

BARINGS



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

August 9, 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.*

2Q 2022 HIGHLIGHTS (Lloyd)

What were the summary points of the quarter?

BARINGS BDC MARKET UPDATE & INVESTMENT PORTFOLIO (Fowler)

Update on the portfolio performance.

BARINGS BDC FINANCIALS (Bock)

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

3Q 2022 ORIGINATION PIPELINE (Bock)

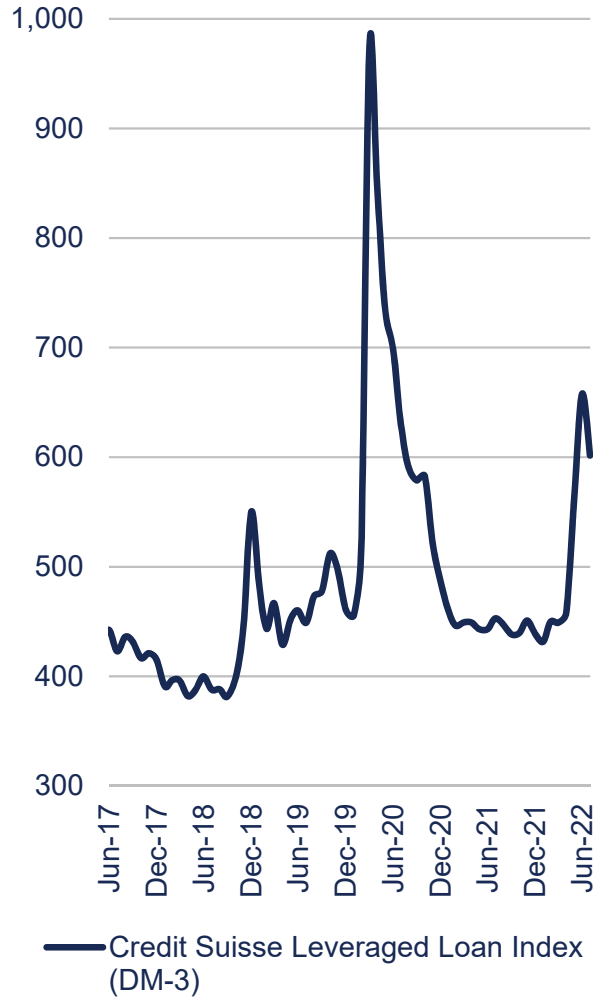
What is the level of investment activity post-quarter end?

2Q 2022 Highlights

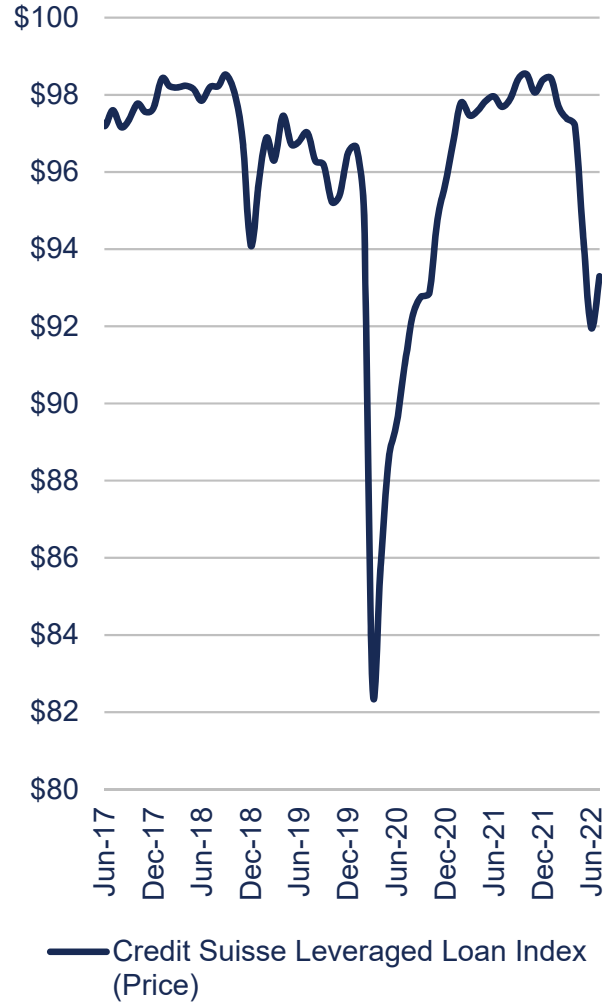
Credit Spreads and BDC Equity Prices through July 31st

The risk-off mentality was apparent across asset classes in Q2, though prices began to rebound post-quarter end

BROADLY-SYNDICATED LOAN SPREADS



BROADLY-SYNDICATED LOAN PRICES



BDC EQUITY PRICES



Second Quarter 2022 Highlights

NET ASSET VALUE

Net asset value (NAV) as of June 30, 2022 was \$11.41 per share as compared to \$11.86 as of March 31, 2022

ORIGINATIONS

Total originations during the quarter were \$352 million, while sales and repayments totaled \$299 million, for net originations of \$53 million

NET INVESTMENT INCOME

Net investment income for the quarter ended June 30, 2022 was \$0.29 per share

PORTFOLIO YIELD

The weighted-average portfolio yield¹ as of June 30, 2022 was 7.8% for Middle-Market Loans (MML), 8.9% for Cross-Platform investments, 9.9% for MVC assets, and 8.5% for SIC assets²

DIVIDEND

The Board of Directors approved a third quarter dividend of \$0.24 per share, unchanged from the second 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, unchanged from the second quarter and representing 0.8% of total portfolio fair value

Data as of June 30, 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	2Q 2022	1Q 2022	4Q 2021	3Q 2021	2Q 2021
Investment Portfolio, at Fair Value	\$2,389.1	\$2,403.4	\$1,800.6	\$1,652.5	\$1,575.1
Total Debt Outstanding (Principal)	\$1,539.4	\$1,482.2	\$1,380.2	\$1,037.7	\$1,043.5
Total Net Assets (Equity)	\$1,252.9	\$1,317.6	\$741.9	\$744.8	\$744.1
Debt-to-Equity Ratio	1.23x	1.12x	1.86x	1.39x	1.40x
Net Debt-to-Equity Ratio ¹	1.00x	0.89x	1.49x	1.19x	1.14x
Income Statement Highlights					
Total Investment Income	\$55.6	\$43.8	\$36.6	\$35.0	\$33.2
Net Investment Income	\$31.8	\$19.0	\$15.2	\$14.9	\$14.6
Net Realized Gains/(Losses)	(\$10.2)	(\$1.4)	(\$1.8)	(\$3.8)	\$0.3
Net Unrealized Appreciation/(Depreciation)	(\$44.7)	\$3.5	(\$1.9)	\$3.3	\$14.4
Net Income	(\$25.0)	\$21.0	\$11.5	\$14.4	\$29.3
Per-Share Data					
Net Asset Value per Share	\$11.41	\$11.86	\$11.36	\$11.40	\$11.39
Net Investment Income per Share (Basic and Diluted) ²	\$0.29	\$0.23	\$0.23	\$0.23	\$0.22
Net Income per Share (Basic and Diluted) ²	(\$0.23)	\$0.25	\$0.18	\$0.22	\$0.45
Dividend per share	\$0.24	\$0.23	\$0.22	\$0.21	\$0.20

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.

