

BARINGS



**Barings BDC, Inc.
Fourth Quarter 2020
Earnings Presentation**

March 23, 2021

Disclaimers and Cautionary Notes Regarding Forward-Looking Statements

Cautionary Notice: Certain statements contained in this presentation are "forward-looking" statements. Investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date on which they are made and which reflect management's current estimates, projections, expectations or beliefs, and which are subject to risks and uncertainties that may cause actual results or events to differ materially. Forward-looking statements include, but are not limited to, the ability of Barings LLC to manage Barings BDC, Inc. ("Barings BDC") and identify investment opportunities, and some of the factors that could cause actual results or events to differ materially from those identified in forward-looking statements are enumerated in the filings Barings BDC makes with the Securities and Exchange Commission (the "SEC"). These statements are subject to change at any time based upon economic, market or other conditions, including with respect to the impact of the COVID-19 pandemic and its effects on Barings BDC's and its portfolio companies' results of operations and financial condition, and may not be relied upon as investment advice or an indication of Barings BDC's investment intent. Important factors that could cause actual results to differ materially from plans, estimates or expectations included in this presentation include, among others, those risk factors detailed in Barings BDC's annual report on Form 10-K for the fiscal year ended December 31, 2020, filed with the SEC on March 23, 2021, in Barings BDC's subsequently filed quarterly reports on Form 10-Q, and as may be included from time to time in Barings BDC's other filings with the SEC, including current reports on Form 8-K and other documents filed with the SEC. In addition, there is no assurance that Barings BDC or any of its affiliates will purchase additional shares of Barings BDC at any specific discount levels or in any specific amounts or the market price of Barings BDC's shares, either absolutely or relative to net asset value, will increase as a result of any share repurchases, or that any repurchase plan will enhance stockholder value over the long term. The Company undertakes no obligation to publicly update forward-looking statements, whether as a result of new information, future events or otherwise.

Other Important Information

Any forecasts in this document are based upon Barings' opinion of the market at the date of preparation and are subject to change without notice, dependent upon many factors. Any prediction, projection or forecast is not necessarily indicative of the future or likely performance. Investment involves risk. The value of any investments and any income generated may go down as well as up and is not guaranteed. Past performance is no indication of current or future performance. PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS. Any investment results, portfolio compositions and/or examples set forth in this document are provided for illustrative purposes only and are not indicative of any future investment results, future portfolio composition or investments. The composition, size of, and risks associated with an investment may differ substantially from any examples set forth in this document. No representation is made that an investment will be profitable or will not incur losses. Where appropriate, changes in the currency exchange rates may affect the value of investments. Prospective investors should read the relevant offering documents for the details and specific risk factors of any investment vehicle discussed in this document.

ERIC LLOYD

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Barings BDC, Inc.*

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*Chief Financial Officer
Barings BDC, Inc.*

4Q 2020 HIGHLIGHTS (Lloyd)

What were the summary points of the quarter?

BBDC MARKET UPDATE & INVESTMENT PORTFOLIO (Fowler)

Update on the portfolio ramp and performance.

BBDC FINANCIALS (Bock)

A walk through the balance sheet, income statement, NAV bridge and liquidity.

1Q 2021 ORIGINATION PIPELINE (Bock)

What is the level of investment activity post-quarter end?

4Q 2020 Highlights

Credit Spreads & BDC Equity Prices

BSL spreads and prices returned to pre-COVID levels in Q4, though BDC prices remained 21% lower YoY

BROADLY-SYNDICATED LOAN SPREADS



BROADLY-SYNDICATED LOAN PRICES



BDC EQUITY PRICES



Fourth Quarter 2020 Highlights

NET ASSET VALUE

Net asset value (NAV) as of December 31, 2020 was \$10.99 per share as compared to \$10.97 as of September 30, 2020

ORIGINATIONS

Total originations during the quarter were \$566 million, while sales and repayments totaled \$234 million; MVC portfolio acquisition totaled \$185 million of investments across 18 portfolio companies, with \$5 million of subsequent repayments

NET INVESTMENT INCOME

Net investment income for the quarter ended December 31, 2020 was \$0.19 per share

PORTFOLIO YIELD

The weighted-average portfolio yield¹ as of December 31, 2020 was 6.2% for Middle-Market Loans (MML), 7.8% for Cross-Platform investments, and 12.1% for MVC assets²

DIVIDEND

The Board of Directors approved a fourth quarter dividend of \$0.17 per share, up from \$0.16 in the third quarter, as well as a first quarter 2021 dividend of \$0.19 per share

CREDIT PERFORMANCE

There were no BBDC-originated investments on non-accrual status as of quarter end; one MVC-acquired asset on non-accrual (0.2% of total portfolio fair value); 2.6% of MML were priced below 90% of cost, and 1.1% of Cross-Platform investments were priced below 90% of cost

Data as of December 31, 2020. Refer to slide 18 for fully-reconciled income statement including number of shares used to calculate per-share data.

1. Yield is calculated as the weighted average of current coupon rates (USD-equivalent).

2. Excludes short-term investments and equity investments.

Selected Financial Highlights

Balance Sheet Highlights	4Q 2020	3Q 2020	2Q 2020	1Q 2020	4Q 2019
Investment Portfolio, at Fair Value	\$1,495.8	\$1,116.3	\$1,034.0	\$1,071.8	\$1,173.6
Total Debt Outstanding (Principal)	\$944.7	\$692.0	\$569.3	\$631.1	\$670.7
Total Net Assets (Equity)	\$717.8	\$526.0	\$490.5	\$445.7	\$570.9
Debt-to-Equity Ratio	1.32x	1.32x	1.16x	1.42x	1.17x
Net Debt-to-Equity Ratio ¹	1.04x	0.74x	1.00x	1.20x	0.90x
Income Statement Highlights					
Total Investment Income	\$19.9	\$16.3	\$16.1	\$18.7	\$18.4
Net Investment Income	\$9.2	\$8.0	\$6.5	\$7.3	\$7.2
Net Realized Losses	(\$1.0)	(\$20.5)	(\$16.5)	(\$0.3)	(\$2.7)
Net Unrealized Appreciation / (Depreciation)	\$17.0	\$55.9	\$65.0	(\$119.4)	\$6.6
Net Income / (Loss)	\$22.8	\$43.2	\$54.7	(\$112.5)	\$10.6
Per-Share Data					
Net Asset Value per Share	\$10.99	\$10.97	\$10.23	\$9.23	\$11.66
Net Investment Income per Share (Basic and Diluted) ²	\$0.19	\$0.17	\$0.14	\$0.15	\$0.15
Net Income / (Loss) per Share (Basic and Diluted) ²	\$0.46	\$0.90	\$1.14	(\$2.30)	\$0.22
Dividend per share	\$0.17	\$0.16	\$0.16	\$0.16	\$0.15

Amounts in millions, except per-share data and ratios.

1. Net of cash and foreign currencies (excluding restricted), short-term investments and unsettled transactions. Refer to slide 31 for a reconciliation of Debt-to-Equity Ratio to Net Debt-to-Equity Ratio.

2. Refer to slide 18 for weighted-average shares outstanding for each period.

BBDC Market Update & Investment Portfolio

Investment Activity

Summary of investment activity during the quarter ended December 31, 2020

• Middle-Market Loans:

- Net increase in investments of \$393 million
 - Total MML fundings were \$528 million
 - Includes \$418 million in twenty-four new portfolio companies
 - Includes \$110 million in seventeen existing portfolio companies, including previously-committed Delayed-Draw Term Loans (DDTLs)
 - Sales and repayments totaled \$135 million

• Cross-Platform Investments:

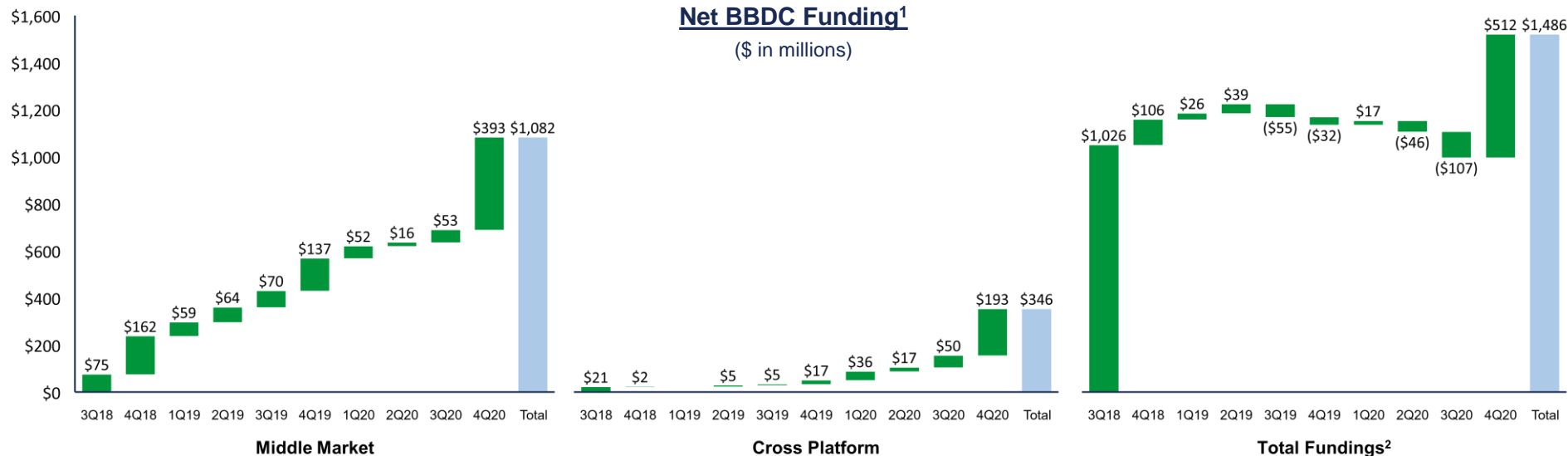
- Net increase in investments of \$13 million (\$38 million new originations, and \$25 million of sales and repayments)
- MVC acquisition added additional net investments of \$180 million (\$185 million of assets acquired, and \$5 million of repayments)

• Initial BSL Portfolio:

- Net decrease in investments of \$74 million; no purchases
- Initial BSL portfolio down to \$15 million FV as of 12/31; going forward, will be consolidated within Cross-Platform Investments

Net BBDC Funding¹

(\$ in millions)



All amounts in millions. 3Q18 amounts are for post-externalization period from August 3, 2018 to September 30, 2018. Excludes short-term investments.

