

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): November 4, 2020

**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.)

520 Madison Avenue, 40th Floor  
New York, New York  
(Address of Principal Executive Offices)

10022  
(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 November 4, 2020, TCG BDC, Inc. (the “Company”) issued a summary press release and a detailed earnings presentation announcing its third quarter 2020 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 November 4, 2020, the Company issued a press release, included herewith as Exhibit 99.1, announcing the declaration of a fourth quarter 2020 regular common dividend of \$0.32 per share plus a special common dividend of \$0.04 per share, which are payable on January 15, 2021 to stockholders of record as of December 31, 2020.

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	<a href="#">Summary earnings press release of TCG BDC, Inc., dated November 4, 2020.</a>
99.2	<a href="#">Earnings presentation of TCG BDC, Inc., dated November 4, 2020.</a>

**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: November 4, 2020

By:

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



For Immediate Release  
November 4, 2020

**TCG BDC, Inc. Announces Third Quarter 2020 Financial Results and Declares Fourth Quarter 2020 Regular Dividend of \$0.32 Per Common Share and Special 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 third quarter ended September 30, 2020.

Linda Pace, TCG BDC's Chief Executive Officer said, "Our portfolio continued to perform well with no new non-accruals during the third quarter and we are delivering on our goal to provide attractive income generation for our shareholders. Our loan book and our balance sheet are both well positioned for us to successfully navigate a highly uncertain macroeconomic landscape in the year ahead."

**Selected Financial Highlights**

(dollar amounts in thousands, except per share data)

	September 30, 2020		June 30, 2020	
Total investments, at fair value	\$	1,948,173	\$	1,907,555
Total assets		2,008,387		1,958,634
Total debt		1,074,806		1,035,799
Total net assets	\$	895,222	\$	883,304
Net assets per common share	\$	15.01	\$	14.80
		<b>For the three month periods ended</b>		
		<b>September 30, 2020</b>	<b>June 30, 2020</b>	
Total investment income	\$	42,784	\$	45,275
Net investment income (loss)		21,234		21,692
Net realized gain (loss) and net change in unrealized appreciation (depreciation) on investments and non-investment assets and liabilities		12,374		34,466
Net increase (decrease) in net assets resulting from operations	\$	33,608	\$	56,158
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		0.22		0.61
Net increase (decrease) in net assets resulting from operations attributable to common stockholders	\$	0.58	\$	0.99
Weighted-average shares of common stock outstanding—Basic		56,308,616		56,308,616
Regular dividends declared per common share	\$	0.32	\$	0.37
Special dividends declared per common share	\$	0.05	\$	—

### Third Quarter 2020 Highlights

(dollar amounts in thousands, except per share data)

- Net investment income for the three month period ended September 30, 2020 was \$21,234, or \$0.38 per share, (\$20,378, or \$0.36 per common share, net of the preferred dividend) as compared to \$21,692, or \$0.39 per share (\$21,138, or \$0.38 per common share, net of the preferred dividend), for the three month period ended June 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 September 30, 2020 was \$12,374, or \$0.22 per share, as compared to \$34,466, or \$0.61 per share, for the three month period ended June 30, 2020;
- Net increase (decrease) in net assets resulting from operations for the three month period ended September 30, 2020 was \$33,608, or \$0.58 per common share, as compared to \$56,158, or \$0.99 per share, for the three month period ended June 30, 2020; and
- On November 2, 2020, the Board of Directors declared a regular quarterly common dividend of \$0.32 plus a special dividend of \$0.04, which are payable on January 15, 2021 to common stockholders of record on December 31, 2020.

### Portfolio and Investment Activity

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

As of September 30, 2020, the fair value of our investments was approximately \$1,948,173, comprised of 146 investments in 114 portfolio companies/investment fund across 28 industries with 63 sponsors. This compares to the Company's portfolio as of June 30, 2020, as of which date the fair value of our investments was approximately \$1,907,555, comprised of 142 investments in 111 portfolio companies/investment fund across 28 industries with 63 sponsors.

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

Type—% of Fair Value	September 30, 2020		June 30, 2020	
	Fair Value	% of Fair Value	Fair Value	% of Fair Value
First Lien Debt (excluding First Lien/Last Out)	\$ 1,344,575	69.01 %	\$ 1,316,786	69.03 %
First Lien/Last Out	78,616	4.04	78,127	4.10
Second Lien Debt	287,659	14.77	278,623	14.61
Equity Investments	32,987	1.69	31,756	1.66
Investment Fund	204,336	10.49	202,263	10.60
<b>Total</b>	<b>\$ 1,948,173</b>	<b>100.00 %</b>	<b>\$ 1,907,555</b>	<b>100.00 %</b>

The following table shows our investment activity for the three month period ended September 30, 2020:

Principal amount of investments:	Funded		Sold/Repaid	
	Amount	% of Total	Amount	% of Total
First Lien Debt (excluding First Lien/Last Out)	\$ 60,468	99.41 %	\$ (36,191)	99.31 %
First Lien/Last Out	—	—	(246)	0.68
Second Lien Debt	—	—	(4)	0.01
Equity Investments	358	0.59	—	—
Investment Fund	—	—	—	—
<b>Total</b>	<b>\$ 60,826</b>	<b>100.00 %</b>	<b>\$ (36,441)</b>	<b>100.00 %</b>

Overall, total investments at fair value increased by 2.1%, or \$40,618, during the three month period ended September 30, 2020 after factoring in repayments, sales, net fundings on revolving and delayed draws and net change in unrealized appreciation (depreciation).

