

BARINGS



**Barings BDC, Inc.
First Quarter 2022
Earnings Presentation**

May 5, 2022

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" or the "Company") 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, 2021, filed with the SEC on February 23, 2022, in Barings BDC's most recently filed quarterly report 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. 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 that 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, unless required to do so by law.

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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 increase or decrease and are 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

*Chief Executive Officer
Barings BDC, Inc.*

IAN FOWLER

*President
Barings BDC, Inc.*

BRYAN HIGH

*Vice President
Barings BDC, Inc.*

JONATHAN BOCK

*Chief Financial Officer
Barings BDC, Inc.*

1Q 2022 HIGHLIGHTS (Lloyd)

What were the summary points of the quarter?

BBDC MARKET UPDATE & INVESTMENT PORTFOLIO (Fowler)

Update on the portfolio performance.

BBDC FINANCIALS (Bock)

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

2Q 2022 ORIGINATION PIPELINE (Bock)

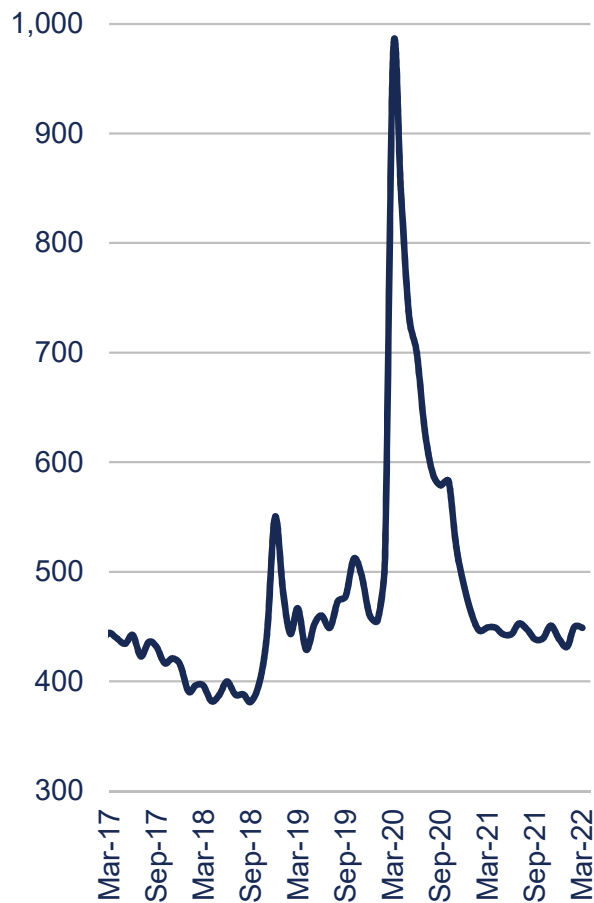
What is the level of investment activity post-quarter end?

1Q 2022 Highlights

Credit Spreads and BDC Equity Prices

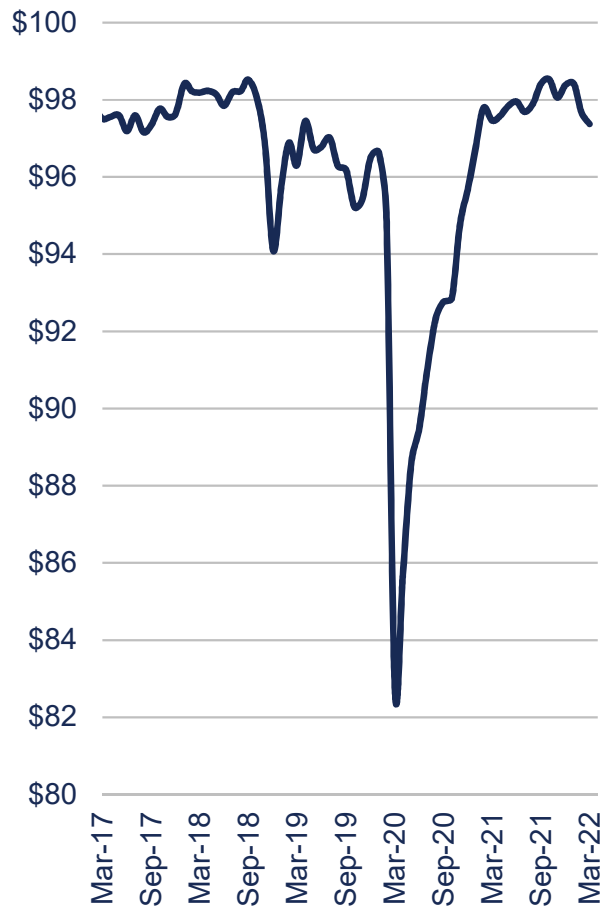
BSL spreads and prices began to price in increased risks in Q1, while BDC equity prices exhibited volatility

BROADLY-SYNDICATED LOAN SPREADS



— Credit Suisse Leveraged Loan Index (DM-3)

BROADLY-SYNDICATED LOAN PRICES



— Credit Suisse Leveraged Loan Index (Price)

BDC EQUITY PRICES



— MVIS U.S. BDC Index (Price)

First Quarter 2022 Highlights

NET ASSET VALUE

Net asset value (NAV) as of March 31, 2022 was \$11.86 per share as compared to \$11.36 as of December 31, 2021

ORIGINATIONS

Total originations during the quarter were \$772 million, including \$442 million of SIC assets, while sales and repayments totaled \$173 million, for net originations of \$599 million

NET INVESTMENT INCOME

Net investment income for the quarter ended March 31, 2022 was \$0.23 per share

PORTFOLIO YIELD

The weighted-average portfolio yield¹ as of March 31, 2022 was 6.8% for Middle-Market Loans (MML), 9.3% for Cross-Platform investments, 9.9% for MVC assets, and 7.8% for SIC assets²

DIVIDEND

The Board of Directors approved a second quarter dividend of \$0.24 per share, up from \$0.23 per share in the first quarter

CREDIT PERFORMANCE

There were no BBDC-originated investments on non-accrual status as of quarter end; two MVC-acquired and five SIC-acquired portfolio companies were on non-accrual (1.8% of total portfolio fair value)

Data as of March 31, 2022. Refer to slide 19 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, equity investments, and non-accrual investments

Selected Financial Highlights

Balance Sheet Highlights	1Q 2022	4Q 2021	3Q 2021	2Q 2021	1Q 2021
Investment Portfolio, at Fair Value	\$2,403.4	\$1,800.6	\$1,652.5	\$1,575.1	\$1,602.1
Total Debt Outstanding (Principal)	\$1,482.2	\$1,380.2	\$1,037.7	\$1,043.5	\$986.1
Total Net Assets (Equity)	\$1,317.6	\$741.9	\$744.8	\$744.1	\$727.9
Debt-to-Equity Ratio	1.12x	1.86x	1.39x	1.40x	1.35x
Net Debt-to-Equity Ratio ¹	0.89x	1.49x	1.19x	1.14x	1.14x
Income Statement Highlights					
Total Investment Income	\$43.8	\$36.6	\$35.0	\$33.2	\$30.6
Net Investment Income	\$19.0	\$15.2	\$14.9	\$14.6	\$14.4
Net Realized Gains/(Losses)	(\$1.4)	(\$1.8)	(\$3.8)	\$0.3	\$1.8
Net Unrealized Appreciation/(Depreciation)	\$3.5	(\$1.9)	\$3.3	\$14.4	\$6.3
Net Income	\$21.0	\$11.5	\$14.4	\$29.3	\$22.5
Per-Share Data					
Net Asset Value per Share	\$11.86	\$11.36	\$11.40	\$11.39	\$11.14
Net Investment Income per Share (Basic and Diluted) ²	\$0.23	\$0.23	\$0.23	\$0.22	\$0.22
Net Income per Share (Basic and Diluted) ²	\$0.25	\$0.18	\$0.22	\$0.45	\$0.34
Dividend per share	\$0.23	\$0.22	\$0.21	\$0.20	\$0.19

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

1. Net of cash and foreign currencies (excluding restricted), short-term investments and net unsettled transactions. Refer to slide 30 for a reconciliation of Debt-to-Net Debt and a calculation of Net Debt-to-Equity Ratio.