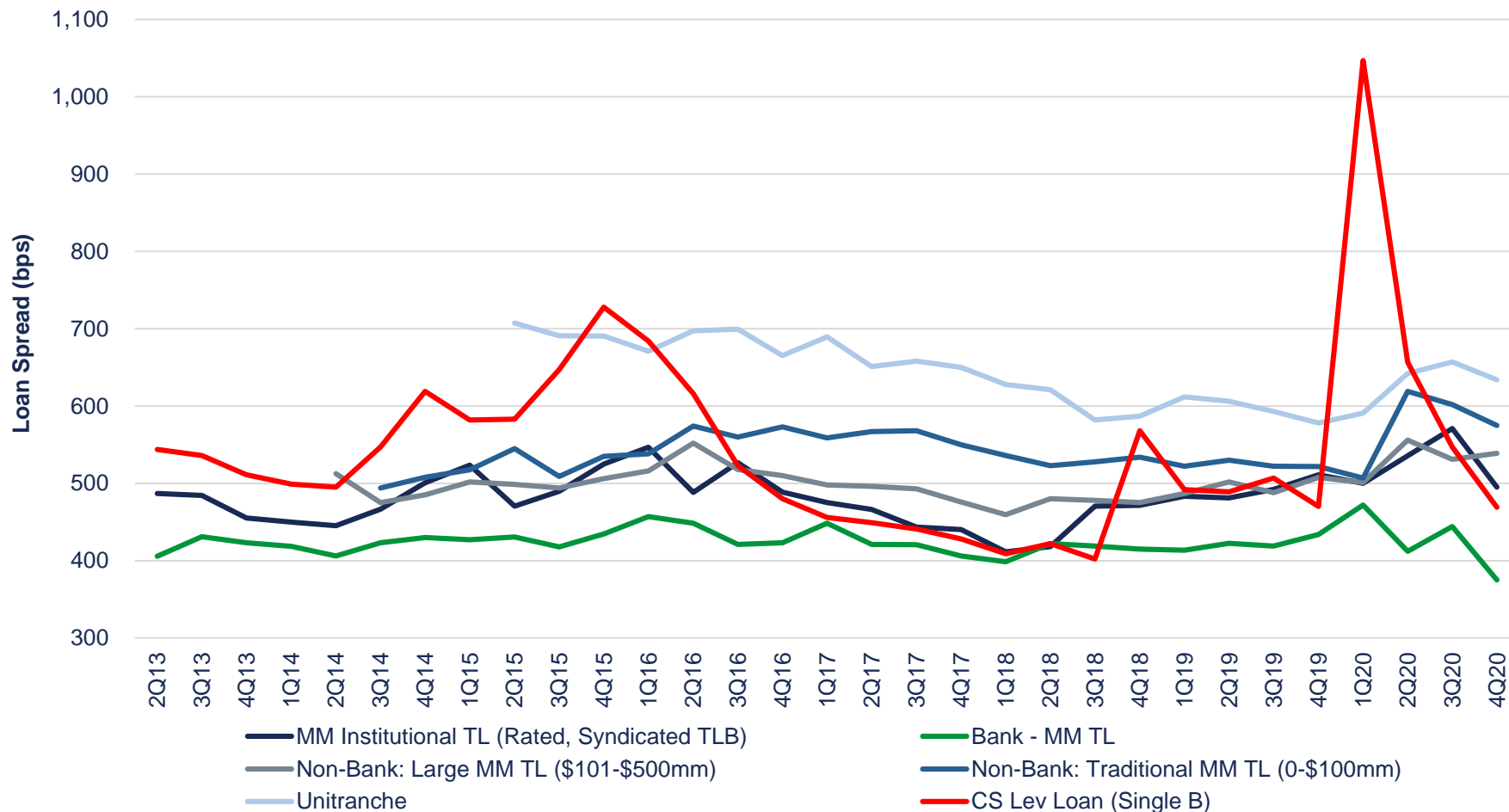
1. Cross Platform includes Jocassee Partners LLC, Thompson Rivers LLC, and acquired MVC assets.

2. Includes Initial BSL portfolio.

All-In Senior Investment Spreads

Direct lending spreads on new deals tightened further in Q4, particularly in the institutional and bank subsectors, as activity picked up dramatically. Single-B liquid spreads continued to tighten, and are back inside of Middle-Market levels

QUARTERLY MIDDLE-MARKET SPREADS ACROSS THE CAPITAL STRUCTURE



Source: Refinitiv LPC.

Portfolio Bridge – 3Q20 to 4Q20

In the fourth quarter we originated \$528 million of Middle-Market Loans, made \$38 million of Cross-Platform Investments, acquired \$185 million of assets from MVC, and had a combined \$239 million of sales/paydowns



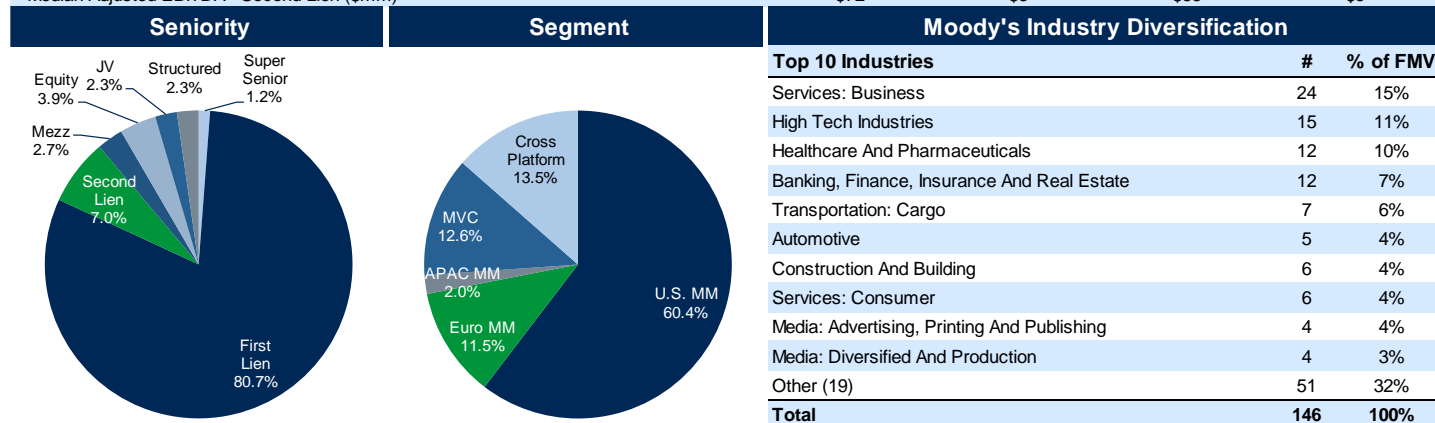
Note: \$ in millions. Total may not foot due to rounding. Excludes escrows received.

Aggregate Portfolio Characteristics (as of December 31, 2020)

	Middle Market	MVC	Cross Platform	Total
Total Investments and Commitments (\$mm)	\$1,186	\$180	\$223	\$1,589
Unfunded Commitments (\$mm)	\$129	\$0	\$30	\$159
Total Investments at Fair Value (\$mm)	\$1,057	\$180	\$193	\$1,430
Assets on Non-Accrual	\$0	\$3	\$0	\$3
Assets Valued Below 90% of Cost	2.6%	0.0%	1.1%	2.1%
Average Spread	556 bps	1,209 bps	766 bps	643 bps
Yield at Fair Value of Investments (%) ¹	6.4%	13.4%	7.9%	7.2%
Revenue Contribution (as % of Total Revenue)				
Cash Interest	68.2%	0.8%	15.4%	84.4%
PIK Interest	0.7%	1.1%	2.0%	3.8%
Restructured PIK Interest ²	0.0%	0.0%	0.0%	0.0%
OID/Upfront Fee	5.0%	0.0%	3.6%	8.6%
Other Fees	2.6%	0.0%	0.7%	3.2%
Total	76.5%	1.9%	21.6%	100.0%

Portfolio Statistics

Number of Portfolio Companies	95	18	33	146
Percent 1st Lien	98.7%	5.4%	92.0%*	81.9%
Weighted-Average First Lien Leverage (Debt/Adjusted EBITDA)	5.2x	5.0x	-	5.6x
Weighted-Average Total Leverage (Debt/Adjusted EBITDA)	5.6x	7.4x	-	6.4x
Weighted-Average Interest Coverage	4.1x	3.1x	-	3.8x
Median Adjusted EBITDA - First Lien (\$mm)	\$23	-	\$199	\$35
Median Adjusted EBITDA - Second Lien (\$mm)	\$72	\$8	\$88	\$9