As of September 30, 2020, the weighted average yields for our first and second lien debt investments on an amortized cost basis were 7.08% and 9.23%, respectively, with a total weighted average yield of 7.44%. Weighted average yields include the effect of accretion of discounts and amortization of premiums and are based on interest rates as of September 30, 2020. As of September 30, 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, increased by 2.7%, or \$33,412, during the three month period ended September 30, 2020 after factoring in repayments, sales, net fundings on revolvers and delayed draws and net change in unrealized appreciation (depreciation). As of September 30, 2020, Credit Fund had total investments at fair value of \$1,291,412, which comprised 97.7% of first lien senior secured loans and 1.8% of second lien senior secured loans at fair value. As of September 30, 2020, approximately 1.7% of Credit Fund’s debt investments bear interest at a fixed rate and approximately 98.3% of investments in the portfolio were floating rate debt investments, 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**

<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 September 30, 2020 and June 30, 2020:

	<u>September 30, 2020</u>		<u>June 30, 2020</u>	
	<u>Fair Value</u>	<u>% of Fair Value</u>	<u>Fair Value</u>	<u>% of Fair Value</u>
(dollar amounts in millions)				
Internal Risk Rating 1	\$ 38.8	2.27 %	\$ 37.3	2.23 %
Internal Risk Rating 2	1,201.4	70.22	1,145.7	68.46
Internal Risk Rating 3	380.8	22.26	412.4	24.65
Internal Risk Rating 4	48.9	2.86	36.8	2.20
Internal Risk Rating 5	40.9	2.39	41.3	2.47
<b>Total</b>	<u>\$ 1,710.9</u>	<u>100.00 %</u>	<u>\$ 1,673.5</u>	<u>100.00 %</u>

As of September 30, 2020 and June 30, 2020, the weighted average Internal Risk Rating of our debt investment portfolio was 2.3 and 2.3, respectively.

**Consolidated Results of Operations**

(dollar amounts in thousands, except per share data)

Total investment income for the three month periods ended September 30, 2020 and June 30, 2020 was \$42,784 and \$45,275, respectively. This \$2,491 net decrease during the three month period ended September 30, 2020 was primarily due to a decrease in interest income from a lower investment balance during the third quarter, and lower income recognized from amendment activity.

Total expenses for the three month periods ended September 30, 2020 and June 30, 2020 were \$21,550 and \$23,583, respectively. This \$2,033 net decrease during the three month period ended September 30, 2020 was primarily attributable to a decrease in interest expense.

During the three month period ended September 30, 2020, the Company recorded a net realized and unrealized gain on investments of \$14,831, primarily driven by tightening market yields resulting in increases in fair value.

#### **Liquidity and Capital Resources**

(dollar amounts in thousands, except per share data)

As of September 30, 2020, the Company had cash and cash equivalents of \$37,088, secured notes payable (before debt issuance costs) of \$449,200, secured borrowings outstanding of \$513,332, senior unsecured notes of \$115,000, and convertible preferred equity of \$50,000. As of September 30, 2020, the Company had \$449,668 of remaining unfunded commitments and \$244,952 available for additional borrowings under its revolving credit facilities, subject to leverage and borrowing base restrictions.

#### **Dividends**

On November 2, 2020, the Board of Directors declared a regular quarterly common dividend of \$0.32 plus a special dividend of \$0.04, which are payable on January 15, 2021 to common stockholders of record on December 31, 2020.

On September 30, 2020, the Company declared and paid a cash dividend on the Preferred Stock for the period from July 1, 2020 through September 30, 2020 in the amount of \$0.423 per preferred share to the holder of record on September 30, 2020.

#### **Conference Call**

The Company will host a conference call at 11:00 a.m. EST on Thursday, November 5, 2020 to discuss these quarterly financial results. The call and webcast will be available on the TCG BDC website at [tcgbd.com](http://tcgbd.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)

	September 30, 2020 (unaudited)	June 30, 2020 (unaudited)
<b>ASSETS</b>		
Investments, at fair value		
Investments—non-controlled/non-affiliated, at fair value (amortized cost of \$1,840,796 and \$1,808,731, respectively)	\$ 1,737,044	\$ 1,692,073
Investments—controlled/affiliated, at fair value (amortized cost of \$233,131 and \$239,618, respectively)	211,129	215,482
Total investments, at fair value (amortized cost of \$2,073,927 and \$2,048,349, respectively)	1,948,173	1,907,555
Cash and cash equivalents	37,088	29,916
Receivable for investment sold	74	53
Deferred financing costs	3,651	3,749
Interest receivable from non-controlled/non-affiliated investments	12,791	10,873
Interest and dividend receivable from controlled/affiliated investments	5,754	5,589
Prepaid expenses and other assets	856	899
Total assets	\$ 2,008,387	\$ 1,958,634
<b>LIABILITIES</b>		
Secured borrowings	\$ 513,332	\$ 474,386
2015-1 Notes payable, net of unamortized debt issuance costs of \$2,726 and \$2,788, respectively	446,474	446,413
Senior Notes	115,000	115,000
Payable for investments purchased	—	61
Interest and credit facility fees payable	3,405	4,532
Dividend payable	20,830	21,379
Base management and incentive fees payable	11,473	11,572
Administrative service fees payable	85	129
Other accrued expenses and liabilities	2,566	1,858
Total liabilities	1,113,165	1,075,330
<b>NET ASSETS</b>		
Cumulative convertible preferred stock, \$0.01 par value; 2,000,000 shares authorized; 2,000,000 shares issued and outstanding as of September 30, 2020 and June 30, 2020	50,000	50,000
Common stock, \$0.01 par value; 200,000,000 shares authorized; 56,308,616 shares issued and outstanding at September 30, 2020 and June 30, 2020	563	563
Paid-in capital in excess of par value	1,093,250	1,093,250
Offering costs	(1,633)	(1,633)
Total distributable earnings (loss)	(246,958)	(258,876)
Total net assets	\$ 895,222	\$ 833,304
<b>NET ASSETS PER COMMON SHARE</b>	\$ 15.01	\$ 14.80