2. Refer to slide 19 for weighted-average shares outstanding for each period.

BBDC Market Update & Investment Portfolio

Investment Activity

Summary of investment activity during the quarter ended March 31, 2022

- **Middle-Market Loans:**

- Net increase in investments of \$125 million
 - Total MML fundings were \$261 million
 - Includes \$164 million in 16 new portfolio companies
 - Includes \$97 million in 34 existing portfolio companies, including previously-committed Delayed-Draw Term Loans (DDTLs)
 - Sales and repayments totaled \$136 million

- **Cross-Platform Investments:**

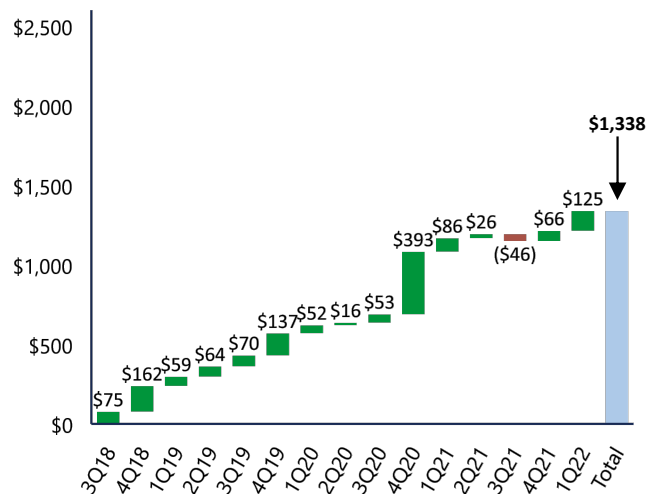
- Net increase in investments of \$64 million
 - \$69 of million new originations, and \$6 million of sales and repayments

- **MVC Portfolio:**

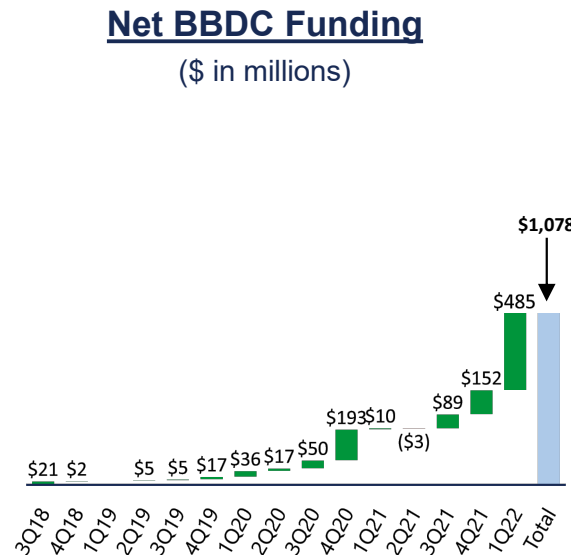
- One full realization of \$10 million

- **SIC Portfolio:**

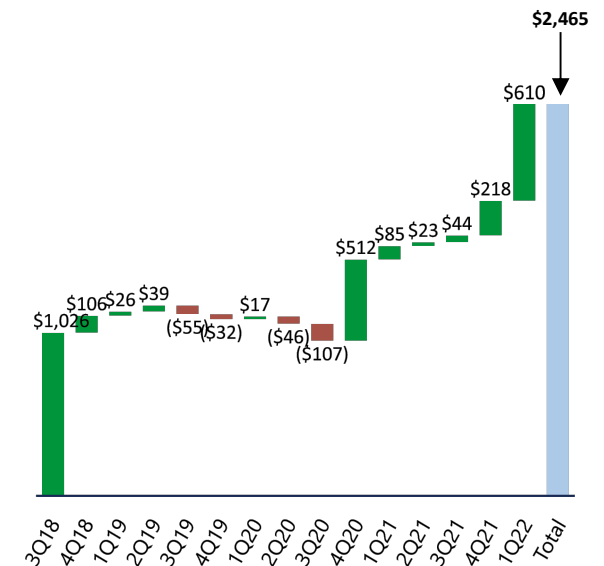
- Net investments of \$421 million



Middle Market



Cross Platform & MVC & SIC



Total Fundings²

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

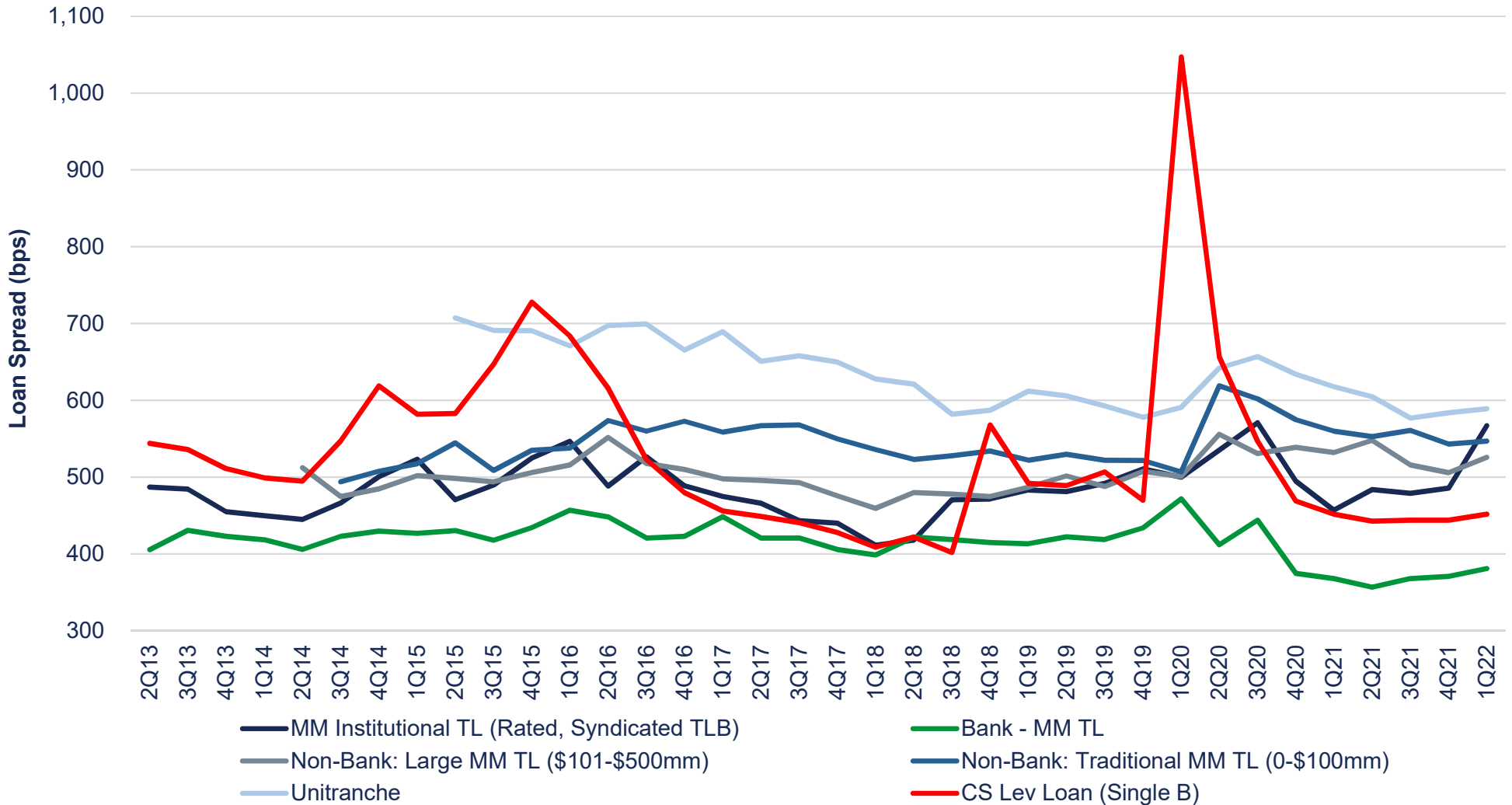
1. Cross Platform includes Jocassee Partners LLC, Thompson Rivers LLC, and Waccamaw River LLC.

2. Includes Initial BSL portfolio.

All-In Senior Investment Spreads

Spreads in all segments of the direct lending market widened in the first quarter; the syndicated and large middle-market segments widened the most: 81bps and 20 bps vs. the prior quarter, respectively

QUARTERLY MIDDLE-MARKET SPREADS ACROSS THE CAPITAL STRUCTURE

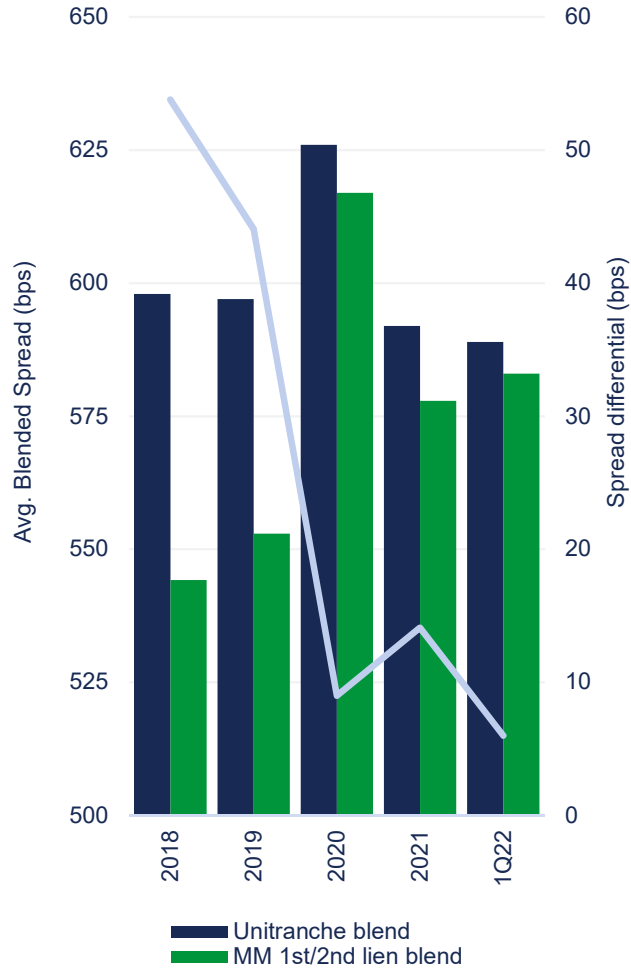


Source: Refinitiv LPC.