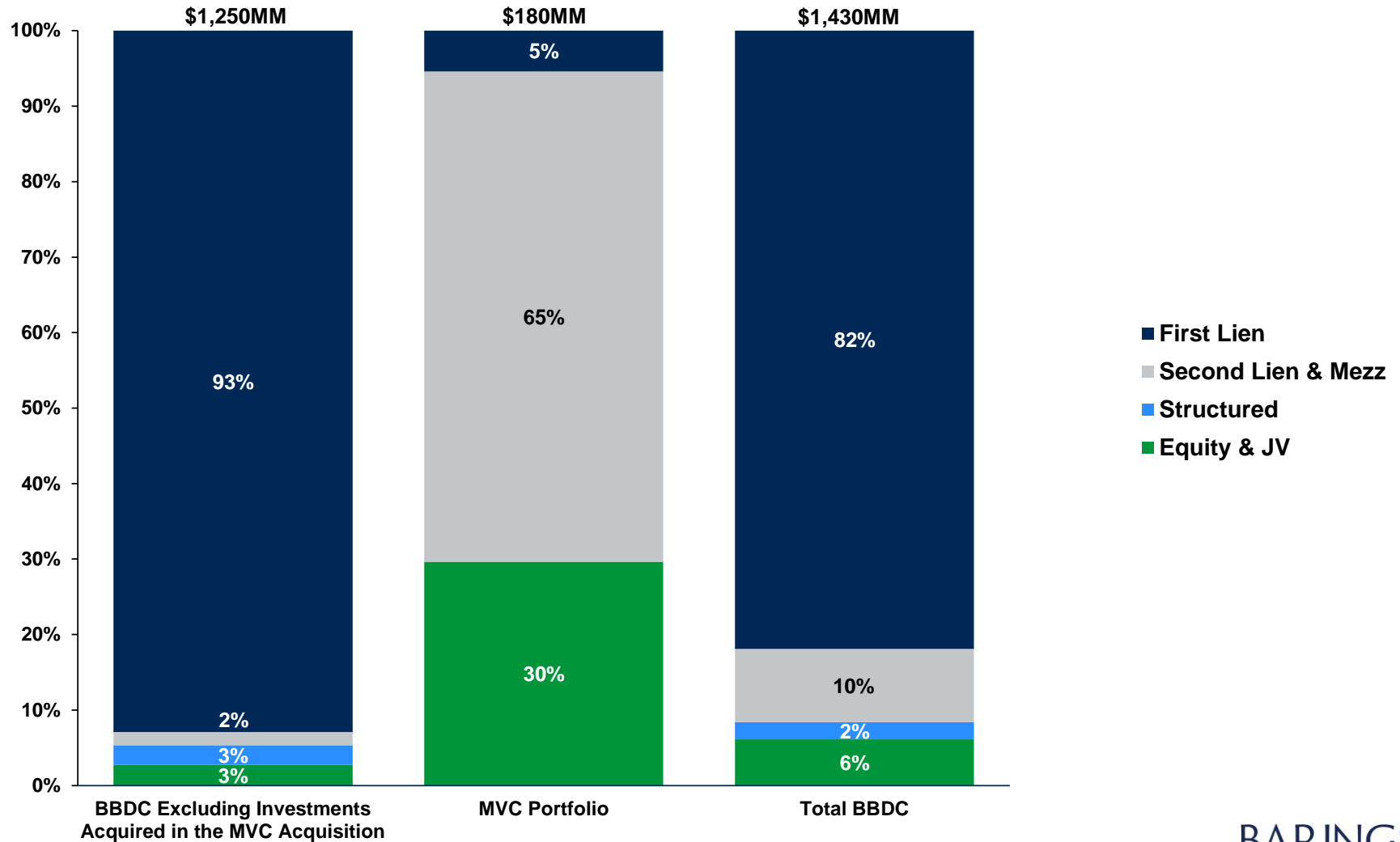
Data as of December 31, 2020. Excludes short-term investments. * Excludes structured products and joint ventures.

1. Yield at Fair Value is calculated as current coupon (USD-equivalent) divided by current price.

2. Restructured PIK refers to a deal amended after closing due to underperformance to increase the PIK portion of interest and reduce the cash portion.

MVC Portfolio Rotation

While the MVC Capital acquisition diversified the Barings BDC portfolio, our core focus remains first lien investments



Top 10 Investments

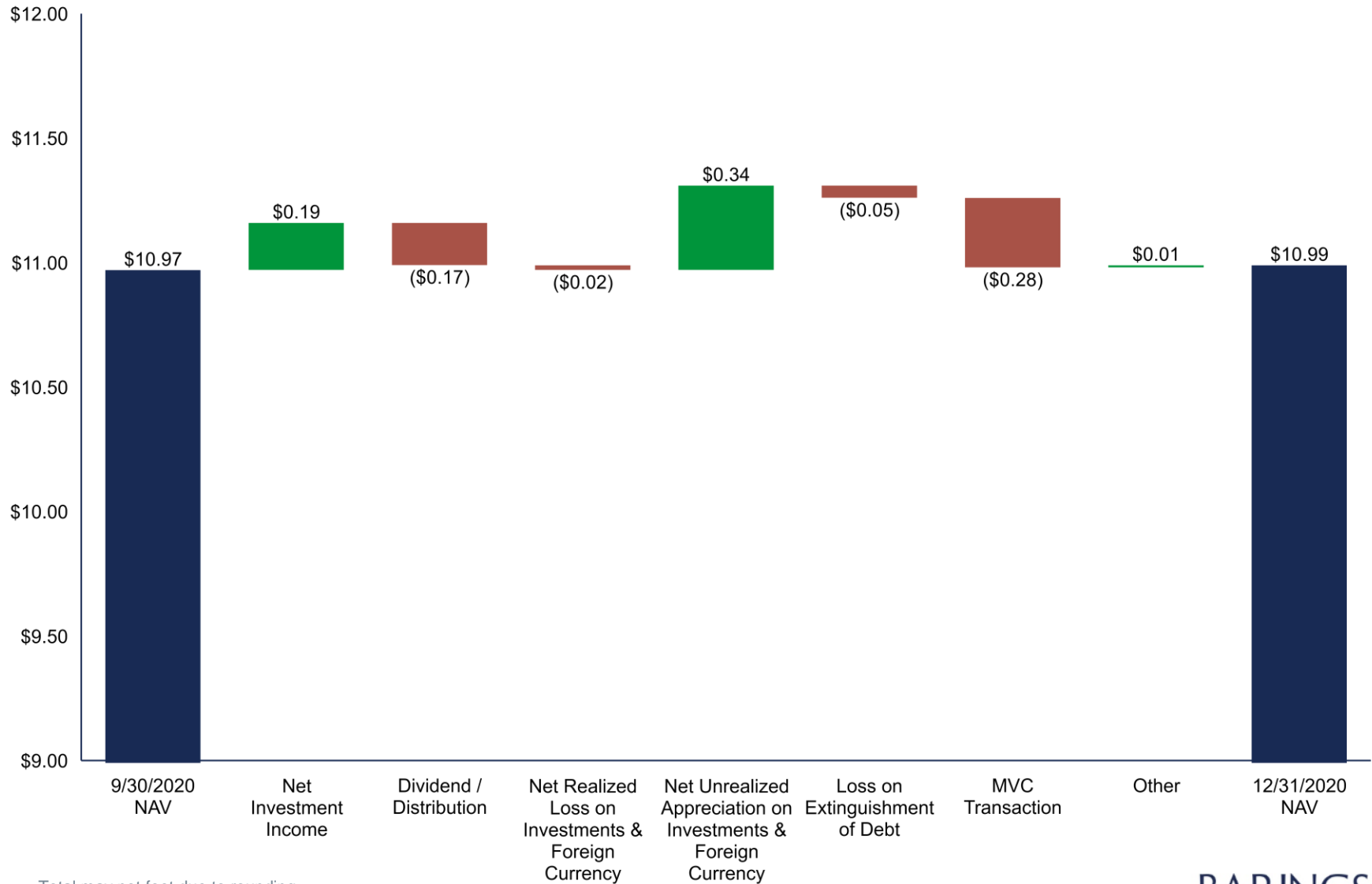
Top 10 Holdings (as of December 31, 2020)						
Issuer	Moody's Industry	Segment	Principal Amount	Cost	Fair Value	% of Portfolio
Security Holdings B.V.	Services: Business	MVC	\$13,935,061	\$35,197,962	\$35,263,332	2.5%
Custom Alloy Corporation	Construction and Building	MVC	43,137,108	34,662,565	34,662,565	2.4%
SN BUYER, LLC	Healthcare and Pharmaceuticals	U.S. MM	35,000,000	34,304,393	34,300,000	2.4%
BDP International, Inc. (BDP Buyer, LLC)	Transportation: Cargo	U.S. MM	34,937,500	34,387,459	34,238,750	2.4%
Kona Buyer, LLC	High Tech Industries	U.S. MM	35,000,000	34,132,135	34,125,000	2.4%
1WorldSync, Inc.	High Tech Industries	U.S. MM	29,000,000	28,490,102	28,420,000	2.0%
Discovery Education, Inc.	Media: Advertising, Printing and Publishing	U.S. MM	27,000,000	26,538,991	26,527,500	1.9%
Premium Franchise Brands, LLC	Services: Consumer	U.S. MM	25,000,000	24,501,666	24,500,000	1.7%
CM Acquisitions Holdings Inc.	Media: Diversified and Production	U.S. MM	24,655,278	24,287,477	24,196,657	1.7%
Transportation Insight, LLC	Transportation: Cargo	U.S. MM	24,506,875	24,346,335	23,899,105	1.7%
Top 10			292,171,822	300,849,084	300,132,910	21.0%
Rest of Portfolio			1,107,687,696	1,119,647,834	1,130,104,800	79.0%
Total Portfolio			\$1,399,859,518	\$1,420,496,918	\$1,430,237,710	100.0%

Excludes short-term investments. Totals may not foot due to rounding.