Barings BDC Market Update & Investment Portfolio

Investment Activity

Summary of investment activity during the quarter ended June 30, 2022

- **Middle-Market Loans:**

- Net increase in investments of \$3 million
 - Total MML fundings were \$227 million
 - Includes \$156 million in 22 new portfolio companies
 - Includes \$71 million in 43 existing portfolio companies, including previously-committed Delayed-Draw Term Loans (DDTLs)
 - Sales and repayments totaled \$224 million

- **Cross-Platform Investments:**

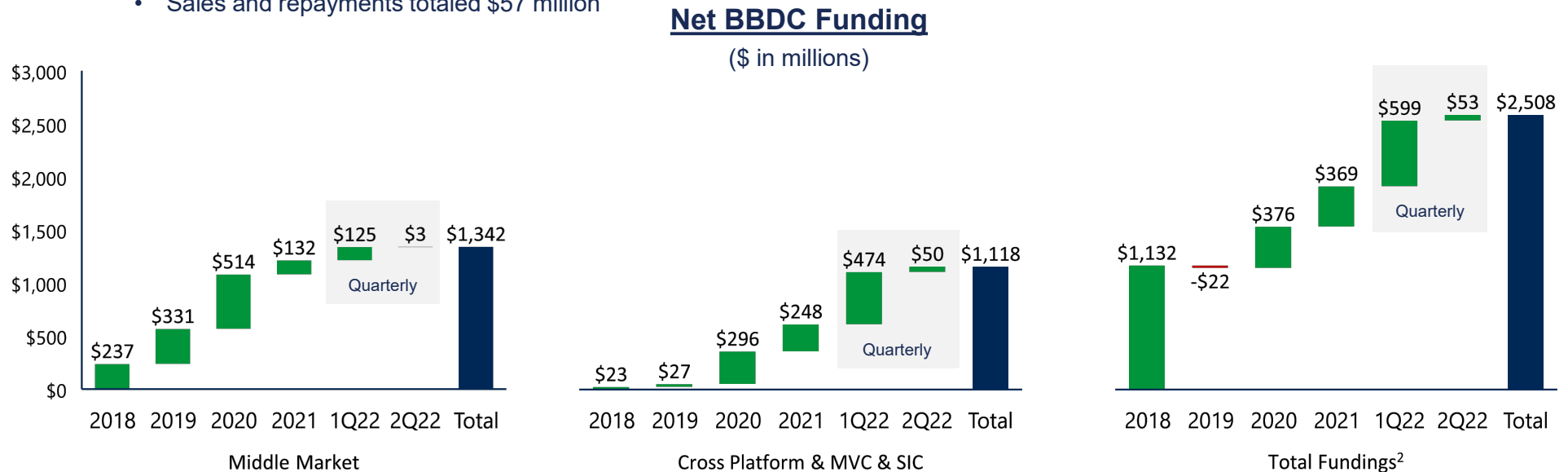
- Net increase in investments of \$108 million
 - \$125 million of new originations (including JVs), and \$17 million of sales and repayments

- **MVC Portfolio:**

- One partial repayment of <\$1 million

- **SIC Portfolio:**

- Sales and repayments totaled \$57 million



All amounts in millions. 2018 amounts are for post-externalization period from August 3, 2018 to December 31, 2018. Excludes short-term investments.

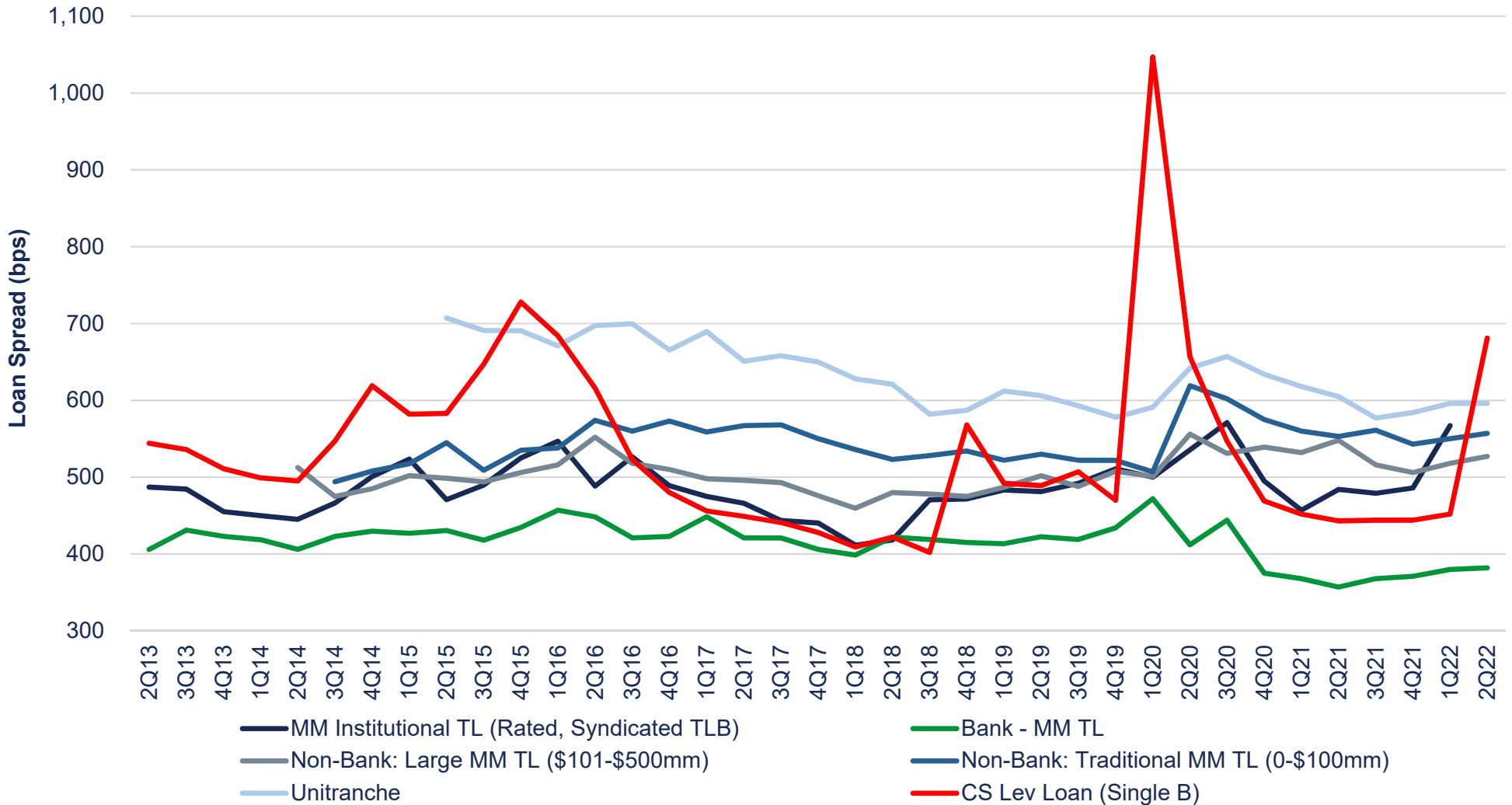
1. Cross Platform includes Jocassee Partners LLC, Thompson Rivers LLC, and Waccamaw River LLC.

2. Includes Initial BSL portfolio.

All-In Senior Investment Spreads

Middle-market spreads continued to widen in the second quarter, although the velocity reflects a more measured adjustment in contrast to spread movements in the broadly-syndicated loan market

QUARTERLY MIDDLE-MARKET SPREADS ACROSS THE CAPITAL STRUCTURE



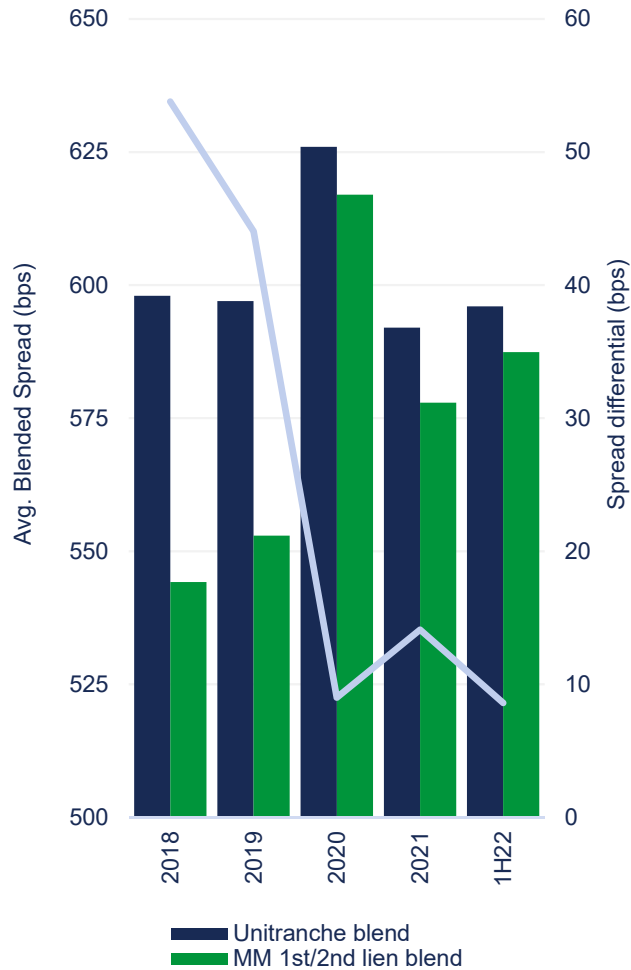
Source: Refinitiv LPC.