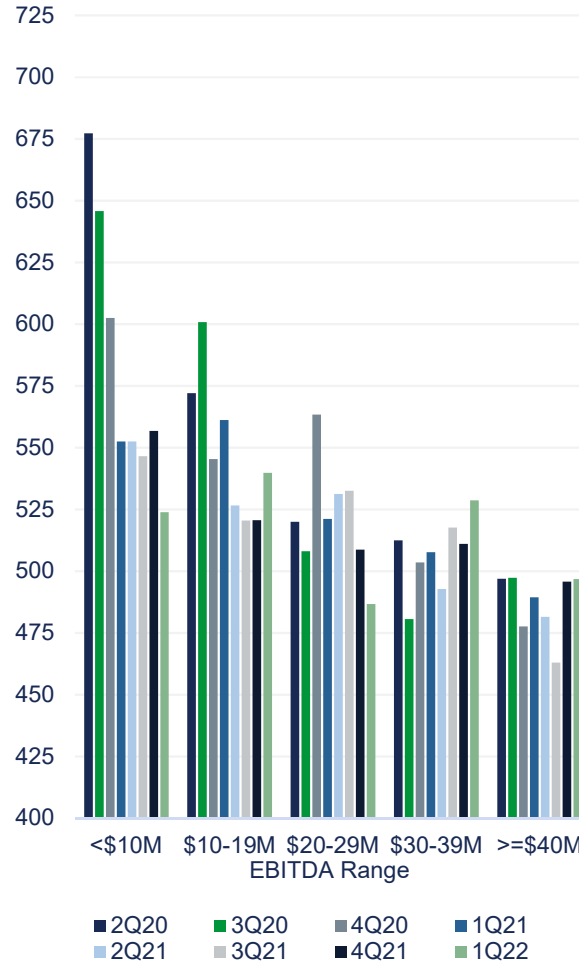
Middle Market Spreads

Unitranche spreads continue to compress and approach all time tight relative to 1L/2L loan executions

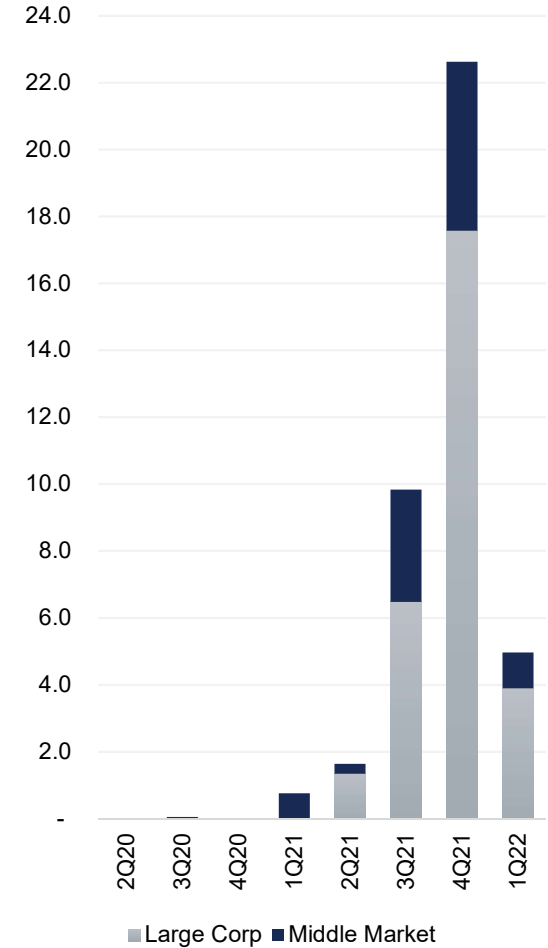
Spread Differential: Unitranche vs 1L/2L



Average 1L Term Loan Spread by EBITDA Size (bps)



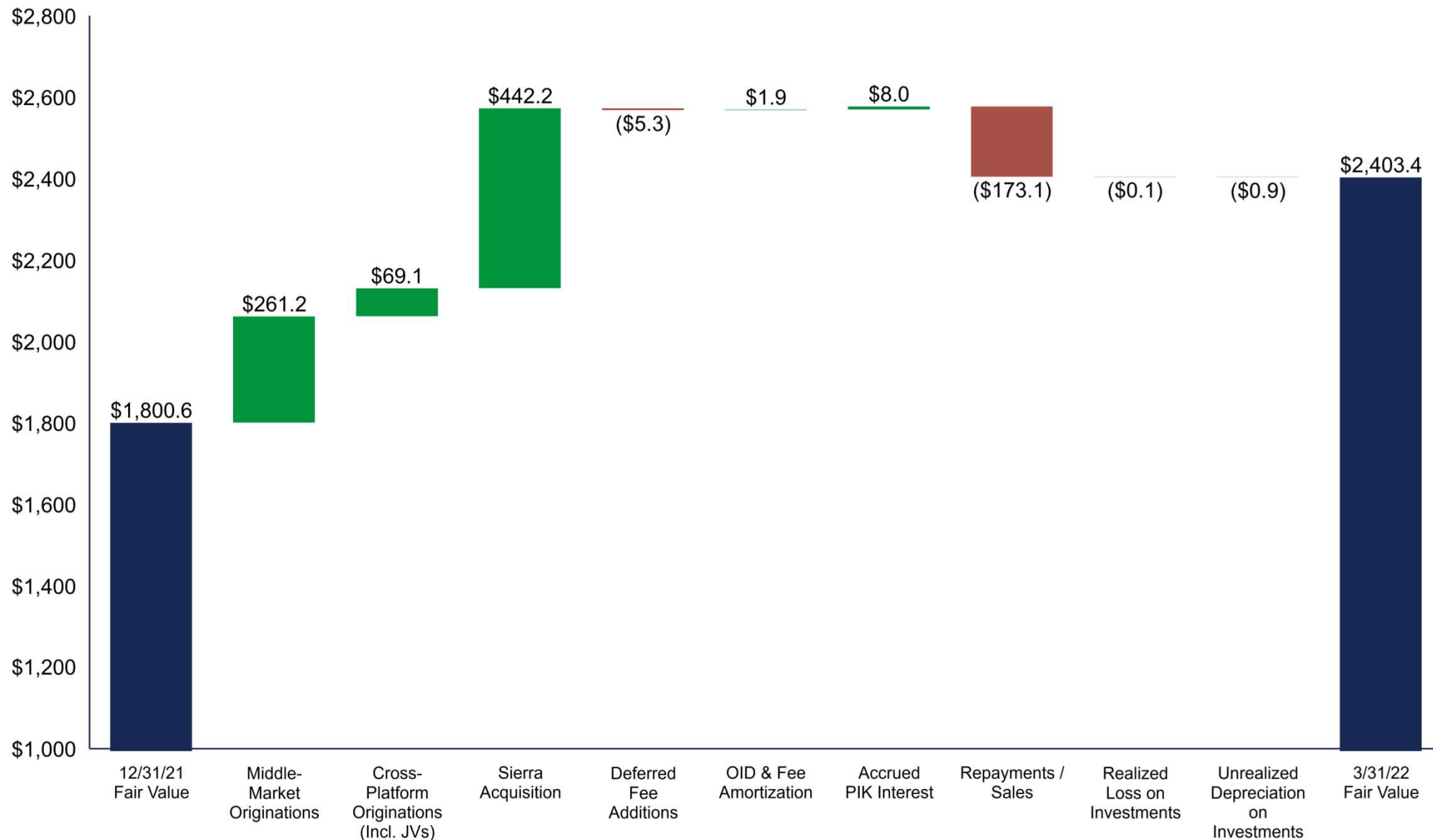
Cov-Lite Unitranche Volume (\$bn)



Source: Refinitiv LPC.