BBDC Financials

Net Asset Value Per Share (NAV) Bridge – 3Q20 to 4Q20

BBDC's NAV per share stayed relatively flat through 4Q, increasing to \$10.99 from \$10.97, as the MVC transaction largely offset unrealized appreciation on investments



Total may not foot due to rounding.

4Q20 Unrealized Appreciation (Depreciation)

4Q 2020 Portfolio Summary

	Par	Cost	Fair Value	4Q Unrealized App (Dep) - Price	4Q Unrealized App (Dep) - Credit	4Q Unrealized App (Dep) - For. Curr.	4Q Unrealized App (Dep) - Total	Per Share
Middle-Market Lending								
North America	\$886,511	\$872,176	\$863,704	\$3,486	(\$1,825)	\$282	\$1,943	\$0.04
Europe / APAC	198,826	184,631	193,094	1,271	(38)	5,485	6,718	0.14
Total Middle-Market Lending	1,085,337	1,056,807	1,056,797	4,757	(1,863)	5,767	8,661	0.18
Cross-Platform Investments								
Special Situations	95,814	85,246	90,395	7,133	-	37	7,170	0.14
Opportunistic Liquid	23,885	21,827	22,657	886	-	-	886	0.02
Structured Products	31,317	30,072	32,509	1,049	-	-	1,049	0.02
Jocassee Joint Venture		20,158	22,624	1,671	-	-	1,671	0.03
Thompson Rivers Joint Venture		10,000	10,012	(94)	-	-	(94)	(0.00)
Total Cross-Platform Investments	151,015	167,303	178,196	10,646	-	37	10,683	0.22
Legacy MVC Portfolio	146,794	179,937	180,031	0	-	95	95	0.00
Initial BSL Portfolio	16,713	16,450	15,213	755	-	-	755	0.02
Total Portfolio as of 12/31/20	\$1,399,860	\$1,420,497	\$1,430,238	16,159	(1,863)	5,899	20,194	\$0.41
Reclass. Adj. - Sales & Repayments				5,462	-	(297)	5,165	0.10
Money Market Funds				0	-	-	0	0.00
Total Unrealized App (Dep) on Investments				21,621	(1,863)	5,602	25,360	0.51
Foreign Currency Transactions				-	-	(8,405)	(8,405)	(0.17)
Total Unrealized App (Dep) on Investments and Foreign Currency Transactions				\$21,621	(\$1,863)	(\$2,803)	\$16,955	\$0.34

\$ in thousands, except per share amounts; equity investments included with associated debt security; totals may not foot due to rounding.

BBDC Income Statement

	4Q20	3Q20	2Q20	1Q20	4Q19
Investment income:					
Interest income	\$17,433,263	\$15,217,547	\$15,295,679	\$17,674,402	\$17,913,613
Dividend income	—	—	2,603	—	35,812
Fee and other income	1,700,084	769,126	650,433	960,993	447,001
Payment-in-kind interest income	749,217	342,469	191,049	43,572	5,413
Interest income from cash	—	—	—	631	953
Total investment income	19,882,564	16,329,142	16,139,764	18,679,598	18,402,792
Operating expenses:					
Interest and other financing fees	5,444,856	3,738,991	4,624,731	6,004,133	6,501,949
Base management fee	3,413,271	3,375,262	3,616,787	3,912,373	3,266,722
Compensation expenses	(29)	—	—	48,410	107,369
General and administrative expenses	1,749,427	1,254,723	1,369,117	1,420,613	1,332,500
Total operating expenses	10,607,525	8,368,976	9,610,635	11,385,529	11,208,540
Net investment income before taxes	9,275,039	7,960,166	6,529,129	7,294,069	7,194,252
Income taxes, including excise tax expense	63,038	7,561	—	—	—
Net investment income after taxes	9,212,001	7,952,605	6,529,129	7,294,069	7,194,252
Realized and unrealized gains (losses) on investments and FX:					
Net realized losses	(966,126)	(20,506,085)	(16,514,997)	(302,372)	(2,747,198)
Net unrealized appreciation (depreciation)	16,954,949	55,947,382	65,043,310	(119,396,053)	6,633,637
Net realized and unrealized gains (losses)	15,988,823	35,441,297	48,528,313	(119,698,425)	3,886,439
Loss on extinguishment of debt	(2,428,662)	(216,474)	(306,202)	(137,390)	(154,080)
Income tax benefit (provision)	43	199	(2,532)	19,999	(339,831)
Net increase (decrease) in net assets resulting from operations	\$22,772,205	\$43,177,627	\$54,748,708	(\$112,521,747)	\$10,586,780
Net investment income per share—basic and diluted	\$0.19	\$0.17	\$0.14	\$0.15	\$0.15
Net increase (decrease) in net assets resulting from operations per share—basic and diluted	\$0.46	\$0.90	\$1.14	(\$2.30)	\$0.22
Weighted average shares outstanding—basic and diluted	49,470,825	47,961,753	47,977,481	48,887,393	49,146,873

BBDC Balance Sheet

Debt-to-equity at December 31, 2020 was 1.32x, or 1.04x⁽¹⁾ after adjusting for cash and foreign currencies (excluding restricted), short-term investments and unsettled transactions

	December 31, 2020	September 30, 2020	June 30, 2020	March 31, 2020	December 31, 2019
Assets:					
Investments at fair value:					
Non-Control / Non-Affiliate investments	\$1,325,783,281	\$886,610,176	\$960,061,063	\$964,896,944	\$1,066,845,054
Affiliate investments	78,598,633	19,158,075	15,933,845	6,396,590	10,229,813
Control investments	25,855,796	—	—	—	—
Short-term investments	65,558,227	210,503,390	58,046,124	100,459,806	96,568,940
Total investments at fair value	1,495,795,937	1,116,271,641	1,034,041,032	1,071,753,340	1,173,643,807
Cash and foreign currencies	92,487,461	14,787,358	18,453,504	7,458,729	21,991,565
Receivable from unsettled transactions	47,412,382	75,486,443	575,630	4,138,890	45,254,808
Other assets	41,342,965	16,021,167	12,056,203	13,592,008	11,744,658
Total assets	\$1,677,038,745	\$1,222,566,609	\$1,065,126,369	\$1,096,942,967	\$1,252,634,838
Liabilities:					
Borrowings under credit facilities	\$719,660,707	\$463,703,208	\$342,921,705	\$339,825,929	\$352,488,419
Debt securitization	—	177,536,048	225,395,485	289,869,491	316,664,474
Notes payable	224,335,666	49,534,479			
Payable from unsettled transactions	1,548,578	—	—	13,862,282	4,924,150
Other liabilities	13,689,270	5,815,933	6,335,985	7,640,357	7,683,086
Total liabilities	959,234,221	696,589,668	574,653,175	651,198,059	681,760,129
Total net assets	717,804,524	525,976,941	490,473,194	445,744,908	570,874,709
Total liabilities and net assets	\$1,677,038,745	\$1,222,566,609	\$1,065,126,369	\$1,096,942,967	\$1,252,634,838
Net asset value per share	\$10.99	\$10.97	\$10.23	\$9.23	\$11.66

