

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

Form 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2022

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____
Commission file number 814-00733

Barings BDC, Inc.

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction of
incorporation or organization)
300 South Tryon Street, Suite 2500
Charlotte, North Carolina
(Address of principal executive offices)

06-1798488
(I.R.S. Employer
Identification No.)
28202
(Zip Code)

Registrant's telephone number, including area code: (704) 805-7200

Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report: N/A
Securities registered pursuant to Section 12(b) of the Act:

<u>Title of Each Class</u>	<u>Trading Symbol</u>	<u>Name of Each Exchange on Which Registered</u>
Common Stock, par value \$0.001 per share	BBDC	The New York Stock Exchange

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The number of shares outstanding of the registrant's common stock on November 10, 2022 was 108,831,838.

BARINGS BDC, INC.
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PART I – FINANCIAL INFORMATION

Item 1. *Financial Statements.*

Barings BDC, Inc.
Consolidated Balance Sheets
(in thousands, except share and per share data)

	September 30, 2022	December 31, 2021
	(Unaudited)	
Assets:		
Investments at fair value:		
Non-Control / Non-Affiliate investments (cost of \$2,044,152 and \$1,494,031 as of September 30, 2022 and December 31, 2021, respectively)	\$ 1,915,108	\$ 1,490,113
Affiliate investments (cost of \$285,590 and \$267,967 as of September 30, 2022 and December 31, 2021, respectively)	300,258	288,069
Control investments (cost of \$101,162 and \$25,826 as of September 30, 2022 and December 31, 2021, respectively)	117,126	22,412
Total investments at fair value	2,332,492	1,800,594
Cash	96,655	49,987
Foreign currencies (cost of \$42,079 and \$34,069 as of September 30, 2022 and December 31, 2021, respectively)	40,668	34,266
Interest and fees receivable	60,114	33,645
Prepaid expenses and other assets	1,191	3,356
Credit support agreements (cost of \$58,000 and \$13,600 as of September 30, 2022 and December 31, 2021, respectively)	49,480	15,400
Derivative asset	15,905	941
Deferred financing fees	3,603	2,985
Receivable from unsettled transactions	46,880	219,732
Total assets	\$ 2,646,988	\$ 2,160,906
Liabilities:		
Accounts payable and accrued liabilities	\$ 8,986	\$ 2,341
Interest payable	9,719	5,704
Administrative fees payable	895	750
Base management fees payable	8,267	5,422
Incentive management fees payable	1,825	4,067
Derivative liability	886	1,160
Payable from unsettled transactions	18,768	26,786
Borrowings under credit facilities	650,989	655,189
Notes payable (net of deferred financing fees)	718,592	717,556
Total liabilities	1,418,927	1,418,975
Commitments and contingencies (Note 7)		
Net Assets:		
Common stock, \$0.001 par value per share (150,000,000 shares authorized, 108,882,105 and 65,316,085 shares issued and outstanding as of September 30, 2022 and December 31, 2021, respectively)	109	65
Additional paid-in capital	1,575,568	1,027,687
Total distributable earnings (loss)	(347,616)	(285,821)
Total net assets	1,228,061	741,931
Total liabilities and net assets	\$ 2,646,988	\$ 2,160,906
Net asset value per share	\$ 11.28	\$ 11.36

See accompanying notes.

Barings BDC, Inc.
Unaudited Consolidated Statements of Operations
(in thousands, except share and per share data)

	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
Investment income:				
Interest income:				
Non-Control / Non-Affiliate investments	\$ 39,994	\$ 24,315	\$ 111,628	\$ 76,009
Affiliate investments	278	196	861	305
Control investments	367	110	1,003	325
Short-term investments	—	2	—	16
Total interest income	40,639	24,623	113,492	76,655
Dividend income:				
Non-Control / Non-Affiliate investments	1,113	65	1,299	98
Affiliate investments	6,792	2,802	21,545	3,235
Total dividend income	7,905	2,867	22,844	3,333
Fee and other income:				
Non-Control / Non-Affiliate investments	4,249	4,310	11,396	8,695
Affiliate investments	29	15	68	16
Control investments	43	163	(875)	479
Total fee and other income	4,321	4,488	10,589	9,190
Payment-in-kind interest income:				
Non-Control / Non-Affiliate investments	2,757	2,695	7,115	8,801
Affiliate investments	224	311	361	750
Control investments	286	—	1,064	—
Total payment-in-kind interest income	3,267	3,006	8,540	9,551
Interest income from cash	174	—	191	1
Total investment income	56,306	34,984	155,656	98,730
Operating expenses:				
Interest and other financing fees	15,341	8,103	40,170	23,382
Base management fee (Note 2)	8,267	5,274	21,520	14,094
Incentive management fees (Note 2)	1,825	4,443	6,579	10,675
General and administrative expenses (Note 2)	2,961	2,281	8,686	6,783
Total operating expenses	28,394	20,101	76,955	54,934
Net investment income before taxes	27,912	14,883	78,701	43,796
Income taxes, including excise tax expense	—	26	6	7
Net investment income after taxes	27,912	14,857	78,695	43,789

Barings BDC, Inc.
Unaudited Consolidated Statements of Operations — (Continued)
(in thousands, except share and per share data)

	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
Realized gains (losses) and unrealized appreciation (depreciation) on investments, credit support agreements and foreign currency transactions:				
Net realized gains (losses):				
Non-Control / Non-Affiliate investments	(8,257)	950	(15,208)	4,394
Affiliate investments	—	(24)	101	(101)
Control investments	(773)	—	(1,587)	—
Net realized gains (losses) on investments	(9,030)	926	(16,694)	4,293
Distributions of realized gains by investment companies	6,181	—	6,181	—
Foreign currency transactions	10,711	(4,688)	6,710	(5,873)
Net realized gains (losses)	7,862	(3,762)	(3,803)	(1,580)
Net unrealized appreciation (depreciation):				
Non-Control / Non-Affiliate investments	(29,481)	(8,354)	(123,498)	1,308
Affiliate investments	(320)	(323)	(759)	9,209
Control investments	(16,991)	1,115	14,704	(1,487)
Net unrealized appreciation (depreciation) on investments	(46,792)	(7,562)	(109,553)	9,030
Credit support agreements	3,440	—	(10,320)	700
Foreign currency transactions	17,231	10,877	52,563	14,269
Net unrealized appreciation (depreciation)	(26,121)	3,315	(67,310)	23,999
Net realized gains (losses) and unrealized appreciation (depreciation) on investments, credit support agreements and foreign currency transactions	(18,259)	(447)	(71,113)	22,419
Benefit from (Provision for) income taxes	240	—	(1,650)	(1)
Net increase (decrease) in net assets resulting from operations	\$ 9,893	\$ 14,410	\$ 5,932	\$ 66,207
Net investment income per share—basic and diluted	\$ 0.26	\$ 0.23	\$ 0.78	\$ 0.67
Net increase (decrease) in net assets resulting from operations per share—basic and diluted	\$ 0.09	\$ 0.22	\$ 0.06	\$ 1.01
Dividends/distributions per share:				
Total dividends/distributions per share	\$ 0.24	\$ 0.21	\$ 0.71	\$ 0.60
Weighted average shares outstanding—basic and diluted	109,272,489	65,316,085	100,993,581	65,316,085

See accompanying notes.

Barings BDC, Inc.
Unaudited Consolidated Statements of Changes in Net Assets
(in thousands, except share amounts)

Three Months Ended September 30, 2021	Common Stock		Additional Paid-In Capital	Total Distributable Earnings (Loss)	Total Net Assets
	Number of Shares	Par Value			
Balance, June 30, 2021	65,316,085	\$ 65	\$ 1,027,707	\$ (283,645)	\$ 744,127
Net investment income	—	—	—	14,857	14,857
Net realized loss on investments / foreign currency transactions	—	—	—	(3,762)	(3,762)
Net unrealized appreciation of investments / CSA / foreign currency transactions	—	—	—	3,315	3,315
Dividends / distributions	—	—	—	(13,716)	(13,716)
Balance, September 30, 2021	65,316,085	\$ 65	\$ 1,027,707	\$ (282,951)	\$ 744,821

Three Months Ended September 30, 2022	Common Stock		Additional Paid-In Capital	Total Distributable Earnings (Loss)	Total Net Assets
	Number of Shares	Par Value			
Balance, June 30, 2022	109,785,892	\$ 110	\$ 1,584,076	\$ (331,311)	\$ 1,252,875
Net investment income	—	—	—	27,912	27,912
Net realized gain on investments / foreign currency transactions	—	—	—	7,862	7,862
Net unrealized depreciation of investments / CSAs / foreign currency transactions	—	—	—	(26,121)	(26,121)
Benefit from taxes	—	—	—	240	240
Dividends / distributions	—	—	—	(26,198)	(26,198)
Purchases of shares in repurchase plan	(903,787)	(1)	(8,508)	—	(8,509)
Balance, September 30, 2022	108,882,105	\$ 109	\$ 1,575,568	\$ (347,616)	\$ 1,228,061

See accompanying notes.

Barings BDC, Inc.
Unaudited Consolidated Statements of Changes in Net Assets — (Continued)
(in thousands, except share amounts)

Nine Months Ended September 30, 2021	Common Stock		Additional Paid-In Capital	Total Distributable Earnings (Loss)	Total Net Assets
	Number of Shares	Par Value			
Balance, December 31, 2020	65,316,085	\$ 65	\$ 1,027,707	\$ (309,968)	\$ 717,804
Net investment income	—	—	—	43,789	43,789
Net realized loss on investments / foreign currency transactions	—	—	—	(1,580)	(1,580)
Net unrealized appreciation of investments / CSA / foreign currency transactions	—	—	—	23,999	23,999
Provision for taxes	—	—	—	(1)	(1)
Dividends / distributions	—	—	—	(39,190)	(39,190)
Balance, September 30, 2021	65,316,085	\$ 65	\$ 1,027,707	\$ (282,951)	\$ 744,821

Nine Months Ended September 30, 2022	Common Stock		Additional Paid-In Capital	Total Distributable Earnings (Loss)	Total Net Assets
	Number of Shares	Par Value			
Balance, December 31, 2021	65,316,085	\$ 65	\$ 1,027,687	\$ (285,821)	\$ 741,931
Net investment income	—	—	—	78,695	78,695
Net realized loss on investments / foreign currency transactions	—	—	—	(3,803)	(3,803)
Net unrealized depreciation of investments / CSAs / foreign currency transactions	—	—	—	(67,310)	(67,310)
Provision for taxes	—	—	—	(1,650)	(1,650)
Dividends / distributions	—	—	—	(67,727)	(67,727)
Deemed contribution - CSA (See Note 2)	—	—	44,400	—	44,400
Deemed contribution - from Adviser (See Note 9)	—	—	27,729	—	27,729
Public offering of common stock	45,986,926	46	499,372	—	499,418
Purchases of shares in repurchase plan	(2,420,906)	(2)	(23,620)	—	(23,622)
Balance, September 30, 2022	108,882,105	\$ 109	\$ 1,575,568	\$ (347,616)	\$ 1,228,061

See accompanying notes.

Barings BDC, Inc.
Unaudited Consolidated Statements of Cash Flows
(in thousands)

	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
Cash flows from operating activities:		
Net increase in net assets resulting from operations	\$ 5,932	\$ 66,207
Adjustments to reconcile net increase (decrease) in net assets resulting from operations to net cash provided by (used in) operating activities:		
Purchases of portfolio investments	(938,653)	(816,807)
Net cash acquired from mergers (cash consideration paid) (See Note 9)	101,896	—
Transaction costs from mergers (See Note 9)	(8,004)	—
Repayments received/sales of portfolio investments	900,343	648,320
Purchases of short-term investments	—	(297,560)
Sales of short-term investments	—	313,118
Loan origination and other fees received	15,963	13,694
Net realized (gain) loss on investments	10,513	(4,293)
Net realized (gain) loss on foreign currency transactions	(6,710)	5,873
Net unrealized (appreciation) depreciation on investments	109,553	(9,030)
Net unrealized (appreciation) depreciation of CSAs	10,320	(700)
Net unrealized appreciation on foreign currency transactions	(52,563)	(14,269)
Payment-in-kind interest and dividends	(8,008)	(9,350)
Amortization of deferred financing fees	2,275	1,087
Accretion of loan origination and other fees	(8,579)	(6,587)
Amortization / accretion of purchased loan premium / discount	(1,556)	(4,250)
Payments for derivative contracts	(5,000)	(2,172)
Proceeds from derivative contracts	15,468	1,345
Changes in operating assets and liabilities:		
Interest and fees receivables	(36,252)	(5,701)
Prepaid expenses and other assets	(3,325)	51
Accounts payable and accrued liabilities	2,047	3,044
Interest payable	4,021	2,107
Net cash provided by (used in) operating activities	<u>109,681</u>	<u>(115,873)</u>
Cash flows from financing activities:		
Borrowings under credit facilities	184,657	135,732
Repayments of credit facilities	(148,061)	(181,580)
Proceeds from notes	—	150,000
Financing fees paid	(1,857)	(191)
Purchases of shares in repurchase plan	(23,623)	—
Cash dividends / distributions paid	(67,727)	(39,190)
Net cash provided by (used in) financing activities	<u>(56,611)</u>	<u>64,771</u>
Net increase (decrease) in cash and foreign currencies	53,070	(51,102)
Cash and foreign currencies, beginning of period	84,253	92,487
Cash and foreign currencies, end of period	<u>\$ 137,323</u>	<u>\$ 41,385</u>
Supplemental Information:		
Cash paid for interest	\$ 33,035	\$ 19,660
Supplemental non-cash information		
Acquisitions (See Note 9):		
Fair value of Sierra net assets acquired, net of cash	\$ (435,811)	\$ —
Transaction Costs	2,556	—
Common stock issued in acquisition of Sierra net assets	499,418	—
Credit support agreement (See Note 2)	(44,400)	—
Deemed contribution - from Adviser	27,729	—
Deemed contributions - CSA	44,400	—

See accompanying notes.

Barings BDC, Inc.
Unaudited Consolidated Schedule of Investments
September 30, 2022
(Amounts in thousands, except share amounts)

Portfolio Company ⁽⁶⁾	Industry	Investment Type ⁽¹⁾⁽²⁾	Interest	Acq. Date	Maturity Date	Principal Amount	Cost	Fair Value	% of Net Assets *	Notes
Non-Control / Non-Affiliate Investments:										
IWorldSync, Inc.	IT Consulting & Other Services	First Lien Senior Secured Term Loan	SOFR + 5.25%, 8.2% Cash	7/19	7/25	\$ 16,296	\$ 16,096	\$ 16,296	1.3 %	(7)(8)(17)
						16,296	16,096	16,296		
Accelerant Holdings	Banking, Finance, Insurance & Real Estate	Class A Convertible Preferred Equity (5,000 shares)	N/A	1/22	N/A		5,000	5,302	0.4 %	(7)(34)
							5,000	5,302		
Accelerate Learning, Inc.	Education Services	First Lien Senior Secured Term Loan	LIBOR + 5.00%, 7.8% Cash	12/18	12/24	7,568	7,505	7,467	0.6 %	(7)(8)(10)
						7,568	7,505	7,467		
Acclime Holdings HK Limited	Business Services	First Lien Senior Secured Term Loan	LIBOR + 6.50%, 9.6% Cash	8/21	7/27	2,500	2,441	2,425	0.2 %	(3)(7)(8)(11)
						2,500	2,441	2,425		
Accurus Aerospace Corporation	Aerospace & Defense	First Lien Senior Secured Term Loan	LIBOR + 5.75%, 7.7% Cash	4/22	3/28	12,308	12,135	12,153	1.0 %	(7)(8)(10)
		Revolver	LIBOR + 5.75%, 7.7% Cash	4/22	3/28	—	(32)	(29)	— %	(7)(8)(10)
		Common Stock (437,623.30 shares)	N/A	4/22	N/A		438	440	— %	(7)(34)
						12,308	12,541	12,564		
Acogroup	Business Services	First Lien Senior Secured Term Loan	EURIBOR + 6.25%, 6.8% Cash	3/22	10/26	7,083	7,703	6,899	0.6 %	(3)(7)(8)(14)
						7,083	7,703	6,899		
ADB Safegate	Aerospace & Defense	Second Lien Senior Secured Term Loan	LIBOR + 7.75%, 10.9% Cash	8/21	10/25	5,500	5,160	4,620	0.4 %	(3)(7)(8)(10)
						5,500	5,160	4,620		
Advantage Software Company (The), LLC	Advertising, Printing & Publishing	Class A1 Partnership Units (8,717.76 units)	N/A	12/21	N/A		280	791	0.1 %	(7)(34)
		Class A2 Partnership Units (2,248.46 units)	N/A	12/21	N/A		72	204	— %	(7)(34)
		Class B1 Partnership Units (8,717.76 units)	N/A	12/21	N/A		9	—	— %	(7)(34)
		Class B2 Partnership Units (2,248.46 units)	N/A	12/21	N/A		2	—	— %	(7)(34)
							363	995		
Air Canada 2020-2 Class B Pass Through Trust	Airlines	Structured Secured Note - Class B	9.0% Cash	9/20	10/25	5,505	5,505	5,395	0.4 %	
						5,505	5,505	5,395		
Air Comm Corporation, LLC	Aerospace & Defense	First Lien Senior Secured Term Loan	LIBOR + 5.50%, 8.4% Cash	6/21	7/27	12,907	12,692	12,714	1.0 %	(7)(8)(10)
						12,907	12,692	12,714		
AIT Worldwide Logistics Holdings, Inc.	Transportation Services	Second Lien Senior Secured Term Loan	LIBOR + 7.50%, 11.2% Cash	4/21	4/29	6,460	6,335	6,350	0.5 %	(7)(8)(10)
		Partnership Units (348.68 units)	N/A	4/21	N/A		349	787	0.1 %	(7)(34)
						6,460	6,684	7,137		
Alpine SG, LLC	High Tech Industries	First Lien Senior Secured Term Loan	SOFR + 5.50%, 8.5% Cash	2/22	11/27	23,229	22,765	22,765	1.8 %	(7)(8)(15)(33)
						23,229	22,765	22,765		
Alpine US Bidco LLC	Agricultural Products	Second Lien Senior Secured Term Loan	LIBOR + 9.00%, 11.7% Cash	5/21	5/29	18,157	17,679	16,704	1.3 %	(7)(8)(9)
						18,157	17,679	16,704		

Barings BDC, Inc.
Unaudited Consolidated Schedule of Investments — (Continued)
September 30, 2022
(Amounts in thousands, except share amounts)

Portfolio Company ⁽⁶⁾	Industry	Investment Type ⁽¹⁾⁽²⁾	Interest	Acq. Date	Maturity Date	Principal Amount	Cost	Fair Value	% of Net Assets *	Notes
Amalfi Midco	Healthcare	Subordinated Loan Notes	2.0% Cash, 9.0% PIK	9/22	9/28	\$ 4,439	\$ 4,451	\$ 4,443	0.4 %	(3)(7)
		Class B Common Stock (93,165,208 shares)	N/A	9/22	N/A		1,040	1,040	0.1 %	(3)(7)(34)
		Warrants (380,385 units)	N/A	9/22	N/A		4	—	— %	(3)(7)(34)
					4,439	5,495	5,483			
AMMC CLO 22, Limited Series 2018-22A	Multi-Sector Holdings	Subordinated Structured Notes	Residual Interest, current yield 12.95%	2/22	4/31	7,222	4,469	3,482	0.3 %	(3)(33)
					7,222	4,469	3,482			
AMMC CLO 23, Ltd. Series 2020-23A	Multi-Sector Holdings	Subordinated Structured Notes	Residual Interest, current yield 12.56%	2/22	10/31	2,000	1,872	1,552	0.1 %	(3)(33)
					2,000	1,872	1,552			
Amtech LLC	Technology	First Lien Senior Secured Term Loan	LIBOR + 5.50%, 8.1% Cash	11/21	11/27	2,274	2,208	2,221	0.2 %	(7)(8)(9)
		Revolver	LIBOR + 5.50%, 8.0% Cash	11/21	11/27	136	125	127	— %	(7)(8)(9)
					2,410	2,333	2,348			
Anagram Holdings, LLC	Chemicals, Plastics, & Rubber	First Lien Senior Secured Note	10.0% Cash, 5.0% PIK	8/20	8/25	15,124	14,338	15,275	1.2 %	
					15,124	14,338	15,275			
AnalytiChem Holding GmbH	Chemicals	First Lien Senior Secured Term Loan	EURIBOR + 6.50%, 6.5% Cash	11/21	11/28	2,184	2,363	2,135	0.2 %	(3)(7)(8)(13)
		First Lien Senior Secured Term Loan	EURIBOR + 6.50%, 6.5% Cash	11/21	12/28	678	789	662	0.1 %	(3)(7)(8)(13)
		First Lien Senior Secured Term Loan	EURIBOR + 6.50%, 6.5% Cash	4/22	10/28	5,272	5,717	5,134	0.4 %	(3)(7)(8)(13)
		First Lien Senior Secured Term Loan	LIBOR + 6.50%, 9.8% Cash	6/22	10/28	1,019	1,019	996	0.1 %	(3)(7)(8)(10)
		Revolver	EURIBOR + 6.50%, 6.5% Cash	4/22	10/23	—	(7)	(8)	— %	(3)(7)(8)(13)
					9,153	9,881	8,919			
Anju Software, Inc.	Application Software	First Lien Senior Secured Term Loan	LIBOR + 7.25%, 10.4% Cash	2/19	2/25	13,424	13,291	11,437	0.9 %	(7)(8)(9)
					13,424	13,291	11,437			
APCI Holding	Diversified Manufacturing	First Lien Senior Secured Term Loan	EURIBOR + 6.00%, 6.1% Cash	7/22	7/29	1,763	1,773	1,701	0.1 %	(3)(7)(8)(13)
					1,763	1,773	1,701			
Apex Bidco Limited	Business Equipment & Services	First Lien Senior Secured Term Loan	SONIA + 6.25%, 8.4% Cash	1/20	1/27	1,627	1,874	1,627	0.1 %	(3)(7)(8)(19)
		Subordinated Senior Unsecured Term Loan	8.0% PIK	1/20	7/27	243	280	243	— %	(3)(7)
					1,870	2,154	1,870			
Apidos CLO XXIV, Series 2016-24A	Multi-Sector Holdings	Subordinated Structured Notes	Residual Interest, current yield 22.80%	2/22	10/30	18,358	7,000	6,498	0.5 %	(3)(33)
					18,358	7,000	6,498			
APOG Bidco Pty Ltd	Healthcare	Second Lien Senior Secured Term Loan	BBSY + 7.25%, 9.9% Cash	4/22	3/30	1,995	2,278	1,962	0.2 %	(3)(7)(8)(21)
					1,995	2,278	1,962			
Aptus 1829. GmbH	Chemicals, Plastics, and Rubber	First Lien Senior Secured Term Loan	EURIBOR + 7.00%, 7.0% Cash	9/21	9/27	4,667	5,462	4,560	0.4 %	(3)(7)(8)(13)
		Preferred Stock (13 shares)	N/A	9/21	N/A		120	101	— %	(3)(7)(34)
		Common Stock (48 shares)	N/A	9/21	N/A		12	13	— %	(3)(7)(34)
					4,667	5,594	4,674			

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Portfolio Company ⁽⁶⁾	Industry	Investment Type ⁽¹⁾⁽²⁾	Interest	Acq. Date	Maturity Date	Principal Amount	Cost	Fair Value	% of Net Assets *	Notes
Apus Bidco Limited	Banking, Finance, Insurance & Real Estate	First Lien Senior Secured Term Loan	SONIA + 5.50%, 7.2% Cash	2/21	3/28	\$ 3,216	\$ 3,883	\$ 3,142	0.3 %	(3)(7)(8)(20)
						3,216	3,883	3,142		
AQA Acquisition Holding, Inc.	High Tech Industries	Second Lien Senior Secured Term Loan	LIBOR + 7.50%, 10.6% Cash	3/21	3/29	20,000	19,550	19,730	1.6 %	(7)(8)(10)
						20,000	19,550	19,730		
Aquavista Watersides 2 LTD	Transportation Services	First Lien Senior Secured Term Loan	SONIA + 6.00%, 6.9% Cash	12/21	12/28	4,979	5,801	4,871	0.4 %	(3)(7)(8)(20)
		First Lien Senior Secured Term Loan	SONIA + 6.00%, 6.9% Cash	12/21	12/24	—	(69)	(56)	— %	(3)(7)(8)(20)
		Second Lien Senior Secured Term Loan	SONIA + 10.5% PIK	12/21	12/28	1,314	1,527	1,285	0.1 %	(3)(7)(8)(20)
					6,293	7,259	6,100			
Arc Education	Consumer Cyclical	First Lien Senior Secured Term Loan	EURIBOR + 5.75%, 5.8% Cash	7/22	7/29	2,821	2,790	2,707	0.2 %	(3)(7)(8)(13)
						2,821	2,790	2,707		
Arch Global Precision LLC	Industrial Machinery	First Lien Senior Secured Term Loan	LIBOR + 4.75%, 8.4% Cash	4/19	4/26	9,201	9,198	9,133	0.7 %	(7)(8)(10)
						9,201	9,198	9,133		
Archimede	Consumer Services	First Lien Senior Secured Term Loan	EURIBOR + 5.25%, 5.5% Cash	10/20	10/27	5,780	6,468	5,635	0.5 %	(3)(7)(8)(14)
						5,780	6,468	5,635		
Argus Bidco Limited	High Tech Industries	First Lien Senior Secured Term Loan	LIBOR + 5.75%, 9.4% Cash	7/22	7/29	130	126	126	— %	(3)(7)(8)(10)
		First Lien Senior Secured Term Loan	SONIA + 5.75%, 7.9% Cash	7/22	7/29	1,484	1,512	1,418	0.1 %	(3)(7)(8)(19)
		First Lien Senior Secured Term Loan	EURIBOR + 5.75%, 6.9% Cash	7/22	7/29	1,456	1,502	1,416	0.1 %	(3)(7)(8)(13)
		Subordinated Term Loan	10.5% PIK	7/22	7/29	454	469	442	— %	(3)(7)
		Preferred Stock (41,560 shares)	10.0% PIK	7/22	N/A		49	46	— %	(3)(7)
		Equity Loan Notes (41,560 units)	10.0% PIK	7/22	N/A		49	46	— %	(3)(7)
		Common Stock (464 shares)	N/A	7/22	N/A		1	1	— %	(3)(7)(34)
						3,524	3,708	3,495		
Armstrong Transport Group (Pele Buyer, LLC)	Air Freight & Logistics	First Lien Senior Secured Term Loan	LIBOR + 4.50%, 7.6% Cash	6/19	6/24	3,986	3,944	3,938	0.3 %	(7)(8)(9)
						3,986	3,944	3,938		
ASC Communications, LLC	Media & Entertainment	First Lien Senior Secured Term Loan	SOFR + 5.00%, 8.0% Cash	7/22	7/27	21,815	21,460	21,447	1.7 %	(7)(8)(15)
		Class A Units (25,718.20 units)	N/A	7/22	N/A		539	539	— %	(7)(34)
						21,815	21,999	21,986		
ASPEQ Heating Group LLC	Building Products, Air & Heating	First Lien Senior Secured Term Loan	LIBOR + 5.25%, 8.4% Cash	11/19	11/25	8,367	8,297	8,363	0.7 %	(7)(8)(9)
						8,367	8,297	8,363		
Astra Bidco Limited	Healthcare	First Lien Senior Secured Term Loan	SONIA + 5.75%, 8.2% Cash	11/21	11/28	1,821	2,101	1,753	0.1 %	(3)(7)(8)(19)
						1,821	2,101	1,753		
Auxi International	Commercial Finance	First Lien Senior Secured Term Loan	EURIBOR + 7.25%, 9.1% Cash	12/19	12/26	1,372	1,525	1,210	0.1 %	(3)(7)(8)(14)
		First Lien Senior Secured Term Loan	SONIA + 7.25%, 9.4% Cash	4/21	12/26	748	900	660	0.1 %	(3)(7)(8)(19)
						2,120	2,425	1,870		
Avance Clinical Bidco Pty Ltd	Healthcare	First Lien Senior Secured Term Loan	BBSY + 5.50%, 9.1% Cash	11/21	11/27	2,270	2,413	2,195	0.2 %	(3)(7)(8)(23)
						2,270	2,413	2,195		

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Portfolio Company ⁽⁶⁾	Industry	Investment Type ⁽¹⁾⁽²⁾	Interest	Acq. Date	Maturity Date	Principal Amount	Cost	Fair Value	% of Net Assets *	Notes
Aviation Technical Services, Inc.	Aerospace & Defense	Second Lien Senior Secured Term Loan	LIBOR + 2.00%, 5.1% Cash, 6.5% PIK	2/22	3/25	\$ 28,044	\$ 26,701	\$ 27,202	2.2 %	(7)(8)(9)(33)
						28,044	26,701	27,202		
AVSC Holding Corp.	Advertising	First Lien Senior Secured Term Loan	LIBOR + 3.25%, 6.4% Cash, 0.3% PIK	8/18	3/25	4,838	4,479	4,223	0.3 %	(8)(10)
		First Lien Senior Secured Term Loan	LIBOR + 4.50%, 7.6% Cash, 1.0% PIK	8/18	10/26	748	701	660	0.1 %	(8)(10)
		First Lien Senior Secured Term Loan	5.0% Cash, 10.0% PIK	11/20	10/26	5,942	5,845	6,012	0.5 %	
						11,528	11,025	10,895		
Azalea Buyer, Inc.	Technology	First Lien Senior Secured Term Loan	LIBOR + 5.25%, 8.9% Cash	11/21	11/27	4,571	4,474	4,483	0.4 %	(7)(8)(10)
		Revolver	LIBOR + 5.25%, 8.9% Cash	11/21	11/27	—	(8)	(8)	— %	(7)(8)(10)
		Subordinated Term Loan	12.0% PIK	11/21	5/28	1,349	1,326	1,329	0.1 %	(7)
		Common Stock (192,307.7 shares)	N/A	11/21	N/A	—	192	143	— %	(7)(34)
						5,920	5,984	5,947		
Bariacum S.A	Consumer Products	First Lien Senior Secured Term Loan	EURIBOR + 5.50%, 6.7% Cash	11/21	11/28	5,584	6,257	5,439	0.4 %	(3)(7)(8)(13)
						5,584	6,257	5,439		
Benify (Bennevis AB)	High Tech Industries	First Lien Senior Secured Term Loan	STIBOR + 5.25%, 7.2% Cash	7/19	7/26	995	1,161	995	0.1 %	(3)(7)(8)(25)
						995	1,161	995		
Beyond Risk Management, Inc.	Other Financial	First Lien Senior Secured Term Loan	LIBOR + 4.50%, 8.2% Cash	10/21	10/27	2,560	2,498	2,493	0.2 %	(7)(8)(10)
						2,560	2,498	2,493		
Bidwax	Non-durable Consumer Goods	First Lien Senior Secured Term Loan	EURIBOR + 6.45%, 6.5% Cash	2/21	2/28	6,858	8,082	6,659	0.5 %	(3)(7)(8)(14)
						6,858	8,082	6,659		
BigHand UK Bidco Limited	High Tech Industries	First Lien Senior Secured Term Loan	SOFR + 5.50%, 8.7% Cash	1/21	1/28	2,532	2,474	2,491	0.2 %	(3)(7)(8)(16)
		First Lien Senior Secured Term Loan	SONIA + 5.50%, 7.7% Cash	1/21	1/28	749	892	737	0.1 %	(3)(7)(8)(19)
						3,281	3,366	3,228		
Bounteous, Inc.	Technology	First Lien Senior Secured Term Loan	LIBOR + 5.25%, 7.5% Cash	8/21	8/27	1,899	1,818	1,823	0.1 %	(7)(8)(10)
						1,899	1,818	1,823		
Bridger Aerospace Group Holdings, LLC	Environmental Industries	Municipal Revenue Bond	11.5% Cash	7/22	9/27	27,200	27,200	28,295	2.3 %	
		Preferred Stock- Series C (14,618 shares)	7.0% PIK	7/22	N/A	—	13,938	13,938	1.1 %	(7)
						27,200	41,138	42,233		
Brightline Trains Florida LLC	Transportation	Senior Secured Note	8.0% Cash	8/21	1/28	5,000	5,000	4,687	0.4 %	(7)
						5,000	5,000	4,687		
Brightpay Limited	Technology	First Lien Senior Secured Term Loan	EURIBOR + 5.00%, 5.1% Cash	10/21	10/28	1,839	2,110	1,806	0.1 %	(3)(7)(8)(13)
						1,839	2,110	1,806		
BrightSign LLC	Media & Entertainment	First Lien Senior Secured Term Loan	LIBOR + 5.50%, 9.1% Cash	10/21	10/27	4,780	4,739	4,747	0.4 %	(7)(8)(10)
		Revolver	LIBOR + 5.50%, 9.1% Cash	10/21	10/27	—	(11)	(9)	— %	(7)(8)(10)
		LLC units (1,107,492.71 units)	N/A	10/21	N/A	—	1,107	1,246	0.1 %	(7)(34)
						4,780	5,835	5,984		

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Portfolio Company ⁽⁶⁾	Industry	Investment Type ^{(1) (2)}	Interest	Acq. Date	Maturity Date	Principal Amount	Cost	Fair Value	% of Net Assets *	Notes
British Airways 2020-1 Class B Pass Through Trust	Airlines	Structured Secured Note - Class B	8.4% Cash	11/20	11/28	\$ 729	\$ 729	\$ 741	0.1 %	
						729	729	741		
British Engineering Services Holdco Limited	Commercial Services & Supplies	First Lien Senior Secured Term Loan	SONIA + 7.00%, 9.2% Cash	12/20	12/27	12,800	15,120	12,452	1.0 %	(3)(7)(8)(18)
						12,800	15,120	12,452		
Brook & Whittle Holding Corp.	Containers, Packaging & Glass	First Lien Senior Secured Term Loan	LIBOR + 4.00%, 7.1% Cash	2/22	12/28	2,839	2,819	2,612	0.2 %	(7)(8)(9)(33)
						2,839	2,819	2,612		
Brown Machine Group Holdings, LLC	Industrial Equipment	First Lien Senior Secured Term Loan	LIBOR + 5.25%, 8.9% Cash	10/18	10/24	6,281	6,248	6,281	0.5 %	(7)(8)(10)
						6,281	6,248	6,281		
Burgess Point Purchaser Corporation	Auto Parts & Equipment	Second Lien Senior Secured Term Loan	SOFR + 9.00%, 12.2% Cash	7/22	7/30	4,545	4,366	4,364	0.4 %	(7)(8)(15)
		LP Units (455 units)	N/A	7/22	N/A		455	410	— %	(7)(34)
						4,545	4,821	4,774		
BVI Medical, Inc.	Healthcare	Second Lien Senior Secured Term Loan	EURIBOR + 9.50%, 10.7% Cash	6/22	6/26	9,089	9,384	8,756	0.7 %	(7)(8)(13)
						9,089	9,384	8,756		
Cadent, LLC (f/k/a Cross MediaWorks)	Media & Entertainment	First Lien Senior Secured Term Loan	LIBOR + 6.50%, 10.2% Cash	9/18	9/25	6,751	6,737	6,549	0.5 %	(7)(8)(10)
		First Lien Senior Secured Term Loan	LIBOR + 6.50%, 9.0% Cash	7/22	9/25	11,424	11,143	11,082	0.9 %	(7)(8)(10)
						18,175	17,880	17,631		
CAi Software, LLC	Technology	First Lien Senior Secured Term Loan	LIBOR + 6.25%, 9.9% Cash	12/21	12/28	5,022	4,930	4,921	0.4 %	(7)(8)(10)
		First Lien Senior Secured Term Loan	LIBOR + 6.25%, 8.7% Cash	7/22	12/28	1,380	1,354	1,353	0.1 %	(7)(8)(10)
		Revolver	LIBOR + 6.25%, 9.9% Cash	12/21	12/28	—	(17)	(19)	— %	(7)(8)(10)
						6,402	6,267	6,255		
Canadian Orthodontic Partners Corp.	Healthcare	First Lien Senior Secured Term Loan	CDOR + 7.00%, 9.7% Cash, 0.50% PIK	6/21	3/26	1,537	1,730	1,476	0.1 %	(3)(7)(8)(24)
		Class A Equity (600,000 units)	N/A	5/22	N/A		389	364	— %	(3)(7)(34)
		Class C - Warrants (74,712.64 units)	N/A	5/22	N/A		—	—	— %	(3)(7)(34)
						1,537	2,119	1,840		
Caribou Holding Company, LLC	Technology	First Lien Senior Secured Term Loan	SOFR + 7.64%, 10.1% Cash	4/22	4/27	4,318	4,258	4,263	0.3 %	(3)(7)(8)(16)
		LLC Units (681,818 units)	N/A	4/22	N/A		682	658	0.1 %	(3)(7)(34)
						4,318	4,940	4,921		
Carlson Travel, Inc	Business Travel Management	First Lien Senior Secured Note	8.5% Cash	11/21	11/26	6,050	5,703	5,203	0.4 %	
		Common Stock (94,155 shares)	N/A	11/21	N/A		4,194	1,866	0.2 %	(34)
						6,050	9,897	7,069		
Centralis Finco S.a.r.l.	Diversified Financial Services	First Lien Senior Secured Term Loan	EURIBOR + 5.25%, 5.6% Cash	5/20	4/27	1,890	1,916	1,805	0.1 %	(3)(7)(8)(13)
						1,890	1,916	1,805		
Ceres Pharma NV	Pharma-ceuticals	First Lien Senior Secured Term Loan	EURIBOR + 5.50%, 5.5% Cash	10/21	10/28	1,182	1,303	1,119	0.1 %	(3)(7)(8)(13)
						1,182	1,303	1,119		

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Portfolio Company ⁽⁶⁾	Industry	Investment Type ⁽¹⁾⁽²⁾	Interest	Acq. Date	Maturity Date	Principal Amount	Cost	Fair Value	% of Net Assets *	Notes
CGI Parent, LLC	Business Equipment & Services	First Lien Senior Secured Term Loan	LIBOR + 5.50%, 7.8% Cash	2/22	2/28	\$ 10,751	\$ 10,556	\$ 10,581	0.9 %	(7)(8)(10)
		Revolver	LIBOR + 5.50%, 7.8% Cash	2/22	2/28	—	(30)	(26)	— %	(7)(8)(10)
		Preferred Stock (51 shares)	N/A	2/22	N/A	—	551	955	0.1 %	(7)(34)
					10,751	11,077	11,510			
Cineworld Group PLC	Leisure Products	Super Senior Secured Term Loan	7.0% Cash, 8.3% PIK	11/20	5/24	1,901	1,739	2,252	0.2 %	(3)
		Super Senior Secured Term Loan	LIBOR + 8.25%, 10.1% Cash	7/21	2/25	994	970	1,061	0.1 %	(3)(8)(11)
		Warrants (553,375 units)	N/A	7/22	N/A	—	102	41	— %	(3)(34)
					2,895	2,811	3,354			
Classic Collision (Summit Buyer, LLC)	Auto Collision Repair Centers	First Lien Senior Secured Term Loan	LIBOR + 5.75%, 9.9% Cash	1/20	1/26	6,289	6,201	6,189	0.5 %	(7)(8)(11)
		First Lien Senior Secured Term Loan	LIBOR + 5.75%, 9.9% Cash	1/20	4/26	467	458	459	— %	(7)(8)(11)
					6,756	6,659	6,648			
CM Acquisitions Holdings Inc.	Internet & Direct Marketing	First Lien Senior Secured Term Loan	SOFR + 4.75%, 7.1% Cash	5/19	5/25	17,442	17,290	16,989	1.4 %	(7)(8)(16)
		First Lien Senior Secured Term Loan	Prime + 3.75%, 8.5% Cash	5/19	5/25	1,566	1,553	1,525	0.1 %	(7)(8)(29)
					19,008	18,843	18,514			
CMT Opco Holding, LLC (Concept Machine)	Distributors	First Lien Senior Secured Term Loan	LIBOR + 5.00%, 6.8% Cash	1/20	1/25	4,134	4,093	3,969	0.3 %	(7)(8)(10)
		LLC Units (8,782 units)	N/A	1/20	N/A	—	352	159	— %	(7)
					4,134	4,445	4,128			
Coastal Marina Holdings, LLC	Other Financial	Subordinated Term Loan	10.0% PIK	11/21	11/31	5,150	4,735	4,678	0.4 %	(7)
		Subordinated Term Loan	8.0% Cash	11/21	11/31	13,044	11,912	11,830	1.0 %	(7)
		LLC Units (547,591 units)	N/A	11/21	N/A	—	9,093	10,189	0.8 %	(7)(34)
					18,194	25,740	26,697			
Cobham Slip Rings SAS	Diversified Manufacturing	First Lien Senior Secured Term Loan	LIBOR + 6.25%, 9.9% Cash	11/21	11/28	1,303	1,275	1,267	0.1 %	(3)(7)(8)(10)
					1,303	1,275	1,267			
Command Alkon (Project Potter Buyer, LLC)	Software	First Lien Senior Secured Term Loan	SOFR + 7.75%, 10.0% Cash	4/20	4/27	13,639	13,336	13,342	1.1 %	(7)(8)(15)
		Class B Partnership Units (33,324.69 units)	N/A	4/20	N/A	—	—	201	— %	(7)(34)
					13,639	13,336	13,543			
Compass Precision, LLC	Aerospace & Defense	Senior Subordinated Term Loan	11.0% Cash, 1.0% PIK	4/22	10/25	377	370	370	— %	(7)
		LLC Units (46,085.6 units)	N/A	4/22	N/A	—	125	129	— %	(7)(34)
					377	495	499			
Comply365, LLC	Technology	First Lien Senior Secured Term Loan	SOFR + 5.50%, 8.4% Cash	4/22	4/28	13,688	13,432	13,456	1.1 %	(7)(8)(16)
		Revolver	SOFR + 5.50%, 8.4% Cash	4/22	4/28	—	(20)	(19)	— %	(7)(8)(16)
					13,688	13,412	13,437			
Contabo Finco S.À.R.L.	Internet Software & Services	First Lien Senior Secured Term Loan	EURIBOR + 5.25%, 5.8% Cash	11/21	10/26	5,125	5,808	5,123	0.4 %	(3)(7)(8)(13)
					5,125	5,808	5,123			

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Portfolio Company ⁽⁶⁾	Industry	Investment Type ⁽¹⁾⁽²⁾	Interest	Acq. Date	Maturity Date	Principal Amount	Cost	Fair Value	% of Net Assets *	Notes
Core Scientific, Inc.	Technology	First Lien Senior Secured Term Loan	13.0% Cash	3/22	3/25	\$ 29,647	\$ 29,619	\$ 29,529	2.4 %	(3)(7)
		Common Stock (91,504 shares)	N/A	9/22	N/A		296	119	— %	(3)(34)
						29,647	29,915	29,648		
Coyo Uprising GmbH	Technology	First Lien Senior Secured Term Loan	EURIBOR + 3.25%, 3.3% Cash, 3.5% PIK	9/21	9/28	3,628	4,217	3,548	0.3 %	(3)(7)(8)(14)
		Class A Units (440 units)	N/A	9/21	N/A		205	178	— %	(3)(7)(34)
		Class B Units (191 units)	N/A	9/21	N/A		446	427	— %	(3)(7)(34)
					3,628	4,868	4,153			
CPI International, Inc.	Aerospace & Defense	Second Lien Senior Secured Term Loan	LIBOR + 7.25%, 10.4% Cash	2/22	7/25	8,575	7,975	8,318	0.7 %	(7)(8)(9)(33)
					8,575	7,975	8,318			
CSL DualCom	Tele-communications	First Lien Senior Secured Term Loan	SONIA + 5.25%, 7.4% Cash	9/20	9/27	1,106	1,210	1,087	0.1 %	(3)(7)(8)(18)
					1,106	1,210	1,087			
CT Technologies Intermediate Holdings, Inc.	Healthcare	First Lien Senior Secured Term Loan	LIBOR + 4.25%, 7.4% Cash	2/22	12/25	4,950	4,942	4,535	0.4 %	(8)(9)(33)
					4,950	4,942	4,535			
Custom Alloy Corporation	Manufacturer of Pipe Fittings & Forgings	Revolver	15.0% PIK	12/20	4/23	5,320	4,222	388	— %	(7)(30)(31)
		Second Lien Loan	15.0% PIK	12/20	4/23	56,259	42,162	4,107	0.3 %	(7)(30)(31)
					61,579	46,384	4,495			
CVL 3	Capital Equipment	First Lien Senior Secured Term Loan	EURIBOR + 5.50%, 5.5% Cash	12/21	12/28	833	938	816	0.1 %	(3)(7)(8)(13)
		First Lien Senior Secured Term Loan	SOFR + 5.50%, 9.1% Cash	12/21	12/28	1,142	1,116	1,119	0.1 %	(3)(7)(8)(16)
					1,975	2,054	1,935			
CW Group Holdings, LLC	High Tech Industries	First Lien Senior Secured Term Loan	LIBOR + 6.00%, 8.5% Cash	1/21	1/27	2,803	2,755	2,722	0.2 %	(7)(8)(9)
		LLC Units (161,290.32 units)	N/A	1/21	N/A		161	102	— %	(7)(34)
					2,803	2,916	2,824			
DataOnline Corp.	High Tech Industries	First Lien Senior Secured Term Loan	LIBOR + 6.75%, 9.8% Cash	2/22	11/25	14,588	14,588	14,296	1.2 %	(7)(8)(10)(33)
		Revolver	LIBOR + 6.75%, 9.8% Cash	2/22	11/25	2,143	2,143	2,100	0.2 %	(7)(8)(10)(33)
					16,731	16,731	16,396			
DecksDirect, LLC	Building Materials	First Lien Senior Secured Term Loan	LIBOR + 6.00%, 9.1% Cash	12/21	12/26	700	688	690	0.1 %	(7)(8)(9)
		Revolver	LIBOR + 6.00%, 9.1% Cash	12/21	12/26	—	(4)	(3)	— %	(7)(8)(9)
		Common Stock (1,280.8 shares)	N/A	12/21	N/A		55	51	— %	(7)(34)
					700	739	738			
Distinct Holdings, Inc.	Systems Software	First Lien Senior Secured Term Loan	LIBOR + 4.75%, 7.6% Cash	4/19	12/23	6,880	6,855	6,378	0.5 %	(7)(8)(10)
					6,880	6,855	6,378			
Dragon Bidco	Technology	First Lien Senior Secured Term Loan	EURIBOR + 6.75%, 6.8% Cash	4/21	4/28	3,429	3,995	3,359	0.3 %	(3)(7)(8)(14)
					3,429	3,995	3,359			
DreamStart Bidco SAS (d/b/a SmartTrade)	Diversified Financial Services	First Lien Senior Secured Term Loan	EURIBOR + 6.00%, 7.1% Cash	3/20	3/27	2,083	2,302	2,073	0.2 %	(3)(7)(8)(13)
					2,083	2,302	2,073			
Dryden 43 Senior Loan Fund, Series 2016-43A	Multi-Sector Holdings	Subordinated Structured Notes	Residual Interest, current yield 11.6%	2/22	4/34	3,620	2,347	2,213	0.2 %	(3)(33)
					3,620	2,347	2,213			

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Portfolio Company ⁽⁶⁾	Industry	Investment Type ⁽¹⁾⁽²⁾	Interest	Acq. Date	Maturity Date	Principal Amount	Cost	Fair Value	% of Net Assets *	Notes
Dryden 49 Senior Loan Fund, Series 2017-49A	Multi-Sector Holdings	Subordinated Structured Notes	Residual Interest, current yield 13.2%	2/22	7/30	\$ 17,233	\$ 6,993	\$ 5,334	0.4 %	(3)(33)
						17,233	6,993	5,334		
Dune Group	Health Care Equipment	First Lien Senior Secured Term Loan	EURIBOR + 5.75%, 6.9% Cash	9/21	9/28	113	108	105	— %	(3)(7)(8)(13)
		First Lien Senior Secured Term Loan	LIBOR + 5.75%, 9.4% Cash	9/21	9/28	1,230	1,211	1,216	0.1 %	(3)(7)(8)(10)
						1,343	1,319	1,321		
Dunlipharder B.V.	Technology	First Lien Senior Secured Term Loan	SOFR + 6.50%, 8.8% Cash	6/22	6/28	1,000	986	987	0.1 %	(3)(7)(8)(15)
						1,000	986	987		
Dwyer Instruments, Inc.	Electric	First Lien Senior Secured Term Loan	LIBOR + 5.50%, 7.8% Cash	7/21	7/27	692	686	678	0.1 %	(7)(8)(10)
		First Lien Senior Secured Term Loan	LIBOR + 5.50%, 8.4% Cash	7/21	7/27	25,141	24,573	24,535	1.9 %	(7)(8)(10)
						25,833	25,259	25,213		
Echo Global Logistics, Inc.	Air Transportation	Second Lien Senior Secured Term Loan	LIBOR + 7.00%, 9.8% Cash	11/21	11/29	9,469	9,316	9,081	0.7 %	(7)(8)(10)
		Partnership Equity (530.92 units)	N/A	11/21	N/A		531	760	0.1 %	(7)(34)
						9,469	9,847	9,841		
Ellkay, LLC	Healthcare and Pharmaceuticals	First Lien Senior Secured Term Loan	LIBOR + 6.25%, 9.5% Cash	9/21	9/27	4,950	4,865	4,885	0.4 %	(7)(8)(10)
						4,950	4,865	4,885		
EMI Porta Holdco LLC	Diversified Manufacturing	First Lien Senior Secured Term Loan	LIBOR + 5.75%, 9.5% Cash	12/21	12/27	12,041	11,653	11,470	0.9 %	(7)(8)(10)
		Revolver	LIBOR + 5.75%, 9.5% Cash	12/21	12/27	902	850	825	0.1 %	(7)(8)(10)
						12,943	12,503	12,295		
Entact Environmental Services, Inc.	Environmental Industries	First Lien Senior Secured Term Loan	LIBOR + 5.75%, 9.4% Cash	2/21	12/25	5,583	5,544	5,465	0.4 %	(7)(8)(10)
						5,583	5,544	5,465		
EPS NASS Parent, Inc.	Electrical Components & Equipment	First Lien Senior Secured Term Loan	LIBOR + 5.75%, 9.4% Cash	4/21	4/28	6,094	5,989	6,028	0.5 %	(7)(8)(10)
						6,094	5,989	6,028		
eShipping, LLC	Transportation Services	First Lien Senior Secured Term Loan	LIBOR + 5.00%, 8.1% Cash	11/21	11/27	3,530	3,440	3,520	0.3 %	(7)(8)(9)
		Revolver	LIBOR + 5.00%, 8.1% Cash	11/21	11/27	—	(25)	(3)	— %	(7)(8)(9)
						3,530	3,415	3,517		
Events Software BidCo Pty Ltd	Technology	First Lien Senior Secured Term Loan	BBSY + 5.50%, 8.3% Cash	3/22	3/28	1,647	1,851	1,549	0.1 %	(3)(7)(8)(22)
						1,647	1,851	1,549		
Express Wash Acquisition Company, LLC	Consumer Cyclical	First Lien Senior Secured Term Loan	SOFR + 6.50%, 9.1% Cash	7/22	7/28	6,657	6,516	6,512	0.5 %	(7)(8)(15)
		Revolver	SOFR + 6.50%, 9.1% Cash	7/22	7/28	256	252	251	— %	(7)(8)(15)
						6,913	6,768	6,763		
F24 (Stairway BidCo GmbH)	Software Services	First Lien Senior Secured Term Loan	EURIBOR + 6.50%, 6.9% Cash	8/20	8/27	1,519	1,790	1,505	0.1 %	(3)(7)(8)(13)
						1,519	1,790	1,505		
Ferrellgas L.P.	Oil & Gas Equipment & Services	Opco Preferred Units (2,886 units)	N/A	3/21	N/A		2,799	2,742	0.2 %	(7)
							2,799	2,742		
Fineline Technologies, Inc.	Consumer Services	First Lien Senior Secured Term Loan	LIBOR + 4.75%, 8.4% Cash	2/21	2/28	1,293	1,273	1,281	0.1 %	(7)(8)(10)
						1,293	1,273	1,281		

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Portfolio Company ⁽⁶⁾	Industry	Investment Type ⁽¹⁾⁽²⁾	Interest	Acq. Date	Maturity Date	Principal Amount	Cost	Fair Value	% of Net Assets *	Notes
Finxvet	Consumer Cyclical	First Lien Senior Secured Term Loan	EURIBOR + 5.50%, 5.5% Cash	3/22	3/29	\$ 2,204	\$ 2,377	\$ 2,138	0.2 %	(3)(7)(8)(13)
						2,204	2,377	2,138		
FinThrive Software Intermediate Holdings Inc.	Business Equipment & Services	Preferred Stock (6,582.7 shares)	11.0% PIK	3/22	N/A		7,469	7,540	0.6 %	(7)
							7,469	7,540		
FitzMark Buyer, LLC	Cargo & Transportation	First Lien Senior Secured Term Loan	LIBOR + 4.50%, 7.3% Cash	12/20	12/26	4,226	4,164	4,161	0.3 %	(7)(8)(10)
						4,226	4,164	4,161		
Five Star Holding LLC	Packaging	Second Lien Senior Secured Term Loan	SOFR + 7.25%, 10.4% Cash	5/22	5/30	13,692	13,428	13,308	1.1 %	(7)(8)(15)
		LLC Units (966.99 units)	N/A	5/22	N/A		967	967	0.1 %	(7)(34)
						13,692	14,395	14,275		
Flexential Issuer, LLC	Information Technology	Structured Secured Note - Class C	6.9% Cash	11/21	11/51	16,000	14,833	13,773	1.1 %	
						16,000	14,833	13,773		
Flywheel Re Segregated Portfolio 2022-4	Investment Funds	Preferred Stock (1,921,648 shares)	N/A	8/22	N/A		1,922	1,922	0.2 %	(3)(7)(34)
							1,922	1,922		
Footco 40 Limited	Media & Entertainment	First Lien Senior Secured Term Loan	SONIA + 5.75%, 9.3% Cash	4/22	4/29	1,382	1,559	1,334	0.1 %	(3)(7)(8)(19)
						1,382	1,559	1,334		
FragilePak LLC	Transportation Services	First Lien Senior Secured Term Loan	LIBOR + 5.75%, 8.9% Cash	5/21	5/27	4,649	4,495	4,635	0.4 %	(7)(8)(10)
		Partnership Units (937.5 units)	N/A	5/21	N/A		938	1,058	0.1 %	(7)(34)
						4,649	5,433	5,693		
Front Line Power Construction LLC	Construction Machinery	First Lien Senior Secured Term Loan	LIBOR + 12.50%, 15.5% Cash	11/21	11/28	3,990	3,791	3,814	0.3 %	(7)(8)(10)
		Common Stock (192,000 shares)	N/A	11/21	N/A		219	91	— %	(34)
						3,990	4,010	3,905		
FSS Buyer LLC	Technology	First Lien Senior Secured Term Loan	LIBOR + 5.75%, 8.9% Cash	8/21	8/28	6,861	6,741	6,773	0.5 %	(7)(8)(9)
		LP Interest (1,160.9 units)	N/A	8/21	N/A		12	13	— %	(7)(34)
		LP Units (5,104.3 units)	N/A	8/21	N/A		51	57	— %	(7)(34)
						6,861	6,804	6,843		
Global Academic Group Limited	Industrial Other	First Lien Senior Secured Term Loan	BBSY + 6.00%, 8.3% Cash	7/22	7/27	2,372	2,499	2,301	0.2 %	(3)(7)(8)(22)
		First Lien Senior Secured Term Loan	BKBM + 6.00%, 8.3% Cash	7/22	7/27	3,904	4,196	3,775	0.3 %	(3)(7)(8)(26)
						6,276	6,695	6,076		
GPZN II GmbH	Healthcare	First Lien Senior Secured Term Loan	EURIBOR + 5.50%, 6.2% Cash	6/22	6/29	421	428	397	— %	(3)(7)(8)(12)
						421	428	397		
Greenhill II BV	Technology	First Lien Senior Secured Term Loan	EURIBOR + 5.75%, 5.8% Cash	7/22	7/29	678	671	653	0.1 %	(3)(7)(8)(13)
						678	671	653		
GTM Intermediate Holdings, Inc.	Medical Equipment Manufacturer	Second Lien Loan	11.0% Cash, 1.0% PIK	12/20	12/24	10,605	10,559	10,518	0.8 %	(7)(31)
		Series A Preferred Units (1,434,472.41 units)	N/A	12/20	N/A		2,166	1,284	0.1 %	(7)(31)(34)
		Series C Preferred Units (715,649.59 units)	N/A	12/20	N/A		1,081	1,632	0.1 %	(7)(31)(34)
						10,605	13,806	13,434		

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Portfolio Company ⁽⁶⁾	Industry	Investment Type ⁽¹⁾⁽²⁾	Interest	Acq. Date	Maturity Date	Principal Amount	Cost	Fair Value	% of Net Assets *	Notes
Gulf Finance, LLC	Oil & Gas Exploration & Production	First Lien Senior Secured Term Loan	LIBOR + 6.75%, 9.4% Cash	11/21	8/26	\$ 825	\$ 797	\$ 648	0.1 %	(8)(9)
						825	797	648		
HeartHealth Bidco Pty Ltd	Healthcare	First Lien Senior Secured Term Loan	BBSY + 5.25%, 8.3% Cash	9/22	7/28	594	568	565	— %	(3)(7)(8)(22)
Heartland Veterinary Partners, LLC	Healthcare	Subordinated Term Loan	11.0% PIK	11/21	11/23	1,189	1,159	1,163	0.1 %	(7)
		Subordinated Term Loan	11.0% PIK	11/21	11/28	9,428	9,233	9,261	0.7 %	(7)
Heartland, LLC	Business Services	First Lien Senior Secured Term Loan	LIBOR + 4.75%, 8.4% Cash	8/19	8/25	13,968	13,891	13,789	1.1 %	(7)(8)(10)
						13,968	13,891	13,789		
Heavy Construction Systems Specialists, LLC	Technology	First Lien Senior Secured Term Loan	LIBOR + 5.75%, 8.6% Cash	11/21	11/27	7,368	7,239	7,264	0.6 %	(7)(8)(9)
		Revolver	LIBOR + 5.75%, 8.6% Cash	11/21	11/27	—	(45)	(37)	— %	(7)(8)(9)
Heilbron (f/k/a Sucsez (Bolt Bidco B.V.))	Insurance	First Lien Senior Secured Term Loan	EURIBOR + 5.00%, 5.0% Cash	9/19	9/26	2,967	3,676	2,917	0.2 %	(3)(7)(8)(13)
						2,967	3,676	2,917		
Holland Acquisition Corp.	Energy: Oil & Gas	First Lien Senior Secured Term Loan	LIBOR + 9.00%	2/22	11/22	3,754	—	—	— %	(7)(8)(11)(30)(33)
Home Care Assistance, LLC	Healthcare & Pharmaceuticals	First Lien Senior Secured Term Loan	SOFR + 5.00%, 8.1% Cash	3/21	3/27	3,802	3,743	3,737	0.3 %	(7)(8)(15)
						3,802	3,743	3,737		
Honour Lane Logistics Holdings Limited	Transportation Services	First Lien Senior Secured Term Loan	SOFR + 5.25%, 6.7% Cash	4/22	11/28	8,000	7,724	7,608	0.6 %	(3)(7)(8)(17)
HTI Technology & Industries	Electronic Component Manufacturing	First Lien Senior Secured Term Loan	SOFR + 8.50%, 11.4% Cash	7/22	7/25	11,591	11,397	11,386	0.9 %	(7)(8)(16)
						—	(19)	(20)		
HW Holdco, LLC (Hanley Wood LLC)	Advertising	First Lien Senior Secured Term Loan	LIBOR + 5.00%, 6.0% Cash	12/18	12/24	11,001	10,844	10,825	0.9 %	(7)(8)(10)
						11,001	10,844	10,825		
Hygie 31 Holding	Pharma-ceuticals	First Lien Senior Secured Term Loan	EURIBOR + 6.25%, 7.4% Cash	9/22	9/29	1,567	1,497	1,524	0.1 %	(3)(7)(8)(13)
						1,567	1,497	1,524		
IM Analytics Holding, LLC (d/b/a NVT)	Electronic Instruments & Components	First Lien Senior Secured Term Loan	LIBOR + 8.00%, 10.8% Cash	11/19	11/23	3,413	3,402	2,980	0.2 %	(7)(8)(10)
		Warrants (68,950 units)	N/A	11/19	11/26	—	—	—	— %	(7)(34)
IM Square	Banking, Finance, Insurance & Real Estate	First Lien Senior Secured Term Loan	EURIBOR + 5.25%, 5.5% Cash	5/21	4/28	2,449	2,935	2,416	0.2 %	(3)(7)(8)(14)
						2,449	2,935	2,416		
Infoniga Holdings GmbH	Technology	First Lien Senior Secured Term Loan	EURIBOR + 5.25%, 6.2% Cash	11/21	11/28	2,574	2,900	2,502	0.2 %	(3)(7)(8)(14)
						2,574	2,900	2,502		
Innovad Group II BV	Beverage, Food & Tobacco	First Lien Senior Secured Term Loan	EURIBOR + 5.75%, 6.0% Cash	4/21	4/28	5,803	6,785	5,183	0.4 %	(3)(7)(8)(14)
						5,803	6,785	5,183		