Portfolio Bridge – 4Q21 to 1Q22

In the first quarter we originated \$261 million of Middle-Market Loans, made \$69 million of Cross-Platform Investments (including JVs), added \$442 million from Sierra, and had \$173 million of sales/paydowns



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

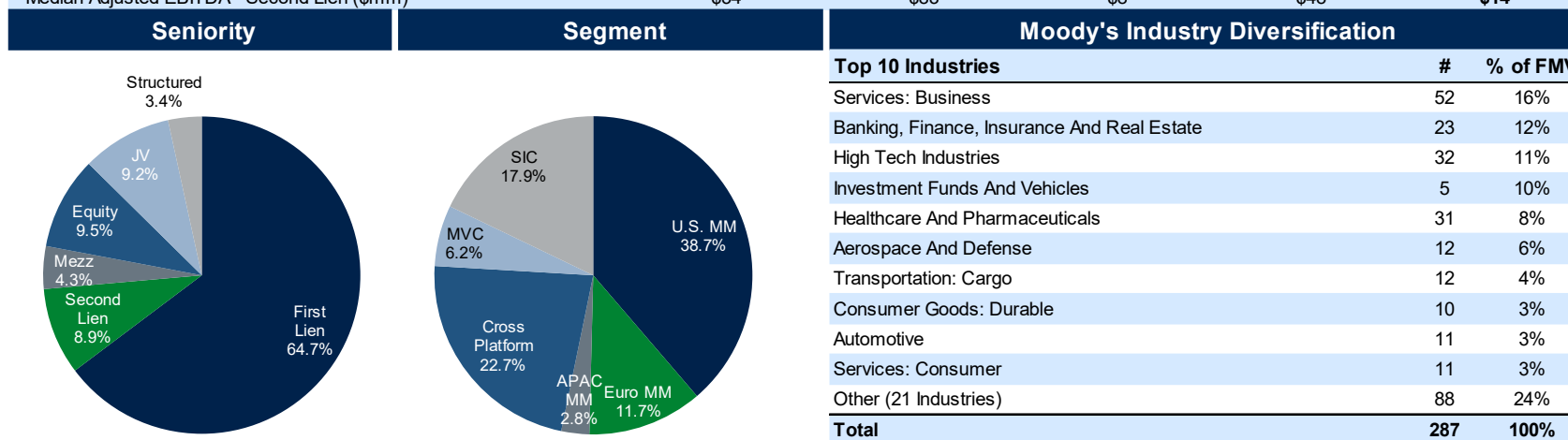


Aggregate Portfolio Characteristics (as of March 31, 2022)

	Middle Market	Cross Platform	Acquired MVC	Acquired SIC	Total
Total Investments and Commitments (\$mm)	\$1,450	\$585	\$149	\$440	\$2,624
Unfunded Commitments (\$mm)	\$171	\$39	\$0	\$10	\$220
Total Investments at Fair Value (\$mm)	\$1,279	\$546	\$149	\$430	\$2,403
Assets on Non-Accrual	\$0	\$0	\$29	\$14	\$43
Assets Valued Below 90% of Cost	0.5%	0.0%	28.9%	2.9%	2.6%
Average Spread	593 bps	899 bps	993 bps	681 bps	663 bps
Yield at Fair Value of Investments (%) ¹	7.0%	9.3%	10.1%	8.7%	7.7%
Revenue Contribution (as % of Total Revenue)					
Cash Interest	46.8%	27.0%	4.5%	9.8%	88.0%
PIK Interest	1.1%	2.9%	1.8%	0.3%	6.0%
Restructured PIK Interest ²	0.2%	0.0%	0.0%	0.0%	0.2%
OID/Upfront Fee	2.8%	1.0%	0.0%	0.3%	4.2%
Other Fees	1.4%	0.1%	0.0%	0.0%	1.6%
Total	52.3%	31.0%	6.3%	10.4%	100.0%

Portfolio Statistics

Number of Portfolio Companies	184	36	12	55	287
Percent 1st Lien	90.9%	45.5%*	1.8%	51.6%	64.7%
Weighted-Average First Lien Leverage (Debt/Adjusted EBITDA)	5.5x	4.8x	1.2x	5.7x	5.2x
Weighted-Average Total Leverage (Debt/Adjusted EBITDA)	5.8x	6.7x	3.2x	6.3x	5.8x
Weighted-Average Interest Coverage	3.5x	4.2x	5.2x	2.4x	3.5x
Median Adjusted EBITDA - First Lien (\$mm)	\$25	\$53	-	\$35	\$27
Median Adjusted EBITDA - Second Lien (\$mm)	\$34	\$83	\$8	\$48	\$14



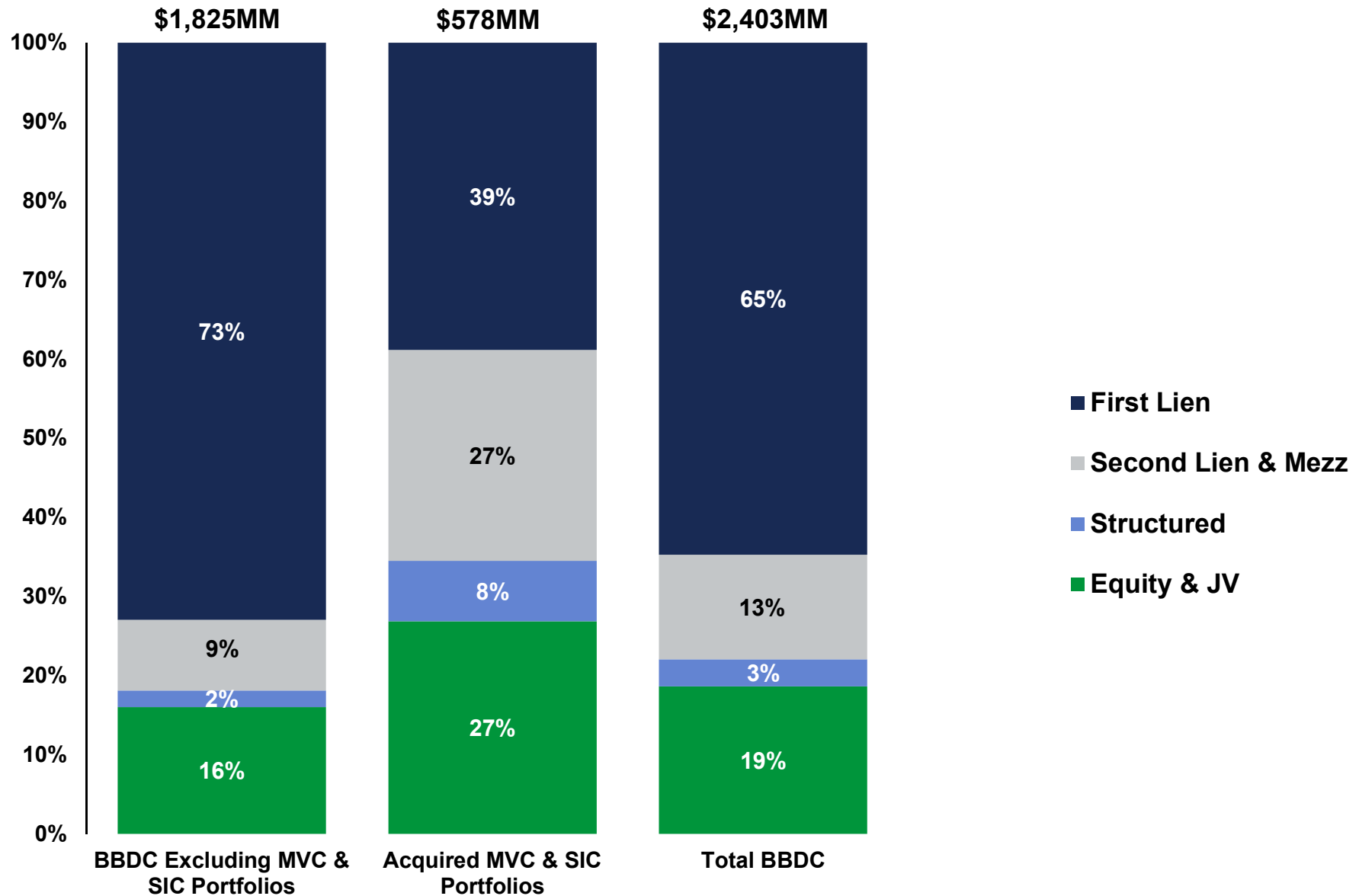
Data as of March 31, 2022. Excludes short-term investments. * Excludes structured products and joint ventures.

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

2. Restructured PIK Interest 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



Based on fair value as of March 31, 2022. Excludes short-term investments. Totals may not foot due to rounding.