Note: Not enough data to generate 2Q22 average for "MM Institutional TL (Rated, Syndicated TLB)".

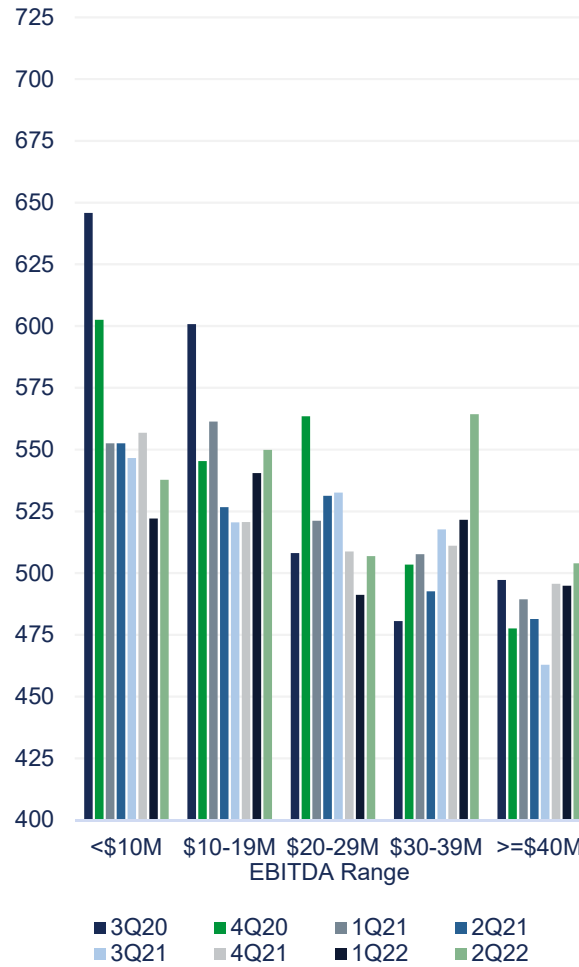
Middle-Market Spreads

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

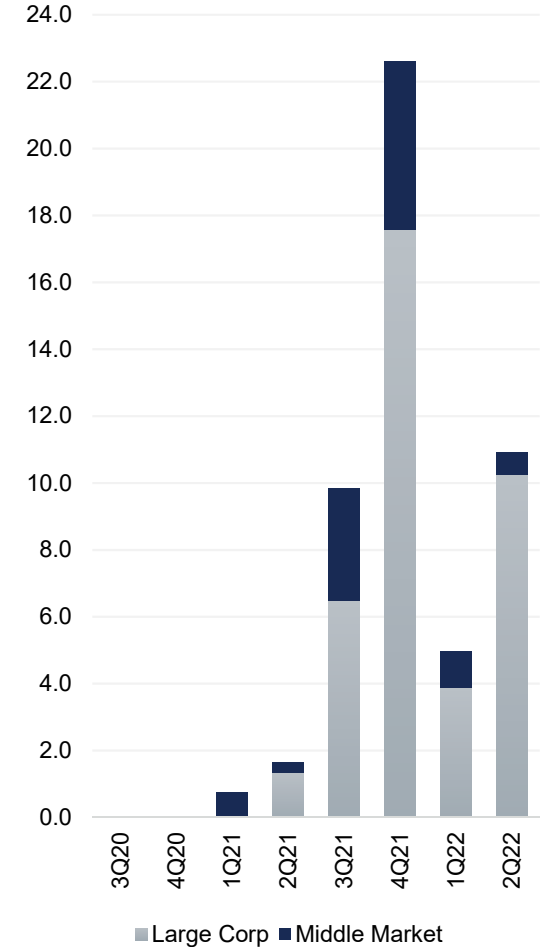
Spread Differential: Unitranche vs 1L/2L



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



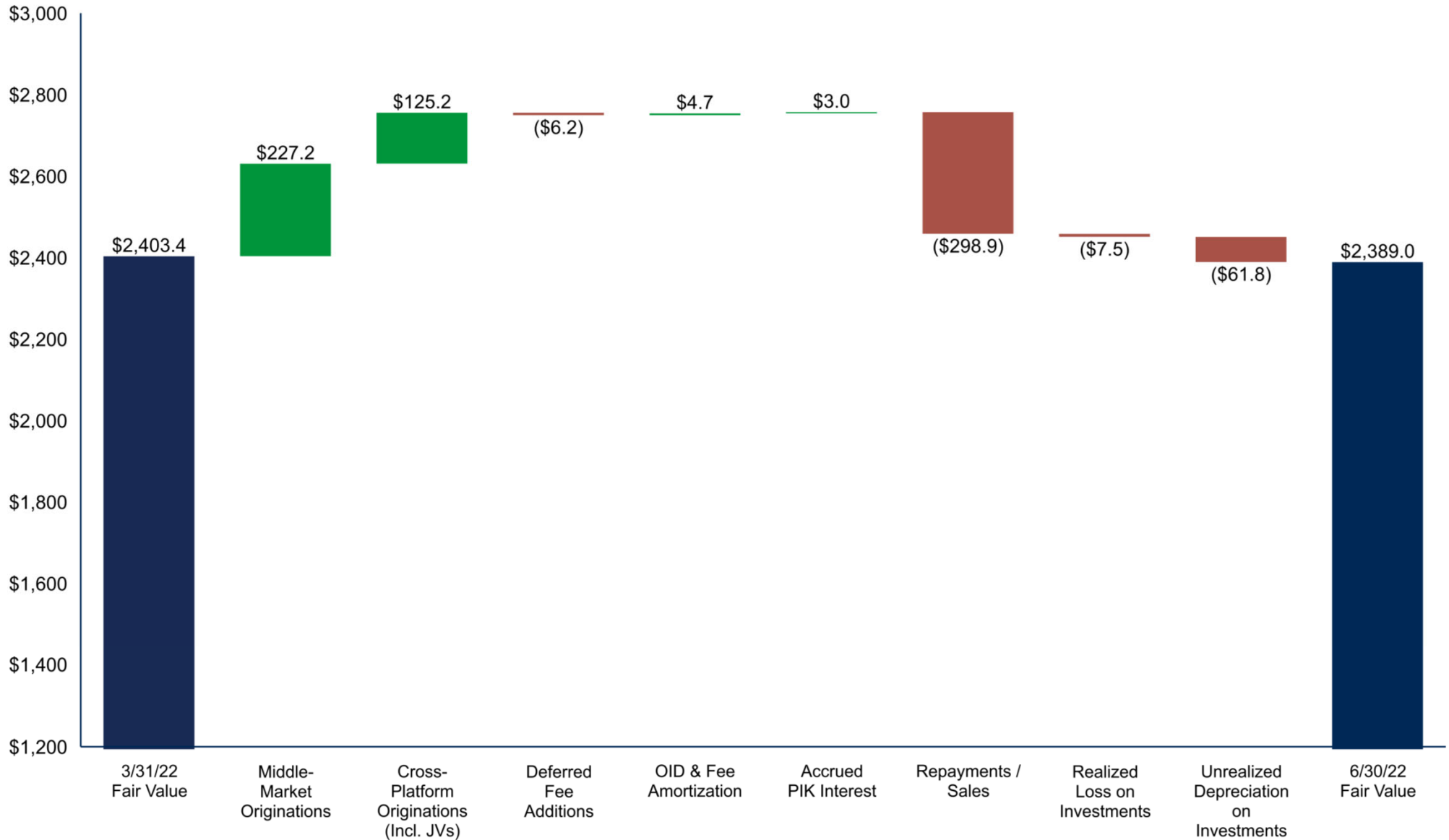
Cov-Lite Unitranche Volume (\$bn)



Source: Refinitiv LPC.