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

	For the three month periods ended	
	September 30, 2020	June 30, 2020
<b>Investment income:</b>		
From non-controlled/non-affiliated investments:		
Interest income	\$ 34,789	\$ 36,036
Other income	2,110	3,547
<b>Total investment income from non-controlled/non-affiliated investments</b>	<b>36,899</b>	<b>39,583</b>
From controlled/affiliated investments:		
Interest income	135	192
Dividend income	5,750	5,500
<b>Total investment income from controlled/affiliated investments</b>	<b>5,885</b>	<b>5,692</b>
<b>Total investment income</b>	<b>42,784</b>	<b>45,275</b>
<b>Expenses:</b>		
Base management fees	7,134	7,065
Incentive fees	4,322	4,667
Professional fees	937	678
Administrative service fees	167	266
Interest expense	7,291	9,443
Credit facility fees	728	788
Directors' fees and expenses	86	121
Other general and administrative	498	455
<b>Total expenses</b>	<b>21,163</b>	<b>23,483</b>
<b>Net investment income (loss) before taxes</b>	<b>21,621</b>	<b>21,792</b>
Excise tax expense	387	100
<b>Net investment income (loss)</b>	<b>21,234</b>	<b>21,692</b>
<b>Net realized gain (loss) and net change in unrealized appreciation (depreciation) on investments and non-investment assets and liabilities:</b>		
Net realized gain (loss) from:		
Non-controlled/non-affiliated investments	(209)	(47,784)
Currency gains (losses) on non-investment assets and liabilities	(11)	635
Net change in unrealized appreciation (depreciation) on investments:		
Non-controlled/non-affiliated	12,906	64,082
Controlled/affiliated	2,134	18,174
Net change in unrealized currency gains (losses) on non-investment assets and liabilities	(2,446)	(641)
Net realized and unrealized gain (loss) on investments and non-investment assets and liabilities	12,374	34,466
Net increase (decrease) in net assets resulting from operations	33,608	56,158
Preferred stock dividend	856	554
Net increase (decrease) in net assets resulting from operations attributable to Common Stockholders	\$ 32,752	\$ 55,604
Basic and diluted earnings per common share:		
Basic	\$ 0.58	\$ 0.99
Diluted	\$ 0.55	\$ 0.94
Weighted-average shares of common stock outstanding:		
Basic	56,308,616	56,308,616
Diluted	61,571,773	59,547,482

## 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 September 30, 2020, TCG BDC has invested approximately \$6.0 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](http://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.

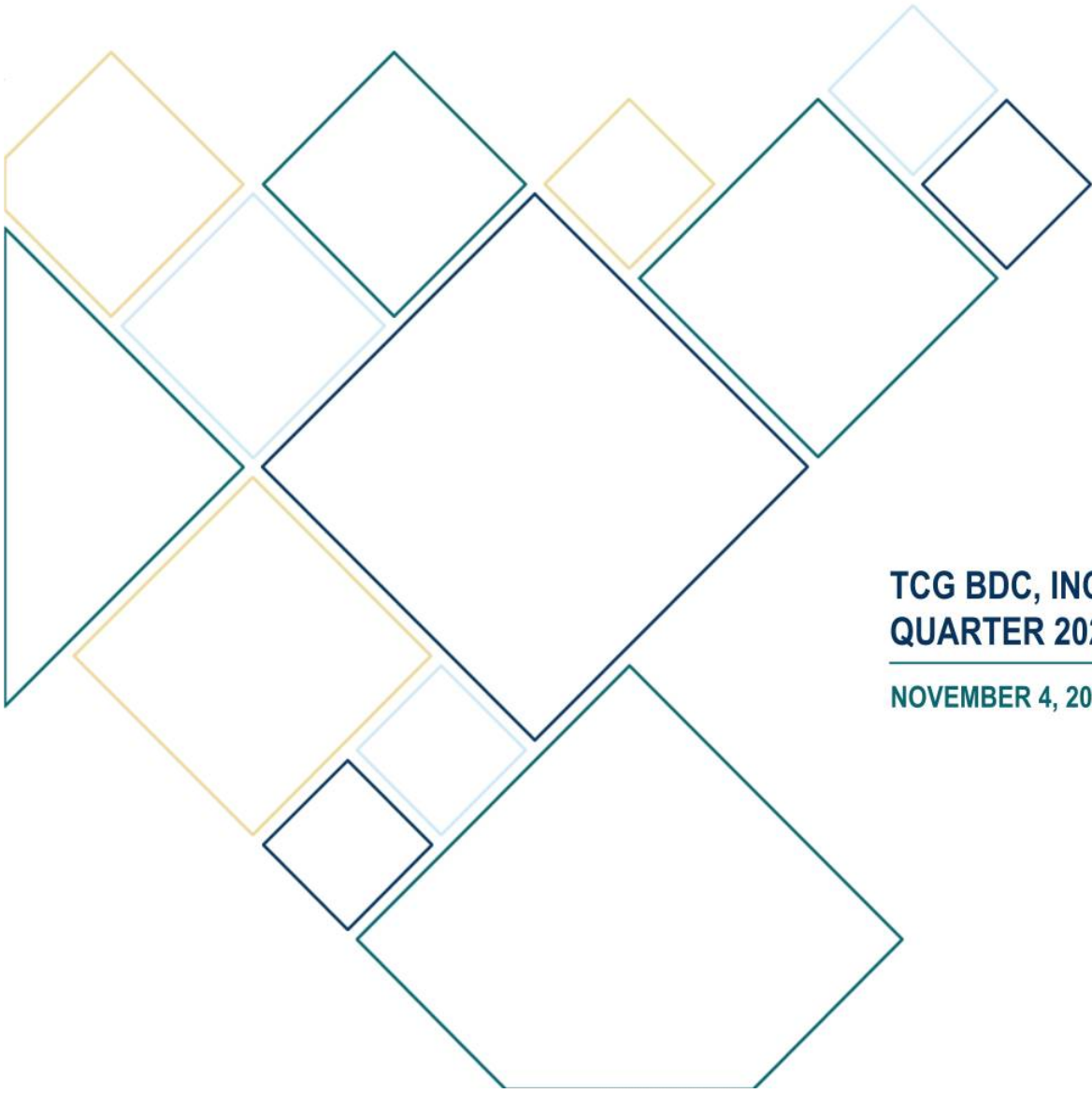
### Contacts:

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**TCG BDC, INC. REPORTS THIRD  
QUARTER 2020 FINANCIAL RESU**

NOVEMBER 4, 2020

EXHIBIT

**CARLYL**

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# Disclaimer and Forward-Looking Statements

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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 held on November 5, 2020 and the Company's Quarterly Report on Form 10-Q for the period ended September 30, 2020. The information contained 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 distribution 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 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. You identify these statements by the use of forward-looking terminology such as "anticipates," "believes," "expects," "intends," "will," "should," "may," "plans," "continues," "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 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 quantify. 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 section entitled "Risk Factors" and "Cautionary Statement Regarding Forward-Looking Statements" in filings we make with the Securities and Exchange Commission (the "SEC"), and it is not possible for us to predict or identify all of them. We undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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

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

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 information related to the past performance of the Company as indicative of the Company's future results, the achievement of which is dependent on many factors, many of which are beyond the control of the Company and the Investment Adviser and cannot be assured. There can be no assurances that future dividends will be paid or exceed historical rates or will be paid at all. Further, an investment in the Company is discrete from, and does not represent an interest in, any other Carlyle investment. 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 investment.

# TCG BDC Highlights

## TCG BDC Overview

- Middle-market lending focused BDC externally managed by Carlyle <sup>(1)</sup>
- Current market capitalization of \$478 million<sup>(2)</sup> (NASDAQ listed; ticker: CGBD)
- Track record of consistent dividend delivery to shareholders – LTM dividend yield on quarterly net asset value ("NAV") of 11.1%

## Investment Strategy

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

## Benefits of Carlyle

- Founded in 1987, Carlyle is a leading global investment firm with \$230bn of AUM
- Carlyle's Global Credit segment, with \$53bn of AUM, has a 20-year track record of successful 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 20% and exposure, respectively
- Heavy portfolio tilt to 1st lien loans: historically 70% of portfolio, of which, >90% contain a covenant<sup>(3)</sup>
- Approximately half the exposure of broader markets to cyclical industries

Source: The Carlyle Group Inc. As of September 30, 2020 unless otherwise stated.

(1) TCG BDC is externally managed by the Investment Adviser, which is a wholly-owned subsidiary of The Carlyle Group Inc. (2) As of November 3, 2020 (3) LTM average of approximately 70% of fair value, and excludes loans categorized as first lien last out.

# Stock and Dividend Information

**CGBD**

Ticker

**\$478 Million**

Market Cap <sup>(2)</sup>

**Nasdaq**

Exchange

**\$1.9 billion**

Current Portfolio Size

**146**

Unique Investments

**69%**

1<sup>st</sup> Lien Debt <sup>(3)</sup>

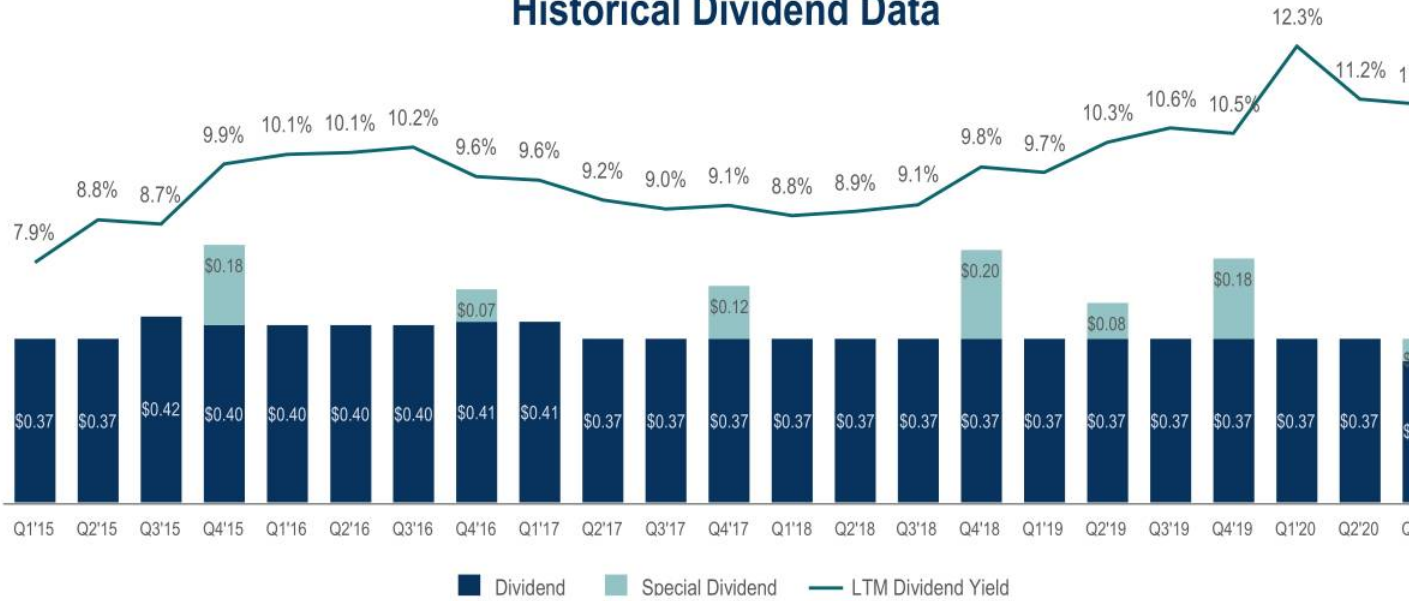
**11.1%**

LTM Dividend Yield

**\$86 Million**

Inception-to-date  
Share Repurchase.