Top 10 Investments

Top 10 Holdings (as of March 31, 2022)						
Issuer	Moody's Industry	Segment	Principal Amount	Cost	Fair Value	% of Portfolio
Eclipse Business Capital, LLC	Banking, Finance, Insurance and Real Estate	Cross Platform	\$7,273	\$96,958	\$125,638	5.2%
Sierra Senior Loan Strategy JV I LLC	Investment Funds and Vehicles	SIC	-	85,963	82,910	3.4%
Security Holdings B.V.	Services: Business	MVC	36,766	59,354	78,309	3.3%
Thompson Rivers LLC	Investment Funds and Vehicles	JV	-	79,411	75,664	3.1%
Policy Services Company, LLC	Banking, Finance, Insurance and Real Estate	Cross Platform	44,474	43,075	43,026	1.8%
Jocassee Partners LLC	Investment Funds and Vehicles	JV	-	35,158	42,106	1.8%
Jade Bidco Limited (Jane's)	Aerospace and Defense	Middle Market	30,970	30,125	30,235	1.3%
Custom Alloy Corporation	Construction and Building	MVC	57,184	46,384	28,592	1.2%
Redwood Services Group, LLC	Services: Business	SIC	27,028	27,028	27,028	1.1%
Alpine SG, LLC	High Tech Industries	SIC	26,957	26,418	26,418	1.1%
Top 10			230,652	529,874	559,927	23.3%
Rest of Portfolio			1,903,583	1,861,727	1,843,498	76.7%
Total Portfolio			\$2,134,235	\$2,391,601	\$2,403,425	100.0%

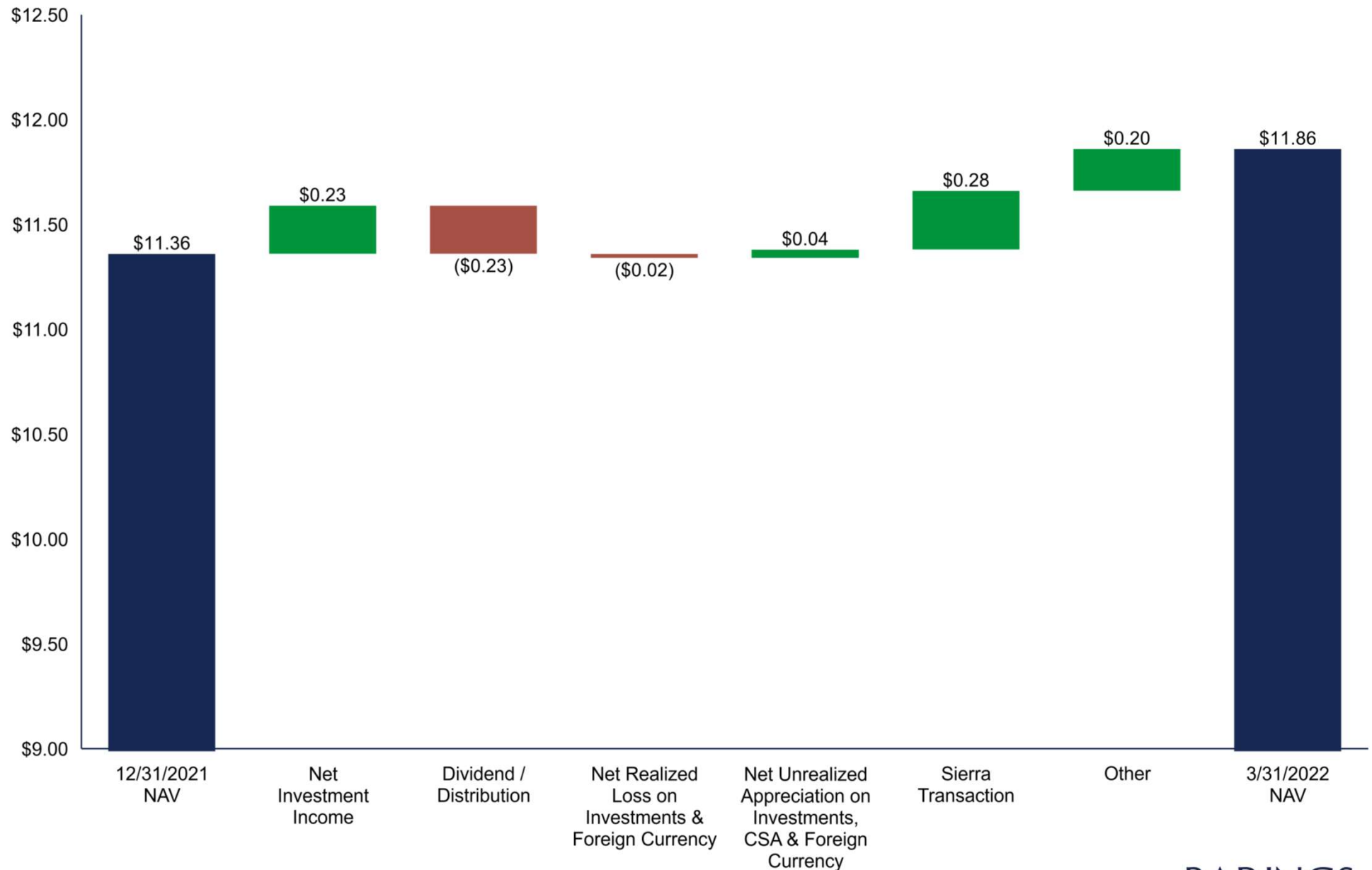
Excludes short-term investments. Totals may not foot due to rounding.

BBDC Financials

BARINGS

Net Asset Value Per Share (NAV) Bridge – 4Q21 to 1Q22

BBDC's NAV per share increased in 1Q22 to \$11.86 from \$11.36



Total may not foot due to rounding.

BBDC Portfolio Summary as of March 31, 2022

1Q 2022 Portfolio Summary

	Par	Cost	Fair Value	1Q Unrealized App (Dep) - Price	1Q Unrealized App (Dep) - Credit	1Q Unrealized App (Dep) - FX	1Q Unrealized App (Dep) - Total	Per Share
Middle-Market Lending								
North America	\$919,423	\$918,036	\$915,754	(\$1,855)	(\$491)	(\$104)	(\$2,450)	(\$0.03)
Europe / APAC	371,727	368,920	363,625	425	(11)	(3,510)	(3,096)	(0.04)
Total Middle-Market Lending	1,291,150	1,286,956	1,279,379	(1,430)	(502)	(3,613)	(5,546)	(0.07)
Cross-Platform Investments								
Special Situations & ABL	180,245	281,653	315,513	(2,763)	25,499	(80)	22,656	0.27
Opportunistic Liquid	30,869	30,135	29,686	(283)	-	(297)	(580)	(0.01)
Infrastructure	62,040	60,911	62,656	(1,313)	-	-	(1,313)	(0.02)
Joint Ventures		134,989	137,791	(9,445)	-	-	(9,445)	(0.11)
Total Cross-Platform Investments	273,154	507,688	545,647	(13,804)	25,499	(377)	11,319	0.14
Legacy MVC Portfolio	131,746	159,574	148,846	-	2,839	(702)	2,137	0.03
Legacy SIC Portfolio	438,184	437,383	429,552	(7,831)	-	-	(7,831)	(0.09)
Total Portfolio as of 3/31/22	\$2,134,234	\$2,391,601	\$2,403,424	(23,065)	27,837	(4,692)	79	\$0.00
Reclass. Adj. - Sales & Repayments				(519)	-	(507)	(1,026)	(0.01)
Money Market Funds				-	-	-	-	-
Total Unrealized App (Dep) on Investments				(23,584)	27,837	(5,199)	(947)	(0.01)
Foreign Currency Transactions				-	-	4,812	4,812	0.06
Credit Support Agreement				-	(400)	-	(400)	(0.00)
Total Unrealized App (Dep) on Investments, CSA and Foreign Currency Transactions				(\$23,584)	\$27,437	(\$387)	\$3,465	\$0.04

\$ in thousands. Excludes short-term investments.

BBDC Income Statement

	1Q22	4Q21	3Q21	2Q21	1Q21
Investment income:					
Interest income	\$32,069	\$25,783	\$24,622	\$26,819	\$25,214
Dividend income	7,693	5,546	2,867	395	72
Fee and other income	1,197	3,830	4,488	2,568	2,133
Payment-in-kind interest income	2,798	1,445	3,006	3,371	3,173
Interest income from cash	—	—	—	0	1
Total investment income	43,757	36,605	34,984	33,153	30,593
Operating expenses:					
Interest and other financing fees	11,661	9,631	8,103	7,994	7,285
Base management fee	5,872	5,422	5,274	4,891	3,929
Incentive management fees	4,754	4,067	4,443	3,510	2,722
General and administrative expenses	2,455	2,312	2,282	2,200	2,301
Total operating expenses	24,742	21,433	20,101	18,596	16,237
Net investment income before taxes	19,015	15,172	14,883	14,558	14,356
Income taxes, including excise tax expense (benefit)	6	—	26	—	(18)
Net investment income after taxes	19,009	15,172	14,857	14,558	14,374
Realized and unrealized gains (losses) on investments, CSA and FX:					
Net realized gains (losses)	(1,442)	(1,800)	(3,762)	343	1,839
Net unrealized appreciation (depreciation)	3,465	(1,894)	3,315	14,409	6,275
Net realized and unrealized gains (losses)	2,023	(3,693)	(447)	14,752	8,114
Loss on extinguishment of debt	—	—	—	—	—
Tax benefit (provision)	—	—	—	(2)	—
Net increase (decrease) in net assets resulting from operations	\$21,032	\$11,479	\$14,410	\$29,308	\$22,488
Net investment income per share—basic and diluted	\$0.23	\$0.23	\$0.23	\$0.22	\$0.22
Net increase (decrease) in net assets resulting from operations per share—basic and diluted	\$0.25	\$0.18	\$0.22	\$0.45	\$0.34
Weighted average shares outstanding—basic and diluted	82,656,326	65,316,085	65,316,085	65,316,085	65,316,085

BBDC Balance Sheet

Debt-to-equity at March 31, 2022 was 1.12x, or 0.89x⁽¹⁾ after adjusting for cash and foreign currencies, short-term investments and unsettled transactions