Portfolio Bridge – 1Q22 to 2Q22

In the second quarter we originated \$227 million of Middle-Market Loans, made \$125 million of Cross-Platform Investments (including JVs), and had \$299 million of repayments/sales



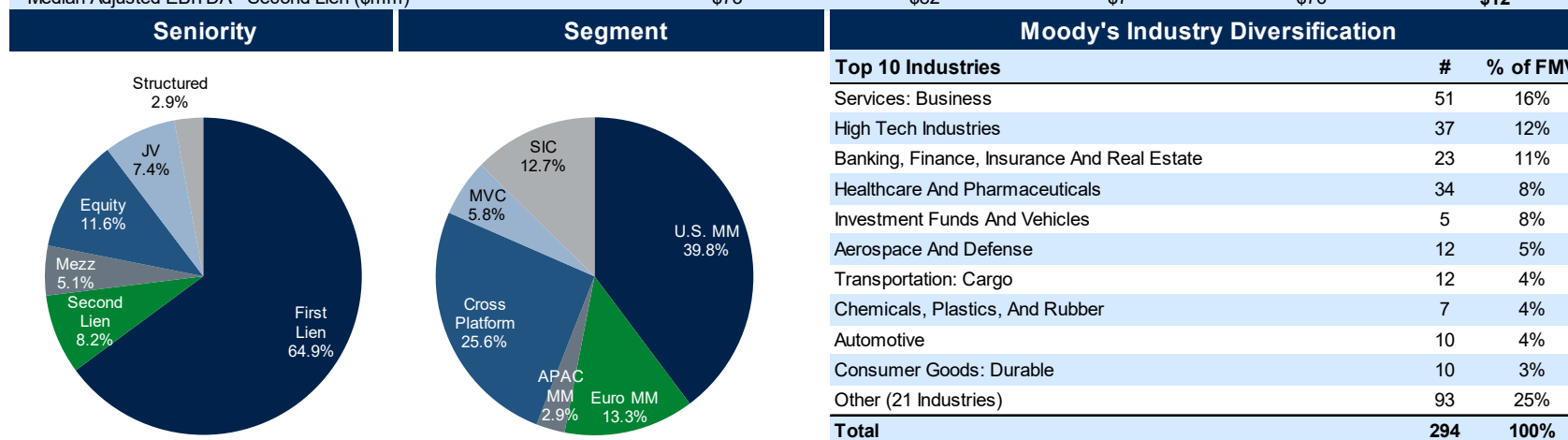
Dollar amounts in millions. Total may not foot due to rounding.

Aggregate Portfolio Characteristics (as of June 30, 2022)

	Middle Market	Cross Platform	Acquired MVC	Acquired SIC	Total
Total Investments and Commitments (\$mm)	\$1,494	\$729	\$138	\$308	\$2,668
Unfunded Commitments (\$mm)	\$157	\$117	\$0	\$5	\$279
Total Investments at Fair Value (\$mm)	\$1,337	\$612	\$138	\$303	\$2,389
Assets on Non-Accrual	\$0	\$0	\$6	\$14	\$20
Assets Valued Below 90% of Cost	0.5%	10.5%	14.5%	15.6%	5.8%
Average Spread	602 bps	826 bps	991 bps	708 bps	666 bps
Yield at Fair Value of Investments (%) ¹	7.9%	9.2%	10.1%	8.8%	8.3%
Revenue Contribution (as % of Total Revenue)					
Cash Interest	41.2%	22.9%	3.2%	17.7%	85.0%
PIK Interest	0.5%	2.1%	1.1%	0.8%	4.5%
Restructured PIK Interest ²	0.0%	0.0%	0.0%	0.0%	0.0%
OID/Upfront Fee	4.7%	2.0%	0.0%	1.7%	8.5%
Other Fees	1.8%	0.1%	0.0%	0.2%	2.1%
Total	48.2%	27.1%	4.3%	20.4%	100.0%

Portfolio Statistics

Number of Portfolio Companies	199	36	12	47	294
Percent 1st Lien	87.2%	52.1%*	1.9%	48.3%	64.9%
Weighted-Average First Lien Leverage (Debt/Adjusted EBITDA)	5.3x	5.9x	1.2x	5.0x	5.1x
Weighted-Average Total Leverage (Debt/Adjusted EBITDA)	5.7x	6.6x	3.2x	6.5x	5.7x
Weighted-Average Interest Coverage	3.3x	3.6x	4.2x	2.1x	3.2x
Median Adjusted EBITDA - First Lien (\$mm)	\$25	\$52	-	\$29	\$27
Median Adjusted EBITDA - Second Lien (\$mm)	\$73	\$82	\$7	\$76	\$12



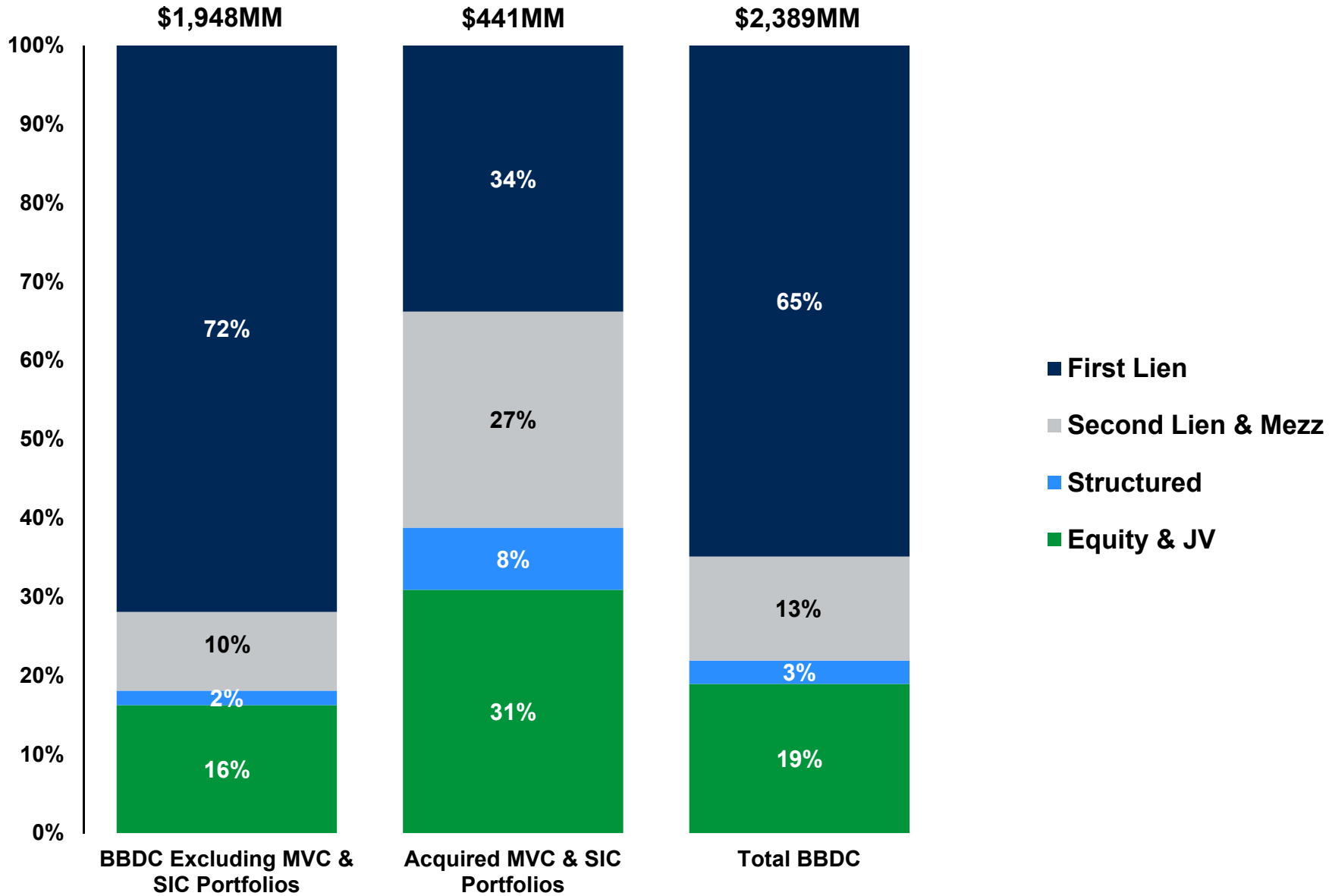
Data as of June 30, 2022. Excludes short-term investments. * Excludes structured products and joint ventures.

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.