## 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](http://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 November 3, 2020 (3) Based on fair value, and excludes loans categorized as first lien last out.

# Q3 2020 Quarterly Results

## 3<sup>rd</sup> Quarter Results

- Net investment income per common share, net of the preferred dividend, was \$0.36, comfortably covering the regular dividend of \$0.32
- There were no additional investments put on non-accrual status during the quarter, while 13-15 assets declined by approximately 2%
- Net realized and unrealized gains totaled \$12 million, or approximately \$0.22 per common share
- NAV per common share increased to \$15.01 (up 1.4% from \$14.80 last quarter), driven largely by underlying credit improvement and tightening yield benchmarks

## Portfolio & Investment Activity

- Total investments at fair value were flat compared to last quarter at \$1.9 billion
- New fundings totaled \$61 million with a yield of 8.78% and repayment/sale activity totaled \$50 million with a yield of 8.44%
- Borrower financial performance and liquidity continues to improve alongside the economic recovery, while the new deal environment is on a path to normalization
- On November 3, we formed Middle Market Credit Fund II, LLC, an 84% owned joint-venture with a leading institutional credit investor, further solidifying our balance sheet position

## Dividend & Capital Activity

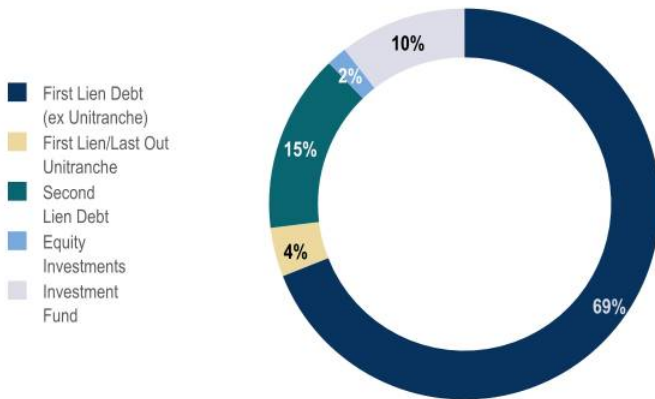
- Paid Q3 dividend at new regular level of \$0.32 per common share, plus a special \$0.05 dividend per common share, resulting in a LTM dividend yield of 11.1% based on quarter-end NAV
- Declared Q4 dividend of \$0.32 per common share, plus a special \$0.04 dividend per common share
- Closed successful amendment to the corporate revolver facility that extended the reinvestment period and final maturity by one year

# TCG BDC Portfolio Highlights

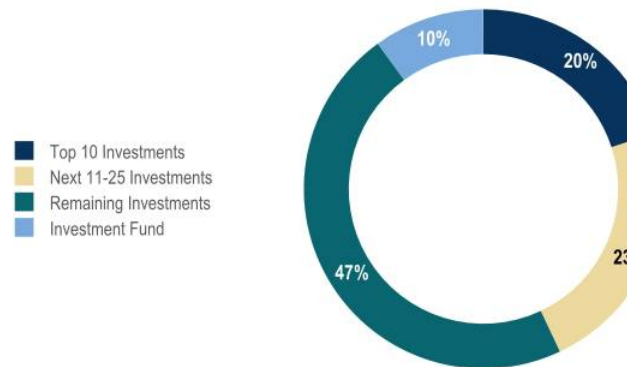
## Key Statistics <sup>(1)</sup>

Total Investments and Commitments (\$mm)	\$2,073
Unfunded Commitments <sup>(1)</sup> (\$mm)	\$125
Investments at Fair Value (\$mm)	\$1,948
Yield of Debt Investments at Cost <sup>(2)</sup> (%)	7.44%
Yield of Debt Investments at Fair Value <sup>(2)</sup> (%)	7.94%
Number of Investments	146
Number of Portfolio Companies	114
Floating / Fixed <sup>(3)</sup> (%)	99.1% / 0.9%

## Asset Mix



## Diversification by Borrower



## Diversification by Industry



<sup>(1)</sup> Excludes the Company's commitments to fund capital to Middle Market Credit Fund, LLC ("Credit Fund"), which is not consolidated with the Company. <sup>(2)</sup> Weighted average yields of the debt investments include the effect of accretion of discounts and amortization of premiums and are based on interest rates as of period end. Actual yields earned over the life of each investment could differ materially from the yields presented above. Weighted average yields for TCG BDC do not include TCG BDC's investment in Credit Fund. <sup>(3)</sup> % of fair value of first and second lien debt.



