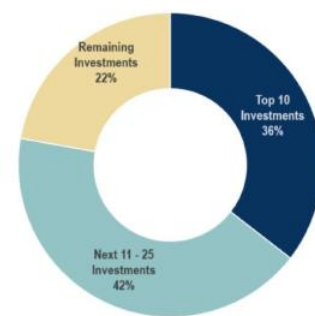


Credit Fund Key Statistics - Credit Fund II

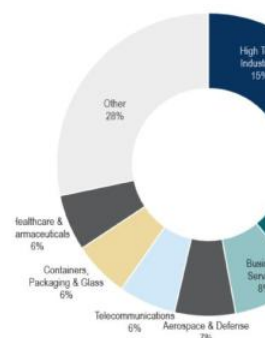
Total Investments and Commitments (\$mm)	\$246
Unfunded Commitments (\$mm)	\$0
Investments at Fair Value (\$mm)	\$246
Yield of Debt Investments (%) ⁽¹⁾	7.3%
Number of Investments	44
First Lien Exposure (%) ⁽²⁾	90%
Floating / Fixed (%) ⁽³⁾	99.1% / 0.9%
Dividend Yield to TCG BDC	12%

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

Fourth Quarter 2020



Full Year 2020



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 December 31, 2020, 4 borrowers were on non-accrual status, representing 3.2% of total investments at fair value and 5.5% at amortized cost

Portfolio Risk Ratings

(Dollar amounts in millions)

Internal Risk Rating	June 30, 2020		September 30, 2020		December 31, 2020	
	Fair Value	% of Fair Value	Fair Value	% of Fair Value	Fair Value	% of Fair Value
1	\$37.3	2.2%	\$38.8	2.3%	\$19.1	1.2%
2	1,145.7	68.5%	1,201.4	70.2%	1,047.5	68.1%
3	412.4	24.7%	380.8	22.3%	361.1	23.5%
4	36.8	2.2%	48.9	2.9%	48.1	3.1%
5	41.3	2.5%	40.9	2.4%	32.8	2.1%
Total	\$1,673.5	100.0%	\$1,710.8	100.0%	\$1,508.6	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 on 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

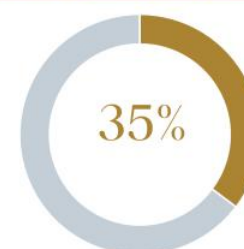
Overview of Financing Facilities ⁽¹⁾

	Size	Original Tenor / Maturity Date	Pricing
Credit Facility ⁽²⁾	\$688 million	5 years (4 year revolving); maturity date 10/28/25	L+225 bps / 37.5 bps unused fee
2015-IR Notes ^{(2) (4)}	\$449 million	10/15/2031	237 bps ⁽³⁾
2019 Senior Unsecured Notes	\$115 million	12/31/2024	475 bps Fixed
2020 Senior Unsecured Notes	\$75 million	12/31/2024	450 bps Fixed
Credit Fund Sub Facility ⁽²⁾	\$640 million	6 years (3 years revolving); maturity date 5/22/2024	L+225 bps / 50-75 bps unused fee
Credit Fund 2019-2 Notes ⁽⁵⁾	\$256 million outstanding (\$352 million at closing)	4/15/2029	294 bps ⁽³⁾
Credit Fund Warehouse II Facility ⁽⁵⁾	\$150 million	3 years (2 years revolving); maturity date 8/16/2022	L+115 bps
Credit Fund II Sub Facility ⁽⁶⁾	\$158 million	11/3/2030	L+273 bps ⁽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 beginning 11/5/20 at the Liquidation Preference divided by \$9.50

(1) Refer to Notes 7 and 8 to the consolidated financial statements Part II, Item 8 of the Company's Form 10-K for additional details. (2) represents maximum principal amount of the facility and is subject to certain portfolio investments of the Company or Credit Fund (certain concentration limitations) and may be net of certain other amounts 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") is a wholly-owned subsidiary of Credit Fund and is consolidated in the consolidated financial statements. (3) Weighted average interest rate of debt issuance costs on the 2015-IR Notes and 2020 Senior Unsecured Notes, respectively, for the quarter ended December 31, 2020. (4) Carlyle 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 subsidiary of Credit Fund. (6) Middle Market Credit Fund II (the "Credit Fund II Sub") is a wholly-owned and consolidated subsidiary of Credit Fund. (7) Pricing varies by class under the terms of the facility. Refer to Note 10 to the consolidated financial statements included in Part II, Item 8 of the Company's Form 10-K for additional details.