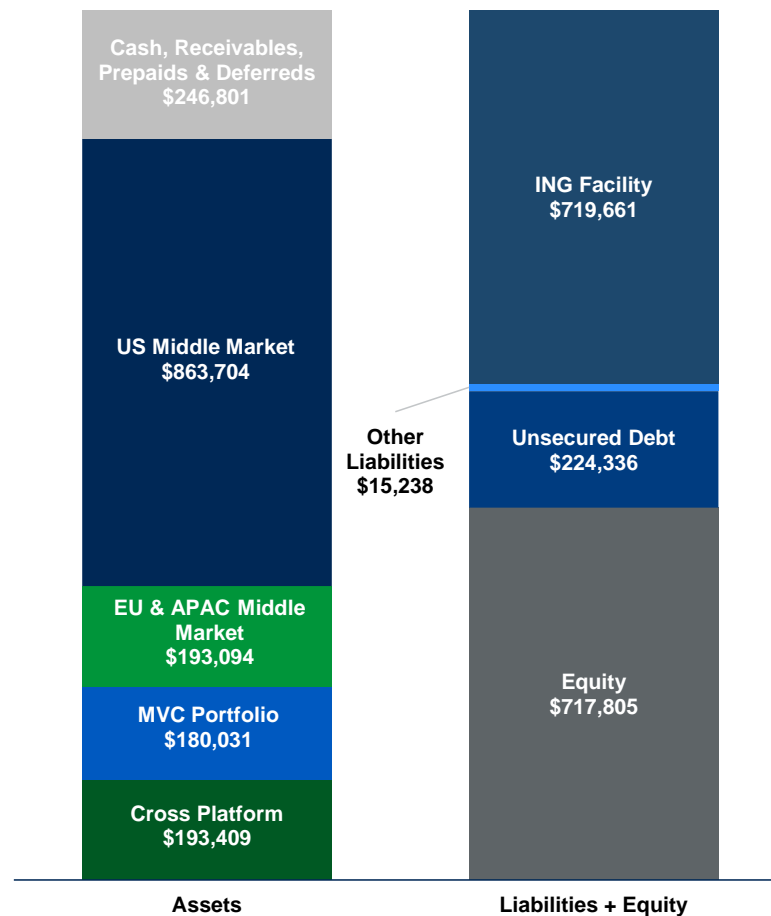
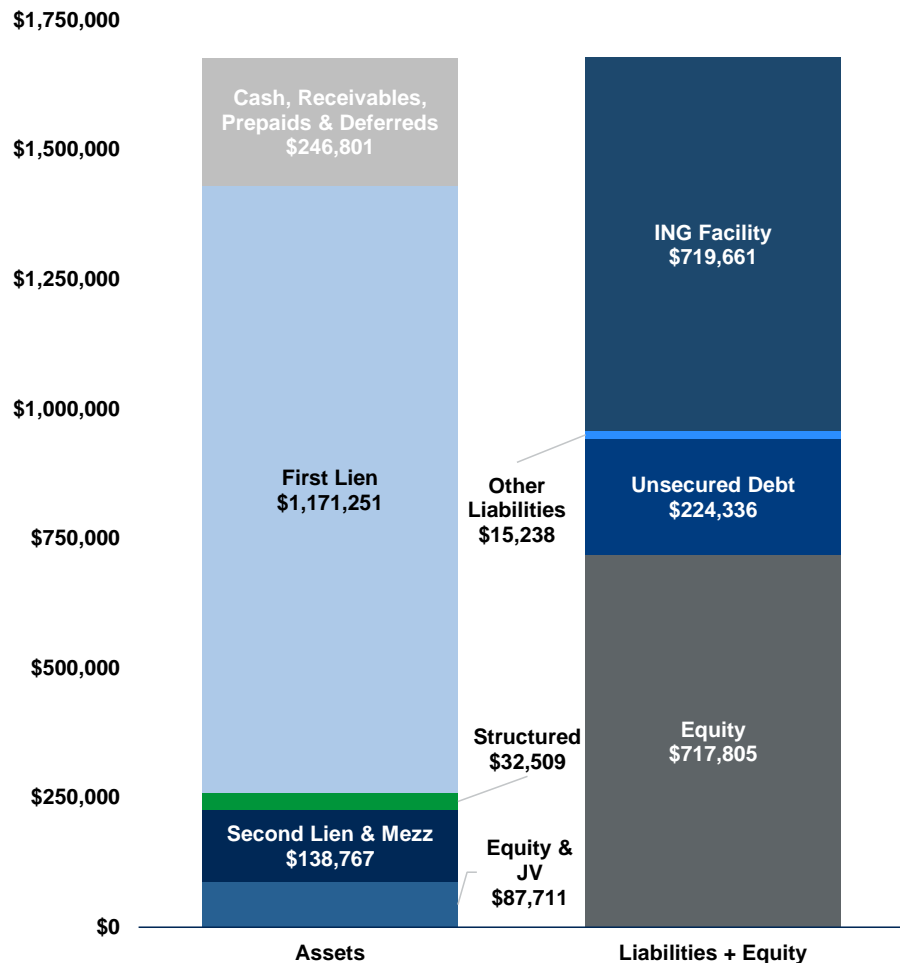
1. Refer to slide 31 for a reconciliation of Debt-to-Equity Ratio to Net Debt-to-Equity Ratio.

Asset and Liability Mix

Barings BDC seeks to match its assets with a diversified mix of secured and unsecured debt

FUNDING MIX BY SENIORITY

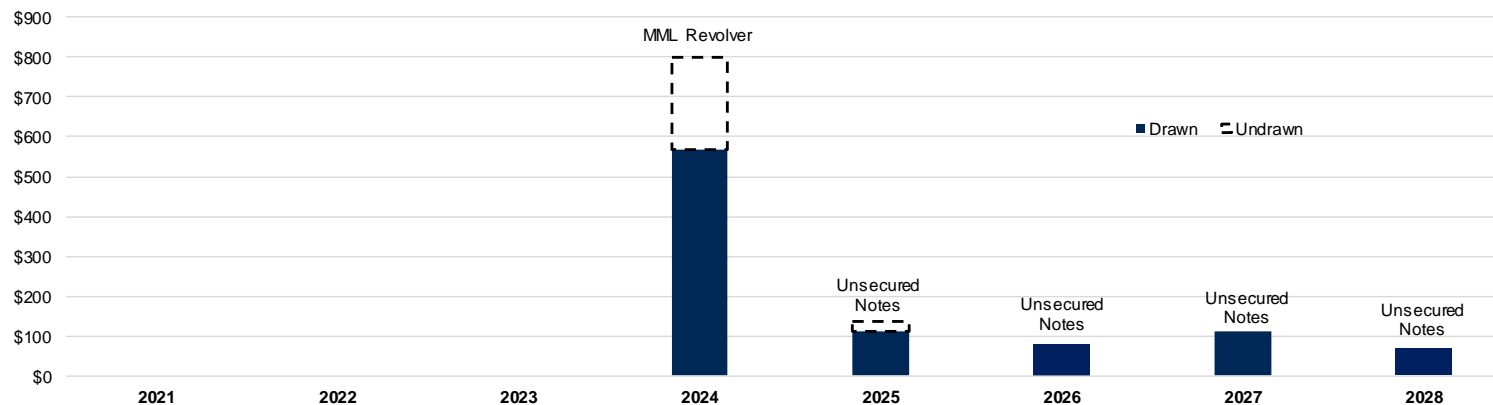
FUNDING MIX BY ASSET CLASS



Debt Summary and Maturity Profile

BBDC issued new unsecured notes in February 2021 totaling \$150 million

	Borrower	Interest Rate	Collateral	Maturity Date	Pro Forma		As of 12/31/2020		As of 9/30/2020	
					Principal Amount Committed	Principal Amount Outstanding	Principal Amount Committed	Principal Amount Outstanding	Principal Amount Committed	Principal Amount Outstanding
Revolving Credit Facility	Barings BDC, Inc.	L + 200	MML, BSL & SP	Feb-2024	\$800.0	\$569.7	\$800.0	\$719.7	\$800.0	\$463.7
CLO Class A-1	Barings BDC Static CLO Ltd. 2019-I	L + 102	BSL	Apr-2027	n/a	n/a	n/a	n/a	126.8	126.8
CLO Class A-2	Barings BDC Static CLO Ltd. 2019-I	L + 165	BSL	Apr-2027	n/a	n/a	n/a	n/a	51.5	51.5
Unsecured Notes - Series A	Barings BDC, Inc.	4.66%	n/a	Aug-2025	75.0	50.0	75.0	50.0	100.0	50.0
Unsecured Notes - Series B	Barings BDC, Inc.	4.25%	n/a	Nov-2025	62.5	62.5	62.5	62.5	n/a	n/a
Unsecured Notes - Series C	Barings BDC, Inc.	4.75%	n/a	Nov-2027	112.5	112.5	112.5	112.5	n/a	n/a
Unsecured Notes - Series D	Barings BDC, Inc.	3.41%	n/a	Feb-2026	80.0	80.0	n/a	n/a	n/a	n/a
Unsecured Notes - Series E	Barings BDC, Inc.	4.06%	n/a	Feb-2028	70.0	70.0	n/a	n/a	n/a	n/a
Total Debt					\$1,200.0	\$944.7	\$1,050.0	\$944.7	\$1,078.3	\$692.0



Note: Dollar amounts in millions. Excludes deferred financing fees. Pro forma assumes proceeds from new \$150.0 million aggregate issuance used to repay revolving credit facility and is not inclusive of other activity under the revolving credit facility subsequent to December 31, 2020.

Liquidity Summary

BBDC has available liquidity under its senior secured revolving credit agreement and unsecured debt commitment, with cushion to support its unused capital commitments of \$159 million as well as make new investments

Debt / Net Debt-to-Equity Ratio Scenarios			
	Debt / Net Debt Outstanding	Total Net Assets	Debt / Net Debt-to- Equity Ratio ⁽¹⁾
Debt-to-equity ratio, December 31, 2020	\$944.7	\$717.8	1.32x
Adjust for cash, short-term investments and unsettled transactions	(200.4)	-	
Net debt-to-equity ratio, December 31, 2020	744.2	717.8	1.04x
Fund all unused commitments to extend debt financing	129.2	-	
Pro forma net debt-to-equity ratio	873.5	717.8	1.22x
Fund remaining joint venture commitments	30.0	-	
Pro forma net debt-to-equity ratio	\$903.5	\$717.8	1.26x