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Portfolio Company ⁽⁶⁾	Industry	Investment Type ⁽¹⁾⁽²⁾	Interest	Acq. Date	Maturity Date	Principal Amount	Cost	Fair Value	% of Net Assets *	Notes
Innovative XCessories & Services, LLC	Automotive	First Lien Senior Secured Term Loan	LIBOR + 4.25%, 7.8% Cash	2/22	3/27	\$ 2,923	\$ 2,870	\$ 2,356	0.2 %	(8)(1)(33)
						2,923	2,870	2,356		
INOS 19-090 GmbH	Aerospace & Defense	First Lien Senior Secured Term Loan	EURIBOR + 5.40%, 6.4% Cash	12/20	12/27	4,541	5,510	4,527	0.4 %	(3)(7)(8)(13)
						4,541	5,510	4,527		
Interstellar Group B.V.	Technology	First Lien Senior Secured Term Loan	EURIBOR + 5.25%, 6.4% Cash	8/22	8/29	1,121	1,127	1,084	0.1 %	(3)(7)(8)(13)
						1,121	1,127	1,084		
Iqor US Inc.	Services: Business	First Lien Senior Secured Term Loan	LIBOR + 7.50%, 10.6% Cash	2/22	11/24	2,696	2,725	2,669	0.2 %	(8)(9)(33)
						2,696	2,725	2,669		
Isagenix International, LLC	Wholesale	First Lien Senior Secured Term Loan	LIBOR + 5.75%, 9.4% Cash	2/22	6/25	1,579	1,160	625	0.1 %	(8)(10)(30)(33)
						1,579	1,160	625		
ISS#2, LLC (d/b/a Industrial Services Solutions)	Commercial Services & Supplies	First Lien Senior Secured Term Loan	LIBOR + 5.50%, 9.2% Cash	2/20	2/26	8,169	8,060	7,973	0.6 %	(7)(8)(10)
						8,169	8,060	7,973		
ITI Intermodal, Inc.	Transportation Services	First Lien Senior Secured Term Loan	LIBOR + 4.75%, 7.9% Cash	12/21	12/27	716	701	704	0.1 %	(7)(8)(9)
		Revolver	LIBOR + 4.75%, 7.9% Cash	12/21	12/27	6	4	4	— %	(7)(8)(9)
		Common Stock (1,433.37 shares)	N/A	1/22	N/A		144	143	— %	(7)(34)
						722	849	851		
Ivanti Software, Inc.	High Tech Industries	Second Lien Senior Secured Term Loan	LIBOR + 7.25%, 10.3% Cash	2/22	12/28	6,000	5,989	4,460	0.4 %	(8)(10)(33)
						6,000	5,989	4,460		
Jade Bidco Limited (Jane's)	Aerospace & Defense	First Lien Senior Secured Term Loan	EURIBOR + 6.25%, 6.3% Cash	11/19	2/29	3,747	4,079	3,672	0.3 %	(3)(7)(8)(14)
		First Lien Senior Secured Term Loan	LIBOR + 6.25%, 8.0% Cash	11/19	2/29	6,714	6,571	6,578	0.5 %	(3)(7)(8)(11)
						10,461	10,650	10,250		
Jaguar Merger Sub Inc.	Other Financial	First Lien Senior Secured Term Loan	SOFR + 5.25%, 8.2% Cash	12/21	9/24	4,865	4,768	4,736	0.4 %	(7)(8)(16)
		Revolver	SOFR + 5.25%, 8.2% Cash	12/21	9/24	—	(4)	(7)	— %	(7)(8)(16)
						4,865	4,764	4,729		
Jedson Engineering, Inc.	Engineering & Construction Management	First Lien Loan	12.0% Cash	12/20	6/23	2,650	2,650	2,650	0.2 %	(7)(31)
						2,650	2,650	2,650		
JetBlue 2019-1 Class B Pass Through Trust	Airlines	Structured Secured Note - Class B	8.0% Cash	8/20	11/27	3,887	3,887	3,815	0.3 %	
						3,887	3,887	3,815		
JF Acquisition, LLC	Automotive	First Lien Senior Secured Term Loan	LIBOR + 6.00%, 9.1% Cash	5/21	7/24	3,837	3,751	3,587	0.3 %	(7)(8)(9)
						3,837	3,751	3,587		
Jon Bidco Limited	Healthcare	First Lien Senior Secured Term Loan	BKBM + 5.50%, 9.4% Cash	3/22	3/27	3,202	3,807	3,099	0.2 %	(3)(7)(8)(26)
						3,202	3,807	3,099		
Jones Fish Hatcheries & Distributors LLC	Consumer Products	First Lien Senior Secured Term Loan	LIBOR + 5.75%, 8.9% Cash	2/22	2/28	2,785	2,734	2,740	0.2 %	(7)(8)(9)
		Revolver	LIBOR + 5.75%, 8.9% Cash	2/22	2/28	—	(8)	(7)	— %	(7)(8)(9)
		LLC Units (974.68 units)	N/A	2/22	N/A		97	97	— %	(7)(34)
						2,785	2,823	2,830		

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Portfolio Company ⁽⁶⁾	Industry	Investment Type ^{(1) (2)}	Interest	Acq. Date	Maturity Date	Principal Amount	Cost	Fair Value	% of Net Assets *	Notes
Kano Laboratories LLC	Chemicals, Plastics & Rubber	First Lien Senior Secured Term Loan	LIBOR + 5.00%, 7.0% Cash	11/20	11/26	\$ 5,668	\$ 5,544	\$ 5,546	0.4 %	(7)(8)(10)
		Partnership Equity (203.2 units)	N/A	11/20	N/A		203	192	— %	(7)(34)
							5,668	5,747	5,738	
Kene Acquisition, Inc. (En Engineering)	Oil & Gas Equipment & Services	First Lien Senior Secured Term Loan	LIBOR + 4.25%, 7.9% Cash	8/19	8/26	7,185	7,100	7,041	0.6 %	(7)(8)(10)
					7,185	7,100	7,041			
Kid Distro Holdings, LLC	Media & Entertainment	First Lien Senior Secured Term Loan	LIBOR + 5.75%, 8.6% Cash	10/21	10/27	9,256	9,096	9,132	0.7 %	(7)(8)(10)
		LLC Units (637,677.11 units)	N/A	10/21	N/A		638	599	— %	(7)(34)
							9,256	9,734	9,731	
Kona Buyer, LLC	High Tech Industries	First Lien Senior Secured Term Loan	LIBOR + 4.75%, 8.3% Cash	12/20	12/27	8,942	8,779	8,781	0.7 %	(7)(8)(10)
						8,942	8,779	8,781		
Lambir Bidco Limited	Healthcare	First Lien Senior Secured Term Loan	EURIBOR + 6.00%, 7.2% Cash	12/21	12/28	4,322	4,788	4,144	0.3 %	(3)(7)(8)(13)
		Second Lien Senior Secured Term Loan	12.0% PIK	12/21	6/29	1,295	1,446	1,246	0.1 %	(3)(7)
						5,617	6,234	5,390		
Lattice Group Holdings Bidco Limited	Technology	First Lien Senior Secured Term Loan	SOFR + 5.25%, 6.8% Cash	5/22	5/29	667	644	646	0.1 %	(3)(7)(8)(16)
		Revolver	SOFR + 5.25%, 8.8% Cash	5/22	11/28	35	35	35	— %	(3)(7)(8)(16)
						702	679	681		
LeadsOnline, LLC	Business Equipment & Services	First Lien Senior Secured Term Loan	LIBOR + 5.00%, 8.7% Cash	2/22	2/28	10,302	10,138	10,160	0.8 %	(7)(8)(10)
		Revolver	LIBOR + 5.00%, 8.7% Cash	2/22	2/28	—	(41)	(36)	— %	(7)(8)(10)
		LLC Units (52,493.44 units)	N/A	2/22	N/A		52	57	— %	(7)
						10,302	10,149	10,181		
Learfield Communications, LLC	Broadcasting	First Lien Senior Secured Term Loan	LIBOR + 3.25%, 6.4% Cash	8/20	12/23	134	95	110	— %	(8)(9)
		First Lien Senior Secured Term Loan	3.0% Cash, LIBOR + 10.0% PIK	8/20	12/23	8,586	8,558	8,500	0.7 %	(7)(10)
						8,720	8,653	8,610		
Legal Solutions Holdings	Business Services	Senior Subordinated Loan	16.0% PIK	12/20	3/23	12,319	10,129	—	— %	(7)(30)(31)
						12,319	10,129	—		
Liberty Steel Holdings USA Inc.	Industrial Other	Revolver	SOFR + 5.00%, 7.5% Cash	4/22	4/25	20,000	19,831	19,800	1.6 %	(7)(8)(15)
					20,000	19,831	19,800			
Lifestyle Intermediate II, LLC	Consumer Goods: Durable	First Lien Senior Secured Term Loan	LIBOR + 7.00%, 10.7% Cash	2/22	1/26	3,214	3,214	3,150	0.3 %	(7)(8)(10)(33)
		Revolver	LIBOR + 7.00%, 10.7% Cash	2/22	1/26	—	—	(50)	— %	(7)(8)(10)(33)
						3,214	3,214	3,100		
LivTech Purchaser, Inc.	Business Services	First Lien Senior Secured Term Loan	LIBOR + 5.00%, 6.0% Cash	1/21	12/25	862	855	855	0.1 %	(7)(8)(10)
						862	855	855		
LogMeln, Inc.	High Tech Industries	First Lien Senior Secured Term Loan	LIBOR + 4.75%, 7.8% Cash	2/22	8/27	1,965	1,947	1,358	0.1 %	(8)(9)(33)
						1,965	1,947	1,358		
Long Term Care Group, Inc.	Healthcare	First Lien Senior Secured Term Loan	LIBOR + 6.00%, 8.8% Cash	4/22	9/27	8,061	7,911	7,926	0.6 %	(7)(8)(9)
						8,061	7,911	7,926		

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Portfolio Company ⁽⁶⁾	Industry	Investment Type ⁽¹⁾⁽²⁾	Interest	Acq. Date	Maturity Date	Principal Amount	Cost	Fair Value	% of Net Assets *	Notes
Magnetite XIX, Limited	Multi-Sector Holdings	Subordinated Notes	LIBOR + 8.77%, 11.5% Cash	2/22	4/34	\$ 5,250	\$ 5,107	\$ 4,351	0.4 %	(3)(10)(33)
		Subordinated Structured Notes	Residual Interest, current yield 10.70%	2/22	4/34	13,730	9,278	7,742	0.6 %	(3)(33)
						18,980	14,385	12,093		
Marmoutier Holding B.V.	Consumer Products	First Lien Senior Secured Term Loan	EURIBOR + 5.75%, 6.9% Cash	12/21	12/28	2,002	2,217	1,961	0.2 %	(3)(7)(8)(13)
		Revolver	EURIBOR + 5.00%, 5.0% Cash	12/21	6/27	—	(4)	(3)	— %	(3)(7)(8)(13)
						2,002	2,213	1,958		
Marshall Excelsior Co.	Capital Goods	First Lien Senior Secured Term Loan	SOFR + 5.50%, 9.2% Cash	2/22	2/28	10,973	10,807	10,805	0.9 %	(7)(8)(16)
		Revolver	SOFR + 5.50%, 9.2% Cash	2/22	2/28	1,240	1,213	1,214	0.1 %	(7)(8)(16)
						12,213	12,020	12,019		
MC Group Ventures Corporation	Business Services	First Lien Senior Secured Term Loan	LIBOR + 5.50%, 8.4% Cash	7/21	6/27	3,660	3,581	3,604	0.3 %	(7)(8)(10)
		Partnership Units (746.66 units)	N/A	6/21	N/A	—	747	747	0.1 %	(7)(34)
						3,660	4,328	4,351		
Media Recovery, Inc. (SpotSee)	Containers, Packaging & Glass	First Lien Senior Secured Term Loan	LIBOR + 5.50%, 9.3% Cash	11/19	11/25	2,911	2,877	2,911	0.2 %	(7)(8)(10)
		First Lien Senior Secured Term Loan	SONIA + 6.00%, 8.2% Cash	12/20	11/25	3,637	4,283	3,637	0.3 %	(7)(8)(18)
						6,548	7,160	6,548		
Median B.V.	Healthcare	First Lien Senior Secured Term Loan	SONIA + 6.00%, 7.5% Cash	2/22	10/27	8,316	9,785	7,485	0.6 %	(3)(7)(8)(20)
						8,316	9,785	7,485		
Medical Solutions Parent Holdings, Inc.	Healthcare	Second Lien Senior Secured Term Loan	LIBOR + 7.00%, 9.9% Cash	11/21	11/29	4,421	4,381	4,200	0.3 %	(7)(8)(11)
						4,421	4,381	4,200		
Merrell Holding AS	Technology	First Lien Senior Secured Term Loan	NIBOR + 6.00%, 8.1% Cash	8/22	8/29	3,398	3,676	3,286	0.3 %	(3)(7)(8)(28)
		Class A Units (14.4 units)	N/A	8/22	N/A	—	111	105	— %	(3)(7)(34)
		Class B Units (28,943.8 units)	N/A	8/22	N/A	—	—	—	— %	(3)(7)(34)
					3,398	3,787	3,391			
MNS Buyer, Inc.	Construction and Building	First Lien Senior Secured Term Loan	LIBOR + 5.50%, 8.6% Cash	8/21	8/27	914	898	899	0.1 %	(7)(8)(9)
		Partnership Units (76.92 units)	N/A	8/21	N/A	—	77	70	— %	(7)(34)
						914	975	969		
Modern Star Holdings Bidco Pty Limited.	Non-durable Consumer Goods	First Lien Senior Secured Term Loan	BBSY + 6.25%, 8.8% Cash	12/20	12/26	7,400	8,313	7,217	0.6 %	(3)(7)(8)(21)
						7,400	8,313	7,217		
Murphy Midco Limited	Media, Diversified & Production	First Lien Senior Secured Term Loan	SONIA + 5.00%, 5.9% Cash	11/20	11/27	775	900	767	0.1 %	(3)(7)(8)(20)
		First Lien Senior Secured Term Loan	SONIA + 5.00%, 6.2% Cash	11/20	11/27	137	152	129	— %	(3)(7)(8)(20)
						912	1,052	896		
Music Reports, Inc.	Media & Entertainment	First Lien Senior Secured Term Loan	LIBOR + 6.00%, 8.7% Cash	8/20	8/26	6,995	6,875	6,873	0.6 %	(7)(8)(9)
						6,995	6,875	6,873		
Napa Bidco Pty Ltd	Healthcare	First Lien Senior Secured Term Loan	BBSY + 6.00%, 8.5% Cash	3/22	3/28	17,890	19,505	17,049	1.4 %	(3)(7)(8)(22)
						17,890	19,505	17,049		

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Portfolio Company ⁽⁶⁾	Industry	Investment Type ^{(1) (2)}	Interest	Acq. Date	Maturity Date	Principal Amount	Cost	Fair Value	% of Net Assets *	Notes
Narda Acquisitionco., Inc.	Aerospace & Defense	First Lien Senior Secured Term Loan	LIBOR + 5.25%, 8.9% Cash	12/21	12/27	\$ 5,665	\$ 5,578	\$ 5,229	0.4 %	(7)(8)(10)
		Revolver	LIBOR + 5.25%, 8.9% Cash	12/21	12/27	66	46	(35)	— %	(7)(8)(10)
		Class A Preferred Stock (4,587.38 shares)	N/A	12/21	N/A		459	369	— %	(7)(34)
		Class B Common Stock (509.71 shares)	N/A	12/21	N/A		51	—	— %	(7)(34)
					5,731	6,134	5,563			
Navia Benefit Solutions, Inc.	Healthcare & Pharmaceuticals	First Lien Senior Secured Term Loan	LIBOR + 5.25%, 8.2% Cash	2/21	2/27	2,701	2,667	2,679	0.2 %	(7)(8)(9)
					2,701	2,667	2,679			
Nexus Underwriting Management Limited	Other Financial	First Lien Senior Secured Term Loan	SONIA + 5.25%, 5.9% Cash	10/21	10/28	1,429	1,682	1,395	0.1 %	(3)(7)(8)(20)
		Revolver	SONIA + 5.25%, 5.9% Cash	10/21	4/23	171	202	171	— %	(3)(7)(8)(20)
					1,600	1,884	1,566			
NGS US Finco, LLC (f/k/a Dresser Natural Gas Solutions)	Energy Equipment & Services	First Lien Senior Secured Term Loan	LIBOR + 4.25%, 7.3% Cash	10/18	10/25	4,716	4,705	4,707	0.4 %	(7)(8)(9)
					4,716	4,705	4,707			
Northstar Recycling, LLC	Environmental Industries	First Lien Senior Secured Term Loan	LIBOR + 4.75%, 8.4% Cash	10/21	9/27	2,481	2,439	2,438	0.2 %	(7)(8)(10)
					2,481	2,439	2,438			
Novotech Aus Bidco Pty Ltd	Healthcare	First Lien Senior Secured Term Loan	BBSY + 5.75%, 7.6% Cash	1/22	1/28	3,309	3,664	3,173	0.3 %	(3)(7)(8)(23)
		First Lien Senior Secured Term Loan	SOFR + 5.25%, 7.6% Cash	1/22	1/28	474	448	421	— %	(3)(7)(8)(17)
					3,783	4,112	3,594			
NPM Investments 28 B.V.	Healthcare	First Lien Senior Secured Term Loan	EURIBOR + 6.25%, 7.4% Cash	9/22	9/29	1,968	1,902	1,902	0.2 %	(3)(7)(8)(13)
					1,968	1,902	1,902			
OA Buyer, Inc.	Healthcare	First Lien Senior Secured Term Loan	LIBOR + 6.00%, 9.1% Cash	12/21	12/28	5,602	5,499	5,505	0.4 %	(7)(8)(9)
		Revolver	LIBOR + 6.00%, 9.1% Cash	12/21	12/28	—	(24)	(23)	— %	(7)(8)(9)
		Partnership Units (210,920.11 units)	N/A	12/21	N/A		211	211	— %	(7)(34)
					5,602	5,686	5,693			
OAC Holdings I Corp	Automotive	First Lien Senior Secured Term Loan	SOFR + 5.00%, 8.0% Cash	3/22	3/29	3,621	3,553	3,561	0.3 %	(7)(8)(16)
		Revolver	SOFR + 5.00%, 8.0% Cash	3/22	3/28	568	542	545	— %	(7)(8)(16)
					4,189	4,095	4,106			
Odeon Cinemas Group Limited	Hotel, Gaming, & Leisure	First Lien Senior Secured Term Loan	11.3% Cash	2/21	8/23	3,353	4,091	3,269	0.3 %	(3)
					3,353	4,091	3,269			
Offen Inc.	Transportation: Cargo	First Lien Senior Secured Term Loan	LIBOR + 5.00%, 7.9% Cash	2/22	6/26	3,742	3,704	3,629	0.3 %	(7)(11)(33)
					3,742	3,704	3,629			
OG III B.V.	Containers & Glass Products	First Lien Senior Secured Term Loan	EURIBOR + 5.75%, 6.8% Cash	6/21	6/28	3,103	3,671	3,088	0.2 %	(3)(7)(8)(13)
					3,103	3,671	3,088			
Omni Intermediate Holdings, LLC	Transportation	First Lien Senior Secured Term Loan	SOFR + 5.00%, 8.7% Cash	12/20	12/26	6,150	6,111	5,996	0.5 %	(7)(8)(16)
						6,150	6,111	5,996		
Options Technology Ltd.	Computer Services	First Lien Senior Secured Term Loan	LIBOR + 4.75%, 6.2% Cash	12/19	12/25	2,296	2,270	2,264	0.2 %	(3)(7)(8)(11)
					2,296	2,270	2,264			

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Portfolio Company ⁽⁶⁾	Industry	Investment Type ^{(1) (2)}	Interest	Acq. Date	Maturity Date	Principal Amount	Cost	Fair Value	% of Net Assets *	Notes
Oracle Vision Bidco Limited	Healthcare	First Lien Senior Secured Term Loan	SONIA + 4.75%, 5.7% Cash	6/21	5/28	\$ 2,555	\$ 3,149	\$ 2,515	0.2 %	(3)(7)(8)(20)
						2,555	3,149	2,515		
Origin Bidco Limited	Technology	First Lien Senior Secured Term Loan	EURIBOR + 5.50%, 6.3% Cash	6/21	6/28	325	395	318	— %	(3)(7)(8)(13)
						597	583	584		
		First Lien Senior Secured Term Loan	LIBOR + 5.50%, 8.7% Cash	6/21	6/28	922	978	902	— %	(3)(7)(8)(10)
OSP Hamilton Purchaser, LLC	Technology	First Lien Senior Secured Term Loan	LIBOR + 5.25%, 8.9% Cash	12/21	12/27	2,264	2,223	2,230	0.2 %	(7)(8)(10)
						—	(3)	(3)		
		LP Units (60,040 units)	N/A	7/22	N/A	2,264	2,283	67	— %	(7)(34)
Panoche Energy Center LLC	Electric	First Lien Senior Secured Term Loan	6.9% Cash	7/22	7/29	4,924	4,416	4,530	0.4 %	(7)
						4,924	4,416	4,530		
Pare SAS (SAS Maurice MARLE)	Health Care Equipment	First Lien Senior Secured Term Loan	EURIBOR + 6.50%, 8.4% Cash	12/19	12/26	3,995	4,486	3,989	0.3 %	(3)(7)(8)(14)
Patriot New Midco 1 Limited (Forensic Risk Alliance)	Diversified Financial Services	First Lien Senior Secured Term Loan	EURIBOR + 6.75%, 7.1% Cash	2/20	2/27	2,605	2,847	2,509	0.2 %	(3)(7)(8)(13)
						3,539	3,477	3,408		
		First Lien Senior Secured Term Loan	LIBOR + 6.75%, 9.7% Cash	2/20	2/27	6,144	6,324	5,917	0.3 %	(3)(7)(8)(10)
PDQ.Com Corporation	Business Equipment & Services	First Lien Senior Secured Term Loan	LIBOR + 4.75%, 8.4% Cash	8/21	8/27	7,484	7,243	7,284	0.6 %	(7)(8)(10)
						—	29	38		
		Class A-2 Partnership Units (28.8 units)	N/A	8/21	N/A	7,484	7,272	7,322	— %	(7)(34)
Perimeter Master Note Business Trust	Credit Card ABS	Structured Secured Note - Class A	4.7% Cash	5/22	5/27	109	109	99	— %	(3)(7)
						109	109	98		
						109	109	95		
						109	109	94		
						5,564	5,564	4,823		
6,000	6,000	5,209								
Permaconn BidCo Pty Ltd	Tele-communications	First Lien Senior Secured Term Loan	BBSY + 6.50%, 9.1% Cash	12/21	12/27	2,634	2,862	2,580	0.2 %	(3)(7)(8)(22)
						2,634	2,862	2,580		
Polara Enterprises, L.L.C.	Capital Equipment	First Lien Senior Secured Term Loan	LIBOR + 4.75%, 7.3% Cash	12/21	12/27	1,233	1,212	1,211	0.1 %	(7)(8)(10)
						—	(9)	(10)		
		Partnership Units (7,408.6 units)	N/A	12/21	N/A	1,233	1,944	741	0.1 %	(7)(34)

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Portfolio Company ⁽⁶⁾	Industry	Investment Type ⁽¹⁾⁽²⁾	Interest	Acq. Date	Maturity Date	Principal Amount	Cost	Fair Value	% of Net Assets *	Notes
Policy Services Company, LLC	Property & Casualty Insurance	First Lien Senior Secured Term Loan	LIBOR + 6.00%, 8.8% Cash, 4.0% PIK	12/21	6/26	\$ 49,140	\$ 47,920	\$ 47,665	3.8 %	(7)(8)(10)
		Warrants - Class A (25,582 units)	N/A	12/21	N/A	—	—	—	— %	(7)(34)
		Warrants - Class B (8,634 units)	N/A	12/21	N/A	—	—	—	— %	(7)(34)
		Warrants - Class C (888 units)	N/A	12/21	N/A	—	—	—	— %	(7)(34)
		Warrants - Class D (2,282 units)	N/A	12/21	N/A	—	—	—	— %	(7)(34)
						49,140	47,920	47,665		
Polymer Solutions Group Holdings, LLC	Chemicals, Plastics & Rubber	First Lien Senior Secured Term Loan	LIBOR + 7.00%, 10.1% Cash	2/22	1/23	1,014	1,014	994	0.1 %	(7)(8)(9)(33)
						1,014	1,014	994		
Premium Franchise Brands, LLC	Research & Consulting Services	First Lien Senior Secured Term Loan	LIBOR + 6.25%, 9.9% Cash	12/20	12/26	12,708	12,518	12,521	1.0 %	(7)(8)(10)
						12,708	12,518	12,521		
Premium Invest	Brokerage, Asset Managers & Exchanges	First Lien Senior Secured Term Loan	EURIBOR + 5.75%, 6.5% Cash	6/21	6/28	5,192	5,796	5,192	0.4 %	(3)(7)(8)(14)
						5,192	5,796	5,192		
Preqin MC Limited	Banking, Finance, Insurance & Real Estate	First Lien Senior Secured Term Loan	LIBOR + 5.25%, 8.6% Cash	8/21	7/28	2,789	2,717	2,738	0.2 %	(3)(7)(8)(11)
						2,789	2,717	2,738		
Process Equipment, Inc. (ProcessBarron)	Industrial Air & Material Handling Equipment	First Lien Senior Secured Term Loan	SOFR + 5.75%, 7.1% Cash	3/19	3/25	5,679	5,644	5,196	0.4 %	(7)(8)(16)
		First Lien Senior Secured Term Loan	LIBOR + 6.00%, 10.0% Cash	3/19	3/25	339	336	310	— %	(7)(8)(11)
						6,018	5,980	5,506		
Professional Datasolutions, Inc. (PDI)	Application Software	First Lien Senior Secured Term Loan	LIBOR + 4.50%, 7.2% Cash	3/19	10/24	1,822	1,821	1,797	0.1 %	(7)(8)(10)
						1,822	1,821	1,797		
ProfitOptics, LLC	Technology	First Lien Senior Secured Term Loan	LIBOR + 5.75%, 9.6% Cash	3/22	3/28	1,770	1,737	1,727	0.1 %	(7)(8)(11)
		Revolver	LIBOR + 5.75%, 9.6% Cash	3/22	3/28	—	(9)	(12)	— %	(7)(8)(11)
		Second Lien Senior Subordinated Term Loan	8.0% Cash	3/22	3/29	81	81	79	— %	(7)
		LLC Units (241,935.48 units)	N/A	3/22	N/A	—	161	163	— %	(7)(34)
					1,851	1,970	1,957			
Propants Holding, LLC	Energy: Oil & Gas	LLC Units (1,668,106 units)	N/A	2/22	N/A	—	—	—	— %	(7)(33)(34)
						—	—	—		
Protego Bidco B.V.	Aerospace & Defense	First Lien Senior Secured Term Loan	EURIBOR + 6.00%, 7.7% Cash	3/21	3/28	1,333	1,567	1,303	0.1 %	(3)(7)(8)(14)
		Revolver	EURIBOR + 5.25%, 6.9% Cash	3/21	3/27	1,919	2,274	1,900	0.2 %	(3)(7)(8)(13)
						3,252	3,841	3,203		
PSP Intermediate 4, LLC	Technology	First Lien Senior Secured Term Loan	EURIBOR + 5.25%, 6.1% Cash	5/22	5/29	801	823	766	0.1 %	(3)(7)(8)(13)
		First Lien Senior Secured Term Loan	LIBOR + 5.25%, 8.4% Cash	5/22	5/29	866	843	845	0.1 %	(3)(7)(8)(10)
						1,667	1,666	1,611		
QPE7 SPV1 BidCo Pty Ltd	Consumer Cyclical	First Lien Senior Secured Term Loan	BBSY + 5.50%, 8.0% Cash	9/21	9/26	1,773	1,964	1,720	0.1 %	(3)(7)(8)(22)
						1,773	1,964	1,720		
Questel Unite	Business Services	First Lien Senior Secured Term Loan	LIBOR + 6.25%, 9.9% Cash	12/20	12/27	6,892	6,811	6,794	0.5 %	(3)(7)(8)(10)
						6,892	6,811	6,794		

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Portfolio Company ⁽⁶⁾	Industry	Investment Type ^{(1) (2)}	Interest	Acq. Date	Maturity Date	Principal Amount	Cost	Fair Value	% of Net Assets *	Notes
RA Outdoors, LLC	High Tech Industries	First Lien Senior Secured Term Loan	LIBOR + 6.75%, 8.7% Cash	2/22	4/26	\$ 12,917	\$ 12,658	\$ 12,659	1.0 %	(7)(8)(10)(33)
		Revolver	LIBOR + 6.75%, 8.7% Cash	2/22	4/26	—	—	(25)	— %	(7)(8)(10)(33)
						12,917	12,658	12,634		
Recovery Point Systems, Inc.	Technology	First Lien Senior Secured Term Loan	LIBOR + 6.50%, 9.4% Cash	8/20	7/26	11,589	11,428	11,566	0.9 %	(7)(8)(10)
		Partnership Equity (187,235 units)	N/A	3/21	N/A	—	187	125	— %	(7)(34)
						11,589	11,615	11,691		
Renovation Parent Holdings, LLC	Home furnishings	First Lien Senior Secured Term Loan	LIBOR + 5.50%, 7.5% Cash	11/21	11/27	4,818	4,713	4,733	0.4 %	(7)(8)(10)
		Partnership Equity (197,368.42 units)	N/A	11/21	N/A	—	197	197	— %	(7)(34)
						4,818	4,910	4,930		
REP SEKO MERGER SUB LLC	Air Freight & Logistics	First Lien Senior Secured Term Loan	EURIBOR + 5.00%, 6.0% Cash	6/22	12/26	8,816	9,282	8,696	0.7 %	(7)(8)(14)
		First Lien Senior Secured Term Loan	LIBOR + 5.00%, 8.1% Cash	12/20	12/26	1,097	1,059	1,069	0.1 %	(7)(8)(10)
						9,913	10,341	9,765		
Resolute Investment Managers, Inc.	Banking, Finance, Insurance & Real Estate	Second Lien Senior Secured Term Loan	LIBOR + 8.00%, 10.8% Cash	2/22	4/25	5,081	5,107	4,624	0.4 %	(7)(8)(10)(33)
						5,081	5,107	4,624		
Resonetics, LLC	Health Care Equipment	Second Lien Senior Secured Term Loan	LIBOR + 7.00%, 10.2% Cash	4/21	4/29	4,011	3,940	3,954	0.3 %	(7)(8)(10)
						4,011	3,940	3,954		
Reward Gateway (UK) Ltd	Precious Metals & Minerals	First Lien Senior Secured Term Loan	SONIA + 6.50%, 7.7% Cash	8/21	6/28	2,683	3,227	2,628	0.2 %	(3)(7)(8)(19)
						2,683	3,227	2,628		
Riedel Beheer B.V.	Food & Beverage	First Lien Senior Secured Term Loan	EURIBOR + 5.50%, 7.2% Cash	12/21	12/28	2,032	2,246	1,976	0.2 %	(3)(7)(8)(13)
						2,032	2,246	1,976		
Royal Buyer, LLC	Industrial Other	First Lien Senior Secured Term Loan	SOFR + 6.00%, 8.9% Cash	8/22	8/28	11,043	10,782	10,779	0.9 %	(7)(8)(16)
		Revolver	SOFR + 6.00%, 8.9% Cash	8/22	8/28	408	373	373	— %	(7)(8)(16)
						11,451	11,155	11,152		
RPX Corporation	Research & Consulting Services	First Lien Senior Secured Term Loan	LIBOR + 5.50%, 8.6% Cash	10/20	10/25	7,338	7,213	7,229	0.6 %	(7)(8)(9)
						7,338	7,213	7,229		
RTIC Subsidiary Holdings, LLC	Consumer Goods: Durable	First Lien Senior Secured Term Loan	LIBOR + 7.75%, 9.0% Cash	2/22	9/25	10,166	10,166	10,013	0.8 %	(7)(8)(10)(33)
		Revolver	LIBOR + 7.75%, 9.0% Cash	2/22	9/25	2,937	2,936	2,877	0.2 %	(7)(8)(10)(33)
		Class A Preferred Stock (145,347 shares)	N/A	2/22	N/A	—	4	1	— %	(7)(33)
		Class B Preferred Stock (145,347 shares)	N/A	2/22	N/A	—	—	—	— %	(7)(33)(34)
		Class C Preferred Stock (7,844.03 shares)	N/A	2/22	N/A	—	450	217	— %	(7)(33)(34)
		Common Stock (153 shares)	N/A	2/22	N/A	—	—	— %	(7)(33)(34)	
						13,103	13,556	13,108		
Ruffalo Noel Levitz, LLC	Media Services	First Lien Senior Secured Term Loan	LIBOR + 6.00%, 9.7% Cash	1/19	5/24	9,445	9,445	9,445	0.8 %	(7)(8)(10)
						9,445	9,445	9,445		

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Portfolio Company ⁽⁶⁾	Industry	Investment Type ⁽¹⁾⁽²⁾	Interest	Acq. Date	Maturity Date	Principal Amount	Cost	Fair Value	% of Net Assets *	Notes
Safety Products Holdings, LLC	Non-durable Consumer Goods	First Lien Senior Secured Term Loan	LIBOR + 6.00%, 9.1% Cash	12/20	12/26	\$ 11,994	\$ 11,795	\$ 11,813	1.0 %	(7)(8)(9)
		Preferred Stock (372.1 shares)	N/A	12/20	N/A		372	507	— %	(7)(34)
						11,994	12,167	12,320		
Sanoptis S.A.R.L.	Healthcare & Pharmaceuticals	First Lien Senior Secured Term Loan	EURIBOR + 5.50%, 7.4% Cash	6/22	7/29	1,921	1,807	1,819	0.1 %	(3)(7)(8)(14)
		First Lien Senior Secured Term Loan	SARON + 5.50%, 7.8% Cash	6/22	7/29	3,151	3,134	3,072	0.2 %	(3)(7)(8)(27)
						5,072	4,941	4,891		
Scaled Agile, Inc.	Research & Consulting Services	First Lien Senior Secured Term Loan	SOFR + 5.50%, 9.2% Cash	12/21	12/28	1,739	1,703	1,739	0.1 %	(7)(8)(16)
		Revolver	SOFR + 5.50%, 9.2% Cash	12/21	12/28	—	(6)	—	— %	(7)(8)(16)
						1,739	1,697	1,739		
Scout Bideo B.V.	Diversified Manufacturing	First Lien Senior Secured Term Loan	EURIBOR + 6.00%, 6.6% Cash	5/22	3/29	5,953	6,279	5,775	0.5 %	(3)(7)(8)(13)
		Revolver	EURIBOR + 6.00%, 6.6% Cash	5/22	3/29	—	(25)	(21)	— %	(3)(7)(8)(13)
						5,953	6,254	5,754		
Sereni Capital NV	Consumer Cyclical	First Lien Senior Secured Term Loan	EURIBOR + 5.75%, 5.8% Cash	5/22	11/28	208	200	198	— %	(3)(7)(8)(14)
		First Lien Senior Secured Term Loan	EURIBOR + 5.75%, 5.8% Cash	5/22	5/29	450	479	439	— %	(3)(7)(8)(14)
						658	679	637		
Serta Simmons Bedding LLC	Home Furnishings	Super Priority First Out	LIBOR + 7.50%, 10.8% Cash	6/20	8/23	7,294	7,228	7,057	0.6 %	(8)(10)
		Super Priority Second Out	LIBOR + 7.50%, 10.8% Cash	6/20	8/23	3,580	3,372	1,866	0.2 %	(8)(10)
						10,874	10,600	8,923		
SISU ACQUISITIONCO., INC.	Aerospace & Defense	First Lien Senior Secured Term Loan	LIBOR + 5.25%, 8.9% Cash	12/20	12/26	6,970	6,867	6,396	0.5 %	(7)(8)(10)
						6,970	6,867	6,396		
SMART Financial Operations, LLC	Banking, Finance, Insurance & Real Estate	Preferred Stock (1,000,000 shares)	N/A	2/22	N/A		—	110	— %	(7)(33)(34)
							—	110		
Smartling, Inc.	Technology	First Lien Senior Secured Term Loan	LIBOR + 5.75%, 9.4% Cash	11/21	10/27	13,742	13,467	13,475	1.1 %	(7)(8)(10)
		Revolver	LIBOR + 5.75%, 9.4% Cash	11/21	10/27	—	(20)	(20)	— %	(7)(8)(10)
						13,742	13,447	13,455		
Smile Brands Group Inc.	Health Care Services	First Lien Senior Secured Term Loan	LIBOR + 4.50%, 6.3% Cash	12/20	10/24	617	608	600	— %	(7)(8)(11)
		First Lien Senior Secured Term Loan	LIBOR + 4.50%, 6.6% Cash	10/18	10/25	1,345	1,340	1,310	0.1 %	(7)(8)(11)
		First Lien Senior Secured Term Loan	LIBOR + 4.50%, 6.8% Cash	10/18	10/25	3,211	3,199	3,127	0.3 %	(7)(8)(11)
						5,173	5,147	5,037		
SN BUYER, LLC	Health Care Services	First Lien Senior Secured Term Loan	LIBOR + 5.75%, 8.8% Cash	12/20	12/26	11,129	10,964	11,130	0.9 %	(7)(8)(9)
							11,129	10,964	11,130	
Sound Point CLO XX, Ltd.	Multi-Sector Holdings	Subordinated Structured Notes	Residual Interest, current yield 16.53%	2/22	7/31	4,489	2,201	1,129	0.1 %	(3)(33)
						4,489	2,201	1,129		
Springbrook Software (SBRK Intermediate, Inc.)	Enterprise Software & Services	First Lien Senior Secured Term Loan	LIBOR + 5.75%, 8.6% Cash	12/19	12/26	20,982	20,698	20,695	1.7 %	(7)(8)(9)
							20,982	20,698	20,695	
SSCP Pegasus Midco Limited	Healthcare & Pharmaceuticals	First Lien Senior Secured Term Loan	SONIA + 6.75%, 8.4% Cash	12/20	11/27	2,270	2,559	2,195	0.2 %	(3)(7)(8)(19)
							2,270	2,559	2,195	

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Portfolio Company ⁽⁶⁾	Industry	Investment Type ⁽¹⁾⁽²⁾	Interest	Acq. Date	Maturity Date	Principal Amount	Cost	Fair Value	% of Net Assets *	Notes
Stammeeer B.V.	Technology	First Lien Senior Secured Term Loan	LIBOR + 6.40%, 9.2% Cash	10/21	4/27	\$ 2,500	\$ 2,468	\$ 2,453	0.2 %	(3)(7)(8)(10)
						2,500	2,468	2,453		
Superjet Buyer, LLC	Technology	First Lien Senior Secured Term Loan	LIBOR + 5.75%, 9.4% Cash	12/21	12/27	13,076	12,841	12,880	1.0 %	(7)(8)(10)
		Revolver	LIBOR + 5.75%, 9.4% Cash	12/21	12/27	—	(32)	(27)	— %	(7)(8)(10)
						13,076	12,809	12,853		
Syniverse Holdings, Inc.	Technology Distributors	Series A Preferred Equity (7,575,758 units)	12.5% PIK	5/22	N/A	—	7,424	7,046	0.6 %	(7)
							7,424	7,046		
Syntax Systems Ltd	Technology	First Lien Senior Secured Term Loan	LIBOR + 5.50%, 8.0% Cash	11/21	10/28	2,023	1,995	1,912	0.2 %	(3)(7)(8)(9)
		Revolver	LIBOR + 5.50%, 8.0% Cash	11/21	10/26	674	666	646	0.1 %	(3)(7)(8)(9)
						2,697	2,661	2,558		
TA SL Cayman Aggregator Corp.	Technology	Subordinated Term Loan	7.8% PIK	7/21	7/28	2,175	2,142	2,148	0.2 %	(7)
		Common Stock (1,589 shares)	N/A	7/21	N/A	—	50	83	— %	(7)(34)
						2,175	2,192	2,231		
Tank Holding Corp	Metal & Glass Containers	First Lien Senior Secured Term Loan	SOFR + 6.00%, 8.9% Cash	3/22	3/28	11,127	10,894	10,919	0.9 %	(7)(8)(15)
		Revolver	SOFR + 6.00%, 8.9% Cash	3/22	3/28	—	(18)	(16)	— %	(7)(8)(15)
						11,127	10,876	10,903		
Team Car Care, LLC	Automotive	First Lien Senior Secured Term Loan	LIBOR + 8.00%, 10.4% Cash	2/22	6/24	12,298	12,298	12,138	1.0 %	(7)(8)(10)(33)
						12,298	12,298	12,138		
Team Services Group	Services: Consumer	First Lien Senior Secured Term Loan	LIBOR + 5.00%, 7.8% Cash	2/22	12/27	9,887	9,887	9,492	0.8 %	(7)(8)(10)(33)
		Second Lien Senior Secured Term Loan	LIBOR + 9.00%, 11.8% Cash	2/22	12/28	5,000	4,975	4,900	0.4 %	(7)(8)(10)(33)
						14,887	14,862	14,392		
Techone B.V.	Technology	First Lien Senior Secured Term Loan	EURIBOR + 5.50%, 6.7% Cash	11/21	11/28	3,442	3,784	3,357	0.3 %	(3)(7)(8)(13)
		Revolver	EURIBOR + 5.50%, 6.7% Cash	11/21	5/28	261	274	249	— %	(3)(7)(8)(13)
						3,703	4,058	3,606		
Tencarva Machinery Company, LLC	Capital Equipment	First Lien Senior Secured Term Loan	LIBOR + 5.25%, 8.9% Cash	12/21	12/23	886	872	875	0.1 %	(7)(8)(10)
		First Lien Senior Secured Term Loan	LIBOR + 5.25%, 8.9% Cash	12/21	12/27	5,444	5,359	5,374	0.4 %	(7)(8)(10)
		Revolver	LIBOR + 5.25%, 8.9% Cash	12/21	12/27	—	(17)	(15)	— %	(7)(8)(10)
						6,330	6,214	6,234		
Terrybear, Inc.	Consumer Products	Subordinated Term Loan	10.0% Cash, 4.0% PIK	4/22	4/28	258	253	254	— %	(7)
		Partnership Equity (24,358.97 units)	N/A	4/22	N/A	—	239	239	— %	(7)(34)
						258	492	493		
The Caprock Group, Inc. (aka TA/TCG Holdings, LLC)	Brokerage, Asset Managers & Exchanges	First Lien Senior Secured Term Loan	LIBOR + 4.25%, 7.9% Cash	10/21	12/27	843	781	792	0.1 %	(7)(8)(9)
		Revolver	LIBOR + 4.25%, 7.9% Cash	10/21	12/27	—	(13)	(12)	— %	(7)(8)(9)
		Subordinated Term Loan	LIBOR + 7.00%, 9.6% Cash	10/21	10/28	3,370	3,310	3,323	0.3 %	(7)(8)(9)
						4,213	4,078	4,103		

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Portfolio Company ⁽⁶⁾	Industry	Investment Type ^{(1) (2)}	Interest	Acq. Date	Maturity Date	Principal Amount	Cost	Fair Value	% of Net Assets *	Notes
The Cleaver-Brooks Company, Inc.	Industrial Equipment	First Lien Senior Secured Term Loan	SOFR + 5.75%, 8.9% Cash	7/22	7/28	\$ 26,883	\$ 26,310	\$ 26,294	2.1 %	(7)(8)(15)
		Subordinated Term Loan	11.0% PIK	7/22	7/29	5,655	5,533	5,528	0.4 %	(7)
						32,538	31,843	31,822		
The Hilb Group, LLC	Insurance Brokerage	First Lien Senior Secured Term Loan	LIBOR + 5.50%, 8.6% Cash	12/19	12/26	623	576	572	— %	(7)(8)(9)
		First Lien Senior Secured Term Loan	LIBOR + 5.75%, 8.9% Cash	12/19	12/25	5,666	5,566	5,563	0.4 %	(7)(8)(9)
		First Lien Senior Secured Term Loan	LIBOR + 5.75%, 8.9% Cash	12/19	12/26	14,449	14,206	14,184	1.1 %	(7)(8)(9)
						20,738	20,348	20,319		
The Octave Music Group, Inc.	Media: Diversified & Production	Second Lien Senior Secured Term Loan	SOFR + 7.50%, 9.6% Cash	4/22	3/30	12,522	12,283	12,313	1.0 %	(7)(8)(16)
		Partnership Equity (676,880.98 units)	N/A	4/22	N/A		677	971	0.1 %	(7)(34)
						12,522	12,960	13,284		
Total Safety U.S. Inc.	Diversified Support Services	First Lien Senior Secured Term Loan	LIBOR + 6.00%, 9.0% Cash	11/19	8/25	6,309	6,162	6,033	0.5 %	(8)(11)
		First Lien Senior Secured Term Loan	LIBOR + 11.00%, 14.0% Cash, 5.0% PIK	7/22	8/25	3,500	3,500	3,500	0.3 %	(7)(8)(11)
						9,809	9,662	9,533		
TPC Group, Inc.	Chemicals	First Lien Senior Secured Term Loan	SOFR + 4.50%, 7.4% Cash	6/22	12/23	40,678	40,235	40,116	3.2 %	(7)(8)(16)
						40,678	40,235	40,116		
Transit Technologies LLC	Software	First Lien Senior Secured Term Loan	LIBOR + 5.00%, 7.9% Cash	2/20	2/25	6,035	5,982	5,800	0.5 %	(7)(8)(10)
						6,035	5,982	5,800		
Transportation Insight, LLC	Air Freight & Logistics	First Lien Senior Secured Term Loan	LIBOR + 4.25%, 7.4% Cash	8/18	12/24	11,229	11,186	11,037	0.9 %	(7)(8)(9)
						11,229	11,186	11,037		
Trident Maritime Systems, Inc.	Aerospace & Defense	First Lien Senior Secured Term Loan	LIBOR + 5.00%, 8.7% Cash	2/21	2/27	14,806	14,620	14,583	1.2 %	(7)(8)(10)
						14,806	14,620	14,583		
Truck-Lite Co., LLC	Automotive Parts & Equipment	First Lien Senior Secured Term Loan	SOFR + 6.25%, 9.9% Cash	12/19	6/29	19,378	19,064	19,023	1.5 %	(7)(8)(16)
						19,378	19,064	19,023		
True Religion Apparel, Inc.	Retail	Preferred Unit (2.8 units)	N/A	2/22	N/A		—	—	— %	(7)(33)(34)
		Common Stock (2.71 shares)	N/A	2/22	N/A		—	—	— %	(7)(33)(34)
							—	—		
Trystar, LLC	Power Distribution Solutions	First Lien Senior Secured Term Loan	LIBOR + 5.50%, 8.3% Cash	9/18	9/23	6,926	6,870	6,830	0.6 %	(7)(8)(10)
		Class A LLC Units (#40.97 units)	N/A	9/18	N/A		481	412	— %	(7)(34)
						6,926	7,351	7,242		
TSM II Luxco 10 SARL	Chemical & Plastics	Subordinated Term Loan	9.3% PIK	3/22	3/27	9,796	10,692	9,405	0.8 %	(3)(7)(8)
						9,796	10,692	9,405		
Turbo Buyer, Inc.	Finance Companies	First Lien Senior Secured Term Loan	LIBOR + 6.00%, 10.2% Cash	11/21	12/25	7,577	7,420	7,305	0.6 %	(7)(8)(10)
						7,577	7,420	7,305		
Turf Products, LLC	Landscaping & Irrigation Equipment Distributor	Senior Subordinated Debt	10.0% Cash	12/20	10/23	8,697	8,384	8,584	0.7 %	(7)(31)
						8,697	8,384	8,584		
Turnberry Solutions, Inc.	Consumer Cyclical	First Lien Senior Secured Term Loan	SOFR + 6.25%, 9.2% Cash	7/21	9/26	4,987	4,908	4,907	0.4 %	(7)(8)(17)
						4,987	4,908	4,907		

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Portfolio Company ⁽⁶⁾	Industry	Investment Type ⁽¹⁾⁽²⁾	Interest	Acq. Date	Maturity Date	Principal Amount	Cost	Fair Value	% of Net Assets *	Notes
U.S. Gas & Electric, Inc.	Energy Services	Second Lien Loan	9.5% Cash	12/20	7/25	\$ 2,285	\$ 1,785	\$ 1,814	0.1 %	(7)(31)
		Second Lien Loan	9.5% Cash	12/20	7/25	2,485	—	—	— %	(7)(31)(32)
						4,770	1,785	1,814		
U.S. Silica Company	Metal & Glass Containers	First Lien Senior Secured Term Loan	LIBOR + 4.00%, 7.1% Cash	8/18	5/25	1,460	1,462	1,400	0.1 %	(3)(8)(9)
						1,460	1,462	1,400		
UKFast Leaders Limited	Technology	First Lien Senior Secured Term Loan	SONIA + 7.25%, 9.4% Cash	9/20	9/27	10,147	11,431	9,726	0.8 %	(3)(7)(8)(19)
						10,147	11,431	9,726		
Union Bidco Limited	Healthcare	First Lien Senior Secured Term Loan	SONIA + 5.50%, 7.0% Cash	6/22	6/29	802	852	784	0.1 %	(3)(7)(8)(19)
						802	852	784		
United Therapy Holding III GmbH	Healthcare	First Lien Senior Secured Term Loan	EURIBOR + 5.50%, 5.7% Cash	4/22	3/29	716	731	665	0.1 %	(3)(7)(8)(14)
						716	731	665		
USLS Acquisition, Inc. (f/k/a US Legal Support, Inc.)	Legal Services	First Lien Senior Secured Term Loan	SOFR + 5.75%, 8.0% Cash	11/18	11/24	16,055	15,938	15,791	1.3 %	(7)(8)(16)
		First Lien Senior Secured Term Loan	SOFR + 5.75%, 8.3% Cash	11/18	11/24	191	129	128	— %	(7)(8)(16)
						16,246	16,067	15,919		
Utac Ceram	Business Services	First Lien Senior Secured Term Loan	EURIBOR + 5.25%, 6.4% Cash	9/20	9/27	1,469	1,710	1,451	0.1 %	(3)(7)(8)(13)
		First Lien Senior Secured Term Loan	LIBOR + 5.25%, 8.9% Cash	2/21	9/27	3,518	3,463	3,475	0.3 %	(3)(7)(8)(10)
						4,987	5,173	4,926		
Validity, Inc.	IT Consulting & Other Services	First Lien Senior Secured Term Loan	LIBOR + 4.75%, 7.9% Cash	7/19	5/25	4,783	4,706	4,754	0.4 %	(7)(8)(9)
						4,783	4,706	4,754		
Velocity Pooling Vehicle, LLC	Automotive	Common Stock (4,676 shares)	N/A	2/22	N/A		60	2	— %	(7)(33)(34)
		Warrants (5,591 units)	N/A	2/22	N/A		72	3	— %	(7)(33)(34)
							132	5		
Victoria Bidco Limited	Industrial Machinery	First Lien Senior Secured Term Loan	SONIA + 6.50%, 8.7% Cash	3/22	1/29	3,480	4,048	3,396	0.3 %	(3)(7)(8)(18)
						3,480	4,048	3,396		
Vision Solutions Inc.	Business Equipment & Services	Second Lien Senior Secured Term Loan	LIBOR + 7.25%, 10.0% Cash	2/22	4/29	6,500	6,497	5,383	0.4 %	(8)(9)(33)
						6,500	6,497	5,383		
VistaJet Pass Through Trust 2021-1B	Airlines	Structured Secured Note - Class B	6.3% Cash	11/21	2/29	4,643	4,643	4,274	0.3 %	(7)
						4,643	4,643	4,274		
Vital Buyer, LLC	Technology	First Lien Senior Secured Term Loan	LIBOR + 5.50%, 8.6% Cash	6/21	6/28	7,723	7,593	7,723	0.6 %	(7)(8)(10)
		Partnership Units (16,442.9 units)	N/A	6/21	N/A		164	329	— %	(7)(34)
						7,723	7,757	8,052		
VOYA CLO 2015-2, LTD.	Multi-Sector Holdings	Subordinated Structured Notes	Residual Interest, current yield (90.98%)	2/22	7/27	10,736	2,930	91	— %	(3)(33)
						10,736	2,930	91		
VOYA CLO 2016-2, LTD.	Multi-Sector Holdings	Subordinated Structured Notes	Residual Interest, current yield 10.00%	2/22	7/28	11,088	3,310	2,212	0.2 %	(3)(33)
						11,088	3,310	2,212		

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Portfolio Company ⁽⁶⁾	Industry	Investment Type ^{(1) (2)}	Interest	Acq. Date	Maturity Date	Principal Amount	Cost	Fair Value	% of Net Assets *	Notes
W2O Holdings, Inc.	Healthcare Technology	First Lien Senior Secured Term Loan	LIBOR + 4.75%, 7.1% Cash	10/20	6/25	\$ —	\$ (36)	\$ (16)	— %	(7)(8)(10)
		First Lien Senior Secured Term Loan	LIBOR + 4.75%, 7.6% Cash	10/20	6/25	3,343	3,343	3,323	0.3 %	(7)(11)
						3,343	3,307	3,307		
Walker Edison Furniture Company LLC	Consumer Goods: Durable	Common Stock (2,819.53 shares)	N/A	2/22	N/A		3,598	220	0.1 %	(7)(33)(34)
							3,598	220		
Watermill-QMC Midco, Inc.	Automotive	Equity (1.62% Partnership Interest)	N/A	2/22	N/A		—	—	— %	(7)(33)(34)
							—	—		
Wawona Delaware Holdings, LLC	Beverage & Food	First Lien Senior Secured Term Loan	LIBOR + 4.75%, 7.6% Cash	2/22	9/26	45	41	34	— %	(10)(33)
						45	41	34		
Wheels Up Experience Inc	Transportation Services	First Lien Senior Secured Term Loan	12.0% Cash	9/22	10/29	15,000	14,400	14,606	1.2 %	(7)
						15,000	14,400	14,606		
Wok Holdings Inc.	Retail	First Lien Senior Secured Term Loan	LIBOR + 6.50%, 9.6% Cash	2/22	3/26	48	48	42	— %	(8)(10)(33)
						48	48	42		
Woodland Foods, LLC	Food & Beverage	First Lien Senior Secured Term Loan	LIBOR + 5.50%, 8.6% Cash	12/21	12/27	5,456	5,359	5,254	0.4 %	(7)(8)(10)
		Revolver	LIBOR + 5.50%, 8.6% Cash	12/21	12/27	1,450	1,411	1,367	0.1 %	(7)(8)(10)
		Common Stock (1,663.31 shares)	N/A	12/21	N/A		1,663	1,449	0.1 %	(7)(34)
						6,906	8,433	8,070		
World 50, Inc.	Professional Services	First Lien Senior Secured Term Loan	LIBOR + 4.75%, 7.9% Cash	9/20	1/26	8,940	8,808	8,828	0.7 %	(7)(8)(9)
		First Lien Senior Secured Term Loan	LIBOR + 5.25%, 8.4% Cash	1/20	1/26	2,475	2,426	2,435	0.2 %	(7)(8)(9)
						11,415	11,234	11,263		
Xeinadin Bidco Limited	Financial Other	First Lien Senior Secured Term Loan	SONIA + 5.25%, 6.9% Cash	5/22	5/29	5,240	5,569	5,035	0.4 %	(3)(7)(8)(19)
		Subordinated Term Loan	11.0% PIK	5/22	5/29	2,387	2,549	2,316	0.2 %	(3)(7)
		Common Stock (45,665,825 shares)	N/A	5/22	N/A		565	510	— %	(3)(7)(34)
						7,627	8,683	7,861		
ZB Holdco LLC	Food & Beverage	First Lien Senior Secured Term Loan	LIBOR + 4.75%, 8.4% Cash	2/22	2/28	2,698	2,631	2,634	0.2 %	(7)(8)(10)
		Revolver	LIBOR + 4.75%, 8.4% Cash	2/22	2/28	—	(15)	(13)	— %	(7)(8)(10)
		LLC Units (152.69 units)	N/A	2/22	N/A		153	179	— %	(7)(34)
						2,698	2,769	2,800		
Zeppelin Bidco Limited	Services: Business	First Lien Senior Secured Term Loan	SONIA + 6.25%, 8.4% Cash	3/22	3/29	5,402	6,137	5,229	0.4 %	(3)(7)(8)(19)
		Revolver	SONIA + 6.25%, 8.4% Cash	3/22	5/22	—	(1)	(11)	— %	(3)(7)(8)(19)
						5,402	6,136	5,218		
Subtotal Non-Control / Non-Affiliate Investments (55.9%)						2,031,239	2,044,152	1,915,108		

Barings BDC, Inc.
Unaudited Consolidated Schedule of Investments — (Continued)
September 30, 2022
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Portfolio Company ⁽⁶⁾	Industry	Investment Type ^{(1) (2)}	Interest	Acq. Date	Maturity Date	Principal Amount	Cost	Fair Value	% of Net Assets *	Notes
<u>Affiliate Investments: (4)</u>										
1888 Industrial Services, LLC	Energy: Oil & Gas	First Lien Senior Secured Term Loan	LIBOR + 5.00%, 6.0% Cash	2/22	5/23	\$ 4,300	\$ 419	\$ —	—%	(7)(8)(10) (30)(33)
		Revolver	LIBOR + 5.00%, 8.7% Cash	2/22	5/23	1,546	1,423	1,171	0.1%	(7)(8)(10) (30)(33)
		Warrants (7,546.76 units)	N/A	2/22	N/A	—	—	—	—%	(7)(33)(34)
						5,846	1,842	1,171		
Charming Charlie LLC	Retail	First Lien Senior Secured Term Loan	20.0% Cash	2/22	5/22	139	—	—	—%	(7)(30)(33)
		First Lien Senior Secured Term Loan	10.4% Cash	2/22	11/22	770	—	—	—%	(30)(33)
		First Lien Senior Secured Term Loan	LIBOR + 12.00%, 15.7% Cash	2/22	4/23	4,178	—	—	—%	(7)(8)(10) (30)(33)
		First Lien Senior Secured Term Loan	LIBOR + 5.00%, 8.7% Cash	2/22	4/23	3,413	—	—	—%	(7)(8)(10) (30)(33)
		Common Stock (34,923,249 shares)	N/A	2/22	N/A	—	—	—	—%	(7)(30)(33) (34)
						8,500	—	—		
Eclipse Business Capital, LLC	Banking, Finance, Insurance & Real Estate	Revolver	LIBOR + 7.25%	7/21	7/28	6,182	6,069	6,182	0.5%	(7)(9)
		Second Lien Senior Secured Term Loan	7.5% Cash	7/21	7/28	4,545	4,506	4,545	0.4%	(7)
		LLC Units (89,447,396 units)	N/A	7/21	N/A	—	89,850	126,568	10.2%	(7)
						10,727	100,425	137,295		
Hylan Datacom & Electrical LLC	Construction & Building	First Lien Senior Secured Term Loan	SOFR + 8.00%, 11.0% Cash	2/22	3/26	3,917	3,651	3,839	0.3%	(7)(8)(16)
		Second Lien Senior Secured Term Loan	SOFR + 10.00%, 11.5% Cash	2/22	3/27	3,982	3,982	3,902	0.3%	(7)(8)(16)
		Common Stock (102,144 shares)	N/A	2/22	N/A	—	5,219	4,220	0.3%	(7)(34)
						7,899	12,852	11,961		
Jocassee Partners LLC	Investment Funds & Vehicles	9.1% Member Interest	N/A	6/19	N/A	—	35,158	40,845	3.3%	(3)(34)
							35,158	40,845		
Kemmerer Operations, LLC	Metals & Mining	First Lien Senior Secured Term Loan	15.0% PIK	2/22	6/23	2,379	2,379	2,379	0.2%	(7)(33)
		Common Stock (6.78 shares)	N/A	2/22	N/A	—	1,589	1,291	0.1%	(7)(33)(34)
						2,379	3,968	3,670		
Sierra Senior Loan Strategy JV I LLC	Joint Venture	89.01% Member Interest	N/A	2/22	N/A	—	50,221	40,216	3.3%	(3)(33)
							50,221	40,216		
Thompson Rivers LLC	Investment Funds & Vehicles	16% Member Interest	N/A	6/20	N/A	—	58,604	43,729	3.6%	(3)
							58,604	43,729		
Waccamaw River LLC	Investment Funds & Vehicles	20% Member Interest	N/A	2/21	N/A	—	22,520	21,371	1.7%	(3)
							22,520	21,371		
Subtotal Affiliate Investments (24.5%)						35,351	285,590	300,258		
<u>Control Investments: (5)</u>										
Black Angus Steakhouses, LLC	Hotel, Gaming & Leisure	First Lien Senior Secured Term Loan	LIBOR + 9.10%, 12.2% Cash	2/22	1/24	5,647	5,647	5,647	0.4%	(7)(8)(9)(33)
		First Lien Senior Secured Term Loan	10.0% PIK	2/22	1/24	24,071	9,628	10,832	0.9%	(7)(30)(33)
		LLC Units (44.6 units)	N/A	2/22	N/A	—	—	—	—%	(7)(33)(34)
						29,718	15,275	16,479		

Barings BDC, Inc.
Unaudited Consolidated Schedule of Investments — (Continued)
September 30, 2022
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Portfolio Company ⁽⁶⁾	Industry	Investment Type ⁽¹⁾⁽²⁾	Interest	Acq. Date	Maturity Date	Principal Amount	Cost	Fair Value	% of Net Assets *	Notes	
JSC Tekers Holdings	Real Estate Management	Preferred Stock (9,159,085 shares)	N/A	12/20	N/A		\$ 4,753	\$ 5,862	0.4 %	(3)(7)(31)(34)	
		Common Stock (35,571 shares)	N/A	12/20	N/A		—	—	— %	(3)(7)(31)(34)	
							4,753	5,862			
MVC Automotive Group GmbH	Automotive	Bridge Loan (6.0% Cash)	6.0% Cash	12/20	6/26	\$ 7,149	7,149	7,149	0.6 %	(3)(7)(31)	
		Common Equity interest (18,000 shares)	N/A	12/20	N/A		9,553	9,498	0.8 %	(3)(7)(31)(34)	
						7,149	16,702	16,647			
MVC Private Equity Fund LP	Investment Funds & Vehicles	General Partnership Interest (1,831.4 units)	N/A	3/21	N/A		225	41	— %	(3)(31)	
		Limited Partnership Interest (71,790.4 units)	N/A	3/21	N/A		8,899	1,637	0.1 %	(3)(31)	
						9,124	1,678				
Security Holdings B.V.	Electrical Engineering	Bridge Loan	5.0% PIK	12/20	5/24	5,871	5,871	5,871	0.5 %	(3)(7)(31)	
		Senior Subordinated Term Loan	3.1% PIK	12/20	5/24	10,513	10,513	10,513	0.8 %	(3)(7)(31)	
		Senior Unsecured Term Loan	6.0% Cash, 9.0% PIK	4/21	4/25	2,660	3,172	2,660	0.2 %	(3)(7)(31)	
		Common Stock Series A (17,100 shares)	N/A	2/22	N/A		560	608	— %	(3)(7)(31)(34)	
		Common Stock Series B (1,236 shares)	N/A	12/20	N/A		35,192	56,808	4.6 %	(3)(7)(31)(34)	
						19,044	55,308	76,460			
						55,911	101,162	117,126			
Subtotal Control Investments (0.5%)											
Total Investments, September 30, 2022 (189.9%)*							\$ 2,122,501	\$ 2,430,904	\$ 2,332,492		

Derivative Instruments

Credit Support Agreements

Description ^(d)	Counterparty	Settlement Date	Notional Amount	Value	Unrealized Appreciation (Depreciation)
MVC Credit Support Agreement ^{(a)(b)(c)}	Barings LLC	01/01/31	\$ 23,000	\$ 9,280	\$ (4,320)
Sierra Credit Support Agreement ^{(e)(f)(g)}	Barings LLC	04/01/32	100,000	40,200	(4,200)
Total Credit Support Agreements, September 30, 2022			\$ 123,000	\$ 49,480	\$ (8,520)

- (a) The MVC Credit Support Agreement covers all of the investments acquired by Barings BDC, Inc. (the "Company") from MVC Capital, Inc. ("MVC") in connection with the MVC Acquisition (as defined in "Note 1 – Organization, Business and Basis of Presentation") and any investments received by the Company in connection with the restructuring, amendment, extension or other modification (including the issuance of new securities) of any of the investments acquired by the Company from MVC in connection with the MVC Acquisition (collectively, the "MVC Reference Portfolio"). Each investment that is included in the MVC Reference Portfolio is denoted in the above Schedule of Investments with footnote (31).
- (b) The Company and Barings LLC ("Barings") entered into the MVC Credit Support Agreement pursuant to which Barings agreed to provide credit support to the Company in the amount of up to \$23.0 million.
- (c) Settlement Date means the earlier of (1) January 1, 2031 or (2) the date on which the entire MVC Reference Portfolio has been realized or written off.
- (d) See "Note 2 – Agreements and Related Party Transactions" for additional information regarding the Credit Support Agreements.
- (e) The Sierra Credit Support Agreement covers all of the investments acquired by the Company from Sierra Income Corporation ("Sierra") in connection with the Sierra Acquisition (as defined in "Note 1 – Organization, Business and Basis of Presentation") and any investments received by the Company in connection with the restructuring, amendment, extension or other modification (including the issuance of new securities) of any of the investments acquired by the Company from Sierra in connection with the Sierra Acquisition (collectively, the "Sierra Reference Portfolio"). Each investment that is included in the Sierra Reference Portfolio is denoted in the above Schedule of Investments with footnote (33).
- (f) The Company and Barings entered into the Sierra Credit Support Agreement pursuant to which Barings agreed to provide credit support to the Company in the amount of up to \$ 100.0 million.
- (g) Settlement Date means the earlier of (1) April 1, 2032 or (2) the date on which the entire Sierra Reference Portfolio has been realized or written off.