Stock and Dividend Information

CGBD

Ticker

\$664 Million

Market Cap ⁽²⁾

Nasdaq

Exchange

\$1.8 billion

Current Portfolio Size

160

Unique Investments

64%

1st Lien Debt ⁽³⁾

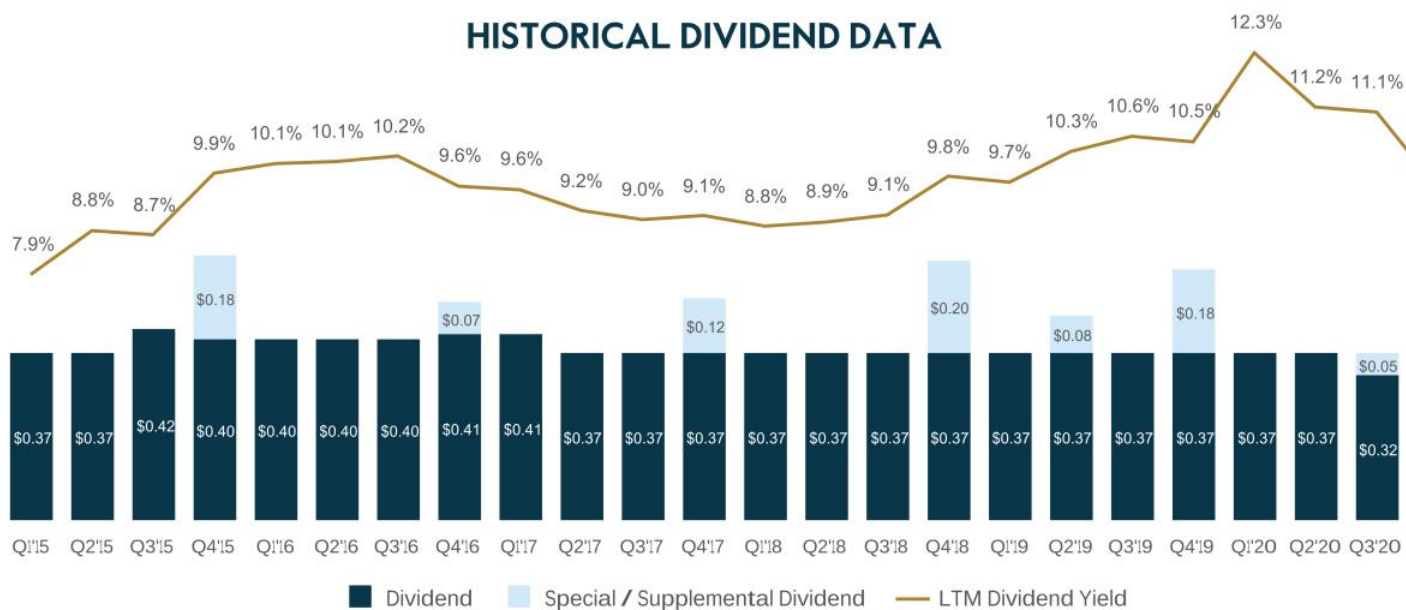
9.6%

LTM Dividend Yield

\$96 Millio

Inception-to-dat Share Repurchas

HISTORICAL DIVIDEND DATA



Note: Historical dividend data for dividends declared prior to the period shown are available on the Company's website at tcgbd.com. There can be no assurance that the Company will continue to achieve comparable results.
 (1) Last-twelve-month ("LTM") dividend yield is calculated by dividing the sum of the declared dividends for the most recent four quarters by the ending net asset value. (2) As of February 22, 2021. (3) Based on fair value, and excludes loans categorized as first lien last out.