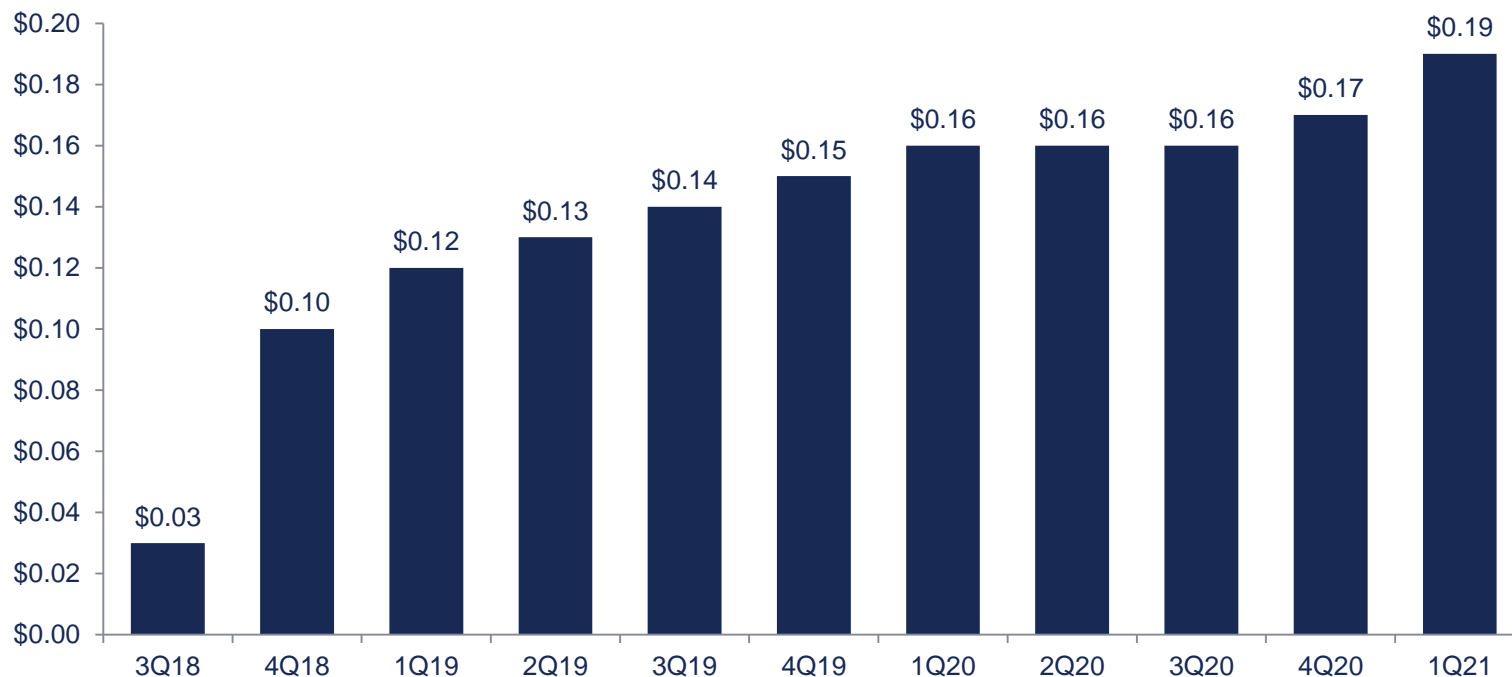
Note: Dollar amounts in millions, except Debt / Net Debt-to-Equity Ratio.

1. Refer to slide 31 for a reconciliation of Debt-to-Equity Ratio to Net Debt-to-Equity Ratio.

Quarterly Dividends

BBDC declared a 1Q21 dividend of \$0.19 per share, up from \$0.17 in 4Q20

BBDC DIVIDENDS DECLARED PER SHARE

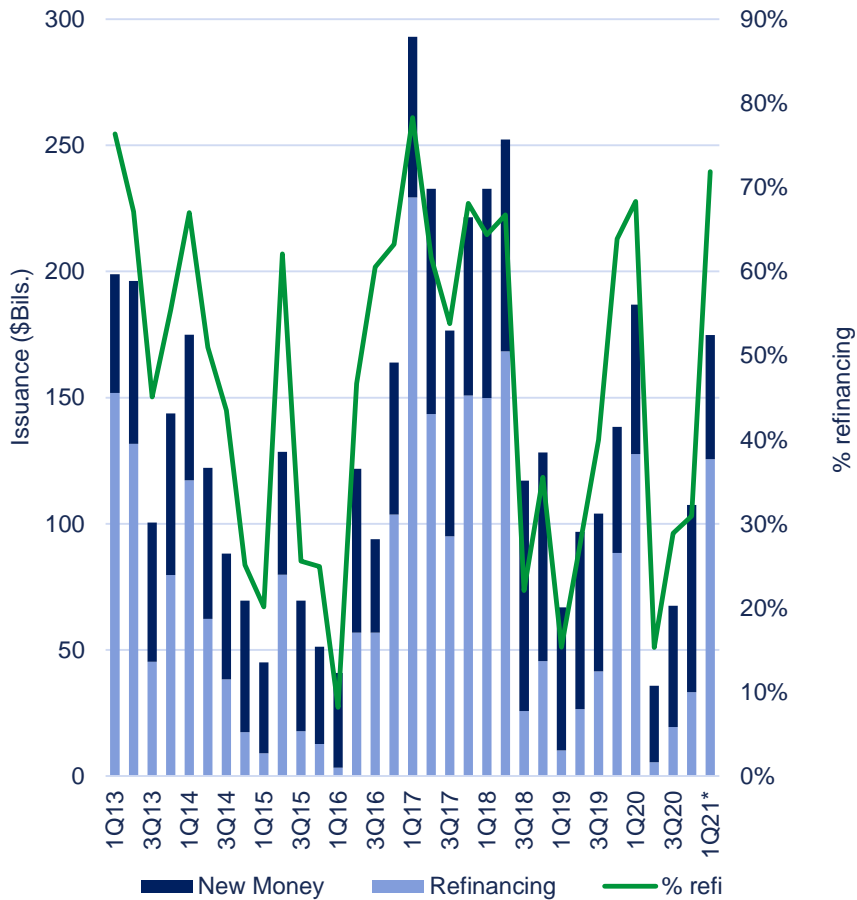


1Q 2021 Origination Pipeline

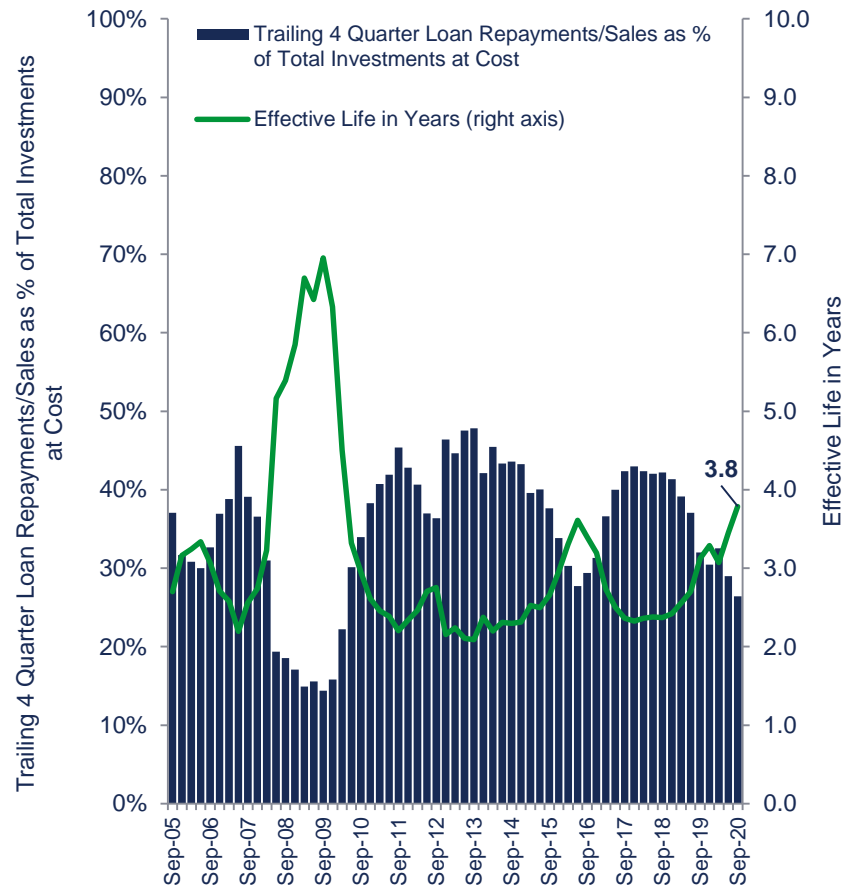
U.S. Loan Market & BDC Prepayment Activity

Lack of new money M&A means refinancings are driving over 70% of activity; this increases the potential for repayments relative to previous refinancing cycles in 2010 and 2016