Portfolio Rotation

While the acquisitions of MVC Capital and Sierra Income diversified the Barings BDC portfolio, our core focus remains first lien investments



Based on fair value as of June 30, 2022. Excludes short-term investments. Totals may not foot due to rounding.

Top 10 Investments

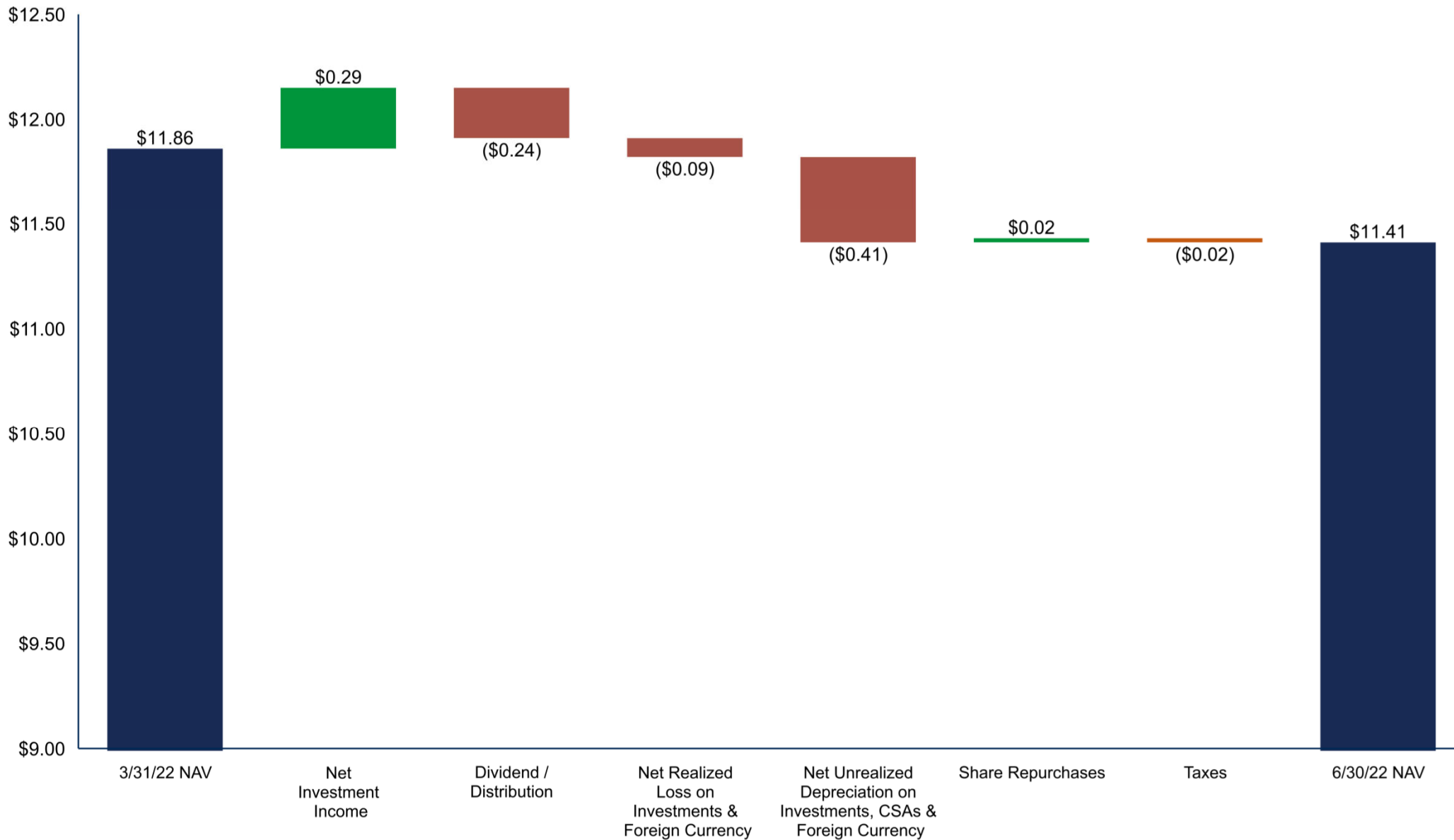
Top 10 Holdings (as of June 30, 2022)						
Issuer	Moody's Industry	Segment	Principal Amount	Cost	Fair Value	% of Portfolio
Eclipse Business Capital, LLC	Banking, Finance, Insurance and Real Estate	Cross Platform	\$11,636	\$101,328	\$127,530	5.3%
Security Holdings B.V.	Services: Business	MVC	23,263	59,936	92,849	3.9%
Thompson Rivers LLC	Investment Funds and Vehicles	JV	-	70,624	61,389	2.6%
Sierra Senior Loan Strategy JV I LLC	Investment Funds and Vehicles	SIC	-	59,260	52,847	2.2%
Policy Services Company, LLC	Banking, Finance, Insurance and Real Estate	Cross Platform	48,699	47,381	47,238	2.0%
Jocassee Partners LLC	Investment Funds and Vehicles	JV	-	35,158	40,361	1.7%
TPC Group, Inc.	Chemicals, Plastics, and Rubber	Cross Platform	40,678	40,141	40,116	1.7%
Core Scientific, Inc.	High Tech Industries	Cross Platform	30,444	30,728	29,714	1.2%
Alpine SG, LLC	High Tech Industries	SIC	27,521	26,971	26,970	1.1%
Coastal Marina Holdings, LLC	Hotel, Gaming and Leisure	Cross Platform	18,067	25,538	26,531	1.1%
Top 10			200,308	497,066	545,546	22.8%
Rest of Portfolio			1,962,147	1,942,001	1,843,530	77.2%
Total Portfolio			\$2,162,455	\$2,439,067	\$2,389,076	100.0%

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

Barings BDC Financials

Net Asset Value Per Share (NAV) Bridge – 1Q22 to 2Q22

BBDC's NAV per share decreased in 2Q22 to \$11.41 from \$11.86, driven primarily by unrealized depreciation



Total may not foot due to rounding.

Barings BDC Portfolio Summary as of June 30, 2022

2Q 2022 Portfolio Summary								
	Par	Cost	Fair Value	2Q Unrealized App (Dep) - Price	2Q Unrealized App (Dep) - Credit	2Q Unrealized App (Dep) - FX	2Q Unrealized App (Dep) - Total	Per Share
Middle-Market Lending								
North America	\$949,854	\$952,550	\$950,145	(\$30)	609	(\$445)	\$134	\$0.00
Europe / APAC	371,093	404,275	386,534	(380)	6,014	(19,553)	(13,919)	(0.13)
Total Middle-Market Lending	1,320,947	1,356,825	1,336,678	(410)	6,623	(19,998)	(13,785)	(0.12)
Cross-Platform Investments								
Special Situations	250,484	272,455	268,515	(8,197)	(13)	(914)	(9,123)	(0.08)
Opportunistic Liquid	27,569	27,704	25,261	(1,214)	-	(737)	(1,951)	(0.02)
Infrastructure & Structured	60,215	66,515	66,893	(818)	-	-	(818)	(0.01)
Joint Ventures		128,302	123,476	(7,628)	-	-	(7,628)	(0.07)
Eclipse	11,636	101,328	127,530	(2,478)	-	-	(2,478)	(0.02)
Total Cross-Platform Investments	349,905	596,304	611,676	(20,335)	(13)	(1,650)	(21,998)	(0.20)
Legacy MVC Portfolio	133,676	159,364	137,867	-	(7,885)	(2,889)	(10,773)	(0.10)
Legacy SIC Portfolio	353,433	326,572	302,855	(11,641)	(4,540)	-	(16,181)	(0.15)
Total Portfolio as of 6/30/22	\$2,157,961	\$2,439,066	\$2,389,076	(32,386)	(5,813)	(24,538)	(62,737)	(\$0.57)
Reclass. Adj. - Sales & Repayments				(337)	-	1,261	924	0.01
Money Market Funds				-	-	-	-	-
Total Unrealized App (Dep) on Investments				(32,723)	(5,813)	(23,276)	(61,813)	(0.56)
Foreign Currency Transactions				-	-	30,520	30,520	0.28
Credit Support Agreements				(13,360)	-	-	(13,360)	(0.12)
Total Unrealized App (Dep) on Investments, CSAs and Foreign Currency Transactions				(\$46,083)	(\$5,813)	\$7,243	(\$44,654)	(\$0.40)

Amounts in thousands, except per share amounts.