Barings BDC, Inc.
Unaudited Consolidated Schedule of Investments — (Continued)
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Foreign Currency Forward Contracts:

Description	Notional Amount to be Purchased	Notional Amount to be Sold	Counterparty	Settlement Date	Unrealized Appreciation (Depreciation)
Foreign currency forward contract (AUD)	A\$71,257	\$46,216	Bank of America, N.A.	10/06/22	\$ (401)
Foreign currency forward contract (AUD)	\$49,343	A\$71,257	Bank of America, N.A.	10/06/22	3,528
Foreign currency forward contract (AUD)	\$46,250	A\$71,176	Bank of America, N.A.	01/09/23	401
Foreign currency forward contract (CAD)	C\$3,269	\$2,389	HSBC Bank USA	10/06/22	(10)
Foreign currency forward contract (CAD)	\$2,543	C\$3,269	HSBC Bank USA	10/06/22	163
Foreign currency forward contract (CAD)	\$2,415	C\$3,303	HSBC Bank USA	01/09/23	10
Foreign currency forward contract (DKK)	2,237kr.	\$295	HSBC Bank USA	10/06/22	—
Foreign currency forward contract (DKK)	\$8	59kr.	BNP Paribas SA	10/06/22	—
Foreign currency forward contract (DKK)	\$310	2,178kr.	Bank of America, N.A.	10/06/22	23
Foreign currency forward contract (DKK)	\$300	2,260kr.	HSBC Bank USA	01/09/23	—
Foreign currency forward contract (EUR)	€106,035	\$103,841	HSBC Bank USA	10/06/22	51
Foreign currency forward contract (EUR)	\$97,043	€91,567	HSBC Bank USA	10/06/22	7,239
Foreign currency forward contract (EUR)	\$10,597	€10,000	Bank of America, N.A.	10/06/22	800
Foreign currency forward contract (EUR)	\$4,435	€4,378	BNP Paribas SA	10/06/22	145
Foreign currency forward contract (EUR)	\$106,563	€107,954	HSBC Bank USA	01/09/23	(40)
Foreign currency forward contract (NZD)	NZ\$18,733	\$10,709	Citibank, N.A.	10/06/22	(113)
Foreign currency forward contract (NZD)	\$162	NZ\$263	HSBC Bank USA	10/06/22	13
Foreign currency forward contract (NZD)	\$11,510	NZ\$18,471	Bank of America, N.A.	10/06/22	1,062
Foreign currency forward contract (NZD)	\$10,767	NZ\$18,824	Citibank, N.A.	01/09/23	113
Foreign currency forward contract (NOK)	kr2,147	\$221	HSBC Bank USA	10/06/22	(24)
Foreign currency forward contract (NOK)	kr37,568	\$3,509	Bank of America, N.A.	10/06/22	(61)
Foreign currency forward contract (NOK)	\$3,815	kr37,350	HSBC Bank USA	10/06/22	387
Foreign currency forward contract (NOK)	\$244	kr2,364	Citibank, N.A.	10/06/22	27
Foreign currency forward contract (NOK)	\$3,538	kr37,773	Bank of America, N.A.	01/09/23	63
Foreign currency forward contract (GBP)	£21,831	\$24,167	Bank of America, N.A.	10/06/22	204
Foreign currency forward contract (GBP)	\$6,201	£5,500	Bank of America, N.A.	10/06/22	61
Foreign currency forward contract (GBP)	\$19,693	£16,331	HSBC Bank USA	10/06/22	1,461
Foreign currency forward contract (GBP)	\$25,438	£22,951	Bank of America, N.A.	01/09/23	(216)
Foreign currency forward contract (SEK)	2,026kr.	\$181	HSBC Bank USA	10/06/22	1
Foreign currency forward contract (SEK)	\$201	2,026kr.	Bank of America, N.A.	10/06/22	18
Foreign currency forward contract (SEK)	\$197	2,182kr.	HSBC Bank USA	01/09/23	(1)
Foreign currency forward contract (CHF)	600Fr.	\$612	Bank of America, N.A.	10/03/22	(2)
Foreign currency forward contract (CHF)	3,163Fr.	\$3,231	Citibank, N.A.	10/06/22	(18)
Foreign currency forward contract (CHF)	\$3,329	3,163Fr.	Bank of America, N.A.	10/06/22	115
Foreign currency forward contract (CHF)	\$618	600Fr.	Bank of America, N.A.	01/09/23	2
Foreign currency forward contract (CHF)	\$3,305	3,203Fr.	Citibank, N.A.	01/09/23	18
Total Foreign Currency Forward Contracts, September 30, 2022					\$ 15,019

* Fair value as a percentage of net assets.

- (1) All debt investments are income producing, unless otherwise noted. Barings BDC, Inc.'s (the "Company") external investment adviser, Barings LLC ("Barings" or the "Adviser"), determines in good faith whether the Company's investments were valued at fair value in accordance with a valuation policy and processes established by the Adviser, which have been approved by the Company's board of directors (the "Board"), and the Investment Company Act of 1940, as amended (the "1940 Act"). In addition, all debt investments are variable rate investments unless otherwise noted. Index-based floating interest rates are generally subject to a contractual minimum interest rate. A majority of the variable rate loans in the Company's investment portfolio bear interest at a rate that may be determined by reference to LIBOR, EURIBOR, BBSY, STIBOR, CDOR, SOFR, SONIA, SARON, NIBOR, BKBM or an alternate Base Rate (commonly based on the Federal Funds Rate or the Prime Rate), which typically reset semi-annually, quarterly, or monthly at the borrower's option. The borrower may also elect to have multiple interest reset periods for each loan.
- (2) All of the Company's portfolio company investments (including joint venture investments), which as of September 30, 2022 represented 189.9% of the Company's net assets, are subject to legal restrictions on sales. The acquisition date represents the date of the Company's initial investment in the relevant portfolio company.
- (3) Investment is not a qualifying investment as defined under Section 55(a) of the 1940 Act. Non-qualifying assets represent 26.0% of total investments at fair value as of September 30, 2022. Qualifying assets must represent at least 70% of total assets at the time of acquisition of any additional non-qualifying assets. If at any time qualifying assets do not represent at least 70% of the Company's total assets, the Company will be precluded from acquiring any additional non-qualifying asset until such time as it complies with the requirements of Section 55(a).

Barings BDC, Inc.
Unaudited Consolidated Schedule of Investments — (Continued)
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(4) As defined in the 1940 Act, the Company is deemed to be an "affiliated person" of the portfolio company as the Company owns between 5% or more, up to 25% (inclusive), of the portfolio company's voting securities ("non-controlled affiliate"). Transactions related to investments in non-controlled "Affiliate Investments" for the nine months ended September 30, 2022 were as follows:

Company	Type of Investment	December 31, 2021 Gross Additions Value	Gross Reductions	(b) Realized Gain (Loss)	Unrealized Gain (Loss)	September 30, 2022 Value	Amount of Interest or Dividends Credited to Income(c)
Arices, LLC ^(d)							
	First Lien Senior Secured Term Loan (LIBOR + 5.0%, 6.0% Cash) ^(d)	\$ —	\$ 419	\$ —	\$ (419)	\$ —	—
	Revolver (LIBOR + 5.0%, 8.7% Cash) ^(d)	—	1,423	—	(252)	1,171	(12)
	Warrants (7,546.76 units)	—	—	—	—	—	—
		—	1,842	—	(671)	1,171	(12)
LC ^{(d)(e)}							
	First Lien Senior Secured Term Loan (20.0% Cash)	—	—	—	—	—	—
	First Lien Senior Secured Term Loan (0.4% Cash)	—	—	—	—	—	—
	First Lien Senior Secured Term Loan (LIBOR +12.0%, 15.7% Cash)	—	—	—	—	—	—
	First Lien Senior Secured Term Loan (LIBOR +5.0%, 8.7% Cash)	—	—	—	—	—	—
	Common Stock (34,923,249 shares)	—	—	—	—	—	—
Realco LLC ^(d)							
	Revolver (LIBOR + 7.25%)	1,818	5,287	(909)	(14)	6,182	319
	Second Lien Senior Secured Term Loan (7.5% Cash)	4,738	4	—	(197)	4,545	257
	LLC units (89,447,396 units)	92,668	—	—	33,900	126,568	9,279
		99,224	5,291	(909)	33,689	137,295	9,855
Electrical LLC ^(d)							
	First Lien Senior Secured Term Loan (SOFR + 8.0%, 11.0% Cash)	—	3,550	—	101	188	3,839
	Second Lien Senior Secured Term Loan (SOFR + 10.00%, 11.5% Cash)	—	3,982	—	(80)	3,902	251
	Common Stock (102,144 shares)	—	5,219	—	(999)	4,220	—
		—	12,751	—	(891)	11,961	506
0.1% Member Interest		37,601	5,000	—	(1,756)	40,845	—
		37,601	5,000	—	(1,756)	40,845	—
PS ^(d)							
	Preferred Stock (9,159,085 shares)	6,197	—	(6,197)	—	—	—
	Common Stock (3,201 shares)	—	—	—	—	—	—
		6,197	—	(6,197)	—	—	—
PS, LLC ^(d)							
	First Lien Senior Secured Term Loan (15.0% PIK)	—	2,785	(406)	—	2,379	220
	Common Stock (6.78 shares)	—	1,588	—	(297)	1,291	—
		—	4,373	(406)	(297)	3,670	220
PS, V ^(d)							
	Bridge Loan (5.0% PIK 5/31/2021)	5,451	—	(5,451)	—	—	—
	Senior Subordinated Loan (3.1% PIK)	9,525	—	(9,525)	—	—	—
	Senior Unsecured Term Loan (9.0% PIK)	7,307	—	(7,307)	—	—	—
	Common Equity Interest	24,825	—	(24,825)	—	—	—
		47,108	—	(47,108)	—	—	—

Barings BDC, Inc.
Unaudited Consolidated Schedule of Investments — (Continued)
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Company	Type of Investment	December 31, 2021 Gross Additions				Amount of Interest or Dividends Credited to Income(c)		
		Value	Gross Additions	Gross Reductions	Realized Gain (Loss)	Unrealized Gain (Loss)	September 30, 2022 Value	Income(c)
Stratus 17	100% Member Interest	—	85,963	(35,742)	—	(10,005)	40,216	3,245
		—	85,963	(35,742)	—	(10,005)	40,216	3,245
LC	6.0% Member Interest	84,438	—	(20,811)	—	(19,898)	43,729	7,707
		84,438	—	(20,811)	—	(19,898)	43,729	7,707
LC	0% Member Interest	13,501	8,800	—	—	(930)	21,371	1,314
		13,501	8,800	—	—	(930)	21,371	1,314
Investments	\$	\$ 288,069	\$ 124,020	\$ (111,173)	\$ 101	\$ (759)	\$ 300,258	22,835

- (a) Gross additions include increases in the cost basis of investments resulting from new investments and follow-on investments.
(b) Gross reductions include decreases in the total cost basis of investments resulting from principal repayments, sales and return of capital.
(c) Represents the total amount of interest, fees or dividends credited to income for the portion of the year an investment was included in the Affiliate category.
(d) The fair value of the investment was determined using significant unobservable inputs.
(e) Non-accrual investment.

- (5) As defined in the 1940 Act, the Company is deemed to be both an "affiliated person" and "control" the portfolio company because it owns more than 25% of the portfolio company's outstanding voting securities or it has the power to exercise control over the management or policies of such portfolio company (including through a management agreement). Transactions as of and during the nine months ended September 30, 2022 in which the portfolio company is deemed to be a "Control Investment" of the Company were as follows:

Portfolio Company	Type of Investment	December 31, 2021 Value	Gross Additions (a)	Gross Reductions (b)	Amount of Realized Gain (Loss)	Amount of Unrealized Gain (Loss)	September 30, 2022 Value	Amount of Interest or Dividends Credited to Income(c)
Black Angus Steakhouses, LLC ^(d)	First Lien Senior Secured Term Loan (LIBOR + 9.1%, 12.2% Cash)	\$ —	\$ 5,647	\$ —	\$ —	\$ —	\$ 5,647	\$ 360
	First Lien Senior Secured Term Loan (10.0% PIK) ^(e)	—	9,628	—	—	1,204	10,832	—
	LLC Units (44.6 units)	—	—	—	—	—	—	—
		—	15,275	—	—	1,204	16,479	360
JSC Tekers Holdings ^(d)	Preferred Stock (9,159,085 shares)	—	6,197	—	—	(335)	5,862	—
	Common Stock (35,571 shares)	—	—	—	—	—	—	—
		—	6,197	—	—	(335)	5,862	—
MVC Automotive Group GmbH ^(d)	Bridge Loan (6.0% PIK 12/31/2021)	7,149	—	—	—	—	7,149	325
	Common Equity Interest	7,699	—	—	—	1,799	9,498	—
		14,848	—	—	—	1,799	16,647	325
MVC Private Equity Fund LP	General Partnership Interest ^(e)	188	—	—	—	(147)	41	(879)
	Limited Partnership Interest ^(e)	7,376	—	—	—	(5,739)	1,637	—
		7,564	—	—	—	(5,886)	1,678	(879)

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Portfolio Company	Type of Investment	December 31, 2021 Value	Gross Additions (a)	Gross Reductions (b)	Amount of Realized Gain (Loss)	Amount of Unrealized Gain (Loss)	September 30, 2022 Value	Amount of Interest or Dividends Credited to Income(c)
Security Holdings B.V. ^(d)	Bridge Loan (5.0% PIK, Acquired 12/20, Due 05/24)	\$ —	\$ 5,871	\$ —	\$ —	\$ —	\$ 5,871	\$ 219
	Senior Subordinated Term Loan (3.1% PIK, Acquired 12/20, Due 05/24)	—	10,513	—	—	—	10,513	262
	Senior Subordinated Note (5.0% PIK, Acquired 12/20, Due 05/22)	—	14,567	(13,754)	(813)	—	—	174
	Senior Unsecured Term Loan (6.0% Cash, 9.0% PIK, Acquired 04/21, Due 04/25)	—	7,610	(3,996)	(774)	(180)	2,660	731
	Common Stock Series A (17,100 shares, Acquired 02/22)	—	561	—	—	47	608	—
	Common Stock Series B (1,236 shares, Acquired 12/20)	—	38,753	—	—	18,055	56,808	—
		—	77,875	(17,750)	(1,587)	17,922	76,460	1,386
Total Control Investments		\$ 22,412	\$ 99,347	\$ (17,750)	\$ (1,587)	\$ 14,704	\$ 117,126	\$ 1,192

- (a) Gross additions include increases in the cost basis of investments resulting from new investments and follow-on investments.
- (b) Gross reductions include decreases in the total cost basis of investments resulting from principal repayments, sales and return of capital.
- (c) Represents the total amount of interest, fees or dividends credited to income for the portion of the year an investment was included in the Control category.
- (d) The fair value of the investment was determined using significant unobservable inputs.
- (e) The Company received a \$0.1 million distribution that was recognized as realized gain.
- (f) The Company received a \$6.0 million distribution that was recognized as realized gain.
- (6) Some or all of the investment is or will be encumbered as security for the Company's \$1.1 billion senior secured credit facility with ING Capital LLC initially entered into in February 2019 (as amended, restated and otherwise modified from time to time, the "February 2019 Credit Facility").
- (7) The fair value of the investment was determined using significant unobservable inputs.
- (8) Debt investment includes interest rate floor feature.
- (9) The interest rate on these loans is subject to 1 Month LIBOR, which as of September 30, 2022 was 3.14271%.
- (10) The interest rate on these loans is subject to 3 Month LIBOR, which as of September 30, 2022 was 3.75471%.
- (11) The interest rate on these loans is subject to 6 Month LIBOR, which as of September 30, 2022 was 4.23200%.
- (12) The interest rate on these loans is subject to 1 Month EURIBOR, which as of September 30, 2022 was 0.67900%.
- (13) The interest rate on these loans is subject to 3 Month EURIBOR, which as of September 30, 2022 was 1.17300%.
- (14) The interest rate on these loans is subject to 6 Month EURIBOR, which as of September 30, 2022 was 1.80900%.
- (15) The interest rate on these loans is subject to 1 Month SOFR, which as of September 30, 2022 was 3.04205%.
- (16) The interest rate on these loans is subject to 3 Month SOFR, which as of September 30, 2022 was 3.59329%.
- (17) The interest rate on these loans is subject to 6 Month SOFR, which as of September 30, 2022 was 3.99102%.
- (18) The interest rate on these loans is subject to 1 Month SONIA, which as of September 30, 2022 was 2.25330%.
- (19) The interest rate on these loans is subject to 3 Month SONIA, which as of September 30, 2022 was 3.22510%.
- (20) The interest rate on these loans is subject to 6 Month SONIA, which as of September 30, 2022 was 4.12810%.
- (21) The interest rate on these loans is subject to 1 Month BBSY, which as of September 30, 2022 was 2.70750%.
- (22) The interest rate on these loans is subject to 3 Month BBSY, which as of September 30, 2022 was 3.06310%.
- (23) The interest rate on these loans is subject to 6 Month BBSY, which as of September 30, 2022 was 3.56880%.
- (24) The interest rate on these loans is subject to 3 Month CDOR, which as of September 30, 2022 was 4.20000%.
- (25) The interest rate on these loans is subject to 3 Month STIBOR, which as of September 30, 2022 was 1.72500%.
- (26) The interest rate on these loans is subject to 3 Month BKBM, which as of September 30, 2022 was 3.64000%.
- (27) The interest rate on these loans is subject to 3 Month SARON, which as of September 30, 2022 was 0.43653%.
- (28) The interest rate on these loans is subject to 1 Month NIBOR, which as of September 30, 2022 was 2.70000%.
- (29) The interest rate on these loans is subject to Prime, which as of September 30, 2022 was 6.25000%.
- (30) Non-accrual investment.
- (31) Investment was purchased as part of the MVC Acquisition and is part of the MVC Reference Portfolio for purposes of the MVC Credit Support Agreement.
- (32) In 2017, MVC received \$5.7 million of 9.5% second lien callable notes due in 2025, in lieu of an escrow to satisfy any indemnification claims associated with MVC's sale of its equity investment in U.S. Gas & Electric ("U.S. Gas"). Effective January 1, 2018, the cost basis of the U.S. Gas second lien loan was decreased by approximately \$3.0 million due to a working capital adjustment. This loan is still subject to indemnification adjustments.
- (33) Investment was purchased as part of the Sierra Acquisition and is part of the Sierra Reference Portfolio for purposes of the Sierra Credit Support Agreement.
- (34) Investment is non-income producing.

See accompanying notes.

Barings BDC, Inc.
Consolidated Schedule of Investments
December 31, 2021
(Amounts in thousands, except share amounts)

Portfolio Company ⁽⁶⁾	Industry	Investment Type ⁽¹⁾⁽²⁾	Interest	Acq. Date	Maturity Date	Principal Amount	Cost	Fair Value	% of Net Assets [*]	Notes
<i>Non-Control / Non-Affiliate Investments:</i>										
WorldSync, Inc.	IT Consulting & Other Services	First Lien Senior Secured Term Loan	LIBOR + 6.25%, 7.3% Cash	07/19	07/25	\$ 16,434	\$ 16,185	\$ 16,434	2.2 %	(7)(8)(10)
						16,434	16,185	16,434		
Accelerate Learning, Inc.	Education Services	First Lien Senior Secured Term Loan	LIBOR + 5.0%, 6.0% Cash	12/18	12/24	7,568	7,486	7,429	1.0 %	(7)(8)(10)
						7,568	7,486	7,429		
Acclime Holdings HK Limited	Business Services	First Lien Senior Secured Term Loan	LIBOR + 6.5%, 7.0% Cash	08/21	07/27	1,211	1,138	1,147	0.2 %	(3)(7)(8)(10)
						1,211	1,138	1,147		
Accurus Aerospace Corporation	Aerospace & Defense	First Lien Senior Secured Term Loan	LIBOR + 4.5%, 5.5% Cash, 1.50% PIK	10/18	10/24	24,874	24,684	24,016	3.2 %	(7)(8)(11)
						24,874	24,684	24,016		
ADB Safegate	Aerospace & Defense	Second Lien Senior Secured Term Loan	LIBOR + 7.75%, 8.8% Cash	08/21	07/25	5,500	5,091	5,106	0.7 %	(3)(8)(10)
						5,500	5,091	5,106		
Advantage Software Company (The), LLC	Advertising, Printing & Publishing	Class A1 Partnership Units (8,717.76 units)	N/A	12/21	N/A		280	280	— %	(7)
		Class A2 Partnership Units (2,248.46 units)	N/A	12/21	N/A		72	72	— %	(7)
		Class B1 Partnership Units (8,717.76 units)	N/A	12/21	N/A		9	9	— %	(7)
		Class B2 Partnership Units (2,248.46 units)	N/A	12/21	N/A		2	2	— %	(7)
							363	363		
Aftermath Bidco Corporation	Professional Services	First Lien Senior Secured Term Loan	LIBOR + 5.0%, 6.0% Cash	04/19	04/25	9,425	9,299	9,303	1.3 %	(7)(8)(10)
						9,425	9,299	9,303		
Air Canada 2020-2 Class B Pass Through Trust	Airlines	Structured Secured Note - Class B	9.0% Cash	09/20	10/25	6,170	6,170	6,822	0.9 %	
						6,170	6,170	6,822		
Air Comm Corporation, LLC	Aerospace & Defense	First Lien Senior Secured Term Loan	LIBOR + 5.5%, 6.3% Cash	06/21	07/27	11,540	11,265	11,280	1.5 %	(7)(8)(10)
						11,540	11,265	11,280		
AIT Worldwide Logistics Holdings, Inc.	Transportation Services	Second Lien Senior Secured Term Loan	LIBOR + 7.75%, 8.5% Cash	04/21	04/29	6,460	6,325	6,460	0.9 %	(7)(8)(10)
		Partnership Units (348.68 units)	N/A	04/21	N/A		349	689	0.1 %	(7)
						6,460	6,674	7,149		
Alpine US Bidco LLC	Agricultural Products	Second Lien Senior Secured Term Loan	LIBOR + 9.0%, 9.8% Cash	05/21	05/29	18,157	17,642	17,975	2.4 %	(7)(8)(10)
						18,157	17,642	17,975		
Amtech LLC	Technology	First Lien Senior Secured Term Loan	LIBOR + 5.5%, 6.3% Cash	11/21	11/27	4,091	3,958	3,955	0.5 %	(7)(8)(9)
		Revolver	LIBOR + 5.5%, 6.3% Cash	11/21	11/27	—	(13)	(14)	— %	(7)(8)(10)
						4,091	3,945	3,941		
Anagram Holdings, LLC	Chemicals, Plastics, & Rubber	First Lien Senior Secured Note	10.0% Cash, 5.0% PIK	08/20	08/25	14,395	13,459	16,051	2.2 %	(3)
						14,395	13,459	16,051		
AnalytiChem Holding GmbH	Chemicals	First Lien Senior Secured Term Loan	EURIBOR + 6.25%, 6.3% Cash	11/21	11/28	2,801	2,580	2,576	0.3 %	(3)(7)(8)(14)
						2,801	2,580	2,576		

Barings BDC, Inc.
Consolidated Schedule of Investments — (Continued)
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(Amounts in thousands, except share amounts)

Portfolio Company ⁽⁶⁾	Industry	Investment Type ⁽¹⁾⁽²⁾	Interest	Acq. Date	Maturity Date	Principal Amount	Cost	Fair Value	% of Net Assets [*]	Notes		
Anju Software, Inc.	Application Software	First Lien Senior Secured Term Loan	LIBOR + 6.25%, 6.3% Cash	02/19	02/25	\$ 13,528	\$ 13,355	\$ 13,284	1.8 %	(7)(8)(9)		
						13,528	13,355	13,284				
AP Aristotle Holdings, LLC	Oil Field Services	Subordinated Term Loan	19.8% Cash	12/21	06/25	1,883	1,890	1,854	0.2 %	(7)		
						1,883	1,890	1,854				
Apex Bidco Limited	Business Equipment & Services	First Lien Senior Secured Term Loan	GBP LIBOR + 6.25%, 6.8% Cash	01/20	01/27	1,974	1,869	1,970	0.3 %	(3)(7)(8)(12)		
		Subordinated Senior Unsecured Term Loan	8.0% PIK	01/20	01/27	278	264	278			— %	(3)(7)
						2,252	2,133	2,248				
Aptus 1829, GmbH	Chemicals, Plastics, & Rubber	First Lien Senior Secured Term Loan	EURIBOR + 6.5%, 6.5% Cash	09/21	09/27	4,656	4,717	4,552	0.6 %	(3)(7)(8)(14)		
		Preferred Stock (13 shares)	N/A	09/21	N/A		120	111			— %	(3)(7)
		Common Stock (48 shares)	N/A	09/21	N/A		12	11			— %	(3)(7)
						4,656	4,849	4,674				
Apus Bidco Limited	Banking, Finance, Insurance & Real Estate	First Lien Senior Secured Term Loan	SONIA + 5.5%, 5.5% Cash	02/21	03/28	3,902	3,874	3,823	0.5 %	(3)(7)(8)(17)		
						3,902	3,874	3,823				
AQA Acquisition Holding, Inc.	High Tech Industries	Second Lien Senior Secured Term Loan	LIBOR + 7.5%, 8.0% Cash	03/21	03/29	20,000	19,510	20,000	2.7 %	(7)(8)(10)		
						20,000	19,510	20,000				
Aquavista Watersides 2 LTD	Transportation Services	First Lien Senior Secured Term Loan	SONIA + 6.0%, 6.1% Cash	12/21	12/28	6,042	5,696	5,766	0.8 %	(3)(7)(8)(17)		
		Second Lien Senior Secured Term Loan	SONIA + 10.5% PIK	12/21	12/28	1,510	1,446	1,465			0.2 %	(3)(7)(8)(17)
		Revolver	SONIA + 6.0%, 6.1% Cash	12/21	12/22	—	(4)	(5)			— %	(3)(7)(8)(17)
						7,552	7,138	7,226				
Arch Global Precision LLC	Industrial Machinery	First Lien Senior Secured Term Loan	LIBOR + 4.75%, 4.8% Cash	04/19	04/26	9,248	9,244	9,248	1.2 %	(7)(8)(10)		
						9,248	9,244	9,248				
Archimede	Consumer Services	First Lien Senior Secured Term Loan	EURIBOR + 6.0%, 6.0% Cash	10/20	10/27	8,415	8,761	8,255	1.1 %	(3)(7)(8)(14)		
						8,415	8,761	8,255				
Argus Bidco Limited	High Tech Industries	First Lien Senior Secured Term Loan	SONIA + 5.5%, 5.8% Cash	12/20	12/27	2,682	2,559	2,682	0.4 %	(3)(7)(8)(16)		
		First Lien Senior Secured Term Loan	LIBOR + 5.5%, 5.8% Cash	05/21	12/27	672	653	672			0.1 %	(3)(7)(8)(10)
						3,354	3,212	3,354				
Armstrong Transport Group (Pele Buyer, LLC)	Air Freight & Logistics	First Lien Senior Secured Term Loan	LIBOR + 4.75%, 5.8% Cash	06/19	06/24	4,020	3,961	3,939	0.5 %	(7)(8)(10)		
						4,020	3,961	3,939				
ASPEQ Heating Group LLC	Building Products, Air & Heating	First Lien Senior Secured Term Loan	LIBOR + 5.25%, 6.3% Cash	11/19	11/25	8,464	8,377	8,464	1.1 %	(7)(8)(9)		
						8,464	8,377	8,464				
Astra Bidco Limited	Healthcare	First Lien Senior Secured Term Loan	SONIA + 5.75%, 5.8% Cash	11/21	11/28	5,786	5,479	5,535	0.7 %	(3)(7)(8)(16)		
						5,786	5,479	5,535				
Auxi International	Commercial Finance	First Lien Senior Secured Term Loan	EURIBOR + 6.25%, 6.3% Cash	12/19	12/26	1,592	1,521	1,439	0.2 %	(3)(7)(8)(15)		
		First Lien Senior Secured Term Loan	SONIA + 6.25%, 6.3% Cash	04/21	12/26	907	897	820			0.1 %	(3)(7)(8)(17)
						2,499	2,418	2,259				

Barings BDC, Inc.
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Portfolio Company ⁽⁶⁾	Industry	Investment Type ⁽¹⁾⁽²⁾	Interest	Acq. Date	Maturity Date	Principal Amount	Cost	Fair Value	% of Net Assets *	Notes
Avance Clinical Bidco Pty Ltd	Healthcare	First Lien Senior Secured Term Loan	BBSY + 5.5%, 6.0% Cash	11/21	11/27	\$ 6,457	\$ 6,040	\$ 6,158	0.8 %	(3) (7) (8) (20)
						6,457	6,040	6,158		
AVSC Holding Corp.	Advertising	First Lien Senior Secured Term Loan	LIBOR + 3.25%, 4.3% Cash, 0.25% PIK	08/18	03/25	4,867	4,405	4,458	0.6 %	(8) (10)
		First Lien Senior Secured Term Loan	LIBOR + 4.5%, 5.5% Cash, 1.0% PIK	08/18	10/26	748	693	693	0.1 %	(8) (10)
		First Lien Senior Secured Term Loan	5.0% Cash, 10.0% PIK	11/20	10/26	5,514	5,399	6,404	0.9 %	
						11,129	10,497	11,555		
Azalea Buyer, Inc.	Technology	First Lien Senior Secured Term Loan	LIBOR + 5.25%, 6.3% Cash	11/21	11/27	4,606	4,496	4,494	0.6 %	(7) (10)
		Subordinated Term Loan	12.0% PIK	11/21	05/28	1,260	1,235	1,234	0.2 %	(7)
		Common Stock (192,307.7 shares)	N/A	11/21	N/A		192	192	— %	(7)
		Revolver	LIBOR + 5.25%, 6.3% Cash	11/21	11/27	—	(9)	(10)	— %	(7) (10)
						5,866	5,914	5,910		
Bariacum S.A.	Consumer Products	First Lien Senior Secured Term Loan	EURIBOR + 5.5%, 5.5% Cash	11/21	11/28	6,482	6,236	6,244	0.8 %	(3) (7) (8) (14)
						6,482	6,236	6,244		
BDP International, Inc. (f/k/a BDP Buyer, LLC)	Air Freight & Logistics	First Lien Senior Secured Term Loan	LIBOR + 4.75%, 5.8% Cash	12/18	12/24	14,849	14,643	14,626	2.0 %	(7) (8) (9)
						14,849	14,643	14,626		
Benify (Bennevis AB)	High Tech Industries	First Lien Senior Secured Term Loan	STIBOR + 5.25%, 5.3% Cash	07/19	07/26	1,286	1,222	1,286	0.2 %	(3) (7) (8) (18)
						1,286	1,222	1,286		
Beyond Risk Management, Inc.	Other Financial	First Lien Senior Secured Term Loan	LIBOR + 4.5%, 5.30% Cash	10/21	09/27	2,427	2,336	2,327	0.3 %	(7) (8) (10)
						2,427	2,336	2,327		
Bidwax	Non-durable Consumer Goods	First Lien Senior Secured Term Loan	EURIBOR + 6.5%, 6.5% Cash	02/21	02/28	7,960	8,062	7,741	1.0 %	(3) (7) (8) (14)
						7,960	8,062	7,741		
BigHand UK Bidco Limited	High Tech Industries	First Lien Senior Secured Term Loan	GBP LIBOR + 5.25%, 5.4% Cash	01/21	01/28	909	880	878	0.1 %	(3) (7) (8) (13)
						909	880	878		
Black Diamond Equipment Rentals LLC	Equipment Rental	Second Lien Loan	12.5% Cash	12/20	06/22	10,000	10,000	10,000	1.4 %	(7) (25)
		Warrants 4.17 units)	N/A	12/20	N/A		1,010	864	0.1 %	(7) (25)
						10,000	11,010	10,864		
Bounteous, Inc.	Technology	First Lien Senior Secured Term Loan	LIBOR + 5.0%, 6.0% Cash	08/21	08/27	4,911	4,752	4,756	0.6 %	(7) (8) (10)
						4,911	4,752	4,756		
Brightline Trains Florida LLC	Transportation	Senior Secured Note	8.0% Cash	08/21	01/28	5,000	5,000	5,005	0.7 %	*(7)
						5,000	5,000	5,005		
Brightpay Limited	Technology	First Lien Senior Secured Term Loan	EURIBOR + 5.25%, 5.3% Cash	10/21	10/28	1,918	1,883	1,862	0.3 %	(3) (7) (8) (14)
						1,918	1,883	1,862		
BrightSign LLC	Media & Entertainment	First Lien Senior Secured Term Loan	LIBOR + 5.75%, 6.8% Cash	10/21	10/27	12,811	12,687	12,683	1.7 %	(7) (8) (10)
		LLC units (1,107,492.71 units)	N/A	10/21	N/A		1,107	1,135	0.2 %	*(7)
		Revolver	LIBOR + 5.75%, 6.8% Cash	10/21	10/27	—	(13)	(13)	— %	(7) (8) (10)
						12,811	13,781	13,805		

Barings BDC, Inc.
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Portfolio Company ⁽⁶⁾	Industry	Investment Type ⁽¹⁾⁽²⁾	Interest	Acq. Date	Maturity Date	Principal Amount	Cost	Fair Value	% of Net Assets *	Notes
British Airways 2020-1 Class B Pass Through Trust	Airlines	Structured Secured Note - Class B	8.4% Cash	11/20	11/28	\$ 810	\$ 810	\$ 916	0.1 %	
						810	810	916		
British Engineering Services Holdco Limited	Commercial Services & Supplies	First Lien Senior Secured Term Loan	SONIA + 6.75%, 7.0% Cash	12/20	12/27	15,530	15,081	15,406	2.1 %	(3) (7) (8) (17)
		Revolver	SONIA + 6.75%, 7.0% Cash	12/20	06/22	—	(2)	(5)	— %	(3) (7) (8) (17)
						15,530	15,079	15,401		
Brown Machine Group Holdings, LLC	Industrial Equipment	First Lien Senior Secured Term Loan	LIBOR + 5.25%, 6.3% Cash	10/18	10/24	6,634	6,587	6,634	0.9 %	(7) (8) (9)
						6,634	6,587	6,634		
Cadent, LLC (f/k/a Cross MediaWorks)	Media & Entertainment	First Lien Senior Secured Term Loan	LIBOR + 5.0%, 6.0% Cash	09/18	09/23	6,913	6,888	6,913	0.9 %	(7) (8) (9)
						6,913	6,888	6,913		
CAi Software, LLC	Technology	First Lien Senior Secured Term Loan	LIBOR + 6.25%, 7.3% Cash	12/21	12/28	9,057	8,877	8,876	1.2 %	(7) (8) (10)
		Revolver	LIBOR + 6.25%, 7.3% Cash	12/21	12/28	—	(19)	(19)	— %	
						9,057	8,858	8,857		
Canadian Orthodontic Partners Corp.	Healthcare	First Lien Senior Secured Term Loan	CDOR + 6.5%, 7.5% Cash	06/21	03/26	1,640	1,697	1,625	0.2 %	(3) (7) (8) (21)
						1,640	1,697	1,625		
Carlson Travel, Inc	Business Travel Management	First Lien Senior Secured Note	8.5% Cash	11/21	11/26	6,050	5,654	6,161	0.8 %	
		Common Stock (94,155 shares)	N/A	11/21	N/A	—	1,655	3,084	0.4 %	
						6,050	7,309	9,245		
Centralis Finco S.a.r.l.	Diversified Financial Services	First Lien Senior Secured Term Loan	EURIBOR + 5.25%, 5.3% Cash	05/20	05/27	807	739	807	0.1 %	(3) (7) (8) (14)
						807	739	807		
Ceres Pharma NV	Pharmaceuticals	First Lien Senior Secured Term Loan	EURIBOR + 5.5%, 5.5% Cash	10/21	10/28	4,556	4,444	4,355	0.6 %	(3) (7) (8) (15)
						4,556	4,444	4,355		
Cineworld Group PLC	Leisure Products	Super Senior Secured Term Loan	7.0% Cash, 8.3% PIK	11/20	05/24	1,786	1,591	2,128	0.3 %	*(3)
		Super Senior Secured Term Loan	LIBOR + 8.25%, 9.3% Cash	07/21	05/24	994	961	1,054	0.2 %	*(3) (8) (11)
		Warrants (553,375 units)	N/A	12/20	N/A	—	102	244	— %	*(3)
						2,780	2,654	3,426		
Classic Collision (Summit Buyer, LLC)	Auto Collision Repair Centers	First Lien Senior Secured Term Loan	LIBOR + 5.0%, 6.0% Cash	01/20	01/26	12,587	12,384	12,448	1.7 %	(7) (8) (10)
						12,587	12,384	12,448		
CM Acquisitions Holdings Inc.	Internet & Direct Marketing	First Lien Senior Secured Term Loan	LIBOR + 4.75%, 5.8% Cash	05/19	05/25	19,106	18,897	19,106	2.6 %	(7) (8) (10)
						19,106	18,897	19,106		
CMT Opco Holding, LLC (Concept Machine)	Distributors	First Lien Senior Secured Term Loan	LIBOR + 5.0%, 6.0% Cash	01/20	01/25	4,144	4,090	3,999	0.6 %	(7) (8) (10)
		LLC Units (8,782 units)	N/A	01/20	N/A	—	352	227	— %	*(7)
						4,144	4,442	4,226		
Coastal Marina Holdings, LLC	Other Financial	Subordinated Term Loan	10.0% PIK	11/21	11/31	17,608	15,965	15,966	2.2 %	*(7)
		LLC Units (547,591 units)	N/A	11/21	N/A	—	1,643	1,643	0.2 %	*(7)
						17,608	17,608	17,609		

Barings BDC, Inc.
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Portfolio Company ⁽⁶⁾	Industry	Investment Type ⁽¹⁾⁽²⁾	Interest	Acq. Date	Maturity Date	Principal Amount	Cost	Fair Value	% of Net Assets *	Notes
Cobham Slip Rings SAS	Diversified Manufacturing	First Lien Senior Secured Term Loan	LIBOR + 6.25%, 6.40% Cash	11/21	11/28	\$ 4,303	\$ 4,199	\$ 4,196	0.6 %	(3) (7) (8) (10)
						4,303	4,199	4,196		
Command Alkon (Project Potter Buyer, LLC)	Software	First Lien Senior Secured Term Loan	LIBOR + 8.25%, 9.3% Cash	04/20	04/27	13,779	13,290	13,658	1.9 %	(7) (8) (9)
				04/20	N/A		90	101	— %	(7)
				04/20	N/A		—	186	— %	(7)
						13,779	13,380	13,945		
Contabo Finco S.À R.L.	Internet Software & Services	First Lien Senior Secured Term Loan	SONIA + 5.25%, 5.3% Cash	11/21	10/26	5,949	5,819	5,830	0.8 %	(3) (7) (8) (16)
						5,949	5,819	5,830		
Coyo Uprising GmbH	Technology	First Lien Senior Secured Term Loan	EURIBOR + 6.5%, 6.5% Cash	09/21	09/28	4,062	4,050	3,938	0.5 %	(3) (7) (8) (14)
				09/21	N/A		205	587	0.1 %	(3) (7)
				09/21	N/A		446	252	— %	(3) (7)
						4,062	4,701	4,777		
Crash Champions	Automotive	First Lien Senior Secured Term Loan	LIBOR + 5.0%, 6.0% Cash	05/21	08/25	14,567	14,040	13,968	1.9 %	(7) (8) (10)
						14,567	14,040	13,968		
CSL DualCom	Tele-communications	First Lien Senior Secured Term Loan	GBP LIBOR + 5.5%, 5.5% Cash	09/20	09/27	1,341	1,203	1,301	0.2 %	(3) (7) (8) (13)
						1,341	1,203	1,301		
Custom Alloy Corporation	Manufacturer of Pipe Fittings & Forgings	Second Lien Loan Revolver	15.0% PIK	12/20	04/22	45,000	37,043	27,450	3.7 %	(7) (24) (25)
				12/20	04/22	4,255	3,738	2,596	0.3 %	(7) (24) (25)
						49,255	40,781	30,046		
CVL 3	Capital Equipment	First Lien Senior Secured Term Loan	EURIBOR + 5.5%, 5.5% Cash	12/21	12/28	5,913	5,724	5,766	0.8 %	(3) (7) (8) (14)
				12/21	12/28	3,382	3,298	3,298	0.4 %	(3) (7) (8) (22)
				12/21	06/22	796	772	788	0.1 %	(3) (7) (8) (14)
						10,091	9,794	9,852		
CW Group Holdings, LLC	High Tech Industries	First Lien Senior Secured Term Loan	LIBOR + 6.0%, 7.0% Cash	01/21	01/27	2,817	2,762	2,774	0.4 %	(7) (8) (10)
				01/21	N/A		161	112	— %	(7)
						2,817	2,923	2,886		
Dart Buyer, Inc.	Aerospace & Defense	First Lien Senior Secured Term Loan	LIBOR + 5.25%, 6.3% Cash	04/19	04/25	12,217	12,047	11,734	1.6 %	(3) (7) (8) (10)
						12,217	12,047	11,734		
DecksDirect, LLC	Building Materials	First Lien Senior Secured Term Loan	LIBOR + 6.0%, 7.0% Cash	12/21	12/26	727	713	713	0.1 %	(7) (8) (9)
				12/21	12/26	—	(4)	(4)	— %	(7) (8) (10)
				12/21	N/A		55	55	— %	(7)
						727	764	764		
Discovery Education, Inc.	Publishing	First Lien Senior Secured Term Loan	LIBOR + 4.75%, 5.8% Cash	10/20	10/26	11,815	11,626	11,815	1.6 %	(7) (8) (10)
						11,815	11,626	11,815		
Distinct Holdings, Inc.	Systems Software	First Lien Senior Secured Term Loan	LIBOR + 4.75%, 5.8% Cash	04/19	12/23	6,880	6,841	6,715	0.9 %	(7) (8) (9)
						6,880	6,841	6,715		

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Dragon Bidco	Technology	First Lien Senior Secured Term Loan	EURIBOR + 6.75%, 6.8% Cash	04/21	04/28	\$ 2,729	\$ 2,812	\$ 2,676	0.4 %	(3) (7) (8) (15)
						2,729	2,812	2,676		
DreamStart Bidco SAS (d/b/a SmartTrade)	Diversified Financial Services	First Lien Senior Secured Term Loan	EURIBOR + 5.25%, 5.3% Cash	03/20	03/27	2,418	2,295	2,385	0.3 %	(3) (7) (8) (15)
						2,418	2,295	2,385		
Dune Group	Health Care Equipment	First Lien Senior Secured Term Loan	LIBOR + 5.75%, 6.0% Cash	09/21	09/28	1,230	1,205	1,202	0.2 %	(3) (7) (8) (10)
						131	105	113		
		First Lien Senior Secured Term Loan	EURIBOR + 5.75%, 5.8% Cash	09/21	09/28	1,361	1,310	1,315	— %	(3) (7) (8) (14)
Dwyer Instruments, Inc.	Electric	First Lien Senior Secured Term Loan	LIBOR + 5.50%, 6.3% Cash	07/21	07/27	4,563	4,452	4,516	0.6 %	(7) (8) (10)
						4,563	4,452	4,516		
Echo Global Logistics, Inc.	Air Transportation	Second Lien Senior Secured Term Loan	LIBOR + 7.25%, 8.0% Cash	11/21	11/29	14,469	14,210	14,216	1.9 %	*(7) (8) (10)
						—	—	—		
		Partnership Equity (530.92 units)	N/A	11/21	N/A	—	531	531	0.1 %	*(7)
14,469	14,741	14,747								
Ellkay, LLC	Healthcare & Pharmaceuticals	First Lien Senior Secured Term Loan	LIBOR + 5.75%, 6.8% Cash	09/21	09/27	4,988	4,892	4,898	0.7 %	(7) (8) (10)
						4,988	4,892	4,898		
EMI Porta Holdco LLC	Diversified Manufacturing	First Lien Senior Secured Term Loan	LIBOR + 5.75%, 6.5% Cash	12/21	12/27	9,576	9,141	9,136	1.2 %	(7) (8) (10)
						—	(59)	(59)		
		Revolver	LIBOR + 5.75%, 6.5% Cash	12/21	12/27	9,576	9,082	9,077	— %	(7) (8) (10)
Entact Environmental Services, Inc.	Environmental Industries	First Lien Senior Secured Term Loan	LIBOR + 5.75%, 6.8% Cash	02/21	12/25	5,705	5,657	5,631	0.8 %	(7) (8) (10)
5,705	5,657	5,631								
EPS NASS Parent, Inc.	Electrical Components & Equipment	First Lien Senior Secured Term Loan	LIBOR + 5.75%, 6.8% Cash	04/21	04/28	5,813	5,695	5,715	0.8 %	(7) (8) (10)
						5,813	5,695	5,715		
Eshipping, LLC	Transportation Services	First Lien Senior Secured Term Loan	LIBOR + 5.75%, 6.8% Cash	11/21	11/27	5,965	5,799	5,795	0.8 %	(7) (8) (9)
						255	226	225		
		Revolver	LIBOR + 5.75%, 6.8% Cash	11/21	12/27	6,220	6,025	6,020	— %	(7) (8) (10)
F24 (Stairway BidCo GmbH)	Software Services	First Lien Senior Secured Term Loan	EURIBOR + 6.0%, 6.0% Cash	08/20	08/27	1,621	1,649	1,621	0.2 %	(3) (7) (8) (14)
1,621	1,649	1,621								
Ferrellgas L.P.	Oil & Gas Equipment & Services	OpCo Preferred Units (2,886 units)	N/A	03/21	N/A	—	2,799	3,146	0.4 %	(3) (7)
						—	2,799	3,146		
Fineline Technologies, Inc.	Consumer Services	First Lien Senior Secured Term Loan	LIBOR + 4.75%, 5.8% Cash	02/21	02/28	1,306	1,283	1,306	0.2 %	(7) (8) (10)
						1,306	1,283	1,306		
FitzMark Buyer, LLC	Cargo & Transportation	First Lien Senior Secured Term Loan	LIBOR + 4.5%, 5.5% Cash	12/20	12/26	4,269	4,197	4,184	0.6 %	(7) (8) (10)
						4,269	4,197	4,184		
Flexential Issuer, LLC	Information Technology	Structured Secured Note - Class C	6.9% Cash	11/21	11/51	16,000	14,817	15,609	2.1 %	
						16,000	14,817	15,609		

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FragilePak LLC	Transportation Services	First Lien Senior Secured Term Loan	LIBOR + 5.75%, 6.8% Cash	05/21	05/27	\$ 4,697	\$ 4,519	\$ 4,541	0.6 %	*(7) (8) (9)
		Partnership Units (937.5 units)	N/A	05/21	N/A		938	926	0.1 %	
						4,697	5,457	5,467		
Front Line Power Construction LLC	Construction Machinery	First Lien Senior Secured Term Loan	LIBOR + 12.5%, 13.5% Cash	11/21	11/28	4,000	3,872	3,880	0.5 %	(7) (8) (10)
		Common Stock (50,848 shares)	N/A	11/21	N/A		130	111	— %	
						4,000	4,002	3,991		
FSS Buyer LLC	Technology	First Lien Senior Secured Term Loan	LIBOR + 5.75%, 6.5% Cash	08/21	08/28	6,913	6,773	6,790	0.9 %	*(7) (8) (10)
		LP Interest (1,160.9 units)	N/A	08/21	N/A		12	30	— %	*(7)
		LP Units (5,104.32 units)	N/A	08/21	N/A		51	132	— %	*(7)
					6,913	6,836	6,952			
GTM Intermediate Holdings, Inc.	Medical Equipment Manufacturer	Second Lien Loan	11.0% Cash, 1.0% PIK	12/20	12/24	11,500	11,449	11,500	1.5 %	(7) (25)
		Series A Preferred Units (1,434,472.41 units)	N/A	12/20	N/A		2,166	2,290	0.3 %	(7) (25)
		Series C Preferred Units (715,649.59 units)	N/A	12/20	N/A		1,081	1,184	0.2 %	(7) (25)
					11,500	14,696	14,974			
Gulf Finance, LLC	Oil & Gas Exploration & Production	First Lien Senior Secured Term Loan	LIBOR + 6.75%, 7.8% Cash	11/21	08/26	832	799	774	0.1 %	(8) (9)
						832	799	774		
Hawaiian Airlines 2020-1 Class B Pass Through Certificates	Airlines	Structured Secured Note - Class B	11.3% Cash	08/20	09/25	6,093	6,093	7,213	1.0 %	
						6,093	6,093	7,213		
Heartland Veterinary Partners, LLC	Healthcare	Subordinated Term Loan	11.0% PIK	11/21	11/27	9,343	9,096	9,093	1.2 %	*(7)
						9,343	9,096	9,093		
Heartland, LLC	Business Services	First Lien Senior Secured Term Loan	LIBOR + 4.75%, 5.8% Cash	08/19	08/25	14,075	13,976	13,794	1.9 %	(7) (8) (10)
						14,075	13,976	13,794		
Heavy Construction Systems Specialists, LLC	Technology	First Lien Senior Secured Term Loan	LIBOR + 5.75%, 6.5% Cash	11/21	11/27	7,368	7,199	7,221	1.0 %	(7) (8) (10)
		Revolver	LIBOR + 5.75%, 6.5% Cash	11/21	11/27	—	(54)	(53)	— %	(7) (8) (10)
						7,368	7,145	7,168		
Heilbron (f/k/a Sucsez (Bolt Bidco B.V.))	Insurance	First Lien Senior Secured Term Loan	EURIBOR + 5.0%, 5.0% Cash	09/19	09/26	8,789	9,380	8,612	1.2 %	(3) (7) (8) (15)
						8,789	9,380	8,612		
Highpoint Global LLC	Government Services	Second Lien Note	12.0% Cash, 2.0% PIK	12/20	09/22	5,416	5,395	5,416	0.7 %	(7) (25)
						5,416	5,395	5,416		
Home Care Assistance, LLC	Healthcare & Pharmaceuticals	First Lien Senior Secured Term Loan	LIBOR + 4.75%, 5.8% Cash	03/21	03/27	3,830	3,762	3,753	0.5 %	(7) (8) (10)
						3,830	3,762	3,753		
HTI Technology & Industries	Electronic Component Manufacturing	Second Lien Note	12.0% Cash, 4.8% PIK	12/20	09/24	22,746	22,096	22,215	3.0 %	(7) (25)
						22,746	22,096	22,215		
HW Holdco, LLC (Hanley Wood LLC)	Advertising	First Lien Senior Secured Term Loan	LIBOR + 5.75%, 6.8% Cash	12/18	12/24	13,437	13,189	13,137	1.8 %	(7) (8) (9)
						13,437	13,189	13,137		

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IGL Holdings III Corp.	Commercial Printing	First Lien Senior Secured Term Loan	LIBOR + 5.75%, 6.8% Cash	11/20	11/26	\$ 4,324	\$ 4,231	\$ 4,268	0.6 %	(7) (8) (10)
						4,324	4,231	4,268		
IM Analytics Holding, LLC (d/b/a NVT)	Electronic Instruments & Components	First Lien Senior Secured Term Loan	LIBOR + 7.0%, 8.0% Cash	11/19	11/23	8,126	8,085	6,603	0.9 %	(7) (8) (10)
						Warrants (68,950 units)	N/A	11/19		
IM Square	Banking, Finance, Insurance & Real Estate	First Lien Senior Secured Term Loan	EURIBOR + 5.25%, 5.3% Cash	05/21	04/28	7,051	7,232	6,938	0.9 %	(3) (7) (8) (15)
						7,051	7,232	6,938		
Infoniga Holdings GmbH	Technology	First Lien Senior Secured Term Loan	EURIBOR + 5.25%, 5.3% Cash	11/21	11/28	9,243	8,947	8,989	1.2 %	(3) (7) (8) (14)
						9,243	8,947	8,989		
Innovad Group II BV	Beverage, Food & Tobacco	First Lien Senior Secured Term Loan	EURIBOR + 5.75%, 5.8% Cash	04/21	04/28	6,256	6,321	5,876	0.8 %	(3) (7) (8) (14)
						6,256	6,321	5,876		
INOS 19-090 GmbH	Aerospace & Defense	First Lien Senior Secured Term Loan	EURIBOR + 6.13%, 6.1% Cash	12/20	12/27	5,271	5,495	5,263	0.7 %	(3) (7) (8) (14)
						5,271	5,495	5,263		
ISS#2, LLC (d/b/a Industrial Services Solutions)	Commercial Services & Supplies	First Lien Senior Secured Term Loan	LIBOR + 5.5%, 6.5% Cash	02/20	02/26	6,737	6,639	6,407	0.9 %	(7) (8) (10)
						6,737	6,639	6,407		
ITI Intermodal, Inc.	Transportation Services	First Lien Senior Secured Term Loan	LIBOR + 4.75%, 5.8% Cash	12/21	12/27	721	705	705	0.1 %	(7) (8) (9)
						Revolver	LIBOR + 4.75%, 5.8% Cash	12/21		
Jade Bidco Limited (Jane's)	Aerospace & Defense	First Lien Senior Secured Term Loan	LIBOR + 4.5%, 4.5% Cash, 2.0% PIK	11/19	12/26	2,315	2,257	2,315	0.3 %	(3) (7) (8) (11)
						2,315	2,257	2,315		
Jaguar Merger Sub Inc.	Other Financial	First Lien Senior Secured Term Loan	LIBOR + 5.25%, 6.3% Cash	12/21	09/24	2,543	2,487	2,486	0.3 %	(7) (8) (10)
						Revolver	LIBOR + 5.25%, 6.3% Cash	12/21		
Jedson Engineering, Inc.	Engineering & Construction Management	First Lien Loan	12.0% Cash	12/20	06/24	2,650	2,650	2,650	0.4 %	(7) (25)
						2,650	2,650	2,650		
JetBlue 2019-1 Class B Pass Through Trust	Airlines	Structured Secured Note - Class B	8.0% Cash	08/20	11/27	4,165	4,165	4,805	0.6 %	
						4,165	4,165	4,805		
JF Acquisition, LLC	Automotive	First Lien Senior Secured Term Loan	LIBOR + 5.5%, 6.5% Cash	05/21	07/24	3,866	3,763	3,711	0.5 %	(7) (8) (10)
						3,866	3,763	3,711		
Kano Laboratories LLC	Chemicals, Plastics & Rubber	First Lien Senior Secured Term Loan	LIBOR + 5.0%, 6.0% Cash	11/20	11/26	9,002	8,773	8,728	1.2 %	*(7) (8) (11)
						Partnership Equity (203.2 units)	N/A	11/20		
Kene Acquisition, Inc. (En Engineering)	Oil & Gas Equipment & Services	First Lien Senior Secured Term Loan	LIBOR + 4.25%, 5.3% Cash	08/19	08/26	7,225	7,125	7,080	1.0 %	(7) (8) (9)
						7,225	7,125	7,080		