INSTITUTIONAL LOAN ISSUANCE



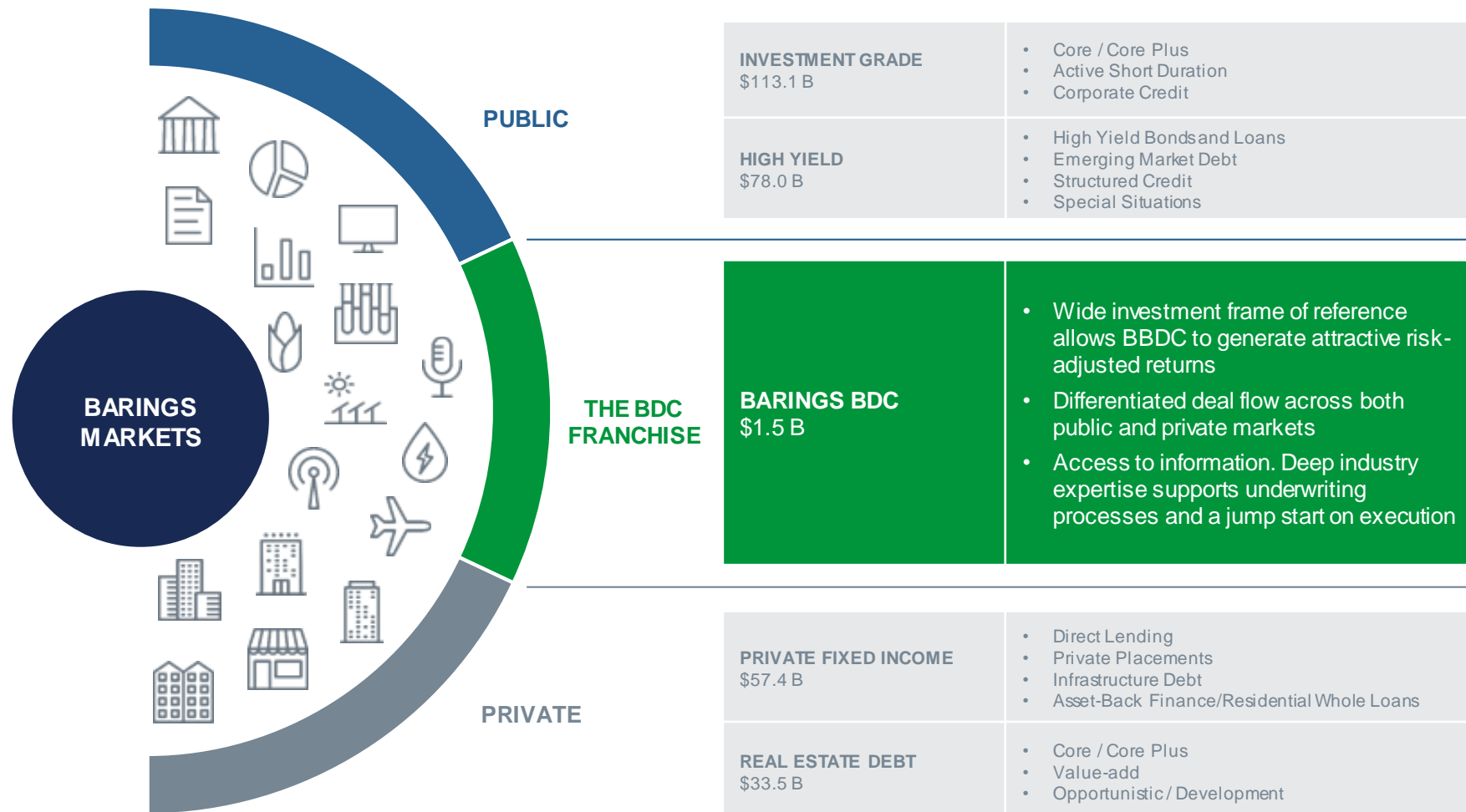
LOAN REPAYMENTS AND SALES



Source: Refinitiv LPC, Cliffwater Data.

Barings Platform — A Culture of Credit & Private Assets

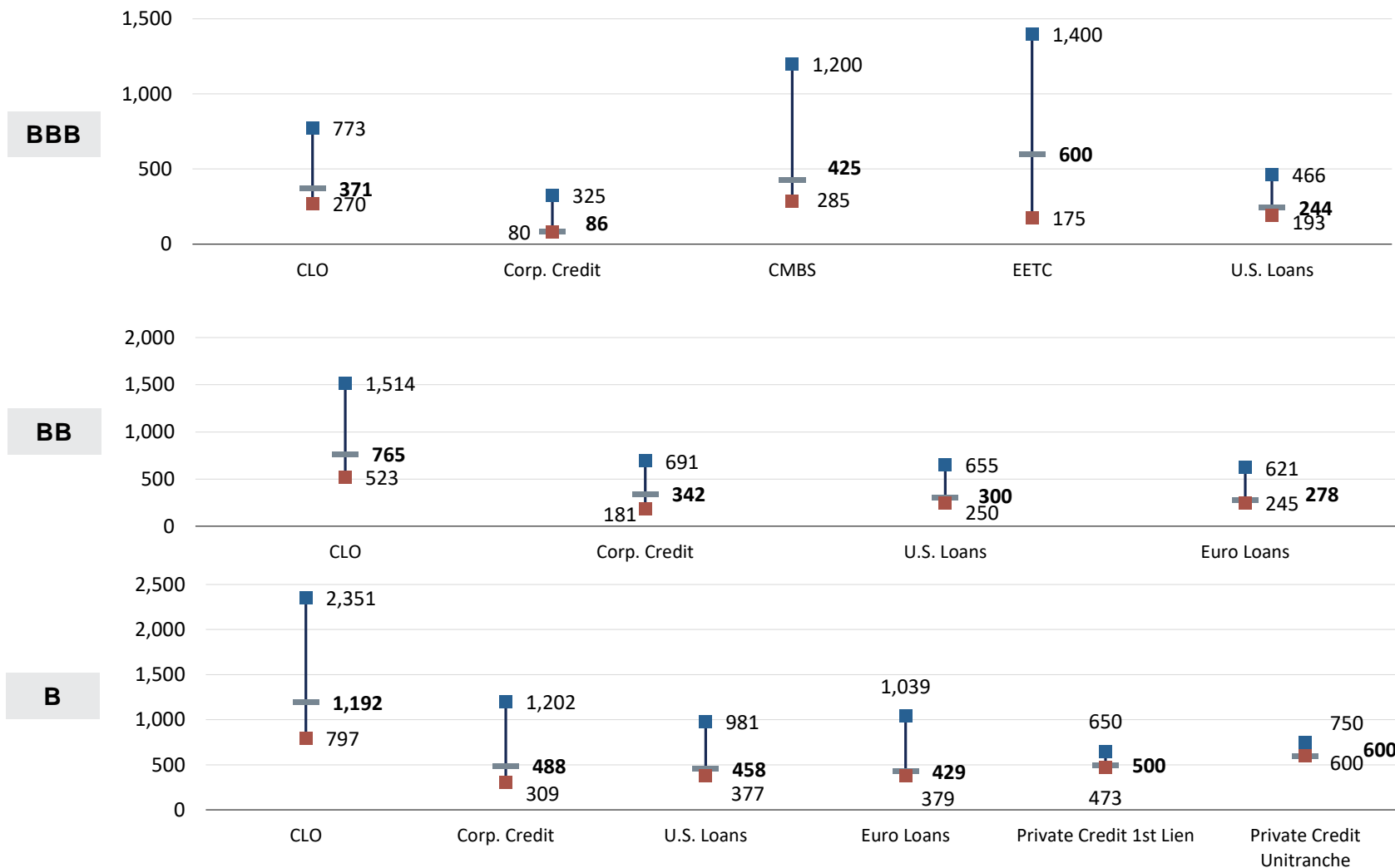
Barings BDC is uniquely positioned alongside a full range of investment strategies, public and private, in the Fixed Income and Private markets



All figures are as of December 31, 2020. Assets shown are denominated in USD. Barings BDC amount represents total investments at fair value.

Relative Value in Credit Asset Classes

3 Year Lookback (Wide/Tight/Current):



CLO spread source: J.P. Morgan CLOIE Index, As of December 31, 2020.

CMBS, and Subprime Auto Spread to Swap Source: Bank of America/Merrill Lynch. As of December 31, 2020.

Corporate Credit Spread to Swap Source: Barclays. As of December 31, 2020.

U.S. and Europeans Loan Spread Source: Credit Suisse. As of December 31, 2020.

New Investment Illiquidity and Complexity Premiums

Barings BDC seeks to generate excess shareholder return via illiquidity and complexity premiums across its wide investment frame of reference

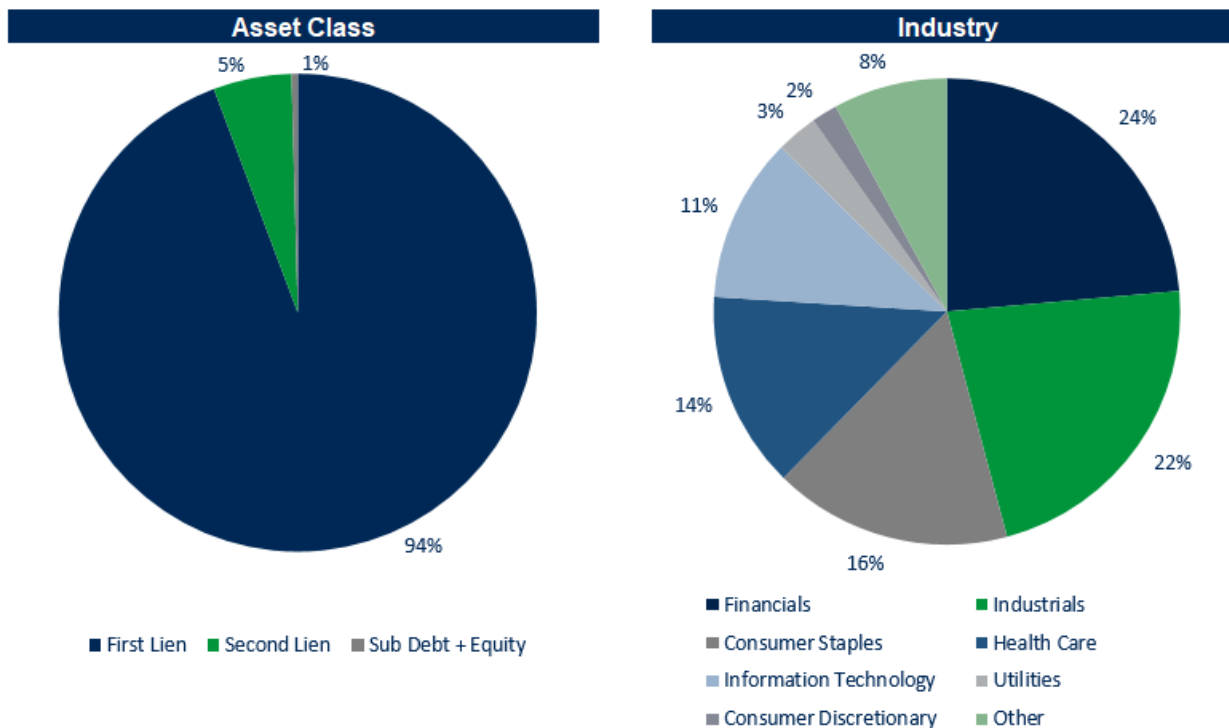
		4Q20		
		Dollars Deployed (\$mm)	All-in Spread (bps) ¹	Premium/ Discount To Market Indices (bps)
Market Indices	Asset Class			
	US IG Credit BBB		121	
	US HY Credit BB		263	
	US HY Credit B		382	
	US HY Credit CCC		654	
	US BSLs BB		305	
	US BSLs B		469	
	US BSLs CCC		1167	
	EUR BSLs BB		277	
	EUR BSLs B		428	
EUR BSLs CCC		950		
BBDC Middle-Market & Cross-Platform Originations	Middle Market			
	North America	\$391	714	+245
	Europe & Asia Pacific	\$137	751	+323
	Total	\$528	724	+265
	Cross Platform			
	Special Situation	\$14	1,680	+1026
	Opportunistic Liquid	\$10	1,329	+860
	Structured Products	\$2	838	+717
	Joint Venture	\$12		
	Total	\$38	1,495	+943
TOTAL	\$566	760	+297	