Barings BDC Income Statement

	2Q22	1Q22	4Q21	3Q21	2Q21
Investment income:					
Interest income	\$40,784	\$32,069	\$25,783	\$24,622	\$26,819
Dividend income	7,246	7,693	5,546	2,867	395
Fee and other income	5,072	1,197	3,830	4,488	2,568
Payment-in-kind interest income	2,474	2,798	1,445	3,006	3,371
Interest income from cash	16	—	—	—	—
Total investment income	55,592	43,757	36,605	34,984	33,153
Operating expenses:					
Interest and other financing fees	13,168	11,661	9,631	8,103	7,994
Base management fee	7,381	5,872	5,422	5,274	4,891
Incentive management fees	—	4,754	4,067	4,443	3,510
General and administrative expenses	3,269	2,455	2,312	2,282	2,200
Total operating expenses	23,818	24,742	21,433	20,101	18,595
Net investment income before taxes	31,774	19,015	15,172	14,883	14,558
Income taxes, including excise tax expense (benefit)	—	6	—	26	—
Net investment income after taxes	31,774	19,009	15,172	14,857	14,558
Realized and unrealized gains (losses) on investments, CSAs and FX:					
Net realized gains (losses)	(10,223)	(1,442)	(1,800)	(3,762)	343
Net unrealized appreciation (depreciation)	(44,654)	3,465	(1,894)	3,315	14,409
Net realized and unrealized gains (losses)	(54,877)	2,023	(3,693)	(447)	14,752
Loss on extinguishment of debt	—	—	—	—	—
Tax benefit (provision)	(1,890)	—	—	—	(2)
Net increase (decrease) in net assets resulting from operations	(\$24,993)	\$21,032	\$11,479	\$14,410	\$29,308
Net investment income per share—basic and diluted	\$0.29	\$0.23	\$0.23	\$0.23	\$0.22
Net increase (decrease) in net assets resulting from operations per share—basic and diluted	(\$0.23)	\$0.25	\$0.18	\$0.22	\$0.45
Weighted average shares outstanding—basic and diluted	110,759,443	82,656,326	65,316,085	65,316,085	65,316,085

Amounts in thousands, except per share amounts.

Barings BDC Balance Sheet

Debt-to-equity at June 30, 2022 was 1.23x, or 1.00x⁽¹⁾ after adjusting for cash and foreign currencies, short-term investments and unsettled transactions

	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021
Assets:					
Investments at fair value:					
Non-Control / Non-Affiliate investments	\$1,928,010	\$1,917,558	\$1,490,113	\$1,355,088	\$1,414,823
Affiliate investments	322,321	364,753	288,069	223,000	126,432
Control investments	138,745	121,114	22,412	24,395	23,280
Short-term investments	—	—	—	50,000	10,574
Total investments at fair value	2,389,076	2,403,425	1,800,594	1,652,483	1,575,109
Cash and foreign currencies	197,770	154,431	84,253	41,386	30,704
Receivable from unsettled transactions	101,195	182,294	219,732	61,438	153,722
Credit Support Agreements	46,040	59,400	15,400	14,300	14,300
Other assets	95,397	49,860	40,927	29,928	32,513
Total assets	\$2,829,478	\$2,849,410	\$2,160,906	\$1,799,534	\$1,806,347
Liabilities:					
Borrowings under credit facility	\$814,380	\$757,217	\$655,189	\$662,664	\$668,452
Notes payable (net of deferred financing fees)	718,222	717,841	717,556	374,265	374,223
Payable from unsettled transactions	14,594	21,195	26,786	59	2,873
Other liabilities	29,407	35,601	19,444	17,724	16,671
Total liabilities	1,576,603	1,531,854	1,418,975	1,054,713	1,062,220
Total net assets	1,252,875	1,317,556	741,931	744,822	744,128
Total liabilities and net assets	\$2,829,478	\$2,849,410	\$2,160,906	\$1,799,534	\$1,806,347
Net asset value per share	\$11.41	\$11.86	\$11.36	\$11.40	\$11.39

Amounts in thousands, except per share amounts.

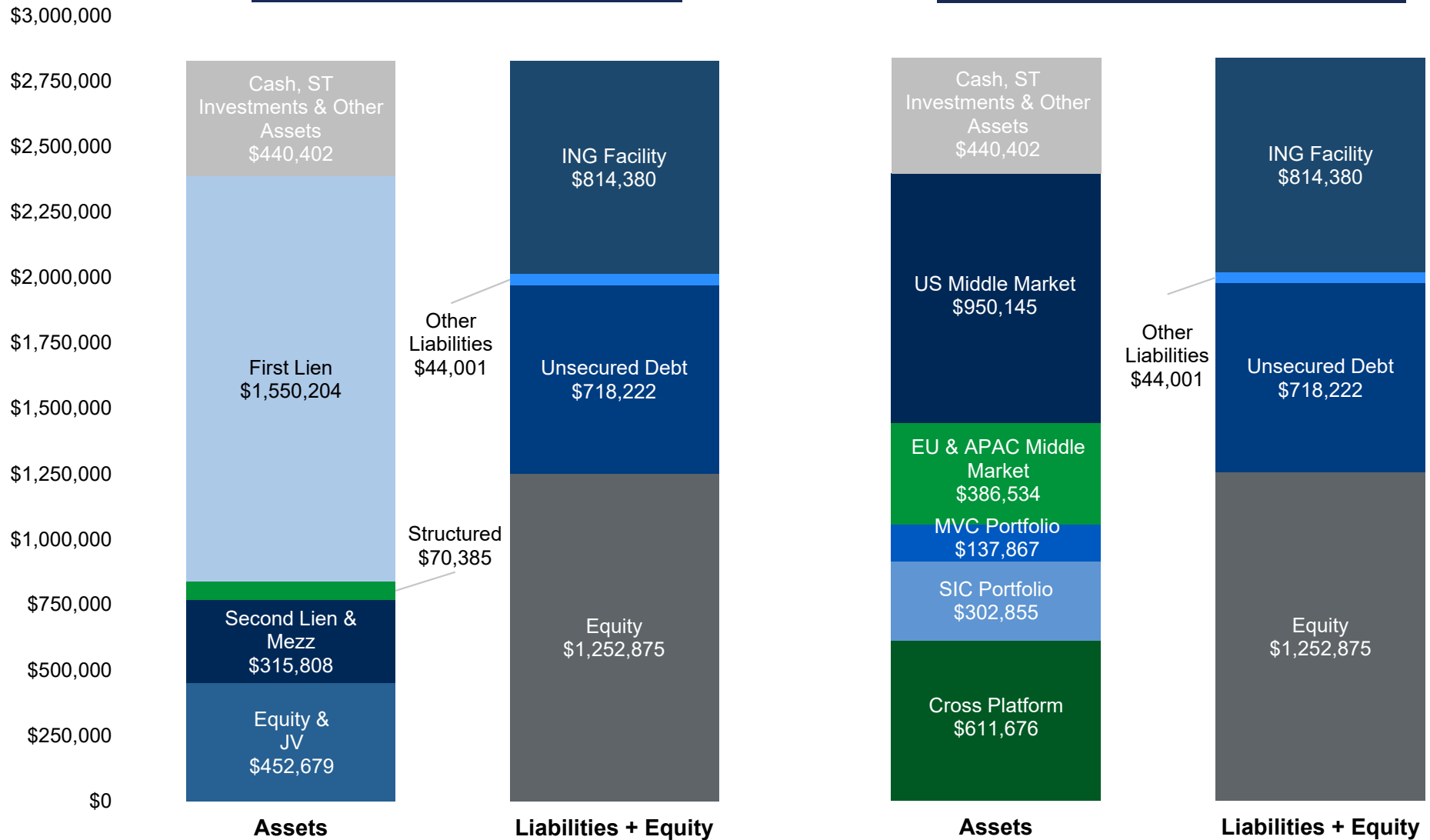
1. Refer to slide 30 for a reconciliation of Debt-to-Net Debt and a calculation of Net Debt-to-Equity Ratio.