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Kid Distro Holdings, LLC	Media & Entertainment	First Lien Senior Secured Term Loan	LIBOR + 6.0%, 7.0% Cash	10/21	10/27	\$ 9,362	\$ 9,168	\$ 9,174	1.2 %	*(7) (8) (10)
		Partnership Equity (637,677.11 units)	N/A	10/21	N/A		638	638	0.1 %	
						9,362	9,806	9,812		
Kona Buyer, LLC	High Tech Industries	First Lien Senior Secured Term Loan	LIBOR + 5.5%, 6.3% Cash	12/20	12/27	8,994	8,785	8,994	1.2 %	(7) (8) (10)
						8,994	8,785	8,994		
LAF International	Healthcare & Pharmaceuticals	First Lien Senior Secured Term Loan	EURIBOR + 6.0%, 6.0% Cash	03/21	03/28	1,478	1,543	1,446	0.2 %	(3) (7) (8) (15)
						1,478	1,543	1,446		
Lambir Bidco Limited	Healthcare	First Lien Senior Secured Term Loan	EURIBOR + 6.0%, 6.0% Cash	12/21	12/28	5,017	4,770	4,810	0.7 %	(3) (7) (8) (14)
		Second Lien Senior Secured Term Loan	12.0% PIK	12/21	06/29	1,417	1,363	1,375	0.2 %	(3) (7)
		Revolver	EURIBOR + 6.0%, 6.0% Cash	12/21	12/24	314	292	295	— %	(3) (7) (8) (14)
					6,748	6,425	6,480			
Learfield Communications, LLC	Broadcasting	First Lien Senior Secured Term Loan	LIBOR + 3.25%, 4.3% Cash	08/20	12/23	135	95	128	— %	(8) (9)
		First Lien Senior Secured Term Loan	LIBOR + 3.0%, 3.0% Cash, 10.2% PIK	08/20	12/23	7,954	7,909	7,959	1.1 %	(10)
						8,089	8,004	8,087		
Legal Solutions Holdings	Business Services	Senior Subordinated Loan	16.0% PIK	12/20	03/22	11,836	10,129	5,918	0.8 %	(7) (24) (25)
						11,836	10,129	5,918		
LivTech Purchaser, Inc.	Business Services	First Lien Senior Secured Term Loan	LIBOR + 5.0%, 6.0% Cash	01/21	12/25	918	908	910	0.1 %	(7) (8) (10)
						918	908	910		
Marmoutier Holding B.V.	Consumer Products	First Lien Senior Secured Term Loan	EURIBOR + 5.75%, 5.8% Cash	12/21	12/28	1,944	1,872	1,880	0.3 %	(3) (7) (8) (14)
		Revolver	EURIBOR + 5.0%, 5.0% Cash	12/21	06/27	—	(4)	(4)	— %	(3) (7) (8) (14)
						1,944	1,868	1,876		
MC Group Ventures Corporation	Business Services	First Lien Senior Secured Term Loan	LIBOR + 5.5%, 6.5% Cash	07/21	06/27	3,687	3,598	3,656	0.5 %	*(7) (8) (10)
		Partnership Units (746.66 units)	N/A	06/21	N/A		747	761	0.1 %	*(7)
						3,687	4,345	4,417		
Media Recovery, Inc. (SpotSee)	Containers, Packaging & Glass	First Lien Senior Secured Term Loan	LIBOR + 6.0%, 7.0% Cash	11/19	11/25	2,933	2,892	2,933	0.4 %	(7) (8) (10)
		First Lien Senior Secured Term Loan	GBP LIBOR + 6.0%, 7.0% Cash	12/20	11/25	4,442	4,303	4,442	0.6 %	(7) (8) (12)
						7,375	7,195	7,375		
Medical Solutions Parent Holdings, Inc.	Healthcare	Second Lien Senior Secured Term Loan	LIBOR + 7.0%, 7.5% Cash	11/21	11/29	4,421	4,377	4,362	0.6 %	(8) (10)
						4,421	4,377	4,362		
MNS Buyer, Inc.	Construction & Building	First Lien Senior Secured Term Loan	LIBOR + 5.5%, 6.5% Cash	08/21	08/27	921	903	905	0.1 %	*(7) (8) (9)
		Partnership Units (76.92 units)	N/A	08/21	N/A		77	78	— %	*(7)
						921	980	983		
Modern Star Holdings Bidco Pty Limited.	Non-durable Consumer Goods	First Lien Senior Secured Term Loan	BBSY + 6.25%, 6.8% Cash	12/20	12/26	8,368	8,281	8,299	1.1 %	(3) (7) (8) (19)
						8,368	8,281	8,299		
MSG National Properties	Hotel, Gaming, & Leisure	First Lien Senior Secured Term Loan	LIBOR + 6.25%, 7.0% Cash	11/20	11/25	2,437	2,378	2,486	0.3 %	(3) (7) (8) (10)
						2,437	2,378	2,486		

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Murphy Midco Limited	Media, Diversified & Production	First Lien Senior Secured Term Loan	GBP LIBOR +4.75%, 4.8% Cash	11/20	11/27	\$ 5,252	\$ 4,951	\$ 5,104	0.7 %	(3) (7) (8) (13)
						5,252	4,951	5,104		
Music Reports, Inc.	Media & Entertainment	First Lien Senior Secured Term Loan	LIBOR + 6.0%, 7.0% Cash	08/20	08/26	7,462	7,288	7,313	1.0 %	(7) (8) (10)
						7,462	7,288	7,313		
Narda Acquisitionco., Inc.	Aerospace & Defense	First Lien Senior Secured Term Loan	LIBOR + 5.25%, 6.3% Cash	12/21	12/27	5,680	5,581	5,580	0.7 %	*(7) (8) (10)
		Class A Preferred Stock (4,587.38 shares)	N/A	12/21	N/A	459	459	0.1 %	*(7)	
										Class B Common Stock (509.71 shares)
5,680	6,068	6,067								
Navia Benefit Solutions, Inc.	Healthcare & Pharmaceuticals	First Lien Senior Secured Term Loan	LIBOR + 5.25%, 6.3% Cash	02/21	02/27	2,727	2,668	2,703	0.4 %	(7) (8) (10)
						2,727	2,668	2,703		
Nexus Underwriting Management Limited	Other Financial	First Lien Senior Secured Term Loan	SONIA + 5.25%, 5.3% Cash	12/21	10/28	1,691	1,620	1,630	0.2 %	(3) (7) (8) (17)
		1,794	1,722	1,731						
NGS US Finco, LLC (f/k/a Dresser Natural Gas Solutions)	Energy Equipment & Services	First Lien Senior Secured Term Loan	LIBOR + 4.25%, 5.3% Cash	10/18	10/25	4,753	4,734	4,677	0.6 %	(7) (8) (9)
						4,753	4,734	4,677		
Northstar Recycling, LLC	Environmental Industries	First Lien Senior Secured Term Loan	LIBOR + 4.75%, 5.8% Cash	10/21	09/27	2,500	2,452	2,450	0.3 %	(7) (8) (10)
						2,500	2,452	2,450		
OA Buyer, Inc.	Healthcare	First Lien Senior Secured Term Loan	LIBOR + 6.0%, 6.8% Cash	12/21	12/28	8,501	8,331	8,331	1.1 %	*(7) (8) (10)
		Partnership Units (210,920.11 units)	N/A	12/21	N/A	211	211	— %	*(7)	
										8,501
Odeon Cinemas Group Limited	Hotel, Gaming, & Leisure	First Lien Senior Secured Term Loan	10.8% Cash	02/21	08/23	3,954	4,055	4,033	0.5 %	(3) (7)
						3,954	4,055	4,033		
OG III B.V.	Containers & Glass Products	First Lien Senior Secured Term Loan	EURIBOR + 5.75%, 5.8% Cash	06/21	06/28	2,916	2,997	2,843	0.4 %	(3) (7) (8) (14)
						2,916	2,997	2,843		
Omni Intermediate Holdings, LLC	Transportation	First Lien Senior Secured Term Loan	LIBOR + 5.0%, 6.0% Cash	12/20	12/26	11,831	11,461	11,491	1.5 %	(7) (8) (9)
						11,831	11,461	11,491		
Options Technology Ltd.	Computer Services	First Lien Senior Secured Term Loan	LIBOR + 4.5%, 5.5% Cash	12/19	12/25	2,313	2,282	2,267	0.3 %	(3) (7) (8) (10)
						2,313	2,282	2,267		
Oracle Vision Bidco Limited	Healthcare	First Lien Senior Secured Term Loan	SONIA + 5.25%, 5.3% Cash	06/21	05/28	3,100	3,141	3,028	0.4 %	(3) (7) (8) (17)
						3,100	3,141	3,028		
Origin Bidco Limited	Technology	First Lien Senior Secured Term Loan	LIBOR + 5.75%, 6.8% Cash	06/21	06/28	597	582	584	0.1 %	(3) (7) (8) (10)
		974	976	953						

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Portfolio Company ⁽⁶⁾	Industry	Investment Type ⁽¹⁾⁽²⁾	Interest	Acq. Date	Maturity Date	Principal Amount	Cost	Fair Value	% of Net Assets *	Notes
OSP Hamilton Purchaser, LLC	Technology	First Lien Senior Secured Term Loan	LIBOR + 5.75%, 6.8% Cash	12/21	12/27	\$ 2,281	\$ 2,235	\$ 2,235	0.3 %	(7) (8) (9)
		Revolver	LIBOR + 5.75%, 6.8% Cash	12/21	12/27	—	(4)	(4)	— %	(7) (8) (10)
						2,281	2,231	2,231		
Pacific Health Supplies Bidco Pty Limited	Healthcare & Pharmaceuticals	First Lien Senior Secured Term Loan	BBSY + 6.0%, 6.5% Cash	12/20	12/25	8,779	8,730	8,529	1.1 %	(3) (7) (8) (20)
						8,779	8,730	8,529		
Pare SAS (SAS Maurice MARLE)	Health Care Equipment	First Lien Senior Secured Term Loan	EURIBOR + 6.75%, 6.8% Cash	12/19	12/26	4,638	4,478	4,638	0.6 %	(3) (7) (14)
						4,638	4,478	4,638		
Patriot New Midco 1 Limited (Forensic Risk Alliance)	Diversified Financial Services	First Lien Senior Secured Term Loan	LIBOR + 6.75%, 7.8% Cash	02/20	02/27	3,764	3,685	3,591	0.5 %	(3) (7) (8) (10)
		First Lien Senior Secured Term Loan	EURIBOR + 6.75%, 6.8% Cash	02/20	02/27	3,216	3,017	3,068	0.4 %	(3) (7) (8) (14)
						6,980	6,702	6,659		
PDQ.Com Corporation	Business Equipment & Services	First Lien Senior Secured Term Loan	LIBOR + 5.0%, 6.0% Cash	08/21	08/27	9,062	8,710	8,707	1.2 %	* (7) (8) (10)
		Class A-2 Partnership Units (26.32units)	N/A	08/21	N/A	—	29	29	— %	* (7)
						9,062	8,739	8,736		
Permaconn Bidco Ltd	Tele-communications	First Lien Senior Secured Term Loan	BBSY + 6.5%, 6.5% Cash	12/21	12/27	15,012	14,386	14,599	2.0 %	(3) (7) (8) (19)
						15,012	14,386	14,599		
Polara Enterprises, LLC	Capital Equipment	First Lien Senior Secured Term Loan	LIBOR + 4.75%, 5.8% Cash	12/21	12/27	4,243	4,159	4,158	0.6 %	* (7) (8) (10)
		Revolver	LIBOR + 4.75%, 5.8% Cash	12/21	12/27	—	(11)	(11)	— %	* (7) (8) (10)
		Partnership Units (3,820.44 units)	N/A	12/21	N/A	—	382	382	— %	* (7)
						4,243	4,530	4,529		
Policy Services Company, LLC	Property & Casualty Insurance	First Lien Senior Secured Term Loan	LIBOR + 6.0%, 7.0% Cash, 4.0% PIK	12/21	06/26	45,831	44,018	44,008	5.9 %	* (7) (8) (10)
		Warrants - Class A (28,260 units)	N/A	12/21	N/A	—	—	—	— %	* (7)
		Warrants - Class B (9,537 units)	N/A	12/21	N/A	—	—	—	— %	* (7)
		Warrants - Class CC (980 units)	N/A	12/21	N/A	—	—	—	— %	* (7)
		Warrants - Class D (2,520 units)	N/A	12/21	N/A	—	—	—	— %	* (7)
						45,831	44,018	44,008		
Premium Franchise Brands, LLC	Research & Consulting Services	First Lien Senior Secured Term Loan	LIBOR + 6.25%, 7.3% Cash	12/20	12/26	14,853	14,597	14,556	2.0 %	(7) (8) (10)
						14,853	14,597	14,556		
Premium Invest	Brokerage, Asset Managers & Exchanges	First Lien Senior Secured Term Loan	EURIBOR + 6.0%, 6.0% Cash	06/21	06/28	4,094	4,113	4,010	0.5 %	(3) (7) (8) (14)
						4,094	4,113	4,010		
Prequin MC Limited	Banking, Finance, Insurance & Real Estate	First Lien Senior Secured Term Loan	SOFR + 5.5%, 5.5% Cash	08/21	07/28	2,789	2,695	2,764	0.4 %	(3) (7) (8) (23)
						2,789	2,695	2,764		
Process Equipment, Inc. (ProcessBarron)	Industrial Air & Material Handling Equipment	First Lien Senior Secured Term Loan	LIBOR + 5.25%, 6.3% Cash	03/19	03/25	6,174	6,115	5,945	0.8 %	(7) (8) (10)
						6,174	6,115	5,945		
Professional Datasolutions, Inc. (PDI)	Application Software	First Lien Senior Secured Term Loan	LIBOR + 4.5%, 5.5% Cash	03/19	10/24	1,836	1,833	1,809	0.2 %	(7) (8) (10)
						1,836	1,833	1,809		

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Portfolio Company ⁽⁶⁾	Industry	Investment Type ⁽¹⁾⁽²⁾	Interest	Acq. Date	Maturity Date	Principal Amount	Cost	Fair Value	% of Net Assets *	Notes
Protego Bidco B.V.	Aerospace & Defense	First Lien Senior Secured Term Loan	EURIBOR + 5.25%, 5.3% Cash	03/21	03/27	\$ 2,227	\$ 2,269	\$ 2,195	0.3 %	(3)(7)(8)(14)
		First Lien Senior Secured Term Loan	EURIBOR + 6.0%, 6.0% Cash	03/21	03/28	1,548	1,561	1,495	0.2 %	(3)(7)(8)(14)
						3,775	3,830	3,690		
QPE7 SPV1 BidCo Pty Ltd	Consumer Cyclical	First Lien Senior Secured Term Loan	BBSY + 5.5%, 6.0% Cash	09/21	09/26	1,632	1,564	1,605	0.2 %	(3)(7)(8)(20)
						1,632	1,564	1,605		
Questel Unite	Business Services	First Lien Senior Secured Term Loan	LIBOR + 6.25%, 6.8% Cash	12/20	12/27	6,892	6,802	6,851	0.9 %	(3)(7)(8)(10)
						6,892	6,802	6,851		
Recovery Point Systems, Inc.	Technology	First Lien Senior Secured Term Loan	LIBOR + 6.5%, 7.5% Cash	08/20	08/26	11,648	11,460	11,648	1.6 %	*(7)(8)(10)
		Partnership Equity (187,235 units)	N/A	03/21	N/A		187	150	— %	*(7)
						11,648	11,647	11,798		
Renovation Parent Holdings, LLC	Home Furnishings	First Lien Senior Secured Term Loan	LIBOR + 5.5%, 6.5% Cash	11/21	11/27	4,854	4,735	4,733	0.7 %	*(7)(8)(11)
		Partnership Equity (197,368.42 units)	N/A	11/21	N/A		197	203	— %	*(7)
						4,854	4,932	4,936		
REP SEKO MERGER SUB LLC	Air Freight & Logistics	First Lien Senior Secured Term Loan	LIBOR + 5.0%, 6.0% Cash	12/20	12/26	7,614	7,416	7,478	1.0 %	(7)(8)(10)
						7,614	7,416	7,478		
Resonetics, LLC	Health Care Equipment	Second Lien Senior Secured Term Loan	LIBOR + 7.0%, 7.8% Cash	04/21	04/29	4,011	3,934	3,930	0.5 %	(7)(8)(10)
						4,011	3,934	3,930		
Reward Gateway (UK) Ltd	Precious Metals & Minerals	First Lien Senior Secured Term Loan	SONIA + 6.75%, 6.8% Cash	08/21	06/28	2,869	2,807	2,776	0.4 %	(3)(7)(8)(17)
						2,869	2,807	2,776		
Riedel Beheer B.V.	Food & Beverage	First Lien Senior Secured Term Loan	EURIBOR + 5.5%, 5.5% Cash	12/21	12/28	1,899	1,835	1,843	0.3 %	(3)(7)(8)(14)
		Revolver	EURIBOR + 5.5%, 5.5% Cash	12/21	06/28	—	(5)	(5)	— %	(3)(7)(8)(14)
		Super Senior Secured Term Loan	EURIBOR + 5.5%, 5.5% Cash	12/21	12/28	230	222	223	— %	(3)(7)(8)(14)
						2,129	2,052	2,061		
RPX Corporation	Research & Consulting Services	First Lien Senior Secured Term Loan	LIBOR + 6.0%, 7.0% Cash	10/20	10/25	7,612	7,426	7,455	1.0 %	(7)(8)(10)
						7,612	7,426	7,455		
Ruffalo Noel Levitz, LLC	Media Services	First Lien Senior Secured Term Loan	LIBOR + 6.0%, 7.0% Cash	01/19	05/24	9,543	9,524	9,543	1.3 %	(7)(8)(10)
						9,543	9,524	9,543		
Safety Products Holdings, LLC	Non-durable Consumer Goods	First Lien Senior Secured Term Loan	LIBOR + 6.0%, 7.0% Cash	12/20	12/26	12,026	11,798	11,755	1.5 %	*(7)(8)(9)
		Preferred Stock (372.1 shares)	N/A	12/20	N/A		372	510	0.1 %	*(7)
						12,026	12,170	12,265		
Scaled Agile, Inc.	Research & Consulting Services	First Lien Senior Secured Term Loan	LIBOR + 5.5%, 6.3% Cash	12/21	12/28	1,748	1,705	1,705	0.2 %	(7)(8)(10)
		Revolver	LIBOR + 5.5%, 6.3% Cash	12/21	12/28	—	(7)	(7)	— %	(7)(8)(10)
						1,748	1,698	1,698		
Serta Simmons Bedding LLC	Home Furnishings	Super Priority First Out	LIBOR + 7.5%, 8.5% Cash	06/20	08/23	7,350	7,229	7,409	1.0 %	(8)(9)
		Super Priority Second Out	LIBOR + 7.5%, 8.5% Cash	06/20	08/23	3,607	3,374	3,365	0.4 %	(8)(9)
						10,957	10,603	10,774		

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SISU ACQUISITIONCO., INC.	Aerospace & Defense	First Lien Senior Secured Term Loan	LIBOR + 5.25%, 6.3% Cash	12/20	12/26	\$ 7,009	\$ 6,869	\$ 6,771	0.9 %	(7) (8) (10)
						7,009	6,869	6,771		
Smartling, Inc.	Technology	First Lien Senior Secured Term Loan	LIBOR + 5.75%, 6.8% Cash	11/21	11/27	16,471	16,102	16,094	2.2 %	(7) (8) (10)
		Revolver	LIBOR + 5.75%, 6.8% Cash	11/21	11/27	—	(23)	(24)	— %	(7) (8) (10)
						16,471	16,079	16,070		
Smile Brands Group Inc.	Health Care Services	First Lien Senior Secured Term Loan	LIBOR + 4.5%, 5.3% Cash	10/18	10/25	4,593	4,571	4,553	0.6 %	(7) (8) (10)
		First Lien Senior Secured Term Loan	LIBOR + 4.5%, 5.3% Cash	12/20	10/25	—	(12)	(6)	— %	(7) (8) (10)
						4,593	4,559	4,547		
SN BUYER, LLC	Health Care Services	First Lien Senior Secured Term Loan	LIBOR + 5.75%, 6.8% Cash	12/20	12/26	18,394	18,080	18,394	2.5 %	(7) (8) (9)
						18,394	18,080	18,394		
Springbrook Software (SBRK Intermediate, Inc.)	Enterprise Software & Services	First Lien Senior Secured Term Loan	LIBOR + 5.5%, 6.5% Cash	12/19	12/26	10,346	10,179	10,346	1.4 %	(7) (8) (10)
						10,346	10,179	10,346		
SPT Acquico Limited	High Tech Industries	First Lien Senior Secured Term Loan	LIBOR + 4.75%, 5.8% Cash	01/21	12/27	658	644	658	0.1 %	(3) (7) (8) (10)
						658	644	658		
SSCP Pegasus Midco Limited	Healthcare & Pharmaceuticals	First Lien Senior Secured Term Loan	GBP LIBOR + 6.75%, 6.8% Cash	12/20	11/27	2,754	2,488	2,722	0.4 %	(3) (7) (8) (12)
						2,754	2,488	2,722		
Starmeer B.V.	Technology	First Lien Senior Secured Term Loan	LIBOR + 6.4%, 6.9% Cash	10/21	04/27	7,500	7,391	7,388	1.0 %	(3) (7) (8) (10)
						7,500	7,391	7,388		
Superjet Buyer, LLC	Technology	First Lien Senior Secured Term Loan	LIBOR + 5.75%, 6.5% Cash	12/21	12/27	23,175	22,711	22,711	3.0 %	(7) (8) (10)
		Revolver	LIBOR + 5.75%, 6.5% Cash	12/21	12/27	—	(37)	(37)	— %	(7) (8) (10)
						23,175	22,674	22,674		
Syniverse Holdings, Inc.	Technology Distributors	First Lien Senior Secured Term Loan	LIBOR + 5.0%, 6.0% Cash	08/18	03/23	17,314	16,493	17,192	2.3 %	(8) (10)
						17,314	16,493	17,192		
Syntax Systems Ltd	Technology	First Lien Senior Secured Term Loan	LIBOR + 5.5%, 6.3% Cash	11/21	10/28	2,056	2,018	2,016	0.3 %	(3) (7) (8) (9)
		Revolver	LIBOR + 5.5%, 6.3% Cash	11/21	10/26	442	432	432	— %	(3) (7) (8) (9)
						2,498	2,450	2,448		
TA SL Cayman Aggregator Corp.	Technology	Subordinated Term Loan Common Stock (1,227.79 shares)	8.8% PIK	07/21	07/28	1,995	1,957	1,960	0.3 %	(7)
			N/A	07/21	N/A	—	50	65	— %	(7)
						1,995	2,007	2,025		
Techone B.V.	Technology	First Lien Senior Secured Term Loan	EURIBOR + 5.5%, 5.5% Cash	11/21	11/28	8,726	8,428	8,441	1.1 %	(3) (7) (8) (14)
		Revolver	EURIBOR + 5.5%, 5.5% Cash	11/21	05/28	108	97	97	— %	(3) (7) (8) (14)
						8,834	8,525	8,538		
Tencarva Machinery Company, LLC	Capital Equipment	First Lien Senior Secured Term Loan	LIBOR + 5.5%, 6.5% Cash	12/21	12/27	5,486	5,375	5,374	0.7 %	(7) (8) (10)
		Revolver	LIBOR + 5.5%, 6.5% Cash	12/21	12/27	—	(20)	(20)	— %	(7) (8) (10)
						5,486	5,355	5,354		

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Portfolio Company ⁽⁶⁾	Industry	Investment Type ⁽¹⁾⁽²⁾	Interest	Acq. Date	Maturity Date	Principal Amount	Cost	Fair Value	% of Net Assets *	Notes
The Caprock Group, Inc. (aka TA/TCG Holdings, LLC)	Brokerage, Asset Managers & Exchanges	First Lien Senior Secured Term Loan	LIBOR + 4.25%, 5.3% Cash	10/21	12/27	\$ 847	\$ 776	\$ 776	0.1 %	(7)(8)(10)
		Revolver	LIBOR + 4.25%, 5.3% Cash	10/21	12/27	—	(14)	(14)	— %	(7)(8)(10)
		Subordinated Term Loan	7.8% PIK	10/21	10/28	3,333	3,268	3,267	0.4 %	*(7)
						4,180	4,030	4,029		
The Hilb Group, LLC	Insurance Brokerage	First Lien Senior Secured Term Loan	LIBOR + 5.75%, 6.8% Cash	12/19	12/26	20,279	19,880	19,874	2.7 %	(7)(8)(10)
		First Lien Senior Secured Term Loan	LIBOR + 5.5%, 6.3% Cash	12/19	12/26	55	(1)	(2)	— %	(7)(8)(10)
						20,334	19,879	19,872		
Total Safety U.S. Inc.	Diversified Support Services	First Lien Senior Secured Term Loan	LIBOR + 6.0%, 7.0% Cash	11/19	08/25	6,583	6,393	6,482	0.9 %	(8)(11)
						6,583	6,393	6,482		
Transit Technologies LLC	Software	First Lien Senior Secured Term Loan	LIBOR + 4.75%, 5.8% Cash	02/20	02/25	6,035	5,946	5,846	0.8 %	(7)(8)(10)
						6,035	5,946	5,846		
Transportation Insight, LLC	Air Freight & Logistics	First Lien Senior Secured Term Loan	LIBOR + 4.5%, 4.6% Cash	08/18	12/24	11,330	11,260	11,160	1.5 %	(7)(8)(9)
						11,330	11,260	11,160		
Trident Maritime Systems, Inc.	Aerospace & Defense	First Lien Senior Secured Term Loan	LIBOR + 5.5%, 6.5% Cash	02/21	02/27	14,888	14,665	14,888	2.0 %	(7)(8)(10)
						14,888	14,665	14,888		
Truck-Lite Co., LLC	Automotive Parts & Equipment	First Lien Senior Secured Term Loan	LIBOR + 6.25%, 7.3% Cash	12/19	12/26	15,002	14,623	14,611	2.0 %	(7)(8)(10)
						15,002	14,623	14,611		
Trystar, LLC	Power Distribution Solutions	First Lien Senior Secured Term Loan	LIBOR + 5.25%, 6.3% Cash	09/18	09/23	11,988	11,777	11,778	1.6 %	(7)(8)(10)
		Class A LLC Units (40.97 units)	N/A	09/18	N/A		481	412	— %	*(7)
						11,988	12,258	12,190		
Turbo Buyer, Inc.	Finance Companies	First Lien Senior Secured Term Loan	LIBOR + 6.0%, 7.0% Cash	11/21	12/25	8,430	8,226	8,220	1.1 %	(7)(8)(10)
						8,430	8,226	8,220		
Turf Products, LLC	Landscaping & Irrigation Equipment Distributor	Senior Subordinated Debt	10.0% Cash	12/20	10/23	8,697	8,384	8,627	1.2 %	(7)(25)
						8,697	8,384	8,627		
Turnberry Solutions, Inc.	Consumer Cyclical	First Lien Senior Secured Term Loan	LIBOR + 6.0%, 7.0% Cash	07/21	09/26	4,500	4,406	4,423	0.6 %	(7)(8)(10)
						4,500	4,406	4,423		
U.S. Gas & Electric, Inc.	Energy Services	Second Lien Loan	9.5% Cash	12/20	07/25	2,285	1,785	1,785	0.2 %	(7)(25)
		Second Lien Loan	9.5% Cash	12/20	07/25	2,485	—	—	— %	(7)(25)(26)
						4,770	1,785	1,785		
U.S. Silica Company	Metal & Glass Containers	First Lien Senior Secured Term Loan	LIBOR + 4.0%, 5.0% Cash	08/18	05/25	1,472	1,474	1,437	0.2 %	(3)(8)(9)
						1,472	1,474	1,437		
UKFast Leaders Limited	Technology	First Lien Senior Secured Term Loan	SONIA + 7.0%, 7.1% Cash	09/20	09/27	12,312	11,399	12,090	1.6 %	(3)(7)(8)(16)
						12,312	11,399	12,090		
USLS Acquisition, Inc. (f/k/a US Legal Support, Inc.)	Legal Services	First Lien Senior Secured Term Loan	LIBOR + 5.75%, 6.8% Cash	11/18	11/24	16,222	16,065	16,222	2.2 %	(7)(8)(10)
						16,222	16,065	16,222		

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Utac Ceram	Business Services	First Lien Senior Secured Term Loan	EURIBOR + 5.25%, 5.3% Cash	09/20	09/27	\$ 1,706	\$ 1,706	\$ 1,673	0.2 %	(3) (7) (8) (14)
		First Lien Senior Secured Term Loan	LIBOR + 5.25%, 5.5% Cash	02/21	09/27	3,518	3,456	3,451	0.5 %	(3) (7) (8) (10)
						5,224	5,162	5,124		
Validity, Inc.	IT Consulting & Other Services	First Lien Senior Secured Term Loan	LIBOR + 4.75%, 4.8% Cash	07/19	05/25	4,783	4,687	4,764	0.6 %	(7) (8) (9)
						4,783	4,687	4,764		
VistaJet Pass Through Trust 2021-1B	Airlines	Structured Secured Note - Class B	6.3% Cash	11/21	02/29	5,000	5,000	4,905	0.7 %	
Vital Buyer, LLC	Technology	First Lien Senior Secured Term Loan	LIBOR + 5.5%, 6.3% Cash	06/21	06/28	7,802	7,656	7,676	1.1 %	*(7) (8) (10)
		Partnership Units (16,442.9 units)	N/A	06/21	N/A		164	171	— %	*(7)
						7,802	7,820	7,847		
W2O Holdings, Inc.	Healthcare Technology	First Lien Senior Secured Term Loan	LIBOR + 4.75%, 5.8% Cash	10/20	06/25	2,152	2,090	2,152	0.3 %	(7) (8) (10)
						2,152	2,090	2,152		
Woodland Foods, LLC	Food & Beverage	First Lien Senior Secured Term Loan	LIBOR + 5.5%, 6.5% Cash	12/21	12/27	11,512	11,285	11,282	1.5 %	*(7) (8) (10)
		Revolver	LIBOR + 5.5%, 6.5% Cash	12/21	12/27	172	128	127	0.1 %	*(7) (8) (10)
		Common Stock (1,663,307.18 shares)	N/A	12/21	N/A		1,663	1,663	0.2 %	*(7)
					11,684	13,076	13,072			
World 50, Inc.	Professional Services	First Lien Senior Secured Term Loan	LIBOR + 5.25%, 6.3% Cash	01/20	01/26	3,280	3,202	3,280	0.4 %	(7) (8) (9)
		First Lien Senior Secured Term Loan	LIBOR + 4.5%, 5.5% Cash	09/20	01/26	9,009	8,852	8,872	1.2 %	(7) (8) (9)
						12,289	12,054	12,152		
Subtotal Non-Control / Non-Affiliate Investments (200.9%)						1,518,708	1,494,031	1,490,113		
<u>Affiliate Investments: (4)</u>										
Eclipse Business Capital, LLC	Banking, Finance, Insurance, & Real Estate	Second Lien Senior Secured Term Loan	7.5% Cash	07/21	07/28	4,545	4,502	4,738	0.6 %	*(7)
		Revolver	LIBOR + 7.25%	07/21	07/28	1,818	1,691	1,818	12.5 %	*(7) (10)
		LLC Units (89,447,396 units)	N/A	07/21	N/A		89,850	92,668	0.3 %	*(7)
					6,363	96,043	99,224			
Jocasse Partners LLC	Investment Funds & Vehicles	9.1% Member Interest	N/A	06/19	N/A		30,158	37,601	5.1 %	*(3)
							30,158	37,601		
JSC Tekers Holdings	Real Estate Management	Preferred Stock (9,159,085 shares)	N/A	12/20	N/A		4,753	6,197	0.8 %	(3) (7) (25)
		Common Stock (3,201 shares)	N/A	12/20	N/A		—	—	— %	(3) (7) (25)
							4,753	6,197		
Security Holdings B.V.	Electrical Engineering	Bridge Loan	5.0% PIK	12/20	02/27	5,451	5,451	5,451	0.7 %	(3) (7) (25)
		Senior Subordinated Loan	3.1% PIK	12/20	05/22	9,525	9,525	9,525	1.3 %	(3) (7) (25)
		Senior Unsecured Term Loan	6.0% Cash, 9.0% PIK	04/21	04/25	7,307	7,639	7,307	1.0 %	(3) (7) (25)
		Common Stock (900 shares)	N/A	12/20	N/A		21,264	24,825	3.3 %	(3) (7) (25)
					22,283	43,879	47,108			

Barings BDC, Inc.
Consolidated Schedule of Investments — (Continued)
December 31, 2021
(Amounts in thousands, except share amounts)

Portfolio Company ⁽⁶⁾	Industry	Investment Type ⁽¹⁾⁽²⁾	Interest	Acq. Date	Maturity Date	Principal Amount	Cost	Fair Value	% of Net Assets *	Notes
Thompson Rivers LLC	Investment Funds & Vehicles	15.90% Member Interest	N/A	06/20	N/A		\$ 79,414	\$ 84,438	11.3 %	*(3)
							79,414	84,438		
Waccamaw River LLC	Investment Funds & Vehicles	20% Member Interest	N/A	02/21	N/A		13,720	13,501	1.8 %	*(3)
							13,720	13,501		
Subtotal Affiliate Investments (88.8%)						\$ 28,646	267,967	288,069		
<u>Control Investments: (5)</u>										
MVC Automotive Group Gmbh	Automotive	Bridge Loan	6.0% Cash	12/20	06/26	7,149	7,149	7,149	1.0 %	(3)(7)(25)
		Common Equity Interest (18,000 shares)	N/A	12/20	N/A		9,553	7,699	1.0 %	(3)(7)(25)
						7,149	16,702	14,848		
MVC Private Equity Fund LP	Investment Funds & Vehicles	General Partnership Interest	N/A	12/20	N/A		225	188	— %	(3)(25)
		Limited Partnership Interest	N/A	12/20	N/A		8,899	7,376	1.0 %	(3)(25)
							9,124	7,564		
Subtotal Control Investments 3.0%						7,149	25,826	22,412		
Total Investments, December 31, 2021 (94.27%)						\$ 1,554,503	\$ 1,787,824	\$ 1,800,594		

Derivative Instruments

Credit Support Agreement(a)(b)(d)

Description	Counterparty	Settlement Date(c)	Notional Amount	Value	Unrealized Appreciation (Depreciation)
Credit Support Agreement	Barings LLC	01/01/31	\$ 23,000	\$ 15,400	\$ 1,800
Total Credit Support Agreement, December 31, 2021					\$ 1,800

- (a) The MVC Credit Support Agreement covers all of the investments acquired by the Company from MVC in connection with the MVC Acquisition (as defined in “Note 1 – Organization, Business and Basis of Presentation”) and any investments received by the Company in connection with the restructuring, amendment, extension or other modification (including the issuance of new securities) of any of the MVC Reference Portfolio. Each investment that is included in the MVC Reference Portfolio is denoted in the above Schedule of Investments with footnote (25).
- (b) The Company and Barings entered into a Credit Support Agreement pursuant to which Barings agreed to provide credit support to the Company in the amount of up to \$ 23.0 million.
- (c) Settlement Date means the earlier of (1) January 1, 2031 or (2) the date on which the entire MVC Reference Portfolio has been realized or written off.
- (d) See “Note 2 – Agreements and Related Party Transactions” for additional information regarding the MVC Credit Support Agreement.

Barings BDC, Inc.
Consolidated Schedule of Investments — (Continued)
December 31, 2021
(Amounts in thousands, except share amounts)

Foreign Currency Forward Contracts:

Description	Notional Amount to be Purchased	Notional Amount to be Sold	Counterparty	Settlement Date	Unrealized Appreciation (Depreciation)
Foreign currency forward contract (AUD)	AS\$1,601	\$22,850	Bank of America, N.A.	01/06/22	\$ 126
Foreign currency forward contract (AUD)	AS\$2,099	\$1,508	HSBC Bank USA	01/06/22	18
Foreign currency forward contract (AUD)	\$20,727	AS\$28,700	Citibank N.A.	01/06/22	(139)
Foreign currency forward contract (AUD)	\$3,580	AS\$5,000	HSBC Bank USA	04/08/22	(55)
Foreign currency forward contract (AUD)	\$18,247	AS\$25,386	Bank of America, N.A.	04/08/22	(215)
Foreign currency forward contract (CAD)	\$3,230	\$2,528	Bank of America, N.A.	01/06/22	29
Foreign currency forward contract (CAD)	\$3,000	\$2,425	HSBC Bank USA	01/06/22	(50)
Foreign currency forward contract (CAD)	\$4,881	\$6,230	HSBC Bank USA	01/06/22	(51)
Foreign currency forward contract (CAD)	\$2,506	\$3,203	Bank of America, N.A.	04/08/22	(29)
Foreign currency forward contract (DKK)	2,143kr.	\$326	Bank of America, N.A.	01/06/22	1
Foreign currency forward contract (DKK)	\$335	2,143kr.	Bank of America, N.A.	01/06/22	7
Foreign currency forward contract (DKK)	\$323	2,116kr.	Bank of America, N.A.	04/08/22	(1)
Foreign currency forward contract (EUR)	€52,583	\$59,524	Bank of America, N.A.	01/06/22	275
Foreign currency forward contract (EUR)	€5,020	\$5,701	HSBC Bank USA	04/08/22	18
Foreign currency forward contract (EUR)	\$24,722	€21,500	Bank of America, N.A.	01/06/22	271
Foreign currency forward contract (EUR)	\$14,563	€12,900	HSBC Bank USA	01/06/22	(108)
Foreign currency forward contract (EUR)	\$20,655	€18,183	BNP Paribas SA	01/06/22	(23)
Foreign currency forward contract (EUR)	\$60,413	€53,265	Bank of America, N.A.	04/08/22	(282)
Foreign currency forward contract (EUR)	\$1,130	€1,000	HSBC Bank USA	04/08/22	(10)
Foreign currency forward contract (EUR)	\$8,514	€7,500	BNP Paribas SA	04/08/22	(33)
Foreign currency forward contract (GBP)	£9,900	\$13,220	Bank of America, N.A.	01/06/22	190
Foreign currency forward contract (GBP)	\$13,349	£9,900	BNP Paribas SA	01/06/22	(60)
Foreign currency forward contract (GBP)	\$6,122	£4,599	Bank of America, N.A.	04/08/22	(104)
Foreign currency forward contract (SEK)	1,792kr	\$198	HSBC Bank USA	01/07/22	—
Foreign currency forward contract (SEK)	\$204	1,792kr	Bank of America, N.A.	01/07/22	6
Foreign currency forward contract (SEK)	\$207	1,875kr	HSBC Bank USA	04/08/22	—
Total Foreign Currency Forward Contracts, December 31, 2021					\$ (219)

* Fair value as a percentage of net assets.

- (1) All debt investments are income producing, unless otherwise noted. Eclipse Business Capital, LLC, Ferrellgas L.P., Kano Laboratories LLC, Thompson Rivers LLC and Waccamaw River LLC equity investments are income producing. All other equity and any equity-linked investments are non-income producing. The Board determined in good faith that all investments were valued at fair value in accordance with the Company's valuation policies and procedures and the 1940 Act, based on, among other things, the input of the Company's external investment adviser, Barings, the Company's Audit Committee and independent valuation firms that have been engaged to assist in the valuation of the Company's middle-market investments. In addition, all debt investments are variable rate investments unless otherwise noted. Index-based floating interest rates are generally subject to a contractual minimum interest rate. A majority of the variable rate loans in the Company's investment portfolio bear interest at a rate that may be determined by reference to LIBOR, EURIBOR, GBP LIBOR, BBSY, STIBOR, CDOR, SOFR, SONIA or an alternate Base Rate (commonly based on the Federal Funds Rate or the Prime Rate), which typically reset semi-annually, quarterly, or monthly at the borrower's option. The borrower may also elect to have multiple interest reset periods for each loan.
- (2) All of the Company's portfolio company investments (including joint venture investments), which as of December 31, 2021 represented 242.7% of the Company's net assets, are subject to legal restrictions on sales. The acquisition date represents the date of the Company's initial investment in the relevant portfolio company.
- (3) Investment is not a qualifying investment as defined under Section 55(a) of the 1940 Act. Non-qualifying assets represent 25.7% of total investments at fair value as of December 31, 2021. Qualifying assets must represent at least 70% of total assets at the time of acquisition of any additional non-qualifying assets. If at any time qualifying assets do not represent at least 70% of the Company's total assets, the Company will be precluded from acquiring any additional non-qualifying asset until such time as it complies with the requirements of Section 55(a).

Barings BDC, Inc.
Consolidated Schedule of Investments — (Continued)
December 31, 2021
(Amounts in thousands, except share amounts)

(4) As defined in the 1940 Act, the Company is deemed to be an "affiliated person" of the portfolio company as the Company owns between 5% or more, up to 25% (inclusive), of the portfolio company's voting securities ("non-controlled affiliate"). Transactions related to investments in non-controlled "Affiliate Investments" for the year ended December 31, 2021 were as follows:

Portfolio Company	(6) Type of Investment(a)	December 31, 2020		Gross Additions Value	(b) Gross Reductions	(c) Amount of Realized Gain (Loss)	Amount of Unrealized Gain (Loss)	December 31, 2021 Value	Amount of Interest or Dividends Credited to Income(d)
Advantage Insurance, Inc. ^(e)	Preferred Stock (587,001 Shares)	\$,947	\$ —	(5,870)	\$ (77)	\$ —	\$ —	72	
		5,947	—	(5,870)	(77)	—	—	72	
Eclipse Business Capital, LLC ^(e)	Second Lien Senior Secured Term Loan (7.5% Cash)	—	4,502	—	—	236	4,738	170	
	Revolver (LIBOR + 7.25%)	—	1,691	—	—	127	1,818	53	
	LLC units (89,447,396 units)	—	89,850	—	—	2,818	92,668	3,582	
		—	96,043	—	—	3,181	99,224	3,805	
Jocassee Partners LLC	9.1% Member Interest	22,624	10,000	—	—	4,977	37,601	—	
		22,624	10,000	—	—	4,977	37,601	—	
JSC Tekers Holdings ^(e)	Preferred Stock (9,159,085 shares)	4,753	—	—	—	1,444	6,197	—	
	Common Stock (3,201 shares)	—	—	—	—	—	—	—	
		4,753	—	—	—	1,444	6,197	—	
Security Holdings B.V. ^(e)	Bridge Loan (5.0% PIK 5/31/2021)	5,188	263	—	—	—	5,451	276	
	Senior Subordinated Loan (3.1% PIK)	8,746	779	—	—	—	9,525	285	
	Senior Unsecured Term Loan (9.0% PIK)	—	8,831	(1,168)	(24)	(332)	7,307	820	
	Common Equity Interest	21,329	—	—	—	3,496	24,825	—	
		35,263	9,873	(1,168)	(24)	3,164	47,108	1,381	
Thompson Rivers LLC	15.90% Member Interest	10,012	69,414	—	—	5,012	84,438	4,776	
		10,012	69,414	—	—	5,012	84,438	4,776	
Waccamaw River LLC	20% Member Interest	—	13,763	(68)	—	(194)	13,501	280	
		—	13,763	(68)	—	(194)	13,501	280	
Total Affiliate Investments		\$ 78,599	199,093	(\$ 3,106)	\$ (101)	17,584	288,069	10,314	

- (a) Eclipse Business Capital, LLC, Thompson Rivers LLC and Waccamaw River LLC equity investments are income producing. All other equity and any equity-linked investments are non-income producing.
- (b) Gross additions include increases in the cost basis of investments resulting from new investments and follow-on investments.
- (c) Gross reductions include decreases in the total cost basis of investments resulting from principal repayments or sales.
- (d) Represents the total amount of interest, fees or dividends credited to income for the portion of the year an investment was included in the Affiliate category.
- (e) The fair value of the investment was determined using significant unobservable inputs.

Barings BDC, Inc.
Consolidated Schedule of Investments — (Continued)
December 31, 2021
(Amounts in thousands, except share amounts)

(5) As defined in the 1940 Act, the Company is deemed to be both an “affiliated person” and “control” the portfolio company because it owns more than 25% of the portfolio company’s outstanding voting securities or it has the power to exercise control over the management or policies of such portfolio company (including through a management agreement). Transactions as of and during the year ended December 31, 2021 in which the portfolio company is deemed to be a “Control Investment” of the Company were as follows:

Portfolio Company	Type of Investment(a)	December 31, 2020 Value	Gross Additions (b)	Gross Reductions (c)	Amount of Realized Gain (Loss)	Amount of Unrealized Gain (Loss)	December 31, 2021 Value	Amount of Interest or Dividends Credited to Income(d)
MVC Automotive Group GmbH ^(e)	Common Equity Interest	\$ 9,582	\$ —	\$ —	\$ —	\$ (1,883)	\$ 7,699	\$ —
	Bridge Loan (6.0% Cash 12/31/2021)	7,149	—	—	—	—	7,149	435
		16,731	—	—	—	(1,883)	14,848	435
MVC Private Equity Fund LP	Limited Partnership Interest	8,899	—	—	—	(1,523)	7,376	—
	General Partnership Interest	225	—	—	—	(37)	188	643
		9,124	—	—	—	(1,560)	7,564	643
Waccamaw River LLC	50% Member Interest	—	4,500	(4,474)	—	(26)	—	—
Total Control Investments		\$ 25,855	\$ 4,500	\$ (4,474)	\$ —	\$ (3,469)	\$ 22,412	\$ 1,078

- (a) Equity and equity-linked investments are non-income producing, unless otherwise noted.
(b) Gross additions include increases in the cost basis of investments resulting from new investments and follow-on investments.
(c) Gross reductions include decreases in the total cost basis of investments resulting from principal repayments or sales.
(d) Represents the total amount of interest, fees or dividends credited to income for the portion of the year an investment was included in the Control category.
(e) The fair value of the investment was determined using significant unobservable inputs.
- (6) Some or all of the investment is or will be encumbered as security for the Company's senior secured credit facility with ING Capital LLC.
(7) The fair value of the investment was determined using significant unobservable inputs.
(8) Debt investment includes interest rate floor feature.
(9) The interest rate on these loans is subject to 1 Month LIBOR, which as of December 31, 2021 was 0.10125%.
(10) The interest rate on these loans is subject to 3 Month LIBOR, which as of December 31, 2021 was 0.20913%.
(11) The interest rate on these loans is subject to 6 Month LIBOR, which as of December 31, 2021 was 0.33875%.
(12) The interest rate on these loans is subject to 3 Month GBP LIBOR, which as of December 31, 2021 was 0.26225%.
(13) The interest rate on these loans is subject to 6 Month GBP LIBOR, which as of December 31, 2021 was 0.47363%.
(14) The interest rate on these loans is subject to 3 Month EURIBOR, which as of December 31, 2021 was -0.57200%.
(15) The interest rate on these loans is subject to 6 Month EURIBOR, which as of December 31, 2021 was -0.54600%.
(16) The interest rate on these loans is subject to 3 Month SONIA, which as of December 31, 2021 was 0.33830%.
(17) The interest rate on these loans is subject to 6 Month SONIA, which as of December 31, 2021 was 0.49870%.
(18) The interest rate on these loans is subject to 3 Month STIBOR, which as of December 31, 2021 was -0.00050%.
(19) The interest rate on these loans is subject to 1 Month BBSY, which as of December 31, 2021 was 0.01500%.
(20) The interest rate on these loans is subject to 3 Month BBSY, which as of December 31, 2021 was 0.06770%.
(21) The interest rate on these loans is subject to 3 Month CDOR, which as of December 31, 2021 was 0.51750%.
(22) The interest rate on these loans is subject to 3 Month SOFR, which as of December 31, 2021 was 0.09125%.
(23) The interest rate on these loans is subject to 6 Month SOFR, which as of December 31, 2021 was 0.19947%.
(24) Non-accrual investment.
(25) Investment was purchased as part of the MVC Acquisition and is part of the MVC Reference Portfolio for purposes of the MVC Credit Support Agreement.
(26) In 2017, MVC received \$5.7 million of 9.5% second lien callable notes due in 2025, in lieu of an escrow to satisfy any indemnification claims associated with MVC's sale of its equity investment in U.S. Gas. Effective January 1, 2018, the cost basis of the U.S. Gas second lien loan was decreased by approximately \$3.0 million due to a working capital adjustment. This loan is still subject to indemnification adjustments.

See accompanying notes.

Barings BDC, Inc.
Notes to Unaudited Consolidated Financial Statements

1. ORGANIZATION, BUSINESS AND BASIS OF PRESENTATION

The Company and its wholly-owned subsidiaries are specialty finance companies. The Company currently operates as a closed-end, non-diversified investment company and has elected to be treated as a business development company (“BDC”) under the 1940 Act. The Company has elected for federal income tax purposes to be treated as a regulated investment company (“RIC”) under the Internal Revenue Code of 1986, as amended (the “Code”).

Organization

The Company is a Maryland corporation incorporated on October 10, 2006. On August 2, 2018, the Company entered into an investment advisory agreement (the “Original Advisory Agreement”) and an administration agreement (the “Administration Agreement”) and became an externally-managed BDC managed by Barings LLC (“Barings” or the “Adviser”). An externally-managed BDC generally does not have any employees, and its investment and management functions are provided by an outside investment adviser and administrator under an investment advisory agreement and administration agreement. Instead of the Company directly compensating employees, the Company pays the Adviser for investment and management services pursuant to the terms of the New Barings BDC Advisory Agreement (as defined in “Note 2 – Agreements and Related Party Transactions”) (and, from January 1, 2021 to February 25, 2022, pursuant to the terms of the Amended and Restated Advisory Agreement (as defined in “Note 2 – Agreements and Related Party Transactions”)) and reimburses Barings, in its role as the Company’s administrator, for its provision of administrative services to the Company pursuant to the Administration Agreement. See “Note 2 – Agreements and Related Party Transactions” for additional information regarding the Company’s investment advisory agreement and administration agreement.

Basis of Presentation

The financial statements of the Company include the accounts of Barings BDC, Inc. and its wholly-owned subsidiaries. The effects of all intercompany transactions between the Company and its wholly-owned subsidiaries have been eliminated in consolidation. The Company is an investment company and, therefore, applies the specialized accounting and reporting guidance in Accounting Standards Codification (“ASC”) Topic 946, Financial Services – Investment Companies. ASC Topic 946 states that consolidation by the Company of an investee that is not an investment company is not appropriate, except when the Company holds a controlling interest in an operating company that provides all or substantially all of its services directly to the Company or to its portfolio companies. None of the portfolio investments made by the Company qualify for this exception. Therefore, the Company’s investment portfolio is carried on the Unaudited and Audited Consolidated Balance Sheets at fair value, as discussed further in “Note 3 – Investments”, with any adjustments to fair value recognized as “Net unrealized appreciation (depreciation)” on the Unaudited Consolidated Statements of Operations.

The accompanying unaudited consolidated financial statements are presented in conformity with accounting principles generally accepted in the United States (“U.S. GAAP”) for interim financial information and pursuant to the requirements for reporting on Form 10-Q and Articles 6, 10 and 12 of Regulation S-X. Accordingly, certain disclosures accompanying annual consolidated financial statements prepared in accordance with U.S. GAAP are omitted. In the opinion of management, all adjustments, consisting solely of normal recurring adjustments necessary for the fair presentation of financial statements for the interim period, have been reflected in the unaudited consolidated financial statements. The current period’s results of operations are not necessarily indicative of results that ultimately may be achieved for the full fiscal year. Additionally, the unaudited consolidated financial statements and accompanying notes should be read in conjunction with the audited consolidated financial statements and notes thereto for the year ended December 31, 2021. Financial statements prepared on a U.S. GAAP basis require management to make estimates and assumptions that affect the amounts and disclosures reported in the unaudited consolidated financial statements and accompanying notes. Such estimates and assumptions could change in the future as more information becomes known, which could impact the amounts reported and disclosed herein.

Recently Issued Accounting Standards

In March 2020, the FASB issued Accounting Standards Update, 2020-04, Facilitation of the Effects of Reference Rate Reform on Financial Reporting (“ASU 2020-04”). The amendments in ASU 2020-04 provide optional expedients and exceptions for applying U.S. GAAP to contracts, hedging relationships and other transactions affected by reference rate reform if certain criteria are met. ASU 2020-04 is effective for all entities as of March 12, 2020 through December 31, 2022. The Company is currently evaluating the impact of adopting ASU 2020-04 on its consolidated financial statements.

Share Purchase Programs

In connection with the completion of the Company's acquisition of MVC on December 23, 2020 (the "MVC Acquisition"), the Company committed to make open-market purchases of shares of its common stock in an aggregate amount of up to \$15.0 million at then-current market prices at any time shares trade below 90% of the Company's then most recently disclosed NAV per share. Any repurchases pursuant to the authorized program will occur during the 12-month period commencing upon the filing of the Company's quarterly report on Form 10-Q for the quarter ended March 31, 2021, which occurred on May 6, 2021, and will be made in accordance with applicable legal, contractual and regulatory requirements. The MVC repurchase program terminated on May 6, 2022. During the nine months ended September 30, 2022, the Company repurchased a total of 207,677 shares of common stock in the open market under the authorized program at an average price of \$0.14 per share, including broker commissions.

In connection with the completion of the Company's acquisition of Sierra on February 25, 2022 (the "Sierra Acquisition"), the Company committed to make open-market purchases of shares of its common stock in an aggregate amount of up to \$30.0 million at then-current market prices at any time shares trade below 90% of the Company's then most recently disclosed NAV per share. Any repurchases pursuant to the authorized program will occur during the 12-month period commencing on April 1, 2022 and are expected to be made in accordance with a Rule 10b5-1 purchase plan that qualifies for the safe harbors provided by Rules 10b5-1 and 10b-18 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as well as subject to compliance with the Company's covenant and regulatory requirements. During the three and nine months ended September 30, 2022, the Company repurchased a total of 903,787 and 2,213,229 shares of common stock, respectively, in the open market under the authorized program at an average price of \$9.42 and \$9.72 per share, respectively, including broker commissions.

2. AGREEMENTS AND RELATED PARTY TRANSACTIONS

On August 2, 2018, the Company entered into the Original Advisory Agreement and the Administration Agreement with the Adviser, an investment adviser registered under the Investment Advisers Act of 1940, as amended. In connection with the MVC Acquisition, on December 23, 2020, the Company entered into an amended and restated investment advisory agreement (the "Amended and Restated Advisory Agreement") with the Adviser, following approval of the Amended and Restated Advisory Agreement by the Company's stockholders at its December 23, 2020 special meeting of stockholders. The terms of the Amended and Restated Advisory Agreement became effective on January 1, 2021.

The Amended and Restated Advisory Agreement amended the Original Advisory Agreement to, among other things, (i) reduce the annual base management fee payable to the Adviser from 1.375% to 1.250% of the Company's gross assets, (ii) reset the commencement date for the rolling 12-quarter "look-back" provision used to calculate the income incentive fee and incentive fee cap to January 1, 2021 from January 1, 2020 and (iii) describe the fact that the Company may enter into guarantees, sureties and other credit support arrangements with respect to one or more of its investments, including the impact of these arrangements on the income incentive fee cap.

In connection with the Sierra Acquisition, on February 25, 2022, the Company entered into a second amended and restated investment advisory agreement (the "New Barings BDC Advisory Agreement") with the Adviser, which increased the hurdle rate applicable to the income incentive fee from 2.0% to 2.0625% per quarter (or from 8.0% to 8.25% annualized) and therefore increased the catch-up amount that is used in calculating the income incentive fee to correspond to the increase in the hurdle rate. All other terms and provisions of the Amended and Restated Advisory Agreement between the Company and the Adviser, including with respect to the calculation of the other fees payable to the Adviser, remained unchanged under the New Barings BDC Advisory Agreement.

Investment Advisory Agreement

Pursuant to the New Barings BDC Advisory Agreement, the Adviser manages the Company's day-to-day operations and provides the Company with investment advisory services. Among other things, the Adviser (i) determines the composition of the portfolio of the Company, the nature and timing of the changes therein and the manner of implementing such changes; (ii) identifies, evaluates and negotiates the structure of the investments made by the Company; (iii) executes, closes, services and monitors the investments that the Company makes; (iv) determines the securities and other assets that the Company will purchase, retain or sell; (v) performs due diligence on prospective portfolio companies and (vi) provides the Company with such other investment advisory, research and related services as the Company may, from time to time, reasonably require for the investment of its funds.

The New Barings BDC Advisory Agreement provides that, absent fraud, willful misfeasance, bad faith or gross negligence in the performance of its duties or by reason of the reckless disregard of its duties and obligations, the Adviser, and

its officers, managers, partners, agents, employees, controlling persons, members and any other person or entity affiliated with the Adviser (collectively, the “IA Indemnified Parties”), are entitled to indemnification from the Company for any damages, liabilities, costs, demands, charges, claims and expenses (including reasonable attorneys’ fees and amounts reasonably paid in settlement) incurred by the IA Indemnified Parties in or by reason of any pending, threatened or completed action, suit, investigation or other proceeding (including an action or suit by or in the right of the Company or its security holders) arising out of any actions or omissions or otherwise based upon the performance of any of the Adviser’s duties or obligations under the New Barings BDC Advisory Agreement or otherwise as an investment adviser of the Company. The Adviser’s services under the New Barings BDC Advisory Agreement are not exclusive, and the Adviser is generally free to furnish similar services to other entities so long as its performance under the New Barings BDC Advisory Agreement is not adversely affected.

The Adviser has entered into a personnel-sharing arrangement with its affiliate, Baring International Investment Limited (“BIIL”). BIIL is a wholly-owned subsidiary of Baring Asset Management Limited, which in turn is an indirect, wholly-owned subsidiary of the Adviser. Pursuant to this arrangement, certain employees of BIIL may serve as “associated persons” of the Adviser and, in this capacity, subject to the oversight and supervision of the Adviser, may provide research and related services, and discretionary investment management and trading services (including acting as portfolio managers) to the Company on behalf of the Adviser. This arrangement is based on no-action letters of the staff of the Securities and Exchange Commission (the “SEC”) that permit SEC-registered investment advisers to rely on and use the resources of advisory affiliates or “participating affiliates,” subject to the supervision of that SEC-registered investment adviser. BIIL is a “participating affiliate” of the Adviser, and the BIIL employees are “associated persons” of the Adviser.

Under the New Barings BDC Advisory Agreement, the Company pays the Adviser (i) a base management fee (the “Base Management Fee”) and (ii) an incentive fee (the “Incentive Fee”) as compensation for the investment advisory and management services it provides the Company thereunder.

Base Management Fee

The Base Management Fee is calculated based on the Company’s gross assets, including the Company’s credit support agreements, assets purchased with borrowed funds or other forms of leverage and excluding cash and cash equivalents, at an annual rate of 1.25%. The Base Management Fee is payable quarterly in arrears on a calendar quarter basis. The Base Management Fee will be calculated based on the average value of the Company’s gross assets, excluding cash and cash equivalents, at the end of the two most recently completed calendar quarters prior to the quarter for which such fees are being calculated. Base Management Fees for any partial month or quarter will be appropriately pro-rated.

For the three and nine months ended September 30, 2022, the Base Management Fee determined in accordance with the terms of the New Barings BDC Advisory Agreement was approximately \$8.3 million and \$21.5 million, respectively. For the three and nine months ended September 30, 2021, the Base Management Fee determined in accordance with the terms of the Amended and Restated Advisory Agreement was approximately \$5.3 million and \$14.1 million, respectively. As of September 30, 2022, the Base Management Fee of \$8.3 million for the three months ended September 30, 2022 was unpaid and included in “Base management fees payable” in the accompanying Unaudited Consolidated Balance Sheet. As of December 31, 2021, the Base Management Fee of \$5.4 million for the three months ended December 31, 2021 was unpaid and included in “Base management fees payable” in the accompanying Consolidated Balance Sheet.

Incentive Fee

The Incentive Fee consists of two components that are independent of each other, with the result that one component may be payable even if the other is not. A portion of the Incentive Fee is based on the Company’s income (the “Income-Based Fee”) and a portion is based on the Company’s capital gains (the “Capital Gains Fee”), each as described below:

- (i) The Income-Based Fee will be determined and paid quarterly in arrears based on the amount by which (x) the aggregate “Pre-Incentive Fee Net Investment Income” (as defined below) in respect of the current calendar quarter and the eleven preceding calendar quarters beginning with the calendar quarter that commences on or after January 1, 2021, as the case may be (or the appropriate portion thereof in the case of any of the Company’s first eleven calendar quarters that commences on or after January 1, 2021) (in either case, the “Trailing Twelve Quarters”) exceeds (y) the Hurdle Amount (as defined below) in respect of the Trailing Twelve Quarters. The Hurdle Amount will be determined on a quarterly basis, and will be calculated by multiplying 2.0625% (8.25% annualized) by the aggregate of the Company’s NAV at the beginning of each applicable calendar quarter comprising the relevant Trailing Twelve Quarters. For this purpose, “Pre-Incentive Fee Net Investment Income” means interest income, dividend income and any other income (including, without limitation, any accrued income that the Company has not yet received in cash and any other fees such as commitment, origination, structuring, diligence and consulting fees or other fees that the Company receives from portfolio companies) accrued during the calendar quarter, minus the Company’s operating

expenses accrued during the calendar quarter (including, without limitation, the Base Management Fee, administration expenses and any interest expense and dividends paid on any issued and outstanding preferred stock, but excluding the Income-Based Fee and the Capital Gains Fee). For the avoidance of doubt, Pre-Incentive Fee Net Investment Income does not include any realized capital gains, realized capital losses or unrealized capital appreciation or depreciation.