# Financial Performance Summary

<i>(Dollar amounts in thousands, except per share data)</i>	Q3 2019	Q4 2019	Q1 2020	Q2 2020	
<b>Net Asset Value Per Common Share</b>					
Net Investment Income Per Common Share <sup>(1)</sup>	\$0.45	\$0.43	\$0.42	\$0.38	
Net Realized & Unrealized Gain (Loss) Per Common Share	(0.60)	0.02	(2.57)	0.61	
Net Income (Loss) Per Common Share	(0.15)	0.46	(2.15)	0.99	
Dividends Paid Per Common Share	0.37	0.55	0.37	0.37	
Impact of Share Repurchases Per Common Share	0.04	0.06	0.14	—	
<b>Net Asset Value Per Common Share</b>	<b>\$16.58</b>	<b>\$16.56</b>	<b>\$14.18</b>	<b>\$14.80</b>	
<b>Common Shares Outstanding (in thousands)</b>					
Weighted Average Common Shares Outstanding for the Period	59,588	58,785	59,588	56,309	
Common Shares Outstanding at End of Period	59,013	57,764	56,309	56,309	
<b>Portfolio Highlights</b>					
Total Fair Value of Investments	\$2,126,688	\$2,123,964	\$2,024,277	\$1,907,555	\$
Number of Portfolio Companies	110	112	110	111	
Average Size of Investment in Portfolio Company (Notional) <sup>(2)</sup>	\$20,828	\$19,848	\$20,337	\$18,380	
Weighted Average all-in Yield on Investments at Amortized Cost <sup>(3)</sup>	8.88%	8.22%	7.74%	7.34%	
Weighted Average all-in Yield on Investments at Fair Value <sup>(3)</sup>	9.33%	8.50%	8.56%	7.90%	
<b>Debt to Equity</b>					
Net Assets	\$978,601	\$956,471	\$798,534	\$883,304	
Debt	\$1,202,739	\$1,177,832	\$1,262,960	\$1,035,799	\$
<b>Net Financial Leverage at Quarter End <sup>(4)</sup></b>				<b>1.17x</b>	
<b>Statutory Debt To Equity at Quarter End <sup>(5)</sup></b>	<b>1.23x</b>	<b>1.23x</b>	<b>1.58x</b>	<b>1.31x</b>	

*Note: The net asset value per common share and dividends declared per common 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 gain (loss) 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 yields earned over the life of each investment could differ materially from the yields presented above. (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)

	Q3 2019	Q4 2019	Q1 2020	Q2 2020	
<b>TCG BDC Originations and Net Investment Activity</b>					
Investment Fundings	\$ 237,004	\$ 289,763	\$ 328,119	\$ 63,080	\$
Unfunded Commitments, Net Change	719	(23,963)	(45,902)	13,630	
Sales and Repayments	(165,672)	(319,882)	(288,190)	(264,200)	
<b>Net Investment Activity</b>	<b>\$ 72,051</b>	<b>\$ (54,082)</b>	<b>\$ (5,973)</b>	<b>\$ (187,490)</b>	<b>\$</b>

<b>TCG BDC Originations by Asset Type</b>					
First Lien Debt	68.10%	87.80%	43.87%	65.43%	
First Lien, Last-out Debt	12.25%	3.50%	—%	33.17%	
Second Lien Debt	19.32%	7.92%	50.03%	0.58%	
Equity Investments	0.33%	0.78%	6.10%	0.82%	

<b>TCG BDC Total Investment Portfolio at Fair Value <sup>(1)</sup></b>					
First Lien Debt	68.05%	74.63%	73.02%	69.03%	
First Lien, Last-out Debt	10.04%	3.68%	2.79%	4.10%	
Second Lien Debt	10.92%	11.04%	13.59%	14.61%	
Equity Investments	1.44%	1.02%	1.45%	1.66%	
Investment Fund / Credit Fund	9.55%	9.63%	9.15%	10.60%	

Please refer to the Company's Form 10-Q for the period ended ended September 30, 2020 ("Form 10-Q") for more information. No assurance is given that the Company will continue to achieve comparable results.

(1) At quarter end.

# Quarterly Operating Results Detail

<i>(Dollar amounts in thousands)</i>	Q3 2019	Q4 2019	Q1 2020	Q2 2020
<b>Investment Income</b>				
Interest Income	\$45,168	\$44,248	\$41,009	\$35,026
Payment-In-Kind Interest Income	2,396	910	643	1,202
Income From Credit Fund	6,459	7,028	6,549	5,500
Other Income	1,756	1,279	2,344	3,547
<b>Total Investment Income</b>	<b>\$55,779</b>	<b>\$53,465</b>	<b>\$50,545</b>	<b>\$45,275</b>
<i>(Dollar amounts in thousands)</i>	Q3 2019	Q4 2019	Q1 2020	Q2 2020
<b>Expenses</b>				
Management Fees <sup>(1)</sup>	8,016	7,702	7,386	7,065
Incentive Fees <sup>(2)</sup>	5,710	5,383	5,086	4,667
Interest Expense & Credit Facility Fees	14,083	13,321	12,769	10,231
Other Expenses	1,166	1,447	1,280	1,520
Excise Tax Expense	49	235	52	100
<b>Net Expenses</b>	<b>29,024</b>	<b>28,088</b>	<b>26,573</b>	<b>23,583</b>
<b>Net Investment Income</b>	<b>26,755</b>	<b>25,377</b>	<b>23,972</b>	<b>21,692</b>
<b>Net Realized and Unrealized Gains (Losses)</b>	<b>(35,744)</b>	<b>1,459</b>	<b>(145,072)</b>	<b>34,466</b>
<b>Net Income (Loss)</b>	<b>\$(8,989)</b>	<b>\$26,836</b>	<b>\$(121,100)</b>	<b>\$56,158</b>

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

*(2) Effective October 1, 2017, the Investment Adviser agreed to charge 17.5% instead of 20% with respect to the entire calculation of the incentive fee.*

*Note: There can be no assurance that we will continue to earn income at this rate and our income may decline. If our income declines, we may reduce the dividend we pay and the yield you earn may decline. Refer to the consolidated financial statements included in Part I, Item 1 of the Company's Form 10-Q for additional details.*

# Quarterly Balance Sheet Detail

(Dollar amounts in thousands, except per share data)