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)

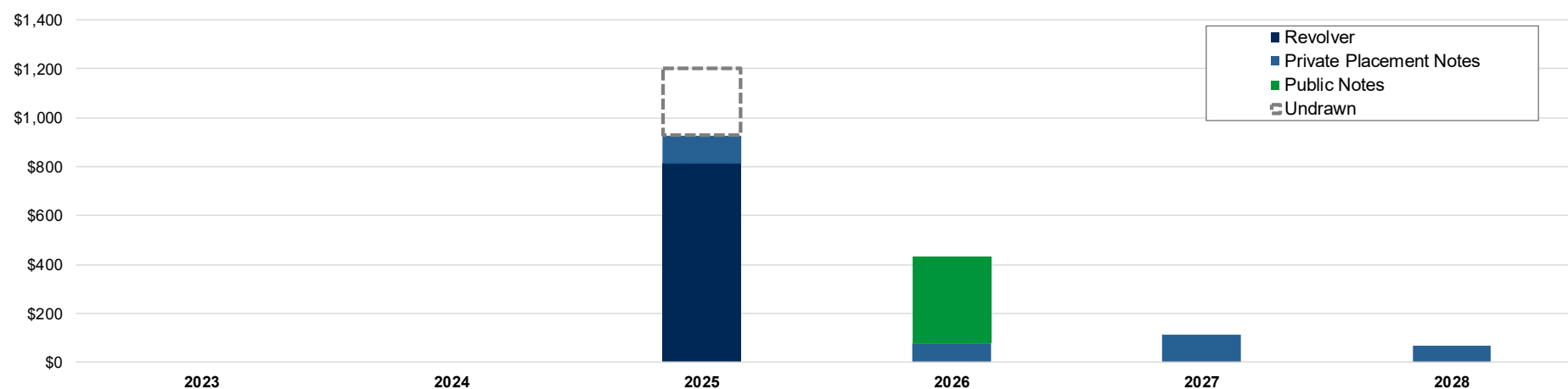


Amounts in thousands. Based on fair value as of June 30, 2022. Totals may not foot due to rounding.

Debt Summary and Maturity Profile

Barings BDC increased the size of its Revolving Credit Facility by \$100mm in April to \$1.065 billion

	Borrower	Interest Rate	Collateral	Maturity Date	As of 6/30/2022		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	\$814.4	\$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	\$1,539.4	\$1,715.0	\$1,482.2	\$1,625.0	\$1,380.2	\$1,200.0	\$1,037.7
				Secured Debt (%)		52.9%		51.1%		47.5%		63.9%
				Unsecured Debt (%)		47.1%		48.9%		52.5%		36.1%



Note: Amounts in millions. Excludes deferred financing fees.

Liquidity Summary

Barings BDC has adequate available liquidity to support its unused capital commitments

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, June 30, 2022	\$1,539.4	\$1,252.9	1.23x
Adjust for cash, short-term investments and unsettled transactions	(284.4)	-	-
Net debt-to-equity ratio, June 30, 2022	1,255.0	1,252.9	1.00x
Fund all unused commitments to extend debt financing	211.8	-	-
Pro forma net debt-to-equity ratio	\$1,466.9	\$1,252.9	1.17x
Fund remaining joint venture commitments	67.5	-	-
Pro forma net debt-to-equity ratio	1,534.3	1,252.9	1.22x

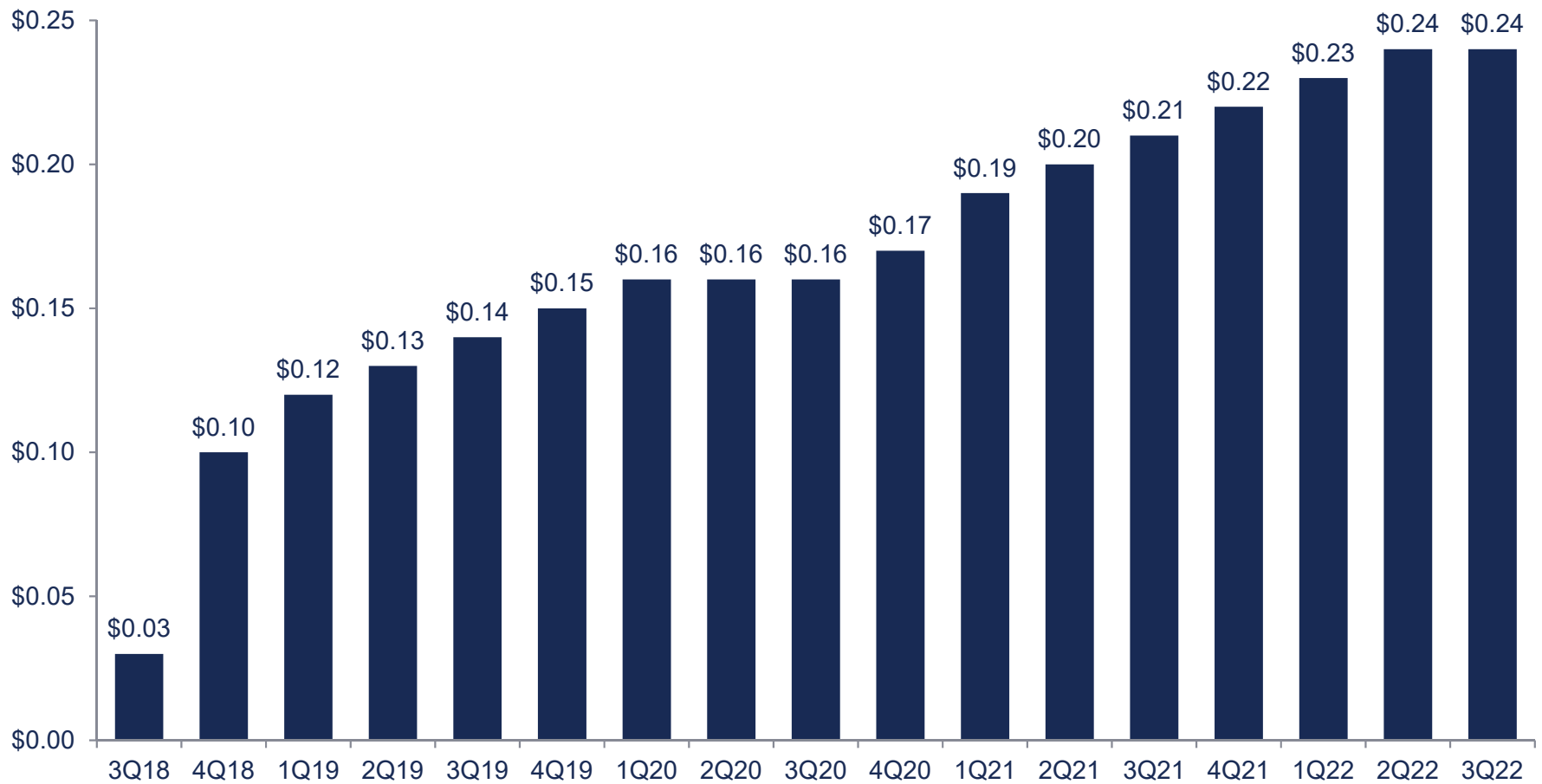
Note: Amounts in millions, except Debt / Net Debt-to-Equity Ratio.