- In 4Q20, BBDC deployed \$566 million at an all-in spread¹ (inclusive of upfronts/OID) of 760 bps over LIBOR. This equates to a 297-bp spread premium to comparable liquid market indices at the same credit risk profile

1. 3-year discount margins (DM3) for MM and BSLs; Swapped spread to LIBOR for Fixed Rate Assets; Structured Products based on market convention. Note: Excludes Joint Ventures and Equity.

Investment Activity Since Quarter End and Investment Pipeline

- From January 1, 2021 through March 18, 2021, Barings BDC made approximately \$224 million of new commitments, of which approximately \$202 million closed and funded; in addition, BBDC funded \$27 million of previously-committed delayed draw term loans
- Of the new 1Q21 investments, the weighted-average origination margin (DM-3)¹ is 7.5%, 80% are in first lien senior secured loans, 12% are in joint ventures, and 25% are European originations
- Sales and repayments through March 18 were approximately \$122 million for middle-market loans, \$15 million for BSLs, and \$3 million for structured products
- As of March 18, 2021, Barings Global Private Finance group had a probability-weighted pipeline of approximately \$1.8 billion²
- The following is a breakdown of the pipeline by seniority and by industry



1. Excludes Joint Ventures and Equity.

2. Represents pipeline applicable to all investment vehicles managed by Barings Global Private Finance. Not all deals may be suitable for Barings BDC. Barings BDC allocations to be determined in accordance with Barings Global Private Finance allocation policy.

Appendix

Appendix: Reconciliation of Debt to Net Debt and Calculation of Net Debt-to-Equity Ratio

	December 31, 2020	September 30, 2020	June 30, 2020	March 31, 2020	December 31, 2019
Total debt (principal)	\$944,660,707	\$692,016,256	\$569,341,828	\$631,061,734	\$670,698,595
<i>minus: Cash and foreign currencies (excluding restricted)</i>	(88,999,125)	(14,787,358)	(18,453,504)	(7,458,729)	(21,991,565)
<i>minus: Short-term investments</i>	(65,558,227)	(210,503,390)	(58,046,124)	(100,459,806)	(96,568,940)
<i>plus: Payable from unsettled transactions</i>	1,548,578	—	—	13,862,282	4,924,150
<i>minus: Receivable from unsettled transactions</i>	(47,412,382)	(75,486,443)	(575,630)	(4,138,890)	(45,254,808)
Total net debt	744,239,551	391,239,065	492,266,570	532,866,591	511,807,432
Total net assets	717,804,524	525,976,941	490,473,194	445,744,908	570,874,709
Total net debt-to-equity ratio	1.04x	0.74x	1.00x	1.20x	0.90x

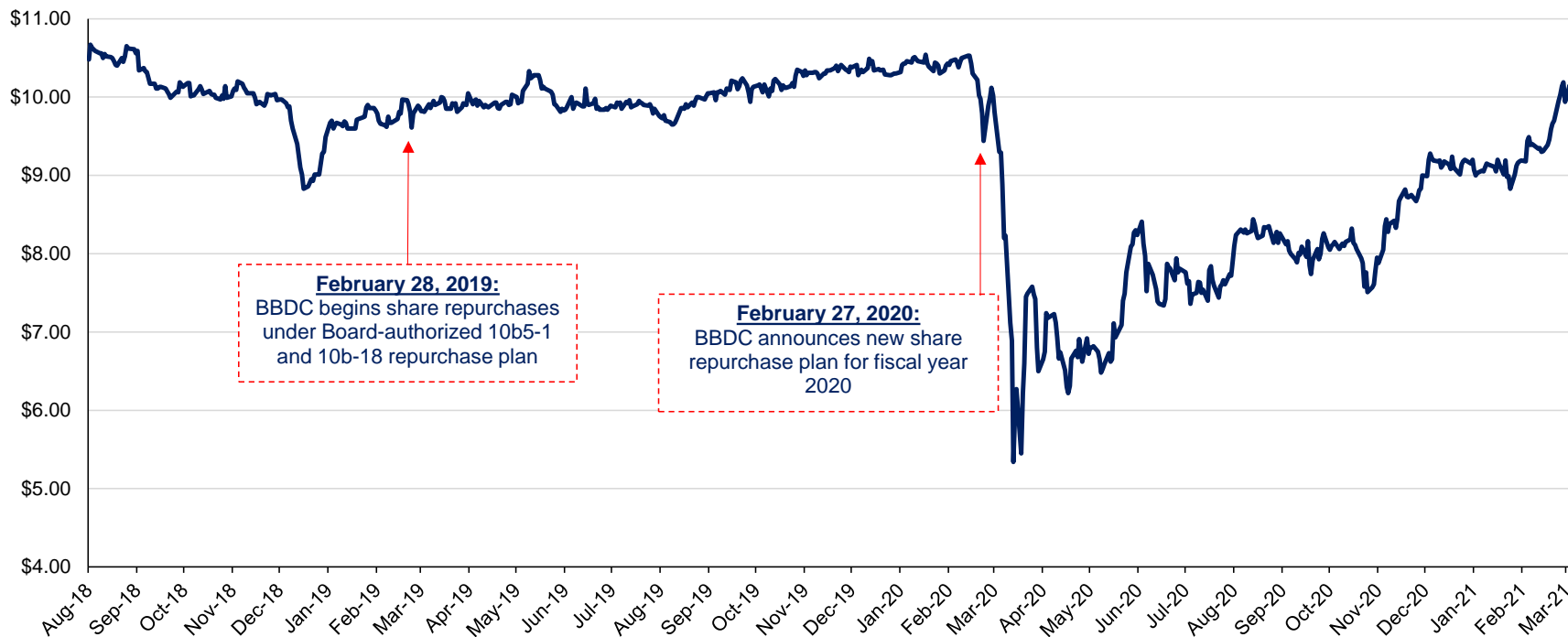
Totals may not foot due to rounding.

Appendix: BBDC Repurchase Program

In connection with the closing of the acquisition of MVC Capital, Inc., BBDC's board of directors affirmed BBDC's commitment to repurchase up to \$15.0 million of common stock

- Under the 2021 repurchase program, BBDC expects to repurchase an aggregate amount of up to \$15.0 million at then-current market prices at any time shares trade below 90% of BBDC's then most recently disclosed net asset value per share
 - Any repurchases will occur during the twelve-month period commencing upon the filing of BBDC's quarterly report on Form 10-Q for the quarter ending March 31, 2021, subject to compliance with covenant and regulatory requirements
- Under its 2020 share repurchase program, BBDC repurchased 989,050 shares at an average price of \$7.21/share, or 2.0% of total shares outstanding as of February 27, 2020
- As of March 23, 2021, Barings LLC owns 13,639,681 shares, or 20.9% of shares outstanding

BBDC Equity Price since Externalization



Appendix: Barings BDC Corporate Data

Board of Directors

MICHAEL FRENO
Chairman, CEO, and
President of Barings

ERIC LLOYD
CEO of BBDC, Head of
Private Assets at Barings

DAVID MIHALICK
Head of U.S. Public Fixed
Income at Barings

ROBERT C. KNAPP
Founder and CIO of Ironsides
Partners LLC

TOM OKEL
Former Executive Director of
Catawba Lands Conservancy,
a nonprofit land trust

JILL OLMSTEAD
Chief Human Resources
Officer at LendingTree

MARK MULHERN
Senior Vice President and
CFO at Highwoods Properties

JOHN SWITZER
Retired Managing Partner at
KPMG

Investment Committee

ERIC LLOYD
Chief Executive Officer

IAN FOWLER
President

JONATHAN BOCK
Chief Financial Officer

TOM MCDONNELL
Vice President

Corporate Officers

ERIC LLOYD
Chief Executive Officer

IAN FOWLER
President

JONATHAN BOCK
Chief Financial Officer

MICHAEL COWART
Chief Compliance Officer

JILL DINERMAN
Chief Legal Officer

BRYAN HIGH
Vice President

JONATHAN LANDSBERG
Director of Finance and Head
of Investor Relations

TOM MCDONNELL
Vice President

THOMAS MOSES
Treasurer

ELIZABETH MURRAY
Principal Accounting Officer

ALEXANDRA PACINI
Assistant Secretary

ASHLEE STEINNERD
Corporate Secretary

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COMPASS POINT
Casey Alexander
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JEFFERIES
Kyle Joseph
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KBW, INC.
Ryan Lynch
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RAYMOND JAMES
Robert Dodd
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Dechert LLP

Independent Accounting Firm

KPMG LLP

Securities Listing

NYSE: BBDC

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