The calculation of the Income-Based Fee for each quarter is as follows:

- (A) No Income-Based Fee will be payable to the Adviser in any calendar quarter in which the Company's aggregate Pre-Incentive Fee Net Investment Income for the Trailing Twelve Quarters does not exceed the Hurdle Amount;
- (B) 100% of the Company's aggregate Pre-Incentive Fee Net Investment Income for the Trailing Twelve Quarters, if any, that exceeds the Hurdle Amount but is less than or equal to an amount (the "Catch-Up Amount") determined on a quarterly basis by multiplying 2.578125% (10.3125% annualized) by the aggregate of the Company's NAV at the beginning of each applicable calendar quarter comprising the relevant Trailing Twelve Quarters. The Catch-Up Amount is intended to provide the Adviser with an incentive fee of 20% on all of the Company's Pre-Incentive Fee Net Investment Income when the Company's Pre-Incentive Fee Net Investment Income reaches the Catch-Up Amount for the Trailing Twelve Quarters; and
- (C) For any quarter in which the Company's aggregate Pre-Incentive Fee Net Investment Income for the Trailing Twelve Quarters exceeds the Catch-Up Amount, the Income-Based Fee shall equal 20% of the amount of the Company's aggregate Pre-Incentive Fee Net Investment Income for such Trailing Twelve Quarters, as the Hurdle Amount and Catch-Up Amount will have been achieved.

Subject to the Incentive Fee Cap described below, the amount of the Income-Based Fee that will be paid to the Adviser for a particular quarter will equal the excess of the aggregate Income-Based Fee so calculated less the aggregate Income-Based Fees that were paid to the Adviser in the preceding eleven calendar quarters (or portion thereof) comprising the relevant Trailing Twelve Quarters.

- (ii) The Income-Based Fee is subject to a cap (the "Incentive Fee Cap"). The Incentive Fee Cap in any quarter is an amount equal to (a) 20% of the Cumulative Pre-Incentive Fee Net Return (as defined below) during the relevant Trailing Twelve Quarters less (b) the aggregate Income-Based Fee that were paid to the Adviser in the preceding eleven calendar quarters (or portion thereof) comprising the relevant Trailing Twelve Quarters. For this purpose, "Cumulative Pre-Incentive Fee Net Return" during the relevant Trailing Twelve Quarters means (x) Pre-Incentive Fee Net Investment Income in respect of the Trailing Twelve Quarters less (y) any Net Capital Loss, if any, in respect of the Trailing Twelve Quarters. If, in any quarter, the Incentive Fee Cap is zero or a negative value, the Company will pay no Income-Based Fee to the Adviser in that quarter. If, in any quarter, the Incentive Fee Cap is a positive value but is less than the Income-Based Fee calculated in accordance with paragraph (i) above, the Company will pay the Adviser the Incentive Fee Cap for such quarter. If, in any quarter, the Incentive Fee Cap is equal to or greater than the Income-Based Fee calculated in accordance with paragraph (i) above, the Company will pay the Adviser the Income-Based Fee for such quarter.

"Net Capital Loss" in respect of a particular period means the difference, if positive, between (i) aggregate capital losses on the Company's assets, whether realized or unrealized, in such period and (ii) aggregate capital gains or other gains on the Company's assets (including, for the avoidance of doubt, the value ascribed to any credit support arrangement in the Company's financial statements even if such value is not categorized as a gain therein), whether realized or unrealized, in such period.

- (iii) The second part of the Incentive Fee (the "Capital Gains Fee") will be determined and payable in arrears as of the end of each calendar year (or upon termination of the investment advisory agreement), commencing with the calendar year ended on December 31, 2018, and is calculated at the end of each applicable year by subtracting (1) the sum of the Company's cumulative aggregate realized capital losses and aggregate unrealized capital depreciation from (2) the Company's cumulative aggregate realized capital gains, in each case calculated from August 2, 2018. If such amount is positive at the end of such year, then the Capital Gains Fee payable for such year is equal to 20% of such amount, less the cumulative aggregate amount of Capital Gains Fees paid in all prior years commencing with the calendar year ended on December 31, 2018. If such amount is negative, then there is no Capital Gains Fee payable for such year. If this Agreement is terminated as of a date that is not a calendar year end, the termination date will be treated as though it were a calendar year end for purposes of calculating and paying a Capital Gains Fee.

Barings BDC, Inc.
Notes to Unaudited Consolidated Financial Statements — (Continued)

Under the New Barings BDC Advisory Agreement, the "cumulative aggregate realized capital gains" are calculated as the sum of the differences, if positive, between (a) the net sales price of each investment in the Company's portfolio when sold and (b) the accreted or amortized cost basis of such investment.

The cumulative aggregate realized capital losses are calculated as the sum of the differences, if negative, between (a) the net sales price of each investment in the Company's portfolio when sold and (b) the accreted or amortized cost basis of such investment.

The aggregate unrealized capital depreciation is calculated as the sum of the differences, if negative, between (a) the valuation of each investment in the Company's portfolio as of the applicable Capital Gains Fee calculation date and (b) the accreted or amortized cost basis of such investment.

Under the New Barings BDC Advisory Agreement, the "accreted or amortized cost basis of an investment" shall mean the accreted or amortized cost basis of such investment as reflected in the Company's financial statements.

For the three and nine months ended September 30, 2022, the Income-Based Fee determined in accordance with the terms of the New Barings BDC Advisory Agreement was \$1.8 million and \$6.6 million, respectively. For the three and nine months ended September 30, 2021, the Income-Based Fee determined in accordance with the terms of the Amended and Restated Advisory Agreement was \$4.4 million and \$10.7 million, respectively. As of September 30, 2022, the Income-Based Fee of \$1.8 million was unpaid and included in "Incentive management fees payable" in the accompanying Consolidated Balance Sheet. As of December 31, 2021, the Income-Based Fee of \$4.1 million for the three months ended December 31, 2021 was unpaid and included in "Incentive management fees payable" in the accompanying Consolidated Balance Sheet.

The Company did not incur any capital gains fees for either of the three or nine months ended September 30, 2022 or 2021.

Payment of Company Expenses

Under the New Barings BDC Advisory Agreement, all investment professionals of the Adviser and its staff, when and to the extent engaged in providing services required to be provided by the Adviser under the New Barings BDC Advisory Agreement, and the compensation and routine overhead expenses of such personnel allocable to such services, are provided and paid for by the Adviser and not by the Company, except that all costs and expenses relating to the Company's operations and transactions, including, without limitation, those items listed in the New Barings BDC Advisory Agreement, will be borne by the Company.

Administration Agreement

Under the terms of the Administration Agreement, the Adviser performs (or oversees, or arranges for, the performance of) the administrative services necessary for the operation of the Company, including, but not limited to, office facilities, equipment, clerical, bookkeeping and record-keeping services at such office facilities and such other services as the Adviser, subject to review by the Board, from time to time, determines to be necessary or useful to perform its obligations under the Administration Agreement. The Adviser also, on behalf of the Company and subject to oversight by the Board, arranges for the services of, and oversees, custodians, depositories, transfer agents, dividend disbursing agents, other stockholder servicing agents, accountants, attorneys, valuation experts, underwriters, brokers and dealers, corporate fiduciaries, insurers, banks and such other persons in any such other capacity deemed to be necessary or desirable.

The Company will reimburse Barings for the costs and expenses incurred by it in performing its obligations and providing personnel and facilities under the Administration Agreement in an amount to be negotiated and mutually agreed to by the Company and Barings quarterly in arrears. In no event will the agreed-upon quarterly expense amount exceed the amount of expenses that would otherwise be reimbursable by the Company under the Administration Agreement for the applicable quarterly period, and Barings will not be entitled to the recoupment of any amounts in excess of the agreed-upon quarterly expense amount. The costs and expenses incurred by the Adviser on behalf of the Company under the Administration Agreement include, but are not limited to:

- the allocable portion of the Adviser's rent for the Company's Chief Financial Officer and the Chief Compliance Officer and their respective staffs, which is based upon the allocable portion of the usage thereof by such personnel in connection with their performance of administrative services under the Administration Agreement;
- the allocable portion of the salaries, bonuses, benefits and expenses of the Company's Chief Financial Officer and Chief Compliance Officer and their respective staffs, which is based upon the allocable portion of the time

spent by such personnel in connection with performing administrative services for the Company under the Administration Agreement;

- the actual cost of goods and services used for the Company and obtained by the Adviser from entities not affiliated with the Company, which is reasonably allocated to the Company on the basis of assets, revenues, time records or other methods conforming with generally accepted accounting principles;
- all fees, costs and expenses associated with the engagement of a sub-administrator, if any; and
- costs associated with (a) the monitoring and preparation of regulatory reporting, including filings with the SEC and tax reporting, (b) the coordination and oversight of service provider activities and the direct cost of such contractual matters related thereto and (c) the preparation of all financial statements and the coordination and oversight of audits, regulatory inquiries, certifications and sub-certifications.

For the three and nine months ended September 30, 2022, the Company incurred and was invoiced by the Adviser for expenses of approximately \$0.9 million and \$2.7 million, respectively, under the terms of the Administration Agreement, which amounts are included in “General and administrative expenses” in the accompanying Unaudited Consolidated Statements of Operations. For the three and nine months ended September 30, 2021, the Company incurred and was invoiced by the Adviser for expenses of approximately \$0.8 million and \$1.8 million, respectively, under the terms of the Administration Agreement, which amounts are included in “General and administrative expenses” in the accompanying Unaudited Consolidated Statements of Operations. As of September 30, 2022, the administrative expenses of \$0.9 million for the three months ended September 30, 2022 were unpaid and included in “Administrative fees payable” in the accompanying Unaudited Consolidated Balance Sheet. As of December 31, 2021, the administrative expenses of \$0.8 million incurred for the three months ended December 31, 2021 were unpaid and included in “Administrative fees payable” in the accompanying Consolidated Balance Sheet.

MVC Credit Support Agreement

In connection with the MVC Acquisition on December 23, 2020, promptly following the closing of the Company’s merger with MVC, the Company entered into a Credit Support Agreement (the “MVC Credit Support Agreement”) with the Adviser, pursuant to which the Adviser has agreed to provide credit support to the Company in the amount of up to \$23.0 million relating to the net cumulative realized and unrealized losses on the acquired MVC investment portfolio over a 10-year period. A summary of the material terms of the MVC Credit Support Agreement are as follows:

- The MVC Credit Support Agreement covers all of the investments in the MVC Reference Portfolio.
- The Adviser has an obligation to provide credit support to the Company in an amount equal to the excess of (1) the aggregate realized and unrealized losses on the MVC Reference Portfolio over (2) the aggregate realized and unrealized gains on the MVC Reference Portfolio, in each case from the date of the closing of the Company’s merger with MVC through the MVC Designated Settlement Date (up to a \$23.0 million cap) (such amount, the “MVC Covered Losses”). For purposes of the MVC Credit Support Agreement, “MVC Designated Settlement Date” means the earlier of (1) January 1, 2031 and (2) the date on which the entire MVC Reference Portfolio has been realized or written off. No credit support is required to be made by the Adviser to the Company under the MVC Credit Support Agreement if the aggregate realized and unrealized gains on the MVC Reference Portfolio exceed realized and unrealized losses of the MVC Reference Portfolio on the MVC Designated Settlement Date.
- The Adviser will settle any credit support obligation under the MVC Credit Support Agreement as follows. If the MVC Covered Losses are greater than \$0.00, then, in satisfaction of the Adviser’s obligation set forth in the MVC Credit Support Agreement, the Adviser will irrevocably waive during the MVC Waiver Period (as defined below) (1) the incentive fees payable under the New Barings BDC Advisory Agreement (including any incentive fee calculated on an annual basis during the MVC Waiver Period), and (2) in the event that MVC Covered Losses exceed such incentive fee, the base management fees payable under the New Barings BDC Advisory Agreement. The “MVC Waiver Period” means the four quarterly measurement periods immediately following the quarter in which the MVC Designated Settlement Date occurs. If the MVC Covered Losses exceed the aggregate amount of incentive fees and base management fees waived by the Adviser during the MVC Waiver Period, then, on the date on which the last incentive fee or base management fee payment would otherwise be due during the MVC Waiver Period, the Adviser shall make a cash payment to the Company equal to the positive difference between the MVC Covered Losses and the aggregate amount of incentive fees and base management fees previously waived by the Adviser during the MVC Waiver Period.

- The MVC Credit Support Agreement and the rights of the Company thereunder shall automatically terminate if the Adviser (or an affiliate of the Adviser) ceases to serve as the investment adviser to the Company or any successor thereto, other than as a result of the voluntary termination by the Adviser of its investment advisory agreement with the Company. In the event of such a voluntary termination by the Adviser of the then-current investment advisory agreement with the Company, the Adviser will remain obligated to provide the credit support contemplated by the MVC Credit Support Agreement. In the event of a non-voluntary termination of the advisory agreement or its expiration (due to non-renewal by the Board), the Adviser will have no obligations under the MVC Credit Support Agreement.

The MVC Credit Support Agreement is intended to give stockholders of the combined company following the MVC Acquisition downside protection from net cumulative realized and unrealized losses on the acquired MVC portfolio and insulate the combined company's stockholders from potential value volatility and losses in MVC's portfolio following the closing of the MVC Acquisition. There is no fee or other payment by the Company to the Adviser or any of its affiliates in connection with the MVC Credit Support Agreement. Any cash payment from the Adviser to the Company under the MVC Credit Support Agreement will be excluded from the Company's incentive fee calculations under the New Barings BDC Advisory Agreement.

When the Company and the Adviser entered into the MVC Credit Support Agreement, it was accounted for as a deemed contribution from the Adviser and was included in "Additional paid-in capital" in the accompanying Unaudited Consolidated Balance Sheet and Consolidated Balance Sheet. In addition, the MVC Credit Support Agreement is accounted for as a derivative in accordance with ASC 815, *Derivatives and Hedging*, and is included in "Credit support agreements" in the accompanying Unaudited Consolidated Balance Sheet and Consolidated Balance Sheet.

Sierra Credit Support Agreement

In connection with the Sierra Acquisition on February 25, 2022, promptly following the closing of the Company's merger with Sierra, the Company entered into a Credit Support Agreement (the "Sierra Credit Support Agreement") with the Adviser, pursuant to which the Adviser has agreed to provide credit support to the Company in the amount of up to \$100.0 million relating to the net cumulative realized and unrealized losses on the acquired Sierra investment portfolio over a 10-year period. A summary of the material terms of the Sierra Credit Support Agreement are as follows:

- The Sierra Credit Support Agreement covers all of the investments in the Sierra Reference Portfolio.
- The Adviser has an obligation to provide credit support to the Company in an amount equal to the excess of (1) the aggregate realized and unrealized losses on the Sierra Reference Portfolio less (2) the aggregate realized and unrealized gains on the Sierra Reference Portfolio, in each case from the date of the closing of the Company's merger with Sierra through the Designated Settlement Date (up to a \$100.0 million cap) (such amount, the "Covered Losses"). For purposes of the Sierra Credit Support Agreement, "Designated Settlement Date" means the earlier of (1) April 1, 2032 and (2) the date on which the entire Sierra Reference Portfolio has been realized or written off. No credit support is required to be made by the Adviser to the Company under the Sierra Credit Support Agreement if the aggregate realized and unrealized gains on the Sierra Reference Portfolio exceed realized and unrealized losses of the Sierra Reference Portfolio on the Designated Settlement Date.
- The Adviser will settle any credit support obligation under the Sierra Credit Support Agreement as follows. If the Covered Losses are greater than \$0.00, then, in satisfaction of the Adviser's obligation set forth in the Sierra Credit Support Agreement, the Adviser will irrevocably waive during the Waiver Period (as defined below) (1) the incentive fees payable under the New Barings BDC Advisory Agreement (including any incentive fee calculated on an annual basis during the Waiver Period), and (2) in the event that Covered Losses exceed such incentive fee, the base management fees payable under the New Barings BDC Advisory Agreement. The "Waiver Period" means the four quarterly measurement periods immediately following the quarter in which the Designated Settlement Date occurs. If the Covered Losses exceed the aggregate amount of incentive fees and base management fees waived by the Adviser during the Waiver Period, then, on the date on which the last incentive fee or base management fee payment would otherwise be due during the Waiver Period, the Adviser shall make a cash payment to the Company equal to the positive difference between the Covered Losses and the aggregate amount of incentive fees and base management fees previously waived by the Adviser during the Waiver Period.

- The Sierra Credit Support Agreement and the rights of the Company thereunder shall automatically terminate if the Adviser (or an affiliate of the Adviser) ceases to serve as the investment adviser to the Company or any successor thereto, other than as a result of the voluntary termination by the Adviser of its investment advisory agreement with the Company. In the event of such a voluntary termination by the Adviser of the then-current investment advisory agreement with the Company, the Adviser will remain obligated to provide the credit support contemplated by the Sierra Credit Support Agreement. In the event of a non-voluntary termination of the advisory agreement or its expiration (due to non-renewal by the Board), the Adviser will have no obligations under the Sierra Credit Support Agreement.

The Sierra Credit Support Agreement is intended to give stockholders of the combined company following the Sierra Acquisition downside protection from net cumulative realized and unrealized losses on the acquired Sierra portfolio and insulate the combined company's stockholders from potential value volatility and losses in Sierra's portfolio following the closing of the Company's merger with Sierra. There is no fee or other payment by the Company to the Adviser or any of its affiliates in connection with the Sierra Credit Support Agreement. Any cash payment from the Adviser to the Company under the Sierra Credit Support Agreement will be excluded from the combined company's incentive fee calculations under the New Barings BDC Advisory Agreement.

When the Company and the Adviser entered into the Sierra Credit Support Agreement, it was accounted for as a deemed contribution from the Adviser and was included in "Additional paid-in capital" in the accompanying Unaudited Consolidated Balance Sheet. In addition, the Sierra Credit Support Agreement is accounted for as a derivative in accordance with ASC 815, *Derivatives and Hedging*, and is included in "Credit support agreement" in the accompanying Unaudited Consolidated Balance Sheet.

3. INVESTMENTS

Portfolio Composition

The Company invests predominately in senior secured private debt investments in well-established middle-market businesses that operate across a wide range of industries, as well as syndicated senior secured loans, structured product investments, bonds and other fixed income securities. Structured product investments include collateralized loan obligations and asset-backed securities. The Adviser's existing SEC co-investment exemptive relief under the 1940 Act permits the Company and the Adviser's affiliated private funds and SEC regulated funds to co-invest in loans originated by the Adviser, which allows the Adviser to efficiently implement its senior secured private debt investment strategy for the Company.

Barings BDC, Inc.
Notes to Unaudited Consolidated Financial Statements — (Continued)

The cost basis of the Company's debt investments includes any unamortized purchased premium or discount, unamortized loan origination fees and PIK interest, if any. Summaries of the composition of the Company's investment portfolio at cost and fair value, and as a percentage of total investments and net assets, are shown in the following tables:

(\$ in thousands)	Cost	Percentage of Total Portfolio	Fair Value	Percentage of Total Portfolio	Percentage of Total Net Assets
September 30, 2022:					
Senior debt and 1 st lien notes	\$ 1,609,541	66 %	\$ 1,557,396	67 %	127 %
Subordinated debt and 2 nd lien notes	339,312	14	279,838	12	23
Structured products	81,105	4	67,811	3	5
Equity shares	225,140	9	279,564	12	23
Equity warrants	178	—	44	—	—
Investment in joint ventures / PE fund	175,628	7	147,839	6	12
	<u>\$ 2,430,904</u>	<u>100 %</u>	<u>\$ 2,332,492</u>	<u>100 %</u>	<u>190 %</u>
December 31, 2021:					
Senior debt and 1 st lien notes	\$ 1,217,899	68 %	\$ 1,221,598	68 %	165 %
Subordinated debt and 2 nd lien notes	253,551	14	240,037	13	32
Structured products	37,055	2	40,271	2	6
Equity shares	145,791	8	154,477	9	21
Equity warrants	1,111	—	1,107	—	—
Investment in joint ventures / PE fund	132,417	8	143,104	8	19
	<u>\$ 1,787,824</u>	<u>100 %</u>	<u>\$ 1,800,594</u>	<u>100 %</u>	<u>243 %</u>

During the three months ended September 30, 2022, the Company made 21 new investments totaling \$183.4 million and made investments in existing portfolio companies totaling \$50.7 million. During the nine months ended September 30, 2022, the Company made 69 new investments totaling \$681.2 million, purchased \$442.2 million of investments as part of the Sierra Acquisition, made investments in existing portfolio companies totaling \$221.7 million and made additional investments in joint venture equity portfolio companies totaling \$13.8 million.

During the three months ended September 30, 2021, the Company made 19 new investments totaling \$122.1 million, made investments in existing portfolio companies totaling \$60.3 million, made additional investments in existing joint venture equity portfolio companies totaling \$.8 million and made an \$89.8 million equity co-investment alongside certain affiliates in a portfolio company focused on directly originated, senior-secured asset-based loans to middle-market companies. During the nine months ended September 30, 2021, the Company made 59 new investments totaling \$529.9 million, made investments in existing portfolio companies totaling \$156.3 million, made a net new joint venture equity investment totaling \$9.3 million, additional investments in joint venture equity portfolio companies totaling \$30.0 million and made an \$89.8 million equity co-investment alongside certain affiliates in a portfolio company focused on directly originated, senior-secured asset-based loans to middle-market companies.

Barings BDC, Inc.
Notes to Unaudited Consolidated Financial Statements — (Continued)

Industry Composition

The industry composition of investments at fair value at September 30, 2022 and December 31, 2021, excluding short-term investments, was as follows:

(\$ in thousands)	September 30, 2022			December 31, 2021		
Aerospace and Defense	\$ 110,440	4.7	%	\$ 91,129	5.1	%
Automotive	65,696	2.8		55,875	3.1	
Banking, Finance, Insurance and Real Estate	257,752	11.1		208,397	11.6	
Beverage, Food and Tobacco	34,768	1.5		38,985	2.2	
Capital Equipment	50,613	2.2		42,916	2.4	
Chemicals, Plastics, and Rubber	85,121	3.6		32,234	1.8	
Construction and Building	40,733	1.7		62,083	3.4	
Consumer goods: Durable	54,859	2.4		47,316	2.6	
Consumer goods: Non-durable	26,196	1.1		28,306	1.6	
Containers, Packaging and Glass	37,425	1.6		10,218	0.6	
Energy: Electricity	7,241	0.3		12,190	0.7	
Energy: Oil and Gas	4,561	0.2		5,774	0.3	
Environmental Industries	50,137	2.1		8,081	0.4	
Healthcare and Pharmaceuticals	169,542	7.3		134,286	7.5	
High Tech Industries	309,080	13.3		139,590	7.7	
Hotel, Gaming and Leisure	49,799	2.1		27,553	1.5	
Investment Funds and Vehicles	149,761	6.4		143,104	7.9	
Media: Advertising, Printing and Publishing	54,147	2.3		46,414	2.6	
Media: Broadcasting and Subscription	8,317	0.4		7,441	0.4	
Media: Diversified and Production	64,810	2.8		52,887	2.9	
Metals and Mining	34,003	1.5		10,684	0.6	
Retail	42	—		—	—	
Services: Business	381,362	16.4		342,758	19.0	
Services: Consumer	78,465	3.4		65,801	3.7	
Structured Products	62,603	2.7		24,662	1.4	
Telecommunications	23,829	1.0		45,182	2.5	
Transportation: Cargo	73,174	3.1		86,964	4.8	
Transportation: Consumer	25,393	1.1		12,231	0.7	
Utilities: Electric	17,291	0.7		12,857	0.7	
Utilities: Oil and Gas	4,707	0.2		4,677	0.3	
Wholesale	625	—		—	—	
Total	\$ 2,332,492	100.0	%	\$ 1,800,594	100.0	%

Jocassee Partners LLC

On May 8, 2019, the Company entered into an agreement with South Carolina Retirement Systems Group Trust ("SCRS") to create and co-manage Jocassee Partners LLC ("Jocassee"), a joint venture, which invests in a highly diversified asset mix including senior secured, middle-market, private debt investments, syndicated senior secured loans and structured product investments. The Company and SCRS committed to initially provide \$50.0 million and \$500.0 million, respectively, of equity capital to Jocassee. On June 2, 2022, the Company committed an additional \$50.0 million to Jocassee. Equity contributions will be called from each member on a pro-rata basis, based on their equity commitments.

Barings BDC, Inc.
Notes to Unaudited Consolidated Financial Statements — (Continued)

The total value of Jocassee's investment portfolio was \$1,219.1 million as of September 30, 2022, as compared to \$1,258.2 million as of December 31, 2021. As of September 30, 2022, Jocassee's investments had an aggregate cost of \$1,318.2 million, as compared to \$1,242.2 million as of December 31, 2021. As of September 30, 2022 and December 31, 2021, the weighted average yield on the principal amount of Jocassee's outstanding debt investments was approximately 7.4% and 5.3%, respectively. As of September 30, 2022 and December 31, 2021, the Jocassee investment portfolio consisted of the following investments:

(\$ in thousands)	Cost	Percentage of Total Portfolio	Fair Value	Percentage of Total Portfolio
September 30, 2022:				
Senior debt and 1 st lien notes	\$ 1,191,919	91 %	\$ 1,107,318	91 %
Subordinated debt and 2nd lien notes	23,921	2 %	22,960	2 %
Equity shares	4,398	— %	2,741	— %
Equity warrants	31	— %	13	— %
Investment in joint ventures	92,061	7 %	80,201	7 %
Short-term investments	5,860	— %	5,860	— %
	<u>\$ 1,318,190</u>	<u>100 %</u>	<u>\$ 1,219,093</u>	<u>100 %</u>
December 31, 2021:				
Senior debt and 1 st lien notes	\$ 1,084,502	87 %	\$ 1,085,172	86 %
Subordinated debt and 2nd lien notes	23,607	2	24,011	2
Structured products	4,569	—	5,410	1
Equity shares	5,448	1	3,887	—
Equity warrants	31	—	75	—
Investment in joint ventures	111,490	9	127,092	10
Short-term investments	12,572	1	12,572	1
	<u>\$ 1,242,219</u>	<u>100 %</u>	<u>\$ 1,258,219</u>	<u>100 %</u>

Barings BDC, Inc.
Notes to Unaudited Consolidated Financial Statements — (Continued)

The industry composition of Jocassee's investments at fair value at September 30, 2022 and December 31, 2021, excluding short-term investments, was as follows:

(\$ in thousands)	September 30, 2022		December 31, 2021	
Aerospace and Defense	\$ 68,990	5.7 %	\$ 71,857	5.8 %
Automotive	20,022	1.7	18,626	1.5
Banking, Finance, Insurance and Real Estate	100,624	8.3	109,961	8.8
Beverage, Food and Tobacco	26,115	2.2	30,352	2.4
Capital Equipment	26,421	2.2	17,006	1.4
Chemicals, Plastics, and Rubber	31,236	2.6	24,665	2.0
Construction and Building	15,700	1.3	14,506	1.2
Consumer goods: Durable	18,181	1.5	10,294	0.8
Consumer goods: Non-durable	21,548	1.8	23,886	1.9
Containers, Packaging and Glass	22,968	1.9	25,277	2.0
Energy: Electricity	15,239	1.3	10,571	0.8
Energy: Oil and Gas	4,689	0.4	5,091	0.4
Environmental Industries	7,244	0.6	7,563	0.6
Forest Products & Paper	271	—	475	—
Healthcare and Pharmaceuticals	125,941	10.4	128,495	10.3
High Tech Industries	158,946	13.1	171,960	13.8
Hotel, Gaming and Leisure	22,734	1.9	35,383	2.8
Investment Funds and Vehicles	80,201	6.6	127,092	10.2
Media: Advertising, Printing and Publishing	6,096	0.5	18,423	1.5
Media: Broadcasting and Subscription	34,000	2.8	37,840	3.0
Media: Diversified and Production	27,720	2.3	21,059	1.7
Metals and Mining	5,054	0.4	5,792	0.5
Retail	14,222	1.2	14,420	1.2
Services: Business	192,727	15.9	151,723	12.2
Services: Consumer	50,535	4.1	55,156	4.4
Structured Product	—	—	5,409	0.4
Telecommunications	38,311	3.1	36,036	2.9
Transportation: Cargo	54,903	4.5	49,103	3.9
Transportation: Consumer	12,499	1.0	6,546	0.5
Utilities: Electric	3,181	0.2	3,265	0.3
Utilities: Oil and Gas	6,915	0.5	6,870	0.6
Wholesale	—	—	945	0.1
Total	\$ 1,213,233	100.0 %	\$ 1,245,647	100.0 %

Barings BDC, Inc.
Notes to Unaudited Consolidated Financial Statements — (Continued)

The geographic composition of Jocassee's investments at fair value at September 30, 2022 and December 31, 2021, excluding short-term investments, was as follows:

(\$ in thousands)	September 30, 2022			December 31, 2021				
Australia	\$	24,788	2.0	%	\$	16,509	1.3	%
Austria		6,141	0.5			1,115	0.1	
Belgium		15,670	1.3			14,814	1.2	
Canada		7,273	0.6			8,507	0.7	
Denmark		889	0.1			6,960	0.6	
Finland		1,733	0.1			47,992	3.9	
France		124,836	10.3			3,391	0.3	
Germany		51,063	4.2			6,357	0.5	
Hong Kong		16,262	1.4			2,272	0.2	
Ireland		3,632	0.3			123,816	9.9	
Italy		—	—			113,896	9.1	
Luxembourg		1,608	0.1			4,766	0.4	
Netherlands		32,866	2.7			3,744	0.3	
Panama		939	0.1			—	—	
Singapore		4,905	0.4			—	—	
Spain		3,806	0.3			1,225	0.1	
Sweden		4,104	0.4			32,150	2.6	
Switzerland		5,176	0.4			965	0.1	
United Kingdom		116,853	9.6			5,305	0.4	
USA		790,689	65.2			851,863	68.4	
Total	\$	1,213,233	100	%	\$	1,245,647	100	%

Jocassee's subscription facility with Bank of America N.A., which is non-recourse to the Company, had approximately \$168.2 million and \$176.3 million outstanding as of September 30, 2022 and December 31, 2021, respectively. Jocassee's credit facility with Citibank, N.A., which is non-recourse to the Company, had approximately \$353.5 million and \$342.8 million outstanding as of September 30, 2022 and December 31, 2021, respectively. Jocassee's term debt securitization, which is non-recourse to the Company, had approximately \$323.2 million and \$323.1 million outstanding as of September 30, 2022 and December 31, 2021.

The Company may sell portions of its investments via assignment to Jocassee. Since inception, as of September 30, 2022 and December 31, 2021, the Company had sold \$875.9 million and \$698.5 million, respectively, of its investments to Jocassee. For the three and nine months ended September 30, 2022, the Company realized a loss on the sales of its investments to Jocassee of \$5.4 million and \$5.6 million, respectively. For the three and nine months ended September 30, 2021, the Company realized a loss on the sales of its investments to Jocassee of \$1.1 million and a gain on the sales of its investments to Jocassee of \$0.3 million, respectively. As of September 30, 2022 and December 31, 2021, the Company had \$46.0 million and \$216.9 million, respectively, in unsettled receivables due from Jocassee that were included in "Receivable from unsettled transactions" in the accompanying Unaudited and Audited Consolidated Balance Sheets. The sale of the investments met the criteria set forth in ASC 860, *Transfers and Servicing* for treatment as a sale and satisfies the following conditions:

- Assigned investments have been isolated from the Company, and put presumptively beyond the reach of the Company and its creditors, even in bankruptcy or other receivership;
- each participant has the right to pledge or exchange the assigned investments it received, and no condition both constrains the participant from taking advantage of its right to pledge or exchange and provides more than a trivial benefit to the Company; and
- the Company, its consolidated affiliates or its agents do not maintain effective control over the assigned investments through either: (i) an agreement that entitles and/or obligates the Company to repurchase or redeem the assets before maturity, or (ii) the ability to unilaterally cause the holder to return specific assets, other than through a cleanup call.

Barings BDC, Inc.
Notes to Unaudited Consolidated Financial Statements — (Continued)

The Company has determined that Jocassee is an investment company under ASC, Topic 946, *Financial Services - Investment Companies*, however, in accordance with such guidance, the Company will generally not consolidate its investment in a company other than a substantially wholly owned investment company subsidiary, which is an extension of the operations of the Company, or a controlled operating company whose business consists of providing services to the Company. The Company does not consolidate its interest in Jocassee as it is not a substantially wholly owned investment company subsidiary. In addition, Jocassee is not an operating company and the Company does not control Jocassee due to the allocation of voting rights among Jocassee members.

As of September 30, 2022 and December 31, 2021, Jocassee had the following contributed capital and unfunded commitments from its members:

(\$ in thousands)	As of	
	September 30, 2022	As of December 31, 2021
Total contributed capital by Barings BDC, Inc.	\$ 35,000	\$ 30,000
Total contributed capital by all members	\$ 385,000	\$ 330,000
Total unfunded commitments by Barings BDC, Inc.	\$ 65,000	\$ 20,000
Total unfunded commitments by all members	\$ 215,000	\$ 220,000

Thompson Rivers LLC

On April 28, 2020, Thompson Rivers LLC (“Thompson Rivers”) was formed as a Delaware limited liability company. On May 13, 2020, the Company entered into a limited liability company agreement governing Thompson Rivers. Under Thompson Rivers’ current operating agreement, as amended to date, the Company has a capital commitment of \$75.0 million of equity capital to Thompson Rivers, all of which has been funded as of September 30, 2022. As of September 30, 2022, aggregate commitments to Thompson Rivers by the Company and the other members under the current operating agreement total \$450.0 million, all of which has been funded.

For the three and nine months ended September 30, 2022, Thompson Rivers declared \$89.1 million and \$178.5 million in dividends, respectively, of which \$2.2 million and \$7.7 million, respectively, was recognized as dividend income in the Company’s Unaudited Consolidated Statement of Operations. In addition, for the three and nine months ended September 30, 2022, the Company recognized \$12.0 million and \$20.8 million, respectively, of the dividends as a return of capital.

As of September 30, 2022, Thompson Rivers had \$1.2 billion in Ginnie Mae early buyout loans and \$203.5 million in cash. As of December 31, 2021, Thompson Rivers had \$3.1 billion in Ginnie Mae early buyout loans and \$220.6 million in cash. As of September 30, 2022, Thompson Rivers had 6,913 outstanding loans with an average unpaid balance of \$0.2 million and weighted average coupon of 4.0%. As of December 31, 2021, Thompson Rivers had 15,617 outstanding loans with an average unpaid balance of \$0.2 million and weighted average coupon of 4.0%.

Barings BDC, Inc.
Notes to Unaudited Consolidated Financial Statements — (Continued)

As of September 30, 2022 and December 31, 2021, the Thompson Rivers investment portfolio consisted of the following investments:

(\$ in thousands)	Cost	Percentage of Total Portfolio	Fair Value	Percentage of Total Portfolio
September 30, 2022:				
Federal Housing Administration (“FHA”) loans	\$ 1,119,118	91 %	\$ 1,046,632	91 %
Veterans Affairs (“VA”) loans	112,609	9 %	105,378	9 %
	<u>\$ 1,231,727</u>	<u>100 %</u>	<u>\$ 1,152,010</u>	<u>100 %</u>
December 31, 2021:				
Federal Housing Administration (“FHA”) loans	\$ 2,799,869	93 %	\$ 2,839,495	93 %
Veterans Affairs (“VA”) loans	224,660	7 %	223,540	7 %
	<u>\$ 3,024,529</u>	<u>100 %</u>	<u>\$ 3,063,035</u>	<u>100 %</u>

Thompson Rivers’ repurchase agreement with JPMorgan Chase Bank, which is non-recourse to the Company, had approximately \$284.8 million and \$694.8 million outstanding as of September 30, 2022 and December 31, 2021, respectively. Thompson Rivers’ repurchase agreement with Bank of America N.A., which is non-recourse to the Company, had approximately \$546.3 million and \$1,245.2 million outstanding as of September 30, 2022 and December 31, 2021, respectively. Thompson Rivers’ repurchase agreement with Barclays Bank, which is non-recourse to the Company, had approximately \$241.5 million and \$933.1 million outstanding as of September 30, 2022 and December 31, 2021, respectively.

The Company has determined that Thompson Rivers is an investment company under ASC, Topic 946, *Financial Services - Investment Companies*, however, in accordance with such guidance, the Company will generally not consolidate its investment in a company other than a substantially wholly owned investment company subsidiary, which is an extension of the operations of the Company, or a controlled operating company whose business consists of providing services to the Company. The Company does not consolidate its interest in Thompson Rivers as it is not a substantially wholly owned investment company subsidiary. In addition, Thompson Rivers is not an operating company and the Company does not control Thompson Rivers due to the allocation of voting rights among Thompson Rivers members.

As of September 30, 2022 and December 31, 2021, Thompson Rivers had the following contributed capital and unfunded commitments from its members:

(\$ in thousands)	As of September 30, 2022	As of December 31, 2021
Total contributed capital by Barings BDC, Inc.(1)	\$ 79,411	\$ 79,414
Total contributed capital by all members	\$ 482,083 (2)	\$ 482,120 (3)
Total unfunded commitments by Barings BDC, Inc.	\$ —	\$ —
Total unfunded commitments by all members	\$ —	\$ —

(1) Includes \$4.4 million of dividend re-investments.

(2) Includes dividend re-investments of \$32.1 million and \$162.1 million of total contributed capital by related parties.

(3) Includes dividend re-investments of \$32.1 million and \$162.3 million of total contributed capital by related parties.

Waccamaw River LLC

On January 4, 2021, Waccamaw River LLC (“Waccamaw River”) was formed as a Delaware limited liability company. On February 8, 2021, the Company entered into a limited liability company agreement governing Waccamaw River. Under Waccamaw River’s current operating agreement, as amended to date, the Company has a capital commitment of \$25.0 million of equity capital to Waccamaw River, of which approximately \$22.5 million (including approximately \$5.3 million of recallable return of capital) has been funded as of September 30, 2022. As of September 30, 2022, aggregate commitments to Waccamaw River by the Company and the other members under the current operating agreement total \$125.0 million, of which \$112.6 million (including \$14.0 million of recallable return of capital) has been funded.

For the three and nine months ended September 30, 2022, Waccamaw River declared \$2.7 million and \$6.6 million in dividends, respectively, of which \$0.5 million and \$1.3 million, respectively, was recognized as dividend income in the Company’s Unaudited Consolidated Statement of Operations.

Barings BDC, Inc.
Notes to Unaudited Consolidated Financial Statements — (Continued)

As of September 30, 2022, Waccamaw River had \$169.1 million in unsecured consumer loans and \$11.5 million in cash. As of December 31, 2021, Waccamaw River had \$60.8 million in unsecured consumer loans and \$4.9 million in cash. As of September 30, 2022, Waccamaw River had 15,017 outstanding loans with an average loan size of \$11,649, remaining average life to maturity of 44.7 months and weighted average interest rate of 1.6%. As of December 31, 2021, Waccamaw River had 5,500 outstanding loans with an average loan size of \$11,280, remaining average life to maturity of 46.5 months and weighted average interest rate of 0.9%.

Waccamaw River's secured loan borrowing with JPMorgan Chase Bank, N.A., which is non-recourse to the Company, had approximately \$56.7 million outstanding as of September 30, 2022. Waccamaw River's secured loan borrowing with Barclays Bank PLC., which is non-recourse to the Company, had approximately \$24.1 million outstanding as of September 30, 2022.

The Company has determined that Waccamaw River is an investment company under ASC, Topic 946, *Financial Services - Investment Companies*, however, in accordance with such guidance, the Company will generally not consolidate its investment in a company other than a substantially wholly owned investment company subsidiary, which is an extension of the operations of the Company, or a controlled operating company whose business consists of providing services to the Company. The Company does not consolidate its interest in Waccamaw River as it is not a substantially wholly owned investment company subsidiary. In addition, Waccamaw River is not an operating company and the Company does not control Waccamaw River due to the allocation of voting rights among Waccamaw River members.

As of September 30, 2022 and December 31, 2021, Waccamaw River had the following contributed capital and unfunded commitments from its members:

(\$ in thousands)	As of September 30, 2022		As of December 31, 2021	
Total contributed capital by Barings BDC, Inc.	\$	27,800	\$	19,000
Total contributed capital by all members	\$	126,620	(1)	\$ 82,620 (4)
Total return of capital (recallable) by Barings BDC, Inc.	\$	(5,280)	\$	(5,280)
Total return of capital (recallable) by all members(2)	\$	(14,020)	\$	(14,020)
Total unfunded commitments by Barings BDC, Inc.	\$	2,480	\$	11,280
Total unfunded commitments by all members	\$	12,400	(3)	\$ 56,400 (5)

- (1) Includes \$74.6 million of total contributed capital by related parties.
(2) Includes (\$7.0) million of total return of capital (recallable) by related parties.
(3) Includes \$7.4 million of unfunded commitments by related parties.
(4) Includes \$48.2 million of total contributed capital by related parties.
(5) Includes \$33.8 million of unfunded commitments by related parties.

Sierra Senior Loan Strategy JV I LLC

On February 25, 2022, as part of the Sierra Acquisition, the Company purchased its interest in Sierra Senior Loan Strategy JV I LLC ("Sierra JV"). The Company and MassMutual Ascend Life Insurance Company ("MMALIC"), a wholly-owned subsidiary of Massachusetts Mutual Life Insurance Company, are the members of Sierra JV, a joint venture formed as a Delaware limited liability company and commenced operations on July 15, 2015. Sierra JV's investment objective is to generate current income and capital appreciation by investing primarily in the debt of privately-held middle market companies with a focus on senior secured first lien term loans. The members of Sierra JV make capital contributions as investments by Sierra JV are completed, and all portfolio and other material decisions regarding Sierra JV must be submitted to Sierra JV's board of managers, which is comprised of four members, two of whom are selected by the Company and the other two are selected by MMALIC. Approval of Sierra JV's board of managers requires the unanimous approval of a quorum of the board of managers, with a quorum consisting of equal representation of members appointed by each of the Company and MMALIC.

As of September 30, 2022, Sierra JV had total capital commitments of \$124.5 million with the Company committing \$110.1 million and MMALIC committing \$14.5 million. The Company had fully funded its \$110.1 million commitment and total commitments of \$124.5 million were funded as of September 30, 2022.

For the three and nine months ended September 30, 2022, Sierra JV declared \$2.0 million and \$43.8 million in dividends, respectively, of which \$1.6 million and \$3.2 million, respectively, was recognized as dividend income in the Company's Unaudited Consolidated Statement of Operations. In addition, for the three and nine months ended September 30, 2022, the Company recognized \$9.0 million and \$35.7 million, respectively, of the dividends as a return of capital.

Barings BDC, Inc.
Notes to Unaudited Consolidated Financial Statements — (Continued)

The Company has determined that Sierra JV is an investment company under ASC, Topic 946, *Financial Services - Investment Companies*, however, in accordance with such guidance, the Company will generally not consolidate its investment in a company other than a substantially wholly owned investment company subsidiary, which is an extension of the operations of the Company, or a controlled operating company whose business consists of providing services to the Company. The Company does not consolidate its interest in Sierra JV as it is not a substantially wholly owned investment company subsidiary. In addition, Sierra JV is not an operating company and the Company does not control Sierra JV due to the allocation of voting rights among Sierra JV members.

As of September 30, 2022, the total cost and value of Sierra JV's investment portfolio was \$29.7 million and \$115.7 million, respectively. As of September 30, 2022, the weighted average yield on the principal amount of Sierra JV's outstanding debt investments was approximately 7.0%. As of September 30, 2022, the Sierra JV investment portfolio consisted of the following investments:

(\$ in thousands)	Cost	Percentage of Total Portfolio	Fair Value	Percentage of Total Portfolio
September 30, 2022:				
Senior debt and 1 st lien notes	\$ 129,684	100 %	\$ 115,670	100 %
	<u>\$ 129,684</u>	<u>100 %</u>	<u>\$ 115,670</u>	<u>100 %</u>

The industry composition of Sierra JV's investments at fair value at September 30, 2022, excluding short-term investments, was as follows:

(\$ in thousands)	September 30, 2022	
Automotive	2,362	2.1 %
Banking, Finance, Insurance and Real Estate	1,541	1.3
Beverage, Food and Tobacco	4,069	3.5
Capital Equipment	9,231	8.0
Chemicals, Plastics, and Rubber	2,832	2.4
Construction and Building	1,892	1.6
Consumer goods: Durable	1,365	1.2
Containers, Packaging and Glass	1,817	1.6
Environmental Industries	8,417	7.3
Forest Products & Paper	1,790	1.5
Healthcare and Pharmaceuticals	14,272	12.3
High Tech Industries	13,825	12.0
Media: Advertising, Printing and Publishing	10,038	8.7
Media: Diversified and Production	5,407	4.7
Retail	5,647	4.9
Services: Business	11,768	10.2
Services: Consumer	8,361	7.2
Transportation: Cargo	6,181	5.3
Transportation: Consumer	4,855	4.2
Total	<u>115,670</u>	<u>100.0 %</u>

Sierra JV's revolving credit facility with Wells Fargo Bank, N.A., which is non-recourse to the Company, had \$75.0 million outstanding as of September 30, 2022.

Eclipse Business Capital Holdings LLC

On July 8, 2021, the Company made an equity investment in Eclipse Business Capital Holdings LLC (“Eclipse”) of \$9.8 million, a second lien senior secured loan of \$4.5 million and unfunded revolver of \$13.6 million, alongside other related party affiliates. As of September 30, 2022 and December 31, 2021, \$6.2 million and \$1.8 million, respectively, of the revolver was funded. Eclipse conducts its business through Eclipse Business Capital LLC. Eclipse is one of the country’s leading independent asset-based lending (“ABL”) platforms that provides financing to middle-market borrowers in the U.S. and Canada. Eclipse provides revolving lines of credit and term loans ranging in size from \$10 – \$125 million that are secured by collateral such as accounts receivable, inventory, equipment, or real estate. Eclipse lends to both privately-owned and publicly-traded companies across a range of industries, including manufacturing, retail, automotive, oil & gas, services, distribution, and consumer products. The addition of Eclipse to the portfolio allows the Company to participate in an asset class and commercial finance operations that offer differentiated income returns as compared to directly originated loans. Eclipse is led by a seasoned team of ABL experts.

The Company has determined that Eclipse is not an investment company under ASC, Topic 946, *Financial Services - Investment Companies*. Under ASC 810-10-15-12(d), an investment company generally does not consolidate an investee that is not an investment company other than a controlled operating company whose business consists of providing services to the company. Thus, the Company is not required to consolidate Eclipse because it does not provide services to the Company. Instead the Company accounts for its equity investment in Eclipse in accordance with ASC 946-320, presented as a single investment measured at fair value.

Valuation of Investments

The Adviser conducts the valuation of the Company’s investments, upon which the Company’s net asset value is primarily based, in accordance with its valuation policy, as well as established and documented processes and methodologies for determining the fair values of portfolio company investments on a recurring (at least quarterly) basis in accordance with the 1940 Act and FASB ASC Topic 820, *Fair Value Measurements and Disclosures* (“ASC Topic 820”). The Company’s current valuation policy and processes were established by the Adviser and have been approved by the Board.

Under ASC Topic 820, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between a willing buyer and a willing seller at the measurement date. For the Company’s portfolio securities, fair value is generally the amount that the Company might reasonably expect to receive upon the current sale of the security. The fair value measurement assumes that the sale occurs in the principal market for the security, or in the absence of a principal market, in the most advantageous market for the security. If no market for the security exists or if the Company does not have access to the principal market, the security should be valued based on the sale occurring in a hypothetical market.

Under ASC Topic 820, there are three levels of valuation inputs, as follows:

Level 1 Inputs – include quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 Inputs – include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3 Inputs – include inputs that are unobservable and significant to the fair value measurement.

A financial instrument is categorized within the ASC Topic 820 valuation hierarchy based upon the lowest level of input to the valuation process that is significant to the fair value measurement. For example, a Level 3 fair value measurement may include inputs that are observable (Levels 1 and 2) and unobservable (Level 3). Therefore, unrealized appreciation and depreciation related to such investments categorized as Level 3 investments within the tables below may include changes in fair value that are attributable to both observable inputs (Levels 1 and 2) and unobservable inputs (Level 3).

The Company’s investment portfolio includes certain debt and equity instruments of privately held companies for which quoted prices or other observable inputs falling within the categories of Level 1 and Level 2 are generally not available. In such cases, the Adviser determines the fair value of the Company’s investments in good faith primarily using Level 3 inputs. In certain cases, quoted prices or other observable inputs exist, and if so, the Adviser assesses the appropriateness of the use of these third-party quotes in determining fair value based on (i) its understanding of the level of actual transactions used by the broker to develop the quote and whether the quote was an indicative price or binding offer and (ii) the depth and consistency of broker quotes and the correlation of changes in broker quotes with the underlying performance of the portfolio company.

There is no single standard for determining fair value in good faith, as fair value depends upon the specific circumstances of each individual investment. The recorded fair values of the Company’s Level 3 investments may differ significantly from fair values that would have been used had an active market for the securities existed. In addition, changes in the market

environment and other events that may occur over the life of the investments may cause the gains or losses ultimately realized on these investments to be different than the valuations currently assigned.

Investment Valuation Process

The Board must determine fair value in good faith for any or all Company investments for which market quotations are not readily available. The Board may choose to designate the Company's investment adviser to perform the fair value determination relating to such investments. The Board has designated the Adviser as valuation designee to perform the fair value determinations relating to the value of the assets held by the Company for which market quotations are not readily available. The Adviser has established a pricing committee that is, subject to the oversight of the Board, responsible for the approval, implementation and oversight of the processes and methodologies that relate to the pricing and valuation of assets held by the Company. The Adviser uses independent third-party providers to price the portfolio, but in the event an acceptable price cannot be obtained from an approved external source, the Adviser will utilize alternative methods in accordance with internal pricing procedures established by the Adviser's pricing committee.

At least annually, the Adviser conducts reviews of the primary pricing vendors to validate that the inputs used in the vendors' pricing process are deemed to be market observable. While the Adviser is not provided access to proprietary models of the vendors, the reviews have included on-site walkthroughs of the pricing process, methodologies and control procedures for each asset class and level for which prices are provided. The review also includes an examination of the underlying inputs and assumptions for a sample of individual securities across asset classes, credit rating levels and various durations, a process the Adviser continues to perform annually. In addition, the pricing vendors have an established challenge process in place for all security valuations, which facilitates identification and resolution of prices that fall outside expected ranges. The Adviser believes that the prices received from the pricing vendors are representative of prices that would be received to sell the assets at the measurement date (i.e., exit prices).

The Company's money market fund investments are generally valued using Level 1 inputs and its equity investments listed on an exchange or on the NASDAQ National Market System are valued using Level 1 inputs, using the last quoted sale price of that day. The Company's syndicated senior secured loans and structured products are generally valued using Level 2 inputs, which are generally valued at the bid quotation obtained from dealers in loans by an independent pricing service. The Company's middle-market, private debt and equity investments are generally valued using Level 3 inputs.

Independent Valuation

The fair value of loans and equity investments that are not syndicated or for which market quotations are not readily available, including middle-market loans, are generally submitted to independent providers to perform an independent valuation on those loans and equity investments as of the end of each quarter. Such loans and equity investments are initially held at cost, as that is a reasonable approximation of fair value on the acquisition date, and monitored for material changes that could affect the valuation (for example, changes in interest rates or the credit quality of the borrower). At the quarter end following that of the initial acquisition, such loans and equity investments are generally sent to a valuation provider which will determine the fair value of each investment. The independent valuation providers apply various methods (synthetic rating analysis, discounting cash flows, and re-underwriting analysis) to establish the rate of return a market participant would require (the "discount rate") as of the valuation date, given market conditions, prevailing lending standards and the perceived credit quality of the issuer. Future expected cash flows for each investment are discounted back to present value using these discount rates in the discounted cash flow analysis. A range of values will be provided by the valuation provider and the Adviser will determine the point within that range that it will use. If the Adviser's pricing committee disagrees with the price range provided, it may make a fair value recommendation to the Adviser that is outside of the range provided by the independent valuation provider and the reasons therefore. In certain instances, the Company may determine that it is not cost-effective, and as a result is not in the stockholders' best interests, to request an independent valuation firm to perform an independent valuation on certain investments. Such instances include, but are not limited to, situations where the fair value of the investment in the portfolio company is determined to be insignificant relative to the total investment portfolio. Pursuant to these procedures, the Adviser determines in good faith whether the Company's investments were valued at fair value in accordance with the Company's valuation policies and procedures and the 1940 Act based on, among other things, the Company's Audit Committee and the independent valuation firm.

Valuation Techniques

The Adviser's valuation techniques are based upon both observable and unobservable pricing inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Adviser's market assumptions. The Adviser's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the financial instrument. An independent pricing service provider is the preferred source of pricing

Barings BDC, Inc.
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a loan, however, to the extent the independent pricing service provider price is unavailable or not relevant and reliable, the Adviser will utilize alternative approaches such as broker quotes or manual prices. The Adviser attempts to maximize the use of observable inputs and minimize the use of unobservable inputs. The availability of observable inputs can vary from investment to investment and is affected by a wide variety of factors, including the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets and other characteristics particular to the security.

Valuation of Investments in Jocassee, Thompson Rivers, Waccamaw River, Sierra JV and MVC Private Equity Fund LP

As Jocassee, Thompson Rivers, Waccamaw River, Sierra JV and MVC Private Equity Fund LP are investment companies with no readily determinable fair values, the Adviser estimates the fair value of the Company's investments in these entities using net asset value of each company and the Company's ownership percentage as a practical expedient. The net asset value is determined in accordance with the specialized accounting guidance for investment companies.

Level 3 Unobservable Inputs

The following tables summarize the significant unobservable inputs the Adviser used in the valuation of the Company's Level 3 debt and equity securities as of September 30, 2022 and December 31, 2021. The weighted average range of unobservable inputs is based on fair value of investments.

September 30, 2022: (\$ in thousands)	Fair Value	Valuation Model	Level 3 Input	Range of Inputs	Weighted Average	Impact to Valuation from an Increase in Input
Senior debt and 1 st lien notes ⁽¹⁾	1,198,500	Yield Analysis	Market Yield	6.9% – 33.1%	10.8%	Decrease
	16,479	Market Approach	Adjusted EBITDA Multiple	6.0x	6.0x	Increase
	1,17	Market Approach	Revenue Multiple	0.2x	0.2x	Increase
	23,82	Discounted Cash Flow Analysis	Discount Rate	9.5% – 12.9%	11.6%	Decrease
	190,72	Recent Transaction	Transaction Price	96.8% – 100.0%	97.9%	Increase
	Subordinated debt and 2 nd lien notes ⁽²⁾	181,74	Yield Analysis	Market Yield	8.4% – 16.9%	12.5%
	29,77	Market Approach	Adjusted EBITDA Multiple	6.25x – 9.75x	7.5x	Increase
	4,49	Market Approach	Revenue Multiple	0.7x	0.7x	Increase
	1,814	Expected Recovery	Expected Recovery	\$1,814	\$1,814	Increase
	8,80	Recent Transaction	Transaction Price	96.0% – 100.0%	98.0%	Increase
Structured products ⁽³⁾	4,274	Discounted Cash Flow Analysis	Discount Rate	9.27%	9.27%	Decrease
Equity shares ⁽⁴⁾	223,50	Market Approach	Adjusted EBITDA Multiple	4.3x – 43.0x	9.4x	Increase
	27,10	Market Approach	Revenue Multiple	0.2x – 29.8x	13.1x	Increase
	5,86	Expected Transaction ⁽⁵⁾	Transaction Price	\$5,495	\$5,495	Increase
	18,27	Recent Transaction	Transaction Price	\$0.00 – \$953.45	\$747.2	Increase
	Equity warrants		Market Approach	Adjusted EBITDA Multiple	3.3x – 18.5x	3.3x

(1) Excludes investments with an aggregate fair value amounting to \$31,719, which the Adviser valued using unadjusted prices from independent pricing services and independent indicative broker quotes where pricing inputs are not readily available.

(2) Excludes investments with an aggregate fair value amounting to \$43,366, which the Adviser valued using unadjusted prices from independent pricing services and independent indicative broker quotes where pricing inputs are not readily available.

(3) Excludes investments with an aggregate fair value amounting to \$5,208, which the Adviser valued using unadjusted prices from independent pricing services and independent indicative broker quotes where pricing inputs are not readily available.

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Notes to Unaudited Consolidated Financial Statements — (Continued)

- (4) Excludes investments with an aggregate fair value amounting to \$2,742, which the Adviser valued using unadjusted prices from independent pricing services and independent indicative broker quotes where pricing inputs are not readily available.
- (5) Estimated proceeds expected to be received under legally binding asset purchase agreement for sale of real estate held by portfolio company.

December 31, 2021: (\$ in thousands)	Fair Value	Valuation Model	Level 3 Input	Range of Inputs	Weighted Average	Impact to Valuation from an Increase in Input
Senior debt and 1 st lien notes ⁽¹⁾	717,374	Yield Analysis	Market Yield	5.2% – 33.5%	7.7%	Decrease
	416,010	Recent Transaction	Transaction Price	96.5% – 99.0%	97.7%	Increase
Subordinated debt and 2 nd lien notes ⁽²⁾	107,343	Yield Analysis	Market Yield	5.3% – 19.0%	11.5%	Decrease
	64,895	Market Approach	Adjusted EBITDA Multiple	0.6x – 9.0x	5.67x	Increase
	40,354	Recent Transaction	Transaction Price	97.0% – 100.0%	98.0%	Increase
Equity shares ⁽³⁾	137,393	Market Approach	Adjusted EBITDA Multiple	5.5x – 54.0x	13.1x	Increase
	6,197	Expected Transaction ⁽⁴⁾	Transaction Price	\$6,197,037	\$6,197,037	Increase
	4,546	Recent Transaction	Transaction Price	\$1.0 – \$1,000	\$140.03	Increase
	864	Market Approach	Adjusted EBITDA Multiple	5.0x-6.0x	6.0x	Increase

- (1) Excludes investments with an aggregate fair value amounting to \$3,938, which the Company valued using unadjusted prices from independent pricing services and independent indicative broker quotes where pricing inputs are not readily available.
- (2) Excludes investments with an aggregate fair value amounting to \$17,974, which the Company valued using unadjusted prices from independent pricing services and independent indicative broker quotes where pricing inputs are not readily available.
- (3) Excludes investments with an aggregate fair value amounting to \$3,146, which the Company valued using unadjusted prices from independent pricing services and independent indicative broker quotes where pricing inputs are not readily available.
- (4) Estimated proceeds expected to be received under legally binding asset purchase agreement for sale of real estate held by portfolio company.

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Notes to Unaudited Consolidated Financial Statements — (Continued)

The following tables present the Company's investment portfolio at fair value as of September 30, 2022 and December 31, 2021, categorized by the ASC Topic 820 valuation hierarchy, as previously described:

(\$ in thousands)	Fair Value as of September 30, 2022			
	Level 1	Level 2	Level 3	Total
Senior debt and 1 st lien notes	\$ —	\$ 94,983	\$ 1,462,413	\$ 1,557,396
Subordinated debt and 2 nd lien notes	—	9,843	269,995	279,838
Structured products	—	58,329	9,482	67,811
Equity shares	210	1,866	277,488	279,564
Equity warrants	—	41	3	44
Investments subject to leveling	\$ 210	\$ 165,062	\$ 2,019,381	\$ 2,184,653
Investment in joint ventures / PE fund(1)				147,839
				\$ 2,332,492

(\$ in thousands)	Fair Value as of December 31, 2021			
	Level 1	Level 2	Level 3	Total
Senior debt and 1 st lien notes	\$ —	\$ 84,275	\$ 1,137,323	\$ 1,221,598
Subordinated debt and 2 nd lien notes	—	9,468	230,569	240,037
Structured products	—	40,271	—	40,271
Equity shares	111	3,084	151,282	154,477
Equity warrants	—	243	864	1,107
Investments subject to leveling	\$ 111	\$ 137,341	\$ 1,520,038	\$ 1,657,490
Investment in joint ventures / PE fund(2)				143,104
				\$ 1,800,594

- (1) The Company's investments in Jocassee, Sierra JV, Thompson Rivers, Waccamaw River and MVC Private Equity Fund LP are measured at fair value using NAV and have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the Unaudited Consolidated Balance Sheet and Consolidated Balance Sheet.
- (2) The Company's investments in Jocassee, Thompson Rivers, Waccamaw River and MVC Private Equity Fund LP are measured at fair value using NAV and have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the Unaudited Consolidated Balance Sheet and Consolidated Balance Sheet.