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

Quarterly Dividends

Barings BDC declared a 3Q22 dividend of \$0.24 per share, unchanged from 2Q22

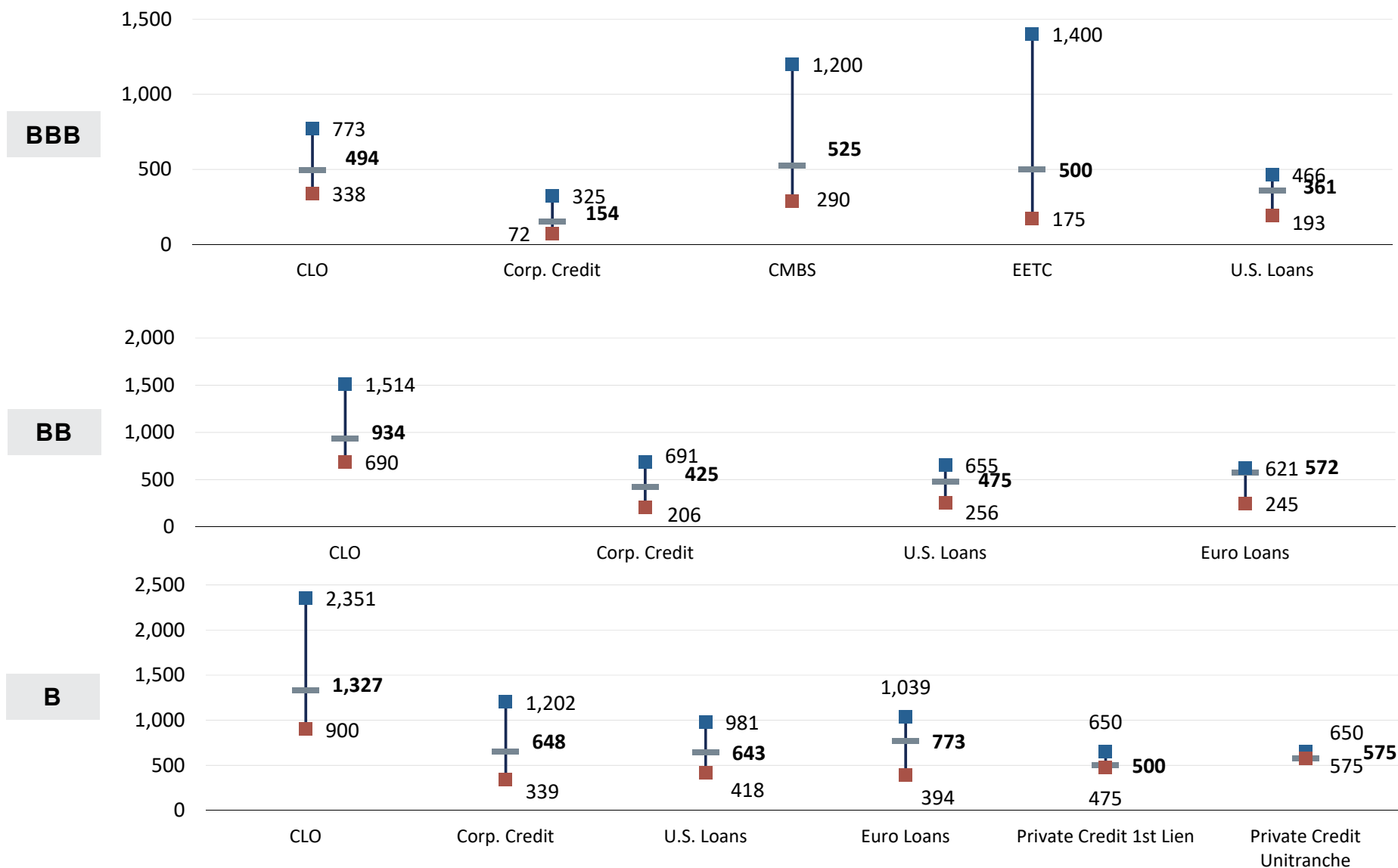
BBDC DIVIDENDS DECLARED PER SHARE



3Q 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 June 30, 2022.

CMBS Source: Bank of America/Merrill Lynch, As of June 30, 2022.

Corporate Credit Spread to Swap Source: Barclays, As of June 30, 2022.

U.S. and Europeans Loan Spread Source: Credit Suisse, As of June 30, 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

		2Q22			1Q22		
Asset Class		Dollars Deployed (\$mm)	All-in Spread (bps) ¹	Premium/ Discount To Market Indices (bps)	Dollars Deployed (\$mm)	All-in Spread (bps) ¹	Premium/ Discount To Market Indices (bps)
Market Indices	US IG Credit BBB		193			140	
	US HY Credit BB		401			230	
	US HY Credit B		635			340	
	US HY Credit CCC		1047			594	
	US BSLs BB		472			323	
	US BSLs B		681			452	
	US BSLs CCC		1244			1015	
	EUR BSLs BB		512			339	
	EUR BSLs B		747			460	
	EUR BSLs CCC		1570			1034	
BBDC Middle-Market & Cross-Platform Originations	Middle Market						
	North America	\$117	717	+36	\$90	701	+249
	Europe & Asia Pacific	\$106	764	+17	\$140	752	+292
	Total	\$223		+27	\$230		+275
	Cross Platform						
	Special Sits + Structured	\$113	1,027	-20	\$34	1,008	+414
	Opportunistic Liquid	\$0		n/a	\$10	744	+292
Waccamaw River	\$2	800	n/a	\$7	800	n/a	
Total	\$115		-20	\$51		+387	
TOTAL	\$338	836	+11	\$281	768	+293	

- In 2Q22, BBDC deployed \$338 million¹ at an all-in spread² (inclusive of upfronts/OID) of 836 bps; this equates to a 11-bp spread premium³ to comparable liquid market indices at the same credit risk profile

1. Excludes certain equity investments.

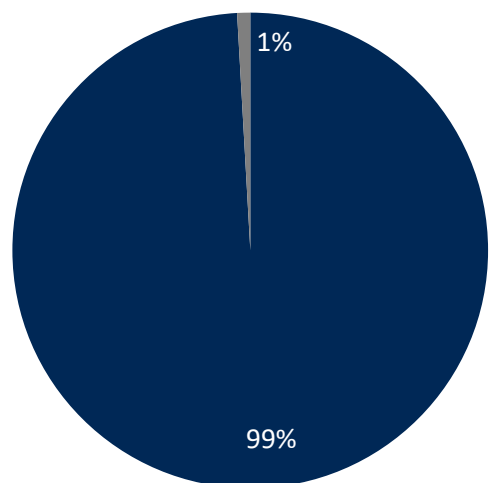
2. 3-year discount margins (DM3) for MM and BSLs; Swapped spread to LIBOR for Fixed Rate Assets; Structured Products based on market convention; annualized dividend income for Waccamaw River and Thompson Rivers.

3. Represents a weighted average based on dollars deployed.

Investment Activity Since Quarter End and Investment Pipeline

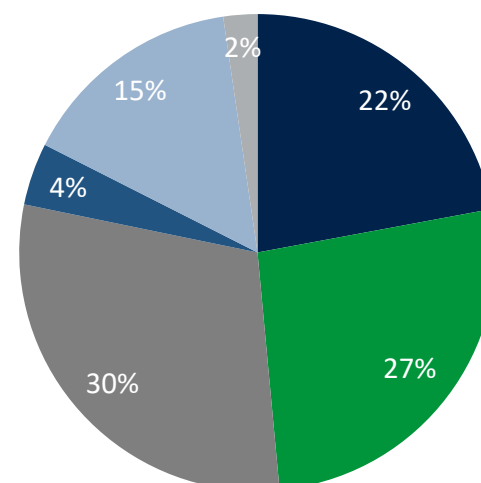
- From July 1, 2022 through August 5, 2022, Barings BDC made approximately \$215 million of new commitments, of which approximately \$171 million closed and funded; in addition, BBDC funded \$12 million of previously-committed delayed draw term loans
- Of the new 3Q22 investments, the weighted-average origination margin (DM-3)¹ is 7.6%, 93% are in first lien senior secured loans, 19% are in Cross Platform, and 23% are European or Asia Pac originations
- Sales and repayments were \$118 million through August 5
- As of August 5, 2022, Barings Global Private Finance group had a probability-weighted pipeline of approximately \$2.6 billion²
- The following is a breakdown of the pipeline by seniority and by industry

Asset Class



■ First Lien ■ Sub Debt + Equity

Industry



■ Industrials ■ Health Care
 ■ Information Technology ■ Financials
 ■ Consumer Discretionary ■ 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

	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021
Total debt (principal)	\$1,539,380	\$1,482,217	\$1,380,189	\$1,037,664	\$1,043,452
<i>minus: Cash and foreign currencies</i>	(197,770)	(154,431)	(84,253)	(41,386)	(30,704)
<i>minus: Short-term investments</i>	—	—	—	(50,000)	(10,574)
<i>plus: Payable from unsettled transactions</i>	14,594	21,195	26,786	59	2,873
<i>minus: Receivable from unsettled transactions</i>	(101,195)	(182,294)	(219,732)	(61,438)	(153,722)
Total net debt	1,255,009	1,166,687	1,102,990	884,900	851,326
Total net assets	1,252,875	1,317,556	741,931	744,822	744,128
Total net debt-to-equity ratio	1.00x	0.89x	1.49x	1.19x	1.14x

Amounts in thousands. 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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KPMG LLP

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