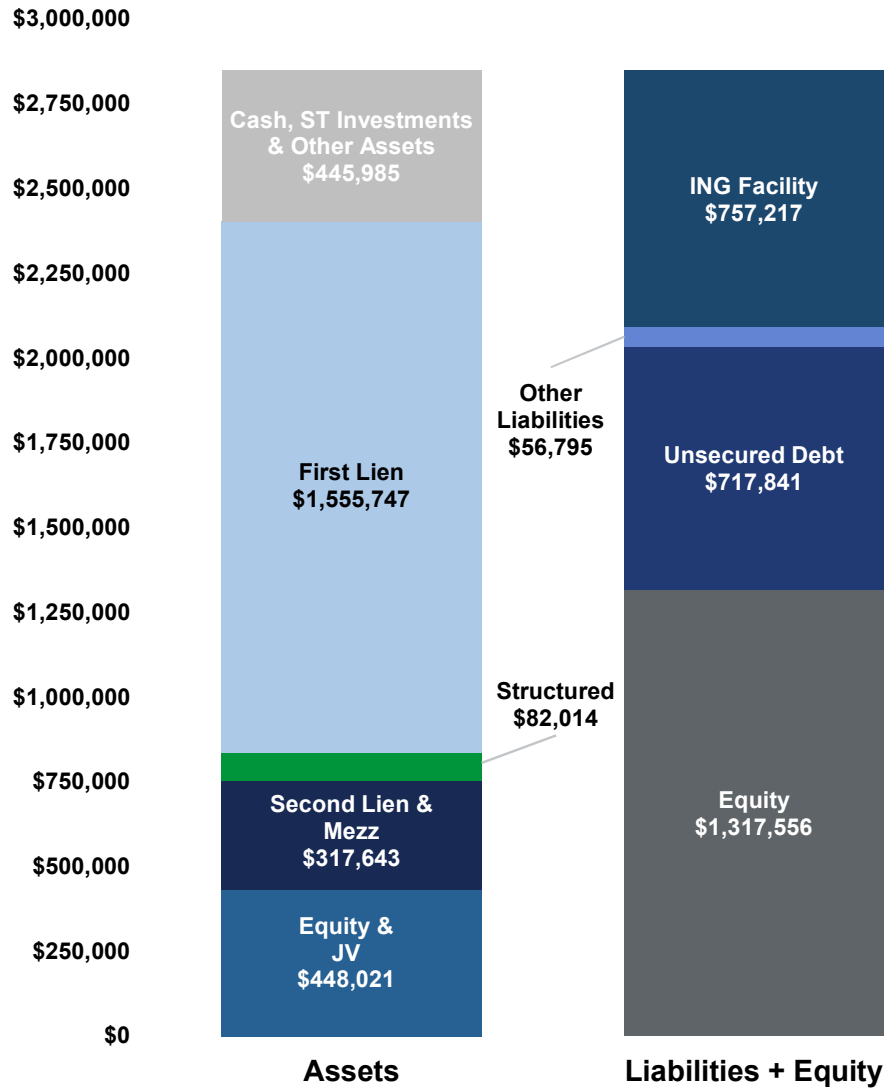
	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021
Assets:					
Investments at fair value:					
Non-Control / Non-Affiliate investments	\$1,917,558	\$1,490,113	\$1,355,088	\$1,414,823	\$1,401,742
Affiliate investments	364,753	288,069	223,000	126,432	100,430
Control investments	121,114	22,412	24,395	23,280	26,386
Short-term investments	—	—	50,000	10,574	73,566
Total investments at fair value	2,403,425	1,800,594	1,652,483	1,575,109	1,602,124
Cash and foreign currencies	154,431	84,253	41,386	30,704	40,515
Receivable from unsettled transactions	182,294	219,732	61,438	153,722	47,912
Credit Support Agreement	59,400	15,400	14,300	14,300	12,000
Other assets	49,860	40,927	29,928	32,513	24,563
Total assets	\$2,849,410	\$2,160,906	\$1,799,534	\$1,806,347	\$1,727,114
Liabilities:					
Borrowings under credit facilities	\$757,217	\$655,189	\$662,664	\$668,452	\$611,145
Notes payable (net of deferred financing fees)	717,841	717,556	374,265	374,223	374,181
Payable from unsettled transactions	21,195	26,786	59	2,873	—
Other liabilities	35,601	19,444	17,724	16,671	13,906
Total liabilities	1,531,854	1,418,975	1,054,713	1,062,220	999,231
Total net assets	1,317,556	741,931	744,822	744,128	727,883
Total liabilities and net assets	\$2,805,410	\$2,160,906	\$1,799,534	\$1,806,347	\$1,727,114
Net asset value per share	\$11.86	\$11.36	\$11.40	\$11.39	\$11.14

1. Refer to slide 30 for a reconciliation of Debt-to-Net Debt and a calculation of Net Debt-to-Equity Ratio.

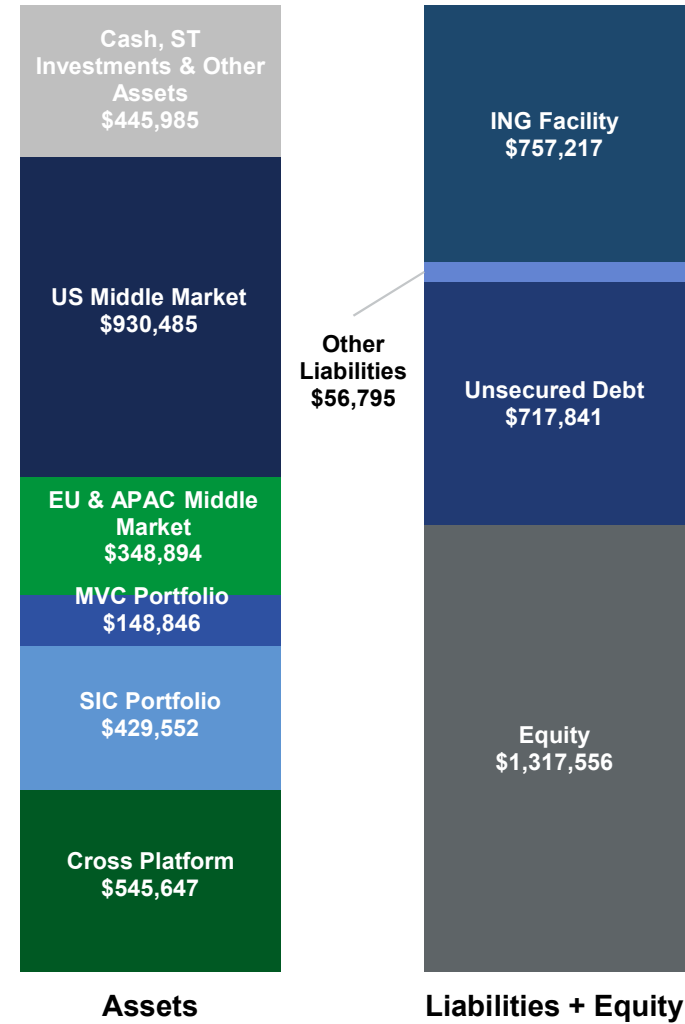
Asset and Liability Mix

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

FUNDING MIX BY SENIORITY (000'S)



FUNDING MIX BY ASSET CLASS (000'S)

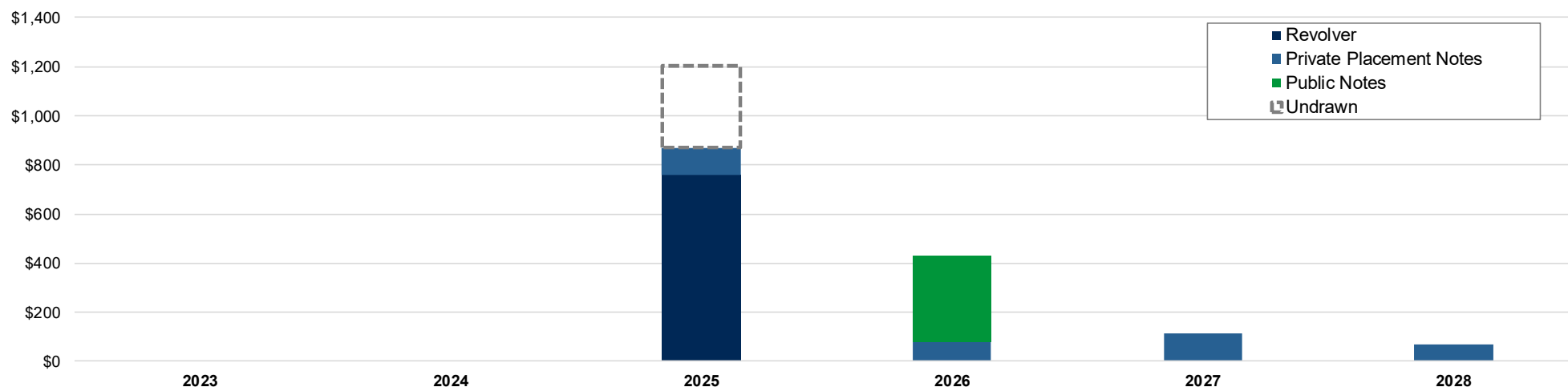


Dollars amounts in thousands. Based on fair value as of March 31, 2022. Totals may not foot due to rounding.