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Notes to Unaudited Consolidated Financial Statements — (Continued)

The following tables reconcile the beginning and ending balances of the Company's investment portfolio measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the nine months ended September 30, 2022 and 2021:

Nine Months Ended September 30, 2022: (\$ in thousands)	Senior Debt and 1 st Lien Notes	Subordinated Debt and 2 nd Lien Notes	Structured Products	Equity Shares	Equity Warrants	Total
Fair value, beginning of period	\$ 1,137,323	\$ 230,569	\$ —	\$ 151,282	\$ 864	\$ 1,520,038
New investments	689,638	89,749	6,000	63,344	4	848,735
Investments acquired in Sierra merger	210,176	54,177	—	7,065	72	271,490
Transfers into (out of) Level 3, net	18,015	9,056	4,905	7,263	—	39,239
Proceeds from sales of investments	(321,758)	(21,555)	—	(1,472)	(250)	(345,035)
Loan origination fees received	(14,660)	(1,303)	—	—	—	(15,963)
Principal repayments received	(207,026)	(56,443)	(357)	—	—	(263,826)
Payment-in-kind interest/dividends	1,994	9,320	—	206	—	11,520
Accretion of loan premium/discount	222	89	—	—	—	311
Accretion of deferred loan origination revenue	6,574	1,761	—	—	—	8,335
Realized gain (loss)	(12,292)	(2,567)	—	18	(760)	(15,601)
Unrealized appreciation (depreciation)	(45,793)	(42,858)	(1,066)	49,782	73	(39,862)
Fair value, end of period	<u>\$ 1,462,413</u>	<u>\$ 269,995</u>	<u>\$ 9,482</u>	<u>\$ 277,488</u>	<u>\$ 3</u>	<u>\$ 2,019,381</u>

Nine Months Ended September 30, 2021: (\$ in thousands)	Senior Debt and 1 st Lien Notes	Subordinated Debt and 2 nd Lien Notes	Equity Shares	Equity Warrants	Total
Fair value, beginning of period	\$ 1,055,717	\$ 130,820	\$ 44,227	\$ 1,134	\$ 1,231,898
New investments	585,196	83,856	96,309	163	765,524
Transfers into Level 3, net	—	2,234	3,224	—	5,458
Proceeds from sales of investments	(394,827)	(8,771)	(6,903)	(450)	(410,951)
Loan origination fees received	(12,485)	(1,209)	—	—	(13,694)
Principal repayments received	(170,947)	(27,317)	—	—	(198,264)
Payment-in-kind interest	685	7,721	—	—	8,406
Accretion of loan premium/discount	10	211	—	—	221
Accretion of deferred loan origination revenue	6,029	376	—	—	6,405
Realized gain (loss)	1,837	(28)	341	163	2,313
Unrealized appreciation (depreciation)	(1,464)	(2,646)	4,748	(386)	252
Fair value, end of period	<u>\$ 1,069,751</u>	<u>\$ 185,247</u>	<u>\$ 141,946</u>	<u>\$ 624</u>	<u>\$ 1,397,568</u>

All realized gains and losses and unrealized appreciation and depreciation are included in earnings (changes in net assets) and are reported on separate line items within the Company's Unaudited Consolidated Statements of Operations. Pre-tax net unrealized depreciation on Level 3 investments of \$44.3 million during the nine months ended September 30, 2022 was related to portfolio company investments that were still held by the Company as of September 30, 2022. Pre-tax net unrealized appreciation on Level 3 investments of \$3.1 million during the nine months ended September 30, 2021 was related to portfolio company investments that were still held by the Company as of September 30, 2021.

During the nine months ended September 30, 2022, the Company made investments of approximately \$1,301.9 million in portfolio companies to which it was not previously contractually committed to provide such financing. During the nine months ended September 30, 2022, the Company made investments of \$71.0 million in portfolio companies to which it was previously committed to provide such financing.

Exclusive of short-term investments, during the nine months ended September 30, 2021, the Company made investments of approximately \$57.8 million in portfolio companies to which it was not previously contractually committed to provide such

financing. During the nine months ended September 30, 2021, the Company made investments of \$7.5 million in portfolio companies to which it was previously committed to provide such financing.

Unsettled Purchases and Sales of Investments

Investment transactions are recorded based on the trade date of the transaction. As a result, unsettled purchases and sales are recorded as payables and receivables from unsettled transactions, respectively. While purchases and sales of the Company's syndicated senior secured loans generally settle on a T+7 basis, the settlement period will sometimes extend past the scheduled settlement. In such cases, the Company generally is contractually owed and recognizes interest income equal to the applicable margin ("spread") beginning on the T+7 date. Such income is accrued as interest receivable and is collected upon settlement of the investment transaction.

Realized Gain or Loss and Unrealized Appreciation or Depreciation of Portfolio Investments

Realized gains or losses are recorded upon the sale or liquidation of investments and are calculated as the difference between the net proceeds from the sale or liquidation, if any, and the cost basis of the investment using the specific identification method. Unrealized appreciation or depreciation reflects the difference between the fair value of the investments and the cost basis of the investments.

Investment Classification

In accordance with the provisions of the 1940 Act, the Company classifies investments by level of control. As defined in the 1940 Act, "Control Investments" are investments in those companies that the Company is deemed to "Control." "Affiliate Investments" are investments in those companies that are "Affiliated Persons" of the Company, as defined in the 1940 Act, other than Control Investments. "Non-Control / Non-Affiliate Investments" are those that are neither Control Investments nor Affiliate Investments. Generally, under the 1940 Act, the Company is deemed to control a company in which it has invested if the Company owns more than 25.0% of the voting securities (i.e., securities with the right to elect directors) and/or has the power to exercise control over the management or policies of such portfolio company. Generally, under the 1940 Act, "Affiliate Investments" that are not otherwise "Control Investments" are defined as investments in which the Company owns at least 5.0%, up to 25.0% (inclusive), of the voting securities and does not have the power to exercise control over the management or policies of such portfolio company.

Short-Term Investments

Short-term investments represent investments in money market funds.

Deferred Financing Fees

Costs incurred to issue debt are capitalized and are amortized over the term of the debt agreements using the effective interest method.

Investment Income

Interest income, including amortization of premium and accretion of discount, is recorded on the accrual basis to the extent that such amounts are expected to be collected. Generally, when interest and/or principal payments on a loan become past due, or if the Company otherwise does not expect the borrower to be able to service its debt and other obligations, the Company will place the loan on non-accrual status and will generally cease recognizing interest income on that loan for financial reporting purposes until all principal and interest have been brought current through payment or due to a restructuring such that the interest income is deemed to be collectible. The Company writes off any previously accrued and uncollected interest when it is determined that interest is no longer considered collectible. As of September 30, 2022 and December 31, 2021, the Company had seven and two portfolio companies, respectively, with investments that were on non-accrual. As of September 30, 2022, theseven portfolio companies on non-accrual included five portfolio companies purchased as part of the Sierra Acquisition and two purchased as part of the MVC Acquisition. As of December 31, 2021, the two portfolio companies on non-accrual were both purchased as part of the MVC Acquisition.

Interest income from investments in the equity class of a collateralized loan obligation ("CLO") security (typically subordinated notes) is recorded based upon an estimation of an effective yield to expected maturity utilizing assumed cash flows in accordance with ASC 325-40, Beneficial Interests in Securitized Financial Assets. The Company monitors the expected cash flows from these investments, including the expected residual payments, and the effective yield is determined and updated periodically. Any difference between the cash distribution received and the amount calculated pursuant to the effective interest method is recorded as an adjustment to the cost basis of such investments.

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Dividend income on preferred equity securities is recorded on the accrual basis to the extent that such amounts are payable by the portfolio company and are expected to be collected. Dividend income on common equity is recorded on the ex-dividend date.

Payment-in-Kind Interest

The Company currently holds, and expects to hold in the future, some loans in its portfolio that contain payment-in-kind ("PIK") interest provisions. PIK interest, computed at the contractual rate specified in each loan agreement, is periodically added to the principal balance of the loan, rather than being paid to the Company in cash, and is recorded as interest income. Thus, the actual collection of PIK interest may be deferred until the time of debt principal repayment.

PIK interest, which is a non-cash source of income at the time of recognition, is included in the Company's taxable income and therefore affects the amount the Company is required to distribute to its stockholders to maintain its tax treatment as a RIC for federal income tax purposes, even though the Company has not yet collected the cash. Generally, when current cash interest and/or principal payments on a loan become past due, or if the Company otherwise does not expect the borrower to be able to service its debt and other obligations, the Company will place the loan on non-accrual status and will generally cease recognizing PIK interest income on that loan for financial reporting purposes until all principal and interest have been brought current through payment or due to a restructuring such that the interest income is deemed to be collectible. The Company writes off any accrued and uncollected PIK interest when it is determined that the PIK interest is no longer collectible.

Fee Income

Origination, facility, commitment, consent and other advance fees received in connection with loan agreements ("Loan Origination Fees") are recorded as deferred income and recognized as investment income over the term of the loan. Upon prepayment of a loan, any unamortized Loan Origination Fees are recorded as investment income. In the general course of its business, the Company receives certain fees from portfolio companies, which are non-recurring in nature. Such fees include loan prepayment penalties, structuring fees and loan waiver and amendment fees, and are recorded as investment income when earned.

Fee income for the three and nine months ended September 30, 2022 and 2021 was as follows:

(\$ in thousands)	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
Recurring Fee Income:				
Amortization of loan origination fees	\$ 1,582	\$ 1,144	\$ 4,398	\$ 3,386
Management, valuation and other fees	620	542	667	1,671
Total Recurring Fee Income	2,202	1,686	5,065	5,057
Non-Recurring Fee Income:				
Prepayment fees	—	242	134	292
Acceleration of unamortized loan origination fees	1,685	1,930	4,182	3,201
Advisory, loan amendment and other fees	434	630	1,208	640
Total Non-Recurring Fee Income	2,119	2,802	5,524	4,133
Total Fee Income	\$ 4,321	\$ 4,488	\$ 10,589	\$ 9,190

Concentration of Credit Risk

As of September 30, 2022 and December 31, 2021, there were no individual investments representing greater than 10% of the fair value of the Company's portfolio. As of September 30, 2022 and December 31, 2021, the Company's largest single portfolio company investment represented approximately 5.9% and 5.5%, respectively, of the fair value of the Company's portfolio. Income, consisting of interest, dividends, fees, other investment income and realization of gains or losses on equity interests, can fluctuate dramatically upon repayment of an investment or sale of an equity interest and in any given year can be highly concentrated among several portfolio companies.

The Company places its cash with financial institutions and, at times, cash may exceed insured limits under applicable law.

As of September 30, 2022, all of the Company's assets were or will be pledged as collateral for the February 2019 Credit Facility.

Investments Denominated in Foreign Currencies

As of September 30, 2022, the Company held one investment that was denominated in Canadian dollars, one investment that was denominated in Danish kroner, ten investments that were denominated in Australian dollars, two investments that were denominated in New Zealand dollars, one investment that was denominated in Norwegian krone, one investment that was denominated in Swiss francs, one investment that was denominated in Swedish kronas, 54 investments that were denominated in Euros and 25 investments that were denominated in British pounds sterling. As of December 31, 2021, the Company held one investment that was denominated in Canadian dollars, one investment that was denominated in Danish kroner, five investments that were denominated in Australian dollars, one investment that was denominated in Swedish kronas, 36 investments that were denominated in Euros and 18 investments that were denominated in British pounds sterling.

At each balance sheet date, portfolio company investments denominated in foreign currencies are translated into United States dollars using the spot exchange rate on the last business day of the period. Purchases and sales of foreign portfolio company investments, and any income from such investments, are translated into United States dollars using the rates of exchange prevailing on the respective dates of such transactions.

Although the fair values of foreign portfolio company investments and the fluctuation in such fair values are translated into United States dollars using the applicable foreign exchange rates described above, the Company does not separately report that portion of the change in fair values resulting from foreign currency exchange rate fluctuations from the change in fair values of the underlying investment. All fluctuations in fair value are included in net unrealized appreciation (depreciation) of investments in the Company's Unaudited Consolidated Statements of Operations.

In addition, during both the nine months ended September 30, 2022 and September 30, 2021, the Company entered into forward currency contracts primarily to help mitigate the impact that an adverse change in foreign exchange rates would have on net interest income from the Company's investments and related borrowings denominated in foreign currencies. Net unrealized appreciation or depreciation on foreign currency contracts are included in "Net unrealized appreciation (depreciation) - foreign currency transactions" and net realized gains or losses on forward currency contracts are included in "Net realized gains (losses) - foreign currency transactions" in the Company's Unaudited Consolidated Statements of Operations.

Investments denominated in foreign currencies and foreign currency transactions may involve certain considerations and risks not typically associated with those of domestic origin, including unanticipated movements in the value of the foreign currency relative to the U.S. Dollar.

4. INCOME TAXES

The Company has elected for federal income tax purposes to be treated, and intends to qualify annually, as a RIC under the Code and intends to make the required distributions to its stockholders as specified therein. In order to maintain its tax treatment as a RIC, the Company must meet certain minimum distribution, source-of-income and asset diversification requirements. If such requirements are met, then the Company is generally required to pay taxes only on the portion of its taxable income and gains it does not distribute (actually or constructively) and certain built-in gains. The Company has historically met its minimum distribution requirements and continually monitors its distribution requirements with the goal of ensuring compliance with the Code.

Depending on the level of investment company taxable income ("ICTI") and net capital gains, if any, or taxable income, the Company may choose to carry forward undistributed taxable income and pay a 4% nondeductible U.S. federal excise tax on certain undistributed income unless the Company distributes, in a timely manner, an amount at least equal to the sum of (i) 98% of net ordinary income for each calendar year, (ii) 98.2% of the amount by which capital gains exceed capital losses (adjusted for certain ordinary losses) for the one-year period ending October 31 in that calendar year and (iii) certain undistributed amounts from previous years on which the Company paid no U.S. federal income tax. Any such carryover of taxable income must be distributed before the end of that next tax year through a dividend declared prior to filing of the tax return related to the year which generated such taxable income not to be subject to U.S. federal income tax.

Tax positions taken or expected to be taken in the course of preparing the Company's tax returns are evaluated to determine whether the tax positions are "more-likely-than-not" of being sustained by the applicable tax authority. Tax positions

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Notes to Unaudited Consolidated Financial Statements — (Continued)

not deemed to meet the more-likely-than not threshold would be recorded as a tax benefit or expense in the current year. Management has analyzed the Company's tax positions taken, or to be taken, on federal income tax returns for all open tax years (fiscal years 2018-2020), and has concluded that the provision for uncertain tax positions in the Company's financial statements is appropriate.

Taxable income generally differs from increase in net assets resulting from operations due to temporary and permanent differences in the recognition of income and expenses, and generally excludes net unrealized gains or losses, as unrealized gains or losses are generally not included in taxable income until they are realized. The Company makes certain adjustments to the classification of net assets as a result of permanent book-to-tax differences, which include differences in the book and tax basis of certain assets and liabilities, and nondeductible federal taxes or losses among other items. To the extent these differences are permanent, they are charged or credited to additional paid in capital, or total distributable earnings (loss), as appropriate.

For federal income tax purposes, the cost of investments owned as of September 30, 2022 and December 31, 2021 was approximately \$2,444.0 million and \$1,792.1 million, respectively. As of September 30, 2022, net unrealized depreciation on the Company's investments (tax basis) was approximately \$9.8 million, consisting of gross unrealized appreciation, where the fair value of the Company's investments exceeds their tax cost, of approximately \$128.1 million and gross unrealized depreciation, where the tax cost of the Company's investments exceeds their fair value, of approximately \$187.9 million. As of December 31, 2021, net unrealized appreciation on the Company's investments (tax basis) was approximately \$16.4 million, consisting of gross unrealized appreciation, where the fair value of the Company's investments exceeds their tax cost, of approximately \$45.6 million and gross unrealized depreciation, where the tax cost of the Company's investments exceeds their fair value, of approximately \$29.2 million.

In addition, the Company has wholly-owned taxable subsidiaries (the "Taxable Subsidiaries"), which hold certain portfolio investments that are listed on the Unaudited and Audited Consolidated Schedules of Investments. The Taxable Subsidiaries are consolidated for financial reporting purposes, such that the Company's consolidated financial statements reflect the Company's investments in the portfolio companies owned by the Taxable Subsidiaries. The purpose of the Taxable Subsidiaries is to permit the Company to hold certain portfolio companies that are organized as LLCs (or other forms of pass-through entities) and still satisfy the RIC tax requirement that at least 90% of the RIC's gross revenue for income tax purposes must consist of qualifying investment income. Absent the Taxable Subsidiaries, a proportionate amount of any gross income of an LLC (or other pass-through entity) portfolio investment would flow through directly to the RIC. To the extent that such income did not consist of qualifying investment income, it could jeopardize the Company's ability to qualify as a RIC and therefore cause the Company to incur significant amounts of federal income taxes. When LLCs (or other pass-through entities) are owned by the Taxable Subsidiaries, their income is taxed to the Taxable Subsidiaries and does not flow through to the RIC, thereby helping the Company preserve its RIC tax treatment and resultant tax advantages. The Taxable Subsidiaries are not consolidated for income tax purposes and may generate income tax expense as a result of their ownership of the portfolio companies. This income tax expense or benefit, if any, is reflected in the Company's Unaudited Consolidated Statements of Operations. Additionally, any unrealized appreciation related to portfolio investments held by the Taxable Subsidiaries (net of unrealized depreciation related to portfolio investments held by the Taxable Subsidiaries) is reflected net of applicable federal and state income taxes, if any, in the Company's Consolidated Statements of Operations, with the related deferred tax assets or liabilities, if any, included in "Accounts payable and accrued liabilities" in the Company's Unaudited and Audited Consolidated Balance Sheets.

As of September 30, 2022, the Company's taxable subsidiaries had a deferred tax asset of \$10.6 million pertaining to operating losses and tax basis differences related to certain partnership interests. As of December 31, 2021, the Company's taxable subsidiaries had a deferred tax asset of \$8.6 million pertaining to operating losses and tax basis differences related to certain partnership interests. A valuation allowance is provided against deferred tax assets when it is more likely than not that some portion or all of the deferred tax asset will not be realized. As of September 30, 2022 and December 31, 2021, given the losses generated by the entity, the deferred tax assets have been offset by a valuation allowance of \$9.8 million and \$8.6 million, respectively.

5. BORROWINGS

The Company had the following borrowings outstanding as of September 30, 2022 and December 31, 2021:

Issuance Date (\$ in thousands)	Maturity Date	Interest Rate as of September 30, 2022	September 30, 2022	December 31, 2021
Credit Facilities:				
February 21, 2019	February 21, 2025	4.094%	\$ 650,989	\$ 655,189
Total Credit Facilities			\$ 650,989	\$ 655,189
Notes:				
September 24, 2020 - August 2025 Notes	August 4, 2025	4.660%	\$ 25,000	\$ 25,000
September 29, 2020 - August 2025 Notes	August 4, 2025	4.660%	25,000	25,000
November 5, 2020 - Series B Notes	November 4, 2025	4.250%	62,500	62,500
November 5, 2020 - Series C Notes	November 4, 2027	4.750%	112,500	112,500
February 25, 2021 Series D Notes	February 26, 2026	3.410%	80,000	80,000
February 25, 2021 Series E Notes	February 26, 2028	4.060%	70,000	70,000
November 23, 2021 - November 2026 Notes	November 23, 2026	3.300%	350,000	350,000
(Less: Deferred financing fees)			(6,408)	(7,444)
Total Notes			\$ 718,592	\$ 717,556

February 2019 Credit Facility

The Company has entered into the February 2019 Credit Facility with ING, as administrative agent, and the lenders party thereto. The initial commitments under the February 2019 Credit Facility total \$800.0 million. Effective on November 4, 2021, the Company increased aggregate commitments under the February 2019 Credit Facility to \$875.0 million from \$800.0 million pursuant to the accordion feature under the February 2019 Credit Facility, which allows for an increase in the total commitments to an aggregate of \$1.2 billion subject to certain conditions and the satisfaction of specified financial covenants. Effective February 25, 2022, the Company increased aggregate commitments under the February 2019 Credit Facility to \$965.0 million from \$875.0 million pursuant to the accordion feature under the February 2019 Credit Facility, and the allowance for an increase in the total commitments increased to \$1.5 billion from \$1.2 billion subject to certain conditions and the satisfaction of specified financial covenants. Effective on April 1, 2022, the Company increased aggregate commitments under the February 2019 Credit Facility to \$1.1 billion from \$965.0 million pursuant to the accordion feature under the February 2019 Credit Facility, which allows for an increase in the total commitments to an aggregate of \$1.5 billion subject to certain conditions and the satisfaction of specified financial covenants. The Company can borrow foreign currencies directly under the February 2019 Credit Facility. The February 2019 Credit Facility, which is structured as a revolving credit facility, is secured primarily by a material portion of the Company's assets and guaranteed by certain subsidiaries of the Company. Following the termination on June 30, 2020 of Barings BDC Senior Funding I, LLC's ("BSF") credit facility entered into in August 2018 with Bank of America, N.A. (the "August 2018 Credit Facility"), BSF became a subsidiary guarantor and its assets secure the February 2019 Credit Facility. The revolving period of the February 2019 Credit Facility ends on February 21, 2024, followed by a one-year repayment period with a maturity date of February 21, 2025.

Borrowings denominated in U.S. Dollars under the February 2019 Credit Facility bear interest, subject to the Company's election, on a per annum basis equal to (i) the alternate base rate plus 1.25% (or 1.00% for so long as the Company maintains an investment grade credit rating) or (ii) the term Secured Overnight Financing Rate ("SOFR") plus 2.25% (or 2.00% for so long as the Company maintains an investment grade credit rating) plus a credit spread adjustment of 0.10% for borrowings with an interest period of one month, 0.15% for borrowings with an interest period of three months or 0.25% for borrowings with an interest period of six months. The alternate base rate is equal to the greatest of (i) the prime rate, (ii) the federal funds rate plus 0.5%, (iii) the Overnight Bank Funding Rate plus 0.5%, (iv) one-month term SOFR plus 1.0% plus a credit spread adjustment of 0.10% and (v) 1.0%. For borrowings denominated in certain foreign currencies other than Australian dollars, the applicable currency rate for the foreign currency as defined in the credit agreement plus 2.00% (or 2.25% if the Company no longer maintains an investment grade credit rating) or for borrowings denominated in Australian dollars, the applicable Australian dollars Screen Rate, plus 2.20% (or 2.45% if the Company no longer maintains an investment grade credit rating).

In addition, the Company pays a commitment fee of (i) 0.5% per annum on undrawn amounts if the unused portion of the February 2019 Credit Facility is greater than two-thirds of total commitments or (ii) 0.375% per annum on undrawn amounts if the unused portion of the February 2019 Credit Facility is equal to or less than two-thirds of total commitments. In connection

with entering into the February 2019 Credit Facility, the Company incurred financing fees of approximately \$6.4 million, which will be amortized over the remaining life of the February 2019 Credit Facility.

The February 2019 Credit Facility contains certain affirmative and negative covenants, including but not limited to (i) maintaining minimum stockholders' equity, (ii) maintaining minimum obligors' net worth, (iii) maintaining a minimum asset coverage ratio, (iv) meeting a minimum liquidity test and (v) maintaining the Company's status as a regulated investment company and as a business development company. The February 2019 Credit Facility also contains customary events of default with customary cure and notice provisions, including, without limitation, nonpayment, misrepresentation of representations and warranties in a material respect, breach of covenant, cross-default to other indebtedness, bankruptcy, change of control, and material adverse effect. The February 2019 Credit Facility also permits the administrative agent to select an independent third-party valuation firm to determine valuations of certain portfolio investments for purposes of borrowing base provisions. As of September 30, 2022, the Company was in compliance with all covenants under the February 2019 Credit Facility.

As of September 30, 2022, the Company had U.S. dollar borrowings of \$437.5 million outstanding under the February 2019 Credit Facility with an interest rate of 4.695% (one month SOFR of 2.595%), borrowings denominated in Swedish kronas of 12.8kr million (\$1.2 million U.S. dollars) with an interest rate of 3.063% (one month STIBOR of 1.063%), borrowings denominated in British pounds sterling of £68.6 million (\$76.6 million U.S. dollars) with an interest rate of 3.723% (one month SONIA of 1.723%), and borrowings denominated in Euros of €138.6 million (\$135.8 million U.S. dollars) with an interest rate of 2.375% (one month EURIBOR of 0.375%). The borrowings denominated in foreign currencies were translated into U.S. dollars based on the spot rate at the relevant balance sheet date. The impact resulting from changes in foreign exchange rates on the February 2019 Credit Facility borrowings is included in "Net unrealized appreciation (depreciation) - foreign currency transactions" in the Company's Unaudited Consolidated Statements of Operations.

As of December 31, 2021, the Company had U.S. dollar borrowings of \$377.0 million outstanding under the February 2019 Credit Facility with an interest rate of 2.125% (one month LIBOR of 0.125%), borrowings denominated in Swedish kronas of 12.8kr million (\$1.4 million U.S. dollars) with an interest rate of 2.000% (one month STIBOR of 0.000%), borrowings denominated in British pounds sterling of £68.3 million (\$92.5 million U.S. dollars) with an average interest rate of 2.125% (one month GBP LIBOR of 0.125%), borrowings denominated in Australian dollars of A\$6.6 million (\$26.6 million U.S. dollars) with an interest rate of 2.250% (one month AUD Screen Rate of 0.250%) and borrowings denominated in Euros of €138.6 million (\$157.6 million U.S. dollars) with an interest rate of 2.00% (one month EURIBOR of 0.000%). The borrowings denominated in foreign currencies were translated into U.S. dollars based on the spot rate at the relevant balance sheet date. The impact resulting from changes in foreign exchange rates on the February 2019 Credit Facility borrowings is included in "Net unrealized appreciation (depreciation) - foreign currency transactions" in the Company's Unaudited Consolidated Statements of Operations.

As of September 30, 2022 and December 31, 2021, the total fair value of the borrowings outstanding under the February 2019 Credit Facility was \$51.0 million and \$655.2 million, respectively. The fair values of the borrowings outstanding under the February 2019 Credit Facility are based on a market yield approach and current interest rates, which are Level 3 inputs to the market yield model.

August 2025 Notes

On August 3, 2020, the Company entered into a Note Purchase Agreement (the "August 2020 NPA") with Massachusetts Mutual Life Insurance Company governing the issuance of (1) \$50.0 million in aggregate principal amount of Series A senior unsecured notes due August 2025 (the "Series A Notes due 2025") with a fixed interest rate of 4.66% per year, and (2) up to \$50.0 million in aggregate principal amount of additional senior unsecured notes due August 2025 with a fixed interest rate per year to be determined (the "Additional Notes" and, collectively with the Series A Notes due 2025, the "August 2025 Notes"), in each case, to qualified institutional investors in a private placement. An aggregate principal amount of \$25.0 million of the Series A Notes due 2025 was issued on September 24, 2020 and an aggregate principal amount of \$25.0 million of the Series A Notes due 2025 was issued on September 29, 2020, both of which will mature on August 4, 2025 unless redeemed, purchased or prepaid prior to such date by the Company in accordance with their terms. Interest on the August 2025 Notes is due semiannually in March and September, beginning in March 2021. In addition, the Company is obligated to offer to repay the August 2025 Notes at par (plus accrued and unpaid interest to, but not including, the date of prepayment) if certain change in control events occur. Subject to the terms of the August 2020 NPA, the Company may redeem the August 2025 Notes in whole or in part at any time or from time to time at the Company's option at par plus accrued interest to the prepayment date and, if redeemed on or before November 3, 2024, a make-whole premium. The August 2025 Notes are guaranteed by certain of the

Company's subsidiaries, and are the Company's general unsecured obligations that rank pari passu with all outstanding and future unsecured unsubordinated indebtedness issued by the Company.

The Company's permitted issuance period for the Additional Notes under the August 2020 NPA expired on February 3, 2022, prior to which date the Company issued no Additional Notes.

The August 2020 NPA contains certain representations and warranties, and various covenants and reporting requirements customary for senior unsecured notes issued in a private placement, including, without limitation, affirmative and negative covenants such as information reporting, maintenance of the Company's status as a BDC within the meaning of the 1940 Act, certain restrictions with respect to transactions with affiliates, fundamental changes, changes of line of business, permitted liens, investments and restricted payments, minimum shareholders' equity, maximum net debt to equity ratio and minimum asset coverage ratio. The August 2020 NPA also contains customary events of default with customary cure and notice periods, including, without limitation, nonpayment, incorrect representation in any material respect, breach of covenant, cross-default under our other indebtedness or that of our subsidiary guarantors, certain judgements and orders, and certain events of bankruptcy. Upon the occurrence of an event of default, the holders of at least 66-2/3% in principal amount of the August 2025 Notes at the time outstanding may declare all August 2025 Notes then outstanding to be immediately due and payable. As of September 30, 2022, the Company was in compliance with all covenants under the August 2020 NPA.

The August 2025 Notes were offered in reliance on Section 4(a)(2) of the Securities Act of 1933, as amended (the "Securities Act"). The August 2025 Notes have not and will not be registered under the Securities Act or any state securities laws and, unless so registered, may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, as applicable.

As of September 30, 2022 and December 31, 2021, the fair value of the outstanding August 2025 Notes was \$45.9 million and \$52.2 million, respectively. The fair value determination of the August 2025 Notes was based on a market yield approach and current interest rates, which are Level 3 inputs to the market yield model.

November Notes

On November 4, 2020, the Company entered into a Note Purchase Agreement (the "November 2020 NPA") governing the issuance of (1) \$2.5 million in aggregate principal amount of Series B senior unsecured notes due November 2025 (the "Series B Notes") with a fixed interest rate of 4.25% per year and (2) \$112.5 million in aggregate principal amount of Series C senior unsecured notes due November 2027 (the "Series C Notes" and, collectively with the Series B Notes, the "November Notes") with a fixed interest rate of 4.75% per year, in each case, to qualified institutional investors in a private placement. Each stated interest rate is subject to a step up of (x) 0.75% per year, to the extent the applicable November Notes do not satisfy certain investment grade conditions and/or (y) 1.50% per year, to the extent the ratio of the Company's secured debt to total assets exceeds specified thresholds, measured as of each fiscal quarter end. The November Notes were delivered and paid for on November 5, 2020. The Series B Notes will mature on November 4, 2025, and the Series C Notes will mature on November 4, 2027 unless redeemed, purchased or prepaid prior to such date by the Company in accordance with their terms. Interest on the November Notes is due semiannually in May and November, beginning in May 2021. In addition, the Company is obligated to offer to repay the November Notes at par (plus accrued and unpaid interest to, but not including, the date of prepayment) if certain change in control events occur. Subject to the terms of the November 2020 NPA, the Company may redeem the Series B Notes and the Series C Notes in whole or in part at any time or from time to time at the Company's option at par plus accrued interest to the prepayment date and, if redeemed on or before May 4, 2025, with respect to the Series B Notes, or on or before May 4, 2027, with respect to the Series C Notes, a make-whole premium. The November Notes are guaranteed by certain of the Company's subsidiaries, and are the Company's general unsecured obligations that rank pari passu with all outstanding and future unsecured unsubordinated indebtedness issued by the Company.

The November 2020 NPA contains certain representations and warranties, and various covenants and reporting requirements customary for senior unsecured notes issued in a private placement, including, without limitation, affirmative and negative covenants such as information reporting, maintenance of the Company's status as a BDC within the meaning of the 1940 Act, certain restrictions with respect to transactions with affiliates, fundamental changes, changes of line of business, permitted liens, investments and restricted payments, minimum shareholders' equity, maximum net debt to equity ratio and minimum asset coverage ratio. The November 2020 NPA also contains customary events of default with customary cure and notice periods, including, without limitation, nonpayment, incorrect representation in any material respect, breach of covenant, cross-default under our other indebtedness or that of our subsidiary guarantors, certain judgements and orders, and certain events of bankruptcy. Upon the occurrence of an event of default, the holders of at least 66-2/3% in principal amount of the November Notes at the time outstanding may declare all November Notes then outstanding to be immediately due and payable. As of September 30, 2022, the Company was in compliance with all covenants under the November 2020 NPA.

Barings BDC, Inc.
Notes to Unaudited Consolidated Financial Statements — (Continued)

The November Notes were offered in reliance on Section 4(a)(2) of the Securities Act. The November Notes have not and will not be registered under the Securities Act or any state securities laws and, unless so registered, may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, as applicable.

As of September 30, 2022 and December 31, 2021, the fair value of the outstanding Series B Notes was \$5.8 million and \$64.1 million, respectively. As of September 30, 2022 and December 31, 2021, the fair value of the outstanding Series C Notes was \$95.1 million and \$115.3 million, respectively. The fair value determinations of the Series B Notes and Series C Notes were based on a market yield approach and current interest rates, which are Level 3 inputs to the market yield model.

February Notes

On February 25, 2021, the Company entered into a Note Purchase Agreement (the “February 2021 NPA”) governing the issuance of (1) \$0.0 million in aggregate principal amount of Series D senior unsecured notes due February 26, 2026 (the “Series D Notes”) with a fixed interest rate of 3.41% per year and (2) \$70.0 million in aggregate principal amount of Series E senior unsecured notes due February 26, 2028 (the “Series E Notes” and, collectively with the Series D Notes, the “February Notes”) with a fixed interest rate of 4.06% per year, in each case, to qualified institutional investors in a private placement. Each stated interest rate is subject to a step up of (x) 0.75% per year, to the extent the applicable February Notes do not satisfy certain investment grade rating conditions and/or (y) 1.50% per year, to the extent the ratio of the Company’s secured debt to total assets exceeds specified thresholds, measured as of each fiscal quarter end. The February Notes were delivered and paid for on February 26, 2021.

The Series D Notes will mature on February 26, 2026, and the Series E Notes will mature on February 26, 2028 unless redeemed, purchased or prepaid prior to such date by the Company in accordance with the terms of the February 2021 NPA. Interest on the February Notes is due semiannually in February and August of each year, beginning in August 2021. In addition, the Company is obligated to offer to repay the February Notes at par (plus accrued and unpaid interest to, but not including, the date of prepayment) if certain change in control events occur. Subject to the terms of the February 2021 NPA, the Company may redeem the Series D Notes and the Series E Notes in whole or in part at any time or from time to time at the Company’s option at par plus accrued interest to the prepayment date and, if redeemed on or before August 26, 2025, with respect to the Series D Notes, or on or before August 26, 2027, with respect to the Series E Notes, a make-whole premium. The February Notes are guaranteed by certain of the Company’s subsidiaries, and are the Company’s general unsecured obligations that rank pari passu with all outstanding and future unsecured unsubordinated indebtedness issued by the Company.

The February 2021 NPA contains certain representations and warranties, and various covenants and reporting requirements customary for senior unsecured notes issued in a private placement, including, without limitation, information reporting, maintenance of the Company’s status as a BDC within the meaning of the 1940 Act, and certain restrictions with respect to transactions with affiliates, fundamental changes, changes of line of business, permitted liens, investments and restricted payments. In addition, the February 2021 NPA contains the following financial covenants: (a) maintaining a minimum obligors’ net worth, measured as of each fiscal quarter end; (b) not permitting the Company’s asset coverage ratio, as of the date of the incurrence of any debt for borrowed money or the making of any cash dividend to shareholders, to be less than the statutory minimum then applicable to the Company under the 1940 Act; and (c) not permitting the Company’s net debt to equity ratio to exceed 2.0x, measured as of each fiscal quarter end.

The February 2021 NPA also contains customary events of default with customary cure and notice periods, including, without limitation, nonpayment, incorrect representation in any material respect, breach of covenant, cross-default under other indebtedness or that of the Company’s subsidiary guarantors, certain judgments and orders, and certain events of bankruptcy. Upon the occurrence of certain events of default, the holders of at least 66-2/3% in principal amount of the February Notes at the time outstanding may declare all February Notes then outstanding to be immediately due and payable. As of September 30, 2022, the Company was in compliance with all covenants under the February 2021 NPA.

The February Notes were offered in reliance on Section 4(a)(2) of the Securities Act. The February Notes have not and will not be registered under the Securities Act or any state securities laws and, unless so registered, may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, as applicable.

As of September 30, 2022 and December 31, 2021, the fair value of the outstanding Series D Notes were \$9.2 million and \$79.2 million, respectively. As of September 30, 2022 and December 31, 2021, the fair value of the outstanding Series E Notes was \$56.9 million and \$68.7 million, respectively. The fair value determinations of the Series D Notes and Series E Notes were based on a market yield approach and current interest rates, which are Level 3 inputs to the market yield model.

November 2026 Notes

On November 23, 2021, the Company and U.S. Bank National Association (the “Trustee”) entered into an Indenture (the “Base Indenture”) and a Supplemental Indenture (the “First Supplemental Indenture” and, together with the Base Indenture, the “Indenture”). The First Supplemental Indenture relates to the Company’s issuance of \$350.0 million aggregate principal amount of its 3.300% notes due 2026 (the “November 2026 Notes”).

The November 2026 Notes will mature on November 23, 2026 and may be redeemed in whole or in part at the Company’s option at any time or from time to time at the redemption prices set forth in the Indenture. The November 2026 Notes bear interest at a rate of 3.300% per year payable semi-annually on May 23 and November 23 of each year, commencing on May 23, 2022. The November 2026 Notes are general unsecured obligations of the Company that rank senior in right of payment to all of the Company’s existing and future indebtedness that is expressly subordinated in right of payment to the November 2026 Notes, rank pari passu with all existing and future unsecured unsubordinated indebtedness issued by the Company, rank effectively junior to any of the Company’s secured indebtedness (including unsecured indebtedness that the Company later secures) to the extent of the value of the assets securing such indebtedness, and rank structurally junior to all existing and future indebtedness (including trade payables) incurred by the Company’s subsidiaries, financing vehicles or similar facilities.

The Indenture contains certain covenants, including covenants requiring the Company to comply with the asset coverage requirements of Section 18(a)(1)(A) as modified by Section 61(a)(1) and (2) of the 1940 Act, whether or not it is subject to those requirements, and to provide financial information to the holders of the November 2026 Notes and the Trustee if the Company is no longer subject to the reporting requirements under the Exchange Act. These covenants are subject to important limitations and exceptions that are described in the Indenture.

In addition, on the occurrence of a “change of control repurchase event,” as defined in the Indenture, the Company will generally be required to make an offer to purchase the outstanding November 2026 Notes at a price equal to 100% of the principal amount of such November 2026 Notes plus accrued and unpaid interest to the repurchase date.

As of September 30, 2022 and December 31, 2021, the fair value of the outstanding November 2026 Notes was \$84.9 million and \$346.8 million, respectively. The fair value determinations of the November 2026 Notes were based on a market yield approach and current interest rates, which are Level 3 inputs to the market yield model.

6. DERIVATIVE INSTRUMENTS

MVC Credit Support Agreement

In connection with the MVC Acquisition, on December 23, 2020, promptly following the closing of the Company’s merger with MVC, the Company and the Adviser entered into the MVC Credit Support Agreement, pursuant to which the Adviser has agreed to provide credit support to the Company in the amount of up to \$23.0 million relating to the net cumulative realized and unrealized losses on the acquired MVC investment portfolio over a 10-year period. See “Note 2 – Agreements and Related Party Transactions” for additional information regarding the MVC Credit Support Agreement. Net unrealized appreciation or depreciation on the MVC Credit Support Agreement is included in “Net unrealized appreciation (depreciation) - credit support agreements” in the Company’s Unaudited Consolidated Statements of Operations.

The following tables present the fair value and aggregate unrealized depreciation of the MVC Credit Support Agreement as of September 30, 2022 and December 31, 2021:

As of September 30, 2022					
Description	Counter Party	Settlement Date	Notional Amount	Value	Unrealized Appreciation (Depreciation)
(\$ in thousands)					
MVC Credit Support Agreement	Barings LLC	01/01/31	\$ 23,000	\$ 9,280	\$ (4,320)
Total MVC Credit Support Agreement					\$ (4,320)
As of December 31, 2021					
Description	Counter Party	Settlement Date	Notional Amount	Value	Unrealized Appreciation (Depreciation)
(\$ in thousands)					
MVC Credit Support Agreement	Barings LLC	01/01/31	\$ 23,000	\$ 15,400	\$ 1,800
Total MVC Credit Support Agreement					\$ 1,800

Barings BDC, Inc.
Notes to Unaudited Consolidated Financial Statements — (Continued)

As of September 30, 2022 and December 31, 2021, the fair value of the MVC Credit Support Agreement was \$9.3 million and \$15.4 million, respectively, and is included in "Credit support agreements" in the accompanying Unaudited and Audited Consolidated Balance Sheets. As of September 30, 2022, the fair value of the MVC Credit Support Agreement was determined based on an income approach, with the primary input being the discount rate which is a Level 3 input. As of December 31, 2021, the fair value of the MVC Credit Support Agreement was determined based on an income approach, with the primary inputs being the enterprise value, the continuously annual risk-free interest rate, a measure of expected asset volatility, expected time until an exit event for each portfolio company in the MVC Reference Portfolio, which are all Level 3 inputs.

Sierra Credit Support Agreement

In connection with the Sierra Acquisition, on February 25, 2022, promptly following the closing of the Company's merger with Sierra, the Company and the Adviser entered into the Sierra Credit Support Agreement, pursuant to which the Adviser has agreed to provide credit support to the Company in the amount of up to \$100.0 million relating to the net cumulative realized and unrealized losses on the acquired Sierra investment portfolio over a 10-year period. See "Note 2 – Agreements and Related Party Transactions" for additional information regarding the Sierra Credit Support Agreement. Net unrealized appreciation or depreciation on the Sierra Credit Support Agreement is included in "Net unrealized appreciation (depreciation) - credit support agreements" in the Company's Unaudited Consolidated Statements of Operations.

The following table presents the fair value and aggregate unrealized depreciation of the Sierra Credit Support Agreement as of September 30, 2022:

As of September 30, 2022 Description (\$ in thousands)	Counter Party	Settlement Date	Notional Amount	Value	Unrealized Appreciation (Depreciation)
Sierra Credit Support Agreement	Barings LLC	04/01/32	\$ 100,000	\$ 40,200	\$ (4,200)
Total Sierra Credit Support Agreement					\$ (4,200)

As of September 30, 2022, the fair value of the Sierra Credit Support Agreement was \$9.2 million, and is included in "Credit support agreements" in the accompanying Unaudited Consolidated Balance Sheet. The fair value of the Sierra Credit Support Agreement was determined based on an income approach, with the primary inputs being the enterprise value, the continuously annual risk-free interest rate, a measure of expected asset volatility, and the expected time until an exit event for each portfolio company in the Sierra Reference Portfolio, which are all Level 3 inputs.

Foreign Currency Forward Contracts

The Company enters into forward currency contracts from time to time to primarily help mitigate the impact that an adverse change in foreign exchange rates would have on net interest income from the Company's investments and related borrowings denominated in foreign currencies. Forward currency contracts are considered undesignated derivative instruments.

Barings BDC, Inc.
Notes to Unaudited Consolidated Financial Statements — (Continued)

The following tables present the Company's foreign currency forward contracts as of September 30, 2022 and December 31, 2021:

As of September 30, 2022 Description (S in thousands)	Notional Amount to be Purchased	Notional Amount to be Sold	Maturity Date	Gross Amount of Recognized Assets (Liabilities)	Balance Sheet Location of Net Amounts
Foreign currency forward contract (AUD)	A\$71,257	\$46,216	10/06/22	\$ (401)	Derivative liability
Foreign currency forward contract (AUD)	\$49,343	A\$71,257	10/06/22	3,528	Derivative asset
Foreign currency forward contract (AUD)	\$46,250	A\$71,176	01/09/23	401	Derivative asset
Foreign currency forward contract (CAD)	C\$3,269	\$2,389	10/06/22	(10)	Derivative liability
Foreign currency forward contract (CAD)	\$2,543	C\$3,269	10/06/22	163	Derivative asset
Foreign currency forward contract (CAD)	\$2,415	C\$3,303	01/09/23	10	Derivative asset
Foreign currency forward contract (DKK)	2,237kr.	\$295	10/06/22	—	Derivative asset
Foreign currency forward contract (DKK)	\$8	59kr.	10/06/22	—	Derivative asset
Foreign currency forward contract (DKK)	\$310	2,178kr.	10/06/22	23	Derivative asset
Foreign currency forward contract (DKK)	\$300	2,260kr.	01/09/23	—	Derivative liability
Foreign currency forward contract (EUR)	€106,035	\$103,841	10/06/22	51	Derivative asset
Foreign currency forward contract (EUR)	\$97,043	€91,567	10/06/22	7,239	Derivative asset
Foreign currency forward contract (EUR)	\$10,597	€10,000	10/06/22	800	Derivative asset
Foreign currency forward contract (EUR)	\$4,435	€4,378	10/06/22	145	Derivative asset
Foreign currency forward contract (EUR)	\$106,563	€107,954	01/09/23	(40)	Derivative liability
Foreign currency forward contract (NZD)	NZ\$18,733	\$10,709	10/06/22	(113)	Derivative liability
Foreign currency forward contract (NZD)	\$162	NZ\$263	10/06/22	13	Derivative asset
Foreign currency forward contract (NZD)	\$11,510	NZ\$18,471	10/06/22	1,062	Derivative asset
Foreign currency forward contract (NZD)	\$10,767	NZ\$18,824	01/09/23	113	Derivative asset
Foreign currency forward contract (NOK)	kr2,147	\$221	10/06/22	(24)	Derivative liability
Foreign currency forward contract (NOK)	kr37,568	\$3,509	10/06/22	(61)	Derivative liability
Foreign currency forward contract (NOK)	\$3,815	kr37,350	10/06/22	387	Derivative asset
Foreign currency forward contract (NOK)	\$244	kr2,364	10/06/22	27	Derivative asset
Foreign currency forward contract (NOK)	\$3,538	kr37,773	01/09/23	63	Derivative asset
Foreign currency forward contract (GBP)	£21,831	\$24,167	10/06/22	204	Derivative asset
Foreign currency forward contract (GBP)	\$6,201	£5,500	10/06/22	61	Derivative asset
Foreign currency forward contract (GBP)	\$19,693	£16,331	10/06/22	1,461	Derivative asset
Foreign currency forward contract (GBP)	\$25,438	£22,951	01/09/23	(216)	Derivative liability
Foreign currency forward contract (SEK)	2,026kr	\$181	10/06/22	1	Derivative asset
Foreign currency forward contract (SEK)	\$201	2,026kr	10/06/22	18	Derivative asset
Foreign currency forward contract (SEK)	\$197	2,182kr	01/09/23	(1)	Derivative liability
Foreign currency forward contract (CHF)	600Fr.	\$612	10/03/22	(2)	Derivative liability
Foreign currency forward contract (CHF)	\$3,163	3,231Fr.	10/06/22	(18)	Derivative liability
Foreign currency forward contract (CHF)	\$3,329	3,163Fr.	10/06/22	115	Derivative asset
Foreign currency forward contract (CHF)	\$618	600Fr.	01/09/23	2	Derivative asset
Foreign currency forward contract (CHF)	\$3,305	3,203Fr.	01/09/23	18	Derivative asset
Total				<u>\$ 15,019</u>	

Barings BDC, Inc.
Notes to Unaudited Consolidated Financial Statements — (Continued)

As of December 31, 2021 Description (\$ in thousands)	Notional Amount to be Purchased	Notional Amount to be Sold	Maturity Date	Gross Amount of Recognized Assets (Liabilities)	Balance Sheet Location of Net Amounts
Foreign currency forward contract (AUD)	A\$31,601	\$22,850	01/06/22	\$ 126	Derivative asset
Foreign currency forward contract (AUD)	A\$2,099	\$1,508	01/06/22	18	Derivative asset
Foreign currency forward contract (AUD)	\$20,727	A\$28,700	01/06/22	(139)	Derivative liability
Foreign currency forward contract (AUD)	\$3,580	A\$5,000	04/08/22	(55)	Derivative liability
Foreign currency forward contract (AUD)	\$18,247	A\$25,386	04/08/22	(215)	Derivative liability
Foreign currency forward contract (CAD)	\$3,230	\$2,528	01/06/22	29	Derivative asset
Foreign currency forward contract (CAD)	\$3,000	\$2,425	01/06/22	(50)	Derivative liability
Foreign currency forward contract (CAD)	\$4,881	\$6,230	01/06/22	(51)	Derivative liability
Foreign currency forward contract (CAD)	\$2,506	\$3,203	04/08/22	(29)	Derivative liability
Foreign currency forward contract (DKK)	2,143kr.	\$326	01/06/22	1	Derivative asset
Foreign currency forward contract (DKK)	\$335	2,143kr.	01/06/22	7	Derivative asset
Foreign currency forward contract (DKK)	\$323	2,116kr.	04/08/22	(1)	Derivative liability
Foreign currency forward contract (EUR)	€52,583	\$59,524	01/06/22	275	Derivative asset
Foreign currency forward contract (EUR)	€5,020	\$5,701	04/08/22	18	Derivative asset
Foreign currency forward contract (EUR)	\$24,722	€21,500	01/06/22	271	Derivative asset
Foreign currency forward contract (EUR)	\$14,563	€12,900	01/06/22	(108)	Derivative liability
Foreign currency forward contract (EUR)	\$20,655	€18,183	01/06/22	(23)	Derivative liability
Foreign currency forward contract (EUR)	\$60,413	€53,265	04/08/22	(282)	Derivative liability
Foreign currency forward contract (EUR)	\$1,130	€1,000	04/08/22	(10)	Derivative liability
Foreign currency forward contract (EUR)	\$8,514	€7,500	04/08/22	(33)	Derivative liability
Foreign currency forward contract (GBP)	£9,900	\$13,220	01/06/22	190	Derivative asset
Foreign currency forward contract (GBP)	\$13,349	£9,900	01/06/22	(60)	Derivative liability
Foreign currency forward contract (GBP)	\$6,122	£4,599	04/08/22	(104)	Derivative liability
Foreign currency forward contract (SEK)	1,792kr	\$198	01/07/22	—	Derivative liability
Foreign currency forward contract (SEK)	\$204	1,792kr	01/07/22	6	Derivative asset
Foreign currency forward contract (SEK)	\$207	1,875kr	04/08/22	—	Derivative asset
Total				<u>\$ (219)</u>	

As of September 30, 2022 and December 31, 2021, the total fair value of the Company's foreign currency forward contracts was \$5.0 million and \$(0.2) million, respectively. The fair values of the Company's foreign currency forward contracts are based on unadjusted prices from independent pricing services and independent indicative broker quotes, which are Level 2 inputs.

Net realized gains or losses on forward currency contracts are included in "Net realized gains (losses) - foreign currency transactions" in the Company's Unaudited Consolidated Statements of Operations. Net realized gains or losses on forward contracts recognized by the Company for the three and nine months ended September 30, 2022 and 2021 are shown in the following table:

(\$ in thousands)	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
Forward currency contracts	<u>\$ 10,466</u>	<u>\$ (676)</u>	<u>\$ 10,468</u>	<u>\$ (826)</u>

Net unrealized appreciation or depreciation on forward contracts are included in "Net unrealized appreciation (depreciation) - foreign currency transactions" in the Company's Unaudited Consolidated Statements of Operations. Net unrealized appreciation or depreciation on forward contracts recognized by the Company for the three and nine months ended September 30, 2022 and 2021 are shown in the following table:

(\$ in thousands)	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
Forward currency contracts	<u>\$ 3,454</u>	<u>\$ 1,057</u>	<u>\$ 15,238</u>	<u>\$ 930</u>

7. COMMITMENTS AND CONTINGENCIES

In the normal course of business, the Company is party to financial instruments with off-balance sheet risk, consisting primarily of unused commitments to extend financing to the Company's portfolio companies. Since commitments may expire without being drawn upon, the total commitment amount does not necessarily represent future cash requirements. As of September 30, 2022, the Company believed that it had adequate financial resources to satisfy its unfunded commitments. The balances of unused commitments to extend financing as of September 30, 2022 and December 31, 2021 were as follows:

Portfolio Company (\$ in thousands)	Investment Type	September 30, 2022	December 31, 2021
1888 Industrial Services, LLC(1)(2)	Revolver	\$ 75	\$ —
Acclime Holdings HK Limited(1)(2)	Delayed Draw Term Loan	—	1,179
Acclime Holdings HK Limited(1)(2)	Delayed Draw Term Loan	—	110
Accurus Aerospace Corporation(1)	Revolver	2,305	—
Air Comm Corporation, LLC(1)	Delayed Draw Term Loan	—	11
Air Comm Corporation, LLC(1)	Delayed Draw Term Loan	—	1,448
Amtech LLC(1)	Delayed Draw Term Loan	1,527	2,727
Amtech LLC(1)	Revolver	545	682
AnalytiChem Holding GmbH(1)(2)(3)	Incremental Term Loan	859	6,207
AnalytiChem Holding GmbH(1)(2)(3)	Bridge Revolver	336	—
APC1 Holding(1)(2)(3)	Delayed Draw Term Loan	490	—
Aquavista Watersides 2 LTD(1)(2)(4)	Bridge Revolver	—	503
Aquavista Watersides 2 LTD(1)(2)(4)	Capex / Acquisition Facility	2,593	3,147
Arc Education(1)(2)(3)	Delayed Draw Term Loan	1,744	—
Argus Bidco Limited(1)(2)(4)	CAF Term Loan	733	—
Argus Bidco Limited(1)(2)(4)	Bridge Term Loan	156	—
ASC Communications, LLC	Revolver	1,089	—
Astra Bidco Limited(1)(2)(4)	Delayed Draw Term Loan	813	2,571
Avance Clinical Bidco Pty Ltd(1)(2)(5)	Delayed Draw Term Loan	1,228	3,497
Azalea Buyer, Inc.(1)(2)	Delayed Draw Term Loan	961	962
Azalea Buyer, Inc.(1)(2)	Revolver	481	481
Bariacum S.A(1)(2)(3)	Acquisition Facility	1,861	2,161
Beyond Risk Management, Inc.(1)(2)	Delayed Draw Term Loan	2,423	2,573
BigHand UK Bidco Limited(1)(2)(4)	Acquisition Facility	—	378
Black Angus Steakhouses, LLC(1)	Delayed Draw Term Loan	417	—
Bounteous, Inc.(1)	Delayed Draw Term Loan	2,840	2,840
Brightpay Limited(1)(2)(3)	Delayed Draw Term Loan	185	432
Brightpay Limited(1)(2)(3)	Delayed Draw Term Loan	124	144
BrightSign LLC(1)	Revolver	1,329	1,329
British Engineering Services Holdco Limited(1)(2)(4)	Bridge Revolver	—	613
CAi Software, LLC(1)(2)	Revolver	943	943
Canadian Orthodontic Partners Corp.(1)(2)(6)	Delayed Draw Term Loan	109	167
Centralis Finco S.a.r.l.(1)(2)(3)	Incremental CAF Term Loan	944	461
Ceres Pharma NV(1)(2)(3)	Delayed Draw Term Loan	1,851	2,149
CGI Parent, LLC(1)	Revolver	1,653	—
Classic Collision (Summit Buyer, LLC)(1)(2)	Delayed Draw Term Loan	141	393
Coastal Marina Holdings, LLC(1)(2)	PIK Tranche B Term Loan	1,311	1,311
Coastal Marina Holdings, LLC(1)(2)	Tranche A Term Loan	3,576	3,576
Command Alkon (Project Potter Buyer, LLC)(1)	Delayed Draw Term Loan	—	6,018
Comply365, LLC(1)	Revolver	1,101	—
Coyo Uprising GmbH(1)(2)(3)	Delayed Draw Term Loan	770	894

Barings BDC, Inc.
Notes to Unaudited Consolidated Financial Statements — (Continued)

Portfolio Company (\$ in thousands)	Investment Type	September 30, 2022	December 31, 2021
Crash Champions, LLC(1)	Delayed Draw Term Loan	—	5,420
CSL Dualcom(1)(2)(4)	Acquisition Term Loan	822	998
Dart Buyer, Inc.(1)	Delayed Draw Term Loan	—	2,431
DecksDirect, LLC(1)(2)	Revolver	218	218
DreamStart Bidco SAS (d/b/a SmartTrade)(1)(2)(3)	Acquisition Facility	531	617
Dune Group(1)(2)(3)	Delayed Draw Term Loan	573	665
Dwyer Instruments, Inc.(1)(2)	Delayed Draw Term Loan	5,164	692
Eclipse Business Capital, LLC(1)	Revolver	16,545	11,818
EMI Porta Holdco LLC(1)(2)	Delayed Draw Term Loan	9,907	12,458
EMI Porta Holdco LLC(1)(2)	Revolver	2,064	2,966
EPS NASS Parent, Inc.(1)	Delayed Draw Term Loan	257	583
eShipping, LLC(1)	Delayed Draw Term Loan	1,650	2,548
eShipping, LLC(1)	Revolver	1,486	1,232
Events Software BidCo Pty Ltd(1)(2)	Delayed Draw Term Loan	640	—
Express Wash Acquisition Company, LLC(1)(2)	Delayed Draw Term Loan	587	—
F24 (Stairway BidCo GmbH)(1)(2)(3)	Acquisition Term Loan	226	405
Fineline Technologies, Inc.(1)	Delayed Draw Term Loan	180	180
Footco 40 Limited(1)(2)(4)	Delayed Draw Term Loan	711	—
FragilePak LLC(1)	Delayed Draw Term Loan	2,354	2,354
Global Academic Group Limited(1)(2)(7)	Term Loan	403	—
GPZN II GmbH(1)(2)(3)	CAF Term Loan	514	—
Greenhill II BV(1)(2)(3)	Capex Acquisition Facility	234	—
HeartHealth Bidco Pty Ltd(1)(2)(5)	Delayed Draw Term Loan	297	—
Heartland Veterinary Partners, LLC(1)	Delayed Draw Term Loan	267	657
Heavy Construction Systems Specialists, LLC(1)	Revolver	2,632	2,632
HTI Technology & Industries(1)(2)	Delayed Draw Term Loan	2,045	—
HTI Technology & Industries(1)(2)	Revolver	1,364	—
HW Holdco, LLC (Hanley Wood LLC)(1)(2)	Delayed Draw Term Loan	913	1,563
IGL Holdings III Corp.(1)	Delayed Draw Term Loan	—	1,217
Innovad Group II BV(1)(2)(3)	Delayed Draw Term Loan	1,158	1,825
INOS 19-090 GmbH(1)(2)(3)	Acquisition Facility	2,184	2,535
Interstellar Group B.V.(1)(2)(3)	Delayed Draw Term Loan	1,203	—
Interstellar Group B.V.(1)(2)(3)	Delayed Draw Term Loan	109	—
ITI Intermodal, Inc.(1)(2)	Delayed Draw Term Loan	103	103
ITI Intermodal, Inc.(1)(2)	Revolver	118	124
Jaguar Merger Sub Inc.(1)(2)	Delayed Draw Term Loan	3,763	1,961
Jaguar Merger Sub Inc.(1)(2)	Revolver	490	490
Jocassee Partners LLC	Joint Venture	65,000	20,000
Jon Bidco Limited(1)(2)(7)	Capex & Acquisition Facility	1,289	—
Jones Fish Hatcheries & Distributors LLC(1)	Revolver	418	—
Kano Laboratories LLC(1)(2)	Delayed Draw Term Loan	153	153
Kano Laboratories LLC(1)(2)	Delayed Draw Term Loan	2,830	4,544
Kemmerer Operations LLC(1)(2)	Delayed Draw Term Loan	908	—
LAF International(1)(3)	Acquisition Facility	—	341
Lambir Bidco Limited(1)(2)(3)	Bridge Revolver	—	941
Lambir Bidco Limited(1)(2)(3)	Delayed Draw Term Loan	1,621	1,881
Lattice Group Holdings Bidco Limited(1)	Delayed Draw Term Loan	298	—

Barings BDC, Inc.
Notes to Unaudited Consolidated Financial Statements — (Continued)

Portfolio Company (\$ in thousands)	Investment Type	September 30, 2022	December 31, 2021
LeadsOnline, LLC(1)	Revolver	2,603	—
Lifestyle Intermediate II, LLC(1)(2)	Revolver	2,500	—
LivTech Purchaser, Inc.(1)	Delayed Draw Term Loan	34	82
Marmoutier Holding B.V.(1)(2)(3)	Delayed Draw Term Loan	22	405
Marmoutier Holding B.V.(1)(2)(3)	Revolver	140	162
Marshall Excelsior Co.(1)(2)	Revolver	413	—
MC Group Ventures Corporation(1)(2)	Delayed Draw Term Loan	817	817
Mercell Holding AS(1)(2)(8)	Bridge Term Loan	255	—
Mercell Holding AS(1)(2)(8)	Capex Acquisition Facility	850	—
Modern Star Holdings Bidco Pty Limited(1)(2)(5)	Capex Term Loan	918	1,038
Murphy Midco Limited(1)(2)(4)	Delayed Draw Term Loan	549	2,617
Narda Acquisitionco., Inc.(1)(2)	Revolver	1,245	1,311
Navia Benefit Solutions, Inc.(1)	Delayed Draw Term Loan	—	1,261
Nexus Underwriting Management Limited(1)(2)(4)	Revolver	—	103
Nexus Underwriting Management Limited(1)(2)(4)	Acquisition Facility	411	541
Novotech Aus Bidco Pty Ltd(1)(2)	Capex & Acquisition Facility	808	—
NPM Investments 28 BV(1)(3)	Delayed Draw Term Loan	425	—
OA Buyer, Inc.(1)	Revolver	1,331	1,331
OAC Holdings I Corp(1)	Revolver	802	—
OG III B.V.(1)(2)(3)	Acquisition CapEx Facility	—	686
Omni Intermediate Holdings, LLC(1)(2)	Delayed Draw Term Loan	—	817
Omni Intermediate Holdings, LLC(1)(2)	Delayed Draw Term Loan	2,289	4,357
OSP Hamilton Purchaser, LLC(1)	Revolver	187	187
Pacific Health Supplies Bidco Pty Limited(1)(5)	CapEx Term Loan	—	1,283
PDQ.Com Corporation(1)	Delayed Draw Term Loan	—	289
PDQ.Com Corporation(1)	Delayed Draw Term Loan	7,753	10,948
Perimeter Master Note Business Trust(1)(2)	Series 2022-One Class A	73	—
Perimeter Master Note Business Trust(1)(2)	Series 2022-One Class B	73	—
Perimeter Master Note Business Trust(1)(2)	Series 2022-One Class C	73	—
Perimeter Master Note Business Trust(1)(2)	Series 2022-One Class D	73	—
Perimeter Master Note Business Trust(1)(2)	Series 2022-One Class E	3,709	—
Polara Enterprises, L.L.C.(1)(2)	Revolver	545	545
Policy Services Company, LLC(1)(2)	Delayed Draw Term Loan	—	6,944
Premium Invest(1)(2)(3)	Delayed Draw Term Loan	2,645	1,933
ProfitOptics, LLC(1)(2)	Revolver	484	—
Protego Bidco B.V.(1)(2)(3)	Delayed Draw Term Loan	727	844
PSP Intermediate 4, LLC(1)(2)(3)	Delayed Draw Term Loan	667	—
QPE7 SPV1 BidCo Pty Ltd(1)(2)(5)	Acquisition Term Loan	—	373
RA Outdoors, LLC(1)(2)	Revolver	1,235	—
Rep Seko Merger Sub LLC(1)(2)	Delayed Draw Term Loan	929	1,455
Reward Gateway (UK) Ltd(1)(2)(4)	Acquisition Facility	557	1,061
Riedel Beheer B.V.(1)(2)(3)	Revolver	—	230
Riedel Beheer B.V.(1)(2)(3)	Delayed Draw Term Loan	—	153
Royal Buyer, LLC(1)(2)	Revolver	1,340	—
Royal Buyer, LLC(1)(2)	Delayed Draw Term Loan	2,209	—
RTIC Subsidiary Holdings, LLC(1)(2)	Revolver	1,032	—
Sanoptis S.A.R.L.(1)(2)(3)	Acquisition Capex Facility	2,126	—

Barings BDC, Inc.
Notes to Unaudited Consolidated Financial Statements — (Continued)

Portfolio Company (\$ in thousands)	Investment Type	September 30, 2022	December 31, 2021
Scaled Agile, Inc.(1)	Delayed Draw Term Loan	416	416
Scaled Agile, Inc.(1)	Revolver	336	336
Scout Bidco B.V.(1)(2)(3)	Delayed Draw Term Loan	2,083	—
Scout Bidco B.V.(1)(2)(3)	Revolver	945	—
Security Holdings B.V.(1)(2)(3)	Delayed Draw Term Loan	1,959	2,274
Security Holdings B.V.(1)(2)(3)	Revolver	980	1,137
Sereni Capital NV(1)(2)(3)	Term Loan	220	—
Smartling, Inc.(1)	Delayed Draw Term Loan	1,978	2,353
Smartling, Inc.(1)	Revolver	1,176	1,176
Smile Brands Group, Inc.(1)(2)	Delayed Draw Term Loan	38	655
Springbrook Software (SBRK Intermediate, Inc.)(1)(2)	Delayed Draw Term Loan	—	2,373
SSCP Pegasus Midco Limited(1)(2)(4)	Delayed Draw Term Loan	4,328	5,251
Superjet Buyer, LLC(1)	Revolver	1,825	1,825
Syntax Systems Ltd(1)(2)	Delayed Draw Term Loan	1,933	1,933
Syntax Systems Ltd(1)(2)	Revolver	337	569
Tank Holding Corp(1)	Revolver	873	—
Techone B.V.(1)(2)(3)	Delayed Draw Term Loan	—	1,621
Techone B.V.(1)(2)(3)	Revolver	205	432
Tencarva Machinery Company, LLC(1)	Delayed Draw Term Loan	—	886
Tencarva Machinery Company, LLC(1)	Revolver	1,129	1,129
The Caprock Group, Inc. (aka TA/TCG Holdings, LLC)(1)	Delayed Draw Term Loan	2,811	2,811
The Caprock Group, Inc. (aka TA/TCG Holdings, LLC)(1)	Revolver	827	827
The Cleaver-Brooks Company, Inc.(1)(2)	Revolver	2,583	—
The Hilb Group, LLC(1)(2)	Delayed Draw Term Loan	2,204	2,773
TPC Group, Inc.(1)(2)	Revolver	34,322	—
Transit Technologies LLC(1)(2)	Delayed Draw Term Loan	—	1,857
Truck-Lite Co., LLC(1)(2)	Delayed Draw Term Loan	—	4,540
Turbo Buyer, Inc.(1)(2)	Delayed Draw Term Loan	2,130	2,070
Union Bidco Limited(1)(2)(4)	Acquisition Facility	89	—
United Therapy Holding III GmbH(1)(2)(3)	Acquisition Facility	1,488	—
USLS Acquisition, Inc.(f/k/a US Legal Support, Inc.)(1)(2)	Delayed Draw Term Loan	3,629	—
W2O Holdings, Inc.(1)(2)	Delayed Draw Term Loan	2,622	3,832
Waccamaw River(2)	Joint Venture	2,480	11,280
Woodland Foods, Inc.(1)(2)	Line of Credit	792	2,070
Xeinadin Bidco Limited(1)(2)(4)	CAF Term Loan	2,886	—
ZB Holdco LLC(1)	Delayed Draw Term Loan	1,352	—
ZB Holdco LLC(1)	Revolver	845	—
Zeppelin Bidco Limited(1)(2)(4)	Capex / Acquisition Facility	2,335	—
Zeppelin Bidco Limited(1)(2)(4)	Revolver	491	—
Total unused commitments to extend financing		\$ 299,238	\$ 234,658

- (1) The Adviser's estimate of the fair value of the current investments in these portfolio companies includes an analysis of the fair value of any unfunded commitments.
(2) Represents a commitment to extend financing to a portfolio company where one or more of the Company's current investments in the portfolio company are carried at less than cost.
(3) Actual commitment amount is denominated in Euros. Commitment was translated into U.S. dollars based on the spot rate at the relevant balance sheet date.
(4) Actual commitment amount is denominated in British pounds sterling. Commitment was translated into U.S. dollars based on the spot rate at the relevant balance sheet date.