	Q3 2019	Q4 2019	Q1 2020	Q2 2020
<b>Assets</b>				
Investments—non-controlled/non-affiliated, at fair value	\$1,893,216	\$1,897,057	\$1,826,422	\$1,692,073
Investments—non-controlled/affiliated, at fair value	6,607	—	—	—
Investments—controlled/affiliated, at fair value	226,865	226,907	197,855	215,482
Total investments, at fair value	2,126,688	2,123,964	2,024,277	1,907,555
Cash and cash equivalents	70,281	36,751	65,525	29,916
Receivable for investment sold	5,725	6,162	15,655	53
Deferred financing costs	4,687	4,032	4,026	3,749
Interest Receivable from Non-Controlled/Non-Affiliated/Affiliated Investments	11,561	9,462	10,406	10,873
Interest and Dividend Receivable from Controlled/Affiliated Investments	6,951	6,845	6,350	5,589
Prepaid expenses and other assets	97	317	587	899
<b>Total assets</b>	<b>\$2,225,990</b>	<b>\$2,187,533</b>	<b>\$2,126,826</b>	<b>\$1,958,634</b>
<b>Liabilities</b>				
Payable for investments purchased	\$11	\$—	\$24,345	\$61
Secured borrowings	756,511	616,543	701,609	474,386
2015-1 Notes payable, net of unamortized debt issuance costs	446,228	446,289	446,351	446,413
Senior Notes	—	115,000	115,000	115,000
Due to Investment Adviser	142	—	—	—
Interest and credit facility fees payable	7,680	6,764	6,100	4,532
Dividend payable	21,825	31,760	20,824	21,379
Base management and incentive fees payable	13,726	13,236	12,333	11,572
Administrative service fees payable	66	77	98	129
Other accrued expenses and liabilities	1,200	1,393	1,632	1,858
<b>Total liabilities</b>	<b>1,247,389</b>	<b>1,231,062</b>	<b>1,328,292</b>	<b>1,075,330</b>
<b>Net assets</b>	<b>978,601</b>	<b>956,471</b>	<b>798,534</b>	<b>883,304</b>
<b>Total liabilities &amp; net assets</b>	<b>\$2,225,990</b>	<b>\$2,187,533</b>	<b>\$2,126,826</b>	<b>\$1,958,634</b>
<b>Net Asset Value Per Common Share</b>	<b>\$16.58</b>	<b>\$16.56</b>	<b>\$14.18</b>	<b>\$14.80</b>

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

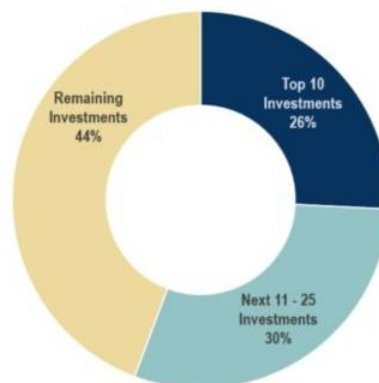
# Credit Fund Update (10% of TCG BDC Portfolio)

## Credit Fund Key Statistics

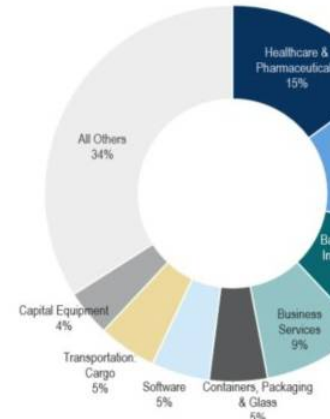
Total Investments and Commitments (\$mm)	\$1,376
Unfunded Commitments (\$mm)	\$85
Investments at Fair Value (\$mm)	\$1,291
Yield of Debt Investments (%) <sup>(1)</sup>	5.95%
Number of Investments	65
First Lien Exposure (%) <sup>(2)</sup>	96%
Floating / Fixed (%) <sup>(3)</sup>	98.3% / 1.7%
Dividend Yield to TCG BDC	11%

## Portfolio Composition

### Diversification by Borrower



### Diversification by Industry



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

Q3 2019      Q4 2019      Q1 2020      Q2 2020

### Credit Fund Originations and Net Investment Activity

	Q3 2019	Q4 2019	Q1 2020	Q2 2020
Investment Fundings	\$ 93,821	\$ 139,134	\$ 179,383	\$ 56,795
Unfunded Commitments, Net Change	1,429	11,101	(33,615)	(26,933)
Sales and Repayments	(154,969)	(165,292)	(141,762)	(39,584)
<b>Net Investment Activity</b>	<b>\$ (59,719)</b>	<b>\$ (15,057)</b>	<b>\$ 4,006</b>	<b>\$ (9,722)</b>

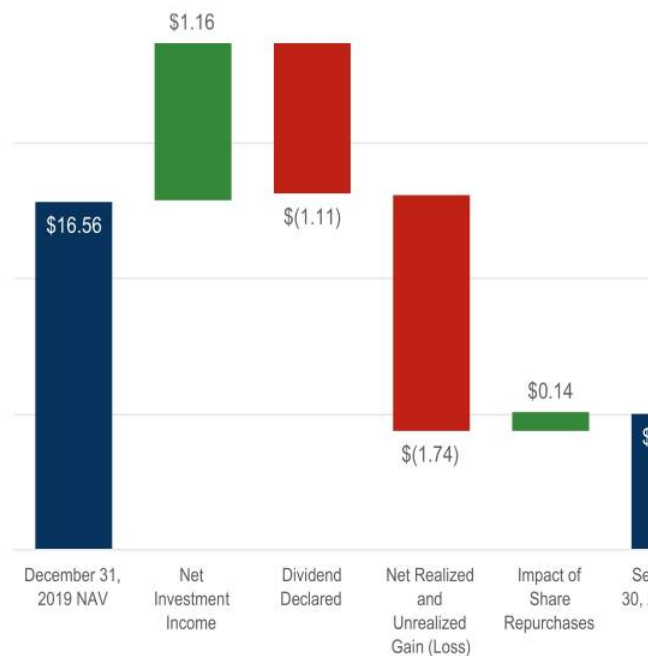
(1) Weighted average yields at cost of the debt investments include the effect of accretion of discounts and amortization of premiums and are based on interest rates as of period end. Actual yields earned over the life of each investment could differ materially from the yields presented above. (2) First 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 Common Share Bridge