Debt Summary and Maturity Profile

BBDC upsized the commitment to the Revolving Credit Facility in February 2022 in conjunction with the SIC merger, which was then further upsized to \$1.065 billion in early April. Our funding mix as of March 31st was comprised of 49% unsecured bonds with a weighted-average coupon of 3.79%

	Borrower	Interest Rate	Collateral	Maturity Date	Pro Forma		As of 3/31/22		As of 12/31/21		As of 9/30/21	
					Principal Amount Committed	Principal Amount Outstanding	Principal Amount Committed	Principal Amount Outstanding	Principal Amount Committed	Principal Amount Outstanding	Principal Amount Committed	Principal Amount Outstanding
Revolving Credit Facility	Barings BDC, Inc.	S+ 200	MML, BSL & SP	Feb-2025	\$1,065.0	\$757.2	\$965.0	\$757.2	\$875.0	\$655.2	\$800.0	\$662.7
Unsecured PP Notes - Series A	Barings BDC, Inc.	4.66%	n/a	Aug-2025	75.0	50.0	75.0	50.0	75.0	50.0	75.0	50.0
Unsecured PP Notes - Series B	Barings BDC, Inc.	4.25%	n/a	Nov-2025	62.5	62.5	62.5	62.5	62.5	62.5	62.5	62.5
Unsecured PP Notes - Series C	Barings BDC, Inc.	4.75%	n/a	Nov-2027	112.5	112.5	112.5	112.5	112.5	112.5	112.5	112.5
Unsecured PP Notes - Series D	Barings BDC, Inc.	3.41%	n/a	Feb-2026	80.0	80.0	80.0	80.0	80.0	80.0	80.0	80.0
Unsecured PP Notes - Series E	Barings BDC, Inc.	4.06%	n/a	Feb-2028	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0
Unsecured Public Notes	Barings BDC, Inc.	3.30%	n/a	Nov-2026	350.0	350.0	350.0	350.0	350.0	350.0	--	--
Total Debt					\$1,815.0	\$1,482.2	\$1,715.0	\$1,482.2	\$1,625.0	\$1,380.2	\$1,200.0	\$1,037.7



Note: Dollar amounts in millions. Excludes deferred financing fees.

Liquidity Summary

Inclusive of the SIC assets, BBDC has liquidity under its senior secured revolving credit agreement and unsecured debt commitment, with cushion to support its unused capital commitments of \$220 million

BBDC as of March 31, 2022			
	Debt / Net Debt Outstanding	Total Net Assets	Debt / Net Debt-to- Equity Ratio ⁽¹⁾
Debt-to-equity ratio, March 31, 2022	\$1,482.2	\$1,317.6	1.12x
Adjust for cash, short-term investments and unsettled transactions	(315.5)	-	
Net debt-to-equity ratio, March 31, 2022	1,166.7	1,317.6	0.89x
Fund all unused commitments to extend debt financing	200.8	-	
Pro forma net debt-to-equity ratio	1,367.5	1,317.6	1.04x
Fund remaining joint venture commitments	19.6	-	
Pro forma net debt-to-equity ratio	\$1,387.0	\$1,317.6	1.05x

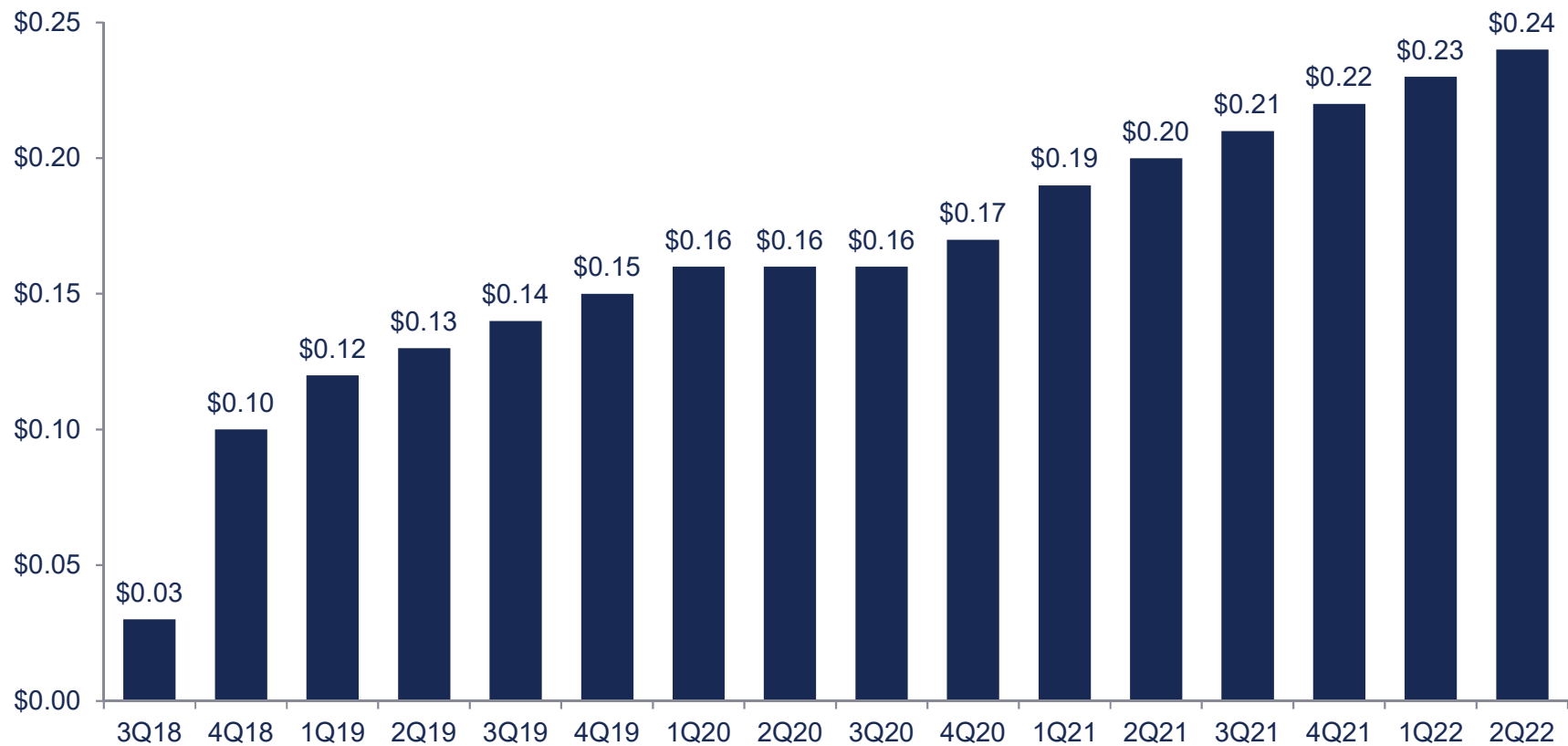
Note: Dollar amounts in millions, except Debt / Net Debt-to-Equity Ratio.