Barings BDC, Inc.
Notes to Unaudited Consolidated Financial Statements — (Continued)

- (5) Actual commitment amount is denominated in Australian dollars. Commitment was translated into U.S. dollars based on the spot rate at the relevant balance sheet date.
- (6) Actual commitment amount is denominated in Canadian dollars. Commitment was translated into U.S. dollars based on the spot rate at the relevant balance sheet date.
- (7) Actual commitment amount is denominated in New Zealand dollars. Commitment was translated into U.S. dollars based on the spot rate at the relevant balance sheet date.
- (8) Actual commitment amount is denominated in Norwegian Kroner. Commitment was translated into U.S. dollars based on the spot rate at the relevant balance sheet date.

In the normal course of business, the Company guarantees certain obligations in connection with its portfolio companies (in particular, certain controlled portfolio companies). Under these guarantee arrangements, payments may be required to be made to third parties if such guarantees are called upon or if the portfolio companies were to default on their related obligations, as applicable. As of September 30, 2022 and December 31, 2021, the Company had guaranteed €9.9 million (\$9.7 million U.S. dollars and \$11.3 million U.S. dollars, respectively) relating to credit facilities among Erste Bank and MVC Automotive Group GmbH ("MVC Auto"). The Company would be required to make payments to Erste Bank if MVC Auto were to default on their related payment obligations. None of the credit facility guarantees are recorded as a liability on the Company's Unaudited and Audited Consolidated Balance Sheets, as such the credit facility liabilities are considered in the valuation of the investments in MVC Auto. The guarantees denominated in foreign currencies were translated into U.S. dollars based on the spot rate at the relevant balance sheet date.

Neither the Company, the Adviser, nor the Company's subsidiaries are currently subject to any material pending legal proceedings, other than ordinary routine litigation incidental to their respective businesses. The Company, the Adviser, and the Company's subsidiaries may from time to time, however, be involved in litigation arising out of operations in the normal course of business or otherwise, including in connection with strategic transactions. Furthermore, third parties may seek to impose liability on the Company in connection with the activities of its portfolio companies. While the outcome of any current legal proceedings cannot at this time be predicted with certainty, the Company does not expect any current matters will materially affect its financial condition or results of operations; however, there can be no assurance whether any pending legal proceedings will have a material adverse effect on the Company's financial condition or results of operations in any future reporting period.

8. FINANCIAL HIGHLIGHTS

The following is a schedule of financial highlights for the nine months ended September 30, 2022 and 2021:

(\$ in thousands, except share and per share amounts)	Nine Months Ended September 30,	
	2022	2021
Per share data:		
Net asset value at beginning of period	\$ 11.36	\$ 10.99
Net investment income(1)	0.78	0.67
Net realized gain (loss) on investments / foreign currency transactions(1)	(0.02)	(0.02)
Net unrealized appreciation (depreciation) on investments / CSAs / foreign currency transactions(1)	(0.67)	0.36
Total increase (decrease) from investment operations(1)	0.09	1.01
Dividends/distributions paid to stockholders from net investment income	(0.71)	(0.60)
Sierra Acquisition (See Note 9)(2)	0.10	—
Deemed contribution - CSA (See Note 9)	0.40	—
Purchases of shares in share repurchase plan	0.04	—
Net asset value at end of period	\$ 11.28	\$ 11.40
Market value at end of period(3)	\$ 8.27	\$ 11.02
Shares outstanding at end of period	108,882,105	65,316,085
Net assets at end of period	\$ 1,228,061	\$ 744,822
Average net assets	\$ 1,167,772	\$ 737,203
Ratio of total expenses, including loss on extinguishment of debt and provision for taxes, to average net assets (annualized)(4)	8.98 %	10.01 %
Ratio of net investment income to average net assets (annualized)	8.99 %	7.98 %
Portfolio turnover ratio (annualized)(5)	38.41 %	46.17 %
Total return(6)	(19.45)%	26.83 %

- (1) Weighted average per share data—basic and diluted; per share data was derived by using the weighted average shares outstanding during the applicable period.
- (2) Includes the impact of share issuance and deemed contribution from Barings LLC associated with the Sierra Acquisition
- (3) Represents the closing price of the Company's common stock on the last day of the period.
- (4) Does not include expenses of underlying investment companies, including joint ventures and short-term investments.
- (5) Portfolio turnover ratio as of September 30, 2022 and 2021 excludes the impact of short-term investments. Portfolio turnover ratio as of September 30, 2022 excludes the purchase of investment assets included in the Sierra Acquisition.
- (6) Total return is based on purchase of stock at the current market price on the first day and a sale at the current market price on the last day of each period reported on the table and assumes reinvestment of dividends at prices obtained by the Company's dividend reinvestment plan during the period. Total return is not annualized.

9. SIERRA ACQUISITION

On February 25, 2022, the Company completed the Sierra Acquisition pursuant to the terms and conditions of that certain Agreement and Plan of Merger (the "Sierra Merger Agreement"), dated as of September 21, 2021, by and among the Company, Mercury Acquisition Sub, Inc., a Maryland corporation and a direct wholly owned subsidiary of the Company ("Sierra Acquisition Sub"), Sierra Income Corporation, a Maryland corporation ("Sierra"), and Barings. To effect the acquisition, Sierra Acquisition Sub merged with and into Sierra, with Sierra surviving the merger as the Company's wholly owned subsidiary (the "First Sierra Merger"). Immediately thereafter, Sierra merged with and into the Company, with the Company as the surviving company (the "Second Sierra Merger" and, together with the First Sierra Merger, the "Sierra Merger"). The Merger has been treated as a "reorganization" within the meaning of Section 368(a)(1)(A) of the Code.

Pursuant to the Sierra Merger Agreement, Sierra stockholders received the right to the following merger consideration in exchange for each share of Sierra common stock issued and outstanding immediately prior to the effective time of the First Sierra Merger (excluding any shares cancelled pursuant to the Sierra Merger Agreement): (i) approximately \$0.9783641 per share in cash, without interest, from Barings and (ii) 0.44973 of a validly issued, fully paid and non-assessable share of the Company's common stock. The Company issued approximately 45,986,926 shares of its common stock to Sierra's former stockholders in connection with the Sierra Merger, thereby resulting in the Company's then-existing stockholders owning approximately 58.7% of the combined company and Sierra's former stockholders owning approximately 41.3% of the combined company.

Barings BDC, Inc.
Notes to Unaudited Consolidated Financial Statements — (Continued)

In connection with the completion of the Company's acquisition of Sierra, the Board affirmed the Company's commitment to make open-market purchases of shares of its common stock in an aggregate amount of up to \$30.0 million at then-current market prices at any time shares trade below 90% of the Company's then most recently disclosed NAV per share. Any repurchases pursuant to the authorized program will occur during the 12-month period commencing on April 1, 2022 and are expected to be made in accordance with a Rule 10b5-1 purchase plan that qualifies for the safe harbors provided by Rules 10b5-1 and 10b-18 under the Exchange Act, as well as subject to compliance with the Company's covenant and regulatory requirements.

In connection with the Sierra Acquisition, on February 25, 2022, the Company entered into the New Barings BDC Advisory Agreement with the Adviser. Promptly following the closing of the Sierra Merger, the Company also entered into the Sierra Credit Support Agreement with Barings. See "Note 2 - Agreements and Related Party Transactions" for more information regarding the New Barings BDC Advisory Agreement and the Sierra Credit Support Agreement.

The Sierra Acquisition was accounted for in accordance with the asset acquisition method of accounting as detailed in ASC 805-50 *Business Combinations-Related Issues*. Under asset acquisition accounting, acquiring assets in groups not only requires ascertaining the cost of the asset (or net assets), but also allocating that cost to the individual assets (or individual assets and liabilities) that make up the group. Per ASC 805-50-30-1, the acquired assets (as a group) are recognized based on their cost to the acquiring entity, which generally includes transaction costs of the asset acquisition, and no gain or loss is recognized unless the fair value of noncash assets given as consideration differs from the assets carrying amounts on the acquiring entity's records. ASC 805-50-30-2 goes on to say asset acquisitions in which the consideration given is cash are measured by the amount of cash paid. However, if the consideration given is not in the form of cash (that is, in the form of noncash assets, liabilities incurred, or equity interests issued), measurement is based on the cost to the acquiring entity or the fair value of the assets (or net assets) acquired, whichever is more clearly evident and, thus, more reliably measured.

The fair value of the merger consideration paid by the Company was allocated to the assets acquired and liabilities assumed based on their relative fair values as of the date of acquisition and did not give rise to goodwill. Since the fair value of the net assets acquired exceeded the fair value of the merger consideration paid by the Company, the Company recognized a deemed contribution from the Adviser.

The following table summarizes the allocation of the purchase price to the assets acquired and liabilities assumed as a result of the Sierra Acquisition:

(\$ in thousands)	
Common stock issued by the Company	\$ 499,418
Cash consideration paid by the Company ⁽¹⁾	10,670
Deemed contribution from Barings LLC	27,729
Total purchase price	\$ 537,817
Assets acquired:	
Investments ⁽²⁾	\$ 442,198
Cash	102,006
Other assets ⁽³⁾	3,519
Total assets acquired	\$ 547,723
Liabilities assumed⁽⁴⁾	(9,906)
Net assets acquired	\$ 537,817

- (1) The Company incurred \$10.6 million in professional fees and other costs related to the Sierra Acquisition, including \$4.0 million in investment banking fees.
(2) Investments acquired were recorded at fair value, which is also the Company's initial cost basis
(3) Other assets acquired in the Sierra Acquisition consisted of the following:

(\$ in thousands)	
Interest and fees receivable	\$ 2,874
Escrow receivable	645
Total	\$ 3,519

Barings BDC, Inc.
Notes to Unaudited Consolidated Financial Statements — (Continued)

(4) Liabilities assumed in the Sierra Acquisition consisted of the following:

(\$ in thousands)		
Accrued merger expenses	\$	3,327
Current and deferred tax liability		3,814
Other liabilities		2,765
Total	\$	9,906

10. SUBSEQUENT EVENTS

Subsequent to September 30, 2022, the Company made approximately \$131.1 million of new commitments, of which \$103.0 million closed and funded. The \$103.0 million of investments consists of \$97.5 million of first lien senior secured debt investments and \$5.5 million of equity investments. The weighted average yield of the debt investments was 9.9%. In addition, the Company funded \$7.5 million of previously committed delayed draw term loans.

Subsequent to September 30, 2022, the Company placed its debt investment in Core Scientific Inc. (“Core Scientific”) on non-accrual status effective with the monthly payment due October 31, 2022. As a result, under U.S. GAAP, the Company will no longer recognize interest income on its debt investment in Core Scientific for financial reporting purposes.

On November 10, 2022, the Board declared a quarterly distribution of \$0.24 per share payable on December 14, 2022 to holders of record as of December 7, 2022.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion is designed to provide a better understanding of our unaudited consolidated financial statements for the three and nine months ended September 30, 2022, including a brief discussion of our business, key factors that impacted our performance and a summary of our operating results. The following discussion should be read in conjunction with the Unaudited Consolidated Financial Statements and the notes thereto included in Item 1 of this Quarterly Report on Form 10-Q, and the Consolidated Financial Statements and notes thereto and Management's Discussion and Analysis of Financial Condition and Results of Operations contained in our Annual Report on Form 10-K for the year ended December 31, 2021. Historical results and percentage relationships among any amounts in the financial statements are not necessarily indicative of trends in operating results for any future periods.

Forward-Looking Statements

Some of the statements in this Quarterly Report constitute forward-looking statements because they relate to future events or our future performance or financial condition. Forward-looking statements may include, among other things, statements as to our future operating results, our business prospects and the prospects of our portfolio companies, the impact of the investments that we expect to make, the ability of our portfolio companies to achieve their objectives, our expected financings and investments, the adequacy of our cash resources and working capital, and the timing of cash flows, if any, from the operations of our portfolio companies. Words such as "expect," "anticipate," "target," "goals," "project," "intend," "plan," "believe," "seek," "estimate," "continue," "forecast," "may," "should," "potential," variations of such words, and similar expressions indicate a forward-looking statement, although not all forward-looking statements include these words. Readers are cautioned that the forward-looking statements contained in this Quarterly Report are only predictions, are not guarantees of future performance, and are subject to risks, events, uncertainties and assumptions that are difficult to predict. Our actual results could differ materially from those implied or expressed in the forward-looking statements for any reason, including the items discussed herein, in Item 1A entitled "Risk Factors" in Part I of our Annual Report on Form 10-K for the year ended December 31, 2021 and in Item 1A entitled "Risk Factors" in Part II of our subsequently filed Quarterly Reports on Form 10-Q. Other factors that could cause our actual results and financial condition to differ materially include, but are not limited to, changes in political, economic or industry conditions, including the risks of a slowing economy, rising inflation and risk of recession; the interest rate environment or conditions affecting the financial and capital markets; the impact of global health crises, such as the ongoing COVID-19 pandemic, on our or our portfolio companies' business and the U.S. and global economy; our, or our portfolio companies', future business, operations, operating results or prospects; risks associated with possible disruption due to terrorism in our operations or the economy generally; and future changes in laws or regulations and conditions in our or our portfolio companies' operating areas. These statements are based on our current expectations, estimates, forecasts, information and projections about the industry in which we operate and the beliefs and assumptions of our management as of the date of filing of this Quarterly Report. We assume no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless we are required to do so by law. Although we undertake no obligation to revise or update any forward-looking statements, whether as a result of new information, future events or otherwise, you are advised to consult any additional disclosures that we may make directly to you or through reports that we in the future may file with the SEC, including annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K.

Overview of Our Business

We are a Maryland corporation incorporated on October 10, 2006. In August 2018, in connection with the closing of an externalization transaction through which Barings LLC ("Barings") agreed to become our external investment adviser, we entered into an investment advisory agreement (the "Original Advisory Agreement") and an administration agreement (the "Administration Agreement") with Barings. In connection with the completion of our acquisition of MVC Capital, Inc., a Delaware corporation, on December 23, 2020 (the "MVC Acquisition"), we entered into an amended and restated investment advisory agreement (the "Amended and Restated Advisory Agreement") with Barings on December 23, 2020, following approval of the Amended and Restated Advisory Agreement by our stockholders at our December 23, 2020 special meeting of stockholders. The terms of the Amended and Restated Advisory Agreement became effective on January 1, 2021. In connection with the completion of the Sierra Acquisition (as defined below), on February 25, 2022, we entered into a second amended and restated investment advisory agreement (the "New Barings BDC Advisory Agreement") with the Adviser. Under the terms of the New Barings BDC Advisory Agreement and the Administration Agreement, Barings serves as our investment adviser and administrator and manages our investment portfolio and performs (or oversees, or arranges for, the performance of) the administrative services necessary for our operation.

An externally-managed BDC generally does not have any employees, and its investment and management functions are provided by an outside investment adviser and administrator under an advisory agreement and administration agreement.

Instead of directly compensating employees, we pay Barings for investment management and administrative services pursuant to the terms of an investment advisory agreement and an administration agreement. Under the terms of the New Barings BDC Advisory Agreement, the fees paid to Barings for managing our affairs are determined based upon an objective and fixed formula, as compared with the subjective and variable nature of the costs associated with employing management and employees in an internally-managed BDC structure, which include bonuses that cannot be directly tied to Company performance because of restrictions on incentive compensation under the Investment Company Act of 1940, as amended (the “1940 Act”).

Beginning in August 2018, Barings shifted our investment focus to invest in syndicated senior secured loans, bonds and other fixed income securities. Since that time, Barings has transitioned our portfolio to primarily senior secured private debt investments in well-established middle-market businesses that operate across a wide range of industries. Barings’ existing SEC co-investment exemptive relief under the 1940 Act (the “Exemptive Relief”) permits us and Barings’ affiliated private and SEC-registered funds to co-invest in Barings-originated loans, which allows Barings to efficiently implement its senior secured private debt investment strategy for us.

Barings employs fundamental credit analysis, and targets investments in businesses with relatively low levels of cyclicity and operating risk. The holding size of each position will generally be dependent upon a number of factors including total facility size, pricing and structure, and the number of other lenders in the facility. Barings has experience managing levered vehicles, both public and private, and will seek to enhance our returns through the use of leverage with a prudent approach that prioritizes capital preservation. Barings believes this strategy and approach offers attractive risk/return with lower volatility given the potential for fewer defaults and greater resilience through market cycles. A significant portion of our investments are expected to be rated below investment grade by rating agencies or, if unrated would be rated below investment grade if they were rated. Below investment grade securities, which are often referred to as “junk,” have predominantly speculative characteristics with respect to the issuer’s capacity to pay interest and repay principal.

We generate revenues in the form of interest income, primarily from our investments in debt securities, loan origination and other fees and dividend income. Fees generated in connection with our debt investments are recognized over the life of the loan using the effective interest method or, in some cases, recognized as earned. Our senior secured, middle-market, private debt investments generally have terms of between five and seven years. Our senior secured, middle-market, first lien private debt investments generally bear interest between LIBOR (or the applicable currency rate for investments in foreign currencies) plus 450 basis points and LIBOR plus 650 basis points per annum. Our subordinated middle-market, private debt investments generally bear interest between LIBOR (or the applicable currency rate for investments in foreign currencies) plus 700 basis points and LIBOR plus 900 basis points per annum if floating rate, and between 8% and 15% if fixed rate. From time to time, certain of our investments may have a form of interest, referred to as payment-in-kind, or PIK, interest, which is not paid currently but is instead accrued and added to the loan balance and paid at the end of the term.

As of September 30, 2022 and December 31, 2021, the weighted average yield on the principal amount of our outstanding debt investments other than non-accrual debt investments was approximately 8.6% and 7.2%, respectively. The weighted average yield on the principal amount of all of our outstanding debt investments (including non-accrual debt investments) was approximately 8.1% and 6.9% as of September 30, 2022 and December 31, 2021, respectively.

Sierra Income Corporation Acquisition

On February 25, 2022, we completed our acquisition of Sierra Income Corporation, a Maryland corporation (“Sierra”), pursuant to the terms and conditions of that certain Agreement and Plan of Merger (the “Sierra Merger Agreement”), dated as of September 21, 2021, with Sierra, Mercury Acquisition Sub, Inc., a Maryland corporation and our direct wholly owned subsidiary (“Sierra Acquisition Sub”), and Barings. To effect the acquisition, Sierra Acquisition Sub merged with and into Sierra, with Sierra surviving the merger as our wholly owned subsidiary (the “First Sierra Merger”). Immediately thereafter, Sierra merged with and into us, with Barings BDC, Inc. as the surviving company (the “Second Sierra Merger” and, together with the First Sierra Merger, the “Sierra Merger”).

Pursuant to the Sierra Merger Agreement, each share of Sierra common stock, par value \$0.001 per share (the “Sierra Common Stock”), issued and outstanding immediately prior to the effective time of the First Sierra Merger (other than shares of Sierra Common Stock issued and outstanding immediately prior to the effective time of the First Sierra Merger that were held by a subsidiary of Sierra or held, directly or indirectly, by us or Sierra Acquisition Sub) was converted into the right to receive (i) an amount in cash from Barings, without interest, equal to \$0.9783641, and (ii) 0.44973 shares of the our common stock, plus any cash in lieu of fractional shares. As a result of the Sierra Merger, former Sierra stockholders received approximately 46.0 million shares of our common stock for their shares of Sierra Common Stock.

In connection with the Sierra Acquisition, on February 25, 2022, following the closing of the Sierra Merger, we entered into (1) the New Barings BDC Advisory Agreement, and (2) a credit support agreement (the “Sierra Credit Support Agreement”) with Barings, pursuant to which Barings has agreed to provide credit support to us in the amount of up to \$100.0 million relating to the net cumulative realized and unrealized losses on the acquired Sierra investment portfolio over a 10-year period. See “Note 2. Agreements and Related Party Transactions” and “Note. 6 Derivative Instruments” in the Notes to our Consolidated Financial Statements included in this Quarterly Report on Form 10-Q for more information.

In addition, in connection with the closing of the Sierra Merger, our board of directors (the “Board”) affirmed our commitment to purchase in open-market transactions, pursuant to Rule 10b-18 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and subject to our compliance with our covenant and regulatory requirements, shares of our common stock in an aggregate amount of up to \$30,000,000 at then-current market prices at any time the shares of our common stock trade below 90% of our then most recently disclosed net asset value per share during the 12-month period commencing on April 1, 2022.

COVID-19 Developments

The spread of the Coronavirus and the COVID-19 pandemic, and the related effect on the U.S. and global economies, has had adverse consequences for the business operations of some of our portfolio companies but no longer adversely affects our operations and the operations of Barings, including with respect to us. Barings continues to monitor the COVID-19 situation globally and is prepared to adapt office working patterns as required to ensure the safety of its employees and clients who visit Barings office locations. Barings’ cybersecurity policies are applied consistently when working remotely or in the office.

Relationship with Our Adviser, Barings

Our investment adviser, Barings, a wholly-owned subsidiary of Massachusetts Mutual Life Insurance Company, is a leading global asset management firm and is registered with the SEC as an investment adviser under the Investment Advisers Act of 1940, as amended. Barings’ primary investment capabilities include fixed income, private credit, real estate, equity, and alternative investments. Subject to the overall supervision of the Board, Barings’ Global Private Finance Group (“BGPF”) manages our day-to-day operations, and provides investment advisory and management services to us. BGPF is part of Barings’ \$264.0 billion Global Fixed Income Platform that invests in liquid, private and structured credit. BGPF manages private funds and separately managed accounts, along with multiple public vehicles.

Among other things, Barings (i) determines the composition of our portfolio, the nature and timing of the changes therein and the manner of implementing such changes; (ii) identifies, evaluates and negotiates the structure of the investments made by us; (iii) executes, closes, services and monitors the investments that we make; (iv) determines the securities and other assets that we will purchase, retain or sell; (v) performs due diligence on prospective portfolio companies and (vi) provides us with such other investment advisory, research and related services as we may, from time to time, reasonably require for the investment of our funds.

Under the terms of the Administration Agreement, Barings performs (or oversees, or arranges for, the performance of) the administrative services necessary for our operation, including, but not limited to, office facilities, equipment, clerical, bookkeeping and record keeping services at such office facilities and such other services as Barings, subject to review by the Board, will from time to time determine to be necessary or useful to perform its obligations under the Administration Agreement. Barings also, on our behalf and subject to the Board’s oversight, arranges for the services of, and oversees, custodians, depositories, transfer agents, dividend disbursing agents, other stockholder servicing agents, accountants, attorneys, underwriters, brokers and dealers, corporate fiduciaries, insurers, banks and such other persons in any such other capacity deemed to be necessary or desirable. Barings is responsible for the financial and other records that we are required to maintain and will prepare all reports and other materials required to be filed with the SEC or any other regulatory authority.

Stockholder Approval of Reduced Asset Coverage Ratio

On July 24, 2018, our stockholders voted at a special meeting of stockholders (the “2018 Special Meeting”) to approve a proposal to authorize us to be subject to a reduced asset coverage ratio of at least 150% under the 1940 Act. As a result of the stockholder approval at the 2018 Special Meeting, effective July 25, 2018, our applicable asset coverage ratio under the 1940 Act has been decreased to 150% from 200%. As a result, we are permitted under the 1940 Act to incur indebtedness at a level which is more consistent with a portfolio of senior secured debt. As of September 30, 2022, our asset coverage ratio was 190.2%.

Portfolio Investment Composition

The total value of our investment portfolio was \$2,332.5 million as of September 30, 2022, as compared to \$1,800.6 million as of December 31, 2021. As of September 30, 2022, we had investments in 306 portfolio companies with an aggregate cost of \$2,430.9 million. As of December 31, 2021, we had investments in 212 portfolio companies with an aggregate cost of \$1,787.8 million. As of both September 30, 2022 and December 31, 2021, none of our portfolio investments represented greater than 10% of the total fair value of our investment portfolio.

As of September 30, 2022 and December 31, 2021, our investment portfolio consisted of the following investments:

(\$ in thousands)	Cost	Percentage of Total Portfolio	Fair Value	Percentage of Total Portfolio
September 30, 2022:				
Senior debt and 1 st lien notes	\$ 1,609,541	66 %	\$ 1,557,396	67 %
Subordinated debt and 2nd lien notes	339,312	14	279,838	12
Structured products	81,105	4	67,811	3
Equity shares	225,140	9	279,564	12
Equity warrants	178	—	44	—
Investment in joint ventures / PE fund	175,628	7	147,839	6
	<u>\$ 2,430,904</u>	<u>100 %</u>	<u>\$ 2,332,492</u>	<u>100 %</u>
December 31, 2021:				
Senior debt and 1 st lien notes	\$ 1,217,899	68 %	\$ 1,221,598	68 %
Subordinated debt and 2nd lien notes	253,551	14	240,037	13
Structured products	37,055	2	40,271	2
Equity shares	145,791	8	154,477	9
Equity warrants	1,111	—	1,107	—
Investment in joint ventures / PE fund	132,417	8	143,104	8
	<u>\$ 1,787,824</u>	<u>100 %</u>	<u>\$ 1,800,594</u>	<u>100 %</u>

Investment Activity

During the nine months ended September 30, 2022, we made 69 new investments totaling \$681.2 million, purchased \$442.2 million of investments as part of the Sierra Acquisition, made investments in existing portfolio companies totaling \$221.7 million and made additional investments in joint venture equity portfolio companies totaling \$13.8 million. We had 29 loans repaid totaling \$238.3 million, received \$46.6 million of portfolio company principal payments and received \$56.5 million of return of capital from our joint ventures. In addition, we sold \$185.9 million of loans, recognizing a net realized loss on these transactions of \$9.7 million, and sold \$177.4 million of middle-market portfolio company debt investments to one of our joint ventures and realized a loss on these transactions of \$5.6 million. We received proceeds related to the sale of equity investments totaling \$1.9 million, a distribution from one of our portfolio companies totaling \$6.2 million and recognized a net realized gain on such sales and distributions totaling \$5.6 million. Lastly, we exchanged a debt investment totaling \$13.8 million in one portfolio company for equity totaling \$13.9 million and realized a loss on such exchange of \$0.8 million.

During the nine months ended September 30, 2021, we made 59 new investments totaling \$529.9 million, made investments in existing portfolio companies totaling \$156.3 million, made a net new joint venture equity investment totaling \$9.3 million, additional investments in joint venture equity portfolio companies totaling \$30.0 million and made an \$89.8 million equity co-investment alongside certain affiliates in a portfolio company focused on directly originated, senior-secured asset-based loans to middle-market companies. We had 24 loans repaid at par totaling \$196.3 million and received \$32.2 million of portfolio company principal payments. In addition, we sold \$89.5 million of loans, recognizing a net realized gain on these transactions of \$3.3 million, and sold \$338.4 million of middle-market portfolio company debt investments to one of our joint ventures and realized a gain on these transactions of \$0.3 million. Lastly, we received proceeds related to the sale of equity investments totaling \$7.4 million and recognized a net realized gain on such sales totaling \$0.7 million.

Total portfolio investment activity for the nine months ended September 30, 2022 and 2021 was as follows:

Nine Months Ended September 30, 2022: (\$ in thousands)	Senior Debt and 1st Lien Notes	Subordinated Debt and 2nd Lien Notes	Structured Products	Equity Shares	Equity Warrants	Investments in Joint Ventures / PE Fund	Total
Fair value, beginning of period	\$ 1,221,598	\$ 240,037	\$ 40,271	\$ 154,477	\$ 1,107	\$ 143,104	\$ 1,800,594
New investments	746,494	89,750	7,061	73,532	4	13,797	930,638
Investments acquired in Sierra merger	235,770	66,662	46,666	7,065	72	85,963	442,198
Proceeds from sales of investments	(346,876)	(21,555)	(6,421)	(1,632)	(250)	(62,730)	(439,464)
Loan origination fees received	(14,660)	(1,303)	—	—	—	—	(15,963)
Principal repayments received	(227,458)	(56,443)	(3,272)	—	—	—	(287,173)
Payment-in-kind interest/dividend	3,695	9,320	—	206	—	—	13,221
Accretion of loan premium/discount	1,403	137	16	—	—	—	1,556
Accretion of deferred loan origination revenue	6,818	1,761	—	—	—	—	8,579
Realized gain (loss)	(13,544)	(2,567)	—	177	(760)	6,181	(10,513)
Unrealized appreciation (depreciation)	(55,844)	(45,961)	(16,510)	45,739	(129)	(38,476)	(111,181)
Fair value, end of period	<u>\$ 1,557,396</u>	<u>\$ 279,838</u>	<u>\$ 67,811</u>	<u>\$ 279,564</u>	<u>\$ 44</u>	<u>\$ 147,839</u>	<u>\$ 2,332,492</u>

Nine Months Ended September 30, 2021: (\$ in thousands)	Senior Debt and 1st Lien Notes	Subordinated Debt and 2nd Lien Notes	Structured Products	Equity Shares	Equity Warrants	Investments in Joint Ventures / PE Fund	Short-term Investments	Total
Fair value, beginning of period	\$ 1,171,251	\$ 138,767	\$ 32,509	\$ 44,651	\$ 1,300	\$ 41,760	\$ 65,558	\$ 1,495,796
New investments	587,829	88,916	—	99,109	163	39,320	297,560	1,112,897
Proceeds from sales of investments	(408,957)	(8,771)	(10,068)	(7,069)	(450)	—	(313,118)	(748,434)
Loan origination fees received	(12,485)	(1,209)	—	—	—	—	—	(13,694)
Principal repayments received	(191,018)	(34,459)	(3,038)	—	—	—	—	(228,515)
Payment-in-kind interest	2,552	7,721	—	—	—	—	—	10,273
Accretion of loan premium/discount	1,672	2,548	30	—	—	—	—	4,250
Accretion of deferred loan origination revenue	6,211	376	—	—	—	—	—	6,587
Realized gain (loss)	2,439	(28)	1,213	507	163	—	(1)	4,293
Unrealized appreciation (depreciation)	2,626	(3,434)	150	4,748	(278)	5,219	—	9,030
Fair value, end of period	<u>\$ 1,162,119</u>	<u>\$ 190,426</u>	<u>\$ 20,794</u>	<u>\$ 141,946</u>	<u>\$ 898</u>	<u>\$ 86,299</u>	<u>\$ 50,000</u>	<u>\$ 1,652,483</u>

Non-Accrual Assets

Generally, when interest and/or principal payments on a loan become past due, or if we otherwise do not expect the borrower to be able to service its debt and other obligations, we will place the loan on non-accrual status and will generally cease recognizing interest income on that loan for financial reporting purposes until all principal and interest have been brought current through payment or due to a restructuring such that the interest income is deemed to be collectible. As of September 30, 2022, we had seven portfolio companies with investments on non-accrual, the fair value of which was \$17.1 million, which comprised 0.7% of the total fair value of our portfolio, and the cost of which was \$69.1 million, which comprised 2.8% of the total cost of our portfolio. As of December 31, 2021, we had two portfolio companies with investments on non-accrual, the fair value of which was \$36.0 million, which comprised 2.0% of the total fair value of our portfolio, and the cost of which was \$50.9 million, which comprised 2.9% of the total cost of our portfolio.

A summary of our non-accrual assets as of September 30, 2022 is provided below:

1888 Industrial Services, LLC

In connection with the Sierra Acquisition, we purchased our debt and equity investments in 1888 Industrial Services, LLC, or 1888. The 1888 debt investments are on non-accrual status and as a result, under U.S. GAAP, we will not recognize interest income on our debt investments in 1888 for financial reporting purposes. As of September 30, 2022, the cost of our debt investments in 1888 was \$1.8 million and the fair value of such investments was \$1.2 million.

Black Angus Steakhouse, LLC

In connection with the Sierra Acquisition, we purchased our debt and equity investments in Black Angus Steakhouse, LLC, or Black Angus. The Black Angus PIK term loan is on non-accrual status and as a result, under U.S. GAAP, we will not recognize interest income on our PIK term loan in Black Angus for financial reporting purposes. As of September 30, 2022, the cost of the PIK term loan in Black Angus was \$9.6 million and the fair value of such investment was \$10.8 million.

Charming Charlie LLC

In connection with the Sierra Acquisition, we purchased our debt and equity investments in Charming Charlie, LLC, or Charming Charlie. Charming Charlie is on non-accrual status and as a result, under U.S. GAAP, we will not recognize interest income on our debt investments in Charming Charlie for financial reporting purposes. As of September 30, 2022, both the cost and fair value of our debt investments in Charming Charlie was zero.

Custom Alloy Corporation

In connection with the MVC Acquisition, we purchased our debt investment in Custom Alloy Corporation, or Custom Alloy. During the quarter ended December 31, 2021, we placed our debt investment in Custom Alloy on non-accrual status. As a result, under U.S. GAAP, we will not recognize interest income on our debt investment in Custom Alloy for financial reporting purposes. As of September 30, 2022, the cost of our debt investment in Custom Alloy was \$46.4 million and the fair value of such investment was \$4.5 million.

Holland Acquisition Corp.

In connection with the Sierra Acquisition, we purchased our debt investment in Holland Acquisition Corp., or Holland. Holland is on non-accrual status and as a result, under U.S. GAAP, we will not recognize interest income on our debt investments in Holland for financial reporting purposes. As of September 30, 2022, both the cost and fair value of our debt investments in Holland was zero.

Isagenix International, LLC

In connection with the Sierra Acquisition, we purchased our debt investment in Isagenix International, LLC, or Isagenix. During the quarter ended September 30, 2022, we placed our debt investment in Isagenix on non-accrual status. As a result, under U.S. GAAP, we will not recognize interest income on our debt investment in Isagenix for financial reporting purposes. As of September 30, 2022, the cost of our debt investment in Isagenix was \$1.2 million and the fair value of such investment was \$0.6 million.

Legal Solutions Holdings

In connection with the MVC Acquisition, we purchased our debt investment in Legal Solutions Holdings, or Legal Solutions. During the quarter ended September 30, 2021, we placed our debt investment in Legal Solutions on non-accrual status. As a result, under U.S. GAAP, we will not recognize interest income on our debt investment in Legal Solutions for financial reporting purposes. As of September 30, 2022, the cost of our debt investment in Legal Solutions was \$10.1 million and the fair value of such investment was zero.

Results of Operations

Comparison of the three and nine months ended September 30, 2022 and September 30, 2021

Operating results for the three and nine months ended September 30, 2022 and 2021 were as follows:

(in thousands)	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
Total investment income	\$ 56,306	\$ 34,984	\$ 155,656	\$ 98,730
Total operating expenses	28,394	20,101	76,955	54,934
Net investment income before taxes	27,912	14,883	78,701	43,796
Income taxes, including excise tax provision	—	26	6	7
Net investment income after taxes	27,912	14,857	78,695	43,789
Net realized gains (losses)	7,862	(3,762)	(3,803)	(1,580)
Net unrealized appreciation (depreciation)	(26,121)	3,315	(67,310)	23,999
Net realized and unrealized gains (losses) on investments, credit support agreements and foreign currency borrowings	(18,259)	(447)	(71,113)	22,419
Benefit from (provision for) taxes	240	—	(1,650)	(1)
Net increase in net assets resulting from operations	\$ 9,893	\$ 14,410	\$ 5,932	\$ 66,207

Net increases or decreases in net assets resulting from operations can vary substantially from period to period due to various factors, including recognition of realized gains and losses and unrealized appreciation and depreciation. As a result, quarterly comparisons of net changes in net assets resulting from operations may not be meaningful.

Investment Income

(\$ in thousands)	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
Investment income:				
Total interest income	\$ 40,639	\$ 24,623	\$ 113,492	\$ 76,655
Total dividend income	7,905	2,867	22,844	3,333
Total fee and other income	4,321	4,488	10,589	9,190
Total payment-in-kind interest income	3,267	3,006	8,540	9,551
Interest income from cash	174	—	191	1
Total investment income	\$ 56,306	\$ 34,984	\$ 155,656	\$ 98,730

The change in total investment income for the three and nine months ended September 30, 2022, as compared to the three and nine months ended September 30, 2021, was primarily due to an increase in the average size of our portfolio, an increase in the weighted average yield on the portfolio from higher base rates and increased dividends from portfolio companies and joint venture investments. The increase in the average size of our portfolio was largely due to the increased middle-market investment opportunities and the investments acquired as part of the Sierra Acquisition. For the three and nine months ended September 30, 2022, dividends from portfolio companies and joint venture investments were \$7.9 million and \$22.8 million, respectively, as compared to \$2.9 million and \$3.3 million, respectively, for the three and nine months ended September 30, 2021. The amount of our outstanding debt investments was \$2,122.5 million as of September 30, 2022, as compared to \$1,407.0 million as of September 30, 2021. This increase is in part due to the acquisition of investment assets in the Sierra Acquisition. The weighted average yield on the principal amount of our outstanding debt investments other than non-accrual debt investments was 8.6% as of September 30, 2022, as compared to 7.3% as of September 30, 2021. For the three and nine months ended September 30, 2022, acceleration of unamortized OID income and unamortized loan origination fees totaled \$1.7 million and \$4.8 million, respectively, as compared to \$1.9 million and \$4.6 million, respectively, for the three and nine months ended September 30, 2021. For the three and nine months ended September 30, 2022, PIK interest income was \$3.3 million and \$8.5 million, respectively, as compared to \$3.0 million and \$9.6 million, respectively, for the three and nine months ended September 30, 2021.

Operating Expenses

(\$ in thousands)	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
Operating expenses:				
Interest and other financing fees	\$ 15,341	\$ 8,103	\$ 40,170	\$ 23,382
Base management fees	8,267	5,274	21,520	14,094
Incentive management fees	1,825	4,443	6,579	10,675
General and administrative expenses	2,961	2,281	8,686	6,783
Total operating expenses	<u>\$ 28,394</u>	<u>\$ 20,101</u>	<u>\$ 76,955</u>	<u>\$ 54,934</u>

Interest and Other Financing Fees

Interest and other financing fees during the three and nine months ended September 30, 2022 were attributable to borrowings under the February 2019 Credit Facility, the August 2025 Notes, the November Notes, the February Notes and the November 2026 Notes (each as defined below under “Liquidity and Capital Resources”). Interest and other financing fees during the three and nine months ended September 30, 2021 were attributable to borrowings under the February 2019 Credit Facility, the August 2025 Notes, the November Notes and the February Notes. The increase in interest and other financing fees for the three and nine months ended September 30, 2022 as compared to the three and nine months ended September 30, 2021, was primarily attributable to the issuance of the November 2026 Notes, as well as an increase in the weighted average interest rate on the February 2019 Credit Facility. The weighted average interest on the February 2019 Credit Facility was 4.1% as of September 30, 2022, as compared to 2.1% as of September 30, 2021.

Base Management Fees

Under the terms of the New Barings BDC Advisory Agreement, we pay Barings a base management fee (the “Base Management Fee”), quarterly in arrears on a calendar quarter basis. The Base Management Fee is calculated based on the average value of our gross assets, excluding cash and cash equivalents, at the end of the two most recently completed calendar quarters prior to the quarter for which such fees are being calculated. Base Management Fees for any partial month or quarter are appropriately pro-rated. See Note 2 to our Unaudited Consolidated Financial Statements for additional information regarding the terms of the New Barings BDC Advisory Agreement (and, from January 1, 2021 to February 25, 2022, the terms of the Amended and Restated Advisory Agreement) and the fee arrangements thereunder. For the three and nine months ended September 30, 2022, the amount of Base Management Fee incurred was approximately \$8.3 million and \$21.5 million, respectively. For the three and nine months ended September 30, 2021, the amount of Base Management Fee incurred was approximately \$5.3 million and \$14.1 million, respectively. The increase in the Base Management Fee for the three and nine months ended September 30, 2022 versus the corresponding 2021 periods is primarily related to the average value of gross assets increasing from \$1,687.6 million as of the end of the two most recently completed calendar quarters prior to September 30, 2021 to \$2,645.4 million as of the end of the two most recently completed calendar quarters prior to September 30, 2022. For both the three and nine months ended September 30, 2022 and 2021, the Base Management Fee rate was 1.250%.

Incentive Fee

Under the New Barings BDC Advisory Agreement (and, from January 1, 2021 to February 25, 2022, pursuant to the terms of the Amended and Restated Advisory Agreement), we pay Barings an incentive fee. A portion of the incentive fee is based on our income and a portion is based on our capital gains. The income-based fee will be determined and paid quarterly in arrears based on the amount by which (x) the aggregate pre-incentive fee net investment income in respect of the current calendar quarter and the eleven preceding calendar quarters beginning with the calendar quarter that commences on or after January 1, 2021, as the case may be (or the appropriate portion thereof in the case of any of our first eleven calendar quarters that commences on or after January 1, 2021) exceeds (y) the hurdle amount as calculated for the same period. See Note 2 to our Unaudited Consolidated Financial Statements for additional information regarding the terms of the New Barings BDC Advisory Agreement and the fee arrangements thereunder. For the three and nine months ended September 30, 2022, the amount of income-based fee incurred was \$1.8 million and \$6.6 million, respectively, as compared to \$4.4 million and \$10.7 million, respectively, for the three and nine months ended September 30, 2021. The Income-Based Fee is subject to a cap (the “Incentive Fee Cap”). The Incentive Fee Cap in any quarter is an amount equal to (a) 20% of the Cumulative Pre-Incentive Fee Net Return during the relevant Trailing Twelve Quarters less (b) the aggregate Income-Based Fee that were paid to the Adviser in the preceding eleven calendar quarters (or portion thereof) comprising the relevant Trailing Twelve Quarters. See Note 2 to our Unaudited Consolidated Financial Statements for additional information regarding the terms of the Incentive Fee Cap.

General and Administrative Expenses

We entered into the Administration Agreement with Barings in August 2018. Under the terms of the Administration Agreement, Barings performs (or oversees, or arranges for, the performance of) the administrative services necessary for our operations. We reimburse Barings for the costs and expenses incurred by it in performing its obligations and providing personnel and facilities under the Administration Agreement in an amount to be negotiated and mutually agreed to by us and Barings quarterly in arrears; provided that the agreed-upon quarterly expense amount will not exceed the amount of expenses that would otherwise be reimbursable by us under the Administration Agreement for the applicable quarterly period, and Barings will not be entitled to the recoupment of any amounts in excess of the agreed-upon quarterly expense amount. See Note 2 to our Unaudited Consolidated Financial Statements for additional information regarding the Administration Agreement. For the three and nine months ended September 30, 2022, the amount of administration expense incurred and invoiced by Barings for expenses was approximately \$0.9 million and \$2.7 million, respectively. For the three and nine months ended September 30, 2021, the amount of administration expense incurred and invoiced by Barings for expenses was approximately \$0.8 million and \$1.8 million, respectively. In addition to expenses incurred under the Administration Agreement, general and administrative expenses include Board fees, D&O insurance costs, as well as legal, valuation and accounting expenses.

Net Realized Gains (Losses)

Net realized gains (losses) during the three and nine months ended September 30, 2022 and 2021 were as follows:

(\$ in thousands)	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
Net realized gain (losses):				
Non-Control / Non-Affiliate investments	\$ (8,257)	\$ 950	\$ (15,208)	\$ 4,394
Affiliate investments	—	(24)	101	(101)
Control investments	(773)	—	(1,587)	—
Net realized gains (losses) on investments	(9,030)	926	(16,694)	4,293
Distributions of realized gains by investment companies	6,181	—	6,181	—
Foreign currency transactions	10,711	(4,688)	6,710	(5,873)
Net realized gains (losses)	<u>\$ 7,862</u>	<u>\$ (3,762)</u>	<u>\$ (3,803)</u>	<u>\$ (1,580)</u>

During the three months ended September 30, 2022, we recognized net realized gains totaling \$7.9 million, which consisted primarily of a net gain on foreign currency transactions of \$10.7 million, a \$6.2 million dividend from a portfolio company that was recognized as a net realized gain, partially offset by a net loss on our investment portfolio of \$9.0 million. During the nine months ended September 30, 2022, we recognized net realized losses totaling \$3.8 million, which consisted primarily of a net loss on our investment portfolio of \$15.9 million, a \$0.8 million loss on the exchange of a debt investment in one portfolio company for equity, partially offset by a \$6.2 million distribution from a portfolio company that was recognized as a net realized gain and a net gain on foreign currency transactions of \$6.7 million.

During the three months ended September 30, 2021, we recognized net realized losses totaling \$3.8 million, which consisted primarily of a net loss on foreign currency transactions of \$4.7 million, partially offset by a net gain on our loan portfolio of \$0.9 million. In the nine months ended September 30, 2021, we recognized net realized losses totaling \$1.6 million, which consisted primarily of a net loss on foreign currency transactions of \$5.9 million, partially offset by a net gain on our loan portfolio of \$4.3 million.

Net Unrealized Appreciation (Depreciation)

Net unrealized appreciation (depreciation) during the three and nine months ended September 30, 2022 and 2021 was as follows:

(\$ in thousands)	Three Months Ended	Three Months Ended	Nine Months Ended	Nine Months Ended
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Net unrealized appreciation (depreciation):				
Non-Control / Non-Affiliate investments	\$ (29,481)	\$ (8,354)	\$ (123,498)	\$ 1,308
Affiliate investments	(320)	(323)	(759)	9,209
Control investments	(16,991)	1,115	14,704	(1,487)
Net unrealized appreciation (depreciation) on investments	(46,792)	(7,562)	(109,553)	9,030
Credit support agreements	3,440	—	(10,320)	700
Foreign currency transactions	17,231	10,877	52,563	14,269
Net unrealized appreciation (depreciation)	\$ (26,121)	\$ 3,315	\$ (67,310)	\$ 23,999

During the three months ended September 30, 2022, we recorded net unrealized depreciation totaling \$26.1 million, consisting of net unrealized depreciation on our current portfolio of \$47.9 million, unrealized depreciation of \$0.1 million on the MVC credit support agreement with Barings, unrealized depreciation reclassification adjustments of \$0.5 million related to the net realized gains on the sales / repayments of certain investments, net of unrealized appreciation of \$3.5 million on the Sierra credit support agreement with Barings, deferred tax asset of \$1.6 million and net unrealized appreciation related to foreign currency transactions of \$17.2 million. The net unrealized depreciation on our current portfolio of \$47.9 million was driven primarily by credit or fundamental performance of investments of \$1.8 million, the impact of foreign currency exchange rates on investments of \$26.9 million and broad market moves for investments of \$19.2 million.

During the nine months ended September 30, 2022, we recorded net unrealized depreciation totaling \$67.3 million, consisting of net unrealized depreciation on our current portfolio of \$110.5 million, net unrealized depreciation of \$6.1 million on the MVC credit support agreement with Barings, net unrealized depreciation of \$4.2 million on the Sierra credit support agreement with Barings, unrealized depreciation reclassification adjustments of \$0.7 million related to the net realized gains on the sales / repayments of certain investments, net of deferred tax asset of \$1.6 million and unrealized appreciation related to foreign currency transactions of \$52.6 million. The net unrealized depreciation on our current portfolio of \$110.5 million was driven primarily by the impact of foreign currency exchange rates on investments of \$56.2 million and broad market moves for investments of \$74.7 million, partially offset by credit or fundamental performance of investments of \$20.3 million.

During the three months ended September 30, 2021, we recorded net unrealized appreciation totaling \$3.3 million, consisting of net unrealized appreciation related to foreign currency transactions of \$10.9 million, partially offset by net unrealized depreciation on our current portfolio of \$4.7 million and unrealized depreciation reclassification adjustments of \$2.9 million related to the net realized gains on the sales / repayments of certain investments. The net unrealized depreciation on our current portfolio of \$4.7 million was driven primarily by the impact of foreign currency exchange rates on investments of \$6.9 million and the credit or fundamental performance of investments of \$0.2 million, partially offset by broad market moves for investments of \$2.4 million.

During the nine months ended September 30, 2021, we recorded net unrealized appreciation totaling \$24.0 million, consisting of net unrealized appreciation on our current portfolio of \$13.8 million, unrealized appreciation related to foreign currency transactions of \$14.3 million and unrealized appreciation of \$0.7 million on the credit support agreement with Barings, net of unrealized depreciation reclassification adjustments of \$4.7 million related to the net realized gains on the sales / repayments of certain investments. The net unrealized appreciation on our current portfolio of \$13.8 million was driven primarily by broad market moves for investments of \$24.0 million and the credit or fundamental performance of investments of \$1.9 million, partially offset by the impact of foreign currency exchange rates on investments of \$12.1 million.

Liquidity and Capital Resources

We believe that our current cash and foreign currencies on hand, our available borrowing capacity under the February 2019 Credit Facility and our anticipated cash flows from operations will be adequate to meet our cash needs for our daily operations for at least the next twelve months. This "Liquidity and Capital Resources" section should be read in conjunction with the notes to our Unaudited Consolidated Financial Statements.

Cash Flows

For the nine months ended September 30, 2022, we experienced a net increase in cash in the amount of \$53.1 million. During that period, our operating activities provided \$109.7 million in cash, consisting primarily of net cash acquired from the acquisition of Sierra of \$101.9 million and proceeds from sales or repayments of portfolio investments totaling \$900.3 million, partially offset by purchases of portfolio investments of \$938.7 million. In addition, our financing activities used net cash of \$56.6 million, consisting of dividends paid in the amount of \$67.7 million and share repurchases of \$23.6 million, partially offset by net borrowings under the February 2019 Credit Facility (as defined below under “Financing Transactions”) of \$36.6 million. As of September 30, 2022, we had \$137.3 million of cash and foreign currencies on hand.

For the nine months ended September 30, 2021, we experienced a net decrease in cash in the amount of \$51.1 million. During that period, our operating activities used \$115.9 million in cash, consisting primarily of purchases of portfolio investments of \$816.8 million and purchases of short-term investments of \$297.6 million, partially offset by proceeds from sales or repayments of portfolio investments totaling \$648.3 million and sales of short-term investments of \$313.1 million. In addition, our financing activities provided \$64.8 million of cash, consisting of net proceeds of \$149.8 million from the issuance of the February Notes (as defined below under “Financing Transactions”), partially offset by net repayments under the February 2019 Credit Facility of \$45.8 million and dividends paid in the amount of \$39.2 million. As of September 30, 2021, we had \$41.4 million of cash and foreign currencies on hand.

Financing Transactions

February 2019 Credit Facility

On February 21, 2019, we entered into a senior secured credit facility with ING Capital LLC (“ING”), as administrative agent, and the lenders party thereto (as amended, restated and otherwise modified from time to time, the “February 2019 Credit Facility”). The initial commitments under the February 2019 Credit Facility total \$800.0 million. Effective on November 4, 2021, we increased aggregate commitments under the February 2019 Credit Facility to \$875.0 million from \$800.0 million pursuant to the accordion feature under the February 2019 Credit Facility, which allows for an increase in the total commitments to an aggregate of \$1.2 billion subject to certain conditions and the satisfaction of specified financial covenants. Effective on February 25, 2022, we increased aggregate commitments under the February 2019 Credit Facility to \$965.0 million from \$875.0 million pursuant to the accordion feature under the February 2019 Credit Facility, and the allowance for an increase in the total commitments increased to \$1.5 billion from \$1.2 billion subject to certain conditions and the satisfaction of specified financial covenants. Effective on April 1, 2022, we increased the aggregate commitments under the February 2019 Credit Facility to \$1.1 billion from \$965.0 million pursuant to the accordion feature under the February 2019 Credit Facility, which allows for an increase in the total commitments to an aggregate of \$1.5 billion subject to certain conditions and the satisfaction of specified financial covenants. We can borrow foreign currencies directly under the February 2019 Credit Facility. The February 2019 Credit Facility, which is structured as a revolving credit facility, is secured primarily by a material portion of our assets and guaranteed by certain of our subsidiaries. Following the termination on June 30, 2020 of Barings BDC Senior Funding I, LLC’s (“BSF”) credit facility entered into in August 2018 with Bank of America, N.A. (the “August 2018 Credit Facility”), BSF became a subsidiary guarantor and its assets secure the February 2019 Credit Facility. The revolving period of the February 2019 Credit Facility ends on February 21, 2024, followed by a one-year repayment period with a maturity date of February 21, 2025.

Borrowings denominated in U.S. Dollars under the February 2019 Credit Facility bear interest, subject to our election, on a per annum basis equal to (i) the alternate base rate plus 1.25% (or 1.00% for so long as we maintain an investment grade credit rating) or (ii) the term Secured Overnight Financing Rate (“SOFR”) plus 2.25% (or 2.00% for so long as we maintain an investment grade credit rating) plus a credit spread adjustment of 0.10% for borrowings with an interest period of one month, 0.15% for borrowings with an interest period of three months or 0.25% for borrowings with an interest period of six months. The alternate base rate is equal to the greatest of (i) the prime rate, (ii) the federal funds rate plus 0.5%, (iii) the Overnight Bank Funding Rate plus 0.5%, (iv) one-month term SOFR plus 1.0% plus a credit spread adjustment of 0.10% and (v) 1.0%. For borrowings denominated in certain foreign currencies other than Australian dollars, the applicable currency rate for the foreign currency as defined in the credit agreement plus 2.00% (or 2.25% if we no longer maintain an investment grade credit rating) or for borrowings denominated in Australian dollars, the applicable Australian dollars Screen Rate, plus 2.20% (or 2.45% if we no longer maintain an investment grade credit rating).

In addition, we pay a commitment fee of (i) 0.5% per annum on undrawn amounts if the unused portion of the February 2019 Credit Facility is greater than two-thirds of total commitments or (ii) 0.375% per annum on undrawn amounts if the unused portion of the February 2019 Credit Facility is equal to or less than two-thirds of total commitments. In connection with entering into the February 2019 Credit Facility, we incurred financing fees of approximately \$6.4 million, which will be amortized over the life of the February 2019 Credit Facility.

As of September 30, 2022, we were in compliance with all covenants under the February 2019 Credit Facility and had U.S. dollar borrowings of \$437.5 million outstanding under the February 2019 Credit Facility with an interest rate of 4.695% (one month SOFR of 2.595%), borrowings denominated in Swedish kronas of 12.8kr million (\$1.2 million U.S. dollars) with an interest rate of 3.063% (one month STIBOR of 1.063%), borrowings denominated in British pounds sterling of £68.6 million (\$76.6 million U.S. dollars) with an interest rate of 3.723% (one month SONIA of 1.723%), and borrowings denominated in Euros of €138.6 million (\$135.8 million U.S. dollars) with an interest rate of 2.375% (one month EURIBOR of 0.375%). The borrowings denominated in foreign currencies were translated into U.S. dollars based on the spot rate at the relevant balance sheet date. The impact resulting from changes in foreign exchange rates on the February 2019 Credit Facility borrowings is included in “Net unrealized appreciation (depreciation) - foreign currency transactions” in our Unaudited Consolidated Statements of Operations.