## Third Quarter 2020



## YTD 3Q 2020



*Note: The net asset value per common share and dividends declared per common share are based on the common shares outstanding at each respective quarter-end. Net investment income per common share and net realized and unrealized gain (loss) per common share are based on the weighted average number of common shares outstanding for the period. Net investment income is also net of the preferred dividend.*

## Risk Rating Distribution

- As of September 30, 2020, 5 borrowers were on non-accrual status, representing 3.5% of total investments at fair value and 5.9% at amortized

Portfolio Risk Ratings				
<i>(Dollar amounts in millions)</i>				
Internal Risk Rating	June 30, 2020		September 30, 2020	
	Fair Value	% of Fair Value	Fair Value	% of Fair Value
1	\$37.3	2.23%	\$38.8	2.27%
2	1,145.7	68.46%	1,201.4	70.22%
3	412.4	24.65%	380.8	22.26%
4	36.8	2.20%	48.9	2.86%
5	41.3	2.47%	40.9	2.39%
<b>Total</b>	<b>\$1,673.5</b>	<b>100.00%</b>	<b>\$1,710.9</b>	<b>100.00%</b>

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 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 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 <sup>(1)</sup>

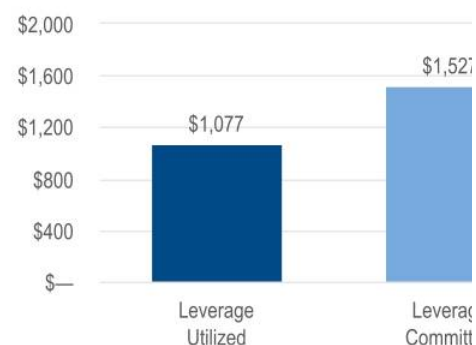
	Credit Facility <sup>(2)</sup>	SPV Credit Facility <sup>(2)</sup>	2015-1R Notes <sup>(2)(6)</sup>	Senior Unsecured Notes
Size	\$688 million	\$275 million	\$449 million	\$115 million
Original Tenor / Maturity Date	5 years (4 year revolving); maturity date 10/28/2025	5 years (3 years revolving); maturity date 5/23/2023	10/15/2031	12/31/2024
Pricing	L + 225 bps / 37.5 bps unused fee	L + 200bps / 50-75bps unused fee	238 bps <sup>(3)</sup>	475 bps Fixed
	Credit Fund Sub Facility <sup>(2)(3)</sup>	2017-1 Notes <sup>(4)</sup>	2019-2 Notes <sup>(5)</sup>	Credit Fund Warehouse II Facility <sup>(7)</sup>
Size	\$640 million	\$181 million outstanding	\$267 million outstanding	\$150 million
Original Tenor / Maturity Date	6 years (3 years revolving); maturity date 5/22/2024	1/15/2028	4/15/2029	3 years (2 years revolving); maturity date 8/16/2022
Pricing	L + 225 bps / 50-75 bps unused fee	274 bps <sup>(3)</sup>	293 bps <sup>(3)</sup>	L + 115 bps

## Cumulative Convertible Preferred Stock <sup>(8)</sup>

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 11/5/2020 at the Liquidation Preference divided by \$9.50

<sup>(1)</sup> Refer to Notes 6 and 7 to the consolidated financial statements included in Part I, Item 1 of the Company's Form 10-Q for additional details regarding the financing facilities <sup>(2)</sup> Size represents maximum principal amount of the facility and is subject to availability under the facility, which is based on certain advance rates multiplied by the value of certain portfolio investments of the Company or Credit Fund (subject to certain concentration limitations) and may be net of certain other indebtedness that the Company or Credit Fund may incur in accordance with the terms of the facility. Middle Market Credit Fund SPV, LLC (the "Credit Fund Sub"), a Delaware limited liability company, was formed on April 5, 2016. Credit Fund Sub is a wholly-owned subsidiary of Credit Fund and is consolidated in Credit Fund's consolidated financial statements commencing from the date of its formation. <sup>(3)</sup> Weighted average interest rate, including amortization of debt issuance costs on the 2015-1R Notes, 2017-1 Notes and 2019-2 Notes, respectively, for the quarter ended September 30, 2020. <sup>(4)</sup> MMCF CLO 2017-1 LLC, the issuer, is a wholly-owned and consolidated subsidiary of Credit Fund. <sup>(5)</sup> MMCF CLO 2019-2 LLC, the issuer, is a wholly-owned and consolidated subsidiary of Credit Fund. <sup>(6)</sup> Carlyle Direct Lending CLO 2015-1R LLC, the issuer, is a wholly-owned and consolidated subsidiary of the Company. <sup>(7)</sup> MMCF Warehouse II, LLC, is a wholly-owned and consolidated subsidiary of Credit Fund. <sup>(8)</sup> Refer to Note 9 to the consolidated financial statements included in Part I, Item 1 of the Company's Form 10-Q for full details regarding the terms of the cumulative convertible preferred stock.

## Debt on Company's Balance Sheet (in



## Mark to Market vs. Non-Mark to Market