1. Refer to slide 30 for a reconciliation of Debt-to-Net Debt and a calculation of Net Debt-to-Equity Ratio.

Quarterly Dividends

BBDC declared a 2Q22 dividend of \$0.24 per share, up from \$0.23 in 1Q22

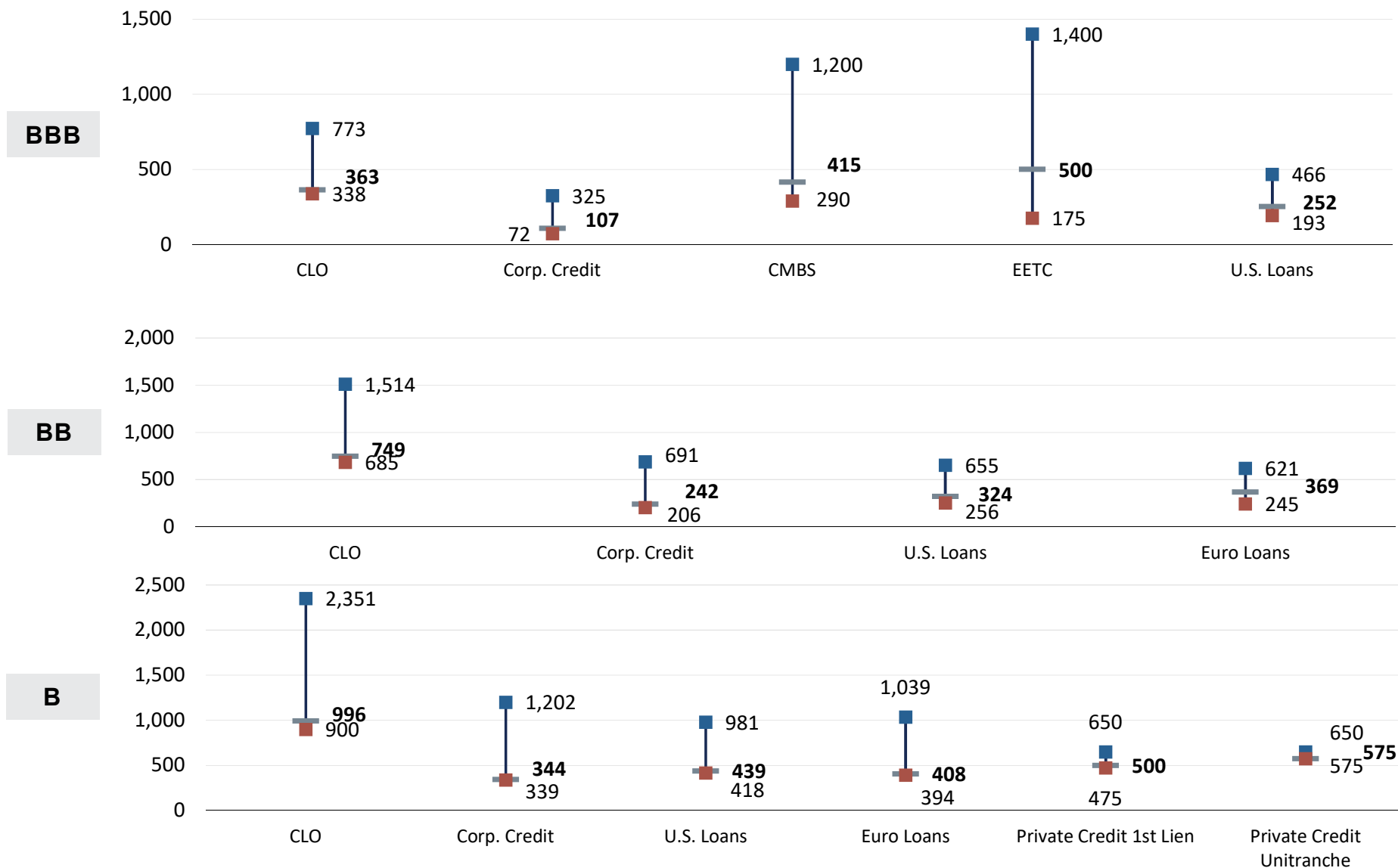
BBDC DIVIDENDS DECLARED PER SHARE



2Q 2022 Origination Pipeline

Relative Value in Credit Asset Classes

3 Year Lookback (Wide/Tight/Current):



CLO spread source: J.P. Morgan CLOIE Index, As of March 31, 2022.

CMBS Source: Bank of America/Merrill Lynch, As of March 31, 2022.

Corporate Credit Spread to Swap Source: Barclays, As of March 31, 2022.

U.S. and Europeans Loan Spread Source: Credit Suisse, As of March 31, 2022.

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

		1Q22		
		Dollars Deployed (\$mm)	All-in Spread (bps) ¹	Premium/ Discount To Market Indices (bps)
Market Indices	Asset Class			
	US IG Credit BBB		140	
	US HY Credit BB		230	
	US HY Credit B		340	
	US HY Credit CCC		594	
	US BSLs BB		323	
	US BSLs B		452	
	US BSLs CCC		1015	
	EUR BSLs BB		339	
	EUR BSLs B		460	
EUR BSLs CCC		1034		
BBDC Middle-Market & Cross-P Platform Originations	Middle Market			
	North America	\$90	701	+249
	Europe & Asia Pacific	\$140	752	+292
	Total	\$230		+275
	Cross Platform			
	Special Situation	\$34	1,008	+414
	Opportunistic Liquid	\$10	744	+292
	Waccamaw River	\$7	800	n/a
	Total	\$51		+387
	TOTAL	\$281	768	+293

- In 1Q22, BBDC deployed \$281 million at an all-in spread¹ (inclusive of upfronts/OID) of 768 bps; this equates to a 293-bp spread premium² to comparable liquid market indices at the same credit risk profile

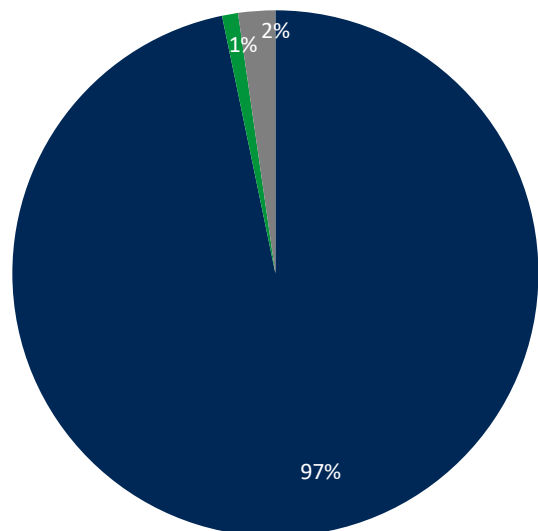
1. 3-year discount margins (DM3) for MM and BSLs; Swapped spread to LIBOR for Fixed Rate Assets; Structured Products based on market convention; annualized dividend income for Waccamaw River and Thompson Rivers.

2. Represents a weighted average based on dollars deployed; excludes Waccamaw River and Thompson Rivers.

Investment Activity Since Quarter End and Investment Pipeline

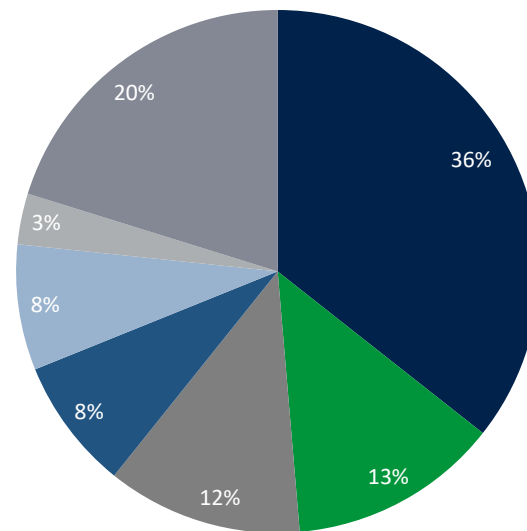
- From April 1, 2022 through May 4, 2022, Barings BDC made approximately \$174 million of new commitments, of which approximately \$141 million closed and funded; in addition, BBDC funded \$15 million of previously-committed delayed draw term loans
- Of the new 2Q22 investments, the weighted-average origination margin (DM-3)¹ is 7.0%, 78% are in first lien senior secured loans, 20% are in Cross Platform, and 35% are European or Asia Pac originations
- Sales and repayments of middle-market loans were \$66 million through May 4
- As of May 4, 2022, Barings Global Private Finance group had a probability-weighted pipeline of approximately \$2.1 billion²
- The following is a breakdown of the pipeline by seniority and by industry

Asset Class



■ First Lien ■ Second Lien ■ Sub Debt + Equity

Industry



■ Industrials ■ Information Technology
 ■ Financials ■ Consumer Discretionary
 ■ Health Care ■ Communication Services
 ■ Other

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

	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021
Total debt (principal)	\$1,482,217	\$1,380,189	\$1,037,664	\$1,043,452	\$986,145
<i>minus: Cash and foreign currencies (excluding restricted)</i>	(154,431)	(84,253)	(41,386)	(30,704)	(37,027)
<i>minus: Short-term investments</i>	—	—	(50,000)	(10,574)	(73,566)
<i>plus: Payable from unsettled transactions</i>	21,195	26,786	59	2,873	—
<i>minus: Receivable from unsettled transactions</i>	(182,294)	(219,732)	(61,438)	(153,722)	(47,912)
Total net debt	1,166,687	1,102,990	884,900	851,326	827,640
Total net assets	1,317,556	741,931	744,822	744,128	727,883
Total net debt-to-equity ratio	0.89x	1.49x	1.19x	1.14x	1.14x

Totals may not foot due to rounding.

Appendix: Barings BDC Corporate Data

Board of Directors

ERIC LLOYD
Chairman and CEO of BBDC,
President of Barings

STEVE BYERS
Independent Chairman of the
Board of Deutsche Bank DBX
ETF Trust

BERNARD HARRIS
Managing Partner of Vesalius
Ventures

DAVID MIHALICK
Head of Private Assets at
Barings

ROBERT C. KNAPP
Founder and CIO of Ironsides
Partners LLC

**VALERIE LANCASTER-
BEAL**
President and CEO of VLP
Associates

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

JILL OLMSTEAD
Chief Human Resources
Officer at LendingTree

MARK MULHERN
Retired Senior Vice President
and CFO at Highwoods
Properties

JOHN SWITZER
Retired Managing Partner at
KPMG

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

ELIZABETH MURRAY
Principal Accounting Officer

JEFFREY CHILLAG
Director of Finance

BRYAN HIGH
Vice President

JONATHAN LANDSBERG
Treasurer and Head of
Investor Relations

ALEXANDRA PACINI
Assistant Secretary

ALBERT PERLEY
Assistant Treasurer

ASHLEE STEINNERD
Corporate Secretary

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Ryan Lynch
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OPPENHEIMER & CO.
Mitchel Penn
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RAYMOND JAMES
Robert Dodd
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Independent Accounting Firm

KPMG LLP

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