The fair values of the borrowings outstanding under the February 2019 Credit Facility are based on a market yield approach and current interest rates, which are Level 3 inputs to the market yield model. As of September 30, 2022, the total fair value of the borrowings outstanding under the February 2019 Credit Facility was \$651.0 million. See Note 5 to our Unaudited Consolidated Financial Statements for additional information regarding the February 2019 Credit Facility.

August 2025 Notes

On August 3, 2020, we entered into a Note Purchase Agreement (the “August 2020 NPA”) with Massachusetts Mutual Life Insurance Company governing the issuance of (1) \$50.0 million in aggregate principal amount of Series A senior unsecured notes due August 2025 (the “Series A Notes due 2025”) with a fixed interest rate of 4.66% per year, and (2) up to \$50.0 million in aggregate principal amount of additional senior unsecured notes due August 2025 with a fixed interest rate per year to be determined (the “Additional Notes” and, collectively with the Series A Notes due 2025, the “August 2025 Notes”), in each case, to qualified institutional investors in a private placement. An aggregate principal amount of \$25.0 million of the Series A Notes due 2025 was issued on September 24, 2020 and an aggregate principal amount of \$25.0 million of the Series A Notes due 2025 was issued on September 29, 2020, both of which will mature on August 4, 2025 unless redeemed, purchased or prepaid prior to such date by us in accordance with their terms. Interest on the August 2025 Notes is due semiannually in March and September, beginning in March 2021. In addition, we are obligated to offer to repay the August 2025 Notes at par (plus accrued and unpaid interest to, but not including, the date of prepayment) if certain change in control events occur. Subject to the terms of the August 2020 NPA, we may redeem the August 2025 Notes in whole or in part at any time or from time to time at our option at par plus accrued interest to the prepayment date and, if redeemed on or before November 3, 2024, a make-whole premium. The August 2025 Notes are guaranteed by certain of our subsidiaries, and are our general unsecured obligations that rank pari passu with all outstanding and future unsecured unsubordinated indebtedness issued by us.

The Company's permitted issuance period for the Additional Notes under the August 2020 NPA expired on February 3, 2022, prior to which date the Company issued no Additional Notes.

The August 2020 NPA contains certain representations and warranties, and various covenants and reporting requirements customary for senior unsecured notes issued in a private placement, including, without limitation, affirmative and negative covenants such as information reporting, maintenance of our status as a BDC within the meaning of the 1940 Act, certain restrictions with respect to transactions with affiliates, fundamental changes, changes of line of business, permitted liens, investments and restricted payments, minimum shareholders' equity, maximum net debt to equity ratio and minimum asset coverage ratio. The August 2020 NPA also contains customary events of default with customary cure and notice periods, including, without limitation, nonpayment, incorrect representation in any material respect, breach of covenant, cross-default under our other indebtedness or that of our subsidiary guarantors, certain judgements and orders, and certain events of bankruptcy. Upon the occurrence of an event of default, the holders of at least 66-2/3% in principal amount of the August 2025 Notes at the time outstanding may declare all August 2025 Notes then outstanding to be immediately due and payable. As of September 30, 2022, we were in compliance with all covenants under the August 2020 NPA.

The August 2025 Notes were offered in reliance on Section 4(a)(2) of the Securities Act of 1933, as amended (the “Securities Act”). The August 2025 Notes have not and will not be registered under the Securities Act or any state securities laws and, unless so registered, may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, as applicable.

As of September 30, 2022, the fair value of the outstanding August 2025 Notes was \$45.9 million. The fair value determination of the August 2025 Notes was based on a market yield approach and current interest rates, which are Level 3 inputs to the market yield model.

November Notes

On November 4, 2020, we entered into a Note Purchase Agreement (the “November 2020 NPA”) governing the issuance of (1) \$62.5 million in aggregate principal amount of Series B senior unsecured notes due November 2025 (the “Series B Notes”) with a fixed interest rate of 4.25% per year and (2) \$112.5 million in aggregate principal amount of Series C senior unsecured notes due November 2027 (the “Series C Notes,” and, collectively with the Series B Notes, the “November Notes”) with a fixed interest rate of 4.75% per year, in each case, to qualified institutional investors in a private placement. Each stated interest rate is subject to a step up of (x) 0.75% per year, to the extent the applicable November Notes do not satisfy certain investment grade conditions and/or (y) 1.50% per year, to the extent the ratio of our secured debt to total assets exceeds specified thresholds, measured as of each fiscal quarter end. The November Notes were delivered and paid for on November 5, 2020.

The Series B Notes will mature on November 4, 2025, and the Series C Notes will mature on November 4, 2027 unless redeemed, purchased or prepaid prior to such date by us in accordance with their terms. Interest on the November Notes is due semiannually in May and November, beginning in May 2021. In addition, we are obligated to offer to repay the November Notes at par (plus accrued and unpaid interest to, but not including, the date of prepayment) if certain change in control events occur. Subject to the terms of the November 2020 NPA, we may redeem the Series B Notes and the Series C Notes in whole or in part at any time or from time to time at our option at par plus accrued interest to the prepayment date and, if redeemed on or before May 4, 2025, with respect to the Series B Notes, or on or before May 4, 2027, with respect to the Series C Notes, a make-whole premium. The November Notes are guaranteed by certain of our subsidiaries, and are our general unsecured obligations that rank pari passu with all outstanding and future unsecured unsubordinated indebtedness issued by us.

The November 2020 NPA contains certain representations and warranties, and various covenants and reporting requirements customary for senior unsecured notes issued in a private placement, including, without limitation, affirmative and negative covenants such as information reporting, maintenance of our status as a BDC within the meaning of the 1940 Act, certain restrictions with respect to transactions with affiliates, fundamental changes, changes of line of business, permitted liens, investments and restricted payments, minimum shareholders’ equity, maximum net debt to equity ratio and minimum asset coverage ratio. The November 2020 NPA also contains customary events of default with customary cure and notice periods, including, without limitation, nonpayment, incorrect representation in any material respect, breach of covenant, cross-default under our other indebtedness or that of our subsidiary guarantors, certain judgements and orders, and certain events of bankruptcy. Upon the occurrence of an event of default, the holders of at least 66-2/3% in principal amount of the November Notes at the time outstanding may declare all November Notes then outstanding to be immediately due and payable. As of September 30, 2022, we were in compliance with all covenants under the November 2020 NPA.

The November Notes were offered in reliance on Section 4(a)(2) of the Securities Act. The November Notes have not and will not be registered under the Securities Act or any state securities laws and, unless so registered, may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, as applicable.

As of September 30, 2022, the fair value of the outstanding Series B Notes and the Series C Notes was \$55.8 million and \$95.1 million, respectively. The fair value determinations of the Series B Notes and Series C Notes were based on a market yield approach and current interest rates, which are Level 3 inputs to the market yield model.

February Notes

On February 25, 2021, we entered into a Note Purchase Agreement (the “February 2021 NPA”) governing the issuance of (1) \$80.0 million in aggregate principal amount of Series D senior unsecured notes due February 26, 2026 (the “Series D Notes”) with a fixed interest rate of 3.41% per year and (2) \$70.0 million in aggregate principal amount of Series E senior unsecured notes due February 26, 2028 (the “Series E Notes” and, collectively with the Series D Notes, the “February Notes”) with a fixed interest rate of 4.06% per year, in each case, to qualified institutional investors in a private placement. Each stated interest rate is subject to a step up of (x) 0.75% per year, to the extent the applicable February Notes do not satisfy certain investment grade rating conditions and/or (y) 1.50% per year, to the extent the ratio of our secured debt to total assets exceeds specified thresholds, measured as of each fiscal quarter end. The February Notes were delivered and paid for on February 26, 2021.

The Series D Notes will mature on February 26, 2026, and the Series E Notes will mature on February 26, 2028 unless redeemed, purchased or prepaid prior to such date by us in accordance with the terms of the February 2021 NPA. Interest on the February Notes is due semiannually in February and August of each year, beginning in August 2021. In addition, we are obligated to offer to repay the February Notes at par (plus accrued and unpaid interest to, but not including, the date of prepayment) if certain change in control events occur. Subject to the terms of the February 2021 NPA, we may redeem the

Series D Notes and the Series E Notes in whole or in part at any time or from time to time at our option at par plus accrued interest to the prepayment date and, if redeemed on or before August 26, 2025, with respect to the Series D Notes, or on or before August 26, 2027, with respect to the Series E Notes, a make-whole premium. The February Notes are guaranteed by certain of our subsidiaries, and are our general unsecured obligations that rank pari passu with all outstanding and future unsecured unsubordinated indebtedness issued by us.

The February 2021 NPA contains certain representations and warranties, and various covenants and reporting requirements customary for senior unsecured notes issued in a private placement, including, without limitation, information reporting, maintenance of our status as a BDC within the meaning of the 1940 Act, and certain restrictions with respect to transactions with affiliates, fundamental changes, changes of line of business, permitted liens, investments and restricted payments. In addition, the February 2021 NPA contains the following financial covenants: (a) maintaining a minimum obligors' net worth, measured as of each fiscal quarter end; (b) not permitting our asset coverage ratio, as of the date of the incurrence of any debt for borrowed money or the making of any cash dividend to shareholders, to be less than the statutory minimum then applicable to us under the 1940 Act; and (c) not permitting our net debt to equity ratio to exceed 2.0x, measured as of each fiscal quarter end.

The February 2021 NPA also contains customary events of default with customary cure and notice periods, including, without limitation, nonpayment, incorrect representation in any material respect, breach of covenant, cross-default under other indebtedness or that of our subsidiary guarantors, certain judgements and orders, and certain events of bankruptcy. Upon the occurrence of certain events of default, the holders of at least 66-2/3% in principal amount of the February Notes at the time outstanding may declare all February Notes then outstanding to be immediately due and payable. As of September 30, 2022, we were in compliance with all covenants under the February 2021 NPA.

The February Notes were offered in reliance on Section 4(a)(2) of the Securities Act. The February Notes have not and will not be registered under the Securities Act or any state securities laws and, unless so registered, may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, as applicable.

As of September 30, 2022, the fair value of the outstanding Series D Notes and the Series E Notes was \$69.2 million and \$56.9 million, respectively. The fair value determinations of the Series D Notes and Series E Notes were based on a market yield approach and current interest rates, which are Level 3 inputs to the market yield model.

November 2026 Notes

On November 23, 2021, we entered into an Indenture (the "Base Indenture") and a Supplemental Indenture (the "First Supplemental Indenture" and, together with the Base Indenture, the "Indenture") with U.S. Bank National Association (the "Trustee"). The First Supplemental Indenture relates to our issuance of \$350.0 million aggregate principal amount of its 3.300% notes due 2026 (the "November 2026 Notes").

The November 2026 Notes will mature on November 23, 2026 and may be redeemed in whole or in part at our option at any time or from time to time at the redemption prices set forth in the Indenture. The November 2026 Notes bear interest at a rate of 3.300% per year payable semi-annually on May 23 and November 23 of each year, commencing on May 23, 2022. The November 2026 Notes are our general unsecured obligations that rank senior in right of payment to all of our existing and future indebtedness that is expressly subordinated in right of payment to the November 2026 Notes, rank pari passu with all existing and future unsecured unsubordinated indebtedness issued by us, rank effectively junior to any of our secured indebtedness (including unsecured indebtedness that we later secure) to the extent of the value of the assets securing such indebtedness, and rank structurally junior to all existing and future indebtedness (including trade payables) incurred by our subsidiaries, financing vehicles or similar facilities.

The Indenture contains certain covenants, including covenants requiring us to comply with the asset coverage requirements of Section 18(a)(1)(A) as modified by Section 61(a)(1) and (2) of the 1940 Act, whether or not it is subject to those requirements, and to provide financial information to the holders of the November 2026 Notes and the Trustee if we are no longer subject to the reporting requirements under the Exchange Act. These covenants are subject to important limitations and exceptions that are described in the Indenture.

In addition, on the occurrence of a "change of control repurchase event," as defined in the Indenture, we will generally be required to make an offer to purchase the outstanding November 2026 Notes at a price equal to 100% of the principal amount of such November 2026 Notes plus accrued and unpaid interest to the repurchase date.

The November 2026 Notes were offered to persons reasonably believed to be qualified institutional buyers pursuant to Rule 144A under the Securities Act and to certain non-U.S. persons outside the United States pursuant to Regulation S under the Securities Act. The November 2026 Notes have not been registered under the Securities Act or any state securities laws and may not be offered or sold in the United States absent registration or an applicable exemption from such registration requirements.

As of September 30, 2022, the fair value of the outstanding November 2026 Notes was \$284.9 million. The fair value determinations of the November 2026 Notes were based on a market yield approach and current interest rates, which are Level 3 inputs to the market yield model.

Share Repurchases

In connection with the closing of the MVC Acquisition on December 23, 2020, we committed to make open-market purchases of shares of our common stock in an aggregate amount of up to \$15.0 million at then-current market prices at any time shares trade below 90% of our then most recently disclosed NAV per share. Any repurchases pursuant to the authorized program will occur during the 12-month period that commenced upon the filing of our quarterly report on Form 10-Q for the quarter ended March 31, 2021, which occurred on May 6, 2021, and will be made in accordance with applicable legal, contractual and regulatory requirements. The MVC repurchase program terminated on May 6, 2022. During the nine months ended September 30, 2022, we repurchased a total of 207,677 shares of common stock in the open market under the authorized program at an average price of \$10.14 per share, including broker commissions.

In connection with the completion of the acquisition of Sierra, we committed to make open-market purchases of shares of our common stock in an aggregate amount of up to \$30.0 million at then-current market prices at any time shares trade below 90% of our then most recently disclosed NAV per share. Any repurchases pursuant to the authorized program will occur during the 12-month period commencing on April 1, 2022 and are expected to be made in accordance with a Rule 10b5-1 purchase plan that qualifies for the safe harbors provided by Rules 10b5-1 and 10b-18 under the Exchange Act, as well as subject to compliance with our covenant and regulatory requirements. During the nine months ended September 30, 2022, we repurchased a total of 2,213,229 shares of common stock in the open market under the authorized program at an average price of \$9.72 per share, including broker commissions.

Distributions to Stockholders

We intend to pay quarterly distributions to our stockholders out of assets legally available for distribution. We have adopted a dividend reinvestment plan (“DRIP”) that provides for reinvestment of dividends on behalf of our stockholders, unless a stockholder elects to receive cash. As a result, when we declare a dividend, stockholders who have not opted out of the DRIP will have their dividends automatically reinvested in shares of our common stock, rather than receiving cash dividends.

We have elected to be treated as a RIC under the Code, and intend to make the required distributions to our stockholders as specified therein. In order to maintain our tax treatment as a RIC and to obtain RIC tax benefits, we must meet certain minimum distribution, source-of-income and asset diversification requirements. If such requirements are met, then we are generally required to pay income taxes only on the portion of our taxable income and gains we do not distribute (actually or constructively) and certain built-in gains. We have historically met our minimum distribution requirements and continually monitor our distribution requirements with the goal of ensuring compliance with the Code. We can offer no assurance that we will achieve results that will permit the payment of any level of cash distributions and our ability to make distributions will be limited by the asset coverage requirement and related provisions under the 1940 Act and contained in any applicable indenture or financing agreement and related supplements. In addition, in order to satisfy the annual distribution requirement applicable to RICs, we may declare a significant portion of our dividends in shares of our common stock instead of in cash. As long as a portion of such dividend is paid in cash (which portion may be as low as 20% of such dividend (and 10% of the dividend declared through June 30, 2022) under published guidance from the Internal Revenue Service) and certain requirements are met, the entire distribution will be treated as a dividend for U.S. federal income tax purposes. As a result, a stockholder generally would be subject to tax on 100% of the fair market value of the dividend on the date the dividend is received by the stockholder in the same manner as a cash dividend, even though most of the dividend was paid in shares of our common stock.

The minimum distribution requirements applicable to RICs require us to distribute to our stockholders each year at least 90% of our investment company taxable income, or ICTI, as defined by the Code. Depending on the level of ICTI and net capital gain, if any, earned in a tax year, we may choose to carry forward ICTI in excess of current year distributions into the next tax year and pay a 4% U.S. federal excise tax on such excess. Any such carryover ICTI must be distributed before the end of the next tax year through a dividend declared prior to filing the final tax return related to the year which generated such ICTI.

ICTI generally differs from net investment income for financial reporting purposes due to temporary and permanent differences in the recognition of income and expenses. We may be required to recognize ICTI in certain circumstances in which

we do not receive cash. For example, if we hold debt obligations that are treated under applicable tax rules as having original issue discount (such as debt instruments issued with warrants), we must include in ICTI each year a portion of the original issue discount that accrues over the life of the obligation, regardless of whether cash representing such income is received by us in the same taxable year. We may also have to include in ICTI other amounts that we have not yet received in cash, such as (i) PIK interest income and (ii) interest income from investments that have been classified as non-accrual for financial reporting purposes. Interest income on non-accrual investments is not recognized for financial reporting purposes, but generally is recognized in ICTI. Because any original issue discount or other amounts accrued will be included in our ICTI for the year of accrual, we may be required to make a distribution to our stockholders in order to satisfy the minimum distribution requirements, even though we will not have received and may not ever receive any corresponding cash amount. ICTI also excludes net unrealized appreciation or depreciation, as investment gains or losses are not included in taxable income until they are realized.

Recent Developments

Subsequent to September 30, 2022, we made approximately \$131.1 million of new commitments, of which \$103.0 million closed and funded. The \$103.0 million of investments consists of \$97.5 million of first lien senior secured debt investments and \$5.5 million of equity investments. The weighted average yield of the debt investments was 9.9%. In addition, we funded \$7.5 million of previously committed delayed draw term loans.

Subsequent to September 30, 2022, we placed our debt investment in Core Scientific Inc. (“Core Scientific”) on non-accrual status effective with the monthly payment due October 31, 2022. As a result, under U.S. GAAP, we will no longer recognize interest income on our debt investment in Core Scientific for financial reporting purposes.

On November 10, 2022, the Board declared a quarterly distribution of \$0.24 per share payable on December 14, 2022 to holders of record as of December 7, 2022.

Critical Accounting Policies and Use of Estimates

The preparation of our unaudited financial statements in accordance with U.S. GAAP requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the periods covered by such financial statements. We have identified investment valuation and revenue recognition as our most critical accounting estimates. On an ongoing basis, we evaluate our estimates, including those related to the matters described below. These estimates are based on the information that is currently available to us and on various other assumptions that we believe to be reasonable under the circumstances. Actual results could differ materially from those estimates under different assumptions or conditions. A discussion of our critical accounting policies follows.

Investment Valuation

The most significant estimate inherent in the preparation of our financial statements is the valuation of investments and the related amounts of unrealized appreciation and depreciation of investments recorded. We have a valuation policy, as well as established and documented processes and methodologies for determining the fair values of portfolio company investments on a recurring (at least quarterly) basis in accordance with the 1940 Act and FASB ASC Topic 820, *Fair Value Measurements and Disclosures*, or ASC Topic 820. Our current valuation policy and processes were established by Barings and have been approved by the Board.

As of September 30, 2022, our investment portfolio, valued at fair value in accordance with the Board-approved valuation policies, represented approximately 190% of our total net assets, as compared to approximately 243% of our total net assets as of December 31, 2021.

Under ASC Topic 820, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between a willing buyer and a willing seller at the measurement date. For our portfolio securities, fair value is generally the amount that we might reasonably expect to receive upon the current sale of the security. The fair value measurement assumes that the sale occurs in the principal market for the security, or in the absence of a principal market, in the most advantageous market for the security. If no market for the security exists or if we do not have access to the principal market, the security should be valued based on the sale occurring in a hypothetical market.

Under ASC Topic 820, there are three levels of valuation inputs, as follows:

Level 1 Inputs – include quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 Inputs – include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3 Inputs – include inputs that are unobservable and significant to the fair value measurement.

A financial instrument is categorized within the ASC Topic 820 valuation hierarchy based upon the lowest level of input to the valuation process that is significant to the fair value measurement. For example, a Level 3 fair value measurement may include inputs that are observable (Levels 1 and 2) and unobservable (Level 3). Therefore, unrealized appreciation and depreciation related to such investments categorized as Level 3 investments within the tables in the notes to our consolidated financial statements may include changes in fair value that are attributable to both observable inputs (Levels 1 and 2) and unobservable inputs (Level 3).

Our investment portfolio includes certain debt and equity instruments of privately held companies for which quoted prices or other observable inputs falling within the categories of Level 1 and Level 2 are generally not available. In such cases, the Adviser determines the fair value of our investments in good faith primarily using Level 3 inputs. In certain cases, quoted prices or other observable inputs exist, and if so, the Adviser assesses the appropriateness of the use of these third-party quotes in determining fair value based on (i) its understanding of the level of actual transactions used by the broker to develop the quote and whether the quote was an indicative price or binding offer and (ii) the depth and consistency of broker quotes and the correlation of changes in broker quotes with underlying performance of the portfolio company.

There is no single standard for determining fair value in good faith, as fair value depends upon the specific circumstances of each individual investment. The recorded fair values of our Level 3 investments may differ significantly from fair values that would have been used had an active market for the securities existed. In addition, changes in the market environment and other events that may occur over the life of the investments may cause the gains or losses ultimately realized on these investments to be different than the valuations currently assigned.

Investment Valuation Process

The Board must determine fair value in good faith for any or all of our investments for which market quotations are not readily available. The Board may choose to designate our investment adviser to perform the fair value determination relating to such investments. The Board has designated Barings as valuation designee to perform the fair value determinations relating to the value of these assets. Barings has established a pricing committee that is, subject to the oversight of the Board, responsible for the approval, implementation and oversight of the processes and methodologies that relate to the pricing and valuation of assets we hold. Barings uses independent third-party providers to price the portfolio, but in the event an acceptable price cannot be obtained from an approved external source, Barings will utilize alternative methods in accordance with internal pricing procedures established by Barings' pricing committee.

At least annually, Barings conducts reviews of the primary pricing vendors to validate that the inputs used in the vendors' pricing process are deemed to be market observable. While Barings is not provided access to proprietary models of the vendors, the reviews have included on-site walkthroughs of the pricing process, methodologies and control procedures for each asset class and level for which prices are provided. The review also includes an examination of the underlying inputs and assumptions for a sample of individual securities across asset classes, credit rating levels and various durations, a process Barings continues to perform annually. In addition, the pricing vendors have an established challenge process in place for all security valuations, which facilitates identification and resolution of prices that fall outside expected ranges. Barings believes that the prices received from the pricing vendors are representative of prices that would be received to sell the assets at the measurement date (i.e., exit prices).

Our money market fund investments are generally valued using Level 1 inputs and our equity investments listed on an exchange or on the NASDAQ National Market System are valued using Level 1 inputs, using the last quoted sale price of that day. Our syndicated senior secured loans and structured product investments are generally valued using Level 2 inputs, which are generally valued at the bid quotation obtained from dealers in loans by an independent pricing service. Our middle-market, private debt and equity investments are generally valued using Level 3 inputs.

Independent Valuation

The fair value of loans and equity investments that are not syndicated or for which market quotations are not readily available, including middle-market loans, are generally submitted to independent providers to perform an independent valuation on those loans and equity investments as of the end of each quarter. Such loans and equity investments are initially held at cost, as that is a reasonable approximation of fair value on the acquisition date, and monitored for material changes that could affect the valuation (for example, changes in interest rates or the credit quality of the borrower). At the quarter end following that of the initial acquisition, such loans and equity investments are generally sent to a valuation provider which will determine the fair

value of each investment. The independent valuation providers apply various methods (synthetic rating analysis, discounting cash flows, and re-underwriting analysis) to establish the rate of return a market participant would require (the “discount rate”) as of the valuation date, given market conditions, prevailing lending standards and the perceived credit quality of the issuer. Future expected cash flows for each investment are discounted back to present value using these discount rates in the discounted cash flow analysis. A range of values will be provided by the valuation provider and Barings will determine the point within that range that it will use. If the Barings’ pricing committee disagrees with the price range provided, it may make a fair value recommendation to Barings that is outside of the range provided by the independent valuation provider and the reasons therefore. In certain instances, we may determine that it is not cost-effective, and as a result is not in the stockholders’ best interests, to request an independent valuation firm to perform an independent valuation on certain investments. Such instances include, but are not limited to, situations where the fair value of the investment in the portfolio company is determined to be insignificant relative to the total investment portfolio. Pursuant to these procedures, Barings determines in good faith whether our investments were valued at fair value in accordance with our valuation policies and procedures and the 1940 Act based on, among other things, our Audit Committee and the independent valuation firm.

The SEC has adopted new Rule 2a-5 under the 1940 Act. This rule establishes requirements for determining fair value in good faith for purposes of the 1940 Act. Barings implemented enhanced processes to comply with the new rule’s valuation requirements before the SEC’s September 8, 2022 compliance date.

Valuation Techniques

The Adviser’s valuation techniques are based upon both observable and unobservable pricing inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Adviser’s market assumptions. The Adviser’s assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the financial instrument. An independent pricing service provider is the preferred source of pricing a loan, however, to the extent the independent pricing service provider price is unavailable or not relevant and reliable, the Adviser will utilize alternative approaches such as broker quotes or manual prices. The Adviser attempts to maximize the use of observable inputs and minimize the use of unobservable inputs. The availability of observable inputs can vary from investment to investment and is affected by a wide variety of factors, including the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets and other characteristics particular to the security.

Valuation of Investments in Jocassee, Thompson Rivers, Waccamaw River, Sierra JV and MVC Private Equity Fund LP

As Jocassee, Thompson Rivers, Waccamaw River, Sierra JV and MVC Private Equity Fund LP are investment companies with no readily determinable fair values, the Adviser estimates the fair value of our investments in these entities using net asset value of each company and our ownership percentage as a practical expedient. The net asset value is determined in accordance with the specialized accounting guidance for investment companies.

Revenue Recognition

Interest and Dividend Income

Interest income, including amortization of premium and accretion of discount, is recorded on the accrual basis to the extent that such amounts are expected to be collected. Generally, when interest and/or principal payments on a loan become past due, or if we otherwise do not expect the borrower to be able to service its debt and other obligations, we will place the loan on non-accrual status and will generally cease recognizing interest income on that loan for financial reporting purposes until all principal and interest have been brought current through payment or due to a restructuring such that the interest income is deemed to be collectible. The cessation of recognition of such interest will negatively impact the reported fair value of the investment. We write off any previously accrued and uncollected interest when it is determined that interest is no longer considered collectible.

Interest income from investments in the equity class of a collateralized loan obligation (“CLO”) security (typically subordinated notes) is recorded based upon an estimation of an effective yield to expected maturity utilizing assumed cash flows in accordance with ASC 325-40, Beneficial Interests in Securitized Financial Assets. We monitor the expected cash flows from these investments, including the expected residual payments, and the effective yield is determined and updated periodically. Any difference between the cash distribution received and the amount calculated pursuant to the effective interest method is recorded as an adjustment to the cost basis of such investments.

Dividend income on preferred equity securities is recorded on the accrual basis to the extent that such amounts are payable by the portfolio company and are expected to be collected. Dividend income on common equity is recorded on the ex-dividend date.

We may have to include interest income in our ICTI, including original issue discount income, from investments that have been classified as non-accrual for financial reporting purposes. Interest income on non-accrual investments is not recognized for financial reporting purposes, but generally is recognized in ICTI. As a result, we may be required to make a distribution to our stockholders in order to satisfy the minimum distribution requirements to maintain our RIC tax treatment, even though we will not have received and may not ever receive any corresponding cash amount. Additionally, any loss recognized by us for U.S. federal income tax purposes on previously accrued interest income will be treated as a capital loss.

Fee Income

Origination, facility, commitment, consent and other advance fees received in connection with the origination of a loan, or Loan Origination Fees, are recorded as deferred income and recognized as investment income over the term of the loan. Upon prepayment of a loan, any unamortized Loan Origination Fees are recorded as investment income. In the general course of our business, we receive certain fees from portfolio companies, which are non-recurring in nature. Such fees include loan prepayment penalties, advisory, loan amendment and other fees, and are recorded as investment income when earned.

Fee income for the three and nine months ended September 30, 2022 and 2021 was as follows:

(\$ in thousands)	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
Recurring Fee Income:				
Amortization of loan origination fees	\$ 1,582	\$ 1,144	\$ 4,398	\$ 3,386
Management, valuation and other fees	620	542	667	1,671
Total Recurring Fee Income	2,202	1,686	5,065	5,057
Non-Recurring Fee Income:				
Prepayment fees	—	242	134	292
Acceleration of unamortized loan origination fees	1,685	1,930	4,182	3,201
Advisory, loan amendment and other fees	434	630	1,208	640
Total Non-Recurring Fee Income	2,119	2,802	5,524	4,133
Total Fee Income	\$ 4,321	\$ 4,488	\$ 10,589	\$ 9,190

Payment-in-Kind (PIK) Interest Income

We currently hold, and expect to hold in the future, some loans in our portfolio that contain PIK interest provisions. PIK interest, computed at the contractual rate specified in each loan agreement, is periodically added to the principal balance of the loan, rather than being paid to us in cash, and is recorded as interest income. Thus, the actual collection of PIK interest may be deferred until the time of debt principal repayment.

PIK interest, which is a non-cash source of income at the time of recognition, is included in our taxable income and therefore affects the amount we are required to distribute to our stockholders to maintain our tax treatment as a RIC for U.S. federal income tax purposes, even though we have not yet collected the cash. Generally, when current cash interest and/or principal payments on a loan become past due, or if we otherwise do not expect the borrower to be able to service its debt and other obligations, we will place the loan on non-accrual status and will generally cease recognizing PIK interest income on that loan for financial reporting purposes until all principal and interest have been brought current through payment or due to a restructuring such that the interest income is deemed to be collectible. We write off any previously accrued and uncollected PIK interest when it is determined that the PIK interest is no longer collectible.

We may have to include in our ICTI, PIK interest income from investments that have been classified as non-accrual for financial reporting purposes. Interest income on non-accrual investments is not recognized for financial reporting purposes, but generally is recognized in ICTI. As a result, we may be required to make a distribution to our stockholders in order to satisfy the minimum distribution requirements, even though we will not have received and may not ever receive any corresponding cash amount.

Unused Commitments

In the normal course of business, we are party to financial instruments with off-balance sheet risk, consisting primarily of unused commitments to extend financing to our portfolio companies. Since commitments may expire without being drawn upon, the total commitment amount does not necessarily represent future cash requirements. As of September 30, 2022 and December 31, 2021, we believed that we had adequate financial resources to satisfy our unfunded commitments. The balances of unused commitments to extend financing as of September 30, 2022 and December 31, 2021 were as follows:

Portfolio Company (\$ in thousands)	Investment Type	September 30, 2022	December 31, 2021
1888 Industrial Services, LLC(1)(2)	Revolver	\$ 75	\$ —
Acclime Holdings HK Limited(1)(2)	Delayed Draw Term Loan	—	1,179
Acclime Holdings HK Limited(1)(2)	Delayed Draw Term Loan	—	110
Accurus Aerospace Corporation(1)	Revolver	2,305	—
Air Comm Corporation, LLC(1)	Delayed Draw Term Loan	—	11
Air Comm Corporation, LLC(1)	Delayed Draw Term Loan	—	1,448
Amtech LLC(1)	Delayed Draw Term Loan	1,527	2,727
Amtech LLC(1)	Revolver	545	682
AnalytiChem Holding GmbH(1)(2)(3)	Incremental Term Loan	859	6,207
AnalytiChem Holding GmbH(1)(2)(3)	Bridge Revolver	336	—
APC1 Holding(1)(2)(3)	Delayed Draw Term Loan	490	—
Aquavista Watersides 2 LTD(1)(2)(4)	Bridge Revolver	—	503
Aquavista Watersides 2 LTD(1)(2)(4)	Capex / Acquisition Facility	2,593	3,147
Arc Education(1)(2)(3)	Delayed Draw Term Loan	1,744	—
Argus Bidco Limited(1)(2)(4)	CAF Term Loan	733	—
Argus Bidco Limited(1)(2)(4)	Bridge Term Loan	156	—
ASC Communications, LLC	Revolver	1,089	—
Astra Bidco Limited(1)(2)(4)	Delayed Draw Term Loan	813	2,571
Avance Clinical Bidco Pty Ltd(1)(2)(5)	Delayed Draw Term Loan	1,228	3,497
Azalea Buyer, Inc.(1)(2)	Delayed Draw Term Loan	961	962
Azalea Buyer, Inc.(1)(2)	Revolver	481	481
Bariacum S.A(1)(2)(3)	Acquisition Facility	1,861	2,161
Beyond Risk Management, Inc.(1)(2)	Delayed Draw Term Loan	2,423	2,573
BigHand UK Bidco Limited(1)(2)(4)	Acquisition Facility	—	378
Black Angus Steakhouses, LLC(1)	Delayed Draw Term Loan	417	—
Bounteous, Inc.(1)	Delayed Draw Term Loan	2,840	2,840
Brightpay Limited(1)(2)(3)	Delayed Draw Term Loan	185	432
Brightpay Limited(1)(2)(3)	Delayed Draw Term Loan	124	144
BrightSign LLC(1)	Revolver	1,329	1,329
British Engineering Services Holdco Limited(1)(2)(4)	Bridge Revolver	—	613
CAi Software, LLC(1)(2)	Revolver	943	943
Canadian Orthodontic Partners Corp.(1)(2)(6)	Delayed Draw Term Loan	109	167
Centralis Finco S.a.r.l.(1)(2)(3)	Incremental CAF Term Loan	944	461
Ceres Pharma NV(1)(2)(3)	Delayed Draw Term Loan	1,851	2,149
CGI Parent, LLC(1)	Revolver	1,653	—
Classic Collision (Summit Buyer, LLC)(1)(2)	Delayed Draw Term Loan	141	393
Coastal Marina Holdings, LLC(1)(2)	PIK Tranche B Term Loan	1,311	1,311
Coastal Marina Holdings, LLC(1)(2)	Tranche A Term Loan	3,576	3,576
Command Alkon (Project Potter Buyer, LLC)(1)	Delayed Draw Term Loan	—	6,018
Comply365, LLC(1)	Revolver	1,101	—
Coyo Uprising GmbH(1)(2)(3)	Delayed Draw Term Loan	770	894

Portfolio Company (\$ in thousands)	Investment Type	September 30, 2022	December 31, 2021
Crash Champions, LLC(1)	Delayed Draw Term Loan	—	5,420
CSL Dualcom(1)(2)(4)	Acquisition Term Loan	822	998
Dart Buyer, Inc.(1)	Delayed Draw Term Loan	—	2,431
DecksDirect, LLC(1)(2)	Revolver	218	218
DreamStart Bidco SAS (d/b/a SmartTrade)(1)(2)(3)	Acquisition Facility	531	617
Dune Group(1)(2)(3)	Delayed Draw Term Loan	573	665
Dwyer Instruments, Inc.(1)(2)	Delayed Draw Term Loan	5,164	692
Eclipse Business Capital, LLC(1)	Revolver	16,545	11,818
EMI Porta Holdco LLC(1)(2)	Delayed Draw Term Loan	9,907	12,458
EMI Porta Holdco LLC(1)(2)	Revolver	2,064	2,966
EPS NASS Parent, Inc.(1)	Delayed Draw Term Loan	257	583
eShipping, LLC(1)	Delayed Draw Term Loan	1,650	2,548
eShipping, LLC(1)	Revolver	1,486	1,232
Events Software BidCo Pty Ltd(1)(2)	Delayed Draw Term Loan	640	—
Express Wash Acquisition Company, LLC(1)(2)	Delayed Draw Term Loan	587	—
F24 (Stairway BidCo GmbH)(1)(2)(3)	Acquisition Term Loan	226	405
Fineline Technologies, Inc.(1)	Delayed Draw Term Loan	180	180
Footco 40 Limited(1)(2)(4)	Delayed Draw Term Loan	711	—
FragilePak LLC(1)	Delayed Draw Term Loan	2,354	2,354
Global Academic Group Limited(1)(2)(7)	Term Loan	403	—
GPZN II GmbH(1)(2)(3)	CAF Term Loan	514	—
Greenhill II BV(1)(2)(3)	Capex Acquisition Facility	234	—
HeartHealth Bidco Pty Ltd(1)(2)(5)	Delayed Draw Term Loan	297	—
Heartland Veterinary Partners, LLC(1)	Delayed Draw Term Loan	267	657
Heavy Construction Systems Specialists, LLC(1)	Revolver	2,632	2,632
HTI Technology & Industries(1)(2)	Delayed Draw Term Loan	2,045	—
HTI Technology & Industries(1)(2)	Revolver	1,364	—
HW Holdco, LLC (Hanley Wood LLC)(1)(2)	Delayed Draw Term Loan	913	1,563
IGL Holdings III Corp.(1)	Delayed Draw Term Loan	—	1,217
Innovad Group II BV(1)(2)(3)	Delayed Draw Term Loan	1,158	1,825
INOS 19-090 GmbH(1)(2)(3)	Acquisition Facility	2,184	2,535
Interstellar Group B.V.(1)(2)(3)	Delayed Draw Term Loan	1,203	—
Interstellar Group B.V.(1)(2)(3)	Delayed Draw Term Loan	109	—
ITI Intermodal, Inc.(1)(2)	Delayed Draw Term Loan	103	103
ITI Intermodal, Inc.(1)(2)	Revolver	118	124
Jaguar Merger Sub Inc.(1)(2)	Delayed Draw Term Loan	3,763	1,961
Jaguar Merger Sub Inc.(1)(2)	Revolver	490	490
Jocassee Partners LLC	Joint Venture	65,000	20,000
Jon Bidco Limited(1)(2)(7)	Capex & Acquisition Facility	1,289	—
Jones Fish Hatcheries & Distributors LLC(1)	Revolver	418	—
Kano Laboratories LLC(1)(2)	Delayed Draw Term Loan	153	153
Kano Laboratories LLC(1)(2)	Delayed Draw Term Loan	2,830	4,544
Kemmerer Operations LLC(1)(2)	Delayed Draw Term Loan	908	—
LAF International(1)(3)	Acquisition Facility	—	341
Lambir Bidco Limited(1)(2)(3)	Bridge Revolver	—	941
Lambir Bidco Limited(1)(2)(3)	Delayed Draw Term Loan	1,621	1,881
Lattice Group Holdings Bidco Limited(1)	Delayed Draw Term Loan	298	—

Portfolio Company (\$ in thousands)	Investment Type	September 30, 2022	December 31, 2021
LeadsOnline, LLC(1)	Revolver	2,603	—
Lifestyle Intermediate II, LLC(1)(2)	Revolver	2,500	—
LivTech Purchaser, Inc.(1)	Delayed Draw Term Loan	34	82
Marmoutier Holding B.V.(1)(2)(3)	Delayed Draw Term Loan	22	405
Marmoutier Holding B.V.(1)(2)(3)	Revolver	140	162
Marshall Excelsior Co.(1)(2)	Revolver	413	—
MC Group Ventures Corporation(1)(2)	Delayed Draw Term Loan	817	817
Mercell Holding AS(1)(2)(8)	Bridge Term Loan	255	—
Mercell Holding AS(1)(2)(8)	Capex Acquisition Facility	850	—
Modern Star Holdings Bidco Pty Limited(1)(2)(5)	Capex Term Loan	918	1,038
Murphy Midco Limited(1)(2)(4)	Delayed Draw Term Loan	549	2,617
Narda Acquisitionco., Inc.(1)(2)	Revolver	1,245	1,311
Navia Benefit Solutions, Inc.(1)	Delayed Draw Term Loan	—	1,261
Nexus Underwriting Management Limited(1)(2)(4)	Revolver	—	103
Nexus Underwriting Management Limited(1)(2)(4)	Acquisition Facility	411	541
Novotech Aus Bidco Pty Ltd(1)(2)	Capex & Acquisition Facility	808	—
NPM Investments 28 BV(1)(3)	Delayed Draw Term Loan	425	—
OA Buyer, Inc.(1)	Revolver	1,331	1,331
OAC Holdings I Corp(1)	Revolver	802	—
OG III B.V.(1)(2)(3)	Acquisition CapEx Facility	—	686
Omni Intermediate Holdings, LLC(1)(2)	Delayed Draw Term Loan	—	817
Omni Intermediate Holdings, LLC(1)(2)	Delayed Draw Term Loan	2,289	4,357
OSP Hamilton Purchaser, LLC(1)	Revolver	187	187
Pacific Health Supplies Bidco Pty Limited(1)(5)	CapEx Term Loan	—	1,283
PDQ.Com Corporation(1)	Delayed Draw Term Loan	—	289
PDQ.Com Corporation(1)	Delayed Draw Term Loan	7,753	10,948
Perimeter Master Note Business Trust(1)(2)	Series 2022-One Class A	73	—
Perimeter Master Note Business Trust(1)(2)	Series 2022-One Class B	73	—
Perimeter Master Note Business Trust(1)(2)	Series 2022-One Class C	73	—
Perimeter Master Note Business Trust(1)(2)	Series 2022-One Class D	73	—
Perimeter Master Note Business Trust(1)(2)	Series 2022-One Class E	3,709	—
Polara Enterprises, L.L.C.(1)(2)	Revolver	545	545
Policy Services Company, LLC(1)(2)	Delayed Draw Term Loan	—	6,944
Premium Invest(1)(2)(3)	Delayed Draw Term Loan	2,645	1,933
ProfitOptics, LLC(1)(2)	Revolver	484	—
Protego Bidco B.V.(1)(2)(3)	Delayed Draw Term Loan	727	844
PSP Intermediate 4, LLC(1)(2)(3)	Delayed Draw Term Loan	667	—
QPE7 SPV1 BidCo Pty Ltd(1)(2)(5)	Acquisition Term Loan	—	373
RA Outdoors, LLC(1)(2)	Revolver	1,235	—
Rep Seko Merger Sub LLC(1)(2)	Delayed Draw Term Loan	929	1,455
Reward Gateway (UK) Ltd(1)(2)(4)	Acquisition Facility	557	1,061
Riedel Beheer B.V.(1)(2)(3)	Revolver	—	230
Riedel Beheer B.V.(1)(2)(3)	Delayed Draw Term Loan	—	153
Royal Buyer, LLC(1)(2)	Revolver	1,340	—
Royal Buyer, LLC(1)(2)	Delayed Draw Term Loan	2,209	—
RTIC Subsidiary Holdings, LLC(1)(2)	Revolver	1,032	—
Sanoptis S.A.R.L.(1)(2)(3)	Acquisition Capex Facility	2,126	—

Portfolio Company (\$ in thousands)	Investment Type	September 30, 2022	December 31, 2021
Scaled Agile, Inc.(1)	Delayed Draw Term Loan	416	416
Scaled Agile, Inc.(1)	Revolver	336	336
Scout Bidco B.V.(1)(2)(3)	Delayed Draw Term Loan	2,083	—
Scout Bidco B.V.(1)(2)(3)	Revolver	945	—
Security Holdings B.V.(1)(2)(3)	Delayed Draw Term Loan	1,959	2,274
Security Holdings B.V.(1)(2)(3)	Revolver	980	1,137
Sereni Capital NV(1)(2)(3)	Term Loan	220	—
Smartling, Inc.(1)	Delayed Draw Term Loan	1,978	2,353
Smartling, Inc.(1)	Revolver	1,176	1,176
Smile Brands Group, Inc.(1)(2)	Delayed Draw Term Loan	38	655
Springbrook Software (SBRK Intermediate, Inc.)(1)(2)	Delayed Draw Term Loan	—	2,373
SSCP Pegasus Midco Limited(1)(2)(4)	Delayed Draw Term Loan	4,328	5,251
Superjet Buyer, LLC(1)	Revolver	1,825	1,825
Syntax Systems Ltd(1)(2)	Delayed Draw Term Loan	1,933	1,933
Syntax Systems Ltd(1)(2)	Revolver	337	569
Tank Holding Corp(1)	Revolver	873	—
Techone B.V.(1)(2)(3)	Delayed Draw Term Loan	—	1,621
Techone B.V.(1)(2)(3)	Revolver	205	432
Tencarva Machinery Company, LLC(1)	Delayed Draw Term Loan	—	886
Tencarva Machinery Company, LLC(1)	Revolver	1,129	1,129
The Caprock Group, Inc. (aka TA/TCG Holdings, LLC)(1)	Delayed Draw Term Loan	2,811	2,811
The Caprock Group, Inc. (aka TA/TCG Holdings, LLC)(1)	Revolver	827	827
The Cleaver-Brooks Company, Inc.(1)(2)	Revolver	2,583	—
The Hilb Group, LLC(1)(2)	Delayed Draw Term Loan	2,204	2,773
TPC Group, Inc.(1)(2)	Revolver	34,322	—
Transit Technologies LLC(1)(2)	Delayed Draw Term Loan	—	1,857
Truck-Lite Co., LLC(1)(2)	Delayed Draw Term Loan	—	4,540
Turbo Buyer, Inc.(1)(2)	Delayed Draw Term Loan	2,130	2,070
Union Bidco Limited(1)(2)(4)	Acquisition Facility	89	—
United Therapy Holding III GmbH(1)(2)(3)	Acquisition Facility	1,488	—
USLS Acquisition, Inc.(f/k/a US Legal Support, Inc.)(1)(2)	Delayed Draw Term Loan	3,629	—
W2O Holdings, Inc.(1)(2)	Delayed Draw Term Loan	2,622	3,832
Waccamaw River(2)	Joint Venture	2,480	11,280
Woodland Foods, Inc.(1)(2)	Line of Credit	792	2,070
Xeinadin Bidco Limited(1)(2)(4)	CAF Term Loan	2,886	—
ZB Holdco LLC(1)	Delayed Draw Term Loan	1,352	—
ZB Holdco LLC(1)	Revolver	845	—
Zeppelin Bidco Limited(1)(2)(4)	Capex / Acquisition Facility	2,335	—
Zeppelin Bidco Limited(1)(2)(4)	Revolver	491	—
Total unused commitments to extend financing		<u>\$ 299,238</u>	<u>\$ 234,658</u>

- (1) The Adviser's estimate of the fair value of the current investments in these portfolio companies includes an analysis of the fair value of any unfunded commitments.
- (2) Represents a commitment to extend financing to a portfolio company where one or more of our current investments in the portfolio company are carried at less than cost.
- (3) Actual commitment amount is denominated in Euros. Commitment was translated into U.S. dollars based on the spot rate at the relevant balance sheet date.
- (4) Actual commitment amount is denominated in British pounds sterling. Commitment was translated into U.S. dollars based on the spot rate at the relevant balance sheet date.
- (5) Actual commitment amount is denominated in Australian dollars. Commitment was translated into U.S. dollars based on the spot rate at the relevant balance sheet date.

- (6) Actual commitment amount is denominated in Canadian dollars. Commitment was translated into U.S. dollars based on the spot rate at the relevant balance sheet date.
- (7) Actual commitment amount is denominated in New Zealand dollars. Commitment was translated into U.S. dollars based on the spot rate at the relevant balance sheet date.
- (8) Actual commitment amount is denominated in Norwegian Kroner. Commitment was translated into U.S. dollars based on the spot rate at the relevant balance sheet date.

In the normal course of business, we guarantee certain obligations in connection with our portfolio companies (in particular, certain controlled portfolio companies). Under these guarantee arrangements, payments may be required to be made to third parties if such guarantees are called upon or if the portfolio companies were to default on their related obligations, as applicable. As of September 30, 2022 and December 31, 2021, we had guaranteed €9.9 million (\$9.7 million U.S. dollars and \$11.3 million U.S. dollars, respectively) relating to credit facilities among Erste Bank and MVC Automotive Group GmbH, or MVC Auto. We would be required to make payments to Erste Bank if MVC Auto were to default on their related payment obligations. None of the credit facility guarantees are recorded as a liability on our Unaudited and Audited Consolidated Balance Sheets. As such, the credit facility liabilities are considered in the valuation of our investments in MVC Auto. The guarantees denominated in foreign currencies were translated into U.S. dollars based on the spot rate at the relevant balance sheet date.

Item 3. *Quantitative and Qualitative Disclosures About Market Risk.*

We are subject to market risk. Market risk includes risks that arise from changes in interest rates, commodity prices, equity prices and other market changes that affect market sensitive instruments. The prices of securities held by us may decline in response to certain events, including those directly involving the companies we invest in; conditions affecting the general economy; overall market changes; global pandemics; legislative reform; local, regional, national or global political, social or economic instability; and interest rate fluctuations.

In addition, we are subject to interest rate risk. Interest rate risk is defined as the sensitivity of our current and future earnings to interest rate volatility, variability of spread relationships, the difference in re-pricing intervals between our assets and liabilities and the effect that interest rates may have on our cash flows. Changes in the general level of interest rates can affect our net interest income, which is the difference between the interest income earned on interest earning assets and our interest expense incurred in connection with our interest bearing debt and liabilities. Changes in interest rates can also affect, among other things, our ability to acquire and originate loans and securities and the value of our investment portfolio. Our net investment income is affected by fluctuations in various interest rates, including LIBOR, EURIBOR, BBSY, STIBOR, CDOR, SOFR, SONIA, SARON, NIBOR and BKBM. Our risk management systems and procedures are designed to identify and analyze our risk, to set appropriate policies and limits and to continually monitor these risks. We regularly measure exposure to interest rate risk and determine whether or not any hedging transactions are necessary to mitigate exposure to changes in interest rates. As of September 30, 2022, we were not a party to any interest rate hedging arrangements.

In July 2017, the head of the U.K. Financial Conduct Authority (the "FCA"), announced that the FCA will no longer persuade or compel banks to submit rates for the calculation of LIBOR after 2021. In March 2021, the FCA confirmed that all LIBOR settings will either cease to be provided by any administrator or no longer be representative: (a) immediately after December 31, 2021, in the case of sterling, euro, Swiss franc, and Japanese yen, and the one week and two month U.S. dollar settings; and (b) immediately after June 30, 2023, in the case of the remaining U.S. dollar settings. In addition, as a result of supervisory guidance from U.S. regulators, some U.S. regulated entities ceased to enter into new LIBOR contracts after January 1, 2022. At this time, no consensus exists as to what rate or rates will become accepted alternatives to LIBOR, although the Alternative Reference Rates Committee, a steering committee convened by the Board of Governors of the Federal Reserve System and the Federal Reserve Bank of New York and comprised of large U.S. financial institutions, has recommended the use of SOFR. There are many uncertainties regarding a transition from LIBOR to SOFR or any other alternative benchmark rate that may be established, including, but not limited to, the timing of any such transition, the need to amend all contracts with LIBOR as the referenced rate and, given the inherent differences between LIBOR and SOFR or any other alternative benchmark rate, how any transition may impact the cost and performance of impacted securities, variable rate debt and derivative financial instruments. In addition, SOFR or another alternative benchmark rate may fail to gain market acceptance, which could adversely affect the return on, value of and market for securities, variable rate debt and derivative financial instruments linked to such rates. The effects of a transition from LIBOR to SOFR or any other alternative benchmark rate on our cost of capital and net investment income cannot yet be determined definitively. All of our loan agreements with our portfolio companies include fallback language in the event that LIBOR becomes unavailable. This language generally either includes a clearly defined alternative reference rate after LIBOR's discontinuation or provides that the administrative agent may identify a replacement reference rate, typically with the consent of (or prior consultation with) the borrower. In certain cases, the administrative agent will be required to obtain the consent of either a majority of the lenders under the facility, or the consent of each lender, prior to identifying a replacement reference rate. In addition, any further changes or reforms to the determination or supervision of LIBOR may result in a sudden or prolonged increase or decrease in reported LIBOR, which could have an adverse impact on the market value for or value of any LIBOR-linked securities, loans, and other financial

obligations or extensions of credit held by or due to us and could have a material adverse effect on our business, financial condition and results of operations.

The U.S. Federal Reserve is currently embarking on an aggressive campaign of raising interest rates to address significant and persistent inflation. The goal of these interest rate increases is to slow economic growth and reduce price pressure. There is a significant chance that this central bank tightening cycle could force the U.S. into a recession, at which point interest rates and base rates would likely decrease. A prolonged reduction in interest rates will reduce our gross investment income and could result in a decrease in our net investment income if such decreases in SOFR are not offset by a corresponding increase in the spread over SOFR that we earn on any portfolio investments, a decrease in our operating expenses, including with respect to our income incentive fee, or a decrease in the interest rate of our floating interest rate liabilities tied to SOFR.

As of September 30, 2022, approximately \$1,826.5 million (principal amount) of our debt portfolio investments bore interest at variable rates, which generally are LIBOR-based (or based on an equivalent applicable currency rate), and many of which are subject to certain floors.

Based on our September 30, 2022 Consolidated Balance Sheet, the following table shows the annual impact on net income of hypothetical base rate changes in interest rates on our debt investments and borrowings (considering interest rate floors for variable rate instruments) assuming no changes in our investment and borrowing structure:

(in thousands) Basis Point Change ⁽¹⁾	Interest Income		Interest Expense		Net Income ⁽²⁾
Up 300 basis points	\$	54,796	\$	19,530	\$ 35,266
Up 200 basis points		36,531		13,020	23,511
Up 100 basis points		18,265		6,510	11,755
Down 25 basis points		(4,566)		(1,627)	(2,939)
Down 50 basis points		(9,133)		(3,255)	(5,878)

(1) Excludes the impact of foreign currency exchange

(2) Excludes the impact of income based fees. See Note 2 to our Unaudited Consolidated Financial Statements for more information on the income based fees

We may also have exposure to foreign currencies related to certain investments. Such investments are translated into U.S. dollars based on the spot rate at the relevant balance sheet date, exposing us to movements in the exchange rate. In order to reduce our exposure to fluctuations in exchange rates, we generally borrow in local foreign currencies under the February 2019 Credit Facility to finance such investments. As of September 30, 2022, we had borrowings denominated in Swedish kronas of 12.8kr million (\$1.2 million U.S. dollars) with an interest rate of 3.063%, borrowings denominated in British pounds sterling of £68.6 million (\$76.6 million U.S. dollars) with an interest rate of 3.723% and borrowings denominated in Euros of €138.6 million (\$135.8 million U.S. dollars) with an interest rate of 2.375%.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. Our Chief Executive Officer and Chief Financial Officer carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this report. Based on the evaluation of these disclosure controls and procedures, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of September 30, 2022. It should be noted that any system of controls, however well designed and operated, can provide only reasonable, and not absolute, assurance that the objectives of the system are met. In addition, the design of any control system is based in part upon certain assumptions about the likelihood of future events. Because of these and other inherent limitations of control systems, there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions, regardless of how remote.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting during the third quarter of 2022 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. *Legal Proceedings.*

Neither we, the Adviser, nor our subsidiaries are currently subject to any material pending legal proceedings, other than ordinary routine litigation incidental to our respective businesses. We, the Adviser, and our subsidiaries may from time to time, however, be involved in litigation arising out of operations in the normal course of business or otherwise, including in connection with strategic transactions. Furthermore, third parties may seek to impose liability on us in connection with the activities of our portfolio companies. While the outcome of any current legal proceedings cannot at this time be predicted with certainty, we do not expect any current matters will materially affect our financial condition or results of operations; however, there can be no assurance whether any pending legal proceedings will have a material adverse effect on our financial condition or results of operations in any future reporting period.

Item 1A. *Risk Factors.*

You should carefully consider the risks described in Item 1A entitled "Risk Factors" in Part 1 of our Annual Report on Form 10-K for the year ended December 31, 2021, which was filed with the SEC on February 23, 2022, and all other information contained in this Quarterly Report on Form 10-Q, including our interim financial statements and the related notes thereto, before making a decision to purchase our securities. The risks and uncertainties referenced herein and in our most recent Annual Report on Form 10-K are not the only ones facing us. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may have a material adverse effect on our business, financial condition and/or operating results, as well as the market price of our securities.

There have been no material changes during the three months ended September 30, 2022 to the risk factors previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2021. If any of such risks actually occur, our business, financial condition or results of operations could be materially adversely affected. If that happens, the market price of our securities could decline, and you may lose all or part of your investment.

Item 2. *Unregistered Sales of Equity Securities and Use of Proceeds.*

Sales of Unregistered Securities

None.

Issuer Purchases of Equity Securities

During the three months ended September 30, 2022, in connection with our DRIP for our common stockholders, we directed the plan administrator to purchase 92,042 shares of our common stock for an aggregate of \$890,374 in the open market in order to satisfy our obligations to deliver shares of common stock to our stockholders with respect to our dividend declared on August 9, 2022.

In connection with the closing of the MVC Acquisition on December 23, 2020, we committed to make open-market purchases of shares of our common stock in an aggregate amount of up to \$15.0 million at then-current market prices at any time shares trade below 90% of our then most recently disclosed NAV per share. Any repurchases pursuant to the authorized program will occur during the 12-month period that commenced upon the filing of our quarterly report on Form 10-Q for the quarter ended March 31, 2021, which occurred on May 6, 2021, and will be made in accordance with applicable legal, contractual and regulatory requirements. The MVC repurchase program terminated on May 6, 2022.

In connection with the completion of the acquisition of Sierra, we committed to make open-market purchases of shares of our common stock in an aggregate amount of up to \$30.0 million at then-current market prices at any time shares trade below 90% of our then most recently disclosed NAV per share. Any repurchases pursuant to the authorized program will occur during the 12-month period commencing on April 1, 2022 and are expected to be made in accordance with a Rule 10b5-1 purchase plan that qualifies for the safe harbors provided by Rules 10b5-1 and 10b-18 under the Exchange Act, as well as subject to compliance with our covenant and regulatory requirements. During the three months ended September 30, 2022, we repurchased a total of 903,787 shares of our common stock in the open market under the authorized program at an average price of \$9.42 per share, including broker commissions.

The following chart summarizes repurchases of our common stock for the three months ended September 30, 2022:

Period	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs	Approximate dollar value of shares that may yet be purchased under the plans or programs(2)
July 1 through July 31, 2022	503,279	\$ 9.47	503,279	\$ 12,260
August 1 through August 31, 2022	107,638	\$ 10.02	107,638	\$ 11,182
September 1 through September 30, 2022	384,912 (1)	\$ 9.23	292,870	\$ 8,479 (3)

(1) Includes 92,042 shares purchased in the open market pursuant to the terms of our dividend reinvestment plan.

(2) In thousands.

(3) Subsequent to period-end, through November 10, 2022, we repurchased an additional 50,267 shares of our common stock pursuant to the share repurchase plan at an average price of \$8.35 per share, including broker commissions.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

Not applicable.

Item 6. Exhibits.

<u>Number</u>	<u>Exhibit</u>
3.1	Articles of Amendment and Restatement of the Registrant (Filed as Exhibit (a)(3) to the Registrant's Pre-Effective Amendment No. 1 to the Registration Statement on Form N-2 (File No. 333-138418) filed with the Securities and Exchange Commission on December 29, 2006 and incorporated herein by reference).
3.2	Articles of Amendment of the Registrant (Filed as Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed with the Securities and Exchange Commission on August 2, 2018 and incorporated herein by reference).
3.3	Seventh Amended and Restated Bylaws of the Registrant (Filed as Exhibit 3.3 to the Registrant's Current Report on Form 8-K filed with the Securities and Exchange Commission on August 2, 2018 and incorporated herein by reference).
3.4	Articles Supplementary (Filed as Exhibit 3.2 to the Registrant's Current Report on Form 8-K filed with the Securities and Exchange Commission on August 2, 2018 and incorporated herein by reference).
31.1	Chief Executive Officer Certification Pursuant to Rule 13a-14 of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.**
31.2	Chief Financial Officer Certification Pursuant to Rule 13a-14 of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.**
32.1	Chief Executive Officer Certification pursuant to Section 1350, Chapter 63 of Title 18, United States Code, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.***
32.2	Chief Financial Officer Certification pursuant to Section 1350, Chapter 63 of Title 18, United States Code, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.***
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.**
101.SCH	Inline XBRL Taxonomy Extension Schema Document**
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document**
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document**
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document**
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document**
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)**

** Filed Herewith.

*** Furnished Herewith.

**Certification of Chief Executive Officer of Barings BDC, Inc.
pursuant to Rule 13a-14(a) under the Exchange Act,
as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Jonathan Bock, as Chief Executive Officer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Barings BDC, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ JONATHAN BOCK

Jonathan Bock
Chief Executive Officer
November 10, 2022

**Certification of Chief Financial Officer of Barings BDC, Inc.
pursuant to Rule 13a-14(a) under the Exchange Act,
as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Jonathan Landsberg, as Chief Financial Officer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Barings BDC, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ JONATHAN LANDSBERG

Jonathan Landsberg
Chief Financial Officer

November 10, 2022

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Barings BDC, Inc. (the "Company") on Form 10-Q for the period ended September 30, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jonathan Bock, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ JONATHAN BOCK

Jonathan Bock
Chief Executive Officer
November 10, 2022

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Barings BDC, Inc. (the "Company") on Form 10-Q for the period ended September 30, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jonathan Landsberg, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ JONATHAN LANDSBERG

Jonathan Landsberg
Chief Financial Officer
November 10, 2022